UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 108th CONGRESS

FIRST SESSION

VOLUME 149—PART 23

NOVEMBER 24, 2003 TO DECEMBER 15, 2003

(PAGES 31121 TO 32423)

UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON, 2003

For sale by the Superintendent of Documents, U.S. Government Printing Office
Internet: bookstore.gpo.gov Phone: toll free (866) 512–1800; DC area (202) 512–1800
Fax: (202) 512–2250 Mail: Stop SSOP, Washington, DC 20402–0001

United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE *108th* CONGRESS, FIRST SESSION

SENATE—*Monday, November 24, 2003*

The Senate met at 9 a.m. and was called to order by the President pro tempore [Mr. STEVENS].

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

Eternal God, Who gives to us the swift and solemn trust of life, since we know not what a day will bring forth, we lift our hearts to You for wisdom and guidance. Take us above those habits that keep us from Your purposes and make us worthy stewards of Your world. Help us to make a real difference in these momentous times, improving the lives of humanity. Bless the Members of this body. May they remember to give You their burdens. Give them confidence that You will take care of each challenge. Keep these gifted leaders from slipping and falling. And force the enemies of freedom to retreat. Lord, let Your truth march on. Keep watch over this land we love, for You are the Lord Almighty. We pray this in Your triumphant Name. Amen.

PLEDGE OF ALLEGIANCE

The PRESIDENT pro tempore led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

The PRESIDENT pro tempore. Does the Senator from Iowa seek recognition?

Mr. GRASSLEY. Mr. President, I was told we should report the bill first, and then I will make my statement.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MEDICARE PRESCRIPTION DRUG, IMPROVEMENT, AND MODERNIZATION ACT OF 2003—CONFERENCE REPORT

The PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of the conference report to accompany H.R. 1, which the clerk will report.

The assistant legislative clerk read as follows:

> Conference report to accompany H.R. 1, an act to amend Title XVIII of the Social Security Act to provide for a voluntary prescription drug benefit under the Medicare Program and to strengthen and improve the Medicare Program, and for other purposes.

The PRESIDENT pro tempore. Under the previous order, the time until 12:30 shall be equally divided between the chairman of the Finance Committee or his designee and the Democratic leader or his designee, with the last 10 minutes prior to the vote to be allocated between the Democratic leader for 5 minutes to be followed by the majority leader for the final 5 minutes.

The Senator from Iowa.

SCHEDULE

Mr. GRASSLEY. Mr. President, I would like to state the plan for today. Under the previous order, the cloture vote will occur today at 12:30. The debate time until that vote is limited, and Members will only be allocated short debate times. The cloture vote on the conference report will be the first vote of the day. It is the leader's hope and expectation that cloture will be successful. Once cloture is invoked, the leader hopes we will be able to proceed to a vote on the passage of the Medicare prescription drug bill in very short order after that.

On our side, we are obviously going to start with the Senator from New Hampshire. But since the time is very tight, probably most Members would be limited to 5 minutes or less, beyond that of Senator GREGG. I would like to make sure people are very orderly as they come over here and ask me for time. I cannot speak for the Democratic side, but for the Republican side, it is very essential for people to be here and be ready to speak.

Does the Democratic whip wish to be recognized?

Mr. REID. Yes, if my distinguished friend will yield.

The PRESIDENT pro tempore. The Senator from Nevada.

Mr. REID. Mr. President, we have, on this side, a number of people who wish to speak. It is my understanding, to make this debate fair, that on this side the time will be given to those who are opposed to cloture being invoked. So the people who speak on this side will be opposed to cloture. I want all the people who have asked for time on this side to understand that. And we are—this is just for Democrats—we are going to give 9 minutes to the following Senators, and in no necessary order. Whoever is here can speak. They should all be alerted that if there are quorum calls, they are going to lose time. So, Mr. President, I would, on our side, grant 9 minutes to Senators AKAKA, LAUTENBERG, KERRY, LIEBERMAN, DODD, CLINTON, MIKULSKI, PRYOR, KENNEDY, with KENNEDY to have the last time before the Democratic leader speaks, closing the debate.

Now, again, I want to tell those listening, this side is for those who oppose cloture.

Mr. GRASSLEY. Mr. President, could I make an inquiry?

Mr. REID. Yes. And I think it would be better if we alternated back and forth until 12:30.

Mr. GRASSLEY. That is the point I wanted to make.

Mr. FRIST. Mr. President, today we stand on the threshold of a truly historic moment. Not for Republicans. Not for Democrats. Or for the House of Representatives. Or the United States Senate. But, for over 40 million American seniors and individuals with disabilities, who may finally be getting prescription drug coverage under Medicare.

Saturday morning, the House of Representatives passed H.R. 1, the "Medicare Prescription Drug, Improvement, and Modernization Act of 2003."

Also Saturday, President Bush called upon the Senate, once again, to finish the job. He urged us to send him legislation that will provide badly needed prescription drugs to seniors.

For years, Congress has debated whether, and how, to provide prescription drug coverage to seniors and to strengthen and improve the Medicare program. Now, it is time for us to Act.

Mr. President, this generation of seniors survived the depression, fought

World War II, and helped make the United States into a prosperous and thriving Nation. Time and again, they stepped forward to serve. Now, is the time to fulfill our duty to that great generation. Now is the time to answer their call.

What President Lyndon Johnson said in 1965 still stands:

> . . . No longer will this Nation refuse the hand of justice to those who have given a lifetime of service and wisdom and labor to the progress of this . . . country.

Let us not stay that hand of justice now. Let us not turn our back on America's seniors and individuals with disabilities.

There are nearly one quarter of a million seniors in my home State of Tennessee who have no prescription drug coverage. There are millions more across the Nation for whom this legislation, literally, means the difference between life and death. They cannot afford to wait any longer. I have treated thousands of Medicare patients. And I know firsthand that, without Medicare, millions of seniors would not have received needed medical services. Millions more would have faced financial ruin. Medicare has helped save and heal lives.

But this cherished program has failed to keep pace with medical and scientific progress. Prescription drugs are an integral part of modern medicine. They are as important as the surgeon's knife. Yet, they are not part of the Medicare program.

In the nearly four decades since the Medicare program was created, the American medical system has transformed from one focused on treating episodic illness in hospitals to one characterized by an increasing emphasis on managing and preventing chronic disease in outpatient settings with advanced medical technologies and prescription drugs. Life expectancy has increased by nearly ten years. Death rates associated with heart disease have been cut in half, and new treatments and diagnostic tools have improved survival rates for prostate, colon, and breast cancer. Our medical and scientific knowledge and, along with it, our ability to treat illness and disease has improved dramatically over the past four decades. Yet, Medicare itself has not kept pace with these dramatic changes. It has been too inflexible and bureaucratic. Designed for the 1960s health care system, it has been unable to adapt to changing medical practice. Medicare does not provide true preventive coverage, disease management, or protection against catastrophic health care costs.

As a result, we have today glaring and unacceptable gaps in the coverage that is available to seniors and individuals with disabilities—the most obvious of which is the lack of prescription drug coverage.

Over the past three decades, for example, the death rate from atherosclerosis has declined by over 70 percent and deaths from ischemic heart disease have declined more than 6 percent, largely due to the advent of beta blockers and ACE inhibitors. During the same period, death rates from emphysema have dropped nearly 60 percent due to new treatments involving anti-inflammatory medications and bronchodilators.

Today, over 600 medicines are under development to treat or prevent diabetes, cancer, heart disease, stroke, neurological diseases, and other debilitating illness. Nearly 400 drugs have been produced during the past decade alone.

But, under today's Medicare, these drugs simply are not available to seniors.

We must act to ensure that this generation of seniors, and the next, has access to the healing miracles of modern medicine. And we must act to provide our seniors, and the next generation of seniors, with true health care security: quality preventive care, affordable prescription drugs, protection from catastrophic health care costs, better coordinated care, disease management, and access to modern technology.

As voluntary prescription drug coverage the bipartisan bill we are debating today takes a major step in that direction. It devotes $400 billion over the next decade to adding a new, voluntary prescription drug benefit to the Medicare program. And it takes concrete steps to speed less expensive generic drugs to the market to help make prescription drugs more affordable for all Americans.

Within months after this legislation is signed into law, seniors will be able to get a voluntary Medicare-approved prescription drug discount card that will reduce the costs of their drugs by an estimated 10–25 percent. Lower income seniors will get an additional subsidy of $600 on top of these discounts to help them purchase needed medicines. Thus, seniors will get immediate relief even before the comprehensive drug benefit is fully implemented, with additional help for those who need it the most.

Beginning in 2006, seniors will have access to the new drug benefit. Those who wish to add the new prescription drug benefit to their traditional Medicare coverage will have that choice. The new drug benefit is completely voluntary and available to all seniors. Appropriately, it provides the most generous help to lower income seniors and those with catastrophic drug costs.

SUBSTANTIAL ASSISTANCE FOR LOWER INCOME SENIORS

Seniors with incomes below 135 percent of the Federal poverty line ($11,648 for individuals and $14,965 for couples) will pay no premiums, no deductibles, and only a modest co-payment for their comprehensive coverage. Beneficiaries with incomes below 150 percent of poverty ($12,942 for individuals and $16,327 for couples) will pay only a portion of the premium and a $50 deductible. After that, the government will subsidize 85 percent of their drug costs.

In my home State, over 430,000 low income Medicare beneficiaries—nearly half of all beneficiaries in Tennessee—will have exceptional prescription drug coverage under this bipartisan plan. One quarter of a million Tennessee seniors who today have no prescription drug coverage at all will gain access under this proposal, along with millions more across the Nation.

IMPROVEMENTS TO TRADITIONAL MEDICARE

The legislation also strengthens and improves the traditional Medicare Fee for Service program. It adds new preventive coverage for diabetes and cardiovascular disease. For the first time, Medicare will cover initial preventive physical examinations. And this agreement responds to the six percent of seniors with chronic disease who account for about 50 percent of all Medicare spending. The legislation will launch a series of major pilot programs on disease management and quality payment incentives that could result in dramatic improvements in the care of the most ill and the most needy. This will help us better target health care resources to those who require it most.

The legislation also puts in place national standards for electronic prescribing, along with incentives for doctors to fill prescriptions electronically. These reforms should dramatically improve medication therapy management, reduce medical errors, and improve patient safety.

As the Senator from Montana, the Ranking Member of the Senate Finance Committee, has said so eloquently during these past several days, this bill does nothing to destroy the existing Medicare program. In fact, it immensely strenghtnes the traditional Medicare program.

As my colleagues know, this legislation has received broad support from well over 350 organizations, including from the AARP—which represents 35 million seniors. In its letter of endorsement last week, the AARP also makes clear that, at a result of this legislation, "millions of older Americans and their families will be helped by this legislation." In addition, AARP writes: "The integrity of Medicare will be protected."

NEW HEALTH CARE CHOICES

Today, most seniors choose to enroll in the traditional Medicare Fee for Service program. But this may not be the best choice for all seniors, and it may not be the choice of all seniors in the future.

There are about five million seniors who are covered by private health plans under the Medicare program today. Beginning immediately, the legislation will strengthen Medicare's local HMO coverage. It will help stabilize and improve the coverage of those five million seniors in the current Medicare+Choice program. As a result, Medicare+Choice will become a more stable, secure, and strong option for those seniors who have already chosen to enroll in coordinated care plans.

This bipartisan plan also provides seniors with even more choices—the choice to enroll in regional preferred provider organizations—or PPOs. The majority of Americans under age 65 get health coverage through PPOs. Most members of Congress, Federal employees, and Federal retirees also get coverage through PPOs. Employees covered by PPOs report high levels of satisfaction with their coverage. PPOs typically provide coverage for preventive care, chronic care management, disease management, and access to a broad range of doctors and hospitals.

Under the bipartisan agreement, seniors will have the opportunity to participate in these innovative plans if they choose.

Moreover, beginning in 2010, we will test on a limited basis whether these private health plans provide higher quality than traditional Medicare. We will also test whether Medicare private health plans are most cost effective than traditional Medicare. All beneficiaries will be protected during this test. And the demonstration cannot be expanded or extended unless Congress acts to do so.

Throughout, seniors will always be able to stay in the traditional Medicare program. And they will have the option of adding prescription drug coverage. Meanwhile, tomorrow's seniors, many of whom are covered through PPOs now, may choose to continue private coverage when they retire. We are looking down the road to prepare for the baby boom population. We need to be ready now, not scrambling when it is too late.

STRENGTHENING HEALTH CARE IN RURAL AMERICA

This bill contains the most sweeping and strong rural provisions ever in a Medicare bill to come before this Congress. It also makes improvements to payments for graduate medical education and takes concrete measures to protect seniors' access to physicians.

For example, hospitals in my home State of Tennessee will receive $655 million under this legislation. Physicians, who otherwise would face real cuts next year of 4.4 percent, would instead see a 1.5 percent payment increase in both 2004 and 2005. I am very proud that the American Hospital Association, the Tennessee Medical Association, the American Hospital Association, the Tennessee Hospital Association, the American Association of Medical Colleges, and the Alliance for Specialty Medicine strongly support this legislation. The bill has also received strong support from the Rural Health Care Association, the Rural Hospital Coalition and the Coalition for Geographic Equity in Medicare.

CONTROLLING PRESCRIPTION DRUG COSTS

Some of my colleagues have said that this legislation does nothing to control prescription drug costs. I respectfully disagree.

First of all, under this bill, seniors will be able to get a drug discount card right away. They will be able to present their Medicare discount card to their pharmacist and receive a 10 to 25 percent cut right off of the top.

This bill also works to contain drug costs before the drugs get to the pharmacist's shelf. It does so in a number of ways. The bill speeds generic drugs to the market. It encourages competition to lower prices, and it gives the Medicare recipient new power to comparison shop.

Let's start with the generic drug provisions. In 1984, Congress passed the Hatch-Waxman law to encourage cheaper generic drugs to come onto the market. Under that law, generic competition has flourished. When the law was passed, generics drugs were less than 20 percent of the market. Today, generic drugs represent nearly 50 percent of the entire market.

The Hatch-Waxman Act has been incredibly successful in allowing consumers to get low cost alternatives. But there have been some abuses. Therefore, we are moving to close loopholes in the system through this bill. And the core of the provisions build on the work of Senator GREGG and Senator SCHUMER.

Under the new system, a new drug applicant will receive only one 30-month stay of approval of a generic drug's application. This is a major change. Under the old system, drug companies could receive multiple stays of approval for generic rivals. Now, they will get one stay only.

The agreement takes additional steps to get generic drugs to the market faster—through which patients will get safe, effective, low cost generic drug alternatives to brand name medicines.

That is why this bill is supported by the Generic Pharmaceutical Association and the Coalition for a Competitive Pharmaceutical Market.

The bipartisan Medicare agreement also empowers drug plans to negotiate discounts from drug companies. The Congressional Budget Office says that this approach will enable drug plans to significantly control drug costs for their beneficiaries.

Moreover, the savings they negotiate will not be subject to Federal limits. They will be able to get the lowest prices possible, even if those prices are lower than those negotiated under Medicaid. The Congressional Budget Office has estimated that this provision alone will save $18 billion dollars.

Not only will the Medicare agreement help lower prices, it will help give consumers more information about their medical options. This bill expands Federal research into the comparative effects of different drugs and treatments.

With this new information, seniors will be able to comparison-shop in the medical marketplace, just like they would for any other product or service. Patients and their doctors will be able to compare treatment options and choose the course of action that best addresses their medical needs. And Medicare and health consumers will get better value for their money.

HEALTH SAVINGS ACCOUNTS

I am also very pleased that this legislation will make tax-preferred Health Savings Accounts available to all Americans. HSAs will help control costs over time, and give individuals the ability to better control their health care dollars and health care decisions.

I wish we could have gone even father. I wish we could have added provisions from the House bill that would have allowed individuals to roll over some funds each year from their flexible spending accounts. I also believe we must do more in the coming years to allow individuals to invest funds on a tax-free basis to meet their health care needs in retirement, just as we do with 401(k) plans and Individual Retirement Accounts. I am committed to coming back and addressing these issues in the years ahead.

DEMOGRAPHIC AND STRUCTURAL CHALLENGES

Our first priority must be to provide seniors with health security. But, at the same time, we know that Medicare also faces serious financial and demographic pressures in the coming years. Between now and 2030 the number of seniors will nearly double from 40 million to 77 million; the program's costs will more than double to nearly $450 billion annually, even before we add prescription drug coverage or improve other benefits; the number of taxpayers paying into the system to finance health coverage for seniors will drop from 4 today, to 2.4 by 2030; seniors, who represent 12 percent of the population today, will represent 22 percent of the population in 2030; and one last fact: each senior will be in the Medicare program longer. Life expectancy at age 65 will increase approximately 10 percent over the next 30 years.

The demographic underpinning has been defined: more seniors; each senior living longer; and fewer workers to support each senior.

So, while we need to act to provide prescription drug coverage to seniors, we also need to do so responsibly. This legislation takes an important first step in linking Medicare payments to quality. It also relies on competitive market forces to help control health care spending.

Moreover, for the first time in Medicare's history, we will ask those seniors who can afford to pay more for their coverage, to do so. And we will put in place more accurate and more transparent measurements of Medicare's fiscal strength—as well as special procedures for attempting to better control Medicare spending growth in the future.

These reforms do not go far enough for some of my colleagues. At the same time, they go too far for others. Overall, however, I believe this is a balanced, bipartisan bill that is worthy of the support of the United States Senate.

It is not a perfect bill. But, it is a meaningful step in the right direction. It will provide substantial relief from high prescription drug costs for millions of seniors. It will help rectify payment inequities for rural health care providers. And it will begin to inject into the Medicare program new health care choices and much needed flexibility so that seniors will have the option to choose the kind of health care coverage that best suits their needs.

Today, America is one step closer to being a more caring society for millions of seniors and individuals with disabilities struggling with high prescription drug costs and outdated, often inadequate medical care. Today, we are one step closer to providing real health security to seniors all across the Nation.

As a physician, I have written thousands of prescriptions that I knew would go unfilled because patients could not afford them. With this bill, that will change. As a senator, I have watched as a decades-old Medicare program has operated without flexibility, and without comprehensive and coordinated preventive care, disease management and catastrophic protection against high out-of-pocket medical costs. With this bill, that will change also.

This legislation is historic. By dramatically expanding opportunities for private sector innovation, it offers the possibility of genuine reform that can dramatically improve the quality of care available to seniors. At the same time, the legislation preserves traditional Medicare for those who choose it. It combines the best of the public and private sectors and gives today's seniors innovative health care options and positions Medicare to serve tomorrow's seniors as well.

This legislation is possible because of the work and dedication of every Member. I would like to take a moment to thank those whose commitment was critical to this effort. First and foremost, Chairman CHARLES GRASSLEY and Ranking Member MAX BAUCUS deserve credit. As does Senator JOHN BREAUX who joined me six years ago on the Bipartisan Commission on Medicare and again on this Conference Committee. All Members of the Conference Committee showed a degree of dedication and resolve seldom seen in either Chamber, especially Senators HATCH, NICKLES, and KYL. But we wouldn't have reached this point without building on the strong foundation laid by Members over the last several years, especially Senators SNOWE, JEFFORDS, GREGG, HAGEL, ENSIGN and WYDEN. Finally, the Senate could not have done this alone. The House Leadership, Speaker HASTERT and Leader DELAY, deserve special recognition, as does the Chairman of the Conference, Chairman BILL THOMAS, and the Chairman of the House Energy and Commerce Committee, Chairman BILLY TAUZIN.

In closing, I would like to thank again every member of this body who has worked so hard on this legislation—not just in this year, but in the previous six years of our most recent effort to strengthen and improve Medicare. I urge every Senator to support this bill. I implore every Senator to avoid filibusters and other partisan political maneuvers that threaten the prescription drug coverage, and health care security, our seniors need and deserve.

I yield the floor.

Mr. GRASSLEY. Mr. President, I yield 15 minutes to the Senator from New Hampshire.

The PRESIDENT pro tempore. The Senator from New Hampshire is recognized for 15 minutes.

Mr. GREGG. I thank the Senator from Iowa.

Mr. President, I rise today to express my concerns about the proposal before us. I think it has to be put in the proper context. This is a $400 billion subsidy over the 10 years that it exists, but over the actuarial life of this program, it is a $7 trillion subsidy—$7 trillion. It is not paid for.

Now, I have heard a number of speakers come to this floor and say this drug benefit is paid for by the senior citizens. Well, unlike the past, where seniors paid into their HI accounts, their health insurance accounts, and paid for their Medicare, that is not the case with this drug benefit. This drug benefit will be paid for essentially by working Americans who are working at the time that the seniors who benefit from the drug benefit receive that benefit.

The real concern arises when the baby boom generation, which is my generation, retires, because at that point we are going to have a massive influx of seniors into our system, and the cost that we—my generation—is going to put on the system is going to be dramatic.

It is so dramatic, in fact, that any child born today in the United States immediately arrives with a debt of $44,000, which is what that child will owe during their working life in order to pay for my and my contemporaries'—baby boomers'—benefits under Medicare, and we are going to take that $44,000 debt, which a child who is born today has, and we are going to add, with this bill, an additional $15,000—an additional $15,000—on top of the $44,000. That is why I have concerns about this bill.

I believe we need a drug benefit for seniors, for low-income seniors who cannot afford the drugs which they are presently receiving. I believe we need a drug benefit which addresses the problem of a senior who ends up, because of their drug costs, being wiped out of all their basic assets; a catastrophic drug benefit, in other words.

But while we move down the road toward that type of a drug benefit, we have to, at the same time, reform the underlying Medicare system so that it is affordable, so that my children and the children of other Members of the baby boom generation do not end up paying so much to support health care for us, the retired, that their lives are depredated, that their quality of life is reduced.

Under the bill before us, unfortunately, although it has an attempt to address the low-income issue, and although it has an attempt to address the catastrophic issue, there is no significant attempt to address the reform issue. So the practical effect of this bill is that it puts in place a massive new benefit without any control over the costs of the underlying Medicare system. And the effect of that is that the children of the seniors of tomorrow—basically, my children and my grandchildren and the children of anybody who was born after 1940—will end up paying a huge amount in order to support us in our retirement.

This bill, put quite simply, is the largest intergenerational tax increase in the history of this country, and it should not be sugarcoated. It is a massive tax increase being placed on working, young Americans and Americans who have not yet been born in order to support a drug benefit for retired Americans and Americans who are about to retire, without any underlying reform to try to control the cost so that tax is not so high that it overwhelms the ability of our children and our children's children to live the quality of life that we have lived.

It seems incredibly unfair for one generation to do this to another generation, for us to use our political clout because we are in office to benefit our generation at the expense of our children and our children's children. Yet that is what, essentially, this bill does. It attempts reform, but it does not accomplish reform. It claims to have, in the year 2010, some sort of competitive model, but the competitive model is PPOs. It says it has cost containment, but it really does not have cost containment at all.

Then, in one of the true ironies of the bill, it takes people who already have private plans which are paid for by the private sector and moves those people into public plans, so we end up paying almost $100 billion to subsidize private plans to stay private. What an outrageous approach. First we produce a plan that is going to cost our children $7 trillion over the next 10 years, and then we say we are going to pay $100 billion to the private sector to keep in place plans which they already plan to keep in place. They call that "reform." Very hard to understand.

The way the drug benefit is structured, utilization is obviously going to go through the roof because there is no incentive for people to be conscientious purchasers; there is simply an incentive to go out and purchase. I suppose that is because this is some sort of drug initiative that makes it more likely drugs will be purchased. But to have no cost incentives in place to control the rate of growth of the drug plan through control utilization is foolish.

There are good parts to the bill. There is the savings account, but that is $6 billion. There is a physician increase payment. That is $6 billion. That is $12 billion over the 10 years. We could have afforded that. There is the rural initiative, $25 billion. That gets you up to $40 billion. That is still only one-tenth of the cost of the whole program. We are spending $400 billion over 10 years to do what the plan has valued at $40 billion of quality.

We could have gotten where we wanted to go if we had put in place a reasonable plan for low-income seniors, put in place a catastrophic plan so seniors would not have their income wiped out, assets wiped out by the cost of drugs, and at the same time put in place significant Medicare reform so that at the end of the day our children would know that, yes, they were going to have to pay more for their parents' drug costs but their parents were going to have to be more conscientious purchasers of health care and the health care system that was delivering those drug benefits to their parents was going to be more efficient and of a higher quality.

But that was not the process developed. The process developed, unfortunately, was developed to get us through the next election, to be able to say in the next election, we put in place a drug benefit at the expense of the children of tomorrow who will find during their working lives they are going to have to now pay $7 trillion of unfunded liability to support a program which has essentially no reform and no cost containment in it and, as a result, as I mentioned before, reflects the single largest tax increase in this country that one generation has put on another generation, a grossly unfair act and one that should embarrass us as a Congress and certainly does not fulfill the obligations we have as parents moving toward retirement.

This bill may well be well intentioned. I happen to think it is politically driven. But in the end, the results will be the same, whether it is well intentioned or politically driven. We will have put on the books a program which is going to cause our children and our children's children to have a lower quality of life than we have had. And we, as the people taking advantage of that program, will have been asked to take no actions that are responsible in the area of containing the costs of our health care delivery system.

As Republicans, we should be affronted by this. It goes against everything our party has always stood for, which is that government should be delivered in a responsible and efficient way—not in a way that simply throws money at an issue for the purposes of political gain. Unfortunately, we have chosen that second path in this bill and in the process we will be passing a tax increase that will cause our children and our children's children to have less of a quality of life than we have had.

I yield back the remainder of my time.

The PRESIDENT pro tempore. The Senator from Nevada.

Mr. REID. Mr. President, I make an announcement to Democrat Senators. I have spoken and said this time will be set aside for those who are opposed to cloture, but I think that is too restrictive. We want to make sure there is good debate this morning. Some people have not had an opportunity to speak, so our time will be for those who are opposed to the legislation, the bill itself. They can make up their mind whatever they want to do on cloture.

I ask unanimous consent that the names I read before—Senators AKAKA, LAUTENBERG, DODD, KERRY, LIEBERMAN, CLINTON, MIKULSKI, PRYOR, and KENNEDY—all be allotted 9 minutes, the amount of time on the Democratic side that they would be entitled to, and no more. I ask consent that that order be entered.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Arkansas.

Mr. PRYOR. Mr. President, I rise today to express my opposition to this bill, a Medicare prescription drug benefit in name only that has very few benefits for the seniors in my State. In June of this year, I voted for a bipartisan Senate bill which, while not perfect, was a good step toward providing our seniors with the prescription drug help they need.

Let us be clear. This legislation does nothing to lower the cost of prescription drugs. The Congressional Budget Office says this legislation will actually cause prescription drug prices to increase by 3.5 percent. Under this legislation, Arkansans will not be able to reimport cheap FDA-approved drugs from other industrialized countries, and this legislation expressly prohibits the Federal Government from negotiating with drug companies to bring down the high cost of prescription drugs.

This means that our seniors will continue to pay more for their prescription drugs than anybody else in the world. It means they will continue to pay much more for their drugs than do our neighbors in Canada.

This means that a woman in America suffering from breast cancer will continue to be charged over $90 a month to take tamoxifen, while the same drug, made by the same company, can be bought in Canada for $22 for a month.

This means that people in my State will continue to pay: 37 percent more for cholesterol controlling Lipitor; 50 percent more for the anti-depressant Paxil, and 58 percent more for the arthritis drug Vioxx.

For the last decade drug spending has been driving up the cost of health care and placing affordable coverage out of reach for many Americans. We finally got our chance to help these seniors by lowering the cost of prescription drugs, but this bill wastes that opportunity.

It is bad enough our seniors are getting gouged by artificially high prices in the United States. I strongly believe we need to fix that. But now, with the passage of this bill, if indeed it passes, we are talking about taxpayers' dollars. Not only is it the right thing to fix it, it is our duty that we fix it.

Under this legislation, thousands of Arkansans will be worse off than when they started. According to the CBO, 2.7 million Americans are expected to lose their retiree health care benefits as a result of this legislation. That includes 19,000 Arkansas seniors. In addition, under this bill, 109,100 Arkansas Medicaid beneficiaries will receive worse coverage than what they get now and they will face considerable new restrictions on the drugs they can take.

Mr. President, 40,750 fewer seniors in Arkansas will qualify for low-income protections against the assets test and lower qualifying income levels. I, for one, do not believe that rural Americans living on a farm should be penalized because they own a tractor or other farm equipment. And 11,020 Medicare beneficiaries will pay more for Part B premiums because of income.

This bill also starts us down the treacherous path to dismantling Medicare as we know it. It takes $12 billion away from Medicare and gives it to private insurers and then forces Medicare to compete with heavily subsidized HMOs.

This allows private insurers to cherry-pick the healthiest and wealthiest people to their plans while leaving the poorest and the sickest in Medicare to pay more in premiums. People need to know that this bill was written to accommodate 400 corporate lobbyists, many of whom work for the pharmaceutical industry. It amazes me that we would seek permission from the pharmaceutical lobby before we would do the right thing for the people we represent. It amazes me even more that 400 lobbyists have more influence over Congress than the 40 million people who are currently enrolled in Medicare.

People need to know that the pharmaceutical industry is going to be handed a taxpayer-subsidized windfall with the passage of this bill. Analysts at Goldman Sachs project the new Medicare benefit could increase industry revenue by 9 percent or about $13 billion a year. And it is no coincidence that as details of this legislation began leaking out, pharmaceutical stock prices have risen steadily. In the last week alone, the value of Pfizer's stock increased by $19 billion.

I direct my colleagues to this bar graph behind me. The large bar represents Pfizer and the $19 billion they have increased in worth over the last week. Now look at the other bar, this little bitty bar, this small bar that you may have to squint and look closely to see because there isn't much there. This bar represents the entirety of the cost savings provisions related to generic drugs and reimportation. Seniors will save over the next 10 years $.06 billion. To reiterate, we have a $19 billion increase in the value of a company over 1 week, and a $.06 billion savings for seniors in the Medicare system over 10 years.

It is very easy to figure out who are the real winners and who are the real losers in this bill. Let me say in conclusion, there are some people in this body who believe we need this bill right now because the seniors have been waiting such a long time. They have. But from the seniors I have talked to personally when I was home in Little Rock over the weekend, to the hundreds who have called my office in the last week, they don't just want to get it done. They want us to get it done right. There is a big difference in just getting this bill done and getting it done right.

They want more than hollow promises that this legislation offers. My plea is simple: Let's get it right so that our seniors can finally have a real benefit. The bill we are voting on today will wind up doing more harm than good.

I yield the floor.

The PRESIDENT pro tempore. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I yield 5 minutes to the Senator from Wyoming. I urge people who are proponents of this bill and want me to yield them time to be here. When there is not anybody here, I will use some of that time, but I am very glad to quit and put my statements in the RECORD to accommodate my colleagues. It is just a case of if we don't want to waste any of this valuable time, get over here.

Mr. REID. Mr. President, if the Senator will yield, I would say the same thing. We have a long list of people who have said they want to come. When our time is called and we are not here, that time will run off of our time. So the 9 minutes people have, that time will be limited. If people come and want extra time, I would have to object to protect other Senators.

The PRESIDENT pro tempore. The Senator from Wyoming is recognized for 5 minutes.

Mr. THOMAS. Mr. President, first let me thank the chairman of the committee who has worked so hard in bringing this proposal to the Senate floor. Not only has this been a part of his activity lately, but also the Energy bill. The Senator from Iowa deserves a great deal of support for what he has done.

I am very pleased to support this first real opportunity that we have had to modernize and strengthen Medicare, the first time in over 30 years. I am a little surprised at how negative some of our friends are in terms of being able to take this opportunity. Nobody suggests everything is perfect in this bill, but there is a lot of good in this bill. It is our opportunity to move forward and put in a program for the future.

Congress has no greater domestic challenge than strengthening and modernizing the Medicare Program and providing seniors with access to prescription drugs. Remember that the House and the Senate both passed a Medicare prescription drug bill earlier this year. It has taken Congress years to get to this point. This bill is not perfect, but I don't think we should miss this opportunity to take some good steps in bringing Medicare into line with modern medical practices. We can't allow the opportunity to pass that will give us a chance to provide seniors with prescription drug access. We can't let that slip through our fingers because of partisan politics. Access to new technologies in Medicare currently takes an act of Congress. That is no way to run a program that cares for our elderly. We need to have a modern program in place. We need to improve the quality of care for our sickest seniors and ensure they have access to appropriate medications.

The current Medicare Program is outdated and inefficient. There is absolutely no effort to coordinate care for seniors with chronic illnesses with the most expensive prescription drug needs. Over 90 percent of Medicare dollars are spent caring for folks who have already gotten sick, the most expensive type of care. We only spend 10 percent of Medicare dollars on preventive medicine. We need to focus on those folks as 6 percent of the seniors account for 55 percent of Medicare costs.

Private plans are already making progress in implementing coordinated care programs. Medicare needs to catch up. This is our opportunity to not only allow for that but to provide for that.

It doesn't make sense that Medicare today will pay for extended hospital stays for ulcer surgery at a cost of about $28,000 per patient but will not pay for drugs that eliminate the cause of ulcers, drugs that cost about $500 a year. Another example how out of step with modern medicine Medicare has become is that it will pay many of the costs to treat a stroke which can be as high as $100,000. Yet Medicare does not cover blood thinning drugs that could prevent strokes that cost less than $1,000 a year.

We need to strengthen the Medicare Program and provide seniors with the ability to choose the type of health care plan that fits their individual needs, protections against catastrophic health costs, and assistance in purchasing necessary prescription drugs. We also have to ensure rural seniors have access to the same choices as urban seniors. The Federal Employees Health Benefits Plan has proven to be a good model for giving folks the same health plan choices no matter where they live. I plan to monitor the implementation of the new Medicare Advantage plans, PPOs, to ensure that rural seniors have access to the same type of choices as urban seniors. While it is true this bill currently fits within the $400 billion that has been set aside in the budget for Medicare, we all have concerns that it will cost more money than we anticipate.

It is important that we monitor spending carefully or we will be placing a huge burden on our children and grandchildren. There are specific cost containment provisions that do the following: Trustees are required to notify Congress when general revenues are used to fund 45 percent of the Medicare Program. If this situation is reported 2 years in a row, it is called Medicare funding warning. After a Medicare funding warning is issued, the President must submit a proposal to respond within 15 days of submitting his budget. An expedited legislative process is then laid out.

So it has taken years for Congress to agree to spend this $400 billion in Medicare. It could easily take another decade for Congress to learn how to control Medicare spending.

The PRESIDENT pro tempore. The time of the Senator has expired.

Mr. GRASSLEY. Mr. President, I yield the Senator 3 more minutes.

The PRESIDENT pro tempore. The Senator is recognized for 3 more minutes.

Mr. THOMAS. Mr. President, I thank the chairman. As I said, I happen to be cochair of the Senate rural health caucus. We have worked on provider equity issues for a very long time. We have introduced over time several pieces of legislation with our rural colleagues that comprehensively address the payment disparity in the Medicare Program for rural providers, hospitals, physicians, ambulances, home health agencies, and rural health clinics.

The majority of our health care plan has been incorporated into this Medicare prescription drug plan that is now before us, thanks very much to the chairman and ranking member. I am extremely pleased with the rural health provisions and thank Senator GRASSLEY and Senator BAUCUS for their work. The rural hospital provisions in the Senate Medicare bill will make the equalization of the standardized amount permanent to hospitals; it will equalize Medicare disproportionate share payments. These payments assist hospitals where a large number of uninsured patients show up; it will lower the labor-related share from 71 to 62 percent.

Hospitals with fewer than 800 annual discharges will receive a 25-percent increase. It strengthens the Critical Access Hospital Program. In my State, for instance, many of the small towns cannot afford full-service hospitals, and we are moving toward critical access. This does a great deal with that issue.

The bill provides flexibility within the 25-bed limit for acute care and swing beds.

Not only is this a general movement forward with regard to Medicare and pharmaceuticals, but it does level the playing field for urban and rural areas.

I ask my colleagues to keep the big picture in mind as we debate this legislation. Seniors need assistance with prescription drugs now. Also, our rural health care delivery system cannot afford to wait for Congress any longer.

This bill is not perfect. No one said it is. We have concerns about the cost, but as I stated, we have plans to monitor the PPOs, to monitor the costs, to ensure seniors in rural areas have choices.

I do not believe we can walk away from the opportunity that is now on the table and its importance to seniors and providers. For these reasons, I strongly support the proposal before us.

I yield the floor.

The PRESIDING OFFICER (Mr. ENSIGN). The Senator from Massachusetts.

Mr. KERRY. I thank the Chair.

Mr. President, the real test of this bill, in the final analysis, is what it is really going to do for the senior population of the country. I know the arguments have been made forcefully that it is going to take $400 billion and give seniors something. But the test is not whether we are going to give them something, the test is whether or not we are going to do more harm than good.

I believe when we measure the overall impact of this legislation on seniors and on the overall Medicare system, the bottom line is this does more harm than good. That is why I believe the Senate should stop the bill where it is.

Obviously, we would like to pass a prescription drug benefit. All of us want that. This bill could be better. It could be better by being closer to what was sent out of the Senate which had the support of my colleague, Senator KENNEDY, and others because it did more good than harm. But this bill moves in the wrong direction because while it was in the conference with the House, it was loaded up with major giveaways to the drug companies, insurance companies, and has put some measures in such as the restraint on the ability of the Federal Government to even negotiate for bulk purchases and thereby lower costs, which is an extraordinary reduction in the ability of the Government to try to constrain the costs overall of prescription drugs.

These are the reasons I think this bill does more harm than good:

> No. 1, the prescription drug benefit for many is not affordable, it is not comprehensive, and it is not guaranteed. There are holes in coverage and complex rules. The coverage gaps remain too high, and seniors are still charged premiums even after their benefits shut down in the so-called donut hole.

Seniors are not assured a Government fallback plan with a set national premium. So if there are places where you don't have HMOs or there are other problems, they are going to have increases in their premiums under Medicare. It seems we ought to have a fallback with some sort of fixed price that will be affordable. At least 3 million seniors are projected to lose their gold-plated retiree prescription drug plan and be forced into a lesser benefit under the Medicare plan.

The bill fails to adequately fix protections for low-income seniors and people with disabilities who currently rely on both Medicare and Medicaid for their coverage. That could cause as many as 6 million people to pay more money for fewer benefits.

For seniors who think this bill is only designed to give them new benefits, they are going to be shocked to find that this legislation actually raises $25 billion in new revenue directly out of the pockets of senior citizens by increasing the costs for traditional Medicare coverage of doctor and hospital visits.

They will also be surprised to find out that while we are in such a rush to pass this bill, the benefit is not actually going to come to them until 2006. In the meantime, seniors get a disingenuous discount card. Most of them have four or five of the cards today anyway with the same amount of reduction, and it will give them no more discount than any of those handful of cards available to them in the marketplace now.

The question ought to be asked: Why are we not beginning a Medicare prescription drug benefit until 2006? It took 11 months to put the entire Medicare Program in place. Are we telling seniors we can't, in the age of computers, put a prescription drug benefit in place in a matter of months? Why 2006?

We all understand why. It has to do with the private companies and their taking time to ramp up, the amount of money they are going to get, and the unaffordability today.

One of the biggest failures of this bill is its silence on controlling the rising prices of prescription drugs. Without an effective means to restrain double-digit drug price increases, this bill does nothing to protect seniors from ever-growing out-of-pocket costs. When they are pushed off Medicare into HMOs and the HMOs raise the prices, seniors are going to be screaming about the increased cost of prescription drugs.

This bill prohibits the Government, as I mentioned earlier, from using its bulk purchasing power to negotiate volume discounts for Medicare prescription drugs. That doesn't make sense. In the State of Maine, they have done that with good results. It is interesting, they were taken to the Supreme Court and challenged in their right to do that, and the Supreme Court upheld their right to do that. As a consequence, they are able to provide more affordable prescription drugs to their citizens.

This bill is more about shifting medical costs to beneficiaries than actually reining in prescription drug costs.

In the name of private competition and to prevent the Federal Government from running the program, the Republicans came up with an unprecedented $12 billion slush fund to entice private plans to participate in this risky market. On top of giving them extra payments to participate, the bill does nothing to require that those private plans operate efficiently.

The Medicare Program in its entirety now spends only 2 percent of its total expenditures on administration. By contrast, many of the health plans in the private market often commit as much as 15 to 20 percent of their expenditures to administration. So every dollar that goes to administrative costs is a dollar not available to improve benefits for Medicare beneficiaries. Smart stewards of taxpayer funds ought to demand that private plans be more efficient if they want to participate.

So this bill is not just about adding a prescription drug benefit to Medicare, it is also a bill that represents an ideological excess by some who want to force the traditional Medicare Program down the path to privatization.

Under this bill, 7 million seniors will be given this choice: pay more for Medicare and get forced into an HMO, give up on choosing your own doctor and hospital or watch your bills skyrocket. This so-called premium support provision is, in my judgment, irresponsible and unfair.

The so-called cost containment provisions add insult to injury. By essentially placing a cap on future Medicare spending, this bill is going to attempt to force future Congresses to reconcile Medicare spending growth by cutting benefits, raising premiums, or increasing the payroll tax. I think that is unacceptable.

In addition, this bill squanders another $6 billion on tax breaks for wealthy people, and that is going to have an impact in harming Medicare. The reason is that when a tax-free, high-deductible, catastrophic health policy, known as a health savings account, is created, it is principally going to be used by those who have the money who can afford it. The result is it is going to undermine traditional Medicare by cherry-picking the healthiest people and the wealthiest seniors out of the risk pool, thereby raising premiums by as much as 60 percent for those who are left behind.

In the end, we have to ask ourselves who wins and who loses in this bill. I think I have shown how seniors lose. So who wins? Well, insurance companies, pharmaceutical companies, lobbyists, and special interests of every stripe: A $125 billion to $139 billion bonanza, and the stock market confirms it. My hope is we will go back to the table and come up with a measure closer to what the Senate originally did.

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from Iowa.

Mr. GRASSLEY. Mr. President, it is my privilege to give 5 minutes to the Senator from Montana, Mr. BAUCUS, whose cooperation with me and, hopefully, my cooperation with him has made this bipartisan agreement on Medicare possible to bring about what we need to do for seniors.

The PRESIDING OFFICER. The Senator is recognized for 5 minutes.

Mr. BAUCUS. Mr. President, with all due respect, while listening to some speakers, including the previous speaker, I would ask what bill they have been reading. It seems that they are referring to a bill which is not the conference report before us today. They are discussing problems that might occur in the future. But the problems described are based on some other bill, not the bill before us, not the conference report.

The fact is that this legislation provides $400 billion for seniors. That is a $400 billion entitlement for U.S. seniors that they do not have today. I think we owe it to our American seniors to give them this $400 billion new entitlement for drug benefits. We are on the brink. We are close to passing it.

In each of the last several years, we have come close but we were not able to finish the job. I do not think we are going to have this opportunity again. I do not think the Budget Committee is going to set aside $400 billion again, particularly with the increasing budget deficits and current account deficits. We will not have this opportunity again.

This is a good bill. No bill is perfect. We are 535 Members of Congress. There are 535 people who have to work together to get something passed. This product before us today reflect this reality. It is $400 billion for seniors.

It is also much closer to the Senate bill than the House bill. I hear complaints that the conference report is not nearly as good as the Senate bill. These critics have not read the conference report. The conference report is better than the Senate bill in many respects. For example, dual eligibles. The conference report covers low-income dual eligibles through Medicare. I think most Senators agree this is a better policy than what was in the Senate bill.

We also have a solid fallback. It is wrong when Senators say there is no guaranteed prescription drug benefit to seniors. It is guaranteed in this bill. Fee for service is held harmless in this bill in all respects. So a senior can always get a standard prescription drug benefit under this bill. Whether one takes it from a PDP, a private drug plan, a PPO, or the fallback, this benefit is guaranteed for all seniors. Seniors will get their prescription drug benefits in this bill. It is guaranteed.

As I mentioned earlier, this benefit is an entitlement. It is a $400 billion entitlement expansion we have tried to pass in past years but are only able to get passed now.

I have heard some Senators claim that this is not the Senate bill because it contains something called premium support, and it has a so-called slush fund. Let me remind Senators, the so-called premium support is extremely watered down from what was in the House bill. It is time limited to 6 years. Only six cities will be demonstration projects. Low-income seniors in each of those six cities will be held harmless. They get full protection. In addition, the premiums for those who are not low income are limited to a 5 percent change. Fee for service Medicare is held harmless in all respects in those six cities where there may be a demonstration project. They are held harmless in all respects, except the Part B premium may go up by no more than 5 percent. Any other change in these demonstration areas has to be enacted by Congress—enacted by to Congress to extend, enacted by Congress to expand, enacted by Congress to change.

What has happened in the past when we have had these demos? They have been repealed. They have not been extended. In 1997, Congress set up premium support demonstration projects. Congress then rushed in to repeal them as quickly as they possibly could. They were gone. The same will happen here. Do my colleagues know why? Because the dollars provided to private plans in the premium support demonstration areas will be much less than in other parts in the country. The private plans will not be able to survive.

Mark my word, those plans, those physicians, and those providers in the demonstration MSAs are going to come to Congress and ask us to repeal it.

Regarding this so-called $14 billion slush fund, $12 billion was in the Senate bill, which seventy-six Senators voted for. This is just $2 million more, and it does not come out of the $400 billion for drug benefits. That $400 billion for drug benefits is still there, but the conference report does have $2 billion more than the Senate bill, for which 76 Senators voted.

To close, I will return to my main point. This is a very good bill. We have the opportunity now to provide prescription drug benefits for seniors. We are not going to have this opportunity in the future. Beneficiaries have waited a long time for this benefit. This bill is much closer to the Senate bill than it is to the House bill. If we do not pass this now, I must ask you, what are we going to tell our seniors when they say to us, Mr. Senator, Ms. Senator, you told us you were going to give us prescription drug benefits but you found some reason to say no and you voted against it and did not give it to us; why did you give us the help you promised?

We have an obligation to help our seniors pass this legislation.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I rise to talk about the bill before us.

When the Senate first voted on a prescription drug benefit for seniors back in June I offered an amendment. My amendment was simple. I proposed that we give seniors a prescription drug benefit sooner rather than later. But that amendment was voted down by the Republican majority.

So now, under this conference report, the drug coverage doesn't start until January 2006 23 months from now. Yes, 2006.

So why so long? One clue is illustrated on this chart. Notice that Election Day is 11 months from now. And notice that the prolonged effective date for the drug benefit is conveniently well past election day.

I would like to remind my colleagues that the original Medicare plan was signed into law by President Johnson on July 30, 1965 and 11 months later July 1, 1966—all the people who were eligible for the program were enrolled in the program.

The entire system was created from scratch in 11 months.

I know the President is desperate to take credit for passing a prescription drug bill when he faces voters next year. But he does not want the many shortcomings in this plan to be fully evident to seniors until well after the election. My Republican friends are hoping that seniors won't find out what they don't get from this legislation until it is too late. It is almost a cruel joke.

When a prescription drug benefit is signed into law, all of our offices will be flooded with calls by seniors asking a simple question: "How can I sign up for this benefit?" They will have seen President Bush sign a bill with great fanfare, and they will have seen many Members of Congress crowding the stage with him, and everyone will say "we have put a prescription drug benefit in place."

And when seniors call to find out how soon they can receive the benefit, we will have to tell them "2006." Sorry, President Bush's 2003 Medicare Prescription Drug plan will not start until 2006.

No one wants to provide a real Medicare prescription drug benefit to seniors more than the Democrats. After all, Democrats created Medicare, and we have protected it for decades.

Everyone knows that Republicans resisted the creation of Medicare and have opposed it ever since. It wasn't too long ago that former House Speaker Newt Gingrich expressed his desire to see Medicare "wither on the vine."

Well, the bill before us today is the first major step toward the disintegration of Medicare as we know it.

In reality, this bill isn't as much a benefit for seniors as it is a big benefit for HMOs and other private sector special interests who want to tear the Medicare program to pieces.

So, what is it specifically that the President is afraid seniors will find out before 2006?

Is the President afraid that seniors will realize they are going to pay at least $810 before they break even and get any benefit from this plan?

For many seniors that is more money than they spend on prescription drugs right now. Up to 30 percent of beneficiaries would pay more for enrolling in the plan than they would receive in actual benefits.

Is the President worried that seniors are going to discover that there is a huge gap in coverage?

Under this plan, a senior will pay a premium estimated at $35 a month, a $250 deductible, and 25 percent coinsurance payments until reaching $2,250 in drug expenses. What happens then? Seniors get no coverage. You heard me correctly nothing, zero.

That is right. At that point, seniors will continue to pay their premiums but they will also pay 100 percent of their drug costs. Only until they have reached the catastrophic limit of $5,100 in drug costs does any benefit return. And by that time, seniors will have incurred $3,600 in out-of-pocket spending. This is called the "hole in the doughnut" and it sure doesn't sound like such a good deal to me.

And remember that nowhere in this bill does it say that the premium is only $35. It could be significantly higher. The $35 figure is an estimate. We all know how good this administration has been at making estimates.

Is the President afraid that seniors will figure all this out? You bet he is.

Seniors deserve a much better program than what the Senate is considering right now, and they certainly deserve it before 2006.

There are some who will say we must have this gap in coverage because we only have $400 billion to work with. Well, I say if there are insufficient funds in the budget to give seniors real drug coverage, then it is the result of choices made by the President and his party. They chose to provide a massive tax cut to the wealthy the people who need it least and they chose it at the expense of Medicare.

What else is in this bill that the Republican's don't want seniors to find out about until 2006?

This bill will effectively destroy the Medicare program that has worked for almost 40 years. That is right. Say goodbye to Medicare as we know it.

This bill does not expand Medicare; it opens the door for HMOs to take over the program. And that means that seniors will be at the mercy of these HMOs. And as everyone knows, HMOs will not pay for all prescription drugs.

Under this bill, seniors will be limited to the prescription drugs covered by their drug plan or HMO. In order to keep costs down, these drug plans and HMOs will use something called a "formulary." A formulary is a list of drugs that are covered under the health plan. If a particular drug is not on the formulary then it is not covered.

That means that after a senior has paid her premium and her deductible if she needs a certain medication not on the list used by her drug plan or HMO, then she will pay 100 percent of the cost of that medication.

Where is the benefit in that?

Mr. President, this bill goes to great lengths to prop up and protect HMOs at the expense of seniors. Included in this bill is something called the "Stabilization Fund." It should be called the "HMO Slush Fund." This fund is designed to ensure that HMOs succeed by offering artificially lower premiums and better benefits than traditional Medicare. This bill hands over $12 billion of taxpayer money for this effort.

This is $12 billion that could be used to close the coverage gap or lower the deductible but our Republican friends have made a choice to create a $12 billion slush fund for the insurance industry.

I want to spend a few minutes talking about the overall impact of this bill on seniors in the State I represent—New Jersey.

The most important reason why I am voting against this bill is because I am convinced that more seniors in my State will be hurt by this legislation than helped.

There are approximately 1.1 million seniors in New Jersey.

Currently 430,000 New Jersey retirees receive prescription drug coverage from their former employers. Because this bill provides a disincentive to employers to continue offering coverage to retirees, over 90,000 seniors in New Jersey will lose their existing drug coverage, which often offers more generous benefits.

This bill is also going to make poor seniors in my State worse off. In New Jersey, Medicaid covers the drug costs for seniors up to 100 percent of the federal poverty level. That is an income of approximately $9,000 a year for an individual or $12,000 a year for a couple.

In New Jersey, low-income seniors currently on Medicaid have access to whatever drugs they need and they don't have any co-pay for their prescriptions. Under this bill, however, they will now pay $1 per prescription for generic drugs and $3 per prescription for brand name drugs.

Low-income seniors tend to be in worse health and, as a result, they have higher annual drug spending. A senior with an annual income of $7,000 or $8,000 simply doesn't have the discretionary income to shell out $15 or $20 or $25 for the prescriptions that he or she may need.

That may not sound like a lot of money to my colleagues, but for low-income Americans, it can force them to choose between buying medication and buying food or buying medication and keeping the heat turned on in the winter.

Mr. President, this bill represents an enormous opportunity squandered. We had a real chance to do something right here. We had $400 billion to improve the lives of 34 million seniors, 14 million of whom don't have any prescription drug coverage right now. Frankly, we blew it.

When I look at this bill, I see a bill that makes seniors in New Jersey worse off.

I see a bill that makes poor seniors worse off.

I see a bill that takes away choices from seniors.

I see a bill that wastes taxpayer money on a slush fund for HMOs.

I see a bill that "hides the ball" until 2006.

And I see a bill that I cannot, in good conscience, support.

I yield the floor.

Mr. GRASSLEY. Mr. President, let me inquire of the Democrats. Could we have a Democrat speak?

Mr. REID. Senator AKAKA is here and raring to go.

Mr. GRASSLEY. Thank you very much.

The PRESIDING OFFICER. The Senator from Hawaii is recognized.

Mr. AKAKA. Mr. President, I rise today to express my opposition to the conference report for H.R. 1, the Medicare Prescription Drug and Modernization Act of 2003.

For far too long Medicare has lacked a prescription drug benefit. The lack of this benefit has been the gaping hole in the Medicare safety net. I have consistently supported efforts to establish a meaningful Medicare prescription drug benefit. I supported S. 1, the Prescription Drug and Medicare Improvement Act of 2003, because it would have been an important step forward in meeting the prescription drug needs of seniors. I am extremely disappointed that instead of making improvements in the Senate-passed bill, the conference report is now a false promise to our seniors. Mr. President, the conference report contains too many flaws to warrant passage. The conference report lacks appropriate prescription drug coverage for seniors. Indeed, many seniors will be worse off under this proposal. The conference report also weakens the existing Medicare entitlement program.

The prescription drug coverage in this legislation is simply not comprehensive enough. Too small an allowance is provided within the legislation to establish a meaningful prescription drug benefit for seniors. Instead of reducing the size of the coverage gap, the conference report would require that seniors pay for all of their drug costs after their total drug spending reaches $2,250. Despite continuing to pay their premiums, they will not receive any additional support until they spend about $5,000. This gap is about twice as large as the gap that was contained in the Senate-passed bill. Why should seniors have to continue to pay premiums when they do not receive any benefits if they are in the gap? This coverage gap must be filled.

Mr. President, for too many seniors in Hawaii and across the nation, prescription drug coverage will be worse under the provisions in the conference report. Seniors who are currently provided prescription drugs through their state's Medicaid programs will have federally mandated copayments imposed on them. For example, Hawaii's seniors who have incomes of less than 100 percent of the poverty level and obtain their medications through Hawaii's Medicaid program will be worse off under this plan. They will now have to pay copayments to get their prescription medication. Hawaii's seniors are not alone. The Center for Budget and Policy Priorities believes that most of the 6.4 million individuals that have dual eligibility for Medicare and Medicaid will be charged more under the conference agreement for medication than under existing law.

I am afraid that too many low-income seniors will not be able to afford even these meager copayments. Those who cannot meet these copayments will be denied access to the medications they are currently being provided. Again, they will go without the treatment they need. In addition, the financial burden that the conference report places on states may lead to a reduction in other Medicaid services that states will no longer be able to afford, because of the substantial share of prescription drug costs that states will have to pay the federal government for seniors who are eligible for Medicare and Medicaid.

Mr. President, I am also concerned about the millions of retirees that will lose their existing coverage. We have seen over the past few years that there has been a disturbing trend of reducing benefits for retirees. Creating this voluntary benefit will only accelerate this trend. The intent of the legislation is to expand prescription drug coverage for seniors, not merely to shift the financial burden of existing coverage to the federal government. Many seniors will be forced to rely on Medicare, which will provide a less generous benefit than what they currently enjoy. It is estimated that 17,850 Medicare beneficiaries in my home state of Hawaii will lose their retiree health benefits as a result of the enactment of this legislation. If Medicare beneficiaries lose their employer-based coverage, they may have to pay more for a Medicare drug benefit that provides less comprehensive coverage. Despite the subsidies included in the conference report to encourage the continuation of existing coverage, it is estimated that approximately 2.5 million people will lose their coverage.

Mr. President, I along with Senators WARNER, ALLEN, MIKULSKI, SARBANES, JOHNSON, and CORZINE requested that the conferees include our bill, S. 1369, in the conference report to ensure that present and future federal retirees receive the same level of prescription drug coverage. The government's Federal Employee Health Benefit (FEHBP) program for its employees and retirees stands as a model for all employer-sponsored health care plans. Our legislation would protect prescription drug benefits for federal retirees by ensuring parity for these benefits with other FEHBP subscribers. The other body approved companion legislation, H.R. 2631, on July 8, 2003. While the Medicare reform bill includes subsidies and tax credits to employers who retain existing drug benefits for their retirees, such incentives provide no guarantee of the FEHBP drug benefit for the government's own annuitants. If FEHBP is the model for this reform, the federal government must not drop or reduce drug benefits for retired FEHBP enrollees. Our legislation sends a message to other employer-sponsored plans that the federal government stands behind its commitment to retired workers. I will continue to work to bring about the enactment of this bill.

Mr. President, the cost containment provisions in the legislation provide a fast-track legislative process to cut Medicare benefits if general revenue funding for the entire Medicare program exceeds 45 percent. This arbitrary process is included while more meaningful provisions to control the costs of prescription drugs were left out. The conference report prevents the federal government from using the bargaining power of 40 million senior citizens to bring down the cost of prescription drugs for the Medicare program.

Mr. President, the conference report weakens Medicare. It imposes means tests for Medicare Part B premiums and for low-income subsidies for the prescription drug benefit. This is the beginning of the end of Medicare being as a universal benefit. This is the first step towards means testing other parts of the existing Medicare program. Means tests place greater burdens on seniors. They also create administrative difficulties for the Centers for Medicare and Medicaid Services.

Even more objectionable is the assets test used to determine the low-income subsidies for the prescription drug benefit. The assets test is completely unrealistic. According to Families USA, the assets test will deny subsidies to 2.8 million very low-income seniors if they have even a small amount of assets. For example, the assets test disqualifies people who have household goods and personal effects worth more than $2,000. Medicare is an entitlement and participants should not be subjected to these demeaning means tests. Additional assistance should not be denied because they happen to have set money aside for future expenses.

Mr. President, this legislation also threatens existing Medicare benefits because it includes billions of dollars for subsidies for private plans. This increases premiums for seniors, raises government costs for health care, and damages the solvency of the Medicare trust fund.

Mr. President, I also want to express my disappointment that language similar to an amendment that I had offered, which was accepted as part of the manager's package for S. 1, was not included in the conference report. While I thank Chairman GRASSLEY and ranking member BAUCUS for their assistance with this provision, it was not included in the conference report. My amendment would have allowed my home state of Hawaii to benefit from the increase in Medicaid disproportionate share hospital (DSH) payments included in the bill. Medicaid DSH payments are designed to provide additional support to hospitals that treat large numbers of Medicaid and uninsured patients. The Balanced Budget Act of 1997 (BBA) created specific DSH allotments for each state based on their actual DSH expenditures for fiscal year 1995. In 1994, the State of Hawaii implemented the QUEST demonstration program that was designed to reduce the number of uninsured and improve access to health care. The prior Medicaid DSH program was incorporated into QUEST. As a result of the demonstration program, Hawaii did not have DSH expenditures in 1995 and was not provided a DSH allotment.

The Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000 made further changes to the DSH program, which included the establishment of a floor for DSH allotments. However, states without allotments were again left out. Other states that have obtained waivers similar to Hawaii's waiver have retained their DSH allotments. Only two states, Hawaii and Tennessee, do not have DSH allotments.

The conference report provides that states without DSH allotments could receive additional assistance if their waiver was terminated or removed. While this may possibly benefit Tennessee, this language will prevent Hawaii from obtaining any additional Medicaid DSH support that is included in this bill. The conference report includes an additional $6.35 billion in Medicaid DSH relief to the states. Hawaii does not receive any of these funds. Hawaii's hospitals are struggling to meet the healthcare needs of the uninsured. Hawaii cannot continue to be left out. Additional DSH payments would help Hawaii hospitals to meet the rising health care needs of our communities and reinforce our health care safety net. All fifty states need to have access to this additional Medicaid DSH support. I will continue to work to correct this inequity.

Mr. President, as I said at the start of my remarks, this legislation is a false promise. Even if this conference report is enacted, we will need to enact follow up legislation to address the flaws in the bill. We will also have to repeal several of the provisions that weaken the existing Medicare program. Many have said this is an important step forward in the Medicare program. I disagree. This conference report takes too many elderly Americans backwards in terms of their benefits to constitute forward progress or forward thinking. Many people, particularly seniors, will eventually come to the conclusion that I have reached on the legislation and Congress will regret this rush to judgment. After reviewing the provisions in this legislation, I am disappointed that this bill is a false promise that undermines the existing Medicare program. Thank you, Mr. President.

Mr. GRASSLEY. I yield myself 30 seconds, before I yield to the Senator from Maine 7 minutes, for just a little bit of history and to applaud the Senator from Maine.

She was active in this issue of Medicare prescription drugs a long time before I was. But on July 25, 2001, we held our first meeting of what was called the tripartisan group. She was obviously part of that tripartisan group along with Senators HATCH, JEFFORDS, BREAUX, and GRASSLEY.

I remember that meeting we had. The AARP sent us a birthday cake with a pie-shaped piece cut out of it. Their admonition to the tripartisan group was: Fill in the missing piece. The missing piece of Medicare was prescription drugs.

The Senator from Maine has been very aggressive since July 25 in various ways, helping us fill in that piece of the pie. On August 1 of that year, we held a news conference, all five of us, announcing our plans for doing that. We have not exactly come out where we were a year ago. We probably have come out a lot better with the legislation we have before us. But regardless, the Senator from Maine was in on the ground floor, a long time before I was, on that issue.

I yield to the Senator from Maine 7 minutes.

Ms. SNOWE. Mr. President, I thank the chairman for his most gracious remarks. As I said on Saturday, without his considerable efforts, determination, leadership, and willingness to work across party lines, we would not be where we are today. I want to congratulate him and commend him for the enormous leadership and support he has given to this issue as the chairman of the committee and throughout this process that has obviously been a difficult one.

I had the opportunity on Saturday to elaborate on my views with respect to this conference report. I think we are on a precipice of opportunity and ushering in a new era in the Medicare Program. While this conference report does not rise to the level of everyone's aspirations and expectations when it comes to prescription drugs, I think we have to understand that this report was melding some very disparate views in very disparate bills. We must, in the final analysis, measure these results for the millions of seniors who will benefit against the benchmark of the stagnation of the status quo.

The question is whether the status quo was preferable. Someone said you may have to fight a battle more than once to win it. We know how many battles we have fought on this issue over the last 5 or 6 years. How many more battles and how many more years will have to go by and at whose expense? I think we know at whose expense. It will be at the expense of the 10 million seniors who do not have prescription drug coverage currently. It will be at the expense of the 14 million seniors who are under the 150 percent of poverty level, who will now get a very generous level of support and subsidy to finance this most vital drug coverage.

This conference report embraces many of the critical benchmarks that we had established previously, the ones to which Chairman GRASSLEY was referring with respect to the tripartisan bill that should have passed last year, a year ago. I was urging the Senate to pass that legislation. We lamented the loss of that opportunity, but that time has passed.

The Senate-passed bill was something we all preferred; there is no question about it. But I think we also understand the nature of conference committees. The key point to remember about this conference report is that it embraces the critical benchmarks and principles that we all championed: The prescription drug benefit would be universal, it would be voluntary, it would be permanent, it would be comprehensive, it would be affordable, there would be equal benefits across all plans, there would be a Government fallback to ensure that every senior, regardless of where they live in America, would have access to affordable drug coverage, and we would target the most assistance to those most in need.

While this is not everything it could be or should be, we have to measure the results against the status quo.

I would like to focus for a few moments on one of the issues that has been talked about consistently and understandably so, the privatization of Medicare. There is no question that I certainly would not support anything that would lead to the privatization of Medicare. In fact, the Senate-passed bill had nothing in the feature of a premium support proposal. Now we have to discuss what is before the conference and what has actually changed from what was in the House-passed legislation. I think it is critical that we understand the differences in what is included in this conference report. The House-passed bill sought to provide for an open-ended, permanent nationwide privatization of Medicare through an untested and untried approach known as the premium support proposal. It is certainly no secret that I was totally opposed to that approach, as well as many of us here in the Senate. But it is also critical to know what is now being applied in this conference report, and there should be no mistake that this conference report puts an end to that proposal. It puts an end to that effort to privatize.

I certainly would have said the privatization approach in the House bill could have led us down the path of what the program of health care looked like prior to 1965 when Medicare was created, which was a patchwork delivery of health care to seniors in America. We don't want to go back to that; that would be a retreat. The House approach would have wild fluctuations in premiums, as we saw in the charts that were issued by CMS within the Department of Health and Human Services. There would be wild fluctuations not only between States but within States and even within congressional districts.

In response to that concern, I and 43 of my colleagues wrote a letter saying that it would be totally unacceptable—not only the open-ended, permanent nationwide system that the House-passed bill included but also even the narrowed-down version of a demonstration program that would have captured 10 million seniors. That was unacceptable.

I want to make clear where we are today. We have eliminated the whole approach of the House. Now, what is in this conference report as shown in this chart here today is one Federal demonstration program. That is what it is all about. Where the effort once centered on an open-ended national program that would have ultimately ended up in the wholesale undermining and destabilization of the Medicare Program, we now have a pared back demonstration project that would be limited to 46 metropolitan statistical areas; that certain criteria will be included which will determine those areas; but according to the Congressional Budget Office, based on that criteria that, in fact, it would not include more than 650,000 to 1 million seniors.

What we were talking about originally in the House-passed bill was a nationwide program, but we are now back to a pared-down demonstration project, and we include criteria that would limit the size of the demonstration project to 650,000 to 1 million, according to the Congressional Budget Office.

Also, there is protection for low income. Where the original proposal by the House had no protection for low income under 150 percent of poverty level, now they are protected as well. They will not be included in this demonstration project.

It is very important to understand some of those changes.

In addition, this program sunsets in 2016. It doesn't start until 2010. We obviously have time between now and then after passage of the legislation to address any further concerns. But we move the date from 2008 to 2010. There is an ending date—a sunset of 2016. No extensions are allowed without new legislative action.

There are six MSAs with criteria that I mentioned earlier. Now we are not talking about open-ended, nationwide; we are not talking about even 10 million seniors. We are talking about 650,000 to 1 million.

As far as any premium fluctuations, it is limited to 5 percent. Without the compounding, that would have had the net effect of having a 30-percent increase over 6 years. Now that would be phased in.

I should also mention that this demonstration project is phased in starting in 2010. It is not totally in place until 2015 and 2016. In 2016, it ends. Even with the 5 percent, it will be phased in over 4 years. It represents 5 percent each year. We have made substantial changes. It is a wholesale change of what was in the House proposal.

This is a limited Federal demonstration program that allows for the testing of perhaps new ideas. But nothing can be implemented—nothing can be done—until the Congress would want to address those issues based on the results from that demonstration project.

That is very important for Members of this Senate to understand in terms of the differences in scope, size, implementation effect, and what it would do to the underlying program.

Finally, one other additional point with respect to this demonstration project:

Also in this legislation we terminated the financial incentives that are offered to private plans participating in the demonstration when it begins in 2010. I think we have to understand what the true facts are.

This demonstration project will not undermine the underlying traditional Medicare Program as we know it. Obviously, it would be preferable not to have it in this legislation, but this is the essence of a compromise that is before us, and it is very limited in terms of size and scope.

I think it is important for Members of the Senate to realize that.

In the final analysis, I think we cannot lose this opportunity. This is an idea whose time has not only come, but it is long overdue.

I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I yield myself 9 minutes.

Mr. President, let me commend the Senator from Iowa, the Senator from Louisiana, the Senator from Montana, and others who have worked on this so very hard. I want to express my gratitude to them for spending so much time on this issue.

Let me also briefly thank my own staff. I am not a member of the Finance Committee. But this issue transcends committees. This is legislation that all of us have a deep interest in. I thank Jim Fenton and Ben Berwick of my staff for the tremendous effort and time they have put in.

I spoke at some length on Friday about this issue. Let me divide the issue very quickly.

A prescription drugs benefit, I think, would pass 100 to 0. If we had a vote on the prescription drug benefit—you would hear speeches that it didn't go far enough and concerns about the donut hole and whether or not 150 percent of poverty was the right margin to be drawn—but I suspect all Members in the final analysis would support the initiation of a prescription drug benefit on the assumption that we would work to improve it in the years ahead.

If I were voting on that issue alone, I would stand here and raise concerns about matters included in that provision, but it would have my wholehearted support as a long overdue proposition. I won't dwell on that aspect of the legislation here this morning.

The second piece of this bill, however, is one that causes me concern. This second piece is more difficult to understand, it is less clear than just $400 billion for prescription drugs. The second part of this bill is a major change in Medicare. The program has been around for 38 years and is currently serving 41 million Americans. It is probably the most successful and the most wildly supported Federal program of the 20th century. I can't think of any program, except Social Security, which has been so widely supported. We are about to take that program which has worked so tremendously well, and I think disadvantage it significantly. Let me explain briefly why.

The sponsors of the legislation say they are not forcing seniors out of traditional Medicare. They claim they are simply creating competition as a result of offering seniors a choice. Let us talk about this so-called "competition."

Private plans under this bill will be reimbursed at a higher rate than traditional Medicare—9 percent higher. On top of that, this bill also makes available $12 billion in a slush fund to be used to lure private plans into the market on a corporate subsidy. You get a 9 percent differential and $12 billion. That is what you get to compete with Medicare. You do not have to have a Ph.D. in math or a Ph.D. in business law to understand that kind of an advantage certainly is not what I call a level playing field. It is not competition, it is a rigged game. The bill stacks the deck against traditional Medicaid and the effects are self-perpetuating. Traditional Medicare grows weaker, private plans grow stronger, forcing more beneficiaries out of the traditional programs and into the open arms of HMOs.

It is easy to get bogged down in the complexities of this bill. Let me state it simply: The weakening of the traditional Medicare Program caused by this bill will force seniors to pay more and face the prospect of fewer benefits.

Remember, Medicare initially said whether you are wealthier and healthier or poorer and sicker, we all work together. Now we are splitting off the wealthier and healthier and leaving the sicker and poorer on the side.

This bill will actually mean less choice, in many ways, for seniors. Seniors like the traditional Medicare Program precisely because it offers choice, the very thing the supporters of this bill claim to be providing. Under the current system, seniors have a choice of doctors. But that choice would soon disappear with a rise in private managed care plans.

I hope this prediction is wrong but I am fearful it is right. If this prediction is wrong, it most likely means seniors have elected not to move into private plans and HMOs will leave the market in many areas, as we have seen in the past with the Medicare+Choice plan, taking $12 billion with them that might have been used to reduce the cost of prescription drugs rather than provide a subsidy for the private plans to compete with Medicare.

Even more ironic is that this highly unfair system is being championed by self-proclaimed champions of free enterprise. This bill gives $12 billion to HMOs to unfairly compete and it does nothing to control drug prices. In fact, it actually prevents the Medicare Program from negotiating lower drug prices. Under law, Medicare is prevented from using its purchasing power to negotiate with drug companies for lower prices. What is wrong with letting free enterprise work here in order to lower drug prices?

If Medicare is so in need of reform, why in this bill are we subsidizing private companies and not allowing the Medicare beneficiaries to compete for lower drug prices? The reason is simple: The champions of free enterprise know that private plans cannot compete with traditional Medicare on a level playing field. The subsidies are necessary because Medicare is actually more efficient. Medicare delivers services at a lower cost.

In 2010, a provision included in this bill will go into effect that begins an experiment with our Nation's seniors. Why we are taking our seniors, the most vulnerable, and turning them into guinea pigs for an experiment is beyond me. That is what we are beginning to do. Given the unlevel playing field I have described, such a competition would further disadvantage the traditional Medicare Program.

The bill writes into it right now a cap of 5 percent premium increases for each year in regions effected by this premium support experiment. The bill anticipates premium increases even before we have tried the program, and they are going to take 6 million seniors and throw them into an experiment, a pilot program, the outcome of which has already been determined by the bill's authors when they talk of a cap at a 5 percent premium increase. How is Medicare going to compete then? The outcome is predetermined, forcing those seniors into a disadvantaged program. The weaker and the poorer and the sicker seniors will end up paying more or having benefits cut.

I am afraid we can only conclude one thing: The architects of the bill, with all due respect, spend billions of dollars not to reform Medicare, but to dismantle it. It puts patients out there to wither on the vine, as Newt Gingrich said 8 years ago. If the man who wanted that embraces this legislation, that could mean one of two things: Either his opinion has changed or this legislation really is intended to end Medicare. I submit that I see no evidence his opinion has changed.

We set out to add a prescription drug benefit to Medicare. I applaud that. We could have had a bipartisan bill that did just that. It could have been approved by this Chamber overwhelmingly. But instead, we are being asked to vote on a wolf in sheep's clothing.

The second part of the bill, the changes in Medicare that will effect 41 million seniors, two-thirds of whom make less than $80,000 and above $13,470, for those in that category, this bill offers disturbing alternatives.

For those reasons, I urge that when the cloture vote occurs, Members vote against it. We can do better. I applaud the efforts made, but we can do better on this legislation than we have done.

I don't believe I used all 9 minutes, but others have gone over 9 minute. I yield back my time for those on the Democratic side who would like to be heard on the legislation.

Mr. GRASSLEY. I yield 5 minutes to the Senator from Arkansas. If there is no one on the other side to speak, I can give the Senator a little bit more.

The PRESIDING OFFICER. The Senator is recognized for 5 minutes.

Mrs. LINCOLN. Mr. President, I rise to speak about the Medicare prescription drug coverage conference report before the Senate today.

I do strongly believe this is a historic opportunity. I believe we should not let it pass by. This proposal represents a $400 billion expansion of the Medicare Program, the largest expansion of Medicare since it was created nearly 40 years ago.

While I intend to support this measure, I think what is most important at this juncture is to be honest with the American people. For me, it means being honest particularly with the people of Arkansas and the Arkansas seniors. This bill cannot be and will not be all things to all people. The bill will not provide free drugs for everyone. Some seniors, because we have talked about this for so long, have come to their own conclusion that what we were trying to get was free drugs for all seniors in this country.

I have to remind people we are in debt in our country up to our eyeballs, as far as the eye can see. We did not have an opportunity to provide free prescription drugs to all seniors in this country. Therefore, we have to do the best we can do right now with what we have. I am not pleased about the debt. I didn't support the last tax bill and I am scared to death of the debt we are creating for my twin boys who are 7 years old right now.

The fact is, in this year's budget we have $400 billion dedicated to American seniors. We have to do the best job we can to make that productive for them in this current circumstance because next year and the year after that, it will not be there; we will still be in debt up to our eyeballs.

We have a tremendous amount to do. This bill starts that. It is unfortunate the issue of adding a prescription drug benefit to Medicare has become so politicized. Several Democratic conferees, many of them experts on this issue in their very own right, were not permitted the opportunity to negotiate the final bill. They were conferees in name only. I join them in their frustration and how they feel. They have a right to be angry. It was wrong and unjust. They were prohibited from being part of this very important conference. This bill would have been better had they been involved.

Despite the flaws in this legislation and the partisan process we witnessed over the last few months, Democrats and seniors should be pleased that many of the principles we fought for are contained in this bill.

Is this the bill I would have written? Absolutely not. But there are components in this bill that are productive and move us forward. On behalf of our seniors, we must seize that opportunity.

The bill before the Senate today will provide all of the 453,438 Medicare beneficiaries in Arkansas with access to a Medicare prescription drug benefit for the first time in the history of the Medicare Program. Every senior will have access to a drug benefit to help them with the extraordinary cost of prescription drugs. Extraordinary.

Again, it is not all things to all people. If you find yourself in a position where you are well off and you do not have a lot of prescription drug costs, there may not be in here the most advantageous drug program for you, but for the sickest and the neediest of this country we have come a long way in this bill.

While the benefit is somewhat meager, I am confident we will improve on it in the future for those who maybe do not get the best return from this package. But this bill targets the sickest and the neediest of seniors, those with the highest drug costs and those who are in the lowest income category.

Because of the $400 billion limitation, that is where we have gone. When fiscal times improve, we should eliminate the gap in coverage. I am concerned about those seniors who will be hit with the gap in coverage and have to continue to pay their premiums. But the point is, every senior in Medicare in Arkansas will be able to choose to enroll in a new voluntary drug benefit while staying in the traditional Medicare Program. This is a huge victory. Seniors will not have to leave the Medicare they love to get a prescription drug benefit.

That is because the bill contains a fallback plan—a Government guaranteed plan or safety net—that will provide drug coverage should private, drug-only plans not come into their area.

We in Arkansas know a lot about that. We have seen what happens when Medicare+Choice comes in.

I am concerned that the fallback provision in this bill is not as strong as that which was passed in the Senate bill because it allows one prescription plan and one integrated plan to provide the drug benefit instead of two prescription plans.

I intend to work with my colleagues to fix this flaw before the drug benefit is enacted. I am glad that the conference agreement requires a national fallback contract, so that the Government fallback will always be there when necessary.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. GRASSLEY. I yield the Senator 1 additional minute.

The PRESIDING OFFICER. The Senator is recognized for 1 additional minute.

Mrs. LINCOLN. I thank the Senator from Iowa.

Mr. President, I have a lot more to say, and I hope I will have an opportunity to do it at some point.

I think the most important point to be made today is to talk about those who will be served. Over 170,700 beneficiaries in Arkansas will pay no premium for their prescription drug coverage and a nominal copay of no more than $2 for generic drugs and $5 for brand name drugs. They also will not have a gap in their drug coverage.

We are addressing some of the neediest individuals in our country at this juncture. Over 40,200 additional seniors in Arkansas will qualify for reduced premiums, lower deductibles and coinsurance, and no gaps in their drug coverage. All told, over 40 percent—over 40 percent—of Medicare beneficiaries in Arkansas will receive the much-needed special help.

This low-income assistance is of special importance to Arkansas' older women. Medicare seniors are disproportionately women and disproportionately poor, and will be served well by this special assistance.

There is much I would have done to strengthen the low-income provisions, such as not having an assets test for everyone and ensuring that Medicare could wrap around the cost-sharing requirements in the Medicare bill and that Medicaid could pay for prescription drugs not on the private plan's formulary.

I fought to include a new benefit providing screening for diabetes. The new diabetes screening benefit will help with the fact that approximately one third of the 7 million seniors with diabetes—or 2.3 million people—are undiagnosed.

They simply do not know that they have this very serious condition—a condition whose complications include heart disease, stroke, vision loss and blindness, amputations, and kidney disease.

This bill takes a number of steps to protect seniors' access to community pharmacies.

I worked hard to ensure that private PBMs must disclose any price concessions made available by manufacturers, that the Secretary of Health and Human Services has the authority to audit the financial statements and records of plans to ensure that they are complying with these disclosure requirements, and that the Federal Trade Commission study whether the PBMs that own their own mail order pharmacies have created higher drug prices for consumers.

In addition, private plans must allow any willing pharmacist to be a provider under its plan. And for the first time, local pharmacists will be allowed to offer 90-day prescriptions just like mail-order pharmacists.

These provisions are vital to rural hospitals, physicians, ambulance providers, home health providers, and rural health clinics in Arkansas. I have worked with my colleagues for a number of years on these provisions, and long-sought rural equity is finally achieved.

This bill also contains several good additions to the traditional Medicare Program that seeks to improve the health and well-being of seniors.

Among the provisions that I fought to include is my demonstration program on chronic care management that will help determine the healthy outcomes that result when a geriatrician is paid appropriately for caring for a patient with multiple chronic conditions.

I also fought to include coverage for insulin syringes. Roughly 40 percent of the senior population with diabetes—or 1.8 million seniors—use syringes to inject insulin into their bodies to control their diabetes every day.

Without coverage, syringe purchases—which can be especially expensive for seniors on fixed incomes—would not count towards cost-sharing and yearly maximum out-of-pocket expenses.

The low-income assistance in the Senate bill was much more generous. It helped 3 million more seniors. And I pledge to these seniors that I will continue to work on strengthening these provisions in the future.

I am pleased that the conference agreement provides financial incentives for employers to continue offering prescription drug coverage for their retirees.

I have received many calls this week from constituents who want to ensure they don't lose the health coverage they worked for their entire lives. It is frustrating that employers are already dropping retiree health coverage.

So I am glad this bill provides tax incentives to employers and unions so they don't drop drug coverage. Employer groups have told me that this bill will actually encourage them to retain rather than drop coverage in the future.

This bill also creates the most comprehensive rural package we've seen in years. By significantly decreasing or eliminating the disparities in Medicare payments that exist between rural and urban health care providers, seniors in rural areas will have better access to the care they need.

To conclude, we must seize this opportunity before it is too late. This is not the bill I would have written, but it is a step forward.

Yesterday, I talked with Cecil Malone, the president of the Arkansas AARP. We both agree that this moment must not be wasted. We must act now to get a benefit started. Once it is there, it can only get better.

I promise the seniors of Arkansas that I will work day in and day out to make this prescription drug plan better.

I will also work to preserve and protect the Medicare Program so it can continue to be a safety net for all those who are uninsurable in the private market—millions of seniors, individuals with disabilities, and people with kidney failure.

The Medicare Program has prevented these most vulnerable individuals from being uninsured. We must remember the Medicare Program's origins and mission as we proceed—and do no harm to it.

Finally, Mr. President, I thank Finance Chairman GRASSLEY, Ranking Member BAUCUS, Senator BREAUX, and the members of their staffs who worked so hard over the last several months to bring us to this historical moment.

This bill also ensures that seniors have convenient access to pharmacies by adopting the same standard that TRICARE uses to determine access.

The bill also includes my provision to waive temporarily the late enrollment penalty for military retirees and their spouses who sign up for Medicare Part B and to permit year-round enrollment so that retirees can access the new benefits immediately.

I am glad that this bill takes some steps to contain the skyrocketing price of prescription drugs. One provision in the bill would help bring generic drugs to the market faster, and another provision would give the Government authority to create a system for the importation of drugs from Canada by pharmacists, wholesalers, and individuals once safety standards are met.

I have long supported drug reimportation but both the Clinton and Bush administrations have refused to implement drug reimportation authorized by Congress, citing concerns about drug safety.

I am glad this bill directs the Secretary of Health and Human Services to conduct a comprehensive study that identifies current problems with implementing the current reimportation law we already have on the books so Congress can enact a law that will allow reimportation to go forward.

Mr. President, there is a lot to be talked about here. I hope we will continue to work together to improve upon the shortcomings in this legislation as we work to see it implemented to make it a better program for current and future beneficiaries of the Medicare Program.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. LIEBERMAN. I thank the Chair.

Mr. President, this could and should be a day of common purpose, a day in which we are united, not divided, behind a vital and big goal; that is, giving senior Americans, who have worked their whole lives, access to the prescription drugs they need to stay alive and well. This is a promise that Presidents and Members of Congress of both parties have made and failed to keep for years and years and years.

Since the vast majority of us agree on the outlines of a solution, we had the opportunity, and I believe the responsibility, to finally make good on those years of rhetoric and deliver a solid and sensible prescription drug benefit plan under Medicare.

Instead, this President and this Congress have rushed into this opening and have stuffed what was once a decent bill—the one that passed the Senate overwhelmingly earlier in the year—with irresponsible and hurtful ideas that, rather than strengthening Medicare, weaken it and that, rather than just offering prescription drug benefits to millions of seniors who need it, reduce the benefits that millions of seniors have today. It has given with one hand and taken with another.

So instead of being a day of common purpose, which we had here on the Senate floor when we passed a prescription drug benefit bill just a few months ago, this is a day of all too common partisan politics, ideological politics that has divided this Congress, diminished this Government, degraded our democracy, and, ultimately, disserves our people. It did not need to be this way.

Everybody knows what the problem is, and just about everybody agrees that it is serious. We live in the wealthiest and most advanced country in the world. Yet millions of our seniors have a health care plan that excludes what is now an essential component of modern medical treatment; that is, prescription drug benefits. It is a little like having a car warranty that covers everything but the engine.

America can do better. That is why I supported the landmark bill that overwhelmingly passed the Senate in July. Thanks to bipartisan leadership, we crafted a compromise that could have made a good downpayment for America's elderly. It was not perfect, but it was a good head start, a good start forward. Not everyone in my party supported that agreement. But I believed, despite its flaws, it was a necessary and worthy first step.

But a funny thing—or, rather, a bad thing—happened to that bill on the way to the conference. That solid, bipartisan bill was taken over by ideologues and others determined to stuff it full of pet, partisan projects that really end up hurting millions of seniors, lessening the coverage they have now, and threatening Medicare.

Unfortunately, the special interests were in the room and too many of our Democratic colleagues were out of the room. They used this bill as a vehicle for pushing into law a long list of things that had nothing to do with the basic goal, which was to provide prescription drug benefits under Medicare. In fact, this bill takes us two steps back for every one step forward. That is why I am opposing it.

Has the tone in Washington changed? Well, it has. It is more bitter than ever, more self-serving than ever, less constructive than ever. And I am afraid no simple prescription can cure the tone I am talking about; only real bipartisan leadership can.

As one who supported the original Senate version of the bill, I am not only disappointed at this outcome, I must say I am furious at it, furious because millions of seniors, desperate for the relief, have found their plight exploited, not alleviated.

I did not rush to this judgment. I wanted to support a solution. When the outlines of the bill began to emerge last week, I saw some provisions that I liked and some that troubled me. I wanted to fix them. I spoke to people on both sides. I made suggestions to the conferees about changes that might be made. But no changes were made. So, ultimately, I have no choice but to oppose this bill.

Let me just cite briefly some of the most significant provisions that I believe are wrong with the bill.

First, it would make millions of low-income seniors pay more for the drugs they are currently getting under Medicaid and give them a more narrow choice of drugs that will be covered. So it takes billions, in the so-called wraparound coverage that Medicaid would provide, from seniors for their drug benefits and gives those billions to HMOs to subsidize them as they move toward privatization of Medicare.

Second, it includes up to $16 billion in cuts for cancer care. Let me repeat that: $16 billion in cuts for cancer care. I have been hearing for months now from cancer patients and oncologists, cancer doctors, worried that this exactly might happen.

Third, it will spend billions of dollars by expressly prohibiting the Federal Government from negotiating the best possible price for prescription drugs.

Fourth, driven only—I would say primarily—by ideology, but because it is against all the evidence of what works, this bill will commit us to an overpriced version of privatized Medicare that would actually drive up costs for taxpayers, not lower them, and jeopardize the stability of the Medicare Program, which is one of the best programs the Government has provided seniors in America in the last century.

The fact is, Medicare as we know it is more efficient, more affordable, than the privatized version that is part of this bill.

In recent years, here are the facts: Costs per covered person have risen almost 10 percent for private insurers providing Medicare coverage or the Medicare substitute while Medicare has been able to limit those increases in costs to just over 4 percent. That means Medicare has been twice as good at holding down costs as the private insurance substitute. So why are we subsidizing, at greater cost, that alternative?

The array of people opposing this bill is broad. One group is the Democratic Leadership Council, sort of "mother church" of the moderate Democrats. The DLC referred to this bill as "Medimess."

Two points I want to make briefly. It says the bill misses a chance to reform the medical payment system to focus it on paying for quality care, not just care for our seniors. And, second, given limited funds, the DLC argues that the bill should have targeted and exclusively done this for the lowest income seniors and those seniors with the highest drug costs. Unfortunately, it did a lot more than that.

I have been moved in recent days by the complaints from cancer patients and AIDS patients and their families and advocates and psychiatric patients and their families and advocates who are convinced that the restricted list of drugs covered by Medicare, the so-called formulary—restricted as compared to what they are receiving now under Medicaid or under their retirement plans—will limit, ultimately, the lifespan of themselves or their loved ones.

The American people know, as I have heard their calls, that something is wrong with the bill that promises instant relief but does not help a single senior really until 2006.

Would you buy a drug with that kind of lag time? In fairness, there is at least one good thing to say about that delay. It means that when another President comes to occupy the Oval Office early in 2005, he can set about fixing the bill, if it passes before it goes into effect.

The proponents of this Medicare prescription drug bill have, in my opinion, tampered with America's seniors.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. LIEBERMAN. I ask unanimous consent for the 1 minute that Senator DODD did not use. He delegated me to have that minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LIEBERMAN. Proponents of this prescription drug bill have tampered with America's seniors. They have broken the seal on the compromise we had reached over the summer, emptied the contents of the legislative bottle, slipped in what I believe are a couple of poison pills, and put it back on the shelf for us to buy. America's seniors are not buying it. They know what is in the bottle. We shouldn't buy it either. I cannot and will not vote for this bill. I urge my colleagues to do the same.

I yield the floor.

THE MEDICARE PRESCRIPTION DRUG LEGISLATION

Mr. FEINGOLD. Mr. President, I cannot, in good conscience, vote for cloture and I intend to vote against this bill. With reservation, I voted in the favor of the Senate Medicare prescription drug bill. I felt the Senate bill, though flawed, brought us closer to offering seniors the universal prescription drug benefit that they needed and deserved. My hope was that the problems in the bill could be fixed in conference. The bill that has emerged from the House-Senate conference, however, does too much harm to the overall Medicare program.

We need to modernize Medicare by providing beneficiaries with a prescription drug benefit. But just because we need a bill creating a Medicare prescription drug benefit, does not mean we need this bill. I believe that this bill provides little help for Medicare beneficiaries and takes too many risks with the overall Medicare program, and I am not willing to take those risks.

One of the things that I am most concerned about with respect to this bill is the lack of true cost containment. If we are to ensure that Medicare remains solvent in the years to come, especially after adding a new $400 billion prescription drug benefit, we need to make sure that we take strong measures to keep the cost of Medicare down. This is especially important given the number of baby-boomers who will soon be enrolling in Medicare. Although this bill came in under the budgeted $400 billion, because it fails to make any real effort to bring down the skyrocketing prices of prescription drugs, the true cost of this bill is likely to surpass what has been budgeted for it. This is fiscally irresponsible, and we cannot put Medicare in financial jeopardy by ignoring the impact of rising health care costs on the overall Medicare program.

I am also greatly concerned by the efforts included in this bill to make Medicare a private, managed care program. This bill includes $12 billion in additional subsidies to encourage private insurance companies to offer managed care plans under Medicare. The bill also includes a demonstration project, which could affect up to 25 percent of Medicare beneficiaries, that may cause them to pay more in premiums, should they decide to stay in traditional Medicare. Those who cannot afford these higher premiums will be forced to choose a private plan, which may limit their access and choice of doctors and other providers. Seniors should not be forced to enroll in private plans simply because they cannot pay more to stay in traditional Medicare.

One of my greatest concerns is how this bill will impact Wisconsinites. While providing, at best, a minimal prescription drug benefit for some, the bill will make others worse off than they currently are. It is estimated that, because of this bill, 60,000 retirees in Wisconsin will lose the health insurance they currently have from their employers. Over 110,000 of poor, disabled or elderly Wisconsinites who currently pay nothing for their prescription drugs will now face increased payments for their prescription drugs because of this bill. This bill will also drive up costs for the State, in a time of fiscal crisis, because Wisconsin will lose its ability to negotiate drug costs and will face increased administrative costs.

There are some who will benefit because of this bill. Due to subsidies, the tilted playing field toward private insurance plans, and the lack of any cost containment on prescription drug prices, this bill will be a windfall for pharmaceutical and insurance companies. All we have to do is take a look at how the stocks of pharmaceutical companies and insurance companies soared recently in response to this bill. While these selected industries will profit, however, retirees and many low-income Medicare beneficiaries will suffer.

I am truly disappointed that I cannot support this bill, because there are some good things about it. I am pleased that the provisions that will bring us closer to having fairness in the Medicare reimbursement system were included in the final conference report. I have fought for a fairer share of Medicare dollars for states like Wisconsin for years. I am proud to have authored the amendment that passed in the Budget Committee earlier this year, which helped make the inclusion of Medicare fairness provisions in this bill possible. These particular provisions will help reduce the gross inequity in the division of Medicare dollars across the country.

But, on balance, I cannot vote for this bill because of the negative impact it will have on the Medicare program. The harm this bill does to Medicare and those who depend on it outweighs the benefits. Instead of working to privatize Medicare, Congress needs to go back to the drawing board and create a real Medicare prescription drug benefit without undermining the Medicare system itself.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I yield 6 minutes to Senator BREAUX.

The PRESIDING OFFICER. The Senator is recognized for 6 minutes.

Mr. BREAUX. Mr. President, I thank the chairman of the committee.

We have now come to the time of decision with regard to whether we are going to have the capacity to, in fact, reach a compromise on one of the great issues of the day; that is, whether the Congress has the political courage and political will to set aside partisan differences and to allow both sides to come together and reach agreement. We can argue about which party benefits from a Medicare reform bill and which party will suffer, but the real issue is not whether the Democratic Party or the Republican Party wins or whether the President gets to sign a bill that reforms Medicare in the Rose Garden. The real question before this institution on both sides of the aisle should be whether for once we can come together and craft a piece of legislation that creates a program that is substantially better than the 40 million seniors currently have under Medicare.

When Medicare was created in 1965, it was bipartisan. It was a change. Some say we should not change Medicare. I would argue that Democrats have never feared change. In 1935, when we wrote the Social Security Program under Franklin Roosevelt's leadership, Democrats changed the status quo. When we led in 1965 the effort to provide medical assistance for our Nation's seniors, we challenged the status quo. We stood up for change and created a new program. Today, over 38 years later, we have the opportunity to once again change a program which has served seniors well but not nearly as well as they deserve. Democrats should not fear that type of change.

Medicare today, on average, does not cover 47 percent of the average senior's health care costs in this country. Not one of us in this institution—our employees, Members of Congress—has health care insurance that is that deficient in what it does not cover. Forty-seven percent of those costs have to be borne by the senior citizen individually or, if they do not have enough money, by their children or their grandchildren or, if they become so poor, they are put into the State Medicare Program for the poorest of the poor. That is unacceptable. That is not in keeping with the greatness of this Nation, to have a health care program for seniors that is that deficient.

This institution cannot let the perfect be the enemy of the good. This bill is not perfect, but this bill is good. We cannot let political pundits on both sides of the aisle who try to dictate what our choices are say, well, let's pass a Republican-only bill so that we can blame the failure of its passing on the Democrats. Neither can we allow Democratic political pundits to say to us we should not pass this bill for the reason that it would allow the President of the United States to sign it in the Rose Garden and that would be a political benefit for him.

If we cannot take good legislation and pass it and both earn credit for it, then, quite frankly, we should be doing something else. Good government is good politics. This is good government. This is a good bill.

There are two different approaches to solving health care. Some of my friends on the Republican side would say: The Government should have nothing to do with it. The private sector should do everything, keep the Government out of it, and we can design a program with the free enterprise system that will work just fine.

Unfortunately, there are some on my side who would say: No, the Government has to do everything. Government would have to do it all. The private sector cannot be involved at all.

Both of those approaches are incorrect. The best way to solve health care problems is to do what this bill does; that is, to combine the best of what government can do with the best of what the private sector can do and come up with legislation that says: Yes, the Federal Government can supervise it but not micromanage it. Yes, the Federal Government can help pay for it through the tax system—and this bill does that—but the private sector needs to be involved as well. The private sector can bring about innovation. They can come up with new ideas and new concepts faster than we can in the Congress and in the Federal bureaucracies here in Washington. The private sector can bring about a degree of competition which is sorely lacking under the current micromanaged system with 133,000 pages of rules and regulations. That does not allow innovation or competition. That is one of the reasons the program as we know it today, as good as it is, can be made a lot better.

The issue for our Nation's seniors is not just living longer lives; it is also about living better lives. For the first time, seniors will know that when they need prescription drugs, they will be available. Four hundred billion dollars will set up a structure where they will have insurance that covers prescription drugs, just as in 1965 when we made changes that said the Federal Government will help provide insurance to cover hospitalization, we said that for the first time the Federal Government will help with a program that will provide insurance coverage for doctors.

This is a good program. We should not fear change. This is a major step in the right direction.

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from Maryland.

Ms. MIKULSKI. Good morning, Mr. President. I ask unanimous consent to use such time as necessary to complete my statement.

The PRESIDING OFFICER. The Senator is recognized for up to 9 minutes.

Ms. MIKULSKI. Mr. President, this was a day I had always looked forward to, a day where the Senate would be voting on a prescription drug benefit. I have devoted my life to the advocacy of senior citizens and to standing up for ordinary people to make sure they could make sure that government was on their side when they needed it, when they were at risk. But today I come to this vote with indeed a heavy heart.

The bill the Senate is voting on today is a hollow promise for a prescription drug benefit for seniors. This bill talks big but delivers small. It promises prescription drugs to seniors yet it will create a skimpy benefit for the middle class, cause 2.7 million seniors who already have drug coverage from their employer to lose their coverage, set up the stage to force seniors into HMOs which means seniors could lose the doctors of their own choosing, provides lavish subsidies to insurance companies, creates tax dodges for those making over $250,000, while doing absolutely nothing to stop the soaring cost of prescription drugs.

When I voted for a bill in June, it was a modest but genuine bipartisan effort. I believed it was a start. For years Congress had talked about Medicare. But talk, talk, talk; when all was said and done, more got said than got done. And you can't talk your way out of diabetes; you need insulin. You can't talk your way out of high cholesterol; you need Lipitor. So I thought Congress should move on. But when I voted for the bill, I said that was as far as I would go. I said when the plan came back, if it helped the insurance companies instead of seniors, goodbye to my vote. I said if it increases costs for seniors, say goodbye to my vote. And if it limits benefits, say goodbye to my vote. On all three of these points, this bill falls and fails.

I am going to say that people who say this is a first step—well, it is a step in the wrong direction. If you take the wrong step, you can fall flat on your face. Some believe it is the best we can do. I don't believe that. I believe we can do better, we can do better now, and we can do better next week. We are 45 weeks away from adjourning from this Congress. We have 45 weeks to do a bill that will benefit seniors, protect seniors, protect the integrity of the Federal budget and be able to get the job done.

Seniors don't do better under this bill. It is skimpy. You have a premium of $420 a year, a deductible of $250. You pay $670 a year. When I sat and figured it out, you have to spend $1,000 to get $1,000 worth of drugs. Let me tell you what bothers me also. When you spend up to a drug cost of $2,250, then the Government says the gap between $2,250 and $5,100—your Government says we cannot afford to help you. That is a $2,850 coverage gap. This is while you are going to continue to pay your premiums. You keep on buying your drugs. Your Government says it cannot help you. While you are paying that premium and paying for your drugs, the Government will keep paying those HMOs. This bill leaves too many seniors in the coverage gap.

In my home State, 200,000 people will fall in this coverage gap. Some call it a donut. I call it a poison pill.

I have looked at what it means for those who already have prescription drug benefits. I truly believe that 400,000 Marylanders will be at risk from losing their private plans—whether it is from a Government employer or a private sector employer. I am talking about factory workers and teachers. I am talking about secretaries and firefighters. This bill could dilute or even destroy these benefits over a lifetime.

Often, workers took these benefits instead of pay raises. They chose the promise of a secure health retirement instead of increased pay. I am very concerned that they could lose their benefit. Employers are already being crushed under the weight of health care costs.

In 1998, 48 percent had prescription drug benefits, and now only 28 percent have those employer-sponsored health care coverage. Now, why is this a problem also?

The other very troubling provision in this bill is it has an absolute prohibition on allowing the Government to use its buying power to negotiate lower prices. This bill does nothing to save money on drug costs. In fact, it does the opposite. This bill prohibits the Government from negotiating lower prices. Page 54 of this bill—read it.

But, we already do it. I am the ranking member on the VA-HUD Appropriations Committee. I know what the VA does. The VA uses its buying power to negotiate with drug companies for lower prices. That means we get a 25-percent reduction. It is not price control. It doesn't shackle innovation. It is good management. By the VA negotiating those prices, it is good for the VA to be able to afford to provide drugs, and it is good for the veteran to be able to afford to buy their drugs. Why can't we do this everywhere?

I will tell you, while we give these subsidies, while we have the skimpy benefit, it provides lavish benefits to insurance companies and HMOs; $12 billion in subsidies to private insurance plans to subsidize their participation, forcing them into HMOs in the future—

$12 billion. What is the consequence? It means if you are forced into an HMO, you are going to lose your doctor. You will get the doctor that a bureaucrat tells you you should have rather than the doctor you want to have.

It also creates tax dodges for those making over $250,000, the so-called health savings account—another $6 billion, which they should be paying taxes on. But oh, no, it is one more gimmick, a tax dodge. If you take that $12 billion plus the $6 billion, it would give us $18 billion to close the coverage gap. Instead, we have tax dodges and bonuses to insurance companies rather than a better benefit for the seniors.

I know what some seniors are asking: BARB, why are you going to vote against this bill? I need help now. I need a prescription drug coverage now.

Senior citizens in Maryland have told me that they don't even buy green bananas. They don't want to wait. I want to ease your worry about prescription drug costs. I want to give you something real. For the next 2 years, all you are going to get is a 15-percent discount card, while insurance companies and HMOs are going to get $12 billion from the Government, and there will be this tax dodge for those making over $250,000.

To the seniors of Maryland, I am going to vote against this bill. I am not voting against you. I am voting for you so that you have the benefit that you need. We have an affordable program for the U.S. Government. We can hold our heads up high, but know that when my name is called, I am going to vote no on this bill and, yes, that we can do it better, and we can do it better tomorrow.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. REID. Mr. President, on our side, I think the time we have allocated—we have a little time left, is that true?

The PRESIDING OFFICER. Forty minutes.

Mr. REID. I have allocated a lot of that time. I ask unanimous consent that Senator EDWARDS be given 3 minutes under our control.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

The Senator from Wyoming.

Mr. THOMAS. I yield 5 minutes to the Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, I rise in support of this conference report. I congratulate all those who have worked hard on it. It is a bill on which, I have to admit, I have mixed emotions. There are a lot of things in the bill I like and some things that I don't like.

One of the criticisms I have heard leveled against this bill is that it does harm to those who are in the Medicaid population, the very low-income, under 100 percent of poverty. The interesting thing is that some suggested it does harm because we have made people eligible for Medicaid now eligible for Medicare. Those are the dual eligibles.

One of the reasons we are doing so is because there are many on the other side of the aisle who wanted dual eligibles to be covered under Medicare. The copayment for those dual eligibles is the same as under Medicaid. It is $1 for generics and $3 for name brand drugs. That is hardly a very high cost for prescription drugs. And there are waivers of those copayments for people who are in nursing homes and have other sources of coverage. So what we have done is something that many on the other side wanted us to do, which is take people out of Medicare and put everyone over 65 in one program. That makes some sense, but it is an enormous cost to the Federal Government. We are picking up more of the cost of Medicaid now and that money out of the drug benefit had to come from somewhere.

So I argue that to accomplish one policy goal, we had to give up some subsidies to other seniors. But, clearly, it was a win by many of the Democrats who argued—Senator BAUCUS and others—that they had to have all dual eligibles covered. It is something they wanted. We have done that. I hope we will understand that the reason some of the money has been shifted to lower income was to accomplish what the other side wanted to accomplish.

I also say that, yes, I agree the standard benefit is not the most generous benefit out there. But what everybody here agreed to last year was $350 billion. This year it was $400 billion. I think everybody agreed that $100 billion should be targeted at two groups of people—lower income individuals and high users of drugs. When you do that, and you provide $1 and $3 copays for people over 100 percent of poverty, and up to 150 percent of poverty $3 and $5 copays, what you are talking about is a very expensive program for low-income individuals.

Then, at the other end, you have the catastrophic program that picks up 95 percent of the cost of drugs after $3,600 is spent out of pocket—high users, sick people. We should be helping them with drug costs. When you throw those two pots in, there isn't a lot left for the standard benefit.

It was the idea, I think, that everybody here agrees that we need to focus the $400 billion on those in most need, whether it is need because of sickness or need because of financial condition. This bill does that. I would argue, sure, I think all of us would like to provide a more generous benefit. You have to remember, the rest of the people we are talking about—about 80 percent of them—have prescription drug coverage already. What we are allowing is for a lot of those people to have the drug coverage they have in addition to this being wrapped together to provide a much healthier benefit than just the basic benefit provided under this bill.

Seniors are not going to be just with this plan. In fact, the average senior in this country is going to have a much more enhanced plan available to them than what they have today as a result of this coverage.

I say to my conservative friends who are expressing concern about this bill, the most important thing in this bill, from my perspective, for conservatives is this plan allows for health savings accounts. Fundamentally, what health savings accounts will do is eventually change Medicare—not today, not even 5 or 10 years from now, but over the long term, once health savings accounts become what I believe they will become, which is the method of choice that the vast majority of people in this country will do in the private sector. Health savings accounts affect people under 65, the non-Medicare population. This will be a very popular plan in which millions of Americans will participate, and it will fundamentally change the insurance market in this country.

One thing we have seen from Medicare reform—if you want to call what we have done over the past 40 years Medicare reform—is it follows the private sector. A 1965 Blue Cross plan was the original Medicare bill because that was the standard state of the art in 1965. In the nineties, we changed Medicare to allow for HMOs. Why? Because the private sector adopted HMOs. Now we are doing PPOs. Why? Because the private sector moved from HMOs to PPOs, and in the future we will move to PPOs and health savings accounts in Medicare, and that, I believe, will be the long-term salvation of that program.

The PRESIDING OFFICER (Mr. ENZI). The Senator from Wyoming.

Mr. THOMAS. Mr. President, my understanding is that the Senator from New York will be next. Following that, because we have taken shorter times, we will have two speakers in a row—the Senator from Arizona and the Senator from Texas.

Mr. REID. Mr. President, if I may speak briefly, I say through the Chair to the senior Senator from New York, we have been taking significantly longer than the majority on speeches. They should get two speakers to make up for what we have been taking on our side. Senator CLINTON is next in the order.

The PRESIDING OFFICER. The Senator from New York.

Mrs. CLINTON. Mr. President, there are a number of significant issues that have been raised in this debate over the last 48 hours. I remind our colleagues and our seniors who may be following this debate with some interest that we have had this bill—this gigantic bill—for 4 days.

This is one of the most significant pieces of legislation that will come before this Congress certainly this year, but I would argue for many years to come. It is a wolf in sheep's clothing. We remember the old fairy tale about the wolf that couldn't get into the hen house or into the shepherd's enclosure to try to go after the hens and go after the sheep and kept trying and trying.

Finally, the wolf figured out that a frontal assault was just not going to work. People would see the wolf sneaking up on the hen house, sneaking up behind the sheep, and they would scare them off and try to get him before he got the hens and the sheep.

The wolf got really smart. The wolf found some poor old sheep that hadn't quite made it back from the hills and, unfortunately, killed that sheep, got that sheepskin, and snuck in. When people saw it moving across the ground, they thought: That's just an old sheep.

Lo and behold, the wolf got to the hen house and the sheep, and that poor old farmer didn't have any hens or sheep left by the time the wolf got done.

Make no mistake, that is what is going on here. You can dress it up, you can talk about how significant a benefit it is going to turn out to be, how we are modernizing and changing Medicare for the 21st century, but remember that fairy tale. Fairy tales are rooted in ancient folk wisdom and experience, and what we have here is just a classic wolf in sheep's clothing.

There are many reasons to oppose this bill, and my colleagues have been going through them one after another. I think the bottom line is, No. 1, this bill does very little of what it actually advertises doing. It advertises it is going to be a sea change—a positive sea change—for seniors, and that is not the case.

We have been fighting over prescription drug benefits for seniors for years. A decade ago, when I was working on behalf of the Clinton administration with respect to health care, we included a drug benefit. Some of you may remember that debate. That debate went down, and it went down for many reasons, but one was that it was a 1,300-page bill—a bill that would guarantee health insurance to every American, a bill that would control prices so that we could actually afford health care for every American, and people said: Oh, my goodness, that is such a long bill; why, look at what the Clintons are trying to do. They are trying to change health care with that gigantic bill.

Remember, we produced that bill with a thousand people involved in the process. We vetted it with everybody. We brought it to the Capitol. It was done in the light of day. We produced a bill and then, of course, all the special interests got everybody confused about what was in the bill, and the bill went down even though, as it was going down, public opinion surveys were asking Americans: What is it you want in a bill?

They said: We want guaranteed affordable health care coverage and the ability to pick our doctor—all of which was in the bill.

It didn't do me any good to keep saying it because $300 million had been spent by the special interests for TV ads, radio ads, and newspaper ads—the whole 9 yards. Oh, my goodness, the bill was so big and so confusing and all these terrible things were going to happen.

Four days ago—4 days ago—we got this bill. I am looking through this bill trying to figure out, my goodness, how long it is. I know it is awfully heavy. I think it is about 1,200 pages. That is just to do something to Medicare. It is not to guarantee health insurance for children and working people. It is not to guarantee health insurance for people 55 to 65, who retired and who start, as you do when you get to 55, to have health kinks and problems and are not eligible for Medicare. It doesn't do anything for that.

It is a 1,200-page bill which we received 4 days ago, and I can guarantee you there are disputes on the floor of the Senate as to what is in it and what it means. Why is that? Because we haven't had a chance to examine and analyze it, and if we haven't, with our staff and our efforts over the last 4 days, I know the American people, particularly our seniors, haven't either.

There are many provisions in this bill that really need to be brought into the light of day. I will be voting against cloture, which is a parliamentary term to try to cut off debate, because I don't think we have had enough debate yet. I don't want anybody being surprised about what is really in this bill because there are going to be a lot of surprises.

The promise of reimporting drugs from Canada—which is really important in a place such as New York because we border Canada. A lot of my seniors from Watertown, Massena, or Plattsburgh go across the border and get those cheaper drugs. In this bill, that is going to continue to be a problem and a prohibition in reality, if not legally, because drug companies are going to be given the go-ahead to basically violate antitrust rules so they can cut back on the amount of drugs they send to Canada.

I don't blame the drug companies. They have a captive market in our country. Our tax dollars do the research at our great universities and research labs. Our tax dollars support the National Institutes of Health. Our tax dollars create the conditions in which drugs are given clinical trials to determine whether they help or hurt. We do all the work for the entire world for determining the efficacy of drugs, quality, and safety, and then other countries, such as Canada, Europe, and other places, bargain with the drug companies.

They say, OK, we have a big market. We have millions of people. It is kind of like Sam's Club, only think of it as the Canadian club or the European Union club. They bargain with these drug companies and they drive the prices down because they are going to buy in volume.

Should we not have an Uncle Sam's Club? Should not Uncle Sam be able to bargain with these drug companies? Apparently that is not what the backroom negotiators and writers of this legislation wanted because in the most wonderful example of Orwellian language, on page 53 of this bill, under a title called noninterference—I love that—it says in order to promote competition—there are magic words around here. It is said that competition is going to be promoted, while they create a monopoly, while they end antitrust, because they are setting up all kinds of special privileges for special interests. Nevertheless, we just hope nobody notices that.

So in order to promote competition under this part and in carrying out this part, the Secretary, No. 1, may not interfere with the negotiations between drug manufacturers and pharmacies and PDP sponsors—those are drug plans—and may not require a particular formulary—that is the list of the drugs one can get—or institute a price structure for the reimbursement of covered drugs.

Basically, what this means is the lid is off. Not only can we not get the drugs from Canada anymore because our drug companies will say to the poor Canadians, keep letting your pharmacists send them across the border and we are going to not send the drugs for the Canadian people. But we cannot even bargain. We cannot have an Uncle Sam's Club. We cannot get the volume discounts.

We have to look at who is doing what in this debate to figure out where the sheep are, where the hens are, and where the wolves are. One of the biggest wolves who has been after Medicare for as long as he has been in public life is our old friend, Newt Gingrich, former Speaker of the House, when he called for Medicare to wither on the vine.

Well, guess who showed up to try to whip those House Republicans in line to vote for this bill, which is why they had to leave the vote open for more than 3 hours, the longest time they had ever had to leave a vote open because basically, there was the wolf in sheep's clothing going up to the House Republicans and saying: Do not worry, we are going to say all of these good things about this bill, but just wait until we get our hands on it; just wait until we get into that hen house.

I do not blame them if that is what they believe. Nevertheless, we are the ones who are going to be paying the price.

I ask unanimous consent for an additional 2 minutes.

The PRESIDING OFFICER. That will be 2 minutes off the Democratic side. Since there is no one from the Democratic side objecting, it is so ordered.

Mrs. CLINTON. I will put a chart up that gives a short summary for any American, and particularly for any senior citizen, watching. This bill sacrifices seniors' interest to special interests.

Seniors need lower drug prices. Forget it. The drug industry wants higher profits.

Seniors need predictable premiums. Forget it. Managed care wants the flexibility to raise their rates even in the middle of the year.

Seniors need a choice of drugs. Forget it. The drug industry wants a restrictive formulary that pushes their brands.

Seniors need to keep their retirement benefits. Forget it. The private plans want a $12 billion slush fund so we are going to lose retiree health care.

Seniors want to stay in Medicare. Forget it because what is going to happen is that Medicare is going to get increasingly the health care plan for the sickest and the oldest of our seniors, which will make it more expensive. In this bill we are going to even see a constriction on the nondrug benefits for Medicare.

So one has to really watch what goes on around here. They have to follow it carefully. This is a bill that is bad for seniors, bad for America, and I hope my colleagues will stand against it.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. THOMAS. I yield 5 minutes to the Senator from Arizona.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Mr. President, we have before us a conference report that represents one of the biggest expansions of the Medicare entitlement program and offers enormous profits and protections for a few of the country's most powerful interest groups, paid for with the borrowed money of American taxpayers for generations and generations to come.

This legislation reminds me of the ancient medieval practice of leeching. Every special interest in Washington is attaching itself to this legislation and sucking Medicare dry.

We do not need leeching. What we need is reform. On top of the existing $7 trillion accumulated deficit, which translates into $24,000 for every man, woman, and child in the United States, this year's current deficit is quickly approaching a half trillion dollars. Adding a new unfunded entitlement to a system that is already financially insolvent is so grossly irresponsible that it ought to outrage every fiscal conservative.

According to the Congressional Budget Office, this package is estimated to cost just over $400 billion over 10 years. If one believes that is the maximum we will spend over 10 years, I have some beach front property in Gila Bend to sell you. Four hundred billion dollars is merely a down payment.

One important number not frequently mentioned is the estimated increase this new package will add to existing liabilities. The Office of Management and Budget estimated that current unfunded liabilities of Medicare and Social Security are $18 trillion. That is the current unfunded liabilities. What is absolutely astounding is that this new benefit will add an estimated $7 trillion in additional unfunded liabilities. By the year 2020 Social Security and Medicare, with a prescription drug benefit, will consume an estimated 21 percent of income taxes for every working American.

I think we ought to be honest with the American people. Passing this package without implementing the necessary reforms to ensure that the Medicare system is solvent over the long term is rearranging the deck chairs on the Titanic. There is no one in America who is reliable who will not say that the Medicare system is going to go broke. The question is not if. The question is when, not what.

To save this system we should enact true free market reforms and bring Medicare into the 21st century. Unfortunately, the minor reforms in this bill do not even begin to offset the burden added by the new drug benefit. With future generations of American taxpayers funding the purchase of prescription drugs under Medicare, we have an obligation to ensure some amount of cost containment against the skyrocketing costs of prescription drugs. Unfortunately, however, this package explicitly prohibits Medicare from using purchasing power to negotiate lower prices with manufacturers.

How is that possible? The Veterans' Administration, the VA, and State Medicaid Programs use market share to negotiate substantial discounts. It is prohibited in this bill. The taxpayers should be able to expect Medicare, as a large purchaser of prescription drugs, to be able to derive some discount from its new market share. Instead, taxpayers will provide an estimated $9 billion a year in increased profits to the pharmaceutical industry.

Prescription drug importation is another lost opportunity for cost containment. American consumers pay some of the highest prices in the developed world for prescription drugs and, as a result, millions of our citizens travel across our borders each year to purchase these prescriptions. In all, Americans spend hundreds of millions of dollars on imported pharmaceuticals, not because they do not want to buy American but because they cannot afford to.

This conference report contains language on drug importation. However, it has been successfully weakened to the point of guaranteeing that implementation will never take place.

There is a good provision as far as generic drugs are concerned, but this package is not only a bad deal for American taxpayers, I believe seniors will also find it not worth the price.

Although this conference report allocates close to $80 billion in subsidies to corporations to encourage them not to drop or reduce benefits, the CBO estimates that approximately 20 percent of seniors will lose their current employer-sponsored coverage.

I am concerned we are about to repeat an enormous mistake. I was here when we enacted Medicare catastrophic in 1988, and I was here 1 year later fighting to repeal it. We cannot let political shortsightedness blind us from the long-term fiscal implications of this package.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. THOMAS. I yield 5 minutes to the Senator from Texas.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that I be told in 3 minutes because I intend to leave 2 extra minutes to the Senator from Utah.

The PRESIDING OFFICER. Three minutes remaining or use 3 minutes?

Mrs. HUTCHISON. After I use 3 minutes. Thank you.

Mr. President, while the medical community has ridden the technological wave of the future, pushing the envelope in research into new pharmaceuticals, treatments and life-saving measures, Medicare has been stuck floundering in the 20th century. The venerable program, designed to provide healthcare for the elderly and the disabled, has failed to meet all of the needs of those it set out to serve.

After years of talk, Congress is poised to enact the most sweeping change for America's seniors in nearly 40 years. We have the opportunity to bring Medicare up-to-date and take advantage of the incredible advances in prescription drugs.

Pharmaceuticals are one of the miracles of modern medicine. Ailments that traditionally required an expensive in-patient hospital stay and invasion surgery can now be treated with medication. But most Medicare recipients wouldn't know it. While the government pays for costly heart surgery, it currently will not pay for the preventative drugs that may have precluded the need for an operate in the first place.

An estimated 9.9 million Medicare beneficiaries do not have private prescription drug coverage, almost 600,000 in Texas alone. Some seniors who could lower their cholesterol by ingesting a simple pill like Lipitor have to pay out their pockets for the drug which retails at $108 per bottle, placing this simple solution out of their reach.

The bill before Congress would give America's seniors access to a prescription drug benefit for the first time. Beneficiaries would pay a $35 monthly premium and a $250 deductible, after which they would pay 25 percent of drug costs between $275 and $2,250 and 100 percent between $2,250 and $3,600. Costs over that threshold would require an average copay of $2 for generic drugs and $5 for brand name drugs, or 5 percent of the total drug cost depending on the plan.

Until these reforms are in place, a prescription drug discount card offering savings of up to 25 percent will be available in 2004, providing some relief immediately.

This measure also offers additional and unprecedented assistance to those with low incomes. Medicare beneficiaries at the poverty level and below will pay no premiums or deductibles and will have nominal cost sharing responsibility, with copays of $1 for generic drugs and $3 for other pharmaceuticals. Those at 135 percent of the poverty level, or $12,123 annually for individuals, will not pay premiums or deductibles and will have co-payments of no more than $5. Beneficiaries at 150 percent of the poverty level, or $13,470 annually, will have a sliding scale subsidy for premiums, a $50 deductible and $2 and $5 co-pays. These changes will mean more than 680,000 low-income Texans will pay no more than $5 per prescription. Furthermore, with the Federal Government providing drug coverage for those individuals who qualify for both Medicare and Medicaid, my State will save $1.7 billion over an eight-year period.

Though much of the attention surrounding Medicare reform has focused on the prescription drug benefit, there are a number of other elements that are important. In the end, the legislation is a good compromise and addresses the fundamental problems.

One significant element is choice. This plan provides access to a broad array of healthcare options, similar to what most working Americans already enjoy. Seniors can stay in traditional Medicare, add a prescription drug plan or choose an HMO or PPO that includes a prescription drug plan. Unlike the current Medicare+Choice plans, which have been pulling out of communities, the bill guarantees all seniors will have access to an HMO or PPO plan.

It also has provisions to encourage companies currently providing healthcare to their retirees to continue offering this important benefit.

Another important component of the bill is an increase in the reimbursement rate for physicians, many of whom have stopped taking on new Medicare patients. Physicians were facing a cut in March of 2004 and another in 2005, but this legislation not only stops the reductions, it gives physicians an additional 1.5 percent reimbursement.

Hospitals that treat a large number of illegal immigrants will receive some compensation for their services—a provision important for Texas hospitals and other providers.

Another advantage that will benefit the general population, not just those within Medicare, is the creation of Health Savings Accounts, which will allow individuals and families to put tax-free money into an investment-type account dedicated to their medical costs. The money is not taxed when withdrawn for qualified medical expenses, giving Americans another tool to cover healthcare costs, such as deductibles and co-payments.

As with any compromise, the bill is not everything I would want. I advocated larger teaching hospital reimbursement levels, and although the percentage is not as high as I proposed, in 2004 it increases the current reimbursement rate, from 5.5 percent to 6 percent in April and then to 5.8 percent in October, but it is still higher than the current rate.

This increase means almost $13 million to Texas' teaching hospitals. Every State has at least one teaching hospital, with 1100 of the facilities nationwide. Teaching hospitals train nearly 100,000 physicians, and the Federal Government has traditionally recognized the higher costs inherent in training and educating those health care providers. They utilize newer technology and provide more indigent care. This increase will provide some much-needed assistance to our financially strapped rural and teaching hospitals.

Let me be clear: this bill is not perfect, but as AARP President James Parkel said this week, "Millions of Americans cannot wait for perfect. They need help now."

After years of talk, we are taking the first step to bring this vital program up-to-date. For the first time, we can provide a voluntary prescription drug benefit that offers additional assistance for those who need it most and strengthen Medicare for future generations.

I know my 3 minutes are up. I would like to add 2 minutes to Senator HATCH's 5 minutes with that added 2 minutes. I urge my colleagues to support this major first step.

The PRESIDING OFFICER. Who yields time?

Mr. THOMAS. Under our agreement, we will slip over to that side and then Senator HATCH will be next.

The PRESIDING OFFICER. The Senator from Michigan.

Ms. STABENOW. Mr. President, without objection, I yield myself 5 minutes from the time of those in opposition.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. STABENOW. Mr. President, we have a very important vote coming up shortly on whether or not to proceed with the bill or to continue working, whether or not to stop our efforts to continue to try to improve this bill or to begin the clock to a final vote. Many colleagues have pointed out that this is the bill—this is the bill. The bottom line of all of this paperwork is that it does not take effect, in terms of prescription drug coverage for seniors, until 2006. So this is the bill we are asking for time to thoroughly go through, line by line, and to be able to fix what does not work for our seniors.

We are being told we have to rush this; this is the last time we are going to be able to do it; we don't have any more time to be able to put this together. Yet the bottom line of all this, for seniors' prescription drug help, if there is any in here—and there is a little—doesn't even start until 2006.

I am going to be voting against the effort to stop debate and move to a final vote because I believe we need to take the time to get it right. I believe there are critical issues we need to fix.

Let me first say a positive aspect in all of this is important efforts to help our rural providers, our doctors and hospitals, home health agencies, and nursing homes. On Saturday I put forward a bill that would actually pull out those positive provisions that are critical for our providers, to vote separately on that. I believe we would have, if not unanimous, overwhelming bipartisan support for those efforts that help our providers.

While I do not believe this bill, on balance, is good at all for our seniors, it is a bad deal for seniors, there are good provisions in it. I hope if this bill does not go forward, we can pull those provider pieces out and support them.

Why don't I support this bill as written? In this bill as written, 2.7 million retirees lose their coverage. One out of four folks who worked hard during their lives, maybe have taken a pay cut here or there to get good health coverage, would actually lose coverage as a result of the provisions, the way this bill is written for private employers.

Mr. President, 6.4 million low-income seniors, the folks we all talk about, the folks we are desperately concerned about, who really are sitting down today at the table and saying, Do I eat today or do I take my medicine, they will end up paying more because of the way this is changed between Medicaid and Medicare. That doesn't make any sense. It is a bad deal for too many of our low-income seniors who need help the most. It is a bad deal for 2.7 million folks who have private insurance and will lose it. My fear is they will not just lose the prescription drug coverage; they will lose their entire health care coverage.

To add insult to injury, this bill locks in the highest possible prices in the world. It keeps drug prices high, which is why the pharmaceutical industry is so strongly supporting it.

They changed their strategy a few years ago. They have been trying to stop prescription drug coverage because they didn't want Medicare to use its clout as a group purchaser to be able to get a good discount, as we do for the veterans, and lower prices. They fought it, but then they decided they couldn't fight it anymore because seniors are desperate and we do need to do something. We are long past doing something real for our seniors. So they changed the strategy. They said: Let's write a bill that gets a whole bunch more customers, 40 million more customers potentially, and let's make sure we lock in the highest prices so they can't compete; they can't lower prices; they can't go to Canada or other countries where there are safe, FDA-approved processes right now to be able to bring drugs back across the border.

That is a big deal for us in Michigan. It is 5 minutes across a bridge or 5 minutes through a tunnel to be able to get lower prices—in half or more. So they made sure we are not going to be able to do that and they made sure we are not going to be able to negotiate for lower prices.

What do we have in the end? We have a whole new group of customers for the pharmaceutical industry who will be forced to pay the highest possible prices.

This is not a good deal for our seniors. We can do better than this. People don't have to lose coverage. People don't have to pay more. People don't have to be locked into the highest possible prices in the world. We have time. This bill doesn't take effect until 2006 for our seniors. I urge us to take the time to get it right.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. THOMAS. Mr. President, I think we have agreement we would yield 7 minutes to the Senator from Utah and then 5 minutes to the majority whip.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. It is my understanding I have 7 minutes.

The PRESIDING OFFICER. That is correct.

Mr. HATCH. Mr. President, I have listened carefully to the debate on H.R. 1 during the last few days.

I regret to say I have heard many half-truths and misrepresentations about our bill from the opponents of the legislation.

This simply won't stand.

We're reaching the point where twisted facts and wrong-headed reasoning have been repeated so often that even those who know better are no longer jarred to hear it.

As one of the conference committee members who actually wrote this bill, I find this untenable, because the opposition is just scaring and confusing Medicare beneficiaries.

The last thing any of us want is for critical decisions to be made in a climate of fear or in a fog of uncertainty.

Yes, this legislation is not perfect. But it is good.

I'll tell you why.

First, and most important, this bill provides all beneficiaries—seniors and the disabled—with voluntary prescription drug coverage for the first time in almost 40 years.

Coverage for their medications is something Utah beneficiaries have sought for decades.

Not a day goes by that I do not receive a letter from some part of Utah beseeching Congress to pass this bill.

Second, that coverage will be immediate. Seniors wherever they may live, from St. George to Logan, from Tooele to Vernal and down to Blanding and Monticello, will be able to use a new drug card to get an immediate discount on their medications.

Third, the program is voluntary. We all know—as do the bill's opponents—that beneficiaries will not be forced to join this new drug program. If they are happy with the status quo, then things can stay as they are. If they want to participate in the new program—it will be there for them.

Fourth, H.R. 1 provides choice in coverage. Beneficiaries may stay in traditional Medicare and elect to take a stand-alone drug plan if they want one. Or they may receive their coverage through a local health plan or the new regional PPO plans offered through the new Medicare Advantage program.

How often does a Federal program offer people the range of choices that this bill creates?

Fifth, this bill preserves retiree health coverage. Close to one-quarter of the spending in this bill, approximately $89 billion, is dedicated to protecting retiree health benefits.

For the first time—and none too soon—Medicare will provide funding as an incentive for employers to continue retiree health coverage. Under this bill, no beneficiary will be forced to drop retiree health coverage and participate in the new prescription drug program.

Sixth, the conference agreement is good for rural America, which has gotten the short shrift under Medicare for some time.

We want to ensure that Medicare beneficiaries will have access to quality health care, no matter where they live. We also want rural providers, providers in Moab and Panguitch, providers in Price and Manti, providers who dispense vital health services to beneficiaries, to be properly reimbursed for their services. This legislation accomplishes those important goals.

Seventh—as I intend to amplify later—this legislation improves the Drug Price Competition and Patent Term Restoration Act of 1984, better known as Hatch-Waxman. The conference agreement strengthens the 1984 law so it is easier for everyone, including seniors and the disabled, to have timely access to less expensive, generic drugs.

Eighth, the Medicare agreement includes an appropriate response to the question of reimporting prescription drugs into the United States.

While we include the provisions contained in the legislation approved by the Senate, this agreement also requires the HHS Secretary to conduct an extensive study that identifies the barriers to implementing a drug reimportation program.

Many of my constituents have written, asking why they cannot use the lower cost medications from Canada. The answer is easy: it is just irresponsible for Congress to jeopardize public safety by allowing the unchecked reimportation of drugs. That is why I adamantly opposed the House policy.

If we truly care about our seniors and other patients who depend upon prescription drugs, we should not expose them to what amounts to pharmaceutical Russian roulette.

And, finally, we have done all we can to craft a bill that is as cost-conscious as possible, a bill that the Congressional Budget Office has certified stays within our budget, and a bill that minimizes bureaucracy whenever possible.

We have worked hard to write a measure that relies whenever possible on the private sector, not on exploding the size of big, Washington government.

Before I conclude, I would like to take a minute to refute some of the points that have been raised by the opponents of this legislation.

Yesterday, I heard my good friend from Massachusetts talking about how he feels that the Senate is being stampeded with a bad bill.

It is hard to argue we are being stampeded, when we have worked on this issue for almost 15 years.

I also have heard our colleague say this legislation dismantles the Medicare program and that the HMOs are going to make out like bandits. Again, that is simply not true. Guess who was one of the people who helped to bring about HMOs. None other than the senior Senator from Massachusetts.

This agreement improves the Medicare program by giving beneficiaries voluntary prescription drug coverage for the first time in 40 years—that is a reaffirmation of Medicare, not a weakening of it.

We also give beneficiaries expanded choices in their health care coverage; they may remain in traditional Medicare or in their retiree health care plan. Or they may receive their coverage through local or regional plans offered to them through the new Medicare Advantage program.

Contrary to what my friend from Massachusetts says, no one will be forced into an HMO, and I hope that the American people are not buying that kind of scare tactic.

The other fallacy that I heard during this debate was that the premium support demonstration project, which would be conducted in only six metropolitan areas, is going to disadvantage beneficiaries who remain in traditional Medicare. I have heard it said that those premiums could go up by 10, 15 or 20 percent, even though we who wrote the bill know that the Part B premiums for traditional Medicare could not rise by any more than 5 percent over the regular premium.

This rhetoric is absolutely outrageous. If you look on page 254 of the conference report, you will see that it is not true. The legislative language speaks for itself:

"The amount of the adjustment under this subsection for months in a year shall not exceed 5 percent of the amount of the monthly premium."

In addition, if a beneficiary is under 150% of poverty, there is no impact on premiums at all.

And I am really getting tired of Speaker Newt Gingrich's words being continuously misconstrued.

He never said, as my colleagues on the other side of the aisle like to assert, that he wanted Medicare to wither on the vine. What he did say is that the agency that controlled Medicare, HCFA, should wither on the vine because it was filled with bureaucrats that were strangling the program. That is a far cry from what they have been representing—person after person after person.

He was arguing against large bureaucracies and for seniors to have more control over their health care.

I have saved the best for last: the accusations and allegations made against the AARP, which are truly amazing to me. It is truly amazing how last year they were considered to be the greatest organization on Earth by folks on the other side of the aisle, but this year they are dirtier than dirt. That is just not true.

It is ironic that some in this Chamber are criticizing the AARP for supporting a bill that will provide drug coverage to Medicare beneficiaries.

What a difference a year makes! Last year, the AARP could do nothing wrong in the eyes of today's opponents.

Yet, suddenly the AARP is either greedy or being taken in like a bunch of half-wits. So much for honest disagreement among friends!

What has changed? What does AARP know that the opponents of S. 1 do not?

AARP knows that this may very well be our last chance to enact a program adding prescription drug coverage to Medicare.

AARP knows, as we all do, that this is not a perfect bill. But AARP also knows that this bill lays a solid foundation which we can refine in the future.

In the eyes of this Senator, AARP has made a courageous decision by endorsing our proposal and I greatly appreciate their support

In conclusion, I want to commend the chairman of the Senate Finance Committee, CHUCK GRASSLEY and the ranking minority member, MAX BAUCUS on a job well done.

I also want to compliment the Majority Leader, Dr. BILL FRIST, on his leadership in shepherding this bill through the Senate.

Today we will make history.

We will break gridlock. We will act decisively to help the people of this great country.

The citizens of this great country are counting on us to get the job done.

So, let us clear away all the parliamentary hurdles and pass H.R. 1.

It is the right thing to do.

One last thing. I have heard some of my colleagues who are opposed to this bill raise the issue that Government can do nothing to help restrain the growth of drug costs or bring drug costs down. Again, this is a misrepresentation of what the conference agreement actually does.

The conference bill specifies the Government "may not interfere with the negotiations between drug manufacturers and pharmacies and PPO sponsors and may not require a particular formulary or institute a price structure."

Opponents claim that provision, which originated with Democratic proposals, by the way, is a concession to the pharmaceutical industry. That is why it is so phony to hear these arguments. They are plain wrong. The non-interference provision is at the heart of the bill's structure for delivering prescription drug coverage. It is a good deal for consumers rather than price fixing by the CMS bureaucracy, which I believe is opening the door for universal health care. It is a misrepresentation of the language in this provision to argue otherwise.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, will the Senate turn its back today on 40 million American seniors? We are going to find out in a few hours.

Will a prescription drug benefit that we have promised our seniors for 38 years become law or became a victim to the political agenda of a partisan minority?

This bill provides a Medicare drug benefit to 40 million seniors. It has passed the House, and the President of the United States will sign it.

Only one hurdle—just one—stands in the way of seniors getting a Medicare drug benefit, and that is the Senate.

While a strong bipartisan majority in the Senate supports this drug benefit bill, that may not be enough. While the American Medical Association, AARP, and hundreds of other health provider organizations support this bill, that may not be enough.

While businesses, health plans, citizens, and taxpayer groups support this bill, it may not be enough.

All of this support may not be enough because this is the Senate. And the minority can, if it chooses to, obstruct.

Incredibly, some on the Democratic side plan to kill this Medicare drug benefit through a filibuster, or use any other way they can think of to defeat the will of the majority.

Points of order have been suggested. We know this bill is within the budget that we passed last year. So there may be some tricky point of order raised, but it should not be sustained because we know this bill is within the budget that we passed.

No matter how the minority tries to block the majority in the Senate, a filibuster by any other name is still a filibuster.

Somewhere in my home State of Kentucky, a senior is beginning a new week. She will have to choose whether to take half a pill of her medication, skimp on her food, or endure some other belt tightening. She doesn't understand about filibusters or arcane Senate procedures. But she does know that the drug benefit she needs is one step away from her. She thinks because the majority rules in America she will get relief soon. Well, the majority rule is everywhere except here in the Senate, potentially. She may be wrong. Here in the Senate the will of the majority can be defeated by the minority. The will of the people can be thwarted by a handful—a handful.

This is as close as we have ever come to passing a drug benefit, and a minority in the Senate is determined to make sure this is as close as we ever get. They do not want us to ever get any closer than we are right now. Why? Why deny our seniors that which they absolutely deserve?

Despite the hyperbole, it cannot be policy. This bill is based on the 1997 Medicare Commission. It reflects bipartisan legislation, such as the Breaux-Frist and the Breaux-Thomas bills. It mirrors the Federal Employees Health Benefits Plan, which Senators on both sides of the aisle have endorsed. And it is the product of countless hours of bipartisan negotiations between the ranking member and chairman of the Finance Committee.

Time and time again, demands have been made by the minority as to what must be and what must not be in this bill. Time and time again, this leader and this chairman have met them more than halfway.

The problem today is not this bipartisan policy but raw partisan politics.

Because of partisan politics, some want to keep the Medicare drug benefit as the "Holy Grail" of American politics—something always sought but never found.

To keep their election year gimmick where the Medicare drug benefit is always promised but never delivered—always promised but never delivered—

this partisan minority will deny seniors a drug benefit now.

This is crass politics of the worst kind. Our seniors deserve better. Our parents always put us first. Now is our chance to put them first.

But will our seniors come in second place to political games here in the Senate? In the fight for prescription drugs, second place gets seniors nothing. Today, we will vote to see if we put our seniors first or if the greatest generation ever will come in last.

I yield the floor.

Mr. THOMAS. Mr. President, I will react to some of the comments, particularly the fact there is emphasis in this bill for help for low income Medicare Beneficiaries. As we move forward, certainly in Medicare the costs obviously are going to get higher as more and more in this generation move into the category of Medicare eligibility.

This conference report contains a generous drug benefit for the dual eligible. There is no donut for low-income Medicare beneficiaries. They talk about people being less well off because of this. That is not the case. This bill guarantees all 6 million dual eligibles, the people eligible for both Medicare and Medicaid, access to prescription drugs.

Under the conference report, dual eligibles will have better access through Medicare, especially since State Medicaid Programs are increasingly imposing restrictions on patient access to drugs.

Further, States have the flexibility to provide coverage for classes of drugs, including over-the-counter medicines not covered by the Medicare Program. This bill ensures appeal rights for dual eligibles. Under this arrangement, duals will maintain appeal rights like all those in the Medicaid Program. Dual eligibles are a fragile population, certainly, and are well taken care of in this bill. The conference report recognizes and provides generous coverage for those 6 million beneficiaries.

It is time for the partisan rhetoric to be put aside and we approve this bill.

The PRESIDING OFFICER. Who yields time? If no one yields time, time is charged equally to both sides.

The Senator from Nevada.

Mr. REID. I yield the Senator from Massachusetts 1 minute additional.

Mr. KENNEDY. Would the Chair notify me when I have 1 minute remaining.

The PRESIDING OFFICER. The Chair will so note.

Mr. KENNEDY. Mr. President, in a very short period of time, the Senate will be making a judgment about whether we are going to effectively close off any further debate on this legislation I hold in my hands. It was made available last week, on Friday, to the Members of the Senate on an issue of enormous importance and significance to every person in America. That is the question of Medicare and its future and how our seniors are going to get their prescription drugs.

It seems to me that out of consideration for our senior population and the importance of this issue, the Members of this body ought to know what is in it, what is going to benefit our senior citizens, and what is going to benefit the special interests. We think we ought to take a few more days, come back next week in the Senate and debate that issue, spend a couple weeks discussing it.

But our friends on the other side say no, they had to stay in all weekend—which I was glad to do. We had debate on Saturday, we had debate on Sunday, and now on Monday they are asking Members to vote on this measure.

I was not in the Senate at the time they passed Social Security, but I was here at the time we passed Medicare. The reason we created the Medicare system was because private insurance companies were not paying attention to the elderly in this country. We debated the issue for 5 years—not 4 days; 5 years—from 1960, 1961, 1962, 1963, 1964 and finally we passed it in 1965. When we passed the Medicare system in 1965, it was opposed by many on the other side of the aisle. It only got 12 Republican votes.

This is the party that is committed to Medicare and Social Security. Over the period of time I have been here, we have seen constant efforts to undermine Medicare. It was understood when we passed Medicare that there was not going to be a role for private industry to take over senior citizens in the Medicare system. Many of our elderly, who have worked a lifetime, brought the Nation out of the Depression, fought in the World Wars of this country, fought in Korea, and paid their dues to the Nation, are elderly and frail and many of them have illnesses. We know the private sector cherry-picks, takes the healthiest senior citizens and the younger senior citizen, makes a profit, and leaves the others out so they can never get any kind of protection. We rejected that as a nation, passed Medicare, and said everyone is a part of it.

That is why it is a beloved program in the United States. Seniors today, this morning, this afternoon, last night, know their doctor, know their health care delivery, have trust and confidence in Medicare. They do not want to risk that. This bill does. This bill does, make no mistake about it. It is the beginning of the unwinding of Medicare, the replacing of Medicare with the private sector and privatizing the Medicare system, make no mistake about it.

They are using—our friends on the other side—the words "prescription drug program" in order to carry this through. I have just listened to some of these statements. They say: "Don't you want your parents tonight in different parts of the country to be able to get their prescription drugs in order to meet our responsibility?"

We have been trying to do that. And we did it pretty well—not as well as I would have liked—several months ago, in a bipartisan bill we created a prescription drug program. But the bill we have now has hijacked the prescription drug program and used it as an excuse to undermine the Medicare system, to require, effectively, or coerce our senior citizens to leave Medicare and to go into HMOs in order to be able to get the prescription drug program.

The subsidies that are provided for the HMOs are scandalous—scandalous. We hear about "free competition." There is no more free competition than the man in the Moon in this with the kind of subsidies that are given. And who is paying for those subsidies? The elderly people.

It is undermining the Medicare system in three different ways.

First of all, it undermines the Medicare system because of the unconscionable subsidies it gives to the HMOs, which will permit them to lower their premiums to draw and coerce seniors out of Medicare to go for HMOs.

Second, we have premium support. Premium support just means the costs for our seniors who remain in Medicare will be going up.

Is that what I say? Yes. But who else says it? The Medicare actuaries say there will be an explosion in the increase of the cost of premiums. Do we want to take that risk? Do we want to say, well, let's try an experiment with our nation's seniors? Why do we need an experiment when we know the premiums are going to go up?

The third is the undermining of employer-based systems through the HSAs. They tried it. They fought for it. It is an ideological commitment on the other side, and they have that included in the report.

All those three measures were not in the Senate bill but in the House bill. That is why the bill passed with only one vote in the House of Representatives. Imagine that. If this is such a wonderful bill, why would they only be able to pass it by one vote? That is all they passed it by the first time it came up in the House of Representatives. Then, after twisting arms, cajoling, effectively bribing Members in the House of Representatives, keeping the tab open for 3 hours, they were able to bring together and carry the vote on the repot by just four or five votes—this overwhelming new program that is so good for everyone? It passed by such a narrow margin. And now they are trying to jam it through the Senate.

We all know what is going on. It is the objective of our good friends on the other side; and that is the beginning of the dismantling of the Medicare system, make no mistake about it.

I was here when Medicare passed in 1965. I was here in 1964 when it failed. I remember the debate. I remember very clearly. And we are seeing, if this bill passes, the beginning of the unwinding of the Medicare system.

Now, you can say: Well, Senator, you are really extending yourself on this and your interpretation of the motivation on the other side. I am saying they want to undermine the Medicare system. And the next is going to be Social Security, make no mistake about it.

Is that what I say? No. This is just reported in the Washington Post this past week. Just read it. It does a lot better sometimes to read what the objective is in the White House and what their statements are rather than necessarily the speeches by some of our Members on the floor.

Here it is in the Washington Post, on page A-14: Presidential adviser said Bush is intent on being able to say that reworking Social Security is part of my mandate if he wins. This is it. President Bush aids reviving the long-shelved plan on Social Security. It is the privatization of Medicare. And next is Social Security. That has been their objective.

The PRESIDING OFFICER. The Senator has 1 minute.

Mr. KENNEDY. Now, Mr. President, we are strongly committed—when this bill fails or goes down, or a legitimate point of order is made—that we go back to the drawing boards. I am as strongly committed to get an effective prescription drug program as I was when I stood earlier this year when we passed a good program here in the Senate in a bipartisan way, and as I was when I stood with the Senator from Florida and the Senator from Georgia, Mr. GRAHAM and Mr. MILLER, when they fought for a good program here, and we got 52 votes for it.

But when we hear all this chatter over on the other side about, oh, my goodness, they are filibustering the bill, they filibustered that bill—Republicans filibustered that bill a year and a half ago. We got 52 votes. They would not let it pass. They refused to. It was a good bill.

So let's go back to the drawing boards. Let's go back to that conference. Sure, they will say: Well, we can't. It is conferenced. They say we have Thanksgiving coming up. We can't do it. We would like to be home for Thanksgiving. But this is a matter of life and death for many of our senior citizens.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. KENNEDY. I thought I asked the Chair to inform me when I had 1 minute left.

The PRESIDING OFFICER. I rapped the gavel and said 1 minute. I thought the Senator had seen it.

Mr. KENNEDY. Well, Mr. President, I hope we will not invoke cloture.

The PRESIDING OFFICER. Who yields time? Who yields time?

Mr. THOMAS. Mr. President, I yield to the Senator from Utah for 3 minutes.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I have listened to my dear friend and colleague from Massachusetts. I guess he wants us to spend another 15 years either trying to reform Medicare, improve Medicare or pass another prescription drug benefit program through the Congress.

We are putting up $400 billion over 10 years, for both a Medicare drug benefit, something that seniors currently do not have today, and Medicare program improvements. Medicare beneficiaries have a choice of whether or not they want to participate in this program. They may remain in traditional Medicare. And, to be honest with you, those remaining in traditional Medicare who end up participating in the comparative cost adjustment demonstration project will not see their premiums increase more than 5 percent.

Mr. KENNEDY. Will the Senator yield on that point?

Mr. HATCH. I only have a few minutes, so I would like to finish my comments.

According to my colleague from Massachusetts, we are dismantling Medicare. That could not be further from the truth.

How can we say that—when we are improving and strengthening Medicare, we are giving Medicare beneficiaries a choice of coverage, and we are giving them $400 billion to help with their prescription drug coverage and Medicare benefits. These new choices include the plans created under the new Medicare Advantage Program, the stand-alone drug plan, the regional plans, the local plans—how on Earth is that dismantling Medicare? And this coming from one in this body who was one of the major proponents of HMOs, to begin with? I might add, I have been here long enough to have remembered that.

Next is Social Security? Nobody in this body wants to hurt Social Security, and the Senator from Massachusetts knows that. Since when does the Washington Post have the inside track on the Senate Republican agenda? Give me a break.

Mr. KENNEDY. Will the Senator yield on that issue?

Mr. HATCH. I am going to finish in just a minute.

Again, I think my friend from Massachusetts, as great a Senator as he is, is trying to scare senior citizens. And, frankly, I think to say let's just not pass this bill and let's go back to the drawing boards is just plain wrong. The Members of the Medicare conference have been meeting for hours and hours, days, weeks, months to figure out how to provide Medicare beneficiaries with the best drug coverage possible. There are Members of Congress who have been working on this issue, trying to get a bill signed into law, for close to 15 years. And we are almost at the finish line. Yet my good colleague wants to go back to another 15 years of floundering around on this issue.

Now, if beneficiaries did not have choice in drug coverage, maybe my friend from Massachusetts would have a point. But seniors will have choice in coverage. Why would we go back to the drawing board, especially after all the time and effort we have put in this legislation? We have before us a bill that really does so much for seniors. The AARP is coming out strongly behind this bill, because they know full well that it is the last train out of the station, it is the only way we can go. I urge my colleagues to support this legislation so Medicare beneficiaries can finally have what they have wanted for close to 40 years—comprehensive prescription drug coverage.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. HATCH. I yield the floor.

Mr. THOMAS. Mr. President, I yield 2 minutes to the Senator from Vermont.

The PRESIDING OFFICER. The Senator from Vermont is recognized for 2 minutes.

Mr. JEFFORDS. Mr. President, I have been listening closely to our colleagues and their many statements of support or opposition to the Medicare Prescription Drug and Modernization Act of 2003.

Some have said this is the culmination of the debate we began last year. But this debate is much older than just a year, or even 2 years.

The debate as to whether, and if so how, to provide prescription drugs for the elderly through the Medicare program has been with us since the very beginning of the program.

Thirty-eight years ago, when this body engaged in the historic debate on the original Medicare bill, Senator Jacob Javits from the state of New York offered an amendment to ensure that Medicare beneficiaries would have access to prescription drugs. Senator Javits was asked to modify his amendment to a study that would examine the assurance of paying for drugs, methods of avoiding unnecessary utilization of drugs and mechanisms for controlling costs.

Now, almost 40 years later, they are still debating the very same issues that were part of the 1965 Javits debate. We should enact a prescription drug benefit today. The doom and gloom scenario painted by the bill's opponents is as exaggerated as the claims that this bill will solve all seniors' needs. It is time to put aside our differences for the good of all seniors. This is not a perfect bill, but it is a very good bill.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JEFFORDS. May I have an additional 1 minute?

Mr. THOMAS. Without objection.

Mr. JEFFORDS. Forty million seniors and disabled Americans need help now. They cannot afford to wait for a perfect program because it may never come. The bill provides the foundations we need. In the final analysis, I find there are more reasons to support this bill than to oppose it. I fear that if we do not take this golden opportunity, we will have lost it forever.

We have on one hand the opportunity to provide the largest benefit improvements to Medicare in nearly 40 years, including a comprehensive and universal prescription drug benefit.

On the other hand, we can turn away from the proposal before us today, and return yet again to the drawing board in search of perfection.

I believe it is time that we begin to offer a real benefit instead of more studies, more analysis and more delay. We should enact a prescription drug benefit today.

Let's take a moment to look at some of the issues, because I think it is worth dwelling on why I think we should vote in support of this measure.

Vermont already has one of the most generous prescription drug programs for the elderly and disabled.

As part of a waiver through the Medicaid program, Vermont expanded its "V-Script" state pharmacy assistance program and extended subsidized coverage to individuals at 250 percent of poverty, well above the income levels that provide subsidies in this measure.

In fact, the Vermont V-Script program is so generous that some have argued that people will be worse off with a less-generous Federal benefit. I don't think that's the case.

First, in today's economy there is no guarantee that Vermont will be able to continue its current level of support for the V-Script program.

But this bill dedicates almost $400 billion to the development of a universal prescription drug program, representing the largest expansion of the Medicare program since its inception.

This bill will guarantee a comprehensive and universal drug benefit to 41 million seniors in America.

That includes all 93,000 seniors in my own home state of Vermont. And, it guarantees the same coverage to the millions of baby-boomers who will soon rely on Medicare.

For 40,000 seniors in Vermont with limited savings and incomes below $13,470 for individuals and $18,180 for couples, the Federal Government will cover most of their drug costs. In fact, nearly one-third of all seniors nationwide will receive assistance for nearly 90 percent of their drug costs.

Additionally, Medicare, instead of Medicaid, will now assume the prescription drug costs for 21,767 Vermont beneficiaries who are eligible for both Medicare and Medicaid.

According to the Centers for Medicare and Medicaid Services, this will save Vermont $76 million over 8 years on prescription drug coverage for its Medicaid population.

Finally, the bill includes provisions that will allow States such as Vermont that have pharmacy assistance programs to augment, or "wrap-around" the Federal Medicare benefit with State resources.

In fact, there is nothing in the legislation that would preclude Vermont, should it wish, from using the savings to establish its own prescription drug plan as long as it meets the requirements of the bill.

Some of our colleagues have criticized this bill, arguing that it would lead to an increase in employers dropping or reducing prescription drug coverage for its retirees.

I have looked at the estimates put forth by the Congressional Budget Office and the employee benefit think tanks, and I am concerned with those numbers.

But again, it is important to consider this potential downside in light of what is already occurring.

The number of employers providing prescription drug benefits has already been steadily declining for years, and without this Federal guarantee those disenfranchised workers would not have any benefit at all.

In short, no senior, regardless of income, will go without prescription drug coverage in Vermont or throughout America once this legislation is enacted. That is, in part, why two of the largest national aging organizations such as AARP and the National Council of Older Americans supports this legislation.

And it why the Vermont AARP supports it as well.

Perhaps most important of all is the $25 billion for rural providers, ending years of unfair payments to rural hospitals, doctors and other providers.

This bill will ensure reliable access to health care services for seniors by better compensating health care providers.

I have already seen estimates that these rural provisions will provide Vermont hospitals with an additional $41 million over the next 10 years, and physicians will get a boost of $18 million in reimbursements over the next 2 years.

I have received many announcements from many Vermont constituents and stakeholders, including the Vermont AARP, the Fletcher Allen Health Center, the Vermont Association of Hospitals and Health Systems.

I am also glad that Chairman GRASSLEY and ranking member BAUCUS have worked with me to address another inequity in the system.

Critical access hospitals provide care in some of the most underserved regions of Vermont, as is the case throughout rural America. These hospitals are small, yet serve as critical resources to their communities.

So I am pleased to see that the conferees retained a provision from the Senate measure that will allow critical access hospitals, such as Mt. Ascutney Hospital in Windsor, VT, to expand access to psychiatric and rehabilitative services to the most vulnerable citizens in that community.

Finally, I would like to acknowledge the conferees for retaining another key provision from the Senate bill that will begin a major demonstration on improving quality and patient outcomes for Medicare beneficiaries.

This is the result of several years of working in concert with Dr. Jack Wennberg at Dartmouth College to bring greater attention to the regional disparities in the consumption of health resources without the improvement in health outcomes to show for it.

I acknowledge the sentiments of many of my colleagues here today. I too agree that this is not the bill I would have written if I had infinite resources to do it.

This bill is not perfect. However, after all of the time that has been spent on trying to develop a Medicare plan for prescription drugs—38 years—it would be a missed opportunity if we reject this good beginning to comprehensive coverage.

By passing this bill, we are laying the foundation. A foundation that requires constant vigilance, as has the original Medicare program.

So in closing, I would like to urge my colleagues from both sides of the aisle to support this bill as we move forward.

This bill will establish a drug benefit that is universal, comprehensive, affordable, and sustainable.

This bill restores necessary and long-needed fairness to our physicians and providers in rural areas. And, the bill will improve the quality of care offered under Medicare.

I hope my colleagues will join me in voting for the measure.

I ask unanimous consent to have the following article printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AARP CALLS ON VERMONT CONGRESSIONAL DELEGATION TO VOTE FOR MEDICARE RX BILL

(MONTPELIER, VERMONT) Earlier this week AARP, the leading advocate for older Americans with 35 million members nationwide and more than 116,000 in Vermont, endorsed the Conference Committee's Medicare Rx bill. Their bill represents a first step in the nation's commitment to strengthen and expand health security for its citizens.

"For the first time in the history of the Medicare program, more than 90,000 Vermont

Medicare beneficiaries will have access to a prescription drug benefit. This is about getting vital help to people who need it most—people whose high drug costs have become a heavy burden to them and their families," said Philene Taormina, AARP Vermont Director of Advocacy.

AARP and its members call on the Vermont Congressional delegation to vote for the Conference Report that establishes a prescription drug benefit in Medicare.

In a survey conducted Wednesday of this week 83 percent of AARP members polled supported enactment of the Medicare legislation. Further, 75 percent of respondents said that the proposed Medicare legislation should be passed because it will help low-income elderly and those with high prescription drug costs. Among middle and big-income individuals, 80 percent were in favor of passing the legislation for this reason; support for the bill was evenly split among Democrats and Republicans.

Every day, AARP receives letters and calls from our members recounting how the high cost of prescription drugs is hurting their financial and physical health. We believe that the legislation that has emerged after long negotiations is the right start to relieve these burdens for millions of older and disabled Americans and their families. Though not perfect, the bill represents an historic breakthrough and an important milestone in the nation's commitment to strengthen and expand health security for current and future beneficiaries. This Medicare legislation guarantees a voluntary drug plan is available for all Medicare beneficiaries, regardless of where they live.

VERMONT PHYSICIANS AND HOSPITALS STRONGLY SUPPORT PASSAGE OF MEDICARE REFORM LEGISLATION

MONTPELIER.—The Vermont Medical Society (VMS), Fletcher Allen Health Care and the Vermont Association of Hospitals and Health Systems today announced their strong support for the Medicare Prescription Drug and Modernization Act of 2003 conference report and urged tri-partisan support for its passage. Not only will the bill provide a prescription drug benefit to almost 93,000 Vermonters for the first time in the history of the Medicare program—beginning in January 2006—but it will also increase access to physician services for Medicare beneficiaries in Vermont and improve Medicare reimbursement rates for Vermont's rural hospital system.

The legislation provides approximately $28 billion nationwide to correct a number of basic inequities in Medicare's reimbursement system for rural providers. Physicians in rural areas like Vermont are currently paid far less under the Medicare program than their colleagues in urban areas for doing the same procedures. In fact, in 1998 Vermont received the lowest payment of any state for its Medicare beneficiaries. This poor reimbursement continued despite Vermont being ranked this year as 2nd highest in the country in the quality of care provided to Medicare patients.

The Medicare prescription drug benefit bill being considered by Congress will greatly reduce the geographic disparities in physician payments. "If the Medicare bill is passed it will be much easier to recruit physicians to serve rural states like Vermont," said VMS President James O'Brien, MD. "Congress must pass this legislation before the Thanksgiving recess to fix many of the reimbursement issues that have unfairly penalized Vermont."

"Clearly, this bill will benefit Vermont's rural health care system as well as Fletcher Allen," said Melinda Estes, president and Chief Executive Officer, Fletcher Allen Health Care. "It provides real benefits for all Vermonters."

The legislation protects Vermonters' access to physicians by replacing a 4.5 percent payment cut scheduled for 2004, which would have reduced Medicare payments to Vermont physicians and hospitals by $6.7 million, with two years of modest payment increases. The Vermont Medical Society estimates that if the bill passes, Vermont providers will see an increase in payments of more than $2 million a year. The improved reimbursement will encourage physicians to lift restrictions on how many Medicare patients they accept in their practices.

Rural Vermont hospitals will also benefit if the Medicare bill passes, because they will be paid at the same rate for procedures as hospitals in more urban areas. Richard Slusky, administrator of Mt. Ascutney Hospital stated, "This bill is an important step forward for Vermont's Medicare beneficiaries and our small, rural hospitals. As a Medicare-designated Critical Access Hospital, the rural hospital provisions in this bill will strengthen our ability to provide the local services our patients need. This assistance could not have come at a better time for our community."

Bea Grause, President and CEO of the Vermont Association of Hospitals and Health Systems (VAHHS), believes that the bill is good for Vermont hospitals and for Vermont hospitals and for Vermonters with commercial health insurance coverage. "This bill will increase Medicare payments to Vermont hospitals by $41 million over ten years.

This will help to reduce the cost shift to Vermonters with commercial health insurance coverage and will move us toward a fairer reimbursement system for our rural hospitals with a high percentage of Medicare recipients in their case mix."

The provisions improving access for Vermont Medicare beneficiaries and reducing disparities in payment for rural providers were added to the conference committee report through the efforts of Sen. James Jeffords. The Vermont Medical Society, Fletcher Allen Health Care and the Vermont Association of Hospitals and Health Systems commend Sen. Jeffords for his work to protect the Medicare benefits of all Vermonters.

Mr. THOMAS. Mr. President, could the Chair tell us how much time remains on each side?

The PRESIDING OFFICER. Thirteen/15 on your side; 15/40 the other side.

Mr. THOMAS. I thank the Chair. I yield such time as he may consume to the chairman from Iowa.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I should not take more than 5 minutes, so please tell me when 5 minutes are up.

This is the opportunity, a time of destiny, whether or not this Congress will deliver on the promises of the last three elections, the promises the other party has made as well. Thank God there are people in the Democratic Party who are working in a bipartisan way to deliver on the promises of that party as there are Republicans willing to deliver on the promises of the Republican Party.

Nothing gets done in this body without bipartisanship. This is bipartisan. We are putting aside partisanship. It is time the other side put aside rhetoric and complete our work on this bill for which the AARP says seniors have waited far too long.

This bill offers an affordable, universal prescription drug benefit. This bipartisan bill offers better coverage than today's Medigap policies plus Medicare. It also offers much more generous coverage for 14 million lower income seniors. And just to emphasize this point, this bill does not harm 6 million seniors, as the opponents of this legislation claim. That is political poppycock.

In fact, this bill protects the benefits for these 6 million and then adds generous prescription drug coverage for an additional 8 million. It expands coverage for lower income seniors, far more than anything offered today. This means that for about two in five seniors, this bill offers drug coverage with lower or no premiums, no coverage gap, and coverage of 85 to 95 percent of the cost of prescription drugs. And it is voluntary.

The opponents of this legislation happen to believe—and they sincerely believe—that Government should always force people into doing something. We want the right to choose for our seniors. Seniors can stay in traditional Medicare if they like what they have today and have full access to prescription drugs. There is also a guaranteed Government fallback if private plans might not go to all rural areas of America. This bill protects retiree benefits in the corporation from which they retired. Overall, we put $89 billion in this bill to protect retiree health coverage.

This bill also creates new choices similar to what Federal employees have for beneficiaries in a new revitalized Medicare Advantage Program. With respect to drug costs, the bill speeds the delivery of new generic drugs to the marketplace, lowering drug costs to Americans and not just those on Medicare.

Finally, the bill includes long overdue improvements in Medicare's complex regulations. It also revitalizes the rural health care safety net with the biggest package of rural payment improvements that Congress has ever done or seen. I urge my colleagues to put the interests of our seniors first and give them more choices and better benefits by supporting this bill.

Most importantly, we have brought this bill as far as we have over the last 4 or 5 years because of bipartisanship. I hope this body will not let the narrow partisanship of a few on the other side of the aisle destroy our efforts.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. REID. Mr. President, I yield 7 minutes to the Senator from Massachusetts, Mr. KENNEDY.

Mr. KENNEDY. Mr. President, I didn't hear a word from the chairman of the Finance Committee on what he is going to do or what this bill is going to do with regard to costs. Hello? Costs. There is virtual silence in this bill.

We know what is happening to the senior citizens. It is an issue of access to prescription drugs and it is an issue of cost. This bill does not meet its responsibility in terms of protecting our senior citizens with regard to the cost.

The Senator from Iowa mentioned the numbers of people who are going to be the losers. If the Senator has trouble with this, just ask the Budget Committee, not the Senator from Massachusetts. They said that 6 million seniors who are on Medicaid are going to lose their coverage. That isn't the Senator from Iowa or Massachusetts, that is the financial analysis. And 2.7 million retirees are going to be dropped, for a total loss of 9 million; almost 25 percent of the total retirees are going to be lost.

We can do better. We can do something about the escalation of cost, but they refuse to do it. Let's go back to the drawing board and do something that is worthwhile.

The Senate is on trial today. In a few moments we will vote to stop this charade. But I say this today: I am going to fight this bill with everything I have and, if necessarily, fight it tomorrow, next week, and next year. I will fight it for the nurse who paid into our hospital retirement fund for 20 years and the 3 million retirees like her who will lose their health insurance because of this bill. I will fight for the city workers in Springfield, MA, whose brave mayor plans to purchase cheaper prescription drugs from Canada for them and their families, an action that is illegal—do you understand?—illegal under this bill. I will fight for the widowed grandmother on Medicaid and the 7 million poor Americans like her who count every penny yet will pay more for their prescription drugs under this bill. And I will fight for the 36 million Medicare seniors who want to stay in the program they love with the doctors and the hospitals they choose.

I will fight to keep billions and billions of Medicare dollars that come out of your paycheck from lining the pocketbooks of the big drug companies and the HMOs. I will fight it for our honor as a nation that keeps its commitment to our seniors, the ones who fought our wars, raised our families, and built our economy.

The more the American people learn about this legislation, the less they like it. The more senior citizens learn, the more they oppose it. Let us not reverse the historic decision our country made in 1965. Let us not turn our backs on our senior citizens so that insurance companies and pharmaceutical companies can earn even higher profits. Let us reject this bill and come back and do the job right.

I withhold the remainder of my time.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. THOMAS. I yield 3 minutes to the Senator from Louisiana.

Mr. BREAUX. Mr. President, I think one of the subjects that really united both Republicans and Democrats was the question about dual eligibles. There was a large number of seniors being treated as second-class citizens of this country because, if they were poor, they were not in the Medicare Program. If they were poor, they were not allowed to get through the Medicare door, and for no other reason than they were poor.

Under that scenario, low-income seniors, maybe 80 years old, who worked all of their lives, but ended up in a very low-income status, were relegated to the Medicaid Program, where there was not a consistent amount of benefits for their health care programs. They were subject to the will and whims of the various State legislatures. Some treated them better, some treated them worse, and some didn't treat them hardly at all.

What we were able to do, which I thought was a priority for many Republicans because it was in the House bill—but it also was a priority for many Democrats in this body—was to say that we are going to bring those low-income seniors, for the first time, into the Federal Medicare Program. We did that. That is part of this bill. Those low-income seniors now are going to have the opportunity to be in the Federal Medicare Program. They will know what their benefits are. They will know, for the first time, they have access to prescription drugs, which is what I think the bill is all about. In addition, we were able to find an extra amount of money to help them with any type of copayments they might have.

Some States have high copayments; some States have no copayments on drugs. But what we were able to do was to say: Here is extra money for the purpose of helping States to reduce the copayments down to $1, if they are buying a generic drug and only $3 if they are buying a prescription drug. In addition to that, the subsidies and assistance we have for low-income seniors in general is extremely important.

Starting in April of this coming year, they will get a drug discount card. If they are low-income, they will start off with a $600 credit on that card, to be able to immediately have the benefit of something, where they have nothing at all today.

On balance, when you have a 150 percent of poverty and below special assistance program, when you have a discount card that starts in April, and all of the seniors, for the first time, will be in the same Federal program, I think that is significant. For the first time, we will say to seniors who are low income that you will no longer be treated as a second-class citizen and be different from all of the other seniors you know. You will be part of the Federal program and you will have access to prescription drugs.

Again, I think the question is, Have we designed a perfect bill? The answer is no. But I think when you look to associations such as AARP and the National Council on the Aging, we have a bill that merits their support.

Mr. REID. Mr. President, my understanding is that we have 12 minutes left.

The PRESIDING OFFICER. That is correct.

Mr. REID. We have allocated time to Senator EDWARDS, 3 minutes; is that right?

The PRESIDING OFFICER. That is correct.

Mr. REID. I yield 8 minutes to the Senator from Massachusetts, Mr. KENNEDY. We want to make sure we will use all of our time now. If Senator EDWARDS isn't here, that time will run because Senator FRIST gets the last 5 minutes.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, I will just take a few moments to review for our colleagues what the implications of this bill will be for my State of Massachusetts. I can say that this is very typical of what is going to happen just about to every State. We have three MSA potentially eligible for premium support—the program that will raise premiums and effectively drive our seniors out of Medicare into the hands of the HMOs. We have three potentially eligible. We have 62,000 retirees who will lose their drug coverage. They are part of the 6 million nationally, and those figures are the figures that have been found by the Center for Budget and Policy Priorities. So we have 62,000 retirees who will lose their drug coverage. And 185,500 low-income elderly and disabled will pay more for prescription drugs. We have 60,000 low-income elderly and disabled who will fail the assets and income test in Massachusetts.

This conference reimposed the asset test, which we had eliminated here by 67 votes in the Senate. They reimposed it. So there are 2.8 million across the country, and 60,000 in my State, who will fail the asset test, and 34,920 seniors will pay more for Part B premiums.

In the few hours of this debate, the proponents of this legislation have described their proposal in the most benign and misleading terms. They say it gives seniors the freedom to choose among competing plans and gives protection to the poor seniors. They say this bill will lower drug prices through competition. They say at least it helps low-income seniors. They are absolutely wrong on all those counts.

Here is the truth: This is a partisan plan, I remind my friend from Iowa. You saw the vote over in the House of Representatives, what the Republican leadership had to do to coerce Members to pass it. That answers the question as to whether or not this is a partisan plan. This partisan program is out of the mainstream. The proposal damages Medicare and leaves the millions of senior citizens who rely on it without a lifeline. It is the first step toward a total dismantling of Medicare. In exchange for destroying Medicare, it offers senior citizens a paltry and inadequate drug benefit. The moment it is implemented, it will make 9 million senior citizens—almost a quarter of all senior citizens—worse off than they are today.

Senior citizens already have the most important choice they want—the choice of doctors and hospitals they trust. That is the choice they want, not higher premiums and premium support. Those are their choices if we pass this. They lose if they are forced to join HMOs and PPOs, or other programs that say an insurance company bureaucrat can choose their doctor for them.

Senior citizens already have the choice to join a private insurance plan competing with Medicare if they choose. But 9 out of 10 prefer to stay in Medicare. So they already have a choice and they are not taking it. But under this bill, you are providing so much in terms of effectively bribing them, and overpayments that they will eventually coerce those seniors. The bipartisan bill that passed the Senate provided additional choice, a program for regional PPOs. The conference adopted a right-wing House approach of ending Medicare as we know it and establishes a massive demonstration program that would subject 7 million senior citizens—1 out of 6—to a so-called premium support program.

Mr. HATCH. Mr. President, I would like to take a few minutes to rebut some of the points raised by the Senator from Massachusetts.

First, he mentioned he is concerned about the cost of this bill. Let me remind my friend from Massachusetts that last year, he supported a bill that would have not only cost $800 billion, it would have sunsetted the Medicare prescription drug benefit. How would that have helped senior citizens and other Medicare beneficiaries, especially the disabled?

Our bill costs $400 billion over 10 years and it is a permanent benefit.

He also mentioned retiree health benefits and how individuals are going to lose their coverage as a result of the bill. Let me correct that statement for the record. First, $89 billion—yes, I said $89 billion—is devoted to employer subsidies in order to preserve retiree health benefits, so individuals will not lose their retiree health coverage. We have gone from a drop-out rate of 37 percent in H.R. 1, to a drop-out rate of under 20 percent. Again, my colleague is simply using scare tactics.

Mr. KENNEDY. Mr. President, I see the Senator from North Carolina here. He wanted some time.

The PRESIDING OFFICER. The Senator has 7 minutes 10 seconds.

Mr. KENNEDY. I am glad to yield that to the Senator. I know he intended to speak.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. EDWARDS. Mr. President, I thank the Senator from Massachusetts. I spoke yesterday, but I wish to speak once again on this bill.

This bill is a perfect example of the kind of legislation that should not go through the Senate. It is a giveaway to HMOs and insurance companies, a giveaway to big drug companies, a continuation of this administration's shifting of the tax burden in America from wealth and the wealthy to work and the middle class.

It is not shocking that there is a $12 billion stabilization fund in this bill—$12 billion of taxpayer money that is going to go to HMOs so that they can compete? I thought the whole purpose of this bill was so that HMOs could provide competition. We are going to give $12 billion of taxpayer money—money that, in fact, could go to providing a better prescription drug benefit to seniors who desperately need it, instead of using that money to cover seniors, to give them help in getting the medicine they desperately need when they go to the pharmacy. No, instead we are going to give $12 billion of taxpayer money to HMOs. That is a great idea. That is just a terrific idea.

On top of all that, we are not going to do anything meaningful to bring down the cost of prescription drugs. We have been through this fight over and over. We fight to try to allow reimportation of prescription medication from Canada, to bring down costs for people in America. Does it pass? No. Can we get it into this bill? No. Why? Because the drug companies are against it.

We try to do something about misleading company advertising on television. Billions and billions of dollars are being spent every year by drug companies on television advertising. Much of the advertising is misleading. We know who is paying for this advertising: consumers, seniors, every time they go to the pharmacy, are paying for those ads. When we try to do something about that advertising, try to put some kind of reasonable controls on it, are we able to do it? Are we successful? No. Why? Because the drug companies are against it.

We cannot even allow the Government to use its bargaining power to bring down the cost of prescription drugs for all seniors.

This bill is a giveaway—a giveaway to HMOs, a giveaway to drug companies. It is not surprising that as a result of looking as if this bill is about to pass, the drug companies' stock and HMO stock is rising.

One thing I can tell you for sure, if this bill passes, it will pass over the dead bodies of a lot of us standing here fighting against it. If this bill passes, the lobbyists will be celebrating all over this town, lobbyists who worked this bill every single day on behalf of the HMOs and the drug companies.

I grew up in a small town in North Carolina in a rural area. There are more lobbyists for those industries around Washington, DC, than people who live in my hometown. How about if we in the Senate stand up for the kind of people I grew up with in that small town? How about if we actually stand up to big drug companies and big HMOs?

Speaking for this Senator, I intend to stand up to those people. I will vote no and fight with everything I have to stop this legislation.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. EDWARDS. I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. THOMAS. Mr. President, I yield 1 minute to the Senator from Montana.

The PRESIDING OFFICER. The minority still has time at this point.

Mr. KENNEDY. How much time do we have?

The PRESIDING OFFICER. Three minutes ten seconds.

Mr. KENNEDY. I will be glad to wait until the Senator concludes, and then I will yield the remaining 3 minutes to my colleague from Massachusetts.

The PRESIDING OFFICER. The Senator from Montana has 1 minute.

Mr. BAUCUS. Mr. President, there is not a lot to say in 1 minute. I will do the best I can.

Essentially, we have $400 billion in prescription drugs for seniors. I do not see how in the world we can let that moment pass by.

It was said before that there are not enough low-income benefits for seniors. The previous speakers said that. They are wrong. One-third of our seniors will get such benefits under this bill that 95 percent of their benefits will be paid for. One-third of American seniors will find that 95 percent of their benefits are paid for. The allegation is there is no help for low-income seniors. That is just flat wrong.

There were a lot of other statements made by those opposed to this legislation that are flat wrong. Some say 10 million will be affected by premium support. Flat wrong. We asked CBO what the number is. They said 600 to 700 to 1 million.

Some people say 6 million were going to be hurt by Medicaid. Flat wrong. It is much less than that.

I strongly urge Senators to look at the facts. Vote for the bill and particularly vote against the points of order because those are mere technicalities. They don't go to the substance of the bill. It is important to pass this legislation now for seniors.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, the Senator from Montana just admitted the case. He said it is much less than that. He is arguing over fewer people being hurt, not whether any are going to be hurt.

The question is, Why are people going to be hurt? How many people know there is going to be $25 billion raised in new revenue directly out of the pocket of senior citizens because we are going to increase the cost for the traditional Medicare coverage for doctor and hospital visits?

This is following right in the wake of the Energy bill. Same deal. You pick up the newspapers and you see a headline: Drug companies win in battle over prescription drugs. Who do you think lost if the drug companies won? The senior citizens.

There will be $139 billion or $125 billion, depending on which you read, of windfall profits to the drug companies. Why are the drug stocks going up the way they are? The difference between Medicare administrative costs, which are 2 percent, and drug company administrative costs, which are 15 to 20 percent, are now going to run roughshod over seniors who are going to be paying the additional administrative costs, and they are not going to get the benefit of lower cost drugs.

There is nothing in this legislation that lowers the cost of prescription drugs. Indeed, it is the opposite. By pushing seniors off Medicare into HMOs and giving them the tough choice that if they were to stay where they have the ability to, they are going to pay more, they are going to be picking up the additional cost. This is going to be like catastrophic insurance in the 1980s when they pass legislation they think is good and seniors find out how complicated it is and how much more they are paying, which is exactly why it has been set for 2006 for implementation. It took us 11 months to put the entire Medicare Program in place. Why can't we put a prescription drug benefit in place 2 months from now or 3 months from now? Why does it have to be 2006 after the 2004 election? This is one of the greatest giveaways that I have seen in this city in a long time.

We are not even going to allow Medicare to negotiate lower bulk prices. The State of Maine is allowed to do that. We have veterans who are allowed to do that. We have veterans in this country for whom the VA, in an almost unanimously adopted amendment in this body, can go out and do bulk purchasing. And we are not going to allow Medicare to bulk purchase and lower the prices.

We should vote no. This is wrong. It is a giveaway. It is a special interest bonanza.

The PRESIDING OFFICER. The Senator's time has expired. The majority leader.

Mr. FRIST. Mr. President, we bring debate to a close prior to a very historic vote in which we are making a decision whether to give 40 million seniors the opportunity, for the first time through Medicare—the program that has been constructed and been used to give them health care security—whether for the first time these 40 million seniors will have access through that program to prescription drugs, to the tool which is the most powerful element of health care security today. Seniors don't have it. What we are voting on today is to give them that true health care security.

America's seniors have waited 38 years for this prescription drug benefit to be added to the Medicare Program, and today they are just moments away from prescription drug coverage that they desperately need and deserve.

It is clear that in this body there is a bipartisan majority—and I would say an overwhelming bipartisan majority—in favor of this Medicare Prescription Drug, Improvement, and Modernization Act of 2003. Yet we have before us an attempt to block this body from expressing, through an up-or-down vote, their will to give seniors and individuals with disabilities access to affordable prescription drug coverage and, thus, stand in the way of health care security for those seniors.

We are about to vote on a cloture motion in an attempt to overcome this filibuster.

Later today, we are likely to face additional procedural hurdles that the minority has threatened to prevent passage of this bill. Make no mistake, these are not one and the same. The result of this filibuster and of the procedural points of order will be once again to deny these 40 million seniors access to modern prescription drug coverage, something they need and something they deserve.

In my own State of Tennessee, there are nearly one-quarter of a million seniors who right now have no prescription drug coverage. There are millions more all across the Nation for whom this legislation literally means life or death. Think hypertension, heart disease, chronic obstructive pulmonary disease, asthma, or emphysema, all for which we have effective prescription drugs which are not made available through our Medicare Program today. Our seniors cannot afford to wait longer. Then why wait? They cannot afford to wait. It is a matter of their health.

This generation of seniors did survive the Depression, did fight World War II, did help make the United States the prosperous and thriving Nation we have today. Again and again, they answered the call. Now is the time for us to fulfill our duty to that generation. Many of them are poor and many of them are sick. It is time to answer their call.

When he signed Medicare into law in 1965, President Johnson said:

> No longer will this Nation refuse the hand of justice to those who have given a lifetime of service and wisdom and labor to the progress of this . . . country.

Let us not stay this hand of justice now. Let us not turn our back on America's seniors and individuals with disabilities. Our seniors deserve better than to be held hostage to Washington politics.

There is a life-or-death issue in many ways in this legislation for millions of Americans and they cannot wait. Opponents of this bill would deny coverage to essential medicines.

Mr. President, I will go on leader time for my remaining 2 minutes, if necessary.

The PRESIDING OFFICER. The majority leader.

Mr. FRIST. What will people tell millions of Americans or millions of low-income seniors if we go home and say, no, you are not going to have access to prescription drugs that this bill would have made available or tell individuals with disabilities, no, you are not going to have access to the preventive care that is actually in this bill?

The elderly, the sick, and the disabled are now being told to wait for action in the future. Now is the time to act.

We will do it next year, some say, but our seniors tell us time is running out. People are waiting for help.

Just 2 days ago in my office was Dorthea Yancy of Lakewood, CO, a retired African-American woman who worked for years but lost her pension when her company went bankrupt. She needs our help now. Dorthea Yancy needs our help now.

We are an eyelash away from fulfilling our promise to seniors. I ask my colleagues not to thwart the overwhelmingly bipartisan majority in this body because of using the tactics of some sort of parliamentary maneuvering. Do not hold America's seniors hostage to Washington politics. Our seniors deserve better.

I want to close by just reading a statement issued today by the AARP on behalf of 35 million seniors that fine organization represents. This is from the AARP today, and I will close with this:

> The fate of the landmark Medicare prescription drug bill now stands in the hands of the U.S. Senate. More than a vote is at stake. With the final passage in the Senate, the Congress will honor a longstanding promise to 41 million older and disabled Americans and their families by finally adding a prescription drug benefit to Medicare.

This bill will help millions of people, especially those with low incomes and high drug costs. It will strengthen Medicare by adding this long overdue benefit and preserving the basic structure of the Medicare program. We urge the Senate to act to seize this historic opportunity and vote to pass this bill now.

America's seniors are watching. America is watching. I urge my colleagues to do the right thing, to seize this historic opportunity, to vote up or down on this bipartisan legislation, and to pass this historic bill.

CLOTURE MOTION

The PRESIDING OFFICER. All time has expired. Under the previous order, the cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The bill clerk read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the conference report to accompany H.R. 1, the Medicare Prescription Drug and Modernization Act, an act to amend Title XVIII of the Social Security Act to provide for a voluntary prescription drug benefit under the Medicare Program and to strengthen and improve the Medicare Program, and for other purposes.

Bill Frist, Charles Grassley, John E. Ensign, Ted Stevens, Susan Collins, Lisa Murkowski, Jon Kyl, John Cornyn, Orrin Hatch, Larry Craig, Craig Thomas, Robert Bennett, Olympia J. Snowe, Jim Bunning, Christopher Bond, John Warner.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call has been waived. The question is, Is it the sense of the Senate that debate on the conference report to accompany H.R. 1 shall be brought to a close?

The yeas and nays are required under the rule.

The clerk will call the roll.

The bill clerk called the roll.

Mr. McCONNELL. I announce that the Senator from Alabama (Mr. SHELBY) is necessarily absent.

The PRESIDING OFFICER (Mr. ALEXANDER). Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 70, nays 29, as follows:

[Rollcall Vote No. 457 Leg.]

YEAS—70

Alexander
Allard
Allen
Baucus
Bennett
Biden
Bond
Breaux
Brownback
Bunning
Burns
Campbell
Carper
Chambliss
Cochran
Coleman
Collins
Conrad
Cornyn
Corzine
Craig
Crapo
Daschle
Dayton
DeWine
Dole
Domenici
Dorgan
Ensign
Enzi
Feinstein
Fitzgerald
Frist
Graham (SC)
Grassley
Gregg
Hatch
Hutchison
Inhofe
Jeffords
Johnson
Kohl
Kyl
Landrieu
Lincoln
Lott
Lugar
McConnell
Mikulski
Miller
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Nickles
Pryor
Reid
Roberts
Santorum
Sessions
Smith
Snowe
Specter
Stevens
Sununu
Talent
Thomas
Voinovich
Warner
Wyden

NAYS—29

Akaka
Bayh
Bingaman
Boxer
Byrd
Cantwell
Chafee
Clinton
Dodd
Durbin
Edwards
Feingold
Graham (FL)
Hagel
Harkin
Hollings
Inouye
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lieberman
McCain
Reed
Rockefeller
Sarbanes
Schumer
Stabenow

NOT VOTING—1

Shelby

The PRESIDING OFFICER. On this vote, the yeas are 70, the nays are 29. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

The Democratic leader.

Mr. DASCHLE. Mr. President, for purposes of time management under cloture, I designate Senator REID, the Democratic whip, as the opposition manager.

Mr. President, I make a point of order that H.R. 1, the pending conference report, violates section 311(a)(2) and section 302(f) of the Congressional Budget Act of 1974, among other reasons, because of the provisions related to premium support and health savings accounts.

The PRESIDING OFFICER. The majority leader.

Mr. FRIST. Mr. President, on behalf of myself and Senators GRASSLEY, BAUCUS, and BREAUX, pursuant to section 904 of the Congressional Budget Act of 1974, I move to waive the applicable sections of that act and the budget resolution for the consideration of the conference report.

The PRESIDING OFFICER. The motion is debatable.

Mr. FRIST. Mr. President, I ask unanimous consent that there now be 2 hours of debate on the pending motion to waive, with that debate time equally divided between the two leaders or their designees; further, I ask consent that following that debate time, the Senate proceed to a vote on the motion to waive, with no amendments in order to the motion.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. FRIST. Mr. President, we will shortly begin debate for 2 hours, as we just agreed to, after which we will have the vote—approximately 2 hours from now.

Mr. DASCHLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DASCHLE. Mr. President, obviously the pending motion is now the matter before the Senate and the clock is ticking. I want to use some of the time at this point and reserve the remainder of time for those who wish to speak. I will, hopefully, reserve some time for myself at the end of the debate.

I make this motion recognizing there are a lot of concerns involving budgetary considerations on the legislation now pending. Those on the other side have expressed their understandable concern about the overall commitment in the budget to a new entitlement program, and I respect their position. It may be that on that basis alone, many of our Republican colleagues will want to vote against the motion to waive a budget point of order.

They will make the case that this is an entitlement that goes way beyond the $400 billion, that it is very likely this legislation could grow to $600, $800, $900 billion in the very near future, as other entitlements have on occasion. That is their right.

They will argue that this, as a new entitlement, provides very little cost control. On that I would agree, and I will come back to that point in a moment. So without a doubt, there are very important budgetary points of order to be made.

Technically, this budget point of order challenges the bill because it exceeds the 2004 budget authorization. It also challenges the allocation of resources within the jurisdiction of the Finance Committee. So those are the technical reasons.

I want to give my reasons for expressing the concern I have throughout the debate, and how it relates to this budget point of order. I don't challenge the $400 billion. Frankly, I don't think that it is adequate to provide a meaningful drug benefit. We have to do better than that. But that is another issue. What I challenge is why it is we are misallocating so many of the resources within that $400 billion budget pie. That is my concern; how it is that we can spend $6 billion on HSAs, health savings accounts, and at the same time tell our seniors they are going to have to pay $35 a month, 100 percent of the cost for drugs up to $250, 25 percent up to $2,250, 100 percent up to $5,100. Why are we going to tell them that when we have all this money for these special interests is something I can't understand.

I can't go to my senior citizens and tell them: You are going to have to suck it up and understand that sacrifice is something we are going to ask of you for the opportunity of the Government to pay 75 percent of your drug costs for a limited period of time throughout the year.

That is what we are saying. We have money for all these other accounts, but we don't have adequate resources dedicated to providing meaningful help to seniors. That is my first concern. We are simply not allocating the resources within that $400 billion to their maximum advantage.

But there is another concern as well. We all ought to be concerned, Republicans and Democrats, about this. We have taken virtually all the cost control mechanisms out of this bill. So those who are concerned about an exploding entitlement have a right to be concerned about what this is going to cost 10 years from now.

Ten years ago, we passed a bill by unanimous consent. I wish my colleagues all could have heard an eloquent speech made by the distinguished Senator from Florida about this in our caucus this morning. Ten years ago, on a bipartisan basis, we passed legislation providing not only a drug benefit to veterans but a cost containment mechanism for that benefit. We passed it unanimously. When we passed it, we basically said, we are going to allow the Government to negotiate the price for the VA, passing on the savings to veterans.

We have done that. And by most accounts, we have now cut the cost of veterans drugs in half. Senator GRAHAM talked about being at a VA hospital in Florida on Veterans Day. He said: How much are you spending on drugs right now?

They said: $39 million, at that facility.

He said: If you couldn't negotiate, if you had no ability to negotiate on behalf of your veterans, what do you think the veterans would be spending?

They said: $71 million, almost twice as much.

How is it we can argue on behalf of veterans that we ought to keep their costs down but at the very same time, argue that senior citizens ought to bear the full cost of those drugs? You tell senior citizens sitting next to another one at a public meeting a year from now that we somehow just believed there was a distinction, that it was OK for seniors to spend twice as much as veterans.

I will fight every single day for the right of veterans to get the lowest cost for their drugs, but that same opportunity should be provided to every senior citizen as well.

So you are going to see an exploding cost. And you are going to see the misallocation of resources within that $400 billion, away from seniors and to so many other groups that I have to say even the most avid supporters of this legislation would say don't need it as much. Do healthy people who have access to an HSA really need help as much as a senior citizen who is struggling to pay their bills?

Isn't there a better way that we can allocate these resources to maximize the drug benefit for every citizen in the country today? The answer is, of course, yes. Why is it that we saw the need to exclude the single demonstrated ability on the part of a Federal program today, in the Veterans' Administration, to control the cost of drugs when it came to protecting drug prices for senior citizens?. Why did we do that?

Unfortunately, that wasn't the only cost containment mechanism excluded. For all intents and purposes, we also took out reimportation. We don't have any real authority now to reimport lower cost American-made drugs into this country. I am told the reason we didn't is because the drug companies were overwhelmingly opposed. Keep in mind that a lot of these drugs are manufactured inside the United States, exported to be retailed outside the United States. So the irony is that drugs made inside the U.S. cannot be sold and brought back into the U.S. under this bill. I think it is a folly.

So the bottom line for those who are concerned about the exploding cost of an entitlement is this: I have news for you. You have a right to be concerned because we have not done anything to control costs in this legislation. We are going to woe the day we passed this without providing the same mechanism VA has to do just that. We are going to woe the day. We are also going to woe the day when we draw distinctions between seniors for absolutely no good reason. If it is good enough for veterans, it ought to be good enough for senior citizens across the board. But the drug companies don't like that either. Because they don't like it, it was excluded. So I make these points of order on four very specific points.

No. 1, we are not using that $400 billion we have allocated very well. We could do a whole lot better.

No. 2, there are specific programs in here that don't belong in here in the first place, have nothing to do with offering drugs to seniors; that are handouts to special interests and have no business in this bill.

No. 3, we do very little with cost containment. We exclude the most consequential leverage the Government has had in the past with a program as important as the VA. It passed unanimously on the Senate floor 10 years ago. Why is it excluded now? Because there was special interest opposition.

No. 4, we are going to woe the day when we put special interests ahead of the senior citizens in making these resource allocations in this legislation the way we have.

Mr. President, we can do better than this. We have to do better than this. I hope, on a bipartisan basis, we simply say we are going to ask that these provisions, these concerns be renegotiated.

I was one—and I will end here—who voted in favor of cloture. I am not desirous of extending debate unnecessarily and in a prolonged way. I wanted to make that point by voting for cloture.

But I must say, we expedite the day when we do the right thing with regard to the costs of drugs and with regard to a new system under Medicare. We expedite the day by voting against the motion to waive the point of order made by the distinguished majority leader.

So I hope those who claim fiscal responsibility as an important priority, those who want to maximize the bang for the buck for seniors in this legislation, those who are concerned about the distinctions we draw among senior citizens, will join with those who voted for and those who voted against cloture, against waiving this point of order.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, the distinguished Senator in charge left the floor and said I could allocate some time to myself. I will not use much. I note the presence on the floor of the chairman of the Budget Committee. He wants to speak. Clearly, I want to speak for no more than 7 minutes. I ask that I be advised when I have spoken for 5 minutes.

The PRESIDING OFFICER. The Senator will be advised.

Mr. DOMENICI. Mr. President, the Budget and Impoundment Control Act will be 30 years old soon—30 years in existence. Many pundits never thought it would survive even 1 year. As a freshman Senator, I worked along with my colleagues to help bring about the act, and then I was honored by this body to serve as chairman for many years.

Let me say that the drafters of the Budget Act knew it was a bold and daring piece of legislation, setting up a whole new way of considering legislation in the Congress. As a matter of fact, I am not sure they even knew how bold it would be. It, indeed, in many respects, changed the way the Senate does business—some for the better, some not so much for the better.

There is one provision that is called reconciliation—a strange word—and people wonder what it means. Let me just tell you, without trying to take much time, that our distinguished leader had an opportunity to move this bill under what is called a reconciliation bill. Do you know what that would have done, Mr. President? That would have limited debate, and it would have made the bill almost not amendable and, indeed, besides that, there would be no points of order. He chose, as the bill progressed through, to do otherwise.

So let me repeat. The drafters recognized the need to provide waivers of points of order in this bill. The waivers are just as important as the points of order. They are not there just because points of order might cause so much damage that you need to waive them. They are there because points of order can be a range of things, and the points of order can be waived because the Budget Act says you can waive them, unless in fact they are important to fiscal responsibility or, in some way, violate the soundness of a Budget Act.

So let's be clear. The budget resolution before us, which we adopted back in the spring under the leadership of Senator NICKLES, authorized spending over the next decade of $400 billion for reform of the Medicare Program with prescription drugs. Let me repeat. The fiscal dimensions are $400 billion. You would think if you are going to make a point of order about this bill being out of line budgetwise, somebody would be here saying it spends more than $400 billion, it breaks the budget, would you not?

Most logically, any Senator who says there is a point of order against this bill would say, well, we didn't think it spent more than was prescribed in the Budget Act. They are right, it didn't.

As a matter of fact, using technical rules of evaluation, it spent less than allowed. It spent $395 billion. You would almost think it should get an accolade instead of a point of order. It should get a bow, a ribbon instead of a point of order. It spent less than the Budget Act, and yet a budget Act point of order is being raised against it. Let me explain.

I know that members of the committee and the leader himself tried their very best to keep this bill under $400 billion, and they succeeded. But you had to provide 10 years of estimates, the sum total of which could not exceed $400 billion. Are you with me, Mr. President? They had to produce a bill with 10 years of estimates, the sum total of which did not exceed $400 billion. The sum total of this bill is less than the Budget Committee gave them to spend. So it didn't break the budget.

One of the years—1 of the 10 years—they could not make the estimate for that year fit the estimate of the 10 years.

The PRESIDING OFFICER. The Senator has used 5 minutes.

Mr. DOMENICI. I will complete in 2 minutes.

The committee could not make this proposal fit in each piece of the 10 years. In other words, if you look along and keep adding up the years, it is $395 billion. But the committee also made some estimates by the year, and one of those years is $4 billion high—got it, $4 billion in an estimating bonanza of $400 billion.

First of all, everybody knows they are estimates, the best you can do. I have had to rely upon them and got accused that I shouldn't have relied upon them when I was the budget chairman, but we did. So there is one year that is $4 billion off in the estimating of 10 years. But every other year is within, which is truly remarkable, and the sum total is $395 billion.

Mr. President, I say to fellow Senators, the truth is the Budget Act point of order should not be used for a frivolous matter—$4 billion off in 1 year with a $400 billion bill. It should not be used to cure technical matters—$4 billion in a 10-year bill of $400 billion. I am sure my friend, the chairman of the Budget Committee, will talk about some of the other technical issues regarding programs. But the biggest issue is fiscal soundness.

We have from time to time in a Budget Act authorized $300 billion for a program over 10 years, and I can tell you, many times a committee came back with a bill that was $300 billion, but for each of the 10 years it didn't fit the number.

This Senator, as chairman of the Budget Committee, wouldn't have dared to get up and say the bill should fail on a point of order because it violates the budget and, thus, the Budget Act should be used to kill it because they had done a great job and had met the total, but you can't, in estimating, make every year hit it right, right on the head.

I submit that a point of order should not be used. The leader's waiver of that provision should be sustained because we are using the Budget Act to try to kill a Medicare bill that is fiscally as sound as, if you are just talking about fiscal soundness, not substance—the points of order are not substance; they have to do with dollars—if you are just off 1 year out of 10 but not on the total of 10, you should not invoke the point of order. It should be waived as requested by the majority leader.

I thank the Senate for the 7 minutes. I yield the floor.

I note the presence of the chairman of the Budget Committee.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. REID. Mr. President, will the Senator withhold?

Mr. NICKLES. I will be happy to yield.

Mr. REID. Mr. President, on our side, Senator GRAHAM will speak for 10 minutes, Senator BOXER for 5 minutes, Senator DODD for 5 minutes, and Senator CORZINE for 5 minutes.

Mr. NICKLES. Mr. President, I yield myself as much time as I might consume.

I urge my colleagues to vote to waive the budget point of order. I think I am correct—I haven't looked at numbers—I probably voted to make more points of order than almost anybody, maybe with the exception of my very good friend, the past chairman of the Budget Committee. I have always tried to maintain the integrity of the budget, but I think what we have here is a way of people saying: Let's vote for cloture, but maybe we can kill this bill indirectly; we will do it with a budget point of order and not to save money.

I wish the people were really concerned about the fiscal integrity of Medicare, but I don't think that is what is behind the proponents of these budget points of order.

As a matter of fact, in looking at past records, Senator DASCHLE, who made the budget point of order, has moved to waive a budget point of order 56 out of 60 times. Senator KENNEDY has moved to waive a budget point of order 54 out of 57 times that he voted. In other words, some 97 percent of the time they always moved to waive the budget rules. I have always been on the opposite side. I am going to be on the opposite side of them this time because, frankly, I think they are just trying to kill the bill so the bill will come back later with more costs and be a lot more irresponsible.

If my memory serves me correctly, when we debated the budget this year on the floor of the Senate, there was an amendment to increase the $400 billion authorization or the reserve fund we put in the budget for prescription drugs and to improve Medicare. I believe Senator KENNEDY and Senator DASCHLE supported an amendment to increase that figure to $600 billion. They were not successful.

My point is I think their effort today is not because they are concerned about this bill costing too much money. I think they are trying to figure out a way to bring this bill down so it can come back and cost more money. I just mention that.

What about the point of order? The budget said we would have up to $400 billion to spend for improving and strengthening Medicare, including providing prescription drugs. The bill that was reported out, according to CBO, meets that target. It scores at $395 billion. I happen to think it is going to cost more than that, but it is compliant with the rules set by the Budget Committee on its total spending and scored by the Congressional Budget Office.

There is a violation or budget point of order in 2004. What do I mean by that? It scores $3 billion more in 2004. What that relates to is when we pass a budget, we allocate so much money to each committee each year, and the Finance Committee has already spent all of its money. It spent all of its money because we passed unemployment compensation—a total of $4.7 billion in unemployment compensation in 2004 not assumed in the Budget Resolution. We spent an additional $10 billion in aid to the States that was not assumed in the budget resolution. There are some other things that we didn't do, so the Finance Committee is out of compliance now by about $3 billion with this bill.

What does this bill do in 2004 that costs money? The prescription drug proposal doesn't really get started in 2004 with the exception of the prescription discount drug card. The card, which offers all seniors a 15-, 20- or 25-

percent of immediate savings in January of 2004 and provides a $600 benefit for low-income seniors. Seniors who have incomes less than 135 percent of poverty will get a card. I believe that card will be authorized in January of 2004 for $600. The beneficiary would have to make a copayment of 10 percent. So that costs money in 2004. I don't hear the opponents seeking to delay immediate relief for seniors and low-income seniors.

Further, there are other items that cost money in 2004. Providers receive assistance. Providers, who do I mean? I mean doctors, hospitals, rural hospitals—provisions that are supported very strongly by Members of both parties—rural add-ons, and so on. That is the bulk of this money, $3.8 billion. So if people don't want to spend that money, that is of interest, but my guess is that is not really the case.

My guess is people want to spend the money for rural health care areas.

I then heard the Democratic leader indicate his concern was also on the revenue side of the budget. There is a point of order because of health savings accounts. That is a $160 million revenue loss in 2004.

I understand some people do not like that particular provision of the bill. I happen to think it is a very good provision of the bill. If the supporters of this point of order prevail then the entire Medicare bill is going to be pulled down. Am I right to assume that their goal is to ensure that there will be no prescription drug coverage for low-income seniors because of that provision? I do not think so.

Now folks are stating that the bill has no cost containment. Well, I believe we have very different meanings of those words. The proponents of the point of order consider government price controls to be effective cost containment tools. I do not agree. I do agree that the legislation lacks real cost containment—I heard Senator DASCHLE say we did not have cost containment. This Senator worked very hard to get real cost containment. I wanted to put cost containment in that would require a supermajority vote to worsen Medicare's financial condition. If any future Congress had legislation before the body which would make the fiscal problems of Medicare, which are already significant, worse, there would be a vote, a 60-vote point of order. I was not successful in convincing our colleagues to include that fiscal restraint.

In fact, my primary opponent in creating real cost containment was Senator BAUCUS. He kept saying: I cannot pass that in my caucus. That will never pass. That is a nonstarter. You cannot get a supermajority on this entitlement. You will be curbing the growth of this entitlement. That is not done for other entitlements. I heard it over and over. We debated it for a long time. Well, the facts are that it is done for other entitlements. We have this rule in place today for Social Security. Social Security's entitlement status has never been in question as a result of a supermajority requirement.

I was not successful in getting stronger cost containment than what we have in this bill. I regret that. I wish that we would. I would be happy to pursue that in subsequent budget resolutions with the Democrat leader, but we were not successful in getting it in this package. I think the proponents of this point of order are not serious in their effort to control costs. In fact I am puzzled as to why the proponents of this point of order voted for cloture. Instead of opposing cloture they are trying to get around it the other way and say, we will just use a 60-vote budget point of order.

Seriously, I do not think their efforts are about budgets. I think it is a way to try and kill this bill. I may not support final passage of the bill because I am concerned about the total cost of the bill. But I do not think it should be because we are spending some money for rural hospitals or for doctors. I think doctors are getting like $600 million in 2004; rural hospitals and other providers are receiving money in 2004; and health savings accounts reduce revenues by $160 million in 2004.

The real reason the Finance Committee has exceeded its allocation in 2004 is because we spent $4.3 billion for unemployment compensation and because we spent $10 billion for aid to the States in 2004, neither of which were in the original budget resolution.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Democratic leader.

Mr. DASCHLE. I will yield time in just a moment to my colleagues. First, I will respond briefly to a point made by the distinguished Senator from New Mexico, Mr. DOMENICI. I am sorry he is not on the Senate floor. I wanted to respond to a comment he made. He said this was a frivolous point of order.

I remind my colleagues, this is precisely the point of order made by Senator GRASSLEY and Senator FRIST on two different motions last year. So I argue if it was appropriate last year, it would be appropriate this year. If it is frivolous this year, it would have been frivolous last year. Yet the distinguished Senator from New Mexico, and I might add, of course, my friend the distinguished Senator from Oklahoma, both voted in favor of the points of order last year when that precise point of order was made.

I ask unanimous consent that the rollcall involving both points of order be printed in the RECORD at this time.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE ROLLCALL VOTES 107TH CONGRESS—2ND SESSION

As compiled through Senate LIS by the Senate Bill Clerk under the direction of the Secretary of the Senate

VOTE SUMMARY

Question: On the Motion (Motion to Waive CBA re: Graham Amdt. No. 4309).

Vote Number: 186.

Vote Date: July 23, 2002, 02:54 PM.

Required For Majority: 3/5.

Vote Result: Motion Rejected.

Amendment Number: S. Amdt. 4309 to S. 812 (Greater Access to Affordable Pharmaceuticals Act of 2002).

Statement of Purpose: To amend the XVIII of the Social Security Act to provide coverage of outpatient prescription drugs under the Medicare program.

VOTE COUNTS

YEAs: 52.

NAYs: 47.

Not Voting: 1.

ALPHABETICAL BY SENATOR NAME

Akaka (D-HI), Yea
Allard (R-CO), Nay
Allen (R-VA), Nay
Baucus (D-MT), Yea
Bayh (D-IN), Yea
Bennett (R-UT), Nay
Biden (D-DE), Yea
Bingaman (D-NM), Yea
Bond (R-MO), Nay
Boxer (D-CA), Yea
Breaux (D-LA), Yea
Brownback (R-KS), Nay
Bunning (R-KY), Nay
Burns (R-MT), Nay
Byrd (D-WV), Yea
Campbell (R-CO), Nay
Cantwell (D-WA), Yea
Carnahan (D-MO), Yea
Carper (D-DE), Yea
Chafee (R-RI), Nay
Cleland (D-GA), Yea
Clinton (D-NY), Yea
Cochran (R-MS), Nay
Collins (R-ME), Nay
Conrad (D-ND), Yea
Corzine (D-NJ), Yea
Craig (R-ID), Nay
Crapo (R-ID), Nay
Daschle (D-SD), Yea
Dayton (D-MN), Yea
DeWine (R-OH), Nay
Dodd (D-CT), Yea
Domenici (R-NM), Nay
Dorgan (D-ND), Yea
Durbin (D-IL), Yea
Edwards (D-NC), Yea
Ensign (R-NV), Nay
Enzi (R-WY), Nay
Feingold (D-WI), Yea
Feinstein (D-CA), Yea
Fitzgerald (R-IL), Yea
Frist (R-TN), Nay
Graham (D-FL), Yea
Gramm (R-TX), Nay
Grassley (R-IA), Nay
Gregg (R-NH), Nay
Hagel (R-NE), Nay
Harkin (D-IA), Yea
Hatch (R-UT), Nay
Helms (R-NC), Not Voting
Hollings (D-SC), Yea
Hutchinson (R-AR), Nay
Hutchison (R-TX), Nay
Inhofe (R-OK), Nay
Inouye (D-HI), Yea
Jeffords (I-VT), Yea
Johnson (D-SD), Yea
Kennedy (D-MA), Yea
Kerry (D-MA), Yea
Kohl (D-WI), Yea
Kyl (R-AZ), Nay
Landrieu (D-LA), Yea
Leahy (D-VT), Yea
Levin (D-MI), Yea
Lieberman (D-CT), Yea
Lincoln (D-AR), Yea
Lott (R-MS), Nay
Lugar (R-IN), Nay
McCain (R-AZ), Nay
McConnell (R-KY), Nay
Mikulski (D-MD), Yea
Miller (D-GA), Yea
Murkowski (R-AK), Nay
Murray (D-WA), Yea
Nelson (D-FL), Yea
Nelson (D-NE), Yea
Nickles (R-OK), Nay
Reed (D-RI), Yea
Reid (D-NV), Yea
Roberts (R-KS), Nay
Rockefeller (D-WV), Yea
Santorum (R-PA), Nay
Sarbanes (D-MD), Yea
Schumer (D-NY), Yea
Sessions (R-AL), Nay
Shelby (R-AL), Nay
Smith (R-NH), Nay
Smith (R-OR), Nay
Snowe (R-ME), Nay
Specter (R-PA), Nay
Stabenow (D-MI), Yea
Stevens (R-AK), Nay
Thomas (R-WY), Nay

Thompson (R–TN), Nay
Thurmond (R–SC), Nay
Torricelli (D–NJ), Yea
Voinovich (R–OH), Nay
Warner (R–VA), Nay
Wellstone (D–MN), Yea
Wyden (D–OR), Yea

GROUPED BY VOTE POSITION

YEAs—52

Akaka (D–HI)
Baucus (D–MT)
Bayh (D–IN)
Biden (D–DE)
Bingaman (D–NM)
Boxer (D–CA)
Breaux (D–LA)
Byrd (D–WV)
Cantwell (D–WA)
Carrahan (D–MO)
Carper (D–DE)
Cleland (D–GA)
Clinton (D–NY)
Conrad (D–ND)
Corzine (D–NJ)
Daschle (D–SD)
Dayton (D–MN)
Dodd (D–CT)
Dorgan (D–ND)
Durbin (D–IL)
Edwards (D–NC)
Feingold (D–WI)
Feinstein (D–CA)
Fitzgerald (R–IL)
Graham (D–FL)
Harkin (D–IA)
Hollings (D–SC)
Inouye (D–HI)
Jeffords (I–VT)
Johnson (D–SD)
Kennedy (D–MA)
Kerry (D–MA)
Kohl (D–WI)
Landrieu (D–LA)
Leahy (D–VT)
Levin (D–MI)
Lieberman (D–CT)
Lincoln (D–AR)
Mikulski (D–MD)
Miller (D–GA)
Murray (D–WA)
Nelson (D–FL)
Nelson (D–NE)
Reed (D–RI)
Reid (D–NV)
Rockefeller (D–WV)
Sarbanes (D–MD)
Schumer (D–NY)
Stabenow (D–MI)
Torricelli (D–NJ)
Wellstone (D–MN)
Wyden (D–OR)

NAYs—47

Allard (R–CO)
Allen (R–VA)
Bennett (R–UT)
Bond (R–MO)
Brownback (R–KS)
Bunning (R–KY)
Burns (R–MT)
Campbell (R–CO)
Chafee (R–RI)
Cochran (R–MS)
Collins (R–ME)
Craig (R–ID)
Crapo (R–ID)
DeWine (R–OH)
Domenici (R–NM)
Ensign (R–NV)
Enzi (R–WY)
Frist (R–TN)
Gramm (R–TX)
Grassley (R–IA)
Gregg (R–NH)
Hagel (R–NE)
Hatch (R–UT)
Hutchinson (R–AR)
Hutchison (R–TX)
Inhofe (R–OK)
Kyl (R–AZ)
Lott (R–MS)
Lugar (R–IN)
McCain (R–AZ)
McConnell (R–KY)
Murkowski (R–AK)
Nickles (R–OK)
Roberts (R–KS)
Santorum (R–PA)
Sessions (R–AL)
Shelby (R–AL)
Smith (R–NH)
Smith (R–OR)
Snowe (R–ME)
Specter (R–PA)
Stevens (R–AK)
Thomas (R–WY)
Thompson (R–TN)
Thurmond (R–SC)
Voinovich (R–OH)
Warner (R–VA)

NOT VOTING—1

Helms (R–NC)

GROUPED BY HOME STATE

Alabama:
  Sessions (R–AL), Nay
  Shelby (R–AL), Nay
Alaska:
  Murkowski (R–AK), Nay
  Stevens (R–AK), Nay
Arizona:
  Kyl (R–AZ), Nay
  McCain (R–AZ), Nay
Arkansas:
  Hutchinson (R–AR), Nay
  Lincoln (D–AR), Yea
California:
  Boxer (D–CA), Yea
  Feinstein (D–CA), Yea
Colorado:
  Allard (R–CO), Nay
  Campbell (R–CO), Nay
Connecticut:
  Dodd (D–CT), Yea
  Lieberman (D–CT), Yea
Delaware:
  Biden (D–DE), Yea
  Carper (D–DE), Yea
Florida:
  Graham (D–FL), Yea
  Nelson (D–FL), Yea
Georgia:
  Cleland (D–GA), Yea
  Miller (D–GA), Yea
Hawaii:
  Akaka (D–HI), Yea
  Inouye (D–HI), Yea
Idaho:
  Craig (R–ID), Nay
  Crapo (R–ID), Nay
Illinois:
  Durbin (D–IL), Yea
  Fitgerald (R–IL), Yea
Indiana:
  Bayh (D–IN), Yea
  Lugar (R–IN), Nay
Iowa:
  Grassley (R–IA), Nay
  Harkin (D–IA), Yea
Kansas:
  Brownback (R–KS), Nay
  Roberts (R–KS), Nay
Kentucky:
  Bunning (R–KY), Nay
  McConnell (R–KY), Nay
Louisiana:
  Breaux (D–LA), Yea
  Landrieu (D–LA), Yea
Maine:
  Collins (R–ME), Nay
  Snowe (R–ME), Nay
Maryland:
  Mikulski (D–MD), Yea
  Sarbanes (D–MD), Yea
Massachusetts:
  Kennedy (D–MA), Yea
  Kerry (D–MA), Yea
Michigan:
  Levin (D–MI), Yea
  Stabenow (D–MI), Yea
Minnesota:
  Dayton (D–MN), Yea
  Wellstone (D–MN), Yea
Mississippi:
  Cochran (R–MS), Nay
  Lott (R–MS–) Nay
Missouri:
  Bond (R–MO), Nay
  Carnahan (D–MO), Yea
Montana:
  Baucus (D–MT), Yea
  Burns (R–MT), Nay
Nebraska:
  Hagel (R–NE), Nay
  Nelson (D–NE), Yea
Nevada:
  Ensign (R–NV), Nay
  Reid (D–NV), Yea
New Hampshire:
  Gregg (R–NH), Nay
  Smith (R–NH), Nay
New Jersey:
  Corzine (D–NJ), Yea
  Torricelli (D–NJ), Yea
New Mexico:
  Bingaman (D–NM), Yea
  Domenici (R–NM), Nay
New York:
  Clinton (D–NY), Yea
  Schumer (D–NY), Yea
North Carolina:
  Edwards (D–NC), Yea
  Helms (R–NC), Not Voting
North Dakota:
  Conrad (D–ND), Yea
  Dorgan (D–ND), Yea
Ohio:
  DeWine (R–OH), Nay
  Voinovich (R–OH), Nay
Oklahoma:
  Inhofe (R–OK), Nay
  Nickles (R–OK), Nay
Oregon:
  Smith (R–OR), Nay
  Wyden (D–OR), Yea
Pennsylvania:
  Santorum (R–PA), Nay
  Specter (R–PA), Nay
Rhode Island:
  Chafee (R–RI), Nay
  Reed (D–RI), Yea
South Carolina:
  Hollings (D–SC), Yea
  Thurmond (R–SC), Nay
South Dakota:
  Daschle (D–SD), Yea
  Johnson (D–SD), Yea
Tennessee:
  Frist (R–TN), Nay
  Thompson (R–TN), Nay
Texas:
  Gramm (R–TX), Nay
  Hutchison (R–TX), Nay
Utah:
  Bennett (R–UT), Nay
  Hatch (R–UT), Nay
Vermont:
  Jeffords (I–VT), Yea
  Leahy (D–VT), Yea
Virginia:
  Allen (R–VA), Nay
  Warner (R–VA), Nay
Washington:
  Cantwell (D–WA), Yea
  Murray (D–WA), Yea
West Virginia:
  Byrd (D–WV), Yea
  Rockefeller (D–WV), Yea
Wisconsin:
  Feingold (D–WI), Yea
  Kohl (D–WI), Yea
Wyoming:
  Enzi (R–WY), Nay
  Thomas (R–WY), Nay

Mr. DASCHLE. I yield 10 minutes to the distinguished Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM of Florida. Mr. President, given my expanded amount of time, I would like to talk about two aspects of this. In 2001, first with Senators ZELL MILLER and TED KENNEDY, and then with Senator GORDON SMITH, I offered variations of a prescription drug bill to this Senate. In the case of the first legislation, there was, in fact, a point of order, precisely the one that is now before the Senate, offered against both of those provisions.

In the first instance, the vote to waive the point of order was 52, so the bill had a majority of the Members of the Senate prepared to support it, which would have meant we would not be having this debate today because senior citizens and disabled Americans would be going to the drugstore and getting their prescription drugs today.

The second bill which Senator SMITH and I offered was very similar in structure to the one that is in this current legislation; I would say somewhat better and more public spirited but similar.

On that bill, there were 50 votes exactly not to waive the point of order.

So this is not a unique, unusual, or inappropriate motion to make. It was made twice in 2001. In the one case, it denied passage of legislation. In the other case, on virtually the same bill we have before us today, it denied us the opportunity because we could not get the 60 votes in order to override the point of order.

What I really want to talk about, however, is the last point that my friend and fellow-departing Member of the Senate, Mr. NICKLES, just said, and that was about the issue of cost containment. Senator NICKLES has a definition of cost containment. That definition is that we will impose limits on the amount of funds which can be spent on the Medicare Program, the most prominently suggested approach being to say that if more than 45 percent of the nontrust fund monies of the Federal Government are going to be spent on Medicare, then there will be a complex Rube Goldberg of votes and countervotes to determine if that can occur.

If those limits are imposed, then the only way that 45-percent excess can be replaced are through things which are clearly going to be very onerous upon the Medicare beneficiaries, such as increasing the payroll tax or increasing the amount of premiums that seniors would pay.

The idea that we might go to general revenue as the means of meeting that excess is not allowable. It has to come out of the Medicare Program itself.

I have a different definition of what a cost control ought to be, and it is not a bureaucratic maze. It is a very straightforward, capitalist, free enterprise, marketplace approach. It also is not a new idea. In the early 1990s, this Senate passed legislation which authorized the administrator of the Veterans' Administration to negotiate with pharmaceutical companies on behalf of the VA. That bill was sponsored by Senator Alan Simpson, retired Republican from Wyoming; Senator and now-Governor Frank Murkowski of Alaska; retired Senator Alan Cranston from California, and our colleague today, Senator JAY ROCKEFELLER. Those were the four sponsors.

When the bill came before the Senate, there was not a request for a recorded vote. It passed unanimously. So that does not sound like it was a very radical bill, given who its sponsors were, or that it raised any great cries in the Senate.

What has happened over the intervening decade plus since this legislation was passed? Well, here is a chart that shows some of the common prescriptions which are now being purchased by the VA under this legislation. Let us take one which I happen to know well because I take it myself, and that is Zocor. It was designed to control high cholesterol.

On Veterans' Day of this year, I spent the day at the VA hospital in Miami. A lot of the day was spent in the pharmaceutical dispensing area. I asked the question: What are you paying for Zocor? Well, the answer was 66 cents a tablet. I then asked what would it be if they went to the drugstore and bought the same identical tablet. It was $3.77.

I said: Is that illustrative of the kind of discounts you are able to negotiate? The answer was: No, it frankly is a little bit deeper than average. We, this year, will dispense about $39 million of prescription drugs through the Miami VA. I asked: If you went down to the drugstore and bought it at the same price that, for instance, seniors under Medicare would pay, what would it cost? It was $81 million. So there is more than a 50 percent discount—in some cases much more dramatic discounts.

The question that I think we should anticipate, so we had better ready with an answer, is the question: Why, in light of the success of the VA in providing for its 27 million eligibles—why do we have this in this legislation, under the clause "noninterference?"

I might correct a statement I made yesterday when I said it was on page 54. In the final version of the printed conference report it is moved to page 53, lines 18 through 26. Here is what those lines say:

> Noninterference. In order to promote competition under this part and in carrying out this part, the Secretary—[who was in the Chamber just a few moments ago]—(1) may not interfere with the negotiations between drug manufacturers and pharmacies and PDP—[which is the drug-only insurance policy] sponsors; and (2) may not require a particular formulary or institute a price structure for the reimbursement of covered part D drugs.

What all that legalese means is that we are about to prohibit the Secretary of HHS from using the tremendous bargaining power which Medicare has, similar to the Veterans Administration, to accomplish for Medicare beneficiaries the same cost control that we are now achieving in the Veterans Administration.

Some people say: Why are we doing this? What is the reason we would have such diametrically different policies for two very similar groups of Americans?

One answer was: Well, veterans, they are a special class. There are not as many veterans; therefore, they will not have the impact.

I agree, veterans are a special group of Americans. They deserve to be honored. But so are the other members of the greatest generation. So are the wives who stayed home with the children while their husbands were fighting abroad.

The fact is, there are 27 million veterans eligible to get these reduced costs. When we pass this Medicare bill, until such time—and I am afraid it will not be very long—that we see a mass retreat of private pre-employers—that is the persons, the businesses that used to employ the current retirees—start to drop coverage—until that happens, there will be about 10 million to 12 million of the 40 million Medicare beneficiaries who are likely to take most advantage of this prescription drug benefit.

You can't tell me if 27 million veterans can take advantage of this program, and they have not brought the pharmaceutical industry to its knees, that 10 to 12 million Medicare beneficiaries are going to cause that to occur.

The PRESIDING OFFICER (Mr. GRAHAM of South Carolina). The Senator has used 10 minutes.

Mr. GRAHAM of Florida. I ask for an additional 5 minutes.

Mrs. BOXER. Reserving the right to object—of course, I will not object—I would like to be the next Democrat on the list to speak because Senator DASCHLE had committed that to me but he is not in the Chamber at this time. I ask unanimous consent that I be the next Democrat to speak, up to 7 minutes, after Senator GRAHAM, and of course yielding to the other side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAHAM of Florida. There is a question more serious than the question I just asked, and that is, How do we answer the question? This is Ms. Kitterage. She is 75 years old. She lives in Tamarac, FL. She has about $4,900 a year expenses over a range of prescription drugs. That is her annual expense. Here you see some of the vials of her prescription drugs.

This is not the case—at least I don't know it to be the case—but let's assume that Ms. Kitterage either is married or is a widow and that her husband was about her age, which would have meant that he would quite possibly have been one of our brave soldiers in the Korean war. As such, he would be eligible, as one of the veterans, to get the VA discounts. She is not eligible today. Because of this provision we are proposing to put into law, she will not be eligible in the future to get the benefit of Medicare's tremendous purchasing power.

I want to just leave this question. When we stand up before an audience of elderly Americans and Ms. Kitterage comes and asks this question: My husband is the same age I am; why is he able to buy prescription drugs at half the price that I have to pay because he can do it at the VA, that is the question we are going to be required to answer. I would like to offer that to my colleagues for a response. Would somebody please tell me what is the public policy that justifies utilizing the purchasing power of the VA to get these kinds of discounts?

Yet to the wives of the veterans we say: You have to pay the full amount. I can't find a justifiable reason for that.

I am a capitalist. I am a free enterpriser. I am a marketplace person. I don't believe in socialism. Why should we bring the marketplace to the veterans but bring the red flag of socialism to Medicare? I hope, during the course of this debate, we can engage on this issue because I think it is maybe the most central issue. If we did this one thing, if we eliminated this specific paragraph and wrote in the language that we did over 10 years ago for the VA, we would be doing the seniors of America a greater benefit than anything we are considering and we would be saving the American taxpayers an enormous amount of money, therefore avoiding further additions to our national debt.

The PRESIDING OFFICER. The Senator has used his additional time.

Mr. GRAHAM of Florida. Mr. President, I leave that question with you and hope during the course of this debate we will be engaged in answering.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, first of all, I should find out how much time we have left.

The PRESIDING OFFICER. You have 43 minutes.

Mr. GRASSLEY. I yield myself such time as I might consume.

This may sound like a simple vote, to raise a point of order about a budget and how this fits into the budget. But what this vote is all about is whether or not we are going to have any bill whatsoever providing prescription drugs for seniors. That is what this next vote is all about because I believe if we get 60 votes like we did 70 votes on the cloture motion, we will be on our way to passage, in a bipartisan way—everything has been bipartisan on this bill, as far as I am concerned—in a bipartisan way, passage of this bill, so our seniors can have prescription drugs, so that the biggest hole that has ever existed in Medicare for the last 38 years is filled in.

So all the arguments can be made about this little budget deal or that little budget technicality, but this is a vote about keeping the promises of both political parties over the last three elections. I do not think we ought to pooh-pooh keeping the promises of the last election. People are cynical about political leaders anyway—overpromising, not delivering on promises. This is our opportunity. This is one of the last two votes for this bill to go to the President of the United States.

So this vote is about our seniors, and also we can include Americans with disabilities. So a successful vote against overriding this point of order will gut the immediate funding we provide for prescription drug discount cards.

Much has been said by the opponents of this bill about not providing help to seniors fast enough. How many times, in the last 3 days, 4 days of debate on this bill have you heard the point: "Well, this bill is not going to take effect for 2 years. I don't know why it can't take effect sooner"?

Now, that is not our choice. We pass a bill. You have to give some time for bureaucrats to implement it and write the regulations, and you want to do it right. So that is what they say: They need that amount of time, No. 1. No. 2, this bill takes effect immediately for part of it, and that part is the drug discount card for seniors and the disabled so they can get 15 to 25 percent discounts on drugs right away.

So apparently a discount card available to all seniors in less than 5 months, and also with a direct $600 subsidy to those with the lowest incomes, is something that opponents of this bill—crying in their beer all the time about this not doing enough for seniors or not taking effect soon enough—is a reason to block this bill.

They are talking out of both sides of their mouth when they say that. On the one hand, they say it is not going into effect soon enough, and then with the next vote we are going to have up, they are going to guarantee no drug benefit for years, and just with some little budget technicality on a procedure vote.

That is pretty ironic, that they would take that stand over the course of 4 days—argue that this bill is not going into effect soon enough, ignoring the discount card that starts immediately, and saying we are not doing enough—and then they are willing to block it on a technicality.

It seems to me that anybody who says we are not providing drug benefits quickly enough for our seniors and our disabled would vote to override this point of order so we can get to the next vote, final passage of this legislation.

Also, I just heard some of my colleagues from the other side of the aisle say this bill, in some instances, does not do enough for rural health care delivery. We provide $25 billion in this bill for rural providers to deal with the inequitable situation of the 30 States below the national average. That is because the formulas for doctors and hospitals in rural areas treat them less well, less equitably than the formulas for urban areas, because the assumption is in rural areas you can deliver health care for less costs.

But they are crying in their beer about maybe that is not doing well enough. And if they vote as 1 of the 41 who might keep us from overriding that point of order, then how can they talk out of both sides of their mouth—one time saying, "We are not doing enough," and then, on the other hand, "Kill this bill on this budget technicality"? Because just as soon as this bill passes, rural providers are going to get a great deal of help from this legislation.

Now, that help is not just for our providers because we feel sorry for doctors or hospitals. We are not being able to recruit doctors and maintain our hospitals in rural America. This $25 billion in this bill will strengthen our hospitals. It will give us an opportunity to recruit doctors.

So if you are 1 of the 41 who does not help us override this point of order, you are saying no to the recruitment of doctors in rural America. You are saying it is OK to close rural hospitals. Because you know what is going to happen right away if we do not pass this legislation—all the doctors of America are going to take a 4.5-percent cut in their reimbursement because of the way our formulas work. I do not know how formulas such as that were written, but those formulas have an egregious impact upon the doctors.

I strongly disagree that that ought to happen and that we ought to have situations where medical doctors are fed up with working with Medicare patients and they just get out of the program. Then our seniors have fewer doctors to take care of their needs.

But if this bill passes, it is going to give relief to our doctors, not only stopping that 4.5-percent cut, it will give them a 1.5-percent increase in reimbursement.

It seems to me a vote against overriding the point of order is a vote against our rural hospitals every day because every day our hospitals are doing more with less. They serve our elderly. They serve the uninsured, those who live in some of the remotest parts of our country, and those who live in our cities as well because city hospitals have problems, too.

Are we going to tell those hospitals what they do every day in saving lives and improving patients' quality of life is not somehow important? I certainly hope not. But a vote against overriding this point of order is a thumb in the eyes of health care providers, in the eyes of the people who run our hospitals, the nurses who work there.

So this is going to be a vote against some of our neediest seniors. And the neediest of our seniors are those in nursing facilities who need physical therapy. They need occupational therapy, speech therapy. This bill, out of this $25 billion, provides a 2-year moratorium from the therapy cap that is in law today, which, basically, at $1,500 is saying, if you have a stroke, if you have some sort of major operation, you are only going to get physical therapy up to $1,500; and too bad after that.

Well, we take care of that in this legislation. But the people who vote against overriding this point of order are saying no to those neediest of seniors in the nursing homes who will be hit by this $1,500 cap and will not be able to get the physical therapy services they need.

We are at a point where all this effort about rural hospitals has been supported by an overwhelming majority in both the House and the Senate.

We heard our colleague, Senator BENNETT of Utah, speak passionately about his daughter. His daughter is a speech therapist and knows all too well how nursing home residents benefit from therapies after they have suffered a stroke, heart attack, or maybe just a fall. Are we going to say to Senator BENNETT's daughter that we don't need to delay these caps? Are we going to say to our seniors that access to physical therapy doesn't matter? I certainly hope not.

You will hear a lot about this vote being a comment on how we spend money in this Medicare bill. You will hear how this vote might be a vote against special interests in America. I ask my colleagues what they mean because if their seniors need immediate relief from high prescription drug bills, their hometown doctors need some help, their local hospitals need some help, their seniors recovering from stroke and heart attack need some help because they need more therapy, then I guess they should vote against these people.

That isn't what I hear from the other side of the aisle. They are the great humanitarians of the American political environment. They are concerned about all these people. Well, this next vote will show how concerned they are because they are voting against all these people who have need, most often the seniors of America who need prescription drugs.

I do not intend to vote against them and, in the process, hopefully get this bill to final passage.

I reserve the remainder of my time and yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, the Senator from California has already been recognized to speak for 5 minutes. Following the Senator from California, I ask unanimous consent that Senator DODD be recognized, and following that, Senator CORZINE be recognized for 5 minutes, and following that Senator DURBIN for 5 minutes.

The PRESIDING OFFICER. It is the understanding of the Chair that Senator BOXER was going to be recognized for 7 minutes.

Mr. REID. That is correct.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from California.

Mrs. BOXER. Mr. President, let me tell you where we are because people watching this debate may be confused on what has happened. On our side we have made a point of order against this bill because it busts the budget. Know where does it bust the budget? Does it bust the budget by giving a more generous prescription drug plan to our seniors? No. It busts the budget by giving away billions of dollars to the HMOs. It also busts the budget because it allows a big deduction from the wealthiest and healthiest people to set up what they call HSAs, health service accounts, and to be able to deduct that money. What that does is, it raises the premiums for everybody else, taking those people out of the insurance pool.

So make no mistake about it, when the Senator from Iowa says we are terrible on our side because we don't want to spend more money, we are willing to spend the funds on the senior citizens' prescription drug benefit. We are not willing to throw it away on HMOs and on the tax breaks for the wealthiest people who are already doing just fine, thank you very much.

Having said that, there is a real benefit to ensuring that this bill stops in its tracks by supporting this point of order. In order to do that, we have to vote no on the motion to waive it. So if we prevail, if the other side does not get 60 votes, this bill will go back and get started again. It will come back to us with a better prescription drug plan. It will come back to us with less confusion, less bureaucracy and the rest.

The underlying bill hurts seniors; 6 million of them will pay more for prescriptions than they do today. There is a cruel asset test in here where you may have to sell off your wedding band to get help. You may have to sell off your car if it is worth more than $4,500 to get help with prescription drugs. And it seems to me selling off family heirlooms is not something we want to do to our seniors.

In many of our States that have big metropolitan areas—and I see the Senators from Connecticut, Illinois, and New Jersey, I am from California—our seniors will be forced into demonstration projects. That means they will either have been forced into an HMO to get a better break on their monthly premium or have to pay more to stay in traditional Medicare where they have the choice of a doctor.

It increases Medicare premiums for middle and upper class people. Some people may say that is a great thing. Let me tell you a couple of bad things about that. Again, what will happen is, these people may well leave Medicare, which means the pool shrinks and the premiums go up for everybody else. The other problem is, these premiums are not indexed. If this had been in place in 1980, I think we figured it would be people with $33,000 a year who would have to pay higher premiums. We know that is a low number.

There will be confusion and fear. I will talk about that. And there will be large benefit shutdowns which are daunting and penalize innocent seniors.

I say to the occupant of the Chair, something maybe he has not yet found in this bill because, look at the size of this thing. This is the size of it. It is hard to lift it. If you look at this, hidden in there it says the Secretary of HHS can demand from the IRS your tax return or mine or any of our constituents to just make sure they are not cheating on a lot of the rules that go along with this.

In California, the minute this bill goes into effect, I have a lot of problems: 867,000 sick low-income seniors will have worse coverage; 250,000 retirees will lose their more generous prescription drug coverage; 296,000 fewer low-income seniors will qualify for low-income protections than under the Senate bill that I was pleased to vote for; 230,000 Medicare beneficiaries will pay higher Part B premiums; and 1.4 million seniors will be forced or could well be forced into one of those demonstration projects with HMOs.

I don't have a lot of time left so I want to leave you with this chart that I made up, sort of wrote it myself. A lot of it is in my own hand. I have to tell you, I used this chart on Saturday. My phones have been ringing off the hook. This is what the senior citizens now have to understand.

I would urge my colleagues to look at every expression on this chart and you tell me if you understand what these things are: Transitional assistance, there is one thing seniors better learn because they are transitioning into something different; MSAs, medical savings accounts; risk adjustment, you are going to hear about that; benefit shutdown, that is when you know longer have any benefit, and Senator DASCHLE was so eloquent on that point.

If you have $5,000 worth of prescriptions, you are going to have to pay $4,000 toward that $5,000. You can get a better deal with a discount card. If I was a local pharmacist, I would just say: Come on in, Medicare patients. I will give you a discount. Don't bother filling out all the forms that will be necessary with this so-called great benefit that the other side says they have given. There is a huge benefit shutdown.

Coverage gap is another expression to explain. There are copayments, risk corridors. You all know what HMOs are. You better know it well because there are going to be a lot more of them. There is MA–PD plans, plan retention funding; MA regions; donut holes—and you can't eat those donut holes; those are gaps in coverage—premiums, you all know what that means.

Let me tell you, it is going to be confusing. You won't know what group you fall in and what your premium is. Income related, HSAs, wraparounds, national bonus payments, stabilization funds—that is a nice name for the slush funds that are going to the HMOs, and one reason that budget point of order ought to be sustained—Medicare advantage competition, annual out-of-pocket threshold. Seniors, you better learn what that is. You are going to have to keep notes on every little penny you spend.

By the way, if you happen to be on a prescription drug that is not in the Medicare formulary, but it was in your Medicaid formulary—I don't even have the time to go through all this.

One of my favorites is "clawback." Half of my colleagues probably don't know what that means. States are prohibited from helping their seniors who are very poor pay their copayments. The States are prohibited and they must pay back the Federal Government. So seniors, pick up the phone, call your Senator. Tell them to bring this bill back to the drawing board. It is a huge bill. Only a tiny portion of it is a prescription drug benefit.

Mr. President, let's get rid of this turkey in time for Thanksgiving.

I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

The Senator from Connecticut is recognized.

Mr. DODD. Mr. President, I commend my colleague from California. Bring that chart down here. Talk about alphabet soup, this is very instructive, it seems to me, in terms of why people are so confused about what is in this bill. There is incredible language here that even the most determined person to learn about this bill would be hard pressed. There it is.

I thank the Senator from California because she has laid out here a lexicon of language which would glaze over the eyes of the most determined people to try to sort out what this bill means.

One of the points the Senator made is worth noting again. This is not the end of a Congress. This is only the end of a session. If we were at the end of a Congress, I presume the argument made that we have no other choice, we can either do it now or it doesn't get done would be valid. Each new Congress has to begin all over. But we can actually come right back, pick up where we left off, and try to work this legislation out to serve a better interest.

I thank her for this. Some of this really needs further explanation. Let me say this—and I am being repetitive to some degree—the prescription drug piece of this is of concern to me. I was willing to accept the argument that having a prescription drug benefit of $400 billion over the next 10 years, while not perfect, was a start. If that is all we were voting on today, I would probably vote for it. What is not being discussed at any great length is the second half of the bill, which is very confusing to people because it has language in it that is unclear as to what the ramifications mean.

So people need to pay attention and understand that if we are just dealing with the second half of the bill, the Medicare-exclusive parts of Medicare, I think there would be a very different reaction in the Chamber to what we are proposing. I suspect the prescription drug benefit piece would pass overwhelmingly, and I suspect that a freestanding Medicare piece might not get 15 votes, when you consider what is being proposed.

You are absolutely prohibited, under this bill, from joining to go out and buy prescription drugs collectively. You are banned under this legislation. Under this legislation, of course, you are going to give a significant advantage in the competition because of the $12 billion subsidy. That is the reason the order holds here. This piece of legislation has a significant subsidy coming up to the private piece of this proposal. Nothing like that is being offered anywhere else.

In fact, a similar point of order was raised in July of last year—at the end of July of 2002—making the exact same point of order that has been made on this legislation. That point of order was raised by the majority leader and the chairman of the Finance Committee against the piece of legislation offered by Senators Graham, Miller, and Kennedy. There, the point of order was against section 302(f) of the Budget Act because it broke the budget ceilings.

That is what is being offered here for exactly the same reasons. It will be curious to see whether or not the people who felt so strongly about not waiving the Budget Act back then will do the same here.

This legislation being proposed, obviously, also makes it extremely difficult for people, down the road, to be able to have a prescription benefit plan that is going to be fair and balanced. I take note that none of these provisions, by the way, will go into effect rather immediately. You can impose many of the things we are talking about here in a matter of days if you are truly interested. Yet they are delaying it until 2006, until after the 2004 elections when, obviously, what happens to beneficiaries under the so-called fair competition—Medicare, remember, was a program designed to take the wealthy and healthy and the poorer and sicker together, not to discriminate, and to provide for both of these constituencies. Over the years, that is why the program has been so successful. What is going to happen, of course, with this unfair competition of a 9-percent differential and a $12 billion subsidy is that those who are wealthier and healthier will spin off out of Medicare, and only the poor and the sicker will be left in the program; thus, raising the premium costs or reducing benefits. That is what is going to happen here. There is no doubt in my mind about where we are headed with this proposal. We have raised this point of order to suggest that there is a better way of crafting this legislation. We urge our colleagues to support the point of order when the vote occurs.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SANTORUM. Mr. President, I yield myself such time as I may consume. Will the Chair please notify me when I have used 10 minutes?

The PRESIDING OFFICER. The Chair will do so.

Mr. SANTORUM. Mr. President, I find this to be a little bit of a surreal experience, being here on the Senate floor and listening to all of the problems in this legislation, all about how it doesn't provide enough benefits and how we need to spend more money, and what is being offered is the budget point of order by the very people who want to spend more than what this bill does.

Someone is saying we are spending too much money—I think $4 billion or $5 billion—in 2004. We are not even spending the $400 billion allotted. It is a $395 billion bill. We are within the budget window over 10 years and also over 5 years. But in the first year we are not in the budget window. Why? Let's figure it out. If you are in for 5 and 10, what is the problem for the first year? The problem the first year is that the budget sets up a category for mandatory spending, and included in that was the money for Medicare.

Now, is the money that we have in this bill exceeding the money that we anticipated in the budget for Medicare? No. Well, wait a minute. If the money that we have in this bill doesn't exceed what we had budgeted for Medicare, then why is it subject to a budget point of order? Well, because the money that we had budgeted for Medicare was eaten up by two Democrat initiatives that have swallowed up that money—unemployment extension, and FMAP, money to the States for their medical program. Because of those two expenditures—which I agree was done in a bipartisan way, and I tip my hat to the other side; it was clearly motivated by the other side of the aisle to spend this additional money—we have now blown through what we were going to spend on Medicare. Guess what. There is no money left in fiscal year 2004 for Medicare—any kind of spending in this bill.

So if we would have done anything in this year to spend money on Medicare, we would have exceeded the budget caps. So we have this thing tantamount to a gimmick, if you will, where we have exceeded the budget because of other spending having nothing to do with Medicare, and that leaves us liable to a budget point of order.

Now, I understand if you want to kill the bill—and I understand you do want to kill the bill—we had a vote on cloture. We had 70 votes, and it would have been 71 had Senator SHELBY been here and his plane was able to get off the ground. But we had 70 votes not to block it on a procedural vote, to give the people of this country, through the Senate, an opportunity for an up-or-down vote as to whether this proposal is worthy. Seventy Members voted today that we were not going to use a procedural filibuster.

What is the next step? The next step is to use another procedural gimmick. In this case, as the Senator from New Mexico has pointed out, it truly is a gimmick because we are within what was contemplated when we passed the budget earlier this year for Medicare next year, but we have a technical problem because of other spending that has nothing to do with Medicare.

I say to my colleagues who are going to be casting their votes momentarily on this issue: If you want to block this vote procedurally, you had your chance. It was a vote on cloture. We are now postcloture. To put up another procedural gimmick—and this is truly a gimmick—being offered by someone who for 57 out of the last 60 waivers of the Budget Act voted to waive the Budget Act and the 3 times they did not, they were not here to vote as a way to obstruct the Medicare bill at the 11th hour and the 59th minute, when they had voted for every single waiver that was available to be voted on, to use this to try to block this bill I think does not comport with the original vote which was not to filibuster this bill.

This is tantamount to another filibuster only it doesn't have the word attached to it. Maybe you can go back home and say: We didn't filibuster this bill; I voted to allow this bill to be considered. But, you know, there was this budget problem. Now by the way, I have never seen a budget problem that I didn't have a problem with waiving. I have waived it 57 times or 60 times this year on things a heck of a lot less important than prescription drugs for Medicare, and we routinely did it, but when it comes to Medicare, when it comes to $3 billion or $4 billion or $5 billion out of a $400 billion bill in the first year, because of a problem having nothing to do with Medicare, then I am going to find a problem, then I am going to be concerned about the budget when I voted to waive the Budget Act 60 times prior to that.

That dog doesn't hunt. That is just a procedural obstruction. I hope my colleagues who voted for the cloture motion will vote consistently. This is another vote on cloture. That is what this is. This is a procedural hurdle that has no substance or basis to it.

When the people who offer this procedural motion, concerned about the impact on the budget, and in all of their speeches talk about how much more money we should be spending, one wonders how sincere the budget concerns really are. Every person who has gotten up to support this budget point of order has said this bill falls short because it doesn't spend enough. Yet they are making a point of order on the budget which says we are spending too much.

This is the kind of shenanigans that goes on in the Senate, that goes on in Washington, DC, that the public, frankly, just doesn't understand. You are either for this bill or against this bill. If you want to block this bill, vote against cloture, but don't put up these gimmicks, rules that are in place to stop something from happening because you want to accomplish the opposite effect of the rule. The rule was put in place to save money. They are using the rule so they can spend money.

It shouldn't be any surprise that on another issue relating to this, we have a situation where many on the other side of the aisle have been critical of this noninterference issue. That is the provision that says the Federal Government is not going to negotiate a price for prescription drugs for everybody on Medicare. Why do we have this in place? Let me give you the policy.

We have this in place from a policy point of view because roughly 50 percent of all prescriptions in this country are going to be bought through Medicare—to have that kind of "market power" where the Federal Government will basically go in and dictate a price fix, price set to every pharmaceutical—most pharmaceutical, not every—most pharmaceutical products in this country.

Most Members of Congress are not for a command-and-control, one-size-fits-all drug price in America. Some are. Some would like to adopt the Canadian-style system, and some would like to adopt the German-style system, but we have made a decision that we believe it is better for the private sector insurance company, with big market share because there will not be very many of these plans—there will be big market share—to negotiate with the private sector drug companies for the best price they can get. And the better negotiators they are, the better premiums they can offer to their beneficiaries which means more enrollees. It is certainly their incentive to negotiate tough bargains with the pharmaceutical companies. They have the market power and the ability to negotiate.

It is different than giving the Government the ability to negotiate—I shouldn't say negotiate, I should say dictate—the price they will pay for pharmaceuticals. We think the private sector should work, not the Government dictating prices. They compare it to the Veterans Administration. Yes, the Veterans Administration has such a proposal—not a proposal; it is the law. It mandates a 24-percent reduction. Does that have any rhyme or reason to what the drug costs should be? No, it is just a flat 24 percent across the board. If you don't take that reimbursement, then you can't participate in Medicaid or any other Federal program. It is a heavy hammer. It is a very small part of the pharmaceutical industry.

I yield myself 3 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SANTORUM. Mr. President, that is the policy. What is the history of this provision? It is very interesting. This proposal, which was criticized by Senator DASCHLE today, was introduced by Senator DASCHLE. This came from the Democrats' bill in the year 2000. This language, almost verbatim, was introduced by the Democratic leader, and now like lemmings, they are lining up saluting this as the worst thing they have ever seen. Yet it is their proposal, not just Senator DASCHLE's. It was also in Congressman STARK's bill in 2000, and again, in the Snowe-Wyden proposal, there was the exact language. It was in the tripartisan plan of last year. Actually, a version of this language appeared in the Senate bill that received 76 votes on the floor of the Senate.

I just wonder whether the degree of outrage is somehow inversely proportional to the actual complicity of the act. We see this huge amount of outrage, and yet we see complicity. In fact, it is their language that is in this bill. Why did they put it in? They put it in because they did not want to be charged with having Government price fixing. They didn't want to be accused in their proposal that it was going to be a command-and-control Government price fixing of pharmaceutical products.

What did they do? They said: We believe in competition. They wanted to be able to say that they have a competitive model, so they put in a competitive model. Let the private sector negotiate their incentives for the insurers to get lower costs out of the pharmaceuticals, and there are incentives on the pharmaceuticals point to give volume discounts.

Let that mechanism work. Don't have the head of CMS, the Medicare Director in Washington, DC, dictate prices for everybody.

Let us not set those prices in the Senate. Let us let the marketplace work to squeeze cost and get efficiency out of the system. It is their idea. So, again, I suggest on two issues that have gotten a lot of talk, No. 1, the budget point of order, which is made to save money, is actually being used by the other side so they can spend more money. The major provision that has gotten the ire of so many, which is this noninterference with negotiating drug prices, is their proposal.

I suggest, as I had a conversation with one of my colleagues on the other side of the aisle a few moments ago, I understand the left hates this bill. As we saw from the House and we saw from some of our colleagues, a lot of the right hates this bill. Usually, things that come straight down the middle are usually where most Americans are and where most Americans would like us to go. That is what this bill does. I hope we have very strong support for it as a result.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. CORZINE. Mr. President, I want to speak for about 5 minutes about encouraging my colleagues to sustain this point of order. I want to use some of the comments I heard about gimmickry because I am concerned about the budget issues, and this is absolutely relevant. It was gimmickry to say we are spending $400 billion on a prescription drug benefit for seniors and then hide it in HSAs, $12 billion support for the insurance industry, lots of support, some of which I actually might even have agreed to with regard to encouraging corporations to maintain their insurance policies so Medicare does not have to pick it up, all of that is true. But we have a major league problem. There is no cost containment in this program of any serious effect.

I come from a State where there are a lot of pharmaceutical industries and we were talking about importing price controls from Canada. We had that debate around here. I am not for that. I think we ought to deal with a market structure that is fair and respectful of the buyers actually competing for the price.

Last time I checked, the Federal Government, when it buys a tank, actually goes out and negotiates the price. When it is buying airplanes, we talk about negotiating the price. I think it is absolutely essential that if Medicare is the provider of the resources, the taxpayer, that they be able to negotiate their price.

One of my problems with this bill—which I will remind people is 1,200 pages long and not many of us have read it—is that it has a lot of unintended consequences. It has one very real intended consequence which is to dampen competition which might lower prices. We are increasing the demand curve and we are keeping the supply curve the same, and that raises prices. That is exactly what happens. That is economics 101.

By the way, the VA is a perfect example of it, and I thank Senator GRAHAM for pointing this out. When the VA is negotiating prices, it is not 24 percent across the board. It is on individual drugs. They can save about half of what would be paid if they went to a pharmacy.

This is not my chart but it is actually doggone good. I take this Lopressor for high blood pressure. No wonder I have high blood pressure being in the Senate. It costs 1 cent per pill. At the drugstore it is 87 cents.

Here is another one. This is Zantac. I guess if one has an ulcer—some people get ulcers when they are around here—it costs 2 cents at the VA. It costs $1.83 at the drugstore. That is price control, price containment at the VA, while the drugstore is charging what the market will bear. That is what our seniors are doing. That is going to back into the longrun explosion of costs with regard to this bill, about which a lot of conservatives are concerned. I am concerned about it.

We say this is $400 billion, it is out of tilt with the budget resolution in the first year, but if we think we know whether this bill is going to produce $400 billion worth of expenditures over the next 10 years, I think we are kidding ourselves.

Nobody knows what is inside this bill on each individual page. There is going to be a lot of difference by the time we get there. The one thing we do know when we go from 40 million seniors to 70 million seniors is this thing is going to explode in the second 10 years. The estimate is it will cost $1.3 trillion to $2 trillion.

Frankly, it is going to increase the unfunded mandate for Social Security and from about $18 trillion to $25 trillion. I cannot even think of those numbers, but that is a huge problem if we are not willing to deal with the reality of what we have to do.

That is why it is important on the budget to take into consideration whether VA and the Medicare system are actually going to negotiate these prices because they can hold down those costs. If we do not want to deal with that, then we are going to have those kinds of long-term results which are going to end up undermining the ability of the American people to continue to have the kind of support they expect from Medicare and other things.

I said last night, there is a lot of good in this bill. Unfortunately, at least in New Jersey, 300,000 folks who do not have insurance or drug coverage right now are going to get it, but 550,000 are going to be impacted negatively. It is real. We have done the analysis. We know it.

What is important is we are putting ourselves on a track where we will not be able to afford Medicare A, B, prescription drugs, or any of these things. I think we are putting ourselves on a track because we have been unwilling to deal with cost containment in a serious way. The way to do that is not command and control. It is 15 percent of the market. People negotiate for the Federal Government in every other purchase they do. They ought to be doing that here. It would make a big difference on cost containment.

I urge my colleagues to sustain the point of order.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. I yield whatever time he might consume, up to 5 minutes, to the Senator from Oklahoma.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I wish to add a couple of comments to my earlier statement. I noticed the Democrat leader, Senator DASCHLE, alluded to similar points of order being raised in July of 2002. That was raised and supported for a couple of reasons. One, the budget resolutions in 2002, that was based on the resolution that passed in 2001 for fiscal year 2002, said there is up to $300 billion in a bill that was reported out of Finance Committee that would strengthen and enhance Medicare.

In 2002, the Democrats were running the place. They did not report a Medicare bill out of the Finance Committee. They bypassed the Finance Committee. I was a member of that committee. I was incensed that we would just ignore the committee. Therefore, it violated the budget. One, I know it was not reported by committee. Also, it was just, here is the bill. I believe the bill was quite a lot larger than $300 billion. I am not sure if it was $570 billion or $600 billion. It was a lot more than $300 billion.

So there was a very legitimate reason. One, it was not reported out of committee. It did not have work done on it by the committee. It did not meet the overall structure or the framework. This bill that we have before us is within the $400 billion as reported by CBO. It did go through committee, both the Finance Committee and the Ways and Means Committee. It has been scored by CBO. At that time, I believe the bill we had on the floor of the Senate had not even been scored, or at least the details had not been scored, by CBO.

There was a legitimate reason to make a budget point of order. This, in my opinion, is not. By its very fact, as evidenced by most of the people who are promoting this budget point of order, they have almost all the time, 90-some percent of the time, opposed budget points of order when they have been raised in the past.

I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

The Senator from Illinois.

Mr. DURBIN. Under the unanimous consent, I believe I have been allocated 5 minutes. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. DURBIN. I ask for 4 and ask if the Chair will notify me when I have 1 minute left.

A few minutes ago, the Secretary of Health and Human Services, Tommy Thompson, was on the floor. It is his right to visit with us. It is an opportune moment for him to come as the Senator from Pennsylvania reminds us that we are not going into socialism, socialized medicine, command and control; we are not going to have the Government bargaining on the prices of medicine.

Yet I guess the Senator from Pennsylvania has forgotten that during the anthrax crisis when Cipro, which was going to be used as an antidote, was $4.67 a pill, Secretary Thompson negotiated for America to reduce the price of that drug in the midst of the crisis to 75 cents. He was quoted as saying:

> Everyone said I wouldn't be able to reduce the price of Cipro. I'm a tough negotiator.

Sounds a lot like command and control for me.

For Americans, they are taking a look at this bill and saying: Who is going to speak for us? This 1,100 page bill prohibits reimportation of drugs from Canada. So our friends, the seniors and families and others who are looking there for relief, they will not be getting it out of this bill. Even worse, as has been noted, in this one page that I take out of 1,100, page 53, lines 18 through 26, we prohibit Medicare from negotiating lower drug prices.

The Senator from Pennsylvania says that is because we believe in the free market. Let the market set the price.

I might say to my friend from Pennsylvania, how do you explain the multibillion-dollar subsidies for HMOs included in this bill? How do you explain the $6 billion subsidy for your friends with health savings accounts in this bill? Frankly, you can't, under free market principles.

Let me say, when you take a look at this bill you understand that we are squandering $6 billion for retiree coverage. That is one of the key elements. We create these new health savings accounts. I will not go into the long and lurid history, but when Mr. Newt Gingrich of Georgia took control of the House, he brought with him one of his best pals, the Golden Rule Insurance Companies from Lawrenceville, IL. In fact, the Speaker was so smitten with this company he cut a television ad for them with their medical savings accounts. Frankly, they returned the favor, contributing over $3.6 million to Republican congressional candidates. It was such a sweet arrangement. They would pass bills sending more business to Golden Rule, Golden Rule would send millions of dollars to Republican candidates.

Frankly, that meant nothing compared to this bill. This bill gives $6 billion for health savings accounts that have nothing to do with Medicare and nothing to do with prescription drugs for seniors. This is the largest single giveaway I have ever seen in 21 years. It is in this bill.

Now, let me connect the dots. Turns out Golden Rule Insurance Company was recently purchased. Who bought Golden Rule Insurance Company? A group called UnitedHealthcare, down here, whose CEO, Channing Wheeler, was paid $9.5 million, a sweet salary; compared to other HMO execs—not that great.

Now connect the dots. Golden Rule, a friend of the Republican Party, purchased by UnitedHealthcare; UnitedHealthcare is the largest insurance group working with AARP. It all comes together.

AARP is selling this product for UnitedHealth Group, a $6 billion subsidy in this bill, and now they have discovered this is the best bill in the world.

I suggest to all my colleagues and all those watching this debate, call AARP. Here is the telephone number, 1–800–424–3410. Tell them to stand up for seniors for a change, tell them to fight for Medicare, tell them to stop the sweetheart deals with Golden Rule and UnitedHealthcare. We need to make sure the people who wrote this bill get back to work and eliminate these giveaways, the multibillion-dollar giveaways, the subsidizing for these great free market disciples that are included in this bill. And we need to do it now. Sustain the point of order. Vote no on the waiver of the point of order.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, we reserve the last 4 minutes for the Democratic leader.

The PRESIDING OFFICER. There is 3 minutes remaining. The Senator from Iowa.

Mr. GRASSLEY. I want to take 30 seconds and then yield 5 minutes to the Senator from Louisiana and then the Senator from Montana.

Before I do that, how many times have we heard from the other side of the aisle about this being a 1,000-page bill? I want them to read, if they know how to read: There are 678 pages here. I want to know how you folks can raise a point of order when you can't even count the number of pages in a bill? I yield the floor.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. BREAUX. Mr. President, we have reached that point where the debate is on the size of the bill and not the merits of the bill.

Let me just say, 38 years ago this Congress passed this document that I have in my hand for the first time. It was in 1965 that we enacted Medicare, which was a noble experiment. It was led by Democrats and signed into law by President Lyndon Johnson. It was, indeed, a change and a challenge. No one knew whether it was going to work. People could not be guaranteed it was going to serve the needs of America's seniors. But it was a chance worth taking. It was a change. I suggest today Democrats in particular should not fear change if it is aimed at improving a document that has served this country so well.

The only defect of this legislation was that it didn't do everything that it should have. For instance, while it covered doctors and it covered hospitals, it did not cover what at that time were new innovations in the area of prescription drugs. Members of Congress knew we had to take care of seniors going to the hospital. We had to take care of seniors seeing their doctors. But no one really thought that seniors getting prescription drugs was going to be that important.

Today we have the opportunity to correct what we did not do in 1965 and bring about a reform to this program which is greatly needed. I would just say that is why organizations such as the National Council on Aging, which represents all of these seniors who go to these senior centers throughout our States and congressional districts, as well as the AARP—and Democrats many times cite the AARP when they agreed with them. But now when they do not agree with them they find fault with the organization.

I suggest the Nation's largest organization representing over 35 million seniors has had their health economists and their lawyers carefully study the document that is before us and made a recommendation to those of us in Congress. They said this is something we support because it is indeed, on balance, the bill we should approve and send on to the President for signature.

Again, I say it is not a perfect bill. But, once again, we can't let the perfect be the enemy of the good. We also cannot let the political pundits of both of our parties suggest we cannot vote for this bill because somehow it may give credibility to the other party. I have actually heard that from both sides of the aisle. I think that would be a tragic mistake.

The issue today is not which political party wins. The issue today is whether we can craft legislation that allows America's 40 million seniors to come out a winner. I think on balance this bill does that because it combines the best of what government can do with the best of what the private sector can do.

Many on my side of the aisle think the Federal Government should do everything all the time. We can't do that. We can't do it very effectively. So I think it is important to note that on the other side of the aisle, many of them think the Federal Government should not do anything and that the private sector should do it all.

The truth lies, as most truthful matters lie, somewhere in between. The fact is, we ought to combine the best of what Government can do with the best of what the private sector can do and create a new Medicare reform for the 21st century.

With regard to the points of order, I made it very clear the two points of order we are going to be voting to waive are not dealing with the so-called premium support language that is in the bill. It doesn't deal with the cost containment provisions that are in the bill. It doesn't deal with whether we are going to bring in the Medicare Program all low-income seniors who are currently in, under the State Medicare Program—it doesn't deal with any of that. It deals basically with the fact that we are spending more money in this legislation than the structure of the budget would allow us to do.

That is not uncommon, and the proper procedure is to have a waiver of those points of order, which is what we are going to be voting on.

The first point of order really lies because of the fact that we put more money to help the State Medicaid Programs, something that most people on my side of the aisle strongly supported, to make sure we help those programs make sure the drugs that they are going to still be involved in helping seniors with—that they will be able to help them to the maximum degree possible.

In addition, one of the other reasons the first point of order lies is because previously the Finance Committee helped the States with their unemployment insurance, something most people on my side of the aisle strongly supported. It is not sufficient for people to go back to our States and tell seniors that we somehow prevented this bill from being adopted because of a point of order that was very technical in its essence. I think people want to know where we stand on the merits of the bill. Are we for prescription drugs for the first time, for seniors, since 1965? Are we for giving them a program where the Federal Government pays 75 percent of their drug costs? Are they for or against a program that is going to give particular help and assistance to our Nation's low-income seniors, which is so terribly important? Are we for bringing low-income seniors into one standard national Medicare Program or are we not?

I would not want to go back and somehow argue the technical merits of the point of order and say this is why I could not vote for prescription drugs for seniors, a $400 billion package. There are going to be some on the more liberal wing and more conservative wing who will find reasons to be against this bill, but on balance it represents a centrist coalition, and I urge my colleagues to support it.

The PRESIDING OFFICER (Mr. SUNUNU). The time of the Senator has expired.

Mr. DASCHLE. Mr. President, how much time remains on either side?

The PRESIDING OFFICER. The minority side controls 3 additional minutes, the majority side controls 6¾ minutes.

The Senator from Montana.

Mr. BAUCUS. Mr. President, make no mistake about it, the issue before us—that is, whether a point of order should be sustained—is a vote about whether or not we provide prescription drug benefits to seniors. It is that simple.

If we fail to waive this point of order, this bill is dead, certainly for this year, probably for the next Congress. The very narrow issue before us is whether or not it is "OK" to spend roughly $4 billion more than the Budget Act previously allocated for the year 2004.

It is important to remember that this bill is totally within the Budget Committee's allocation for the 10-year period of $400 billion. So the narrow question is, Is it within the allocation for the year 2004?

Now, a couple points here. In 2004, dollars will be spent based upon various pieces of legislation. There is already legislation passed which allocates dollars for 2004. So the conference report itself does not break the 2004 cap, but, rather, it is the accumulation of the dollars in this bill plus previous bills which total up to exceeding the cap allowable for 2004 under the Budget Act by about $4 billion.

So the real question we are asking ourselves is, Are we going kill this bill—a bill for which the full $400 billion allocation does not violate the Budget Act—are we going to kill this bill on a mere technicality, a technical trap that any spending in 2004 has the effect of bringing this bill down?

Now, it makes no sense to do that because, clearly, we want, in this bill, to spend some money in 2004. What about the doctors in 2004? What about the hospitals in 2004? Are we to tell doctors and hospitals, because of a mere technicality, they do not get reimbursed in 2004? We will suspend payments for a year, but then, beginning in 2005, we could pick them up again? I do not think so.

I don't know what Senators are going to say to their seniors back home who vote to sustain the budget point of order to kill the bill because of some spending in 2004 for doctors and hospitals, denying them a prescription drug benefit because they killed the bill. I do not think many people in this body would like to do that.

This is a good bill. It is unfortunate that at this stage of the debate, where we are past the listening stage, an awful lot of Senators are not listening to each other. Rather, they are being rhetorical, they are making their rhetorical points, and they are trying to persuade I don't know who, but some people to certain points of view.

But if you look at the mere language of the bill, it is a good bill. It provides a prescription drug benefit for seniors, a huge benefit for low-income seniors. One-third of all seniors, under this legislation, are categorized as low-income, and they get the benefits of this bill.

We also added in more money for what is called the Medicaid wrap to help lower income folks even more than earlier was the case. We also added in money to help keep retiree coverage.

I think it is important to note that companies generally are reducing retiree coverage in America, irrespective of this bill. We have put in $88 billion to companies for retiree coverage, which means, clearly, that those companies are more likely to keep and retain coverage; that is, this legislation intends to encourage the retaining of coverage, not discouraging it.

So if this bill goes down, there are going to be more retirees who will lose their coverage. Senior citizens will not get the benefit of a drug benefit, particularly the lower income seniors will not get the benefit, and we will be doing our seniors a terrific disservice.

So tomorrow is another day. We can improve upon this bill. If the bill is killed, as it will be if this point of order is sustained, those who hope, "well, maybe we can do better next year," I think should remember the admonition that a bird in the hand is worth two in the bush.

Next year is a very political year. It is 2004. It is a Presidential election year. It is almost impossible to predict the dynamics of next year. It depends on the economy. It depends upon foreign policy. It depends upon the Presidential election politics. And we all know that usually in a Presidential election year not much legislation of consequence passes. Usually, there is a lot of talking but not a lot of action.

I do not think we can afford passing up giving seniors a chance to get prescription drug benefits. So I urge Senators, on the technical matter before us, to vote to waive the point of order because it does not make much sense to me to let a technicality kill this bill.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I yield myself such time as I might consume, and probably all of it.

Keeping the point of order means keeping the status quo. So I am asking my friends on the other side of the aisle, what is there about the status quo on Medicare that is good and acceptable? The lack of prescription drugs? The slowness in getting cheaper generic drugs out into the market? Arbitrary caps on physical therapists? Insufficient funding for rural hospitals and long waiting lines for seeing the doctors, if Medicare people can get in to see a doctor in rural America?

I ask my colleagues, is this status quo acceptable? Apparently it is, at least to the Senators who are refusing to waive the point of order.

I say nothing about Medicare's status quo is acceptable, not doctors' cuts, not decreasing hospital and home health payments, not the lack of access to health plans in rural areas such as mine. And most of all, seniors' lack of access to prescription drugs for all these years is what I find to be most unacceptable about the reality of the status quo.

For those of you happy with the status quo, I say, try telling that to your doctors, your hospitals, and, most of all, to your seniors. You try telling these people that a technical point of order is more important than changing Medicare's status quo. I will not try, and I hope my colleagues will not try either.

The PRESIDING OFFICER. The Senator's time has expired.

The minority leader.

Mr. DASCHLE. Mr. President, this is our last chance to do something to control the exploding costs that are absolutely guaranteed to occur for seniors and for the Government unless we do something else. This is the last chance.

There are those who have just said this will kill the bill. Just to make sure everybody understands, this has nothing to do with killing the bill. What happens under Senate rules is that we will go back to S. 1 as an amendment to H.R. 1. That is the pending business. That was voted on, by the way, 76 to 21. So we go back, if we sustain this point of order, to the Senate-passed bill, which passed 76 to 21. We can send it to the House and ask for bipartisan support.

The distinguished Senator from Pennsylvania was saying that one of the concerns I raised was our ability to contain costs. And yes, he is right, we had an early bill that had the provision, this egregious provision in it prohibiting the Government from getting the best deal, just as Secretary Thompson has done with Cipro, just as we do with the Veterans Administration.

What he did not tell our colleagues is that every subsequent bill—the last two bills we have introduced—did not have this provision in it. Why? Because we understand what an incredibly valuable tool it has been for the Veterans Administration.

So, Mr. President, if you want to control costs, if you want to make sure the senior citizens of this country have the ability to get the lowest price, if you are absolutely as concerned, as you say you are, about controlling the costs of this program, then you are going to vote to sustain this point of order.

This is our last chance.

I yield the floor.

The PRESIDING OFFICER. The Senator from South Dakota has 1 minute remaining.

Mr. DASCHLE. I yield the remainder of my time.

Mr. GRASSLEY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. The yeas and nays have been requested. Is there a sufficient second?

There appears to be a sufficient second.

The question is on agreeing to the motion. The clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 61, nays 39, as follows:

[Rollcall Vote No. 458 Leg.]

YEAS—61

Alexander
Allard
Allen
Baucus
Bennett
Bond
Breaux
Brownback
Bunning
Burns
Campbell
Carper
Chafee
Chambliss
Cochran
Coleman
Collins
Conrad
Cornyn
Craig
Crapo
DeWine
Dole
Domenici
Dorgan
Ensign
Enzi
Feinstein
Fitzgerald
Frist
Graham (SC)
Grassley
Gregg
Hatch
Hutchison
Inhofe
Jeffords
Kyl
Landrieu
Lincoln
Lott
Lugar
McConnell
Miller
Murkowski
Nelson (NE)
Nickles
Roberts
Santorum
Sessions
Shelby
Smith
Snowe
Specter
Stevens
Sununu
Talent
Thomas
Voinovich
Warner
Wyden

NAYS—39

Akaka
Bayh
Biden
Bingaman
Boxer
Byrd
Cantwell
Clinton
Corzine
Daschle
Dayton
Dodd
Durbin
Edwards
Feingold
Graham (FL)
Hagel
Harkin
Hollings
Inouye
Johnson
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
McCain
Mikulski
Murray
Nelson (FL)
Pryor
Reed
Reid
Rockefeller
Sarbanes
Schumer
Stabenow

The PRESIDING OFFICER. On this vote, the yeas are 61, the nays are 39. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to, and the point of order falls.

Mr. FRIST. I move to reconsider the vote.

Mr. McCONNELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DASCHLE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DAYTON. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DAYTON. It is with a heavy heart I rise to speak against, and later vote against, this bill before the Senate. I campaigned in Minnesota on the need for prescription drug coverage for senior citizens. I said consistently I would vote for a responsible bill. Something was better than nothing. I voted a few months ago for the Senate-passed bill despite considerable reservations. It was better than nothing.

That Senate bill contained my "taste of their own medicine" amendment which would require Members of Congress to live with the same prescription drug coverage as we have for seniors and other Medicare beneficiaries. That amendment, which passed the Senate by a vote of 93 to 3, was stripped out of the conference report as, evidently, some Members were promised it would be. That should tell the American people everything they need to know about this bill. It is not good enough for Congress.

Some Members of Congress are trying to sell this legislation as good for seniors and other Medicare beneficiaries of America, but it is not good enough for them to live under. That is the height of hypocrisy. It is good enough for the senior citizens of this country, it is the best we will vote to provide for them, but, sorry, we will pass on it for ourselves. Why is Congress opting out of this coverage if it is so good? Why is it only half as good as what Members voted to provide themselves and their families and their employees?

First, the program does not begin for 2 years, not until January of 2006. Until then, the senior citizens of America are going to have their opportunity to get another drug discount card. There is a novel idea. There are only how many dozens available already to seniors?

This one plays special favorites. A senior with an income above 150 percent of poverty, approximately $13,000 per year of income and approximately $16,000 a year for a couple—they get a drug discount card and nothing more. A single senior with an income just under that amount, by even a couple dollars, or a married couple with an income similar, just a few dollars under that cut off level, gets a drug discount card plus $600. It is all or nothing. Either $600 or nothing.

I am strongly in favor of helping low-income retirees but certainly on a more equitable basis than $600 or nothing. That is all that is available for seniors for the first 2 years.

I would think the administration and others who decry the bureaucratic ineptitude and want to dismantle whole structures of Government would say something about this kind of ridiculous delay. Two years from passage to inception, for what? To give insurance companies time to write insurance policies? Or to shortchange seniors for 2 years to get the 10-year costs of the bill down? What is the reason for this ridiculous delay?

Whatever it is, if a program such as this cannot be initiated for 2 years, that is a compelling reason to junk this program and find one better. Seniors of Minnesota and America have waited too long already to get good comprehensive prescription drug coverage. They should not be told they have to wait another 2 years before the program can even begin. That should be reason itself to find another way.

When it does begin, what does the average senior get? He or she pays an annual premium of about $420 with an annual deductible of $250 and a 25-percent copay for the next $2,000 in expenditures in that 1 year. In other words, $500 of the $2,000 of costs. So if you add those up—$420 premium, the $250 annual deductible, the copay of $500, the senior is paying $1,170 of the first $2,250 annual costs for prescription drugs. In other words, just over half.

But the next $2,850 of the costs for that senior citizen in that single year have to be paid entirely by the senior, everything out of their own pockets. That means for the first $5,100 of annual expenses for prescription drugs—which is not, unfortunately, beyond the pale for many seniors—the senior citizen pays $4,020. The Senior pays for 80 percent of the first $5,100 of annual prescription drug expenses. Above that, catastrophic coverage kicks in and the program pays 95 percent of the balance for that year but then the next year it starts all over.

Something is better than nothing, but to delegate $400 billion over 10 years for coverage that seniors have to wait 2 years to begin and then they have to pay $4,000 of the first $5,100—all of that to save a little over $1,080 is something but it sure is not much.

If that were all the bill did, I still would support it reluctantly because something is better than nothing. Unfortunately, the bill does worse than that; 2.7 million seniors estimated by the Budget Office now covered under private plans will lose that private coverage and will be relegated to this coverage which is far inferior to what they have now. That would include an estimated 40,000 Minnesotans. People who worked all their lives for a private employer and are now covered under that plan would lose it and be shifted to something much worse for them and what they have now.

For over 7 million low-income elderly, the poorest of our poor senior citizens, they will pay more as they get shifted from Medicaid to Medicare. Their copay will increase and their choice of prescriptions will be reduced. That will affect almost 90,000 people in my State of Minnesota.

The worst result in this bill is a prescription for higher and higher drug prices for all Americans that all Americans will have to pay. All Americans will have to pay out of their own pockets for their own prescription drugs and they will have to pay out of their own pockets for this program and other Government programs because the way this bill is written, the drug companies profit and everyone else has to pay.

There will be no drug reimportation from Canada permitted unless the Secretary of Health and Human Services certifies the safety of all, which is something that the Secretary's predecessors in the previous two administrations did not do and this Secretary has indicated he will not do either.

It is a totally unrealistic requirement to put on a Secretary to give a blanket certification of the safety of everything that would transpire.

If the Secretary of Transportation had to provide that kind of guarantee for all air travel in the United States, we would not have an airline network functioning because no one could be expected to give that kind of guarantee.

But the people who wrote this bill were very clever. They will not prohibit reimportation themselves, even though that is the result they want. No. They pretend the opposite, that it is permitted if—if—the Secretary of Health and Human Services certifies safety, something they know he will not do.

The irony—or the absurdity really—is that according to Congressman RAHM EMANUEL, one of the coauthors of the reimportation bill in the House of Representatives, the United States imports $14 billion worth of foreign-made drugs into the United States every year—$14 billion of prescription drugs that are manufactured in countries such as Ireland and elsewhere that are imported into the United States and distributed to U.S. pharmacies and then sold to American citizens.

Those exact same drugs are manufactured in exactly the same plants, in the exact same countries, such as Ireland, and are shipped into Canada and distributed to Canadian pharmacists; and the only difference—they are exactly the same; the same product, manufacturer, packaging—the only difference is in Canada the price is one-third what it is in the United States or one-fourth what it costs in the United States or even as little as one-fifth or less than what it costs in the United States.

That is the only difference: the price. Yet all of my colleagues who are free trade proponents and those over in the House want to repeal NAFTA just for prescription drugs, which is one of the areas where the American consumer would benefit most decidedly, enormously, from NAFTA, from free trade, from the ability to go to another country and take advantage of those lower prices.

No. Sorry. Under this legislation, the result will be you Americans must buy your drugs in the United States, and only in the United States, at prices two or three or four times the world market price.

Now, why are the prices so much lower in Canada than they are in this country? It is because the Canadian Government stands up for its citizens and negotiates prices that are lower and will not agree to prices that are exorbitant. And their citizens are the beneficiaries of these prices that are one-third, one-fourth, one-fifth of what they are in the United States—not even close approximations.

People say the Government ought to act more like a business, and they are right. What we are proposing the Government would do is exactly what large corporations which self-insure or HMOs do, which is to purchase volumes of prescription drugs at negotiated discounts of 30 percent, up to 50 percent. It is exactly what my colleague BOB GRAHAM from Florida has pointed out, that the Veterans Administration does quite successfully, with fantastic savings for veterans and for the American taxpayers who pay for part of the cost of that program.

But not under this legislation. This legislation would prohibit what they call Government interference in price setting negotiations. Why? Well, once again, the words of the bill belie the intent and the result. It says: "in order to further competition." What deception that is. It says, let a bunch of small-competitor plans offer nickel-and-dime savings, but prohibit the Government from insisting upon and getting 5 times, 10 times that amount of savings, savings that would benefit everyone in America—seniors and everyone else. Those price reductions would be reflected in domestic market prices.

The critics call it price fixing. Well, there is price fixing now in this country. It is the drug companies that are doing the price fixing. They are given monopolies, called patents, for 15 to 20 years or more. They set the prices, they raise the prices, and we have to pay the prices. But that kind of price fixing, I guess, is all right according to some who want to prohibit the Government from doing so.

Does anybody really believe Americans are going to be upset about paying lower prices for prescription drugs? Does anybody think consumers in America are going to say: Government is acting in a way that I don't support? In fact, it will be the opposite. People will say: Wow, my Government is doing something for me. My Government is standing up for me against these big corporate entities that I don't have the ability to face by myself. I don't have that purchasing power. I can't go to a drugstore and negotiate price. Even as a pharmacist I can't negotiate a different price. My Government is standing up for me the way the Canadian Government is standing up for their citizens. By golly, my Government is doing something right.

But the people who wrote this bill are so anti-Government that they will not even let Government do something right. They will not even let Government do something that would have enormous financial benefit for all the people of this country that would save them billions of dollars of expenditures because I guess it might contradict their ideological absolutism that Government does everything wrong.

Well, it also might cost the drug companies, the largest contributors to the Federal political campaigns—it might cost them, I guess, some of their millions of dollars of profits, coming out of the pockets of people we are supposed to represent.

It is a big victory, this bill, for the corporate drug dealers. You have to give them credit. All those lobbyists—what is it? They estimate there are six times the number of lobbyists for the pharmaceutical industry for every Member of this body. Well, it sure paid off for them this time. They won everything. They got uncontained price increases for years to come, a market group, 39 million seniors who will have help pay them, who will pay those higher prices, and everyone else paying higher prices, and a captive market, where they are not even able to go someplace else and take advantage of lower prices elsewhere. The drug companies want everything.

The Medicare manipulators, they are the other winners. This bill is supposed to be about providing the best possible prescription drug coverage for senior citizens. Now we find out all these ambushes of various aspects of Medicare are tossed in that were not considered by the Senate, for which there were no hearings. And there were not votes on these matters. They were either put in the House bill or stuck in the conference committee behind closed doors where no one else could see what was going on.

The program reform in Congress has become like a drive-by shooting. With no forewarning, somebody picks a target, shoots a bunch of holes in it, and takes off. That is our version of reform. That is what we are doing here with no forethought.

Another example is special education. We have waited 3 years for so-called reform of special education, which is always used as the reason we cannot spend the money that is necessary to fulfill a 27-year old commitment. And then suddenly, last week, lo and behold, there was unanimous consent for 2 hours of debate, evenly divided, on IDEA reform, and, boom, we are going to have it done, boom, in time to go home and eat turkey.

Unfortunately, we produce enough turkeys right here with this legislation. Unfortunately, this bill we have before us is one of those turkeys. And I say that with no pleasure at all, given the importance of it. But this is a $400 billion turkey that gives first pickings and all the gravy to the corporate drug dealers and the big insurance companies and the big plan providers. Some seniors get the leftovers, and the American taxpayers get the neck and higher drug prices for themselves and higher payments through this program and others, subsidizing prices that are just exorbitant and that I would be ashamed to support.

There is a better bill that could be written. There is a better bill that could be passed. There is a better bill that could benefit the people of Minnesota and the people of this country. With a 2-year delay, we could come back next year and pass that bill and still enact it and get it implemented sooner than this one. That is the course of action we should take.

We should reject this conference report, not for nothing, but for something better because the American people deserve something much better than what is being foisted on them here.

I thank the Chair. I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. SMITH. Mr. President, I ask unanimous consent to speak for 5 minutes.

The PRESIDING OFFICER. The Senator has that right.

Mr. LAUTENBERG. I have a question, Mr. President, about the process. Is the time available under the cloture rule divided between two sides in equal parts?

The PRESIDING OFFICER. No, there is no provision for equal division of time.

Mr. LAUTENBERG. So that any speeches now are made under cloture.

The PRESIDING OFFICER. The Senator is correct.

The Senator from Oregon is recognized.

Mr. LAUTENBERG. I thank the Chair.

Mr. SMITH. Mr. President, for the information of my colleagues, Senator CLINTON and I are going to speak briefly and make a unanimous consent request with which I think he would agree.

Having listened to my colleague from Minnesota, I think many of us come to this historic day on this vote on Medicare with some trepidation but, frankly, with a lot of hope. Everyone knows that Medicare, as it is currently constituted, does many good things for our senior citizens. We also know they need a prescription drug benefit. And we also know we are just about to add $400 billion for that purpose. There are reforms in this we hope will work, but reforms which will make us enlightened as to how best to preserve Medicare in the future. I believe that is the bipartisan motive behind all of this.

UNANIMOUS CONSENT REQUEST—S. 1839

Mr. SMITH. Mr. President, I sought recognition to talk about our economy and, frankly, the need to extend unemployment benefits. It is a fact that long-term unemployment reached a 20-year high and the job outlook for the future, though improving, still leaves an awful lot of people wanting and unemployed as this holiday season approaches. For example, in my State of Oregon, we are down from 8 percent now to 7.6 percent. This is simply too high. Despite this economic reality, the Federal program that provides Federal unemployment benefits is set to run out next month unless we provide an extension.

We have extended these benefits several times since it was created in March 2002. I believe we need to do so again. Millions of unemployed workers have reached the end of their benefits without finding work, and thousands more continue to run out of their State unemployment benefits at the highest rate on record.

My concern is that Congress is going to recess and go home without providing the assistance jobless Americans need and deserve. This month, Senator CLINTON and I introduced the Temporary Extended Unemployment Compensation Program for an additional 6 months of unemployment benefits. She and I have introduced this bill because the current unemployment insurance program will run out in June, unless we do this. It would then run out in June and phase out by September 30. This is a modest extension for Congress to pass, but it is vital to many unemployed Americans, particularly those who have lost not only their jobs but their homes, health care, and more. We simply cannot leave families out on a limb while they are looking for jobs. This is a bill that will help them provide for their basic needs while making their job searches a little easier.

I urge my colleagues not to leave Washington for the Thanksgiving and Christmas holidays without passing legislation to lend a helping hand to those Americans most in need.

Before I propound a unanimous consent request, I yield time to my colleague, Senator CLINTON of New York, for her comments, and then would make my request.

The PRESIDING OFFICER. Without objection, the Senator from New York is recognized.

Mrs. CLINTON. Mr. President, I am very pleased that my colleague Senator SMITH has taken the lead in asking for an extension of the Temporary Extended Unemployment Compensation Program. One might wonder why we are having to do this, but the simple explanation is that once again we have run out of time. People will run out of their benefits by the end of this year. If we go home for the Thanksgiving and Christmas holidays without acting, there will be many Americans and a lot of people in Oregon and in New York who are not going to have the continuing help they deserve in these times.

We have extended unemployment insurance with bipartisan support in the Senate three times in the last 2 years. I am very proud of that because I think it shows how we can work together to help those who deserve our assistance.

Because we are not coming back in, as I understand it, until January 20, we won't be able to do that if we don't act now on the Senator's proposal. If we do act now, the House, which is coming back in early December, will be able to similarly act and the benefits will flow.

It is significant, too, that Senator SMITH and I are in the Chamber asking our colleagues to join us because the State of Oregon and New York City have the highest unemployment rates in the entire country. New York City has an unemployment rate of 8.2 percent. We have never recovered from the effects of September 11. Oregon has an unemployment rate of 7.6 percent. So both the Senator and I are very concerned about the good people we represent on opposite ends of our country who have been out of work for a long time. We know long-term unemployment is at the highest level it has been in 20 years. We need to give them some additional time.

This extension would provide another 13-week extension until June. I would urge support of Senator SMITH's proposal. If I am not already listed as an original cosponsor, I ask unanimous consent that I be so.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. CLINTON. I yield back to the Senator from Oregon.

The PRESIDING OFFICER. Without objection, the Senator from Oregon is recognized.

Mr. SMITH. Mr. President, I ask unanimous consent to proceed to the immediate consideration of S. 1839, to provide additional Federal benefits for the unemployed.

The PRESIDING OFFICER. Is there objection?

The Senator from Nevada.

Mr. ENSIGN. Mr. President, reserving the right to object, I want to make a couple of points. Point one is that we have seen that the economy is recovering. We are at about a 6 percent unemployment rate nationwide. Back in 1993, the Democrats controlled the House of Representatives, they controlled the Senate and they controlled the White House. Extensions of unemployment benefits had been going on for a period of time because of the recession. And with the Democrats in control of both Houses and the Presidency, they terminated the program when the national unemployment rate was at 6.4 percent. The national unemployment rate was .4 of a percent higher than it is today.

The current extension of unemployment benefits does not end until the end of December. In December, individuals currently receiving extended benefits will still maintain those benefits. And based on all the projections, the national unemployment rate should be lower at the end of December than it is today.

There are a couple other points that need to be made in this debate. First, when the unemployed are about to exhaust their unemployment benefits, over half of those unemployed individuals get a job in those last 2 weeks. And we have seen that a lot of people lately have been exhausting the full time on their unemployment. Why is that? Well, for one reason: The States have been reducing the amount of job searching required by each individual. Basically, they are making it easier to stay on unemployment insurance and taking away the incentives to go out there and get a job.

The welfare reform bill, signed into law by President Clinton, characterized Republicans as throwing women and children out into the streets, that we were cruel, heartless, hard-hearted people. But we knew something about human behavior. We knew that if we gave some assistance, some temporary assistance, and gave individuals an incentive to be employed, in other words that it was better to get a job than it was to be on welfare—we knew that a lot of people would go out and get jobs. What we didn't know was the staggering number of them who did.

Unemployment insurance is the same way. The more generous the benefit, the easier you make it to stay on unemployment insurance, and the less incentive there is for people to actually go out and do what it takes to get a job. So this is not about being cruel and heartless. It is recognizing the fact that our unemployment rate is less today than it was in 1993, when the Democrats were in control and every single Democratic Senator and House Member voted to end the program when the unemployment rate was higher than it is today.

Every single Democrat voted to end the program. With that, I appreciate the work they are trying to do. I know their hearts are in the right place. But on policy grounds, I object.

The PRESIDING OFFICER. Objection is heard. The Senator from New York is recognized.

Mrs. CLINTON. Mr. President, I believe we are to go back on the schedule for the postcloture Medicare debate; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mrs. CLINTON. Mr. President, I will say a few words and then yield to my good friend from New Jersey. Before I get into the Medicare debate, I wish to say some concluding remarks in response to my colleague from Nevada.

At the rate that job creation is going under this current administration, we have one job opening for every three applicants, and it will take the next 19 months to get to the level of jobs we had before the March 2001 recession started. So I think we are mixing apples and oranges here.

This has been a jobless period. One can argue about whether or not there has been any kind of recovery. I would take issue with people suggesting it, but if they do, then they need to use that oxymoron "it is a jobless recovery," because the economy sure is not creating jobs. In addition, we have places such as the one my friend, the Senator from Oregon, represents, and my State, where the unemployment rate is far above the national average. There is no way to say New York City, with an 8.2-percent unemployment rate, is creating jobs again. It is not happening.

I have a little problem with this idea that we are comparing welfare recipients with people who lost their jobs. Welfare recipients didn't have jobs, by definition. The whole effort in the 1990s was to create circumstances in which people could move from welfare to work. What we have now are people moving from work to nothing. We have no safety net. So we are telling people who have worked hard, done what they were supposed to do, been laid off from airlines, or telecommunications, or financial services, whose jobs have gone to India or China, and there are no jobs to replace them, we are telling them: Tough luck, happy Thanksgiving, Merry Christmas, Happy New Year.

If that is what the other party wants to send as their Christmas greetings to their constituents, that is certainly their right. It certainly seems not to be in the spirit of the holiday we are about to celebrate.

It is factually inaccurate to say there are jobs being created, and all we have to do is really put the pressure on these people and make it impossible for them to do anything other than go get a job. That would be great if there were jobs to be gotten.

Given the combination of the economic and budget policies of this administration, I don't think we are going to have those jobs available. I predict to you that even if we have an unemployment rate nationally of 6 percent, or 6.1 percent, or 6.2 percent, we are not going to have the jobs coming back because this administration has presided over the largest job loss in American history since Herbert Hoover. If I were on the other end of Pennsylvania Avenue, I would not want to be reminded of that, either. I would not want there to be an up-or-down vote on whether or not to extend unemployment insurance because, if do you that, you admit the obvious: You know what, we are not creating jobs and we have to do something to help people.

I regret that the effort my friend, Senator SMITH, and I have joined together in trying to accomplish has been objected to; namely, to bring about an extension of unemployment benefits, which strikes me as not only the right thing to do but the smart thing to do, because every time we extend unemployment benefits to the people who truly need them, you pump more money into the economy, which may create a job or two and obviate the need for uninsurance benefits in the future.

We will be back, as we were last year. We are not going away, obviously. This is something about which we care deeply. It is the right thing to do. If I thought we were having the kind of economy in the future that we had starting in 1993, I might have a different idea, but that is not what is going to happen. All the happy talk notwithstanding, that is not going to happen.

Mr. President, I will now move to the Medicare conference report. I have to tell you that the more I learn about this proposal, the less I like it, the less fair I think it is, the less useful for our seniors.

Just recently, because we got this 1,200 page bill 4 days ago, including a weekend, when people were combing through it, our experts were trying to read it. I can guarantee you that if you put two Senators up in the well of the Senate on opposite sides of the bill, or even on the same side of this bill, they would not agree on every provision because there is not anybody who fully understands what is in this bill.

But what I just learned is that three important items from the Senate bill were changed in conference, in addition to everything else we know that was changed—all the big things, including the reimportation of drugs, the limitation on premium support, the lack of any kind of support for HSAs, all of those things which changed. Here are some additional changes which are now coming to light as people comb through the fine print of the bill.

First, we thought seniors would know at the time of their enrollment in these private plans what drugs would be on the list. That is called a formulary. It is kind of a fancy term. There are lots of fancy, confusing terms in this bill. My colleague, Senator BOXER from California, has a mind-boggling chart, where she and her good staff have pulled out all kinds of words that no normal human being understands. Heaven forbid, I don't think abnormal people understand them. They are made-up words that describe these processes and events, and nobody understands what they really mean.

So we now found out that these formularies—the list of drugs that would be offered by a plan—are not necessarily going to be available to a senior when that senior signs up.

Now, imagine that. Think about my 84-year-old mother, who takes a number of prescription drugs that are very specific and assigned to her by her physician to meet her needs. Her doctor says: This is what you need, and here is your prescription. So in 2006 or 2007, when she signs up for one of these plans, she is not going to know whether the plan includes a particular drug that she needs. I find that a big problem, because how can you buy something when you don't know what it is you are buying?

This is supposed to be a prescription drug plan. Therefore, prescription drugs are at the heart of it. If you don't even know which drugs you are supposed to get on your plan, that is not much of a plan. This is another typical example of the old bait and switch—maybe it is better to call it buying a pig in a poke. You don't know really what you are buying but you have to go out and buy it.

Second, when the Senate sent the bill to conference, the Senate required that the 10 regions determined by the Secretary of Health and Human Services would be larger than a State. Now, that was supposed to assure that we avoid the problem we now have with Medicare+Choice, where HMOs serve some counties but withdraw from or refuse to serve other counties.

I have that problem all over my State. The most intensely organized seniors in my State are seniors who have had a bad experience with HMOs—HMOs that came into their county and left them high and dry at the end of the year; HMOs that came in and, when they found they had no competition, raised the costs right in the middle of the year. Or at the end of the year, when it came time to change and they were the only game in town, they really increased costs to our seniors.

But the conference report, instead of taking the Senate requirements, eliminates it—eliminates the requirement that the insurers must serve an entire State or a large region.

I also know that as a Senator from New York, I have a special obligation toward the people of Puerto Rico. We have a lot of Puerto Ricans in New York. We are very proud and I am very honored to represent a large Puerto Rican population in New York. But the conference report has less money than the Senate bill for prescription drugs for Puerto Ricans. I know it always comes as a surprise to some people to learn that Puerto Ricans are American citizens. They are not some alien group over here. They are American citizens. They don't live in a State, but neither do the people who live in the District of Columbia, but they are American citizens, too. For some reason, we are not providing adequate funding for the people of Puerto Rico to get the prescription drugs to which American citizens under this bill are entitled.

Those are three hidden provisions in the fine print that we just discovered today. Now we are going to have to vote on this bill today or tomorrow, and we are going to be setting ourselves on a course that will radically change Medicare.

Why should people care? If you are not 65 or older, if you are not my mother's age, if you are not even closing in on Medicare, as I am, why should you care if you are my daughter's age or one of these young people working in the Senate in their thirties or forties? Why should you care?

I would argue you should care because, No. 1, in our country we try to keep faith with each other by providing a safety net for seniors, for people who fought the wars, raised their families, built their businesses, and served their communities. We thought ever since 1965, when Medicare was passed, that it was really good for America to make that commitment to our parents and our grandparents. It was the right thing to do. It was the moral thing to do. It was the smart thing to do. Before 1965, the poorest people in America were people over 65. Now there are poor children. We have had a massive transfer of wealth to take care of our parents and grandparents through Social Security and Medicare. I believe we have neglected our children. We have about 22 percent of our children living in poverty. I am not proud of that, but I am proud of what we have done through Social Security and Medicare.

If we are starting to unravel that now, that says something about who we are as a people. It says something about this generation of American leadership compared to previous generations.

Why else should you care if you are not a Medicare beneficiary? Maybe you are the son, the daughter, or a grandchild of a Medicare beneficiary and maybe you will want to do the right thing if your grandparent or your parent has some kind of medical problem and they cannot afford to pay for it themselves, and you want to step in and help because that is the kind of person you are. And I hope that describes the vast majority of our young people in our country today.

That may be tough because maybe you are saving to send your own child to college or maybe you are saving to buy your first house. Then all of a sudden, a medical catastrophe strikes, and what used to be Medicare to provide that safety net is just not there anymore in 2010 or 2012. All of a sudden, the burden falls back on you.

Why else should you care? Because in this bill it is not only about undermining Medicare, it is about undermining health insurance in general. We already have an increasing number of uninsured people, and we are going to have even more of them in the future because we have a totally dysfunctional system for financing health care that certainly does take care of insurance companies and their executives and pharmaceuticals and their executives but doesn't do a great job for the average person.

This bill will undermine insurance for everyone, not just for Medicare recipients. Why do I say that? Because there are no cost controls to keep the price of a prescription drug down. There is no bargaining power for the Governor to try to hold the pharmaceutical companies in line to prevent them from just blowing the top off whatever the price structure is. There is a really insidious provision that puts a limit on how much money we can spend on overall Medicare if the prices of Medicare go up—that is, hospitals, doctors, and drugs now—which means you have to cut back on everything, not just prescription drugs. So we are going to have Medicare recipients squeezed even more. There is such a thing called cross subsidization. What that means is, if you have insurance and you go to the hospital, you are not just paying for your services that you get, you are, in effect, paying for people who couldn't pay. For example, maybe the day before you showed up in the emergency room, Mrs. Smith came in after a terrible car accident or maybe some kind of acute asthmatic attack or other kind of serious problem, and she didn't have any insurance. The hospital takes care of her, but then they have to charge you, your employer and your insurance company more to pay their bills. Anytime you transfer money away from direct care, you are forcing more people to pay more for the same care. Some of them will be unable to afford it, but the cost to the providers of that uncompensated care will, in turn, raise the price which, in turn, has employers dropping people which, in turn, creates more uninsured individuals. It is a closed system. It is a circuit. The circle should not be stressed. This breaks that circle. This takes the security of Medicare and pulls it right out, causing all sorts of effects throughout the circle.

The reason we created Medicare in the first place was that insuring older people who might be more sick and more frail is not a profitable enterprise. There are people who retire and go to some beautiful place and play golf all the time. They are physically fit and they look great when they are 75, but now they may live to be 100, 25 more years. At some point, the body starts breaking down no matter how well you take care of yourself.

Medicare was the idea that we needed to provide a product because the marketplace would not provide it, and this bill proves the wisdom of that because the only way you are going to provide these benefits is basically by subsidizing or, some might say inelegantly, bribing insurance companies with billions and billions of taxpayer dollars to provide this benefit that they would not ordinarily provide because it is not cost-effective; it is not profitable.

There are many other reasons this Medicare bill is not in the best interests of either Medicare recipients or our general population.

It is a sad day when we essentially devise this scheme to try to transfer money from the Medicare system and the taxpayers' pocket to those who are already doing very well, indeed. Probably the saddest thing to me is not what might happen to the average Medicare recipient, which I deeply regret, but to the poorest of our Medicare recipients, the people who don't retire from an office job or some other undertaking that gives them the resources to move to some warm place and play golf every day, but the vast numbers of people who are sick, who are frail, who are chronically ill, who are poor, and who end up in nursing homes. Six million of them will be worse off under this bill. That is really hard for me to accept. I do not understand how a great, rich nation like ours can come to this point, where we impose new and extra burdens on the poorest of the poor and the sickest of the sick.

I guess we think if somebody is in a nursing home and not out at a golf course that we will not see them; we will not care; we will not know. Maybe that is true if it is not your relative, your neighbor, your colleague, or your friend. But 6 million low-income, chronically ill or nursing home bound Medicare beneficiaries will be worse off under this bill because of formularies or increased co-pays. I find this not only hard to justify but cynical, cynical because some folks are making a bet that those poor people are not going to raise a fuss or a ruckus: Out of sight, out of mind.

They will not show up to vote or certainly not give anybody any campaign contributions. So basically they do not exist. So we can turn our back on them.

I do not understand what has happened to our country. I do not understand what we believe about our obligations to one another or our values when we would do that to our fellow citizens. I also do not know what universe some people are inhabiting because none of us knows what is going to happen tomorrow. Not a single one of us can predict when we might need help, when we might have that accident, when we might get that terrible diagnosis. We do not know.

I thought the golden rule was the overriding philosophy that should guide us, but unfortunately in this bill that stands for an insurance company that is going to get billions of dollars for the unproven concept of health savings accounts. That is not what I learned in Sunday school but what somebody else figured out how to make some money off of.

It is a sad story, but I have a lot of confidence in the intelligence of Americans and particularly for the generation that lived through the Great Depression and World War II. I am about to yield the floor to one of them. He is someone I admire and think so highly of, who had a lot of blessings in his life and never forgot where he came from. He never turned his back on people who were less fortunate than he was because he knew the basic lesson that I think some people forget—there but for the grace of God go I.

If that were our hallmark, we would not be passing this bill, which puts so many of our seniors at risk, but even more than that puts at risk what we mean when we talk about America and American values.

I yield to the Senator from New Jersey.

The PRESIDING OFFICER (Mr. CORNYN). The Senator from New Jersey.

Mr. LAUTENBERG. I thank my colleague from New York for her eloquent statement and her perception about what is really taking place in front of us. We both have the good fortune to share one of the most interesting areas of this country, the center for finance, industry, and trade, and people, yes, who have to work hard to maintain their living in this high cost area that we share.

One of the problems we see in both of our States is that unemployment is unreasonably high; that people who used to work in manufacturing in the New York City region, in New Jersey, have lost jobs that are not available to be regained. It is a pity, but what has happened is that they were sold out to cheaper prices. We are looking for things cheaper while many of us revel in the fact we can live by such luxurious standards.

What does it tell us? It tells us there is a significant imbalance out there in the way people earn their livings, live their lives. That is one of the things that is so much in our view today when we talk about the outcome of the vote thus far on this purported Medicare bill. It does not have the "care" and I am not sure it even has the interest.

One of the things we are looking at is whether or not people who have had the good fortune, as I have—as said by the Senator from New York, I have had very good fortune. My father died when he was 43. His father died when he was in his middle fifties. His brother died when he was in his early fifties. I think the cause of death was probably occupational. They all worked in the same factories in the city of Patterson, NJ, where I was born. My father's death left a permanent imprint on me because of the circumstances of how and when it occurred.

My father was 43 in the year 1943. He lived his life by the healthiest of standards, including the food that he ate. He disavowed smoking in a very vigorous way. He was not someone who drank a lot of coffee. In fact, he did not drink any coffee. He enjoyed his nonworking time by being in a gymnasium. They did not call it "workout" then. They called it exercise. They called it the "gym."

So he would spend time down there. He used to like to lift weights, wrestle, and play basketball. One day, he was not feeling well and he went to a doctor. The doctor informed our family that my father had colon cancer, a condition that gets ever rarer with the medical care we have today, if it can be afforded. No matter what we did, without the advances that we have today and medical technology and medicines, he suffered for 13 months. From a well built, muscular man, who was a picture of health to behold, he disintegrated before our very eyes until he died 13 months later.

My mother was 36 when my father died. She was a very young widow. I was 18. I had already enlisted in the Army. Why this story? Because it is seared so deeply in my memory. Not only were we grieving, we were poor, and my mother strained to make a living as my father was in his illness. I had a job loading trucks. That was my skill. That was my experience. We just about kept ends together.

When my father died, imagine a family of four—I had a little sister who was 12—grieving over the loss of a father at age 43, so young, and also at the same time worrying about bills that had to be paid, about obligations that occurred as a result of hospital treatment, bills that occurred because of doctors' visits, bills that we had to pay because we owed pharmacists money. That is what I remember. I thought, oh, my goodness, if only we could find the money to pay the bills so my mother and I didn't have to worry so much about our existence and at the same time honor our obligations. We were that kind of a family.

Then, as time passed, we saw developments in America that made us all proud and that, frankly, I think should have caused us in this body to be more tender, to be more understanding, to be more sensitive to the people who have been able to live long enough to be eligible for Medicare and Social Security and all of that that is intended to reward people for their work to build this country. Many of these people come from what has been described as the greatest generation. If they weren't exactly in that generation, they were in the generation that continued to build our country through the 20th century to make this a stronghold of industry and business and technology and education. That is what these people did who are now concerned about how they continue their life.

Oh, of course, a lot of them can get jobs if they want them at school crossings, at $5.50 an hour, $206 a week—have a good time, go to a restaurant and have dinner. Not on your life.

That is what should have been thought about as we debated this issue. There was a certain degree, I saw, of smugness, as they pirated votes, giving lots of money—$11 billion, $12 billion to a special interest here, special interest there, here a special interest, there a special interest. It reminds me of a nursery rhyme. But that was no game that was being played. They held open the vote in the House of Representatives way beyond the rules. They did anything they could to bypass the process as it was normally.

I wish to show those who can see what I am holding, if I have the strength to hold them—I do. Those who witness this stack, who see it, this pile of paper, may say: What is the Senator talking about? This describes what was in this Medicare proposal in which the Democrats were not invited to participate. That is against the rules. The participation was limited. This was a stealth affair: Sneak it out, get it out there. Why? Because they don't want people to know what is in here.

Do you know what else? Here is a little smaller part of this whole package. This says: "Joint Explanatory Statement." This tells the audience who might read this what is really in this stack here. It is all mysterious. It is all arcane—can't really understand what is happening.

Why is this debate so acerbic? Why is it that those of us, along with the senior citizens of this country, look as if we are losing this debate? It looks as if we are going to lose control of this issue. It is true, that we will have suffered a day in infamy, to steal an expression, because what happens here is we are going to assess poor people more costs.

I come from the corporate sector. I was fortunate to be able to create one of America's great companies with two other young fellows who lived in the same area as I did. Both of them, like me, had fathers who worked in the silk mills. That was the trade in the city in which we lived. They had no money. Their parents had no education. But it gave them the incentive to create something for themselves.

So we created a company. The company is called ADP. A lot of people know it. It is an international company with 40,000 employees. We started with nothing.

One of the things I learned as the CEO and chairman of that company, before I came to the Senate, was that the most important asset my company had was not its customers. The most important asset we had was its employees, because if the employees did their job, the customers were there for us. We could render a service that was an invaluable beginning to outsourcing, to giving specialists opportunities to do jobs that they could best do. But one of the things we had to do was to make sure the employees were considered in everything we did, including health insurance, including an early start with daycare, to make certain our employees were happy and thus productive.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, if I could interrupt the distinguished Senator from New Jersey, I have a unanimous consent I would like to propound.

Mr. LAUTENBERG. I am happy to yield, with the proviso that I regain the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, pursuant to the rule, Senator DASCHLE has designated me the manager in opposition. Senator LEVIN is on the floor. Senator AKAKA is on the floor. Pursuant to the rules, they have asked that I be given their 1 hour postcloture. They are both on the floor. Is that sufficient?

The PRESIDING OFFICER. The Senators have that right under the rule. Is that the will of the Senators?

Mr. LEVIN. Mr. President, I do ask unanimous consent that the hour which I might be entitled to under the postcloture rules be yielded to Senator REID.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. AKAKA. Mr. President, I yield my time to Senator REID.

The PRESIDING OFFICER. The Senator has that right.

Mr. REID. Mr. President, through the Chair to the distinguished Senator from New Jersey, thank you very much for allowing me to proceed.

Mr. LAUTENBERG. I assume the time that would have been credited to me for my 1 hour, whatever time remains, is still available.

The PRESIDING OFFICER. That is correct.

Mr. LAUTENBERG. I thank the Chair.

What I got today was a request from one of America's largest companies. I will not identify them because they are not unique. But they wanted us to pass this bill. They don't make pharmaceuticals; they don't do anything in the health care field; they are not an HMO. They are a manufacturing company, a gigantic company by any standards. They are hoping we are going to pass this bill.

The reason they are hoping we would pass it is because then those retirees who are dependent on their health care continuation could be kicked off the system. Then, because of what we are saying in this bill—this hocus-pocus language that there will be some money to provide premium support for HMOs—go there and you will be able to get it cheaper, and this giant company, this unnamed giant company will be able to say: Whew, we are finally rid of those retirees who we promised we would give this care to all those years they worked for us. But now we don't have to keep that promise—no. All we have to do is say goodbye, thank you, we are eliminating coverage.

In New Jersey, it means that about 90,000 people are likely to lose their company-provided health care.

Coming from a State as I do—a State often called "the Medicine Chest;" it is a great State—we produce terrific products that make people feel better and help them live longer. I know because I use a couple of their products here and there. But the entire debate here is the result of the irrefutable fact that prescription drugs cost too much in this country. This bill doesn't do anything to fix that fundamental problem. All over the world, people pay less money for the exact same prescription drugs that they can buy cheaper in other countries.

In Italy, Acoplex is 40 percent less than here in the United States. In England, it is 31 percent less than here in the United States. And just to the north of us, our friendly neighbor, Canada, the price is 37 percent less.

No wonder seniors are getting on buses and making the trip to Canada to get their medication.

If you look at the things that we talk about, and see what happens when prices are not negotiated, the prices keep rising. From 2001 to 2002, drug prices rose 17 percent. The only way to lower drug prices is to give Medicare bargaining power—just the opposite of what this bill does. This bill says they want to prohibit giving what is normally called volume discounts. Instead of taking this step to lower prices, this bill explicitly forbids it.

The company I was talking about with a health plan has over 1 million employees. They want us to pass this bill. Imagine what happens when they say to their retired employees that they will be off their health care system.

We know from experience that allowing agencies to use bargaining power brings down prices. A good example of this is the health care system run by the Veterans' Administration. The VA is encouraged to negotiate prices. In this bill, as it presently exists, they forbid Medicare to negotiate prices.

I want to follow up on a point that our friend and colleague, Senator BOB GRAHAM, made earlier today. This chart really tells the story. The chart compares VA-negotiated prices for medication with what it costs to buy from a local pharmacy.

By way of example, Acoplex, a stomach acid product, in the drugstore it is $4.37. At the VA it is 22 cents.

Let us take a product such as Zocor, to guard against high cholesterol which is very damaging to one's heart. If you want to buy it in the drugstore, you have to pay $3.77 per tablet, and if you are a member of the VA, their price is 66 cents. The list goes on.

At the drugstore for aspirin at 325 milligrams, the cost is 20 cents. If you buy it in the VA, it costs a penny.

Plavix to guard against heart attack and strokes, $3.63 per tablet; $2.01 if you go to the VA.

The list goes on with even better known products. The price comparison is ugly at best when you consider what happens with people on Medicare.

Mevacor reduces cholesterol—four bucks in the pharmacy and 26 cents at the VA.

Many of these medications make the top 50 list of drugs used by the elderly. We ought to learn from that and not prohibit the VA from negotiating volume prices.

Another troubling part in this bill is the effective date. When the Senate first voted on a prescription drug benefit for seniors back in June, I offered an amendment to make this benefit effective within 1 year. But it was voted down with strong Republican assistance. Eleven votes made the difference. We passed that amendment with bipartisan effectiveness to make this benefit effective within 1 year.

Under this conference report, the drug coverage doesn't start until January 2006, 23 months from now.

We have to ask the question: Why is this taking so long? One clue is illustrated on this chart. Notice election day in the yellow box; the original Medicare Program was processed in 11 months. President Johnson signed the law on July 30, 1965, and 11 months later, July 1, 1966, all of the people who were eligible for the program were enrolled in the program. I know something about computer processing. I literally had my career grow in the computer development stage. They had to create the files. The identification had to be punched into cards. They weren't read electronically in 1965 as they are now. It took 11 months and the whole deal was done. It was created from the beginning in 11 months.

Now we are asking for a toleration of 25 months to get it into place. But election day is here, and Heaven forbid that the public at large should find out about this bill. When they learn about it, they are going to be mad as could be.

If they can get safely past election day, the rhetoric is out there flooding the country. They even have the American Association of Retired Persons supporting the bill. That is a mystery that we are going to have to find out about one day. A lot of people we get calls from—Medicare recipients and beneficiaries—are ripping up their cards. We got one batch that was 75 to 2 against the bill. There were two who were doctors also who are concerned about whether they will be able to continue their practice as it was. It is a reasonable question. But 75 to 2—that is while this bill is being discussed. The bill is not yet in place.

Once the phone calls start coming into my office, I know what is going to happen. They are going to ask: When can we sign up? What are the benefits?

We are going to say: Hold your horses. What is the rush? It costs you a lot of money later on. Right now, we have your temper down. Not so much your temperature but your temper is going to go up once you find out after election day that this bill is going to take place with higher prices for medical care and prescription drugs.

The Democrats created Medicare. We protected it for decades. The Republicans never really liked it. They resisted the creation of Medicare and have opposed it ever since.

It wasn't too long ago that a very well known leader of the House, Newt Gingrich, expressed his desire to see "Medicare wither on the vine." That is what he wanted to see happen. He represented a view that was generally accepted.

We may see it wither but not without a strong fight on our hands, even if we have lost step 1 here. The senior citizen population in this country has to raise the alarm and shout it out to those who are in this building and those who are in the House of Representatives. Tell them: We don't like that bill. It is going to cost us more. You are not helping us, you are hurting us. We worked our lives away with certain promises in place, and the promise included a proposition that said as you get older and as we see things develop, we are going to help you get those things to keep your health going.

The bill before us today is the first major step toward disintegration of Medicare as we know it.

In reality, this bill is not as much a benefit for seniors as it is a big benefit for HMOs, the private health care organizations, and other private-sector special interests who want to tear the Medicare Program to pieces. Get them in corporate hands so we can charge more, make more. I wonder whether we could limit the incomes of some of the guys at the top of these companies, in the interest of public service? We regulate lots of industry.

So what is it specifically the President is afraid seniors will find out before 2006? Is the President afraid the seniors will realize they will pay at least $810 before they break even and get any benefit from this plan? For many seniors, that is more money than they currently spend on prescription drugs. Up to 30 percent of the beneficiaries would pay more for enrolling in the plan than they would receive in actual benefits. Is the White House worried seniors will learn there is a huge gap in coverage? Under this plan, a senior will pay a premium estimated at $35 a month, a $250 deductible, 25 percent coinsurance payments until reaching $2,250 in drug expenses.

What happens then? Seniors then get no coverage. I have been heard correctly: Zero coverage. At that point, seniors continue to pay their premiums but they will also pay 100 percent of their drug costs. That is a double whammy, as we say in New Jersey. Only until they have reached a catastrophic limit of $5,100 in drug costs does any benefit restart. By that time, seniors will have incurred $3,600 in out-of-pocket spending. This is the so-called hole in the donut. It does not sound like a good deal to me.

Remember, nowhere in the bill does it say that premiums will be only $35.

It could be significantly higher. The $35 is a current estimate. We know how good this administration has been at making estimates. Is the President afraid that seniors will figure all this out? You bet. Seniors deserve a much better program than that which the Senate is considering right now. They certainly deserve it before 2006.

I will spend a few minutes more talking about the overall impact of this bill on seniors in the State I represent, New Jersey. The most important reason I am voting against this bill is I am convinced more seniors in my State will be hurt by this legislation than helped. There are approximately 1.1 million seniors in New Jersey. Because this bill provides a disincentive to employers to continue offering coverage to retirees, it is estimated that over 90,000 seniors in New Jersey will lose their existing, more generous retiree drug coverage from their former employer.

This bill is also going to make poor seniors in my State worse off. In New Jersey, Medicaid covers drug costs for seniors with incomes of less then $9,000 a year for an individual or $12,000 a year for a couple. In New Jersey, low-income seniors currently on Medicaid have access to whatever drugs they need and they do not have a copay for their prescription. Under this bill, however, they are now going to pay $1 per prescription for generic drugs and $3 per prescription for brand name drugs.

Low-income seniors tend to be in the worst health and have higher annual drug spending. A senior with $8,000 annual income does not have the discretionary income to shell out $15 or $20 or $25 for the prescriptions he or she may need.

I will long remember the battles we have had in the Senate to try to raise the minimum wage. It is the old rhyme that says: Try, try again. We tried, we tried, and we tried, but we could not raise it. So there are people out there who are working for $5.15 an hour, $206 a week. Having to pay these extra burdens for their prescription drugs is going to be a torturous outcome for them. The low-income Americans can be forced to choose between providing medication or buying food, providing medication or keeping the heat on in the winter.

This bill represents an enormous opportunity squandered. We had a real chance to do something right. We had $4 billion to improve the lives of 34 million seniors, 14 million of whom do not have any prescription drug coverage right now. Frankly, we missed the opportunity. We ought to scrap this plan and go back to the drawing board to give seniors a real prescription drug benefit in the Medicare Program. Let's not try to move seniors into HMOs. Let's not leave that enormous gap in coverage. We should give seniors a plan that starts now, not in 2006.

I yield the floor.

The PRESIDING OFFICER (Ms. MURKOWSKI). The Senator from Connecticut.

Mr. DODD. Madam President, let me first of all commend my colleague from New Jersey for a very fine statement on the pending matter, the Medicare bill. I intend to take some time to speak on the same matter and then I plan to yield my remaining time to the Democratic leader for his purposes.

This is the third time I have spoken on this matter since last Friday. We are now in a situation, I am sure people are aware, where we have had a cloture motion which was approved earlier today. We then considered a point of order which was not sustained, and as a result our efforts to try to use a procedural move short of final passage have been, I gather, exhausted. So we are down now to the question of whether or not we ought to vote for this bill at this juncture or whether or not people will come to the conclusion there are enough flaws in the pending matter that we ought to take some additional time to review it before it becomes the law of the land.

Before I get into some discussion of the substance of the bill, I will take a minute or so and talk about the process of law. Putting aside the matter before the Senate, which has obviously been contentious, I am very worried about how we are doing our work in this institution—not just this body but the legislative branch in general.

I will have served, at the end of this term, some 30 years in the Congress, 6 years in the other body and 24 years in the Senate. I have enjoyed serving in this fine institution and watched it carefully over the years. In that time, I have noticed that there are ebbs and flows in how the institution functions and operates. There have been periods affectionately referred to as the golden age of the Senate and other times when they have been less than golden. I will not use language to describe what others have used to describe the less than golden periods of the Senate.

I am very worried about how we are proceeding at this time with the underlying measure. It is so important in these institutions that we not only just be concerned about what we accomplish but how we go about working toward these accomplishments.

The Founding Fathers of this country were very concerned about that. If they were looking for efficiencies of systems, if they were looking for a process that would guarantee quick results overnight, this is certainly the last system they would have constructed. Particularly in this institution, the Senate, the rights of a minority are paramount. We have always said in the other body, the House Chamber, the rights of the majority should prevail. And the Founders, in their wisdom then, in the creation of the Senate, emphasized the rights of a minority. In so doing, they wanted to guarantee that matters would be thoughtfully deliberated.

I am very worried, over these last number of months, including the bill presently before the Senate, that we are not devoting the time necessary for deliberate consideration of matters before this body. In fact, I was stunned to just learn that when conferees were named on the Medicare bill before us—and for those who are not students of this institution or follow the Congress on a regular basis, when the Senate passes a bill, and the House passes a bill, invariably, with some exceptions, there are differences.

So this body, the Senate, will appoint conferees, representatives of this body—usually from the committees of jurisdiction over the legislation—to meet with conferees of the other body, usually coming from their committees of jurisdiction. And those two smaller groups then meet to resolve the differences between the two bills.

Over the years, of course, many conferences have been lengthy, many have been contentious, particularly those involving difficult matters, but it is the nature of the institution, learned over our 220-year experience that it is in the tension of debate that some of the best ideas emerge, when there is full expression of the views of the American public in those meetings, when people of different persuasions and ideologies come together and work to resolve their differences.

What I find stunning is that it has become popular, in recent days, to have conferees named and then have conferees excluded from meeting in these conference committees. That is exactly what happened here with the measure presently before us. Whether you are a Republican or Democrat, liberal, conservative, or moderate, you ought to be deeply concerned if this becomes the precedent, the operating standard procedure, that when bills are passed and conferees are named, then people are excluded from meeting to try to resolve their differences.

I can only suspect, Mr. President, that most Americans are not aware that this 675-page bill, the Medicare reform bill, was crafted by only Republican Members of the House of Representatives. There was not a single Democratic Member of the House of Representatives from the Ways and Means Committee included in the room to write this bill—not one—despite the fact that the House is controlled by Republicans by only a small majority. Yet not one member of the minority party of the House of Representatives was brought into the room to sit down when the conferees met to resolve their differences on this bill. And out of this body, only two conferees from the minority side were included, despite the fact that only one Member separates us. Senator DASCHLE and Senator ROCKEFELLER, duly appointed as conferees, were excluded from meeting. In fact, Senator DASCHLE, the Democratic Leader of the Senate, was excluded from the conference on this important measure. To say to the Democratic leader, the minority leader of the Senate, and to Senator ROCKEFELLER, two senior members of the Senate Finance Committee: You are not allowed to come into the room to help draft a piece of legislation dealing with 41 million Americans, Medicare beneficiaries, to frame a prescription drug benefit. I am stunned, Mr. President, that a 675-page bill, on as an important a matter as the healthcare of nearly 41 million elderly Americans, that not a single Democratic Member of the House, and only two members of the Senate Finance Committee already supportive of this bill could meet to craft the bill before us. I find it breathtaking that the process was so flawed in the development of this bill that Members of our own respective Chambers were not allowed to come in and work to resolve differences on matters as important as this.

Then, in the House of Representatives on Friday evening and well into Saturday morning, when the vote was being cast on the final passage of this bill, we witnessed a historic moment as the House held open for almost three full hours—the longest recorded vote in the body's history—a vote that was supposed to take 15 minutes to pass this bill. The Presiding Officer said: There will now be 15 minutes to record your votes by electronic device. Having served in the House of Representatives when electronic balloting came into place, I heard that message over and over again: Members will have 15 minutes in which time they can record their ballots by electronic device. And almost 3 hours later, that "15 minutes" elapsed, as every possible bit of arm twisting, every possible maneuver you could make to change the outcome of that vote transpired. I believe that this vote constitutes one of the worst moments I can think of in the conduct of the House of Representatives.

Then, when several other members of the minority decided they would change their votes in light of the arm twisting and in light of the final outcome, the gavel came down within a nanosecond, and the traditional opportunity given to Members to change their votes before a final vote is recorded was denied them.

I am stunned as I watch a process around here so deteriorated that it has come to this. And I say to my friends on the other side: Beware. The wheel does turn. The day will come when we will be in the majority. And in the House that will happen as well. Changes in leadership have occurred throughout our history and they will continue to occur. What sort of precedent are we setting if this is how we conduct our business?

Then, last Thursday, late in the afternoon, those of us who were excluded from having Members who represent our views work on this conference report, were delivered this 675-page document.

Suffice it to say, there is not a Member here who has read this in its entirety, nor could they possibly understand it even if they tried to, since last Thursday. Yet we have just voted on several procedural motions here to say that within a matter of hours, we are now going to adopt this historic piece of legislation without fully, in my view, understanding the implications of what is actually contained in the bill.

Mr. President, a bill of 675 pages, delivered just last Thursday, and here it is, Monday at 6 p.m., and we find ourselves only a few hours away from deciding the fate of 41 million Medicare beneficiaries and coming generations of them as to whether or not they will have the incredible safety net the Medicare Program has provided for 38 years.

These process questions cannot go unnoticed, Mr. President. And while we talk about the implications of what we are told is in this bill, I am deeply troubled that the shutting out entirely of Democratic Members of the House, the denial of the Democratic leader of the Senate, along with Senator ROCKEFELLER, the ability to meet and discuss this bill and its full implications. Further troubling then to witness a 3 hour vote in the House of Representatives in the middle of the night, under the guise that we must get this done. As my colleagues know full well, this is the end of a session, not the end of a Congress, and to not take a few more weeks to analyze what we are doing with this bill, to see if there is not some compromise that can be reached, when you consider the great implications of this bill, I think is a sad commentary on the condition of the Congress. I have been here for a quarter of a century, and I do not recall a time like this in my 24 years where we have come to this.

So beware. Beware, America. Beware, America, of what happens when this process breaks down, as it has here with this bill.

Beware, America, when you have a bill of this magnitude and size passed in the wee hours of the morning in one Chamber, and rushed through the other in a matter of hours of debate and discussion—more a litany of speeches than any real debate.

Beware, when almost one-half of the entire Congress is excluded from sitting and working on a product as important as this. There is something wrong when that happens, Mr. President.

I don't care what your politics are; I do not care what your ideology is. Beware, Americans, when you find out other voices are denied being heard. It is the critical quotient, the critical element of what constitutes this democracy: the importance of debate and discussion, the tension the debate brings, and the ultimate improved product that occurs when that happens in America.

When other voices are not heard, when other ideas are not brought to the table, then we all suffer. That is what has happened in the construct, if you will, of this legislative package.

Let me take a few minutes, if I may, and try to share with my colleagues what I believe is included in this bill. I have talked about it to some degree already, and I know, in a sense, why we are being called on to do this as rapidly as we are. Because based on the time I have spent going over this bill, and looking at it, and others who are more knowledgeable than I am about health care issues, who have dedicated almost their entire careers to examining these issues, I would say one of the reasons this is being pushed through as rapidly as it is, is there is a lot in this bill that the more you know about it, the less you would like it, and the more opposition would grow to its passage. The more people are aware of what is included in these 675 pages, the greater concern they ought to have.

There are those who have never liked the Medicare program, who fought against its very creation 38 years ago, and since then have been seeking an opportunity to undo it.

Congratulations to them. Congratulations to them because I think, in effect, they have achieved that result with what I think is going to happen in a few hours; that is, the adoption in the Senate of this particular package, the approval already in the House and the likelihood, of course, that the President is going to sign this into law.

Then I would tell America, as you get to know this bill, you will come to have greater and greater concerns about it. Let me explain why I think that is the case.

We have all been talking about—certainly this side of the aisle has—the great need for a prescription drug benefit for years. However, I have reservations about the prescription drug benefit contained in this bill. Under this bill, 2.7 million retirees are going to lose their existing drug benefit package—2.7 million of the 41 million Medicare beneficiaries. While some might say that doesn't amount to much, when combined with the other millions of seniors who are going to have their premiums increased, and possibly their benefits reduced if this bill is to pass, you begin to realize how troubling this bill is. That is literally what is going to happen under this bill. 2.7 million retirees are going to lose their present prescription drug coverage.

Why? Because they presently are covered under plans offered by their previous employers. They have retired and yet they carry with them those plans. The estimates are that 2.5 million retirees are going to lose coverage because their employers are going to drop those plans if the benefit under this bill is enacted.

In my State, just to put it in local terms, this will mean that 39,000 people in Connecticut who fall into that category will lose their present drug coverage. In Connecticut there are approximately 515,000 people who are of retirement age, and of that number, I am going to have 39,000 who are going to be dropped from their prescription drug coverage.

Further troubling, I am then going to have 74,000 Medicare beneficiaries in my state of Connecticut, and 6.4 million nationwide, who are going to lose as well under this bill. What happens to these people? These are seniors with severely limited incomes, making them eligible for both Medicare and Medicaid. These senior citizens are going to face less access to and higher prices for the drugs they need due to this conference agreement requiring drug copayments and the creation of an assets test.

I have heard Members say that the price increases these low income seniors will face are not that significant. Well, it isn't much, if you make $158,000 a year as a Senator. A few bucks a month amounts to nothing. But if you are a person making $13,000 a year or less, as these people do, and you are on Medicaid and Medicare and you are working each month trying to pay a mortgage, to put food on the table, to pay for the other essential needs you have, then believe me, these cost increases are terribly hard to bear. We in this body do not have such worries because we have such a great health care program. Members of Congress enjoy a fabulous healthcare plan. We offer nothing like that to the rest of the American public so we don't quite understand what other people go through in many ways.

Taken together—those losing their present prescription drug coverage and those low-income beneficiaries facing increased costs—you have one fourth of all Medicare beneficiaries negatively effected by this bill. Those are, to begin with, some of the concerns we have with what happens to close to 9 million of this nation's nearly 41 million retirees.

Now let me move to address some of the other issues of concern in this bill. While others have already talked about the prescription drug benefit portion of this bill at length, I want to point out that I am worried about certain aspects of this portion of the bill which will present real problems for our seniors. Under the proposed prescription drug benefit, this bill before us contains a gap in coverage, the so-called donut hole. The donut hole is nearly $2,800, twice the size of the one we adopted when this bill was adopted by the Senate back a number of months ago. Under the conference report, Medicare beneficiaries with costs within this so-called donut hole will be forced to pay for the full cost of their prescribed medicines as well as a monthly premium of an estimated $35. This will mean that when your prescription drug spending falls within this coverage gap that you will receive absolutely no assistance purchasing your prescribed medicines under this bill. To add insult to injury, you're still on the hook for the monthly premiums while receiving no assistance affording your needed medicines.

Also troubling, Mr. President, is the notion of the monthly premium of an estimated $35. Under this conference agreement, if you end up having only one private plan providing the drug coverage in your area, these plans could charge whatever they want, because the lack of a another competing plan. The $35 figure often cited is not a cap; it is the estimate of what the average may be. There is nothing in this bill that prohibits one of those private plans from charging whatever they want in that area. You would end up being forced to charge whatever these plans determine is their price or not having any drug coverage at all.

Despite all of the problems with the prescription drug benefit portion of this package, even with the concerns I have outlined, I would have supported this portion of the bill if it stood alone as I believe it offers a first—though not nearly complete—first step toward adding a prescription drug plan under the Medicare program. I think the idea of doing something in this area made some sense. I would have, even with these bad features, supported this legislation in the hopes that in the coming years we could have modified it and changed it.

But something that few people want to talk about on the other side of the package before us are the structural reforms of Medicare contained in this bill. The conference report we are considering today is not just about prescription drugs. It has a second, much more troubling part. It is over this part that most of us who are expressing our strong objections to this bill have found concern. It is this part of the bill that gives us all pause because it is no less, in our view, than an attempt to end Medicare, certainly as we have known it over these past 38 years.

I tell America to watch carefully. This is the part on which you want to focus. The more you read about it, the more you will draw the same conclusion as those of us who are strenuously fighting adoption of this bill. It is an attempt to force seniors into private plans, producing billions in profits for HMOs but denying seniors access to the benefits to which they have become accustomed and the doctors they trust.

This bill provides a $12 billion subsidy to the private companies and a 9-percent kicker, in effect, to make sure the competition called for by this bill is rigged in such a way that they cannot possibly lose in that competition. The supporters of the bill will tell you it is not forcing seniors out of traditional Medicare. They claim they are creating competition and, as a result, offering seniors a choice.

Let's talk about the so-called competition in this bill and what it would create. Private plans under this conference report will be reimbursed at a higher rate than traditional Medicare—9 percent higher to be exact. How does Medicare compete when you have a 9-percent higher reimbursement for the private insurance plans they are supposed to be competing against? What kind of a competition is that, when all of a sudden you get a 9-percent higher reimbursement rate and claim to have a level playing field? Additionally, this bill makes available $12 billion to be used to lure private plans into the marketplace. If it is going to be a competition, let it be a competition—but we are going to stick $12 billion into the pockets of the HMOs, give them a 9-percent higher reimbursement rate, and say to Medicare: Go out and compete. That is like tying both hands behind their back and tying their legs together and then saying go run a race. A 9-percent higher reimbursement rate and $12 billion to lure private plans into the market amounts to the inclusion of a corporate subsidy in this bill of major significance.

Under this plan, private plans can design their benefits to attract certain beneficiaries, and that is a critical piece. These private plans can design them to attract wealthier, healthier Medicare beneficiaries. In the beginning, one of the magnificent features of Medicare was that we didn't discriminate based on wealth or illness. We said if you reach the age of 65, we are going to provide a safety net for you. The idea was that regardless of whether or not you are healthy, sicker, wealthy, poor, all are together under Medicare.

For the first time—and this is a major change—we are going to start to discriminate if this report is adopted. So the wealthier and healthier people are going to join plans designed by the private companies, leaving in the traditional Medicare program only the sickest and the poorest beneficiaries. When this happens, the premium costs are going to go up and for these seniors, and when they do, they are going to face higher costs and reduced benefits. I don't know what other conclusion you can draw. You cannot accept the notion that we are creating a level playing field. It is not a balanced competition if I provide you a 9-percent higher reimbursement rate than Medicare gets and I then give you an additional $12 billion to lure you into the market. It is just not.

America, pay attention. If you are, today, in the Medicare Program, you could end up watching this program be radically changed. So you end up paying higher premiums and watching your benefits be cut and watching only the poorest of the poor or the very sick be left in a program, as these designer programs created by the private plans will find ways of causing the healthier and wealthier to desert traditional Medicare. This is not a fair competition. It is a rigged game. This bill stacks the deck against traditional Medicare. The effects are self-perpetuating.

Traditional Medicare will grow weaker and private plans will grow stronger, forcing more beneficiaries out of the traditional program and into the arms of HMOs.

It is very easy to get bogged down in the complexities of this bill. So let me state very simply that the weakening of the traditional Medicare caused by this 675-page bill is going to force seniors to pay more and face the prospects of fewer benefits.

Ironically, this bill will mean less choice for seniors. One of the things we are being told is there is going to be a lot more choice under this agreement. One of the great features of Medicare is that you get to choose your doctor. I don't know a single American who doesn't like that feature, who doesn't appreciate the opportunity they have to choose which physician they want to have treat them. Under this 675-page bill, that is over with for many seniors. That fact alone ought to cause people to pause. Why? Why would you deny people the choice of which doctor they use, someone they may have dealt with for years? That choice is gone with this bill.

America, pay attention. It is gone. If this bill gets adopted in the next few hours, that is gone. That is not choice at all. Nothing would make me happier than to find out these predictions are wrong, but they are not. I truly hope seniors can retain the choice that they already have and that traditional Medicare survives.

Let me explain briefly why I get as passionate as I do about these issues, Mr. President. When the Medicare+Choice Program was created and these private plans first came to our communities, many offering zero premiums. People joined in droves, jumped from traditional Medicare at the promise of reduced cost and increased benefits. Then, of course, once the plans looked around in certain areas and discovered there weren't quite as many wealthier, healthier people in certain areas but there were poor and sicker people, they decided—and they can do this at a moment's notice—they said: We are leaving, packing up and getting out. They did that in my State. They packed up and left.

I remember going to a meeting because the senior Medicare beneficiaries I represent were so upset and concerned about these decisions to leave. I convened a town meeting in Norwich, CT. About 350, 400 people showed up, and it was on a Saturday morning. They could not believe what happened to them. One individual was so upset about his wife losing her Medicare+Choice plan—a man who served in the U.S. Navy in World War II and worked at the Electric Boat Division in Groton, CT, for many years. As he spoke passionately about what happened to his wife, being dropped from this program, in his great worry and concern about that, he passed away at this meeting. I will never forget it. It was, obviously, a stunning moment for the people there. He was so upset about what happened to him because his wife's HMO left, and she was left with nothing in terms of the promised health care coverage. He was a man by the name of Frederick Kral from eastern Connecticut. I have never forgotten that tragic incident and the deeply personal stories shared at this town meeting.

I remember how people felt when these HMOs came running in and then walked away. I cannot say that will happen here. I don't know what is going to happen. We are just playing such a risky game with all of this. Why are we taking these kinds of risks on such an important issue? We should realize the tremendous damage we can do to people.

I recall very well what happened when we had HMOs promise they were going to step in and provide choice and do all these wonderful things. Remember, these are companies that have to make money and they want, as their customer base, healthy people. They would like wealthier people because then they don't have to pay out as deep a benefit. When these plans discover people are not quite as wealthy and healthy, then they design plans that exclude them. My fear is that will happen here.

Even more ironic is this highly unfair system is being championed by the self-proclaimed champions of free enterprise.

The bill, as I mentioned, will provide $12 billion to help HMOs unfairly compete against traditional Medicare, along with a 9 percent higher reimbursement rate. It does nothing to control drug prices. If we really want to do something to promote competition under this plan, wouldn't you think we might have allowed the purchasing power of nearly 41 million Americans to achieve lower prices for prescribed medicines?

That is what we allow with veterans hospitals. The veterans hospitals collectively get together and negotiate with the drug companies for the best price. If you are a veteran in the country, you get a much reduced cost of prescription drugs because the VA has negotiated these prices on your behalf.

As my friend from Florida, Senator BOB GRAHAM, so eloquently described earlier today—what do you say to two people who walk in—a husband, who is a veteran of the Korean war, who is paying one price for drugs because as a veteran the VA has negotiated a lower price, and his wife who stayed home and raised a family and maybe held down another job during that time? She is not a veteran, but she is on the same drug as her husband and she pays two, three, four times what he pays. How do you explain that to people?

Why can we not do in this bill what we have done in the VA? This 675-page bill specifically prohibits the Medicare program to negotiate for lower drug prices. How is this representative of free market principles?

On the other hand, we are being told that we ought to have competition between private plans and Medicare. When it comes to negotiating for lower prices for prescription drugs, this law categorically prohibits the Federal Government from doing so. It is OK for the VA, and I applaud them for doing that, but it is not OK for Medicare. Yet we are told this is supposed to provide a fair competition.

The reason, of course, for all of this is simple: The champions of free enterprise know private plans cannot compete with traditional Medicare on a level playing field. The subsidies are absolutely necessary because Medicare is actually more efficient. Medicare delivers services at a lower cost. That isn't one Senator's conclusion. Those who have examined this program from top to bottom,. in every different manner, say Medicare is a very efficient program. And it delivers terrific services at a much lower cost than private plans, and we are about to walk away from that with the adoption of this bill.

We are going to go off now and take 41 million Americans and make them guinea pigs, despite the fact the system works. There is that old expression: If the wheel ain't broke, don't fix it. This wheel is working well—the Medicare wheel.

I am afraid we can only conclude one thing: The architects of this bill are going to spend billions and billions of taxpayers' money not to reform Medicare, but to dismantle it, to push patients out so that it will, indeed, wither on the vine.

I remember so well when the former Speaker of the House, Newt Gingrich, speaking in front of a group of people here in Washington, a group of lobbyists from the health care industry, talked about Medicare withering on the vine. I heard the other day Mr.

Gingrich, no longer a Member of Congress, showed up at the House Republican caucus and gave a strong pitch for this bill: It is a great bill, according to the man who wanted to make Medicare wither on the vine. Either he had a great conversion on the road to Damascus, along the lines of St. Paul, or he still believes what he did a few years ago, and he is finally going to be able to achieve what he talked about doing then.

I suspect it is more the latter than the former. I have seen no evidence that there has been a change of heart by Mr. Gingrich in his views about Medicare. So the individual who promised you we are going to let this tremendously-successful program wither on the vine is now applauding the fact we are going to finally achieve what he suggested a few years ago.

I predict we will be back, unfortunately, at great cost to the American taxpayers and at great cost to older Americans. We will be back in this Chamber rewriting this bill. That much I will guarantee will happen.

Unfortunately, we will squander billions of dollars unnecessarily. We will put a lot of people who shouldn't have to go through this, given their age and the problems they face—older Americans shouldn't have to go through the added frustrations and anxieties and wonder every day, as millions of them do, about how they are going to pay for the healthcare needs they have. They are going to have to go through this wringer because there are people around here who just never could stand Medicare and have been looking for ways to undo it since its inception.

This part of this bill, these structural changes to Medicare, if they were to offered before this Chamber as a sole proposition, I don't think would get 15 or 20 votes, but because they have been linked inexorably to the prescription drug benefit, the bill will pass.

As I mentioned at the outset of these remarks, the prescription drug benefit, while it is flawed, in my view, is worthy of support, despite the objections I have to certain parts of it. But it is not so good, in my view, that it ought to override the great damage to the Medicare program that will be caused by this bill.

Allow me to express my concerns about another provision. The conference agreement before us today establishes the dangerous precedent of instituting so-called cost containment measures that could directly lead to service cuts in what Medicare covers and just-as-severe increases in costs to Medicare beneficiaries.

Specifically, the conference report calls on the Congress and the administration to address Medicare's costs when general revenue spending on Medicare reaches 45 percent of the program's total cost. Let me read that again. Specifically, this conference report, calls on Congress and the administration to address Medicare's costs when general revenue spending on Medicare reaches 45 percent of the program's total cost.

Does anyone in this Chamber know of any other Federal program that has a similar provision in it, when we pay for anything else you can think of, when 45 percent of the cost comes out of general revenues, that we must take enact cost containment measures? Only Medicare; there is no other Federal program that has similar handcuffs on it that Medicare does under this bill: It states that when you reach 45 percent coming out of general revenues, then cost containment measures must be taken.

The adoption of this purely arbitrary cap will lead to almost certain erosion of this critical program's scope of coverage and affordability. It is yet another attempt of opponents of Medicare to destroy this program that so many of our senior citizens rely on every day.

Today, after nearly 40 years of Medicare's inception, we find ourselves truly at a crossroads. The opportunity is before us to move Medicare toward the future without threatening its proven availability, to provide for the health and well-being of this Nation's senior citizens. Sadly, the conference agreement represents an opportunity lost, an opportunity not only to add comprehensive coverage for prescribed medicines under the Medicare Program, but also an opportunity to strengthen the Medicare Program for future generations.

So it is with a great deal of sadness that I find myself faced with this 675-page document. The entire House minority was not allowed in the room on this bill. There were secret meetings of the conference committee that crafted this agreement—I am not making this up—clandestine meetings so no one could find out where they were meeting. Not a single representative of the minority in the House was allowed to sit in and help craft this bill affecting 41 million Americans—and all but only two members of the minority on this side were excluded as well from these deliberations. The Democratic leader, a member of the Finance Committee, was told he had no right to go to the meetings. In fact, the chairman of the committee said: If the Democratic leader shows up, then the meeting will be canceled.

What kind of arrogance is that? The chosen leader of a minority of this body was told if he shows up as a member of the conference committee, the House chairman of this conference would close down the meeting and walk out.

This process is broken, Mr President. How much confidence can America have in a product that in the construct of these 675 pages, minority views were almost totally excluded.

I warn my colleagues, a dangerous precedent is set when a bill of this significance is crafted in the manner of the bill before us. This bill before us affects not just those who are direct recipients of Medicare. Think what Medicare has meant to the children and grandchildren of its beneficiaries. Think what costs would have had to have been borne by children trying to raise their own children while they were taking care of their parents had it not been for Medicare.

How many college educations would not have been achieved if the families were forced to choose between making sure that mom and dad could see a doctor or their children might go on to college? That is not hypothetical at all. Think how many people's dreams of home ownership, making investments in things families need, were made possible because there was a program called Medicare. It said to Americans: You have given so much, particularly the generation that Tom Brokaw has called the greatest in our history, that carried us through a Depression, through World War II and Korea, that after all of that, we said to them, look, we are going to create a program that makes it possible for you and your families not to have to face poverty or worse when you face expenses for needed medical attention.

Despite the fact the program works well, has been efficient, and produces services at low cost, we are about to enter a casino, under the best of circumstances, and start playing roulette with people's health care and with the costs associated with it. That is why I am so saddened by the emergence of this conference report.

The process has broken down. This is a product in which one can have little or no confidence. I am being asked as one Member, with only 3 or 4 days to review this product, to agree to sign on to something of this magnitude. There is an opportunity, I think, to get this right and to make this better. We owe it to the people of this country to seize this opportunty.

Older Americans are not Democrats or Republicans. They are not conservatives or liberals. They are just hard-working people. The least they deserve is to have a Medicare Program they do not have to worry about. They need a comprehensive prescription drug benefit so they do not have to make choices between the medicines they need and the food they must have or the heat they must purchase to warm their homes.

We should be able to find a way to achieve that. I am deeply saddened that we have not achieved that goal with this conference report. After all of the reasons I have laid out, I will vote against this bill and I urge my colleagues to do likewise.

I deeply regret we did not prevail on opposing cloture or on the point of order that was raised so that we might have been able to go back and work on this again and come back in January with a better product. This is not the end of this Congress, it is only the end of a session. Yet every effort is being made to see to it that we jam this flawed bill down the throat of America.

We will be back; unfortunately, at great cost to the Treasury, and at great cost to the well-being of an awful lot of people who deserve better than they are going to get through the adoption of this bill, in order to fix this bill. I truly wish this were not the case.

I reserve the remainder of my time and designate the Democratic leader as the beneficiary of any time I may have remaining.

The PRESIDING OFFICER. The Senator has that right.

Mr. DODD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HARKIN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. FITZGERALD). Without objection, it is so ordered.

Mr. HARKIN. Mr. President, today by a 2-vote margin, I guess it was, the Senate, this greatest deliberative body in the world, decided to begin the process of ending Medicare in America. After nearly 40 years in which the elderly in our country have been raised out of poverty, in which the elderly in our country have been given the assurances that they will not have to go to the poor farm to pay for medical care, after nearly 40 years of children being freed from the burden of caring for ailing parents and grandparents, after providing an envy of the world in what we do to care for our elderly in terms of health care, the Senate today began the process of turning our back on all the progress we have made. Medicare was created, as I said, almost 40 years ago, with the purpose of providing our Nation's aged and disabled with that safety net, to protect them from death and destitution.

For years, seniors have counted on health security in their golden years thanks to Medicare. For nearly 40 years, this program has stood as a social contract between the American Government and the American people. After a lifetime of labor, when a person turns 65 they are promised health insurance covering doctors' visits, hospitals, and many other health costs. There was one exception for all of those 40 years; that is, there was no coverage for prescription drugs. It is almost impossible to overstate what Medicare means to a family, a citizen of modest means who has worked hard for a lifetime, a person who does not want to be a burden on the rest of his or her family. Medicare has been a rock solid, reliable, guaranteed lifeline for America's senior citizens.

Today, with a two-vote margin, we are watching that social contract erode. We are taking huge risks with the health and security of seniors, all to satisfy ideological agendas, to satisfy big political donor's wishes and certain political strategies.

With this Medicare bill, we have seen grave abuses of power—such as the recent vote in the House of Representatives in which this bill before us today lost in the House of Representatives, lost under the normal rules, lost under the democratic means over there. But as you know, they kept the vote open for almost 3 hours, from about 3 a.m. to 6 a.m., to twist arms until they finally got the votes.

I was driving to work Saturday morning. I was listening to public radio. A caller had called in and she said President Bush says he wants to bring democracy to Iraq. After what happened last night in the House of Representatives, I hope Iraq wasn't watching. That is not the kind of democracy they need in Iraq.

I am disappointed in the process that we have had here. This has been a sham process.

We have this bill here; I have held it up many times. I can barely hold it up right now—1,200 pages. It is dated November 20. It was delivered on our desks when we arrived here Saturday morning, that big. Saturday morning and here it is, Monday, and we are expected to vote on it.

How many seniors in this country have seen this bill? How many here in this room have actually gone through it or looked at it—or staffs? We know basically what is in it, but who knows what fine print is included and how some things may work? It is a terrible process.

That is why I argued against it repeatedly and that is why I voted against cloture today on the filibuster. It is not that I want to keep filibustering, but I believe we should have gone home and let this bill get out to the public, let the American people see it, talk about it, digest it. Then we can come back here in late January, as we are going to do, and February, and see what our constituents think about it. To me that seems to be the American way, the democratic process.

That is not the process we followed here. That is not the process. We are debating a proposal that was originally supposed to accomplish one simple goal: to right the wrong in Medicare, that gap that was in there, by providing coverage for prescription drugs and to make medicine more affordable for seniors.

I regret that in writing this bill Congress has strayed from that objective. We have forgotten who we are supposed to be helping—our Nation's seniors. Instead of a straightforward drug benefit, we now have a Medicare privatization proposal that threatens to undo the entire Medicare Program on which seniors and the disabled rely each and every day. Seniors who rely on the stability and affordability of this program, seniors like many in my home State of Iowa, simply want and need affordable medicine.

I have seen no big clamour to change the basic Medicare Program. We had a proposal here in the 1990s to get more competition in Medicare. The Congress came up with this Medicare+Choice Program, where seniors could stay in traditional Medicare or they could join an HMO. So we have had several years of experience with this.

What is the result? Eighty-nine percent of the seniors in this country have chosen to stay with Medicare. About 11 percent in various parts of the country went with HMOs. That is fine. That was purely voluntary. But seniors have spoken. They want to keep traditional Medicare. They simply need an affordable drug benefit.

I want to say more about this as I talk, but under this bill seniors do not really have a choice. You hear my friends on the Republican side say time and time again, choice, choice, choice, we are giving seniors choice, choice, choice. That simply is not true.

I hear all the time they say if a senior wants to stay with Medicare, they can stay with Medicare. That is true. But at what expense? What they don't tell you is, if a senior wants to stay with Medicare, they don't get drug coverage. They get no prescription drug coverage. Yes, you can stay with Medicare but you have to give up prescription drug coverage. If you want prescription drug coverage, you have to go to some private plan. That is what they are not telling. I will have more to say about that choice.

This bill totally violates the spirit and substance of the original Medicare Program. Again, to make it worse, we are rushing it through the Senate. This bill doesn't start until 2006. What is the rush? Why are we here 3 days before Thanksgiving, 7 o'clock in the evening, having a vote on a filibuster today, trying to ram this bill through? Why is it that the House of Representatives, in an all-night session, rammed this bill through? I will tell you why they rammed it through. Because the pharmaceutical companies and the big insurance companies want to get it through before Americans broadly know what is in it. That is why. Get it through in a hurry.

Only a few fortunate people know what is in this: a roomful of Republicans, two Democrats, and big money industries. Seniors didn't have a seat at the table. If they would have, I am sure they would have created a very different bill.

I have this cartoon here. I will show it again. Here is a pharmacy. There is a pharmacist who represents Congress. This elderly woman has come in, has given her drug benefit to Congress, and Congress is saying: Have a seat. It will be ready in 2½ years—your prescription; 2½ years. Yet we have to rush this through right now.

As I said, I called this the big Medicare gamble. It is like a roulette wheel. That is what we are doing. Before, under Medicare, it wasn't a gamble. You knew what you had. You had good, rock solid coverage, no matter what part of the country you lived in, whether you lived in rural Iowa or New York City; it didn't make any difference. Now we are rolling the dice, spinning the roulette wheel. It is going to unravel Medicare. The special interests, the drug companies, the HMOs are now more important than seniors.

Seniors are being told there is not enough money for a really good drug benefit. Why isn't there enough money? It is because we already squandered our surplus in tax cuts worth trillions for the wealthy. Once again, the well-heeled on Wall Street are more important to this administration than the elderly and disabled on Main Street.

Mr. ENSIGN. Will the Senator yield for a unanimous consent request? I ask unanimous consent that I be recognized following the Senator from Iowa.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. What we have before us today is a bill drafted behind closed doors in the dark of night that amounts to a bonanza for special interests. Don't take my word for it. Look at what others are saying regarding this bill.

This is from the Des Moines Register editorial board, my home paper:

> This legislation is a big, sloppy kiss to the pharmaceutical and insurance industries.

The Albany Times Union:

> This is not only an imperfect bill, it may also be a disastrous one.

This is the New York Times of the 19th:

> This is a gift to pharmaceutical companies and insurers and a threat to elderly Americans.
>
> Deal would alter Medicare's core. If a compromise bill on prescription drugs passes, the Government program will become a massive subsidized insurance market.

That is the LA Times. They have it right. It is not just the media and some of us on this side. From the American Conservative Union, listen to what they say:

> The Medicare prescription drug benefit bill that passed the House and the Senate would drive up costs for millions of senior citizens. Millions more will lose their current coverage under private Medigap insurance and employer provided plans. The House-Senate conference committee should reject the bill and start over with a bill that includes real Medicare reform.

This bill would provide billions of dollars in subsidies—bribes—to private plans and HMOs. In fact, this morning's Washington Post had an article which said the Medicare bill would enrich companies $125 million more for employers and health firms. It would ensure billions of dollars in profits and projected $139 billion to pharmaceuticals. I think it speaks volumes that when this bill came out last week, the drug and health industry stocks surged on Wall Street.

I ask unanimous consent that the article from today's Washington Post be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Nov. 24, 2003]

MEDICARE BILL WOULD ENRICH COMPANIES

(By Amy Goldstein)

The Medicare legislation that passed the House near dawn on Saturday and is moving toward a final vote in the Senate would steer at least $125 billion over the next decade in extra assistance to the health care industry and U.S. businesses, in addition to its widely heralded goal of helping older Americans pay for prescription drugs.

The largest chunk of that assistance, according to congressional budget estimates, would be $86 billion worth of payments and tax benefits for employers, giving them a new subsidy for the health benefits that many already provide to retirees. Health maintenance organizations, hospitals and physicians also would be paid more by the government for treating the 40 million elderly and disabled people in Medicare, the estimates show.

Whether this extra money, part of a $400 billion plan to redesign the program, is warranted remains a matter of intense debate. Regardless of whether the payments are needed, the bill's generosity to employers and major sectors of the medical industry helps explain the aggressive lobbying campaigns for the legislation by groups including the U.S. Chamber of Commerce and the American Medical Association.

Liberal and conservative health policy analysts say the payments undercut a significant goal of the White House and congressional Republicans in redesigning the Medicare system: preventing it from running out of money in the near future.

One of the bill's main architects, Ways and Means Committee Chairman Bill Thomas (R-Calif.), has repeatedly said that expensive new drug benefits must be balanced against other steps that will rein in the program's spending. The most recent federal estimates predict that Medicare will become insolvent in 2026 because Americans are living longer and the large baby-boom generation will start to retire in a few years.

Yet, as House and Senate members have worked out an agreement on the Medicare bill, "nobody is serious about the solvency goal," said Stuart Butler, vice president of domestic and economic policy studies at the conservative Heritage Foundation, which opposes the legislation. "That isn't even on the radar screen of more than a handful of members."

The extra money to private health care companies is part of the reason many Democrats oppose the measure. Sen. Edward M. Kennedy (D-Mass.), his party's leading voice in the Senate on health care and a vehement critic of the bill, said last week that provisions calling for increased payments to HMOs and other health plans were "obscene."

Kennedy and other critics say that, for the first time in the many years that Medicare has encouraged private health plans to welcome older patients, the government would be abandoning its original rationale that managed care is more economical. Instead, the bill would create new funding rules to ensure that no private plan is paid less than the rates that Medicare pays for patients in the traditional, fee-for-service part of the program. It also would establish a special $12 billion fund to try to persuade health plans to enter—or stay in—parts of the country where they have been scarce.

Lobbyists for health plans counter that they cannot afford to take Medicare patients unless they are paid enough to make it worthwhile. But health economist Marilyn Moon said: "It is very ironic. . . . To increase participation in private plans, we are going to overpay them for the foreseeable future."

The extra payments in the bill have varying purposes. One is to send more Medicare money to doctors, hospitals and other care providers in rural areas, through a combination of funding methods that total about $25 billion over 10 years. Rural health care advocates—and the lawmakers who represent them—made that money a top priority.

The thinking behind the new employer subsidies is connected to the new drug benefits. Once federal benefits became available, corporate executives told lawmakers and Bush administration officials, companies might accelerate a recent trend in which some have been dropping—or charging more for—health coverage for retired workers.

As a result, the House and Senate members who negotiated for four months over separate Medicare bills, that the two chambers had passed included incentives to deter companies from abandoning their retirees. The bill would give companies essentially the same amount of money per retiree that the government would provide in subsidies to individual Medicare patients who got the new federal coverage for prescription drugs. The employers would get $70 billion in direct payments and $16 billion more in new tax breaks over the next 10 years.

Thomas A. Scully, administrator of the federal agency that runs Medicare, said employers "should be having a giant ticker-tape parade." Scully recalled that he and Health and Human Services Secretary Tommy G. Thompson met in the spring with labor and corporate leaders—including the chairmen of General Motors Corp., General Electric Co. and a major steel manufacturer. "Their joint plea was, retiree health costs are an unbelievable burden." They requested what Scully called "a modest buyout," equivalent to perhaps $350 per retiree. The bill, he said, provides more than twice that amount, a sum "way beyond their wildest requests."

Employers repaid with their support. Nine days ago, less than an hour after House and Senate leaders announced their compromise on the legislation, the Business Roundtable, an organization of chief executives of large corporations, issued a statement praising the agreement.

Similarly, the American Medical Association has mounted a grass-roots campaign in which about 10,000 doctors and their patients have contacted their congressional representatives in recent weeks, urging them to vote for the measure. The bill would cancel a planned decrease in Medicare's payments to physicians for the next two years, providing them a small increase instead. That would give doctors an extra $2.5 billion over the next five years, although the money would be decreased after that.

Together with special physician subsidies in rural communities, the bill would give physicians $1.9 billion more in Medicare payments during the next decade than they would get otherwise, the budget analyses show.

Donald J. Palmisano, a New Orleans surgeon who is the medical association's president, said the payments were important "to make sure physicians can stay in the practice of medicine."

"It will be of no value to have medical coverage or a prescription drug benefit, if you can't fine a physician," he said.

Hospitals would get nearly $24 billion extra over the next decade, about two-thirds of it in rural areas. The rest would be used to help defray the cost of new technologies and training doctors and to give all hospitals a bigger boost for inflation next year than the House originally wanted.

"I really take issue with anyone who would question the need of those hospitals that are critical to Medicare beneficiaries," said Charles N. Kahn III, president of the Federation of American Hospitals. But health policy analyst Gail Wilensky, a Republican who used to run Medicare, said hospitals rarely have received as much money to cope with rising costs as they would get from the bill.

Mr. HARKIN. Mr. President, the legislation before us seeks to privatize Medicare, plain and simple. It seeks to privatize it, despite the fact that 89 percent of seniors say they want to stay in traditional Medicare—and they have done so when they had a choice—despite the fact that traditional Medicare is less expensive to administer—2 to 3 percent compared to 15 percent in private plans.

Again, there is something the average person doesn't understand. They don't realize. You would think a Government plan such as Medicare would cost more than a private plan. Private plans are supposed to be cheaper because of competition. We have had Medicare for almost 40 years. We have had private plans that length of time. So we have a lot of data. We know. This is not conjecture. We have the data. We know. What does the data say? Administrative costs for Medicare, 2 to 3 percent. In other words, out of every dollar that goes to a beneficiary, it takes 2 to 3 cents to administer Medicare. For a private health care plan, for every dollar that goes out, 15 cents goes for administration.

You might ask, Why is that? Just think about it this way. With traditional Medicare, we don't have to spend hundreds of millions of dollars on corporate CEO salaries. We don't have to spend hundreds of millions of dollars at least for fancy full-page ads in the New York Times and USA Today and Newsweek magazine. We don't have to spend all of that money to advertising agencies. That is where you get chewed up with these private plans.

Despite the fact that Medicare expenditures are growing at a slower rate than private plans, they say government costs are going up. The fact is—again, we have data for 40 years—Medicare has increased by 9.6 percent compared to private plans at 11.1 percent. Despite that, this Senate, this Congress, and this administration want to move us into private plans. Despite the clear wishes of senior citizens in this country, they want to move us into private plans.

I guess for those who came up with Medicare+Choice, somehow their ideology said these seniors would move into HMOs, and 89 percent said no. By gosh, I guess the thinking is here, if they didn't want to voluntarily move into HMOs, we will force them into HMOs. That is what this bill does.

The conferees chose to ignore all of the facts and all of data we have from the past. Instead, they concocted a grand experiment that encompasses all their right-wing ideological fantasies and seniors are the guinea pigs.

What we have in this bill that no one here has read is nothing less than a witch's brew of seemingly appealing benefits. But it is a witch's brew, one that is going to come back to haunt us in the future.

This experiment is a result of what I call private sector worship. It is a faith-based notion among some of our colleagues that the private sector will take care of everything. It is a blind faith that free markets solve every problem. But this private sector worship flies in the face of past experience. The entire reason we have Medicare today is that there is no private sector market for health insurance for sick seniors—none. Why? Because there is no money to be made in insuring sick, older people.

The free market works fine when you are talking about automobiles, airplanes, TVs, widgets, clothes, and that type of thing. But the free market is not stupid. The free market cares about profits—not people. By its very nature, the free market shuts out people with disabilities, shuts out people with mental illnesses, and shuts out people who are in the last years of their lives. In short, the free market shuts out people who are not profitable.

I have news for my colleagues who believe the free market is the answer to everything. The free market did not break down barriers to people with disabilities in our country. It was the Government—we here in the Congress—that had to step in to ensure opportunity and openness in our country for people with disabilities. In the survival of the fittest free market, these folks were left behind.

Another example: We have been fighting this Congress for years to pass a bill ensuring mental health parity. But people with mental illnesses are not a profitable group. So the free market, left to its own devices, will have nothing to do with mental health parity.

Think about it. We don't have mental health parity. Why wouldn't we? Why wouldn't the free market jump in there and get it? Because there is no profit. That is why, as soon as we get back into session next year, I hope we pass the Paul Wellstone mental health parity bill. Again, if we leave it up to the free market, people with mental illness are simply left behind.

Another prime example of those left behind is the elderly. The elderly are not a profitable group of people to include in an insurance risk pool. They are sick. They have chronic illnesses. They are expensive to treat. The proof is all around us. It is impossible to imagine private insurers fighting and competing with one another for the privilege of covering the elderly. That is why we have to bribe the companies with billions of dollars of taxpayer money to get them to participate in this witch's brew scheme we have come up with here.

I have seen this proof firsthand. The other day, I talked about my own situation. I want to repeat it again.

In 1958, I was a senior in high school. My father was 74 years old. My mother had passed away 8 years prior to that. My father had worked most of his life in the coal mines in Iowa. My father had an eighth grade education. My mother was by then deceased. She was an immigrant with no formal education—little formal education. We lived at that time in a little house in a rural town of Cummings, IA, of 150 people. Because of my father's years in the mines—we called it miner's lung at that time; they call it black lung today—he would get sick every year. We would never see doctors. We didn't have any money. My father's total income was less than $1,500 a year. It was about $1,200 a year. That included bonuses for having kids under the age of 18.

Thank goodness he worked a while during World War II to pay into Social Security and he had some Social Security. That is all he had. My father had no stocks, no bonds, no property, no trusts, nothing. He had the small house we lived in and he had a Model A Ford, the only car he ever owned. That was 1958. And every year during those 1950s, I remember, like clockwork, my father would get sick. He would get sicker; he would get pneumonia. We would rush him to the hospital in Des Moines. They would put him in an oxygen tent, give him antibiotics, fix him up, and send him back home again.

If we did not have any money, and our total family income was less than $1,200 a year, how did we afford that? I tell you how: It is called charity. The Sisters of Mercy at Mercy Hospital would take care of my father, and knowing that we were poor and could not afford it, they would not bill us. That was charity.

I was in the Navy some years later, in 1966. I came home on leave, I think for Christmas, and my father was quite beside himself because he showed me this new card he had, a Medicare card. Now he could go see a doctor. If he had to go to the hospital, he did not have to rely on charity any longer.

I often think of how much better my father's later years would have been had he had Medicare. If he had seen a doctor and had preventive health care, his later years would have been much healthier and much better. But he only had Medicare for 2 years before he passed away.

I tell that story because I wonder, as I stand here and as I listen to all this debate about choice, as I listen to the debate about how insurance companies out there will come in and do all this, I wonder, why didn't insurance companies rush to help my father? Why weren't they knocking on his door, competing with one another, to cover my father? We had insurance companies at that time. Why weren't they knocking his door down to cover him? Why? Because my father was not profitable. Elderly people in health care are not profitable.

So do not tell me the private sector will solve every problem, because I lived through its failures firsthand. I know many Iowans and many Americans have the same situation. They do not want to be left to the volatility and the whims of private HMOs.

I understand many of my colleagues prefer the free market over Government intervention. I do, too, in most cases. But to say that we are going to do it regardless is a misplaced faith. There is a time and a place for the Government to step in, where the private sector fears to tread or fails to tread. No question, this is the case when it comes to helping people with disabilities, people with mental illnesses, and seniors with serious health problems.

We hear the claim that private sector competition will drive down costs and save Medicare. Nonsense. The only competition will be competition for healthy seniors. If you are sick, you will be shunned.

I saw this headline in the Washington Post: "Medicare Deal Likely to Spark More Health Care Competition." I thought, my goodness, and I got to reading it.

> On Wall Street last week, drug stocks jumped as investors anticipated a congressional deal finally announced in principle last night that would add a prescription drug benefit to the Medicare Program.
>
> Pfizer was up on Friday. So was Eli Lily. And so was Johnson and Johnson.

But this is what it is all about, as Robert Hayes, president of the Medicare Rights Center, states:

> This could be like the wild West out there. If suddenly there are five or six or seven plans out there, the insurance companies will be pricing their product to make a profit, as they are obligated to do. If the consumer is kind of shooting in the dark because of the complexity of this—and the darkness is deepened by age or disability—you'll have a customer primed for exploitation. We're real concerned that people could get ripped off.

It is not competition for the elderly out there. It is competition among the drug companies as to who will make the most money. That is the only competition that will be out there. They do not want an even playing field competition. This bill will give billions to private plans so they can compete and make profits.

This is what people have to understand. They should know this before we vote on this bill. That is why we should get it out there and come back in February and vote on it and let the people see what is in there. This bill before the Senate will pay a private insurance company 26 percent more than traditional Medicare; $1,900 more per senior.

Get this straight: We are going to take your hard-earned tax dollars and we are going to give those tax dollars to a private insurance plan to compete with Medicare, and in order to be able to compete, we are going to give them 26 percent more than what we provide in Medicare.

I guess I would kind of like that competition. Man, I would like to get a piece of that action. I would like to have the Government give me 26 percent more than what Medicare is making. That is not competition; it is a corporate giveaway. It is corporate welfare. That is what it is. It is a waste of taxpayers dollars when Medicare, over 40 years, shows it can do the job cheaper, more effectively, and more efficiently.

Seniors know it, trust it, and want to keep traditional Medicare. We are saying: No; we are taking your tax dollars and we are going to give it to private companies, 26 percent more, $1,900 more per beneficiary to bribe them to get into a private plan.

On top of that, the conferees have come up with what they call a stabilization fund. How about that for a nice fancy word—"stabilization" fund? What are we stabilizing? It sounds as if there is an earthquake out there. There may be when seniors find out what is in the bill. It is a $12 billion slush fund for private plans. Privatization, when it comes to medical care for the elderly, costs more money and it will reduce choice.

We have heard the claim time and time again that seniors should have a choice as Members of Congress do. Seniors will be gravely disappointed when they find out what they are getting is nothing like what we have. I hear about choice all the time. No senior will be forced out of Medicare. How many times have we heard that? They will be able to stay with Medicare.

Listen to the words carefully because what we are not hearing is that if you want drug coverage, you have to get out of Medicare. If you do not care about not having drug coverage, you can stay in Medicare. That is what they are saying. They are saying no one will be forced out of Medicare. No. But if you want drug coverage, you are out of Medicare; you have to go to a private plan.

Isn't that what we are all about, trying to get drug coverage for seniors? And seniors say they want it under Medicare; they do not want it under private plans. Seniors will actually end up with reduced choices under this legislation.

If there are two private plans, say, an HMO and a PDP—maybe you have never heard of a PDP. If you say you have never heard of it, I understand that because they do not exist. But it has been conjured up in this bill. We have conjured up something called PDPs. So if there are two private plans, an HMO, and a PDP, and if a senior who is in Medicare wants drug coverage, that senior is forced to take the PDP or the HMO. You cannot stay in Medicare. You have to move over and take one of the private plans.

That is a choice? That is a choice? That is like you have a choice between getting shot and getting hung. Either way, you are dead. Not a very good choice. They will not be allowed to get their drugs through traditional Medicare.

Again, let's say they go and join one of these private plans, this PDP, or whatever it is, or an HMO. Well, then the HMO can tell them: You can't see your doctor. You have to see another doctor. Oh, you can't take that drug. It is not on our formulary. You have to take this other drug.

Why do you have to take this other drug? Well, they will not tell you why, but they are probably getting a bigger kickback from the pharmaceutical companies for that certain drug. So seniors are forced to change drugs. That is not choice.

It seems to me around here sometimes it is almost to the point that if you hear someone say it is daytime, you might just think it is probably night. If someone says something is black, you probably think it is white. Around here we have gotten to the point where we use these words to confuse people, to make people think something is not what it is.

This idea of choice, that somehow we are giving seniors more choice—just false. The rhetoric around this bill does not match reality. The President and this administration has said many times that seniors deserve choice, that the seniors deserve what Members of Congress have. I am all for that. But that is not what they are getting.

Right now, I pay about 25 percent of my drug costs. That is it, flat. But the prescription drug plan put before seniors in this bill will not even come close to that.

Instead, it is a confusing, convoluted maze that—mark my words—will leave the seniors feeling betrayed and bewildered. All I can say to some of my colleagues who may have been here in the 1980s is, do you remember when we passed the catastrophic health insurance plan? Well, if you like the seniors' reaction to that plan in the 1980s, you are going to love their reaction to this grossly inadequate prescription drug plan.

Now, look at what they are going to be faced with right here. Every year we, in our plan, the FEHBP, the Federal Employees Health Benefits Plan, have an open season, and we get to choose what plan we want to go in. So we get all these books. Here is one from Aetna. Here is another one from a different Aetna. Here is one from, of course, Blue Cross, and then a different Blue Cross. Here is Kaiser. Here is APWU. Here is PBP. Here is Mail Handlers. Here is NALC. Here is GEHA. Here is MB, Individual Practices Association.

We are supposed to read this and go through them all and decide which plan we want to be in. I wonder how many Senators actually go through these. I can count them on less than one hand. I can count them on less than one finger. Yet seniors every year are going to get this. They are going to be asked: Make a choice. It is confusing. It is going to be bewildering to them every year—every single year.

That is what I mean, a senior could get out of Medicare and go into an HMO or one of these PDPs. They could jack up their prices—I will say more about that in a minute—because the premium is not set in law. It can go up. It can go up. They can get bounced around. So they may be in one plan 1 year, and that plan may not exist the next year.

Then what do they do? What do they choose? Well, that is why I say, you wait. This is going to be a confusing, bewildering mess for our senior citizens.

The only ones making the money are pharmaceutical companies. I think it is instructive that in this bill—if I can find it here, I think on page 53 of this bill, if I am not mistaken. I wonder how many people read this. Page 53, line 18: "Noninterference—In order to promote competition"—I love this, I love the way they play with words—"In order to promote competition under this part and in carrying out this part, the Secretary"—the Secretary of Health and Human Services—"(1) may not interfere with the negotiations between drug manufacturers and pharmacies and PDP sponsors; and (2) may not require a particular formulary or institute a price structure for the reimbursement of covered part D drugs."

Now, what do you suppose that is all about? Well, what it says is that Medicare cannot negotiate with drug companies to get a better price on drugs for our seniors. That is what was written in the bill. We have said for a long time that we ought to use the power of Medicare to negotiate with the drug companies to get a better price. The VA, the Veterans' Administration, going back to a law that we passed here, I think, in the 1980s, the VA sits down and negotiates with drug companies for the price of drugs for veterans hospitals and veterans throughout the country. That is why veterans' drug prices are 50 percent or more less than what you might normally pay or what an elderly person would pay because they use the purchasing power of the VA to bring it down.

But in this bill, we have said, no, you cannot do it any further than that. Medicare cannot negotiate. Think about it. It is written in here. Medicare is prohibited from negotiating with drug companies to get a better price on drugs.

People always ask: Why are drugs so much cheaper in Canada? I have been to Canada a lot. I am sure the occupant of the Chair has been to Canada. If you go to Edmonton, Calgary, places like that, there are drugstores all over, private drugstores owned by private citizens—free enterprise. You go in there, and the pharmacist is there, and you can get your drugs 50, 60, sometimes as much as 80-percent cheaper than what you get here.

It is the same drug, made by the same manufacturer, that is that much cheaper in Canada. Why? Well, guess what. The Canadian Government buys the drugs. They negotiate with the drug companies to get a lower price because they buy in such huge volumes. Then the private pharmacist makes money on filling the prescriptions, watching your prescriptions.

But in this bill we are forbidding Medicare from negotiating with drug companies for a better price. What a sweetheart deal that is.

Let's see what seniors are going to pay for this and why this is kind of confusing. Here is what seniors are going to find out. Right now, here is what seniors pay under Medicare: Part A premium, hospital, nothing; Part A deductible, $876 for benefit period set for everybody; Part B premium $66.60 a month; Part B deductible for their doctor, $100 per year, and a 20-percent cost share on each visit to the doctor's office.

Very simple, very straightforward; every person in Medicare understands that.

Now what? Well, let's see. Seniors who have an annual income above $13,470 per year will have to pay a yearly deductible of $250. They will then pay a $35-a-month premium, which can go up, by the way. That is not fixed in law. So that is $420 a year. That figure can change every year because if the private plan is not making the profit that they want, they can boost that figure up, and they will.

After seniors have put in at least $670 up front, they can start receiving some benefits. You might say, well, 670 bucks, that isn't much. Remember what I said: This is someone who is above $13,470 a year. Six hundred seventy dollars is a lot of money to someone making $14,000 a year and worrying about heating bills, buying food, taking care of themselves. So after they pony up $670, the Government will then pay 75 percent of the drug costs up to $2,250.

What happens then? What happens then is that person making more than $13,470 a year will have to pay 100 percent of their drug costs up to about $5,000. That is the so-called donut hole. That is going to be outrageous.

One day you are going in, you are getting your drugs, and you are paying 25 percent. You are going to go in one day and your drugs are $2,200, and then all of a sudden your pharmacist says: You have to pay full price.

Why?

Well, I am sorry. You reached the donut hole of $2,250.

Think of it this way. If your drug costs are $5,000 a year, you will have to pay $4,000 out of pocket. And for that, we bribe HMOs, we give billions of dollars in subsidies to the pharmaceutical companies and to HMOs and to PDPs and whatever else.

Another thing, a senior who has an annual drug cost of only $500 will pay more into the program than they receive. You will put in $500. If you have $500 in drug costs, you will pay $751.25 into this program every year. What a deal.

To make things even messier, the program would create several tiers of classes under the Medicare Program. Again, there are different low-income benefits available to those under 135 percent of the poverty level. That is $12,123 for a single person. There is another set of benefits for those under 150 percent of poverty level. That is $13,470 a person. On top of that, to receive the low-income benefits, a senior must undergo an asset test. We threw the asset test out of here in the Senate. Now it is back in this bill. But now let's look at this asset test. For one group, those who are at 135 percent of the poverty level or below—that is below 12,000 bucks a year—if you are below that, the asset test is $6,000 for a single person. You can't have more than $6,000 in assets. It is $9,000 for a couple.

For the group at 150 percent of the poverty level—let's see, that is $13,470—the asset test there is $10,000 in assets, $20,000 for a couple. So mind you, for a difference of a little over $1,000 a year, maybe about $1,300 a year, your asset goes from $9,000 to $20,000 for a couple; $6,000 to $10,000 for a single person. If this sounds confusing, believe me, it is. How are you going to decide where you fall?

Let's take a group of senior citizens down at McDonald's having their morning coffee. They are all talking about the drug benefit when it goes into effect. Bob is over there, and he gets good benefits under the low-income benefit. But his friend Sue just took a job at the local supermarket at minimum wage to try to make ends meet, pay her heating bills. But because she has a little extra income, even though she barely makes any money, she is in a different class. So, therefore, she is going to get a different drug benefit.

Margaret thought she was going to get some low-income benefits but she filled out her forms and she had too much life insurance, over $10,000 in life insurance. So she is out.

How in the world is the average elderly citizen supposed to know where they fit into this mess? You are going to have several different people who make nearly the same amount of money each year and they are going to receive drastically different benefits.

This is a formula for confusion and confrontation. You are going to be pitting elderly against one another. You are going to have friends wondering: Why is it that Bob over there gets all those benefits and I don't? We know that Bob owns something else. He is cheating maybe. And why did he get that and we didn't? Why is it that George over there gets all these low-income benefits? And you know George. All his life he frittered his money away, gambled it, boozed it up. Sure he doesn't have much now, but the Government is coming in and giving him everything.

How about Bob? Bob over here worked hard all his life, raised a family, educated his kids. He is a man of meager means, but he has Social Security. He was frugal. He saved a little bit. He has a little life insurance policy. No, Bob, you don't get this. Your income may be just about the same as George's, a little bit more, but because you have a little bit of assets—you saved for a rainy day—you are out. Tell me what this is going to be like when the seniors get ahold of this and talk about it.

Then there are those citizens who are going to lose retiree prescription drug benefits. Two to three million are going to lose prescription drug benefits. It is outrageous. This bill would spend roughly $88 billion to try to bribe employers not to drop retiree health coverage yet, even with that, 2 to 3 million seniors will lose their retiree benefits.

Yes, the drug and health industries are spending millions to ram this bill through immediately, even though seniors across the Nation don't know what it contains. The authors of this bill did not let the senior citizens of this country see what was in the bill because they knew once they found out they would have trouble passing it here. Apparently a seat at the Medicare table was quite expensive.

The Washington Post article from Saturday morning was entitled "Two Bills Would Benefit Top Bush Fundraisers." It explains that the Medicare bill will benefit at least 24 Rangers and Pioneers as executives of companies or lobbyists working for them.

A Pioneer in the Bush campaign is one who raises at least $100,000, while a Ranger is someone who has raised at least $200,000.

I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post]

2 Bills Would Benefit Top Bush Fundraisers

EXECUTIVES' COMPANIES COULD GET BILLIONS

(By Thomas B. Edsall)

More than three dozen of President Bush's major fundraisers are affiliated with companies that stand to benefit from the passage of two central pieces of the administration's legislative agenda: the energy and Medicare bills.

The energy bill provides billions of dollars in benefits to companies run by at least 22 executives and their spouses who have qualified as either "Pioneers" or "Rangers," as well as to the clients of at least 15 lobbyists and their spouses who have achieved similar status as fundraisers. At least 24 Rangers and Pioneers could benefit from the Medicare bill as executives of companies or lobbyists working for them, including eight who have clients affected by both bills.

By its latest count, Bush's re-election campaign has designated more than 300 supporters as Pioneers or Rangers. The Pioneers were created by the Bush campaign in 2000 to reward supporters who brought in at least $100,000 in contributions. For his reelection campaign, Bush has set a goal of raising as much as $200 million, almost twice what he raised three years ago, and established the designation of Ranger for those who raise at least $200,000.

With the size of donations limited as a result of the campaign finance law enacted last year, fundraisers who can collect $100,000 or more in contributions of $2,000 or less have become key players this election cycle. The law barred the political parties from collecting large—sometimes reaching $5 million to $10 million—"soft money" contributions from businesses, unions, trade associations and individuals. This has put a premium on those who can solicit dozens, and sometimes hundreds, of smaller contributions from employees, clients and associates.

The energy and Medicare bills were drafted with the cooperation of representatives from dozens of industries. Power and energy company officials; railroad CEOs; pharmaceutical, hospital association and insurance company executives; and the lobbyists who represent them are among those who have supported the bills and whose companies would benefit from their passage.

The Medicare bill was scheduled to be acted upon by the House late last night. If passed, it will go to the Senate. The first comprehensive revision of energy policy in more than a decade passed the House this week, but in the Senate, the measure ran into a roadblock yesterday when opponents stopped it from coming to a vote. Sponsors promised to make further efforts to get the 60 votes to break the filibuster.

The energy bill provides industry tax breaks worth $23.5 billion over 10 years aimed at increasing domestic oil and gas production, and $5.4 billion in subsidies and loan guarantees. The bill also grants legal protections to gas producers using the additive methyl tertiary-butyl ether (MTBE), whose manufacturers face a wave of lawsuits, and it repeals the Public Utility Holding Company Act (PUHCA), a mainstay of consumer protection that limits mergers of utilities.

The bill has been the focus of a bitter ideological and partisan fight for three years. A leading sponsor, Rep. W.J. "Billy" Tauzin (R–La), Chairman of the House Energy and Commerce Committee, praised the legislation, saying, "All Americans can look forward to cleaner and more affordable energy, reliable electricity and reduced dependence on foreign oil for generations to come."

Public Citizen, which has tracked the legislation and correlated patterns of contributions to members of Congress and to Bush, denounced the bill as "a national energy policy developed in secret by corporate executive and a few members of Congress who are showered in special interest money."

Perhaps the single biggest winner in the energy bill, according to lobbyists and critics, is the Southern Co. One of the nation's largest electricity producers, it serves 120,000 square miles through subsidiaries Alabama Power, Georgia Power, Gulf Power, Mississippi Power and Savannah Electric, along with a natural gas and nuclear plant subsidiary.

The repeal of PUHCA, for example, would create new opportunities to buy or sell facilities; "participation" rules determining how utilities share the costs of new transmission lines that are particularly favorable to Southern; two changes in depreciation schedules for gas pipelines and electricity transmission lines with a 10-year revenue loss to the Treasury of $2.8 billion; and changes in the tax consequences of decommissioning nuclear plants, at a 10-year revenue loss of $1.5 billion, according to the Joint Committee on Taxation.

At least five Bush Pioneers serve as a Southern Co. executive or as its lobbyists: Southern Executive Vice President Dwight H. Evans; Roger Windham Wallace of the lobbying firm Public Strategies; Rob Leebern of the firm Troutman Sanders; Lanny Griffith of the firm Barbour Griffith and Rogers; and Ray Cole, of the firm Van Scoyoc Associates.

The railroad industry also has a vital interest in the energy bill. For years, it has been fighting for the elimination of a 4.3 cent-a-gallon tax on diesel fuel, and, at a cost to the Treasury of $1.7 billion over 10 years, the measure repeals the tax. Richard Davidson, chairman and CEO of Union Pacific, is a Ranger, and Matthew K. Rose, CEO of Burlington Northern is a Pioneer.

Among the major lobbying firms in Washington, Akin Gump Strauss Hauer & Feld, has been one of the most successful collecting fees for work on the energy and Medicare bills. In the first six months of this year, Akin Gump, which has two partners who are Pioneers—Bill Paxon and James C. Langdon Jr.—received $1.6 million in fees from medical and energy interests.

Barbour Griffith & Rogers received $1.1 million from similar clients.

On energy issues, Akin Gump represented Amerada Hess Corp., Waste Management Inc. and FirstEnergy Corp., Pacific Gas and Electric Co., BP Exploration and Phillips Petroleum Co. Two of those corporations have, in turn, executives who are major Bush fundraisers, Pioneer A. Maurice Myers, CEO of

> Waste Management; and Anthony J. Alexander, president of FirstEnergy, a Pioneer in 2000 and again in the current campaign.
>
> On Medicare issues, Akin Gump represents the Pharmaceutical Research & Manufacturers of America, Johnson & Johnson, Abbott Laboratories and Pfizer Inc. All would benefit from the expanded markets resulting from a key provision of the bill—the first federal subsidies to help Medicare patients pay for prescriptions.
>
> Hank McKinnell, chairman and CEO of Pfizer, has pledged to raise at least $200,000 for Bush's reelection, although he is not yet listed as a Pioneer or Ranger. Pioneer Munr Kazmir, who runs a direct-mail drug company called Direct Meds Inc., estimates that he has about 100,000 customers on Medicare who will have more money to buy drugs from his company. "We know the patients, we know how important this bill is," he said.
>
> In addition to the prescription drugs provision, the Medicare bill is intended to encourage recipients to join preferred-provider organizations (PPOs) and other kinds of private health care, instead of receiving care through the traditional fee-for-service system in which they pick their doctors and generally get whatever care they request. The health industry has provided substantial support to the Bush campaign, and a number of officials whose companies and associations actively support the Medicare bill are Pioneers and Rangers.
>
> Pioneer Charles N. Kahn, president of the Federation of American Hospitals, said that the Medicare bill will make "important strides in ensuring that all hospitals have sufficient funding to meet the medical needs of this nation's seniors." A federation spokesman noted that the bill provides more money for rural hospitals and for hospitals serving disproportionate numbers of the uninsured, and that it prevents doctors from setting up new competing specialty, or "boutique," hospitals.
>
> M. Keith Weikel, chief operating officer at HCR Manor Care, a chain of more than 500 nursing homes and other facilities serving the elderly, is another Pioneer. Weikel and Manor Care did not respond to requests for comment on the Medicare bill, but the major nursing home trade group, The American Health Care Association, strongly endorsed the bill, which among other things, would continue to bar Medicare from capping the amount it covers for various therapies offered by health care providers such as nursing homes.

Mr. HARKIN. The article goes on to describe how the drug industry got everything they wanted. I think seniors in this country deserve more. They deserve to be put first in the process. Instead they have been put last. Corporate interests, insurance companies, pharmaceutical companies, they come first. It speaks volumes that on Wall Street the health industry and drug stocks have surged with the emergence of this bill. Corporate executives may be popping their champagne corks in celebration of what happened here today, but seniors are left scratching their heads and wondering why their interests were forgotten.

Maybe they assumed that the AARP would stand up for their interests. But AARP has brazenly betrayed the wishes of its members. Seniors need to know what direction Medicare is taking and whose side the AARP is on.

It says everything about this bill that Newt Gingrich is urging Republicans to vote in favor of it. Remember, this is the same Newt Gingrich who was Speaker of the House and expressed his desire to let Medicare wither on the vine. Mr. Gingrich is one of those ideologues who insists that the private marketplace will solve all of our problems. It would make his day to see Medicare dismantled. If he is for this bill, that ought to give us pause for concern.

Mr. Gingrich and his rightwing friends love this bill, like the head of Americans for Tax Reform, Grover Norquist, who once said:

> My goal is to cut government in half . . . to get it down to the size where we can [drag it into the bathroom] and drown it in the bathtub.

Today, with this vote on this bill, Newt Gingrich's dream is coming true. The bill is a first step toward privatizing Medicare. You can bet that once the ink is dry, they will be starting on Social Security and going after that, too. Mr. Gingrich even went so far as to say he believed the pharmaceutical companies are getting unfair treatment; that they are punished by the success. Wrong. The bill doesn't ask for a penny from the pharmaceutical companies. I disagree.

On page 53 of the bill, it protects drug companies from Government efforts to negotiate lower prices. That is on page 53, line 18. It says that Medicare cannot negotiate for lower prices for drug companies.

A recent Peter Hart poll found that almost two-thirds of seniors view this bill unfavorably. Most of them identified themselves as members of AARP, American Association of Retired Persons. Among those AARP members, only 18 percent said Congress should pass this bill, while 65 percent said Congress should get back to work. Last week, AARP members from Maryland, New York, and Pennsylvania tore up their membership cards in front of their organization's headquarters here in Washington. Members are accusing William Novelli, CEO of AARP, of "selling out" to insurers and selling out to Newt Gingrich. Where did they ever get that idea?

Well, in fact, the relationship between Newt Gingrich and the bigwigs at AARP goes way back. William Novelli, the head of the AARP, wrote the preface to Gingrich's book, "Saving Lives, Saving Money." In that preface, he states:

> Newt's ideas are influencing how we at AARP are thinking about our national role in health promotion and disease prevention and in our advocating for system change.

That is Mr. Novelli in Newt Gingrich's book. I would have to ask Mr. Novelli which of Newt's ideas are "influencing how we at AARP are thinking"? Is it Newt's wish that Medicare wither on the vine? Is that influencing Mr. Novelli's thinking?

AARP's endorsement is disturbing for another reason. They have a flagrant conflict of interest in this matter. They receive vast revenues from the sale of insurance to seniors. Royalties from such arrangements include deals with UnitedHealthcare Insurance Company, Metropolitan Life Insurance Company, and Advance PCS pharmacy benefit manager. All that accounted for more than one-third of AARP's $630 million in revenues last year, according to AARP's 2002 annual report.

If you open up any newspaper in the last 3 days, you have seen full-page ads by AARP telling you why this is such a good bill—full-page ads in USA Today, the New York Times, Washington Post, and on and on.

First of all, I want every elderly person who belongs to AARP to think about this and the dues they pay. Think of all that money being siphoned off to ad agencies. Think about all that money being spent on these full-page ads to get Congress to rush this through and pass it. Well, Americans deserve better from AARP. They deserve better from Congress.

This bill reflects the priorities of Newt Gingrich, who has been hostile to Medicare since its inception. Seniors know this bill is a betrayal. They know who the winners and losers are with this bill. HMOs, PPOs, pharmaceutical companies, on premium support, they win, and seniors and disabled lose. On cost containment, they win because Medicare is prohibited from bargaining for better prices, and seniors and disabled lose. On drug coverage, pharmaceutical companies win and seniors lose. On health savings accounts—my, my, my, now we have them—HMOs win, seniors lose; stabilization fund—a slush fund is what it ought to be called—again HMOs and PPOs win, and seniors lose; on competition, pharmaceutical companies win big time on that and seniors lose.

It may seem in what I am saying tonight that somehow I am opposed to insurance companies. Nothing could be further from the truth. In my State of Iowa, I think we are, if I am not mistaken, the second largest domiciliary for insurance companies in America, second only to Connecticut. Insurance has a prominent role in Iowa. It employs a lot of people. Insurance can provide meaningful protection for a lot of people. I happen to have a lot of insurance—homes, cars, life insurance; I have all kinds of insurance. It is a good deal. I have benefited from insurance. Insurance is good. It shares the risk. You put people in a large pool and it shares the risk. That is the basic essence of insurance, and there is one principle of insurance that everyone understands, or should understand: The bigger the pool, the less the risk for everyone in the pool.

But what is Medicare doing? What are we doing in this bill with Medicare?

We are dividing up the pool: a little bit here, a little bit there, and a little bit there. Under the health savings accounts, the healthiest will opt out. Under premium support, the healthiest will be cherry-picked by the HMOs.

The PRESIDING OFFICER. The Senator's time has expired. Under the previous order, the Senator from Nevada is recognized.

Mr. ENSIGN. I ask unanimous consent that Senator GRASSLEY be recognized for 2 minutes to make a point, and then I will follow.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. GRASSLEY. Mr. President, there is an issue that my colleague from Iowa brought up that I don't want to take exception to or argue with him about. He finds fault with something on page 53 of this bill called noninterference. That is perfectly legitimate for him to take that point of view. But I want to point out something that Senator SANTORUM had pointed out earlier in the day's debate, in which a very similar noninterference provision was in a Democrat prescription drug proposal introduced May 10, 2000.

I don't mind intellectual arguments against this, but when Republicans take a Democrat idea and put it in our bill, I don't think it is fair for colleagues on the other side of the aisle to find fault with what we are doing. I only want to make that point. I don't want to argue with my friend from Iowa. I think everybody ought to know that this is something that has had broad bipartisan support.

I yield the floor.

Mr. HARKIN. Will the Senator yield because I was mentioned? I just want 30 seconds. I was opposed to it at that time, too. I was opposed to the noninterference at that time. I have always been opposed to it.

Mr. GRASSLEY. I thank the Senator.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. ENSIGN. Mr. President, I now want to take my time and talk about the Medicare reform and prescription drug bill that we have before us today. I rise to explain how and why I am going to vote on this bill.

From the day I was sworn into office in 1995 as a Congressman, I have spent as much time on strengthening the Medicare program as I have any other single issue considered by Congress.

On the Health subcommittee of the House Ways and Means Committee, I learned the details of how this comprehensive healthcare system works for our seniors and the disabled.

I have tried to keep true to the principle of making Medicare more oriented to keeping seniors healthy, not just waiting until they become ill to treat them.

With the growth of Medicare costs and the baby boom population, I also believe just as strongly that the structural security of Medicare must be kept healthy and reforms must not wait until the program is ill.

As a Senator, I have continued to pursue my passion for healthcare policy. I campaigned on and introduced my own Medicare prescription drug bill, along with Senator CHUCK HAGEL.

I was proud that our bill received the votes of a majority of the Senate when it was considered last year, although not adopted as the final bill.

Aside from the prescription drug benefit in the bill, I strongly believe that for Medicare to remain healthy, structural reforms must take place that control unnecessary costs through market forces and allow the program to operate more efficiently and more preventatively.

This bill contains a number of provisions that I hope will help drive down the increasing costs of health care, not just for our seniors, but throughout the entire healthcare market place.

Health Savings Accounts will give patients control over their care, to include who patients go to for care, as well as control over their individual expenditures. If shown to be successful, this would be the most sweeping healthcare reform since the managed care model over a decade ago.

Likewise, income-relating of the Medicare Part B premium, the disease management demonstration project, and the prescription drug card with a private account—by the way, that was a component of the bill Senator HAGEL and I introduced—are all positive aspects of this legislation.

I am pleased that in the bill are two other critical reforms that I spearheaded in the House and now in the Senate.

Placing a 2-year moratorium on the outpatient therapy cap is a win for our oldest and sickest Medicare seniors. Those who suffer from life-threatening ailments such as Parkinson's disease and stroke should not have to pay every dollar out of pocket just because they require additional care.

The bill also includes a provision that eliminates the late penalty military retirees pay for joining Medicare. Our military retirees, who gave so much of their lives to our country, deserve access to the best healthcare benefits available without being penalized for changes in the system. They thought they were going to get lifetime Health Care. Then, when they were put into the Medicare system they were not informed, or at least many of them were not aware that if they did not sign up right away, later they would have to pay extra penalty costs.

Joining me in helping to get these passed was Senator LINCOLN, and I would like to thank her for all of her efforts.

The reason I have struggled so fervently over the merits of this legislation is the substantial financial burden this bill places, not only on the Medicare program, but on the country.

The benefits in this bill will assist seniors and disabled Americans only to the degree that our Nation is fiscally able to sustain paying for it. That is why I drafted a bill that was responsible to the next generation of workers who will bear the burden of paying the price tag on Medicare prescription drugs.

I want to put up a couple of charts that help us understand what we are dealing with for the next generation.

Until 1970, we had about 20 million seniors in our Medicare Program. Today we have a little over 40 million seniors, 30 years later. Thirty years from now we will have close to 80 million seniors, equaling another doubling of the number of seniors.

This chart shows the problem. These are the number of workers per senior, per retiree, per person over 65 who we have in this country. In 1970, for every one retiree we had a little over seven people, on average. In 2000, that had slipped to 3.9. When that huge expanse of the baby boomers is in full bloom in 2030, we will have 2.4 workers for every one retiree.

I remember Senator Phil Gramm telling us that means there are a lot more people riding in the cart and a lot fewer people pulling the cart.

I believe this bill threatens the fiscal security of the Medicare Program and compromises the continued growth of our economy by lacking the necessary cost controls to keep it from consuming our domestic budget. I personally believe the cost of this bill is grossly underestimated. By the time the drug benefit goes into effect in 2006, we will have a better understanding of the enormous cost of this bill but at that time it will be too late to do anything about it. Without measures to contain overutilization, the Government or the private sector plans will be forced to ration prescription drugs for our seniors, similar to the way care is rationed in Canada.

While all major legislation requires legislative corrections after becoming law, I believe that before the ink is dry on this new benefit, a campaign will be underway to expand this program by closing the coverage gap that exists in the bill. I believe there will also be efforts also to reduce deductibles and reduce premiums as well, further transferring costs onto the next generation.

While providing seniors with a prescription drug benefit is so very important to all of us, it must be done in a way that does not bankrupt Medicare and threaten future access to care in our country for our seniors. It also needs to be fiscally responsible to the next generation.

I believe the Congressmen and Senators who put this bill together labored so intensively, and they did it for the right reasons. They had pure motives. I also appreciate the leadership the President has shown on this issue. In fact, if we would have adhered more to the principles that he laid out at the beginning of the year, I believe we would have a much better bill before us today—perhaps a bill I could support.

I am very disappointed in the debate these last few days in how people have politicized this bill. Unfortunately, I believe many have done so for their own political benefit. There have been many things said about this bill. You could say many negative things about this bill, and you could say many positive things as well. However, what we ought to do in this Chamber is at least talk about what is in the bill and what is not in the bill. To mischaracterize the bill, I believe, is patently unfair, and it is just wrong to scare senior citizens into thinking that Medicare is somehow going to go away.

We must remember that most of the private sector reforms in this legislation do not even kick in for several years. So to scare seniors I just, frankly, believe is wrong.

I have anguished deeply over this bill. There really are some positive things in it, things that I like. But, overall, I just believe the negative things in it outweigh the positive. That is why I, unfortunately, am going to have to vote against this conference report.

I look at the chairman of the Finance Committee who is on the floor right now, and there is just no finer person in the Senate than Senator GRASSLEY.

So it is with a heavy heart that I announce that I am going to vote against final passage of this bill because I know that he did his best to put together a bill with all the different people he had to work with in the House and the Senate, the various interest groups and the like. But I believe this bill does not rise up to the level where I think the positives will outweigh the negatives in the future. I think the costs are going to be too great. Looking at the first 10 years, it is estimated to be around $400 billion. For the second 10 years, I know of estimates as high as $1.7 trillion. Do we really want to shoulder our children and our grandchildren with this burden? That is a question each of us has to least ask ourselves, and go into this with our eyes wide open. Twenty years from now when we look back on this debate and on our entire careers, will we be able to say we really did what was right for the future of our country? I hope that in fact we can.

I yield the floor.

The PRESIDING OFFICER. The Senator from Florida.

Mr. NELSON of Florida. Mr. President, I had the privilege of addressing the Senate yesterday on this bill. This is the bill that we are considering—some 675 pages. My statement yesterday announced that after spending the better part of the weekend trying to comprehend some of the details of this bill, I have come to the conclusion that I will vote against this legislation for a number of reasons.

As has been stated by so many Senators, there is a lot that is good in this bill. Clearly, the part about reimbursement to doctors and other health care providers is very important. Interestingly, while giving enormous subsidies to PPOs and managed care to the tune of some $12 billion, they take away from oncologists and other cancer providers in this bill $11.5 billion. That is a part to which I strenuously object.

For my predecessor, Senator Connie Mack, who has been at the forefront of the fight against cancer, this is one of the provisions that is causing him enormous agony. Visiting with so many of the oncologists all over the country, it is just inexplicable to them as to why there would be a $11.5 billion cut on cancer care. The truth is, it was a tradeoff. It was a tradeoff back when we originally considered the bill in the Senate to provide for rural health care. You had to get the money from somewhere. The choice was to take it from cancer care. I think that was not only a poor choice, but I think it was a tragic choice. But that is in this bill. That is one of the reasons I am against it.

But there are other things that are good in this bill, and a lot of that has to do with trying to get physicians and other health care providers adequately compensated instead of cuts that were enacted some 5 to 7 years ago in the Balanced Budget Act of 1997, which really started cutting health care providers to the bone in their Medicare reimbursement.

But there is a lot more in this bill that is causing me great concern. It is why I am going to vote against it. I want to share that with everybody.

One of the toughest jobs that I have had in a lifetime of public service is the years that I served as elected Insurance Commissioner of the State of Florida. I inherited a mess in the aftermath of Hurricane Andrew. I had to learn something about insurance marketplaces and how in a devastated insurance market we could encourage and nourish the free market back to competition. In the aftermath of Hurricane Andrew, the insurance companies—other than the 12 that went bankrupt—were fleeing the State of Florida. Those who stayed were cancelling homeowners right and left.

We had to dig in to see what would make that insurance marketplace back, and what would encourage insurers to come back into the marketplace; at the same time, what would provide the needed commodity—namely, in this case homeowners insurance—to the consumers of Florida.

Because a marketplace had been disrupted by the most costly natural disaster in the history of the country in insurance losses, a lot of it we had to learn by first impression. We were successful in doing that. It took a long time. It was very difficult. One of the things that I learned about insurance in the marketplace is when you get to health insurance, you should let the principle of insurance work for you; that is, you take the health risk and spread it over the largest possible group so that the health risk—when it comes out in costs because people get sick and they have to have health care expenditures—because it is a huge group and it is a diverse group in age and health, the per unit cost comes down.

One of the things that used to frustrate me the most as the Insurance Commissioner of Florida was when the new products would be filed, they would be filed for a very small group. The insurance company would drive the cost of the premium down so that it made it very attractive for people to take that particular brand of health insurance. But over the course of time, instead of the insurance company continuing to expand that group, they would keep it stagnant. Over time, people would drop out. Over time, people would get older. Over time, people would get sicker. The group would start getting older and sicker and smaller. Since the group was defined and not expanding, what do you think the costs were going to be? The costs were going up. That meant the premium was going up in order to make that group actuarially sound in what they were charging for that insurance.

People were stuck in an insurance group. They had no place else to go because they weren't employed by a big employer. They certainly couldn't go out on their own and buy a policy for one individual. The cost would be astronomical for that. They were stuck in a spiraling, upward cycle of insurance costs and insurance premiums that went to the Moon.

I saw people literally cry giving testimony about how they could not afford it.

I learned something from that. I learned that if you are going to have a logical way of handling health insurance, it can't be with a small group. It can't be with a segmented group. It needs to be with a large group.

Beyond this particular bill, as we look ultimately to the future of what we are going to do about health care delivery and its costs in this country, in my judgment, since I would like to see it delivered by the private sector and free market competition, you are going to have to expand the groups. You are going to have to make them as large as possible so that the companies compete for that business. It is when you start to shrink that large group that you get into trouble. Senators, that is what this bill starts to do. It starts to selectively take people in Medicare, segmenting them, separating them, dissecting them, and ultimately when the healthier people in America—in this particular case, Medicare—when the healthier people in Medicare are siphoned off, it leaves the sicker seniors to be dealt with in Medicare. And what will happen to the cost? The cost will go up and it will go up big time.

The figure has been thrown out in this bill that the starting point for the premiums for the Medicare prescription drug benefit will be $35 a month per person. That is not going to happen. It will happen when it starts off in 2006, but as the group gets sicker, the costs are going to go up and the premiums—that $35 per person per month—are going to go through the roof.

Why are they getting siphoned off? Look at the provision. The provision says we are going to divide up the country in regions. Say one State is a region. First of all, it says that you are going to offer the benefit in 2 ways. It will be offered with what is called a PDP, or prescription drug plan, and there is going to be the alternative of managed care, either a PPO or an HMO.

What this bill provides is the incentive for the healthier seniors to go into the PPO or the HMO because this bill has a very generous subsidy—as a matter of fact, $12 billion—to be used at the discretion of the Secretary of HHS, to nourish the PPOs so they can bring their costs down, so they can make it very attractive to senior citizens to come into the PPO because they can get their health care cheaper—indeed, all of their health care, including the Medicare fee for service.

Also in this bill is a healthy subsidy for HMOs. This bill does not allow reimbursement for HMOs per patient like Medicare at 100 percent but kicks it up an additional 9 percent, 109 percent reimbursement. So the Medicare HMO then will be able to offer lower costs for services, thus enticing the senior citizen population, particularly the ones who are healthier, particularly when they use such recruiting methods as going into bowling alleys and recruiting seniors to come into the managed care operation, the PPO or the HMO.

What will that do? That is going to leave the rest of the seniors to get their drug benefit from the only other available way, which is the prescription drug plan. And if their seniors are sicker, what do you think will happen to the cost? The cost is going to go up and the marketplace under this bill is starting to be fragmented, violating the principle of insurance which is, take the largest possible group, spread the health risk over the group, and it brings down the per unit cost.

There is another way it is being fragmented, and that is the basic health care population in America. If another 5 or 10 years down the line we ever want to do major health care insurance reform—and it is done around employers just because we have done it that way historically—if your employer is a big employer, such as the Federal Government or General Motors, you have a big group in which to spread the health risk. But what happens if the employer has five employees or two employees or one employee? It is not an efficient way of delivering health care through an insurance system.

Indeed, that provision in this bill is another way of fragmenting that population, another way of segmenting that population that ultimately, when we have to face this crisis—as surely we are going to someday—you cannot keep operating in a country this large, with 44 million people who do not have health insurance, who at the same time get health care because when they get sick they go to the most expensive place at the most expensive time—to the emergency room—when sniffles have turned into pneumonia. Sooner or later, the crisis will become apparent and we will have to deal with it, if the entire population has been so fragmented as a provision of this bill in creating health savings accounts.

Now, for people who have some means of income, this is a very attractive alternative. Health savings accounts will allow someone to take dollars, without paying tax on them, and put them into a health savings account at the end of the year. Unlike in present law regarding medical savings accounts where, if the dollars are not used, they self-destruct, these dollars will accumulate. And it will not be just for medical emergencies. Those dollars can be put aside. They can go out and buy an insurance policy that has a high deductible, such as $5,000. Even if they put $5,000 into the health savings account, they have saved a lot of money because of the cost of insurance if they were getting, say, a $500 deductible policy. That money can accumulate and they can pay for other things than medical expenses, such as cosmetic surgery. So, for a good part of our country that has the financial wherewithal, that is very attractive.

It is dissecting the overall insured population, and when the crisis comes, it will make it very difficult to get these large pools upon which we can spread the health risk and where private sector insurance companies can come in and bid for that particular pool. That is another reason I oppose this legislation. It violates the principle of insurance.

Some talk about it as a giveaway to the HMOs and the PPOs, pushing seniors into managed care where they lose their choice of doctors. That speaks for itself. Over time, when this kicks in, in January of 2006—that is another 2 years and 1½ months—people are going to start realizing what has happened.

There is another reason I oppose this bill. That is, you cannot go out and offer the alternatives I have just explained for prescription drugs, subsidized by the Federal Government for managed care, without private employers who have drug coverage for their former employees, now retirees, without the private employer asking, why do I want to continue this costly prescription drug coverage for my retirees when, in fact, I will let these retirees go on in to the Medicare system of prescription drugs.

If it were an equal prescription drug benefit, that would be OK for the senior citizen, the retiree. But the shock they are going to get is when their private employer, former employer, drops them as a retiree and they look to Medicare under this bill to give them a prescription drug benefit, and, lo and behold, they will find it is a very inadequate benefit. If they have $5,000 worth of drugs that they have to buy in a year, the senior citizen under this plan is going to pay out of his own pocket $3,600, $3,600 under this prescription drug plan for the senior citizen who has an annual prescription drug cost of $5,000.

So all of these retirees who are going to be dropped are going to be quite shocked and quite unhappy and quite disappointed, when they thought they were getting a full prescription drug benefit.

So in my State, for example, it is estimated by one of the very credible studies—and I have heard no one who has disputed this study—that 2.7 million retirees will be dropped from their private drug coverage. In my State of Florida, that translates to 166,000 people. And I suspect that is going to be a very unhappy 166,000 people in the State of Florida.

It is true that since this bill does cover those up to 150 percent of the poverty level, there is going to be, for that group, some increased coverage that they do not have now, but it is not going to be much. It is not going to be much because a lot of that group who would otherwise qualify because they meet the income test of being at that level of the poverty level, lo and behold, this bill now puts an asset test on them. That asset test is going to disqualify thousands of them. And if it does not, they are going to see that they are limited, under this bill, in the brands of drugs, the brand name drugs, because this bill defines their receipt of drugs in a class, and that class of drugs is yet to be determined. There are going to be some disappointed seniors.

There is another reason for opposition to this bill. We talked about there not being any competition for the prescription drug plan and how—since there do not have to be two prescription drug plans competing against each other and therefore holding the cost down, holding the premium down—that

$35 monthly premium is going to go up. But in this bill there is also another violation of a principle we have found in Medicare ever since Medicare was set up in 1965; and that is, the premium is universal. The farmer in Iowa who is retired is paying the same premium as the retiree in Miami Beach, even though the costs of health care in Iowa and Minnesota are much less than the cost of health care in south Florida. There is a universality of the Medicare Part B premium.

That is going to be broken up, not on the Part B premium but on the Part D premium, because this bill causes the division of the country into at least 10 and some say as many as 50 regions in this country, each to be actuarially determined what is going to be the premium that will be actuarially sound with regard to that premium, with regard to the group, and with regard to the cost. So I do not think this bill is procompetition even though that is how it is being sold.

The last reason I will state tonight of my reasons for opposition is one that has been mentioned many times here. Mr. President, $400 billion is lot of money. It depends on how you look at it. The Senator from Nevada, who just stood up and announced he was voting against the bill, has made a very eloquent statement about the cost being so high, $400 billion, at a time we are hemorrhaging to the tune of half a trillion dollars in deficit financing this year.

But I might want to take it in another direction and say, yes, $400 billion is lots of money, but it is not being efficiently used. The reason it is not being efficiently used is that Medicare is strictly forbidden, in this bill, from negotiating with pharmaceutical companies for bulk purchases.

Now, I thought we were for free market competition. I thought we were for letting the market forces determine what the price is. But this is an exact opposite of that. This is an interference in the private marketplace for it says Medicare cannot negotiate in bulk purchases a price less than the retail price. It is in here. It is in here not only on one page, it is in here on two pages.

It is unlike what has been done for nearly 20 years in the Veterans' Administration, in a bill that passed this Senate on a voice vote because it was so noncontroversial that the U.S. Government would negotiate through bulk purchases for the acquisition of drugs for the Veterans' Administration.

The Veterans' Administration is serving a population of about 25 million veterans. Medicare is serving a population of about 41 million Americans. If the Veterans' Administration can negotiate prices downward, why should not Medicare be able to lower the cost of the drugs to seniors? It is not logical that you would not. And it certainly is not logical when you consider we are constrained under the Budget Act that we cannot spend more than $400 billion, until we waived that today.

So $400 billion, at a retail price of a drug, that on the retail market is going to cost at least twice the cost of the drug to the Veterans' Administration, which is buying in bulk—we would be able to provide so many more of the benefits of prescription drugs to seniors without their having to pay so much in a deductible and in copays; and in some cases the copay is an entire 100 percent until they get past the threshold of spending $5,000 a year for drugs.

Now, I have counted noses. This thing is going to pass. It is either going to pass tonight or it is going to pass in the morning. It passed the House two nights ago, when they held the vote open for 3 hours until they twisted arms and turned the vote around. So it is going to pass.

Well, it is not going to pass with my vote for the reasons I have stated, that I think are against the interests of the United States and my State. But I am going to do something about it after it passes because I have already started drafting a bill that is going to say, what is good for the Veterans' Administration ought to be good for Medicare as well, and that if the Veterans' Administration—under a law that has been in effect for two decades, that was noncontroversial when it was passed—can purchase in bulk and therefore bring the price down, so, too, ought Medicare, for the sake of our senior citizens, be able to get a more extensive prescription drug benefit than the meager one they are going to get in this bill.

I will be introducing that bill. I think one of the people I am going to work with is my senior Senator, Mr. GRAHAM, since he has announced his retirement in the last year of his service as a Senator, and the two of us will put together a comprehensive package. But that is certainly one aspect of it that we are going to be following.

I thank the Senate for its attention. I yield the floor.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I would propose to proceed for a short period—I think we are going back and forth—unless one of my colleagues signifies to the contrary.

I have listened very carefully, as indeed I think all Senators have, to the very strongly held views of colleagues on this bill. My good friend, the Senator from Florida, who proudly serves on the Armed Services Committee, and I work together. I was quite interested in what he had to say. I guess on most military issues we are together, but on this one we seem to have differences of opinion. I would say that our distinguished colleague from Florida does represent quite a few senior citizens, so I expect he has done a little bit more of his homework to develop his views here tonight. Nevertheless, I respectfully differ, and we are going to have to think what is in the best interest of the country as we approach this vote, whenever that will occur.

I rise in support of the conference report to H.R. 1, the Medicare Prescription Drug and Modernization Act of 2003. Medicare was created in 1965, a nationwide insurance program that offered health insurance protection for approximately 40 million older Americans and those who have had the misfortune of becoming disabled. The program provides broad coverage for many health services, but there are gaps—how well we know that—in this program that has been working since 1965. Those gaps create no coverage in some instances. That is the reason we are here today, to plug those gaps.

I think under the leadership of the distinguished Senator from Iowa, Mr. GRASSLEY, the distinguished majority leader, many others who have worked so long and hard on this bill, we have done more than plug the gaps. We have done more. I hope that increase, which is well deserved by the seniors, is appreciated because it is important to these individuals.

I myself proudly fit into the category of a senior citizen. In fact, when I am speaking publicly, quite often I am not introduced as a senior Senator but as a senior citizen. There is usually a lot of laughter among the crowd, but I look them square in the eye and say that I am very proud to have that status as a senior citizen. My mother lived to be 98 years old. I kind of hope I can follow along in her footsteps.

One area in the current Medicare Program where a major gap exists is in the coverage of prescription drugs. We know that so well. Medicare currently provides no outpatient—if you are in the hospital, you can get some—prescription drug coverage. That is because when Congress created Medicare in 1965—it is interesting, when they created it in 1965, prescription drugs were not a major component of the health system.

That is fascinating to me. My father was a medical doctor. He was a surgeon. I remember he used to carry that black bag, and he used to have several bottles of pills in it, to the best of my knowledge. I know he was very careful in how he dispensed all those drugs. But when we stop to think, it has been a dynamic, if not revolutionary, change in the practice of medicine and health care owing to the development of prescription drugs. So since 1965, there have been a lot of positive developments in health care.

One major positive development is prescription drug innovations. We are proud in America of the many innovations we have had. Those innovations have improved the quality of life for those with chronic conditions such as heart disease, diabetes, arthritis, and others. Prescription drugs are now an essential component of today's health care system. They often allow individuals to stay out of the hospitals and, therefore, not become a burden on the already overburdened health care system in the United States. That is owing to prescription drugs.

That is the reason—the prescription portion of this—why I am so fervently and strongly in support of this legislation.

I have had the good fortune of representing the citizens of the Commonwealth. I was talking to the distinguished majority leader. When this session of the Congress concludes, it will be 25 years. A quarter of a century I have been privileged to serve in this Chamber. Throughout that period of time, as all of us do, we travel extensively throughout our States. We have our town meetings and otherwise. How often have all of us come across those individuals who simply say they struggle to pay for these prescription drugs, a well-worn but truthful phrase. Often they give up the bare necessities of life—food and shelter—to pay for their drugs. So we have all heard those stories.

I am proud that this act will go a very long way to remove that anecdotal phrase from our town meetings and from these individuals. They are not aggressive about it. Really, they are very sad and almost embarrassed to say they have to dip into their basic necessities of food and shelter to meet their daily requirements, weekly requirements, whatever the case may be.

Some say they ration the drugs they are instructed to take by their physician. Imagine that. A physician says you take a pill a day, and they can't afford it. They take a pill every other day. That is just impacting the health of so many people.

I hail this section on the prescription drugs. I think it is a remarkable step forward. This outpatient benefit is long overdue. Now we are about, with a historic vote, to provide that.

Many of us have worked these years to try to come to this point in the Senate where we do have this prescription drug outpatient Medicare Program. I have in the past voted for a number of pieces of legislation, have cosponsored a variety of bills to add such a prescription drug benefit. In fact, in an effort to reach a legislative consensus, I even offered my own bill. It was bipartisan. I was joined by Senators COLLINS and DAYTON early this year. It was very simplistic. I look at the remarkable size of that. It is about 8 inches thick. Our bill was probably not more than a dozen or so pages, but at least it went to a partial solution of this problem faced by so many people who could not afford their drugs.

None of these measures ever got enough support in either the House of Representatives or the Senate. As a result, while we in Congress continued to debate this issue, America's seniors continued to suffer.

Today, though, we have a historic opportunity before us. Early Saturday morning the other body passed their report and now we are about to pass ours. I am confident we will. At that moment, across this Nation will go the voice of the Congress saying that we have at long last, since 1965, done our best to try to put together legislation to take care of the 40 million beneficiaries of Medicare that exist today.

Under this legislation, starting in 2004, all Medicare beneficiaries will be able to receive a Medicare-endorsed prescription drug discount card. It is estimated these cards will save seniors between 15 and 25 percent on their prescriptions. Low-income beneficiaries will also receive a $600 subsidy on their card towards the purchase of prescription drugs.

I am very proud in the way the drafters of this bill have put such a tremendous emphasis on the low-income Americans. Pain knows no class, no age. Pain is endured by all. Perhaps those of us who have a bit more than others were able to alleviate our pain, but we certainly cannot let those less fortunate than ourselves suffer.

So I think this $600 subsidy is a magnificent part of this bill.

Then, starting in 2006, beneficiaries will be able to, at their option, sign up for a new Medicare prescription drug program. This program is entirely voluntary, so if a senior already has solid prescription drug coverage and does not want to participate, he or she doesn't have to sign up for the program.

Those seniors that do voluntarily sign up for the program will receive standard prescription drug coverage that covers 75 percent of a senior's drug costs up to $2,250 in drug expenses, after meeting a $35 monthly premium and a $250 deductible. After a beneficiary has spent $3,600 out of their own pocket on prescription drugs, the standard plan's catastrophic coverage will cover at least 95 percent of prescription drug costs.

Under the bill, very generous assistance is provided to low-income beneficiaries. In my view, these low-income provisions are truly the hallmark of the bill, as these seniors are truly the one's who have most struggled to obtain the prescription drugs they need. These seniors will pay little or no premium and little or no deductible, based on their income, and will only have to pay at most a $2 copay for a generic drug and up to a $5 copay for a brand name drug.

What does this new drug benefit mean to Virginians? If passed and signed into law, it will provide the nearly 1 million Medicare beneficiaries in the Commonwealth with access to a Medicare prescription drug benefit for the first time in the history of Medicare. Almost 400,000 of these individuals will qualify for the generous low-income benefits.

But, not only does this legislation directly help Virginia's Medicare beneficiaries by providing a prescription drug benefit, the legislation also provides needed enhancements to Medicare providers to ensure they are more adequately reimbursed for their services. As we have seen, without adequate reimbursement, health care access can become a real issue as doctors and other health providers cut back services or even close their doors to Medicare beneficiaries.

That is one of the reasons I strongly support this bill. We simply have to help those people access the care which those of us here in the Senate and the Congress enjoy, and indeed that many other Americans with larger corporations and small businesses enjoy, too. Some of them are being denied the Medicare rights.

This legislation recognizes this fact and provides significant assistance to Medicare providers. For example, the bill blocks the proposed 4.5-percent cut in physician reimbursement in 2004 and 2005 and updates their reimbursement by 1.5 percent in both 2004 and 2005. This one fix alone will result in an influx of almost $200 million into Virginia's health care system.

Now, while I strongly support this historic legislation, I must admit that in no way is this bill a perfect bill. It is certainly not the bill I would have drafted.

But, our leaders in the Senate on this legislation—the bipartisan team of Senator GRASSLEY, Senator BAUCUS, Senator BREAUX, and our Majority Leader Senator FRIST—really should be commended for their work. After the Congress has for years struggled to reach an agreement on this matter, we have finally reached what appears to be a strong, compromise bill that the President will sign.

And, while I intend to vote for this bill shortly, I do wish to take a moment to raise a few brief points of concern that I believe Congress must carefully watch as this legislation is implemented.

First, Congress must be cognizant of the fiscal impact of this bill and its long term effect on Medicare and our Federal budget. The Congressional Budget Office estimates that this legislation will cost the taxpayers approximately $400 billion over the next 10 years. Over the next few years we must closely watch the implementation of this new benefit to ensure that the program's costs do not explode exponentially beyond the CBO estimate. To do so would leave a tremendously unfair burden on America's younger generations.

Next, we in Congress must pay close attention to the possible unintended consequences of this legislation. Almost ⅓ of all seniors currently have retiree employer-sponsored prescription drug coverage. However, due to rising health care costs, more and more employers are dropping retiree health coverage. This legislation will provide a solid fall-back plan for those seniors who lose their retiree coverage due to rising costs.

In crafting this legislation, though, we were mindful of the prospect that the mere existence of a Medicare prescription drug benefit might somehow encourage companies to drop their retiree prescription drug plan. This is certainly not our intention, and the legislation provides important Federal incentives to employers who offer good retiree prescription drug coverage. Nevertheless, we in Congress must provide strong oversight to ensure that this legislation does not have the unintended effect of actually causing retirees to lose existing employer-sponsored coverage.

Finally, I regret that the bill before us today includes provisions that would sharply cut Medicare funding for cancer care provided to Medicare beneficiaries. After the Senate passed Medicare bill included a $16 billion cancer care cut, I fought hard with Senator SAM BROWNBACK and Senator BILL NELSON to ensure that the final bill contained little or no such cut. Together, we garnered the support of 53 U.S. Senators. Ultimately, though, the Conference Report to H.R. 1 cuts reimbursement for cancer treatment by approximately $11 billion over the next 10 years.

Proponents of this cut claim that it is needed so that cancer treatment reimbursement more accurately reflects the true cost to the physician. On the other hand, the hundreds and hundreds of cancer patients and oncologists who communicated with me on this issue maintain that these cuts will be devastating to cancer care in this country.

I remain committed to working with my fellow Virginians and others in the Senate to ensure that cancer patients are not negatively affected by these provisions.

In closing Mr. President, the bill before us today is the product of a number of years of hard work by a lot of people in the Congress. It presents the best opportunity we have ever had in the Congress to update the Medicare program with a prescription drug benefit.

While I do have some serious concerns about certain provisions in the bill—on balance—I firmly believe voting for this bill is the right thing to do.

I look forward to this bill becoming law but remain cognizant of the need for the U.S. Congress to closely monitor the implementation of this legislation.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Ms. CANTWELL. Mr. President, I rise at this late hour to add my voice in opposition to the legislation that I believe we will be voting on later tonight or early tomorrow morning and to basically explain that I think under this bill, my constituents in Washington State, who would benefit from a prescription drug benefit, or are currently benefiting from something, will be worse off after this legislation than if we did nothing at all.

That is the important point for us to discuss today. Going home to Washington State over the summer, and in September and in October, the voices of Washingtonians basically said we would like to see a prescription drug benefit. Actually, first, they said we would like to see a reduction in the cost of prescription drugs, whether you have a benefit or not. Those who have insurance now are seeing increases in the rates of prescription drugs and cannot afford the continual increase in pricing. I am going to talk about that in a minute. They also said that if you can get a prescription drug benefit, go ahead, but certainly don't do harm by passing something that puts seniors worse off than they currently are.

While I voted for the bill that came out of the Senate, I think this conference report is far off from where we need to go. My colleague from Virginia, who just spoke, talked about the physician reimbursement rate and hospital reimbursement rate, for which I applaud the committee. I point out that the reimbursement rate for Medicare patients that is still within this framework of a national average has Washington State at the very low end. In fact, I think we went from 41st in the Nation to 45th in the reimbursement rate. As a place where we want people to come and provide health care benefits, they are certainly not incentivized under this legislation to want to come to Washington when they can practice in other regions and make more money. I think some of the failures of this bill far outweigh the strengths of the legislation.

I may come at this differently than my colleagues who want to, as I say, privatize Medicare. I certainly believe we have made a promise since 1965 that we would provide a universal benefit of Medicare, provide basic care to our seniors. I think this bill is a failure to expand on that and put a prescription drug under Medicare.

When the Harvard School of Public Health did a study in June of 2002, they asked people: If you retired and you had a choice to get a benefit under the Medicare health insurance program or from a private plan, such as a PPO or HMO, which would you choose? And 63 percent said they wanted a program under Medicare. Only 19 percent said they wanted a plan under a private provider, a PPO or HMO organization. So I think the public is clear that they have said they trust Medicare.

In fact, I found great pleasure recently when the Seattle Post-Intelligencer characterized this debate, I thought, in an editorial cartoon that was really right on the spot:

> Two constituents obviously are saying to each other, honey, see, the Republicans—what they promised is that we would get out of the faceless control of the Government bureaucrats on Medicare.

Unbeknownst to the couple, they are sitting in the faceless hands of insurance company executives. I think that is fundamentally what is wrong with this legislation, that while we have had a trusted system for many years and an increase in the cost of prescription drugs going from maybe 5 percent of your health care costs at the time Medicare was introduced to now something like 25 percent of your health care costs, Medicare prescription drug benefits should just be part of basic care under Medicare. Instead, we are saying we are going to subsidize insurance companies to somehow provide a prescription drug benefit for you. I think what we are going to find is that it is going to have disastrous results.

There are a lot of things in this legislation about which I think people in the State of Washington are concerned. Obviously, this particular debate, as the New York Times called it today, is really a debate—I ask unanimous consent that this article be printed in the RECORD, entitled "Medicare Debate Turns to Pricing of Drug Benefits."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Nov. 24, 2003]

MEDICARE DEBATE TURNS TO PRICING OF DRUG BENEFITS

(By Robert Pear)

WASHINGTON, Nov. 23.—With Congress poised for final action on a major Medicare bill this week, some of the fiercest debate is focused on a section of the bill that prohibits the government from negotiating lower drug prices for the 40 million people on Medicare.

That provision epitomizes much of the bill, which relies on insurance companies and private health plans to manage the new drug benefit. They could negotiate with drug companies, but the government, with much greater purchasing power, would be forbidden to do so.

Supporters of the provision say it is necessary to prevent the government from imposing price controls that could stifle innovation in the pharmaceutical industry. Critics say the restriction would force the government and Medicare beneficiaries to spend much more for drugs than they should.

The House passed the Medicare bill on Saturday by a vote of 200 to 215, after an all-night session and an extraordinary three-hour roll call. President Bush and House Republican leaders persuaded a few wayward conservatives to vote for the bill, which calls for the biggest expansion of Medicare since its creation in 1965.

In the Senate, debate continued on Sunday, with Democrats asserting that the bill

> would severely undermine the traditional Medicare program. Senator Edward M. Kennedy, Democrat of Massachusetts, said he would lead a filibuster against the measure.
>
> Democrats acknowledged they did not have the votes to sustain a filibuster. But they said they would use points of order to slow the legislation, whose passage is a priority for President Bush.
>
> Senators Dianne Feinstein of California, Ron Wyden of Oregon, and Kent Conrad of North Dakota, all Democrats, announced on Sunday that they would vote for the bill. Other Democratic senators who have endorsed it include Max Baucus of Montana, John B. Breaux and Mary L. Landrieu of Louisiana, Blanche Lincoln of Arkansas and Ben Nelson of Nebraska.
>
> But Senator Don Nickles, Republican of Oklahoma, said he would vote against the $400 billion bill.
>
> "We are building a new expansion onto a house that's teetering on a cliff," Mr. Nickles said. "We are saddling future generations with enormous liabilities."
>
> No provision has been mentioned more often in Congressional debate than the section that prohibits the government from interfering in negotiations with drug companies.
>
> Democrats have repeatedly asserted that Medicare could provide more generous drug benefits if, like other big buyers, it took advantage of its market power to secure large discounts.
>
> But many Republicans have expressed alarm at the possibility that federal officials might negotiate drug prices. The Medicare program, they say, dwarfs other purchasers, and the government is unlike other customers because it could give itself the power to set prices by statute or regulation, just as it sets the rates paid to doctors and hospitals for treating Medicare patients.
>
> Under the bill, the government would subsidize a new type of insurance policy known as a prescription drug plan.
>
> "In order to promote competition," the bill says, the secretary of health and human services "may not interfere with the negotiations between drug manufacturers and pharmacies and prescription drug plan sponsors, and may not require a particular formulary or institute a price structure for the reimbursement" of drugs.
>
> Tommy G. Thompson, the secretary of health and human services, said Sunday that if Congress wanted to give him the power to negotiate drug prices, it could do so next year. But "that's not a reason to oppose this Medicare bill," said Mr. Thompson, who negotiated with Bayer to obtain a lower price for the company's anthrax medicine, the antibiotic Cipro, in 2001.
>
> Representative Tom Allen, Democrat of Maine, said it struck him as absurd that "the government will not be able to negotiate lower prices" for the drugs on which it plans to spend $400 billion in the next decade.
>
> "The bill will allow the pharmaceutical industry to continue charging America's seniors the highest prices in the world," Mr. Allen said.
>
> Representative Peter A. DeFazio, Democrat of Oregon, said, "We could provide a much more meaningful benefit if we negotiated lower prices as other nations have done."
>
> Representative Rahm Emanuel, Democrat of Illinois, said: "We could bring down drug prices if we allowed the secretary of health and human services to negotiate on behalf of 40 million seniors. That is what Sam's Club does."
>
> Sam's Club, a chain of warehouse stores that is a division of Wal-Mart, acts like a purchasing agent for its members, who can buy low-price goods.
>
> Republicans say that health plans will be able to negotiate lower drug prices for Medicare beneficiaries, just as they do for large groups of employees with private insurance.
>
> The Senate majority leader, Bill Frist, Republican of Tennessee, said: "We tend to use the purchasing power of private entities like individual plans to hold down costs over time. The Democrats tend to emphasize, and thus push for, more government control, government purchasing. We just think that competition through the private sector, through bulk purchasing and negotiation, is a more effective means to hold down prices.
>
> Medicare drug plans would be offered by state-licensed insurance companies. They, in turn, could hire pharmacy benefit managers like Express Scripts, Medco Health Solutions and AdvancePCS to negotiate with drug makers, issue discount cards and line up networks of pharmacies.
>
> The bill would also create a benefit: an initial physical examination offered to new beneficiaries as a "welcome to Medicare." this benefit illustrates a shift toward greater coverage for preventive services.
>
> Under the bill, Medicare would cover screenings for heart disease and diabetes and would pay experts to coordinate care for elderly people with chronic illnesses.
>
> Senator John Kerry, Democrat of Massachusetts, took time out from his presidential campaign to join the Senate debate. The Medicare bill, he said, "lines the pockets of powerful moneyed interests and leaves America's seniors out in the cold."
>
> But Senator Susan Collins, Republican of Maine, urged support for the bill. "This historic opportunity may never come again, and we cannot afford to let it pass," she said.

Ms. CANTWELL. In this article, I will read the paragraph:

> With Congress poised for final action on a major Medicare bill this week, some of the fiercest debate is focused on a section of the bill that prohibits the government from negotiating lower drug prices for the 40 million people on Medicare.

That particular article goes on to talk about the fact that we are switching over to insurance companies when we could have a benefit under Medicare and when Medicare could provide those cost savings as a big market.

Now, some people say: Gee, we don't want to set price controls because that will somehow artificially impact pharmaceutical companies. Pharmaceutical companies are not the people who need the financing and the access to capital.

It is the biotech industry. Washington State happens to be home to many biotech companies. They need access to capital. It is one of the actual advantages of what I would call economic advantage that the United States has in making pharmaceutical drugs; the fact that our access to the capital system allows these biotech companies to do years and years of research and then maybe 10 to 15 years later actually getting a drug produced. So they need access to the capital market.

Once those drugs are created, we need to do something about controlling the costs of those drugs. This section of the bill, again referring to the New York Times article, says:

> The provision epitomizes much of the bill, which relies on insurance companies and private health plans to manage the drug benefit. They could negotiate with drug companies, but the government, with much greater purchasing power, would be forbidden to do so.

I have great concerns about what is the basic hamstringing of this proposal as it relates to prescription drug benefits when the key opportunity before us would be to put this benefit under Medicare and capitalize on those savings.

Mr. President, that is why I had supported earlier legislation and find it very difficult to support this legislation. I am going to talk about why, besides this particular provision, we are hampering ourselves from having other price controls in this legislation.

I agree with my colleagues on the other side of the aisle, as we start this new benefit, we must be cognizant of what kind of cost measures we can do to make sure we continue to provide this for our citizens. Before I get to that, I want to mention, I have great concerns about the retiree benefit plans under this proposal. We have about 49,000 retirees in Washington State who might end up losing their coverage under this bill in the future. They have good, solid insurance coverage plans that I don't think are too generous, but under this proposal they might go away.

There is a certain percentage of the population under this proposal that actually will start paying a variety of premiums based on income, and while some people think that might be a good idea, really these people have been in this program—it has been a program based on a payroll tax into the Medicare trust fund—they have paid into the trust fund expecting to get reliable health insurance coverage back. Now they are going to be paying aggressively on their premiums.

About 51,000 residents in Washington State are going to wake up very much surprised to find that as a result of trying to provide a drug benefit package to the country, all of a sudden they are paying more on their Medicare Part B program. I know my phone is ringing very much against this legislation, but I don't know if those 51,000 people realize it is actually their premium rates that are going to go up.

Third, I think the legislation, as it relates to low-income seniors, is another area where we are leaving seniors basically worse off than they are today. My State covers 150 percent of the poverty level under Medicaid with a prescription drug benefit. The lowest income seniors in America are now going to have to pay a copayment.

One of the reasons we created the program at 100 percent of poverty for people on Medicaid is so they can get access to prescription drugs because they couldn't afford a program to pay for prescription drugs. We are taking the poorest of our population and now demanding that they have a copayment, too.

The asset test—I am sure some of my colleagues will talk about that—for those at 150 percent of the poverty level, which is basically incomes of about $13,000 per individual or $18,000 for a family of two, that the asset test is going to be $6,000 for the individual or $9,000 for a couple, that means after that, you are not going to benefit from the program in the same way.

Basically, you are limiting the opportunity for this section of low-income individuals to benefit from what would be a more profitable way of dealing with a prescription drug benefit and giving them, not hampering them, saying you qualify but limiting them on the asset test.

In Washington State, for those individuals below 150 percent of poverty level, they are going to be worse off under this legislation.

I hope this legislation is not a death knell for those who are living with cancer because according to the CBO estimates, this bill could basically cut $11.5 billion over the next 10 years for cancer care communities because of the reimbursement rate for cancer care. Basically, we are making cuts to programs, and I have heard from facilities, oncologists, and cancer patients all across the State that they are very upset with this legislation and the reduction in reimbursements for cancer patients. This is another group of people who will be worse off if this legislation passes.

As I said, my primary concern with this legislation is it does very little to rein in the cost of prescription drugs. Talking to my constituents, yes, they would like to see a prescription drug benefit, but they don't want to be worse off than they are today. Even without the benefit, they expect the Senate to do something about controlling prescription drug costs.

What have we done? I see my colleague from Michigan on the Senate floor. She had a great proposal that we failed to execute that basically said: Why not cap the advertising dollars of the pharmaceutical companies to the dollars that are involved in research and development; that way, they are doing research and development on new drugs. They are not overspending, overadvertising to America, or at least not getting a tax benefit for overadvertising and trying to drive up the consumption of drugs.

We have done nothing about that. My colleague from New York and others have tried to address the issue of what has become evergreening of patents where drug companies actually change the name or some feature of the product just so they can continue to have a patent control and generic drugs, cheaper drugs, cannot come to the market.

This bill actually deals with some aspect of that, but the aspect I was very concerned about is oftentimes you have big pharmaceutical companies buying a generic drug company right before the generic drug company produces the product. That ought to be investigated by the Department of Justice as an antitrust violation and to make sure we are not allowing such collusive activities to happen, thereby raising the overall price of prescription drugs.

A provision that would have benefited us the most and was critically important—again, as we see insurance companies, basically, in charge of prescription drug benefits—is we had a great opportunity in an amendment I offered with several of my colleagues to control the costs as it was put forth by pharmacy benefit managers.

In traveling around Washington State, actually a summer ago, it became very clear to me that a great deal of purchasing of pharmaceutical drugs for individual plans were done by pharmacy benefit managers. They are the middlemen in this process, and pharmacy benefit managers often negotiate huge savings for various employee groups, companies, and organizations. Yet it is unclear what happens to the negotiated discount. Is it passed on to the individuals within the beneficiaries of that plan? Is it basically profit by the pharmacy benefit managers? What happens to that money? In fact, we have had instances in this country where pharmaceutical companies and the pharmacy benefit managing company are owned by the same entity. Thereby the middleman is basically helping to negotiate and sell a higher price for the pharmaceutical company.

Most of those companies have gotten out of that. Certainly my amendment would have prohibited pharmaceutical companies and benefit managers from working together under the same ownership. But a recent September 9, 2003 study by Loyola University Chicago Law School found that the cost to taxpayers for this inherent conflict of pharmacy benefit managers is in the range of somewhere between $14 billion and $29 billion over the next 10 years. I think that is quite considerable.

To me, putting HMOs in charge of the prescription drug benefit is like putting Enron in charge of our energy policy. Thank God we were able to make some comment and statements that we are not going to have that energy policy of the free market without rules and transparency which basically drove up the cost of energy pricing. But that is what we have here because basically we are saying Government can't do anything to control the prices.

But now we are going to throw this into the private sector, and it is unclear what rules they are going to use to control the prices. The one amendment that was in this legislation saying that pharmacy benefit managers had to come clean about the drug benefits they negotiated with pharmaceutical companies, and what percentage of those dollars they were passing on to consumers—that got thrown out of the legislation.

So a key aspect of this bill, which would have said let's provide transparency, let's give money back to seniors, let's make sure consumers are getting the savings that are being passed on by being in a big market and having market leverage—those things are gone.

I believe our Attorney General of the United States ought to investigate. I don't see why the manufacturers of pharmaceuticals, that then sell through a PBM, can't list the top volume of 50 drugs they have sold and the difference between the prices they received at the pharmacy level and what discounts were realized. They don't have to give all of their pricing information. They don't have to overexpose what I think would be private corporate information that allows them to be competitive. But the Department of Justice ought to be able to investigate collusive activity that is ripping off seniors in America, when somebody negotiates huge discounts based on volume but then doesn't pass those discounts on to consumers.

So, as I said, this is a key part of the legislation that was left out. I hope whatever happens with the outcome of this legislation, that my colleagues will think about how we need to rein in pharmacy benefit managers in the future and make sure they are passing on savings to consumers.

As I said, I think this private delivery model we are talking about for Medicare gives too much control over to the insurance agencies and other organizations and doesn't give a guarantee to seniors. This bill provides no limits on the premiums that drug-only plans can charge.

Seniors need a comprehensive benefit that covers their total prescription benefit needs. Why tease them with a program that we are somehow going to cover their prescription benefits and then not control the price, have it in the private sector, and then have the private sector dictate to them: Here is the very limited number of drugs that are going to be provided.

Thirty percent of Washington State seniors enrolled in the prescription drug benefit under this program would fall into what is the donut hole. Easily some 122,000 people in my State could fall into the donut hole. Again, another percentage of the population that I don't think are—you might not say they are better off. It depends on whether they have a drug benefit now. But they are certainly not going to get anything from this legislation and they are going to be far more confused about why this cliff starts at a certain level.

Again, my colleagues, I am sure, have talked about the economic impact of this legislation. I would go back, saying we should start with a prescription drug benefit.

When my colleague, the Senator from Michigan, and I first came into this Congress, when we had a huge surplus, that was the time we should have put forth a prescription drug benefit that would have been a more comprehensive package and started this process. But we didn't do that.

So what my constituents are telling me, and these are even constituents living in the rural part of Washington State who might think their physicians will get a higher reimbursement rate or their hospitals will get a higher rate, they will know Washington will still fall behind on the overall Medicare reimbursement rate, falling from 41 in the Nation in reimbursement rate to 45. They will know either the lowest-income seniors who are going to fall out of the program and have to have copayments—that is, they are already under a plan that they don't have copayments on—or there will be some of these seniors who basically end up having to pay more than they are paying today.

As we debate this legislation and look forward to whether, as I said, the vote is tonight or tomorrow, I think we need to talk about whether we are going to trust the American people in their trust of Medicare; whether we are going to say we are going to let the Medicare market carry the weight that it has already carried. Actually, even if we said, Here is the limit of how much we could provide given our budget deficit, I would say: Fine, continue to let Medicare provide for those individuals. As we give more resources as a nation, let's build that up.

But don't fool America by somehow thinking you are going to turn this over to private insurance companies and HMOs and somehow they are magically going to come up with the money to make this benefit program work.

What Americans want is security in their prescription drug benefits. They don't think that privatization will work. They don't think we are doing enough to control costs. I suggest to my colleagues that we need to go back and work this bill to provide both—the certainty to seniors, in a program that they have believed in for many years, and a Congress that will stand up and fight the ever increasing cost of prescription drugs.

I yield the floor to my colleague from Michigan.

The PRESIDING OFFICER. The Senator from Michigan.

Ms. STABENOW. Mr. President, first, I thank my friend and colleague from the State of Washington for her eloquence this evening in laying out where this is not a good deal for seniors. We wish it was a good deal for seniors. Both of us have been here since 2001, speaking in the Chamber frequently about the need to provide prescription drug coverage for seniors, real coverage, and about the need to lower prices for everybody.

In fact, I have been working on senior issues for a long time. Actually that was the very first opportunity I had to get involved in public service. I won't say when, but it was about 25 years ago. I came into county government, which is a part-time position in Michigan. But what brought me into the Ingham County Board of Commissioners was the issue of senior citizen health care. I have been involved in that issue ever since.

Nothing would please me more than to be able to stand on the floor this evening and say: We did it. We have put together a voluntary, comprehensive prescription drug benefit under Medicare for seniors and the disabled. Nothing would please me more. And nothing would please me more than to say: We did it. We have put in place the ability to lower prices for everyone.

As colleagues have said, this is not just about Medicare and just about our seniors and the disabled—although certainly they are very important people. They use the majority of the prescription drugs. But we know right now the explosion in prices of prescription drugs is driving the entire cost of the health care system.

When I talk to those who are in the auto industry, or when I talk to small businesses, when I talk to those who are in the furniture business in Michigan, or in retail sales or work in State government, I hear the same thing, which is at least half the cost increases in health care are a result of the explosion in prescription drug prices.

So this is an issue that affects everybody. As we look at this question under Medicare, this is also an issue that affects everyone, every taxpayer as well as every person who is paying for Medicare. So this is a big deal. It is important that we get this right. It is important that we be able, at the end of the day, to say we have strengthened one of the great American success stories called Medicare, and that we have put in place the competition and the accountability to bring prices down. This bill absolutely does not do that. It doesn't do either one of those things.

First of all, it starts from the premise that seniors want something other than traditional Medicare. When we look at what seniors have said when they have had a choice, here is what they said. Eighty-nine percent of those who have a choice right now between Medicare+Choice, which is an HMO, private insurance, or traditional Medicare, 89 percent said: We will take traditional Medicare. Eleven percent said: We will take the private insurance.

Seniors have already said what choice they want. When I hear folks talking about what they want in Medicare, they are not asking for more bureaucracy, or more insurance paperwork, or more insurance companies to choose from. They just want to update Medicare for prescription drugs, that is all—just update Medicare for prescription drugs. Eighty-nine percent of the Medicare beneficiaries have already told us what they want to do. They want traditional Medicare.

This bill basically sets in place—some of it is immediate with prescription drug coverage where you have to choose from private insurance plans if they are in your area, and some of it is down the road a bit in 2010 when the entire unraveling of Medicare begins. In some areas, people will have a very different system that will attempt to move them into private insurance.

That is not what folks have said to me. People say we should do that because it costs less. Medicare is in trouble financially down the road. We need to do something to lower costs.

When you look at this, Medicare costs about 2 percent to administer and private HMOs cost 15 percent. So that can't be the reason we are doing this. It costs more to go into private plans than it does with traditional Medicare.

For many of the reasons colleagues said on the floor, traditional Medicare has a very large insurance pool—those who are sick, those who are well, those who are older, those who are younger, all together—the bigger the pool, the bigger the risk pool, the lower the price.

It is not because it would cost less, because it doesn't cost less; it will cost us more. It will cost taxpayers more. It costs more for services under the private sector than it does under traditional Medicare.

Why are we doing this? I think we are doing this for one reason: Unfortunately, the driving reason behind this legislation is that the pharmaceutical lobby has decided, instead of continuing to fight Medicare coverage and the Medicare prescription drug benefit as they have done for many years—they decided they don't want to stop it anymore because it is too big an issue for people. It is a critical life-and-death issue in order to pay for your medicine. That is not to say people got up today and decided to eat or get their medicine. That is not rhetoric; it is real. So they changed their approach and thought they couldn't stop it anymore because it is too real for people: This is a real problem. Let us create a benefit that is done in a way that divides people up into private insurance plans and in a way that doesn't allow Medicare to use all of its leverage to be able to lower prices.

So behind all of this, there are I think two things. There are those who really do believe it ought to be done in the private sector, that we ought to go back to private insurance. But you couple that with an industry that wants to make sure that: No matter what, we can't lower their prices; let us make sure that no matter what, people have to pay the highest prices.

That is why there is no reimportation, which is really important in my State. The idea that you can have a local pharmacist in Michigan be able to do business with a pharmacist in Canada, be able to bring prescription drugs back into the local pharmacy in Michigan at half the price, many of them made in the United States, they are safe, they are FDA approved, bring them back, and create a way to lower prices—they don't want that. That is not in the bill. They do not want a strong provision to tighten patent loopholes so competitors can be able to get into the marketplace with generic drugs. That is not in the bill.

We have a weakened version of that. Amazingly, as colleagues have said, they were actually able to get language into the bill that says Medicare is prohibited from group purchasing on behalf of seniors and the disabled. It is amazing. That is just amazing. The private insurance companies can try to get the best price. Everybody else can try to get the best price. But Medicare on behalf of our seniors is prohibited from trying to get the best price.

That would only be in the bill for one reason; that is, because the industry has been successful in creating a whole new group of customers who will be forced to pay the highest possible price.

How do we know this? This is not just me talking. The Boston University School of Health has looked at this legislation and estimates there will be $139 billion in increased profits over the next 8 years for the world's most profitable industry. At $17 billion annually, this means about a 38 percent rise in drugmaker profits.

I am all for folks making a profit. I have a major pharmaceutical company in Michigan. They do wonderful research. I am very proud of them for doing this research. But we are talking about an industry that is already one of the most heavily subsidized by taxpayers, because they do not make shoes, or chairs, or cars, they make lifesaving medicine. We want them to make it. We want them to do research. So we help them pay for it. We give them protection. We have patent protection so that they are protected from competition. We give them the ability to write off their research and write off their advertising. They get a lot of support and help. Why? Because we want to be able to afford the product.

At the end of the day, when, by the way, they are spending 2½ times more on advertising and marketing and administration rather than research, which is a big concern of mine, but at the end of the day we are seeing not prices going down so people can afford them but efforts to actually protect prices and allow them to go up.

We are looking at about a 38 percent rise in drugmaker profits. Certainly any business would welcome that. But that is on the backs of American citizens. This is on the backs of American taxpayers who are paying the bill—American seniors who just want to know that they can count on Medicare, get the medicine they need, pick their own doctor, live a healthy life, and visit grandkids and great grandkids. They trust us to look beyond the 650 lobbyists, or however many there are in the drug industry now. I know it is over six lobbyists for every one Member of the Senate. Imagine, more than six lobbyists for the drug companies for every Member of Congress. They are counting on the Senate to look beyond the swarm and to look at what they need. They are counting on us to look at what they are asking for.

I know at the end of the day it is our obligation and responsibility to make sure we put together something that actually helps people get their medicine at affordable prices, is responsive to the taxpayers of this country, and is something that protects one of the great American success stories called Medicare.

The No. 1 reason I am opposing this legislation, there is nothing in here to lower prices for anyone. Profits will continue to go up and they are locked in. This legislation sanctions that.

Second, we are putting into place a system that will unravel by privatizing Medicare, or will allow Medicare to wither on the vine as former Speaker Newt Gingrich said. It took a while. He said that in 1995 and here we are in 2003 with a bill that does that.

It does a couple of other things that make no sense to me. I would assume that the first rule would be: do no harm. Yet under this legislation, it is estimated that over and above what is happening right now in the marketplace, 2.7 million retirees will lose their coverage, people with private coverage. That is one in four. That means three out of four employers will wrap around and keep the coverage going, but one out of four, which is too high—we could make that zero if we wanted to, if we had legislation I cosponsored a year ago that made it—but right now one out of four in this bill are estimated to lose their private retiree coverage.

My guess is a lot of those folks gave up pay increases over the years to get good coverage, gave up other things so in their retirement they would have private coverage.

On top of keeping prices high and unraveling Medicare, it is estimated by a study group that 143,000 people in the State of Michigan would lose their private coverage. I don't know how in the world I can support that. And I will not.

The last thing this does, there are 6.4 million low-income seniors and disabled who will lose access to the drugs they need. Many of them will actually pay more. How in the world does it make any sense that we would have a prescription drug benefit that has been described as helping our low-income seniors the most, but actually costs people more out of pocket, people who are currently on Medicaid, who find themselves under Medicare with a different system, a different asset test, different copays, and would actually pay more.

We should be focusing on and helping the people who really are choosing every day whether or not to eat or get their medicine or pay the electric bill.

When we look at this whole picture, as much as I would love to say this is a great deal, this is a bad deal. My colleagues say this is a first step. There is an old saying: Beware of the first step. I think the first step is right off the cliff on this legislation for too many people.

In closing, there is one important piece in this bill that has strong if not unanimous bipartisan support that I wish we were passing separately this evening. That is the issue I have talked about a number of times: what is happening to our doctors, our hospitals, our home health agencies, nursing homes, and others who have been cut consistently in the reimbursements they receive, whether they be rural or urban providers.

Those who care for our seniors and the disabled have seen resources cut. That, in turn, is cutting access. We have known that cuts were coming now for the last 3 years, and instead of doing something about it sooner because our doctors and other providers desperately needed us to, it gets rolled into this legislation that is highly controversial. I regret that. I have offered separate legislation pulling out all of these provisions. I offered it on Saturday, and I asked unanimous consent we take it up immediately and pass it. It was objected to on the other side. I regret that, as well.

The reality is, in the middle of this bill I believe there are some very important providers being held hostage, folks I want to support, whom I have supported, and I will support in the future; folks for whom I have fought, and unfortunately because of the fact that this is in the middle of this bill to unravel Medicare and hurt them in the long run and increase cuts in the long run for all of them, I am not going to be able to support this bill. However, I do want the record to reflect that our doctors and hospitals and others who have been cut too much are cancer care providers. They are still cut too much in this legislation. I am extremely upset that is the case.

But we do have in this bill provisions for rural hospitals, urban hospitals, and others that are desperately needed. I am at least pleased there are provisions there recognizing the desperate needs our providers feel.

In conclusion, when we look at the broad bill before the Senate that unravels Medicare, keeps prices high, causes people to lose their health insurance in the private sector, and causes the most vulnerable seniors to pay more, this is a bad deal. I am hopeful, still, that those listening this evening will call their Members before the vote that I believe is coming tomorrow morning. Tell the Members to go back to the drawing board. We can do better than this for people. I am still very hopeful this will be stopped and we will get back to the drawing board and get it right.

SECTION 641

Mr. CONRAD. Mr. President, I want to thank Senator GRASSLEY and Senator BAUCUS for all of their work on this bill. Prescription drug coverage under Medicare is long overdue, and I am pleased that we are near to final passage on a drug benefit that will provide our seniors and disabled with help they sorely need. That we have made it this far is in no small measure to the important work of Senators GRASSLEY and BAUCUS.

As we continue to debate the Medicare conference report, I want to make particular note of the efforts of Senators BAUCUS, GRASSLEY and MURRAY to address the Medicare bias against self injectable biologics and oral anti-cancer drugs without an injectable equivalent. These biases can mean that Medicare pays for treatments that are more costly and that require patients to travel long distances for treatment. Working together, we have pushed hard for providing coverage of these drugs for an interim period, until the Part D drug benefit begins. This immediate coverage would make a real difference for thousands of seniors suffering from cancer as well as various chronic illnesses, such as rheumatoid arthritis and multiple sclerosis.

While I am pleased that the Medicare conference includes measures to provide coverage of these medications over the next 2 years, I am disappointed that the funding for this policy was limited and the number of beneficiaries who will be allowed to benefit from this coverage was capped. Also, I am very concerned that the Medicare conference report language does not accurately reflect the intent of the conferees, which is clearly laid out in the statute of the conference report. I would like to ask my colleagues to comment further on this issue.

Mrs. MURRAY. I also want to thank Senators BAUCUS and GRASSLEY for their support of the Conrad-Murray language that would have eliminated this discrimination against self-injected biologics. Our amendment would reward companies who innovate their treatments to meet their patients needs, not Medicare reimbursement policies. Many of these patients suffer from rheumatoid arthritis and MS, two disabling conditions that can restrict mobility and make it very difficult to even get to a physician's office. As my colleagues know, I have spent the last 4 years working to end this outrageous disincentive in Medicare reimbursement policies.

Mr. BAUCUS. It is important to note that without Senator MURRAY's efforts and leadership on this issue, we would not be here today. I also thank the Senator from North Dakota for all that he has done to realize this important benefit. And I thank both Senators, as well as the chairman, for working with me to level a Medicare reimbursement playing field that has long been biased against rural patients and providers. We have the most comprehensive rural health package in history in this bill, and I am proud of that.

With respect to self-injectable biologics and oral anti-cancer medications, let me provide some background. Under current law, Medicare will cover certain drugs that are administered "incident to physicians' services," but self-injectable biologics which are complete replacements for physician administered drugs are not covered by Medicare. In other words, if a doctor is required to inject the drug, you're covered. If not, you're out of luck.

A similar situation exists for oral anti-cancer medications. Coverage is available for oral anti-cancer drugs if they are also available in injectable form. But Medicare coverage is denied for anticancer therapies that are available in oral form only. Many new therapies to treat cancer, as well as many that are in various stages of development and approval, are available only in oral form, and therefore are not covered under the Medicare program.

Mr. GRASSLEY. I thank my friend from Montana for that explanation. And as he and the Senators from Washington and North Dakota know, we have a demonstration program in this bill that covers, until the Part D drug benefit starts in 2006, self-injectable and oral anti-cancer drugs. This demonstration program is in the statutory language. That is good news. However, the report language is clearly in error and refers to an entirely different provision, not the one we negotiated.

Mr. BAUCUS. That is right. And for clarification's sake, we would like to ask you some questions about this demonstration project. First, in negotiations we intended that this demonstration would be available and would operate without limitation to the number of States, correct?

Mr. GRASSLEY. Yes.

Mrs. MURRAY. Isn't it true that you intended that the demonstration ensure that the Secretary preserve physician and beneficiary treatment options by providing for equitable coverage of all qualifying products?

Mr. GRASSLEY. That is correct.

Mr. CONRAD. Isn't it true that the conference committee intended to provide $500 million above what Medicare would have expended absent this provision to cover replacement self-injectable medications and oral anti-cancer therapies?

Mr. GRASSLEY. Yes, that is right.

Mr. BAUCUS. I thank the chairman for the clarification.

Mr. CONRAD. I also thank the chairman for that clarification and, again, would like to thank both the chairman and Senator BAUCUS for their work on this important effort. I also strongly share their view that the rural health provisions in the Medicare conference report are a real victory for not only our States, but for all of rural America.

Mrs. MURRAY. I just want to be sure that we provide the greatest degree of relief for patients and their families. I was disappointed to learn of this error in the final report language, and it does undermine the entire negotiations for this provision. It certainly undermines the intent of the Conrad-Murray amendment adopted by the Senate during consideration of S. 1. I appreciate your working with me to rectify that error.

COST CONTAINMENT PROVISIONS

Mr. BAUCUS. Mr. President, let me take a few moments to provide some background on the cost containment provisions in the Medicare conference agreement.

First, let me review current law.

Under current law, the Medicare Board of Trustees oversees the financial operations of the Medicare Hospital Insurance—or HI—trust fund—Medicare Part A—and the Medicare Supplementary Medical Insurance—or SMI trust fund—Medicare Part B. The Social Security Act requires Medicare's trustees to submit reports to Congress annually by March 31.

Medicare Part A pays for beneficiaries' medical expenses incurred in hospitals, skilled nursing facilities, hospices, and a portion of home health care services. Payroll taxes provide most HI trust fund revenues. Employers and employees each pay 1.45 percent of earnings. Self-employed workers pay 2.9 percent of net income. Other sources of HI revenue include: interest on trust fund investments, the federal income taxes on Social Security benefits raised in 1993, premiums from voluntary enrollees into Part A, railroad retirement account transfers and reimbursement for certain uninsured persons.

Medicare Part B pays for physician and other health care practitioner services, other medical and health services, including laboratory and other diagnostic tests, outpatient hospital services and other clinic services, and therapy and ambulance services, durable medical equipment, and home health services not covered under Part A. SMI trust fund revenues come from beneficiary premiums to purchase Part B and general revenues. The Part B premium is set at an amount so that aggregate premiums make up about 25 percent of program costs. The monthly premium for 2003 is $58.70. General revenues make up the remaining 75 percent of Part B program funding.

Next, let me note current law on Presidential legislation. Under the State of the Union Clause—article II, section 3, clause 1—of the Constitution, the President has a right to "recommend to [Congress's] Consideration such Measures as he shall judge necessary and expedient." Thus the President can already submit legislation to address Medicare solvency.

Current law on House procedures is that the House regularly passes rules that govern House consideration of particular pieces of legislation. The Rules Committee formulates these rules, which the House can then adopt by a majority vote. Thus the House can already establish such procedures as it deems appropriate to consider Medicare legislation.

And current law with regard to Senate procedures provides that, under Senate rule XIV, any single Senator can cause a bill to be placed on the calendar.

Now let me turn to what was in the House-passed bill. Section 131 of House bill would require the trustees to submit a report on the status of the combined two trust funds and the Prescription Drug Trust Fund. The bill would require the report to include a statement of the amounts spent on benefits in the preceding fiscal year from the general revenues and the percentage the Medicare general revenues bore to all other general revenue obligations of the Treasury that year. The bill would require this information for each year from the beginning of Medicare and for 10-year and 75-year projections. The bill would also require the report to compare the rate of growth of Medicare general revenue funding to the rate of growth in the gross domestic product. The bill would require the Committees on Ways and Means and Energy and Commerce to publish each report and post it on the Internet.

The Senate-passed bill was quite similar. Section 131 of the Senate bill would require the trustees to submit a report on the status of the combined two trust funds and the Prescription Drug Trust Account. The bill would require the report to include a statement of the amounts spent on benefits in the preceding fiscal year from general revenues and the percentage that the Medicare general revenues bore to all other general revenue obligations of the Treasury that year. The trustees would make this calculation separately for Medicare benefits and for administrative and other expenses. The bill would require this information for each year from the beginning of Medicare and for 10-year and 50-year projections. The bill would also require the report to compare the rate of growth of Medicare benefits and administrative costs to the rates of growth in the gross domestic product, health insurance costs in the private sector, employment-based health insurance costs in the public and private sectors, and other areas as determined appropriate by the trustees.

Section 132 of the Senate bill would require the 2004 reports to include an analysis of the total amount of the unfunded obligations of Medicare. The analysis would compare long-term obligations, including the combined obligations of the HI and SMI trust funds, to the dedicated funding sources for the program—not including transfers of general revenue.

With regard to Senate Procedures, the Senate bill would express the sense of the Congress that the committees of jurisdiction would hold hearings on these reports.

Now let me turn to the conference agreement before us today. Under the conference agreement, the trustees' report would include a statement of general revenue funding as a percentage of total Medicare spending contributions to the Medicare Program. The report would also include a historical overview of general revenue contributions and estimates of general revenue contributions in 10 years, 50 years, and 75 years. The trustees would compare these trends in Medicare funding to growth rates for gross domestic product, private health costs, public health costs, and other appropriate measures. And the trustees would report on the costs of the new drug benefit under Medicare Part D.

The report would also include an analysis of Medicare that assumed that general revenue funding would not exceed 45 percent.

Starting in 2005, the Medicare trustees would annually determine whether they projected "excess general revenue funding" that is, "general revenue funding" exceeding 45 percent of Medicare outlays during the current year or the next 6 years. If the trustees did so 2 years in a row, it would be a "Medicare funding warning."

Under the conference agreement, "general revenue Medicare funding" would mean total Medicare outlays minus "dedicated sources." "Dedicated sources" would mean funding received from outside the Federal Government, specifically: the HI payroll tax, the income tax raised by the 1993 changes in taxation of OASDI benefits, amounts States pay to the Federal Government on account of dual-eligibles funds collected by the "claw-back," premiums paid by Medicare, and gifts to Medicare. The conference agreement would not include interest on trust fund assets in "dedicated sources," as Republican conferees viewed the general fund as needing to pay these amounts to the trust funds.

If, for 2 consecutive years of reports, both covering 7-year periods of projections, the Medicare Trustees projected that excess general revenue funding would be required in any of those 7 years, then the Medicare Program would be subject to special procedures and the trustees would notify the President and Congress. The special procedures would be in force only after the second annual report confirmed that excess general revenue funding would be required.

Here is a plausible example of how the system would work. When Medicare's trustees issued their March 31, 2010, report, they would examine fiscal years 2010 through 2016. If the trustees projected that in 2016, general revenues would exceed 45 percent of Medicare funding, then 2010 would be the "notice" year. The conference agreement says that "Congress and the President should address the matter under existing rules and procedures."

When Medicare's trustees issued their March 31, 2011 report, they would examine fiscal years 2011 through 2017. If the trustees once again projected that in at least one year of those 7 years—for example, 2016 or 2017—general revenues would exceed 45 percent of Medicare funding, then 2011 would be the "warning" year. The conference agreement would trigger actions in the next year, 2012, the third in this series of years.

Next, Presidential legislation: Section 802 of the conference agreement sets out the Presidential response. After 2 consecutive years of trustees' projections that Medicare would have excess general revenue funding, the President would propose legislation in response within 15 days after the President's first annual budget of the next session of Congress. The legislation could use any means to respond, including adding to the dedicated sources. But if the legislation in response did not include matter within the jurisdiction of the Finance Committee, then the Senate discharge procedures would not apply.

Now the statutory language says that the bill must "contain" matter within the Finance Committee's jurisdiction. The joint statement of managers, based on an earlier draft of the bill, says that the bill must be limited to the Finance Committee's jurisdiction. The joint statement of managers is in error on this point. And of course, the statutory language controls.

Mr. FRIST. Will the Senator from Montana yield on that point?

Mr. BAUCUS. I yield to the majority leader.

Mr. FRIST. Mr. President, I thank the Senator from Montana and rise to say that I concur with his remarks that the statement of managers is in error and that the statutory language must control. The result would be faithful to the intent of the conferees on this measure.

Mr. BAUCUS. I thank the Senator.

Mr. President, returning to my discussion of the conference agreement's provisions, the conference agreement expresses a sense of Congress that the legislation that the President submits in response should eliminate excess general revenue Medicare funding for the 7-fiscal year period. If, during the year in which the trustees issue a warning, Congress enacts legislation that would eliminate excess general revenue Medicare funding for the 7-fiscal year period, then the President would not have to propose legislation in response to the latest warning.

The warning would also trigger certain House procedures. Section 803 of the conference agreement sets out the procedures for House consideration of the President's legislative proposal. Within 3 days of receiving the President's legislative proposal, the majority leader and minority leader of the House, or their designees, would introduce the proposal. The legislation would be referred to the appropriate committees which would be required to report Medicare funding legislation no later than June 30. The chairman of the Budget Committee would certify whether the Medicare funding legislation would eliminate excess general revenue Medicare funding for the 7-fiscal year period.

Unless the House of Representatives has voted on final passage of the legislation by July 30, the conference agreement would provided fallback procedures. After 30 calendar days—and concurrently 5 legislative days—after the introduction of the legislation, a motion to discharge any committee to which the legislation has been referred would be in order, under specified circumstances, and debate on the motion to discharge would be limited to one hour.

The conference agreement provides for floor consideration in the House of the discharged legislation by the Committee of the Whole no later than 3 legislative days after discharge.

Now let me turn to Senate procedures. Section 804 of the conference agreement sets out the procedures for the Senate consideration of the President's legislative proposal. Within 3 days of receiving the President's legislative proposal, the majority leader and minority leader of the Senate, or their designees, would introduce the proposal. The Presiding Officer would refer the legislation to the Finance Committee. If the Finance Committee failed to report the legislation—with or without amendment—by June 30, then a single motion to discharge the committee of any Medicare funding legislation would be in order. That motion to discharge would be subject to 2 hours of debate. If Congress enacted legislation that the Budget Committee chairman certified eliminated the excess general revenue, then the motion to discharge would not be available for the rest of that session of Congress.

Once legislation got to the calendar, normal Senate rules would govern its consideration. The motion to proceed to the bill would be fully debatable. The bill itself would be fully debatable and amendable.

That is all that this procedure would do.

Now, let me take a few moments to talk about what the conference agreement on cost control would not do.

The conference agreement does not include references to "insolvency." Some sought to label Medicare general revenue funding of more than 45 percent as indicative of "insolvency" and "unsustainablity." The conference agreement contains no such language.

The conference agreement does not include a hard cap. Some sought a cap on Medicare spending after general revenues exceeded 45 percent. Congress would have had to vote affirmatively to allow the program to continue above that point. The conference agreement would not be a cap.

The conference agreement does not include a new point of order. Some sought a point of order providing that when Medicare general revenues rose above 45 percent during the next 7 years for two consecutive reports, it would not be in order to consider legislation that would increase the general revenue funding. This requirement would be waived or appealed by 60 votes in the Senate. The conference report contains no new points of order.

The conference agreement does not eliminate rights to filibuster. Some sought to eliminate the ability of Senators to filibuster the motion to proceed to the Medicare funding bill and to filibuster the bill itself. The conference report does not curtail the right to filibuster either the motion to proceed or the bill itself.

In sum, the conference agreement would provide for reports, Presidential legislative proposals, and getting a bill on the calendar. The President or White House staff could get the reports with a phone call. The President could already make a legislative proposal whenever the President chooses. And any single Senator can get a bill on the calendar under current rules.

Thus although the conference agreement could provide additional impetus to cause these steps to occur, nothing prevents all of them from occurring under current law.

Thus, this is a reasonable set of provisions. And it should not be of concern to those who hold the procedures of the Senate dear.

S. 1402

Mr. LAUTENBERG. Mr. President, I thank the leadership of the Committee on Commerce, Science, and Transportation for their resolve in pushing forward with reauthorization for Federal railroad safety programs. The bill reported out of committee, S. 1402, the Federal Railroad Safety Improvement Act, will reauthorize the Federal Railroad Administration, and make many important updates to continue to ensure safety on the Nation's railroads.

In particular, I thank the chairman for his commitment to work with me to address a problem that has been brought to my attention regarding the use of railroad police officers. These railroad employees, who are commissioned by States with law enforcement authority on the railroad property, are given certain police powers for protecting railroad employees, railroad property, and the general public. The Federal Government, recognizing that these personnel perform important functions, has taken steps to extend this authority across States borders, as many North American railroads are extensive and traverse State boundaries.

In this reauthorization, we look to extend this authority even further, to allow rail police officers to conduct law enforcement activities with respect to railroads other than the rail police officer's employing railroad, as our national system of rail transportation is an interconnected system. While I welcome this extension, as these officers perform an important security function to protect our rail system, I feel we should take a closer look at a related problem—the potential for abuse of this police power. As a special case of law enforcement officer, rail police officers answer to private sector employers and are not directly accountable to the public like most law enforcement officers. I am mindful that this could present potential for abuse—that under guide of State law enforcement authority, these rail police officers could engage in activities unrelated to law enforcement, such as enforcing railroad company policies or even labor agreements.

Given the potential for abuse, I was prepared to offer an amendment to the bill during the committee's executive session to address this problem. However, the chairman has graciously committed to working with me to resolve the issue, and I look forward to working with him.

Mr. MCCAIN. Mr. President, I appreciate the concerns of the Senator from New Jersey and have been working with him to address this issue. It is a complex matter, and one that certainly merits further examination. As such, the ranking member of the committee, Senator HOLLINGS, and I are writing to the Inspector General of the United States Department of Transportation seeking an assessment of the additional duties performed by rail police officers that are not related to law enforcement. We are interested to learn whether such duties are appropriate, and how potential abuses can be avoided. I am confident that the Inspector General's assessment and recommendations will be useful in helping us craft a bipartisan legislative solution should one be necessary.

Mr. HOLLINGS. I also thank the chairman and the Senator from New Jersey for their work on this important issue. Reauthorization of Federal railroad safety programs is needed, and the chairman has acted with great diligence in advancing this legislation. The issue the Senator from New Jersey has raised concerning railroad police officers is one that requires a closer examination, and I believe the Inspector General can provide valuable input. I look forward to working with both of them on this issue.

DEFINITION OF NEGOTIATED PRICE

Mr. BAUCUS. Mr. President, I rise today to engage the distinguished chairman in a colloquy regarding three sections of the conference report, 1860D-2(d)(1)(B) and 1860D-15(b)(3) as they relate to the new Part D prescription drug benefit, and 1860D-31(e)(1)(A)(ii), in order to clarify the intent of the conferees with respect to the prices paid for prescription drugs, particularly the concept of negotiated price.

Mr. GRASSLEY. I thank the Senator from Montana and my Democratic partner in this legislation, Senator BAUCUS, for seeking to clarify this issue. I would be pleased to engage in a colloquy.

Mr. BAUCUS. As I understand the conference report, how the bill defines negotiated price is critical to Medicare beneficiaries, prescription drug plans, and Medicare Advantage plans offering prescription drug coverage. More specifically, I understand in section 1860D-2(d)(1)(B) that with respect to drugs purchased under Medicare Part D, the intent is for negotiated prices to include "any dispensing fees for such drugs."

I also understand in section 1860D-15(b)(3) that "gross covered prescription drug costs" includes "costs directly related to dispensing." The issue for me then is how the conference report intends the Secretary to operationalize the concept of dispensing costs especially with respect to Medicare Advantage plans whose Medicare members do not fill prescriptions at retail pharmacies.

I am referring to plans that operate their own pharmacies and take possession of prescription drugs directly from manufacturers and wholesalers. For these plans, is it the intent of the conferees that dispensing costs include all reasonable costs related to plan activities needed to deliver prescription drugs to their Medicare members, including the costs of delivering this benefit? For example, this would include salaries for pharmacists, and facility- and equipment-related costs.

Mr. GRASSLEY. Yes, the distinguished Senator is correct. The intent of the conference report is to recognize that different Medicare Advantage plans are organized in different ways to deliver the new Part D prescription drug benefit and the benefits of the Medicare-endorsed drug discount card.

The conferees understand that Medicare members of some Medicare Advantage plans fill their prescription in retail pharmacies and others in a plans' own pharmacies. For Medicare beneficiaries that will be using retail pharmacies to fill their prescriptions, the conferees understand that the prices negotiated between the prescription drug plan or the Medicare Advantage plan plus dispensing-related costs include the pharmacies' reasonable overhead costs.

Similarly, it is the conferees' intention that Medicare Advantage plans whose Medicare members do not use retail pharmacies, but instead fill their prescriptions at the plan's pharmacies be reimbursed for the costs they incur in delivering the benefit when reimbursed for the same types of costs.

SECTION 507

Mr. BREAUX. I coauthored Section 507 of H.R. 1, the Prescription Drug and Medicare Improvement Act of 2003, which would amend current law regarding physician self-referrals. I would like to engage in a colloquy with my colleague, Mr. GRASSLEY, in relation to the exception language contained in this provision.

I would like to clarify congressional intent with regard to the "exception" language included in S. 1, as this language may ultimately be included in any compromise between the two bills.

I would like to discuss the extent to which the Secretary would have discretion to exempt a hospital based on the factors identified in the language. The language in the conference agreement states that, for the purpose of determining whether a hospital qualifies as under development, and therefore exempt from the self-referral limitation, the Secretary:

> . . . shall consider—
>
> (1) whether architectural plans have been completed, funding has been received, zoning requirements have been met, and necessary approvals from appropriate State agencies have been received; and
>
> (2) any other evidence the Secretary determines would indicate whether a hospital is under development as of such date.

It was my intent in crafting this language that the factors outlined would serve as an illustrative guide to the Secretary. The Secretary "shall consider" these factors, but will not be required to see that each and every factor is met. Is it your interpretation, that the Secretary would have discretion to make a reasonable determination of whether a specialty hospital is "under development"?

Mr. GRASSLEY. Yes, I believe you are correct in saying that the Secretary would have discretion to consider these factors, but would not be limited to or bound by those factors. The language states that the Secretary "shall consider," which implies that the Secretary shall consider these factors but that he or she should use the factors to make a reasonable decision as to whether a speciality hospital was "under development" as of a certain date.

Mr. BREAUX. Is it your understanding that a specialty hospital that has, as of November 18, 2003, met zoning requirements, received approval from the local planning board, and received partial funding, but has not yet completed all architectural plans would quality for the exception?

Mr. GRASSLEY. Yes, it is my understanding that the Secretary would have discretion to determine to what extent the hospital was under development as of November 18, 2003. If the Secretary found that the hospital was "under development" despite not having completed all architectural plans, the Secretary could exempt that speciality hospital from the 18-month self-referral limitation.

Mr. BREAUX. Similarly, is it your understanding that a specialty hospital that has completed or substantially completed architectural plans but has not yet received full funding would also qualify for the exception?

Mr. GRASSLEY. The Secretary would have discretion to exempt a hospital that had completed architectural plans and initiated funding and, in making this determination, would consider the extent to which the other enumerated factors had been completed. It is my understanding that the language included in H.R. 1 is meant to provide guidance to the Secretary, and that the Secretary will ultimately determine to what extent the factors have been met and to what extent the hospital was "under development" as of November 18, 2003.

Mr. BREAUX. I thank my distinguished colleague for engaging in the colloquy.

RETAIL PHARMACIES AND COMMUNITY PHARMACISTS

Mr. ENZI. Mr. President, I rise today to engage the distinguished chairman of the Finance Committee, Senator GRASSLEY, in a colloquy regarding benefits that Medicare beneficiaries may receive through retail pharmacies and community pharmacists.

Section 1860D-4 of the conference report to accompany the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 states that sponsors of Medicare drug plans or organizations that offer MedicareAdvantage plans shall permit plan enrollees to receive benefits through a pharmacy other than a mail-order pharmacy. These benefits may include a 90-day supply of drugs or biologicals. The conference report states that such enrollees would pay any differential in charge.

I offered the amendment to add this language to the Senate version of the Medicare bill during our debate in June. My intent in offering this amendment was to prohibit plans from implementing restrictions that would steer consumers to mail-order pharmacies. The Senate voted 95 to 0 in favor of requiring Medicare drug plans and MedicareAdvantage organizations to allow local community pharmacists to fill long-term prescriptions and offer any other services that they are equipped and licensed to provide.

The language does permit a Medicare drug plan or MedicareAdvantage organization to charge a different copayment for a mail-order prescription versus a prescription filled by a community pharmacist. This happens today in many health plans.

I note that the conference report would require plans to provide clear information about copayments and deductibles. This information would have to include details on the differences in charges between mail-order and retail prescriptions.

My concern is that any differences in charges between mail order and retail be reasonable differences, based on the actual cost of delivering the service. I would be concerned if differences in charges were used as a method of steering seniors and the disabled to mail order pharmacies.

I know that Chairman GRASSLEY and I both agree that since seniors trust their local pharmacists, they should be allowed to keep those relationships in place.

Mr. GRASSLEY. Mr. President, I say to my colleague from Wyoming that Medicare drug plans and MedicareAdvantage organizations should not force seniors or the disabled to choose a mail-order house when they would prefer to patronize their local community pharmacy.

The Senator from Wyoming is correct in noting that the conference report permits plans to set a different charge to the beneficiary for a mail-order prescription versus a retail prescription. However, it is my expectation that any differential in charge be reasonable and based on the actual cost of providing the service in or through the setting in which it is provided. I also would expect that the Secretary of Health and Human Services would disapprove of any plan that would impose a differential charge that was intended primarily to steer Medicare beneficiaries to mail-order pharmacies versus retail pharmacies.

Mr. ENZI. I thank the distinguished chairman for this clarification.

Mr. INOUYE. Mr. President, I have voted today to oppose the termination of debate on the Medicare Conference Report because I have carefully analyzed the report and come to the conclusion that far from being a bipartisan compromise on prescription drug benefits, the report is nothing short of an attempt to compromise the integrity of the Medicare and Medicaid system as we know it.

When it comes to health care in America, there are many parties in interest—providers, patients, care facilities, and pharmaceutical suppliers, to name a few. These groups have interests that may, at times, be in conflict, but I believe one overwhelming interest unites them all: providing the American public with the health care services and treatment that it needs. Regrettably, I find that the report we have been asked to consider has abandoned this powerful unifying principle.

Worse than abandoning our commitment to the health of our Nation, when viewed as a whole, the report strikes at the foundation of the Medicare and Medicaid system. Rather than buttressing the system of comprehensive care for our senior citizens and disabled persons, the report actually sows the seeds of its demise by undermining its ability to provide a prescription drug benefit, subsidizing competing private health plans, and increasing Medicare premiums without increasing the benefits provided.

The overwhelming drive to reconsider the Medicare and Medicaid systems came from listening to our constituents and their frustration with the ever-increasing cost of the medicines they needed. From blood thinners, to antibiotics, to state-of-the-art pharmaceuticals for cancer and HIV/AIDS, the cry for help was clear: the cost of prescription drugs was breaking the backs of the Americans who were paying for these expensive, but life-saving therapies.

Far from addressing these needs, however, the report actually makes the problem worse. On the administrative level, the report dilutes the Medicare systems's purchasing power by mandating the purchase of necessary medications by individual Medicare regions, rather than as a whole system. With more individual buyers, pharmaceutical companies are more able than ever to raise their prices, because the individual regions will have less bargaining power.

The report will also impact average beneficiaries by potentially depriving them of the specific drugs they need by providing coverage for only one or two of each class of drug. In a world where antibiotic resistant strains of common ailments are on the rise, this could be a very expensive proposition, if the drug you need is not one of the covered drugs in the antibiotic class. Difficulties only escalate in medically complex cases where patients' individual responses to pharmaceutical may vary dramatically, as in treatments for high blood pressure, high cholesterol, cancer, and HIV/AIDS.

Even worse, what flexibility there is in the report to tailor the limited drug benefit to the needs of individual patients must now be requested and petitioned for by the patients themselves. Placing the paperwork burden on seniors and the disabled only shifts the burden to the people least able to bear it, and I would not be surprised to learn that as a result, more and more beneficiaries will lose access to the medicines they need.

Finally, the report strikes a further blow to more than 6 million of our neediest citizens, those who are eligible for both Medicare and Medicaid. At present, States have the statutory flexibility to make any copayments for persons who are "dual eligible." Under the report, however, persons with dual coverage will face increased out-of-pocket expenses because States will lose this flexibility. As a result, Americans who are already below the poverty level would be expected to make copayments between $1 and $3—a great hardship for single persons with incomes of less than $8980 per year, and couples with incomes of less than $12,120 per year.

More than failing to provide the promised prescription drug benefit, however, the report actually paves the way for eventually dismantling Medicare and Medicaid altogether. The report establishes a demonstration project for "premium support" in six metropolitan areas. "Premium support" does not mean, as one might think, additional Federal support for areas where costs are especially high, and premiums are not sufficient to cover all expense. Just the opposite, it is a way of increasing the Medicare premiums Americans pay in order to compensate for rising health care costs. Moreover, with a "demonstration project" such as this in place, it would be a simple step to broaden the "project" to include the entire United States—and with an estimate average 25 percent increase in premiums, the costs to American citizens would be substantial.

The report would also provide a $12 billion subsidy to private Health Maintenance Organizations and Preferred Provider Organizations—HMOs and PPOs. With a massive subsidy such as this, there will be no question but that HMOs and PPOs will have a competitive edge over Medicare because they will receive more money per plan participant than Medicare will—and with more money, subsidized insurers will be able to provide more benefits.

"Premium support" and a $12 billion subsidy for private insurers look suspiciously like a one-two punch aimed at Medicare. On the one hand, "premium support" will increase the cost of Medicare without raising benefit levels, while on the other, a multi-billion dollar subsidy will allow HMOs and PPOs to slash premiums and provide more services. Add to this a prescription drug benefit that actually leaves millions of Americans worse off than they are now, and it is difficult to see how this conference report responds to the simple unifying principle of our health care system: providing Americans with the health care they need.

Mr. SCHUMER. Mr. President, our seniors deserve a comprehensive, meaningful drug benefit under Medicare—it's something that I, like so many of my colleagues, have been fighting for years. The world of health care has changed, and Medicare should be updated to give seniors the services and care they need.

I voted for this bill when it first came to the Senate because I thought it was a good start, and I hoped we could build on it in conference. Unfortunately, now that I see the result, I have to say this is not good enough for New York's seniors—in fact, the bad parts outweigh the good.

The bill contains some good things—it provides a good benefit for seniors who have low incomes or very high drug costs who have no other drug coverage. But for the average middle class senior with moderate drug costs, the benefit is much too small.

In fact, the way this benefit is structured, hundreds of thousands of New Yorkers who currently have coverage may actually end up worse off than they are today—and that doesn't sound like a benefit to me.

When I voted for the bill the first time around, I said that if it got any weaker, got any closer to the House version, I could not, in good conscience, support it. And, unfortunately, that seems to be what has happened here.

Other than the generic drug provisions—which represent a huge win for consumers across the board—it seems in every other case where the choice was between seniors and the big drug companies, the big drug companies have won.

Of all the bad things in this bill, the thing that angers me the most is that Congress has squandered away the single best weapon we have against rising drug costs by forbidding Medicare from using its buying power to negotiate lower drug prices with the drug companies.

At a time of rising budget deficits and escalating costs, it really makes you wonder why the Congress would go out of its way to forbid the Federal Government from using its buying power to get prices like we do through the VA.

If the Federal Government leveraged its full buying power under Medicare, we might not have a doughnut hole in this benefit at all.

The impact of this reckless prohibition is best seen by a Boston University study that shows that the drug companies will earn windfall profits of $139 billion over the next eight years alone from this bill.

This bill not only ensures we will be paying the highest possible price for drugs in this country, but it also guts any chance at reimportation—guaranteeing the drug companies a captive audience.

Is that the Republicans' idea of cost containment?

What this bill does is ensure that the government is gouged by the drug companies while putting a huge bulls-eye on the Medicare program. The prohibition on negotiating and artificial "cost containment" mechanisms in this bill will simply help the opponents of Medicare justify shifting more and more costs onto the backs of seniors.

Under the drug benefit before the Senate today, the average middle class senior could still be saddled with up to 80 percent of their drug costs. And almost 30 percent of beneficiaries would actually pay more for this Medicare drug benefit than they would be getting back in drug coverage. What kind of relief is that?

So this bill represents a paltry benefit—or no benefit at all—for most people who currently have no drug coverage. I had hoped that the bill would—at the very least—help provide a down payment for the one-third of New Yorkers who currently have no coverage, but I don't think it even does that.

In fact, there is a very good chance this benefit will actually jeopardize access to affordable drugs for New Yorkers who currently have good coverage.

Of the 2.7 million Medicare beneficiaries in New York State, 989,000 have prescription drug coverage from their former employers; 329,000 are enrolled in the state's pharmaceutical program—known as EPIC; and about 537,000 are covered under New York's Medicaid program.

First, let's look at the EPIC program. Right now, EPIC is available to individuals with incomes less than $35,000 and couples with incomes less than $50,000. People in EPIC currently have access to nearly any drug their doctors prescribe, and can go to virtually any pharmacy in the state to get their prescriptions filled.

I fought to get strong language in the Senate version of the Medicare bill that would have provided these New Yorkers with a benefit better than the one they get through EPIC.

The Senate bill would have provided New York State a subsidy equal to about $375 million per year to help it continue the EPIC and even expand it to provide a more generous benefit, to cover the disabled, which the State currently does not do, and to enroll even more people.

The watered-down compromise in the conference report leaves far too many questions unanswered.

Under the bill, if the State wants to use any of the new Federal investment in Medicare, it has to force EPIC seniors to go and enroll in a Medicare private plan and the State legislature will have to go back to the drawing board and restructure the entire EPIC program to coordinate with the Medicare plans.

The end result will be a program so laden with red tape that it is a virtual certainty that seniors fall through the cracks and lose coverage. It will be an administrative nightmare for the State to implement.

I have yet to hear one compelling argument for how the bill before the Senate will enhance the EPIC program. The State can't even tell me what will happen to EPIC and the 329,000 seniors who depend on it if this Medicare bill passes.

Even more shocking is that the bill gives the private Medicare plans a say in how generous any additional state coverage can be. The way I read it, under the new scheme, the Medicare plans will be able to limit which drugs an enrollee. has access to and limit what pharmacies they can go to—no such restrictions currently exist for EPIC enrollees. In short, when it comes to EPIC, many seniors may be worse off with the bill than without it.

One of the other major concerns I have about this bill is that it simply doesn't do enough to protect retirees who have good employer-sponsored coverage.

The conferees made some progress toward reducing the employer drop rate by giving employers a tax break worth an additional $18 billion. However, to truly protect retirees from losing coverage would cost about $65 billion.

Even with the change made in conference, an estimated 215,000 New Yorkers will likely lose their retiree coverage if this bill becomes law, and many others may see their options narrowed. That's simply too big a risk for me.

In addition, starting in 2005, all Medicare beneficiaries would be saddled with higher deductibles for doctor visits. Under the bill, Medicare premiums would no longer be universal, but higher for all beneficiaries with incomes of $80,000 and up—a provision which disproportionately affects states like New York.

In addition, over 500,000 Medicare beneficiaries in New York—living in Rochester, Buffalo, Glens Falls and the Capital Region—may be selected for the premium support demonstration program which would provide seniors with a false choice of entering a private plan or being forced to pay more for traditional Medicare.

As I have said, the bill does provide a good benefit for low-income seniors and seniors with very high drug costs who don't have access to any other drug coverage. However, the new assets test in the conference version of the bill means that about 150,000 fewer people will qualify for these low income subsidies than under the Senate bill.

Even the seniors who do get this additional assistance will face confusing and difficult choices each year about which Medicare plan to choose.

They will face a confounding maze trying to figure out which plan will cover the drugs they use and allow them to continue to go to the drug store down the street. If they are even lucky enough to find such a plan, it could be gone the next year, or change its premiums or its list of covered drugs, and seniors would be back to square one.

Of course, despite all of these negatives, there are some very important provisions in this bill which make my decision a very difficult one.

The bill includes significant relief for rural, small community and small city hospitals—about $344 million over 10 years for New York's hospitals, which is crucial to ensuring access to high quality care not only in the very rural areas of the state, but also in and around upstate cities like Syracuse, Rochester, and Buffalo.

There is also modest relief for the nation's teaching hospitals in the bill—but it is not nearly enough. New York institutions would see an additional $76 million over the next four years, but this only restores about 11 percent of the total cuts they face over that time period.

The Nation's teaching hospitals are the backbone of our health care system—they do the research and they train the doctors—and I am worried we will not get another opportunity to provide them the resources they need to do their job.

The bill also addresses the crisis in physician payments which was driving so many physicians out of the Medicare program and leaving seniors in the lurch. These provider issues must be addressed—we've fought back the draconian cuts in the Balanced Budget Act for five years now. Our providers are struggling, and it's time to set things straight.

I am pleased that the bill includes provisions based on a bill I introduced with Senator SANTORUM to stabilize the Medicare+Choice program in the short term.

The changes will ensure that plans in places like Long Island and Westchester get paid on par with plans in other areas of the country and will help significantly bring down premiums in these areas over the next few years.

Perhaps the biggest win in the bill—not only for seniors, but for all consumers, employers, and purchasers of prescription drugs—is the extraordinary victory we have achieved in the face of the unprecedented influence of the big pharmaceutical companies: generic drugs.

The generic drug provisions which Senators GREGG, KENNEDY, MCCAIN and I have been fighting for over the past few years—and which passed the Senate by a vote of 94–1—represent a huge step forward for all seniors, consumers, and purchasers of prescription drugs.

The provisions close loopholes in the law and end the abusive practices in the pharmaceutical industry which have kept lower-priced generics off the market and cost consumers billions of dollars.

The Gregg-Schumer amendments to the Hatch-Waxman Act, would put an end to the practice of brand companies listing frivolous patents for the sole purpose of automatically delaying generic approval. It would also ensure that the 180-day exclusivity period enjoyed by the first generic to challenge a patent cannot be used as a bottleneck to prevent additional generic competition.

First, the Gregg-Schumer provisions would limit brand drug companies to a single 30-month stay of generic approval, and only on patents listed at the FDA before a generic application is filed. This way, the 30-month stay—if there is one at all—will run concurrent with FDA approval of the generic application and minimize delay.

Second, key to ensuring that patent issues are resolved in a timely way, the provisions clarify that a generic applicant has a right to seek a declaratory judgment that its product does not infringe a patent or that a patent is invalid, and direct courts that they must hear these declaratory judgment cases to the maximum extent permitted by the Constitution.

With the removal of the automatic 30-month stay, if the generic company did not have a clear right to seek resolution of potential patent disputes on its own, the brand company could simply file a new patent and sit back and wait—leaving the generic at risk of being sued and having to pay triple the brand's lost profits if it does decide to enter the market. This clarification of the courts' jurisdiction will have an immediate effect on both pending and future declaratory judgment actions brought by generic applicants.

Third, the provisions enforce the patent listing requirements at the FDA by allowing a generic applicant, when it has been sued for patent infringement, to file a counterclaim to have the brand drug company delist the patent or correct the patent information in FDA's Orange Book.

Fourth, the generic provisions revamp the 180-day exclusivity incentive provided in the Hatch-Waxman Act. Under the act, the first generic drug company to challenge a patent on a brand drug has the exclusive right to market its drug for 6 months before any other generic can compete. This feature encourages generic applicants to challenge weak patents and brings consumers much quicker access to affordable generic drugs.

However, at times, brand and generic companies have abused this exclusivity period—both through collusive agreements and use of other tactics that allow the provision to act as a bottleneck to generic competition. The Gregg-Schumer provisions end this abuse because the generic company forfeits its exclusivity if it doesn't go to market in a timely manner.

The way the provision works, if another generic applicant has resolved patent disputes on the patents which earned the first to file its exclusivity—either through a court decision, settlement, dismissal because the brand company says it does not intend to sue, or withdrawal of the patent by the brand company—the first generic applicant has to go to market within 75 days or it forfeits its right to the exclusivity.

If it forfeits, then the exclusivity is lost and any other generic applicant that is ready to be approved and go to market can go. Either way, the provision ensures that consumers have access to a low-cost generic as soon as possible.

I am very pleased that the conferees preserved these important, pro-consumer cost containment provisions. Indeed, they are the only part of this bill where consumers, seniors, and taxpayers prevail over the big drug companies.

In closing, I had truly hoped this Congress would craft and pass a meaningful Medicare drug benefit for seniors—one which would have protected beneficiaries who have access to good coverage through other programs and which would have provided real relief to seniors with no other choice.

While it contains some good provisions, the package before us does neither. I think we can do better, and we owe it to the 40 million seniors in this nation who have waited decades for drug coverage under Medicare to do better than this.

Mr. ROCKEFELLER. Mr. President, on July 30, 1965, President Lyndon B. Johnson stood with President Harry Truman and, together, they delivered the Medicare program. They proudly addressed the American people as President Johnson proclaimed, "No longer will older Americans be denied the healing miracle of modern medicine. No longer will illness crush and destroy the savings that they have so carefully put away over a lifetime so that they might enjoy dignity in their later years." Today, those words still move me and yet, if I am to be honest, they also haunt me as we consider the Medicare reform legislation before us. I know that this legislation charts a course that will begin to undo the good works of our former Presidents and of a program that is perhaps the single most effective public initiative in our nation's history. Medicare has literally saved the lives of our seniors, keeping them from poverty and providing the peace of mind that comes with security. For this reason, I have a heavy heart and a sense of near dread about this bill. My heart is heavy because I know that this bill to reform and "improve" Medicare is deeply, fundamentally flawed. This is not what Presidents Johnson and Truman wanted for the millions of our parents and grandparents who made America strong, and it is not what I want, either.

For many years, we have talked about the need for a prescription drug benefit under Medicare. For a brief moment, I believed we in the Senate were serious about delivering a meaningful benefit. However, I cannot support the Republican Medicare prescription drug bill because it forces seniors to choose between paying more for their own doctor or signing up with an HMO; leaves seniors to pay thousands in out of pocket costs; eliminates employer drug coverage for 2.7 million retirees; prevents efforts to keep drug costs down; and effectively prohibits seniors from importing cheaper drugs from Canada.

I recognize that this bill commits $400 billion to a Medicare prescription drug benefit and truly helps some low income seniors who are without coverage today, and I am glad that it gives a critical boost to rural hospitals and doctors. But the fine print matters and will have very dangerous consequences for how much seniors have to pay for their Medicare benefit, whether this drug benefit really serves seniors, and whether we are strengthening or weakening Medicare for the future. I have always said that a Medicare prescription drug bill must be voluntary, affordable and accessible to all Medicare beneficiaries; must truly help with the high cost of prescription drugs; and must strengthen the Medicare program for the future. This bill fails on all counts.

West Virginians and many of my colleagues know I have been working on Medicare for 20 years. I sat on the Medicare Commission for a year during which we debated the best way to improve Medicare. Before that, I chaired the U.S. Bipartisan Commission on Comprehensive Health Care, which discussed ways to address the problems of the uninsured and the need for long-term care reform in this country. Today, I am the ranking member of the health subcommittee of the Senate Finance Committee. I was a member of the conference committee on this bill—but in name only, not in practice. Nevertheless, my goal has always been, and continues to be, improving Medicare and the quality of health care available to all Americans. This bill does not improve this program. This bill harms this program—actually harms Medicare.

This bill is a tool to force seniors to leave the traditional Medicare program they know and trust in order to obtain the drug benefit they need and deserve. Many people have said that this plan is voluntary and, therefore, if a senior chooses to stay in traditional Medicare and get a drug benefit, he or she can do so. This legislation does not guarantee that in any way. Under this legislation, seniors will have two different options for receiving a drug benefit. The first option is to stay in traditional Medicare for their doctor and hospital services and enroll in a "drug-only plan" to receive their drugs. The second option is to give up traditional Medicare and enroll in a HMO or PPO for all of their health care services. You may ask: what is a drug-only plan and how does one work? The answer is that we have no idea because no such entity exists today. It is a completely new concept which the Administrator of CMS said does not exist in nature and would probably not work in practice. The former head of the Health Insurance Association of America said that drug-only plans are like insuring against haircuts. So, it's completely uncertain whether these plans will emerge, but let's say for a moment that they do. Well, at least seniors should be assured that they can remain in traditional Medicare and get a prescription drug benefit, right? Wrong. There is no limit on what these drug-only plans can charge seniors none at all. These plans could charge seniors $100, $500, or even $1,000 per month. These premiums could be completely prohibitive. West Virginia seniors will certainly not be able to afford premiums that high. If that is the case, seniors will not really have the option to stay in traditional Medicare and get a prescription drug benefit. They will be forced to enroll in an HMO in order to get a drug benefit and that is not what our seniors want.

Again, to be fair, this bill has some provisions, including those affecting physician services and rural hospitals that will be helpful to my home State of West Virginia. I fully recognize that; in fact, I pushed for these because I understand that good care is critical to good health, and that we must adequately reimburse Medicare providers for that good care.

However, despite this, I have grave concerns about the compromise produced by the Conference Committee charged with reconciling differences between the House- and Senate-passed Medicare reform bills. I was on the conference committee. I understand the arguments on both sides. And now, more than ever, I believe that the Congress needs to pass a meaningful prescription drug benefit that gives seniors more for their money, not less. I do not want to privatize Medicare, undermine existing retiree coverage, or force seniors to flip-flop between plans. Unfortunately, this bill would do all of that and more. Today, 339,000 seniors live in West Virginia. Nearly 30,000 West Virginia seniors will lose their employer-sponsored prescription drug coverage simply because of the enactment of this bill. As health savings accounts (HSAs) created by this legislation select and cover healthier, younger seniors, employers will be left to cover sicker, older seniors. Employers will see their health care costs rise and they will be priced out of continuing to provide employees or retirees with coverage, leaving remaining retirees with a benefit that is less desirable than they had before. Meanwhile, 70,000 West Virginia seniors will fall into a $2,800 coverage gap, forcing them to bear the total cost of their drug themselves until they reach the end of that gap. In fact, the available benefit will be so stingy that many seniors will pay more for this drug plan than they will receive in actual drug benefits.

At the same time, private insurance plans will be assured even greater profits through a $12 billion "slush fund" created by this legislation. Proponents argue that this "slush fund"' is necessary to bring HMOs into rural areas. The fact is, that this additional funding is necessary because HMOs have overhead costs. They have to pay their investors, provide a return to their stockholders and they have to pay for good marketing materials because that's the best way to skim off the healthiest seniors. On average, private plans have administrative costs that are about 15 percent of total spending whereas Medicare's administrative costs are 2 to 3 percent of total spending. There is no way that private plans can be as efficient as Medicare. Yet I am not opposed to allowing them to compete fairly with Medicare. However, we should make them compete on a level playing field. We should make them compete by creating efficiencies. We shouldn't take money away from the highly efficient Medicare program and give it to the HMOs to help them instead of seniors. That is not the free-market at work. That is not real competition. And, while a "premium support" demonstration, which effectively allows a voucher system instead of a real Medicare prescription drug benefit, will take place in six metropolitan statistical areas (MSAs) initially, I believe we can safely assume that this demonstration is meant to be standard at some point. This demonstration is expected to raise monthly Medicare premiums by 26 percent.

Perhaps most disturbing, 45,000 "dual eligible" beneficiaries will pay more for every prescription drug they receive under this legislation. Dual eligibles are seniors who qualify for Medicaid by virtue of their income. They currently receive drug coverage under Medicaid. In my State of West Virginia, these seniors pay between $0.50 and $2.00 per prescription depending on the total cost of the drug. Under this legislation, they could be required to pay twice that much. I want to be clear on this point because I was among those insisting that the dual eligibles be included under the Medicare benefit and not left in Medicaid. I believe this conference report does the right thing by including these seniors in the Medicare benefit. However, this legislation precludes States from "wrapping around" Medicare. In other words, States will not receive any Federal dollars for assisting dual eligible beneficiaries with the costs not covered by Medicare. This is unprecedented. For every other benefit covered by Medicaid but not by Medicare, the states receive a Federal match to provide those benefits to our poorest seniors. For example, Medicaid covers long-term care but Medicare does not. So, for those seniors who are also eligible for Medicaid, the Federal Government provides matching dollars to states to provide long-term care to dual eligibles. This conference report completely twists that concept of protecting our poorest seniors against increased costs in an unprecedented way. This arrangement represents a fundamental change in the relationship between Medicare and Medicaid. Many predict that the individuals affected will choose to forgo the prescription drugs that they need rather than try to pay what they cannot afford.

In my judgment, this bill represents the greatest threat to the Medicare program since its enactment. While numerous opportunities existed to strengthen it, they were wasted. Instead of devoting $12 billion to closing the $2,800 coverage gap, this conference report gives it to HMOs. Instead of protecting the right of our seniors to stay in traditional Medicare and get a prescription drug benefit, this bill protects the rights of the private plans to charge any premium they want. Instead of shoring up retiree coverage for the two to three million beneficiaries across the United States who will lose drug coverage as a result of this bill, this bill includes tax shelters that threaten to undermine the entire employer-based system. This bill is a give-away to special interests, compiled in the dead of night, under wraps. It is shameful. Public policy, like life, is about choices and this bill makes all the wrong choices for our seniors.

While I have painted a bleak picture, I strongly believe that we can avoid disaster. We can do so by putting this bill aside and coming back to the table with a proposal that helps seniors and protects the long-term viability of what is a truly great program. We can take into account the seniors who won't benefit from the low-income provisions in the bill. We can protect retirees, and we can implement positive reform that is productive, not destructive, confusing, or manipulative. It is not too late. It is not too late. I urge my colleagues to reject this bill and to immediately go back to work for the kind of Medicare drug benefit seniors deserve.

Mr. COLEMAN. Mr. President, we stand here today at a historic moment in this country as we begin consideration of the Medicare prescription drug bill. This bill is a triumph not for a party or a President but for America's seniors and their families. This is an incredibly hopeful day for all Americans who long for a national government that can get things done for people.

I campaigned on a promise to get things done—deliver to the American people what they need to live better lives and what they are looking to Congress to accomplish to make America a stronger country. Prescription drugs, energy, partial-birth abortion were all at the top of the list of issues that most Americans were looking for Congress to take action. Their seemingly simple request was for us here in Washington to put politics aside and do what is right for the American public.

I am proud to say we are seeing that happen with this Medicare bill. This is a bipartisan effort that, although not perfect, makes a good start at addressing the needs of Minnesota's seniors and health care providers as well as those across this country.

This is the largest and most comprehensive rural health care improvement package ever contemplated by this body. Last year, as I campaigned across Minnesota and spent many hours talking to our rural health care providers, it was apparent to me that most of our hospitals and doctors had given up hope for fair Medicare reimbursement.

Thanks to the strong leadership of Chairman GRASSLEY, we have a bill before us that has $26 billion—or $2.6 billion each year for 10 years—for rural providers, something that one short year ago seemed nearly impossible.

Quality rural health care is one of the foundations of our rural communities—this isn't simply about making sure our rural hospitals are adequately reimbursed. This is about preserving a way of life in America.

Without rural hospitals and physicians, it is tough to raise a family and hard to attract new businesses to rural communities. Without access to health care, many of our out-state towns simply couldn't exist.

This bill seeks to eliminate many of the disparities in reimbursement rates that have existed too long and crippled the rural health system. Hospitals, physicians, and ambulances, as well as all of those health professionals who work within these systems will not see Medicare reimbursement rates that better reflect the realities of the costs of providing care in rural communities.

As I look back on the accomplishments of the first session of the 108th Congress, addressing the rural health care payment disparity under the Medicare program will undoubtedly be one of the most meaningful achievements to Minnesotans. Many said it couldn't be done, and today I have the great opportunity to come to the Senate floor and tell my constituents that we will be voting on a bill that takes a major step in providing equality with urban payments that will significantly improve their ability to provide quality care.

Minnesota has a long tradition of providing high quality care, but many of our seniors have not had access to this care because of the lack of prescription drug coverage under the Medicare program.

Again, I have the great honor coming here and announcing to the seniors back home that help is on the way.

Beginning in 2006, the 677,400 Medicare beneficiaries in Minnesota will have access to drug coverage for the first time in the history of the Medicare program, and 187,356 of these people would not otherwise have access to drug coverage.

That means access to new drug therapies that could never been imagined in 1965 when Medicare was created. It is time to bring this program in line with current medical practices. A 1965 Cadillac is a classic. A 1965 health care benefit is a travesty.

This bill will provide prescription drug coverage for 41 million people in this country—41 million people! Is this the perfect benefit? I'm not sure what the perfect benefit realistically looks like. But I do know that the average senior's drug costs will be cut roughly in half under this proposal. That is meaningful assistance for all seniors and the bill provides even more assistance for those low-income seniors who need us to shoulder even more of the burden.

Let's not let perfect be the enemy of good. In the words of the AARP, one of the largest senior associations, "Millions of Americans can't afford to wait for perfect."

And we know that drugs are most effective when used to prevent the onset of a health condition. Right now almost 93 percent of our health care dollars go to treat a person who is sick. While we have amazing screening and early detection capabilities, we have a program that waits for people to develop dangerous and costly conditions before they can receive care.

It appears to me that this is a 1965 model of care, not a model that belongs in a 2003 health care system. This bill for the first time includes a "Welcome to Medicare" physical that will allow beneficiaries to get an assessment of their health condition and possibly detect conditions that could possibly escalate over time. It also includes cardiovascular screening, blood tests and diabetes screening that will be available without deductibles or co-pays to encourage seniors to take advantage of these benefits.

I want to stop for a moment at the word "encourage." It is absolutely critical for every senior to know that they don't have to take advantage of the preventive screenings, they are not required to participate in the prescription drug plan, and most importantly, no seniors under this proposal are forced into a private health plan. Every senior who chooses to remain in traditional Medicare has that equally important option under this bill.

This bill is about expanding choice. Time and time again I hear from seniors who have said they want to receive the same benefits that my colleagues and I here and in the House of Representatives enjoy. This bill is about giving seniors the option to participate in a plan that looks very close to the benefits that I and most individuals in the private sector enjoy.

This bill is good for our seniors, it is good for health providers, and it is good for the American public who are tired of the partisan battles that have characterized this Congress. I thank Senators GRASSLEY and BAUCUS and the members of the conference committee who have crafted this bipartisan Medicare package. This is a truly historic time in this body's history.

As we look toward completing our work for this first session, I am hopeful that the spirit of cooperation that has led to this bill will be extended to the many important issues we will leave unresolved this year.

The Thanksgiving season is upon us. Our work in this session is nearing completion. But our work will not be done until and unless we seize this historic opportunity and bring a prescription drug benefit and hopes for a better and healthier life and make this a Thanksgiving to remember for all the right reasons for our senior citizens and their families.

Mr. BYRD. Mr. President, the Republican leadership and even a member of the President's Cabinet twisted arms and bullied individual House Members late in the night and into the wee hours of Saturday morning. A roll call vote was held open for almost 3 hours—the longest House roll call vote in history—until enough Members ignored their conscience, cried "mercy," and voted "yes" on the Medicare bill.

I believe most Americans would find such tactics repulsive and unbecoming of how Members of Congress should behave. One might expect to see such arm twisting and intimidation during a prisoner interrogation scene in an episode of "Law & Order," not a voting session of Congress—especially on a vote of such great importance to the citizens of this country.

What happened the other night was nothing short of a subversion of the democratic process itself and a subversion of the democratic principles our Founders stood for. Is this the manner of legislating that our Founding Fathers had in mind when they so craftily designed the political institutions of this country? I do not believe it is the scenario our Founders envisioned when they created the Senate—to act as the "saucer," as George Washington so wisely said, to absorb the overheated passions pouring out of the House of Representatives.

If ever there were a time for the Senate to act as that "saucer," it is now. It is a time when the health care security of 40 million senior citizens, and millions of Americans for years to come, could be on the brink of collapse as a result of this bill. We may even be in a race toward the finish line of Medicare itself. And I am afraid that the race is driven by partisan politics, extreme ideological fervor, and blatant special-interest greed—all at the expense of our Nation's most vulnerable citizens. Will the Bush administration and Republican leadership of this Congress stop at nothing in order to get what they want?

I am bewildered as to why we are engaged in such a mad stampede to ram this bill through the Congress—especially when this legislation will not take effect until 2006. I have been around long enough in Congress to know that the actions of today's leadership smack of arrogant politics and calculated indifference.

The more I read through this Medicare bill, the more I become convinced that history is again repeating itself. I can recall a painful experience during my majority leadership when an outraged citizenry, composed mostly of seniors, forced Congress to repeal the ill-fated Medicare Catastrophic Coverage Act back in 1989. The year before, Congress was engaged in a Medicare debate eerily similar to the one we are having today. An agreement was reached to make the most sweeping change in Medicare's "then" 23 years of existence.

At that time, Congress agreed to two key changes to the Medicare Program—a prescription drug benefit and a "stop-loss" protection from catastrophic medical bills. Facing deficits as we do today, Congress decided that beneficiaries should pay for the new benefits themselves, with the wealthiest paying the most. The new law included a complicated benefit that was too difficult to explain and a lengthy delay in the benefit's taking effect. In the end, seniors saw the bill, and wanted no part of it. After angry protests, it was repealed. We are poised to make the same mistake again.

I foresee a great deal of confusion and dismay occurring around kitchen tables across America when people actually start to read beyond the newspaper headlines and see the fine print of this plan three years from now. Seniors may not know whether to laugh or cry. And if seniors reject this new Medicare plan, it will fail and fail miserably.

When senior citizens wake up in 2006 and find out what this bill is really about, it will not be the turkey that needs to be eaten on Thanksgiving day, it will be all of us in Congress eating crow.

We should not let political ideology drive our Nation's Medicare policy when we are dealing with the health care and lives of the most vulnerable in the country. I am worried that this body is being asked to hand over one of the most popular Government programs in history to private insurance companies. I have been down this tortured road before during my 51-year tenure in Congress. My constituents and others around the Nation are reeling from public programs that have been turned over to the so-called free market. Utility rates, cable rates, airline rates, you name it, the free market has ensured exorbitant prices with diminished service. Pensions and retirement security have taken a similar beating.

So here we are again, this time being presented with a rosy scenario about how private industry competition will improve the Medicare program. The rhetoric is familiar: increased competition, lower costs, and greater services will be provided. Yes, the rhetoric is familiar, but so is the reality. This scheme will not deliver what it promises.

I fear that we are going to wind up with a patchwork across the country of differing coverages, differing plans, differing copays and differing premiums. No senior will know for sure what they can count on.

Analysis of the GOP Medicare bill estimates that 31,000 Medicare beneficiaries in West Virginia will lose their retiree health benefits as a direct result of this package. Nearly 45,000 Medicaid beneficiaries in West Virginia will pay more for the prescription drugs they need. As many as 27,700 fewer seniors in West Virginia will qualify for low-income protections because of the assets test and lower qualifying income levels. More than 7,500 Medicare beneficiaries in West Virginia will pay more in Medicare premiums because of income means-testing.

Let's slow down and take a better look at this legislation and the unintended consequences. We need more time to explain this plan to our elderly citizens. Don't we need their feedback? I doubt that our Nation's seniors will be excited about accepting a bill that poisons the well. Seniors will likely want no part of it—especially when they see how it will undermine the rest of Medicare down the road. Just like they did almost 15 years ago, they may revolt, and Members of Congress could be back here scratching their heads and scrambling to find a solution and save their seats.

This bill fails our seniors. It sells senior citizens out in exchange for big profits for prescription drug companies. America's senior citizens and disabled citizens deserve more than some new hocus-pocus scheme that leaves them naked to the whims of private insurance companies, and offers only a new-you-see-it, now-you-don't promise of coverage. Instead of selling illusions, Congress ought to go back to work and settle on a good, comprehensive, voluntary Medicare prescription drug benefit.

Let's not shortchange our seniors. We owe them much, much better.

Mr. CHAMBLISS. Mr. President, I rise today to voice my concerns with the conference agreement on H.R. 1, the Medicare Prescription Drug, Improvement, and Modernization Act of 2003.

My original intentions were to work with this body to create and provide a fiscally responsible prescription drug benefit for seniors who are in need. My primary responsibility and obligation through this process was to make sure that Medicare beneficiaries with the lowest monthly income and the highest monthly drug bill were taken care of. That obligation has been fulfilled by this agreement.

This bill will provide almost 1 million Georgia seniors with completely voluntary access to a Medicare prescription drug benefit for the first time in the history of the Medicate program. Starting next year, low-income seniors will get drug cards that provide $600 worth of assistance for prescription drugs. Seniors will be covered with access to an initial physical and other new preventive benefits such as cholesterol and diabetes screenings. This legislation creates new Health Savings Accounts, HSAs, to pay for qualified medical expenses, available to all beneficiaries with contributions allowed from employers and family members.

Beginning in 2006, all Medicare beneficiaries will be eligible to get prescription drug coverage though a Medicare-approved plan. In exchange for a monthly premium of about $35, seniors who are now paying full retail price for prescription drugs will be able to cut their drug costs roughly in half. Lower-income seniors could qualify for more generous benefits, including reduced premiums, lower deductibles and coinsurance, with no gaps in coverage.

With Medicare beneficiaries receiving access to a prescription drug benefit, Medicare instead of Medicaid will be assuming the prescription drug cost of roughly 172,000 beneficiaries in Georgia. This could equal $469 million in added savings over the next eight years for the State of Georgia.

The bill also would increase Medicare funding for doctors, hospitals and other health care providers, particularly in rural areas, where reimbursement levels are far below what is paid in urban areas of the country. Additionally, the bill provides cost incentive to encourage companies to retain the health coverage they provide their retirees. I want to voice my support for all of these provisions.

Following my review of the conference report, however, I can't help but feel that this is not the best we could do. I feel like we missed the mark on trying to ensure Medicare's solvency. While we are trying to ensure that prescription drug coverage is provided for those seniors who need them, we should also ensure that future generations are not overburdened by the costs of this expanded entitlement program.

Attempts to cap the bill's cost have been diluted. Instead of putting cost containment provisions in the legislation, there is a vague transfer of power from today's lawmakers to future lawmakers to handle the cost when it becomes a problem. In 2007, the Congressional Budget Office has estimated that the bill will cost $40.2 billion. By 2013, that price tag hits $65.2 billion. I am not comfortable leaving these problems to be dealt with in the future. If we cannot logically solve them now, how do we expect future Congresses to tackle cost containment while this program is spiraling out of control?

Helping today's seniors with access to prescription drugs must be balanced with our responsibility to future generations, our own children and grandchildren. These generations will have to pay, literally, for our miscalculations. They will be able to look back and see clearly when and where we made mistakes. Today, future generations are a main concern of mine because I think this bill lacks some common sense regarding fiscal restraint. It has the potential to expand our budget deficit for years to come. Placing the cost burden of an entitlement program on the shoulders of our children's generation seems very unfair. Shouldn't it be possible for this legislative body to create a prescription drug benefit plan that is fiscally responsible? Have we successfully done this? With a cost containment trigger we could have done just that and we have missed the opportunity.

In addition to the looming fiscal problems of this measure, I am also very concerned with cuts for the reimbursement of drugs for cancer treatment. Community oncology practices in Georgia and nationwide will be at risk of closing their doors because of these cuts. When approximately 1.4 million people are diagnosed with new cases of cancer each year and approximately 550,000 people die from cancer each year, why are we decreasing these drug reimbursements?

Our small town pharmacists may also experience financial risk as a result of the passage of this bill. They play a fundamental role in delivering these benefits to our seniors. Pharmacy Benefit Managers, PBMs, should be required to report all financial concessions they receive from manufacturers such as discounts, rebates, and indirect subsidies and should be audited to ensure accountability. I want to ensure that these pharmacists will be able to compete on the same level as the PBMs and purchasing by mail so that they can continue serving their patients. We also need to acknowledge and protect the role of medication counseling services provided by our pharmacists as this is a valuable benefit to the patient.

Another concern is the lack of flexibility within the Medicare program. Competition among private healthcare plans in Medicare will help ensure more up-to-date coverage and gives seniors the ability to choose the healthcare plan that best meets their personal health needs rather than a one-size-fits-all government plan. A Medicare-approved private healthcare plan needs flexibility in designing benefits so that seniors can have the option to choose the coverage that makes the most sense to them and best suits their health needs. Seniors deserve choice and flexibility within their benefits, and this bill does not give seniors the full extent of flexibility they deserve.

Lastly, the means testing provisions included in this bill are positive but are not strong enough. Our goal should be to help those seniors who cannot afford life saving drugs and currently have to make the difficult choice between putting food on their table and buying the prescriptions they need. We should not waste taxpayer money on subsidizing wealthy seniors who can easily afford to pay for their own medicines.

Individuals who fall into the category of 150 percent of Federal poverty level or those with a total income of $13,470 or less will receive great benefits. However, the gaps in coverage for the middle class will make this legislation somewhat effective or possibly even more costly for certain beneficiaries. Protecting those most in need is imperative, but we cannot sacrifice those folks that fall in the middle.

The decisions we will make today by voting for this measure will affect the health of every American and significantly impact future taxing and spending of generations to come. I stand before you today burdened by trying to make the best decision for America's seniors, for Medicare solvency, and for the financial security of our children and their future generations.

This bipartisan agreement is a necessary step to completing the promise we made to seniors, and that is to provide prescription drug coverage. It is for this reason only that I will vote for this conference report, but I will continuously seek ways to improve this program by seeking stronger cost containment provisions and increasing the flexibility for the plans.

Thank you, Mr. President. I yield the floor.

Mr. KOHL. Mr. President, I rise today to oppose the Medicare conference report. Once again, the Senate is on the verge of passing a bill that is good for everyone—except the people the bill is supposed to help. Our Nation's seniors rely on Medicare and are asking for Congress' help with a real Medicare drug benefit. This bill doesn't give it to them. Instead, it is a dream package for drug companies, insurance companies, and the people who make TV ads for politicians. And it is a nightmare for too many Medicare beneficiaries.

Our elderly and disabled citizens rely on Medicare. They know it and they are comfortable with it. They know it will cover most of their health care needs whether they're healthier or sicker, middle class, affluent, or low income.

For years now our seniors have asked us to add a prescription drug benefit to Medicare to help them pay for the costs of their medication. It is a simple, straight-forward request that this bill meets with a confusing, costly, and damaging response. The bill changes Medicare from the reliable, popular program that has worked for seniors since 1965 to a Government subsidy program for private insurance companies.

The bill fundamentally changes the nature of Medicare. Instead of enhancing the current guaranteed benefit under Medicare with prescription drug coverage, the bill allocates billions to insurance companies to entice them to serve Medicare beneficiaries. In fact, the companies will be paid more than it costs traditional Medicare to cover seniors. And on top of that, there is a new $12 billion slush fund to beg them to enter the program.

And what will these insurance companies do with this extra money? They will design their plans to attract the healthiest, wealthiest seniors—and leave poorer, sicker seniors in traditional Medicare facing higher costs.

This is no small point. Medicare has worked for decades because it is a universal, reliable program. People believe in it, and it has worked well for them. But this bill, which was supposed to simply add a new prescription drug benefit, instead changes Medicare to a new system of winners and losers.

This fundamental weakening of the Medicare system is bad enough, but even worse is the process by which Congress is considering the changes. The conference report was put together by a small group behind closed doors. It is over a thousand pages long and is extremely complicated. But we're being given only four days to read and digest this massive bill—this massive shift in the way we provide health care to our seniors.

Why are we rushing to vote? Are we afraid of seniors learning the truth about what's really in this bill? This bill makes the most sweeping changes to Medicare since its creation, and we have barely had time to examine it. Our seniors deserve more than a cursory glance and crossed fingers that everything will work out.

Our seniors also deserve a real prescription drug benefit that gets the best prices for their medication. But this bill actually prohibits the Federal Government from negotiating with drug companies for lower prices. What a huge missed opportunity. What a waste of taxpayers' dollars. We could have used the tremendous purchasing power of the 41 million Medicare beneficiaries to make sure that prices are fair. Instead, this bill is a windfall for the drug industry. Just look at drug companies' stocks shooting up over the last few days; it is clear who the winners under this bill are.

The drug benefit itself is far less generous than seniors expect and deserve—and for many seniors, it will do more harm than good. Many seniors will still be responsible for most of their drug costs. Those with drug costs below $810 a year will actually pay more than they do today if they sign up for the drug benefit. Seniors with drug costs of $5,000 will still pay almost $4,000 themselves—almost 80 percent of the bill. There is a giant hole in the drug benefit—a gap in coverage where seniors continue to pay their monthly premiums but get absolutely no help from Medicare with their drug bills. I voted against the original Senate bill in part because of this gap. Now instead of closing the gap in conference, this bill actually doubles its size.

Even worse, this bill will cause many retirees who already have good drug coverage through their former employers to lose it. According to the Congressional Budget Office, 2.7 million seniors nationwide could lose their current coverage, including as many as 60,000 in Wisconsin. These seniors worked hard to earn retiree health coverage. That coverage will now be in jeopardy.

In addition, while there is additional help for some low-income beneficiaries, millions of poorer seniors will be worse off because of this bill. Up to 6 million seniors who are eligible for both Medicare and Medicaid—the poorest of the poor—will have higher costs. Up to 110,000 dually eligible seniors in Wisconsin could be affected. In addition, the bill cuts out the extra help for millions of low-income seniors if they fail a restrictive asset test.

There are some good things in this bill. It includes an increase in Medicare payments to Wisconsin that will finally begin to level the playing field for Wisconsin's doctors, hospitals, and seniors. I am pleased that this was included.

I know there are some who say we can't afford to wait for a perfect bill. But I believe that this bill is not just far from perfect—it will actually do harm to many of our seniors and will waste billions of taxpayer dollars in a giveaway to the insurance industry and drug companies.

This drug benefit is nowhere close to what seniors have asked us to deliver. They wanted to pay less for their prescription drugs. We could have done tremendous good here. We could have brought the price of drugs down using bulk purchasing through Medicare, greater use of generic drugs, and allowing seniors to purchase less expensive drugs from Canada. Instead, we have a complicated and skimpy drug benefit, huge subsidies to drug and insurance companies, and a sea change in the Medicare Program. This is not what seniors asked for, and they will not be fooled. When they learn the details of this bill, they will rightly revolt.

There are those who say we have to pass this bill today because we'll never have another chance. That is ridiculous. We have only had four days to look at this 1,000-page bill. We haven't had any time to go back home and discuss this with out constituents. How can we represent the seniors in our States when not one of them has had a chance to see, digest or comment on this bill.

This bill doesn't even go into effect until 2006, so why the rush to pass it today? With a mere 4 days of study, we are about to enact historic, sweeping changes to Medicare. The people we represent deserve a much more serious effort.

I do not believe that this bill is our last and only chance. If this bill is defeated, we can't and won't give up on a real, effective and smart prescription drug benefit in Medicare. We can't and won't turn our backs on doctors, hospitals and health care providers. We can do better if we have the will and the courage to do it.

Mr. KENNEDY. Mr. President, I rise today to say a few words about Section 1101(d), a provision of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 relating to the Hatch-Waxman Act and the authority of Federal courts to entertain actions for declaratory judgments. This provision originally was added in the Senate, as part of the Greater Access to Affordable Pharmaceuticals Act, and formed Section 702(c) of S. 1, the bill passed by the Senate. I will discuss today some of the changes made to this subsection in conference, and what this provision is intended to accomplish.

Lower Federal courts typically have required that a declaratory judgment plaintiff satisfy the "reasonable apprehension test" before being allowed to bring declaratory judgment actions in Federal court.

Section 1101(d) provides that, so long as a generic drug company has filed an Abbreviated New Drug Application, ANDA, and the patentee has not filed suit within 45 days of receiving notice, "the courts of the United States shall, to the extent consistent with the Constitution, have subject matter jurisdiction in any action * * * for a declaratory judgment that such patent is invalid or not infringed." This subsection will provide relief to alleged patent infringers—at least in the Hatch-Waxman context—in several ways.

First, this language sweeps away the type of discretionary barriers to a declaratory judgment action imposed in decisions such as EMC Corp. V. Norand Corp. The Federal Circuit in that case found that the district court actually had jurisdiction to entertain a declaratory-judgment suit. It nevertheless allowed the district court to dismiss the action, holding that district courts may do so unless "there is no real prospect of non-judicial resolution of the dispute." The Federal Circuit apparently felt that a patentee should be able to use what may prove to be an invalid patent as a source of "bargaining power" in license negotiations.

This refusal to entertain a litigant's action where jurisdiction unquestionably exists is, of course, at odds with the rule, announced 182 years ago in Cohens v. Virginia, that the Federal courts "have no more right to decline the exercise of jurisdiction which is given, than to usurp that which is not given." Blame for this practice, however, cannot entirely be laid at the feet of the Federal Circuit. The Supreme Court, in the 1995 Wilton v. Seven Falls Company case, affirmed that Federal courts have "unique and substantial discretion in deciding whether to declare the rights of litigants." Wilton identified two sources of this discretion: it found a "textual commitment to discretion" in the Declaratory Judgment Act, emphasizing the act's use of the word "may." And it noted the courts' history of recognizing discretion to decline declaratory-judgment actions.

Section 1101(d) directly sweeps away the type of discretion allowed in the EMC Corp. case. First, and most importantly, it replaces the word "May"—the textual source of the discretion identified in Wilton and EMC Corp.—with the word "shall." Second, simply by creating a new source of authority to entertain declaratory judgments in the Hatch-Waxman context, section 1101(d) disentangles such actions from the tradition of discretion associated with the Declaratory Judgment Act. Armed with the word "shall," this new section starts afresh, with no reason to be exempted from the usual (Colorado River) rule that Federal courts have a "virtually unflagging obligation * * * to exercise the jurisdiction given them." With this new provision, generic-drug companies never will be denied access to a declaratory judgment action on the basis of pending or potential license negotiations, at least so long as the suit otherwise is constitutionally sufficient for presentation in an Article III court.

This last matter—when the case or controversy requirement for a declaratory judgment action is satisfied—is the subject of the second major aspect of section 1101(d). I and other Senate proponents of this subsection believe that the reasonable-apprehension test demands more than is required by the constitutional case-or-controversy requirement. We are fortified in this view by two letters received by the committee of jurisdiction from Professor John Yoo. Rather than repeat all of Professor Yoo's analysis, I will simply include his letters at the conclusion of my remarks. As Professor Yoo notes in his first letter, the reasonable-apprehension test is "[not] demanded by the Supreme Court's interpretation of the Declaratory Judgment Act." He suggests that the test may be viewed as an exercise of the court's discretionary power.

Section 1101(d) shifts the focus of a court's inquiry to whether the requirements of Article III are satisfied. In deciding when a Hatch-Waxman declaratory judgment suit may meet the requirements of Article III, the courts should focus on the actual components of the case-or-controversy requirement. In the 1998 Steel Company decision, the Supreme Court reiterated that the "triad of injury in fact, causation, and redressability constitutes the core of Article III's case-or-controversy requirement." In setting the constitutional standard for allowing declaratory judgments, the Supreme Court in its 1937 Aetna Life Ins. v. Haworth decision focused on the dispute's adverseness, definiteness, concreteness, and the specificity of the claims. this language inevitably invokes the injury-in-fact element of the Article III standing inquiry. It is from the injury-in-fact case law—which asks whether an injury is concrete and particularized, and actual or imminent—that the courts might draw new standards for a constitutionally adequate case or controversy in the declaratory judgment context.

It thus bears mention that the Supreme Court has not hesitated to find actual Article III injury where a plaintiff forewent a legally cognizable benefit as a result of being actually and reasonably deterred from particular conduct. Just 3 years ago, for example, the court held that even where a defendant's environmental discharges caused no harm to the environment, environmentalist plaintiffs had standing where their "reasonable concerns about the effects of those discharges, directly affected [their] recreational, aesthetic, and economic interests." And in 1979's Babbit v. United Farm Workers, the court found that plaintiffs deterred from constitutionally protected conduct had standing to challenge the offending statute where the threat of its enforcement was "not imaginary or wholly speculative." The Court further specified that the plaintiffs were "not without some reason in fearing prosecution" where "the State has not disavowed an intention" of enforcement, a fact that rendered the positions of the parties "sufficiently adverse, * * * to present a case of controversy within the jurisdiction" of the Federal courts. And—closer to the context of a section 1101(d) plaintiff—the court has inquired, when evaluating commercial plaintiffs standing in 1975's Warth v. Seldin, whether the defendant's actions "delayed or thwarted any project currently proposed."

I would also note that some courts have applied case-or-controversy tests in the declaratory judgment context that, in their standards and focus, are not dissimilar from what is suggested by the Supreme Court's injury-in-fact caselaw. For example, in the 1974 case Blessings Corp. v. Altman, the district court for the Southern District of New York held that "any lingering possibility of an infringement charge is sufficient to support the finding of an actual controversy so long as the plaintiff can demonstrate some actual harm to its business." Similarly, in the 1986 case Research Institute v. Wisconsin Alumni, the district court for the Western District of Wisconsin concluded that "a perceived threat of infringement is real"—and would satisfy Article III requirements—so long as "it would be a substantial factor for most business people in their choice to proceed in one direction and not in another."

Congress, of course, does not presume that any of these cases sets the proper case-or-controversy standard in the context of a patent-infringement declaratory judgment action, or that 1970s standing decisions still are good law. Nevertheless, these cases do at least suggest the proper focus of inquiry: whether the would-be patent challenger has been reasonably and actually deterred from undertaking a profitable enterprise.

Finally, should the courts be unwilling to wholly abandon the reasonable apprehension test for purposes of analyzing the requirements of Article III, the conferees have left them options short of striking down section 1101(d). Unlike the Senate bill, the conference report does not gamble all on the hope that courts will find the filing of an ANDA—which automatically constitutes an act of infringement—to always qualify as a constitutionally adequate case or controversy. The final act leaves the courts with options short of striking down section 1101(d), if more is required. By including the language "to the extent consistent with the Constitution," the conferees have allowed the courts to import as much of the reasonable-apprehension test as they feel is constitutionally necessary. As the report language makes clear, this may include the entire reasonable-apprehension test as currently construed by the Federal Circuit. As Federal Circuit Judge Gajarsa observed in his concurrence in the Minnesota Mining case, that test will ordinarily be satisfied in declaratory judgment actions brought by ANDA applicants with respect to patents listed in the Orange Book. In any event, the courts should impose prerequisites to seeking declaratory relief—whether reasonable apprehension, the standing tests suggested here, or any other requirements—only "to the extent required by the Constitution."

I ask unanimous consent that two letters from Professor Yoo be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BOALT HALL SCHOOL OF LAW, UNIVERSITY OF CALIFORNIA AT BERKELEY,
Berkeley, CA, June 14, 2003.

Hon. ORRIN G. HATCH,
Chairman, Committee on the Judiciary,
U.S. Senate, Washington, DC.

DEAR SENATOR HATCH: I have been asked by the Generic Pharmaceutical Association to provide my views concerning the constitutionality of a proposed amendment to the Hatch-Waxman Act. The amendment would allow a generic drug manufacturer who has filed an abbreviated new drug application (ANDA) to seek federal declaratory relief against potential patent infringement claims. It is my opinion that this provision is clearly constitutional.

Let me begin with a note of introduction. I have long worked on separation of powers issues involving the courts. It was my great honor to have served as the General Counsel to this Committee under your Chairmanship from 1995–96. I also recently served as Deputy Assistant Attorney General in the Office of Legal Counsel of the Department of Justice, which is charged in part with advising the executive branch on the constitutionality of proposed legislation. I have clerked for Judge Laurence Silberman of the U.S. Court of Appeals for the D.C. Circuit and for Justice Clarence Thomas of the U.S. Supreme Court. I am currently a visiting fellow at the American Enterprise Institute and a professor of law at the Boalt Hall School of Law, University of California at Berkeley, where I have taught and written in the fields of constitutional law, the separation of powers, and civil procedure since 1993. The conclusions expressed here are my own, and do not represent the views of the American Enterprise Institute or the University of California.

In order to evaluate the constitutionality of the proposed changes, it is necessary to first understand the statutory framework at issue. Under the Federal Food, Drug, and Cosmetic Act, a pharmaceutical company that seeks to manufacture a new drug must file a new drug application (NDA) with the FDA that includes information about the drug's safety and effectiveness. 21 U.S.C. §355(a). The NDA must also include a list of patents upon which the drug is based. If the FDA approves the NDA, it publishes the drug and the patents in the Approved Drug Products with Therapeutic Equivalence Evaluations ("the Orange Book").

The Hatch-Waxman amendments created a streamlined process for the FDA to review applications by drug manufacturers to produce generic versions of drugs previously approved by the NDA process. Under an ANDA, a generic producer may rely in part on the NDA of the pioneer manufacturer by showing bioequivalence with the NDA-approved drug. 21 U.S.C. §355(j)(2)(A). Under Hatch-Waxman, it is not patent infringement to conduct actions necessary to prepare an ANDA, 35 U.S.C. §271(e)(1), but it is infringement to file the ANDA itself before the expiration of the patents that include the pioneer drug, id. §271(e)(2). An ANDA applicant must make one of four certifications as to the patents listed in the Orange Book for the pioneer drug it seeks to manufacture: i) no patent information has been submitted to the FDA; ii) the patent has expired; iii) the patent will expire on a specific date; iv) the patent is invalid and will not be infringed by the generic drug.

When an ANDA makes the fourth certification, known as a Paragraph IV certification, the applicant must give notice to the patent holder and explain why the patent is invalid, unenforceable, or not infringed. 21 U.S.C.§355(j)(2)(B)(i). The patent holder may sue for infringement within the next 45 days, id. §355(j)(5)(B)(iii), and if it does, the FDA may not approve the ANDA application until the courts have ruled on the suit, the relevant patents have expired, or thirty months have passed from the time of the original notice. Id. During that 45-day period, "no action may be brought under section 2201 of Title 28 [the Declaratory Judgment Act], for a declaratory judgment with respect to the patent." Id.

The proposal before you would make clear what this last provision already implies. It would recognize that "an actual controversy" between an ANDA filer and a patent holder would exist "sufficient to confer subject matter jurisdiction in the courts of the United States" if, after 45 days have passed since the ANDA has been filed, the patent holder chooses not to bring a patent infringement action. I do not believe that this provision poses constitutional problems; in fact, it merely clarifies the proper application of existing law.

To understand why, it is necessary to review the Declaratory Judgment Act and its interaction with patents. Article III, Section 2 of the Constitution allows federal courts to exercise jurisdiction only over the enumerated list of cases or controversies. U.S. Const. art. III, §2 (listing cases or controversies). As Marbury v. Madison made clear, federal courts are courts of limited subject matter jurisdiction. For many years, it was uncertain whether declaratory judgment actions fell within the definition of an Article III case or controversy. Federal jurisdiction certainly extends to cases in which a plaintiff is entitled to a coercive remedy based on federal law. Substantial hardship arises, however, in cases involving "an actual dispute about the rights and obligations of the parties, and yet the controversy may not have ripened to a point at which an affirmative remedy is needed. Conversely, this stage may have been reached, but the party entitled to seek the remedy may fail to take the necessary steps." C. Wright & A. Miller, Federal Practice and Procedure §2751. In the area of patents, "the owner of a patent might assert that a manufacturer was infringing the owner's monopoly, while the latter contended that his product was not an infringement or that the patent was invalid. The manufacturer was helpless, however, to secure an adjudication of the issue, but had to await suit for infringement, unless the manufacturer preferred to yield and discontinue the activity." Id.

Declaratory judgments acts first arose in the states, but uncertainty initially remained as to whether such cases could be heard in federal courts due to the case or controversy requirements of Article III of the Constitution. *Willing* v. *Chicago Auditorium Ass'n*, 277 U.S. 274 (1928). In 1927, however, the Court gave res judicata effect to a state declaratory judgment, *Fidelity Nat'l Bank & Trust Co.* v. *Swope*, 274 U.S. 123 (1927), and in 1933 it upheld a state court declaratory judgment, *Nasville, C. & St. L. Ry.* v. *Wallace*, 288 U.S. 249 (1933). Immediately after *Wallace*, Congress enacted the Declaratory Judgment Act: "In a case of actual controversy within its jurisdiction, . . . any court of the United States, upon the filing of an appropriate pleading, may declare the rights and other legal relations of any interested party seeking such declaration, whether or not further relief is or could be sought. Any such declaration shall have the force and effect of a final judgment or decree and shall be reviewable as such." Act of June 14, 1934, ch. 512, 48 Stat. 955, codified at 28 U.S.C. §2201(a). In essence, this act allows plaintiffs to bring suit against a defendant who would hold a federal right to seek a coercive remedy against the plaintiff, if the defendant had chosen to bring suit first. The legislative history of the Act reflects that Congress was concerned about the uncertainty in business and legal relations, including the case in which a patent holder chose to delay litigation for patent infringement.

The Supreme Court soon made clear that the Declaratory Judgment Act was constitutional, even though the statute extended federal jurisdiction to cases in which the holder of the federal right had not yet sought to enforce his federal right. Finding that declaratory judgment suits met Article III's case or controversy requirement, the Court explained: "The Declaratory Judgment Act of 1934, in its limitation to 'cases of actual controversy,' manifestly has regard to the constitutional provision and is operative only in respect to controversies which are such in the constitutional sense. The word 'actual' is one of emphasis rather than of definition. Thus the operation of the Declaratory Judgment Act is procedural only. In providing remedies and defining procedure in relation to cases and controversies in the constitutional sense the Congress is acting within its delegated power over the jurisdiction of the federal courts which the Congress is authorized to established. . . . Exercising this control of practice and procedure the Congress is not confined to traditional forms or traditional remedies." *Aetna Life Insurance Company* v. *Haworth*, 300 U.S. 227, 240–41 (1937). In explaining more precisely why the Declaratory Judgment Act did not include cases that were actually unripe or moot, Chief Justice Hughes wrote: "A 'controversy' in the sense must be one that is appropriate for judicial determination. . . . A justiciable controversy is thus distinguished from a difference or dispute of a hypothetical or abstract character; from one that is academic or moot. . . . The controversy must be definite and concrete, touching the legal relations of parties having adverse legal interests. . . . It must be real and substantial controversy admitting of specific relief through a decree of a conclusive character, as distinguished from an opinion advising what the law would be upon a hypothetical state of facts. . . . Where there is such a concrete case admitting of an immediate and definitive determination of the legal rights of the parties in an adversary proceeding upon the facts alleged, the judicial function may be appropriately exercised although the adjudication of the rights of the litigants may not require the award of process or the payment of damages. . . . And as it is not essential to the exercise of the judicial power that an injunction be sought, allegations that irreparable injury is threatened are not required." Id. at 240–41. In the wake of *Aetna*, the lower courts regularly assumed jurisdiction over declaratory judgment suits by an alleged patent infringer for a declaration of non-infringement or patent invalidity, because the declaratory defendant could have brought a federal action against the declaratory plaintiff. *Edelamnn & Co.* v. *Triple-A Specialty Co.*; 88 F.2d 852 (7th Cir. 1937). In passing, the Supreme Court has approved this exercise of jurisdiction because a patent infringement suit by the declaratory defendant would have fallen with the Article III "arising under" jurisdiction. See *Franchise Tax Board of California* v. *Construction Laborers Vacation Trust*, 463 U.S. 1, 20 n. 19 (1983); *Graham* v. *John Deere Co*, 383 U.S. 1 (1966).

In light of these cases, it should be clear that Congress intended that potential patent infringers be able to seek a declaration of non-infringement, unenforceability, or invalidty of a patent. Further, the Supreme Court and the lower federal courts have interpreted the Declaratory Judgment Act to allow these suits, and they have also found such suits to fall within Article III's case or controversy requirement. The proposal before you clearly falls within the scope of the Declaratory Judgment Act. A generic drug company wishes to manufacture and sell a substance that mimics a pioneer drug for which patents are listed in the Orange Book. The enforcement of the patent could prevent the generic drug company from producing and selling its product, nullifying its investments in research and production, and potentially subjecting any profits to the uncertainty of a future lawsuit. In filing an ANDA, the generic drug company declares its intention and ability to produce the drug, which renders the dispute anything but hypothetical. The Hatch-Waxman amendments even find an ANDA filing to constitute patent infringement. Were the pioneer drug company to bring a patent infringement action, the case clearly would fall within Article III's arising under jurisdiction.

It is my view that such actions, as recognized by the proposed amendment before you, would fall within the proper application of the Declaratory Judgment Act and, as interpreted by the Supreme Court and the lower federal courts, within the Constitution's requirements for an actual case or controversy. As the Supreme Court explained in *Aetnd*, "[t]he controversy must be definite and concrete, touching the legal relations of parties having adverse legal interests. . . . It must be a real and substantial controversy admitting of specific relief through a decree of a conclusive character, as distinguished from an opinion advising what the law would be upon a hypothetical state of facts." 300 U.S. at 240–41. Here, there are clear adverse legal interests between the pioneer drug manufacturer and the generic drug manufacturer over the validity and application of a patent. The generic drug manufacturer has invested a substantial amount of resources to file an ANDA and to prepare and manufacture the generic drug; that investment could be lost through a patent infringement action brought by the pioneer drug company. It is difficult to conceive of a setting in which application of the Declaratory Judgment Act would not be more appropriate. Indeed, the proposal before you strikes me as simply a restatement of the proper interpretation of current law.

Some might argue, however, that the proposal could raise constitutional concerns under the case law of the U.S. Court of Appeals for the Federal Circuit. The Federal Circuit has developed a two-part test to determine whether a potential patent infringer's suit lies properly within the Declaratory Judgment Act: "First, the plaintiff must actually produce or be prepared to produce an allegedly infringing product. Second, the patentee's conduct must have created an objectively reasonable apprehension on the part of the plaintiff that the patentee will initiate suit if the activity in question continues." *EMC Corp. v. Norand Corp.*, 89 F.3d 807, 811 (Fed. Cir. 1996), cert. denied, 117 S. Ct. 789 (1997); see also *Arrowhead Indus. Water, Inc.* v. *Ecolochem, Inc.*, 846 F.2d 731, 736, (Fed. Cir. 1988). The first prong is easily satisfied in ANDA declaratory judgment actions: by conducting the research and expending the resources necessary to complete an ANDA, the generic drug manufacturer has shown it is prepared to produce the allegedly infringing product. *DuPont Merck Pharmaceutical Co.* v. *Bristol-Myers Squibb Co.*, 62 F.3d 1397, 1401 (Fed. Cir. 1995).

Whether an action will meet the Federal Circuit's second prong will depend on the defendant's conduct. One might argue, I suppose, that a pioneer drug producer's refusal to initiate a lawsuit within the 45-day period could be taken as a sign that there is no "objectively reasonable apprehension." This conclusion, however, seems doubtful to me. The Federal Circuit clearly employs a totality of the circumstances approach toward determining "reasonable apprehension," one that looks at conduct that falls far short of simply filing a lawsuit. See *Shell Oil Co.* v. *Amoco Corp.*, 970 F.2d 885, 889 (Fed. Cir. 1992). In some cases, the Federal Circuit has looked to the activity of the patent holder in regard to third parties, *Arrowhead*, 846 F.2d at 736–39, express written or oral charges of infringement by the patent holder, id. at 736; *Shell Oil Co.*, 970 F.2d at 889, or a threat of a suit, *BP Chems. Ltd.* v. *Union Carbide Corp.*, 4 F.3d 975, 978 (Fed. Cir. 1993). The proposed amendment would make clear that conduct that falls short of filing a lawsuit is still sufficient to support a declaratory judgment action by a generic drug manufacturer concerned about potential patent infringement.

In any event, even if one were to conclude that the amendment is inconsistent with the Federal Circuit's two-prong test, this would not render the proposal unconstitutional. First, it does not appear to me that the Federal Circuit's approach is required by Article III of the Constitution, nor is it demanded by the Supreme Court's interpretation of the Declaratory Judgment Act. Indeed, the very point of the Declaratory Judgment Act was to allow parties concerned about the uncertainty in their business and legal activities created by the holder of a federal cause of action who refuses to sue. Nothing in the Supreme Court's case law, which has consistently upheld the constitutionality of the Declaratory Judgment Act, has suggested that a declaratory defendant's failure to bring a lawsuit itself within a certain time period eliminates the "actual controversy" required by both the statute and the Constitution. If anything, the case here is the reverse: it is because the declaratory defendant has not brought a lawsuit that a plaintiff must seek a federal declaratory action.

In this respect, it may be best to conceive of the Federal Circuit's two-prong test as an exercise of its discretionary powers under the Declaratory Judgment Act, rather than as a true test of Article III justiciability. The Act itself states that a court "may declare the rights and other legal relations" of a party. 28 U.S.C. §2201 (emphasis added). The Supreme Court has interpreted this language as allowing the federal courts to decline to adjudicate a federal declaratory action even if case or controversy jurisdiction exists. *Public Serv. Comm'n* v. *Wycoff Co.*, 344 U.S. 237, 241 (1952); *Wilton* v. *Seven Falls Co.*, 515 U.S. 277, 286–87 (1995). It seems to me that the Federal Circuit's two-prong approach, which does not derive directly from Article III or the Supreme Court's interpretation of the Declaratory Judgment Act, therefore should be seen as an exercise of the Federal Circuit's discretionary authority. As such, it is clearly subject to Congress's authority to set the rules of procedure that govern the federal courts. Indeed, it is that same power that the Supreme Court found to justify the constitionality of the Declaratory Judgment Act itself. If Congress wishes to direct the federal courts to adjudicate Declaratory Judgment Act cases in certain circumstances, instead of declining as a matter of prudence to exercise jurisdiction, that is its prerogative. The proposed amendment may be seen as nothing more than an effort to do just that.

Even if the Federal Circuit's two-prong approach were thought to be an interpretation of the Article III case or controversy requirement, that would still not compel a conclusion that the amendment is unconstitutional. The Supreme Court has never passed on the Federal Circuit's "reasonable apprehension" test, and in its earlier cases it has approved more expansive approaches to jurisdiction under the Declaratory Judgment Act. As an independent, coordinate branch of government, Congress has the authority to make its own judgments about the meaning of the Constitution. Congress has the authority to refuse to enact legislation its believes to be unconstitutional, even if the courts think otherwise, and, conversely, it may pass legislation at odds with previous Supreme Court decisions, as it did in the Religious Freedom Restoration Act at issue in *City of Boerne* v. *Flores*. To be sure, the Supreme Court has long made clear that Congress does not have the authority to alter the boundaries of the federal judicial power as established in Article III of the Constitution. See *Lujan* v. *Defenders of Wildlife*, 504 U.S. 555 (1992). Nonetheless, Congress's authority to interpret the Constitution, which is fundamental to the separation of powers, certainly must include the ability to reject lower court decisions in order to spark Supreme Court review of whether these courts have properly interpreted Article III of the Constitution. Of course, this may be wholly unnecessary because the Federal Circuit has yet to hold that the absence of a suit during the 45-day period is sufficient per se to destroy an actual controversy in a declaratory judgment act by a generic drug manufacturer.

Please do not hesitate to contact me if I can provide further assistance. I may be reached at 202–862–5819, or at yoo@law.berkeley.edu.

Sincerely,

JOHN YOO,
Professor of Law.

BOALT HALL SCHOOL OF LAW, UNIVERSITY OF CALIFORNIA AT BERKELEY,
Berkeley, CA, August 1, 2003.

Hon. ORRIN G. HATCH,
Chairman, Committee on the Judiciary,
U.S. Senate, Washington, DC.

DEAR SENATOR HATCH: I have been asked by the Generic Pharmaceutical Association to review the testimony provided to your committee by the Department of Justice on August 1, 2003, concerning the constitutionality of the declaratory judgment provisions of S. 1. The proposal would allow a generic drug manufacturer who has filed an abbreviated new drug application (ANDA) to seek relief under the federal Declaratory Judgment Act, 28 U.S.C. §2201, against potential patent infringement claims. This letter follows up on my June 16, 2003 and June 19, 2003 letters to the Senate Judiciary Committee and my congressional testimony of June 17, 2003 that concluded that the amendment in question is constitutional.

The Senate amendments to Hatch-Waxman would recognize that "an actual controversy" between an ANDA filer and a patent holder would exist "sufficient to confer subject matter jurisdiction in the courts of the United States" if, after 45 days have passed since the ANDA has been filed, the patent holder chooses not to bring a patent infringement action. DOJ's letter asserts that this amendment would unconstitutionally expand the jurisdiction of the federal courts beyond the limits set by Article III of the Constitution. I have reviewed DOJ's letter, and while I have the utmost respect for the attorneys who work in the Office of Legal Counsel (many of whom were my colleagues for the last two years during my service there as a deputy assistant attorney general), I disagree with their conclusion.

Both the Justice Department and I agree that Congress cannot expand the jurisdiction of the federal courts beyond Article III's case or controversy requirement. This is a principle of federal courts law that has existed ever since *Marbury* v. *Madison*, 5 U.S. (1 Cranch) 137 (1803). We also agree that the Declaratory Judgment Act is constitutional, and has been so upheld by the Supreme Court in *Aetna Life Insurance Company* v. *Haworth*, 300 U.S. 227 (1937). We also agree that many cases filed after the 45-day period would meet Article III's case or controversy requirement. In this class of cases, therefore, the application of the Senate's amendments to Hatch-Waxman would be clearly constitutional.

Where the Justice Department and I differ is whether Congress may extend federal subject matter jurisdiction to the remaining class of cases filed after the 45-day period. According to the Department, the Federal Circuit's "reasonable apprehension" test—so called because the plaintiff must have a reasonable apprehension that the patient holder will sue—will exclude a certain number of cases that are filed after the 45-day period. In fact, the Department seems to believe that plaintiffs who file after the 45 days will almost never satisfy this test, because "in light of the statutory benefit conferred on the patent owner if it sues within the 45-day period, it is likely that a court would consider the applicant's reasonable apprehension to be diminished if the patent holder does not sue for infringement within that time." I believe that Congress may extend federal subject matter jurisdiction to this class of cases, and that since this category may not be large, the amendment to Hatch-Waxman could not be unconstitutional on its face but only as applied at best.

I believe that the Justice Department's opinion is in error because it does not properly understand why the Declaratory Judgment Act is constitutional, even though it permits suits to occur before the holder of the federal right has chosen to bring a lawsuit. The Act allows plaintiffs to bring suit against a defendant who would hold a federal right to seek a coercive remedy against the plaintiff, if the defendant had chosen to bring suit first. Declaratory judgments acts first arose in the states, but it was initially suggested that such cases could not be heard in federal courts due to the case or controversy requirements of Article III of the Constitution. *Willing* v. *Chicago Auditorium Ass'n*, 277 U.S. 274 (1928). In 1927, however, the Court gave res judicata effect to a state declaratory judgment, *Fidelity Nat'l Bank & Trust Co.* v. *Swope*, 274 U.S. 123 (1927), and in 1933 it upheld a state court declaratory judgment, *Nashville, C. & St. L. Ry.* v. *Wallace*, 288 U.S. 249 (1933). Immediately after *Wallace*, Congress enacted the Declaratory Judgment Act: "In a case of actual controversy within its jurisdiction, . . . any court of the United States, upon the filing of an appropriate pleading, may declare the rights and other legal relations of any interested party seeking such declaration, whether or not further relief is or could be sought. Any such declaration shall have the force and effect of a final judgment or decree and shall be reviewable as such." Act of June 14, 1934, ch. 512, 48 Stat. 955, codified at 28 U.S.C. §2201(a).

The legislative history of the Act shows that Congress was concerned about the uncertainty in business and legal relations, including the case in which a patent holder chose to delay litigation for patent infringement. Professor Edson R. Sunderland, and advocate of the Act, testified before Congress that: "I assert that I have a right to use a certain patent. You claim that you have a patent. What am I going to do about it? There is no way that I can litigate my right, which I claim, to use that device, except by going ahead and using it, and you [the patent holder] can sit back as long as you please and let me run up just as high a bill of damages as you wish to have me run up, and then you may sue me for the damages, and I am ruined, having acted all the time in good faith and on my best judgment, but having no way in the world to find out whether I had a right to use that device or not."

The Supreme Court soon made clear that the Declaratory Judgment Act was constitutional, even though the statute extended federal jurisdiction to cases in which the holder of the federal right had not yet sought to enforce it. Finding the declaratory judgment suits met Article III's case or controversy requirement, the Court explained: "The Declaratory Judgment Act of 1934, in its limitation to 'cases of actual controversy' manifestly has regard to the constitutional provision and is operative only in respect to controversies which are such in the constitutional sense. The word 'actual' is one of emphasis rather than of definition. Thus the operation of the Declaratory Judgment Act is procedural only. In providing remedies and defining procedure in relation to cases and controversies in the constitutional sense the Congress is acting within its delegated power over the jurisdiction of the federal courts which the Congress is authorized to establish. . . . Exercising this control of practice and procedure the Congress is not confined to traditional forms or traditional remedies." *Aetna Life Insurance Company* v. *Haworth*, 300 U.S. 227, 240–41 (1937). In explaining why the Act did not include cases that were actually unripe or moot, Chief Justice Hughes wrote: "A 'controversy' in this sense must be one that is appropriate for judicial determination. . . . A justiciable controversy is thus distinguished from a difference or dispute of a hypothetical or abstract character; from one that is academic or moot. . . . The controversy must be definite and concrete, touching the legal relations of parties having adverse legal interests. . . . It must be a real and substantial controversy admitting of specific relief through a decree of a conclusive character, as distinguished from an opinion advising what the law would be upon a hypothetical state of facts. . . Where there is such a concrete case admitting of an immediate and definitive determination of the legal rights of the parties in an adversary proceeding upon the facts alleged, the judicial function may be appropriately exercised although the adjudication of the rights of the litigants may not require the award of process or the payment of damages. . . And as it is not essential to the exercise of the judicial power that an injunction be sought, allegations that irreparable injury is threatened are not required." Id. at 240–41

The Justice Department's letter shows no understanding that the very purpose of the Declaratory Judgment Act is to allow relief in cases in which a potential patent infringer needs legal certainty concerning the scope of a patent before it can proceed with its activities. Indeed, the Department's approach would suggest that the Act itself is unconstitutional.

There are, however, obvious adverse legal interests between the patent holder and the generic drug manufacturer over the validity and application of a patent. The generic drug manufacturer has invested a substantial amount of resources to file an ANDA and to prepare and manufacturer the generic drug. The enforcement of the patent could prevent the generic drug company from producing and selling its product, nullifying its investments in research and production, and potentially subjecting any profits to the uncertainty of a future lawsuit. In filing an ANDA, the generic drug company declares its intention and ability to produce the drug, which renders the dispute anything but hypothetical. Were the pioneer drug company to bring a patent infringement action, the case clearly would fall within Article III's arising under jurisdiction.

By failing to understand why generic drug manufacturers would suffer uncertainty from the possible enforcement of a patent, the Department errs in concluding that the amendment would be unconstitutional. The Department asserts that the amendment "can have no effect." This is because, apparently, many lawsuits brought after the 45-day period would meet the Article III's case or controversy requirement anyway, and those that did not could not fall within Article III jurisdiction thanks to passage of the amendment. But then the Department observes that the lack of a lawsuit within the 45-day period would suggest that there is no "reasonable apprehension" present. The Department's opinion assumes without question that the Federal Circuit's approach to the Declaratory Judgment Act in this context—the "reasonable apprehension" test—correctly includes all of the possible cases that would meet Article III's case or controversy requirement, and that application of this test to those who do no sue would likely find no reasonable apprehension. Therefore, according to the Department, cases in which no suit is filed within 45 days indicate that there is no reasonable apprehension of a lawsuit, and therefore that there is no Article III case or controversy requirement.

This view is erroneous, however, because it assumes that any patent holder who does not sue within 45 days will never sue. As Congress itself believed when it enacted the Declaratory Judgment Act, patent holders might choose not to sue in such circumstances for many reasons, such as allowing the generic drug manufacturer to run up potential damages while it risks little, creating uncertainty in the market and among distributors and buyers of the generic drug, and causing uncertainty about the value of investments and research by generic manufacturers. Indeed, testimony before Congress at the time of the passage of the Declaratory Judgment Act underscored that the more time that passed, the more damages that a patent holder could potentially accumulate. By passing the Act, Congress recognized that merely by refraining to exercise their Federal rights, regardless of the amount of time that passes, patent holders created sufficient legal and business uncertainty to harm manufacturers such as generic drug producers. It is this harm that brings such cases within the Article III case or controversy requirement. The Justice Department appears to have no theory as to why any Declaratory Judgment Act case satisfies the Article III requirement, and hence cannot judge whether any new application of the Act would be constitutional or not.

In enacting the Declaratory Judgment Act, Congress did not give any indication that it required plaintiffs to show they had a "reasonable apprehension" of a lawsuit, nor has the Supreme Court ever interpreted the Act to require such a result. Rather, Congress wanted to give those who could be subject to a lawsuit by the holder of a federal right the ability to seek legal certainty for all parties involved, so that business planning and activity could occur in an environment with clear legal rules.

As applied by the Federal Circuit, the "reasonable apprehension" test creates an effect opposite of that desired by Congress. The Federal Circuit appears to employ an inherently unpredictable totality of the circumstances approach to determining whether a potential patent infringer has a "reasonable apprehension" of lawsuit. Such approaches undermine the very purpose of having clear rules in the area of federal jurisdiction, and instead invite wasteful and excessive litigation merely to determine whether a case is appropriately brought in federal court. It is certainly within Congress's authority to seek to correct misinterpretations of its enactments where, as here, the courts have acted in a way that undermines the very purposes of the statute it has passed. By adopting the amendment, Congress would simply be making clear the original purposes of the Declaratory Judgment Act, which the Supreme Court, almost immediately after the Act's passage, had upheld as constitutional. By enacting the amendments to Hatch-Waxman, Congress is appropriately acting to correct a misinterpretation of the Declaratory Judgment Act that goes too far in narrowing its scope. By employing the reasonable apprehension test, the Federal Circuit may be allowing declaratory judgment actions in only a subset of the possible range of cases that could be permitted by Article III's case or controversy requirement. By enacting this amendment, Congress would be instructing the courts that it wishes to expand the exercise of federal subject matter jurisdiction under the Declaratory Judgment Act to the full extent permitted by the Constitution.

This brings me to another reason why the amendment is constitutional. As an independent and coordinate branch of government, Congress certainly has the authority to interpret the Constitution for itself and to base its enactments on that interpretation. This is exactly what happened with the original Declaratory Judgment Act: some doubted whether the potential defendants of enforcement actions could bring a suit seeking a declaration that their actions were legal. Yet, in order to create an environment in which all parties could conduct their activities with legal certainty, Congress enacted the Declaratory Judgment Act. In doing so, Congress acted on its own interpretation of the Article III case or controversy requirement that such suits were constitutional. The Supreme Court subsequently agreed. Congress has even fuller authority where, as here, the Supreme Court as the final arbiter within the federal judiciary has never examined whether Article III or the Declaratory Judgment Act impose any special requirements in patent infringement cases.

Please do not hesitate to contact me if I can provide further assistance. Also, please realize that the views I express in this letter are mine alone, and do not represent those of the American Enterprise Institute, where I am currently a visiting fellow, or of the University of California at Berkeley, where I have been a law professor since 1993. I may be reached at 202–862–5819, or at yoo@law.berkeley.edu.

Sincerely,

JOHN YOO,
Professor of Law.

Mr. NELSON of Nebraska. Mr. President, I rise today in support of the Medicare bill before the Senate. This is not a perfect bill, far from it. It is not the bill I would write. But it is a bill that will do more for our seniors and one we can build on in the future.

For the past decade this body has worked on adding a prescription drug benefit to Medicare. We all know it is desperately needed. The skyrocketing cost of drugs has put meaningful health care treatment out of the reach of many seniors. Medicare simply was not crafted with a prescription drug component. That is not to blame any of the creators of the landmark legislation that created Medicare. They could not have known that science would eventually put the treatments and cures for many diseases in pill form. They did the best they could with the knowledge they had at the time. And that system served seniors well for a very long time.

But it does not serve them well today. The lack of prescription drug coverage is a glaring omission in the current Medicare Program. It prevents many seniors from getting the treatments they need and undermines the promise of the Medicare Program—to provide health care benefits to our seniors.

And we do not have the excuse that we are unaware of the importance of drug treatments. We know how these medications can improve and prolong the lives of countless seniors. We know that seniors urgently need this benefit and the medicine it will provide.

As I said, the bill before us is not perfect, and many people have raised legitimate concerns about its shortcomings. Some have said it is too expensive; some have said it does not cover enough of the drug costs for seniors. There is truth to both statements. And both sides have worked to confuse our seniors. A lot of money has been spent by special interest groups to advance their opinions rather than accurately assess the impact of this bill.

Putting all the clutter and spin aside, in a time of rising Federal deficits, this bill does move the ball forward. It takes a concrete step toward providing meaningful coverage. And it does make some efforts to contain long-term costs.

This legislation is the first step in covering drug treatments and this is a major step for seniors across the country. For example, in my home State of Nebraska, today there are 259,000 Medicare beneficiaries. Of these, about 90,000 do not currently have prescription drug coverage. Through this bill, beginning in 2006, they will all have coverage.

The average out-of-pocket cost for drugs for a typical Nebraskan, including premiums, will decrease 35 percent from $760 to $500 per year. Low-income Nebraskans receive a large benefit in this bill. Before the drug benefit is implemented in 2006, low-income Nebraskans will receive $600 a year for their drugs, resulting in Nebraskans receiving $83 million in prescription assistance. After the drug plan is implemented, 108,000 low-income Nebraskans will pay little to nothing in premiums, deductibles and coinsurance. Because Medicare is taking responsibility for dual eligibles, Nebraska will save $167 million over 8 years. And the benefits for Nebraska extend beyond the drug benefit.

This bill will provide additional reimbursements for rural hospitals and health care providers. Nebraska doctors will receive $57 million over 2 years. Critical access hospitals will receive $11.3 million, and the rest of Nebraska's hospitals will share an additional $108 million over 10 years. This funding will help keep rural health care vital and available to rural seniors.

Furthermore, this bill contains a pilot program I pushed to include that will create a new Medicare designation of "rural community hospitals". These hospitals will receive cost-based reimbursements for Medicare services.

Seven Nebraska hospitals will take part in the 5-year program resulting in an additional $22.5 million for these hospitals to help them continue to provide high quality health care in their communities.

Rural community hospitals are currently unable to keep pace with their costs. They are too big to qualify for additional Critical Access Hospitals funds, yet too small to take advantage of the volume benefits of larger hospitals. This new pilot program will allow Nebraska's rural community hospitals to immediately benefit from cost-based reimbursements for inpatient services while testing the feasibility of extending the program to similar hospitals across the Nation.

The seven hospitals are Beatrice Community Hospital, Box Butte General Hospital in Alliance, Columbus Community Hospital, Community Hospital of McCook, Jennie Melham Memorial Medical Center in Broken Bow, Phelps Memorial Health Center in Holdrege and Tri County Hospital in Lexington.

Nationwide, this bill also takes steps to ensure that seniors do not lose their employer-sponsored health coverage. Originally, the conferees only handled this issue halfway through a subsidy covering 28 percent of costs to employers $250 and $1000. I, and others, did not believe this would do enough to protect these benefits. So we have made that subsidy non-taxable; increasing the value of the subsidy by a third. Because of this increase, the Congressional Budget Office has stated that the drop rate for seniors could decrease by half; saving these benefits for millions of seniors.

The bill before us is not perfect, but it is a start. I do not believe this bill is the beginning of the end of Medicare, nor do I believe that it is the final solution to the skyrocketing costs of health care.

With passage of this legislation, for the first time, seniors will have access to prescription drugs through Medicare. And we will be able to use this bill to build better coverage in the future. This bill goes fully into effect in 2 years; time that can be spent studying this coverage, adapting it and making sure it works for our seniors.

For too long, seniors have waited for this coverage. Many of those seniors are not here to see it happen today. They are no longer with us; they never got the drug coverage they needed. It is too late for them.

But it is not too late for millions of seniors across the country to benefit from this bill. We owe it to them to pass this and get a concrete start on this issue. We can make changes if we need to; but we can't get back the time we will have lost if we do not move forward now.

A vote against this bill will leave tens of thousands of seniors in Nebraska without a prescription drug benefit of any kind. Let's pass this bill before it is too late for today's seniors. We may not get an opportunity like this again.

Mr. BAUCUS. Mr. President, I want to speak for a moment today about the impact on States from this Medicare prescription drug bill. I have long been concerned about our States' fiscal crisis, and I have supported fiscal relief through the so-called "FMAP" increase, through increases in SSBG, and through general revenue sharing. And I am pleased that, in the long term, this bill is expected to result in substantial savings to States more than $17 billion by 2013.

But I remain concerned about the impact that this bill will have on States in the short term. Before this bill had been finalized, when there were early indications that States could be harmed by the so-called "holdback" formula in the first years of the drug benefit, I insisted that the formula be revised. We added $4.5 billion so that the impact on states of the "woodwork effect," new administrative costs, and the "holdback" provisions would not ultimately put the States in the red in any year of the drug benefit.

As sometimes happens, preliminary budget estimates did not turn out exactly as expected. The overall impact on State Medicaid budgets in the first year of the drug benefit will still result in States spending more than they will save. While I regret that, I firmly believe that, in the long run, this bill will strengthen State budgets and take some pressure off of strained Medicaid programs.

If a longer term analysis shows that there are unexpected costs to States in the early years, or the expected costs are higher than we can know today, I pledge to work over the next 2 years to ensure that the States are not harmed when the Medicare drug benefit goes into effect.

Mr. President, one of the most important provisions in the rural package in this bill would reauthorize the Rural Hospital Flexibility Grant program for another 5 years. This grant program was created along with the Rural Hospital Flexibility Program, RHFP, in the Balanced Budget Act of 1997.

The RHFP is designed to help ensure continued access to medical services in rural and frontier areas of our Nation that otherwise could not sustain hospital services. The BBA created a new category of hospital called a Critical Access Hospital, CAH. In my State of Montana, 36 acute care hospitals have converted to CAH status.

The Rural Hospital Flexibility Grant program provides the tools States need to implement the RHFP. The purposes of this grant program are many.

First, it provides resources to cash-strapped rural hospitals to help them make the conversion to CAH status.

Second, it enables States to provide technical assistance to these facilities as they move through the conversion process.

Third, this grant program provides resources to help States further stabilize rural health care by fostering and developing networks of providers in rural areas.

Fourth, the program enables States to initiate a variety of other innovative approaches to stabilize and improve health care in rural areas. For example, in my State of Montana, Flex grant funds have enabled the State's CAHs to develop a pioneering quality improvement program.

There was strong support for reauthorization of this grant program among the conferees. There was also strong support for clarifying how these funds could be used to ensure that as much of this money as possible was used for the direct benefit of CAHs and other rural providers in the States.

In that regard, the bill was intended to specify that no more than 15 percent of a State's grant allocation be used for "indirect" administrative costs. However, in drafting the bill, the word "indirect" was inadvertently dropped from the language.

I would like to clarify the intention of the conference committee that this 15-percent restriction be applied only to the amount of funds that can be used for "indirect" administrative expenses.

Mr. KYL. Mr. President, the majority leader, Senator FRIST, joins me in this explanation of why the conference agreement on the Medicare Prescription Drug and Modernization Act of 2003 does not allow increased importation of drugs from outside the United States. Our explanation provides important background information on this largely misunderstood issue that is vital to the health and safety of Americans.

Under current law, the Federal Food, Drug, and Cosmetic Act establishes a system under which prescription drugs must be approved by the FDA and properly labeled, packaged, tested, stored, and distributed pursuant to FDA regulatory requirements. This is the finest and most effective system in the world for ensuring drug safety, effectiveness, and quality.

To protect American consumers by ensuring the integrity of this system, the law generally prohibits the importation of prescription drugs. Section 801(a) of the Act prohibits importation of drugs that are unapproved, adulterated, or misbranded. Virtually all prescription drugs manufactured overseas for distribution in foreign countries fail one or more of these standards and, therefore, cannot legally be imported into the United States. It is important to note in this regard that just because a drug is manufactured in a facility that is subject to FDA inspection does not mean that the drug meets FDA approval or other requirements. Different countries have different manufacturing, testing, labeling, packaging, and other requirements from those imposed by the FDA, and in fact the composition of the drug product itself may vary from country to country. Manufacturers may use a single facility to manufacture a drug for several different countries, but they must vary their processes to ensure that each drug lot will satisfy the requirements of the intended destination country.

Some drugs available overseas are manufactured in the United States and then exported. Section 801(d) of the Act prohibits the importation—sometimes called reimportation—of these drugs. Congress added section 801(d) through the Prescription Drug Marketing Act in 1988 to close a loophole under which counterfeit and substandard drugs were being brought into this country. There is an exception to this prohibition for the original manufacturer, who is part of the U.S. system and subject at all times to FDA authority and oversight. The manufacturer's own importation of drugs that have never been outside its control is comparable to shipments between its manufacturing plants and warehouses within the United States, and is completely different from the importation of drugs that have been placed into the wholesale and retail distribution systems of foreign countries, where they are no longer subject to FDA jurisdiction.

In 2000, Congress authorized an additional exception to section 801(d) in the Medicine Equity and Drug Safety Act. This law added a new section 804 under which pharmacists and wholesalers would be permitted to import drugs from a list of designated countries, including Canada and the countries of the European Union. In order to protect American consumers, Congress provided that section 804 would not become effective until the Secretary of Health and Human Services demonstrates to Congress that its implementation will "pose no additional risk to the public's health and safety" and will "result in a significant reduction in the cost of covered products to the American consumer." Secretary Shalala and Secretary Thompson both concluded that they could not make this demonstration.

FDA has a written policy under which it permits an individual to import a small quantity of a prescription drug for personal use, but only if the drug is not available in the United States. This policy is intended to allow seriously ill patients to obtain unapproved drugs to treat potentially life-threatening and similar conditions for which adequate treatment is unavailable in the United States. It does not apply to importation of drugs that are approved in the United States or to any commercial activities, such as Internet or print advertising or importation by persons other than individual patients. Moreover, even importation within the four corners of this policy remains technically illegal; the policy represents only a reasonable and limited exercise of FDA's enforcement discretion in the interest of individual patient treatment.

A final, and important, legal requirement is that a prescription drug can only be dispensed to the patient based on a valid prescription. Otherwise, the drug is misbranded and cannot be imported, or shipped domestically. There is extensive evidence documenting the fact that many foreign interest sites ship drugs without requiring any prescription at all, or with an invalid prescription based on a perfunctory questionnaire and without any genuine medical examination—co-signing of prescriptions by foreign physicians who have no relationship with the patient does not meet the legal requirements and presents serious risks, as both U.S. and foreign authorities have made clear. These activities put patients at risk by taking the licensed healthcare professional out of the process for deciding whether to initiate or continue treatment. Prescription drugs are classified as such because they cannot safely be used by laypersons without proper professional oversight. Drug importation commonly violates this basic safeguard.

Despite the existing prohibitions on drug importation, the volume of importation activity is growing as foreign pharmacies and domestic storefront facilitators advertise for business, and state and local governments and others explore ways to direct American consumers to foreign sources for their needed medicines. All of these activities are illegal, and they pose threats to our health and safety.

According to the FDA, imported drugs are too often unapproved, contaminated, counterfeit, and contain different ingredients from those required under agency regulations. These are not mere theoretical concerns. A recent series of spot inspections conducted jointly by the FDA and the U.S. Bureau of Customs and Border Protection found that 88 percent of more than 1,000 examined drug packages contained unapproved drugs and that they could pose "clear safety problems." These included an unapproved blood thinner that could cause life-threatening bleeding; unapproved epilepsy, thyroid, and diabetes drugs that could cause life-threatening side effects; drugs that have been withdrawn from the U.S. market because of safety concerns; animal drugs not approved for human use; drugs with dangerous interactions; drugs improperly packaged in sandwich bags and tissue paper; and controlled substances. In another case involving a Web site purporting to ship FDA-approved drugs from Canada, a patient received an unapproved seizure medicine manufactured in India. In another case involving a U.S. storefront operation, the Web site shipped unrefrigerated insulin, which can degrade without changing its appearance and thereby put insulin-dependent diabetic patients at risk. Other examples abound, including deaths from overdoses of drugs obtained from foreign Internet sites, as documented in a recent press report of a year-long investigation into illegal drug importation, counterfeiting, and distribution.

Another recent study also concludes that drug importation increases the risk of terrorism against the United States. Huge volumes of packages, only a miniscule fraction of which can be inspected, present an inviting target for the deliberate introduction of contaminants and poisons. Last year, in the Public Health Security and Bioterrorism Preparedness and Response Act, Congress gave the FDA substantial new powers to protect the safety of the food supply against terrorist threats. FDA has been implementing this law through new rules requiring advance notice of food importations and similar measures. Imported drugs present comparable threats, yet there is neither an analogous set of prior-notice requirements nor adequate inspection resources to enforce existing legal standards.

Proponents of loosening the existing standards for drug importation have argued that we can rely on the Canadian drug regulatory system to ensure the safety of drugs exported from that country to the United States. This is simply wrong. Section 37 of the Canadian Food and Drug Act provides that it does not apply to exports. In a recent letter, the Canadian government made clear that it "has never stated that it would be responsible for the safety and quality of prescription drugs exported from Canada into the United States." Health Canada also has described its concerns with cross-border Internet pharmacy sales as relating to the health of Canadians themselves as it should be.

While we have no doubt that the Canadian system works for Canadians, FDA Commissioner McClellan has made clear that purchases of drugs by Americans from Canada present entirely different concerns:

> Buying between the U.S. and Canadian systems is not the same thing as buying within each system. The U.S. and Canada do not have integrated systems for taking timely action to protect consumers in the event of a safety problem involving an illegally imported drug in the U.S. Protections to assure the appropriateness of a prescription, such as requirements for physician contact and monitoring, may differ. And each country has only limited resources to devote to their existing systems for assuring drug safety for their own populations, let alone to assuring the safety of an expanded scope and volume of drug imports. For example, Ontario, Canada's largest province . . . , has exactly one

investigator tasked with policing all pharmacy operations there. . . .

In addition, as also documented by the FDA many drugs purporting to come from Canada actually were manufactured in Third World countries and either transshipped through Canada or shipped directly from those countries to the United States, in either case without any oversight from Canadian health officials. Such transshipment is becoming increasingly common, with Canadian sites now obtaining their products from countries such as Bulgaria, Argentina, and Pakistan for sale into the United States.

Importation supporters also have suggested that anticounterfeiting technologies can be used to assure the safety of imported drugs. This, too, is a false promise. Optical anticounterfeiting measures are used in our paper currency, yet they have proven inadequate. Even the new $20 bill, which incorporates multiple anticounterfeiting measures, is being counterfeited less than a month after its introduction. Counterfeit drugs, of course, present far greater concerns. The FDA is exploring anticounterfeiting technologies for drugs but, as Commissioner McClellan has made clear, "there isn't any magic bullet available today," and these technologies are "no substitute for a comprehensive, multi-part system for assuring the safety of the actual drug product." Moreover, even the ineffective anticounterfeiting technologies that are available would be very expensive, raising drug costs by an estimated $2 billion in the first year alone.

Finally, the question of legal liability for adulterated or counterfeit drugs remains unresolved. American companies should not be held legally responsible for drugs they did not manufacture, or that were adulterated after leaving their control or that they manufactured to comply with foreign country requirements rather than for sale in the United States. The U.S. Government should not be held legally responsible for drugs that it did not actually test and approve, or that were adulterated after the approval process was complete and the drugs were no longer subject to FDA oversight.

In short, drug importation presents a wide range of serious safety concerns. We cannot meet these challenges merely by writing prohibitions into the law. The law already requires that drugs be FDA-approved, yet it is abundantly clear that unapproved and other violative products are streaming across our borders every day. Changes in the law to relax the current prohibitions on importation will only increase this cross-border traffic and, in the absence of new legal protections and new resources to effectively to enforce them, increase the threat to the American public.

The United States has every right under our international agreements to enforce legitimate regulatory requirements relating to the health and safety of our citizens. There is no question that the drug importation provisions of the Federal Food, Drug, and Cosmetic Act meet this standard.

Canada and other foreign countries impose price controls on pharmaceuticals as part of their high-tax social welfare systems. No reasonable concept of free trade requires that our country open its borders to drugs whose prices are kept artificially low under these systems. In fact, a leading scholar and supporter of free trade rights, Professor Richard Epstein of the University of Chicago Law School, has described drug importation as "a perversion of the basic principle of free trade."

Pharmaceutical price controls are a trade issue that must be urgently addressed by our government so that foreign countries and their citizens bear a fair share of research and development costs for new medicines. Price and access controls imposed by foreign countries constitute trade barriers within the meaning of our existing trade laws, and we urge the administration to use the full extent of its authority in bilateral and multilateral negotiations to remove these barriers for the benefit of all Americans. In fact, the legislation we consider today requires the U.S. Trade Representative to develop a strategy for negotiating the elimination of price controls and requires timely Congressional briefings on the subject.

Drug coverage, particularly for Medicare beneficiaries as established by this bill, is the most important step we can take to ensure access. For those without coverage, drug importation imposes only great risks and offers little or nothing in the way of savings.

There is no evidence to suggest that drug importation actually will save money for American consumers. As the FDA has stated, "it is likely that the intended cost-savings for consumers would be absorbed by fees charged by exporters, pharmacists, wholesalers, and testing labs." This is confirmed by the European experience with parallel importation, which demonstrates that the only real beneficiaries are middlemen in the distribution chain, not the ultimate consumers. Recent experience in Canada also makes clear that Canadians will act to protect the integrity and availability of drug supplies for their own citizens if these are threatened by importation, which will lead to higher prices for imported drugs—as well as increased transshipment from third-world drug supply sources, as discussed above.

In any event, claims of enormous cross-border price differentials are widely exaggerated because they do not reflect intelligent comparative shopping or appropriate adjustments for currency and standard-of-living differences. Surveys of legitimate American pharmacy Internet sites and retailers show that substantial discounts can be obtained right here in the United States, with full confidence in product safety, quality, and integrity.

The myriad of questions and concerns we have raised here explain why, rather than allow importation of drugs, this legislation calls for a comprehensive study of the risks and benefits of importing drugs and of how trade negotiations can be used to begin bringing down price controls, so that Americans and everyone else in the developed world share fairly in the costs of drug research and development.

Mr. VOINOVICH. Mr. President, I rise before the Senate in support of the conference report accompanying the Medicare Prescription Drug and Modernization Act. While the conference report before the Senate is not a perfect bill, it is a good bill that will finally provide seniors a voluntary prescription drug benefit through Medicare.

After years of having to carry the burden of high prescription drug costs without any assistance from Medicare, the bill that is before the Senate now, which has the full support of the AARP, will finally provide 40 million Medicare beneficiaries nationwide, 1.6 million in Ohio, access to affordable prescription drugs.

I would like to applaud the work of our Leader, Senator FRIST; our Finance Committee Chairman, Senator GRASSLEY; and the Finance Committee Ranking Member, Senator BAUCUS. Through their leadership, the Senate is poised to finally move past politics and provide seniors with a real prescription drug benefit.

Unfortunately, we have fiddled around with the issue of Medicare reform for far too long in Washington. The truth is, even if the Senate passes the bill before us today, its full implementation will not occur until 2006. For those of my colleagues who have said that we are moving too quickly in adding a prescription drug benefit, the fact of the matter is that the Senate has not moved quickly enough.

As with the rest of the Nation, currently, Ohio's seniors are paying too much out-of-pocket for their prescription drugs. The cost of these life-saving drugs is increasingly becoming a large burden for seniors, with some even traveling to Canada to find cheaper drugs. Seniors should not have to go to a foreign country to receive the drugs that their doctors prescribe. It is time seniors receive access to affordable prescription drugs in the United States.

This legislation will finally provide Medicare beneficiaries with a voluntary prescription drug benefit. This is especially important to the 400.232 Medicare beneficiaries in Ohio that currently have no public or private prescription drug coverage.

For those beneficiaries that already have coverage through another source, such as through a former employer, and would like to keep that coverage, this legislation supports that choice as well.

As my colleagues know, approximately 12 million of the 40 million Medicare beneficiaries currently have prescription drug coverage through former employer-based retiree health plans.

Many Ohioans that I have spoke to have concerns that the creation of a new Medicare drug benefit may cause many of them to lose their retiree coverage. However, the bipartisan conference report encourages employers to continue to provide coverage to their retirees by providing assistance for retirees' health care costs, including their prescription drugs costs.

In fact, the conference report provides $86 billion in subsidies to assist employers who continue to provide their retirees with health care coverage. This is critical because scores of retirees have lost their health care benefits over the past several years. The bottom line is that this bill will help employers to continue to provide their retirees with health care security.

Not only will seniors have access to affordable prescription drugs with this bill, they will have access to benefits that a modern health plan should have, such as preventive care and disease management—options that Medicare currently does not provide.

Moreover, these additional benefits are provided by giving seniors a choice and control over their prescription drug plans and health care providers.

While the Senate is on the brink of finally strengthening and modernizing Medicare, I would be remiss if I did not take a step back and point out the roadmap that has lead us to this point.

The President has led the way to providing seniors with access to affordable prescription drugs. If my colleagues recall, at the beginning of the year, the President provided in his budget $400 billion for Medicare reform, which included adding a prescription drug benefit. This substantial amount illustrated his commitment to our nation's seniors. That was the first step.

Following the President was the action taken by Congress to lay out a blueprint for Medicare. During the prescription drug debate in 2002, the Senate operated without a budget resolution—the first time the Senate has not done so since 1974. However, this year Congress operated under a budget resolution.

Through these efforts, and those of the Finance Committee, a bill stands before the Senate that strikes a balance between providing seniors and the disabled access to needed prescription drugs today and doing so in a fiscally sensible way that will allow benefits to extend to future generations.

And while opponents of the bill claim that the benefits provided are not large enough, $400 billion does buy an awful lot.

Beginning in 2004, seniors will receive a prescription drug discount card that will provide immediate savings of 10 to 25 percent on most prescription drug purchases. On top of these discounts, the Federal Government would annually purchase the first $600 in prescription drug costs for those seniors below 135 percent of poverty.

The implementation of the full program, which will include a new Medicare Part D and a Medicare Advantage program, will begin in January 2006. All Medicare beneficiaries will receive substantial subsidies through these new benefits. However, low-income seniors will receive additional assistance on top of these subsidies. In Ohio, this means 624,416 seniors will receive additional assistance.

For the 152,470 neediest seniors in my State of Ohio, those who qualify for both Medicare and Medicaid, under this bill they would pay: nothing in premiums; nothing in deductibles; and a nominal cost-share of no more than $1 for a generic drug and no more than $3 for a name-brand drug.

For the 492,872 seniors in my State of Ohio with incomes below 135 percent of poverty, and assets of no more than $6,000 per individual and $9,000 per couple, under this bill they would pay: nothing in premiums; nothing in deductibles; and A nominal cost-share of $2 for a generic drug and $5 for a name-brand drug.

For those 131,544 seniors in my State of Ohio with incomes between 135 and 150 percent of poverty, and assets of no more than $10,000 per individual and $20,000 per couple, under this bill they would pay: premiums based on a sliding scale but NO MORE than $35 per month; $50 annual deductible; and 15 percent co-payments up to $3,600 after $3,600, seniors would pay a nominal cost-share of $2 for a generic drug and $5 for a name-brand drug.

For seniors over 150 percent of poverty, the standard subsidized benefit would include: $250 annual deductible; $35 average monthly premium; the government would pick up 75 percent of beneficiary out-of-pocket costs for drug expenses up to $2,250; between $2,251 and $3,600, beneficiaries cover all drug expenses out-of-pocket; and the government would pick up 95 percent of beneficiary out-of-pocket costs for drug expenses above $3,600.

In addition to the stand-alone benefit under traditional Medicare, the conference report would establish the Medicare Advantage program. All Medicare Advantage plans will be required to offer at least the standard drug benefit established in H.R. 1 and would be encouraged to offer beneficiaries enhanced access to the latest in health care technology through disease management, chronic care, and quality improvement programs.

These plans have the opportunity to provide seniors with better coverage at affordable prices. To help ensure participation in rural and urban areas equally, Medicare Advantage plans would submit bids to the Centers on Medicare and Medicaid Services on a regional basis. The Federal Government will share the risk with insurance companies and these plans.

It should also be noted that while the thrust of this bill is to provide seniors with access to affordable prescription drugs, the bill also ensures that seniors will continue to have access to current Medicare benefits as well.

For instance, while the relationship between a senior and their physician is paramount, last year, Medicare was scheduled to cut physician payments by 4.4 percent, which threatening seniors' access to their doctors. Physicians had already received a 5.4 percent cut in 2002.

Congress temporarily fixed the formula in 2003 and doctors received a modest increase of 1.6 percent instead of a cut. For 2004, physicians were again scheduled to take a 4.5 percent cut. However, to ensure that seniors have access to their physician of choice, this bill includes modest increase in payments of 1.5 percent for both 2004 and 2005.

Additionally, physicians and their staffs have become increasingly inundated with regulations and paperwork from Medicare. Provisions are included in the bill to streamline some of this paperwork so that doctors can spend more time with their patients rather than filling out reams and reams of Government forms.

Seniors in rural areas will also be assured of continual access to Medicare benefits. One of the most important aspects of the bill is the rural provider provisions. Through the bill, providers in rural areas will be placed on an equal footing to that of their urban counterparts. Some of the specific rural provisions include: equalization of the urban and rural payments for inpatient hospital services under Medicare; revision of the labor-related share of the wage index used in Medicare's payment system. Rural hospitals, because their local wage levels are lower than urban areas, are adversely affected by a high labor-related share; increase in payments to home health agencies by five percent for services furnished in rural areas; and increase in payment for physicians that serve beneficiaries in counties where there are a scarcity of physicians.

The House of Representatives has already acted and the President is waiting to sign the bill into law. It is time that the Senate act and pass the Medicare Prescription Drug and Modernization Act.

Mr. SPECTER. Mr. President, since Medicare was established in 1965, people are living longer and living better. Today Medicare covers more than 40 million Americans, including 35 million over the age of 65 and nearly 6 million younger adults with permanent disabilities.

Congress now has the opportunity to modernize this important Federal entity to create a 21st century Medicare Program that offers comprehensive coverage for pharmaceutical drugs and improves the Medicare delivery system.

The Medicare Prescription Drug and Modernization Act would make available a voluntary Medicare prescription drug plan for all seniors. If enacted, Medicare beneficiaries would have access to a discount card for prescription drug purchases starting in 2004. Projected savings from cards for consumers would range between 10 to 25 percent. A $600 subsidy would be applied to the card, offering additional assistance for low-income beneficiaries defined as 160 percent or below the Federal poverty level. Effective January 1, 2006, a new optional Medicare prescription drug benefit would be established under Medicare Part D.

This bill has the potential to make a dramatic difference for millions of Americans living with lower incomes and chronic health care needs. Low-income Medicare beneficiaries, who make up 44 percent of all Medicare beneficiaries, would be provided with prescription drug coverage with minimal out-of-pocket costs. In Pennsylvania, this benefit would be further enhanced by including the Prescription Assistance Contract for the Elderly (PACE) program which will work in coordination with Medicare to provide increased cost savings for low-income beneficiaries.

For medical services, Medicare beneficiaries will have the freedom to remain in traditional fee-for-service Medicare, or enroll in a Health Maintenance Organization (HMO) or a Preferred Provider Organization (PPO), also called Medicare Advantage. These programs offer beneficiaries a wide choice of health care providers, while also coordinating health care effectively, especially for those with multiple chronic conditions. Medicare Advantage health plans would be required to offer at least the standard drug benefit, available through traditional fee-for-service Medicare.

We already know that there are many criticisms directed to this bill at various levels. Many would like to see the prescription drug program cover all of the costs without deductibles and without copays. There has been allocated in our budget plan $400 billion for prescription drug coverage. That is, obviously, a very substantial sum of money. There are a variety of formulas which could be worked out to utilize this funding. The current plan, depending upon levels of income has several levels of coverage from a deductible to almost full coverage under a "catastrophic" illness. One area of concern is the so-called "donut hole" which requires a recipient to pay the entire cost of rug coverage.

As I have reviewed these projections and analyses, it is hard to say where the line ought to be drawn. It is a value judgment as to what deductibles and what the copays ought to be and for whom. Though I am seriously troubled by the so-called donut hole, it is calculated to encourage people to take the medical care they really need, and be affordable for those with lower levels of income. Then, when the costs move into the "catastrophic" illness range, the plan would pay for nearly all of the medical costs.

I am pleased that this bill contains a number of improvements for the providers of health care to Medicare beneficiaries. Physicians who are scheduled to receive cuts in 2004 and 2005 will receive a 1.5 percent increase over that time. Moreover, rural health care providers will receive much needed increases in Medicare reimbursement through raises to disproportionate share hospitals and standardized amounts, and a decrease in the labor share in the Medicare reimbursement formula. Hospitals across Pennsylvania will benefit from upgrades to the hospital market basket update and increases in the Indirect Medical Education. Furthermore, the bill will provide $900 million for hospitals in metropolitan statistical areas with high labor costs due to their close proximity to urban areas that provide a disproportionately high wage. These hospitals may apply for wage index reclassification for three years starting in 2004.

I would note that I do have concerns with this legislation with regard to oncological Medicare reimbursement and the premium support demonstration project for Medicare Part B coverage. Proposed reductions in the average wholesale price for oncological pharmaceuticals may have a grave effect on oncologists' ability to provide cancer care to Medicare Beneficiaries. Every Medicare beneficiary suffering from cancer should have access to oncologists that they desperately need. I will pay close attention to the effects that this provision has on the quality and availability of cancer care for beneficiaries and oncologists' ability to provide that care. Further, the premium support demonstration project for Medicare Part B premiums poses a concern. Some metropolitan areas may face up to a five percent higher premium for fee-for-service care than neighboring areas. While these provisions remain troublesome, we cannot let the perfect become the enemy of the good with this piece of legislation.

The Medicare Prescription Drug legislation has been worked on for many years. I believe this bill will provide a significant improvement to the vital health care seniors so urgently need. I congratulate the members of the conference committee including Majority Leader FRIST, Senator GRASSLEY, Chairman of the Finance Committee, and the Ranking Member, Senator BAUCUS, for the outstanding work which they have done on an extraordinary complex bill.

The PRESIDING OFFICER. The majority leader.

Mr. FRIST. Mr. President, I have a unanimous consent request to clarify plans for at least early in the morning. I ask unanimous consent that when the Senate resumes the conference report to accompany H.R. 1 on Tuesday at 8:15 a.m., the time until 9:15 be equally divided between the chairman or his designee and the Democrat leader or his designee; further, I ask consent at 9:15 the Senate proceed to a vote on the adoption of the conference report, with no intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURBIN. If the majority leader will yield for a question, is it the intention of the majority leader to adjourn after that vote?

Mr. FRIST. Mr. President, through the Chair, we are currently still negotiating and working on the omnibus, and we will continue to work for the next probably 6 to 7 hours. So I will not be able to comment definitively until probably first thing in the morning. Again, we continue to work. Initially, we hoped to make progress even tonight on the omnibus, but we were unable to do that. So we will not be adjourning right afterwards. We will likely be in through tomorrow and would like to get as far as we can with the omnibus at that time.

Mr. DURBIN. Mr. President, if the majority leader will yield for another question, will there be an effort to extend unemployment compensation benefits before we adjourn?

Mr. FRIST. Mr. President, at this point I really cannot comment intelligently until we further have our discussions through the night in terms of what the plans will be over the course of tomorrow.

Mr. DURBIN. I thank the majority leader.

Mr. FRIST. Mr. President, over the past few days, we have heard a number of criticisms of the bill. And there is one criticism in particular that I want to address.

Opponents have claimed that the bill fails to contain prescription drug costs. I can only presume that this criticism reflects a misunderstanding—because the bipartisan agreement includes a number of critical provisions to lower prescription drug costs.

Under the Hatch-Waxman law, generic approval is allowed when a new drug's patent and market exclusivity protection expires, or when a 30-month stay terminates. The intent is to provide incentives to develop valuable new drug treatments through patent protection, but also to facilitate access to generic versions of the drug after the innovator's patent expires. However, access to generic drugs has sometimes been improperly delayed.

Earlier this Summer, the Senate voted 94–1 in favor of reforms developed by Senators GREGG and SCHUMER to close existing loopholes in the law. And the bipartisan agreement retains these critical reforms, ensuring speedier access to generic drugs for all Americans. Under the bipartisan agreement, a new drug applicant will receive only one 30-month stay of approval of a generic's application, for patents submitted to FDA prior to the generic application. The agreement also takes additional steps to reduce or eliminate the delays in the movement of generic drugs to the marketplace.

As a result, patients will benefit from grater access to safe, effective, low-cost generic alternatives to brand name medicines. That's why this bill is supported by the Generic Pharmaceutical Association and the Coalition for a Competitive Pharmaceutical Market. I would like to submit their letters of support for the RECORD.

The competition in this bill achieves significant "bang for the buck" because it relies on drug plans to negotiate discounts. CBO says the private insurance model has a cost management factor of 25 percent—the effect of price discounts, rebates, utilization controls, and other tools that a PDP might use to control spending. By relying on the bargaining power of drug plans, this bill will drive down the costs of prescription drugs.

The bipartisan agreement enhances research on the comparative clinical effectiveness of prescription drugs. This information will be quickly disseminated. By giving patients, health care professionals, health plans and the Medicare program better information on the comparative effectiveness of treatment options, this provision will ensure that patients and health care consumers get the most value for their money.

The bill includes other key cost containments. Prescription drug negotiations will not be subject to the Medicaid "best price" rules. Competing plans will get even better prices for seniors and disabled persons. Last year, the Congressional Budget Office estimated that exempting Medicare from best price rules would save $18 billion between 2003 and 2012.

The bipartisan Medicare agreement will lower prescription drug costs. That is why it has been endorsed by pro-consumer groups including the American Association of Retired Persons and the Coalition for a Competitive Pharmaceutical Market.

However, opponents have claimed that this language "prevents" the Federal Government from negotiating drug prices.

The bill specifies that the government "may not interfere with the negotiations between drug manufacturers and pharmacies and PDP sponsors" and "may not require a particular formulary or institute a price structure." In fact, this provision first appeared in May 2000 in a Democratic bill. The provision protects patients by keeping the government out of decisions about which medicines they will be able to receive.

Through this bill, we are giving seniors new access to affordable prescription drugs. We are speeding the pace of cheaper generic drugs to the market. We are providing for research on the comparative effectiveness of prescription drugs. We are providing a drug discount card and greater relief for low-income seniors. And we are unleashing powerful new market forces that will drive down the costs of prescription drugs.

But some continue to advocate for so-called "reimportation." This is unnecessary and unsafe. The FDA has much evidence of counterfeit, expired, mislabeled, subpotent and superpotent drugs shipped into the United States from all over the world. Health Canada is on the record saying that they will not guarantee the safety of drugs sold to Americans. Numerous current and former FDA and law enforcement officials have testified that this is not safe. Just last month, the Washington Post ran a detailed series revealing a vast, complicated network of "criminal profiteers, unscrupulous wholesalers, rogue Internet sites, and foreign pharmacies." The result has been deadly.

In St. Charles Missouri, a 61-year-old breast cancer patient was unknowingly sold diluted cancer medication by her local drugstore. Seven months after being sold the phony batch, she was dead. In Sacramento, a wife found her 47-year-old husband on the living room couch dead of an overdose of painkillers. He had obtained the pills from multiple pharmacies all over the world.

These disturbing reports bear directly upon the importation of prescription drugs. There is the faulty notion that this is a solution to drug costs. But as real life illustrates, the black market in pharmaceuticals is a very dangerous place.

In 2000, Congress passed the Medicine Equity and Drug Safety Act. But in the 3 years and two administrations since the law has been in effect, no Health and Human Services Secretary—either Democrat or Republican—has been willing to verify its safety. So this bill requires the Department of Health and Human Services to undertake an in-depth study on whether there is a safe way to reimport drugs from Canada.

What we need are sensible policies. And in the Medicare legislation we have them. The Medicare bill under consideration will make sure that seniors get the prescription drugs they need, with the safety they expect.

Mr. President, Medicare beneficiaries have waited too long for this debate. The practice of medicine has changed dramatically since the inception of the Medicare Program in 1965. Unfortunately, the program has seen few changes or improvements.

Today we finally consider providing 41 million seniors and Americans with disabilities with access to prescription drug coverage. Currently, 9.9 million Medicare beneficiaries have NO drug coverage and many more have only limited coverage.

Prescription drugs have become integral in the practice of Medicine and this legislation is critical to the health of current and future beneficiaries. Beginning next year under this bill, seniors will receive immediate, voluntary assistance with their drug costs. All Medicare beneficiaries would receive a discount drug card that will help bring down the cost of prescription drugs by 10–25 percent. Moreover, low-income seniors will receive $600 to help with their drug costs.

In 2006, beneficiaries will have access to a comprehensive prescription drug benefit. Seniors with incomes above 150 percent of the Federal poverty level will see savings of about half of their drug costs as a result of this coverage.

Low-income seniors will no longer be forced to rely on Medicare for help with their drug costs. This legislation will provide coverage for drug costs for even our lowest-income seniors under the Medicare program. Seniors with incomes below 150 percent of the Federal poverty level will receive coverage for all but a small percentage of their drug costs.

Prescription drugs not only treat disease, but they can help to prevent disease when used as part of therapeutic treatment. For this reason I am proud to say that prescription drug coverage is only one of the major improvements we will make to the Medicare Program. For the first time, the Medicare Program will put an emphasis on chronic care coordination and disease management. Beneficiaries will receive coverage for a welcome to Medicare physical. The preventive physical visit is one of the best opportunities physicians have to measure health status, screen for various diseases and educate patients about their health needs.

The legislation will also add coverage for screenings for heart disease and diabetes. Moreover, this bill directs the Secretary to integrate disease management and chronic care coordination into the basic Medicare program. Beginning immediately upon enactment with a large-scale pilot program, the Secretary will test methods to help beneficiaries with chronic conditions, ensuring they receive preventive tests, procedures and treatments to better manage their disease and improve their health status and quality of life.

This program will put the emphasis on prevention and treatment, rather than acute episodes of care. This is one of the most important reforms in the conference agreement. Beneficiaries with multiple chronic conditions account for the greatest share of Medicare spending. And low-income beneficiaries are more likely to suffer from multiple chronic diseases and to have poorer health outcomes than higher income seniors.

Diabetes is a good example of how prescription drug coverage and prescription drug therapy along with a regular care regiment promise more effective treatment and outcomes. Approximately 17 million Americans suffer from diabetes and another 16 million adults are at risk for developing diabetes. Undiagnosed and improperly treated, diabetes can and will result in a host of complications that can result in disability and even death. These complications include kidney failure, blindness, heart disease and loss of limb. According to the American Diabetes Association, $91.9 billion dollars was spent last year in direct medical expenses for diabetics.

Since 1995, five new classes of medicines have been introduced to treat diabetes. These medicines, coupled with health management and coordinated care programs, are powerful tools to increase health status and reduce complications. For example, a comprehensive disease management program for approximately 7,000 diabetic patients produced savings of $50 per diabetic patient per month. While pharmaceutical costs increased under the program, total health care spending declined. This was due to substantially fewer inpatient hospitalizations and reduced lengths of stay.

All that stands between seniors and prescription drug coverage, disease management and improved health coverage is the upcoming Senate vote. I am confident that we will pass this conference report and send the legislation to the President's desk. Seniors deserve no less.

Mr. President, millions of Americans experience serious health disparities based on ethnicity, race, gender, or a lack of access to health care. Great progress has been made in narrowing health disparities. Through advances in medical research and public policy, we are working to ensure better access to quality health care for all of our citizens. More, however, needs to be done. Let me list a few examples of where there are still serious disparities in health.

The number of diabetes cases among African Americans has tripled since the 1960s. Moreover, African Americans experience higher rates of diabetes' most serious complications: blindness, amputation and kidney failure.

One of seven Hispanics have diagnosed or undiagnosed diabetes and the prevalence of type-2 diabetes is twice as high in Hispanic Americans as in non-Hispanic whites.

American Indians and Alaska Natives are 2.3 times as likely to have diabetes as non-Hispanic whites of similar age. Diabetes cases are more concentrated among American Indians in the southeastern United States.

Asian Americans and other Pacific Islanders are approximately two times as likely to be diagnosed with diabetes as compared to their white counterparts.

When it comes to cardiovascular disease, African Americans have the highest rate of high blood pressure of all groups and tend to develop it younger than others.

Stroke is the only leading cause of death for which mortality is higher for Asian-American males.

Breast and cervical cancer also hit African American women more often than their white counterparts.

Although deaths caused by breast cancer have decreased among white women since the 1980s, African American women continue to have higher rates of mortality from breast and cervical cancer. African Americans are more likely to develop cancer than whites and are about 30 percent more likely to die of cancer than whites.

In the Medicare legislation before us, we have an opportunity to address the problem of health disparities head on. Today, roughly 20 percent of all Medicare beneficiaries are members of minority groups. And the Census projects that, by 2025, minorities will compose 35 percent of all seniors. Racial and ethnic minorities covered by Medicare suffer from more illnesses and are more apt to live in poverty than white beneficiaries.

So I am pleased that this bill particularly benefits racial and ethnic minorities, and assures that minority seniors and disabled people have access to needed medicines at affordable prices.

The bipartisan Medicare agreement will ensure better Medicare coverage for minorities through new disease management services, a new "welcome to Medicare physical" and new cardiovascular disease and diabetes screening programs. Beginning in 2005, each year, nearly 360,000 newly enrolled minority Medicare beneficiaries will be covered for an initial physical examination. The initial preventive physical exam includes measurement of height, weight and blood pressure, and an electrocardiogram, as well as education, counseling and referral related to other preventive services.

The bipartisan Medicare agreement includes new cardiovascular and diabetes screening blood tests that do not have deductibles or co-pays, so beneficiaries with limited resources who might not otherwise access these benefits are not deterred by the cost.

Disease Management is being introduced into the original Medicare program to provide beneficiaries the tools and support systems to help them manage their chronic illnesses. Through these new benefits, conditions such as obesity, diabetes, heart disease, and asthma could be made far less severe for millions of Medicare beneficiaries, including those racial and ethnic minorities who suffer most from these conditions.

The bipartisan agreement provides immediate help to those who need it most: low-income Medicare beneficiaries who do not have prescription drug coverage and do not qualify for Medicaid. This starts with the prescription drug discount card and builds on it to provide needed relief to low-income seniors with a generously subsidized drug benefit in 2006.

Over 13 million beneficiaries under 65, across all racial/ethnic groups, have very limited financial means. But these limitations are particularly acute among some populations. In 1999, 46 percent of African Americans and 55 percent of Hispanics had incomes below the Federal poverty level, compared with 15 percent of white beneficiaries. Nearly two-thirds of African-American and Latino beneficiaries have incomes below twice the poverty level, compared with 41 percent of whites.

Starting in 2006, more than 1.5 million minority beneficiaries will gain access to new drug coverage, including over a half million Hispanic and nearly 700,000 African-American Medicare beneficiaries. The Bipartisan Agreement will help cut their prescription drug bills in half. The poorest seniors—including nearly 2 million minority beneficiaries—with incomes below 100 percent of the Federal poverty level who are eligible for Medicaid would pay no premiums or deductibles, and would pay only nominal cost-sharing of $1 for a generic drug or a preferred multiple source drug and $3 for all other drugs.

2.5 million low-income minority beneficiaries with incomes below 135 percent of the Federal poverty level would pay no premiums or deductibles, and would only pay nominal cost-sharing of $2 for a generic drug or a preferred multiple source drug and $5 for any other drug. More than 400,000 minority beneficiaries, with incomes below 150 percent of the Federal poverty level would get sliding scale subsidies for their premiums, and pay both a lower deductible and lower cost-sharing compared to the standard benefit.

In addition to the low-income benefit, the bill provides that the Federal Government will assume the costs of dual-eligible beneficiaries, allowing them to receive their medicines through a private-sector drug plan, remove the stigma of Medicaid coverage, and provide fiscal relief to the States that currently pay for them.

Because only a third of African Americans and a quarter of Hispanics have Medigap or employer-sponsored retiree benefits, compared to two-thirds of white beneficiaries, they are more likely to rely on Medicaid to supplement Medicare. In fact, 43 percent of dually-eligible beneficiaries are minorities.

The bipartisan Medicare agreement improves services available to individuals suffering from these diseases. The agreement particularly improves access to prescription drugs and new services for low-income individuals, many of whom are racial and ethnic minorities.

The agreement includes critical provisions to study and disseminate the latest research on the comparative clinical effectiveness of prescription drugs and other health care services—including among specific patient subpopulations. This will ensure that patients and providers can make informed choices about their treatment options. It will also make prescription drugs more affordable for all Americans through important provisions, speeding generic drugs to market.

Ultimately, by adding much-needed prescription drug coverage to services already covered by Medicare, the agreement ensures that these individuals have access to more comprehensive, higher quality health care and treatment options.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, I sincerely hope we do something about unemployment compensation benefits. We will be gone for 2 months. Nine million Americans are out of work. Three million have lost their jobs since this President took office. Frankly, many of them have seen their unemployment benefits expire.

Historically, traditionally, on a bipartisan basis, we have extended those unemployment benefits. I think it is a sad situation if we adjourn before this holiday season leaving literally millions of American workers without the basics they need to keep their families together. I hope if we do nothing else, we achieve that.

Those who may be following this debate may wonder why, at 20 minutes to 10 this evening, on November 24, Senators are still on the floor speaking about this legislation. This bill, which in its totality is about 1,100 pages long—and the sponsor of it, Senator GRASSLEY, my friend, has admonished me not to say that the bill is 1,100 pages long but that the bill and its committee report is that length—is a historic piece of legislation.

There are some of us who believe, if this bill passes tomorrow, in the morning, as it is likely to do, that, frankly, for years to come people will be asking questions about how various Senators felt, how they voted, and what they did during the course of this debate. Those who support it believe it will be good and they take great pride in it. Those of us on the other side believe this legislation is an abomination. When we consider the opportunity we had and the challenge we had when this legislation was brought before us, this bill fails to meet the test.

It fails in this respect: We started off saying we need to help senior citizens pay for prescription drugs. Medicare did not include that benefit, and it should have. We know now that prescription drugs keep seniors healthy and strong and independent. We should give them a helping hand to pay for those expensive drugs. I think everybody agreed with that premise.

Then, when we started the debate, things started to change, because in order to achieve that goal many of us thought the Government would have to step in with some money to help seniors but also we would have to say to the drug companies, you have to charge reasonable prices for your drugs. I think those two go together.

To think that the Federal Government is going to somehow subsidize the cost of prescription drugs and do nothing to bring those costs down, frankly, is counterproductive. We cannot appropriate enough money to keep up with the meteoric rise in the cost of prescription drugs that seniors and other families across America face.

Sadly, the Senate passed a bill, supported by Democrats and Republicans, which at least moved in the direction of change but did not move far enough. It did not contain any cost containment. It did not challenge the drug companies in America to treat Americans fairly.

That bill passed and went to conference committee. We hoped it would be improved, but it was not. In fact, the bill was worsened in many respects.

As a result of that, many of us who had hoped for a prescription drug benefit for seniors are going to oppose this particular legislation because it does not achieve that goal.

Sadly, it brings another element to the debate, for which many of us never bargained. There are those in the Congress who believe we have to basically dismantle and fundamentally change Medicare.

Medicare, a system of health insurance for seniors across America for over 40 years, has given seniors quality of life and quality health care, and statistics prove that it has worked. Seniors live longer. They are more independent. They are healthier. Medicare has proven that if we have Federal leadership, we can have doctors and hospitals providing the best care to our mothers and fathers and our grandmothers and grandfathers.

But there are some who opposed it from the beginning, calling it socialized medicine, and others who do not want to meet the obligations of Medicare as the baby boom generation qualifies to receive it. So they have set upon a path to basically change Medicare as we know it.

That was never part of the bargain. This was supposed to be about prescription drugs and seniors. Instead, it switched into a new realm. The House Republican leadership pushed into this conference committee a dramatic, and some say drastic, change in Medicare for its future. That has forced many of us to not only oppose this bill but to oppose it strongly, believing our first obligation is to protect Medicare and our second obligation is to give seniors the benefit they need for prescription drugs.

This bill has failed. This bill will raise Medicare premiums for millions of senior citizens. It will force many senior citizens into HMOs. I do not have to explain HMOs to people who have tried to live with them. A health maintenance organization or similar insurance company basically rations care. It picks the doctor, not the individual covered or insured. But the HMO will pick your doctor and pick your hospital.

I think we have all heard the horror stories about HMOs that basically have denied care, denied basic medical procedures because they do not believe it is a worthwhile economic undertaking. So doctors make decisions about what you need to stay healthy, and HMOs overrule the doctors.

Senator KENNEDY, who is on the floor, and will speak after I do, has been a leader in this Senate, in the Congress, on a Patients' Bill of Rights. Why did we have to create a Patients' Bill of Rights? Because of the abuses of HMOs. And that is no surprise to people who have tried to live with them.

Now, this bill, pushed by the Republican leadership, wants to move America's seniors out of Medicare and into these HMOs. They believe that is a better way to go, to ration health care through HMOs. They want the HMOs to pick the doctors and the hospitals. They do not want the seniors to choose them, as they do now under the Medicare plan.

The original argument was that these private insurance companies, because they would be competing in the open market, would provide more economical care for seniors. But, of course, that premise was destroyed by this bill because they included in the bill a $12 billion slush fund, $12 billion of Federal tax dollars that will go to subsidize the HMOs. In other words, they not only do not have to prove profitability; they can enjoy a Federal subsidy as they try to lure the healthier seniors out of Medicare, leaving behind poorer and sicker Medicare recipients who will drive up the unit cost of care under that traditional program, making it more expensive to

Congress and the American people, and its critics hope will lead it into a period of unpopularity and perhaps abandonment.

I believe that is their ultimate goal. I think that is what they are setting out to do. They want to force seniors into HMOs, subsidized, incidentally, by Federal tax dollars. They want to undercut full Government funding of Medicare.

That is not why I signed up for this debate. It is not the reason most Senators got involved in it. It, frankly, represents a distorted view of what we were setting out to do.

It also is going to eliminate drug coverage for millions of retirees. The Congressional Budget Office, which makes projections, tells us that 2.7 million retirees in America who currently have health care benefits, including prescription drugs—2.7 million will lose that coverage because of this bill.

There is already a trend in America to take away health coverage for retirees. It is expensive. Many of the companies would like to get rid of it, if they can. The CBO tells us, the Congressional Budget Office tells us, this bill will create a lure and a force to draw these retirees out of their current health care benefits in retirement into a situation where they are not insured—2.7 million.

In my home State of Illinois, 100,000 retirees will lose their health care benefits because of this bill. Was that ever part of the bargain? Did we go into the debate saying, we are going to provide prescription drug coverage to seniors but in the process 100,000 in my State are going to lose their health care coverage?

That is the result, and not a result on which we are speculating. It is from the Congressional Budget Office, as they reported it to us.

There is another element here as well. There is an element that I think really tells the story about why this bill is so popular in some quarters in Washington—not among seniors but with some special interest groups.

You should have seen the area right outside the Senate Chamber this afternoon when the key votes were coming down. You could not even walk through. It was packed with lobbyists.

Now, there is nothing wrong with lobbyists. Lobbyists perform a valuable function when they come to Government and tell us both sides of the story. As a Member of the House and Senate, I value lobbyists who are honest and tell me their side of the story.

But if you took a look at the lobbyists in the hallway outside on this vote, you noticed, overwhelmingly, they were lobbyists supporting this bill and lobbyists representing pharmaceutical companies and HMOs.

Why would pharmaceutical companies support a bill that is supposed to lower prescription drug prices for seniors?

The obvious reason is that under this bill there is no cost control. There is no cost containment. There is no restraint on those drug companies charging even higher prices. In two particular areas, this bill is going to keep drug prices high, not just for seniors but for families across America. This bill virtually prohibits the reimportation of United States-made drugs from Canada and other countries. We have seen the news reports. Seniors in Minnesota, Michigan, and New England are traveling into Canada to buy drugs, American drugs, at a fraction of the cost. We put a provision in the House version of the bill and the Senate version of the bill to allow that trade to continue so that seniors could take advantage of the lower prices.

I have always said that we are not importing drugs from Canada, we are importing political leadership from Canada. Canada and its Government stood up for its people and its senior citizens. Canada said to the drug companies, represented in our hallways by the lobbyists: You can't charge whatever you want to charge. You have to keep your charges reasonable.

Because Canada imposed these standards and would not allow the prices to go sky high, they deeply discount the same drugs sold in America. This bill virtually closes the door for importation from Canada. It is the answer to the prayer of our pharmaceutical companies that don't want cheaper drugs coming to this country so they can sell more expensive drugs to Americans currently living here.

Also, this bill prohibits Medicare from negotiating lower drug prices. When we started this debate on prescription drugs, virtually every senior I talked to said: Senator, I don't understand why it is taking so long to see the obvious. If Medicare as a program offered prescription drugs, that would be the best approach. It would be a universal voluntary program covering everyone under Medicare. Medicare as a program could bargain for lower drug prices and say to America's drug companies: If you want to sell us a drug for high blood pressure, then you have to give us a reasonable price or we will look to another company with a comparable drug. We do that with the Veterans' Administration. We could have done it with Medicare. But this bill expressly prohibits Medicare from entering into these negotiations to lower prices. Why? Because the same drug companies that fought reimportation of drugs don't want to bargain with Medicare. As a consequence, the seniors are the losers. That is basically what we are going to deal with. We are going to continue to see outrageously high prescription drug costs.

Let me give an illustration of one element that I am not sure has been addressed during the course of this debate. That may be hard to believe after 3 full days and more of debate. This bill lacks any serious attempt to lower the cost of prescription drugs. We can reasonably assume that prescription drug prices will continue to rise about 15 percent annually as they have in the past. It is one of the most inflated costs in our health care menu of opportunities, prescription drug prices. One major employer in Illinois, Caterpillar Tractor Company, self-insured for health insurance, told me the price of prescription drugs was the biggest single problem they are facing for employees and retirees.

Consider the example of a senior citizen struggling to make ends meet, the kind of senior we were supposed to help with this bill, a senior who in 2006, when this bill will first go into effect, has an income of $20,000 a year. That is probably in the high end for many seniors. Some survive on much less. But for purposes of illustration, this senior has an income of $20,000 and is struggling to devote 25 percent of their income to paying a $5,000-a-year pharmaceutical bill. Five thousand a year is a little more than $400 a month. Believe me, I have met seniors who are paying an awful lot more than that.

So here we have a senior, $20,000 in retirement income, and $5,000 in annual drug costs. Now let's consider what this bill is going to mean to that senior. This bill steps in and cuts that senior's costs by $1,080. That is not much. That is about 22 percent of the senior's costs. I think it ought to do more, but it is something, to cut the $5,000 bill by $1,080. That is what this bill does. But what happens when year after year the senior's income goes up at the rate of inflation, roughly 3 percent, while the pharmaceutical companies' charges for prescription drugs increase at 15 percent a year? Income going up 3 percent; cost of drugs going up 15 percent a year.

By the year 2015, 9 years after this bill goes into effect, the senior's income will have grown 30 percent to $26,000. The drug costs of $5,000 when it started will have mushroomed to $17,600, a 15 percent increase unchecked versus a 3 percent increase in income. Do you know how much of that $17,600 will be paid by the Government under this bill when we have this period of time, 9 years after it goes into effect? I can tell you: It is $3,800—22 percent of what the senior is supposed to pay. So the senior's out-of-pocket prescription drug costs, not paid by the Government, would be $13,800, 53 percent of the senior's income. So even with the assistance under this bill, unchecked prescription drug inflation will drive seniors in a decade or more from spending a fourth of their income on prescription drugs to spending more than half of their income under the scenario I have just described.

Why? Senior citizens' out-of-pocket drug costs go up even with this bill because the bill does nothing to rein in unsustainable inflation in prescription drug costs. That doesn't help seniors. They need us to take action to bring down the cost of medication.

If you take a look at the pharmaceutical companies and their approach on this bill, here is what they wanted when we started this debate. They wanted private-insurer-administered drug benefits that dilute purchasing power. They got it. They wanted financial incentives for HMOs, another step away from Medicare. They got it. They wanted a prohibition on Medicare negotiating prices. They received it, which I think is the fatal flaw in this legislation. They wanted meaningless reimportation. They got it. So getting drugs from Canada becomes even more difficult. They wanted watered down generic drug access provisions. They were successful. They wanted no public scrutiny of secret PhRMA-insurer kickback arrangements. They got that protection. And, finally, they wanted huge windfall profits, and they will get it.

Wall Street has already costed this out. Pharmaceutical stocks, which were already the most profitable in America, will continue to be such. The loser will be senior citizens who were supposed get the help. That is why the pharmaceutical companies line up outside the door to the Chamber cheering for those who want to vote for this bill—because they know it means more money in the bank.

What I have given you here is not an extreme example; $5,000 a year for prescription drugs for a senior is sadly a reality. The seniors who will face this without a helping hand from the Government in terms of paying these inflated costs of drugs are going to struggle, and they may not succeed in paying for those drugs.

Let me show you this, too. Here are the compensation levels of those who run HMO insurance companies I described earlier. Remember what I said: The intent of this bill is to move seniors out of Medicare into HMOs. These are compensation levels: For companies such as Aetna, here is their CEO, he received $8.9 million; Anthem, $6.8 million; CIGNA, $5.9 million; Coventry, $21.6 million compensation for their CEO; Health Net, $6 million; Humana, $1.6 million; Oxford, $76 million for Mr. Norman Payson, not a bad year; PacifiCare, $3 million; Sierra Health, $4.7 million; and then we get down to United Health Group, this group with a CEO by the name of Mr. Channing Wheeler; he received $9.5 million in compensation.

I would like to stay with United Health Group for just a moment. This is not just another HMO, this is an HMO that is extraordinarily blessed by this bill. Let me tell you why. In addition to $12 billion in a slush fund to subsidize and underwrite HMOs that are going to compete with Medicare, there is an additional provision in here that gives $6 billion for a theory of health insurance called health savings accounts. If you have followed the debate in Washington, you may know that some 9 years ago, a company based in Lawrenceville, IL, the Golden Rule Insurance Company, dreamed up this basic insurance idea that said: We will say to people that if you will take a high deductible health insurance policy and do not use all that you could in terms of health expenses during the course of the year, we will refund some of your money at the end of the year; so it is not only health insurance lite but a chance to recoup your money. They called it medical savings accounts. This was the darling of then-Speaker Newt Gingrich and his conservative Republicans.

They believed this was the answer to America's prayers for health insurance. We have eventually put in a demonstration project and said let's at least try this concept and see how many people want to buy into it. It was a dismal failure. Very few people signed up. That didn't stop the efforts to include some provisions to help that concept of medical savings accounts—now called health savings accounts—in this bill—not just to help them get started but a $6 billion slush fund of Federal tax dollars to underwrite health savings accounts.

Let me say, it is not a one-way street. In order to win the attention of Congress and $6 billion in Federal subsidy, Golden Rule, over the past 12 years, has been extraordinarily generous to political candidates. They donated $3.6 million to political parties in candidates—90 percent to the Republican Party. Mr. Gingrich received more campaign contributions from Golden Rule than any other Federal officeholder over the past 12 years. In fact, he became their poster child and appeared on their television advertisements. The list goes on and on about Golden Rule and all the political contributions they have made.

This bill contains $6 billion for health savings accounts, such as those that have been devised by Golden Rule. This is how it works. Consumers or employers buy high-deductible policies. The deductible is at least $1,000 for individuals, $2,000 for families. The consumer or employer can put as much as $5,000 a year for an individual and $10,000 for a couple into the account. The contributions are tax deductible. Money can accumulate tax free. Withdrawal of the money is also tax free. It is virtually an unprecedented tax shelter that is being added here and subsidized with $6 billion. The funds can be withdrawn to pay medical expenses, including items not normally covered, such as cosmetic surgery.

The problems are numerous. First, it compromises the current health insurance system. People who purchase high-deductible health insurance policies are the healthiest among us. As they opt out of traditional plans, the risk pools in those traditional plans are compromised, leaving people behind to pay higher premiums.

Past research by Rand, the Urban Institute, and the American Academy of Actuaries have found that premiums for comprehensive insurance could more than double if these health insurance accounts become widely used.

Second, wealthy Americans are likely to use these as tax shelters.

In 1996, HIPAA established a demonstration project of health savings accounts. The GAO evaluation of the investigation showed that investment firms such as Merrill Lynch entered the health savings account market because of insurer perceptions that HSA enrollees were using their accounts primarily as tax-sheltered savings vehicles rather than sources of tax-sheltered funds for paying medical expenses.

So here we are setting a new precedent in tax policy. The financial service industry loves it—$6 billion. Now you might ask yourself: What do health savings accounts have to do with prescription drugs for seniors? The answer is nothing. Well, what do health savings accounts have to do with Medicare and seniors in general? The answer is nothing. The $6 billion subsidy in this bill for health savings accounts is making good on a promise by Republican leadership to reward their friends—in this case, Golden Rule. But wait, there is more to the story.

Golden Rule as an insurance company doesn't exist anymore. It sold out. The purchaser was United Health Group. R. Channing Wheller is their CEO who made $9.5 million. They are basically the architects of the health savings account, this HMO.

The story gets even more interesting. This is a publication of AARP. It comes from October of this year. AARP makes a lot of money by selling insurance to seniors. If you open here, this is page 24 and 25, those two pages, you will see three advertisements from AARP on behalf of United Health Care Insurance Company's insurance plans. What is the connection? AARP receives millions of dollars from the sale of health insurance policies and stands to gain under this bill. The AARP insurance-related revenues made up a quarter of their operating revenues last year and one-third in 2001. They receive royalties from policies marketed by United Health Group, the one that purchased Golden Rule. Last year they earned $3.7 billion in premium revenue from their offerings to AARP members—$3.7 billion. This one company.

The royalties AARP earned as a result of that amounted to $123 million; access fees, $10 million; quality control fees, almost a million dollars. AARP also earns investment income on the premiums received from members. That is a total of $161.7 million in revenue from insurance. According to Advertising Age Magazine, AARP and United Health Group hired a direct marketing agency in May to conduct a marketing campaign that could cost $100 million.

United Health Group is going to be one of the biggest winners under this bill we are considering and will vote on tomorrow. It will be a big winner in at least two different directions: First, as an HMO, it is entitled to part of the $12 billion slush fund to lure seniors out of Medicare into their HMO. Secondly, because they have now bought Golden Rule, they will be authors of insurance policies called health savings accounts, which receive another $6 billion subsidy; and guess who is in on it as well. Our friends at AARP.

It is curious to me when seniors who belong to AARP have been asked whether they like this bill, they overwhelmingly say no. Let me get this figure right; I don't want to misstate it. When asked last week whether they supported this bill—AARP members nationally, in a poll conducted—56 percent opposed it and 18 percent supported it; 56 percent of the seniors in AARP opposed it and 18 percent supported it.

Yet Mr. Bill Novelli and AARP have been leading the charge to pass this bill. If it is not that popular among AARP members, what is going on? There is money to be paid. AARP is going to be selling insurance through the United Health Group with a massive Federal subsidy, and through the old Golden Rule health savings account with another massive Federal subsidy. They are not listening to seniors; they are listening to the insurance companies, to the HMOs, and that is a sad thing.

This bill squanders $6 billion that should have been paid for retiree coverage of prescription drugs, creating these new health savings accounts that ordinary Americans cannot afford, undermining employer-based coverage, $6 billion that should have been used to prevent the loss of retiree coverage. As I mentioned earlier, some 25 percent of the revenues going to AARP came off of insurance royalties.

So you ask yourself if the membership of this organization doesn't care for this plan and opposes this plan, by a margin of more than three to one, why then is AARP front and center running ads in newspapers, television, and radio across America? Because, frankly, the ads are paid for by HMOs and pharmaceutical companies and represent an effort by the current leadership of AARP to jam down the throats of senior citizens a proposal they do not support.

What I suggest to seniors across America who are following this televised debate is this: If you belong to AARP, call them first thing in the morning at 1-800-424-3410 and tell them to stand up for seniors, don't stand up for the insurance companies. Don't stand up for pharmaceutical companies, stand up for seniors across America.

I, frankly, went back to Chicago this weekend and met with many people who said they have had it with AARP. They have no idea what happened to an organization created to serve seniors and, frankly, is turning its back on the seniors who needed help the most. That, to me, is a sad commentary. Someone said, basically, if you want to know about legislation, whether it is good or bad, ask the basic question: Who wants it? Who wants this bill, this 1,100-page monstrosity?

It isn't senior citizens. Overwhelmingly across America they say we don't want it. They are calling my office and every office on Capitol Hill. They want help to pay for prescription drugs they can understand. They want it under Medicare so the costs can be contained. They didn't want a full-scale attack on the Medicare system itself, and that is what has happened.

Sadly, we know who really wants this bill: the pharmaceutical companies that stand to make outrageous profits into the future without any competition, and the HMOs that, with their Federal subsidies, will be luring these seniors out of Medicare.

This was an extraordinary and historic opportunity for the Senate and the Congress to do something meaningful. Forty years ago, when we created Medicare, the doctors across America opposed it saying it was socialized medicine. They did not want the Government involved. A few years after the fact, they realized Medicare was not only great for seniors but not bad for the medical profession either. They have been able to expand their practices, create more hospital care, and make for a healthier America.

It worked to everyone's advantage, but the special interest group at the time, the AMA, was opposed to it. Today this is a product of special interest groups. This is not a product that was designed for seniors. It was a product that was designed to reward friends—the pharmaceutical companies that have spent $139 million lobbying Congress over the past 6 months, as well as the HMOs, Golden Rule, and all the old buddy network.

They may win tomorrow, but this I will predict: When this bill goes into effect in 2006, conveniently after the next Presidential election so that all of the bad impact of it won't be realized, when this bill goes into effect and seniors across America realize they have been had, the telephone calls that Congressmen and Senators are receiving today will pale in comparison.

Woe to those Senators and Congressmen who stand for reelection having voted for this bill when it goes into effect in 2006. When the seniors realize how complicated it is, how unfair it is, the gaps in coverage, the fact there is no control on the price of drugs, the fact that the cost of Medicare is going to increase and that they are going to be forced into HMOs with no choice of doctor or hospital, there is going to be a reaction which you will not forget.

I served in the House when we passed something called catastrophic insurance. We thought it was a pretty good idea. I voted for it. The seniors read the fine print and rejected it. When they rejected it, we were forced to repeal that law. It is the only time I recall in my congressional career we have done that.

Trust me, after this goes into effect in 2006, this Congress is going to be scrambling to repeal the most outrageous portions of this bill. And all those who think we are going to get by with a slogan about prescription drugs for seniors are in for a rude awakening.

The seniors across America are men and women who have worked hard all their lives, people of common sense who are not going to fall for what the AARP and so many organizations are now pushing in their faces and saying they must accept. They are going to reject it, and when they reject it, they will reject those who voted for it. I hope my colleagues will think twice before they vote tomorrow morning.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. ENZI). Who seeks time? The Senator from Massachusetts.

Mr. KENNEDY. There was a time in America when our citizens worked hard their entire lives and prepared themselves as well as they could for their own retirement. But for millions of Americans, retirement meant misery, poverty and abandonment. They were on their own with no financial security and no health care in what was called, with great irony, the golden years of their lives. But all that changed in the wake of the Great Depression.

The scandalous neglect and serious hardship of the elderly was no longer tolerable. In the 1930s, Congress and the administration made a promise to our people. We guaranteed that any American who works hard, plays by the rules, and pays taxes will earn well-deserved financial security in retirement. A generation later, we added health care to that commitment. And ever since, the two most successful and beloved programs in the nation have been Social Security and Medicare.

The legislation before us today is a shameful attempt to break that promise. It's a right wing Republican assault on Medicare in the guise of a prescription drug program, and Republicans know it. They know that this bill will force millions of seniors into HMOs, and deny them their choice of doctor and hospital. They know that this bill does nothing to control the skyrocketing cost of prescription drugs. They know that it's a fat deal for HMOs and pharmaceutical companies—and a raw deal for the elderly. They know it's a dress rehearsal for the coming assault on social security.

It's a con job on America's seniors, and they are trying to rush it through Congress before anyone knows what's going on.

Why else would Republicans rig a vote to pass it in the House of Representatives in the dead of night?

Why else would they shamelessly ram it through the Senate over a weekend?

Why else would they vote to overturn the senate rules so that this conference report can pass?

In the few hours of this debate, the proponents of this flawed legislation have described their proposal in the most benign—and misleading—terms. They say that this bill gives seniors the freedom to choose among competing plans. They say at least it gives protection to the poorest of seniors. They say it will lower drug prices through competition. They are absolutely wrong on all of these points.

This partisan proposal has been carefully and coldly calculated, not to protect Medicare but to destroy it, and leave the millions of senior citizens who rely on it today without a lifeline in the future.

It is the first step towards a total dismantling of Medicare. In exchange for destroying Medicare, it offers senior citizens a limited and inadequate drug benefit. The moment it is implemented, it will make nine million senior citizens—almost one quarter of all senior citizens—worse off than they are today.

Seniors already have the most important choice they want—the choice of the doctors and hospitals they trust. That it the choice they will lose if they are forced to join HMOs or other programs that say an insurance company will choose their doctor for them.

Senior citizens already have the choice to join a private insurance plan competing with Medicare if they choose. But nine out of ten prefer to keep their Medicare. The bipartisan bill that passed the Senate earlier this year provided a reasonable additional choice—to receive prescription drug coverage under Medicare, or to receive that coverage through a private-sector drug plan.

But the conference report adopted the unacceptable House approach of ending Medicare as we know it. It establishes a massive demonstration program that will subject seven million senior citizens—one out of every six—to a so-called premium support program. The only purpose of premium support is to raise the premium in regular Medicare so that senior citizens will have to join HMOs to get affordable health care. That's not competition. That's compulsion.

If that weren't bad enough, the conference report lavishes massive subsidies on HMOs and other private insurers to help them "compete." For every senior citizen who joins an HMO, the government will pay a 25 percent mark-up—almost $2,000—more than it would cost to provide that same senior citizen with the same service under Medicare. As a result of this bill, insurance company revenues will increase by $150 billion a year. That's not competition. It's corporate welfare. It's robbing Medicare and robbing senior citizens to enrich powerful special interests and big campaign contributors. It's creating a grossly tilted playing field on which Medicare cannot compete and senior citizens will be the losers.

Proponents of this plan admit that the benefits for most seniors are small. But, they say, look at how much we are helping low income seniors. What they don't say is that 6 million of the poorest of the poor senior citizens and disabled beneficiaries who currently receive drug benefits under this bill will actually be worse off. Medicaid will be prohibited from supplementing Medicare coverage. These poorest of the poor will find the cost of the drugs they need increased and their access to needed medicines reduced. Their rates of hospitalization, injury, and even death will go up.

In addition, almost 3 million seniors, many with low incomes, with good retirement drug coverage today will lose it as the result of this bill. That's not progress. It's a massive retreat. As the old saying goes, our Republican Colleagues really do love the poor, because they are creating so many of them.

Some low income seniors may get better drug coverage under this plan, but only at the price of the destruction of the Medicare that all seniors love, low and moderate income alike. No senior citizen should be faced with this Sophie's choice between the drug benefits they need and the dismantled Medicare they will face under the GOP plan. We passed a bipartisan bill in the Senate and that did not sacrifice Medicare on the altar of right-wing ideology. If we voted down the destructive, partisan bill before us, the Senate will have another opportunity to do the job right.

The drug industry too will reap a bonanza under this bill. If prescription drug prices continue to rise at double-digit rates, the minimal savings this bill provides to the average senior will be wiped out in no time by higher drug costs. This bill does nothing meaningful to hold prices down. In fact, far from moderating increases in drug costs, the Congressional Budget Office estimates that they will actually rise as the result of this legislation. No wonder the stock of our four leading drug companies went up $8 billion today.

It doesn't allow drugs to be imported from Canada. It even bans the Secretary of HHS from bargaining for better drug prices for Medicare.

The Senate is on trial today, and we will soon vote on whether to stop this charade. I urge my colleagues to stand up and fight. Fight it for the worker who paid into his company's' retirement fund for 20 years. Fight for the three million retirees like him who will lost their health insurance because of this bill.

Fight for city workers like those in Springfield, MA, whose brave mayor plans to obtain cheaper prescription drugs for them from Canada.

Fight it for the elderly grandmother on Medicaid, and the 7 million poor Americans like her, who count every penny, who can't begin to pay for their prescription drugs under this bill.

Fight for the 36 million seniors who want to stay in the Medicare they love, and with the doctors and hospitals they choose.

Fight it to keep billions and billions of Medicare dollars that come out of your paycheck from lining the pocketbooks of big drug companies and HMOs. That's your money going to your Medicare, and it should pay for your prescription drugs, not inflated profits of the drug industry and the insurance industry.

Fight for a nation that keeps its commitments to our seniors—who fought our wars, raised our families, and built our economy. How can we turn our backs on them now?

The more the American people learn about this legislation, the more they dislike it. The more senior citizens learn about it, the more they oppose it. Let us not turn our back on Medicare now. Let us not turn our back on senior citizens so that insurance companies and pharmaceutical companies can earn higher profits. Let us vote no on the disgraceful bill, and come back and do the job right.

And we will do that job right, even if it takes the election of a new Congress and a new President to do it.

The Democratic Party fought for years to enact Medicare. We will fight for as long as it takes to save Medicare and to provide senior citizens the comprehensive prescription drug benefit they need.

We will fight today. We will fight this year. We will fight next year. We will fight this issue in every State and congressional district in 2004—and we'll keep fighting until, once again, the fundamental values of compassion and justice rate higher than more wealth for those who are already wealthy, and more power for those who are already powerful.

For those who have not been following this debate in detail, let me review the particulars of this conference report. The more the American people understand what this bill does, the more they will demand that it be rejected.

Medicare is a solemn commitment between the government and the people. It says, "Pay into the system during your working years, and we will guarantee you affordable, quality health care in your retirement years." For 40 years, a fundamental part of that commitment is a guarantee that senior citizens can choose the doctors and hospitals they trust to provide them the medical care they need.

Today, there are those who want to break that commitment. They want to force the elderly into HMOs, where insurance company bureaucrats, not patients, choose the doctor. They want to replace the solid guarantee of affordable Medicare anywhere in the country with a system where what you pay depends where you live. They want to take our country back to the 19th century, when Government was by the wealthy and powerful and for the wealthy and powerful—and the weak, the poor, the members of working families, and the elderly were left out and left behind.

For a number of years, we have been working to improve Medicare by adding a much-needed prescription drug benefit. Democrats and Republicans alike have campaigned on that issue. Democrats and Republicans alike have promised senior citizens and their families to fill the largest gap in Medicare protection—its failure to cover the high cost of prescription drugs. How in the world, the American people are asking, did we get from that non-partisan objective of improving the Medicare program with a prescription drug benefit to a partisan proposal to radically alter Medicare for the benefit of the insurance industry?

In July, the United States Senate passed a bipartisan program to add prescription drug coverage to Medicare. Seventy-six members of the Senate, Republicans and Democrats alike voted for the legislation. Ten Republicans and 10 Democrats voted no.

By contrast, the House of Representatives passed a bill to radically change Medicare.

It included prescription drug coverage—but only as a trojan horse for the radical changes that were their real objective. Their bill was designed to privatize Medicare, to force senior citizens to join HMOs and other private insurance plans, and to benefit the wealthy and powerful at the expense of senior citizens. It was a radical program designed to by those who, in their arrogance, believe they know what is best for senior citizens. Senior citizens may not want to join HMOs or other private insurers—but in the view of the writers of this legislation, that's because they just don't know what's good for them.

The House bill picked up where President Bush left off. The President proposed that senior citizens couldn't get a prescription drug benefit at all unless they joined an HMO or other private insurance plan. That plan generated such a wave of public outrage that Republicans had to withdraw it. But the House bill achieved the same objective by proposals that were less blatant but equally effective.

Because the House bill was about radically restructuring Medicare according to the right wing blueprint, it could not command bipartisan support. It passed by the House by a narrow partisan majority of a single vote.

The report the conference produced—with all but two of the Democratic conferees excluded from the deliberations—was the partisan House proposal all over again. That's why the vote in the House this morning was just as partisan, just as narrow, and only achieved by the most extraordinary perversion of House rules. Now it is up to the Senate to prevent this travesty from becoming law.

This is no longer a bill to provide senior citizens a drug benefit. It is a bill to reward powerful special interest and to force senior citizens into the unloving arms of HMOs and insurance companies. It is a right wing program to privatize and voucherize Medicare. It asks the elderly to swallow unprecedented and destructive changes to the Medicare program in return for a limited, inadequate, small prescription drug benefit. It does nothing to drug costs. It gives the pharmaceutical industry a free ride—and sticks senior citizens with the bill. And this conference report is so ill-conceived that not only does it put the whole Medicare program at risk; it makes nine million seniors—almost one-quarter of the Medicare population worse off the day this program is implemented than they are today.

One of the most important of these destructive changes is a concept called "premium support." It should really be called senior citizen coercion support, or maybe it's called "premium support" because it uses Medicare premiums to support HMO profits. It replaces the stable, reliable premium that senior citizens pay for Medicare today with an unstable, unaffordable premium.

Here's how it works. Today, Medicare premiums are set at 75 percent of the costs for Part B of the Medicare program, the part that pays for doctor care. Beneficiaries pay the remaining 25 percent. The premium is the same no matter where you live. It increases from year to year at the same rate as Medicare doctor costs. It is a stable, reliable amount.

Premium support stands this system on its head. The Government contribution to private plans would no longer be based on a fixed amount. Neither would the charges to Medicare beneficiaries. Instead, the Government contribution to both private plans and Medicare would be based on the average of what plans charge and Medicare costs. If plan charges were lower than Medicare costs, the Government payment to Medicare will go down—and Medicare premiums will go up. And instead of Medicare premiums being a single, reliable, fixed amount that goes up only with increases in Medicare costs, Medicare premiums will be different in every county in the country.

And they will fluctuate wildly from year to year, depending on what private plans choose to do and how many people enroll in them.

We all know what is going on. Insurance companies can make big money by offering low-cost health insurance to healthy senior citizens. This program will drain healthy seniors from Medicare, and leave behind those who are sick and need help the most. It will send Medicare premiums through the roof—and it leave the elderly and disabled in the cellar holding the bag.

Under premium support, the administration's own estimates show that average Medicare premiums will initially jump 25 percent. Several years ago, the estimate was a whopping 47 percent. The truth is that no one really knows how high Medicare premiums could rise. But we do know this. Over time, the increase will become higher and higher. And that's just average premiums. Under premium support, how much you pay will depend on where you live and the amount could change dramatically from year to year.

In my own state of Massachusetts, a senior citizen who happens to live in Barnstable county will pay $500 a year more for their Medicare than one who lives in Hampden County.

In Florida, you will pay $900 in Osceola and $2,000 if you live in Dade County. And it's the same all over the country. In Washington State, you'll pay $1,225 if you live in San Juan and $700 if you live in Clark. In California, you'll pay $1,700 if you live in Los Angeles and $775 if you live in Yolo. In Oregon, you'll pay $1,325 if you live in Yamhill and $675 if you live in Columbia.

Why would anyone want to make these destructive changes to the Medicare program that has served senior citizens so well for almost forty years? The answer is a radical ideology that says Medicare is bad. HMOs and PPOs are good. And if senior citizens don't agree, we'll make sure that their premiums keep going up until they are forced to give up the doctors they trust to get the medical care they need.

Some of supporters of this program claim it is just a demonstration—nothing to get excited about. But it's not a demonstration. It is a vast social experiment using senior citizens as guinea pigs. Under the terms of the demonstration, 7 million senior citizens could be forced into this program. That's one out of every six seniors in the country. Half the States in this chamber have local areas where senior citizens could be forced to take part in this demonstration.

And that is just today. Tomorrow, the proponents of this misguided policy will ram through changes that will force 10 million senior citizens, or 20 million, or the whole country into this plan. If we pass this bill, we're not just putting the camel's nose under the tent. We're putting the head and the hump in, too.

The people who support this program make no secret of what they want to do. They are on record as thinking the Medicare is outdated, that it should be scrapped, and that seniors should be forced into HMOs. That's the same philosophy the President embraced when he initially proposed to give senior citizens a drug benefit only if they joined an HMO or PPO. I respect their opinions, but it is wrong to use senior citizen's need for prescription drugs as a club to force through a radical change in Medicare that could never pass muster on its own.

Premium support is only one of the ways that this plan would privatize Medicare and force senior citizens to choose between the doctors they trust and the prescription drugs they need. The conference report pumps up the payment to private plans to a level where Medicare could be uncompetitive.

It's fiscally irresponsible and unfair. It's using the elderly's own Medicare money to destroy the program they depend on.

The bill lavishes largesse on the private sector by stealing from Medicare in three ways.

First, the payment formula in the conference report is the same as the House's—and it raises payments to private plans so that they are 109 percent of Medicare's costs for caring for the same person.

Is that not odd? The private sector is supposed to be more efficient and save Medicare money—but Medicare, under this report, is paying them 9 percent more than it would provide Medicare to cover the same services.

But that is only the beginning. According to the CMS's own studies, Medicare pays an additional 16 percent in excess of Medicare's own costs to private insurance companies because the senior citizens who join Medicare HMOs are healthier than those who do not.

So under this bill, Medicare is going to be paying a 25 percent markup for every senior citizen that goes into an HMO—nine percent for the payment differential put into this bill and 16 percent for the health differential—and that is before you add in a $12 billion slush fund for PPOs that this bill also contains.

The Medicare trust fund—that today's retirees paid into and rely on—will be robbed to lavish billions of dollars on HMOs and insurance companies. Senior citizens will pay for this largesse not only in the depletion of the Medicare trust fund, not only in lesser resources for benefits they need, but in higher Medicare premiums. Why? So HMOs and insurance companies can profit.

Last week, I released a new report by the staff of the Health Committee analyzing the impact of this program on HMO and insurance industry revenues and profits.

The data is drawn from the projections of the Medicare actuary, the Medicare Trustee's report, and publicly reported data on the insurance industry. The results are sobering. As the result of this bill, annual revenues of the insurance industry will increase by an incredible $150 billion a year. Profits from Medicare business will increase by 500 percent. And this huge bonanza to the private insurance industry will, in the words of the Medicare actuary, "increase Medicare costs significantly."

I ask unanimous consent that the study be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE IMPACT OF REPUBLICAN MEDICARE PROPOSALS ON INSURANCE INDUSTRY REVENUES AND PROFITS

A SENATE COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS MINORITY STAFF REPORT, NOVEMBER 20, 2003

H.R. 1, the House Medicare Prescription Drug and Modernization Bill passed by the House of Representatives earlier this year, includes a number of provisions described by its sponsors as intended to enhance Medicare beneficiary choices and encourage competition. Most of the relevant provisions of the proposed conference report are identical to H.R. 1. This report by the minority staff of the Senate Committee on Health, Education, Labor and Pensions examines the impact of these proposals on the revenues and profits of Health Maintenance Organizations (HMOs), Preferred Provider Organizations (PPOs), and the private health insurance industry.

The report concludes that Medicare revenues of HMOs and PPOs will increase from $31 billion this year to $181 billion in 2010 under the Republican plan. Profits will increase by $4.4 billion based on an average profit margin, or $18 billion based on profits of the most successful plans. Overall, Medicare revenues and profits of the private insurance industry will increase by 490 percent in 2010 under the Republican plan. Increases under the premium support program, which begins in 2010, will be even higher.

Background

Competition with the Private Sector in the Medicare Program Today

Senior citizens already have a choice today between Medicare and private insurance plans offering Medicare benefits through the Medicare+Choice program. The program is open to most types of insurance plans—HMOs, PPOs, and fee-for-service indemnity plans—but almost all the participating plans are HMOs. Eleven percent of Medicare beneficiaries are enrolled in Medicare+Choice plans.

Under Medicare+Choice, participating plans must offer Medicare benefits. They receive a payment from Medicare that is supposed to represent what it would have cost Medicare to serve the same enrollees under the regular Medicare program. Originally, the Medicare payment was set at 95 percent of Medicare's cost, on the theory that those who would enroll in private sector plans were healthier than the average Medicare beneficiary. As a result of subsequent modifications in the payment formula, Medicare payments to private sector plans now average 103 percent of Medicare costs.

Adjusting for the fact that those who enroll in private sector plans are healthier than the average Medicare enrollee, the extra cost to Medicare when a beneficiary enrolls in a private plan is substantially higher than three percent. According to a study by the Department of Health and Human Services, Medicare+Choice plans are overpaid by 16.3 percent, solely because their enrollees are healthier than those who remain in traditional Medicare. The combination of the current payment formula and the difference in health between those who receive services from traditional Medicare and those who enroll in Medicare HMOs means that private insurance plans are paid almost 20 percent more than it costs Medicare to provide the same services.

Competition with the private sector under Conference proposal

The conference proposal changes the terms of competition between Medicare and the private sector in three ways: It establishes a new category of private plans—regional PPOs—eligible to enroll Medicare beneficiaries and receive Medicare payments for their care. It increases Medicare payments to private plans to an average of 109 percent of Medicare costs, compared to 103 percent today. Beginning in 2010, it establishes a new system of payments for both private plans and Medicare called "premium support."

Under the premium support system, the Medicare payment to private plans and the Medicare contribution to the cost of the Medicare Part B program are no longer fixed amounts Instead, they are based on a weighted average of the Medicare "benchmark"—the payment that would be made to private plans under the old system—and the charges of the private plans. If the charges of the private charges and Medicare will contribute less to the cost of those who enroll in Medicare—raising the premiums that Medicare would otherwise charge to beneficiaries. In addition, since the Medicare premium is now based on the charges of private plans in the same area, the Medicare premium will vary depending on where the beneficiaries live. It will no longer be a uniform nationwide premium.

Revenues and Profits of HMOs and Private Health Insurers

In 2003, the revenues of HMOs and other private health insurers are estimated to be $580 billion. Profits are estimated to be $16.8 billion, and the industry average profit will be 2.9 percent. Some HMOs have significantly higher profit margins than the industry average. United HealthCare's profit margin averaged 8.7 percent in 2002, and profits are expected to increase by more than a third for 2003, to 12 percent.

Impact of Conference Proposal on Revenues and Profits of HMO and Private Health Insurers

Revenues. The CMS Medicare Actuary has estimated that if H.R. 1 is enacted, 43 percent of all Medicare beneficiaries will be enrolled in private health plans by 2010, an increase from their current 11 percent enrollment. The relevant provisions included in the conference report are similar to H.R. 1. Medicare payments to private health plans are expected to increase by $150 billion to a total of $181 billion.

Profits. Under the average profit assumption. Medicare profits of the industry will increase by 490 percent to $5.3 billion in 2010. Under the higher profit assumption, Medicare profits of the industry will increase by 2316 percent to $21.7 billion. Industry analysts estimate even higher potential additional profits of $25 billion.

Cost to Government. The Medicare Actuary has not provided an estimate of the impact of H.R. 1 on this cost. However, in a letter to Congressman Thomas, Chairman of the House Ways and Means Committee, dated June 4, 2003, the Actuary states that these provisions of the bill " would increase Medicare costs significantly."

Premium Support. The Medicare Actuary has not provided an estimate of the proportion of Medicare beneficiaries who would enroll in private insurance plans under the premium support program. Since the Actuary has estimated that premium support would raise average Medicare premiums by as much as 25 percent however, it is reasonable to assume that a larger proportion of beneficiaries would leave Medicare and join HMOs or other private insurance plans under a full-blown premium support program, further increasing industry revenues and profits.

Mr. KENNEDY. Mr. President, there you have it. This legislation is by the insurance industry, for the insurance industry, and of the insurance industry. It is about privatizing Medicare so that HMOs can improve their bottom line and raise their stock prices. Senior citizens should not be forced to give up the doctors they trust to get the medical care they need. The only rationale for this misguided policy is an ideology that says higher profits for powerful special interests is the highest public good.

No wonder President Bush and the Republic leadership is fighting so hard for this bill. No wonder they are insisting on radical changes to Medicare that have nothing to do with prescription drug coverage for senior citizens. And no wonder senior citizens all over this country—and the organizations that represent them—are outraged and urging members of Congress to vote no.

The two most beloved and effective programs our government has ever created are Medicare and Social Security. Every American should understand that this debate is the dress rehearsal for the coming assault on Social Security. If the Republicans are successful with the legislation we are considering, they will have turned over Medicare to the insurance industry, so that their powerful friends can reap huge profits at the expense of senior citizens. But that is just the beginning. Once the HMOs and health insurance companies get their cut, it will be time for the stock brokers and the bankers.

A story in the Washington Post yesterday exposed the Republican plan. It said:

> President Bush's aides are reviving his long-shelved plan to let workers divert some Social Security taxes into stocks as a reelection issue, gambling that market drops have not soured voters on the politically risky idea.

It goes on:

> A Republican official said the White House has signaled Capital Hill that Bush's campaign "wants to spend a lot of money" on advertising promoting the issue. A presidential advisor says that Bush is intent on being able to say that reworking Social Security is "part of my mandate."
>
> Aides said Karl Rove, Bush's senior advisor, has argued internally and to the President's key supporters that recent polling and election results show that changing Social Security is no longer the "third rail of American politics."

The article concludes:

> Republican leadership aides on capital hill said [the Social Security issue] is more likely to be a winner if Congress passes the G.O.P. plan to add a prescription drug benefit to Medicare.

There it is, in the Republicans own words. Hold on to your hat. Today, Medicare, Tomorrow, Social Security.

It is no wonder that the Republican leadership wants to rush this bill through. It is no wonder that the House leadership violated its pledge to allow the members three days to review it. This bill can't stand the light of day. Every hour that passes, we find more outrageous provisions tucked away in this 600 plus page bill.

Let me review for the members some of the things that have been uncovered in just the last twenty-four hours.

The legislation the Senate approved earlier this year included an effective guarantee that seniors who wanted to remain in traditional Medicare would have a choice of at least two prescription drug only plans. If this simple two-plan test was not met for any reason, the Federal government would provide a fallback plan. This assured that seniors who wanted to stay in Medicare would have a choice of plans to provide their drug benefit—or the Federal Government would provide the benefit directly, as it does other Medicare benefits.

The supporters of the conference report claim that they have guaranteed that every senior could stay in Medicare and get their prescription drugs from the government if the private sector doesn't provide a choice of two plans. What they don't say is that their two-plan requirement would be fulfilled if there is only one drug only plan and one PPO in an area.

That means that seniors have to take what one-drug only plan offers—no matter how high-priced, no matter how inadequate the formulary, no matter how poor the service—or be forced to leave Medicare. It looks like President Bush's plan to deny senior citizens drug coverage unless they give up their Medicare and their right to choose a doctor hasn't been scrapped; it has just been repackaged.

The supporters of this conference report tout the limited $600 benefit that some very low income senior citizens will get next year along with their prescription drug card. But what they don't say is that the price of getting this benefit is your loss of personal privacy. Major corporations will have unfettered access to your tax records—without so much as a "by your leave?" All those of you who think that's a good idea will love this bill—but anyone who thinks that drug companies and insurance companies have no business prying into your financial records had better call your Senator to tell them to reject this legislation.

To comply with the bill's requirement that these drug benefits are tied to a person's income, the bill allows HHS to disclose a senior's tax records to any "offices, employees, or contractors" of the Department of Health and Human Services. That's practically anyone—including the huge corporations that run the drug card programs. In the words of the bill, just applying for the card "shall be deemed consent" for this monstrous invasion of privacy.

Another dirty little secret tucked away in this drug bill is the freedom it gives the insurance companies offering the drug benefit to construct their formularies so that senior citizens can be sure that there will be a drug to meet their needs on the formularies. The conference report says that there must at least two drugs on the formulary in each therapeutic class. The Senate bill says the therapeutic classes must be approved by the Secretary. The conference report says the plan gets to decide. The plan could decide to make a category as broad as pain-killers and leave the senior citizen with a choice of aspirin or Tylenol—and no access to the more sophisticated drugs that so many must use.

Whether the issue is choice of drug plans, or privacy of tax records, or availability of drugs the senior needs, or the size of the PPO slush fund, this bill is not what has been advertised. No wonder Republicans want to get the legislation off the Senate floor and onto the President's desk before all the rocks are turned over.

One of the most troubling aspects of this legislation is that a program that is supposed to improve the lives of senior citizens will make almost one-quarter of them worse off the day it is implemented.

Six million senior citizens and disabled people on Medicaid—the poorest of the poor—will be victimized. Their out-of-pocket payment for drugs will be raised, and they may not even have coverage for the drugs they need the most.

The people we are talking about are truly the poorest of the poor. In most cases, their incomes are well below poverty. And the impact of even small co-payments is devastating. Study after study finds that when the poor have to pay more for drugs, they end up hospitalized, in nursing homes, or dead.

You couldn't make up some of the provisions that are actually in this bill. It sounds like something out of Charles Dickens to say that the law might force a widow to give up her jewelry or sign away the burial fund she has scraped together to get the prescription medication she needs. People wouldn't believe you if you told them the that Congress is considering a law to force some of America's senior citizens to make those kind of choices.

I think everyone would acknowledge that the drug benefit contained in this legislation is inadequate to meet the needs of senior citizens. It has a high deductible and a coverage gap of thousands of dollars. Overall, we are providing only $400 billion toward the $1.8 trillion in drug costs our senior citizens and disabled will incur in the next 10 years.

Given the limitations on the new Medicare benefit, the last thing we should be doing is causing people with good, solid retirement health coverage to lose it. But that is exactly what this bill does, because it provides a discriminatory benefit. People who have retirement coverage get a lesser Medicare benefit than every other beneficiary. The result: employers will drop the coverage they now provide. The CBO and a new study just released by Professor Ken Thorpe of Emory University show that 2.7 million people—one retiree in four—will lose the good coverage they have today.

So between the 7 million poor people on Medicaid who will be worse off and the 3 million retirees who will lose their coverage—almost one-quarter of all Medicare beneficiaries will be worse off the day this bill is implemented than they are today. If this legislation passes, Americans will ask: What were they thinking of? Why would any Senator vote to make 9 million senior citizens and disabled people worse off and undermine Medicare to boot.

And finally, this program undermines the health insurance of all Americans.

It puts in place an unrestricted program of health savings accounts, what used to be called medical savings accounts. They provide billions of new tax breaks for the healthy and wealthy.

This program encourages the healthy and wealthy to take high deductible policies—policies that require you to pay thousands of dollars before you get benefits. That is fine for people who can afford to put money into a tax-free savings account, but it is not good for ordinary working Americans and people who are sick.

The Urban Institute and the American Academy of Actuaries have estimated that because the healthiest people are pulled out of the risk pool for regular, comprehensive policies by these health savings accounts, premiums for regular, comprehensive coverage will skyrocket. If this program becomes law and you want to keep your insurance policy, your premiums will increase 60 percent according to the Urban Institute and 61 percent according to the American Academy of Actuaries.

Isn't that astounding? The Senate started out with a bipartisan program to add prescription drug coverage to Medicare, and now we are asked to vote on a conference report that not only undermines Medicare but could raise health insurance premiums through the roof for younger Americans.

Senior citizens do not want this bill. The disabled do not want this bill. This bill is not a drug program for senior citizens. It is an attack on Medicare—and the Senate has the duty to reject it.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. FRIST. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. FRIST. Mr. President, I ask unanimous consent that there now be a period of morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUARTERLY MASS MAIL REPORT FISCAL YEAR 2003

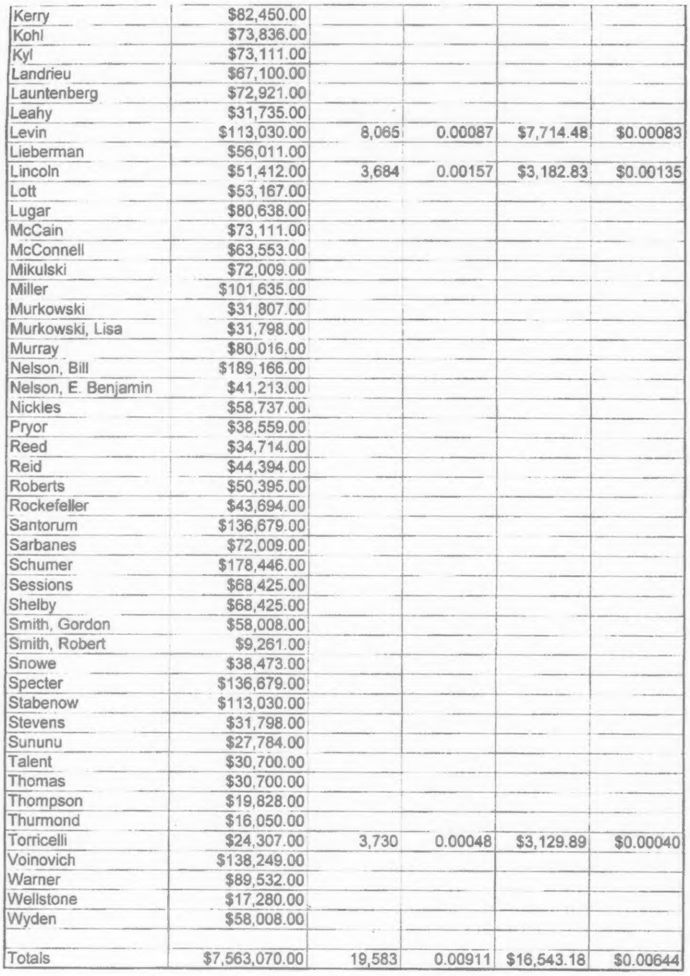
Mr. LOTT. Mr. President, in accordance with section 318 of Public Law 101–520 as amended by Public Law 103–283, I am submitting the frank mail allocations made to each Senator from the appropriation for official mail expenses and the quarterly summary tabulations of Senate mass mail costs for fiscal year 2003 to be printed in the RECORD. The official mail allocations are available for franked mail costs, as stipulated in Public Law 108–7, the Omnibus Appropriations Act 2003.

I ask unanimous consent that the materials be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Fiscal Year 2003 - First Quarter

Senator	FY2003 Official Mail Allocation	Senate quarterly mass mail volumes and costs for the quarter ending 12/31/02			
		Total Pieces	Pieces Per Capita	Total Cost	Cost Per Capita
Akaka	$35,511.00				
Alexander	$59,485.00				
Allard	$66,890.00				
Allen	$89,532.00				
Baucus	$34,918.00				
Bayh	$80,638.00				
Bennett	$42,610.00				
Biden	$32,700.00				
Bingaman	$42,481.00				
Bond	$78,078.00				
Boxer	$299,427.00				
Breaux	$67,100.00				
Brownback	$50,395.00				
Bunning	$63,533.00				
Burns	$34,918.00				
Byrd	$43,694.00				
Campbell	$66,890.00				
Cantwell	$80,016.00				
Carnahan	$19,519.00				
Carper	$32,700.00				
Chaffee, Lincoln	$34,714.00				
Chambliss	$76,226.00				
Cleland	$25,408.00				
Clinton	$178,446.00				
Cochran	$52,167.00				
Collins	$38,473.00				
Conrad	$31,389.00				
Cornyn	$158,727.00				
Corzine	$97,229.00				
Craig	$37,280.00				
Crapo	$37,280.00				
Daschle	$32,280.00				
Dayton	$69,123.00				
DeWine	$128,249.00				
Dodd	$56,011.00				
Dole	$78,970.00				
Domenici	$42,481.00				
Dorgan	$31,389.00	2,241	0.00351	$1,891.20	$0.00296
Durbin	$128,433.00				
Edwards	$105,294.00				
Ensign	$44,394.00				
Enzi	$30,700.00				
Feingold	$73,836.00				
Feinstein	$299,427.00				
Fitzgerald	$128,433.00				
Frist	$79,314.00				
Graham, Bob	$189,166.00				
Graham, Lindsey	$48,152.00				
Gramm	$52,909.00				
Grassley	$52,827.00				
Gregg	$37,046.00				
Hagel	$41,213.00				
Harkin	$52,827.00				
Hatch	$42,610.00				
Helms	$26,323.00				
Hollings	$64,203.00				
Hutchinson	$12,853.00				
Hutchison	$211,637.00				
Inhofe	$58,737.00				
Inouye	$35,511.00				
Jeffords	$31,735.00				
Johnson	$32,280.00	1,863	0.00268	$624.78	$0.00090
Kennedy	$82,450.00				



Kerry	$82,450.00				
Kohl	$73,836.00				
Kyl	$73,111.00				
Landrieu	$67,100.00				
Launtenberg	$72,921.00				
Leahy	$31,735.00				
Levin	$113,030.00	8,065	0.00087	$7,714.48	$0.00083
Lieberman	$56,011.00				
Lincoln	$51,412.00	3,684	0.00157	$3,182.83	$0.00135
Lott	$53,167.00				
Lugar	$80,638.00				
McCain	$73,111.00				
McConnell	$63,553.00				
Mikulski	$72,009.00				
Miller	$101,635.00				
Murkowski	$31,807.00				
Murkowski, Lisa	$31,798.00				
Murray	$80,016.00				
Nelson, Bill	$189,166.00				
Nelson, E. Benjamin	$41,213.00				
Nickles	$58,737.00				
Pryor	$38,559.00				
Reed	$34,714.00				
Reid	$44,394.00				
Roberts	$50,395.00				
Rockefeller	$43,694.00				
Santorum	$136,679.00				
Sarbanes	$72,009.00				
Schumer	$178,446.00				
Sessions	$68,425.00				
Shelby	$68,425.00				
Smith, Gordon	$58,008.00				
Smith, Robert	$9,261.00				
Snowe	$38,473.00				
Specter	$136,679.00				
Stabenow	$113,030.00				
Stevens	$31,798.00				
Sununu	$27,784.00				
Talent	$30,700.00				
Thomas	$30,700.00				
Thompson	$19,828.00				
Thurmond	$16,050.00				
Torricelli	$24,307.00	3,730	0.00048	$3,129.89	$0.00040
Voinovich	$138,249.00				
Warner	$89,532.00				
Wellstone	$17,280.00				
Wyden	$58,008.00				
Totals	$7,563,070.00	19,583	0.00911	$16,543.18	$0.00644

Fiscal Year 2003 - First Quarter

Other Offices	Committee mass mail totals for the quarter ending 12/31/02	
	Total Pieces	Total Cost
The Vice President	0	$0.00
The President Pro-Tempore	0	$0.00
The Majority Leader	0	$0.00
The Minority Leader	0	$0.00
The Assistant Majority Leader	0	$0.00
The Assistant Minority Leader	0	$0.00
Sec of Majority Conference	0	$0.00
Sec of Minority Conference	0	$0.00
Agriculture Committee	0	$0.00
Appropriations Committee	0	$0.00
Armed Services Committee	0	$0.00
Banking Committee	0	$0.00
Budget Committee	0	$0.00
Commerce Committee	0	$0.00
Energy Committee	0	$0.00
Environment Committee	0	$0.00
Finance Committee	0	$0.00
Foreign Relations Committee	0	$0.00
Governmental Affairs Committee	0	$0.00
Health, Education, Labor & Pensions	0	$0.00
Judiciary Committee	0	$0.00
Rules Committee	0	$0.00
Small Business Committee	0	$0.00
Veterans Affairs Committee	0	$0.00
Ethics Committee	0	$0.00
Indian Affairs Committee	0	$0.00
Intelligence Committee	0	$0.00
Aging Committee	0	$0.00
Joint Economic Committee	0	$0.00
Democratic Policy Committee	0	$0.00
Democratic Conference	0	$0.00
Republican Policy Committee	0	$0.00
Republican Conference	0	$0.00
Legislative Counsel	0	$0.00
Legal Counsel	0	$0.00
Secretary of the Senate	0	$0.00
Sergeant at Arms	0	$0.00
Narcotics Caucus	0	$0.00
Total	0	$0.00

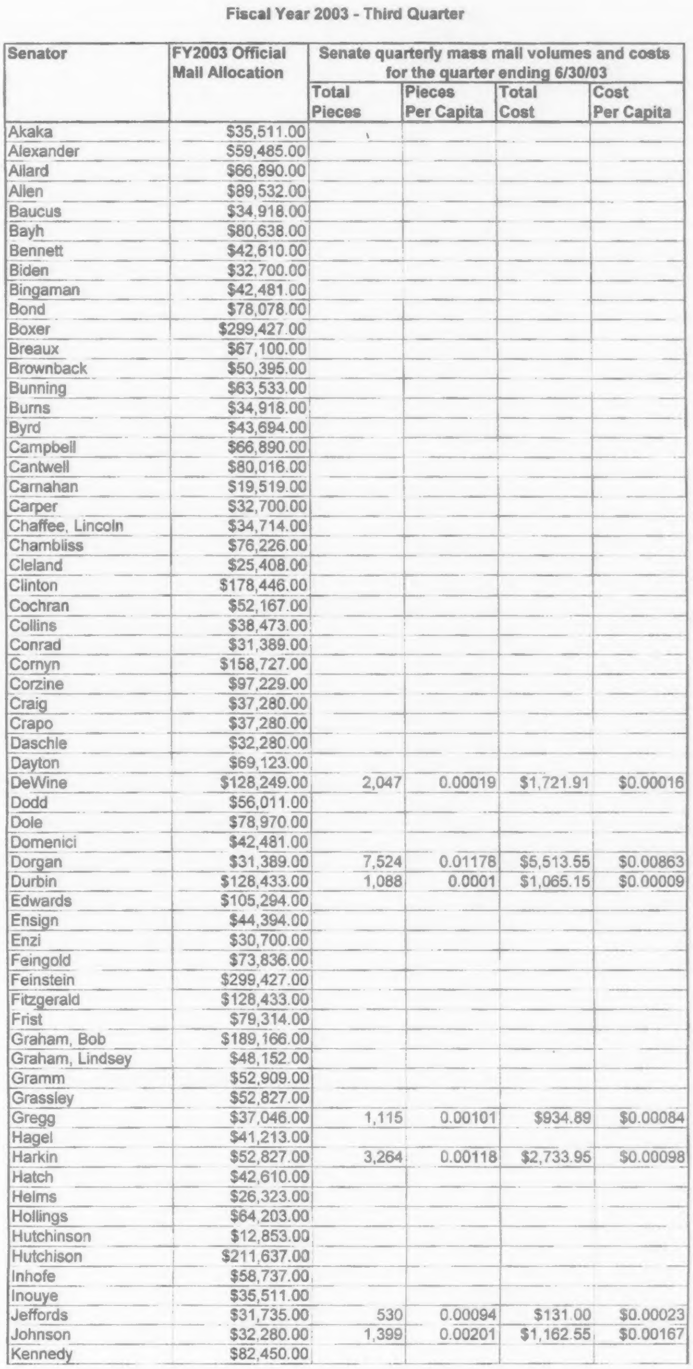
Fiscal Year 2003 - Second Quarter

Senator	FY2003 Official Mail Allocation	Senate quarterly mass mail volumes and costs for the quarter ending 3/31/03			
		Total Pieces	Pieces Per Capita	Total Cost	Cost Per Capita
Akaka	$35,511.00				
Alexander	$59,485.00				
Allard	$66,890.00				
Allen	$89,532.00				
Baucus	$34,918.00	6,965	0.00872	$5,716.46	$0.00715
Bayh	$80,638.00				
Bennett	$42,610.00				
Biden	$32,700.00				
Bingaman	$42,481.00				
Bond	$78,078.00				
Boxer	$299,427.00				
Breaux	$67,100.00				
Brownback	$50,395.00				
Bunning	$63,533.00				
Burns	$34,918.00				
Byrd	$43,694.00				
Campbell	$66,890.00				
Cantwell	$80,016.00				
Carnahan	$19,519.00				
Carper	$32,700.00				
Chaffee, Lincoln	$34,714.00	42,675	0.04253	$12,418.57	$0.01238
Chambliss	$76,226.00				
Cleland	$25,408.00				
Clinton	$178,446.00				
Cochran	$52,167.00				
Collins	$38,473.00				
Conrad	$31,389.00				
Cornyn	$158,727.00	1,376	0.00008	$450.96	$0.00003
Corzine	$97,229.00				
Craig	$37,280.00				
Crapo	$37,280.00				
Daschle	$32,280.00				
Dayton	$69,123.00				
DeWine	$128,249.00	1,433	0.00013	$1,179.73	$0.00011
Dodd	$56,011.00				
Dole	$78,970.00				
Domenici	$42,481.00				
Dorgan	$31,389.00	5,548	0.00869	$4,637.21	$0.00726
Durbin	$128,433.00				
Edwards	$105,294.00				
Ensign	$44,394.00				
Enzi	$30,700.00				
Feingold	$73,836.00				
Feinstein	$299,427.00				
Fitzgerald	$128,433.00				
Frist	$79,314.00				
Graham, Bob	$189,166.00				
Graham, Lindsey	$48,152.00				
Gramm	$52,909.00				
Grassley	$52,827.00				
Gregg	$37,046.00				
Hagel	$41,213.00	219,000	0.13875	$44,920.24	$0.02846
Harkin	$52,827.00				
Hatch	$42,610.00	1,448	0.00084	$320.07	$0.00019
Helms	$26,323.00				
Hollings	$64,203.00				
Hutchinson	$12,853.00				
Hutchison	$211,637.00				
Inhofe	$58,737.00				
Inouye	$35,511.00				
Jeffords	$31,735.00				
Johnson	$32,280.00				
Kennedy	$82,450.00				

Kerry	$82,450.00				
Kohl	$73,836.00				
Kyl	$73,111.00				
Landrieu	$67,100.00	1,580	0.00037	$1,328.44	$0.00031
Launtenberg	$72,921.00				
Leahy	$31,735.00	8,098	0.01439	$6,729.66	$0.01196
Levin	$113,030.00				
Lieberman	$56,011.00				
Lincoln	$51,412.00	1,770	0.00075	$801.77	$0.00034
Lott	$53,167.00				
Lugar	$80,638.00				
McCain	$73,111.00				
McConnell	$63,553.00				
Mikulski	$72,009.00	1,051	0.00022	$857.19	$0.00018
Miller	$101,635.00				
Murkowski	$31,807.00				
Murkowski, Lisa	$31,798.00				
Murray	$80,016.00				
Nelson, Bill	$189,166.00				
Nelson, E. Benjamin	$41,213.00				
Nickles	$58,737.00				
Pryor	$38,559.00				
Reed	$34,714.00				
Reid	$44,394.00	989	0.00082	$967.55	$0.00081
Roberts	$50,395.00				
Rockefeller	$43,694.00				
Santorum	$136,679.00				
Sarbanes	$72,009.00				
Schumer	$178,446.00				
Sessions	$68,425.00				
Shelby	$68,425.00				
Smith, Gordon	$58,008.00	619	0.00022	$520.50	$0.00018
Smith, Robert	$9,261.00				
Snowe	$38,473.00				
Specter	$136,679.00				
Stabenow	$113,030.00				
Stevens	$31,798.00				
Sununu	$27,784.00				
Talent	$30,700.00				
Thomas	$30,700.00				
Thompson	$19,828.00				
Thurmond	$16,050.00				
Torricelli	$24,307.00				
Voinovich	$138,249.00				
Warner	$89,532.00				
Wellstone	$17,280.00				
Wyden	$58,008.00				
Totals	$7,563,070.00	292,552	0.21651	$80,848.35	$0.06936

Fiscal Year 2003 - Second Quarter

Other Offices	**Committee mass mail totals for the quarter ending 3/31/03**	
	Total Pieces	**Total Cost**
The Vice President		
The President Pro-Tempore		
The Majority Leader		
The Minority Leader		
The Assistant Majority Leader		
The Assistant Minority Leader		
Sec of Majority Conference		
Sec of Minority Conference		
Agriculture Committee		
Appropriations Committee		
Armed Services Committee		
Banking Committee		
Budget Committee		
Commerce Committee		
Energy Committee		
Environment Committee		
Finance Committee		
Foreign Relations Committee		
Governmental Affairs Committee		
Health, Education, Labor & Pensions		
Judiciary Committee		
Rules Committee		
Small Business Committee		
Veterans Affairs Committee		
Ethics Committee		
Indian Affairs Committee		
Intelligence Committee		
Aging Committee		
Joint Economic Committee		
Democratic Policy Committee		
Democratic Conference		
Republican Policy Committee		
Republican Conference		
Legislative Counsel		
Legal Counsel		
Secretary of the Senate		
Sergeant at Arms		
Narcotics Caucus		
Total	0	$0.00



Fiscal Year 2003 - Third Quarter

Senator	FY2003 Official Mail Allocation	Senate quarterly mass mail volumes and costs for the quarter ending 6/30/03			
		Total Pieces	Pieces Per Capita	Total Cost	Cost Per Capita
Akaka	$35,511.00				
Alexander	$59,485.00				
Allard	$66,890.00				
Allen	$89,532.00				
Baucus	$34,918.00				
Bayh	$80,638.00				
Bennett	$42,610.00				
Biden	$32,700.00				
Bingaman	$42,481.00				
Bond	$78,078.00				
Boxer	$299,427.00				
Breaux	$67,100.00				
Brownback	$50,395.00				
Bunning	$63,533.00				
Burns	$34,918.00				
Byrd	$43,694.00				
Campbell	$66,890.00				
Cantwell	$80,016.00				
Carnahan	$19,519.00				
Carper	$32,700.00				
Chaffee, Lincoln	$34,714.00				
Chambliss	$76,226.00				
Cleland	$25,408.00				
Clinton	$178,446.00				
Cochran	$52,167.00				
Collins	$38,473.00				
Conrad	$31,389.00				
Cornyn	$158,727.00				
Corzine	$97,229.00				
Craig	$37,280.00				
Crapo	$37,280.00				
Daschle	$32,280.00				
Dayton	$69,123.00				
DeWine	$128,249.00	2,047	0.00019	$1,721.91	$0.00016
Dodd	$56,011.00				
Dole	$78,970.00				
Domenici	$42,481.00				
Dorgan	$31,389.00	7,524	0.01178	$5,513.55	$0.00863
Durbin	$128,433.00	1,088	0.0001	$1,065.15	$0.00009
Edwards	$105,294.00				
Ensign	$44,394.00				
Enzi	$30,700.00				
Feingold	$73,836.00				
Feinstein	$299,427.00				
Fitzgerald	$128,433.00				
Frist	$79,314.00				
Graham, Bob	$189,166.00				
Graham, Lindsey	$48,152.00				
Gramm	$52,909.00				
Grassley	$52,827.00				
Gregg	$37,046.00	1,115	0.00101	$934.89	$0.00084
Hagel	$41,213.00				
Harkin	$52,827.00	3,264	0.00118	$2,733.95	$0.00098
Hatch	$42,610.00				
Helms	$26,323.00				
Hollings	$64,203.00				
Hutchinson	$12,853.00				
Hutchison	$211,637.00				
Inhofe	$58,737.00				
Inouye	$35,511.00				
Jeffords	$31,735.00	530	0.00094	$131.00	$0.00023
Johnson	$32,280.00	1,399	0.00201	$1,162.55	$0.00167
Kennedy	$82,450.00				

Kerry	$82,450.00				
Kohl	$73,836.00				
Kyl	$73,111.00				
Landrieu	$67,100.00				
Launtenberg	$72,921.00				
Leahy	$31,735.00	1,188	0.00211	$998.65	$0.00177
Levin	$113,030.00				
Lieberman	$56,011.00				
Lincoln	$51,412.00				
Lott	$53,167.00				
Lugar	$80,638.00				
McCain	$73,111.00				
McConnell	$63,553.00				
Mikulski	$72,009.00				
Miller	$101,635.00				
Murkowski	$31,807.00				
Murkowski, Lisa	$31,798.00				
Murray	$80,016.00				
Nelson, Bill	$189,166.00				
Nelson, E. Benjamin	$41,213.00				
Nickles	$58,737.00	4,252	0.00135	$3,474.21	$0.00110
Pryor	$38,559.00				
Reed	$34,714.00				
Reid	$44,394.00				
Roberts	$50,395.00				
Rockefeller	$43,694.00				
Santorum	$136,679.00				
Sarbanes	$72,009.00				
Schumer	$178,446.00				
Sessions	$68,425.00				
Shelby	$68,425.00				
Smith, Gordon	$58,008.00	5,963	0.0021	$4,981.47	$0.00175
Smith, Robert	$9,261.00				
Snowe	$38,473.00				
Specter	$136,679.00				
Stabenow	$113,030.00	1,136	0.00012	$1,104.00	$0.00012
Stevens	$31,798.00				
Sununu	$27,784.00				
Talent	$30,700.00				
Thomas	$30,700.00				
Thompson	$19,828.00				
Thurmond	$16,050.00				
Torricelli	$24,307.00				
Voinovich	$138,249.00				
Warner	$89,532.00				
Wellstone	$17,280.00				
Wyden	$58,008.00				
Totals	$7,563,070.00	29,506	0.02289	$23,821.33	$0.01734

Fiscal Year 2003 - Third Quarter

Other Offices	**Committee mass mail totals for the quarter ending 6/30/03**	
	Total Pieces	**Total Cost**
The Vice President		
The President Pro-Tempore		
The Majority Leader		
The Minority Leader		
The Assistant Majority Leader		
The Assistant Minority Leader		
Sec of Majority Conference		
Sec of Minority Conference		
Agriculture Committee		
Appropriations Committee		
Armed Services Committee		
Banking Committee		
Budget Committee		
Commerce Committee		
Energy Committee		
Environment Committee		
Finance Committee		
Foreign Relations Committee		
Governmental Affairs Committee		
Health, Education, Labor & Pensions		
Judiciary Committee		
Rules Committee		
Small Business Committee		
Veterans Affairs Committee		
Ethics Committee		
Indian Affairs Committee		
Intelligence Committee		
Aging Committee		
Joint Economic Committee		
Democratic Policy Committee		
Democratic Conference		
Republican Policy Committee		
Republican Conference		
Legislative Counsel		
Legal Counsel		
Secretary of the Senate		
Sergeant at Arms		
Narcotics Caucus		
Total	0	$0.00

Fiscal Year 2003 - Fourth Quarter

	FY2003 Official Mail Allocation	Senate quarterly mass mail volumes and costs for the quarter ending 9/30/03			
		Total Pieces	Pieces Per Capita	Total Cost	Cost Per Capita
Akaka	$35,511.00				
Alexander	$59,485.00	1,566	0.0032	$1,322.94	$0.00270
Allard	$66,890.00				
Allen	$89,532.00				
Baucus	$34,918.00				
Bayh	$80,638.00				
Bennett	$42,610.00				
Biden	$32,700.00				
Bingaman	$42,481.00				
Bond	$78,078.00				
Boxer	$299,427.00				
Breaux	$67,100.00				
Brownback	$50,395.00				
Bunning	$63,533.00				
Burns	$34,918.00				
Byrd	$43,694.00				
Campbell	$66,890.00				
Cantwell	$80,016.00	191,600	0.03937	$38,556.19	$0.00792
Carnahan	$19,519.00				
Carper	$32,700.00				
Chaffee, Lincoln	$34,714.00				
Chambliss	$76,226.00				
Cleland	$25,408.00				
Clinton	$178,446.00				
Cochran	$52,167.00				
Collins	$38,473.00				
Conrad	$31,389.00	336,800	0.52724	$55,944.78	$0.08758
Cornyn	$158,727.00				
Corzine	$97,229.00				
Craig	$37,280.00	6,322	0.00628	$1,296.88	$0.00129
Crapo	$37,280.00				
Daschle	$32,280.00				
Dayton	$69,123.00				
DeWine	$128,249.00				
Dodd	$56,011.00				
Dole	$78,970.00				
Domenici	$42,481.00				
Dorgan	$31,389.00	33,235	0.05203	$27,033.44	$0.04232
Durbin	$128,433.00				
Edwards	$105,294.00				
Ensign	$44,394.00				
Enzi	$30,700.00				
Feingold	$73,836.00				
Feinstein	$299,427.00				
Fitzgerald	$128,433.00				
Frist	$79,314.00				
Graham, Bob	$189,166.00				
Graham, Lindsey	$48,152.00				
Gramm	$52,909.00				
Grassley	$52,827.00	33,500	0.01206	$55,282.65	$0.01991
Gregg	$37,046.00				
Hagel	$41,213.00				
Harkin	$52,827.00	4,049	0.00146	$3,378.06	$0.00122
Hatch	$42,610.00				
Helms	$26,323.00				
Hollings	$64,203.00				
Hutchinson	$12,853.00				
Hutchison	$211,637.00	9,597	0.00056	$3,446.97	$0.00020
Inhofe	$58,737.00				
Inouye	$35,511.00				
Jeffords	$31,735.00				
Johnson	$32,280.00	309,000	0.44396	$52,657.24	$0.07566
Kennedy	$82,450.00				

Kerry	$82,450.00				
Kohl	$73,836.00				
Kyl	$73,111.00				
Landrieu	$67,100.00				
Launtenberg	$72,921.00				
Leahy	$31,735.00	12,600	0.02239	$3,325.43	$0.00591
Levin	$113,030.00				
Lieberman	$56,011.00				
Lincoln	$51,412.00				
Lott	$53,167.00				
Lugar	$80,638.00				
McCain	$73,111.00				
McConnell	$63,553.00				
Mikulski	$72,009.00				
Miller	$101,635.00				
Murkowski	$31,807.00				
Murkowski, Lisa	$31,798.00	306,000	0.55632	$50,789.63	$0.09234
Murray	$80,016.00				
Nelson, Bill	$189,166.00	75,000	0.0058	$11,325.61	$0.00088
Nelson, E. Benjamin	$41,213.00				
Nickles	$58,737.00				
Pryor	$38,559.00				
Reed	$34,714.00	5,860	0.00584	$4,820.14	$0.00480
Reid	$44,394.00	223,500	0.18599	$44,979.75	$0.03743
Roberts	$50,395.00				
Rockefeller	$43,694.00				
Santorum	$136,679.00				
Sarbanes	$72,009.00				
Schumer	$178,446.00				
Sessions	$68,425.00				
Shelby	$68,425.00				
Smith, Gordon	$58,008.00				
Smith, Robert	$9,261.00				
Snowe	$38,473.00				
Specter	$136,679.00				
Stabenow	$113,030.00	1,643	0.00018	$1,373.12	$0.00015
Stevens	$31,798.00				
Sununu	$27,784.00				
Talent	$30,700.00				
Thomas	$30,700.00	555	0.00122	$502.91	$0.00111
Thompson	$19,828.00				
Thurmond	$16,050.00				
Torricelli	$24,307.00				
Voinovich	$138,249.00				
Warner	$89,532.00				
Wellstone	$17,280.00				
Wyden	$58,008.00				
Totals	$7,563,070.00	1,550,827	1.86102	$356,035.74	$0.37899

Fiscal Year 2003 - Fourth Quarter

Other Offices	Committee mass mail totals for the quarter ending 9/30/03	
	Total Pieces	Total Cost
The Vice President		
The President Pro-Tempore		
The Majority Leader		
The Minority Leader		
The Assistant Majority Leader		
The Assistant Minority Leader		
Sec of Majority Conference		
Sec of Minority Conference		
Agriculture Committee		
Appropriations Committee		
Armed Services Committee		
Banking Committee		
Budget Committee		
Commerce Committee		
Energy Committee		
Environment Committee		
Finance Committee	1,370,000	$218,274.81
Foreign Relations Committee		
Governmental Affairs Committee		
Health, Education, Labor & Pensions		
Judiciary Committee		
Rules Committee		
Small Business Committee		
Veterans Affairs Committee		
Ethics Committee		
Indian Affairs Committee		
Intelligence Committee		
Aging Committee		
Joint Economic Committee		
Democratic Policy Committee		
Democratic Conference		
Republican Policy Committee		
Republican Conference		
Legislative Counsel		
Legal Counsel		
Secretary of the Senate		
Sergeant at Arms		
Narcotics Caucus		
Total	1,370,000	$218,274.81

QUARTERLY MASS MAIL REPORT 3RD AND 4TH QUARTER FISCAL YEAR 2001

Mr. LOTT. Mr. President, in accordance with section 318 of Public Law 101–520 as amended by Public Law 103–283, I am submitting the frank mail allocations made to each Senator from the appropriation for official mail expenses and summary tabulations of Senate mass mail costs for the third and fourth quarters of fiscal year 2001 to be printed in the RECORD. The third quarter of fiscal year 2001 covers the period of April 1, 2001, through June 30, 2001. The fourth quarter of fiscal year 2001 covers the period of July 1, 2001, through September 30, 2001. The official mail allocations are available for franked mail costs, as stipulated in Public Law 106–554, the Consolidated Appropriations Act 2001.

I ask unanimous consent that the materials be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Fiscal Year 2001 - Third Quarter

Senator	FY2001 Official Mail Allocation	Senate quarterly mass mail volumes and costs for the quarter ending 6/30/01			
		Total Pieces	Pieces Per Capita	Total Cost	Cost Per Capita
Akaka	$35,266.00				
Allard	$65,571.00				
Allen	$67,623.00				
Baucus	$34,375.00				
Bayh	$80,339.00				
Bennett	$42,465.00				
Biden	$32,353.00				
Bingaman	$42,668.00				
Bond	$78,611.00				
Boxer	$305,332.00				
Breaux	$67,023.00				
Brownback	$49,896.00				
Bunning	$64,242.00				
Burns	$34,132.00				
Byrd	$43,197.00				
Campbell	$65,571.00				
Cantwell	$60,939.00				
Carnahan	$58,958.00				
Carper	$24,264.00				
Chaffee, Lincoln	$34,653.00				
Cleland	$98,598.00				
Clinton	$137,537.00				
Cochran	$51,451.00				
Collins	$38,298.00				
Conrad	$31,258.00				
Corzine	$73,236.00				
Craig	$36,535.00				
Crapo	$36,535.00	8,800	0.00874	$1,620.20	$0.00161
Daschle	$32,149.00				
Dayton	$52,182.00				
DeWine	$131,841.00				
Dodd	$56,517.00				
Domenici	$42,668.00				
Dorgan	$31,258.00				
Durbin	$129,845.00				
Edwards	$104,861.00				
Ensign	$32,656.00				
Enzi	$30,012.00				
Feingold	$74,540.00				
Feinstein	$305,332.00				
Fitzgerald	$129,845.00				
Frist	$78,607.00				
Graham	$185,377.00				
Gramm	$206,157.00	2,000	0.00012	$585.55	$0.00003
Grassley	$52,627.00				
Gregg	$36,926.00				
Hagel	$40,693.00				
Harkin	$52,627.00				
Hatch	$42,465.00				
Helms	$104,861.00				
Hollings	$62,803.00				
Hutchinson	$50,961.00				
Hutchison	$206,157.00				
Inhofe	$57,917.00				
Inouye	$35,266.00				
Jeffords	$31,264.00				
Johnson	$32,149.00	4,140	0.00595	$3,309.15	$0.00475
Kennedy	$82,836.00				
Kerry	$82,836.00				
Kohl	$74,540.00				
Kyl	$72,497.00				
Landrieu	$67,023.00	632	0.00015	$520.47	$0.00012
Leahy	$31,264.00	14,512	0.02579	$3,685.16	$0.00655

Levin	$114,736.00				
Lieberman	$56,517.00				
Lincoln	$50,961.00				
Lott	$51,451.00				
Lugar	$80,339.00				
McCain	$72,497.00				
McConnell	$64,242.00				
Mikulski	$72,998.00				
Miller	$98,598.00				
Murkowski	$31,276.00				
Murray	$81,252.00				
Nelson, Bill	$139,032.00				
Nelson, E. Benjamin	$30,519.00				
Nickles	$57,917.00	4,347	0.00138	$3,782.65	$0.00120
Reed	$34,653.00				
Reid	$43,542.00				
Roberts	$49,896.00				
Rockefeller	$43,197.00				
Santorum	$138,787.00				
Sarbanes	$72,998.00				
Schumer	$183,383.00				
Sessions	$68,026.00				
Shelby	$68,026.00				
Smith, Gordon	$58,292.00				
Smith, Robert	$36,926.00				
Snowe	$38,298.00				
Specter	$138,787.00				
Stabenow	$86,052.00				
Stevens	$31,184.00				
Thomas	$30,044.00	651	0.00144	$204.07	$0.00045
Thompson	$78,239.00				
Thurmond	$62,273.00				
Torricelli	$97,508.00	2,577	0.00033	$2,118.74	$0.00027
Voinovich	$131,970.00	713	0.00007	$671.65	$0.00006
Warner	$89,627.00				
Wellstone	$69,241.00				
Wyden	$58,557.00				
Totals	$7,344,326.00	38,372	0.04396	$16,497.64	$0.01506

Fiscal Year 2001 - Third Quarter

Other Offices	Committee mass mail totals for the quarter ending 6/30/01	
	Total Pieces	Total Cost
The Vice President	0	$0.00
The President Pro-Tempore	0	$0.00
The Majority Leader	0	$0.00
The Minority Leader	0	$0.00
The Assistant Majority Leader	0	$0.00
The Assistant Minority Leader	0	$0.00
Sec of Majority Conference	0	$0.00
Sec of Minority Conference	0	$0.00
Agriculture Committee	0	$0.00
Appropriations Committee	0	$0.00
Armed Services Committee	0	$0.00
Banking Committee	0	$0.00
Budget Committee	0	$0.00
Commerce Committee	0	$0.00
Energy Committee	0	$0.00
Environment Committee	0	$0.00
Finance Committee	0	$0.00
Foreign Relations Committee	0	$0.00
Governmental Affairs Committee	0	$0.00
Health, Education, Labor & Pensions	0	$0.00
Judiciary Committee	0	$0.00
Rules Committee	0	$0.00
Small Business Committee	0	$0.00
Veterans Affairs Committee	0	$0.00
Ethics Committee	0	$0.00
Indian Affairs Committee	0	$0.00
Intelligence Committee	0	$0.00
Aging Committee	0	$0.00
Joint Economic Committee	0	$0.00
Democratic Policy Committee	0	$0.00
Democratic Conference	0	$0.00
Republican Policy Committee	0	$0.00
Republican Conference	0	$0.00
Legislative Counsel	0	$0.00
Legal Counsel	0	$0.00
Secretary of the Senate	0	$0.00
Sergeant at Arms	0	$0.00
Narcotics Caucus	0	$0.00
Total	0	$0.00

Fiscal Year 2001 - Fourth Quarter

Senator	FY2001 Official Mail Allocation	Senate quarterly mass mail volumes and costs for the quarter ending 9/30/01			
		Total Pieces	Pieces Per Capita	Total Cost	Cost Per Capita
Akaka	$35,266.00				
Allard	$65,571.00				
Allen	$67,623.00	1,653	0.00027	$1,446.09	$0.00023
Baucus	$34,375.00	11,922	0.01492	$9,628.79	$0.01205
Bayh	$80,339.00				
Bennett	$42,465.00				
Biden	$32,353.00				
Bingaman	$42,668.00				
Bond	$78,611.00				
Boxer	$305,332.00				
Breaux	$67,023.00				
Brownback	$49,896.00				
Bunning	$64,242.00				
Burns	$34,132.00	5,980	0.00748	$4,800.99	$0.00601
Byrd	$43,197.00				
Campbell	$65,571.00				
Cantwell	$60,939.00				
Carnahan	$58,958.00				
Carper	$24,264.00				
Chaffee, Lincoln	$34,653.00				
Cleland	$98,598.00				
Clinton	$137,537.00				
Cochran	$51,451.00				
Collins	$38,298.00				
Conrad	$31,258.00	91,201	0.14277	$13,614.14	$0.02131
Corzine	$73,236.00				
Craig	$36,535.00				
Crapo	$36,535.00				
Daschle	$32,149.00				
Dayton	$52,182.00				
DeWine	$131,841.00	3,200	0.0003	$2,662.50	$0.00025
Dodd	$56,517.00				
Domenici	$42,668.00				
Dorgan	$31,258.00	5,936	0.00929	$4,767.28	$0.00746
Durbin	$129,845.00				
Edwards	$104,861.00				
Ensign	$32,656.00	38,468	0.03201	$10,410.98	$0.00866
Enzi	$30,012.00				
Feingold	$74,540.00				
Feinstein	$305,332.00				
Fitzgerald	$129,845.00				
Frist	$78,607.00				
Graham	$185,377.00	2,800	0.00022	$650.78	$0.00005
Gramm	$206,157.00				
Grassley	$52,627.00	325,339	0.11716	$45,872.80	$0.01652
Gregg	$36,926.00				
Hagel	$40,693.00				
Harkin	$52,627.00				
Hatch	$42,465.00	3,341	0.00194	$2,687.33	$0.00156
Helms	$104,861.00				
Hollings	$62,803.00				
Hutchinson	$50,961.00				
Hutchison	$206,157.00				
Inhofe	$57,917.00				
Inouye	$35,266.00				
Jeffords	$31,264.00				
Johnson	$32,149.00	247,252	0.35525	$49,017.50	$0.07043
Kennedy	$82,836.00				
Kerry	$82,836.00				
Kohl	$74,540.00				
Kyl	$72,497.00				
Landrieu	$67,023.00				
Leahy	$31,264.00	5,543	0.00985	$1,574.89	$0.00280

Levin	$114,736.00				
Lieberman	$56,517.00				
Lincoln	$50,961.00	3,765	0.0016	$771.45	$0.00033
Lott	$51,451.00				
Lugar	$80,339.00				
McCain	$72,497.00				
McConnell	$64,242.00				
Mikulski	$72,998.00				
Miller	$98,598.00				
Murkowski	$31,276.00				
Murray	$81,252.00				
Nelson, Bill	$139,032.00				
Nelson, E. Benjamin	$30,519.00				
Nickles	$57,917.00	4,060	0.00129	$3,555.42	$0.00113
Reed	$34,653.00				
Reid	$43,542.00	38,438	0.03199	$10,400.50	$0.00866
Roberts	$49,896.00	5,541	0.00224	$4,493.61	$0.00181
Rockefeller	$43,197.00	3,309	0.00185	$2,733.72	$0.00152
Santorum	$138,787.00				
Sarbanes	$72,998.00				
Schumer	$183,383.00				
Sessions	$68,026.00				
Shelby	$68,026.00				
Smith, Gordon	$58,292.00				
Smith, Robert	$36,926.00				
Snowe	$38,298.00				
Specter	$138,787.00				
Stabenow	$86,052.00	1,234	0.00013	$1,128.17	$0.00012
Stevens	$31,184.00				
Thomas	$30,044.00				
Thompson	$78,239.00				
Thurmond	$62,273.00				
Torricelli	$97,508.00				
Voinovich	$131,970.00				
Warner	$89,627.00				
Wellstone	$69,241.00				
Wyden	$58,557.00				
Totals	$7,344,326.00	798,982	0.73055	$170,216.94	$0.16090

Fiscal Year 2001 - Fourth Quarter

Other Offices	**Committee mass mail totals for the quarter ending 9/30/01**	
	Total Pieces	**Total Cost**
The Vice President		
The President Pro-Tempore		
The Majority Leader		
The Minority Leader		
The Assistant Majority Leader		
The Assistant Minority Leader		
Sec of Majority Conference		
Sec of Minority Conference		
Agriculture Committee	1,756	$561.22
Appropriations Committee		
Armed Services Committee		
Banking Committee		
Budget Committee		
Commerce Committee		
Energy Committee		
Environment Committee		
Finance Committee		
Foreign Relations Committee		
Governmental Affairs Committee		
Health, Education, Labor & Pensions		
Judiciary Committee		
Rules Committee		
Small Business Committee		
Veterans Affairs Committee		
Ethics Committee		
Indian Affairs Committee		
Intelligence Committee		
Aging Committee	1,196	$358.42
Joint Economic Committee		
Democratic Policy Committee		
Democratic Conference		
Republican Policy Committee		
Republican Conference		
Legislative Counsel		
Legal Counsel		
Secretary of the Senate		
Sergeant at Arms		
Narcotics Caucus		
Total	2,952	$919.64

QUARTERLY MASS MAIL REPORT FISCAL YEAR 2002

Mr. LOTT. Mr. President, in accordance with section 318 of Public Law 101–520 as amended by Public Law 103–283, I am submitting the frank mail allocations made to each Senator from the appropriation for official mail expenses and the quarterly summary tabulations of Senate mass mail costs for fiscal year 2002 to be printed in the RECORD. The official mail allocations are available for franked mail costs, as stipulated in Public Law 107–68, the Legislative Branch Appropriations Act of 2002.

I ask unanimous consent that the materials be printed in the RECORD.

There being no objection, the material was orderd to be printed in the RECORD, as follows:

Fiscal Year 2002 - First Quarter

Senator	FY2002 Official Mail Allocation	Senate quarterly mass mail volumes and costs for the quarter ending 12/31/01			
		Total Pieces	Pieces Per Capita	Total Cost	Cost Per Capita
Akaka	$35,568.00				
Allard	$66,085.00				
Allen	$89,455.00				
Baucus	$34,915.00	959	0.00120	$780.18	0.00098
Bayh	$80,779.00				
Bennett	$42,461.00				
Biden	$32,688.00				
Bingaman	$42,553.00				
Bond	$78,207.00				
Boxer	$300,728.00				
Breaux	$67,337.00				
Brownback	$50,572.00				
Bunning	$63,501.00				
Burns	$34,915.00				
Byrd	$44,141.00				
Campbell	$66,085.00				
Cantwell	$79,851.00				
Carnahan	$78,207.00	523	0.00010	$433.73	0.00008
Carper	$32,688.00				
Chaffee, Lincoln	$34,814.00				
Cleland	$100,285.00				
Clinton	$180,807.00				
Cochran	$51,936.00				
Collins	$38,487.00				
Conrad	$31,427.00				
Corzine	$97,728.00				
Craig	$37,133.00				
Crapo	$37,133.00				
Daschle	$32,275.00				
Dayton	$68,948.00				
DeWine	$129,139.00				
Dodd	$56,400.00				
Domenici	$42,553.00				
Dorgan	$31,427.00				
Durbin	$128,755.00				
Edwards	$104,420.00				
Ensign	$43,766.00				
Enzi	$30,723.00				
Feingold	$73,647.00				
Feinstein	$300,728.00				
Fitzgerald	$128,755.00				
Frist	$79,045.00				
Graham	$187,517.00				
Gramm	$210,016.00				
Grassley	$52,858.00				
Gregg	$37,037.00	1,289	0.00116	$1,065.77	0.00096
Hagel	$41,320.00				
Harkin	$52,858.00				
Hatch	$42,461.00				
Helms	$104,420.00				
Hollings	$63,818.00				
Hutchinson	$51,422.00	14,900	0.00634	$2,830.68	0.00120
Hutchison	$210,016.00				
Inhofe	$58,895.00				
Inouye	$35,568.00				
Jeffords	$31,726.00				
Johnson	$32,275.00				
Kennedy	$82,718.00				
Kerry	$82,718.00				
Kohl	$73,647.00				
Kyl	$72,156.00				
Landrieu	$67,337.00				
Leahy	$31,726.00				

Levin	$113,193.00				
Lieberman	$56,400.00				
Lincoln	$51,422.00				
Lott	$51,936.00				
Lugar	$80,779.00				
McCain	$72,156.00				
McConnell	$63,501.00				
Mikulski	$72,069.00				
Miller	$100,285.00				
Murkowski	$31,807.00				
Murray	$79,851.00	750	0.00015	$170.34	0.00004
Nelson, Bill	$187,517.00				
Nelson, E. Benjamin	$41,320.00				
Nickles	$58,895.00				
Reed	$34,814.00	2,700	0.00269	$389.51	0.00039
Reid	$43,766.00				
Roberts	$50,572.00				
Rockefeller	$44,141.00				
Santorum	$138,388.00				
Sarbanes	$72,069.00				
Schumer	$180,807.00				
Sessions	$68,572.00				
Shelby	$68,572.00				
Smith, Gordon	$57,908.00				
Smith, Robert	$37,037.00				
Snowe	$38,487.00				
Specter	$138,388.00				
Stabenow	$113,193.00				
Stevens	$31,807.00				
Thomas	$30,723.00				
Thompson	$79,045.00				
Thurmond	$63,818.00				
Torricelli	$97,728.00	5,590	0.00072	$4,593.85	0.00059
Voinovich	$129,139.00	1,216	0.00011	$988.96	0.00009
Warner	$89,455.00				
Wellstone	$68,948.00				
Wyden	$57,908.00				
Totals	$7,599,992.00	27,927	0.01248	$11,253.02	$0.00433

Fiscal Year 2002 - First Quarter

Other Offices	Committee mass mail totals for the quarter ending 12/31/01	
	Total Pieces	Total Cost
The Vice President		
The President Pro-Tempore		
The Majority Leader		
The Minority Leader		
The Assistant Majority Leader		
The Assistant Minority Leader		
Sec of Majority Conference		
Sec of Minority Conference		
Agriculture Committee	550	$128.11
Appropriations Committee		
Armed Services Committee		
Banking Committee		
Budget Committee		
Commerce Committee		
Energy Committee		
Environment Committee		
Finance Committee		
Foreign Relations Committee		
Governmental Affairs Committee		
Health, Education, Labor & Pensions		
Judiciary Committee		
Rules Committee		
Small Business Committee		
Veterans Affairs Committee		
Ethics Committee		
Indian Affairs Committee		
Intelligence Committee		
Aging Committee		
Joint Economic Committee		
Democratic Policy Committee		
Democratic Conference		
Republican Policy Committee		
Republican Conference		
Legislative Counsel		
Legal Counsel		
Secretary of the Senate		
Sergeant at Arms		
Narcotics Caucus		
Total	550	$128.11

Fiscal Year 2002 - Second Quarter

Senator	FY2002 Official Mail Allocation	Senate quarterly mass mail volumes and costs for the quarter ending 3/31/02			
		Total Pieces	Pieces Per Capita	Total Cost	Cost Per Capita
Akaka	$35,568.00				
Allard	$66,085.00				
Allen	$89,455.00				
Baucus	$34,915.00	9,200	0.01151	$1,925.37	0.00241
Bayh	$80,779.00				
Bennett	$42,461.00				
Biden	$32,688.00				
Bingaman	$42,553.00				
Bond	$78,207.00				
Boxer	$300,728.00				
Breaux	$67,337.00				
Brownback	$50,572.00				
Bunning	$63,501.00				
Burns	$34,915.00				
Byrd	$44,141.00				
Campbell	$66,085.00				
Cantwell	$79,851.00				
Carnahan	$78,207.00				
Carper	$32,688.00				
Chaffee, Lincoln	$34,814.00				
Cleland	$100,285.00				
Clinton	$180,807.00				
Cochran	$51,936.00				
Collins	$38,487.00				
Conrad	$31,427.00				
Corzine	$97,728.00				
Craig	$37,133.00	13,100	0.01301	$2,631.94	0.00261
Crapo	$37,133.00	7,000	0.00695	$5,645.96	0.00561
Daschle	$32,275.00				
Dayton	$68,948.00	1,410	0.00032	$1,173.04	0.00027
DeWine	$129,139.00				
Dodd	$56,400.00				
Domenici	$42,553.00				
Dorgan	$31,427.00				
Durbin	$128,755.00				
Edwards	$104,420.00				
Ensign	$43,766.00				
Enzi	$30,723.00				
Feingold	$73,647.00				
Feinstein	$300,728.00				
Fitzgerald	$128,755.00				
Frist	$79,045.00				
Graham	$187,517.00				
Gramm	$210,016.00				
Grassley	$52,858.00				
Gregg	$37,037.00				
Hagel	$41,320.00	201,100	0.12741	$38,783.07	0.02457
Harkin	$52,858.00	18,146	0.00654	$15,071.43	0.00543
Hatch	$42,461.00				
Helms	$104,420.00				
Hollings	$63,818.00				
Hutchinson	$51,422.00				
Hutchison	$210,016.00				
Inhofe	$58,895.00				
Inouye	$35,568.00				
Jeffords	$31,726.00				
Johnson	$32,275.00	5,205	0.00748	$4,388.76	0.00631
Kennedy	$82,718.00				
Kerry	$82,718.00				
Kohl	$73,647.00				
Kyl	$72,156.00				
Landrieu	$67,337.00				
Leahy	$31,726.00				

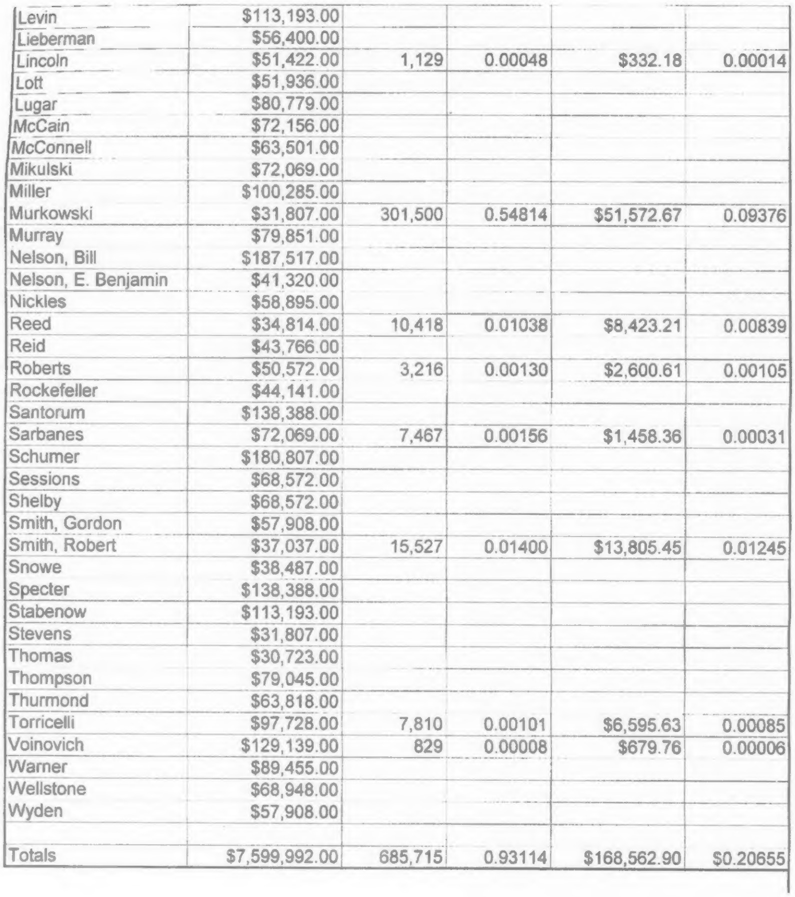
Levin	$113,193.00				
Lieberman	$56,400.00				
Lincoln	$51,422.00	916	0.00039	$817.99	0.00035
Lott	$51,936.00				
Lugar	$80,779.00				
McCain	$72,156.00				
McConnell	$63,501.00				
Mikulski	$72,069.00				
Miller	$100,285.00				
Murkowski	$31,807.00				
Murray	$79,851.00				
Nelson, Bill	$187,517.00				
Nelson, E. Benjamin	$41,320.00				
Nickles	$58,895.00				
Reed	$34,814.00				
Reid	$43,766.00				
Roberts	$50,572.00	2,301	0.00093	$1,866.26	0.00075
Rockefeller	$44,141.00	378,088	0.21081	$55,323.36	0.03085
Santorum	$138,388.00				
Sarbanes	$72,069.00				
Schumer	$180,807.00				
Sessions	$68,572.00	1,182	0.00029	$1,061.42	0.00026
Shelby	$68,572.00				
Smith, Gordon	$57,908.00	13,000	0.00457	$2,496.83	0.00088
Smith, Robert	$37,037.00				
Snowe	$38,487.00				
Specter	$138,388.00				
Stabenow	$113,193.00				
Stevens	$31,807.00				
Thomas	$30,723.00				
Thompson	$79,045.00				
Thurmond	$63,818.00				
Torricelli	$97,728.00	15,183	0.00196	$13,648.31	0.00176
Voinovich	$129,139.00	3,546	0.00033	$2,885.49	0.00027
Warner	$89,455.00				
Wellstone	$68,948.00				
Wyden	$57,908.00				
Totals	$7,599,992.00	669,377	0.39251	$147,719.23	$0.08232

Fiscal Year 2002 - Second Quarter

Other Offices	Committee mass mail totals for the quarter ending 3/31/02	
	Total Pieces	Total Cost
The Vice President		
The President Pro-Tempore		
The Majority Leader		
The Minority Leader		
The Assistant Majority Leader		
The Assistant Minority Leader		
Sec of Majority Conference		
Sec of Minority Conference		
Agriculture Committee	105,100	$17,455.48
Appropriations Committee		
Armed Services Committee		
Banking Committee		
Budget Committee		
Commerce Committee		
Energy Committee		
Environment Committee		
Finance Committee		
Foreign Relations Committee		
Governmental Affairs Committee		
Health, Education, Labor & Pensions		
Judiciary Committee		
Rules Committee		
Small Business Committee		
Veterans Affairs Committee		
Ethics Committee		
Indian Affairs Committee		
Intelligence Committee		
Aging Committee		
Joint Economic Committee		
Democratic Policy Committee		
Democratic Conference		
Republican Policy Committee		
Republican Conference		
Legislative Counsel		
Legal Counsel		
Secretary of the Senate		
Sergeant at Arms		
Narcotics Caucus		
Total	105,100	$17,455.48

Fiscal Year 2002 - Third Quarter

Senator	FY2002 Official Mail Allocation	Senate quarterly mass mail volumes and costs for the quarter ending 6/30/02			
		Total Pieces	Pieces Per Capita	Total Cost	Cost Per Capita
Akaka	$35,568.00				
Allard	$66,085.00				
Allen	$89,455.00				
Baucus	$34,915.00	11,880	0.01487	$2,334.78	0.00292
Bayh	$80,779.00				
Bennett	$42,461.00				
Biden	$32,688.00				
Bingaman	$42,553.00				
Bond	$78,207.00				
Boxer	$300,728.00				
Breaux	$67,337.00				
Brownback	$50,572.00				
Bunning	$63,501.00				
Burns	$34,915.00	10,942	0.01369	$9,083.37	0.01137
Byrd	$44,141.00				
Campbell	$66,085.00				
Cantwell	$79,851.00				
Carnahan	$78,207.00	4,000	0.00078	$787.48	0.00015
Carper	$32,688.00				
Chaffee, Lincoln	$34,814.00	270,700	0.26977	$50,534.73	0.05036
Cleland	$100,285.00				
Clinton	$180,807.00				
Cochran	$51,936.00				
Collins	$38,487.00				
Conrad	$31,427.00				
Corzine	$97,728.00				
Craig	$37,133.00				
Crapo	$37,133.00	2,438	0.00242	$1,986.78	0.00197
Daschle	$32,275.00				
Dayton	$68,948.00				
DeWine	$129,139.00				
Dodd	$56,400.00				
Domenici	$42,553.00				
Dorgan	$31,427.00	9,583	0.01500	$7,936.22	0.01242
Durbin	$128,755.00				
Edwards	$104,420.00				
Ensign	$43,766.00				
Enzi	$30,723.00				
Feingold	$73,647.00				
Feinstein	$300,728.00				
Fitzgerald	$128,755.00				
Frist	$79,045.00				
Graham	$187,517.00				
Gramm	$210,016.00	2,100	0.00012	$459.78	0.00003
Grassley	$52,858.00				
Gregg	$37,037.00				
Hagel	$41,320.00	2,618	0.00166	$2,151.77	0.00136
Harkin	$52,858.00	4,218	0.00152	$3,483.40	0.00125
Hatch	$42,461.00				
Helms	$104,420.00				
Hollings	$63,818.00				
Hutchinson	$51,422.00				
Hutchison	$210,016.00				
Inhofe	$58,895.00				
Inouye	$35,568.00				
Jeffords	$31,726.00				
Johnson	$32,275.00				
Kennedy	$82,718.00				
Kerry	$82,718.00				
Kohl	$73,647.00				
Kyl	$72,156.00				
Landrieu	$67,337.00				
Leahy	$31,726.00	19,340	0.03437	$4,336.72	0.00771



Levin	$113,193.00				
Lieberman	$56,400.00				
Lincoln	$51,422.00	1,129	0.00048	$332.18	0.00014
Lott	$51,936.00				
Lugar	$80,779.00				
McCain	$72,156.00				
McConnell	$63,501.00				
Mikulski	$72,069.00				
Miller	$100,285.00				
Murkowski	$31,807.00	301,500	0.54814	$51,572.67	0.09376
Murray	$79,851.00				
Nelson, Bill	$187,517.00				
Nelson, E. Benjamin	$41,320.00				
Nickles	$58,895.00				
Reed	$34,814.00	10,418	0.01038	$8,423.21	0.00839
Reid	$43,766.00				
Roberts	$50,572.00	3,216	0.00130	$2,600.61	0.00105
Rockefeller	$44,141.00				
Santorum	$138,388.00				
Sarbanes	$72,069.00	7,467	0.00156	$1,458.36	0.00031
Schumer	$180,807.00				
Sessions	$68,572.00				
Shelby	$68,572.00				
Smith, Gordon	$57,908.00				
Smith, Robert	$37,037.00	15,527	0.01400	$13,805.45	0.01245
Snowe	$38,487.00				
Specter	$138,388.00				
Stabenow	$113,193.00				
Stevens	$31,807.00				
Thomas	$30,723.00				
Thompson	$79,045.00				
Thurmond	$63,818.00				
Torricelli	$97,728.00	7,810	0.00101	$6,595.63	0.00085
Voinovich	$129,139.00	829	0.00008	$679.76	0.00006
Warner	$89,455.00				
Wellstone	$68,948.00				
Wyden	$57,908.00				
Totals	$7,599,992.00	685,715	0.93114	$168,562.90	$0.20655

Fiscal Year 2002 - Third Quarter

Other Offices	**Committee mass mail totals for the quarter ending 6/30/02**	
	Total Pieces	**Total Cost**
The Vice President		
The President Pro-Tempore		
The Majority Leader		
The Minority Leader		
The Assistant Majority Leader		
The Assistant Minority Leader		
Sec of Majority Conference		
Sec of Minority Conference		
Agriculture Committee	1,200	$359.67
Appropriations Committee		
Armed Services Committee		
Banking Committee		
Budget Committee		
Commerce Committee		
Energy Committee		
Environment Committee		
Finance Committee		
Foreign Relations Committee		
Governmental Affairs Committee		
Health, Education, Labor & Pensions		
Judiciary Committee		
Rules Committee		
Small Business Committee		
Veterans Affairs Committee		
Ethics Committee		
Indian Affairs Committee		
Intelligence Committee		
Aging Committee		
Joint Economic Committee		
Democratic Policy Committee		
Democratic Conference		
Republican Policy Committee		
Republican Conference		
Legislative Counsel		
Legal Counsel		
Secretary of the Senate		
Sergeant at Arms		
Narcotics Caucus		
Total	1,200	$359.67

Fiscal Year 2002 - Fourth Quarter

Senator	FY2002 Official Mail Allocation	Senate quarterly mass mail volumes and costs for the quarter ending 9/30/02			
		Total Pieces	Pieces Per Capita	Total Cost	Cost Per Capita
Akaka	$35,568.00				
Allard	$66,085.00				
Allen	$89,455.00				
Baucus	$34,915.00	7,745	0.00969	$6,435.48	0.00805
Bayh	$80,779.00				
Bennett	$42,461.00				
Biden	$32,688.00				
Bingaman	$42,553.00				
Bond	$78,207.00				
Boxer	$300,728.00				
Breaux	$67,337.00				
Brownback	$50,572.00				
Bunning	$63,501.00				
Burns	$34,915.00	945	0.00118	$792.13	0.00099
Byrd	$44,141.00				
Campbell	$66,085.00				
Cantwell	$79,851.00				
Carnahan	$78,207.00	852	0.00017	$726.28	0.00014
Carper	$32,688.00				
Chaffee, Lincoln	$34,814.00				
Cleland	$100,285.00				
Clinton	$180,807.00				
Cochran	$51,936.00				
Collins	$38,487.00				
Conrad	$31,427.00	104,266	0.16322	$19,768.17	0.03095
Corzine	$97,728.00				
Craig	$37,133.00	20,000	0.01987	$5,613.04	0.00558
Crapo	$37,133.00	1,853	0.00184	$1,533.38	0.00152
Daschle	$32,275.00				
Dayton	$68,948.00				
DeWine	$129,139.00				
Dodd	$56,400.00				
Domenici	$42,553.00				
Dorgan	$31,427.00	1,632	0.00255	$1,381.97	0.00216
Durbin	$128,755.00				
Edwards	$104,420.00				
Ensign	$43,766.00				
Enzi	$30,723.00				
Feingold	$73,647.00				
Feinstein	$300,728.00				
Fitzgerald	$128,755.00				
Frist	$79,045.00				
Graham	$187,517.00				
Gramm	$210,016.00				
Grassley	$52,858.00	119,282	0.04296	$25,646.18	0.00924
Gregg	$37,037.00				
Hagel	$41,320.00				
Harkin	$52,858.00	19,715	0.00710	$16,733.65	0.00603
Hatch	$42,461.00				
Helms	$104,420.00				
Hollings	$63,818.00				
Hutchinson	$51,422.00				
Hutchison	$210,016.00				
Inhofe	$58,895.00				
Inouye	$35,568.00				
Jeffords	$31,726.00	2,733	0.00486	$611.40	0.00109
Johnson	$32,275.00	170,091	0.24438	$38,342.73	0.05509
Kennedy	$82,718.00				
Kerry	$82,718.00				
Kohl	$73,647.00				
Kyl	$72,156.00				
Landrieu	$67,337.00				
Leahy	$31,726.00	8,380	0.01489	$4,475.56	0.00795

Levin	$113,193.00	1,000	0.00011	$319.93	0.00003
Lieberman	$56,400.00				
Lincoln	$51,422.00				
Lott	$51,936.00				
Lugar	$80,779.00	5,330	0.00096	$1,130.87	0.00020
McCain	$72,156.00				
McConnell	$63,501.00				
Mikulski	$72,069.00				
Miller	$100,285.00				
Murkowski	$31,807.00				
Murray	$79,851.00				
Nelson, Bill	$187,517.00				
Nelson, E. Benjamin	$41,320.00				
Nickles	$58,895.00	8,033	0.00255	$6,555.42	0.00208
Reed	$34,814.00				
Reid	$43,766.00	95,300	0.07931	$19,104.83	0.01590
Roberts	$50,572.00				
Rockefeller	$44,141.00				
Santorum	$138,388.00				
Sarbanes	$72,069.00				
Schumer	$180,807.00				
Sessions	$68,572.00				
Shelby	$68,572.00				
Smith, Gordon	$57,908.00	145,000	0.05101	$28,971.23	0.01019
Smith, Robert	$37,037.00	44,020	0.03968	$37,110.60	0.03346
Snowe	$38,487.00				
Specter	$138,388.00				
Stabenow	$113,193.00				
Stevens	$31,807.00				
Thomas	$30,723.00				
Thompson	$79,045.00				
Thurmond	$63,818.00				
Torricelli	$97,728.00	183,100	0.02363	$152,804.95	0.01972
Voinovich	$129,139.00				
Warner	$89,455.00				
Wellstone	$68,948.00				
Wyden	$57,908.00				
Totals	$7,599,992.00	939,277	0.70997	$368,057.80	$0.21038

Fiscal Year 2002 - Fourth Quarter

Other Offices	Committee mass mail totals for the quarter ending 9/30/02	
	Total Pieces	Total Cost
The Vice President		
The President Pro-Tempore		
The Majority Leader		
The Minority Leader		
The Assistant Majority Leader		
The Assistant Minority Leader		
Sec of Majority Conference		
Sec of Minority Conference		
Agriculture Committee		
Appropriations Committee		
Armed Services Committee		
Banking Committee		
Budget Committee		
Commerce Committee		
Energy Committee		
Environment Committee		
Finance Committee		
Foreign Relations Committee		
Governmental Affairs Committee		
Health, Education, Labor & Pensions		
Judiciary Committee		
Rules Committee		
Small Business Committee		
Veterans Affairs Committee		
Ethics Committee		
Indian Affairs Committee		
Intelligence Committee		
Aging Committee		
Joint Economic Committee		
Democratic Policy Committee		
Democratic Conference		
Republican Policy Committee		
Republican Conference		
Legislative Counsel		
Legal Counsel		
Secretary of the Senate		
Sergeant at Arms		
Narcotics Caucus		
Total	0	$0.00

JAMES OBERWETTER'S SELECTION TO BE U.S. AMBASSADOR TO SAUDI ARABIA

Mr. SCHUMER. Mr. President, I am deeply disappointed by the President's choice of James Oberwetter to be the next U.S. Ambassador to Saudi Arabia. My disappointment does not stem from doubts about Mr. Oberwetter's integrity or professional accomplishment. Indeed, in both categories he has my respect and admiration. However, I simply do not believe that Mr. Oberwetter possesses the proper experience to assume what has become one of the most important posts in our Nation's fight against terrorism. And while I will not stand in the way of Mr. Oberwetter's appointment, I believe it is important that the record show that the President's choice could certainly have been better.

Saudi Arabia is one of the primary battlegrounds in the war on terror. This is not simply because 15 of the 19 hijackers from 9/11 were Saudi. Top anti-terror officials tell us that Saudi Arabia is also a hub for terrorist financing and extremist incitement. The inflammatory content of its educational textbooks promotes anti-American sentiment in the Kingdom and its support for extremist madrassas schools in Pakistan, southeast Asia and Africa gives life to institutions that are incubators for the next generation of terrorists abroad.

Given this sad state of affairs, there are several reasons why Mr. Oberwetter should not be our nation's next Ambassador to the Kingdom of Saudi Arabia. First, he has absolutely no official diplomatic or anti-terror experience. As I have said many times before, we live in a post-9/11 world where the old rules simply do not apply. Given that Saudi Arabia is one of the most important fronts in the war on terror, our top representative there can no longer be a run-of-the mill political appointee; rather, the American Ambassador to Saudi Arabia must be a seasoned diplomatic expert and someone with an extensive background in combating terrorist financing and religious extremism.

Mr. Oberwetter's more than 25 years as an oil industry insider provide him with no background to assume this key position in the fight against terrorism. Indeed, his oil industry pedigree is another reason why he is an inappropriate choice to serve as Ambassador. While I have no doubts about Mr. Oberwetter's personal integrity, his proximity to the oil industry suggests that commercial rather than security interests appear to have taken precedence in the administration's decision-making.

I simply do not understand this business-as-usual approach to diplomatic appointments when American lives are at stake. Surely there is someone more qualified than an oil executive that we could choose from the distinguished ranks of our Nation's diplomatic and security corps to occupy this important post in the war on terror. Mr. Oberwetter's nomination is a disappointment and does a disservice to our national security.

* * *

ON YESTERDAY'S ATTACK IN MOSUL

Mr. ALEXANDER. Mr. President, I express my outrage at events that transpired this weekend in Iraq. No one expects terrorists to follow the rules, but what they did to two soldiers from the 101st Airborne Division this weekend in Mosul is beyond the pale. We have lost 431 men and women in the conflict in Iraq; my heart goes out to the families and friends of each and every one.

Here is how the Associated Press describes what happened, as reported in The Tennessean and a number of other papers across the country:

> Iraqi teenagers dragged two bloodied 101st Airborne soldiers from a wrecked vehicle and pummeled them with concrete blocks yesterday, witnesses said . . .
>
> Witnesses to the Mosul attack said gunmen shot two soldiers driving through the city center, sending their vehicle crashing into a wall. The 101st Airborne Division said the soldiers were driving to another garrison.
>
> About a dozen swarming teenagers dragged the soldiers out of the wreckage and beat them with concrete blocks, the witnesses said.
>
> "They lifted a block and hit them with it on the face," Younis Mahmoud, 19, said.
>
> It was unknown whether the soldiers were alive or dead when pulled from the wreckage.

That is what the Associated Press wrote. I ask unanimous consent the article be printed in full in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALEXANDER. One can't help but feel a sense of anger when reading a story like that. CSM Jerry Wilson and SP Rel Ravago were on their way from one garrison to another. The terrorists laid waiting for the soldiers to drive by, and ambushed them. Even worse, they made every effort to be as brutal and bloody as possible. It makes me sick to my stomach.

At the same time, we also remember how many of our troops have lost their lives in this struggle. 431 men and women from our Armed Forces have given their lives since Operation Iraqi Freedom commenced. Forty-eight of them were from the 101st Airborne, based in Fort Campbell on the border of Kentucky and Tennessee. 2,067 have been wounded overall. And as much as we all wish it weren't the case, more will follow.

Nothing can prepare you for the loss of a loved one, especially loved ones as young as those that are serving our country in Iraq. We can only hope the knowledge that these soldiers died fighting to keep us safe will provide some comfort in this time of grief. To those families, we can only say this: the hopes and prayers of a grateful nation are with you.

But in the midst of this sorrow, we must remember why our troops are in Iraq. We must strengthen our resolve. Iraq is freer today than it has been for more than a generation. An evil dictator has been toppled, his regime is gone. The people of Iraq, by and large, are grateful; according to polls, the vast majority of them support continued American presence in their country.

In fact, in the horrible incident involving the two soldiers in Mosul, U.S. troops were alerted to the attack by sympathetic Iraqis.

We are making progress in Iraq: the power is on, schools are re-opened, markets are buzzing, the southern port is open. But danger lurks.

And we must labor on. A stable, democratic Iraq in the midst of the Middle East could become our greatest ally in the War on Terror. It would change the world. But if we give up and throw in the towel, an unstable Iraq would quickly become a hotbed of terrorism far worse than Afghanistan. The stakes are high. Failure is not an option.

Our troops and their families bear the burden of this cause more than any other. Their sacrifice will never be forgotten.

In a few days, we will celebrate Thanksgiving. In the first Thanksgiving proclamation, President George Washington "recommend[ed] to the people of the United States a day of public thanksgiving and prayer, to be observed by acknowledging with grateful hearts the many and signal favors of Almighty God, as a people, with devout reverence and affectionate gratitude."

Ours is a blessed nation, and we have much to be grateful for. This Thanksgiving we should be especially grateful for the men and women of our Armed Forces, fighting the terrorists over there so fewer can attack us here, at home. Whether helping to open a new school in Kirkuk or securing the area around Baghdad International Airport; our troops are standing in harms way. They are doing it for us.

For thousands of families, the Thanksgiving table will have an empty space this year. It will be hard. We should all save a place in our hearts for those military families this Thanksgiving. We give thanks for their courage, too.

So today, I say thank you to the men and women of our Armed Forces. We stand in awe of your strength. We are humbled by your sacrifice. We are grateful for your courage.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Tennessean, Nov. 24, 2003]

TWO 101ST SOLDIERS DIE IN AMBUSH

MOSUL, IRAQ—Iraqi teenagers dragged two bloodied 101st Airborne soldiers from a wrecked vehicle and pummeled them with concrete blocks yesterday, witnesses said, describing the killings as a burst of savagery in a city once safe for Americans.

Another soldier was killed by a bomb, and a U.S.-allied police chief was assassinated.

The U.S.-led coalition also said it grounded commercial flights after the military confirmed that a missile struck a DHL cargo plane that landed Saturday at Baghdad International Airport with its wing aflame.

Nevertheless, American officers insisted they were making progress in bringing stability to Iraq, and the U.S.-appointed Governing Council named an ambassador to Washington—an Iraqi-American woman who spent the past decade lobbying U.S. lawmakers to promote democracy in her homeland.

Witnesses to the Mosul attack said gunmen shot two soldiers driving through the city center, sending their vehicle crashing into a wall. The 101st Airborne Division said the soldiers were driving to another garrison.

About a dozen swarming teenagers dragged the soldiers out of the wreckage and beat them with concrete blocks, the witnesses said. "They lifted a block and hit them with it on the face," Younis Mahmound, 19, said. It was unknown whether the soldiers were alive or dead when pulled from the wreckage.

Initial reports said the soldiers' throats were cut. But another witness, teenager Bahaa Jassim, said the wounds appeared to have come from bullets. "One of the soldiers was shot under the chin, and the bullet came out of his head. I saw the hole in his helmet. The other was shot in the throat," Jassim said.

Some people looted the vehicle of weapons, CDs and a backpack, Jassim said. "They remained there for over an hour without the Americans knowing anything about it," he said. "I . . . went and told other troops."

Television footage showed the soldiers' bodies splayed on the ground as U.S. troops secured the area. One victim's foot appeared to have been severed.

The frenzy recalled the October 1993 scene in Somalia, when locals dragged the bodies of Marines killed in fighting with warlords through the streets.

In Baqouba, just north of Baghdad, insurgents detonated a roadside bomb as a 4th Infantry Division convoy passed, killing one soldier and wounding two others, the military said.

In Baghdad, Brig. Gen. Mark Kimmitt confirmed the Mosul deaths but would not provide details. "We're not going to get ghoulish about it," he said.

The savagery of the attack was unusual for Mosul, once touted as a success story in sharp contrast to the anti-American violence seen in Sunni Muslim areas north and west of Baghdad.

In recent weeks, however, attacks against U.S. troops have increased in Mosul, raising concerns that the insurgency is spreading. Simultaneously, attacks have accelerated against Iraqis considered to be supporting Americans—such as policemen and politicians working for the interim Iraqi administration.

Yesterday gunmen killed the Iraqi police chief of Latifiyah, 20 miles south of Baghdad, and his bodyguard and driver, American and Iraqi officials said. No more details were released. The assassination occurred one day after suicide bombers struck two police stations northeast of Baghdad within 30 minutes, killing at least 14 people. Gunmen Saturday also killed an Iraqi police colonel protecting oil installations in Mosul.

In Samara, about 75 miles north of Baghdad, Iraqi police said six U.S. Apache helicopter gunships blasted marshland after four rocket-propelled grenades were fired at the American military garrison at the city's northern end. One Iraqi passer-by was killed in the air attack, police said.

In Kirkuk, 150 miles north of Baghdad, a bomb exploded at an oil compound, injuring three American civilian contractors from the U.S. firm Kellogg Brown & Root. The three suffered facial cuts from flying glass, U.S. Lt. Col. Matt Croke said. KBR, a subsidiary of Halliburton, also has a significant presence at Baghdad's Palestine Hotel, which was rocketed by insurgents Friday, wounding one civilian. "We all know that Americans are being threatened," Croke said.

Kimmitt told reporters in Baghdad that witnesses saw two surface-to-air missiles fired Saturday at a cargo plane operated by the Belgium-based package service DHL as it left for Bahrain. The plane was the first civilian airliner hit by insurgents, who have shot down many military helicopters with shoulder-fired rockets. The coalition authority ordered DHL and Royal Jordanian, the only commercial passenger airline flying into Baghdad, to suspend flights.

Despite the ongoing violence, U.S. officials said the occupation was going well. "If you look at the accomplishments of the coalition since March of this year, it has been enormous," Marine Gen. Peter Pace, vice chairman of the Joint Chiefs of Staff, said in Tikrit. He is touring Afghanistan and Iraq.

Despite the surge in the scope and ferocity of the attacks, Kimmitt dismissed any threat posed by the guerrillas, whom he described as occasionally clever but overall "a pretty poor group of insurgents."

"We have nothing at this point that causes us to be concerned," he said. "This is not an enemy that can defeat us militarily."

Also yesterday, Iraqi Foreign Minister Hoshyar Zebari said veteran Washington lobbyist Rend Rahim Francke was appointed Iraq's ambassador to the United States. Francke, an Iraq native who has spent most of her life abroad, led the Iraq Foundation, a Washington-based pro-democracy group and has helped plan Iraq's transition from Saddam Hussein's rule. The appointment will renew the diplomatic ties between Washington and Baghdad severed in 1990 when Saddam invaded Kuwait.

EMPLOYEE FREE CHOICE ACT

Mr. KENNEDY. Mr. President, on Friday, I was pleased to introduce the Employee Free Choice Act, which is sponsored by 24 Members of the Senate.

For decades, labor unions have led the fight for the 8-hour day, and the 40-hour week, for overtime pay, for the minimum wage, for safe and healthy workplaces, for health insurance, for retirement security, and many other basic rights. Millions of union members in communities across America benefit today from the long hard battles of the past.

Union workers earn wages 25 percent higher than nonunion workers. Union workers are more than four times as likely to have a secure pension plan. Union workers are 40 percent more likely to have health insurance coverage.

These and many other longstanding benefits of union membership are undisputed. But too many workers who want to be members of a union are unable to do so. The reason is clear. Too often, employers discourage it in any way they can.

For years, illegal employer tactics have been common whenever employees attempt to form a union. Each year, employers are charged with over 20,000 instances of violating workplace labor rights. In over half of these claims, a worker was punished or even fired for union activity. A recent survey found that employers illegally fire employees in one quarter of all union organizing drives.

Even employees who manage to form a union often can't get a contract, because employers refuse to bargain. Only half of the unions who win an election are able to get a first contract.

Often, companies hire expensive consultants and launch campaigns to intimidate workers and keep them from supporting a union.

Anti-union companies often give their managers pamphlets with titles like "A Manager's Toolbox to Remaining Union Free."

They close down departments that succeed in unionizing. Employers spy on workers and use one-on-one confrontations to intimidate workers or break the union.

Too often, Federal labor laws intended to protect workers from coercion have no teeth. If workers are fired, they may not get their jobs back for years. At most, the employer will owe back wages. Companies treat such payments as just another cost of doing business.

America's workers deserve better. American democracy deserves better.

That is why we are here today to introduce the Employee Free Choice Act. Free Choice means: the freedom to associate freely in the workplace; the freedom to choose your own labor representative; and the freedom to bargain for better wages, better health care, and other benefits.

Our bill recognizes a specific right of workers to choose a union through a process called a card check. If a majority of employees sign a card asking for representation by a union, the employer must comply.

The bill also requires employers to come to the table to negotiate a first contract. And it levels the playing field for employees who are attempting to organize a union or obtain a first contract. It provides for court orders to stop employers from firing or threatening these workers. The bill also puts real teeth in the law by strengthening the penalties in current law for workers that support a union.

These protections are long overdue. For too long, we have acquiesced in the anti-labor, anti-worker, anti-union tactics that are far too prevalent in the workplace. We like to think that workers are free to join a union, but too often that basic aspect of freedom is denied in our modern society, because hard-line corporate managers succeed in denying a fair choice by workers.

At a critical time like this when we are fighting for the basic freedoms of other peoples in other lands, we cannot fail to take a stand for the basic freedoms of the millions of American workers who depend on us to protect their rights at home.

EXTENSION OF TEMPORARY UNEMPLOYMENT COMPENSATION PROGRAM

Mr. VOINOVICH. Mr. President, I rise to express my support for extending the Temporary Unemployment Compensation Program.

As we approach the holiday season, many unemployed workers are approaching the end of their eligibility for unemployment insurance. Unemployed workers who exhaust their benefits between now and the end of the year will be eligible for 13 weeks of extended benefits but those who exhaust their eligibility after December 31 will be out of luck. The program will have terminated and they will not be eligible for extended benefits.

According to the most recent reports from the Department of Labor, there are 337,000 people unemployed in Ohio, an increase of 39 percent from November 1999. In Michigan, 379,000 are unemployed, up 105 percent from November 1999. Another 177,000 are looking for work in Wisconsin, an increase of 90 percent. To put these numbers in perspective, during the last recession from November 1987 to November 1992, unemployment in Ohio increased by 21 percent, Michigan unemployment increased by 17 percent and in Wisconsin unemployment actually fell by 7 percent.

Even these numbers do not fully describe the challenges facing low and semi-skilled workers in the midwest. Although the Labor Department's household survey indicates more than 337,000 individuals are unemployed in Ohio, our state Department of Jobs and Family Services report that only about 130,000 are collecting unemployment insurance benefits. The remaining 200,000 workers have either exhausted their benefits or never qualified for them in the first place because they have been existing on a series of part time and temporary jobs that do not count toward unemployment compensation. DJFS reports also indicate that 2,000 to 2,500 individuals per week exhaust their state level unemployment benefits and apply for TEUC benefits. The number of individuals receiving TEUC benefits—about 25,000—has remained almost unchanged since July of 2002, indicating that as one cadre of individual leaves the system, another group takes their place.

Although the recent employment numbers from the Department of Labor appear hopeful, they may promise more than they deliver. Over the past 4 years, summer and fall employment gains in Ohio have been followed by winter and spring job losses. This cycle has remained consistent for the past 4 years. Equally important, the data appear to indicate that even if weekly unemployment claims are leveling out, they are doing so at twice the level of comparable times of the year in 1999. Consequently, unless we extend the TEUC program, many individuals will exhaust their state unemployment benefits during the most difficult period of the year to find employment but have no eligibility for TEUC benefits to tide them over until hiring picks up in the summer.

The dead of winter is a particularly difficult time to be out of work in Ohio. Jobs are more difficult to locate and heating bills drive up household expenses. This is not the time to be making life more difficult for the low- and semi-skilled workers who are having the most difficult time readjusting to the realities of the new economy. Although I hope and pray the improving economy will generate new jobs for Ohio workers, we continue to have about 130,000 individuals collecting unemployment insurance each week. Unless we extend the TEUC program, many individuals will exhaust their state unemployment benefits just when they need them the most. We need to address this issue before Congress adjourns to ensure that people receive the help they need.

FAIR AND ACCURATE CREDIT TRANSACTIONS ACT OF 2003

Mr. SARBANES. Mr. President, Saturday evening the Senate passed by voice vote the Fair and Accurate Credit Transactions Act of 2003. I want to congratulate Chairman SHELBY, Chairman OXLEY and Congressman FRANK and all the conferees on the successful completion of the conference on this bill. This is an important piece of legislation and, as I have previously done, I want to acknowledge the thorough examination of these important issues provided by the comprehensive series of six hearings on this subject that Chairman SHELBY held in the Banking Committee. The bill passed unanimously out of the Banking Committee on a voice vote on September 23, 2003 and was adopted 95-2 on the floor on November 5, 2003. These votes, I believe, are a testament to our chairman's willingness to work on a bipartisan basis.

I believe the same can be said of Chairman OXLEY and Congressman FRANK. Their bill was voted out of the House Financial Services Committee by 63-3 on July 24, 2003, and was passed overwhelmingly on the floor 392-30 on September 10, 2003. The conference report was passed on the floor of the House on Friday night on a vote of 379-49.

While there were a number of differences between the Senate and House passed versions, I think the conference successfully took many of the best provisions from each bill. Although I would have liked to have gone further in a few areas—in the affiliate sharing section to provide more protection for the financial privacy of consumers, and also in preserving the rights of States to act—I believe a good compromise was reached. Among other things, this legislation provides consumers with free credit reports annually from the national credit bureaus and provides consumers with an easy method to obtain their free credit reports, and easier access to their credit scores; requires that consumers be given a summary of their right to opt out of prescreened offers; provides for accuracy guidelines; requires financial institutions to send their customers written notice prior to submitting negative information about them to a national consumer reporting agency; lengthens the statute of limitations for all Fair Credit Reporting Act violations; extends the situations in which consumers are notified when adverse actions have been taken against them; prohibits the sale, transfer, or collection of identity theft debt, so that such bad debt will not be perpetuated in the credit system; limits the sharing of medical information in the financial system; with certain limitations, provides consumers with the right to opt out of solicitations for marketing purposes that result from affiliate information sharing; and helps enhance the financial literacy of all Americans.

This legislation contains a number of important consumer protections, and I want to address some of these provisions more thoroughly.

First I would like to note a significant consumer right contained in the legislation—the right to obtain a free credit report annually. This legislation will, for the first time, allow consumers to make one request, and obtain their credit report free annually from each of the national credit bureaus. Financial institutions rely heavily on credit report information to make credit decisions, and it is extremely important that consumers be aware of the information contained in their credit reports. Providing consumers with the right to obtain this important information free is a major step forward in ensuring consumers' knowledge of, and control over, their financial information.

In addition to obtaining free reports, under this legislation consumers will be informed when negative information is added to their credit reports. This important provision, combined with the consumer's right to a free report, will help improve Americans' access to and understanding of information contained in their credit reports.

This legislation will also help ensure that consumers are aware of how to opt out of the prescreening process which results in many of the unsolicited offers of credit that consumers receive in the mail. Under the FCRA, credit reporting agencies may generate for creditors prescreened lists of individuals with certain characteristics to be targeted to receive a direct mailing. The success of the FTC's "Do-Not-Call" Registry has highlighted Americans' frustration with unsolicited telephone offers. Under this legislation, creditors making such unsolicited offers of credit to consumers by mail will be required to include a summary of consumers' right to opt-out of prescreening in their offers to consumers. The FTC in consultation with the banking agencies and the National Credit Union Association will be required to write rules on the size and prominence of the disclosure of the opt-out telephone number that is included with offers of credit to consumers.

In order to ensure that consumers are aware of the many rights provided for them under the Fair Credit Reporting Act, this bill directs the FTC to undertake an educational campaign. The FTC is directed to actively publicize, and conspicuously post on its website, a number of important FCRA consumer rights. Among these are the right to obtain free credit reports annually, and other circumstances in which consumers may obtain free credit reports; the right of a consumer to dispute information in his or her credit report; the consumer's right to obtain a credit score from a consumer reporting agency, and a description of how to obtain a credit score; and the consumer's right to opt out of prescreened lists, and the toll-free telephone number maintained by the national credit bureaus by which consumers may opt out. This FTC campaign will help ensure that Americans are informed of their rights under the FCRA, including the new rights afforded to them by this Act.

This legislation will also add a new provision to the FCRA that would provide consumers with a notice when they receive less favorable credit terms, based on their credit report. Receiving the notice would trigger the consumer's right to examine his or her credit report free of charge. Although the new provision would give the Federal Trade Commission and the Federal Reserve Board broad authority to make rules regarding the form and content of the notice and when it should be delivered, the notice, by its very logic, must be given after the terms of the offer have been set based on whole or in part on the credit report. The notice should be provided as early as practicable in the transaction after the terms have been set.

This legislation will also benefit consumers by requiring Federal agencies to provide greater oversight of the accuracy and integrity of credit reports. Under this act, Federal banking regulators and the Federal Trade Commission will, for the first time, establish and maintain guidelines regarding the accuracy and integrity of information provided by data furnishers to credit reporting agencies. The Act also requires these agencies to prescribe regulations requiring creditors and other furnishers of information to credit bureaus to establish reasonable policies and procedures for implementing these guidelines. For the purposes of this section, "accuracy" relates to whether the information that is provided by data furnishers to credit reporting agencies is factually correct. The term "integrity" relates to whether all relevant information that is used to assess credit risk and to grant credit is accurately provided. Integrity of information is not achieved when furnishers do not fully provide data that, by its absence, could have a positive or negative effect on a consumer's credit score, or on his or her ability to obtain credit under the most favorable terms for which he or she qualifies.

The bill also contains important provisions relating to financial companies' ability to market to their customers based on private financial information of the customers that has been shared among affiliates. For the first time, the bill will require affiliates who share customer information to make solicitations for marketing purposes to disclose this sharing to consumers, and to provide consumers with an opportunity to opt out of marketing resulting from such sharing. Exceptions are provided for pre-existing customers, solicitations based on existing shared data, solicitations contracted for by employers, compliance with State insurance laws, service providers, and responding to consumer requests.

In addition to providing an opt-out of marketing based on affiliate sharing, this legislation helps protect consumers' private financial information by including a number of important identity theft prevention and protection provisions. I want particularly to note Senator CANTWELL's leadership in the area of identity theft. Senator CANTWELL's identity theft legislation passed on the floor of the Senate last year, and several of the provisions from her bill have been incorporated in the FACT Act, including an extension of the statute of limitations, provisions allowing consumers to block identity theft information from appearing on their credit reports, and a provision allowing consumers to obtain copies of business records reflecting any transactions that have been carried out in their name by identity thieves. I believe that these provisions will be beneficial to identity theft victims, and I want to commend Senator CANTWELL's leadership in this area along with that of Senators ENZI and FEINSTEIN.

After careful consideration by the conferees, the conference report provides for preemption of the States with respect to conduct required by specific listed provisions of the Act on identity theft. This narrowly focused preemption will leave States free to supplement these protections and to develop additional approaches and solutions to identity theft.

I would also like to highlight the important steps this legislation takes to improve the financial literacy of consumers by establishing a Financial Literacy and Education Commission which will coordinate promotion of Federal financial literacy efforts, and will develop a national strategy to promote financial literacy and education. I want to commend Senators ENZI and STABENOW, along with Senators CORZINE, AKAKA and others, for their leadership in the Senate in this area. The House had a strong interest in the development of this title, and added, among other provisions, an authorization of $3 million dollars for the development of a national public service multimedia campaign that will be consistent with the national strategy.

In closing, I would like to take a moment to acknowledge the outstanding work done by the staff of the Committee on this legislation. On my staff, I would like to express my deep appreciation for the work done by Lynsey Graham as well as Dean Shahinian, Aaron Klein, Marty Gruenberg and Steve Harris.

It was a pleasure working with the staff of Chairman SHELBY who are to be congratulated for their outstanding work. I particularly want to acknowledge the work of Mark Oesterle, Doug Nappi and Chairman Shelby's staff director, Kathy Casey.

I would also like to thank Laura Ayoud from Senate Legislative Counsel, who has worked tirelessly and, as always, effectively, to put this package together.

I would also like to acknowledge the vital role played in developing this legislation by all of our Senate conferees: Senators BENNETT, ALLARD, ENZI, DODD and JOHNSON, and in particular by the Chairman, Senator SHELBY.

LOCAL LAW ENFORCEMENT ACT OF 2003

Mr. SMITH. Mr. President, I rise today to speak about the need for hate crimes legislation. On May 1, 2003, Senator KENNEDY and I introduced the Local Law Enforcement Enhancement Act, a bill that would add new categories to current hate crimes law, sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred in Naples, FL. In May of 2003, a 17-year-old reportedly drove around the parking lot of a downtown bar, yelling homosexual epithets while attempting to run one man down and to attack another. Michael R. Schmaeling was later arrested and charged with two counts of aggravated assault and one count of evidencing prejudice during an offense.

I believe that Government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act is a symbol that can become substance. I believe that by passing this legislation and changing current law, we can change hearts and minds as well.

REMEMBERING BILL SIMPSON

Mr. COCHRAN. Mr. President, the death of Bill Simpson, Jr. on November 20 at the Veterans Medical Center here in Washington was very much like having a death in the family of the Senate.

Bill was known to many of us as the well-respected and effective Administrative Assistant of former Senator James O. Eastland of Mississippi. He served for 10 years on Senator Eastland's staff and was widely known in Mississippi as the person to call to get things done in our State.

I first met him when he became a member of the staff of Governor Paul B. Johnson, Jr. Bill was a talented speech writer as well as an astute political tactician for Governor Johnson. They accomplished a great deal in that 4-year term because of the thoughtful leadership of Governor Johnson and the able assistance of Bill Simpson. The "Shipyard of the Future" was built by Litton Industries at Pascagoula and the Mississippi Research and Development Center was established in Jackson.

When I was elected to the Senate in 1978 to replace Senator Eastland, I tried to talk Bill Simpson into staying on as a member of my staff, but President Carter was more persuasive, and Bill left the Senate to serve as an assistant to Hamilton Jordan, the Chief of Staff in The White House.

Bill Simpson grew up on the Mississippi Gulf Coast and graduated from St. Stanislas College in Bay St. Louis and the U.S. Merchant Marine Academy at Kings Point, NY. His father served as Mayor of Pass Christian and his brother, Jim Simpson, Sr. was a 7-term member of the Mississippi House of Representatives.

Bill's nephew, Jim Simpson, Jr., carries on the family tradition in Mississippi politics as a respected member of the House of Representatives from Harrison county, and his son, Bill Simpson, III, serves on the staff of the Senate Appropriations Committee.

Bill enjoyed the love and support of a devoted family and the camaraderie of countless friends. As chairman of the board of the 116 Club he would hold court and tell stories about the Senate and our State of Mississippi with a twinkle in his eye and love in his heart.

We extend to his wife, Evelyn, and his children, Bill, III and Ellen, and his three grandchildren, our sincerest condolences.

HONORING THE ARMED FORCES

SERGEANT MAJOR CORNELL W. GILMORE

Mr. WARNER. Mr. President, I seek recognition to honor a Virginia Soldier, Sergeant Major Cornell W. Gilmore, who was tragically killed in action in Iraq on Friday, November 7th, 2003. I want to express gratitude, on behalf of the Senate, for his service to our Nation. The American people, I am certain, join me in expressing their prayers and compassion to his family.

As the Sergeant Major of the Army's Judge Advocate General Corps, he served as the primary adviser to the judge advocate general on all matters concerning the health and welfare of all the enlisted soldiers within that command. A heavy responsibility that he bore freely and he served with great effect. He accompanied his commanding general, Major General Thomas J. Romig, to Iraq to ensure the soldiers legal needs were being met while away from home. Major General Romig stated that he was "one of the most dynamic leaders I ever met."

Sergeant Major Gilmore leaves behind his wife, Donna; his daughter, Dawnita; his son, Cornell, Jr.; his father William; and his mother, Louise.

Sergeant Major Gilmore was both an exceptional soldier and a caring citizen, giving his time freely to community and his church. At every post throughout his career he has been a mentor to many through his love of God and music, most recently serving as the music minister at the Shilo Christian Church in Stafford, VA. The local media reported that 100 former pupils served in the choir during his funeral service with more than 1300 mourners present.

His family members are brave Americans who have sacrificed so much for this Nation. We owe them and the other families who have lost their loved ones a debt of gratitude. Sergeant Major Gilmore was an exceptional man with a bright future and family in front of him. His wife stated, "he lived and died doing what he loved best—being with soldiers." I cannot craft a finer eulogy, the Commonwealth of Virginia and the entire Nation shall mourn his loss.

NOBEL PEACE PRIZE WINNER RALPH BUNCHE

Mr. TALENT. I am pleased that the Senate unanimously approved a resolution to recognize the importance of Ralph Bunche as one of the great leaders of the United States. Mr. Bunche was the first African-American Nobel Peace Prize winner, an accomplished scholar, a distinguished diplomat, and a tireless campaigner for civil rights for people throughout the world.

He was of that generation of African-American leaders whose life and character broke the back of generations of prejudice, awoke the American conscience, and opened up opportunity for millions of people. This measure is an appropriate and fitting celebration of the 100th anniversary of his birth.

ACCESS TO JUSTICE IN FEDERAL COURTS

Mr. CORNYN. Mr. President, I am pleased to report that, last Friday, S. 1720 was presented to the President for his consideration, after receiving the unanimous approval of both the House and Senate. I sponsored S. 1720, joined by Senator HUTHINSON, because I believe that this legislation is necessary to ensure that all of the citizens of North Texas have access to justice in the Federal courts.

S. 1720 authorizes the United States District Court for the Eastern District of Texas to hold court in the City of Plano. Such legislation was first endorsed by the Judicial Conference of the United States and the Eastern District of Texas in 1991. Yet although, prior to this year, the House had already approved such legislation five times since 1991, it has never received the approval of the Senate Judiciary Committee and the Senate until this year.

Federal law does not currently authorize the Eastern District of Texas to hold court in Plano—making the Eastern District, of all 93 judicial districts across the United States, the only judicial district in which its largest city cannot hold Federal court. The nearest Eastern District judge is in the city of Sherman, a 100-mile or more roundtrip drive away. As a result, Federal prosecutors, public defenders, other attorneys, and law enforcement officials must waste precious time and resources conducting even the most simple court business. The people of the Eastern District of Texas are woefully underserved as a result.

S. 1720 enjoys strong support among officials across the State of Texas. Most notably, U.S. Attorney Matthew D. Orwing, First Assistant U.S. Attorney Rebecca Gregory, Chief Judge John Hannah, Jr., and Judge Richard A. Schell worked closely with my office in this effort, and I am grateful to each and every one of them for working with me to ensure that the people of North

Texas enjoy adequate access to justice in the Federal courts.

The judges of the Eastern District firmly believe that this legislation is good for the citizens of Sherman as well as Plano. On June 13, 2003, on behalf of all the judges of the Eastern District, Chief Judge Hannah issued General Order No. 03–15, which resolves, "if pending legislation passes that authorizes Plano as a place of holding court, to have half the Sherman Division caseload docketed and tried in Sherman, and the other half of the caseload docketed and tried in Plano. If Judge Brown ceases holding court in Sherman, a new resident judge shall be designated to hold court in Sherman as soon as possible, and pending the new judge's residing in Sherman, 50 percent of civil and criminal cases shall be docketed and tried in Sherman, and the clerk's office in Sherman shall remain staffed sufficiently to support a resident judge."

Relying on this general order, the Grayson County Bar Association, which includes Sherman, and the Collin County Bar Association, which includes Plano, recently approved a joint resolution endorsing this legislation. Furthermore, consistent with the terms of the order, Congressman Ralph Hall inserted the following statement into the Congressional Record just moment before House approval of S. 1720 last Wednesday:

> Both Sherman and Plano shall have a resident United States District Judge. Fifty percent of the cases filed in or transferred to the Sherman Division of the United States District Court for the Eastern District of Texas shall be assigned for trial and tried in Sherman by either the resident United States District Judge sitting in Sherman or another United States District Judge assigned to hold court in Sherman. The remaining 50 percent of the cases shall be assigned for trial and tried in Plano by either the resident United States District Court Judge sitting in Plano or another United States District Judge assigned to hold court in Plano. If the resident judge in Sherman or Plano retires or dies, 50 percent of the cases shall continue to be tried in Sherman and 50 percent tried in Plano while a new resident judge is being assigned. This provision shall not prevent the transfer of a case to another judge or division of the United States District Court for the Eastern District of Texas or another United States District Court for trial, if such transfer is permitted by applicable law.

This language reflects the intentions of the judges of the Eastern District of Texas as stated in General Order No. 03–15—as confirmed by Chief Judge Hannah last week. Accordingly, I am pleased to join Congressman Hall in inserting this statement into the Congressional Record.

ADDITIONAL STATEMENTS

ON THE LIFE OF EDITH NASH

• Mr. FEINGOLD. Mr. President, I pay tribute today to a good friend and a great Wisconsinite who recently passed away, leaving behind an inspiring legacy of community leadership, of creativity, and of true benevolence.

In Wisconsin, Edith's enterprise was evident in both her dedication to the arts and her success in the private sector. A community leader, she served as a board member of the Meiklejohn Educational Association, as administrator of the Wisconsin Rapids Community Company of Players, and as a member of the Wisconsin Academy of Sciences, Arts and Letters. Privately, she was vice president and later president of her family's business, the Biron Cranberry Co.

Never one to stand still, Edith continued to reinvent herself time and time again, even late in life. After selling the Biron Company, Edith delved into poetry, publishing five books and founding a writers' group when she was well into her eighties.

Earlier in her life, Edith lived in Washington, DC, where she was dismayed and outraged at the state of the city's segregated public school system. So, with her husband Philleo, she founded one of the District's first integrated schools in 1945, the Georgetown Day School. Later, she served as the school's director for 14 years.

While at the Georgetown Day School, Edith challenged her new students by telling them that "If you really don't like the idea of standing on your own two feet and beginning to be the master of your own life—if you'd rather be a chip in the ocean with the mammoth water raising and lowering you and you making no effort at all—don't come to Georgetown Day School. Ask your folks to help you find a regular school where you'll not have so much to do yourself."

Edith followed her own words; as a poet, mother, philanthropist, academic, and businesswomen, she was no chip in the ocean. And even in her ninth decade, she continued to work hard and inspire new generations. Her work and ideas knew no bounds.

Edith Nash's death is a great loss to all of us who knew her, and all those whose lives were touched by her many good works. I am deeply saddened by her passing, but I know that her leadership, creativity and generosity have left a lasting mark on our State and our country.•

HONORING JACK K. NORRIS AND THE LATE JEAN DONKERS NORRIS

• Mr. CRAPO. Mr. President, I rise today to honor an Idahoan who will soon celebrate his 88th birthday, Payette native Jack K. Norris. Jack is a hero, not only for Idaho, but for the entire Nation. Jack was born in Payette, ID, on November 30, 1915, but he has spent much of his life in service to our country. He was a member of the Class of 1939, U.S. Military Academy at West Point, and served throughout the world during World War II. His numerous awards include: a Purple Heart, Silver Star with Oak Leaf Cluster and a V for Valor, Legion of Merit with Oak Leaf Cluster, Bronze Star with Oak Leaf Cluster, Combat Infantry Badge, Presidential Unit Citation, French Croix de Guerre, Belgian Order of the Crown, Belgian Croix de Guerre, and five European Tour of Duty campaign stars. These many honors speak to his exceptional service to country, and his outstanding military knowledge. This knowledge was cultivated and expanded through years of military courses and training including graduation from the Battalion Commander's Course, Command and General Staff College, British Staff College, Army War College, Army Aviation School-Senior Officers Course, fixed and rotary wing qualification, and Senior Officers Aircraft Maintenance and Logistics course. In his own words, Jack describes his decision to enlist in the Army as: "probably the best thing that ever happened to me."

After many years in the Armed Forces, Jack retired from the service. Unable to slow down, he began teaching at North Georgia College, where he was named Commandant of Cadets in the ROTC program. After leaving North Georgia College, and with an insatiable appetite for learning and accomplishment, Jack decided to study law. He received his license and practiced until 1983. Jack did all of these things while caring for the most important individuals in his life: his wife and three children. His tree sons have all made service to country a part of their lives, presumably as a result of their father's influence.

I also want to pay tribute to Jack's wife, Jean Donkers Norris, who passed away in 1983. Much of their lives together revolved around the military. She met her sweetheart at the Walter Reed Army Medical Center and married him at the Main Post Chapel in San Antonio, TX. Jean kept the home fires burning while Jack was away at war. She was the model military wife and moved frequently to accommodate Jack's career, and that required many sacrifices on her part. She was always ready to serve—whether it be a meal to a visiting officer or thirty, or to support other military spouses. I wanted to relate a couple of stories about Jean. Once she had to shovel coal for heat in the family's temporary quarters, and commented that she was grateful white gloves were in fashion so she could hide the coal stains on her hands when she had to go out.

When Jack was a post commander, he and Jean visited every soldier who was in the hospital or in jail on Christmas Day and brought them some of her homemade cookies. She was known for her compassion and dedication to her own family as well as the U.S. Army family.

Jack and Jean had a true partnership and were exceptional role models for their children and their daughters-in-law. In today's world, as we again see the necessity of American troops deployed and in action, people like Jack and Jean bring home to us the importance of dedication to family and country. Even during trying, testing times Jack and Jean showed their commitment to a cause and their commitment to each other. Their exceptional example is worthy of praise. I am profoundly grateful for their service to our country. I send Jack all of my best for a very Happy Birthday.●

SERVICE LEADERS SUMMIT

● Mr. BAYH. Mr. President, I rise today to tell you about the extraordinary young Hoosiers I recently had the privilege to meet. Last month, I hosted my first annual Service Leaders Summit to honor high school students from across Indiana for their service and dedication to their communities and hopefully to inspire them to continue serving throughout their lives.

The young men and women I met last month have answered the call to service. Some of them have helped build homes, some tutored and mentored younger students, and others have raised money for cancer research and to feed the hungry. Several of the young men and women started service clubs to address the problems in their schools and communities. Each one of the students I met spent hours making a difference in their hometowns and together they impacted the lives of thousands of Hoosiers.

The student leaders heard from Hoosiers of all backgrounds who have chosen to dedicate their lives to serving others. The speakers focused on the different aspects that go into a successful service project: inspiration, organization, dedication, evaluation and reflection. Following the speeches, the students broke up into different groups and participated in service projects throughout Indianapolis. Some students distributed coats to children of needy families, while others planted trees in the rain, cleaned up a park and beautified a neighborhood. Through their work together, the leaders were able to experience the dramatic results of the power of service.

Robert F. Kennedy once said that "Some men see things as they are and say 'Why?' I dream of things that never were and say, 'Why not?'" Each one of the young men and women have already asked themselves "why not?" and have worked to make positive changes in their communities. These students represent a new generation of promise with the potential to make a real difference across Indiana and the nation.

I would like to thank each one of the following individuals for participating in the summit and for their service to their communities: Ruchika Agrawal, Brooke Allen, Santiago Alvarez, Ricky Anderson, Tracy Anderson, Mary Anderson-Clark, Todd William Ault, Audrey Ballinger, Katherine Ban Wyk, Brenda Banks, Meghan Beeman, Nicole Blauvelt, Stephanie Bobcek, Jared Michael Bond, Thdmas Borders, Jason Born, Samantha Brown, Brittany Brumfield, Michael Brunsman, Jordan Bruse, Jeremy Burton, Danielle Cave, Brett Claxton, Erin Clifford, Heather Coffman, Sarah Copley, Donald Davenport, Adrienne Davis, Matthew J. Day, Emily DeCamp, Todd Dell'Aquila, Hallie Denstorff, Rachel Dickerson, Carrie L. Doherty, Megan Drudy, Bryan T. Engh, Kaylee Fagg, Patrick Fenning, Whitney Mariah Fish, Matthew Fosler, Josh Gilbert, Stephanie Giles, Laura Glasebrook, Emily Gordon, Ronald Derries Gordon, Nathan Daniel Graber, Philip Graves, Stephanie Grider, Leigh Gusky, Mathew Guiterrez, Angela Hagerman, Lauren Kathleen Hanger, Thomas Haynes, Keenan Hecht, Jason Heck, Rebecca Jean Helms, Breanna Herschelman, Marc Hertz, Lindsay Holliman, Rachel Howser, Kellen Hubert, Ana Maria Huffman, Jenny Jackaway, Jayne Jeffries, Adam Jochim, Kyle Keaffaber, James William Kepner, Sarah Kittle, Hannah Laughlin, Kevin Lavery, Claire Lawless, Natalie Leach, Devon Lee, Leah Danielle Lee, Jonathan Lough, Bethany Lynch, Amy Maple, Stephanie Marshall, Katelyn McCool, Nathan Alan McGuire, Jeanna McKinzie, Latisha McMichel, Megan Meyers, Jala Miller, Jessica Muehr, Suzanne Natz, Chenai Saaku Netty, Laura Nicholson, Amanda Niehaus, Colin Grant Northeatt, Kathleen M. O'Brien, Amanda Oldham, Sophia Percival, Cara Perry, Tyler Lee Phelps, Helen Pirrie, Emily Poe, Alex Pollock, Miranda Polston, Andrea Poppe, Frank Pottorff, Dustin William Potts, Joseph Andrew Powell, Kristin Pryor, LaTrea Reed, Alex Richardson, Bryan Rogers, Michael Joseph Root, Helanie Rosinko, Molli K. Schaeffer, Travis Schamber, Jennifer Schlatter, Jennifer Schoenle, Ryan Schroer, Jessica Schulert, James Scott, Ryne R. Shadday, Derek Shaul, Chad Sinclair, Anita Sivam, Christian Michael Smeltzer, Paul A. Smith, Ellen Eileen Sojka, Kala Spangle, Katie L. Strohm, Ashlie Sullivan, Brett Taylor, Laura Thurston, Kavya S. Vaidyanathan, Leigh A. Vanarsdall, Brittany Nicole Waddle, Melissa Wadley, Laura Wagner, Kathleen Waldrew, Jacquie Walker, Caitlin Walsh, Frank Walsh, Antonia Wang, Krista Warner, Andrew Wassel, Alison West, J.D. Willett, David Wood, Lili Xu, and Erin Youst.●

HONORING MATT KENSETH

● Mr. FEINGOLD. Mr. President, I rise today with great admiration, to recognize the 2003 Winston Cup Champion, Matt Kenseth. On November 16, Kenseth was crowned champion of NASCAR's 2003 Winston Cup Series.

Kenseth was born on March 10, 1972, in Cambridge, WI. For Kenseth, racing is a family tradition. When he was 13, his father, Roy purchased a race car and made Matt a deal. Roy would drive the car if Matt would work on it. When Matt turned 16, he could get in the driver's seat.

Kenseth started his stock car racing career at the young age of 16, winning his first event in only his third race. Within his first three seasons, Kenseth racked up 10 racing victories from all around Wisconsin. His name recognition grew in Wisconsin racing hotbeds like Slinger and Lake Geneva. In 1995, Kenseth took his racing skills to the South, the heart of American stock car racing. It didn't take long before Kenseth became noticed throughout the racing world. Kenseth had great success while racing in the Busch Grand National Series. In 1998, just his first full Busch Series season, Kenseth finished second in the standings. He followed that season up with a strong third place finish in 1999 while also making five Winston Cup starts. Kenseth's arrival to the Winston Cup Series was heard loud and clear as he won Rookie of the Year honors in 2000.

But the 2003 season was simply magical. Kenseth finished the season with 25 top 10 finishes, more than any other driver. He also set a record spending 33 straight weeks in the Winston Cup Standings No. 1 position, breaking the record of racing legend Dale Earnhardt. Wisconsin is very proud of Matt's accomplishments and we wish him the best of luck next season as he defends his championship.●

DR. TOM GOODWIN

● Mr. PRYOR. Mr. President, I rise today to pay tribute to one of Arkansas's and America's preeminent educators, Dr. Tom Goodwin of Hendrix College. Dr. Goodwin was honored last week with a United States Professor of the Year Award as the Outstanding Baccalaureate College Professor of the Year by the Council for the Advancement and Support of Education and the Carnegie Foundation for the Advancement of Teaching. He was one of four, in the entire Nation to be honored for their dedication to undergraduate education and teaching and their commitment to students.

It is not often, that one gets recognized for one's life's work. It is even less often that the recognition comes when the recipient is still at the height of his career. I wish to congratulate Dr. Goodwin on behalf of all Arkansans for this wonderful accomplishment. Dr. Goodwin has dedicated his entire professional life, over 25 years, to the education of young people. During a time when many are concerned with publishing, research, and the advancement of their own careers, Dr. Goodwin has remained focused on the reasons he entered academia—the fostering and development of the leaders and great thinkers of the next generation. And I, for one, agree with him. He has done what so many teachers try to do. Some are more successful than others. Some are outstanding researchers who make wonderful discoveries that further the scientific knowledge of mankind. Some are great administrators who manage the machinery from which these great discoveries are churned. Still, Dr. Goodwin has made the greatest discovery of all. He has discovered that all of the advancements of the human race, all of the great mechanizations from which these advancements come mean nothing without the continuity of people teaching other people. Knowledge in a vacuum, doesn't further the human condition. For the human condition to move forward, to change for the betterment of all, we must learn. We must teach. "For the end of man is to know." That's one of my favorite literary quotes, from Robert Penn Warren's All The King's Men. The end of man keeps moving farther, just beyond the outstretched reach of our hands. To reach the ends, man must continue to know. Dr. Goodwin has found the best way to accomplish this; the best way to achieve the end is through a partnership between teacher and student. The disbursement of knowledge; what it is, how to get it, where to find it, becomes the primary objective for a multigenerational team working together. Dr. Goodwin has achieved this elusive goal. A seamless partnership between professor and student, with both benefiting from the contributions of the other, both contributing toward the end of man.

But don't take it from me. His colleagues and his students realize the impact Dr. Goodwin has had on the minds and motivations of young people. They refer to him not only as teacher and scholar, but also as mentor and friend. Dr. John Churchill, secretary of the Phi Beta Kappa Society and former Dean of Hendrix College notes, "To see Tom Goodwin with students is to feel the power of his expectations. It is also to feel the warm, personal support, extended toward their efforts. He epitomizes the tension of the best undergraduate liberal arts professors: demanding rigor and providing support. He takes a wide-ranging interest in his students' education. He helps them grow into well-rounded intellects." His colleagues in the Chemistry Department at Hendrix College, Dr. Liz Gron, testifies to the amount of time and attention Dr. Goodwin gives his work. "He wants every student to succeed and he provides a number of different venues in order to support different learning styles. Tom schedules four help sessions a week, as well as time-independent exams to accommodate students that synthesize concepts more slowly." His students agree. "Dr. Goodwin offered many, many hours of his personal time, both in the laboratory and the classroom, to help me conquer the very difficult subjects I was studying," says Daniel Mwanza, a former student at Hendrix. Many other former students agreed and wrote statements similar to Mr. Mwanza's in support of his nomination for this award. So you see, this man is important to his students, important to his colleagues and institution, and important to education across this country. I am proud to serve him and I am proud he is my constituent. Dr. Goodwin represents the highest tradition of education in this country. He inspires his students to achieve more than they would alone. He is deeply deserving of this award, and I wish to congratulate him for this monumental achievement.●

CHARLES "CHARLIE" EDWARD BYRD: IN MEMORIAM

● Mrs. BOXER. Mr. President, I share with my colleagues the memory of former Siskiyou County Sheriff Charles "Charlie" Edward Byrd who passed away on September 23, 2003 in Weed, CA. Charles Byrd had a remarkable career in law enforcement in Siskiyou County, and will be remembered as the first black sheriff in California.

A native and lifetime resident of Weed, Charles Byrd was born on July 6, 1947. He attended local schools and was a standout football player earning the "Lineman of the Year" honor from Weed High School in 1965. In 1967, while attending the College of the Siskiyous, Charles Byrd began his career in law enforcement as a reserve police officer with the Weed Police Department and became a full-time officer the following year. In April of 1975 he was promoted to Police Chief, and in 1986 he was elected Sheriff of Siskiyou County.

Charles Byrd's career in law enforcement broke color barriers as he was both the first black police officer in the town of Weed, and the first black sheriff in California. During his 16 years as Sheriff, Charlie Byrd's motto for the department was "We Can." This motto led to countless improvements for Siskiyou County, including the development of the Siskiyou County Inter-Agency Narcotics Task Force, expansion of public safety programs, establishment of the Domestic Violence Response Team and Advisory Committee, formation of a detective bureau and expansion of technology and training within the department.

Dedication to his community was also a top priority for Charles Byrd. In addition to making the Sheriff's Department accessible to the community at public events, he was a member of several professional and community organizations. Among the many associations to which Sheriff Byrd devoted his time were: the California Peace Officers' Association, California Police Chiefs' Association, Weed Chamber of Commerce, Weed Rotary Club, Habitat for Humanity, Weed Baptist Church, College of the Siskiyous Auxiliary Foundation Board of Directors, California State Sheriffs' Association and Western States Sheriffs' Association.

Siskiyou County Supervisor LaVada Erickson commented, "Sheriff Byrd looked upon Siskiyou County as an extension of his personal family, and we were treated as such. Law enforcement was his first pledge and commitment. He was very aware of our at-risk youth and was committed to encouraging the continuation of education for the enhancement it would bring to their lives. He was a quiet giant of a man with a heart that contained only the best for Siskiyou."

Charles Byrd is survived by his mother, Eddie Byrd; sisters Ella Byrd, Charlene Byrd, Rose Applewhite; and brothers Larry Byrd, Arnold Byrd and Al Bearden.

Sheriff Charles Byrd will always be remembered for his many contributions to law enforcement and to the betterment of Siskiyou County. His legacy will be cherished by his community for years to come.●

33RD ANNIVERSARY OF THE FRESNO METRO MINISTRY IN FRESNO, CA

● Mrs. BOXER. Mr. President, I am pleased to recognize the 33rd anniversary of the Fresno Metro Ministry in Fresno, CA.

More than three decades ago, Fresno Metro Ministry began tackling some of Fresno's most difficult social problems. In the 1970's the ministry built a coalition of religious and secular organizations that worked to alleviate the hardships caused by racism through a variety of efforts, ranging from empowerment programs to community projects. Through its youth task force the ministry began the alternative sentencing program that provided young individuals with alternative punishments that worked to redirect their lives in a positive direction.

Understanding that a good home breeds a successful child the ministry developed "Parenting With Justice" training that helped minority parents teach their children to deal with challenges in their lives, thereby empowering the entire family.

As the ministry grew, so did its vision. With its success came a broader focus. In the 1980's the Fresno Metro Ministry began to focus on city wide issues. The ministry led in the creation of a City of Fresno Human Relations Commission that celebrates the rich cultural and religious diversity in the

Fresno area and mediates differences between and among groups. The commission has worked to identify and address patterns of discrimination.

In the last decade, Fresno Metro Ministry became a leader in the community hunger coalition. It also helped break a log-jam that slowed progress on the construction of the new Regional Medical Center campus in downtown Fresno.

When Fresno and the Central Valley were suffering the effects of the 1998 freeze, the Fresno Metro Ministry coordinated with other groups to provide relief to people who had lost their jobs during this difficult time.

I also want to give special recognition to the leadership of the Reverend Walt Parry. For the last 18 years, under Reverend Parry's direction, the ministry has made a great difference in the lives of many people. He and the Fresno Metro Ministry deserve the recognition they are receiving during this 33rd anniversary observance.●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting a nomination and a treaty which were referred to the appropriate committees.

(The nomination received today is printed at the end of the Senate proceedings.)

ENROLLED JOINT RESOLUTION SIGNED

The following enrolled joint resolution was signed on Friday, November 21, 2003 by the President pro tempore (Mr. STEVENS).

H.J. Res. 79. Joint resolution making further continuing appropriations for the fiscal year 2004, and for other purposes.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GREGG, from the Committee on Health, Education, Labor, and Pensions, without amendment:

S. 1940. An original bill to reauthorize the Head Start Act, and for other purposes (Rept. No. 108–208).

By Mr. HATCH, from the Committee on the Judiciary:

Report to accompany S. 710, a bill to amend the Immigration and Nationality Act to provide that aliens who commit acts of torture, extrajudicial killings, or other specified atrocities abroad are inadmissible and removable and to establish within the Criminal Division of the Department of Justice an Office of Special Investigations having responsibilities under that Act with respect to all alien participants in war crimes, genocide, and the commission of acts of torture and extrajudicial killings abroad (Rept. No. 108–209).

By Mr. GREGG, from the Committee on Health, Education, Labor, and Pensions, with an amendment in the nature of a substitute:

S. 1786. A bill to revise and extend the Community Services Block Grant Act, the Low-Income Home Energy Assistance Act of 1981, and the Assets for Independence Act (Rept. No. 108–210).

S. 573. A bill to amend the Public Health Service Act to promote organ donation, and for other purposes.

By Mr. GREGG, from the Committee on Health, Education, Labor, and Pensions, without amendment:

S. 606. A bill to provide collective bargaining rights for public safety officers employed by States or their political subdivisions.

By Mr. GREGG, from the Committee on Health, Education, Labor, and Pensions, with an amendment in the nature of a substitute:

S. 1881. A bill to amend the Federal Food, Drug, and Cosmetic Act to make technical corrections relating to the amendments by the Medical Device User Fee and Modernization Act of 2002, and for other purposes.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. BAUCUS (for himself, Mr. INHOFE, Mrs. DOLE, and Mr. ROCKEFELLER):

S. 1936. A bill to amend the Internal Revenue Code of 1986 to exclude from unrelated business taxable income the gain or loss on the sale or exchange of certain brownfield sites, and for other purposes; to the Committee on Finance.

By Mr. BAUCUS (for himself, Mr. GRASSLEY, Mr. DASCHLE, Mr. CONRAD, and Mr. GRAHAM of Florida):

S. 1937. A bill to amend the Internal Revenue Code of 1986 to curtail the use of tax shelters, and for other purposes; to the Committee on Finance.

By Mr. CORZINE (for himself, Mr. SCHUMER, Mr. LAUTENBERG, and Mr. REED):

S. 1938. A bill to amend the Forest and Rangeland Renewable Resources Planning Act of 1974 and related laws to strengthen the protection of native biodiversity and ban clearcutting on Federal land, and to designate certain Federal land as Ancient forests, roadless areas, watershed protection areas, and special areas where logging and other intrusive activities are prohibited; to the Committee on Energy and Natural Resources.

By Mr. LEAHY:

S. 1939. A bill to require the Secretary of Health and Human Services to ensure that the public is provided adequate notice and education on the effects of exposure to mercury through the development of health advisories and by requiring that such appropriate advisories be posted, or made readily available, at all businesses that sell fresh, frozen, and canned fish and seafood where the potential for mercury exposure exists; to the Committee on Health, Education, Labor, and Pensions.

By Mr. GREGG:

S. 1940. An original bill to reauthorize the Head Start Act, and for other purposes; from the Committee on Health, Education, Labor, and Pensions; placed on the calendar.

By Mr. DURBIN:

S. 1941. A bill to establish the Abraham Lincoln National Heritage Area, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. CORZINE:

S. 1942. A bill to require the President to submit to Congress a quarterly report on the projected total cost of United States operations in Iraq, including military operations and reconstruction efforts, through fiscal year 2008; to the Committee on Armed Services.

By Mr. LEVIN:

S. 1943. A bill to provide extended unemployment benefits to displaced workers; to the Committee on Finance.

By Mr. ENSIGN (for himself, Mr. NELSON of Florida, Mr. COLEMAN, Mr. GRAHAM of South Carolina, Mr. CRAPO, Mr. REID, Mr. BAYH, Mr. EDWARDS, Mr. ALLARD, Mr. SMITH, Mr. ALLEN, and Mrs. BOXER):

S. 1944. A bill to enhance peace between the Israelis and Palestinians; to the Committee on Foreign Relations.

By Mr. McCAIN (for himself, Mr. EDWARDS, and Mr. KENNEDY):

S. 1945. A bill to amend the Public Health Service Act and the Employee Retirement Income Security Act of 1974 to protect consumers in managed care plans and other health coverage; to the Committee on Health, Education, Labor, and Pensions.

By Mr. CORZINE:

S. 1946. A bill to establish an independent national commission to examine and evaluate the collection, analysis, reporting, use, and dissemination of intelligence related to Iraq and Operation Iraqi Freedom; to the Select Committee on Intelligence.

By Mr. LEAHY (for himself and Mr. HATCH):

S. 1947. A bill to prohibit the offer of credit by a financial institution to a financial institution examiner, and for other purposes; considered and passed.

By Mr. REID (for himself and Mr. DASCHLE):

S. 1948. A bill to provide that service of the members of the organization known as the United States Cadet Nurse Corps during World War II constituted active military service for purposes of laws administered by the Secretary of Veterans Affairs; to the Committee on Veterans' Affairs.

By Mr. BIDEN:

S. 1949. A bill to establish The Return of Talent Program to allow aliens who are legally present in the United States to return temporarily to the country of citizenship of the alien if that country is engaged in post-conflict reconstruction, and for other purposes; to the Committee on the Judiciary.

By Mr. DURBIN:

S. 1950. A bill to amend title XVIII of the Social Security Act to deliver a meaningful benefit and lower prescription drug prices under the medicare program; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BROWNBACK (for himself and Mr. BIDEN):

S. Res. 273. A resolution condemning the terrorist attacks in Istanbul, Turkey, on November 15 and 20, 2003, expressing condolences to the families of the individuals murdered in the attacks, expressing sympathies to the individuals injured in the attacks, and expressing solidarity with the Republic of Turkey and the United Kingdom in the fight against terrorism; to the Committee on Foreign Relations.

By Mr. FRIST (for himself and Mr. DASCHLE):

S. Res. 274. A resolution to authorize the production of records by the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs; considered and agreed to.

ADDITIONAL COSPONSORS

S. 68

At the request of Mr. INOUYE, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 68, a bill to amend title 38, United States Code, to improve benefits for Filipino veterans of World War II, and for other purposes.

S. 136

At the request of Mrs. DOLE, her name was added as a cosponsor of S. 136, a bill to amend the Tariff Act of 1930 to provide for an expedited antidumping investigation when imports increase materially from new suppliers after an antidumping order has been issued, and to amend the provision relating to adjustments to export price and constructed export price.

S. 401

At the request of Ms. LANDRIEU, the name of the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 401, a bill to amend title 10, United States Code, to increase to parity with other surviving spouses the basic annuity that is provided under the uniformed services Survivor Benefit Plan for surviving spouses who are at least 62 years of age; and for other purposes.

S. 427

At the request of Mr. AKAKA, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 427, a bill to amend the Homeland Security Act of 2002 to assist States and communities in preparing for and responding to threats to the agriculture of the United States.

S. 430

At the request of Mr. AKAKA, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 430, a bill to amend the Homeland Security Act of 2002 to enhance agricultural biosecurity in the United States through increased prevention, preparation, and response planning.

S. 451

At the request of Ms. SNOWE, the name of the Senator from North Carolina (Mrs. DOLE) was added as a cosponsor of S. 451, a bill to amend title 10, United States Code, to increase the minimum Survivor Benefit Plan basic annuity for surviving spouses age 62 and older, to provide for a one-year open season under that plan, and for other purposes.

S. 460

At the request of Mrs. FEINSTEIN, the name of the Senator from Idaho (Mr. CRAPO) was added as a cosponsor of S. 460, a bill to amend the Immigration and Nationality Act to authorize appropriations for fiscal years 2004 through 2010 to carry out the State Criminal Alien Assistance Program.

S. 1109

At the request of Mr. TALENT, the names of the Senator from South Carolina (Mr. GRAHAM), the Senator from Georgia (Mr. CHAMBLISS), the Senator from Virginia (Mr. ALLEN) and the Senator from Maine (Ms. COLLINS) were added as cosponsors of S. 1109, a bill to provide $50,000,000,000 in new transportation infrastructure funding through Federal bonding to empower States and local governments to complete significant infrastructure projects across all modes of transportation, including roads, rail, transit, aviation, and water, and for other purposes.

S. 1129

At the request of Mrs. FEINSTEIN, the name of the Senator from Wisconsin (Mr. KOHL) was added as a cosponsor of S. 1129, a bill to provide for the protection of unaccompanied alien children, and for other purposes.

S. 1157

At the request of Mr. BROWNBACK, the name of the Senator from Tennessee (Mr. ALEXANDER) was added as a cosponsor of S. 1157, a bill to establish within the Smithsonian Institution the National Museum of African American History and Culture, and for other purposes.

S. 1398

At the request of Mr. DEWINE, the name of the Senator from Indiana (Mr. LUGAR) was added as a cosponsor of S. 1398, a bill to provide for the environmental restoration of the Great Lakes.

S. 1414

At the request of Mr. HATCH, the name of the Senator from Alaska (Ms. MURKOWSKI) was added as a cosponsor of S. 1414, a bill to restore second amendment rights in the District of Columbia.

S. 1557

At the request of Mr. MCCONNELL, the name of the Senator from North Carolina (Mrs. DOLE) was added as a cosponsor of S. 1557, a bill to authorize the extension of nondiscriminatory treatment (normal trade relations treatment) to the products of Armenia.

S. 1726

At the request of Mr. ALEXANDER, the names of the Senator from Missouri (Mr. BOND) and the Senator from Hawaii (Mr. INOUYE) were added as cosponsors of S. 1726, a bill to reduce the preterm labor and delivery and the risk of pregnancy-related deaths and complications due to pregnancy, and to reduce infant mortality caused by prematurity.

S. 1741

At the request of Mrs. DOLE, her name was added as a cosponsor of S. 1741, a bill to provide a site for the National Women's History Museum in the District of Columbia.

S. 1755

At the request of Mr. LEAHY, the name of the Senator from New York (Mrs. CLINTON) was added as a cosponsor of S. 1755, a bill to amend the Richard B. Russell National School Lunch Act to provide grants to support farm-to-cafeteria projects.

S. 1774

At the request of Mr. KENNEDY, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 1774, a bill to repeal the sunset provisions in the Undetectable Firearms Act of 1988.

S. 1786

At the request of Mr. ALEXANDER, the names of the Senator from New Hampshire (Mr. GREGG), the Senator from New Mexico (Mr. BINGAMAN), the Senator from Illinois (Mr. DURBIN), the Senator from Massachusetts (Mr. KERRY), the Senator from Connecticut (Mr. LIEBERMAN), the Senator from Arkansas (Mr. PRYOR), the Senator from Michigan (Ms. STABENOW), the Senator from Maine (Ms. COLLINS) and the Senator from Ohio (Mr. VOINOVICH) were added as cosponsors of S. 1786, a bill to revise and extend the Community Services Block Grant Act, the Low-Income Home Energy Assistance Act of 1981, and the Assets for Independence Act.

S. 1839

At the request of Mr. SMITH, the name of the Senator from New York (Mrs. CLINTON) was added as a cosponsor of S. 1839, a bill to extend the Temporary Extended Unemployment Compensation Act of 2002.

S. 1858

At the request of Mr. COCHRAN, the name of the Senator from Montana (Mr. BAUCUS) was added as a cosponsor of S. 1858, a bill to authorize the Secretary of Agriculture to conduct a loan repayment program to encourage the provision of veterinary services in shortage and emergency situations.

S. 1879

At the request of Ms. MIKULSKI, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 1879, a bill to amend the Public Health Service Act to revise and extend provisions relating to mammography quality standards.

S. 1920

At the request of Mr. LEAHY, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 1920, a bill to extend for 6 months the period for which chapter 12 of title 11 of the United States Code is reenacted.

S. 1925

At the request of Mr. KENNEDY, the name of the Senator from Michigan (Ms. STABENOW) was added as a cosponsor of S. 1925, a bill to amend the National Labor Relations Act to establish an efficient system to enable employees to form, join, or assist labor organizations, to provide for mandatory injunctions for unfair labor practices during organizing efforts, and for other purposes.

S. 1926

At the request of Ms. STABENOW, the names of the Senator from South Dakota (Mr. JOHNSON), the Senator from Minnesota (Mr. DAYTON) and the Senator from New Mexico (Mr. BINGAMAN) were added as cosponsors of S. 1926, a bill to amend title XVIII of the Social Security Act to restore the medicare program and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BAUCUS (for himself, Mr. INHOFE, Mrs. DOLE, and Mr. ROCKEFELLER):

S. 1936. A bill to amend the Internal Revenue Code of 1986 to exclude from unrelated business taxable income the gain or loss on the sale or exchange of certain brownfield sites, and for other purposes; to the Committee on Finance.

Mr. BAUCUS. Mr. President, I am pleased to join my colleague Senator INHOFE, and my other Senate colleagues in introducing the Brownfield Revitalization Act of 2003. Given the nature of this legislation—establishing tax incentives to encourage cleanup of environmentally contaminated property across the country—it is appropriate that this be a joint introduction between the Chairman of the Senate Environment and Public Works Committee and the Ranking Member of the Senate Finance Committee. This legislation is bipartisan, but it is also bicameral. A companion bill was introduced earlier this week in the House of Representatives by Congresswoman NANCY JOHNSON and Congressman XAVIER BECERRA.

Across the United States, environmentally contaminated sites endanger public health, impede economic development, and negatively impact tax rolls. The United States has an estimated 1,000,000 such properties scattered across our inner cities and rural areas alike.

In my own State of Montana, there are well over 5,000 such sites. This may seem surprising for a state like Montana that is relatively undeveloped and pristine. But we are by no means unaffected by the scourge of environmental contamination. In addition to contamination caused by leaking underground storage tanks and contamination caused by other light industries, Montana also has been impacted by significant contamination left behind by some of the very industries that built our great state.

Contaminated sediments can be found along the Clark Fork River from Butte, MT, downstream for 140 miles to Missoula and on into Idaho—a legacy of the copper mining and smelting operations at Butte and Anaconda. Tremolite asbestos contamination is prevalent at numerous sites around Libby, MT, including the local high school and middle school tracks—a legacy from the Zonlite Mine that began operating in the 1920s and produced 80 percent of the world's supply of vermiculite. These industries created wealth and jobs for generations of Montanans. Today, however, contamination from wood processing facilities, abandoned mines, and numerous other activities have harmed human health and the environment and continue to stifle the development of new business in Montana. These sites are well known to Montanans: Sites such as Missoula Sawmill site and the White Pine Sash site in Missoula, the Missouri River Corridor site in Great Falls, and sites in Helena, Bozeman, Billings and numerous other communities all across Montana. We can and must do more to help revitalize these important areas.

Congress has undertaken a number of initiatives to address the brownfield problem in this country. I am proud to have been able to play a leadership role in passing the Brownfields Revitalization and Reinvestment Act of 2001. That bill has helped provide new Federal funds for evaluation and remediation of brownfield sites and has helped to resolve some of the liability issues that were inhibiting remediation of these contaminated properties.

But, We must do more. The U.S. Chamber of Commerce has estimated that at the current rate of cleanup, it will take 10,000 years for us to remediate all of the contaminated sites in America. The United States Environmental Protection Agency, in an analysis conducted with George Washington University, concluded that the remediation "costs for all of the brownfields located within the United States have been estimated to exceed $650 billion," and that, consequently, "it is imperative that private capital be attracted to the redevelopment of brownfields."

Late last year, Senator GRASSLEY and I entered a colloquy in the CONGRESSIONAL RECORD expressing our concern that certain provisions in the tax code are having the unintended consequence of discouraging investment in the remediation and redevelopment of our nation's polluted sites. In that colloquy, we pledged to get our arms around this issue and to draft legislation to correct this problem. I am pleased that we are standing here today to introduce legislation to do just that.

Let me briefly describe the basis for this bill and the means by which this legislation will dramatically accelerate the remediation of contaminated lands in America.

Today, tax-exempt investors such as university endowments, private pension funds, and charitable foundations can invest their capital in the stock market and certain real estate transactions that do not clean the environment without fear of incurring an Unrelated Business Income Tax, or UBIT, on any gains they make from their investments.

Because UBIT-sensitive entities hold over $6 trillion dollars in financial assets and routinely deploy more capital in real estate projects than any other category of investor, the unintended consequence of UBIT has been to drive our nation's biggest and most active real estate investors away from projects focused on the remediation and redevelopment of polluted properties.

This bill seeks to address this problem by allowing eligible tax-exempt entities to invest in the cleanup and redevelopment of qualified contaminated properties without incurring unrelated business income tax at the time they sell the property.

The legislation accomplishes this goal by concentrating on three basic tasks: 1. focus investment on moderately and heavily polluted properties, 2. require taxpayers to work with the State authorities and the public to ensure adequate clean up, and 3. ensure that the legislation is tightly crafted to prevent abuse.

First, this bill focuses on moderately and heavily polluted properties.

Section 198 of the tax code contains a structure under which designated state environmental agencies certify contaminated property that is eligible for special rules concerning deductions of remediation costs. This bill uses this existing structure to identify and certify contaminated sites that are eligible for inclusion within this bill. Prior to requesting certification from a state agency, the taxpayer is required to provide the agency with site characterizations, assessments and other documentation illustrating the scope and character of the pollution problem at the target site.

The legislation maintains its focus on moderately and heavily contaminated properties by requiring taxpayers to expend on remediation of each site the greater of $550,000 or 12 percent of the fair market value of the site, assessed as though the site were not contaminated. These remediation thresholds have intentionally been set higher than he typical range of costs reported to the Environmental Protection Agency to clean up brownfield sites nationwide. By establishing such high remediation thresholds, the legislation excludes incidentally or trivially contaminated property and focuses new capital investment on those sites most in need of additional assistance.

Second, this bill requires taxpayers to work with affected states and the public to ensure adequate clean up.

In addition to requiring high levels of remediation expenditures on each site, the legislation contains numerous other safeguards designed to ensure that remediation of each site is performed to state specifications and with full public involvement.

Similar to the front-end certification that is required to classify properties as truly contaminated, the legislation requires the taxpayer to obtain a tail-end certification from the state agency indicating that the site has been cleaned up and is no longer considered a brownfield. Prior to applying for this certification, the taxpayer must provide the State agency with sufficient information and documentation to allow the state agency to make this determination. In particular, the taxpayer must certify and provide documentation that: there are no longer hazardous substances, pollutants or contaminants on the property that are complicating the redevelopment or reuse of the site, environmental remediation is complete or substantially complete in conformance with all applicable federal, state and local environmental laws and regulations, the property is suitable for more economically productive or environmentally beneficial uses than at the time of acquisition, if additional activities are required to complete remediation, sufficient financial assurances and institutional controls are in place to complete the remediation in as short a time as possible, and the public was notified and given the opportunity to comment on the remedial actions taken to clean up the property and, if necessary, on any longer-term remediation activities.

The provisions in this legislation are designed to create substantive thresholds that the tax-exempt entity must meet in order to qualify for the exemption from UBIT. This legislation does not alter the complex web of existing federal, state or local environmental laws, regulations or standards.

Third, this bill ensures that the legislation is tightly crafted to prevent abuse.

It is worth noting that this legislation has been drafted to contain numerous safeguards to prevent abuse of this program. The anti-abuse examples include the following. The taxpayer cannot be the party that has caused the pollution and cannot be otherwise related to the polluter. Also, all transactions, purchase of the property, sale of the property, expenditure of remediation funds, etc., must be arms-length transactions with parties unrelated to the taxpayer. Further, the taxpayer is not allowed to count any Federal funds, e.g. grants, etc., or other types of government payments and benefits toward and required remediation thresholds. There are also restrictions on how the taxpayer may treat costs across multiple properties, requiring that an election be made specifying when and which properties are considered for such purposes; this is intended to prevent cherry-picking among different properties once the election has been made. Moreover, the legislation contains special restrictions addressing the use of the legislation's provisions by partnerships and other pass-through entities including requiring that all partnerships under the bill be fractions-rule compliant.

Because this legislation is narrowly crafted, and because tax-exempt entities are not currently investing in these sites, and thus are not paying UBIT, the Joint Committee on Taxation has concluded that this legislation will actually generate revenue for the Federal treasury during the first three years after enactment and that it will cost $10 million over five years and $192 million over ten years.

Further, because the legislation will accelerate cleanup of brownfield sites, create jobs, stimulate the economy, reduce blight and public health concerns, and because the bill has an acceptable fiscal impact, this legislative approach has been endorsed by Environmental Defense, the U.S. Chamber of Commerce, the National Taxpayers Union, and the U.S. Conference of Mayors, as well as numerous local, state and regional organizations and municipalities.

Passage of this bill will dramatically increase the speed at which our country's contaminated properties are remediated and brought back into productive taxable use. This narrowly crafted legislation will create jobs, increase tax revenues, and protect the environment—all accomplished without creating new government programs or regulations and all at a minimal cost to the Federal treasury.

I am pleased to be introducing this legislation with my colleague from Oklahoma. I look forward to working together to enact this legislation into law.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1936

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXCLUSION OF GAIN OR LOSS ON SALE OR EXCHANGE OF CERTAIN BROWNFIELD SITES FROM UNRELATED BUSINESS TAXABLE INCOME.

(a) IN GENERAL.—Subsection (b) of section 512 of the Internal Revenue Code of 1986 (relating to unrelated business taxable income) is amended by adding at the end the following new paragraph:

"(18) TREATMENT OF GAIN OR LOSS ON SALE OR EXCHANGE OF CERTAIN BROWNFIELD SITES.—

"(A) IN GENERAL.—Notwithstanding paragraph (5)(B), there shall be excluded any gain or loss from the qualified sale, exchange, or other disposition of any qualifying brownfield property by an eligible taxpayer.

"(B) ELIGIBLE TAXPAYER.—For purposes of this paragraph—

"(i) IN GENERAL.—The term 'eligible taxpayer' means, with respect to a property, any organization exempt from tax under section 501(a) which—

"(I) acquires from an unrelated person a qualifying brownfield property, and

"(II) pays or incurs eligible remediation expenditures with respect to such property in an amount which exceeds the greater of $550,000 or 12 percent of the fair market value of the property at the time such property was acquired by the eligible taxpayer, determined as if there was not a presence of a hazardous substance, pollutant, or contaminant on the property which is complicating the expansion, redevelopment, or reuse of the property.

"(ii) EXCEPTION.—Such term shall not include any organization which is—

"(I) potentially liable under section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 with respect to the qualifying brownfield property,

"(II) affiliated with any other person which is so potentially liable through any direct or indirect familial relationship or any contractual, corporate, or financial relationship (other than a contractual, corporate, or financial relationship which is created by the instruments by which title to any qualifying brownfield property is conveyed or financed or by a contract of sale of goods or services), or

"(III) the result of a reorganization of a business entity which was so potentially liable.

"(C) QUALIFYING BROWNFIELD PROPERTY.—For purposes of this paragraph—

"(i) IN GENERAL.—The term 'qualifying brownfield property' means any real property which is certified, before the taxpayer incurs any eligible remediation expenditures (other than to obtain a Phase I environmental site assessment), by an appropriate State agency (within the meaning of section 198(c)(4)) in the State in which such property is located as a brownfield site within the meaning of section 101(39) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (as in effect on the date of the enactment of this paragraph).

"(ii) REQUEST FOR CERTIFICATION.—Any request by an eligible taxpayer for a certification described in clause (i) shall include a sworn statement by the eligible taxpayer and supporting documentation of the presence of a hazardous substance, pollutant, or contaminant on the property which is complicating the expansion, redevelopment, or reuse of the property given the property's reasonably anticipated future land uses or capacity for uses of the property (including a Phase I environmental site assessment and, if applicable, evidence of the property's presence on a local, State, or Federal list of brownfields or contaminated property) and other environmental assessments prepared or obtained by the taxpayer.

"(D) QUALIFIED SALE, EXCHANGE, OR OTHER DISPOSITION.—For purposes of this paragraph—

"(i) IN GENERAL.—A sale, exchange, or other disposition of property shall be considered as qualified if—

"(I) such property is transferred by the eligible taxpayer to an unrelated person, and

"(II) within 1 year of such transfer the eligible taxpayer has received a certification from the Environmental Protection Agency or an appropriate State agency (within the meaning of section 198(c)(4)) in the State in which such property is located that, as a result of the eligible taxpayer's remediation actions, such property would not be treated as a qualifying brownfield property in the hands of the transferee.

"(ii) REQUEST FOR CERTIFICATION.—Any request by an eligible taxpayer for a certification described in clause (i) shall be made not later than the date of the transfer and shall include a sworn statement by the eligible taxpayer certifying the following:

"(I) Remedial actions which comply with all applicable or relevant and appropriate requirements (consistent with section 121(d) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980) have been substantially completed, such that there are no hazardous substances, pollutants, or contaminants which complicate the expansion, redevelopment, or reuse of the property given the property's reasonably anticipated future land uses or capacity for uses of the property.

"(II) The reasonably anticipated future land uses or capacity for uses of the property are more economically productive or environmentally beneficial than the uses of the property in existence on the date of the certification described in subparagraph (C)(i). For purposes of the preceding sentence, use of property as a landfill or other hazardous waste facility shall not be considered more economically productive or environmentally beneficial.

"(III) A remediation plan has been implemented to bring the property into compliance with all applicable local, State, and Federal environmental laws, regulations, and standards and to ensure that the remediation protects human health and the environment.

"(IV) The remediation plan described in subclause (III), including any physical improvements required to remediate the property, is either complete or substantially complete, and, if substantially complete, sufficient monitoring, funding, institutional controls, and financial assurances have been put in place to ensure the complete remediation of the property in accordance with the remediation plan as soon as is reasonably practicable after the sale, exchange, or other disposition of such property.

"(V) Public notice that such request for certification would be made was completed before the date of such request. Such notice shall be in the same form and manner as required for public participation required under section 117(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (as in effect on the date of the enactment of this paragraph).

"(iii) ATTACHMENT TO TAX RETURNS.—A copy of each of the requests for certification described in clause (ii) of subparagraph (C) and this subparagraph shall be included in the tax return of the eligible taxpayer (and, where applicable, of the qualifying partnership) for the taxable year during which the transfer occurs.

"(E) ELIGIBLE REMEDIATION EXPENDITURES.—For purposes of this paragraph—

"(i) IN GENERAL.—The term 'eligible remediation expenditures' means, with respect to any qualifying brownfield property, any amount paid or incurred by the eligible taxpayer to an unrelated third person to obtain a Phase I environmental site assessment of the property, and any amount so paid or incurred after the date of the certification described in subparagraph (C)(i) for goods and services necessary to obtain a certification described in subparagraph (D)(i) with respect to such property, including expenditures—

"(I) to manage, remove, control, contain, abate, or otherwise remediate a hazardous substance, pollutant, or contaminant on the property,

"(II) to obtain a Phase II environmental site assessment of the property, including any expenditure to monitor, sample, study, assess, or otherwise evaluate the release, threat of release, or presence of a hazardous substance, pollutant, or contaminant on the property,

"(III) to obtain environmental regulatory certifications and approvals required to manage the remediation and monitoring of the hazardous substance, pollutant, or contaminant on the property, and

"(IV) regardless of whether it is necessary to obtain a certification described in subparagraph (D)(i)(II), to obtain remediation cost-cap or stop-loss coverage, re-opener or regulatory action coverage, or similar coverage under environmental insurance policies, or financial guarantees required to manage such remediation and monitoring.

"(ii) EXCEPTIONS.—Such term shall not include—

"(I) any portion of the purchase price paid or incurred by the eligible taxpayer to acquire the qualifying brownfield property,

"(II) environmental insurance costs paid or incurred to obtain legal defense coverage, owner/operator liability coverage, lender liability coverage, professional liability coverage, or similar types of coverage,

"(III) any amount paid or incurred to the extent such amount is reimbursed, funded, or otherwise subsidized by grants provided by the United States, a State, or a political subdivision of a State for use in connection with the property, proceeds of an issue of State or local government obligations used to provide financing for the property the interest of which is exempt from tax under section 103, or subsidized financing provided (directly or indirectly) under a Federal, State, or local program provided in connection with the property, or

"(IV) any expenditure paid or incurred before the date of the enactment of this paragraph.

For purposes of subclause (III), the Secretary may issue guidance regarding the treatment of government-provided funds for purposes of determining eligible remediation expenditures.

"(F) DETERMINATION OF GAIN OR LOSS.—For purposes of this paragraph, the determination of gain or loss shall not include an amount treated as gain which is ordinary income with respect to section 1245 or section 1250 property, including amounts deducted as section 198 expenses which are subject to the recapture rules of section 198(e), if the taxpayer had deducted such amounts in the computation of its unrelated business taxable income.

"(G) SPECIAL RULES FOR PARTNERSHIPS.—

"(i) IN GENERAL.—In the case of an eligible taxpayer which is a partner of a qualifying partnership which acquires, remediates, and sells, exchanges, or otherwise disposes of a qualifying brownfield property, this paragraph shall apply to the eligible taxpayer's distributive share of the qualifying partnership's gain or loss from the sale, exchange, or other disposition of such property.

"(ii) QUALIFYING PARTNERSHIP.—The term 'qualifying partnership' means a partnership which—

"(I) has a partnership agreement which satisfies the requirements of section 514(c)(9)(B)(vi) at all times beginning on the date of the first certification received by the partnership under subparagraph (C)(i),

"(II) satisfies the requirements of subparagraphs (B)(i), (C), (D), and (E), if 'qualified partnership' is substituted for 'eligible taxpayer' each place it appears therein (except subparagraph (D)(iii)), and

"(III) is not an organization which would be prevented from constituting an eligible taxpayer by reason of subparagraph (B)(ii).

"(iii) REQUIREMENT THAT TAX-EXEMPT PARTNER BE A PARTNER SINCE FIRST CERTIFICATION.—This paragraph shall apply with respect to any eligible taxpayer which is a partner of a partnership which acquires, remediates, and sells, exchanges, or otherwise disposes of a qualifying brownfield property only if such eligible taxpayer was a partner of the qualifying partnership at all times beginning on the date of the first certification received by the partnership under subparagraph (C)(i) and ending on the date of the sale, exchange, or other disposition of the property by the partnership.

"(iv) REGULATIONS.—The Secretary shall prescribe such regulations as are necessary to prevent abuse of the requirements of this subparagraph, including abuse through—

"(I) the use of special allocations of gains or losses, or

"(II) changes in ownership of partnership interests held by eligible taxpayers.

"(H) SPECIAL RULES FOR MULTIPLE PROPERTIES.—

"(i) IN GENERAL.—An eligible taxpayer or a qualifying partnership of which the eligible taxpayer is a partner may make a 1-time election to apply this paragraph to more than 1 qualifying brownfield property by averaging the eligible remediation expenditures for all such properties acquired during the election period. If the eligible taxpayer or qualifying partnership makes such an election, the election shall apply to all qualified sales, exchanges, or other dispositions of qualifying brownfield properties the acquisition and transfer of which occur during the period for which the election remains in effect.

"(ii) ELECTION.—An election under clause (i) shall be made with the eligible taxpayer's or qualifying partnership's timely filed tax return (including extensions) for the first taxable year for which the taxpayer or qualifying partnership intends to have the election apply. An election under clause (i) is effective for the period—

"(I) beginning on the date which is the first day of the taxable year of the return in which the election is included or a later day in such taxable year selected by the eligible taxpayer or qualifying partnership, and

"(II) ending on the date which is the earliest of a date of revocation selected by the eligible taxpayer or qualifying partnership, the date which is 8 years after the date described in subclause (I), or, in the case of an election by a qualifying partnership of which the eligible taxpayer is a partner, the date of the termination of the qualifying partnership.

"(iii) REVOCATION.—An eligible taxpayer or qualifying partnership may revoke an election under clause (i)(II) by filing a statement of revocation with a timely filed tax return (including extensions). A revocation is effective as of the first day of the taxable year of the return in which the revocation is included or a later day in such taxable year selected by the eligible taxpayer or qualifying partnership. Once an eligible taxpayer or qualifying partnership revokes the election, the eligible taxpayer or qualifying partnership is ineligible to make another election under clause (i) with respect to any qualifying brownfield property subject to the revoked election.

"(I) RECAPTURE.—If an eligible taxpayer excludes gain or loss from a sale, exchange, or other disposition of property to which an election under subparagraph (H) applies, and such property fails to satisfy the requirements of this paragraph, the unrelated business taxable income of the eligible taxpayer for the taxable year in which such failure occurs shall be determined by including any previously excluded gain or loss from such sale, exchange, or other disposition allocable to such taxpayer, and interest shall be determined at the overpayment rate established under section 6621 on any resulting tax for the period beginning with the due date of the return for the taxable year during which such sale, exchange, or other disposition occurred, and ending on the date of payment of the tax.

"(J) RELATED PERSONS.—For purposes of this paragraph, a person shall be treated as related to another person if—

"(i) such person bears a relationship to such other person described in section 267(b) (determined without regard to paragraph (9) thereof), or section 707(b)(1), determined by substituting '25 percent' for '50 percent' each place it appears therein, and

"(ii) in the case such other person is a nonprofit organization, if such person controls directly or indirectly more than 25 percent of the governing body of such organization.

(b) EXCLUSION FROM DEFINITION OF DEBT-FINANCED PROPERTY.—Section 514(b)(1) of the Internal Revenue Code of 1986 (defining debt-financed property) is amended by striking "or" at the end of subparagraph (C), by striking the period at the end of subparagraph (D) and inserting "; or", and by inserting after subparagraph (D) the following new subparagraph:

"(E) any property the gain or loss from the sale, exchange, or other disposition of which would be excluded by reason of the provisions of section 512(b)(18) in computing the gross income of any unrelated trade or business.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to any gain or loss on the sale, exchange, or other disposition of any property acquired by the taxpayer after the date of the enactment of this Act.

By Mr. BAUCUS (for himself, Mr. GRASSLEY, Mr. DASCHLE, Mr. CONRAD, and Mr. GRAHAM of Florida):

S. 1937. A bill to amend the Internal Revenue Code of 1986 to curtail the use of tax shelters, and for other purposes; to the Committee on Finance.

Mr. BAUCUS. Mr. President, I rise today to introduce the Tax Shelter Transparency and Enforcement Act. I am pleased to be joined by my good friend, the Chairman of the Senate Finance Committee, Chairman GRASSLEY.

He and I introduced similar legislation in the last Congress. And, just this year, the Finance Committee approved this legislation as part of the CARE Act, the energy bill, the Jobs and Growth Act, and the Jumpstart Our Business Strength Act.

But why do we need this legislation? It has been more than 2 years since the collapse of Enron.

Since then, numerous other corporate scandals have come to light, thousands of employees have lost their jobs and pension savings, and the aftershock has yet to settle down in the stock market.

But there is one thing that has not happened. This Congress has failed to send to the President one single piece of tax legislation designed to shut down the kinds of abusive tax shelters we saw Enron use and that we know many others use.

Every day that we fail to address this scandal, honest taxpayers pay the bill.

A recent study commissioned by the IRS estimated that abusive corporate tax shelters alone cost honest taxpayers from $14 billion to $18 billion each year. That means up to $180 billion over ten years.

Simply put, this abuse of our tax laws has got to stop.

Abusive tax shelters are widespread—and not new.

As early as 1995, the Clinton Administration undertook a comprehensive, multi-faceted effort to tackle the problem of corporate tax shelters. This included legislative proposals to halt the sale and marketing of shelters. Regulatory action to clamp down on illicit activity. And steps to better identify and pursue abusive transactions.

The current Administration has added to the list of identified tax shelters and supported legislative proposals to ensure greater disclosure.

This is not—and should not be—a partisan issue.

The proliferation of abusive tax shelters hurts the entire tax system. Specifically, it places a greater tax burden on those Americans who are honestly and patriotically paying their fair share of taxes—whether they are republican, democrat, or independent.

These shelters undermine the confidence of the American people in the fairness of the tax system. Abusive tax shelters place honest corporate competitors at a disadvantage.

And shutting down these abuses presents a great opportunity for Congress to restore fairness in the system.

We should do no less.

Let me take a few moments to discuss the nature of these tax shelters. Why they are wrong. And how purportedly reputable companies and professional advisors are participating in a disturbing race to the bottom.

First, what are these tax shelters?

Let me give you just one example of a tax shelter.

On October 20th, the Finance Committee held a hearing on tax shelters. This hearing was a follow-up to a hearing earlier this year to review the Committee's investigative report on the collapse of Enron.

At our hearing last month, we heard how some American corporations are purportedly buying and then leasing bridges, dams, subway systems, and other infrastructure through corporate tax shelters.

It's like the old line: If you think these tax shelter transactions are legitimate—or what Congress intended—have I got a bridge to sell you.

A former leasing industry executive, who testified before the Finance Committee, described complex transactions where U.S. companies make a single payment to a municipality to lease a bridge or other public infrastructure. These companies then lease the infrastructure back to the city. All along, the company takes a deduction on its U.S. taxes for the depreciation of the high valued asset.

The companies never pay any real lease payments to the cities. And the cities never pay any lease payments to the companies. The cities never risk losing control of the bridge, dam, or subway system.

But the companies—who include major banks and Fortune 500 companies—take millions and millions of dollars in deductions for what is essentially a paper transaction. And the American taxpayer is left holding the bill.

The witness testified: "[M]uch of the old and new infrastructure throughout Europe has been leased to, and leased back from, American corporations."

In essence, in these transactions, the American people, through their tax dollars, are providing these companies a subsidy, part of which the companies pocket, and part of which they transfer to these cities.

As Yale law school Professor Michael Graetz once said, a tax shelter is a "deal done by very smart people, that, absent tax considerations, would be very stupid."

This is nothing more than an unwarranted tax subsidy to U.S. companies courtesy of honest taxpayers. It is simply wrong. It rewards a transaction with no real economic substance.

This has got to stop. And it is up to Congress and the President to put an end to this kind of abuse.

So how did this tax shelter industry develop?

If there is one thing that we should have learned from the Enron scandal, it is the pervasive role of lawyers and accountants.

Why did some of the country's leading professional firms devote so much effort to spinning reported earnings out of nothing? And what does that say about the erosion of ethical standards for accountants and lawyers?

In 1908, the American Bar Association adopted its first code of ethics.

The preamble to their Model Rules states that a lawyer serves his client, but is also "an officer of the legal system and a public citizen having special responsibility for the quality of justice."

It also states that a lawyer should "further the public's understanding of and confidence in the rule of law and the justice system because legal institutions in a constitutional democracy depend on popular participation and support to maintain their authority."

In 1946, the Executive Director of the American Institute of Accountants—the predecessor to the American Institute of Certified Public Accountants—stated that:

> The very existence of the accounting profession depends on public confidence in the determination of certified public accountants to safeguard the public interest. This confidence can be maintained only by evidence of both technical competence and moral obligation. One item of evidence is promulgation and enforcement of rules of professional conduct.

So, why did the legal and accounting profession fail to follow their own principles. And, why did they fail to police themselves?

Part of the problem stems from the 1990s practices of investment bankers and venture capitalists—taking a piece of the deal or a piece of the upside performance. This behavior spread into almost every public company.

And, following their clients, accountants and lawyers also began adopting these practices. Add to this an enormous pressure on company executives to hit revenue and earnings targets on a quarterly basis.

Amidst this obsession with short-term results, no one was left to look after the company's long-term survival.

At the same time, lawyers and accountants faced their own profit pressures as their compensation was tied to their "book of business" and their success in cross-selling different services to their clients.

These cultural conflicts presented a threat to professional values.

For auditing firms, traditional professional values mean attesting to investors and lenders that the company's financial statements are properly prepared and reflect all material issues.

The business culture, however, encouraged the auditor to serve company executives—not only to refrain from pushing back, but also to affirmatively help them achieve their personal goals.

Furthermore, audit services themselves became more and more of a low-profit business, as audit firms battled each other to gain the inside audit position—which could help them market high-profit services. The big money was in selling tax-engineered products.

Finally, the private interests of the accounting professional and the corporate executive converged on one kind of activity that has proved particularly toxic—the proprietary financial maneuver that boosted reported earnings. That means, manipulate the bottom line of the financial statements.

Such maneuvers satisfied the executives' need to feed the markets and keep stock prices afloat.

They also satisfied the accountant's need for generating large profits for their firm and for their own bonus formula.

Similarly, for law firms, the traditional professional values are associated with loyalty to the client and advocacy of the client's interests within the bounds of the law.

Yet, loyalty to the corporate client and attention to corporate risks came to be sorely tested in many instances.

A company executive could well be more interested in getting a deal done—and getting the legal opinion needed to support the accounting analysis—than in gaining an accurate understanding of the legal merits of the issue and the associated risks to the company.

A law firm might even have its own stake in getting the deal done—because of a bonus or contingency fee associated with completing the deal—or because of having assisted a promoter in developing the deal.

In many accounting and tax schemes, executives simply did not want a frank assessment of legal merits and risk.

Instead, what they sought was a professional opinion that would justify hiding the true nature of a transaction from readers of financial reports and tax returns.

This was not legal advice on the merits—it was advice that was needed to justify hiding the ball.

Clearly, some accounting firms and law firms have abandoned ethics for the big dollar bonus.

As an extreme example, there were many people in the Arthur Andersen Houston office who knew about the destruction of Enron documents. Not one appears to have realized that what they were doing was terribly wrong. Apparently, not one of these professionals even thought to check with anyone elsewhere in the firm about whether or not what they were doing was wrong.

Professional firms also have been all too willing to let themselves be compartmentalized. This way, they could say "That wasn't my job" when things went wrong.

Consider the case of prominent law firms that provided tax opinions for investment banks and other promoters to use in selling tax shelter products.

These opinions described the consequences of complicated tax maneuvers—based on the assumption that the future tax shelter purchaser would have a valid business purpose. And on the assumption that the transaction would not be tweaked further to reduce financial risk to almost nothing.

It may have been true that these firms were asked to provide advice based on those implausible assumptions. But that does not justify allowing the firm's professional reputation to be used to market tax shelters. The lawyers simply must have known that no purchaser could realistically be expected to supply the critical assumed facts.

The Enron case of using tax shelters to generate phantom financial earnings also seems to reflect a cycle of "That wasn't my job" role-playing.

The tax lawyers found a business purpose for the transaction because it generated financial earnings.

The accountants found financial earnings because the transaction promised future tax reductions. It all seems a bit circular.

And it all assumes that creating misleading earnings reports is in the real business interest of the corporation. Again, the professionals appear to have lost track of who their real client was.

Now, what do we need to do about this?

Congress and Federal regulators started to address these issues with the Sarbanes-Oxley Act of 2002.

For example, Sarbanes-Oxley calls for lawyers practicing before the SEC to report evidence of securities violations "up the chain" of their corporate clients—ultimately to corporate boards.

And the Act calls for auditors to report directly to the corporate board's audit committee. And, provide a number of safeguards to assure that audit committees have the independence and autonomy needed to represent corporate interests and not personal interests.

The Sarbanes-Oxley Act also addresses auditor independence in ways that respond to the business pressures that I described earlier.

Audit partners cannot be compensated based on cross-selling. Audit personnel must be rotated periodically. And a one-year cooling off period is required in the case of individuals moving between employment at an audit firm and employment at an audit client.

Public companies are prohibited from obtaining certain non-audit services from their auditor, and all other non-audit services require prior approval of the board's audit committee.

But these changes just nibble at the edges of the bigger problem. We have to reign in these lawyers, accountants, and investment bankers who are out there manipulating the tax code to come up with tax shelter schemes.

The tax shelter legislation that Chairman GRASSLEY and I introduce today goes to the heart of the tax schemes problem.

For example, the bill ensures that transactions are done for legitimate business purposes. That means that transactions must have economic substance and are not done merely to avoid taxes.

It makes it explicit that achieving a particular kind of financial accounting treatment does not provide the needed "business purpose" to satisfy tax requirements.

The bill also provides for stiff penalties that are needed to back up Treasury's new shelter disclosure requirements.

As a Treasury official pointed out, "[I]f a promoter is comfortable with selling a transaction. If a practitioner is comfortable with advising that the transaction is proper. And if a taxpayer is comfortable with entering into that transaction. Then they should all be comfortable with the IRS knowing about the transaction."

Our bill also broadens the IRS's ability to enjoin tax shelter promoters and allows the agency to impose monetary penalties—in addition to suspension or disbarment—on disreputable tax advisors or their firms.

And more may be needed, from both government and the private sector.

For one thing, we need to also pass Senator LEVIN's bill, S. 1767, the Auditor Independence and Tax Shelters Act. I am pleased to be an original co-sponsor of that legislation. The Auditor Independence and Tax Shelters Act compliments the legislation that I am introducing today.

Senator LEVIN's legislation shuts down tax shelter promotion from the audit and financial statement side of the equation. Specifically, S. 1767 would strengthen auditor independence by prohibiting them from providing tax shelter services to their audit clients.

The legislation would also reduce potential auditor conflicts of interest by codifying four auditor independence principles to guide the audit committees of the Board of Directors of a publicly traded company, when that committee is required by the Sarbanes-Oxley Act to decide whether the company may provide certain non-audit services to the corporation.

Next, the SEC and the new Public Accounting Oversight Board should devote significant resources to considering ways to improve the clarity of the tax footnote in the company's financial statements.

They should also undertake a comprehensive review of financial reporting of income taxation. These agencies should also ensure that they have tax experts to ensure proper oversight investigations and reviews of the financial statement tax disclosures.

The IRS should improve the clarity of the already-required reconciliation between book and tax earnings on the corporate tax return—the Schedule M-1.

And we need to have better communication and coordination between the various federal departments and agencies with oversight over lawyers, accountants and investment bankers. The Department of Treasury, the IRS, the Department of Justice, the SEC, and the Public Accounting Oversight Board should talk to each other and not fall into the "it's not my job" mindset.

The Sarbanes-Oxley Act also empowers the Public Company Accounting Oversight Board to describe new non-audit services that public companies could not acquire from their auditors, even if they are not explicitly described in the statute as a prohibited service.

The Accounting Oversight Board should review the record of SEC rulemaking in this area, as well as ongoing business practices, and take action if it is needed to assure the public interest in auditor independence.

Finally, professional firms need to cultivate professional cultures. The Enron scandal should serve as a wake-up call to all of us, but particularly the professionals.

Law firms and accounting firms must be sure that their members and employees understand the nature of corporate representation and who the client is.

Everyone who works at the firm needs to understand that the firm is committed to integrity and quality. And to understand that the firm's leaders will listen and react if legitimate questions arise.

Professionals should resist the tendency to avert their eyes to obvious issues on the grounds that they are technically someone else's responsibility.

In the best traditions of both the accounting and legal professions, the work of the professional must be guided by commitments to professional duty, fair dealing, and honesty.

I hope that the leaders of the accounting and legal professions understand how important this is, and take the actions needed to give new vitality to these great traditions.

Every Spring, Americans sit down at the kitchen table, or at their home computer, and figure out their taxes.

With quiet patriotism, these Americans step up and pay their fair share. They are counting on us to make sure that sophisticated corporations pay their fair share as well.

I am simply unwilling to tell the school teacher in Montana that he needs to pony up a little more because Congress is unwilling to shut down a loophole that is costing tens of billions every year.

I look forward to continuing to work with the Chairman of the Finance Committee, Senator GRASSLEY, to see the Tax Shelter Transparency and Enforcement Act through to enactment.

I also urge all of my congressional colleagues—in the House and the Senate—to join forces to send tax shelter legislation to the President for his signature.

We need to act to close these tax shelters and restore professional ethics. And we need to act before the next big scandal comes. Congress cannot ignore the problem any longer.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1937

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; ETC.

(a) SHORT TITLE.—This Act may be cited as the "Tax Shelter Transparency and Enforcement Act".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; amendment of 1986 Code; table of contents.

TITLE I—PROVISIONS DESIGNED TO CURTAIL TAX SHELTERS

Sec. 101. Clarification of economic substance doctrine.
Sec. 102. Penalty for failing to disclose reportable transaction.
Sec. 103. Accuracy-related penalty for listed transactions and other reportable transactions having a significant tax avoidance purpose.
Sec. 104. Penalty for understatements attributable to transactions lacking economic substance, etc.
Sec. 105. Modifications of substantial understatement penalty for nonreportable transactions.
Sec. 106. Tax shelter exception to confidentiality privileges relating to taxpayer communications.
Sec. 107. Disclosure of reportable transactions.
Sec. 108. Modifications to penalty for failure to register tax shelters.
Sec. 109. Modification of penalty for failure to maintain lists of investors.
Sec. 110. Modification of actions to enjoin certain conduct related to tax shelters and reportable transactions.
Sec. 111. Understatement of taxpayer's liability by income tax return preparer.
Sec. 112. Penalty on failure to report interests in foreign financial accounts.
Sec. 113. Frivolous tax submissions.
Sec. 114. Regulation of individuals practicing before the Department of Treasury.
Sec. 115. Penalty on promoters of tax shelters.
Sec. 116. Statute of limitations for taxable years for which required listed transactions not reported.

Sec. 117. Denial of deduction for interest on underpayments attributable to nondisclosed reportable and noneconomic substance transactions.
Sec. 118. Authorization of appropriations for tax law enforcement.

TITLE II—OTHER CORPORATE GOVERNANCE PROVISIONS

Sec. 201. Affirmation of consolidated return regulation authority.
Sec. 202. Signing of corporate tax returns by chief executive officer.
Sec. 203. Denial of deduction for certain fines, penalties, and other amounts.
Sec. 204. Disallowance of deduction for punitive damages.
Sec. 205. Increase in criminal monetary penalty limitation for the underpayment or overpayment of tax due to fraud.

TITLE III—ENRON-RELATED TAX SHELTER PROVISIONS

Sec. 301. Limitation on transfer or importation of built-in losses.
Sec. 302. No reduction of basis under section 734 in stock held by partnership in corporate partner.
Sec. 303. Repeal of special rules for FASITs.
Sec. 304. Expanded disallowance of deduction for interest on convertible debt.
Sec. 305. Expanded authority to disallow tax benefits under section 269.
Sec. 306. Modification of interaction between subpart F and passive foreign investment company rules.

TITLE I—PROVISIONS DESIGNED TO CURTAIL TAX SHELTERS

SEC. 101. CLARIFICATION OF ECONOMIC SUBSTANCE DOCTRINE.

(a) IN GENERAL.—Section 7701 is amended by redesignating subsection (n) as subsection (o) and by inserting after subsection (m) the following new subsection:

"(n) CLARIFICATION OF ECONOMIC SUBSTANCE DOCTRINE; ETC.—

"(1) GENERAL RULES.—

"(A) IN GENERAL.—In any case in which a court determines that the economic substance doctrine is relevant for purposes of this title to a transaction (or series of transactions), such transaction (or series of transactions) shall have economic substance only if the requirements of this paragraph are met.

"(B) DEFINITION OF ECONOMIC SUBSTANCE.—For purposes of subparagraph (A)—

"(i) IN GENERAL.—A transaction has economic substance only if—

"(I) the transaction changes in a meaningful way (apart from Federal tax effects) the taxpayer's economic position, and

"(II) the taxpayer has a substantial nontax purpose for entering into such transaction and the transaction is a reasonable means of accomplishing such purpose.

In applying subclause (II), a purpose of achieving a financial accounting benefit shall not be taken into account in determining whether a transaction has a substantial nontax purpose if the origin of such financial accounting benefit is a reduction of income tax.

"(ii) SPECIAL RULE WHERE TAXPAYER RELIES ON PROFIT POTENTIAL.—A transaction shall not be treated as having economic substance by reason of having a potential for profit unless—

"(I) the present value of the reasonably expected pre-tax profit from the transaction is substantial in relation to the present value of the expected net tax benefits that would be allowed if the transaction were respected, and

"(II) the reasonably expected pre-tax profit from the transaction exceeds a risk-free rate of return.

"(C) TREATMENT OF FEES AND FOREIGN TAXES.—Fees and other transaction expenses and foreign taxes shall be taken into account as expenses in determining pre-tax profit under subparagraph (B)(ii).

"(2) SPECIAL RULES FOR TRANSACTIONS WITH TAX-INDIFFERENT PARTIES.—

"(A) SPECIAL RULES FOR FINANCING TRANSACTIONS.—The form of a transaction which is in substance the borrowing of money or the acquisition of financial capital directly or indirectly from a tax-indifferent party shall not be respected if the present value of the deductions to be claimed with respect to the transaction is substantially in excess of the present value of the anticipated economic returns of the person lending the money or providing the financial capital. A public offering shall be treated as a borrowing, or an acquisition of financial capital, from a tax-indifferent party if it is reasonably expected that at least 50 percent of the offering will be placed with tax-indifferent parties.

"(B) ARTIFICIAL INCOME SHIFTING AND BASIS ADJUSTMENTS.—The form of a transaction with a tax-indifferent party shall not be respected if—

"(i) it results in an allocation of income or gain to the tax-indifferent party in excess of such party's economic income or gain, or

"(ii) it results in a basis adjustment or shifting of basis on account of overstating the income or gain of the tax-indifferent party.

"(3) DEFINITIONS AND SPECIAL RULES.—For purposes of this subsection—

"(A) ECONOMIC SUBSTANCE DOCTRINE.—The term 'economic substance doctrine' means the common law doctrine under which tax benefits under subtitle A with respect to a transaction are not allowable if the transaction does not have economic substance or lacks a business purpose.

"(B) TAX-INDIFFERENT PARTY.—The term 'tax-indifferent party' means any person or entity not subject to tax imposed by subtitle A. A person shall be treated as a tax-indifferent party with respect to a transaction if the items taken into account with respect to the transaction have no substantial impact on such person's liability under subtitle A.

"(C) EXCEPTION FOR PERSONAL TRANSACTIONS OF INDIVIDUALS.—In the case of an individual, this subsection shall apply only to transactions entered into in connection with a trade or business or an activity engaged in for the production of income.

"(D) TREATMENT OF LESSORS.—In applying paragraph (1)(B)(ii) to the lessor of tangible property subject to a lease—

"(i) the expected net tax benefits with respect to the leased property shall not include the benefits of—

"(I) depreciation,

"(II) any tax credit, or

"(III) any other deduction as provided in guidance by the Secretary, and

"(ii) subclause (II) of paragraph (1)(B)(ii) shall be disregarded in determining whether any of such benefits are allowable.

"(4) OTHER COMMON LAW DOCTRINES NOT AFFECTED.—Except as specifically provided in this subsection, the provisions of this subsection shall not be construed as altering or supplanting any other rule of law, and the requirements of this subsection shall be construed as being in addition to any such other rule of law.

"(5) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this subsection. Such regulations may include exemptions from the application of this subsection.".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to transactions entered into after the date of the enactment of this Act.

SEC. 102. PENALTY FOR FAILING TO DISCLOSE REPORTABLE TRANSACTION.

(a) IN GENERAL.—Part I of subchapter B of chapter 68 (relating to assessable penalties) is amended by inserting after section 6707 the following new section:

"SEC. 6707A. PENALTY FOR FAILURE TO INCLUDE REPORTABLE TRANSACTION INFORMATION WITH RETURN OR STATEMENT.

"(a) IMPOSITION OF PENALTY.—Any person who fails to include on any return or statement any information with respect to a reportable transaction which is required under section 6011 to be included with such return or statement shall pay a penalty in the amount determined under subsection (b).

"(b) AMOUNT OF PENALTY.—

"(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), the amount of the penalty under subsection (a) shall be $50,000.

"(2) LISTED TRANSACTION.—The amount of the penalty under subsection (a) with respect to a listed transaction shall be $100,000.

"(3) INCREASE IN PENALTY FOR LARGE ENTITIES AND HIGH NET WORTH INDIVIDUALS.—

"(A) IN GENERAL.—In the case of a failure under subsection (a) by—

"(i) a large entity, or

"(ii) a high net worth individual,

the penalty under paragraph (1) or (2) shall be twice the amount determined without regard to this paragraph.

"(B) LARGE ENTITY.—For purposes of subparagraph (A), the term 'large entity' means, with respect to any taxable year, a person (other than a natural person) with gross receipts in excess of $10,000,000 for the taxable year in which the reportable transaction occurs or the preceding taxable year. Rules similar to the rules of paragraph (2) and subparagraphs (B), (C), and (D) of paragraph (3) of section 448(c) shall apply for purposes of this subparagraph.

"(C) HIGH NET WORTH INDIVIDUAL.—For purposes of subparagraph (A), the term 'high net worth individual' means, with respect to a reportable transaction, a natural person whose net worth exceeds $2,000,000 immediately before the transaction.

"(c) DEFINITIONS.—For purposes of this section—

"(1) REPORTABLE TRANSACTION.—The term 'reportable transaction' means any transaction with respect to which information is required to be included with a return or statement because, as determined under regulations prescribed under section 6011, such transaction is of a type which the Secretary determines as having a potential for tax avoidance or evasion.

"(2) LISTED TRANSACTION.—Except as provided in regulations, the term 'listed transaction' means a reportable transaction which is the same as, or substantially similar to, a transaction specifically identified by the Secretary as a tax avoidance transaction for purposes of section 6011.

"(d) AUTHORITY TO RESCIND PENALTY.—

"(1) IN GENERAL.—The Commissioner of Internal Revenue may rescind all or any portion of any penalty imposed by this section with respect to any violation if—

"(A) the violation is with respect to a reportable transaction other than a listed transaction,

"(B) the person on whom the penalty is imposed has a history of complying with the requirements of this title,

"(C) it is shown that the violation is due to an unintentional mistake of fact,

"(D) imposing the penalty would be against equity and good conscience, and

"(E) rescinding the penalty would promote compliance with the requirements of this title and effective tax administration.

"(2) DISCRETION.—The exercise of authority under paragraph (1) shall be at the sole discretion of the Commissioner and may be delegated only to the head of the Office of Tax Shelter Analysis. The Commissioner, in the Commissioner's sole discretion, may establish a procedure to determine if a penalty should be referred to the Commissioner or the head of such Office for a determination under paragraph (1).

"(3) NO APPEAL.—Notwithstanding any other provision of law, any determination under this subsection may not be reviewed in any administrative or judicial proceeding.

"(4) RECORDS.—If a penalty is rescinded under paragraph (1), the Commissioner shall place in the file in the Office of the Commissioner the opinion of the Commissioner or the head of the Office of Tax Shelter Analysis with respect to the determination, including—

"(A) the facts and circumstances of the transaction,

"(B) the reasons for the rescission, and

"(C) the amount of the penalty rescinded.

"(5) REPORT.—The Commissioner shall each year report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate—

"(A) a summary of the total number and aggregate amount of penalties imposed, and rescinded, under this section, and

"(B) a description of each penalty rescinded under this subsection and the reasons therefor.

"(e) PENALTY REPORTED TO SEC.—In the case of a person—

"(1) which is required to file periodic reports under section 13 or 15(d) of the Securities Exchange Act of 1934 or is required to be consolidated with another person for purposes of such reports, and

"(2) which—

"(A) is required to pay a penalty under this section with respect to a listed transaction,

"(B) is required to pay a penalty under section 6662A with respect to any reportable transaction at a rate prescribed under section 6662A(c), or

"(C) is required to pay a penalty under section 6662B with respect to any noneconomic substance transaction,

the requirement to pay such penalty shall be disclosed in such reports filed by such person for such periods as the Secretary shall specify. Failure to make a disclosure in accordance with the preceding sentence shall be treated as a failure to which the penalty under subsection (b)(2) applies.

"(f) COORDINATION WITH OTHER PENALTIES.—The penalty imposed by this section is in addition to any penalty imposed under this title.".

(b) CONFORMING AMENDMENT.—The table of sections for part I of subchapter B of chapter 68 is amended by inserting after the item relating to section 6707 the following:

"Sec. 6707A. Penalty for failure to include reportable transaction information with return or statement.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to returns and statements the due date for which is after the date of the enactment of this Act.

SEC. 103. ACCURACY-RELATED PENALTY FOR LISTED TRANSACTIONS AND OTHER REPORTABLE TRANSACTIONS HAVING A SIGNIFICANT TAX AVOIDANCE PURPOSE.

(a) IN GENERAL.—Subchapter A of chapter 68 is amended by inserting after section 6662 the following new section:

"SEC. 6662A. IMPOSITION OF ACCURACY-RELATED PENALTY ON UNDERSTATEMENTS WITH RESPECT TO REPORTABLE TRANSACTIONS.

"(a) IMPOSITION OF PENALTY.—If a taxpayer has a reportable transaction understatement for any taxable year, there shall be added to the tax an amount equal to 20 percent of the amount of such understatement.

"(b) REPORTABLE TRANSACTION UNDERSTATEMENT.—For purposes of this section—

"(1) IN GENERAL.—The term 'reportable transaction understatement' means the sum of—

"(A) the product of—

"(i) the amount of the increase (if any) in taxable income which results from a difference between the proper tax treatment of an item to which this section applies and the taxpayer's treatment of such item (as shown on the taxpayer's return of tax), and

"(ii) the highest rate of tax imposed by section 1 (section 11 in the case of a taxpayer which is a corporation), and

"(B) the amount of the decrease (if any) in the aggregate amount of credits determined under subtitle A which results from a difference between the taxpayer's treatment of an item to which this section applies (as shown on the taxpayer's return of tax) and the proper tax treatment of such item.

For purposes of subparagraph (A), any reduction of the excess of deductions allowed for the taxable year over gross income for such year, and any reduction in the amount of capital losses which would (without regard to section 1211) be allowed for such year, shall be treated as an increase in taxable income.

"(2) ITEMS TO WHICH SECTION APPLIES.—This section shall apply to any item which is attributable to—

"(A) any listed transaction, and

"(B) any reportable transaction (other than a listed transaction) if a significant purpose of such transaction is the avoidance or evasion of Federal income tax.

"(c) HIGHER PENALTY FOR NONDISCLOSED LISTED AND OTHER AVOIDANCE TRANSACTIONS.—

"(1) IN GENERAL.—Subsection (a) shall be applied by substituting '30 percent' for '20 percent' with respect to the portion of any reportable transaction understatement with respect to which the requirement of section 6664(d)(2)(A) is not met.

"(2) RULES APPLICABLE TO ASSERTION AND COMPROMISE OF PENALTY.—

"(A) IN GENERAL.—Only upon the approval by the Chief Counsel for the Internal Revenue Service or the Chief Counsel's delegate at the national office of the Internal Revenue Service may a penalty to which paragraph (1) applies be included in a 1st letter of proposed deficiency which allows the taxpayer an opportunity for administrative review in the Internal Revenue Service Office of Appeals. If such a letter is provided to the taxpayer, only the Commissioner of Internal Revenue may compromise all or any portion of such penalty.

"(B) APPLICABLE RULES.—The rules of paragraphs (2), (3), (4), and (5) of section 6707A(d) shall apply for purposes of subparagraph (A).

"(d) DEFINITIONS OF REPORTABLE AND LISTED TRANSACTIONS.—For purposes of this section, the terms 'reportable transaction' and 'listed transaction' have the respective meanings given to such terms by section 6707A(c).

"(e) SPECIAL RULES.—

"(1) COORDINATION WITH PENALTIES, ETC., ON OTHER UNDERSTATEMENTS.—In the case of an understatement (as defined in section 6662(d)(2))—

"(A) the amount of such understatement (determined without regard to this paragraph) shall be increased by the aggregate amount of reportable transaction understatements and noneconomic substance transaction understatements for purposes of determining whether such understatement is a substantial understatement under section 6662(d)(1), and

"(B) the addition to tax under section 6662(a) shall apply only to the excess of the amount of the substantial understatement (if any) after the application of subparagraph (A) over the aggregate amount of reportable transaction understatements and noneconomic substance transaction understatements.

"(2) COORDINATION WITH OTHER PENALTIES.—

"(A) APPLICATION OF FRAUD PENALTY.—References to an underpayment in section 6663 shall be treated as including references to a reportable transaction understatement and a noneconomic substance transaction understatement.

"(B) NO DOUBLE PENALTY.—This section shall not apply to any portion of an understatement on which a penalty is imposed under section 6662B or 6663.

"(3) SPECIAL RULE FOR AMENDED RETURNS.—Except as provided in regulations, in no event shall any tax treatment included with an amendment or supplement to a return of tax be taken into account in determining the amount of any reportable transaction understatement or noneconomic substance transaction understatement if the amendment or supplement is filed after the earlier of the date the taxpayer is first contacted by the Secretary regarding the examination of the return or such other date as is specified by the Secretary.

"(4) NONECONOMIC SUBSTANCE TRANSACTION UNDERSTATEMENT.—For purposes of this subsection, the term 'noneconomic substance transaction understatement' has the meaning given such term by section 6662B(c).

"(5) CROSS REFERENCE.—

"For reporting of section 6662A(c) penalty to the Securities and Exchange Commission, see section 6707A(e).".

(b) DETERMINATION OF OTHER UNDERSTATEMENTS.—Subparagraph (A) of section 6662(d)(2) is amended by adding at the end the following flush sentence:

"The excess under the preceding sentence shall be determined without regard to items to which section 6662A applies and without regard to items with respect to which a penalty is imposed by section 6662B.".

(c) REASONABLE CAUSE EXCEPTION.—

(1) IN GENERAL.—Section 6664 is amended by adding at the end the following new subsection:

"(d) REASONABLE CAUSE EXCEPTION FOR REPORTABLE TRANSACTION UNDERSTATEMENTS.—

"(1) IN GENERAL.—No penalty shall be imposed under section 6662A with respect to any portion of a reportable transaction understatement if it is shown that there was a reasonable cause for such portion and that the taxpayer acted in good faith with respect to such portion.

"(2) SPECIAL RULES.—Paragraph (1) shall not apply to any reportable transaction understatement unless—

"(A) the relevant facts affecting the tax treatment of the item are adequately disclosed in accordance with the regulations prescribed under section 6011,

"(B) there is or was substantial authority for such treatment, and

"(C) the taxpayer reasonably believed that such treatment was more likely than not the proper treatment.

A taxpayer failing to adequately disclose in accordance with section 6011 shall be treated as meeting the requirements of subparagraph (A) if the penalty for such failure was rescinded under section 6707A(d).

"(3) RULES RELATING TO REASONABLE BELIEF.—For purposes of paragraph (2)(C)—

"(A) IN GENERAL.—A taxpayer shall be treated as having a reasonable belief with respect to the tax treatment of an item only if such belief—

"(i) is based on the facts and law that exist at the time the return of tax which includes such tax treatment is filed, and

"(ii) relates solely to the taxpayer's chances of success on the merits of such treatment and does not take into account the possibility that a return will not be audited, such treatment will not be raised on audit, or such treatment will be resolved through settlement if it is raised.

"(B) CERTAIN OPINIONS MAY NOT BE RELIED UPON.—

"(i) IN GENERAL.—An opinion of a tax advisor may not be relied upon to establish the reasonable belief of a taxpayer if—

"(I) the tax advisor is described in clause (ii), or

"(II) the opinion is described in clause (iii).

"(ii) DISQUALIFIED TAX ADVISORS.—A tax advisor is described in this clause if the tax advisor—

"(I) is a material advisor (within the meaning of section 6111(b)(1)) who participates in the organization, management, promotion, or sale of the transaction or who is related (within the meaning of section 267(b) or 707(b)(1)) to any person who so participates,

"(II) is compensated directly or indirectly by a material advisor with respect to the transaction,

"(III) has a fee arrangement with respect to the transaction which is contingent on all or part of the intended tax benefits from the transaction being sustained, or

"(IV) as determined under regulations prescribed by the Secretary, has a disqualifying financial interest with respect to the transaction.

"(iii) DISQUALIFIED OPINIONS.—For purposes of clause (i), an opinion is disqualified if the opinion—

"(I) is based on unreasonable factual or legal assumptions (including assumptions as to future events),

"(II) unreasonably relies on representations, statements, findings, or agreements of the taxpayer or any other person,

"(III) does not identify and consider all relevant facts, or

"(IV) fails to meet any other requirement as the Secretary may prescribe.".

(2) CONFORMING AMENDMENT.—The heading for subsection (c) of section 6664 is amended by inserting "FOR UNDERPAYMENTS" after "EXCEPTION".

(d) CONFORMING AMENDMENTS.—

(1) Subparagraph (C) of section 461(i)(3) is amended by striking "section 6662(d)(2)(C)(iii)" and inserting "section 1274(b)(3)(C)".

(2) Paragraph (3) of section 1274(b) is amended—

(A) by striking "(as defined in section 6662(d)(2)(C)(iii))" in subparagraph (B)(i), and

(B) by adding at the end the following new subparagraph:

"(C) TAX SHELTER.—For purposes of subparagraph (B), the term 'tax shelter' means—

"(i) a partnership or other entity,

"(ii) any investment plan or arrangement, or

"(iii) any other plan or arrangement,

if a significant purpose of such partnership, entity, plan, or arrangement is the avoidance or evasion of Federal income tax.".

(3) Section 6662(d)(2) is amended by striking subparagraphs (C) and (D).

(4) Section 6664(c)(1) is amended by striking "this part" and inserting "section 6662 or 6663".

(5) Subsection (b) of section 7525 is amended by striking "section 6662(d)(2)(C)(iii)" and inserting "section 1274(b)(3)(C)".

(6)(A) The heading for section 6662 is amended to read as follows:

"SEC. 6662. IMPOSITION OF ACCURACY-RELATED PENALTY ON UNDERPAYMENTS.".

(B) The table of sections for part II of subchapter A of chapter 68 is amended by striking the item relating to section 6662 and inserting the following new items:

"Sec. 6662. Imposition of accuracy-related penalty on underpayments.

"Sec. 6662A. Imposition of accuracy-related penalty on understatements with respect to reportable transactions.".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

SEC. 104. PENALTY FOR UNDERSTATEMENTS ATTRIBUTABLE TO TRANSACTIONS LACKING ECONOMIC SUBSTANCE, ETC.

(a) IN GENERAL.—Subchapter A of chapter 68 is amended by inserting after section 6662A the following new section:

"SEC. 6662B. PENALTY FOR UNDERSTATEMENTS ATTRIBUTABLE TO TRANSACTIONS LACKING ECONOMIC SUBSTANCE, ETC.

"(a) IMPOSITION OF PENALTY.—If a taxpayer has an noneconomic substance transaction understatement for any taxable year, there shall be added to the tax an amount equal to 40 percent of the amount of such understatement.

"(b) REDUCTION OF PENALTY FOR DISCLOSED TRANSACTIONS.—Subsection (a) shall be applied by substituting '20 percent' for '40 percent' with respect to the portion of any noneconomic substance transaction understatement with respect to which the relevant facts affecting the tax treatment of the item are adequately disclosed in the return or a statement attached to the return.

"(c) NONECONOMIC SUBSTANCE TRANSACTION UNDERSTATEMENT.—For purposes of this section—

"(1) IN GENERAL.—The term 'noneconomic substance transaction understatement' means any amount which would be an understatement under section 6662A(b)(1) if section 6662A were applied by taking into account items attributable to noneconomic substance transactions rather than items to which section 6662A would apply without regard to this paragraph.

"(2) NONECONOMIC SUBSTANCE TRANSACTION.—The term 'noneconomic substance transaction' means any transaction if—

"(A) there is a lack of economic substance (within the meaning of section 7701(n)(1)) for the transaction giving rise to the claimed benefit or the transaction was not respected under section 7701(n)(2), or

"(B) the transaction fails to meet the requirements of any similar rule of law.

"(d) RULES APPLICABLE TO COMPROMISE OF PENALTY.—

"(1) IN GENERAL.—If the 1st letter of proposed deficiency which allows the taxpayer an opportunity for administrative review in the Internal Revenue Service Office of Appeals has been sent with respect to a penalty to which this section applies, only the Commissioner of Internal Revenue may compromise all or any portion of such penalty.

"(2) APPLICABLE RULES.—The rules of paragraphs (2), (3), (4), and (5) of section 6707A(d) shall apply for purposes of paragraph (1).

"(e) COORDINATION WITH OTHER PENALTIES.—Except as otherwise provided in this part, the penalty imposed by this section shall be in addition to any other penalty imposed by this title.

"(f) CROSS REFERENCES.—

"(1) For coordination of penalty with understatements under section 6662 and other special rules, see section 6662A(e).

"(2) For reporting of penalty imposed under this section to the Securities and Exchange Commission, see section 6707A(e).".

(b) CLERICAL AMENDMENT.—The table of sections for part II of subchapter A of chapter 68 is amended by inserting after the item relating to section 6662A the following new item:

"Sec. 6662B. Penalty for understatements attributable to transactions lacking economic substance, etc.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to transactions entered into after the date of the enactment of this Act.

SEC. 105. MODIFICATIONS OF SUBSTANTIAL UNDERSTATEMENT PENALTY FOR NONREPORTABLE TRANSACTIONS.

(a) SUBSTANTIAL UNDERSTATEMENT OF CORPORATIONS.—Section 6662(d)(1)(B) (relating to special rule for corporations) is amended to read as follows:

"(B) SPECIAL RULE FOR CORPORATIONS.—In the case of a corporation other than an S corporation or a personal holding company (as defined in section 542), there is a substantial understatement of income tax for any taxable year if the amount of the understatement for the taxable year exceeds the lesser of—

"(i) 10 percent of the tax required to be shown on the return for the taxable year (or, if greater, $10,000), or

"(ii) $10,000,000.".

(b) REDUCTION FOR UNDERSTATEMENT OF TAXPAYER DUE TO POSITION OF TAXPAYER OR DISCLOSED ITEM.—

(1) IN GENERAL.—Section 6662(d)(2)(B)(i) (relating to substantial authority) is amended to read as follows:

"(i) the tax treatment of any item by the taxpayer if the taxpayer had reasonable belief that the tax treatment was more likely than not the proper treatment, or".

(2) CONFORMING AMENDMENT.—Section 6662(d) is amended by adding at the end the following new paragraph:

"(3) SECRETARIAL LIST.—For purposes of this subsection, section 6664(d)(2), and section 6694(a)(1), the Secretary may prescribe a list of positions for which the Secretary believes there is not substantial authority or there is no reasonable belief that the tax treatment is more likely than not the proper tax treatment. Such list (and any revisions thereof) shall be published in the Federal Register or the Internal Revenue Bulletin.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 106. TAX SHELTER EXCEPTION TO CONFIDENTIALITY PRIVILEGES RELATING TO TAXPAYER COMMUNICATIONS.

(a) IN GENERAL.—Section 7525(b) (relating to section not to apply to communications regarding corporate tax shelters) is amended to read as follows:

''(b) SECTION NOT TO APPLY TO COMMUNICATIONS REGARDING TAX SHELTERS.—The privilege under subsection (a) shall not apply to any written communication which is—

''(1) between a federally authorized tax practitioner and—

''(A) any person,

''(B) any director, officer, employee, agent, or representative of the person, or

''(C) any other person holding a capital or profits interest in the person, and

''(2) in connection with the promotion of the direct or indirect participation of the person in any tax shelter (as defined in section 1274(b)(3)(C)).''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to communications made on or after the date of the enactment of this Act.

SEC. 107. DISCLOSURE OF REPORTABLE TRANSACTIONS.

(a) IN GENERAL.—Section 6111 (relating to registration of tax shelters) is amended to read as follows:

''SEC. 6111. DISCLOSURE OF REPORTABLE TRANSACTIONS.

''(a) IN GENERAL.—Each material advisor with respect to any reportable transaction shall make a return (in such form as the Secretary may prescribe) setting forth—

''(1) information identifying and describing the transaction,

''(2) information describing any potential tax benefits expected to result from the transaction, and

''(3) such other information as the Secretary may prescribe.

Such return shall be filed not later than the date specified by the Secretary.

''(b) DEFINITIONS.—For purposes of this section—

''(1) MATERIAL ADVISOR.—

''(A) IN GENERAL.—The term 'material advisor' means any person—

''(i) who provides any material aid, assistance, or advice with respect to organizing, managing, promoting, selling, implementing, or carrying out any reportable transaction, and

''(ii) who directly or indirectly derives gross income in excess of the threshold amount for such aid, assistance, or advice.

''(B) THRESHOLD AMOUNT.—For purposes of subparagraph (A), the threshold amount is—

''(i) $50,000 in the case of a reportable transaction substantially all of the tax benefits from which are provided to natural persons, and

''(ii) $250,000 in any other case.

''(2) REPORTABLE TRANSACTION.—The term 'reportable transaction' has the meaning given to such term by section 6707A(c).

''(c) REGULATIONS.—The Secretary may prescribe regulations which provide—

''(1) that only 1 person shall be required to meet the requirements of subsection (a) in cases in which 2 or more persons would otherwise be required to meet such requirements,

''(2) exemptions from the requirements of this section, and

''(3) such rules as may be necessary or appropriate to carry out the purposes of this section.''.

(b) CONFORMING AMENDMENTS.—

(1) The item relating to section 6111 in the table of sections for subchapter B of chapter 61 is amended to read as follows:

''Sec. 6111. Disclosure of reportable transactions.''.

(2)(A) So much of section 6112 as precedes subsection (c) thereof is amended to read as follows:

''SEC. 6112. MATERIAL ADVISORS OF REPORTABLE TRANSACTIONS MUST KEEP LISTS OF ADVISEES.

''(a) IN GENERAL.—Each material advisor (as defined in section 6111) with respect to any reportable transaction (as defined in section 6707A(c)) shall maintain, in such manner as the Secretary may by regulations prescribe, a list—

''(1) identifying each person with respect to whom such advisor acted as such a material advisor with respect to such transaction, and

''(2) containing such other information as the Secretary may by regulations require.

This section shall apply without regard to whether a material advisor is required to file a return under section 6111 with respect to such transaction.''.

(B) Section 6112 is amended by redesignating subsection (c) as subsection (b).

(C) Section 6112(b), as redesignated by subparagraph (B), is amended—

(i) by inserting ''written'' before ''request'' in paragraph (1)(A), and

(ii) by striking ''shall prescribe'' in paragraph (2) and inserting ''may prescribe''.

(D) The item relating to section 6112 in the table of sections for subchapter B of chapter 61 is amended to read as follows:

''Sec. 6112. Material advisors of reportable transactions must keep lists of advisees.''.

(3)(A) The heading for section 6708 is amended to read as follows:

''SEC. 6708. FAILURE TO MAINTAIN LISTS OF ADVISEES WITH RESPECT TO REPORTABLE TRANSACTIONS.''.

(B) The item relating to section 6708 in the table of sections for part I of subchapter B of chapter 68 is amended to read as follows:

''Sec. 6708. Failure to maintain lists of advisees with respect to reportable transactions.''.

(c) REQUIRED DISCLOSURE NOT SUBJECT TO CLAIM OF CONFIDENTIALITY.—Subparagraph (A) of section 6112(b)(1), as redesignated by subsection (b)(2)(B), is amended by adding at the end the following new flush sentence:

''For purposes of this section, the identity of any person on such list shall not be privileged.''.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to transactions with respect to which material aid, assistance, or advice referred to in section 6111(b)(1)(A)(i) of the Internal Revenue Code of 1986 (as added by this section) is provided after the date of the enactment of this Act.

(2) NO CLAIM OF CONFIDENTIALITY AGAINST DISCLOSURE.—The amendment made by subsection (c) shall take effect as if included in the amendments made by section 142 of the Deficit Reduction Act of 1984.

SEC. 108. MODIFICATIONS TO PENALTY FOR FAILURE TO REGISTER TAX SHELTERS.

(a) IN GENERAL.—Section 6707 (relating to failure to furnish information regarding tax shelters) is amended to read as follows:

''SEC. 6707. FAILURE TO FURNISH INFORMATION REGARDING REPORTABLE TRANSACTIONS.

''(a) IN GENERAL.—If a person who is required to file a return under section 6111(a) with respect to any reportable transaction—

''(1) fails to file such return on or before the date prescribed therefor, or

''(2) files false or incomplete information with the Secretary with respect to such transaction,

such person shall pay a penalty with respect to such return in the amount determined under subsection (b).

''(b) AMOUNT OF PENALTY.—

''(1) IN GENERAL.—Except as provided in paragraph (2), the penalty imposed under subsection (a) with respect to any failure shall be $50,000.

''(2) LISTED TRANSACTIONS.—The penalty imposed under subsection (a) with respect to any listed transaction shall be an amount equal to the greater of—

''(A) $200,000, or

''(B) 50 percent of the gross income derived by such person with respect to aid, assistance, or advice which is provided with respect to the listed transaction before the date the return including the transaction is filed under section 6111.

Subparagraph (B) shall be applied by substituting '75 percent' for '50 percent' in the case of an intentional failure or act described in subsection (a).

''(c) CERTAIN RULES TO APPLY.—The provisions of section 6707A(d) shall apply to any penalty imposed under this section.

''(d) REPORTABLE AND LISTED TRANSACTIONS.—The terms 'reportable transaction' and 'listed transaction' have the respective meanings given to such terms by section 6707A(c).''.

(b) CLERICAL AMENDMENT.—The item relating to section 6707 in the table of sections for part I of subchapter B of chapter 68 is amended by striking ''tax shelters'' and inserting ''reportable transactions''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to returns the due date for which is after the date of the enactment of this Act.

SEC. 109. MODIFICATION OF PENALTY FOR FAILURE TO MAINTAIN LISTS OF INVESTORS.

(a) IN GENERAL.—Subsection (a) of section 6708 is amended to read as follows:

''(a) IMPOSITION OF PENALTY.—

''(1) IN GENERAL.—If any person who is required to maintain a list under section 6112(a) fails to make such list available upon written request to the Secretary in accordance with section 6112(b)(1)(A) within 20 business days after the date of the Secretary's request, such person shall pay a penalty of $10,000 for each day of such failure after such 20th day.

''(2) REASONABLE CAUSE EXCEPTION.—No penalty shall be imposed by paragraph (1) with respect to the failure on any day if such failure is due to reasonable cause.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to requests made after the date of the enactment of this Act.

SEC. 110. MODIFICATION OF ACTIONS TO ENJOIN CERTAIN CONDUCT RELATED TO TAX SHELTERS AND REPORTABLE TRANSACTIONS.

(a) IN GENERAL.—Section 7408 (relating to action to enjoin promoters of abusive tax shelters, etc.) is amended by redesignating subsection (c) as subsection (d) and by striking subsections (a) and (b) and inserting the following new subsections:

"(a) AUTHORITY TO SEEK INJUNCTION.—A civil action in the name of the United States to enjoin any person from further engaging in specified conduct may be commenced at the request of the Secretary. Any action under this section shall be brought in the district court of the United States for the district in which such person resides, has his principal place of business, or has engaged in specified conduct. The court may exercise its jurisdiction over such action (as provided in section 7402(a)) separate and apart from any other action brought by the United States against such person.

"(b) ADJUDICATION AND DECREE.—In any action under subsection (a), if the court finds—

"(1) that the person has engaged in any specified conduct, and

"(2) that injunctive relief is appropriate to prevent recurrence of such conduct,

the court may enjoin such person from engaging in such conduct or in any other activity subject to penalty under this title.

"(c) SPECIFIED CONDUCT.—For purposes of this section, the term 'specified conduct' means any action, or failure to take action, subject to penalty under section 6700, 6701, 6707, or 6708.".

(b) CONFORMING AMENDMENTS.—

(1) The heading for section 7408 is amended to read as follows:

"SEC. 7408. ACTIONS TO ENJOIN SPECIFIED CONDUCT RELATED TO TAX SHELTERS AND REPORTABLE TRANSACTIONS.".

(2) The table of sections for subchapter A of chapter 67 is amended by striking the item relating to section 7408 and inserting the following new item:

"Sec. 7408. Actions to enjoin specified conduct related to tax shelters and reportable transactions.".

(c) EFFECTIVE DATE.—The amendment made by this section shall take effect on the day after the date of the enactment of this Act.

SEC. 111. UNDERSTATEMENT OF TAXPAYER'S LIABILITY BY INCOME TAX RETURN PREPARER.

(a) STANDARDS CONFORMED TO TAXPAYER STANDARDS.—Section 6694(a) (relating to understatements due to unrealistic positions) is amended—

(1) by striking "realistic possibility of being sustained on its merits" in paragraph (1) and inserting "reasonable belief that the tax treatment in such position was more likely than not the proper treatment",

(2) by striking "or was frivolous" in paragraph (3) and inserting "or there was no reasonable basis for the tax treatment of such position", and

(3) by striking "UNREALISTIC" in the heading and inserting "IMPROPER".

(b) AMOUNT OF PENALTY.—Section 6694 is amended—

(1) by striking "$250" in subsection (a) and inserting "$1,000", and

(2) by striking "$1,000" in subsection (b) and inserting "$5,000".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to documents prepared after the date of the enactment of this Act.

SEC. 112. PENALTY ON FAILURE TO REPORT INTERESTS IN FOREIGN FINANCIAL ACCOUNTS.

(a) IN GENERAL.—Section 5321(a)(5) of title 31, United States Code, is amended to read as follows:

"(5) FOREIGN FINANCIAL AGENCY TRANSACTION VIOLATION.—

"(A) PENALTY AUTHORIZED.—The Secretary of the Treasury may impose a civil money penalty on any person who violates, or causes any violation of, any provision of section 5314.

"(B) AMOUNT OF PENALTY.—

"(i) IN GENERAL.—Except as provided in subparagraph (C), the amount of any civil penalty imposed under subparagraph (A) shall not exceed $5,000.

"(ii) REASONABLE CAUSE EXCEPTION.—No penalty shall be imposed under subparagraph (A) with respect to any violation if—

"(I) such violation was due to reasonable cause, and

"(II) the amount of the transaction or the balance in the account at the time of the transaction was properly reported.

"(C) WILLFUL VIOLATIONS.—In the case of any person willfully violating, or willfully causing any violation of, any provision of section 5314—

"(i) the maximum penalty under subparagraph (B)(i) shall be increased to the greater of—

"(I) $25,000, or

"(II) the amount (not exceeding $100,000) determined under subparagraph (D), and

"(ii) subparagraph (B)(ii) shall not apply.

"(D) AMOUNT.—The amount determined under this subparagraph is—

"(i) in the case of a violation involving a transaction, the amount of the transaction, or

"(ii) in the case of a violation involving a failure to report the existence of an account or any identifying information required to be provided with respect to an account, the balance in the account at the time of the violation.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to violations occurring after the date of the enactment of this Act.

SEC. 113. FRIVOLOUS TAX SUBMISSIONS.

(a) CIVIL PENALTIES.—Section 6702 is amended to read as follows:

"SEC. 6702. FRIVOLOUS TAX SUBMISSIONS.

"(a) CIVIL PENALTY FOR FRIVOLOUS TAX RETURNS.—A person shall pay a penalty of $5,000 if—

"(1) such person files what purports to be a return of a tax imposed by this title but which—

"(A) does not contain information on which the substantial correctness of the self-assessment may be judged, or

"(B) contains information that on its face indicates that the self-assessment is substantially incorrect; and

"(2) the conduct referred to in paragraph (1)—

"(A) is based on a position which the Secretary has identified as frivolous under subsection (c), or

"(B) reflects a desire to delay or impede the administration of Federal tax laws.

"(b) CIVIL PENALTY FOR SPECIFIED FRIVOLOUS SUBMISSIONS.—

"(1) IMPOSITION OF PENALTY.—Except as provided in paragraph (3), any person who submits a specified frivolous submission shall pay a penalty of $5,000.

"(2) SPECIFIED FRIVOLOUS SUBMISSION.—For purposes of this section—

"(A) SPECIFIED FRIVOLOUS SUBMISSION.—The term 'specified frivolous submission' means a specified submission if any portion of such submission—

"(i) is based on a position which the Secretary has identified as frivolous under subsection (c), or

"(ii) reflects a desire to delay or impede the administration of Federal tax laws.

"(B) SPECIFIED SUBMISSION.—The term 'specified submission' means—

"(i) a request for a hearing under—

"(I) section 6320 (relating to notice and opportunity for hearing upon filing of notice of lien), or

"(II) section 6330 (relating to notice and opportunity for hearing before levy), and

"(ii) an application under—

"(I) section 6159 (relating to agreements for payment of tax liability in installments),

"(II) section 7122 (relating to compromises), or

"(III) section 7811 (relating to taxpayer assistance orders).

"(3) OPPORTUNITY TO WITHDRAW SUBMISSION.—If the Secretary provides a person with notice that a submission is a specified frivolous submission and such person withdraws such submission within 30 days after such notice, the penalty imposed under paragraph (1) shall not apply with respect to such submission.

"(c) LISTING OF FRIVOLOUS POSITIONS.—The Secretary shall prescribe (and periodically revise) a list of positions which the Secretary has identified as being frivolous for purposes of this subsection. The Secretary shall not include in such list any position that the Secretary determines meets the requirement of section 6662(d)(2)(B)(ii)(II).

"(d) REDUCTION OF PENALTY.—The Secretary may reduce the amount of any penalty imposed under this section if the Secretary determines that such reduction would promote compliance with and administration of the Federal tax laws.

"(e) PENALTIES IN ADDITION TO OTHER PENALTIES.—The penalties imposed by this section shall be in addition to any other penalty provided by law.".

(b) TREATMENT OF FRIVOLOUS REQUESTS FOR HEARINGS BEFORE LEVY.—

(1) FRIVOLOUS REQUESTS DISREGARDED.—Section 6330 (relating to notice and opportunity for hearing before levy) is amended by adding at the end the following new subsection:

"(g) FRIVOLOUS REQUESTS FOR HEARING, ETC.—Notwithstanding any other provision of this section, if the Secretary determines that any portion of a request for a hearing under this section or section 6320 meets the requirement of olause (i) or (ii) of section 6702(b)(2)(A), then the Secretary may treat such portion as if it were never submitted and such portion shall not be subject to any further administrative or judicial review.".

(2) PRECLUSION FROM RAISING FRIVOLOUS ISSUES AT HEARING.—Section 6330(c)(4) is amended—

(A) by striking "(A)" and inserting "(A)(i)";

(B) by striking "(B)" and inserting "(ii)";

(C) by striking the period at the end of the first sentence and inserting "; or"; and

(D) by inserting after subparagraph (A)(ii) (as so redesignated) the following:

"(B) the issue meets the requirement of clause (i) or (ii) of section 6702(b)(2)(A).". .

(3) STATEMENT OF GROUNDS.—Section 6330(b)(1) is amended by striking "under subsection (a)(3)(B)" and inserting "in writing under subsection (a)(3)(B) and states the grounds for the requested hearing".

(c) TREATMENT OF FRIVOLOUS REQUESTS FOR HEARINGS UPON FILING OF NOTICE OF LIEN.—Section 6320 is amended—

(1) in subsection (b)(1), by striking "under subsection (a)(3)(B)" and inserting "in writing under subsection (a)(3)(B) and states the grounds for the requested hearing", and

(2) in subsection (c), by striking "and (e)" and inserting "(e), and (g)".

(d) Treatment of Frivolous Applications for Offers-in-Compromise and Installment Agreements.—Section 7122 is amended by adding at the end the following new subsection:

"(e) Frivolous Submissions, Etc.—Notwithstanding any other provision of this section, if the Secretary determines that any portion of an application for an offer-in-compromise or installment agreement submitted under this section or section 6159 meets the requirement of clause (i) or (ii) of section 6702(b)(2)(A), then the Secretary may treat such portion as if it were never submitted and such portion shall not be subject to any further administrative or judicial review.".

(e) Clerical Amendment.—The table of sections for part I of subchapter B of chapter 68 is amended by striking the item relating to section 6702 and inserting the following new item:

"Sec. 6702. Frivolous tax submissions.".

(f) Effective Date.—The amendments made by this section shall apply to submissions made and issues raised after the date on which the Secretary first prescribes a list under section 6702(c) of the Internal Revenue Code of 1986, as amended by subsection (a).

SEC. 114. REGULATION OF INDIVIDUALS PRACTICING BEFORE THE DEPARTMENT OF TREASURY.

(a) Censure; Imposition of Penalty.—

(1) In general.—Section 330(b) of title 31, United States Code, is amended—

(A) by inserting ", or censure," after "Department", and

(B) by adding at the end the following new flush sentence:

"The Secretary may impose a monetary penalty on any representative described in the preceding sentence. If the representative was acting on behalf of an employer or any firm or other entity in connection with the conduct giving rise to such penalty, the Secretary may impose a monetary penalty on such employer, firm, or entity if it knew, or reasonably should have known, of such conduct. Such penalty shall not exceed the gross income derived (or to be derived) from the conduct giving rise to the penalty and may be in addition to, or in lieu of, any suspension, disbarment, or censure of the representative.".

(2) Effective date.—The amendments made by this subsection shall apply to actions taken after the date of the enactment of this Act.

(b) Tax Shelter Opinions, Etc.—Section 330 of such title 31 is amended by adding at the end the following new subsection:

"(d) Nothing in this section or in any other provision of law shall be construed to limit the authority of the Secretary of the Treasury to impose standards applicable to the rendering of written advice with respect to any entity, transaction plan or arrangement, or other plan or arrangement, which is of a type which the Secretary determines as having a potential for tax avoidance or evasion.".

SEC. 115. PENALTY ON PROMOTERS OF TAX SHELTERS.

(a) Penalty on Promoting Abusive Tax Shelters.—Section 6700(a) is amended by adding at the end the following new sentence: "Notwithstanding the first sentence, if an activity with respect to which a penalty imposed under this subsection involves a statement described in paragraph (2)(A), the amount of the penalty shall be equal to 50 percent of the gross income derived (or to be derived) from such activity by the person on which the penalty is imposed.".

(b) Effective Date.—The amendment made by this section shall apply to activities after the date of the enactment of this Act.

SEC. 116. STATUTE OF LIMITATIONS FOR TAXABLE YEARS FOR WHICH REQUIRED LISTED TRANSACTIONS NOT REPORTED.

(a) In General.—Section .6501(c) (relating to exceptions) is amended by adding at the end the following new paragraph:

"(10) Listed transactions.—If a taxpayer fails to include on any return or statement for any taxable year any information with respect to a listed transaction (as defined in section 6707A(c)(2)) which is required under section 6011 to be included with such return or statement, the time for assessment of any tax imposed by this title with respect to such transaction shall not expire before the date which is 1 year after the earlier of—

"(A) the date on which the Secretary is furnished the information so required; or

"(B) the date that a material advisor (as defined in section 6111) meets the requirements of section 6112 with respect to a request by the Secretary under section 6112(b) relating to such transaction with respect to such taxpayer.".

(b) Effective Date.—The amendment made by this section shall apply to taxable years with respect to which the period for assessing a deficiency did not expire before the date of the enactment of this Act.

SEC. 117. DENIAL OF DEDUCTION FOR INTEREST ON UNDERPAYMENTS ATTRIBUTABLE TO NONDISCLOSED REPORTABLE AND NONECONOMIC SUBSTANCE TRANSACTIONS.

(a) In General.—Section 163 (relating to deduction for interest) is amended by redesignating subsection (m) as subsection (n) and by inserting after subsection (l) the following new subsection:

"(m) Interest on Unpaid Taxes Attributable to Nondisclosed Reportable Transactions and Noneconomic Substance Transactions.—No deduction shall be allowed under this chapter for any interest paid or accrued under section 6601 on any underpayment of tax which is attributable to—

"(1) the portion of any reportable transaction understatement (as defined in section 6662A(b)) with respect to which the requirement of section 6664(d)(2)(A) is not met, or

"(2) any noneconomic substance transaction understatement (as defined in section 6662B(c)).".

(b) Effective Date.—The amendments made by this section shall apply to transactions in taxable years beginning after the date of the enactment of this Act.

SEC. 118. AUTHORIZATION OF APPROPRIATIONS FOR TAX LAW ENFORCEMENT.

There is authorized to be appropriated $300,000,000 for each fiscal year beginning after September 30, 2003, for the purpose of carrying out tax law enforcement to combat tax avoidance transactions and other tax shelters, including the use of offshore financial accounts to conceal taxable income.

TITLE II—OTHER CORPORATE GOVERNANCE PROVISIONS

SEC. 201. AFFIRMATION OF CONSOLIDATED RETURN REGULATION AUTHORITY.

(a) In General.—Section 1502 (relating to consolidated return regulations) is amended by adding at the end the following new sentence: "In prescribing such regulations, the Secretary may prescribe rules applicable to corporations filing consolidated returns under section 1501 that are different from other provisions of this title that would apply if such corporations filed separate returns.".

(b) Result Not Overturned.—Notwithstanding subsection (a), the Internal Revenue Code of 1986 shall be construed by treating Treasury regulation §1.1502–20(c)(1)(iii) (as in effect on January 1, 2001) as being inapplicable to the type of factual situation in 255 F.3d 1357 (Fed. Cir. 2001).

(c) Effective Date.—The provisions of this section shall apply to taxable years beginning before, on, or after the date of the enactment of this Act.

SEC. 202. SIGNING OF CORPORATE TAX RETURNS BY CHIEF EXECUTIVE OFFICER.

(a) In General.—Section 6062 (relating to signing of corporation returns) is amended by inserting after the first sentence the following new sentences: "The return of a corporation with respect to income shall also include a declaration signed by the chief executive officer of such corporation (or other such officer of the corporation as the Secretary may designate if the corporation does not have a chief executive officer), under penalties of perjury, that the chief executive officer ensures that such return complies with this title and that the chief executive officer was provided reasonable assurance of the accuracy of all material aspects of such return. The preceding sentence shall not apply to any return of a regulated investment company (within the meaning of section 851).".

(b) Effective Date.—The amendment made by this section shall apply to returns filed after the date of the enactment of this Act.

SEC. 203. DENIAL OF DEDUCTION FOR CERTAIN FINES, PENALTIES, AND OTHER AMOUNTS.

(a) In General.—Subsection (f) of section 162 (relating to trade or business expenses) is amended to read as follows:

"(f) Fines, Penalties, and Other Amounts.—

"(1) In general.—Except as provided in paragraph (2), no deduction otherwise allowable shall be allowed under this chapter for any amount paid or incurred (whether by suit, agreement, or otherwise) to, or at the direction of, a government or entity described in paragraph (4) in relation to the violation of any law or the investigation or inquiry by such government or entity into the potential violation of any law.

"(2) Exception for amounts constituting restitution.—Paragraph (1) shall not apply to any amount which the taxpayer establishes constitutes restitution for damage or harm caused by the violation of any law or the potential violation of any law. This paragraph shall not apply to any amount paid or incurred as reimbursement to the government or entity for the costs of any investigation or litigation.

"(3) Exception for amounts paid or incurred as the result of certain court orders.—Paragraph (1) shall not apply to any amount paid or incurred by order of a court in a suit in which no government or entity described in paragraph (4) is a party.

"(4) Certain nongovernmental regulatory entities.—An entity is described in this paragraph if it is—

"(A) a nongovernmental entity which exercises self-regulatory powers (including imposing sanctions) in connection with a qualified board or exchange (as defined in section 1256(g)(7)), or

"(B) to the extent provided in regulations, a nongovernmental entity which exercises self-regulatory powers (including imposing sanctions) as part of performing an essential governmental function.".

(b) Effective Date.—The amendment made by this section shall apply to amounts paid or incurred after April 27, 2003, except that such amendment shall not apply to amounts paid or incurred under any binding order or agreement entered into on or before April 27, 2003. Such exception shall not apply to an order or agreement requiring court approval unless the approval was obtained on or before April 27, 2003.

SEC. 204. DISALLOWANCE OF DEDUCTION FOR PUNITIVE DAMAGES.

(a) Disallowance of Deduction.—

(1) In general.—Section 162(g) (relating to treble damage payments under the antitrust laws) is amended by adding at the end the following new paragraph:

"(2) Punitive damages.—No deduction shall be allowed under this chapter for any amount paid or incurred for punitive damages in connection with any judgment in, or settlement of, any action. This paragraph shall not apply to punitive damages described in section 104(c).".

(2) Conforming amendments.—

(A) Section 162(g) is amended—

(i) by striking "If" and inserting:

"(1) Treble damages.—If", and

(ii) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively.

(B) The heading for section 162(g) is amended by inserting "or Punitive Damages" after "Laws".

(b) Inclusion in Income of Punitive Damages Paid by Insurer or Otherwise.—

(1) In general.—Part II of subchapter B of chapter 1 (relating to items specifically included in gross income) is amended by adding at the end the following new section:

"SEC. 91. PUNITIVE DAMAGES COMPENSATED BY INSURANCE OR OTHERWISE.

"Gross income shall include any amount paid to or on behalf of a taxpayer as insurance or otherwise by reason of the taxpayer's liability (or agreement) to pay punitive damages.".

(2) Reporting requirements.—Section 6041 (relating to information at source) is amended by adding at the end the following new subsection:

"(f) Section To Apply to Punitive Damages Compensation.—This section shall apply to payments by a person to or on behalf of another person as insurance or otherwise by reason of the other person's liability (or agreement) to pay punitive damages.".

(3) Conforming amendment.—The table of sections for part II of subchapter B of chapter 1 is amended by adding at the end the following new item:

"Sec. 91. Punitive damages compensated by insurance or otherwise.".

(c) Effective Date.—The amendments made by this section shall apply to damages paid or incurred on or after the date of the enactment of this Act.

SEC. 205. INCREASE IN CRIMINAL MONETARY PENALTY LIMITATION FOR THE UNDERPAYMENT OR OVERPAYMENT OF TAX DUE TO FRAUD.

(a) In General.—Section 7206 (relating to fraud and false statements) is amended—

(1) by striking "Any person who—" and inserting "(a) In General.—Any person who—", and

(2) by adding at the end the following new subsection:

"(b) Increase in Monetary Limitation for Underpayment or Overpayment of Tax Due To Fraud.—If any portion of any underpayment (as defined in section 6664(a)) or overpayment (as defined in section 6401(a)) of tax required to be shown on a return is attributable to fraudulent action described in subsection (a), the applicable dollar amount under subsection (a) shall in no event be less than an amount equal to such portion. A rule similar to the rule under section 6663(b) shall apply for purposes of determining the portion so attributable.".

(b) Increase in Penalties.—

(1) Attempt to evade or defeat tax.—Section 7201 is amended—

(A) by striking "$100,000" and inserting "$250,000",

(B) by striking "$500,000" and inserting "$1,000,000", and

(C) by striking "5 years" and inserting "10 years".

(2) Willful failure to file return, supply information, or pay tax.—Section 7203 is amended—

(A) in the first sentence—

(i) by striking "misdemeanor" and inserting "felony", and

(ii) by striking "1 year" and inserting "10 years", and

(B) by striking the third sentence.

(3) Fraud and false statements.—Section 7206(a) (as redesignated by subsection (a)) is amended—

(A) by striking "$100,000" and inserting "$250,000",

(B) by striking "$500,000" and inserting "$1,000,000", and

(C) by striking "3 years" and inserting "5 years".

(c) Effective Date.—The amendments made by this section shall apply to underpayments and overpayments attributable to actions occurring after the date of the enactment of this Act.

TITLE III—ENRON-RELATED TAX SHELTER PROVISIONS

SEC. 301. LIMITATION ON TRANSFER OR IMPORTATION OF BUILT-IN LOSSES.

(a) In General.—Section 362 (relating to basis to corporations) is amended by adding at the end the following new subsection:

"(e) Limitations on Built-In Losses.—

"(1) Limitation on importation of built-in losses.—

"(A) In general.—If in any transaction described in subsection (a) or (b) there would (but for this subsection) be an importation of a net built-in loss, the basis of each property described in subparagraph (B) which is acquired in such transaction shall (notwithstanding subsections (a) and (b)) be its fair market value immediately after such transaction.

"(B) Property described.—For purposes of subparagraph (A), property is described in this subparagraph if—

"(i) gain or loss with respect to such property is not subject to tax under this subtitle in the hands of the transferor immediately before the transfer, and

"(ii) gain or loss with respect to such property is subject to such tax in the hands of the transferee immediately after such transfer.

In any case in which the transferor is a partnership, the preceding sentence shall be applied by treating each partner in such partnership as holding such partner's proportionate share of the property of such partnership.

"(C) Importation of net built-in loss.—For purposes of subparagraph (A), there is an importation of a net built-in loss in a transaction if the transferee's aggregate adjusted bases of property described in subparagraph (B) which is transferred in such transaction would (but for this paragraph) exceed the fair market value of such property immediately after such transaction.".

"(2) Limitation on transfer of built-in losses in section 351 transactions.—

"(A) In general.—If—

"(i) property is transferred by a transferor in any transaction which is described in subsection (a) and which is not described in paragraph (1) of this subsection, and

"(ii) the transferee's aggregate adjusted bases of such property so transferred would (but for this paragraph) exceed the fair market value of such property immediately after such transaction,

then, notwithstanding subsection (a), the transferee's aggregate adjusted bases of the property so transferred shall not exceed the fair market value of such property immediately after such transaction.

"(B) Allocation of basis reduction.—The aggregate reduction in basis by reason of subparagraph (A) shall be allocated among the property so transferred in proportion to their respective built-in losses immediately before the transaction.

"(C) Exception for transfers within affiliated group.—Subparagraph (A) shall not apply to any transaction if the transferor owns stock in the transferee meeting the requirements of section 1504(a)(2). In the case of property to which subparagraph (A) does not apply by reason of the preceding sentence, the transferor's basis in the stock received for such property shall not exceed its fair market value immediately after the transfer.".

(b) Comparable Treatment Where Liquidation.—Paragraph (1) of section 334(b) (relating to liquidation of subsidiary) is amended to read as follows:

"(1) In general.—If property is received by a corporate distributee in a distribution in a complete liquidation to which section 332 applies (or in a transfer described in section 337(b)(1)), the basis of such property in the hands of such distributee shall be the same as it would be in the hands of the transferor; except that the basis of such property in the hands of such distributee shall be the fair market value of the property at the time of the distribution—

"(A) in any case in which gain or loss is recognized by the liquidating corporation with respect to such property, or

"(B) in any case in which the liquidating corporation is a foreign corporation, the corporate distributee is a domestic corporation, and the corporate distributee's aggregate adjusted bases of property described in section 362(e)(1)(B) which is distributed in such liquidation would (but for this subparagraph) exceed the fair market value of such property immediately after such liquidation.".

(c) Effective Date.—The amendments made by this section shall apply to transactions after February 13, 2003.

SEC. 302. NO REDUCTION OF BASIS UNDER SECTION 734 IN STOCK HELD BY PARTNERSHIP IN CORPORATE PARTNER.

(a) In General.—Section 755 is amended by adding at the end the following new subsection:

"(c) No Allocation of Basis Decrease to Stock of Corporate Partner.—In making an allocation under subsection (a) of any decrease in the adjusted basis of partnership property under section 734(b)—

"(1) no allocation may be made to stock in a corporation (or any person which is related (within the meaning of section 267(b) or 707(b)(1)) to such corporation) which is a partner in the partnership, and

"(2) any amount not allocable to stock by reason of paragraph (1) shall be allocated under subsection (a) to other partnership property in such manner as the Secretary may prescribe.

Gain shall be recognized to the partnership to the extent that the amount required to be allocated under paragraph (2) to other partnership property exceeds the aggregate adjusted basis of such other property immediately before the allocation required by paragraph (2).".

(b) Effective Date.—The amendment made by this section shall apply to distributions after February 13, 2003.

SEC. 303. REPEAL OF SPECIAL RULES FOR FASITS.

(a) In General.—Part V of subchapter M of chapter 1 (relating to financial asset securitization investment trusts) is hereby repealed.

(b) Conforming Amendments.—

(1) Paragraph (6) of section 56(g) is amended by striking "REMIC, or FASIT" and inserting "or REMIC".

(2) Clause (ii) of section 382(l)(4)(B) is amended by striking "a REMIC to which part IV of subchapter M applies, or a FASIT to which part V of subchapter M applies," and inserting "or a REMIC to which part IV of subchapter M applies,".

(3) Paragraph (1) of section 582(c) is amended by striking ", and any regular interest in a FASIT,".

(4) Subparagraph (E) of section 856(c)(5) is amended by striking the last sentence.

(5)(A) Section 860G(a)(1) is amended by adding at the end the following new sentence: "An interest shall not fail to qualify as a regular interest solely because the specified principal amount of the regular interest (or the amount of interest accrued on the regular interest) can be reduced as a result of the nonoccurrence of 1 or more contingent payments with respect to any reverse mortgage loan held by the REMIC if, on the startup day for the REMIC, the sponsor reasonably believes that all principal and interest due under the regular interest will be paid at or prior to the liquidation of the REMIC.".

(B) The last sentence of section 860G(a)(3) is amended by inserting ", and any reverse mortgage loan (and each balance increase on such loan meeting the requirements of subparagraph (A)(iii)) shall be treated as an obligation secured by an interest in real property" before the period at the end.

(6) Paragraph (3) of section 860G(a) is amended by adding "and" at the end of subparagraph (B), by striking ", and" at the end of subparagraph (C) and inserting a period, and by striking subparagraph (D).

(7) Section 860G(a)(3), as amended by paragraph (6), is amended by adding at the end the following new sentence: "For purposes of subparagraph (A), if more than 50 percent of the obligations transferred to, or purchased by, the REMIC are originated by the United States or any State (or any political subdivision, agency, or instrumentality of the United States or any State) and are principally secured by an interest in real property, then each obligation transferred to, or purchased by, the REMIC shall be treated as secured by an interest in real property.".

(8)(A) Section 860G(a)(3)(A) is amended by striking "or" at the end of clause (i), by inserting "or" at the end of clause (ii), and by inserting after clause (ii) the following new clause:

"(iii) represents an increase in the principal amount under the original terms of an obligation described in clause (i) or (ii) if such increase—

"(I) is attributable to an advance made to the obligor pursuant to the original terms of the obligation,

"(II) occurs after the startup day, and

"(III) is purchased by the REMIC pursuant to a fixed price contract in effect on the startup day.".

(B) Section 860G(a)(7)(B) is amended to read as follows:

"(B) Qualified reserve fund.—For purposes of subparagraph (A), the term 'qualified reserve fund' means any reasonably required reserve to—

"(i) provide for full payment of expenses of the REMIC or amounts due on regular interests in the event of defaults on qualified mortgages or lower than expected returns on cash flow investments, or

"(ii) provide a source of funds for the purchase of obligations described in clause (ii) or (iii) of paragraph (3)(A).

The aggregate fair market value of the assets held in any such reserve shall not exceed 50 percent of the aggregate fair market value of all of the assets of the REMIC on the startup day, and the amount of any such reserve shall be promptly and appropriately reduced to the extent the amount held in such reserve is no longer reasonably required for purposes specified in clause (i) or (ii) of paragraph (3)(A).".

(9) Subparagraph (C) of section 1202(e)(4) is amended by striking "REMIC, or FASIT" and inserting "or REMIC".

(10) Section 1272(a)(6)(B) is amended by adding at the end the following new flush sentence:

"For purposes of clause (iii), the Secretary shall prescribe regulations permitting the use of a current prepayment assumption, determined as of the close of the accrual period (or such other time as the Secretary may prescribe during the taxable year in which the accrual period ends).".

(11) Subparagraph (C) of section 7701(a)(19) is amended by adding "and" at the end of clause (ix), by striking ", and" at the end of clause (x) and inserting a period, and by striking clause (xi).

(12) The table of parts for subchapter M of chapter 1 is amended by striking the item relating to part V.

(c) Effective Date.—

(1) In general.—Except as provided in paragraph (2), the amendments made by this section shall take effect on February 14, 2003.

(2) Exception for existing FASITs.—

(A) In general.—Paragraph (1) shall not apply to any FASIT in existence on the date of the enactment of this Act to the extent that regular interests issued by the FASIT before such date continue to remain outstanding in accordance with the original terms of issuance.

(B) Transfer of additional assets not permitted.—Except as provided in regulations prescribed by the Secretary of the Treasury or the Secretary's delegate, subparagraph (A) shall cease to apply as of the earliest date after the date of the enactment of this Act that any property is transferred to the FASIT.

SEC. 304. EXPANDED DISALLOWANCE OF DEDUCTION FOR INTEREST ON CONVERTIBLE DEBT.

(a) In General.—Paragraph (2) of section 163(l) is amended by striking "or a related party" and inserting "or equity held by the issuer (or any related party) in any other person".

(b) Capitalization Allowed With Respect to Equity of Persons Other Than Issuer and Related Parties.—Section 163(l) is amended by redesignating paragraphs (4) and (5) as paragraphs (5) and (6) and by inserting after paragraph (3) the following new paragraph:

"(4) Capitalization allowed with respect to equity of persons other than issuer and related parties.—If the disqualified debt instrument of a corporation is payable in equity held by the issuer (or any related party) in any other person (other than a related party), the basis of such equity shall be increased by the amount not allowed as a deduction by reason of paragraph (1) with respect to the instrument.".

(c) Exception for Certain Instruments Issued by Dealers In Securities.—Section 163(l), as amended by subsection (b), is amended by redesignating paragraphs (5) and (6) as paragraphs (6) and (7) and by inserting after paragraph (4) the following new paragraph:

"(5) Exception for certain instruments issued by dealers in securities.—For purposes of this subsection, the term 'disqualified debt instrument' does not include indebtedness issued by a dealer in securities (or a related party) which is payable in, or by reference to, equity (other than equity of the issuer or a related party) held by such dealer in its capacity as a dealer in securities. For purposes of this paragraph, the term 'dealer in securities' has the meaning given such term by section 475.".

(c) Conforming Amendments.—Paragraph (3) of section 163(l) is amended—

(1) by striking "or a related party" in the material preceding subparagraph (A) and inserting "or any other person", and

(2) by striking "or interest" each place it appears.

(d) Effective Date.—The amendments made by this section shall apply to debt instruments issued after February 13, 2003.

SEC. 305. EXPANDED AUTHORITY TO DISALLOW TAX BENEFITS UNDER SECTION 269.

(a) In General.—Subsection (a) of section 269 (relating to acquisitions made to evade or avoid income tax) is amended to read as follows:

"(a) In General.—If—

"(1)(A) any person or persons acquire, directly or indirectly, control of a corporation, or

"(B) any corporation acquires, directly or indirectly, property of another corporation and the basis of such property, in the hands of the acquiring corporation, is determined by reference to the basis in the hands of the transferor corporation, and

"(2) the principal purpose for which such acquisition was made is evasion or avoidance of Federal income tax,

then the Secretary may disallow such deduction, credit, or other allowance. For purposes of paragraph (1)(A), control means the ownership of stock possessing at least 50 percent of the total combined voting power of all classes of stock entitled to vote or at least 50 percent of the total value of all shares of all classes of stock of the corporation.".

(b) Effective Date.—The amendment made by this section shall apply to stock and property acquired after February 13, 2003.

SEC. 306. MODIFICATION OF INTERACTION BETWEEN SUBPART F AND PASSIVE FOREIGN INVESTMENT COMPANY RULES.

(a) Limitation on Exception From PFIC Rules for United States Shareholders of Controlled Foreign Corporations.—Paragraph (2) of section 1297(e) (relating to passive foreign investment company) is amended by adding at the end the following flush sentence:

"Such term shall not include any period if the earning of subpart F income by such corporation during such period would result in only a remote likelihood of an inclusion in gross income under section 951(a)(1)(A)(i).".

(b) Effective Date.—The amendment made by this section shall apply to taxable years of controlled foreign corporations beginning after February 13, 2003, and to taxable years of United States shareholders with or within which such taxable years of controlled foreign corporations end.

Mr. GRASSLEY. Mr. President, I rise today to co-sponsor legislation, the "Tax Shelter Transparency and Enforcement Act"to address the continuing proliferation of tax shelters. This bill reflects tax shelter measures that have been passed by the Senate Finance Committee in the Jobs and Growth Tax Relief Act of 2003, the CARE Act, the JOBS Act, and the Energy bill. The full Senate has passed these shelters provisions twice this year.

We have known for many years that abusive tax shelters, which are structured to exploit unintended consequences of our complicated Federal income tax system, erode the federal tax base and the public's confidence in the tax system. Such transactions are patently unfair to the vast majority of taxpayers who do their best to comply with the letter and spirit of the tax law. The Finance Committee produced its first draft of tax shelter legislation in 1999, and has produced several subsequent bills, each of which were enhanced to attack new developments in abusive tax shelters. The most recent Finance Committee bill was the Tax Shelter Transparency Act in May 2002. Today's bill builds on that 2002 legislation by adding certain corporate governance provisions, the recommendations from the Finance Committee's tax shelter investigation of Enron, and a proposal to clarify the judicial economic substance doctrine.

The Finance Committee has worked exceedingly hard over many several years to develop a legislative response to tax shelters, and the bill we offer today may not be the final word in that response. Thoughtful and well-considered comments on the provisions in this bill have been greatly appreciated by the staff and members of the Finance Committee, and will be considered in further refining today's bill, particularly with respect to clarification of the economic substance doctrine.

In our ongoing efforts to end tax shelters, we have attacked the issue on several fronts. We have introduced numerous measures to end specific shelter abuses as they are discovered. We have offered legislation attacking corporate inversions, individual expatiations, and corporate deductions for phony leases of tax-payer funded subways, bridges, and water lines. I have pursued public disclosure of the differences in the income on financial statements reported by public companies to their shareholders, and the income the company reports to the IRS on its tax return. I have written to the President, Treasury and SEC to encourage them to consider this idea.

During the Senate's 2002 deliberation of the Sarbanes-Oxley bill, I attempted to add an amendment that would have prohibited auditors from opining on the financial statement results of tax shelters that they had sold to an audit client. I was blocked in my attempt to offer that amendment, with several members expressing skepticism about the need for such a measure. I suspect that today, however, few members would have such reservations.

On October 21st, 2003, the Senate Finance Committee conducted a hearing to determine if tax shelters were a continuing problem. Not only are they continuing, they are now expanding to mid-level companies and wealthy individuals, many of whom have been duped into engaging in shelter transactions. During our hearing, we heard testimony from taxpayers who relied on reputable tax professionals and accounting firms for sound tax advice, but unknowingly purchased tax shelters that were peddled by those trusted professionals through a web of collusion and deception. We also heard from employees of large accounting firms and major corporations who testified regarding the pressure exerted on them to bless transactions that, in their professional opinions, would constitute abusive tax shelters. The price for their integrity was the loss of their jobs and the ruin of their career. Tax shelter abuse must be stopped for the sake of fairness, the integrity of our tax system, and the protection of honest tax professionals.

Our years of work on this issue was recently reaffirmed in a hearing before the Permanent Subcommittee on Investigations, which explored abusive shelters that were promoted by purportedly reputable tax lawyers and accounting firms. Following that hearing, there has been considerable discussion of promoting an amendment similar to the one I offered in 2002 during the Sarbanes-Oxley debate, and I am appreciative of that effort. I hope we are able to construct a measure that can be readily enforced by the Public Accounting Oversight Board and the SEC, even though that agency lacks expertise in, or jurisdiction over, federal tax matters.

At its core, however, the problem is not an SEC matter, but is a problem of ongoing abuse of the tax code by very smart people doing some very ugly business. The only way to end this problem is to put it out in the open. Even the most cynical tax advisor does not want their dirty laundry in the public eye, particularly if that public includes the IRS. That is why disclosure of abusive or potentially abusive transactions is so important in solving this problem.

The Tax Shelter Transparency and Enforcement Act requires taxpayer disclosure of potentially abusive tax avoidance transactions. It is surprising and unfortunate that taxpayers, though required to disclose tax shelter transactions under present law, have refused to comply. The Tax Shelter Transparency and Enforcement Act will curb non-compliance by providing clearer and more objective rules for the reporting of potential tax shelters and by providing strong penalties for anyone who refuses to comply with the revised disclosure requirements.

The legislation has been carefully structured to reward those who are forthcoming with disclosure. I wholeheartedly agree with the remarks offered by a former Treasury Assistant Secretary for Tax Policy, that "if a taxpayer is comfortable entering into a transaction, a promoter is comfortable selling it, and an advisor is comfortable blessing it, they all should be comfortable disclosing it to the IRS." Transparency is essential to an evaluation by the IRS and ultimately by the Congress of the United States as to whether the tax benefits generated by complex business transactions are appropriate interpretations of existing tax law.

It is time to get this bill done. The Finance Committee has worked on rooting out tax shelters for nearly five years, and we have debated the issue long enough. The time to act is now. I will vigorously pursue enactment of an anti-tax shelters bill in the upcoming year. I think we can all take pride in the Senate's consistent action of passing the measures in today's bill. We must press forward to put a final end to the seemingly endless abuse of tax shelters.

By Mr. CORZINE (for himself, Mr. SCHUMER, Mr. LAUTENBERG, and Mr. REED):

S. 1938. A bill to amend the Forest and Rangeland Renewable Resources Planning Act of 1974 and related laws to strengthen the protection of native biodiversity and ban clearcutting on Federal land, and to designate certain Federal land as Ancient forests, roadless areas, watershed protection areas, and special areas where logging and other intrusive activities are prohibited; to the Committee on Energy and Natural Resources.

Mr. CORZINE. Mr. President, today along with Senators SCHUMER, LAUTENBERG, and REED, I am introducing the Act to Save America's Forests. This important legislation is designed to protect our national forests from needless clearcutting, safeguard our roadless areas, and preserve the last remaining stands of Ancient forests in this country.

There used to be over one billion acres of forest on the land that is now the United States. Over 95 percent of that original forest has been logged, and less than one percent is in a form large enough to support all the native plants and animals. This land is under continuous threat, and if we don't act now to protect these Ancient forests we might lose many of them forever.

Our national forests also are under attack by clearcutting. Removing huge groups of trees at once creates a blighted landscape, destroys wildlife habitats, increases soil erosion, and degrades water quality. In the last ten years, over a quarter-million acres of our national forests were clearcut. Clearcutting destroys a vibrant, ecologically diverse natural forest, which is usually replaced, if at all, with a single species tree farm: tightly packed rows of the most profitable trees. This is forest management focused solely on economics, not ecology. And it is not the way to save America's forests.

This bill is a balanced, scientific approach to forest management. It bans all logging operations in roadless areas, Ancient forests, and forests that have extraordinary biological, scenic, or recreational values. These are our most fragile ecosystems and need to be protected. This bill also bans clearcutting in our national forests except in specific cases where complete removal of non-native invasive tree species is ecologically necessary.

However, this bill does not ban all logging in our national forests. It allows a method of logging called "selection management," which cuts individual trees instead of the whole forest, leaving a healthy, diverse woodland. Selection management is less harmful to the soil, less destructive to wildlife, and less disturbing to people who enjoy the scenic beauty of our forests. Selection management can be sustainable and profitable, as demonstrated by a number of private forests around the country.

This legislation emphasizes biodiversity and sustainable management, allowing ecologically sound logging practices in some of our national forestland and fully protecting the rest. That's why over 600 scientists, including Dr. Jane Goodall and Dr. E.O. Wilson, and the Union of Concerned Scientists, support this bill. I am proud to introduce this legislation to protect and restore America's public forests, and I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1938

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the "Act to Save America's Forests".

(b) Table of Contents.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings and purposes.

TITLE I—LAND MANAGEMENT

Sec. 101. Committee of scientists.
Sec. 102. Continuous forest inventory.
Sec. 103. Administration and management.
Sec. 104. Conforming amendments.

TITLE II—PROTECTION FOR ANCIENT FORESTS, ROADLESS AREAS, WATERSHED PROTECTION AREAS, AND SPECIAL AREAS

Sec. 201. Findings.
Sec. 202. Definitions.
Sec. 203. Designation of special areas.
Sec. 204. Restrictions on management activities in Ancient forests, roadless areas, watershed protection areas, and special areas.

TITLE III—EFFECTIVE DATE

Sec. 301. Effective date.
Sec. 302. Effect on existing contracts.
Sec. 303. Wilderness act exclusion.

SEC. 2. FINDINGS AND PURPOSES.

(a) Findings.—Congress finds that—

(1) Federal agencies that permit clearcutting and other forms of even-age logging operations include the Forest Service, the United States Fish and Wildlife Service, and the Bureau of Land Management;

(2) clearcutting and other forms of even-age logging operations cause substantial alterations in native biodiversity by—

(A) emphasizing the production of a limited number of commercial species, and often only a single species, of trees on each site;

(B) manipulating the vegetation toward greater relative density of the commercial species;

(C) suppressing competing species; and

(D) requiring the planting, on numerous sites, of a commercial strain of the species that reduces the relative diversity of other genetic strains of the species that were traditionally located on the same sites;

(3) clearcutting and other forms of even-age logging operations—

(A) frequently lead to the death of immobile species and the very young of mobile species of wildlife; and

(B) deplete the habitat of deep-forest species of animals, including endangered species and threatened species;

(4)(A) clearcutting and other forms of even-age logging operations—

(i) expose the soil to direct sunlight and the impact of precipitation;

(ii) disrupt the soil surface;

(iii) compact organic layers; and

(iv) disrupt the run-off restraining capabilities of roots and low-lying vegetation, resulting in soil erosion, the leaching of nutrients, a reduction in the biological content of soil, and the impoverishment of soil; and

(B) all of the consequences described in subparagraph (A) have a long-range deleterious effect on all land resources, including timber production;

(5) clearcutting and other forms of even-age logging operations aggravate global climate change by—

(A) decreasing the capability of the soil to retain carbon; and

(B) during the critical periods of felling and site preparation, reducing the capacity of the biomass to process and to store carbon, with a resultant loss of stored carbon to the atmosphere;

(6) clearcutting and other forms of even-age logging operations render soil increasingly sensitive to acid deposits by causing a decline of soil wood and coarse woody debris;

(7) a decline of solid wood and coarse woody debris reduces the capacity of soil to retain water and nutrients, which in turn increases soil heat and impairs soil's ability to maintain protective carbon compounds on the soil surface;

(8) clearcutting and other forms of even-age logging operations result in—

(A) increased stream sedimentation and the silting of stream bottoms;

(B) a decline in water quality;

(C) the impairment of life cycles and spawning processes of aquatic life from benthic organisms to large fish; and

(D) as a result of the effects described in subparagraphs (A) through (C), a depletion of the sport and commercial fisheries of the United States;

(9) clearcutting and other forms of even-age management of Federal forests disrupt natural disturbance regimes that are critical to ecosystem function;

(10) clearcutting and other forms of even-age logging operations increase harmful edge effects, including—

(A) blowdowns;

(B) invasions by weed species; and

(C) heavier losses to predators and competitors;

(11) by reducing the number of deep, canopied, variegated, permanent forests, clearcutting and other forms of even-age logging operations—

(A) limit areas where the public can satisfy an expanding need for recreation; and

(B) decrease the recreational value of land;

(12) clearcutting and other forms of even-age logging operations replace forests described in paragraph (11) with a surplus of clearings that grow into relatively impenetrable thickets of saplings, and then into monoculture tree plantations;

(13) because of the harmful and, in many cases, irreversible, damage to forest species and forest ecosystems caused by logging of Ancient and roadless forests, clearcutting, and other forms of even-age management, it is important that these practices be halted based on the precautionary principle;

(14) human beings depend on native biological resources, including plants, animals, and micro-organisms—

(A) for food, medicine, shelter, and other important products; and

(B) as a source of intellectual and scientific knowledge, recreation, and aesthetic pleasure;

(15) alteration of native biodiversity has serious consequences for human welfare, as the United States irretrievably loses resources for research and agricultural, medicinal, and industrial development;

(16) alteration of biodiversity in Federal forests adversely affects the functions of ecosystems and critical ecosystem processes that—

(A) moderate climate;

(B) govern nutrient cycles and soil conservation and production;

(C) control pests and diseases; and

(D) degrade wastes and pollutants;

(17)(A) clearcutting and other forms of even-age management operations have significant deleterious effects on native biodiversity, by reducing habitat and food for cavity-nesting birds and insectivores such as the 3-toed woodpecker and hairy woodpecker and for neotropical migratory bird species; and

(B) the reduction in habitat and food supply could disrupt the lines of dependency among species and their food resources and thereby jeopardize critical ecosystem function, including limiting outbreaks of destructive insect populations; for example—

(i) the 3-toed woodpecker requires clumped snags in spruce-fir forests, and 99 percent of its winter diet is composed of insects, primarily spruce beetles; and

(ii) a 3-toed woodpecker can consume as much as 26 percent of the brood of an endemic population of spruce bark beetle and reduce brood survival of the population by 70 to 79 percent;

(18) the harm of clearcutting and other forms of even-age logging operations on the natural resources of the United States and the quality of life of the people of the United States is substantial, severe, and avoidable;

(19) by substituting selection management, as required by this Act, for clearcutting and other forms of even-age logging operations, the Federal agencies involved with those logging operations would substantially reduce devastation to the environment and improve the quality of life of the people of the United States;

(20) selection management—

(A) retains natural forest structure and function;

(B) focuses on long-term rather than short-term management;

(C) works with, rather than against, the checks and balances inherent in natural processes; and

(D) permits the normal, natural processes in a forest to allow the forest to go through the natural stages of succession to develop a forest with old growth ecological functions;

(21) by protecting native biodiversity, as required by this Act, Federal agencies would maintain vital native ecosystems and improve the quality of life of the people of the United States;

(22) selection logging—

(A) is more job intensive, and therefore provides more employment than clearcutting and other forms of even-age logging operations to manage the same quantity of timber production; and

(B) produces higher quality sawlogs than clearcutting and other forms of even-age logging operations; and

(23) the judicial remedies available to enforce Federal forest laws are inadequate, and should be strengthened by providing for injunctions, declaratory judgments, statutory damages, and reasonable costs of suit.

(b) Purpose.—The purpose of this Act is to conserve native biodiversity and protect all native ecosystems on all Federal land against losses that result from—

(1) clearcutting and other forms of even-age logging operations; and

(2) logging in Ancient forests, roadless areas, watershed protection areas, and special areas.

TITLE I—LAND MANAGEMENT

SEC. 101. COMMITTEE OF SCIENTISTS.

Section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1604) is amended by striking subsection (h) and inserting the following:

"(h) Committee of Scientists.—

"(1) In general.—To carry out subsection (g), the Secretary shall appoint a committee composed of scientists—

"(A) who are not officers or employees of the Forest Service, of any other public entity, or of any entity engaged in whole or in part in the production of wood or wood products;

"(B) not more than one-third of whom have contracted with or represented any entity described in subparagraph (A) during the 5-year period ending on the date of the proposed appointment to the committee; and

"(C) not more than one-third of whom are foresters.

"(2) Qualifications of foresters.—A forester appointed to the committee shall be an individual with—

"(A) extensive training in conservation biology; and

"(B) field experience in selection management.

"(3) Duties.—The committee shall provide scientific and technical advice and counsel on proposed guidelines and procedures and all other issues involving forestry and native biodiversity to promote an effective interdisciplinary approach to forestry and native biodiversity.

"(4) Termination.—The committee shall terminate on the date that is 10 years after the date of enactment of the Act to Save America's Forests."

SEC. 102. CONTINUOUS FOREST INVENTORY.

(a) In General.—Not later than 2 years after the date of enactment of this Act, each of the Chief of the Forest Service, the Director of the United States Fish and Wildlife Service, and the Director of the Bureau of Land Management (referred to individually as an "agency head") shall prepare a continuous inventory of forest land administered by those agency heads, respectively.

(b) Requirements.—A continuous forest inventory shall constitute a long-term monitoring and inventory system that—

(1) is contiguous throughout affected Federal forest land; and

(2) is based on a set of permanent plots that are inventoried every 10 years to—

(A) assess the impacts that human activities are having on management of the ecosystem;

(B) gauge—

(i) floristic and faunistic diversity, abundance, and dominance; and

(ii) economic and social value; and

(C) monitor changes in the age, structure, and diversity of species of trees and other vegetation.

(c) Decennial Inventories.—Each decennial inventory under subsection (b)(2) shall be completed not more than 60 days after the date on which the inventory is begun.

(d) National Academy of Sciences.—In preparing a continuous forest inventory, an agency head may use the services of the National Academy of Sciences to—

(1) develop a system for the continuous forest inventory by which certain guilds or indicator species are measured; and

(2) identify any changes to the continuous forest inventory that are necessary to ensure that the continuous forest inventory is consistent with the most accurate scientific methods.

(e) Whole-System Measures.—At the end of each forest planning period, an agency head shall document whole-system measures that will be taken as a result of a decennial inventory.

(f) Public Availability.—Results of a continuous forest inventory shall be made available to the public without charge.

SEC. 103. ADMINISTRATION AND MANAGEMENT.

The Forest and Rangeland Renewable Resources Planning Act of 1974 is amended by adding after section 6 (16 U.S.C. 1604) the following:

"SEC. 6A. CONSERVATION OF NATIVE BIODIVERSITY; SELECTION LOGGING; PROHIBITION OF CLEARCUTTING.

"(a) Applicability.—This section applies to the administration and management of—

"(1) National Forest System land, under this Act;

"(2) Federal land, under the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.); and

"(3) National Wildlife Refuge System land, under the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd et seq.).

"(b) Native Biodiversity in Forested Areas.—The Secretary shall provide for the conservation or restoration of native biodiversity in each stand and each watershed throughout each forested area, except during the extraction stage of authorized mineral development or during authorized construction projects, in which cases the Secretary shall conserve native biodiversity to the maximum extent practicable.

"(c) Restriction on Use of Certain Logging Practices.—

"(1) Definitions.—In this subsection:

"(A) Age diversity.—The term 'age diversity' means the naturally occurring range and distribution of age classes within a given species.

"(B) Basal area.—The term 'basal area' means the area of the cross section of a tree stem, including the bark, at 4.5 feet above the ground.

"(C) Clearcutting.—The term 'clearcutting' means an even-age logging operation that removes all of the trees over a considerable portion of a stand at 1 time.

"(D) Conservation.—The term 'conservation' means protective measures for maintaining native biodiversity and active and passive measures for restoring diversity through management efforts, in order to protect, restore, and enhance as much of the variety of species and communities as practicable in abundances and distributions that provide for their continued existence and normal functioning, including the viability of populations throughout their natural geographic distributions.

"(E) Even-age logging operation.—

"(i) In general.—The term 'even-age logging operation' means a logging activity that—

"(I) creates a clearing or opening that exceeds ⅕ acre;

"(II) creates a stand in which the majority of trees are within 10 years of the same age; or

"(III) within a period of 30 years, cuts or removes more than the lesser of—

"(aa) the growth of the basal area of all tree species (not including a tree of a non-native invasive tree species or an invasive plantation species) in a stand; or

"(bb) 20 percent of the basal area of a stand.

"(ii) Inclusion.—The term 'even-age logging operation' includes the application of clearcutting, high grading, seed-tree cutting, shelterwood cutting, or any other logging method in a manner inconsistent with selection management.

"(iii) Exclusion.—The term 'even-age logging operation' does not include the cutting or removal of—

"(I) a tree of a non-native invasive tree species; or

"(II) an invasive plantation species, if native longleaf pine are planted in place of the removed invasive plantation species.

"(F) Genetic diversity.—The term 'genetic diversity' means the differences in genetic composition within and among populations of a species.

"(G) High grading.—The term 'high grading' means the removal of only the larger or more commercially valuable trees in a stand, resulting in an alteration in the natural range of age diversity or species diversity in the stand.

"(H) Invasive plantation species.—The term 'invasive plantation species' means a loblolly pine or slash pine that was planted or managed by the Forest Service or any other Federal agency as part of an even-aged monoculture tree plantation.

"(I) Native biodiversity.—

"(i) In general.—The term 'native biodiversity' means—

"(I) the full range of variety and variability within and among living organisms; and

"(II) the ecological complexes in which the living organisms would have occurred (including naturally occurring disturbance regimes) in the absence of significant human impact.

"(ii) INCLUSIONS.—The term 'native biodiversity' includes diversity—

"(I) within a species (including genetic diversity, species diversity, and age diversity);

"(II) within a community of species;

"(III) between communities of species;

"(IV) within a discrete area, such as a watershed;

"(V) along a vertical plane from ground to sky, including application of the plane to all the other types of diversity; and

"(VI) along the horizontal plane of the land surface, including application of the plane to all the other types of diversity.

"(J) NON-NATIVE INVASIVE TREE SPECIES.—

"(i) IN GENERAL.—The term 'non-native invasive tree species' means a species of tree not native to North America.

"(ii) INCLUSIONS.—The term 'non-native invasive tree species' includes—

"(I) Australian pine (Casaurina equisetifolia);

"(II) Brazilian pepper (Schinus terebinthifolius);

"(III) Common buckthorn (Rhamnus cathartica);

"(IV) Eucalyptus (Eucalyptus globulus);

"(V) Glossy buckthorn (Rhamnus frangula);

"(VI) Melaleuca (Melaleuca quinquenervia);

"(VII) Norway maple (Acer platanoides);

"(VIII) Princess tree (Paulownia tomentosa);

"(IX) Salt cedar (Tamarix species);

"(X) Silk tree (Albizia julibrissin);

"(XI) Strawberry guava (Psidium cattleianum);

"(XII) Tree-of-heaven (Ailanthus altissima);

"(XIII) Velvet tree (Miconia calvescens); and

"(XIV) White poplar (Populus alba).

"(K) SEED-TREE CUT.—The term 'seed-tree cut' means an even-age logging operation that leaves a small minority of seed trees in a stand for any period of time.

"(L) SELECTION MANAGEMENT.—

"(i) IN GENERAL.—The term 'selection management' means a method of logging that emphasizes the periodic, individual selection and removal of varying size and age classes of the weaker, nondominant cull trees in a stand and leaves uncut the stronger dominant trees to survive and reproduce, in a manner that works with natural forest processes and—

"(I) ensures the maintenance of continuous high forest cover where high forest cover naturally occurs;

"(II) ensures the maintenance or natural regeneration of all native species in a stand;

"(III) ensures the growth and development of trees through a range of diameter or age classes to provide a sustained yield of forest products including clean water, rich soil, and native plants and wildlife; and

"(IV) ensures that some dead trees, standing and downed, shall be left in each stand where selection logging occurs, to fulfill their necessary ecological functions in the forest ecosystem, including providing elemental and organic nutrients to the soil, water retention, and habitat for endemic insect species that provide the primary food source for predators (including various species of amphibians and birds, such as cavity nesting woodpeckers).

"(ii) EXCLUSION.—

"(I) IN GENERAL.—Subject to subclause (II), the term 'selection management' does not include an even-age logging operation.

"(II) FELLING AGE; NATIVE BIODIVERSITY.—Subclause (I) does not—

"(aa) establish a 150-year projected felling age as the standard at which individual trees in a stand are to be cut; or

"(bb) limit native biodiversity to that which occurs within the context of a 150-year projected felling age.

"(M) SHELTERWOOD CUT.—The term 'shelterwood cut' means an even-age logging operation that leaves—

"(i) a minority of the stand (larger than a seed-tree cut) as a seed source; or

"(ii) a protection cover remaining standing for any period of time.

"(N) SPECIES DIVERSITY.—The term 'species diversity' means the richness and variety of native species in a particular location.

"(O) STAND.—The term 'stand' means a biological community of trees on land described in subsection (a), comprised of not more than 100 contiguous acres with sufficient identity of 1 or more characteristics (including location, topography, and dominant species) to be managed as a unit.

"(P) TIMBER PURPOSE.—

"(i) IN GENERAL.—The term 'timber purpose' means the use, sale, lease, or distribution of trees, including the felling of trees or portions of trees.

"(ii) EXCEPTION.—The term 'timber purpose' does not include the felling of trees or portions of trees to create land space for a Federal administrative structure.

"(Q) WITHIN-COMMUNITY DIVERSITY.—The term 'within-community diversity' means the distinctive assemblages of species and ecological processes that occur in various physical settings of the biosphere and distinct locations.

"(2) PROHIBITION OF CLEARCUTTING AND OTHER FORMS OF EVEN-AGE LOGGING OPERATIONS.—No clearcutting or other form of even-age logging operation shall be permitted in any stand or watershed.

"(3) MANAGEMENT OF NATIVE BIODIVERSITY.—On each stand on which an even-age logging operation has been conducted on or before the date of enactment of this section, and on each deforested area managed for timber purposes on or before the date of enactment of this section, excluding areas occupied by existing buildings, the Secretary shall—

"(A) prescribe a shift to selection management; or

"(B) cease managing the stand for timber purposes, in which case the Secretary shall—

"(i) undertake an active restoration of the native biodiversity of the stand; or

"(ii) permit the stand to regain native biodiversity.

"(4) ENFORCEMENT.—

"(A) FINDING.— Congress finds that all people of the United States are injured by actions on land to which subsection (g)(3)(B) and this subsection applies.

"(B) PURPOSE.—The purpose of this paragraph is to foster the widest and most effective possible enforcement of subsection (g)(3)(B) and this subsection.

"(C) FEDERAL ENFORCEMENT.—The Secretary of Agriculture, the Secretary of the Interior, and the Attorney General shall enforce subsection (g)(3)(B) and this subsection against any person that violates 1 or more of those provisions.

"(D) CITIZEN SUITS.—

"(i) IN GENERAL.—A citizen harmed by a violation of subsection (g)(3)(B) or this subsection may bring a civil action in United States district court for a declaratory judgment, a temporary restraining order, an injunction, statutory damages, or other remedy against any alleged violator, including the United States.

"(ii) JUDICIAL RELIEF.—If a district court of the United States determines that a violation of subsection (g)(3)(B) or this subsection has occurred, the district court—

"(I) shall impose a damage award of not less than $5,000;

"(II) may issue 1 or more injunctions or other forms of equitable relief; and

"(III) shall award to the plaintiffs reasonable costs of bringing the action, including attorney's fees, witness fees, and other necessary expenses.

"(iii) STANDARD OF PROOF.—The standard of proof in all actions under this subparagraph shall be the preponderance of the evidence.

"(iv) TRIAL.—A trial for any action under this subsection shall be de novo.

"(E) PAYMENT OF DAMAGES.—

"(i) NON-FEDERAL VIOLATOR.—A damage award under subparagraph (D)(ii) shall be paid to the Treasury by a non-Federal violator or violators designated by the court.

"(ii) FEDERAL VIOLATOR.—

"(I) IN GENERAL.—Not later than 40 days after the date on which judgment is rendered, a damage award under subparagraph (D)(ii) for which the United States is determined to be liable shall be paid from the Treasury, as provided under section 1304 of title 31, United States Code, to the person or persons designated to receive the damage award.

"(II) USE OF DAMAGE AWARD.—A damage award described under subclause (I) shall be used by the recipient to protect or restore native biodiversity on Federal land or on land adjoining Federal land.

"(III) COURT COSTS.—Any award of costs of litigation and any award of attorney fees shall be paid by a Federal violator not later than 40 days after the date on which judgment is rendered.

"(F) WAIVER OF SOVEREIGN IMMUNITY.—

"(i) IN GENERAL.—The United States (including agents and employees of the United States) waives its sovereign immunity in all respects in all actions under subsection (g)(3)(B) and this subsection.

"(ii) NOTICE.—No notice is required to enforce this subsection.".

SEC. 104. CONFORMING AMENDMENTS.

Section 6(g)(3) of the Forest and Rangeland Renewable Resource Planning Act of 1974 (16 U.S.C. 1604(g)(3)) is amended—

(1) in subparagraph (D), by inserting "and" after the semicolon at the end;

(2) in subparagraph (E), by striking "; and" and inserting a period; and

(3) by striking subparagraph (F).

TITLE II—PROTECTION FOR ANCIENT FORESTS, ROADLESS AREAS, WATERSHED PROTECTION AREAS, AND SPECIAL AREAS

SEC. 201. FINDINGS.

Congress finds that—

(1) unfragmented forests on Federal land, unique and valuable assets to the general public, are damaged by extractive logging;

(2) less than 10 percent of the original unlogged forests of the United States remain, and the vast majority of the remnants of the original forests of the United States are located on Federal land;

(3) large, unfragmented forest watersheds provide high-quality water supplies for

drinking, agriculture, industry, and fisheries across the United States;

(4) the most recent scientific studies indicate that several thousand species of plants and animals are dependent on large, unfragmented forest areas;

(5) many neotropical migratory songbird species are experiencing documented broad-scale population declines and require large, unfragmented forests to ensure their survival;

(6) destruction of large-scale natural forests has resulted in a tremendous loss of jobs in the fishing, hunting, tourism, recreation, and guiding industries, and has adversely affected sustainable nontimber forest products industries such as the collection of mushrooms and herbs;

(7) extractive logging programs on Federal land are carried out at enormous financial costs to the Treasury and taxpayers of the United States;

(8) Ancient forests continue to be threatened by logging and deforestation and are rapidly disappearing;

(9) Ancient forests help regulate atmospheric balance, maintain biodiversity, and provide valuable scientific opportunity for monitoring the health of the planet;

(10) prohibiting extractive logging in the Ancient forests would create the best conditions for ensuring stable, well distributed, and viable populations of the northern spotted owl, marbled murrelet, American marten, and other vertebrates, invertebrates, vascular plants, and nonvascular plants associated with those forests;

(11) prohibiting extractive logging in the Ancient forests would create the best conditions for ensuring stable, well distributed, and viable populations of anadromous salmonids, resident salmonids, and bull trout;

(12) roadless areas are de facto wilderness that provide wildlife habitat and recreation;

(13) large unfragmented forests, contained in large part on roadless areas on Federal land, are among the last refuges for native animal and plant biodiversity, and are vital to maintaining viable populations of threatened, endangered, sensitive, and rare species;

(14) roads cause soil erosion, disrupt wildlife migration, and allow nonnative species of plants and animals to invade native forests;

(15) the mortality and reproduction patterns of forest dwelling animal populations are adversely affected by traffic-related fatalities that accompany roads;

(16) the exceptional recreational, biological, scientific, or economic assets of certain special forested areas on Federal land are valuable to the public of the United States and are damaged by extractive logging;

(17) in order to gauge the effectiveness and appropriateness of current and future resource management activities, and to continue to broaden and develop our understanding of silvicultural practices, many special forested areas need to remain in a natural, unmanaged state to serve as scientifically established baseline control forests;

(18) certain special forested areas provide habitat for the survival and recovery of endangered and threatened plant and wildlife species, such as grizzly bears, spotted owls, Pacific salmon, and Pacific yew, that are harmed by extractive logging;

(19) many special forested areas on Federal land are considered sacred sites by native peoples; and

(20) as a legacy for the enjoyment, knowledge, and well-being of future generations, provisions must be made for the protection and perpetuation of the Ancient forests, roadless areas, watershed protection areas, and special areas of the United States.

SEC. 202. DEFINITIONS.

In this title:

(1) ANCIENT FOREST.—The term "Ancient forest" means—

(A) the northwest Ancient forests, including—

(i) Federal land identified as late-successional reserves, riparian reserves, and key watersheds under the heading "Alternative 1" of the report entitled "Final Supplemental Environmental Impact Statement on Management of Habitat for Late-Successional and Old-Growth Forest Related Species Within the Range of the Northern Spotted Owl, Vol. I.", and dated February 1994; and

(ii) Federal land identified by the term "medium and large conifer multi-storied, canopied forests" as defined in the report described in clause (i);

(B) the eastside Cascade Ancient forests, including—

(i) Federal land identified as "Late-Succession/Old-growth Forest (LS/OG)" depicted on maps for the Colville National Forest, Fremont National Forest, Malheur National Forest, Ochoco National Forest, Umatilla National Forest, Wallowa-Whitman National Forest, and Winema National Forest in the report entitled "Interim Protection for Late-Successional Forests, Fisheries, and Watersheds: National Forests East of the Cascade Crest, Oregon, and Washington", prepared by the Eastside Forests Scientific Society Panel (The Wildlife Society, Technical Review 94–2, August 1994);

(ii) Federal land east of the Cascade crest in the States of Oregon and Washington, defined as "late successional and old-growth forests" in the general definition on page 28 of the report described in clause (i); and

(iii) Federal land classified as "Oregon Aquatic Diversity Areas", as defined in the report described in clause (i); and

(C) the Sierra Nevada Ancient forests, including—

(i) Federal land identified as "Areas of Late-Successional Emphasis (ALSE)" in the report entitled, "Final Report to Congress: Status of the Sierra Nevada", prepared by the Sierra Nevada Ecosystem Project (Wildland Resources Center Report #40, University of California, Davis, 1996/97);

(ii) Federal land identified as "Late-Succession/Old-Growth Forests Rank 3, 4 or 5" in the report described in clause (i); and

(iii) Federal land identified as "Potential Aquatic Diversity Management Areas" on the map on page 1497 of Volume II of the report described in clause (i).

(2) EXTRACTIVE LOGGING.—The term "extractive logging" means the felling or removal of any trees from Federal forest land for any purpose.

(3) IMPROVED ROAD.—The term "improved road" means any road maintained for travel by standard passenger type vehicles.

(4) ROADLESS AREA.—The term "roadless area" means a contiguous parcel of Federal land that is—

(A) devoid of improved roads, except as provided in subparagraph (B); and

(B) composed of—

(i) at least 1,000 acres west of the 100th meridian (with up to ½ mile of improved roads per 1,000 acres);

(ii) at least 1,000 acres east of the 100th meridian (with up to ½ mile of improved roads per 1,000 acres); or

(iii) less than 1,000 acres, but share a border that is not an improved road with a wilderness area, primitive area, or wilderness study area.

(5) SECRETARY.—The term "Secretary", with respect to any Federal land in an Ancient forest, roadless area, watershed protection area, or special area, means the head of the Federal agency having jurisdiction over the Federal land.

(6) SPECIAL AREA.—The term "special area" means an area of Federal forest land designated under section 3 that may not meet the definition of an Ancient forest, roadless area, or watershed protection area, but that—

(A) possesses outstanding biological, scenic, recreational, or cultural values; and

(B) is exemplary on a regional, national, or international level.

(7) WATERSHED PROTECTION AREA.—The term "watershed protection area" means Federal land that extends—

(A) 300 feet from both sides of the active stream channel of any permanently flowing stream or river;

(B) 100 feet from both sides of the active channel of any intermittent, ephemeral, or seasonal stream, or any other nonpermanently flowing drainage feature having a definable channel and evidence of annual scour or deposition of flow-related debris;

(C) 300 feet from the edge of the maximum level of any natural lake or pond; or

(D) 150 feet from the edge of the maximum level of a constructed lake, pond, or reservoir, or a natural or constructed wetland.

SEC. 203. DESIGNATION OF SPECIAL AREAS.

(a) IN GENERAL.—

(1) FINDING.—A special area shall possess at least 1 of the values described in paragraphs (2) through (5).

(2) BIOLOGICAL VALUES.—The biological values of a special area may include the presence of—

(A) threatened species or endangered species of plants or animals;

(B) rare or endangered ecosystems;

(C) key habitats necessary for the recovery of endangered species or threatened species;

(D) recovery or restoration areas of rare or underrepresented forest ecosystems;

(E) migration corridors;

(F) areas of outstanding biodiversity;

(G) old growth forests;

(H) commercial fisheries; and

(I) sources of clean water such as key watersheds.

(3) SCENIC VALUES.—The scenic values of a special area may include the presence of—

(A) unusual geological formations;

(B) designated wild and scenic rivers;

(C) unique biota; and

(D) vistas.

(4) RECREATIONAL VALUES.—The recreational values of a special area may include the presence of—

(A) designated national recreational trails or recreational areas;

(B) areas that are popular for such recreation and sporting activities as—

(i) hunting;

(ii) fishing;

(iii) camping;

(iv) hiking;

(v) aquatic recreation; and

(vi) winter recreation;

(C) Federal land in regions that are underserved in terms of recreation;

(D) land adjacent to designated wilderness areas; and

(E) solitude.

(5) CULTURAL VALUES.—The cultural values of a special area may include the presence of—

(A) sites with Native American religious significance; and

(B) historic or prehistoric archaeological sites eligible for listing on the national historic register.

(b) SIZE VARIATION.—A special area may vary in size to encompass the outstanding biological, scenic, recreational, or cultural value or values to be protected.

(c) DESIGNATION OF SPECIAL AREAS.—There are designated the following special areas, which shall be subject to the management restrictions specified in section 204:

(1) ALABAMA.—

(A) SIPSEY WILDERNESS HEADWATERS.—Certain land in the Bankhead National Forest, Bankhead Ranger District, in Lawrence County, totaling approximately 22,000 acres, located directly north and upstream of the Sipsey Wilderness, and directly south of Forest Road 213.

(B) BRUSHY FORK.—Certain land in the Bankhead National Forest, Bankhead Ranger District, in Lawrence County, totaling approximately 6,200 acres, bounded by Forest Roads 249, 254, and 246 and Alabama Highway 33.

(C) REBECCA MOUNTAIN.—Certain land in the Talladega National Forest, Talladega Ranger District, Talladega County and Clay County, totaling approximately 9,000 acres, comprised of all Talladega National Forest lands south of Forest Roads 621 and 621 B, east of Alabama Highway 48/77 and County Highway 308, and north of the power transmission line.

(D) AUGUSTA MINE RIDGE.—Certain land in the Talladega National Forest, Shoal Creek Ranger District, Cherokee County and Cleburn County, totaling approximately 6,000 acres, and comprised of all Talladega National Forest land north of the Chief Ladiga Rail Trail.

(E) MAYFIELD CREEK.—Certain land in the Talladega National Forest, Oakmulgee Ranger District, in Rail County, totaling approximately 4,000 acres, and bounded by Forest Roads 731, 723, 718, and 718A.

(F) BEAR BAY.—Certain land in the Conecuh National Forest, Conecuh District, in Covington County, totaling approximately 3,000 acres, bounded by County Road 11, Forest Road 305, County Road 3, and the County Road connecting County Roads 3 and 11.

(2) ALASKA.—

(A) TURNAGAIN ARM.—Certain land in the Chugach National Forest, on the Kenai Peninsula, totaling approximately 100,000 acres, extending from sea level to ridgetop surrounding the inlet of Turnagain Arm, known as "Turnagain Arm".

(B) HONKER DIVIDE.—Certain land in the Tongass National Forest, totaling approximately 75,000 acres, located on north central Prince of Wales Island, comprising the Thorne River and Hatchery Creek watersheds, stretching approximately 40 miles northwest from the vicinity of the town of Thorne Bay to the vicinity of the town of Coffman Cove, generally known as the "Honker Divide".

(3) ARIZONA: NORTH RIM OF THE GRAND CANYON.—Certain land in the Kaibab National Forest that is included in the Grand Canyon Game Preserve, totaling approximately 500,000 acres, abutting the northern side of the Grand Canyon in the area generally known as the "North Rim of the Grand Canyon".

(4) ARKANSAS.—

(A) COW CREEK DRAINAGE, ARKANSAS.—Certain land in the Ouachita National Forest, Mena Ranger District, in Polk County, totaling approximately 7,000 acres, known as "Cow Creek Drainage, Arkansas", and bounded approximately—

(i) on the north, by County Road 95;

(ii) on the south, by County Road 157;

(iii) on the east, by County Road 48; and

(iv) on the west, by the Arkansas-Oklahoma border.

(B) LEADER AND BRUSH MOUNTAINS.—Certain land in the Ouachita National Forest, Montgomery County and Polk County, totaling approximately 120,000 acres, known as "Leader Mountain" and "Brush Mountain", located in the vicinity of the Blaylock Creek Watershed between Long Creek and the South Fork of the Saline River.

(C) POLK CREEK AREA.—Certain land in the Ouachita National Forest, Mena Ranger District, totaling approximately 20,000 acres, bounded by Arkansas Highway 4 and Forest Roads 73 and 43, known as the "Polk Creek area".

(D) LOWER BUFFALO RIVER WATERSHED.—Certain land in the Ozark National Forest, Sylamore Ranger District, totaling approximately 6,000 acres, including Forest Service land that has not been designated as a wilderness area before the date of enactment of this Act, located in the watershed of Big Creek southwest of the Leatherwood Wilderness Area, Searcy County and Marion County, and known as the "Lower Buffalo River Watershed".

(E) UPPER BUFFALO RIVER WATERSHED.—Certain land in the Ozark National Forest, Buffalo Ranger District, totaling approximately 220,000 acres, comprised of Forest Service that has not been designated as a wilderness area before the date of enactment of this Act, known as the "Upper Buffalo River Watershed", located approximately 35 miles from the town of Harrison, Madison County, Newton County, and Searcy County, upstream of the confluence of the Buffalo River and Richland Creek in the watersheds of—

(i) the Buffalo River;

(ii) the various streams comprising the Headwaters of the Buffalo River;

(iii) Richland Creek;

(iv) Little Buffalo Headwaters;

(v) Edgmon Creek;

(vi) Big Creek; and

(vii) Cane Creek.

(5) CALIFORNIA: GIANT SEQUOIA PRESERVE.—Certain land in the Sequoia National Forest and Sierra National Forest, known as the "Giant Sequoia Preserve", comprised of 3 discontinuous parcels and approximately 442,425 acres, located in Fresno County, Tulare County, and Kern County, in the Southern Sierra Nevada mountain range, including—

(A) the Kings River Unit (145,600 acres) and nearby Redwood Mountain Unit (11,730 acres), located approximately 25 miles east of the city of Fresno; and

(B) the South Unit (285,095 acres), located approximately 15 miles east of the city of Porterville.

(6) COLORADO: COCHETOPA HILLS.—Certain land in the Gunnison Basin area, known as the "Cochetopa Hills", administered by the Gunnison National Forest, Grand Mesa National Forest, Uncompahgre National Forest, and Rio Grand National Forest, totaling approximately 500,000 acres, spanning the continental divide south and east of the city of Gunnison, in Saguache County, and including—

(A) Elk Mountain and West Elk Mountain;

(B) the Grand Mesa;

(C) the Uncompahgre Plateau;

(D) the northern San Juan Mountains;

(E) the La Garitas Mountains; and

(F) the Cochetopa Hills.

(7) GEORGIA.—

(A) ARMUCHEE CLUSTER.—Certain land in the Chattahoochee National Forest, Armuchee Ranger District, known as the "Armuchee Cluster", totaling approximately 19,700 acres, comprised of 3 parcels known as "Rocky Face", "Johns Mountain", and "Hidden Creek", located approximately 10 miles southwest of Dalton and 14 miles north of Rome, in Whitfield County, Walker County, Chattooga County, Floyd County, and Gordon County.

(B) BLUE RIDGE CORRIDOR CLUSTER, GEORGIA AREAS.—Certain land in the Chattahoochee National Forest, Chestatee Ranger District, totaling approximately 15,000 acres, known as the "Blue Ridge Corridor Cluster, Georgia Areas", comprised of 5 parcels known as "Horse Gap", "Hogback Mountain", "Blackwell Creek", "Little Cedar Mountain", and "Black Mountain", located approximately 15 to 20 miles north of the town of Dahlonega, in Union County and Lumpkin County.

(C) CHATTOOGA WATERSHED CLUSTER, GEORGIA AREAS.—Certain land in the Chattahoochee National Forest, Tallulah Ranger District, totaling 63,500 acres, known as the "Chattooga Watershed Cluster, Georgia Areas", comprised of 7 areas known as "Rabun Bald", "Three Forks", "Ellicott Rock Extension", "Rock Gorge", "Big Shoals", "Thrift's Ferry", and "Five Falls", in Rabun County, near the towns of Clayton, Georgia, and Dillard, South Carolina.

(D) COHUTTA CLUSTER.—Certain land in the Chattahoochee National Forest, Cohutta Ranger District, totaling approximately 28,000 acres, known as the "Cohutta Cluster", comprised of 4 parcels known as "Cohutta Extensions", "Grassy Mountain", "Emery Creek", and "Mountaintown", near the towns of Chatsworth and Ellijay, in Murray County, Fannin County, and Gilmer County.

(E) DUNCAN RIDGE CLUSTER.—Certain land in the Chattahoochee National Forest, Brasstown and Toccoa Ranger Districts, totaling approximately 17,000 acres, known as the "Duncan Ridge Cluster", comprised of the parcels known as "Licklog Mountain", "Duncan Ridge", "Board Camp", and "Cooper Creek Scenic Area Extension", approximately 10 to 15 miles south of the town of Blairsville, in Union County and Fannin County.

(F) ED JENKINS NATIONAL RECREATION AREA CLUSTER.—Certain land in the Chattahoochee National Forest, Toccoa and Chestatee Ranger Districts, totaling approximately 19,300 acres, known as the "Ed Jenkins National Recreation Area Cluster", comprised of the Springer Mountain, Mill Creek, and Toonowee parcels, 30 miles north of the town of Dahlonega, in Fannin County, Dawson County, and Lumpkin County.

(G) GAINESVILLE RIDGES CLUSTER.—Certain land in the Chattahoochee National Forest, Chattooga Ranger District, totaling approximately 14,200 acres, known as the "Gainesville Ridges Cluster", comprised of 3 parcels known as "Panther Creek", "Tugaloo Uplands", and "Middle Fork Broad River", approximately 10 miles from the town of Toccoa, in Habersham County and Stephens County.

(H) NORTHERN BLUE RIDGE CLUSTER, GEORGIA AREAS.—Certain land in the Chattahoochee National Forest, Brasstown and Tallulah Ranger Districts, totaling approximately 46,000 acres, known as the "Northern

Blue Ridge Cluster, Georgia Areas", comprised of 8 areas known as "Andrews Cove", "Anna Ruby Falls Scenic Area Extension", "High Shoals", "Tray Mountain Extension", "Kelly Ridge-Moccasin Creek", "Buzzard Knob", "Southern Nantahala Extension", and "Patterson Gap", approximately 5 to 15 miles north of Helen, 5 to 15 miles southeast of Hiawassee, north of Clayton, and west of Dillard, in White County, Towns County, and Rabun County.

(I) RICH MOUNTAIN CLUSTER.—Certain land in the Chattahoochee National Forest, Toccoa Ranger District, totaling approximately 9,500 acres, known as the "Rich Mountain Cluster", comprised of the parcels known as "Rich Mountain Extension" and "Rocky Mountain", located 10 to 15 miles northeast of the town of Ellijay, in Gilmer County and Fannin County.

(J) WILDERNESS HEARTLANDS CLUSTER, GEORGIA AREAS.—Certain land in the Chattahoochee National Forest, Chestatee, Brasstown and Chattooga Ranger Districts, totaling approximately 16,500 acres, known as the "Wilderness Heartlands Cluster, Georgia Areas", comprised of 4 parcels known as the "Blood Mountain Extensions", "Raven Cliffs Extensions", "Mark Trail Extensions", and "Brasstown Extensions", near the towns of Dahlonega, Cleveland, Helen, and Blairsville, in Lumpkin County, Union County, White County, and Towns County.

(8) IDAHO.—

(A) COVE/MALLARD.—Certain land in the Nez Perce National Forest, totaling approximately 94,000 acres, located approximately 30 miles southwest of the town of Elk City, and west of the town of Dixie, in the area generally known as "Cove/Mallard".

(B) MEADOW CREEK.—Certain land in the Nez Perce National Forest, totaling approximately 180,000 acres, located approximately 8 miles east of the town of Elk City in the area generally known as "Meadow Creek".

(C) FRENCH CREEK/PATRICK BUTTE.—Certain land in the Payette National Forest, totaling approximately 141,000 acres, located approximately 20 miles north of the town of McCall in the area generally known as "French Creek/Patrick Butte".

(9) ILLINOIS.—

(A) CRIPPS BEND.—Certain land in the Shawnee National Forest, totaling approximately 39 acres, located in Jackson County in the Big Muddy River watershed, in the area generally known as "Cripps Bend".

(B) OPPORTUNITY AREA 6.—Certain land in the Shawnee National Forest, totaling approximately 50,000 acres, located in northern Pope County surrounding Bell Smith Springs Natural Area, in the area generally known as "Opportunity Area 6".

(C) QUARREL CREEK.—Certain land in the Shawnee National Forest, totaling approximately 490 acres, located in northern Pope County in the Quarrel Creek watershed, in the area generally known as "Quarrel Creek".

(10) MICHIGAN: TRAP HILLS.—Certain land in the Ottawa National Forest, Bergland Ranger District, totaling approximately 37,120 acres, known as the "Trap Hills", located approximately 5 miles from the town of Bergland, in Ontonagon County.

(11) MINNESOTA.—

(A) TROUT LAKE AND SUOMI HILLS.—Certain land in the Chippewa National Forest, totaling approximately 12,000 acres, known as "Trout Lake/Suomi Hills" in Itasca County.

(B) LULLABY WHITE PINE RESERVE.—Certain land in the Superior National Forest, Gunflint Ranger District, totaling approximately 2,518 acres, in the South Brule Opportunity Area, northwest of Grand Marais in Cook County, known as the "Lullaby White Pine Reserve".

(12) MISSOURI: ELEVEN POINT-BIG SPRINGS AREA.—Certain land in the Mark Twain National Forest, Eleven Point Ranger District, totaling approximately 200,000 acres, comprised of the administrative area of the Eleven Point Ranger District, known as the "Eleven Point-Big Springs Area".

(13) MONTANA: MOUNT BUSHNELL.—Certain land in the Lolo National Forest, totaling approximately 41,000 acres, located approximately 5 miles southwest of the town of Thompson Falls in the area generally known as "Mount Bushnell".

(14) NEW MEXICO.—

(A) ANGOSTURA.—Certain land in the eastern half of the Carson National Forest, Camino Real Ranger District, totaling approximately 10,000 acres, located in Township 21, Ranges 12 and 13, known as "Angostura", and bounded—

(i) on the northeast, by Highway 518;

(ii) on the southeast, by the Angostura Creek watershed boundary;

(iii) on the southern side, by Trail 19 and the Pecos Wilderness; and

(iv) on the west, by the Agua Piedra Creek watershed.

(B) LA MANGA.—Certain land in the western half of the Carson National Forest, El Rito Ranger District, at the Vallecitos Sustained Yield Unit, totaling approximately 5,400 acres, known as "La Manga", in Township 27, Range 6, and bounded—

(i) on the north, by the Tierra Amarilla Land Grant;

(ii) on the south, by Canada Escondida;

(iii) on the west, by the Sustained Yield Unit boundary and the Tierra Amarilla Land Grant; and

(iv) on the east, by the Rio Vallecitos.

(C) ELK MOUNTAIN.—Certain land in the Santa Fe National Forest, totaling approximately 7,220 acres, known as "Elk Mountain" located in Townships 17 and 18 and Ranges 12 and 13, and bounded—

(i) on the north, by the Pecos Wilderness;

(ii) on the east, by the Cow Creek Watershed;

(iii) on the west, by the Cow Creek; and

(iv) on the south, by Rito de la Osha.

(D) JEMEZ HIGHLANDS.—Certain land in the Jemez Ranger District of the Santa Fe National Forest, totaling approximately 54,400 acres, known as the "Jemez Highlands", located primarily in Sandoval County.

(15) NORTH CAROLINA.—

(A) CENTRAL NANTAHALA CLUSTER, NORTH CAROLINA AREAS.—Certain land in the Nantahala National Forest, Tusquitee, Cheoah, and Wayah Ranger Districts, totaling approximately 107,000 acres, known as the "Central Nantahala Cluster, North Carolina Areas", comprised of 9 parcels known as "Tusquitee Bald", "Shooting Creek Bald", "Cheoah Bald", "Piercy Bald", "Wesser Bald", "Tellico Bald", "Split White Oak", "Siler Bald", and "Southern Nantahala Extensions", near the towns of Murphy, Franklin, Bryson City, Andrews, and Beechertown, in Cherokee County, Macon County, Clay County, and Swain County.

(B) CHATTOOGA WATERSHED CLUSTER, NORTH CAROLINA AREAS.—Certain land in the Nantahala National Forest, Highlands Ranger District, totaling approximately 8,000 acres, known as the "Chattooga Watershed Cluster, North Carolina Areas", comprised of the Overflow (Blue Valley) and Terrapin Mountain parcels, 5 miles from the town of Highlands, in Macon County and Jackson County.

(C) TENNESSEE BORDER CLUSTER, NORTH CAROLINA AREAS.—Certain land in the Nantahala National Forest, Tusquitee and Cheoah Ranger Districts, totaling approximately 28,000 acres, known as the "Tennessee Border Cluster, North Carolina Areas", comprised of the 4 parcels known as the "Unicoi Mountains", "Deaden Tree", "Snowbird", and "Joyce Kilmer-Slickrock Extension", near the towns of Murphy and Robbinsville, in Cherokee County and Graham County.

(D) BALD MOUNTAINS.—Certain land in the Pisgah National Forest, French Broad Ranger District, totaling approximately 13,000 acres known as the "Bald Mountains", located 12 miles northeast of the town of Hot Springs, in Madison County.

(E) BIG IVY TRACT.—Certain land in the Pisgah National Forest, totaling approximately 14,000 acres, located approximately 15 miles west of Mount Mitchell in the area generally known as the "Big Ivy Tract".

(F) BLACK MOUNTAINS CLUSTER, NORTH CAROLINA AREAS.—Certain land in the Pisgah National Forest, Toecane and Grandfather Ranger Districts, totaling approximately 62,000 acres, known as the "Black Mountains Cluster, North Carolina Areas", comprised of 5 parcels known as "Craggy Mountains", "Black Mountains", "Jarrett Creek", "Mackey Mountain", and "Woods Mountain", near the towns of Burnsville, Montreat and Marion, in Buncombe County, Yancey County, and McDowell County.

(G) LINVILLE CLUSTER.—Certain land in the Pisgah National Forest, Grandfather District, totaling approximately 42,000 acres, known as the "Linville Cluster", comprised of 7 parcels known as "Dobson Knob", "Linville Gorge Extension", "Steels Creek", "Sugar Knob", "Harper Creek", "Lost Cove", and "Upper Wilson Creek", near the towns of Marion, Morgantown, Spruce Pine, Linville, and Blowing Rock, in Burke County, McDowell County, Avery County, and Caldwell County.

(H) NOLICHUCKY, NORTH CAROLINA AREA.—Certain land in the Pisgah National Forest, Toecane Ranger District, totaling approximately 4,000 acres, known as the "Nolichucky, North Carolina Area", located 25 miles northwest of Burnsville, in Mitchell County and Yancey County.

(I) PISGAH CLUSTER, NORTH CAROLINA AREAS.—Certain land in the Pisgah National Forest, Pisgah Ranger District, totaling approximately 52,000 acres, known as the "Pisgah Cluster, North Carolina Areas", comprised of 5 parcels known as "Shining Rock and Middle Prong Extensions", "Daniel Ridge", "Cedar Rock Mountain", "South Mills River", and "Laurel Mountain", 5 to 12 miles north of the town of Brevard and southwest of the city of Asheville, in Haywood County, Transylvania County, and Henderson County.

(J) WILDCAT.—Certain land in the Pisgah National Forest, French Broad Ranger District, totaling approximately 6,500 acres, known as "Wildcat", located 20 miles northwest of the town of Canton, in Haywood County.

(16) OHIO.—

(A) ARCHERS FORK COMPLEX.—Certain land in the Marietta Unit of the Athens Ranger District, in the Wayne National Forest, in Washington County, known as "Archers Fork Complex", totaling approximately 18,350 acres, located northeast of Newport and bounded—

(i) on the northwest, by State Highway 26;

(ii) on the northeast, by State Highway 260;

(iii) on the southeast, by the Ohio River; and

(iv) on the southwest, by Bear Run and Danas Creek.

(B) BLUEGRASS RIDGE.—Certain land in the Ironton Ranger District on the Wayne National Forest, in Lawrence County, known as "Bluegrass Ridge", totaling approximately 4,000 acres, located 3 miles east of Etna in Township 4 North, Range 17 West, Sections 19 through 23 and 27 through 30.

(C) BUFFALO CREEK.—Certain land in the Ironton Ranger District of the Wayne National Forest, Lawrence County, Ohio, known as "Buffalo Creek", totaling approximately 6500 acres, located 4 miles northwest of Waterloo in Township 5 North, Ranger 17 West, sections 3 through 10 and 15 through 18.

(D) LAKE VESUVIUS.—Certain land in the Ironton Ranger District of the Wayne National Forest, in Lawrence County, totaling approximately 4,900 acres, generally known as "Lake Vesuvius", located to the east of Etna in Township 2 North, Range 18 West, and bounded—

(i) on the southwest, by State Highway 93; and

(ii) on the northwest, by State Highway 4.

(E) MORGAN SISTERS.—Certain land in the Ironton Ranger District of the Wayne National Forest, in Lawrence County, known as "Morgan Sisters", totaling approximately 2,500 acres, located 1 mile east of Gallia and bounded by State Highway 233 in Township 6 North, Range 17 West, sections 13, 14, 23 and 24 and Township 5 North, Range 16 West, sections 18 and 19.

(F) UTAH RIDGE.—Certain land in the Athens Ranger District of the Wayne National Forest, in Athens County, known as "Utah Ridge", totaling approximately 9,000 acres, located 1 mile northwest of Chauncey and bounded—

(i) on the southeast, by State Highway 682 and State Highway 13;

(ii) on the southwest, by US Highway 33 and State Highway 216; and

(iii) on the north, by State Highway 665.

(G) WILDCAT HOLLOW.—Certain land in the Athens Ranger District of the Wayne National Forest, in Perry County and Morgan County, known as "Wildcat Hollow", totaling approximately 4,500 acres, located 1 mile east of Corning in Township 12 North, Range 14 West, sections 1, 2, 11–14, 23 and 24 and Township 8 North, Range 13 West, sections 7, 18, and 19.

(17) OKLAHOMA: COW CREEK DRAINAGE, OKLAHOMA.—Certain land in the Ouachita National Forest, Mena Ranger District, in Le Flore County, totaling approximately 3,000 acres, known as "Cow Creek Drainage, Oklahoma", and bounded approximately—

(A) on the west, by the Beech Creek National Scenic Area;

(B) on the north, by State Highway 63;

(C) on the east, by the Arkansas-Oklahoma border; and

(D) on the south, by County Road 9038 on the south.

(18) OREGON: APPLEGATE WILDERNESS.—Certain land in the Siskiyou National Forest and Rogue River National Forest, totaling approximately 20,000 acres, approximately 20 miles southwest of the town of Grants Pass and 10 miles south of the town of Williams, in the area generally known as the "Applegate Wilderness".

(19) PENNSYLVANIA.—

(A) THE BEAR CREEK SPECIAL AREA.—Certain land in the Allegheny National Forest, Marienville Ranger District, Elk County, totaling approximately 7,800 acres, and comprised of Allegheny National Forest land bounded—

(i) on the west, by Forest Service Road 136;

(ii) on the north, by Forest Service Roads 339 and 237;

(iii) on the east, by Forest Service Road 143; and

(iv) on the south, by Forest Service Road 135.

(B) THE BOGUS ROCKS SPECIAL AREA.—Certain land in the Allegheny National Forest, Marienville Ranger District, Forest County, totaling approximately 1,015 acres, and comprised of Allegheny National Forest land in compartment 714 bounded—

(i) on the northeast and east, by State Route 948;

(ii) on the south, by State Route 66;

(iii) 0n the southwest and west, by Township Road 370;

(iv) on the northwest, by Forest Service Road 632; and

(v) on the north, by a pipeline.

(C) THE CHAPPEL FORK SPECIAL AREA.—Certain land in the Allegheny National Forest, Bradford Ranger District, McKean County, totaling approximately 10,000 acres, and comprised of Allegheny National Forest land bounded—

(i) on the south and southeast, by State Road 321;

(ii) on the south, by Chappel Bay;

(iii) on the west, by the Allegheny Reservoir;

(iv) on the north, by State Route 59; and

(v) on the east, by private land.

(D) THE FOOLS CREEK SPECIAL AREA.—Certain land in the Allegheny National Forest, Bradford Ranger District, Warren County, totaling approximately 1,500 acres, and comprised of Allegheny National Forest land south and west of Forest Service Road 255 and west of FR 255A, bounded—

(i) on the west, by Minister Road; and

(ii) on the south, by private land.

(E) THE HICKORY CREEK SPECIAL AREA.—Certain land in the Allegheny National Forest, Bradford Ranger District, Warren County, totaling approximately 2,000 acres, and comprised of Allegheny National Forest land bounded—

(i) on the east and northeast, by Heart's Content Road;

(ii) on the south, by Hickory Creek Wilderness Area;

(iii) on the northwest, by private land; and

(iv) on the north, by Allegheny Front National Recreation Area.

(F) THE LAMENTATION RUN SPECIAL AREA.—Certain land in the Allegheny National Forest, Marienville Ranger District, Forest County, totaling approximately 4,500 acres, and—

(i) comprised of Allegheny National Forest land bounded—

(I) on the north, by Tionesta Creek;

(II) on the east, by Salmon Creek;

(III) on the southeast and southwest, by private land; and

(IV) on the south, by Forest Service Road 210; and

(ii) including the lower reaches of Bear Creek.

(G) THE LEWIS RUN SPECIAL AREA.—Certain land in the Allegheny National Forest, Bradford Ranger District, McKean County, totaling approximately 500 acres, and comprised of Allegheny National Forest land north and east of Forest Service Road 312.3, including land known as the "Lewis Run Natural Area" and consisting of land within Compartment 466, Stands 1–3, 5–8, 10–14, and 18–27.

(H) THE MILL CREEK SPECIAL AREA.—Certain land in the Allegheny National Forest, Marienville Ranger District, Elk County, totaling approximately 2,000 acres, and comprised of Allegheny National Forest land within a 1-mile radius of the confluence of Red Mill Run and Big Mill Creek and known as the "Mill Creek Natural Area".

(I) THE MILLSTONE CREEK SPECIAL AREA.—Certain land in the Allegheny National Forest, Marienville Ranger District, Forest County, totaling approximately 30,000 acres, and comprised of Allegheny National Forest land bounded—

(i) on the north, by State Route 66;

(ii) on the northeast, by Forest Service Road 226;

(iii) on the east, by Forest Service Roads 130, 774, and 228;

(iv) on the southeast, by State Road 3002 and Forest Service Road 189;

(v) on the south, by the Clarion River; and

(vi) on the southwest, west, and northwest, by private land.

(J) THE MINISTER CREEK SPECIAL AREA.—Certain land in the Allegheny National Forest, Bradford Ranger District, Warren County, totalling approximately 6,600 acres, and comprised of Allegheny National Forest land bounded—

(i) on the north, by a snowmobile trail;

(ii) on the east, by Minister Road;

(iii) on the south, by State Route 666 and private land;

(iv) on the southwest, by Forest Service Road 420; and

(v) on the west, by warrants 3109 and 3014.

(K) THE MUZETTE SPECIAL AREA.—Certain land in the Allegheny National Forest, Marienville Ranger District, Forest County, totaling approximately 325 acres, and comprised of Allegheny National Forest land bounded—

(i) on the west, by 79°16′ longitude, approximately;

(ii) on the north, by Forest Service Road 561;

(iii) on the east, by Forest Service Road 212; and

(iv) on the south, by private land.

(L) THE SUGAR RUN SPECIAL AREA.—Certain land in the Allegheny National Forest, Bradford Ranger District, McKean County, totaling approximately 8,800 acres, and comprised of Allegheny National Forest land bounded—

(i) on the north, by State Route 346 and private land;

(ii) on the east, by Forest Service Road 137; and

(iii) on the south and west, by State Route 321.

(M) THE TIONESTA SPECIAL AREA.—Certain land in the Allegheny National Forest, Bradford and Marienville Ranger Districts, Elk, Forest, McKean, and Warren Counties, totalling approximately 27,000 acres, and comprised of Allegheny National Forest land bounded—

(i) on the west, by private land and State Route 948;

(ii) on the northwest, by Forest Service Road 258;

(iii) on the north, by Hoffman Farm Recreation Area and Forest Service Road 486;

(iv) on the northeast, by private land and State Route 6;

(v) on the east, by private land south to Forest Road 133, then by snowmobile trail from Forest Road 133 to Windy City, then by private land and Forest Road 327 to Russell City; and

(vi) on the southwest, by State Routes 66 and 948.

(20) SOUTH CAROLINA.—

(A) BIG SHOALS, SOUTH CAROLINA AREA.—Certain land in the Sumter National Forest, Andrew Pickens Ranger District, in Oconee County, totaling approximately 2,000 acres, known as "Big Shoals, South Carolina Area", 15 miles south of Highlands, North Carolina.

(B) BRASSTOWN CREEK, SOUTH CAROLINA AREA.—Certain land in the Sumter National Forest, Andrew Pickens Ranger District, in Oconee County, totaling approximately 3,500 acres, known as "Brasstown Creek, South Carolina Area", approximately 15 miles west of Westminster, South Carolina.

(C) CHAUGA.—Certain land in the Sumter National Forest, Andrew Pickens Ranger District, in Oconee County, totaling approximately 16,000 acres, known as "Chauga", approximately 10 miles west of Walhalla, South Carolina.

(D) DARK BOTTOMS.—Certain land in the Sumter National Forest, Andrew Pickens Ranger District, in Oconee County, totaling approximately 4,000 acres, known as "Dark Bottoms", approximately 10 miles northwest of Westminster, South Carolina.

(E) ELLICOTT ROCK EXTENSION, SOUTH CAROLINA AREA.—Certain land in the Sumter National Forest, Andrew Pickens Ranger District, in Oconee County, totaling approximately 2,000 acres, known as "Ellicott Rock Extension, South Carolina Area", located approximately 10 miles south of Cashiers, North Carolina.

(F) FIVE FALLS, SOUTH CAROLINA AREA.—Certain land in the Sumter National Forest, Andrew Pickens Ranger District, in Oconee County, totaling approximately 3,500 acres, known as "Five Falls, South Carolina Area", approximately 10 miles southeast of Clayton, Georgia.

(G) PERSIMMON MOUNTAIN.—Certain land in the Sumter National Forest, Andrew Pickens Ranger District, in Oconee County, totaling approximately 7,000 acres, known as "Persimmon Mountain", approximately 12 miles south of Cashiers, North Carolina.

(H) ROCK GORGE, SOUTH CAROLINA AREA.—Certain land in the Sumter National Forest, Andrew Pickens Ranger District, in Oconee County, totaling approximately 2,000 acres, known as "Rock Gorge, South Carolina Area", 12 miles southeast of Highlands, North Carolina.

(I) TAMASSEE.—Certain land in the Sumter National Forest, Andrew Pickens Ranger District, in Oconee County, totaling approximately 5,500 acres, known as "Tamassee", approximately 10 miles north of Walhalla, South Carolina.

(J) THRIFT'S FERRY, SOUTH CAROLINA AREA.—Certain land in the Sumter National Forest, Andrew Pickens Ranger District, in Oconee County, totaling approximately 5,000 acres, known as "Thrift's Ferry, South Carolina Area", 10 miles east of Clayton, Georgia.

(21) SOUTH DAKOTA.—

(A) BLACK FOX AREA.—Certain land in the Black Hills National Forest, totaling approximately 12,400 acres, located in the upper reaches of the Rapid Creek watershed, known as the "Black Fox Area", and roughly bounded—

(i) on the north, by FDR 206;

(ii) on the south, by the steep slopes north of Forest Road 231; and

(iii) on the west, by a fork of Rapid Creek.

(B) BREAKNECK AREA.—Certain land in the Black Hills National Forest, totaling 6,700 acres, located along the northeast edge of the Black Hills in the vicinity of the Black Hills National Cemetery and the Bureau of Land Management's Fort Meade Recreation Area, known as the "Breakneck Area", and generally—

(i) bounded by Forest Roads 139 and 169 on the north, west, and south; and

(ii) demarcated along the eastern and western boundaries by the ridge-crests dividing the watershed.

(C) NORBECK PRESERVE.—Certain land in the Black Hills National Forest, totaling approximately 27,766 acres, known as the "Norbeck Preserve", and encompassed approximately by a boundary that, starting at the southeast corner—

(i) runs north along FDR 753 and United States Highway Alt. 16, then along SD 244 to the junction of Palmer Creek Road, which serves generally as a northwest limit;

(ii) heads south from the junction of Highways 87 and 89;

(iii) runs southeast along Highway 87; and

(iv) runs east back to FDR 753, excluding a corridor of private land along FDR 345.

(D) PILGER MOUNTAIN AREA.—Certain land in the Black Hills National Forest, totaling approximately 12,600 acres, known as the "Pilger Mountain Area", located in the Elk Mountains on the southwest edge of the Black Hills, and roughly bounded—

(i) on the east and northeast, by Forest Roads 318 and 319;

(ii) on the north and northwest, by Road 312; and

(iii) on the southwest, by private land.

(E) STAGEBARN CANYONS.—Certain land in the Black Hills National Forest, known as "Stagebarn Canyons", totaling approximately 7,300 acres, approximately 10 miles west of Rapid City, South Dakota.

(22) TENNESSEE.—

(A) BALD MOUNTAINS CLUSTER, TENNESSEE AREAS.—Certain land in the Nolichucky and Unaka Ranger Districts of the Cherokee National Forest, in Cocke County, Green County, Washington County, and Unicoi County, totaling approximately 46,133 acres, known as the "Bald Mountains Cluster, Tennessee Areas", and comprised of 10 parcels known as "Laurel Hollow Mountain", "Devil's Backbone", "Laurel Mountain", "Walnut Mountain", "Wolf Creek", "Meadow Creek Mountain", "Brush Creek Mountain", "Paint Creek", "Bald Mountain", and "Sampson Mountain Extension", located near the towns of Newport, Hot Springs, Greeneville, and Erwin.

(B) BIG FROG/COHUTTA CLUSTER.—Certain land in the Cherokee National Forest, in Polk County, Ocoee Ranger District, Hiwassee Ranger District, and Tennessee Ranger District, totaling approximately 28,800 acres, known as the "Big Frog/Cohutta Cluster", comprised of 4 parcels known as "Big Frog Extensions", "Little Frog Extensions", "Smith Mountain", and "Rock Creek", located near the towns of Copperhill, Ducktown, Turtletown, and Benton.

(C) CITICO CREEK WATERSHED CLUSTER TENNESSEE AREAS.—Certain land in the Tellico Ranger District of the Cherokee National Forest, in Monroe County, totaling approximately 14,256 acres, known as the "Citico Creek Watershed Cluster, Tennessee Areas", comprised of 4 parcels known as "Flats Mountain", "Miller Ridge", "Cowcamp Ridge", and "Joyce Kilmer-Slickrock Extension", near the town of Tellico Plains.

(D) IRON MOUNTAINS CLUSTER.—Certain land in the Cherokee National Forest, Watauga Ranger District, totaling approximately 58,090 acres, known as the "Iron Mountains Cluster", comprised of 8 parcels known as "Big Laurel Branch Addition", "Hickory Flat Branch", "Flint Mill", "Lower Iron Mountain", "Upper Iron Mountain", "London Bridge", "Beaverdam Creek", and "Rodgers Ridge", located near the towns of Bristol and Elizabethton, in Sullivan County and Johnson County.

(E) NORTHERN UNICOI MOUNTAINS CLUSTER.—Certain land in the Tellico Ranger District of the Cherokee National Forest, in Monroe County, totaling approximately 30,453 acres, known as the "Northern Unicoi Mountain Cluster", comprised of 4 parcels known as "Bald River Gorge Extension", "Upper Bald River", "Sycamore Creek", and "Brushy Ridge", near the town of Tellico Plains.

(F) ROAN MOUNTAIN CLUSTER.—Certain land in the Cherokee National Forest, Unaka and Watauga Ranger Districts, totaling approximately 23,725 acres known as the "Roan Mountain Cluster", comprised of 7 parcels known as "Strawberry Mountain", "Highlands of Roan", "Ripshin Ridge", "Doe River Gorge Scenic Area", "White Rocks Mountain", "Slide Hollow" and "Watauga Reserve", approximately 8 to 20 miles south of the town of Elizabethton, in Unicoi County, Carter County, and Johnson County.

(G) SOUTHERN UNICOI MOUNTAINS CLUSTER.—Certain land in the Hiwassee Ranger District of the Cherokee National Forest, in Polk County, Monroe County, and McMinn County, totaling approximately 11,251 acres, known as the "Southern Unicoi Mountains Cluster", comprised of 3 parcels known as "Gee Creek Extension", "Coker Creek", and "Buck Bald", near the towns of Etowah, Benton, and Turtletown.

(H) UNAKA MOUNTAINS CLUSTER, TENNESSEE AREAS.—Certain land in the Cherokee National Forest; Unaka Ranger District, totaling approximately 15,669 acres, known as the "Unaka Mountains Cluster, Tennessee Areas", comprised of 3 parcels known as "Nolichucky", "Unaka Mountain Extension", and "Stone Mountain", approximately 8 miles from Erwin, in Unicoi County and Carter County.

(23) TEXAS: LONGLEAF RIDGE.—Certain land in the Angelina National Forest, in Jasper County and Angelina County, totaling approximately 30,000 acres, generally known as "Longleaf Ridge", and bounded—

(A) on the west, by Upland Island Wilderness Area;

(B) on the south, by the Neches River; and

(C) on the northeast, by Sam Rayburn Reservoir.

(24) VERMONT.—

(A) GLASTENBURY AREA.—Certain land in the Green Mountain National Forest, totaling approximately 35,000 acres, located 3 miles northeast of Bennington, generally known as the "Glastenbury Area", and bounded—

(i) on the north, by Kelly Stand Road;

(ii) on the east, by Forest Road 71;

(iii) on the south, by Route 9; and

(iv) on the west, by Route 7.

(B) LAMB BROOK.—Certain land in the Green Mountain National Forest, totaling approximately 5,500 acres, located 3 miles southwest of Wilmington, generally known as "Lamb Brook", and bounded—

(i) on the west, by Route 8;

(ii) on the south, by Route 100;

(iii) on the north, by Route 9; and

(iv) on the east, by land owned by New England Power Company.

(C) ROBERT FROST MOUNTAIN AREA.—Certain land in the Green Mountain National Forest, totaling approximately 8,500 acres, known as "Robert Frost Mountain Area", located northeast of Middlebury, consisting of the Forest Service land bounded—

(i) on the west, by Route 116;

(ii) on the north, by Bristol Notch Road;

(iii) on the east, by Lincoln/Ripton Road; and

(iv) on the south, by Route 125.

(25) VIRGINIA.—

(A) BEAR CREEK.—Certain land in the Jefferson National Forest, Wythe Ranger District, known as "Bear Creek", north of Rural Retreat, in Smyth County and Wythe County.

(B) CAVE SPRINGS.—Certain land in the Jefferson National Forest, Clinch Ranger District, totaling approximately 3,000 acres, known as "Cave Springs", between State Route 621 and the North Fork of the Powell River, in Lee County.

(C) DISMAL CREEK.—Certain land totaling approximately 6,000 acres, in the Jefferson National Forest, Blacksburg Ranger District, known as "Dismal Creek", north of State Route 42, in Giles County and Bland County.

(D) STONE COAL CREEK.—Certain land in the Jefferson National Forest, New Castle Ranger District, totaling approximately 2,000 acres, known as "Stone Coal Creek", in Craig County and Botetourt County.

(E) WHITE OAK RIDGE: TERRAPIN MOUNTAIN.—Certain land in the Glenwood Ranger District of the Jefferson National Forest, known as "White Oak Ridge—Terrapin Mountain", totaling approximately 8,000 acres, east of the Blue Ridge Parkway, in Botetourt County and Rockbridge County.

(F) WHITETOP MOUNTAIN.—Certain land in the Jefferson National Forest, Mt. Rodgers Recreation Area, totaling 3,500 acres, known as "Whitetop Mountain", in Washington County, Smyth County, and Grayson County.

(G) WILSON MOUNTAIN.—Certain land known as "Wilson Mountain", in the Jefferson National Forest, Glenwood Ranger District, totaling approximately 5,100 acres, east of Interstate 81, in Botetourt County and Rockbridge County.

(H) FEATHERCAMP.—Certain land in the Mt. Rodgers Recreation Area of the Jefferson National Forest, totaling 4,974 acres, known as "Feathercamp", located northeast of the town of Damascus and north of State Route 58 on the Feathercamp ridge, in Washington County.

(26) WISCONSIN.—

(A) FLYNN LAKE.—Certain land in the Chequamegon-Nicolet National Forest, Washburn Ranger District, totaling approximately 5,700 acres, known as "Flynn Lake", in the Flynn Lake semi-primitive nonmotorized area, in Bayfield County.

(B) GHOST LAKE CLUSTER.—Certain land in the Chequamegon-Nicolet National Forest, Great Divide Ranger District, totaling approximately 6,000 acres, known as "Ghost Lake Cluster", including 5 parcels known as "Ghost Lake", "Perch Lake", "Lower Teal River", "Foo Lake", and "Bulldog Springs", in Sawyer County.

(C) LAKE OWENS CLUSTER.—Certain land in the Chequamegon-Nicolet National Forest, Great Divide and Washburn Ranger Districts, totaling approximately 3,600 acres, known as "Lake Owens Cluster", comprised of parcels known as "Lake Owens", "Eighteenmile Creek", "Northeast Lake", and "Sugarbush Lake", in Bayfield County.

(D) MEDFORD CLUSTER.—Certain land in the Chequamegon-Nicolet National Forest, Medford-Park Falls Ranger District, totaling approximately 23,000 acres, known as the "Medford Cluster", comprised of 12 parcels known as "County E Hardwoods", "Silver Creek/Mondeaux River Bottoms", "Lost Lake Esker", "North and South Fork Yellow Rivers", "Bear Creek", "Brush Creek", "Chequamegon Waters", "John's and Joseph Creeks", "Hay Creek Pine-Flatwoods", "558 Hardwoods", "Richter Lake", and "Lower Yellow River", in Taylor County.

(E) PARK FALLS CLUSTER.—Certain land in the Chequamegon-Nicolet National Forest, Medford-Park Falls Ranger District, totaling approximately 23,000 acres, known as "Park Falls Cluster", comprised of 11 parcels known as "Sixteen Lakes", "Chippewa Trail", "Tucker and Amik Lakes", "Lower Rice Creek", "Doering Tract", "Foulds Creek", "Bootjack Conifers", "Pond", "Mud and Riley Lake Peatlands", "Little Willow Drumlin", and "Elk River", in Price County and Vilas County.

(F) PENOKEE MOUNTAIN CLUSTER.—Certain land in the Chequamegon-Nicolet National Forest, Great Divide Ranger District, totaling approximately 23,000 acres, known as "Penokee Mountain Cluster", comprised of—

(i) the Marengo River and Brunsweiler River semi-primitive nonmotorized areas; and

(ii) parcels known as "St. Peters Dome", "Brunsweiler River Gorge", "Lake Three", "Hell Hole Creek", and "North Country Trail Hardwoods", in Ashland County and Bayfield County.

(G) SOUTHEAST GREAT DIVIDE CLUSTER.—Certain land in the Chequamegon-Nicolet National Forest, Medford Park Falls Ranger District, totaling approximately 25,000 acres, known as the "Southeast Great Divide Cluster", comprised of parcels known as "Snoose Lake", "Cub Lake", "Springbrook Hardwoods", "Upper Moose River", "East Fork Chippewa River", "Upper Torch River", "Venison Creek", "Upper Brunet River", "Bear Lake Slough", and "Noname Lake", in Ashland County and Sawyer County.

(H) DIAMOND ROOF CLUSTER.—Certain land in the Chequamegon-Nicolet National Forest, Lakewood-Laona Ranger District, totaling approximately 6,000 acres, known as "Diamond Roof Cluster", comprised of 4 parcels known as "McCaslin Creek", "Ada Lake", "Section 10 Lake", and "Diamond Roof", in Forest County, Langlade County, and Oconto County.

(I) ARGONNE FOREST CLUSTER.—Certain land in the Chequamegon-Nicolet National Forest, Eagle River-Florence Ranger District, totaling approximately 12,000 acres, known as "Argonne Forest Cluster", comprised of parcels known as "Argonne Experimental Forest", "Scott Creek", "Atkins Lake", and "Island Swamp", in Forest County.

(J) BONITA GRADE.—Certain land in the Chequamegon-Nicolet National Forest, Lakewood-Laona Ranger District, totaling approximately 1,200 acres, known as "Bonita Grade", comprised of parcels known as "Mountain Lakes", "Temple Lake", "Second South Branch", "First South Branch", and "South Branch Oconto River", in Langlade County.

(K) FRANKLIN AND BUTTERNUT LAKES CLUSTER.—Certain land in the Chequamegon-Nicolet National Forest, Eagle River-Florence Ranger District, totaling approximately 12,000 acres, known as "Franklin and Butternut Lakes Cluster", comprised of 8 parcels known as "Bose Lake Hemlocks", "Luna White Deer", "Echo Lake", "Franklin and Butternut Lakes", "Wolf Lake", "Upper Ninemile", "Meadow", and "Bailey Creeks", in Forest County and Oneida County.

(L) LAUTERMAN LAKE AND KIEPER CREEK.—Certain land in the Chequamegon-Nicolet National Forest, Eagle River-Florence Ranger District, totaling approximately 2,500 acres, known as "Lauterman Lake and Kieper Creek", in Florence County.

(27) WYOMING: SAND CREEK AREA.—

(A) IN GENERAL.—Certain land in the Black Hills National Forest, totaling approximately 8,300 acres known as the "Sand Creek area", located in Crook County, in the far northwest corner of the Black Hills.

(B) BOUNDARY.—Beginning in the northwest corner and proceeding counterclockwise, the boundary for the Sand Creek Area roughly follows—

(i) forest Roads 863, 866, 866.1B;

(ii) a line linking forest roads 866.1B and 802.1B;

(iii) forest road 802.1B;

(iv) forest road 802.1;

(v) an unnamed road;

(vi) Spotted Tail Creek (excluding all private land);

(vii) forest road 829.1;

(viii) a line connecting forest roads 829.1 and 864;

(ix) forest road 852.1; and

(x) a line connecting forest roads 852.1 and 863.

(d) COMMITTEE OF SCIENTISTS.—

(1) ESTABLISHMENT.—The Secretaries concerned shall appoint a committee consisting of scientists who—

(A) are not officers or employees of the Federal Government;

(B) are not officers or employees of any entity engaged in whole or in part in the production of wood or wood products; and

(C) have not contracted with or represented any entity described in subparagraph (A) or (B) in a period beginning 5 years before the date on which the scientist is appointed to the committee.

(2) RECOMMENDATIONS FOR ADDITIONAL SPECIAL AREAS.—Not later than 2 years of the date of the enactment of this Act, the committee shall provide Congress with recommendations for additional special areas.

(3) CANDIDATE AREAS.—Candidate areas for recommendation as additional special areas shall have outstanding biological values that are exemplary on a local, regional, and national level, including the presence of—

(A) threatened or endangered species of plants or animals;

(B) rare or endangered ecosystems;

(C) key habitats necessary for the recovery of endangered or threatened species;

(D) recovery or restoration areas of rare or underrepresented forest ecosystems;

(E) migration corridors;

(F) areas of outstanding biodiversity;

(G) old growth forests;

(H) commercial fisheries; and

(I) sources of clean water such as key watersheds.

(4) GOVERNING PRINCIPLE—The committee shall adhere to the principles of conservation biology in identifying special areas based on biological values.

SEC. 204. RESTRICTIONS ON MANAGEMENT ACTIVITIES IN ANCIENT FORESTS, ROADLESS AREAS, WATERSHED PROTECTION AREAS, AND SPECIAL AREAS.

(a) RESTRICTION OF MANAGEMENT ACTIVITIES IN ANCIENT FORESTS.—On Federal land located in Ancient forests—

(1) no roads shall be constructed or reconstructed;

(2) no extractive logging shall be permitted; and

(3) no improvements for the purpose of extractive logging shall be permitted.

(b) RESTRICTION OF MANAGEMENT ACTIVITIES IN ROADLESS AREAS.—On Federal land located in roadless areas (except military installations)—

(1) no roads shall be constructed or reconstructed;

(2) no extractive logging shall be permitted except of non-native invasive tree species, in

which case the limitations on logging in title I shall apply; and

(3) no improvements for the purpose of extractive logging shall be permitted.

(c) Restriction of Management Activities in Watershed Protection Areas.—On Federal land located in watershed protection areas—

(1) no roads shall be constructed or reconstructed;

(2) no extractive logging shall be permitted except of non-native invasive tree species, in which case the limitations on logging in title I shall apply; and

(3) no improvements for the purpose of extractive logging shall be permitted.

(d) Restriction of Management Activities in Special Areas.—On Federal land located in special areas—

(1) no roads shall be constructed or reconstructed;

(2) no extractive logging shall be permitted except of non-native invasive tree species, in which case the limitations on logging in title I shall apply; and

(3) no improvements for the purpose of extractive logging shall be permitted.

(e) Maintenance of Existing Roads.—

(1) In general.—Except as provided in paragraph (2), the restrictions described in subsection (a) shall not prohibit the maintenance of an improved road, or any road accessing private inholdings.

(2) Abandoned roads.—Any road that the Secretary determines to have been abandoned before the date of enactment of this Act shall not be maintained or reconstructed.

(f) Enforcement.—

(1) Finding.—Congress finds that all people of the United States are injured by actions on land to which this section applies.

(2) Purpose.—The purpose of this subsection is to foster the widest possible enforcement of this section.

(3) Federal enforcement.—The Secretary and the Attorney General of the United States shall enforce this section against any person that violates this section.

(4) Citizen suits.—

(A) In general.—A citizen harmed by a violation of this section may enforce this section by bringing a civil action for a declaratory judgment, a temporary restraining order, an injunction, statutory damages, or other remedy against any alleged violator, including the United States, in any district court of the United States.

(B) Judicial relief.—If a district court of the United States determines that a violation of this section has occurred, the district court—

(i) shall impose a damage award of not less than $5,000;

(ii) may issue 1 or more injunctions or other forms of equitable relief; and

(iii) shall award to each prevailing party the reasonable costs of bringing the action, including attorney's fees, witness fees, and other necessary expenses.

(C) Standard of proof.—The standard of proof in all actions under this paragraph shall be the preponderance of the evidence.

(D) Trial.—A trial for any action under this section shall be de novo.

(E) Payment of damages.—

(i) Non-federal violator.—A damage award under subparagraph (B)(i) shall be paid by a non-Federal violator or violators designated by the court to the Treasury.

(ii) Federal violator.—

(I) In general.—Not later than 40 days after the date on which judgment is rendered, a damage award under subparagraph (B)(i) for which the United States is determined to be liable shall be paid from the Treasury, as provided under section 1304 of title 31, United States Code, to the person or persons designated to receive the damage award.

(II) Use of damage award.—A damage award described under subclause (I) shall be used by the recipient to protect or restore native biodiversity on Federal land or on land adjoining Federal land.

(III) Court costs.—Any award of costs of litigation and any award of attorney fees shall be paid by a Federal violator not later than 40 days after the date on which judgment is rendered.

(5) Waiver of sovereign immunity.—

(A) In general.—The United States (including agents and employees of the United States) waives its sovereign immunity in all respects in all actions under this section.

(B) Notice.—No notice is required to enforce this subsection.

TITLE III—EFFECTIVE DATE

SEC. 301. EFFECTIVE DATE.

This Act and the amendments made by this Act take effect on the date of enactment of this Act.

SEC. 302. EFFECT ON EXISTING CONTRACTS.

This Act and the amendments made by this Act shall not apply to any contract for the sale of timber that was entered into on or before the date of enactment of this Act.

SEC. 303. WILDERNESS ACT EXCLUSION.

This Act and the amendments made by this Act shall not apply to any Federal wilderness area designated under the Wilderness Act (16 U.S.C. 1131 et seq.).

By Mr. CORZINE:

S. 1942. A bill to require the President to submit to Congress a quarterly report on the projected total cost of United States operations in Iraq, including military operations and reconstruction efforts, through fiscal year 2008; through fiscal year 2008; to the Committee on Armed Services.

Mr. CORZINE. Mr. President, I am introducing today a bill that will ensure that we properly budget for what we are now learning will be a long and costly war in Iraq. This legislation, which requires the President to submit a report every 90 days on the projected total costs of military operations and reconstruction efforts to Iraq is identifcal to an amendment I offered to the supplemental appropriations bill to October. That announcement was agreed to by unanimously consent. Unfortunately, it was removed in conference.

In recent days, the Administration has finally begun to acknowledge what Secretary of Defense Donald Rumsfeld wrote in an internal memorandum last month: that Iraq will be a "long, hard slog." This past Thursday, November 20, President Bush told us that quote, "We could have less troops in Iraq, we could have the same number of troops in Iraq, we could have more troops in Iraq, whatever is necessary to secure Iraq." The following day, the New York Times, citing a "senior Army officer," reported that the Army was planning to keep about 100,000 troops in Iraq through early 2006.

For over a year, this Administration has downplayed the costs of the war in Iraq. Last September, after White House economic advisor Lawrence Lindsay put the figure at between $100 billion and $200 billion, OMB Director Mitch Daniels insisted that that estimate was, quote: "very, very high." Mr. Lindsay, whose candor reportedly cost him his job, was the Administration official to provide anything close to a realistic estimate. In December, Director Daniels put the figure at $50 billion to $60 billion. A few weeks later, Secretary of Defense Donald Rumsfeld told us that the war would cost under $50 billion.

As the Administration planned for war, it stopped making any public estimates at all. As Deputy Defense Secretary Wolfowitz said in February, quote: "I think it's necessary to preserve some ambiguity of exactly where the numbers are." Administration officials also insisted repeatedly that Iraq would pay for its own reconstruction. To quote Deputy Secretary Wolfowitz again: "There's a lot of money there, and to assume that we're going to pay for it is just wrong."

The Administration failed to include any military or reconstruction costs in its Fiscal Year 2004 budget estimate, and refused to submit to Congress a budget amendment. As a result, we passed a budget resolution that included enormous, fiscally irresponsible tax cuts but no money for a war that was already upon us. Even after President Bush had issued his ultimatum to Saddam Hussein, the Administration, along with my Republican colleagues, opposed a series of efforts to put aside between $80 billion and $100 billion for the war. Only the following week, after the budget resolution was passed, did we receive the first supplemental request, for nearly $75 billion, of which nearly $60 billion was for defense and nearly two and a half billion was for the reconstruction of Iraq.

Even with the war having begun, the Administration continued to downplay the expected costs of reconstruction. On March 27, Deputy Secretary Wolfowitz stated, quote: "We're dealing with a country that can really finance its own reconstruction, and relatively soon." And, on April 10, Secretary Rumsfeld said, quote: "I don't know that there's much reconstruction to do."

These reassurances were contradicted flatly by outside experts. In March, a panel led by former Nixon and Ford Secretary of Defense James Schlesinger estimated that the cost of postwar reconstruction would be at least $20 billion a year. The panel, which included the first President Bush's ambassador to the United Nations, Thomas Pickering, former Chairman of the Joint Chiefs of Staff John Shalikashvili, and former Reagan U.N. ambassador Jeanne Kirkpatrick, concluded that President Bush had failed, quote: "to fully describe to Congress and the American people the magnitude of the resources that will be required to meet the post-conflict needs" of Iraq.

But the Administration continued to insist otherwise. In April, USAID Administrator Andrew Natsios was asked whether the Administration was sticking to its estimate of total costs. He responded, quote: "That is our plan and that is our intention. And these figures, outlandish figures I've seen, I have to say, there a little bit of hoopla involved in this. Three months later, OMB Director Josh Bolton promised, quote: "We don't anticipate requesting anything additional for the balance of the year."

Then we got the bill: a second supplemental request for $87 billion, of which more than $20 billion was for the reconstruction of Iraq.

This war—which I opposed—has been far more costly to the American taxpayer than was necessary. The Administration's blind assumption that we would be greeted as liberators has resulted in unnecessary costs. The failure to prevent looting, for example, or to anticipate sabotage, has made reconstruction more expensive than the Administration promised.

The Bush Administration's unilateral approach to the war has also cost U.S. taxpayers. It is worth remembering that while the first Persian Gulf War cost more than $61 billion, our allies paid for all but $4.7 billion. Had President Bush managed to enlist more of our friends and allies in this effort, the American taxpayer would not be footing this enormous bill practically alone.

We are also paying for the vast majority of reconstruction costs, and may be paying more in the future. The World Bank has estimated Iraq's reconstruction costs to be $56 billion. Iraq also has $120 billion in debts that have not yet been restructured. Outside contributions have been relatively meager. The recent donors' conference in Madrid produced pledges of $13 billion, but two thirds of that amount was in the form of loans. As for Iraqi oil, next year's revenues will be used entirely for government operations, leaving nothing for reconstruction.

It is long past time for the Administration to be more forthcoming about the future costs of operations in Iraq. Right now, the only estimates come from outside sources, such as the Congressional Budget Office, which earlier this month estimated that with 67,000 to 106,000 military personnel in Iraq, the annual cost of the occupation would be between $14 billion and $19 billion. Given recent revelations about the Army's current planning, we might now expect those upper range costs, at least through 2006. And even these figures seem low considering that we are now spending in Iraq at the rate of $4 billion a month, which would translate into $48 billion per year.

We cannot continue to play guessing games with the war in Iraq, our national defense, or our children's future. The Congressional Budget Office has estimated the Fiscal Year 2004 "on-budget deficit" to be $644 billion. We have serious domestic needs in everything from health care, to education, to the environment. We are not adequately protecting ourselves against terrorism, denying our first responders the resources they need and leaving critical infrastructure such as chemical facilities unguarded. We are underfunding veterans' benefits at a time when thousands of new veterans are returning home from Iraq wounded and disabled. And we are overstretching our troops and may have to consider a significant increase in end-strength. All of these priorities are put at risk so long as we fail to budget for future costs of the war and occupation in Iraq.

The Senate clearly recognized the seriousness of this problem when it agreed unanimously last month to this legislation. There is simply no reason why we should not expect the Administration to plan for the future costs of the occupation of Iraq, to budget accordingly, and to keep Congress and the American people informed.

I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1942

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Future Iraq Costs Act".

SEC. 2. REPORT ON PROJECTED TOTAL COST OF UNITED STATES OPERATIONS IN IRAQ.

(a) Quarterly Report.—Not later than 30 days after the date of the enactment of this Act, and every 90 days thereafter, the President shall submit to each Member of Congress a report on the projected total cost of United States operations in Iraq, including military operations and reconstruction efforts, through fiscal year 2008.

(b) Explanation of Changes in Projected Cost.—The President shall include in each report submitted under subsection (a) after the initial report under that subsection an explanation for any change in the total projected total cost of United States operations in Iraq from the projected total cost of such operations stated in the preceding report.

(c) Termination of Reporting Requirement in Fiscal Year 2008.—No report is required under this section after December 31, 2007.

By Mr. ENSIGN (for himself, Mr. Nelson of Florida, Mr. Coleman, Mr. Graham of South Carolina, Mr. Crapo, Mr. Reid, Mr. Bayh, Mr. Edwards, Mr. Allard, Mr. Smith, Mr. Allen, and Mrs. Boxer):

S. 1944. A bill to enhance peace between the Israelis and Palestinians; to the Committee on Foreign Relations.

Mr. ENSIGN. Mr. President, a lot has changed in the climate of the Middle East since I was there in 1995, but unfortunately not enough has changed.

In 1995, the Oslo Accords were signed and suicide bombers detonated themselves on buses around Jerusalem. Eight years later, Israelis continue to face the daily threat of terrorism on their buses, in their grocery stores, in their restaurants, and in their cafes. For them, every single day is September 11. It's hard to imagine that kind of reality and the strength it takes to continue each day not knowing where the next attack will occur.

I think about September 11 here in the United States, and the shock many Americans felt—not just at the terrible loss of life, but the fact that terrorists had targeted our people here in our own country—where they live and work. I remember one commentator back then said—today, every American learned what it is like to be an Israeli.

We came together as a nation to comfort each other, but also to do whatever we could to prevent another attack on our soil and to eliminate the world of the evil terrorists who had targeted our innocent victims. In those moments and days that followed, leaders from around the world called to express their condolences. There were no calls to the United States to show restraint in responding to the terrorists. And it there were, they would have fallen on deaf ears. The world knew that President Bush and the United States would do whatever it took to keep our citizens safe. The security of our nation would always be our priority.

But when September 11 happens on a daily basis in Israel, the calls they get are not to express sympathy, but to urge restraint in responding to the attack. Not only is Israel criticized for doing exactly what the United States has done—respond to attacks against its citizens by going after the terrorists where they hide—Israel is even criticized for taking steps to secure its homeland security and prevent further attacks.

So where do we go from here?

Well, the legislation I am introducing with my colleagues, the junior Senator from Florida, focuses on the fact that Israel has a right to make the security of their country a priority and that such security is a major and enduring national security interest of the United States.

The bipartisan Israeli-Palestinian Peace Enhancement Act of 2003 contains strong, unequivocal expressions of the Senate's support for the President's June 24, 2002, speech and the vision of two states living side-by-side in peace and security.

However, it expresses the Senate's expectation that the Palestinian Authority must meet certain conditions before a Palestinian state is recognized, including: a leadership not compromised by terrorism; a firm commitment to peace with Israel; the dismantling of terrorist infrastructures in the West Bank and Gaza; sustained security cooperation with Israel; and an end to anti-Israel incitement.

It provides concrete, positive incentives for the Palestinians to achieve the reforms called for by President Bush and a negotiated peace with Israel by authorizing significant United States assistance, and a commitment to organize international assistance, to build the new state when it comes into being and has been recognized by the United States and Israel—conditions that can only occur in the absence of terrorism.

Ambiguous promises of non-aggression are not enough. Lasting peace means the absence of terror. Without legitimate guarantees for the security of the state of Israel, there can be no lasting peace in the region.

Words are cheap—and nowhere are they cheaper than in the Middle East. Until there is Palestinian leadership that is committed to eliminating the terrorist infrastructure, that is serious about making peace with Israel, and that envisions two states existing together, peace will not be known.

Who can we trust to support Israel in this hour of crisis?

Well, I believe we can trust President Bush. Particularly after September 11, the President understands thee can be no peace without security. He made that clear on June 24, 2002, when he gave an address in the Rose Garden that went above and beyond any other official United States position on the Middle East. He made clear that unless and until Israel has a trustworthy partner on the Palestinian side, there can be no lasting peace. And he emphasized that a Palestinian state could become a reality only after new leaders—not compromised by terror—were elected and a practicing democracy, based on tolerance and liberty was built.

That statement should be the road map to peace. That is why we have taken the principles the President laid out in his June 24 speech, and turned them into legislation.

In closing, I would like to thank the original cosponsors of the Israeli-Palestinian Peace Enhancement Act of 2003, including Senator BILL NELSON, Senator COLEMAN, Senator LINDSEY GRAHAM, Senator CRAPO, Senator REID, Senator BAYH, Senator EDWARDS, Senator ALLARD, Senator GORDON SMITH, Senator ALLEN, and Senator BOXER for joining me in working toward a lasting and true peace in the Middle East.

By Mr. CORZINE:

S. 1946. A bill to establish an independent national commission to examine and evaluate the collection, analysis, reporting, use, and dissemination of intelligence related to Iraq and Operation Iraqi Freedom; to the Select Committee on Intelligence.

Mr. CORZINE. Mr. President, I am introducing today a bill to establish an independent, bipartisan commission to examine intelligence issues related to Iraq. This commission is necessary because what we have discovered on the ground in Iraq has shown our intelligence to be wrong. It is necessary because Administration officials misused intelligence—that is, they made public statements and submitted reports to Congress that the Administration knew at the time to be unsupported by the available intelligence. And it is necessary because inaccurate and misused intelligence played a role in leading us to war.

Accurate, objective, and credible intelligence is a fundamental cornerstone of our national security, particularly in an age of shadowy terrorist networks and clandestine weapons programs. Unless we improve our intelligence, we risk failing to identify serious threats to the United States and being distracted by lesser dangers at the expense of larger and more urgent security concerns.

This effort must include not only the collection and analysis of intelligence, but the use, reporting, and dissemination of intelligence assessments. If the American people are asked to go to war to preempt an attack, or—as in the case of Iraq—to prevent a possible future threat from emerging, it is critical that the public statements of our officials be supported by the available intelligence. If members of Congress are to consider authorizing the use of force, particularly against countries that have not attacked the United States, they must be provided with honest and complete intelligence. And if our allies are to be asked to join us in confronting these threats, the intelligence that we share with them and that we rely on to bolster our case must be credible in the eyes of the world.

I first proposed an independent commission to examine intelligence related to Iraq last summer, when it became clear that President Bush had made an important but unsubstantiated claim in his January 2002 State of the Union address. That claim was, quote: "The British government has learned that Saddam Hussein recently sought significant quantities of uranium from Africa."

Although this statement has been dismissed as the "16 words," its significant cannot be overstated. The State of the Union address is the most important, the most scrutinized speech the President delivers. The statement concerned the most important topic a President can discuss—whether to send Americans to war. And this claim was the most important element of the President's argument for war: that there was evidence that Saddam Hussein might have the necessary materials to produce a nuclear bomb. As for the reference to the British government, it is hard to imagine how the use of the word "learned" could imply anything other than that the United States independently believed that the claim was true.

It turns out that the Bush Administration had ample reason to know at the time that what the President was telling the nation could not be substantiated. The CIA had sought to dissuade the White House from making claims about uranium purchases. And on February 5, a week after the State of the Union address, Secretary of State Powell made a presentation to the Untied Nations in which he omitted the claim precisely because it was not supported by the available intelligence.

Despite this knowledge, the Administration never issued a clarification. As a result, the President's statement stood, as an important element of the Administration's case for war. Only last summer, after Americans learned from Ambassador Joe Wilson and others what Administration officials knew at the time, did the Administration acknowledge that the uranium allegation should never have been included in the State of the Union Address.

The case generated outrage across party lines. Republicans as well as Democrats expressed serious concern about the credibility of the Administration and the country. They stressed that cabinet members, the vice president, and the entire administration are responsible for honestly representing intelligence. They called for someone in the Administration to be held accountable. The Senate passed a resolution by voice vote. The chairman of the Senate Intelligence Committee promised to undertake a, quote "very aggressive review." And the Bush Administration insisted that it would cooperate. As White House spokesman Ari Fleischer stated on June 11, quote: "The Administration welcomes the review. It's important."

In July, when I first sought to establish this commission, there was no dispute that the use of intelligence, as well as the collection and analysis of intelligence, should be examined. Republicans who voted against the commission did so, they said, because the commission would intrude on the jurisdiction of the Intelligence Committee. I was, and remain supportive of efforts by the committee to look into the use of intelligence related to Iraq, an inquiry that is clearly included within the committee's jurisdiction. But it was and is my belief that an independent, bipartisan commission, building on the findings of Congressional and other investigations, could undertake the most thorough, depoliticized review possible.

Now, however, it seems an independent commission is the only remaining means left to examine the use, or misuse, of intelligence. On November 13, the Chairman of the Intelligence Committee announced that there would be no examination of how intelligence was used by policymakers. I deeply regret this decision by the chairman and fervently hope the committee will ultimately exercise its role, established in the resolution laying out its jurisdiction, in overseeing the, quote: "use or dissemination" of intelligence. In the meantime, I would expect that an independent commission would receive strong bipartisan support.

It is now beyond question that our intelligence on Iraq was inaccurate. After months of searching, investigative teams have yet to find stockpiles of chemical or biological weapons. David Kay, who heads up the Iraqi Survey Group, has stated that Iraq's nuclear program was only at the, quote: "very most rudimentary level." The Administration has yet to produce evidence of the high-level ties between Iraq and al Qaeda that it warned of prior to the war. And now, tragically, we must add to the list of intelligence failures the inability to anticipate the current resistance to U.S. occupation. Clearly, the facts and circumstances surrounding these failings warrant a detailed and systematic review.

But what of the use of intelligence? As important as the State of the Union address was, that speech was only part of a larger case made by the Administration for war. Administration officials made many claims—particularly those related to chemical and biological weapons—that were expressed in terms that were more specific and more certain than the intelligence may have supported. Most troubling, however, were the highly dubious assessments and suggestions related to nuclear programs and terrorism with which the Administration built its most powerful and emotionally potent argument. That argument had three elements: 1. That Iraq had a nuclear weapons program, and possibly even a nuclear weapon; 2. that Saddam Hussein was allied with al Qaeda, and that he may have been involved with the terrorist attacks of September 11; and 3. that the threat was imminent.

The Administration began to make its argument in the summer of 2002. As vice President Cheney stated in an August 26 speech, quote: "Simply stated, there is no doubt that Saddam Hussein now has weapons of mass destruction." In an indication of how Administration officials would make their case over the next seven months, the vice president insisted that the intelligence indicated no doubt, no internal disagreement, and no uncertainty.

Then, on September 12, President bush, in his speech to the United Nations, went further, stating, quote: "right now, Iraq is expanding and improving facilities that were used for the production of biological weapons." the President also made two statements regarding Iraq's alleged nuclear program. The first was that Iraq had made, quote: "several attempts to buy high-strength aluminum tubes used to enrich uranium for a nuclear weapon." He failed to mention that neither the Department of Energy nor the Department of State's Bureau of Intelligence and Research believed that the tubes were intended for that purpose. The President's second statement added the missing ingredient: the uranium itself. As the President stated, quote: "Should Iraq acquire fissile material, it would be able to build a nuclear weapon within year." This was the context for the President's claim made in the State of the Union address that Iraq had sought to purchase uranium from Africa.

The Administration continued making its case throughout the fall of 2002, adding claims concerning ties between Saddam Hussein and al Qaeda. One of many examples was Secretary Rumsfeld's September 26 statement that the Administration had, quote: "very reliable reporting of senior level contacts going back a decade."

As Congress deliberated whether to authorize the use of force against Iraq, the Administration officials made increasingly alarming statements about Iraq's ties to al Qaeda and about its nuclear weapons program. On October 7, three days before the vote in the House of Representatives and four days before the vote in the Senate, President Bush gave a speech in which he said, unequivocally, that, quote: "We know that Iraq and al Qaeda have had high-level contacts that go back a decade," and, quote: "The evidence indicates the Iraq is reconstituting its nuclear weapons program." He repeated the allegations about uranium tubes and the warning about purchases of uranium. Then the President put it all together—the implication that Iraq was connected to the September 11 attacks, the implication that Iraq could have a nuclear bomb at any time, and the warning that Saddam Hussein could decide on any day to explode a nuclear bomb in the United States. Here is what the President said: "Why do we need to confront it [Saddam] now? And there's a reason. We've experienced the horror of September the 11th. We have seen that those who hate America are willing to crash airplanes into buildings full of innocent people. Our enemies would be no less willing, in fact, they would be eager, to use biological or chemical, or a nuclear weapon. Knowing these realities, America must not ignore the threat gathering against us. Facing clear evidence of peril, we cannot wait for the final proof—the smoking gun—that could come in the form of a mushroom cloud."

This was the most powerful, dire, and convincing warning a President could give. And it was based on one inference that the President has acknowledged he never had any evidence of, that Saddam was tied to September 11, and another which had already been refuted by many within the Administration, that Iraq was reconstituting its nuclear program.

Later statements included Secretary of Defense Rumsfeld's claims to specific knowledge of the whereabouts and movements of biological and chemical weapons. On March 11, he stated, quote: "We know he continues to hide biological and chemical weapons, moving them to different locations as often as every 12 to 24 hours, and placing them in residential neighborhoods." On March 30, he said, quote: "We know where they are. They're in the area around Tikrit and Baghdad and east, west, south and north somewhat."

The Administration also continued to insist that the threat was imminent—a claim that served to counter arguments that the United Nations should be given more time. On February 6, the day after Secretary of State Powell made his presentation to the UN, Secretary of Defense Rumsfeld made an appeal for immediate action. "Why now?" he asked. "The answer is that every week that goes by, his weapons of mass destruction programs become more mature." That same day, Deputy Secretary Wolfowitz stated, quote: "Connections with terrorists, which go back decades, and which started some 10 years ago with al Qaeda, are growing every day."

Finally, on March 16, the day before President Bush's ultimatum to Saddam Hussein, Vice President CHENEY went beyond claims that Iraq had the intent to produce nuclear weapons, and even beyond the claims that Iraq was seeking centrifuge equipment or uranium. Rather, the vice president stated flatly, quote: "We believe he has, in fact, reconstituted nuclear weapons." This assertion, which the vice president has recently acknowledged was a misstatement, was not corrected. Instead, it was allowed to stand as nearly the final word on why we were going to war.

Questions surrounding the Administration's use of intelligence extend beyond public statements, to include reports to and testimony before Congress. One example of unsubstantiated reporting was the January 20 report to Congress, mandated by the use of force resolution, that cited Iraq's failure to declare its, quote: "attempts to acquire uranium and the means to enrich it"—the same unsubstantiated claim made in the President's State of the Union address.

This commission would be authorized to examine other intelligence issues related to Iraq, as well. The Administration made claims related to weapons delivery systems, including President Bush's assertion on October 7 that, quote: "Iraq has a growing fleet of manned and unmanned aerial vehicles that could be used to disperse chemical or biological weapons across broad areas," and that Iraq could use them for, quote: "missions targeting the United States." There has never been evidence that Iraq had UAVs with ranges of thousands of miles.

Administration officials made claims related to the occupation, including Vice President CHENEY's March 16 assertion that, quote: "I really do believe that we will be greeted as liberators," and Deputy Defense Secretary Wolfowitz's November 17 analogy to, quote: "post-liberation France."

The Administration also downplayed the costs of the occupation. Despite White House economic advisor Lawrence Lindsey's estimate that the occupation would cost between $100 and $200 billion—an estimate for which he was apparently fired—Secretary of Defense Rumsfeld on January 19 put the figure at, quote: "something under $50 billion," On February 27, Deputy Defense Secretary Wolfowitiz stated that, quote: "there's a lot of money there, and to assume that we're going to pay for it is just wrong." And, on March 27, Deputy Secretary Wolfowitz stated, quote: "We're dealing with a country that can really finance its own reconstruction, and relatively soon."

The independent commission I propose would be authorized to examine the relationship between policy makers and the intelligence community. Were members of the intelligence community pressured to produce analyses that conformed to the Administration's policies? Did Administration officials seek to bypass the normal analysis process by cherry-picking bits of intelligence that suited their agenda, through the Office of Special Plans in the Department of Defense or through other special or ad hoc arrangements? Did the Administration base its analyses on foreign intelligence sources of dubious credibility? These questions must be answered, and corrective measures undertaken, if our intelligence community is to be as effective and objective as we need it to be.

Perhaps the most egregious undermining, indeed betrayal, of the intelligence community was the identification by senior Administration officials of a covert CIA operative. The operative is the spouse of a person who has been called a national hero by President George H.W. Bush but who questioned the current Administration's statements regarding Iraq. The leak of this operative's identity sent an implicit warning to others in the intelligence community who might disagree with the Administration's positions. It potentially endanged the life of the operative and those with whom the operative worked. And it rendered the operative's skills, experience and sources permanently useless, thus wasting precisely the kind of intelligence asset that the United States so desperately needs right now.

The purpose of this commission is to identify ways in which we can learn from past mistakes and thus improve our collection, analysis, reporting, use and dissemination of intelligence. The commission's members, who will come from both parties, will be prominent Americans with experience in intelligence, the armed forces and other relevant areas. Their work will build on relevant Congressional and other investigations.

The commission, through an objective, independent, highly professional examination process, will help depoliticize an extremely complicated and sensitive topic. By reviewing intelligence related to Iraq beginning in 1998, it will draw conclusions about the use of intelligence by a Democratic as well as Republican Administration. And by reporting its recommendations directly to the President and to Congress, it will serve as a valuable resource outside the context of open political debate. In this respect, I disagree with the Chairman of the Intelligence Committee who has stated that the full Congress and the public could "decide for themselves whether the intelligence was accurately represented by government officials."

This issue is far too serious to simply ignore. Over one hundred thousand brave Americans are currently serving in Iraq, facing challenges that require accurate and objective intelligence. We have an obligation to pursue every opportunity to improve that intelligence. Meanwhile, the United States faces other threats—from despotic regimes with nuclear, chemical, or biological weapons, from terrorism, and from the horrible possibility that terrorists could acquire these weapons. Our ability to confront these threats requires that our intelligence be accurate and objective. And, as we seek to enlist our friends and allies in our efforts to address these common threats, we must ensure that our intelligence is credible.

Unless we identify and correct the mistakes of the past, we will not be safer.

I ask unanimous consent that the text of the legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1946

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Independent Iraq Intelligence Commission Act".

SEC. 2. ESTABLISHMENT OF COMMISSION.

There is established the National Commission on Iraq Intelligence (in this Act referred to as the "Commission").

SEC. 3. PURPOSES.

The purposes of the Commission are as follows:

(1) To examine and evaluate the performance of the United States intelligence community with respect to the collection of intelligence, and the quality of intelligence obtained, on the weapons of mass destruction and related delivery systems capabilities of Iraq in the period from 1998 until the conclusion of military operations against Iraq under Operation Iraqi Freedom.

(2) To examine and evaluate the performance of the United States intelligence community with respect to the collection of intelligence, and the quality of intelligence obtained, on the connections and support, if any, of Iraq with and for the plans and intentions of terrorist groups to attack the United States or United States interests abroad during the period referred to in paragraph (1).

(3) To examine and evaluate the performance of the United States intelligence community with respect to the collection of intelligence, and the quality of intelligence obtained, during and after the period referred to in paragraph (1), on matters relating to—

(A) the conduct of military and intelligence operations against Iraq;

(B) the search for and securing of weapons of mass destruction, related delivery systems capabilities, and conventional weapons in Iraq; and

(C) the military, political, and economic aspects of the occupation of Iraq.

(4) To examine and evaluate the quality of the analysis by the United States intelligence community of the available intelligence related to the matters referred to in paragraphs (1) through (3), including intelligence from foreign intelligence services, that served as a basis during the period referred to in paragraph (1) for—

(A) reports, testimony, and presentations to policymakers in the Executive Branch and Congress, and to United Nations bodies and other consumers; and

(B) assessments that were used or disseminated by the Executive Branch.

(5) To examine and evaluate the effect, if any, on the United States intelligence community of the actions of Executive Branch officials regarding the collection, analysis, and reporting on intelligence matters referred to in paragraphs (1) through (3).

(6) To examine and evaluate the relevant facts and circumstances relating to the use and dissemination by Executive Branch officials of intelligence and intelligence analyses underlying assessment of intelligence matters referred to in paragraphs (1) through (3) during the period referred to in paragraph (1), including assessments contained in public speeches, statements, and interviews, reports to and testimony before Congress, and communications with and reports and presentations to United Nations bodies.

(7) To build on the investigations of other entities, and avoid unnecessary duplication, by reviewing the work, findings, conclusions, and recommendations of other Executive Branch, Congressional, or independent commission investigations into the collection, analysis, reporting, use, and dissemination of intelligence related to Iraq by the United States.

(8) Based on the examinations and evaluations under paragraphs (1) through (6) and the work, findings, conclusions, and recommendations of other investigations referred to in paragraph (7), to identify corrective measures to improve the collection, analysis, reporting, use, and dissemination

of intelligence by the Executive Branch, and to report to the President and Congress on the examinations, evaluations, findings, and conclusions of the Commission and on the recommendations of the Commission with respect to such corrective measures.

SEC. 4. COMPOSITION OF COMMISSION.

(a) MEMBERS.—The Commission shall be composed of 10 members, of whom—

(1) 1 member shall be appointed by the President, who shall serve as co-chairman of the Commission;

(2) 1 member shall be appointed by the leader of the Senate (majority or minority leader, as the case may be) of the Democratic Party, in consultation with the leader of the House of Representatives (majority or minority leader, as the case may be) of the Democratic Party, who shall serve as co-chairman of the Commission;

(3) 2 members shall be appointed by the senior member of the Senate leadership of the Democratic Party;

(4) 2 members shall be appointed by the senior member of the leadership of the House of Representatives of the Republican Party;

(5) 2 members shall be appointed by the senior member of the Senate leadership of the Republican Party; and

(6) 2 members shall be appointed by the senior member of the leadership of the House of Representatives of the Democratic Party.

(b) QUALIFICATIONS; INITIAL MEETING.—

(1) POLITICAL PARTY AFFILIATION.—Not more than 5 members of the Commission shall be from the same political party.

(2) NONGOVERNMENTAL APPOINTEES.—An individual appointed to the Commission may not be an officer or employee of the Federal Government or any State or local government.

(3) OTHER QUALIFICATIONS.—It is the sense of Congress that individuals appointed to the Commission should be prominent United States citizens, with national recognition and significant depth of experience in such professions as governmental service, the armed services, law, intelligence, and foreign affairs.

(4) DEADLINE FOR APPOINTMENT.—All members of the Commission shall be appointed not later than one month after the date of the enactment of this Act.

(5) INITIAL MEETING.—The Commission shall meet and begin the operations of the Commission as soon as practicable.

(c) QUORUM; VACANCIES.—After its initial meeting, the Commission shall meet upon the joint call of the co-chairmen or a majority of its members. Six members of the Commission shall constitute a quorum. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

SEC. 5. FUNCTIONS OF COMMISSION.

The functions of the Commission are—

(1) to conduct an investigation into the relevant facts and circumstances relating to the collection, analysis, reporting, use, and dissemination by the United States intelligence community and others in the Executive Branch of intelligence relating to Iraq and Operation Iraqi Freedom, including—

(A) an examination and evaluation of the quantity and quality of United States intelligence underlying assessments made during the period referred to in section 3(1) of—

(i) weapons of mass destruction and delivery systems capabilities of Iraq;

(ii) connections and support, if any, of Iraq with and for the plans and intentions of terrorist groups to attack the United States or United States interests abroad;

(B) an examination and evaluation of the quantity and quality of United States intelligence underlying assessments made during after the period referred to in section 3(1) on intelligence matters relating to—

(i) the conduct of military and intelligence operations against Iraq;

(ii) the search for and securing of weapons of mass destruction, related delivery systems capabilites, and conventional weapons in Iraq; and

(iii) the military, political, and economic aspects of the occupation of Iraq;

(C) an examination and evaluation regarding whether the analytical judgments in the assessments referred to in subparagraphs (A) and (B) were thorough, timely, objective, independent, and reasonable, based upon intelligence collection;

(D) an examination and evaluation of the accuracy of the assessments referred to in subparagraphs (A) and (B) when compared with the results of the investigative efforts of the Iraq Survey Group and other relevant Executive Branch and Congressional entities, and with relevant assessments of the United Nations and other multilateral bodies, foreign governments, nongovernmental organizations, and other institutions and individuals;

(E) an examination and evaluation of the quality of the intelligence on Iraq that was provided to the United States intelligence community and Executive Branch policymakers, including by foreign intelligence services, that served as a basis during the period referred to in section 3(1) for—

(i) reports, testimony, and presentations to policymakers in the Executive Branch and Congress, and to United Nations bodies and other consumers; and

(ii) assessments that were used or disseminated by the Executive Branch;

(F) a determination of the extent, if any, to which elements of the United States intelligence community were inappropriately pressured by members of the Executive Branch to produce intelligence consistent with such members policy objectives, and of the extent, if any, to which intelligence was manipulated or misrepresented by members of the Executive Branch or elements under their control;

(G) an assessment of the extent to which Congress was kept fully and currently informed about intelligence related to Iraq and Operation Iraqi Freedom;

(H) a determination of the extent to which the intelligence of the United States intelligence community, and of the United States Armed Forces and coalition forces, were sufficiently accurate, thorough, timely, objective, and independent to prepare such forces to conduct effective military and intelligence operations against Iraq, including the search for and securing of weapons of mass destruction and conventional weapons in Iraq, and to prepare such forces and other United States and coalition entities to successfully carry out the military, political, and economic aspects of the occupation of Iraq; and

(I) an examination, evaluation, and assessment of such other related facts and circumstances that the Commission considers appropriate;

(2) to identify, review, and evaluate the lessons learned from issues related to the collection, analysis, reporting, use, and dissemination of intelligence relating to Iraq and Operation Iraqi Freedom;

(3) to investigate the facts and circumstances relating to disclosures, if any, by Executive Branch officials of the identify of a covert Central Intelligence Agency official; and

(4) to submit to the President and Congress the reports provided for by section 11.

SEC. 6. POWERS OF COMMISSION.

(a) IN GENERAL.—

(1) HEARINGS AND EVIDENCE.—The Commission or, on the authority of the Commission, any subcommittee or member thereof, may, for the purpose of carrying out this Act—

(A) hold such hearings and sit and act at such times and places, take such testimony, receive such evidence, administer such oaths; and

(B) subject to paragraph (2)(A), require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents, as the Commission or such designated subcommittee or designated member may determine advisable.

(2) SUBPOENAS.—

(A) ISSUANCE.—

(i) IN GENERAL.—A subpoena may be issued under this subsection only—

(I) by the joint agreement of the co-chairmen; or

(II) by the affirmative vote of 5 members of the Commission.

(ii) SIGNATURE.—Subject to clause (i), subpoenas issued under this subsection may be issued under the signature of a co-chairman or any member designated by 5 members of the Commission, and may be served by any person designated by a co-chairman or by a member designated by 5 members of the Commission.

(B) ENFORCEMENT.—

(i) IN GENERAL.—In the case of contumacy or failure to obey a subpoena issued under subsection (a), the United States district court for the judicial district in which the subpoenaed person resides, is served, or may be found, or where the subpoena is returnable, may issue an order requiring such person to appear at any designated place to testify or to produce documentary or other evidence. Any failure to obey the order of the court may be punished by the court as a contempt of that court.

(ii) ADDITIONAL ENFORCEMENT.—In the case of any failure of any witness to comply with any subpoena or to testify when summoned under authority of this section, the Commission may certify a statement of fact constituting such failure to the appropriate United States attorney, who may bring the matter before the grand jury for its action, under the same statutory authority and procedures as if the United States attorney had received a certification under sections 102 through 104 of the Revised Statutes of the United States (2 U.S.C. 192 through 194).

(b) CONTRACTING.—The Commission may, to such extent and in such amounts as are provided in appropriation Acts, enter into contracts to enable the Commission to discharge its duties under this Act.

(c) INFORMATION FROM FEDERAL AGENCIES.—

(1) IN GENERAL.—The Commission may secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality of the Government, information, suggestions, estimates, and statistics for the purposes of this Act. Each department, bureau, agency, board, commission, office, independent establishment, or instrumentality shall, to the extent authorized by law, furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by a co-chairman, the chairman or co-chairman of any

subcommittee created by 5 members of the Commission, or any member designated by 5 members of the Commission.

(2) RECEIPT, HANDLING, STORAGE, AND DISSEMINATION.—Information shall only be received, handled, stored, and disseminated by members of the Commission and its staff consistent with all applicable statutes, regulations, and Executive orders.

(d) ASSISTANCE FROM FEDERAL AGENCIES.—

(1) GENERAL SERVICES ADMINISTRATION.—The Administrator of General Services shall provide to the Commission on a reimbursable basis administrative support and other services for the performance of the Commission's functions.

(2) OTHER DEPARTMENTS AND AGENCIES.—In addition to the assistance prescribed in paragraph (1), departments and agencies of the United States may provide to the Commission such services, funds, facilities, staff, and other support services as they may determine advisable and as may be authorized by law.

(e) GIFTS.—The Commission may accept, use, and dispose of gifts or donations of services or property.

(f) POSTAL SERVICES.—The Commission may use the United States mails in the same manner and under the same conditions as departments and agencies of the United States.

SEC. 7. NONAPPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.

(a) IN GENERAL.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Commission.

(b) PUBLIC MEETINGS AND RELEASE OF PUBLIC VERSIONS OF REPORTS.—The Commission shall—

(1) hold public hearings and meetings to the extent appropriate; and

(2) release public versions of the reports provided for by subsections (a) and (b) of section 11.

(c) PUBLIC HEARINGS.—Any public hearings of the Commission shall be conducted in a manner consistent with the protection of information provided to or developed for or by the Commission as required by any applicable statute, regulation, or Executive order.

SEC. 8. STAFF OF COMMISSION.

(a) IN GENERAL.—

(1) APPOINTMENT AND COMPENSATION.—The co-chairmen, acting jointly and in accordance with rules agreed upon by the Commission, may appoint and fix the compensation of a staff director and such other personnel as may be necessary to enable the Commission to carry out its functions, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that no rate of pay fixed under this subsection may exceed the equivalent of that payable for a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

(2) PERSONNEL AS FEDERAL EMPLOYEES.—

(A) IN GENERAL.—The executive director and any personnel of the Commission who are employees shall be employees under section 2105 of title 5, United States Code, for purposes of chapters 63, 81, 83, 84, 85, 87, 89, and 90 of that title.

(B) MEMBERS OF COMMISSION.—Subparagraph (A) shall not be construed to apply to members of the Commission.

(b) DETAILEES.—Any Federal Government employee may be detailed to the Commission without reimbursement from the Commission, and such detailee shall retain the rights, status, and privileges of his or her regular employment without interruption.

(c) CONSULTANT SERVICES.—The Commission may procure the services of experts and consultants in accordance with section 3109 of title 5, United States Code, but at rates not to exceed the daily rate paid a person occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code.

SEC. 9. COMPENSATION AND TRAVEL EXPENSES.

(a) COMPENSATION.—Each member of the Commission may be compensated at not to exceed the daily equivalent of the annual rate of basic pay in effect for a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day during which that member is engaged in the actual performance of the duties of the Commission.

(b) TRAVEL EXPENSES.—While away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5, United States Code.

SEC. 10. SECURITY CLEARANCES FOR COMMISSION MEMBERS AND STAFF.

The appropriate Federal agencies or departments shall cooperate with the Commission in expeditiously providing to the Commission members and staff appropriate security clearances to the extent possible pursuant to existing procedures and requirements, except that no person shall be provided with access to classified information under this Act without the appropriate security clearances.

SEC. 11. REPORTS OF COMMISSION; TERMINATION.

(a) INTERIM REPORTS.—The Commission may submit to the President and Congress interim reports containing such examinations, evaluations, findings, and conclusions of the Commission, and such recommendations with respect to corrective measures (including changes in policies, practices, organizational structures, and arrangements), as have been agreed to by a majority of Commission members.

(b) FINAL REPORT.—Not later than 18 months after the date of the enactment of this Act, the Commission shall submit to the President and Congress a final report containing such examinations, evaluations, findings, and conclusions of the Commission, and such recommendations with respect to corrective measures (including changes in policies, practices, organizational structures, and arrangements), as have been agreed to by a majority of Commission members.

(c) TERMINATION.—

(1) IN GENERAL.—The Commission, and all the authorities of this Act, shall terminate 60 days after the date on which the final report is submitted under subsection (b).

(2) ADMINISTRATIVE ACTIVITIES BEFORE TERMINATION.—The Commission may use the 60-day period referred to in paragraph (1) for the purpose of concluding its activities, including providing testimony to committees of Congress concerning its reports and disseminating the final report.

SEC. 12. FUNDING.

(a) IN GENERAL.—Of the amounts authorized to be appropriated for the intelligence and intelligence-related activities of the United States Government for fiscal year 2004, $15,000,000 shall be available for transfer to the Commission for purposes of the activities of the Commission under this Act.

(b) DURATION OF AVAILABILITY.—Amounts made available to the Commission under subsection (a) shall remain available until the termination of the Commission.

By Mr. REID (for himself and Mr. DASCHLE):

S. 1948. A bill to provide that service of the members of the organization known as the United States Cadet Nurse Corps during World War II constituted active military service for purposes of laws administered by the Secretary of Veterans Affairs; to the Committee on Veterans' Affairs.

Mr. REID. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1948

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "United States Cadet Nurse Corps Equity Act of 2003".

SEC. 2. SERVICE DEEMED TO BE ACTIVE MILITARY SERVICE.

(a) IN GENERAL.—For purposes of section 401(a)(1)(A) of the GI Bill Improvement Act of 1977 (38 U.S.C. 106 note), the Secretary of Defense is deemed to have determined that qualified service of a person constituted active military service.

(b) DETERMINATION OF DISCHARGE STATUS.—(1) The Secretary of Defense shall issue an honorable discharge under section 401(a)(1)(B) of the GI Bill Improvement Act of 1977 to each person whose qualified service warrants an honorable discharge.

(2) Such discharge shall be issued before the end of the one-year period beginning on the date of the enactment of this Act.

SEC. 3. PROHIBITION OF RETROACTIVE BENEFITS.

No benefits may be paid to any person as a result of the enactment of this Act for any period before the date of the enactment of this Act.

SEC. 4. DEFINITION.

For purposes of this Act, the term "qualified service" means service of a person as a member of the organization known as the United States Cadet Nurse Corps during the period beginning on July 1, 1943, and ending on December 15, 1945.

By Mr. BIDEN:

S. 1949. A bill to establish The Return of Talent Program to allow aliens who are legally present in the United States to return temporarily to the country of citizenship of the alien if that country is engaged in post-conflict reconstruction, and for other purposes; to the Committee on the Judiciary.

Mr. BIDEN. Mr. President, one of the greatest challenges we face today is how to address the needs of failed states—or countries that are on the verge of becoming failed states—and how to rebuild post-conflict countries. It is a critical issue, and one that we cannot afford to get wrong—for the sake of the people living in those nations, and for the sake of our own security.

Last January, a bipartisan commission organized by the Center for Strategic and International Studies and the Association of the U.S. Army found to no one's surprise that "failed states matter—for national security as well as for humanitarian reasons. If left to their own devices, such states can become sanctuaries for terrorist networks, organized crime and drug traffickers, as well as posing grave humanitarian challenges and threats to regional stability."

The most obvious case in point is the reconstruction of Iraq. I've spent many hours on this floor making clear that we have to get it right in Iraq. And in addition to Iraq, unfortunately, we can talk about many other states that are either unstable, or are tenuously recovering from past conflicts including Liberia, Afghanistan, East Timor, Kosovo, Bosnia, Haiti, and Somalia. We need comprehensive strategies to address the many needs in rebuilding all of these struggling countries.

A significant component of reconstruction, in my view, is to tap into the store of human as well as financial resources here in the United States. We should allow, and indeed encourage, immigrants from post-conflict countries to use their skills, talents,and knowledge to be part of the efforts to rebuild. In fact, the diaspora presents one of the best collective resources that exists: these people know the communities. They know the culture. They know the language—more than any contractors, more than any humanitarian workers from the outside, no matter how well-trained, no matter how much expertise they may have.

So today, Mr. President, I am introducing legislation creating a visa "Return of Talent" program.

The idea is simple: a Return of Talent program would allow legal immigrants in the United States to return home to help with reconstruction. "Legal Permanent Residents" will be able to return temporarily to their countries after a conflict to help rebuild, without their time out of the United States affecting their ability to meet their requirements for U.S. citizenship.

Under current law, a Legal Permanent Resident who want to apply for U.S. citizenship is required to be physically present in the United States for at least half of the five years immediately preceding the date of filing the naturalization application.

This residency requirement could be particularly difficult to meet for those who may have family and friends at home who are in desperate need of help. We should not stand in their way of going home, holding over them their hope for citizenship here in the United States. We should be helping them bring their talent and expertise home, helping them help their country of origin at a time of greatest need.

Recent press articles have highlighted stories of such indivduals—engineers, bankers, teachers and translators—who are willing to contribute to reconstruction efforts. They simply cannot do so without jeopardizing their immigration status.

This legislation would encourage those skilled and committed individuals to return to their countries of origin to revive the business, industry, agriculture, education and other sectors that have been weakened or destroyed after years of conflict.

The Return of Talent program would include any individual who demonstrates an ability and willingness to make a material contribution to the post-conflict reconstruction in their countries of origin.

The program would apply to immigrants from countries where U.S. armed forces are, or have engaged in the past ten years, in armed conflict or peacekeeping, or to immigrants who are from countries where the United Nations Security Council has authorized peacekeeping operations in the past ten years.

Estimates of individuals who could participate in this program are relatively low. For example, the United States admitted 1,764 Afghani and 5,196 Iraqi immigrants in 2002, and similar levels since 1992, who are not Legal Permanent Residents eligible to pursue U.S. citizenship. Yet, while the program would have a small impact on the U.S. naturalization process, the contributions of even a few hundred individuals could have a tremendous positive effect on post-conflict reconstruction work.

In simple terms, a Return of Talent program makes sense. Everybody wins: The United States is able to support rebuilding efforts; immigrants are able to use their skills and resources to help rebuild their communities without jeopardizing their immigration status; and post-conflict countries, and the people in them, receive much-needed assistance.

We have not done enough in Iraq, Afghanistan and many other countries that are—or are on the verge of becoming—failed states. As the "Winning the Peace" report also states, "Despite over a decade of recent experience in trying to address the challenges of . . . rebuilding countries following conflict, U.S. capacity of addressing these challenges remains woefully inadequate."

A Return of Talent program is an important piece of our overall strategy to stabilize and rebuild countries torn by conflict. I urge my colleagues to support his legislation.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD as follows:

S. 1949

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Return of Talent Act".

SEC. 2. RETURN OF TALENT PROGRAM.

(a) IN GENERAL.—Title III of the Immigration and Nationality Act (8 U.S.C. 1401 et seq.) is amended by inserting after section 317 the following:

"TEMPORARY ABSENCE OF PERSONS PARTICIPATING IN THE RETURN OF TALENT PROGRAM

"SEC. 317A. (a) IN GENERAL.—The Secretary of Homeland Security shall establish the Return of Talent Program to permit eligible aliens to temporarily return to the alien's country of citizenship in order to make a material contribution to that country if the country is engaged in post-conflict reconstruction activities, for a period not exceeding 24 months, unless an exception is granted under subsection (d).

"(b) ELIGIBLE ALIEN.—An alien is eligible to participate in the Return of Talent Program established under subsection (a) if the alien meets the special immigrant description under section 101(a)(27)(N).

"(c) FAMILY MEMBERS.—The spouse, parents, siblings, and any children of an alien who participates in the Return of Talent Program established under subsection (a) may return to such alien's country of citizenship with the alien and reenter the United States with the alien.

"(d) EXTENSION OF TIME.—The Secretary of Homeland Security may extend the 24-month period referred to in subsection (a) upon a showing that circumstances warrant that an extension is necessary for post-conflict reconstruction efforts.

"(e) RESIDENCY REQUIREMENTS.—An immigrant described in section 101(a)(27)(N) who participates in the Return of Talent Program established under subsection (a), and the spouse, parents, siblings, and any children who accompany such immigrant to that immigrant's country of citizenship, shall be considered, during such period of participation in the program—

"(1) for purposes of section 316(a), physically present and residing in the United States for purposes of naturalization within the meaning of that section; and

"(2) for purposes of section 316(b), to meet the continuous residency requirements in that section.

"(f) OVERSIGHT AND ENFORCEMENT.—The Secretary of Homeland Security, in consultation with the Secretary of State, shall oversee and enforce the requirements of this section.".

(b) TABLE OF CONTENTS.—The table of contents for the Immigration and Nationality Act (8 U.S.C. 1101 et seq.) is amended by inserting after the item relating to section 317 the following:

"317A. Temporary absence of persons participating in the Return of Talent Program.".

SEC. 3. ELIGIBLE IMMIGRANTS.

Section 101(a)(27) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(27)) is amended—

(1) in subparagraph (L), by inserting a semicolon after "Improvement Act of 1998";

(2) in subparagraph (M), by striking the period and inserting "; or"; and

(3) by adding at the end the following:

"(N) an immigrant who—

"(i) has been lawfully admitted to the United States for permanent residence;

"(ii) demonstrates an ability and willingness to make a material contribution to the post-conflict reconstruction in the alien's country of citizenship; and

"(iii) as determined by the Secretary of State in consultation with the Secretary of Homeland Security—

"(I) is a citizen of a country in which Armed Forces of the United States are engaged, or have engaged in the 10 years preceding such determination, in combat or peacekeeping operations; or

"(II) is a citizen of a country where authorization for United Nations peacekeeping operations was initiated by the United Nations Security Council during the 10 years preceding such determination.".

SEC. 4. REPORT TO CONGRESS.

Not later than 24 months after the date of enactment of this Act, the Secretary of Homeland Security shall submit a report to Congress that describes—

(1) the countries of citizenship of the participants in the Return of Talent Program established under section 2;

(2) the post-conflict reconstruction efforts that benefited, or were made possible, through participation in the program; and

(3) any other information that the Secretary of Homeland Security determines to be appropriate.

SEC. 5. REGULATIONS.

Not later than 6 months after the date of enactment of this Act, the Secretary of Homeland Security shall promulgate regulations to carry out this Act.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to the Bureau of Citizenship and Immigration Services for each of the fiscal years 2004 and 2005, such sums as may be necessary to carry out this Act.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 273—CONDEMNING THE TERRORIST ATTACKS IN ISTANBUL, TURKEY, ON NOVEMBER 15 AND 20, 2003, EXPRESSING CONDOLENCES TO THE FAMILIES OF THE INDIVIDUALS MURDERED IN THE ATTACKS, EXPRESSING SYMPATHIES TO THE INDIVIDUALS INJURED IN THE ATTACKS, AND EXPRESSING SOLIDARITY WITH THE REPUBLIC OF TURKEY AND THE UNITED KINGDOM IN THE FIGHT AGAINST TERRORISM

Mr. BROWNBACK (for himself and Mr. BIDEN) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 273

Whereas, in Istanbul, Turkey, on November 15, 2003, two explosions set off minutes apart during Sabbath morning services devastated Neve Shalom, the largest synagogue in the city, and the Beth Israel synagogue, about 3 miles away from Neve Shalom;

Whereas the casualties of more than 20 people killed and more than 300 people wounded in the bombing attacks on the synagogues included both Muslims and Jews;

Whereas, on November 20, 2003, two bombs exploded in Istanbul at the Consulate of the United Kingdom and the HSBC Bank;

Whereas the casualties of more than 25 people killed and 450 people wounded in the November 20, 2003, bombing attacks included Muslims and Christians, and Turks, British diplomats, and visitors to the Republic of Turkey;

Whereas troops of the United Kingdom are part of the United States-led coalition that liberated Iraq from the regime of Saddam Hussein and are now present in Iraq under the auspices of the United Nations Security Council;

Whereas the acts of murder committed on November 15 and 20, 2003, in Istanbul, Turkey, were cowardly and brutal manifestations of international terrorism;

Whereas the Government of Turkey immediately condemned the terrorist attacks in the strongest possible terms and has vowed to bring the perpetrators to justice at all costs;

Whereas the United States, the United Kingdom, and Turkey equally abhor and denounce these hateful, repugnant, and loathsome acts of terrorism;

Whereas, in light of the escalation of anti-Semitic activities, the safety and security of Jewish people throughout the world is a matter of serious concern;

Whereas, since Turkey cherishes its traditions of hospitality and religious tolerance, and in particular its history of more than 500 years of good relations between Jews and Muslims, the attacks on synagogues, consular premises, and commercial buildings came as a special shock to the people of Turkey and to their friends throughout the world;

Whereas the United States and Turkey are allied by shared values and a common interest in building a stable, peaceful, and prosperous world;

Whereas Turkey, a predominantly Muslim nation with a secular government, has close relations with Israel and is also the only predominantly Muslim member of the North Atlantic Treaty Organization; and

Whereas the acts of murder committed on November 15 and 20, 2003, demonstrate again that terrorism respects neither boundaries nor borders: Now, therefore, be it

Resolved, That the Senate—

(1) condemns in the strongest possible terms the terrorist attacks in Istanbul, Turkey, on November 15 and 20, 2003;

(2) expresses its condolences to the families of the individuals murdered in the terrorist attacks, expresses its sympathies to the individuals injured in the attacks, and conveys its hope for the rapid and complete recovery of all such injured individuals;

(3) expresses its condolences to the people and the governments of the Republic of Turkey and the United Kingdom over the losses they suffered in these attacks; and

(4) expresses its solidarity with the United Kingdom, Turkey, and all other countries that stand united against terrorism and work together to bring to justice the perpetrators of these and other terrorist attacks.

SENATE RESOLUTION 274—TO AUTHORIZE THE PRODUCTION OF RECORDS BY THE PERMANENT SUBCOMMITTEE ON INVESTIGATIONS OF THE COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. FRIST (for himself, and Mr. DASCHLE) submitted the following resolution; which was considered and agreed to:

S. RES. 274

Whereas, the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs has been conducting an investigation into the role of accountants, lawyers, and financial professionals in the tax shelter industry;

Whereas, the Subcommittee has received requests from law enforcement and regulatory officials and agencies for access to records of the Subcommittee's investigation;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that evidence under the control or in the possession of the Senate is needed for the promotion of justice, the Senate will take such action as will promote the ends of justice consistent with the privileges of the Senate: Now, therefore, be it

Resolved, That the Chairman and Ranking Minority Member of the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs, acting jointly, are authorized to provide to law enforcement and regulatory entities and officials, court-appointed officials, and other entities or individuals duly authorized by Federal, State, or foreign governments, records of the Subcommittee's investigation into the role of accountants, lawyers, and financial professionals in the tax shelter industry.

AMENDMENTS SUBMITTED & PROPOSED

SA 2212. Mr. HATCH submitted an amendment intended to be proposed by him to the bill H.R. 2799, making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 2004, and for other purposes; which was ordered to lie on the table.

SA 2213. Mr. HATCH submitted an amendment intended to be proposed by him to the bill H.R. 2799, supra; which was ordered to lie on the table.

SA 2214. Mr. ENSIGN (for Mr. VOINOVICH (for himself and Mr. CARPER)) proposed an amendment to the bill S. 610, to amend the provisions of title 5, United States Code, to provide for workforce flexibilities and certain Federal personnel provisions relating to the National Aeronautics and Space Administration, and for other purposes.

SA 2215. Mr. ENSIGN (for Mr. INHOFE (for himself and Mr. JEFFORDS)) proposed an amendment to the bill H.R. 1006, to amend the Lacey Act Amendments of 1981 to further the conservation of certain wildlife species.

SA 2216. Mr. ENSIGN (for Mr. SHELBY) proposed an amendment to the bill S. 811, to support certain housing proposals in the fiscal year 2003 budget for the Federal Government, including the downpayment assistance initiative under the HOME Investment Partnership Act, and for other purposes.

TEXT OF AMENDMENTS

SA 2212. Mr. HATCH submitted an amendment intended to be proposed by him to the bill H.R. 2799, making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 2004, and for other purposes; which was ordered to lie on the table; as follows:

On page 54, beginning on line 1, strike all through line 7.

SA 2213. Mr. HATCH submitted an amendment intended to be proposed by him to the bill H.R. 2799, making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 2004, and for other purposes; which was ordered to lie on the table; as follows:

On page 30, line 10, strike "$36,994,000" and insert "$41,994,000".

SA 2214. Mr. ENSIGN (for Mr. VOINOVICH (for himself and Mr. CARPER)) proposed an amendment to the bill S. 610, to amend the provisions of title 5, United States Code, to provide for workforce flexibilities and certain Federal personnel provisions relating to the National Aeronautics and Space Administration, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "NASA Flexibility Act of 2003".

SEC. 2. COMPENSATION FOR CERTAIN EXCEPTED PERSONNEL.

(a) IN GENERAL.—Subparagraph (A) of section 203(c)(2) of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2473(c)(2)(A)) is amended by striking "the highest rate of grade 18 of the General Schedule of the Classification Act of 1949, as amended," and inserting "the rate of basic pay payable for level III of the Executive Schedule,".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the first day of the first pay period beginning on or after the date of enactment of this Act.

SEC. 3. WORKFORCE AUTHORITIES.

(a) IN GENERAL.—Subpart I of part III of title 5, United States Code, is amended by inserting after chapter 97, as added by section 841(a)(2) of the Homeland Security Act of 2002 (Public Law 107–296; 116 Stat. 2229), the following:

"CHAPTER 98—NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

"Sec.
"9801. Definitions.
"9802. Planning, notification, and reporting requirements.
"9803. Restrictions.
"9804. Recruitment, redesignation, and relocation bonuses.
"9805. Retention bonuses.
"9806. Term appointments.
"9807. Pay authority for critical positions.
"9808. Assignments of intergovernmental personnel.
"9809. Science and technology scholarship program.
"9810. Distinguished scholar appointment authority.
"9811. Travel and transportation expenses of certain new appointees
"9812. Annual leave enhancements.
"9813. Limited appointments to Senior Executive Service positions.
"9814. Qualifications pay.
"9815. Reporting requirement.

"§ 9801. Definitions

"For purposes of this chapter—

"(1) the term 'Administration' means the National Aeronautics and Space Administration;

"(2) the term 'Administrator' means the Administrator of the National Aeronautics and Space Administration;

"(3) the term 'critical need' means a specific and important safety, management, engineering, science, research, or operations requirement of the Administration's mission that the Administration is unable to fulfill because the Administration lacks the appropriate employees because—

"(A) of the inability to fill positions; or

"(B) employees do not possess the requisite skills;

"(4) the term 'employee' means an individual employed in or under the Administration;

"(5) the term 'workforce plan' means the plan required under section 9802(a);

"(6) the term 'appropriate committees of Congress' means—

"(A) the Committees on Government Reform, Science, and Appropriations of the House of Representatives; and

"(B) the Committees on Governmental Affairs, Commerce, Science, and Transportation, and Appropriations of the Senate;

"(7) the term 'redesignation bonus' means a bonus under section 9804 paid to an individual described in subsection (a)(2) thereof;

"(8) the term 'supervisor' has the meaning given such term by section 7103(a)(10); and

"(9) the term 'management official' has the meaning given such term by section 7103(a)(11).

"§ 9802. Planning, notification, and reporting requirements

"(a) Not later than 90 days before exercising any of the workforce authorities made available under this chapter, the Administrator shall submit a written plan to the appropriate committees of Congress. Such plan shall be approved by the Office of Personnel Management.

"(b) A workforce plan shall include a description of—

"(1) each critical need of the Administration and the criteria used in the identification of that need;

"(2)(A) the functions, approximate number, and classes or other categories of positions or employees that—

"(i) address critical needs; and

"(ii) would be eligible for each authority proposed to be exercised under this chapter; and

"(B) how the exercise of those authorities with respect to the eligible positions or employees involved would address each critical need identified under paragraph (1);

"(3)(A) any critical need identified under paragraph (1) which would not be addressed by the authorities made available under this chapter; and

"(B) the reasons why those needs would not be so addressed;

"(4) the specific criteria to be used in determining which individuals may receive the benefits described under sections 9804 and 9805 (including the criteria for granting bonuses in the absence of a critical need), and how the level of those benefits will be determined;

"(5) the safeguards or other measures that will be applied to ensure that this chapter is carried out in a manner consistent with merit system principles;

"(6) the means by which employees will be afforded the notification required under subsections (c) and (d)(1)(B);

"(7) the methods that will be used to determine if the authorities exercised under this chapter have successfully addressed each critical need identified under paragraph (1);

"(8)(A) the recruitment methods used by the Administration before the enactment of this chapter to recruit highly qualified individuals; and

"(B) the changes the Administration will implement after the enactment of this chapter in order to improve its recruitment of highly qualified individuals, including how it intends to use—

"(i) nongovernmental recruitment or placement agencies; and

"(ii) Internet technologies; and

"(9) any workforce-related reforms required to resolve the findings and recommendations of the Columbia Accident Investigation Board, the extent to which those recommendations were accepted, and, if necessary, the reasons why any of those recommendations were not accepted.

"(c) Not later than 60 days before first exercising any of the workforce authorities made available under this chapter, the Administrator shall provide to all employees the workforce plan and any additional information which the Administrator considers appropriate.

"(d)(1)(A) The Administrator may from time to time modify the workforce plan. Any modification to the workforce plan shall be submitted to the Office of Personnel Management for approval by the Office before the modification may be implemented.

"(B) Not later than 60 days before implementing any such modifications, the Administrator shall provide an appropriately modified plan to all employees of the Administration and to the appropriate committees of Congress.

"(2) Any reference in this chapter or any other provision of law to the workforce plan shall be considered to include any modification made in accordance with this subsection.

"(e) Before submitting any written plan under subsection (a) (or modification under subsection (d)) to the Office of Personnel Management, the Administrator shall—

"(1) provide to each employee representative representing any employees who might be affected by such plan (or modification) a copy of the proposed plan (or modification);

"(2) give each representative 30 calendar days (unless extraordinary circumstances require earlier action) to review and make recommendations with respect to the proposed plan (or modification); and

"(3) give any recommendations received from any such representatives under paragraph (2) full and fair consideration in deciding whether or how to proceed with respect to the proposed plan (or modification).

"(f) None of the workforce authorities made available under this chapter may be exercised in a manner inconsistent with the workforce plan.

"(g) Whenever the Administration submits its performance plan under section 1115 of title 31 to the Office of Management and Budget for any year, the Administration shall at the same time submit a copy of such plan to the appropriate committees of Congress.

"(h) Not later than 6 years after the date of enactment of this chapter, the Administrator shall submit to the appropriate committees of Congress an evaluation and analysis of the actions taken by the Administration under this chapter, including—

"(1) an evaluation, using the methods described in subsection (b)(7), of whether the authorities exercised under this chapter successfully addressed each critical need identified under subsection (b)(1);

"(2) to the extent that they did not, an explanation of the reasons why any critical need (apart from the ones under subsection (b)(3)) was not successfully addressed; and

"(3) recommendations for how the Administration could address any remaining critical need and could prevent those that have been addressed from recurring.

"(i) The budget request for the Administration for the first fiscal year beginning after the date of enactment of this chapter and for each fiscal year thereafter shall include a statement of the total amount of appropriations requested for such fiscal year to carry out this chapter.

"§ 9803. Restrictions

"(a) None of the workforce authorities made available under this chapter may be exercised with respect to any officer who is appointed by the President, by and with the advice and consent of the Senate.

"(b) Unless specifically stated otherwise, all workforce authorities made available under this chapter shall be subject to section 5307.

"(c)(1) None of the workforce authorities made available under section 9804, 9805, 9806, 9807, 9809, 9812, 9813, 9814, or 9815 may be exercised with respect to a political appointee.

"(2) For purposes of this subsection, the term 'political appointee' means an employee who holds—

"(A) a position which has been excepted from the competitive service by reason of its confidential, policy-determining, policy-making, or policy-advocating character; or

"(B) a position in the Senior Executive Service as a noncareer appointee (as such term is defined in section 3132(a)).

"§ 9804. Recruitment, redesignation, and relocation bonuses

"(a) Notwithstanding section 5753, the Administrator may pay a bonus to an individual, in accordance with the workforce plan and subject to the limitations in this section, if—

"(1) the Administrator determines that the Administration would be likely, in the absence of a bonus, to encounter difficulty in filling a position; and

"(2) the individual—

"(A) is newly appointed as an employee of the Federal Government;

"(B) is currently employed by the Federal Government and is newly appointed to another position in the same geographic area; or

"(C) is currently employed by the Federal Government and is required to relocate to a different geographic area to accept a position with the Administration.

"(b) If the position is described as addressing a critical need in the workforce plan under section 9802(b)(2)(A), the amount of a bonus may not exceed—

"(1) 50 percent of the employee's annual rate of basic pay (including comparability payments under sections 5304 and 5304a) as of the beginning of the service period multiplied by the service period specified under subsection (d)(1)(B)(i); or

"(2) 100 percent of the employee's annual rate of basic pay (including comparability payments under sections 5304 and 5304a) as of the beginning of the service period.

"(c) If the position is not described as addressing a critical need in the workforce plan under section 9802(b)(2)(A), the amount of a bonus may not exceed 25 percent of the employee's annual rate of basic pay (excluding comparability payments under sections 5304 and 5304a) as of the beginning of the service period.

"(d)(1)(A) Payment of a bonus under this section shall be contingent upon the individual entering into a service agreement with the Administration.

"(B) At a minimum, the service agreement shall include—

"(i) the required service period;

"(ii) the method of payment, including a payment schedule, which may include a lump-sum payment, installment payments, or a combination thereof;

"(iii) the amount of the bonus and the basis for calculating that amount; and

"(iv) the conditions under which the agreement may be terminated before the agreed-upon service period has been completed, and the effect of the termination.

"(2) For purposes of determinations under subsections (b)(1) and (c)(1), the employee's service period shall be expressed as the number equal to the full years and twelfth parts thereof, rounding the fractional part of a month to the nearest twelfth part of a year. The service period may not be less than 6 months and may not exceed 4 years.

"(3) A bonus under this section may not be considered to be part of the basic pay of an employee.

"(e) Before paying a bonus under this section, the Administration shall establish a plan for paying recruitment, redesignation, and relocation bonuses, subject to approval by the Office of Personnel Management.

"(f) No more than 25 percent of the total amount in bonuses awarded under subsection (a) in any year may be awarded to supervisors or management officials.

"§ 9805. Retention bonuses

"(a) Notwithstanding section 5754, the Administrator may pay a bonus to an employee, in accordance with the workforce plan and subject to the limitations in this section, if the Administrator determines that—

"(1) the unusually high or unique qualifications of the employee or a special need of the Administration for the employee's services makes it essential to retain the employee; and

"(2) the employee would be likely to leave in the absence of a retention bonus.

"(b) If the position is described as addressing a critical need in the workforce plan under section 9802(b)(2)(A), the amount of a bonus may not exceed 50 percent of the employee's annual rate of basic pay (including comparability payments under sections 5304 and 5304a).

"(c) If the position is not described as addressing a critical need in the workforce plan under section 9802(b)(2)(A), the amount of a bonus may not exceed 25 percent of the employee's annual rate of basic pay (excluding comparability payments under sections 5304 and 5304a).

"(d)(1)(A) Payment of a bonus under this section shall be contingent upon the employee entering into a service agreement with the Administration.

"(B) At a minimum, the service agreement shall include—

"(i) the required service period;

"(ii) the method of payment, including a payment schedule, which may include a lump-sum payment, installment payments, or a combination thereof;

"(iii) the amount of the bonus and the basis for calculating the amount; and

"(iv) the conditions under which the agreement may be terminated before the agreed-upon service period has been completed, and the effect of the termination.

"(2) The employee's service period shall be expressed as the number equal to the full years and twelfth parts thereof, rounding the fractional part of a month to the nearest twelfth part of a year. The service period may not be less than 6 months and may not exceed 4 years.

"(3) Notwithstanding paragraph (1), a service agreement is not required if the Administration pays a bonus in biweekly installments and sets the installment payment at the full bonus percentage rate established for the employee, with no portion of the bonus deferred. In this case, the Administration shall inform the employee in writing of any decision to change the retention bonus payments. The employee shall continue to accrue entitlement to the retention bonus through the end of the pay period in which such written notice is provided.

"(e) A bonus under this section may not be considered to be part of the basic pay of an employee.

"(f) An employee is not entitled to a retention bonus under this section during a service period previously established for that employee under section 5753 or under section 9804.

"(g) No more than 25 percent of the total amount in bonuses awarded under subsection (a) in any year may be awarded to supervisors or management officials.

"§ 9806. Term appointments

"(a) The Administrator may authorize term appointments within the Administration under subchapter I of chapter 33, for a period of not less than 1 year and not more than 6 years.

"(b) Notwithstanding chapter 33 or any other provision of law relating to the examination, certification, and appointment of individuals in the competitive service, the Administrator may convert an employee serving under a term appointment to a permanent appointment in the competitive service within the Administration without further competition if—

"(1) such individual was appointed under open, competitive examination under subchapter I of chapter 33 to the term position;

"(2) the announcement for the term appointment from which the conversion is made stated that there was potential for subsequent conversion to a career-conditional or career appointment;

"(3) the employee has completed at least 2 years of current continuous service under a term appointment in the competitive service;

"(4) the employee's performance under such term appointment was at least fully successful or equivalent; and

"(5) the position to which such employee is being converted under this section is in the same occupational series, is in the same geographic location, and provides no greater promotion potential than the term position for which the competitive examination was conducted.

"(c) Notwithstanding chapter 33 or any other provision of law relating to the examination, certification, and appointment of individuals in the competitive service, the Administrator may convert an employee serving under a term appointment to a permanent appointment in the competitive service within the Administration through internal competitive promotion procedures if the conditions under paragraphs (1) through (4) of subsection (b) are met.

"(d) An employee converted under this section becomes a career-conditional employee, unless the employee has otherwise completed the service requirements for career tenure.

"(e) An employee converted to career or career-conditional employment under this section acquires competitive status upon conversion.

"§ 9807. Pay authority for critical positions

"(a) In this section, the term 'position' means—

"(1) a position to which chapter 51 applies, including a position in the Senior Executive Service;

"(2) a position under the Executive Schedule under sections 5312 through 5317;

"(3) a position established under section 3104; or

"(4) a senior-level position to which section 5376(a)(1) applies.

"(b) Authority under this section—

"(1) may be exercised only with respect to a position that—

"(A) is described as addressing a critical need in the workforce plan under section 9802(b)(2)(A); and

"(B) requires expertise of an extremely high level in a scientific, technical, professional, or administrative field;

"(2) may be exercised only to the extent necessary to recruit or retain an individual exceptionally well qualified for the position; and

"(3) may be exercised only in retaining employees of the Administration or in appointing individuals who were not employees of another Federal agency as defined under section 5102(a)(1).

"(c)(1) Notwithstanding section 5377, the Administrator may fix the rate of basic pay for a position in the Administration in accordance with this section. The Administrator may not delegate this authority.

"(2) The number of positions with pay fixed under this section may not exceed 10 at any time.

"(d)(1) The rate of basic pay fixed under this section may not be less than the rate of basic pay (including any comparability payments) which would otherwise be payable for the position involved if this section had never been enacted.

"(2) The annual rate of basic pay fixed under this section may not exceed the per annum rate of salary payable under section 104 of title 3.

"(3) Notwithstanding any provision of section 5307, in the case of an employee who, during any calendar year, is receiving pay at a rate fixed under this section, no allowance, differential, bonus, award, or similar cash payment may be paid to such employee if, or to the extent that, when added to basic pay paid or payable to such employee (for service performed in such calendar year as an employee in the executive branch or as an employee outside the executive branch to whom chapter 51 applies), such payment would cause the total to exceed the per annum rate of salary which, as of the end of such calendar year, is payable under section 104 of title 3.

"§ 9808. Assignments of intergovernmental personnel

"For purposes of applying the third sentence of section 3372(a) (relating to the authority of the head of a Federal agency to extend the period of an employee's assignment to or from a State or local government, institution of higher education, or other organization), the Administrator may, with the concurrence of the employee and the government or organization concerned, take any action which would be allowable if such sentence had been amended by striking 'two' and inserting 'four'.

"§ 9809. Science and technology scholarship program

"(a)(1) The Administrator shall establish a National Aeronautics and Space Administration Science and Technology Scholarship Program to award scholarships to individuals that is designed to recruit and prepare students for careers in the Administration.

"(2) Individuals shall be selected to receive scholarships under this section through a competitive process primarily on the basis of academic merit, with consideration given to financial need and the goal of promoting the participation of individuals identified in section 33 or 34 of the Science and Engineering Equal Opportunities Act.

"(3) To carry out the Program the Administrator shall enter into contractual agreements with individuals selected under paragraph (2) under which the individuals agree to serve as full-time employees of the Administration, for the period described in subsection (f)(1), in positions needed by the Administration and for which the individuals are qualified, in exchange for receiving a scholarship.

"(b) In order to be eligible to participate in the Program, an individual must—

"(1) be enrolled or accepted for enrollment as a full-time student at an institution of higher education in an academic field or discipline described in the list made available under subsection (d);

"(2) be a United States citizen or permanent resident; and

"(3) at the time of the initial scholarship award, not be an employee (as defined in section 2105).

"(c) An individual seeking a scholarship under this section shall submit an application to the Administrator at such time, in such manner, and containing such information, agreements, or assurances as the Administrator may require.

"(d) The Administrator shall make publicly available a list of academic programs and fields of study for which scholarships under the Program may be utilized and shall update the list as necessary.

"(e)(1) The Administrator may provide a scholarship under the Program for an academic year if the individual applying for the scholarship has submitted to the Administrator, as part of the application required under subsection (c), a proposed academic program leading to a degree in a program or field of study on the list made available under subsection (d).

"(2) An individual may not receive a scholarship under this section for more than 4 academic years, unless the Administrator grants a waiver.

"(3) The dollar amount of a scholarship under this section for an academic year shall be determined under regulations issued by the Administrator, but shall in no case exceed the cost of attendance.

"(4) A scholarship provided under this section may be expended for tuition, fees, and other authorized expenses as established by the Administrator by regulation.

"(5) The Administrator may enter into a contractual agreement with an institution of higher education under which the amounts provided for a scholarship under this section for tuition, fees, and other authorized expenses are paid directly to the institution with respect to which the scholarship is provided.

"(f)(1) The period of service for which an individual shall be obligated to serve as an employee of the Administration is, except as provided in subsection (h)(2), 24 months for each academic year for which a scholarship under this section is provided. Under no circumstances shall the total period of obligated service be more than 4 years.

"(2)(A) Except as provided in subparagraph (B), obligated service under paragraph (1) shall begin not later than 60 days after the individual obtains the educational degree for which the scholarship was provided.

"(B) The Administrator may defer the obligation of an individual to provide a period of service under paragraph (1) if the Administrator determines that such a deferral is appropriate. The Administrator shall prescribe the terms and conditions under which a service obligation may be deferred through regulation.

"(g)(1) Scholarship recipients who fail to maintain a high level of academic standing, as defined by the Administrator by regulation, who are dismissed from their educational institutions for disciplinary reasons, or who voluntarily terminate academic training before graduation from the educational program for which the scholarship was awarded, shall be in breach of their contractual agreement and, in lieu of any service obligation arising under such agreement, shall be liable to the United States for repayment within 1 year after the date of default of all scholarship funds paid to them and to the institution of higher education on their behalf under the agreement, except as provided in subsection (h)(2). The repayment period may be extended by the Administrator when determined to be necessary, as established by regulation.

"(2) Scholarship recipients who, for any reason, fail to begin or complete their service obligation after completion of academic training, or fail to comply with the terms and conditions of deferment established by the Administrator pursuant to subsection (f)(2)(B), shall be in breach of their contractual agreement. When recipients breach their agreements for the reasons stated in the preceding sentence, the recipient shall be liable to the United States for an amount equal to—

"(A) the total amount of scholarships received by such individual under this section; plus

"(B) the interest on the amounts of such awards which would be payable if at the time the awards were received they were loans bearing interest at the maximum legal prevailing rate, as determined by the Treasurer of the United States,

multiplied by 3.

"(h)(1) Any obligation of an individual incurred under the Program (or a contractual agreement thereunder) for service or payment shall be canceled upon the death of the individual.

"(2) The Administrator shall by regulation provide for the partial or total waiver or suspension of any obligation of service or payment incurred by an individual under the Program (or a contractual agreement thereunder) whenever compliance by the individual is impossible or would involve extreme hardship to the individual, or if enforcement of such obligation with respect to the individual would be contrary to the best interests of the Government.

"(i) For purposes of this section—

"(1) the term 'cost of attendance' has the meaning given that term in section 472 of the Higher Education Act of 1965;

"(2) the term 'institution of higher education' has the meaning given that term in section 101(a) of the Higher Education Act of 1965; and

"(3) the term 'Program' means the National Aeronautics and Space Administration Science and Technology Scholarship Program established under this section.

"(j)(1) There is authorized to be appropriated to the Administration for the Program $10,000,000 for each fiscal year.

“(2) Amounts appropriated under this section shall remain available for 2 fiscal years.

“§9810. Distinguished scholar appointment authority

“(a) In this section—

“(1) the term ‘professional position’ means a position that is classified to an occupational series identified by the Office of Personnel Management as a position that—

“(A) requires education and training in the principles, concepts, and theories of the occupation that typically can be gained only through completion of a specified curriculum at a recognized college or university; and

“(B) is covered by the Group Coverage Qualification Standard for Professional and Scientific Positions; and

“(2) the term ‘research position’ means a position in a professional series that primarily involves scientific inquiry or investigation, or research-type exploratory development of a creative or scientific nature, where the knowledge required to perform the work successfully is acquired typically and primarily through graduate study.

“(b) The Administration may appoint, without regard to the provisions of section 3304(b) and sections 3309 through 3318, but subject to subsection (c), candidates directly to General Schedule professional, competitive service positions in the Administration for which public notice has been given (in accordance with regulations of the Office of Personnel Management), if—

“(1) with respect to a position at the GS–7 level, the individual—

“(A) received, within 2 years before the effective date of the appointment, from an accredited institution authorized to grant baccalaureate degrees, a baccalaureate degree in a field of study for which possession of that degree in conjunction with academic achievements meets the qualification standards as prescribed by the Office of Personnel Management for the position to which the individual is being appointed; and

“(B) achieved a cumulative grade point average of 3.0 or higher on a 4.0 scale and a grade point average of 3.5 or higher for courses in the field of study required to qualify for the position;

“(2) with respect to a position at the GS–9 level, the individual—

“(A) received, within 2 years before the effective date of the appointment, from an accredited institution authorized to grant graduate degrees, a graduate degree in a field of study for which possession of that degree meets the qualification standards at this grade level as prescribed by the Office of Personnel Management for the position to which the individual is being appointed; and

“(B) achieved a cumulative grade point average of 3.5 or higher on a 4.0 scale in graduate coursework in the field of study required for the position;

“(3) with respect to a position at the GS–11 level, the individual—

“(A) received, within 2 years before the effective date of the appointment, from an accredited institution authorized to grant graduate degrees, a graduate degree in a field of study for which possession of that degree meets the qualification standards at this grade level as prescribed by the Office of Personnel Management for the position to which the individual is being appointed; and

“(B) achieved a cumulative grade point average of 3.5 or higher on a 4.0 scale in graduate coursework in the field of study required for the position; or

“(4) with respect to a research position at the GS–12 level, the individual—

“(A) received, within 2 years before the effective date of the appointment, from an accredited institution authorized to grant graduate degrees, a graduate degree in a field of study for which possession of that degree meets the qualification standards at this grade level as prescribed by the Office of Personnel Management for the position to which the individual is being appointed; and

“(B) achieved a cumulative grade point average of 3.5 or higher on a 4.0 scale in graduate coursework in the field of study required for the position.

“(c) In making any selections under this section, preference eligibles who meet the criteria for distinguished scholar appointments shall be considered ahead of nonpreference eligibles.

“(d) An appointment made under this authority shall be a career-conditional appointment in the competitive civil service.

“§9811. Travel and transportation expenses of certain new appointees

“(a) In this section, the term ‘new appointee’ means—

“(1) a person newly appointed or reinstated to Federal service to the Administration to—

“(A) a career or career-conditional appointment or an excepted service appointment to a continuing position;

“(B) a term appointment;

“(C) an excepted service appointment that provides for noncompetitive conversion to a career or career-conditional appointment;

“(D) a career or limited term Senior Executive Service appointment;

“(E) an appointment made under section 203(c)(2)(A) of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2473(c)(2)(A));

“(F) an appointment to a position established under section 3104; or

“(G) an appointment to a position established under section 5108; or

“(2) a student trainee who, upon completion of academic work, is converted to an appointment in the Administration that is identified in paragraph (1) in accordance with an appropriate authority.

“(b) The Administrator may pay the travel, transportation, and relocation expenses of a new appointee to the same extent, in the same manner, and subject to the same conditions as the payment of such expenses under sections 5724, 5724a, 5724b, and 5724c to an employee transferred in the interests of the United States Government.

“§9812. Annual leave enhancements

“(a) In this section—

“(1) the term ‘newly appointed employee’ means an individual who is first appointed—

“(A) as an employee of the Federal Government; or

“(B) as an employee of the Federal Government following a break in service of at least 90 days after that individual's last period of Federal employment, other than—

“(i) employment under the Student Educational Employment Program administered by the Office of Personnel Management;

“(ii) employment as a law clerk trainee;

“(iii) employment under a short-term temporary appointing authority while a student during periods of vacation from the educational institution at which the student is enrolled;

“(iv) employment under a provisional appointment if the new appointment is permanent and immediately follows the provisional appointment; or

“(v) employment under a temporary appointment that is neither full-time nor the principal employment of the individual;

“(2) the term ‘period of qualified non-Federal service’ means any period of service performed by an individual that—

“(A) was performed in a position the duties of which were directly related to the duties of the position in the Administration which that individual will fill as a newly appointed employee; and

“(B) except for this section, would not otherwise be service performed by an employee for purposes of section 6303; and

“(3) the term ‘directly related to the duties of the position’ means duties and responsibilities in the same line of work which require similar qualifications.

“(b)(1) For purposes of section 6303, the Administrator may deem a period of qualified non-Federal service performed by a newly appointed employee to be a period of service of equal length performed as an employee.

“(2) A decision under paragraph (1) to treat a period of qualified non-Federal service as if it were service performed as an employee shall continue to apply so long as that individual serves in or under the Administration.

“(c)(1) Notwithstanding section 6303(a), the annual leave accrual rate for an employee of the Administration in a position paid under section 5376 or 5383, or for an employee in an equivalent category whose rate of basic pay is greater than the rate payable at GS–15, step 10, shall be 1 day for each full biweekly pay period.

“(2) The accrual rate established under this subsection shall continue to apply to the employee so long as such employee serves in or under the Administration.

“§9813. Limited appointments to Senior Executive Service positions

“(a) In this section—

“(1) the term ‘career reserved position’ means a position in the Administration designated under section 3132(b) which may be filled only by—

“(A) a career appointee; or

“(B) a limited emergency appointee or a limited term appointee—

“(i) who, immediately before entering the career reserved position, was serving under a career or career-conditional appointment outside the Senior Executive Service; or

“(ii) whose limited emergency or limited term appointment is approved in advance by the Office of Personnel Management;

“(2) the term ‘limited emergency appointee’ has the meaning given under section 3132; and

“(3) the term ‘limited term appointee’ means an individual appointed to a Senior Executive Service position in the Administration to meet a bona fide temporary need, as determined by the Administrator.

“(b) The number of career reserved positions which are filled by an appointee as described under subsection (a)(1)(B) may not exceed 10 percent of the total number of Senior Executive Service positions allocated to the Administration.

“(c) Notwithstanding sections 3132 and 3394(b)—

“(1) the Administrator may appoint an individual to any Senior Executive Service position in the Administration as a limited term appointee under this section for a period of—

“(A) 4 years or less to a position the duties of which will expire at the end of such term; or

“(B) 1 year or less to a position the duties of which are continuing; and

“(2) in rare circumstances, the Administrator may authorize an extension of a limited appointment under—

“(A) paragraph (1)(A) for a period not to exceed 2 years; and

“(B) paragraph (1)(B) for a period not to exceed 1 year.

“(d) A limited term appointee who has been appointed in the Administration from a career or career-conditional appointment outside the Senior Executive Service shall have reemployment rights in the agency from which appointed, or in another agency, under requirements and conditions established by the Office of Personnel Management. The Office shall have the authority to direct such placement in any agency.

“(e) Notwithstanding section 3394(b) and section 3395—

“(1) a limited term appointee serving under a term prescribed under this section may be reassigned to another Senior Executive Service position in the Administration, the duties of which will expire at the end of a term of 4 years or less; and

“(2) a limited term appointee serving under a term prescribed under this section may be reassigned to another continuing Senior Executive Service position in the Administration, except that the appointee may not serve in 1 or more positions in the Administration under such appointment in excess of 1 year, except that in rare circumstances, the Administrator may approve an extension up to an additional 1 year.

“(f) A limited term appointee may not serve more than 7 consecutive years under any combination of limited appointments.

“(g) Notwithstanding section 5384, the Administrator may authorize performance awards to limited term appointees in the Administration in the same amounts and in the same manner as career appointees.

“§ 9814. Qualifications pay

“(a) Notwithstanding section 5334, the Administrator may set the pay of an employee paid under the General Schedule at any step within the pay range for the grade of the position, if such employee—

“(1) possesses unusually high or unique qualifications; and

“(2) is assigned—

“(A) new duties, without a change of position; or

“(B) to a new position.

“(b) If an exercise of the authority under this section relates to a current employee selected for another position within the Administration, a determination shall be made that the employee's contribution in the new position will exceed that in the former position, before setting pay under this section.

“(c) Pay as set under this section is basic pay for such purposes as pay set under section 5334.

“(d) If the employee serves for at least 1 year in the position for which the pay determination under this section was made, or a successor position, the pay earned under such position may be used in succeeding actions to set pay under chapter 53.

“(e) Before setting any employee's pay under this section, the Administrator shall submit a plan to the Office of Personnel Management and the appropriate committees of Congress, that includes—

“(1) criteria for approval of actions to set pay under this section;

“(2) the level of approval required to set pay under this section;

“(3) all types of actions and positions to be covered;

“(4) the relationship between the exercise of authority under this section and the use of other pay incentives; and

“(5) a process to evaluate the effectiveness of this section.

“§ 9815. Reporting requirement

“The Administrator shall submit to the appropriate committees of Congress, not later than February 28 of each of the next 6 years beginning after the date of enactment of this chapter, a report that provides the following:

“(1) A summary of all bonuses paid under subsections (b) and (c) of section 9804 during the preceding fiscal year. Such summary shall include the total amount of bonuses paid, the total number of bonuses paid, the percentage of the amount of bonuses awarded to supervisors and management officials, and the average percentage used to calculate the total average bonus amount, under each of those subsections.

“(2) A summary of all bonuses paid under subsections (b) and (c) of section 9805 during the preceding fiscal year. Such summary shall include the total amount of bonuses paid, the total number of bonuses paid, the percentage of the amount of bonuses awarded to supervisors and management officials, and the average percentage used to calculate the total average bonus amount, under each of those subsections.

“(3) The total number of term appointments converted during the preceding fiscal year under section 9806 and, of that total number, the number of conversions that were made to address a critical need described in the workforce plan pursuant to section 9802(b)(2).

“(4) The number of positions for which the rate of basic pay was fixed under section 9807 during the preceding fiscal year, the number of positions for which the rate of basic pay under such section was terminated during the preceding fiscal year, and the number of times the rate of basic pay was fixed under such section to address a critical need described in the workforce plan pursuant to section 9802(b)(2).

“(5) The number of scholarships awarded under section 9809 during the preceding fiscal year and the number of scholarship recipients appointed by the Administration during the preceding fiscal year.

“(6) The total number of distinguished scholar appointments made under section 9810 during the preceding fiscal year and, of that total number, the number of appointments that were made to address a critical need described in the workforce plan pursuant to section 9802(b)(2).

“(7) The average amount paid per appointee, and the largest amount paid to any appointee, under section 9811 during the preceding fiscal year for travel and transportation expenses.

“(8) The total number of employees who were awarded enhanced annual leave under section 9812 during the preceding fiscal year; of that total number, the number of employees who were serving in a position addressing a critical need described in the workforce plan pursuant to section 9802(b)(2); and, for employees in each of those respective groups, the average amount of additional annual leave such employees earned in the preceding fiscal year (over and above what they would have earned absent section 9812).

“(9) The total number of appointments made under section 9813 during the preceding fiscal year and, of that total number, the number of appointments that were made to address a critical need described in the workforce plan pursuant to section 9802(b)(2).

“(10) The number of employees for whom the Administrator set the pay under section 9814 during the preceding fiscal year and the number of times pay was set under such section to address a critical need described in the workforce plan pursuant to section 9802(b)(2).

“(11) A summary of all recruitment, relocation, redesignation, and retention bonuses paid under authorities other than this chapter and excluding the authorities provided in sections 5753 and 5754 of this title, during the preceding fiscal year. Such summary shall include, for each type of bonus, the total amount of bonuses paid, the total number of bonuses paid, the percentage of the amount of bonuses awarded to supervisors and management officials, and the average percentage used to calculate the total average bonus amount.”.

(b) CLERICAL AMENDMENT.—The table of chapters for part III of title 5, United States Code, is amended by adding at the end the following:

“98. National Aeronautics and Space Administration .... 9801”.

SA 2215. Mr. ENSIGN (for Mr. INHOFE (for himself and Mr. JEFFORDS)) proposed an amendment to the bill H.R. 1006, to amend the Lacey Act Amendments of 1981 to further the conservation of certain wildlife species; as follows:

On page 2, strike lines 11 through 14 and insert the following:

“(g) PROHIBITED WILDLIFE SPECIES.—The term 'prohibited wildlife species' means any live species of lion, tiger, leopard, cheetah, jaguar, or cougar or any hybrid of such species.”.

On page 3, line 1, strike “live animal of a”.

On page 3, strike lines 20 through 22 and insert the following:

“(A) is licensed or registered, and inspected, by the Animal and Plant Health Inspection Service or any other Federal agency with respect to that species;

On page 4, line 12, insert “listed in section 2(g)” after “animals”.

On page 4, line 14, insert “listed in section 2(g)” after “animals”.

On page 5, line 3, strike the quotation marks and the following period.

On page 5, between lines 3 and 4, insert the following:

“(5) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out subsection (a)(2)(C) $3,000,000 for each of fiscal years 2004 through 2008.”.

SA 2216. Mr. ENSIGN (for Mr. SHELBY) proposed an amendment to the bill S. 811, to support certain housing proposals in the fiscal year 2003 budget for the Federal Government, including the downpayment assistance initiative under the HOME Investment Partnership Act, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Table of contents.

TITLE I—DOWNPAYMENT ASSISTANCE

Sec. 101. Short title.
Sec. 102. Downpayment assistance initiative.

TITLE II—INTERGENERATIONAL HOUSING ASSISTANCE

Sec. 201. Short title.
Sec. 202. Definitions.
Sec. 203. Demonstration program for elderly housing for intergenerational families.
Sec. 204. Training for HUD personnel regarding grandparent-headed and relative-headed families issues.

Sec. 205. Study of housing needs of grand-parent-headed and relative-headed families.

TITLE III—ADJUSTABLE RATE SINGLE FAMILY MORTGAGES AND LOAN LIMIT ADJUSTMENTS

Sec. 301. Hybrid arms.
Sec. 302. FHA multifamily loan limit adjustments.

TITLE IV—HOPE VI PROGRAM REAUTHORIZATION

Sec. 401. Short title.
Sec. 402. Hope VI program reauthorization.
Sec. 403. Hope VI grants for assisting affordable housing through main street projects.

TITLE V—COMMUNITY DEVELOPMENT BLOCK GRANTS

Sec. 501. Funding for insular areas.

TITLE I—DOWNPAYMENT ASSISTANCE

SEC. 101. SHORT TITLE.

This title may be cited as the "American Dream Downpayment Act".

SEC. 102. DOWNPAYMENT ASSISTANCE INITIATIVE.

(a) DOWNPAYMENT ASSISTANCE INITIATIVE.—Subtitle E of title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12821) is amended to read as follows:

"Subtitle E—Other Assistance

"SEC. 271. DOWNPAYMENT ASSISTANCE INITIATIVE.

"(a) DEFINITIONS.—In this section:

"(1) DOWNPAYMENT ASSISTANCE.—The term "downpayment assistance" means assistance to help a family acquire a principal residence.

"(2) HOME REPAIRS.—The term "home repairs" means capital improvements or repairs that—

"(A) are identified in an appraisal or home inspection completed in conjunction with a home purchase; or

"(B) are completed within 1 year of the purchase of a home, and are necessary to bring the housing into compliance with health and safety housing codes of the unit of general local government in which the housing is located, including the remediation of lead paint or other home health hazards.

"(3) PARTICIPATING JURISDICTION.—The term "participating jurisdiction" means a State or unit of general local government designated under section 216.

"(4) STATE.—The term "State" means any State of the United States and the District of Columbia.

"(b) GRANT AUTHORITY.—The Secretary may award grants to participating jurisdictions to assist low-income families to achieve homeownership, in accordance with this section.

"(c) ELIGIBLE ACTIVITIES.—

"(1) IN GENERAL.—

"(A) DOWNPAYMENT ASSISTANCE.—Subject to subparagraph (B), grants awarded under this section may be used only for downpayment assistance toward the purchase of single family housing (including 1 to 4 unit family dwelling units, condominium units, cooperative units, and manufactured housing units which are located on land which is owned by the manufactured housing unit owner, owned as a cooperative, or is subject to a leasehold interest with a term equal to at least the term of the mortgage financing on the unit, and manufactured housing lots) by low-income families who are first-time home-buyers.

"(B) HOME REPAIRS.—Not more than 20 percent of the grant funds provided under subsection (d) to a participating jurisdiction may be used to provide assistance to low-income, first-time home-buyers for home repairs.

"(2) LIMITATIONS.—

"(A) AMOUNT OF ASSISTANCE.—The amount of assistance provided to any low-income families under paragraph (1) shall not exceed the greater of—

"(i) 6 percent of the purchase price of a single family housing unit; or

"(ii) $10,000.

"(B) PARTICIPATION.—A participating jurisdiction may not use any amount of a grant awarded under this section to provide funding to an entity or organization that provides downpayment assistance if the activities of that entity or organization are financed in whole or in part, directly or indirectly, by contributions, service fees, or other payments from the sellers of housing.

"(d) FORMULA ALLOCATION.—

"(1) IN GENERAL.—For each fiscal year, the Secretary shall allocate any amounts made available for assistance under this section to each State that is a participating jurisdiction in an amount equal to a percentage of the total allocation that is equal to the percentage of the national total of low-income households residing in rental housing in the State, as determined on the basis of the most recent census data compiled by the Bureau of the Census.

"(2) PARTICIPATING JURISDICTIONS OTHER THAN STATES.—

"(A) IN GENERAL.—Subject to subparagraph (B), for each fiscal year, of the amount allocated to each State under paragraph (1), the Secretary shall further allocate from such amount to each participating jurisdiction located within such State an amount equal to the percentage of the allocation made to the State under paragraph (1) that is equal to the percentage of the State-wide total of low-income households residing in rental housing in such participating jurisdiction, as determined on the basis of the most recent census data compiled by the Bureau of the Census.

"(B) LIMITATION.—

"(i) IN GENERAL.—Direct allocations made under subparagraph (A) shall be made to a local participating jurisdiction only if—

"(I) the participating jurisdiction has a total population of 150,000 individuals or more, as determined on the basis of the most recent census data compiled by the Bureau of the Census; or

"(II) the participating jurisdiction would receive an allocation of $50,000 or more.

"(ii) REVERSION.—Any allocation that would have otherwise been made to a participating jurisdiction that does not meet the requirements of clause (i) shall revert back to the State in which the participating jurisdiction is located.

"(e) REALLOCATION.—If any amounts allocated to a participating jurisdiction under this section become available for reallocation, the amounts shall be reallocated to other participating jurisdictions in accordance with subsection (d).

"(f) APPLICABILITY OF OTHER PROVISIONS.—

"(1) IN GENERAL.—Except as otherwise provided in this section, grants made under this section shall not be subject to the provisions of this title.

"(2) APPLICABLE PROVISIONS.—In addition to the requirements of this section, grants made under this section shall be subject to the provisions of title I, sections 215(b), 218, 219, 221, 223, 224, and 226(a) of subtitle A of this title, and subtitle F of this title.

"(3) REFERENCES.—In applying the requirements of subtitle A referred to in paragraph (2)—

"(A) any references to funds under subtitle A shall be considered to refer to amounts made available for assistance under this section; and

"(B) any references to funds allocated or reallocated under section 217 or 217(d) shall be considered to refer to amounts allocated or reallocated under subsection (d) or (e) of this section, respectively.

"(g) HOUSING STRATEGY.—To be eligible to receive a grant under this section in any fiscal year, a participating jurisdiction shall include in its comprehensive housing affordability strategy developed under section 105 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12705) for such fiscal year—

"(1) a description of the anticipated use of any grant received under this section;

"(2) a plan for conducting targeted outreach to residents and tenants of public housing, trailer parks, and manufactured housing, and to other families assisted by public housing agencies, for the purpose of ensuring that grant amounts provided under this section to a participating jurisdiction are used for downpayment assistance for such residents, tenants, and families; and

"(3) a description of the actions to be taken to ensure the suitability of families receiving downpayment assistance under this section to undertake and maintain homeownership.

"(h) REPORT.—Not later than June 30, 2006, the Comptroller General of the United States shall submit a report containing a State-by-State analysis of the impact of grants awarded under this section to—

"(1) the Committee on Banking, Housing, and Urban Affairs of the Senate; and

"(2) the Committee on Financial Services of the House of Representatives.

"(i) SUNSET.—The Secretary shall have no authority to make grants under this Act after December 31, 2007.

"(j) RELOCATION ASSISTANCE AND DOWNPAYMENT ASSISTANCE.—The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (84 Stat. 1894) shall not apply to downpayment assistance under this section.

"(k) AUTHORIZATIÓN OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $200,000,000 for each of fiscal years 2004 through 2007.".

TITLE II—INTERGENERATIONAL HOUSING ASSISTANCE

SECTION 201. SHORT TITLE.

This title may be cited as the "Living Equitably: Grandparents Aiding Children and Youth Act of 2003" or the "LEGACY Act of 2003".

SEC. 202. DEFINITIONS.

In this title:

(1) CHILD.—The term "child" means an individual who—

(A) is not attending school and is not more than 18 years of age; or

(B) is attending school and is not more than 19 years of age.

(2) COVERED FAMILY.—The term "covered family" means a family that—

(A) includes a child; and

(B) has a head of household who is—

(i) a grandparent of the child who is raising the child; or

(ii) a relative of the child who is raising the child.

(3) ELDERLY PERSON.—The term "elderly person" has the same meaning as in section 202(k) of the Housing Act of 1959 (12 U.S.C. 1701q(k)).

(4) GRANDPARENT.—

(A) IN GENERAL.—The term "grandparent" means, with respect to a child, an individual who is a grandparent or stepgrandparent of the child by blood or marriage, regardless of the age of such individual.

(B) CASE OF ADOPTION.—In the case of a child who was adopted, the term includes an individual who, by blood or marriage, is a grandparent or stepgrandparent of the child as adopted.

(5) INTERGENERATIONAL DWELLING UNIT.—The term "intergenerational dwelling unit" means a qualified dwelling unit that is reserved for occupancy only by an intergenerational family.

(6) INTERGENERATIONAL FAMILY.—The term "intergenerational family" means a covered family that has a head of household who is an elderly person.

(7) PRIVATE NONPROFIT ORGANIZATION.—The term "private nonprofit organization" has the same meaning as in section 202(k) of the Housing Act of 1959 (12 U.S.C. 1701q(k)).

(8) QUALIFIED DWELLING UNIT.—The term "qualified dwelling unit" means a dwelling unit that—

(A) has not fewer than 2 separate bedrooms;

(B) is equipped with design features appropriate to meet the special physical needs of elderly persons, as needed; and

(C) is equipped with design features appropriate to meet the special physical needs of young children, as needed.

(9) RAISING A CHILD.—The term "raising a child" means, with respect to an individual, that the individual—

(A) resides with the child; and

(B) is the primary caregiver for the child—

(i) because the biological or adoptive parents of the child do not reside with the child or are unable or unwilling to serve as the primary caregiver for the child; and

(ii) regardless of whether the individual has a legal relationship to the child (such as guardianship or legal custody) or is caring for the child informally and has no such legal relationship with the child.

(10) RELATIVE.—

(A) IN GENERAL.—The term "relative" means, with respect to a child, an individual who—

(i) is not a parent of the child by blood or marriage; and

(ii) is a relative of the child by blood or marriage, regardless of the age of the individual.

(B) CASE OF ADOPTION.—In the case of a child who was adopted, the term "relative" includes an individual who, by blood or marriage, is a relative of the family who adopted the child.

(11) SECRETARY.—The term "Secretary" means the Secretary of Housing and Urban Development.

SEC. 203. DEMONSTRATION PROGRAM FOR ELDERLY HOUSING FOR INTERGENERATIONAL FAMILIES.

(a) DEMONSTRATION PROGRAM.—The Secretary shall carry out a demonstration program (referred to in this section as the "demonstration program") to provide assistance for intergenerational dwelling units for intergenerational families in connection with the supportive housing program under section 202 of the Housing Act of 1959 (12 U.S.C. 1701q).

(b) INTERGENERATIONAL DWELLING UNITS.—The Secretary shall provide assistance under this section only to private nonprofit organizations selected under subsection (d) for use only for expanding the supply of intergenerational dwelling units, which units shall be provided—

(1) by designating and retrofitting, for use as intergenerational dwelling units, existing dwelling units that are located within a project assisted under section 202 of the Housing Act of 1959 (12 U.S.C. 1701q);

(2) through development of buildings or projects comprised solely of intergenerational dwelling units; or

(3) through the development of an annex or addition to an existing project assisted under section 202 of the Housing Act of 1959 (12 U.S.C. 1701q), that contains intergenerational dwelling units, including through the development of elder cottage housing opportunity units that are small, freestanding, barrier free, energy efficient, removable dwelling units located adjacent to a larger project or dwelling.

(c) PROGRAM TERMS.—Assistance provided pursuant to this section shall be subject to the provisions of section 202 of the Housing Act of 1959 (12 U.S.C. 1701q), except that—

(1) notwithstanding subsection (d)(1) of that section 202 or any provision of that section restricting occupancy to elderly persons, any intergenerational dwelling unit assisted under the demonstration program may be occupied by an intergenerational family;

(2) subsections (e) and (f) of that section 202 shall not apply;

(3) in addition to the requirements under subsection (g) of that section 202, the Secretary shall—

(A) ensure that occupants of intergenerational dwelling units assisted under the demonstration program are provided a range of services that are tailored to meet the needs of elderly persons, children, and intergenerational families; and

(B) coordinate with the heads of other Federal agencies as may be appropriate to ensure the provision of such services; and

(4) the Secretary may waive or alter any other provision of that section 202 necessary to provide for assistance under the demonstration program.

(d) SELECTION.—The Secretary shall—

(1) establish application procedures for private nonprofit organizations to apply for assistance under this section; and

(2) to the extent that amounts are made available pursuant to subsection (f), select not less than 2 and not more than 4 projects that are assisted under section 202 of the Housing Act of 1959 (12 U.S.C. 1701q) for assistance under this section, based on the ability of the applicant to develop and operate intergenerational dwelling units and national geographical diversity among those projects funded.

(e) REPORT.—Not later than 36 months after the date of enactment of this Act, the Secretary shall submit a report to Congress that—

(1) describes the demonstration program; and

(2) analyzes the effectiveness of the demonstration program.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $10,000,000 to carry out this section.

(g) SUNSET.—The demonstration program carried out under this section shall terminate 5 years after the date of enactment of this Act.

SEC. 204. TRAINING FOR HUD PERSONNEL REGARDING GRANDPARENT-HEADED AND RELATIVE-HEADED FAMILIES ISSUES.

Section 7 of the Department of Housing and Urban Development Act (42 U.S.C. 3535) is amended by adding at the end the following:

"(t) TRAINING REGARDING ISSUES RELATING TO GRANDPARENT-HEADED AND RELATIVE-HEADED FAMILIES.—The Secretary shall ensure that all personnel employed in field offices of the Department who have responsibilities for administering the housing assistance program under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) or the supportive housing program under section 202 of the Housing Act of 1959 (12 U.S.C. 1701q), and an appropriate number of personnel in the headquarters office of the Department who have responsibilities for those programs, have received adequate training regarding how covered families (as that term is defined in section 202 of the LEGACY Act of 2003) can be served by existing affordable housing programs.".

SEC. 205. STUDY OF HOUSING NEEDS OF GRANDPARENT-HEADED AND RELATIVE-HEADED FAMILIES.

(a) IN GENERAL.—The Secretary and the Director of the Bureau of the Census jointly shall—

(1) conduct a study to determine an estimate of the number of covered families in the United States and their affordable housing needs; and

(2) submit a report to Congress regarding the results of the study conducted under paragraph (1).

(b) REPORT AND RECOMMENDATIONS.—The report required under subsection (a) shall—

(1) be submitted to Congress not later than 12 months after the date of enactment of this Act; and

(2) include recommendations by the Secretary and the Director of the Bureau of the Census regarding how the major assisted housing programs of the Department of Housing and Urban Development, including the supportive housing for the elderly program under section 202 of the Housing Act of 1959 (12 U.S.C. 1701q) can be used and, if appropriate, amended or altered, to meet the affordable housing needs of covered families.

TITLE III—ADJUSTABLE RATE SINGLE FAMILY MORTGAGES AND LOAN LIMIT ADJUSTMENTS

SEC. 301. HYBRID ARMS.

(a) IN GENERAL.—Section 251(d)(1)(C) of the National Housing Act (12 U.S.C. 1715z-16(d)(1)(C)) is amended by striking "five" and inserting "3".

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply to mortgages executed on or after the date of the enactment of this title.

SEC. 302. FHA MULTIFAMILY LOAN LIMIT ADJUSTMENTS.

(a) SHORT TITLE.—This section may be cited as the "FHA Multifamily Loan Limit Adjustment Act of 2003".

(b) MAXIMUM MORTGAGE AMOUNT LIMIT FOR MULTIFAMILY HOUSING IN HIGH-COST AREAS.—Sections 207(c)(3), 213(b)(2)(B)(i), 220(d)(3)(B)(iii)(III), 221(d)(3)(ii)(II), 221(d)(4)(ii)(II), 231(c)(2)(B), and 234(e)(3)(B) of the National Housing Act (12 U.S.C. 1713(c)(3), 1715e(b)(2)(B)(i), 1715k(d)(3)(B)(iii)(II), 1715*l*(d)(3)(ii)(III), 1715*l*(d)(4)(ii)(II), 1715v(c)(2)(B)), and 1715y(e)(3)(B)) are each amended—

(1) by striking "110 percent" and inserting "140 percent"; and

(2) by inserting ", or 170 percent in high cost areas," after "140 percent".

(c) CATCH-UP ADJUSTMENTS TO CERTAIN MAXIMUM MORTGAGE AMOUNT LIMITS.—

(1) SECTION 207 LIMITS.—Section 207(c)(3)(A) of the National Housing Act (12 U.S.C. 1713(c)(3)(A)) is amended by striking "$11,250" and inserting "$17,460".

(2) SECTION 213 LIMITS.—Section 213(b)(2)(A) of the National Housing Act (12 U.S.C. 1715e(b)(2)(A)) is amended—

(A) by striking "$38,025" and inserting "$41,207";

(B) by striking "$42,120" and inserting "$47,511";

(C) by striking "$50,310" and inserting "$57,300";

(D) by striking "$62,010" and inserting "$73,343";

(E) by striking "$70,200" and inserting "$81,708";

(F) by striking "$49,140" and inserting "$49,710";

(G) by striking "$60,255" and inserting "$60,446";

(H) by striking "$75,465" and inserting "$78,197"; and

(I) by striking "$85,328" and inserting "$85,836".

(d) Rehabilitation and Neighborhood Conservation Housing Mortgage Insurance.—Section 220(d)(3)(B)(iii) of the National Housing Act (12 U.S.C. 1715k(d)(3)(B)(iii) is amended—

(1) by striking "with respect to dollar amount limitations applicable to rehabilitation projects described in subclause (II)," and inserting "; (III)"; and

(2) by redesignating subclauses (III) and (IV) as subclauses (IV) and (V), respectively.

TITLE IV—HOPE VI PROGRAM REAUTHORIZATION

SEC. 401. SHORT TITLE.

This title may be cited as the "HOPE VI Program Reauthorization and Small Community Mainstreet Rejuvenation and Housing Act of 2003".

SEC. 402. HOPE VI PROGRAM REAUTHORIZATION.

(a) Selection Criteria.—Section 24(e)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437v(e)(2)) is amended—

(1) by striking the matter preceding subparagraph (A) and inserting the following:

"(2) Selection criteria.—The Secretary shall establish criteria for the award of grants under this section and shall include among the factors—";

(2) in subparagraph (B), by striking "large-scale";

(3) in subparagraph (D)—

(A) by inserting "and ongoing implementation" after "development"; and

(B) by inserting ", except that the Secretary may not award a grant under this section unless the applicant has involved affected public housing residents at the beginning and during the planning process for the revitalization program, prior to submission of an application" before the semicolon at the end;

(4) in subparagraph (H), by striking "and" at the end;

(5) by redesignating subparagraph (I) as subparagraph (L); and

(6) by inserting after subparagraph (H) the following:

"(I) the extent to which the plan minimizes permanent displacement of current residents of the public housing site who wish to remain in or return to the revitalized community and provides for community and supportive services to residents prior to any relocation;

"(J) the extent to which the plan sustains or creates more project-based housing units available to persons eligible for public housing in markets where the plan shows there is demand for the maintenance or creation of such units;

"(K) the extent to which the plan gives to existing residents priority for occupancy in dwelling units which are public housing dwelling units, or for residents who can afford to live in other units, priority for those units in the revitalized community; and".

(b) Definition of Severely Distressed Public Housing.—Section 24(j)(2)(A)(iii) of the United States Housing Act of 1937 (42 U.S.C. 1437v(j)(2)(A)(iii)) is amended—

(1) in subclause (I), by striking "or" at the end;

(2) in subclause (II), by inserting "or" after the semicolon at the end; and

(3) by inserting at the end the following:

"(III) is lacking in sufficient appropriate transportation, supportive services, economic opportunity, schools, civic and religious institutions, and public services, resulting in severe social distress in the project;".

(c) Study of Elderly and Disabled Public Housing Needs.—Not later than 18 months after the date of enactment of this Act, the Comptroller General of the United States shall submit a report to Congress regarding the extent of severely distressed elderly and non-elderly disabled public housing, and recommendations for improving that housing through the HOPE VI program or other means, taking into account the special needs of the residents.

(d) Authorization of Appropriations.—Paragraph (1) of section 24(m) of the United States Housing Act of 1937 (42 U.S.C. 1437v(m)(1)) is amended by striking ", 2001, and 2002" and inserting "through 2006".

(e) Extension of Program.—Section 24(n) of the United States Housing Act of 1937 (42 U.S.C. 1437v(n)) is amended by striking "September 30, 2004" and inserting "September 30, 2006".

SEC. 403. HOPE VI GRANTS FOR ASSISTING AFFORDABLE HOUSING THROUGH MAIN STREET PROJECTS.

(a) Purposes.—Section 24(a) of the United States Housing Act of 1937 (42 U.S.C. 1437v(a)) is amended by adding after and below paragraph (4) the following:

"It is also the purpose of this section to provide assistance to smaller communities for the purpose of facilitating the development of affordable housing for low-income families that is undertaken in connection with a main street revitalization or redevelopment project in such communities.".

(b) Grants for Assisting Affordable Housing Developed Through Main Street Projects in Smaller Communities.—Section 24 of the United States Housing Act of 1937 (42 U.S.C. 1437v) is amended—

(1) by redesignating subsection (n) as subsection (o); and

(2) by inserting after subsection (m) the following new subsection:

"(n) Grants for Assisting Affordable Housing Developed Through Main Street Projects in Smaller Communities.—

"(1) Authority and use of grant amounts.—The Secretary may make grants under this subsection to smaller communities. Such grant amounts shall be used by smaller communities only to provide assistance to carry out eligible affordable housing activities under paragraph (4) in connection with an eligible project under paragraph (2).

"(2) Eligible project.—For purposes of this subsection, the term 'eligible project' means a project that—

"(A) the Secretary determines, under the criteria established pursuant to paragraph (3), is a main street project;

"(B) is carried out within the jurisdiction of smaller community receiving the grant; and

"(C) involves the development of affordable housing that is located in the commercial area that is the subject of the project.

"(3) Main street projects.—The Secretary shall establish requirements for a project to be consider a main street project for purposes of this section, which shall require that the project—

"(A) has as its purpose the revitalization or redevelopment of a historic or traditional commercial area;

"(B) involves investment, or other participation, by the government for, and private entities in, the community in which the project is carried out; and

"(C) complies with such historic preservation guidelines or principles as the Secretary shall identify to preserve significant historic or traditional architectural and design features in the structures or area involved in the project.

"(4) Eligible affordable housing activities.—For purposes of this subsection, the activities described in subsection (d)(1) shall be considered eligible affordable housing activities, except that—

"(A) such activities shall be conducted with respect to affordable housing rather than with respect to severely distressed public housing projects; and

"(B) eligible affordable housing activities under this subsection shall not include the activities described in subparagraphs (B) through (E), (J), or (K) of subsection (d)(1).

"(5) Maximum grant amount.—A grant under this subsection for a fiscal year for a single smaller community may not exceed $1,000,000.

"(6) Contribution requirement.—A smaller community applying for a grant under this subsection shall be considered an applicant for purposes of subsection (c) (relating to contributions by applicants), except that—

"(A) such supplemental amounts shall be used only for carrying out eligible affordable housing activities; and

"(B) paragraphs (1)(B) and (3) shall not apply to grants under this subsection.

"(7) Applications and selection.—

"(A) Application.—Pursuant to subsection (e)(1), the Secretary shall provide for smaller communities to apply for grants under this subsection, except that the Secretary may establish such separate or additional criteria for applications for such grants as may be appropriate to carry out this subsection.

"(B) Selection criteria.—The Secretary shall establish selection criteria for the award of grants under this subsection, which shall be based on the selection criteria established pursuant to subsection (e)(2), with such changes as may be appropriate to carry out the purposes of this subsection.

"(8) Cost limits.—The cost limits established pursuant to subsection (f) shall apply to eligible affordable housing activities assisted with grant amounts under this subsection.

"(9) Inapplicability of other provisions.—The provisions of subsections (g) (relating to disposition and replacement of severely distressed public housing), and (h) (relating to administration of grants by other entities), shall not apply to grants under this subsection.

"(10) Reporting.—The Secretary shall require each smaller community receiving a grant under this subsection to submit a report regarding the use of all amounts provided under the grant.

"(11) Definitions.—For purposes of this subsection, the following definitions shall apply:

"(A) Affordable housing.—The term 'affordable housing' means rental or homeownership dwelling units that—

"(i) are made available for initial occupancy to low-income families, with a subset of units made available to very- and extremely-low income families; and

"(ii) are subject to the same rules regarding occupant contribution toward rent or purchase and terms of rental or purchase as dwelling units in public housing projects assisted with a grant under this section.

"(B) SMALLER COMMUNITY.—The term 'smaller community' means a unit of general local government (as such term is defined in section 102 of the Housing and Community Development Act of 1974 (42 U.S.C. 5302)) that—

"(i) has a population of 50,000 or fewer; and

"(ii)(I) is not served by a public housing agency; or

"(II) is served by a single public housing agency, which agency administers 100 or fewer public housing dwelling units.".

(c) ANNUAL REPORT.—Section 24(l) of the United States Housing Act of 1937 (42 U.S.C. 1437v(l)) is amended—

(1) in paragraph (3), by striking "; and" and inserting ", including a specification of the amount and type of assistance provided under subsection (n);";

(2) by redesignating paragraph (4) as paragraph (5); and

(3) by inserting after paragraph (3) the following:

"(4) the types of projects funded, and number of affordable housing dwelling units developed with, grants under subsection (n); and".

(d) FUNDING.—Section 24(m) of the United States Housing Act of 1937 (42 U.S.C. 1437v(m)) is amended by adding at the end the following:

"(3) SET-ASIDE FOR MAIN STREET HOUSING GRANTS.—Of the amount appropriated pursuant to paragraph (1) for any fiscal year, the Secretary shall provide up to 5 percent for use only for grants under subsection (n).".

TITLE V—COMMUNITY DEVELOPMENT BLOCK GRANTS

SEC. 501. FUNDING FOR INSULAR AREAS.

(a) DEFINITION OF INSULAR AREAS.—Section 102(a) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)) is amended by adding at the end the following:

"(24) The term 'insular area' means each of Guam, the Northern Mariana Islands, the Virgin Islands, and American Samoa.".

(b) DEFINITION OF UNIT OF GENERAL GOVERNMENT.—The first sentence of section 102(a)(1) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(1)) is amended—

(1) by inserting "and" after "Secretary;"; and

(2) by striking "; and the Trust Territory of the Pacific Islands".

(c) STATEMENT OF ACTIVITIES AND REVIEW.—Section 104 of the Housing and Community Development Act of 1974 (42 U.S.C. 5304) is amended—

(1) in subsection (a)(1)—

(A) in the first sentence—

(i) by striking "or" after "State,"; and

(ii) by inserting "or under section 106(a)(3) by any insular area," after "government,"; and

(B) in the second sentence—

(i) by striking "and in the case of" and inserting a comma; and

(ii) by inserting "and insular areas receiving grants pursuant to section 106(a)(3)," after "106(d)(2)(B).";

(2) in subsection (e)(1), by striking "section 106(b) or section 106(d)(2)(B)" and inserting "subsection (a)(3), (b), or (d)(2)(B) of section 106"; and

(3) in subsection (m)—

(A) in paragraph (1), by inserting "(a)(2)," after "under subsection"; and

(B) in paragraph (2), by striking "government—" and inserting "government other than an insular area—".

(d) ALLOCATION AND DISTRIBUTION OF FUNDS.—Section 106(a) of the Housing and Community Development Act of 1974 (42 U.S.C. 5306(a)) is amended—

(1) in the first sentence of paragraph (1)—

(A) by striking "an appropriation Act" and inserting "appropriation Acts"; and

(B) by striking "in any year" and inserting "for such fiscal year";

(2) in paragraph (2), by inserting "under paragraph (1) and after reserving such amounts for insular areas under paragraph (2)" after "tribes";

(3) in paragraph (3), by striking "paragraphs (1) and (2)" and inserting "paragraphs (1), (2), and (3)"

(4) by redesignating paragraphs (2) and (3) (as so amended) as paragraphs (3) and (4); and

(5) by inserting after paragraph (1) the following:

"(2) For each fiscal year, of the amount approved in appropriation Acts under section 103 for grants for such fiscal year (excluding the amounts provided for use in accordance with section 107), the Secretary shall reserve for grants to insular areas $7,000,000. The Secretary shall provide for distribution of amounts under this paragraph to insular areas on the basis of the ratio of the population of each insular area to the population of all insular areas. In determining the distribution of amounts to insular areas, the Secretary may also include other statistical criteria as data become available from the Bureau of the Census, but only if such criteria are contained in a regulation promulgated by the Secretary after notice and public comment.".

(e) CONFORMING AMENDMENT.—The first sentence of section 106(d)(1) of the Housing and Community Development Act of 1974 (42 U.S.C. 5306(d)(1)) is amended by striking "paragraphs (1) and (2)" and inserting "paragraphs (1), (2), and (3)".

(f) SPECIAL PURPOSE GRANTS.—Section 107 of the Housing and Community Development Act of 1974 (42 U.S.C. 5307) is amended—

(1) in subsection (a)(1)—

(A) by striking subparagraph (A); and

(B) by redesignating subparagraphs (B) through (H) as subparagraphs (A) through (G), respectively; and

(2) in subsection (b)—

(A) by striking paragraph (1); and

(B) by redesignating paragraphs (2) through (7) as paragraphs (1) through (6), respectively.

(g) REGULATIONS.—The Secretary of Housing and Urban Development shall issue regulations to carry out the amendments made by this section, which shall take effect not later than the expiration of the 90-day period beginning on the date of the enactment of this Act.

PRIVILEGE OF THE FLOOR

Mr. GRASSLEY. Mr. President, I would like to make a unanimous consent request for Senator BAUCUS. He asked consent that John Colleran, Jill Davidsaver, Mandon Lovett, Justin Bonsey, Brittany Dalton, and Diana Birkett be granted the privilege of the floor for the duration of the floor debate on Medicare.

The PRESIDING OFFICER. Without objection, it is so ordered.

NASA FLEXIBILITY ACT OF 2003

Mr. ENSIGN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar item No. 236, S. 610.

The PRESIDING OFFICER. The clerk will State the bill by title.

A bill (S. 610) to amend the provision of title 5, United States Code, to provide for workforce flexibilities and certain Federal personnel positions to the National Aeronautics and Space Administration, and for other purposes.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Governmental Affairs, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

[Strike the part shown in black brackets and insert the part shown in italic.]

S. 610

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

[SECTION 1. SHORT TITLE.

[This Act may be cited as the "NASA Workforce Flexibility Act of 2003".

[SEC. 2. WORKFORCE AUTHORITIES AND PERSONNEL PROVISIONS.

[(a) IN GENERAL.—Subpart I of part III of title 5, United States Code, is amended by adding at the end the following:

["CHAPTER 99—NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

"SUBCHAPTER I—WORKFORCE AUTHORITIES

["Sec.
["9901. Definitions.
["9902. Planning, notification, and reporting requirements.
["9903. Workforce authorities.
["9904. Recruitment, redesignation, and relocation bonuses.
["9905. Retention bonuses.
["9906. Term appointments.
["9907. Pay authority for critical positions.
["9908. Assignments of intergovernmental personnel.
["9909. Enhanced demonstration project authority.

["SUBCHAPTER II—PERSONNEL PROVISIONS

["9931. Definitions.
["9932. Administration and private sector exchange assignments.
["9933. Science and technology scholarship program.
["9934. Distinguished scholar appointment authority.
["9935. Travel and transportation expenses of certain new appointees.
["9936. Annual leave enhancements.
["9937. Limited appointments to Senior Executive Service positions.
["9938. Superior qualifications pay.

["SUBCHAPTER I—WORKFORCE AUTHORITIES

["§ 9901. Definitions

[In this subchapter—

["(1) the term 'Administration' means the National Aeronautics and Space Administration;

["(2) the term 'Administrator' means the Administrator of the National Aeronautics and Space Administration;

[“(3) the term ‘critical need’ means a specific and important requirement of the Administration's mission that the Administration is unable to fulfill because the Administration lacks the appropriate employees because of—

[“(A) the inability to fill positions; or

[“(B) employees do not possess the requisite skills;

[“(4) the term ‘employee’ means an individual employed in or under the Administration; and

[“(5) the term ‘workforce plan’ means the plan required under section 9902(a).

[“§ 9902. Planning, notification, and reporting requirements

[“(a) Before exercising any of the workforce authorities under this subchapter, the Administrator shall submit a written plan to the Office of Personnel Management for approval. A plan under this subchapter may not be implemented without the approval of the Office of Personnel Management.

[“(b) A workforce plan shall include a description of—

[“(1) each critical need of the Administration and the criteria used in the identification of that need;

[“(2)(A) the functions, approximate number, and classes or other categories of positions or employees that—

[“(i) address critical needs; and

[“(ii) would be eligible for each authority proposed to be exercised under section 9903; and

[“(B) how the exercise of those authorities with respect to the eligible positions or employees involved would address each critical need identified under paragraph (1);

[“(3)(A) any critical need identified under paragraph (1) which would not be addressed by the authorities made available under section 9903; and

[“(B) the reasons why those needs would not be so addressed;

[“(4) the specific criteria to be used in determining which individuals may receive the benefits described under sections 9904 and 9905 (including the criteria for granting bonuses in the absence of a critical need), and how the level of those benefits will be determined;

[“(5) the safeguards or other measures that will be applied to ensure that this subchapter is carried out in a manner consistent with merit system principles;

[“(6) the means by which employees will be afforded the notification required under subsections (c) and (d)(1)(B); and

[“(7) the methods that will be used to determine if the authorities exercised under section 9903 have successfully addressed each critical need identified under paragraph (1).

[“(c) Not later than 60 days before first exercising any of the workforce authorities made available under this subchapter, the Administrator shall provide to all employees the workforce plan, and any additional information which the Administrator considers appropriate.

[“(d)(1)(A) The Administrator may submit any modifications to the workforce plan to the Office of Personnel Management. Modifications to the workforce plan may not be implemented without the approval of the Office of Personnel Management.

[“(B) Not later than 60 days before implementing any such modifications, the Administrator shall provide an appropriately modified plan to all employees of the Administration.

[“(2) Any reference in this subchapter or any other provision of law to the workforce plan shall be considered to include any modification made in accordance with this subsection.

[“(e) None of the workforce authorities made available under section 9903 may be exercised in a manner inconsistent with the workforce plan.

[“(f) Whenever the Administration submits its performance plan under section 1115 of title 31 to the Office of Management and Budget for any year, the Administration shall at the same time submit a copy of such plan to—

[“(1) the Committee on Governmental Affairs and the Committee on Appropriations of the Senate; and

[“(2) the Committee on Government Reform and the Committee on Appropriations of the House of Representatives.

[“§ 9903. Workforce authorities

[“(a) The workforce authorities under this subchapter are the following:

[“(1) The authority to pay recruitment, redesignation, and relocation bonuses under section 9904.

[“(2) The authority to pay retention bonuses under section 9905.

[“(3) The authority to make term appointments and to take related personnel actions under section 9906.

[“(4) The authority to fix rates of basic pay for critical positions under section 9907.

[“(5) The authority to extend intergovernmental personnel act assignments under section 9908.

[“(b) No authority under this subchapter may be exercised with respect to any officer who is appointed by the President, by and with the advice and consent of the Senate.

[“(c) Unless specifically stated otherwise, all authorities provided under this subchapter are subject to section 5307.

[“§ 9904. Recruitment, redesignation, and relocation bonuses

[“(a) Notwithstanding section 5753, the Administrator may pay a bonus to an individual, in accordance with the workforce plan and subject to the limitations in this section, if—

[“(1) the Administrator determines that the Administration would be likely, in the absence of a bonus, to encounter difficulty in filling a position; and

[“(2) the individual—

[“(A) is newly appointed as an employee of the Federal Government;

[“(B) is currently employed by the Federal Government and is newly appointed to another position in the same geographic area; or

[“(C) is currently employed by the Federal Government and is required to relocate to a different geographic area to accept a position with the Administration.

[“(b) If the position is described as addressing a critical need in the workforce plan under section 9902(b)(2)(A), the amount of a bonus may not exceed—

[“(1) 50 percent of the employee's annual rate of basic pay (including comparability payments under sections 5304 and 5304a, as of the beginning of the service period multiplied by the service period specified under subsection (d)(1)(B)(i); or

[“(2) 100 percent of the employee's annual rate of basic pay (including comparability payments under sections 5304 and 5304a) as of the beginning of the service period.

[“(c) If the position is not described as addressing a critical need in the workforce plan under section 9902(b)(2)(A), the amount of a bonus may not exceed—

[“(1) 25 percent of the employee's annual rate of basic pay (including comparability payments under sections 5304 and 5304a) as of the beginning of the service period multiplied by the service period specified under subsection (d)(1)(B)(i); or

[“(2) 100 percent of the employee's annual rate of basic pay (including comparability payments under sections 5304 and 5304a) as of the beginning of the service period.

[“(d)(1)(A) Payment of a bonus under this section shall be contingent upon the individual entering into a service agreement with the Administration.

[“(B) At a minimum, the service agreement shall include—

[“(i) the required service period;

[“(ii) the method of payment, including a payment schedule, which may include a lump-sum payment, installment payments, or a combination thereof;

[“(iii) the amount of the bonus and the basis for calculating that amount; and

[“(iv) the conditions under which the agreement may be terminated before the agreed-upon service period has been completed, and the effect of the termination.

[“(2) For purposes of determinations under subsections (b)(1) and (c)(1), the employee's service period shall be expressed as the number equal to the full years and twelfth parts thereof, rounding the fractional part of a month to the nearest twelfth part of a year. The service period may not be less than 6 months and may not exceed 4 years.

[“(3) A bonus under this section may not be considered to be part of the basic pay of an employee.

[“(e) Before paying a bonus under this section, the Administration shall establish a plan for paying recruitment, redesignation, and relocation bonuses, subject to approval by the Office of Personnel Management.

[“§ 9905. Retention bonuses

[“(a) Notwithstanding section 5754, the Administrator may pay a bonus to an employee, in accordance with the workforce plan and subject to the limitations in this section, if the Administrator determines that—

[“(1) the unusually high or unique qualifications of the employee or a special need of the Administration for the employee's services makes it essential to retain the employee; and

[“(2) the employee would be likely to leave in the absence of a retention bonus.

[“(b) If the position is described as addressing a critical need in the workforce plan under section 9902(b)(2)(A), the amount of a bonus may not exceed 50 percent of the employee's annual rate of basic pay (including comparability payments under sections 5304 and 5304a).

[“(c) If the position is not described as addressing a critical need in the workforce plan under section 9902(b)(2)(A), the amount of a bonus may not exceed 25 percent of the employee's annual rate of basic pay (including comparability payments under sections 5304 and 5304a).

[“(d)(1)(A) Payment of a bonus under this section shall be contingent upon the employee entering into a service agreement with the Administration.

[“(B) At a minimum, the service agreement shall include—

[“(i) the required service period;

[“(ii) the method of payment, including a payment schedule, which may include a lump-sum payment, installment payments, or a combination thereof;

[“(iii) the amount of the bonus and the basis for calculating the amount; and

[“(iv) the conditions under which the agreement may be terminated before the agreed-upon service period has been completed, and the effect of the termination.

[''(2) The employee's service period shall be expressed as the number equal to the full years and twelfth parts thereof, rounding the fractional part of a month to the nearest twelfth part of a year. The service period may not be less than 6 months and may not exceed 4 years.

[''(3) Notwithstanding paragraph (1), a service agreement is not required if the Administration pays a bonus in biweekly installments and sets the installment payment at the full bonus percentage rate established for the employee with no portion of the bonus deferred. In this case, the Administration shall inform the employee in writing of any decision to change the retention bonus payments. The employee shall continue to accrue entitlement to the retention bonus through the end of the pay period in which such written notice is provided.

[''(e) A bonus under this section may not be considered to be part of the basic pay of an employee.

[''(f) An employee is not entitled to a retention bonus under this section during a service period previously established for that employee under section 5753, or under section 9904.

["§ 9906. Term appointments

[''(a) The Administrator may authorize term appointments within the Administration under subchapter I of chapter 33, for a period of not less than 1 year and not more than 6 years.

[''(b) Notwithstanding chapter 33, or any other provision of law relating to the examination, certification, and appointment of individuals in the competitive service, the Administrator may convert an employee serving under a term appointment to a permanent appointment in the competitive service within the Administration without further competition if—

[''(1) such individual was appointed under open, competitive examination under subchapter I of chapter 33, to the term position;

[''(2) the announcement for the term appointment from which the conversion is made stated that there was potential for subsequent conversion to a career-conditional or career appointment;

[''(3) the employee has completed at least 2 years of current continuous service under a term appointment in the competitive service;

[''(4) the employee's performance under such term appointment was at least fully successful or equivalent; and

[''(5) the position to which such employee is being converted under this section is in the same occupational series, is in the same geographic location, and provides no greater promotion potential than the term position for which the competitive examination was conducted.

[''(c) Notwithstanding chapter 33, or any other provision of law relating to the examination, certification, and appointment of individuals in the competitive service, the Administrator may convert an employee serving under a term appointment to a permanent appointment in the competitive service within the Administration through internal competitive promotion procedures if the conditions under paragraphs (1) through (4) of subsection (b) are met.

[''(d) An employee converted under this section becomes a career-conditional employee, unless the employee has otherwise completed the service requirements for career tenure.

[''(e) An employee converted to career or career-conditional employment under this section acquires competitive status upon conversion.

["§ 9907. Pay authority for critical positions

[''(a) In this section, the term 'position' means—

[''(1) a position to which chapter 51 applies, including a position in the Senior Executive Service;

[''(2) a position under the Executive Schedule under sections 5312 through 5317;

[''(3) a position established under section 3104; or

[''(4) a senior-level position to which section 5376(a)(1) applies.

[''(b) Authority under this section—

[''(1) may be exercised only with respect to a position that—

[''(A) is described as addressing a critical need in the workforce plan under section 9902(b)(2)(A); and

[''(B) requires expertise of an extremely high level in a scientific, technical, professional, or administrative field;

[''(2) may be exercised only to the extent necessary to recruit or retain an individual exceptionally well qualified for the position; and

[''(3) may be exercised only in retaining employees of the Administration or in appointing individuals who were not employees of another Federal agency as defined under section 5102(a)(1).

[''(c)(1) Notwithstanding section 5377, the Administrator may fix the rate of basic pay for a position in the Administration in accordance with this section. The Administrator may not delegate this authority.

[''(2) The number of positions with pay fixed under this section may not exceed 10 at any time.

[''(d)(1) The rate of basic pay fixed under this section may not be less than the rate of basic pay (including any comparability payments) which would otherwise be payable for the position involved if this section had never been enacted.

[''(2) The annual rate of basic pay fixed under this section may not exceed the per annum rate of salary payable under section 104 of title 3.

[''(3) Notwithstanding any provision of section 5307, in the case of an employee who, during any calendar year, is receiving pay at a rate fixed under this section, no allowance, differential, bonus, award, or similar cash payment may be paid to such employee if, or to the extent that, when added to basic pay paid or payable to such employee (for service performed in such calendar year as an employee in the executive branch or as an employee outside the executive branch to whom chapter 51 applies), such payment would cause the total to exceed the per annum rate of salary which, as of the end of such calendar year, is payable under section 104 of title 3.

["§ 9908. Assignments of intergovernmental personnel

[''For purposes of applying the third sentence of section 3372(a) (relating to the authority of the head of a Federal agency to extend the period of an employee's assignment to or from a State or local government, institution of higher education, or other organization), the Administrator may, with the concurrence of the employee and the government or organization concerned, take any action which would be allowable if such sentence had been amended by striking 'two' and inserting 'four'.

["§ 9909. Enhanced demonstration project authority

[''When conducting a demonstration project at the Administration, section 4703(d)(1)(A) may be applied by substituting 'such numbers of individuals as determined by the Administrator' for 'not more than 5,000 individuals'.

''SUBCHAPTER II—PERSONNEL PROVISIONS

["§ 9931. Definitions

[In this subchapter—

[''(1) the term 'Administration' means the National Aeronautics and Space Administration; and

[''(2) the term 'Administrator' means the Administrator of the National Aeronautics and Space Administration.

["§ 9932. Administration and private sector exchange assignments

[''(a) In this section—

[''(1) the term 'private sector employee' means an employee of a private sector entity; and

[''(2) the term 'private sector entity' means an organization, company, corporation, or other business concern, or a foreign government or agency of a foreign government, that is not a State, local government, Federal agency, or other organization as defined under section 3371 (1), (2), (3), and (4), respectively.

[''(b)(1) On request from or with the concurrence of a private sector entity, and with the consent of the employee concerned, the Administrator may arrange for the assignment of—

[''(A) an employee of the Administration serving under a career or career-conditional appointment, a career appointee in the Senior Executive Service, or an individual under an appointment of equivalent tenure in an excepted service position, but excluding employees in positions which have been excepted from the competitive service by reasons of their confidential, policy-determining, policymaking, or policy-advocating character, to a private sector entity; and

[''(B) an employee of a private sector entity to the Administration,

for work of mutual concern to the Administration and the private sector entity that the Administrator determines will be beneficial to both.

[''(2) The period of an assignment under this section may not exceed 2 years. However, the Administrator may extend the period of assignment for not more than 2 additional years.

[''(3) An employee of the Administration may be assigned under this section only if the employee agrees, as a condition of accepting an assignment, to serve in the Administration upon the completion of the assignment for a period equal to the length of the assignment. The Administrator may waive the requirement under this paragraph, with the approval of the Office of Management and Budget, with respect to any employee if the Administrator determines it to be in the best interests of the United States to do so.

[''(4) Each agreement required under paragraph (3) shall provide that if the employee fails to carry out the agreement (except in the case of a waiver made under paragraph (3)), the employee shall be liable to the United States for payment of all expenses (excluding salary) of the assignment. The amount due shall be treated as a debt due the United States.

[''(c)(1) An Administration employee assigned to a private sector entity under this section is deemed, during the assignment, to be on detail to a work assignment (as a detailee to the entity).

[''(2) An Administration employee assigned under this section on detail remains an employee of the Administration. Chapter 171 of title 28 and any other Federal tort liability statute apply to the Administration employee so assigned, and all defenses available to the United States under these laws or applicable provisions of State law shall remain in effect. The supervision of the duties of an Administration employee assigned to the private sector entity through detail may be governed by agreement between the Administration and the private sector entity concerned.

[“(3) The assignment of an Administration employee on detail to a private sector entity under this section may be made with or without reimbursement by the private sector entity for the travel and transportation expenses to or from the place of assignment, for the pay, or supplemental pay, or a part thereof, of the employee, or for the contribution of the Administration to the employee's benefit systems during the assignment. Any reimbursements shall be credited to the appropriation of the Administration used for paying the travel and transportation expenses, pay, or benefits, and not paid to the employee.

[“(d)(1) An employee of a private sector entity who is assigned to the Administration under an arrangement under this section shall be deemed on detail to the Administration.

[“(2) During the period of assignment, a private sector employee on detail to the Administration—

[“(A) is not entitled to pay from the Administration, except to the extent that the pay received from the private sector entity is less than the appropriate rate of pay which the duties would warrant under the pay provisions of this title or other applicable authority;

[“(B) is deemed an employee of the Administration for the purpose of chapter 73 of this title, the Ethics in Government Act of 1978, section 27 of the Office of Federal Procurement Policy Act, sections 201, 203, 205, 207, 208, 209, 602, 603, 606, 607, 610, 643, 654, 1905, and 1913 of title 18, sections 1343, 1344, and 1349(b) of title 31, chapter 171 of title 28, and any other Federal tort liability statute, and any other provision of Federal criminal law, unless otherwise specifically exempted;

[“(C) notwithstanding subparagraph (B), is also deemed to be an employee of his or her private sector employer for purposes of section 208 of title 18; and

[“(D) is subject to such regulations as the Administrator may prescribe.

[“(3) The supervision of the duties of an employee assigned under this subsection may be governed by agreement between the Administration and the private sector entity.

[“(4) A detail of a private sector employee to the Administration may be made with or without reimbursement by the Administration for the pay, or a part thereof, of the employee during the period of assignment, or for the contribution of the private sector entity, or a part thereof, to employee benefit systems.

[“(5)(A) A private sector employee on detail to the Administration under this section who suffers disability or dies as a result of personal injury sustained while in the performance of duties during the assignment shall be treated, for the purpose of subchapter I of chapter 81 as an employee as defined under section 8101 who had sustained the injury in the performance of duties.

[“(B) When an employee (or the employee's dependents in case of death) entitled by reason of injury or death to benefits under subchapter I of chapter 81 is also entitled to benefits from the employee's private sector employer for the same injury or death, the employee (or the employee's dependents in case of death) shall elect which benefits the employee will receive. The election shall be made within 1 year after the injury or death, or such further time as the Secretary of Labor may allow for reasonable cause shown. When made, the election is irrevocable.

[“(C) Except as provided in subparagraphs (A) and (B), and notwithstanding any other law, the United States, any instrumentality of the United States, or an employee, agent, or assign of the United States shall not be liable to—

[“(i) a private sector employee assigned to the Administration under this section;

[“(ii) such employee's legal representative, spouse, dependents, survivors, or next of kin; or

[“(iii) any other person, including any third party as to whom such employee, or that employee's legal representative, spouse, dependents, survivors, or next of kin, has a cause of action arising out of an injury or death sustained in the performance of duty pursuant to an assignment under this section, otherwise entitled to recover damages from the United States, any instrumentality of the United States, or any employee, agency, or assign of the United States, with respect to any injury or death suffered by a private sector employee sustained in the performance of duties pursuant to an assignment under this section.

[“(e)(1) Appropriations of the Administration are available to pay, or reimburse, an Administration or private sector employee in accordance with—

[“(A) subchapter I of chapter 57 for the expenses of—

[“(i) travel, including a per diem allowance, to and from the assignment location;

[“(ii) a per diem allowance at the assignment location during the period of the assignment; and

[“(iii) travel, including a per diem allowance, while traveling on official business away from the employee's designated post of duty during the assignment when the Administrator considers the travel to be in the interest of the United States;

[“(B) section 5724 for the expenses of transportation of the employee's immediate family, household goods, and personal effects to and from the assignment location;

[“(C) section 5724a(a) for the expenses of per diem allowances for the immediate family of the employee to and from the assignment location;

[“(D) section 5724a(c) for subsistence expenses of the employee and immediate family while occupying temporary quarters at the assignment location and on return to the employee's former post of duty;

[“(E) section 5724a(g) to be used by the employee for miscellaneous expenses related to change of station where movement or storage of household goods is involved; and

[“(F) section 5726(c) for the expenses of nontemporary storage of household goods and personal effects in connection with assignment at an isolated location.

[“(2) Expenses specified in paragraph (1), other than those in paragraph (1)(A)(iii), may not be allowed in connection with the assignment of an Administration or private sector employee under this section, unless and until the employee agrees in writing to complete the entire period of his assignment or 1 year, whichever is shorter, unless separated or reassigned for reasons beyond his control that are acceptable to the Administrator. If the employee violates the agreement, the money spent by the United States for these expenses is recoverable from the employee as a debt due the United States. The Administrator may waive in whole or in part a right of recovery under this paragraph with respect to a private sector employee on assignment with the Administration or an Administration employee on assignment with a private sector entity.

[“(3) Appropriations of the Administration are available to pay expenses under section 5742 with respect to an Administration or private sector employee assigned under this authority.

[“(f) A private sector entity may not charge the Federal Government, as direct or indirect costs under a Federal contract, the costs of pay or benefits paid by the entity to an employee assigned to the Administration under this section for the period of the assignment.

[“§ 9933. Science and technology scholarship program

[“(a)(1) The Administrator may carry out a program of entering into contractual agreements with individuals described under paragraph (2) under which—

[“(A) the Administrator agrees to provide to the individuals scholarships for pursuing, at accredited institutions of higher education, academic programs appropriate for careers in professions needed by the Administration; and

[“(B) the individuals agree to serve as employees of the Administration, for the period described under subsection (b), in positions needed by the Administration and for which the individuals are qualified.

[“(2) The individuals referred to under paragraph (1) are individuals who—

[“(A) are enrolled or accepted for enrollment as full-time students at accredited institutions of higher education in an academic field or discipline prescribed by the Administration;

[“(B) are United States citizens; and

[“(C) at the time of the initial scholarship award, are not Federal employees as defined under section 2105.

[“(b)(1) For purposes of subsection (a)(1)(B), the period of service for which an individual is obligated to serve as an employee of the Administration is, subject to subparagraph (A) of paragraph (2), 12 months for each academic year for which the scholarship under such subsection is provided.

[“(2)(A) Subject to subparagraph (B), the Administrator may provide a scholarship under this section if the individual applying for the scholarship agrees that, not later than 60 days after obtaining the educational degree involved, the individual will begin serving full-time as an employee in satisfaction of the period of service that the individual is obligated to provide.

[“(B) The Administrator may defer the obligation of an individual to provide a period of service under this subsection, if the Administrator determines that such a deferral is appropriate.

[“(c)(1) The Administrator may provide a scholarship under subsection (a) for an academic year if—

[“(A) the individual applying for the scholarship has submitted to the Administrator a proposed academic program leading to a degree in an academic field or discipline approved by the Administration; or

[“(B) the individual agrees that the program will not be altered without the approval of the Administrator.

[“(2) The Administrator may provide a scholarship under this section for an academic year if the individual applying for the scholarship agrees to maintain a high level of academic standing as defined by regulation.

["(3) The dollar amount of a scholarship for an academic year shall not exceed—

["(A) the limits established by regulation under paragraph (4); or

["(B) the total costs incurred in attending the institution involved.

["(4) A scholarship may be expended for tuition, fees, and other authorized expenses as established by regulation.

["(5) The Administrator may enter into a contractual agreement with an institution of higher education under which the amounts provided in the scholarship for tuition, fees, and other authorized expenses are paid directly to the institution with respect to which a scholarship is provided.

["(6) An individual may not receive a scholarship for longer than 4 academic years, unless an extension is granted by the Administrator.

["(d)(1)(A) Any scholarship recipient who fails to maintain a high level of academic standing, who is dismissed from an educational institution for disciplinary reasons, or who voluntarily terminates academic training before graduation from the educational program for which the scholarship was awarded, shall—

["(i) be in breach of the contractual agreement; and

["(ii) in lieu of any service obligation arising under such agreement, be liable to the United States for repayment of all scholarship funds paid to that recipient and to the educational institution on their behalf under the agreement within 1 year after the date of default.

["(B) The repayment period may be extended by the Administrator when determined to be necessary, as established by regulation. A penalty for failure to complete the academic program for which the scholarship was awarded may be assessed at the discretion of the Administrator, in addition to the repayment with interest as provided under paragraph (3).

["(2)(A) A scholarship recipient who, for any reason, fails to begin or complete that recipient's service obligation after completion of academic training, or fails to comply with the terms and conditions of deferment established by the Administrator, shall be in breach of the contractual agreement.

["(B)(i) In this subparagraph—

["(I) the term 'A' means the amount the United States is entitled to recover;

["(II) the term 'F' means the sum of the amounts paid to or on behalf of the participant;

["(III) the term 't' means the total number of months of the period of obligated service the participant is required to serve; and

["(IV) the term 's' means the number of months of the period of obligated service served by the participant.

["(ii) When a recipient breaches the agreement as provided under subparagraph (A), the United States shall be entitled to recover damages equal to 3 times the scholarship award, in accordance with the following formula:

["A=(3F)[(t-s)/t]

["(C) The damages that the United States is entitled to recover shall be paid within 1 year after the date of default.

["(3) Beginning 90 days after default, interest shall accrue on the payments required to be made under this subsection, at a rate to be determined by regulation established by the Administrator.

["(e)(1) Any obligation of an individual incurred under this section for service or payment of damages may be canceled upon the death of the individual.

["(2) The Administrator shall by regulation provide for the partial or total waiver or suspension of any obligation of service or payment incurred by an individual under this section if—

["(A) the compliance by the individual is impossible or would involve extreme hardship to the individual; or

["(B) enforcement of such obligation with respect to any individual would be contrary to the best interests of the Government.

["(f) The Administrator may provide a scholarship under this section if an application for the scholarship is submitted to the Administrator and the application is in such form, is made in such manner, and contains such agreements, assurance, and information as the Administrator determines to be necessary to carry out this section.

["(g)(1) There are authorized to be appropriated to the Administration to carry out this section $10,000,000 for fiscal year 2004 and $10,000,000 for each succeeding fiscal year.

["(2) Amounts appropriated for a fiscal year for scholarships under this section shall remain available for 2 fiscal years.

["§ 9934. Distinguished scholar appointment authority

["(a) In this section—

["(1) the term 'professional position' means a position that is classified to an occupational series identified by the Office of Personnel Management as a position that—

["(A) requires education and training in the principles, concepts, and theories of the occupation that typically can be gained only through completion of a specified curriculum at a recognized college or university; and

["(B) is covered by the Group Coverage Qualification Standard for Professional and Scientific Positions; and

["(2) the term 'research position' means a position in a professional series that primarily involves scientific inquiry or investigation, or research-type exploratory development of a creative or scientific nature, where the knowledge required to perform the work successfully is acquired typically and primarily through graduate study.

["(b) The Administration may appoint, without regard to the provisions of sections 3304(b) and 3309 through 3318, candidates directly to General Schedule professional positions in the Administration for which public notice has been given, if—

["(1) with respect to a position at the GS–7 level, the individual—

["(A) received, from an accredited institution authorized to grant baccalaureate degrees, a baccalaureate degree in a field of study for which possession of that degree in conjunction with academic achievements meets the qualification standards as prescribed by the Office of Personnel Management for the position to which the individual is being appointed; and

["(B) achieved a cumulative grade point average of 3.0 or higher on a 4.0 scale and a grade point average of 3.5 or higher for courses in the field of study required to qualify for the position;

["(2) with respect to a position at the GS–9 level, the individual—

["(A) received, from an accredited institution authorized to grant graduate degrees, a graduate degree in a field of study for which possession of that degree meets the qualification standards at this grade level as prescribed by the Office of Personnel Management for the position to which the individual is being appointed; and

["(B) achieved a cumulative grade point average of 3.5 or higher on a 4.0 scale in graduate coursework in the field of study required for the position;

["(3) with respect to a position at the GS–11 level, the individual—

["(A) received, from an accredited institution authorized to grant graduate degrees, a graduate degree in a field of study for which possession of that degree meets the qualification standards at this grade level as prescribed by the Office of Personnel Management for the position to which the individual is being appointed; and

["(B) achieved a cumulative grade point average of 3.5 or higher on a 4.0 scale in graduate coursework in the field of study required for the position; or

["(4) with respect to a research position at the GS–12 level, the individual—

["(A) received, from an accredited institution authorized to grant graduate degrees, a graduate degree in a field of study for which possession of that degree meets the qualification standards at this grade level as prescribed by the Office of Personnel Management for the position to which the individual is being appointed; and

["(B) achieved a cumulative grade point average of 3.5 or higher on a 4.0 scale in graduate coursework in the field of study required for the position.

["(c) Veterans' preference procedures shall apply when selecting candidates under this section. Preference eligibles who meet the criteria for distinguished scholar appointments shall be considered ahead of nonpreference eligibles.

["(d) An appointment made under this authority shall be a career conditional appointment in the competitive civil service.

["§ 9935. Travel and transportation expenses of certain new appointees

["(a) In this section, the term 'new appointee' means—

["(1) a person newly appointed or reinstated to Federal service to the Administration to—

["(A) a career or career-conditional appointment;

["(B) a term appointment;

["(C) an excepted service appointment that provides for noncompetitive conversion to a career or career-conditional appointment;

["(D) a career or limited term Senior Executive Service appointment;

["(E) an appointment made under section 203(c)(2)(A) of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2473(c)(2)(A));

["(F) an appointment to a position established under section 3104; or

["(G) an appointment to a position established under section 5108; or

["(2) a student trainee who, upon completion of academic work, is converted to an appointment in the Administration that is identified in paragraph (1) in accordance with an appropriate authority.

["(b) The Administrator may pay the travel, transportation, and relocation expenses of a new appointee to the same extent, in the same manner, and subject to the same conditions as the payment of such expenses under sections 5724, 5724a, 5724b, and 5724c to an employee transferred in the interests of the United States Government.

["§ 9936. Annual leave enhancements

["(a)(1) In this subsection—

["(A) the term 'newly appointed employee' means an individual who is first appointed—

["(i) regardless of tenure, as an employee of the Federal Government; or

["(ii) as an employee of the Federal Government following a break in service of at least 90 days after that individual's last period of Federal employment, other than—

["(I) employment under the Student Educational Employment Program administered by the Office of Personnel Management;

["(II) employment as a law clerk trainee;

["(III) employment under a short-term temporary appointing authority while a student during periods of vacation from the educational institution at which the student is enrolled;

["(IV) employment under a provisional appointment if the new appointment is permanent and immediately follows the provisional appointment; or

["(V) employment under a temporary appointment that is neither full-time nor the principal employment of the individual;

["(B) the term 'period of qualified non-Federal service' means any period of service performed by an individual that—

["(i) was performed in a position the duties of which were directly related to the duties of the position in the Administration to which that individual will fill as a newly appointed employee; and

["(ii) except for this section would not otherwise be service performed by an employee for purposes of section 6303; and

["(C) the term 'directly related to the duties of the position' means duties and responsibilities in the same line of work which require similar qualifications.

["(2)(A) For purposes of section 6303, the Administrator may deem a period of qualified non-Federal service performed by a newly appointed employee to be a period of service of equal length performed as an employee.

["(B) A period deemed by the Administrator under subparagraph (A) shall continue to apply to the employee during—

["(i) the period of Federal service in which the deeming is made; and

["(ii) any subsequent period of Federal service.

["(3)(A) Notwithstanding section 6303(a), the annual leave accrual rate for an employee of the Administration in a position paid under section 5376 or 5383, or for an employee in an equivalent category whose rate of basic pay is greater than the rate payable at GS–15, step 10, shall be 1 day for each full biweekly pay period.

["(B) The accrual rate established under this paragraph shall continue to apply to the employee during—

["(i) the period of Federal service in which such accrual rate first applies; and

["(ii) any subsequent period of Federal service.

["§ 9937. Limited appointments to Senior Executive Service positions

["(a) In this section—

["(1) the term 'career reserved position' means a position in the Administration designated under section 3132(b) which may be filled only by—

["(A) a career appointee; or

["(B) a limited emergency appointee or a limited term appointee—

["(i) who, immediately before entering the career reserved position, was serving under a career or career-conditional appointment outside the Senior Executive Service; or

["(ii) whose limited emergency or limited term appointment is approved in advance by the Office of Personnel Management;

["(2) the term 'limited emergency appointee' has the meaning given under section 3132; and

["(3) the term 'limited term appointee' means an individual appointed to a Senior Executive Service position in the Administration to meet a bona fide temporary need, as determined by the Administrator.

["(b) The number of career reserved positions which are filled by an appointee as described under subsection (a)(1)(B) may not exceed 10 percent of the total number of Senior Executive Service positions allocated to the Administration.

["(c) Notwithstanding sections 3132 and 3394(b)—

["(1) the Administrator may appoint an individual to any Senior Executive Service position in the Administration as a limited term appointee under this section for a period of—

["(A) 4 years or less to a position the duties of which will expire at the end of such term; or

["(B) 1 year or less to a position the duties of which are continuing; and

["(2) in rare circumstances, the Administrator may authorize an extension of a limited appointment under—

["(A) paragraph (1)(A) for a period not to exceed 2 years; and

["(B) paragraph (1)(B) for a period not to exceed 1 year.

["(d) A limited term appointee who has been appointed in the Administration from a career or career-conditional appointment outside the Senior Executive Service shall have reemployment rights in the agency from which appointed, or in another agency, under requirements and conditions established by the Office of Personnel Management. The Office shall have the authority to direct such placement in any agency.

["(e) Notwithstanding section 3394(b) and section 3395—

["(1) a limited term appointee serving under a term prescribed under this section may be reassigned to another Senior Executive Service position in the Administration, the duties of which will expire at the end of a term of 4 years or less; and

["(2) a limited term appointee serving under a term prescribed under this section may be reassigned to another continuing Senior Executive Service position in the Administration, except that the appointee may not serve in 1 or more positions in the Administration under such appointment in excess of 1 year, except that in rare circumstances, the Administrator may approve an extension up to an additional 1 year.

["(f) A limited term appointee may not serve more than 7 consecutive years under any combination of limited appointments.

["(g) Notwithstanding section 5384, the Administrator may authorize performance awards to limited term appointees in the Administration in the same amounts and in the same manner as career appointees.

["§ 9938. Superior qualifications pay

["(a) In this section the term 'employee' means an employee as defined under section 2105 who is employed by the Administration.

["(b) Notwithstanding section 5334, the Administrator may set the pay of an employee paid under the General Schedule at any step within the pay range for the grade of the position, based on the superior qualifications of the employee, or the special need of the Administration.

["(c) If an exercise of the authority under this section relates to a current employee selected for another position within the Administration, a determination shall be made that the employee's contribution in the new position will exceed that in the former position, before setting pay under this section.

["(d) Pay as set under this section is basic pay for such purposes as pay set under section 5334.

["(e) If the employee serves for at least 1 year in the position for which the pay determination under this section was made, or a successor position, the pay earned under such position may be used in succeeding actions to set pay under chapter 53.

["(f) The Administrator may waive the restrictions in subsection (e), based on criteria established in the plan required under subsection (g).

["(g) Before setting any employee's pay under this section, the Administrator shall submit a plan to the Office of Personnel Management, that includes—

["(1) criteria for approval of actions to set pay under this section;

["(2) the level of approval required to set pay under this section;

["(3) all types of actions and positions to be covered;

["(4) the relationship between the exercise of authority under this section and the use of other pay incentives; and

["(5) a process to evaluate the effectiveness of this section.".

[(b) TECHNICAL AND CONFORMING AMENDMENT.—

[(1) TABLE OF CHAPTERS.—The table of chapters for part III of title 5, United States Code, is amended by adding at the end the following:

["99. National Aeronautics and Space Administration .... 9901".

[(2) COMPENSATION FOR CERTAIN EXCEPTED PERSONNEL.—

[(A) IN GENERAL.—Subparagraph (A) of section 203(c)(2) of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2473(c)(2)(A)) is amended by striking "the highest rate of grade 18 of the General Schedule of the Classification Act of 1949, as amended," and inserting "the rate of basic pay payable for level III of the Executive Schedule,".

[(B) EFFECTIVE DATE.—Notwithstanding section 3, the amendment made by this paragraph shall take effect on the first day of the first pay period beginning on or after the effective date of this Act.

[(3) COMPENSATION CLARIFICATION.—Section 209 of title 18, United States Code, is amended by adding at the end the following:

["(g)(1) In this subsection, the term 'private sector entity' has the meaning given under section 9932(a) of title 5.

["(2) This section does not prohibit an employee of a private sector entity, while assigned to the National Aeronautics and Space Administration under section 9932 of title 5, from continuing to receive pay and benefits from that entity in accordance with section 9932 of that title.".

[SEC. 3. EFFECTIVE DATE.

[This Act shall take effect 180 days after the date of enactment of this Act.]

SECTION 1. NASA WORKFORCE AUTHORITIES AND PERSONNEL PROVISIONS.

(a) IN GENERAL.—Subpart I of part III of title 5, United States Code, is amended by inserting after chapter 97, as added by section 841(a)(2) of the Homeland Security Act of 2002 (Public Law 107–296; 116 Stat. 2229), the following:

"CHAPTER 98—NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

"SUBCHAPTER I—WORKFORCE AUTHORITIES

"Sec.
"9801. Definitions.
"9802. Planning, notification, and reporting requirements.
"9803. Workforce authorities.
"9804. Recruitment, redesignation, and relocation bonuses.
"9805. Retention bonuses.
"9806. Term appointments.
"9807. Pay authority for critical positions.

"9808. Assignments of intergovernmental personnel.

"SUBCHAPTER II—PERSONNEL PROVISIONS

"9831. Definitions.
"9832. Administration and private sector exchange assignments.
"9833. Science and technology scholarship program.
"9834. Distinguished scholar appointment authority.
"9835. Travel and transportation expenses of certain new appointees.
"9836. Annual leave enhancements.
"9837. Limited appointments to Senior Executive Service positions.
"9838. Superior qualifications pay.

"SUBCHAPTER I—WORKFORCE AUTHORITIES

"§ 9801. Definitions

"For purposes of this subchapter—

"(1) the term 'Administration' means the National Aeronautics and Space Administration;

"(2) the term 'Administrator' means the Administrator of the National Aeronautics and Space Administration;

"(3) the term 'critical need' means a specific and important requirement of the Administration's mission that the Administration is unable to fulfill because the Administration lacks the appropriate employees because—

"(A) of the inability to fill positions; or

"(B) employees do not possess the requisite skills;

"(4) the term 'employee' means an individual employed in or under the Administration;

"(5) the term 'workforce plan' means the plan required under section 9802(a);

"(6) the term 'appropriate committees of Congress' means—

"(A) the Committees on Government Reform, Science, and Appropriations of the House of Representatives; and

"(B) the Committees on Governmental Affairs, Commerce, Science, and Transportation, and Appropriations of the Senate; and

"(7) the term 'redesignation bonus' means a bonus under section 9804 paid to an individual described in subsection (a)(2) thereof.

"§ 9802. Planning, notification, and reporting requirements

"(a) Not later than 60 days before exercising any of the workforce authorities under this subchapter, the Administrator shall submit a written plan to the appropriate committees of Congress. A plan under this subchapter may not be implemented without the approval of the Office of Personnel Management.

"(b) A workforce plan shall include a description of—

"(1) each critical need of the Administration and the criteria used in the identification of that need;

"(2)(A) the functions, approximate number, and classes or other categories of positions or employees that—

"(i) address critical needs; and

"(ii) would be eligible for each authority proposed to be exercised under section 9803; and

"(B) how the exercise of those authorities with respect to the eligible positions or employees involved would address each critical need identified under paragraph (1);

"(3)(A) any critical need identified under paragraph (1) which would not be addressed by the authorities made available under this subchapter; and

"(B) the reasons why those needs would not be so addressed;

"(4) the specific criteria to be used in determining which individuals may receive the benefits described under sections 9804 and 9805 (including the criteria for granting bonuses in the absence of a critical need), and how the level of those benefits will be determined;

"(5) the safeguards or other measures that will be applied to ensure that this subchapter is carried out in a manner consistent with merit system principles;

"(6) the means by which employees will be afforded the notification required under subsections (c) and (d)(1)(B);

"(7) the methods that will be used to determine if the authorities exercised under this subchapter have successfully addressed each critical need identified under paragraph (1); and

"(8)(A) the recruitment methods used by the Administration before the enactment of this chapter to recruit highly qualified individuals;

"(B) the changes the Administration will implement after the enactment of this chapter in order to improve its recruitment of highly qualified individuals, including how it intends to use—

"(i) nongovernmental recruitment or placement agencies; and

"(ii) Internet technologies; and

"(9) any reforms to the Administration's workforce management practices recommended by the Columbia Accident Investigation Board, the extent to which those recommendations will be accepted, and, if necessary, the reasons why any recommendations were not accepted.

"(c) Not later than 60 days before first exercising any of the workforce authorities made available under this subchapter, the Administrator shall provide to all employees the workforce plan and any additional information which the Administrator considers appropriate.

"(d)(1)(A) The Administrator may submit any modifications to the workforce plan to the Office of Personnel Management. Modifications to the workforce plan may not be implemented without the approval of the Office of Personnel Management.

"(B) Not later than 60 days before implementing any such modifications, the Administrator shall provide an appropriately modified plan to all employees of the Administration and to the appropriate committees of Congress.

"(2) Any reference in this subchapter or any other provision of law to the workforce plan shall be considered to include any modification made in accordance with this subsection.

"(e) Before submitting any written plan under subsection (a) (or modification under subsection (d)) to the Office of Personnel Management, the Administrator shall—

"(1) provide to each employee representative representing any employees who might be affected by such plan (or modification) a copy of the proposed plan (or modification);

"(2) give each representative 30 calendar days (unless extraordinary circumstances require earlier action) to review and make recommendations with respect to the proposed plan (or modification); and

"(3) give any recommendations received from any such representatives under paragraph (2) full and fair consideration in deciding whether or how to proceed with respect to the proposed plan (or modification).

"(f) None of the workforce authorities made available under this subchapter may be exercised in a manner inconsistent with the workforce plan.

"(g) Whenever the Administration submits its performance plan under section 1115 of title 31 to the Office of Management and Budget for any year, the Administration shall at the same time submit a copy of such plan to the appropriate committees of Congress.

"(h) Not later than 6 years after date of enactment of this subchapter, the Administrator shall submit to the appropriate committees of Congress an evaluation and analysis of the actions taken by the Administration under this subchapter, including—

"(1) an evaluation, using the methods described in subsection (b)(7), of whether the authorities exercised under this subchapter successfully addressed each critical need identified under subsection (b)(1);

"(2) to the extent that they did not, an explanation of the reasons why any critical need (apart from the ones under subsection (b)(3)) was not successfully addressed; and

"(3) recommendations for how the Administration could address any remaining critical need and could prevent those that have been addressed from recurring.

"§ 9803. Workforce authorities

"(a) The workforce authorities under this subchapter are the following:

"(1) The authority to pay recruitment, redesignation, and relocation bonuses under section 9804.

"(2) The authority to pay retention bonuses under section 9805.

"(3) The authority to make term appointments and to take related personnel actions under section 9806.

"(4) The authority to fix rates of basic pay for critical positions under section 9807.

"(5) The authority to extend intergovernmental personnel act assignments under section 9808.

"(6) The authority to apply subchapter II of chapter 35 in accordance with section 9810.

"(b) No authority under this subchapter may be exercised with respect to any officer who is appointed by the President, by and with the advice and consent of the Senate.

"(c) Unless specifically stated otherwise, all authorities provided under this subchapter are subject to section 5307.

"§ 9804. Recruitment, redesignation, and relocation bonuses

"(a) Notwithstanding section 5753, the Administrator may pay a bonus to an individual, in accordance with the workforce plan and subject to the limitations in this section, if—

"(1) the Administrator determines that the Administration would be likely, in the absence of a bonus, to encounter difficulty in filling a position; and

"(2) the individual—

"(A) is newly appointed as an employee of the Federal Government;

"(B) is currently employed by the Federal Government and is newly appointed to another position in the same geographic area; or

"(C) is currently employed by the Federal Government and is required to relocate to a different geographic area to accept a position with the Administration.

"(b) If the position is described as addressing a critical need in the workforce plan under section 9802(b)(2)(A), the amount of a bonus may not exceed—

"(1) 50 percent of the employee's annual rate of basic pay (including comparability payments under sections 5304 and 5304a) as of the beginning of the service period multiplied by the service period specified under subsection (d)(1)(B)(i); or

"(2) 100 percent of the employee's annual rate of basic pay (including comparability payments under sections 5304 and 5304a) as of the beginning of the service period.

"(c) If the position is not described as addressing a critical need in the workforce plan under section 9802(b)(2)(A), the amount of a bonus may not exceed—

"(1) 25 percent of the employee's annual rate of basic pay (including comparability payments under sections 5304 and 5304a) as of the beginning of the service period multiplied by the service period specified under subsection (d)(1)(B)(i); or

"(2) 100 percent of the employee's annual rate of basic pay (including comparability payments *under sections 5304 and 5304a) as of the beginning of the service period.*

“(d)(1)(A) Payment of a bonus under this section shall be contingent upon the individual entering into a service agreement with the Administration.

“(B) At a minimum, the service agreement shall include—

“(i) the required service period;

“(ii) the method of payment, including a payment schedule, which may include a lump-sum payment, installment payments, or a combination thereof;

“(iii) the amount of the bonus and the basis for calculating that amount; and

“(iv) the conditions under which the agreement may be terminated before the agreed-upon service period has been completed, and the effect of the termination.

“(2) For purposes of determinations under subsections (b)(1) and (c)(1), the employee's service period shall be expressed as the number equal to the full years and twelfth parts thereof, rounding the fractional part of a month to the nearest twelfth part of a year. The service period may not be less than 6 months and may not exceed 4 years.

“(3) A bonus under this section may not be considered to be part of the basic pay of an employee.

“(e) Before paying a bonus under this section, the Administration shall establish a plan for paying recruitment, redesignation, and relocation bonuses, subject to approval by the Office of Personnel Management.

“(f) No more than 25 percent of the total amount in bonuses awarded under subsection (a) in any year may be awarded to supervisors or management officials (as such terms are defined in section 7103(a) (10) and (11), respectively).

“§9805. Retention bonuses

“(a) Notwithstanding section 5754, the Administrator may pay a bonus to an employee, in accordance with the workforce plan and subject to the limitations in this section, if the Administrator determines that—

“(1) the unusually high or unique qualifications of the employee or a special need of the Administration for the employee's services makes it essential to retain the employee; and

“(2) the employee would be likely to leave in the absence of a retention bonus.

“(b) If the position is described as addressing a critical need in the workforce plan under section 9802(b)(2)(A), the amount of a bonus may not exceed 50 percent of the employee's annual rate of basic pay (including comparability payments under sections 5304 and 5304a).

“(c) If the position is not described as addressing a critical need in the workforce plan under section 9802(b)(2)(A), the amount of a bonus may not exceed 25 percent of the employee's annual rate of basic pay (including comparability payments under sections 5304 and 5304a).

“(d)(1)(A) Payment of a bonus under this section shall be contingent upon the employee entering into a service agreement with the Administration.

“(B) At a minimum, the service agreement shall include—

“(i) the required service period;

“(ii) the method of payment, including a payment schedule, which may include a lump-sum payment, installment payments, or a combination thereof;

“(iii) the amount of the bonus and the basis for calculating the amount; and

“(iv) the conditions under which the agreement may be terminated before the agreed-upon service period has been completed, and the effect of the termination.

“(2) The employee's service period shall be expressed as the number equal to the full years and twelfth parts thereof, rounding the fractional part of a month to the nearest twelfth part of a year. The service period may not be less than 6 months and may not exceed 4 years.

“(3) Notwithstanding paragraph (1), a service agreement is not required if the Administration pays a bonus in biweekly installments and sets the installment payment at the full bonus percentage rate established for the employee, with no portion of the bonus deferred. In this case, the Administration shall inform the employee in writing of any decision to change the retention bonus payments. The employee shall continue to accrue entitlement to the retention bonus through the end of the pay period in which such written notice is provided.

“(e) A bonus under this section may not be considered to be part of the basic pay of an employee.

“(f) An employee is not entitled to a retention bonus under this section during a service period previously established for that employee under section 5753 or under section 9804.

“(g) No more than 25 percent of the total amount in bonuses awarded under subsection (a) in any year may be awarded to supervisors or management officials (as such terms are defined in section 7103(a) (10) and (11), respectively).

“§9806. Term appointments

“(a) The Administrator may authorize term appointments within the Administration under subchapter I of chapter 33, for a period of not less than 1 year and not more than 6 years.

“(b) Notwithstanding chapter 33 or any other provision of law relating to the examination, certification, and appointment of individuals in the competitive service, the Administrator may convert an employee serving under a term appointment to a permanent appointment in the competitive service within the Administration without further competition if—

“(1) such individual was appointed under open, competitive examination under subchapter I of chapter 33 to the term position;

“(2) the announcement for the term appointment from which the conversion is made stated that there was potential for subsequent conversion to a career-conditional or career appointment;

“(3) the employee has completed at least 2 years of current continuous service under a term appointment in the competitive service;

“(4) the employee's performance under such term appointment was at least fully successful or equivalent; and

“(5) the position to which such employee is being converted under this section is in the same occupational series, is in the same geographic location, and provides no greater promotion potential than the term position for which the competitive examination was conducted.

“(c) Notwithstanding chapter 33 or any other provision of law relating to the examination, certification, and appointment of individuals in the competitive service, the Administrator may convert an employee serving under a term appointment to a permanent appointment in the competitive service within the Administration through internal competitive promotion procedures if the conditions under paragraphs (1) through (4) of subsection (b) are met.

“(d) An employee converted under this section becomes a career-conditional employee, unless the employee has otherwise completed the service requirements for career tenure.

“(e) An employee converted to career or career-conditional employment under this section acquires competitive status upon conversion.

“§9807. Pay authority for critical positions

“(a) In this section, the term 'position' means—

“(1) a position to which chapter 51 applies, including a position in the Senior Executive Service;

“(2) a position under the Executive Schedule under sections 5312 through 5317;

“(3) a position established under section 3104; or

“(4) a senior-level position to which section 5376(a)(1) applies.

“(b) Authority under this section—

“(1) may be exercised only with respect to a position that—

“(A) is described as addressing a critical need in the workforce plan under section 9802(b)(2)(A); and

“(B) requires expertise of an extremely high level in a scientific, technical, professional, or administrative field;

“(2) may be exercised only to the extent necessary to recruit or retain an individual exceptionally well qualified for the position; and

“(3) may be exercised only in retaining employees of the Administration or in appointing individuals who were not employees of another Federal agency as defined under section 5102(a)(1).

“(c)(1) Notwithstanding section 5377, the Administrator may fix the rate of basic pay for a position in the Administration in accordance with this section. The Administrator may not delegate this authority.

“(2) The number of positions with pay fixed under this section may not exceed 10 at any time.

“(d)(1) The rate of basic pay fixed under this section may not be less than the rate of basic pay (including any comparability payments) which would otherwise be payable for the position involved if this section had never been enacted.

“(2) The annual rate of basic pay fixed under this section may not exceed the per annum rate of salary payable under section 104 of title 3.

“(3) Notwithstanding any provision of section 5307, in the case of an employee who, during any calendar year, is receiving pay at a rate fixed under this section, no allowance, differential, bonus, award, or similar cash payment may be paid to such employee if, or to the extent that, when added to basic pay paid or payable to such employee (for service performed in such calendar year as an employee in the executive branch or as an employee outside the executive branch to whom chapter 51 applies), such payment would cause the total to exceed the per annum rate of salary which, as of the end of such calendar year, is payable under section 104 of title 3.

“§9808. Assignments of intergovernmental personnel

“For purposes of applying the third sentence of section 3372(a) (relating to the authority of the head of a Federal agency to extend the period of an employee's assignment to or from a State or local government, institution of higher education, or other organization), the Administrator may, with the concurrence of the employee and the government or organization concerned, take any action which would be allowable if such sentence had been amended by striking 'two' and inserting 'four'.

“SUBCHAPTER II—PERSONNEL PROVISIONS

“§9831. Definitions

“For purposes of this subchapter, the terms 'Administration' and 'Administrator' have the meanings set forth in section 9801.

“§9832. Administration and private sector exchange assignments

“(a) In this section—

“(1) the term 'private sector employee' means an employee of a private sector entity; and

“(2) the term 'private sector entity' means an organization, company, corporation, or other business concern, or a foreign government or agency of a foreign government, that is not a

State, local government, Federal agency, or other organization as defined under section 3371 (1), (2), (3), and (4), respectively.

“(b)(1) On request from or with the concurrence of a private sector entity, and with the consent of the employee concerned, the Administrator may arrange for the assignment of—

“(A) an employee of the Administration serving in a scientific or technical position as designated by the Administrator, to a private sector entity; and

“(B) an employee of a private sector entity serving in a scientific or technical position to the Administration,

for work of mutual concern to the Administration and the private sector entity that the Administrator determines will be beneficial to both.

“(2) The period of an assignment under this section may not exceed 2 years. However, the Administrator may extend the period of assignment for not more than 2 additional years.

“(3) An employee of the Administration may be assigned under this section only if the employee agrees, as a condition of accepting an assignment, to serve in the Administration upon the completion of the assignment for a period equal to the length of the assignment. The Administrator may waive the requirement under this paragraph, with the approval of the Office of Management and Budget, with respect to any employee if the Administrator determines it to be in the best interests of the United States to do so.

“(4) Each agreement required under paragraph (3) shall provide that if the employee fails to carry out the agreement (except in the case of a waiver made under paragraph (3)), the employee shall be liable to the United States for payment of all expenses (excluding salary) of the assignment. The amount due shall be treated as a debt due the United States.

“(c)(1) An Administration employee assigned to a private sector entity under this section is deemed, during the assignment, to be on detail to a work assignment (as a detailee to the entity).

“(2) An Administration employee assigned under this section on detail remains an employee of the Administration. Chapter 171 of title 28 and any other Federal tort liability statute apply to the Administration employee so assigned, and all defenses available to the United States under these laws or applicable provisions of State law shall remain in effect. The supervision of the duties of an Administration employee assigned to the private sector entity through detail may be governed by agreement between the Administration and the private sector entity concerned.

“(3) The assignment of an Administration employee on detail to a private sector entity under this section may be made with or without reimbursement by the private sector entity for the travel and transportation expenses to or from the place of assignment, for the pay, or supplemental pay, or a part thereof, of the employee, or for the contribution of the Administration to the employee's benefit systems during the assignment. Any reimbursements shall be credited to the appropriation of the Administration used for paying the travel and transportation expenses, pay, or benefits, and not paid to the employee.

“(d)(1) An employee of a private sector entity who is assigned to the Administration under an arrangement under this section shall be deemed on detail to the Administration.

“(2) During the period of assignment, a private sector employee on detail to the Administration—

“(A) is not entitled to pay from the Administration, except to the extent that the pay received from the private sector entity is less than the appropriate rate of pay which the duties would warrant under the pay provisions of this title or other applicable authority;

“(B) is deemed an employee of the Administration for the purpose of chapter 73 of this title, the Ethics in Government Act of 1978, section 27 of the Office of Federal Procurement Policy Act, sections 201, 203, 205, 207, 208, 209, 602, 603, 606, 607, 610, 643, 654, 1905, and 1913 of title 18, sections 1343, 1344, and 1349(b) of title 31, chapter 171 of title 28, and any other Federal tort liability statute, and any other provision of Federal criminal law, unless otherwise specifically exempted;

“(C) notwithstanding subparagraph (B), is also deemed to be an employee of his or her private sector employer for purposes of section 208 of title 18; and

“(D) is subject to such regulations as the Administrator may prescribe.

“(3) The supervision of the duties of an employee assigned under this subsection may be governed by agreement between the Administration and the private sector entity.

“(4) A detail of a private sector employee to the Administration may be made with or without reimbursement by the Administration for the pay, or a part thereof, of the employee during the period of assignment, or for the contribution of the private sector entity, or a part thereof, to employee benefit systems.

“(5)(A) A private sector employee on detail to the Administration under this section who suffers disability or dies as a result of personal injury sustained while in the performance of duties during the assignment shall be treated, for the purpose of subchapter I of chapter 81 as an employee as defined under section 8101 who had sustained the injury in the performance of duties.

“(B) When an employee (or the employee's dependents in case of death) entitled by reason of injury or death to benefits under subchapter I of chapter 81 is also entitled to benefits from the employee's private sector employer for the same injury or death, the employee (or the employee's dependents in case of death) shall elect which benefits the employee will receive. The election shall be made within 1 year after the injury or death, or such further time as the Secretary of Labor may allow for reasonable cause shown. When made, the election is irrevocable.

“(C) Except as provided in subparagraphs (A) and (B), and notwithstanding any other law, the United States, any instrumentality of the United States, or an employee, agent, or assign of the United States shall not be liable to—

“(i) a private sector employee assigned to the Administration under this section;

“(ii) such employee's legal representative, spouse, dependents, survivors, or next of kin; or

“(iii) any other person, including any third party as to whom such employee, or that employee's legal representative, spouse, dependents, survivors, or next of kin, has a cause of action arising out of an injury or death sustained in the performance of duty pursuant to an assignment under this section, otherwise entitled to recover damages from the United States, any instrumentality of the United States, or any employee, agency, or assign of the United States, with respect to any injury or death suffered by a private sector employee sustained in the performance of duties pursuant to an assignment under this section.

“(e)(1) Appropriations of the Administration are available to pay, or reimburse, an Administration or private sector employee in accordance with—

“(A) subchapter I of chapter 57 for the expenses of—

“(i) travel, including a per diem allowance, to and from the assignment location;

“(ii) a per diem allowance at the assignment location during the period of the assignment; and

“(iii) travel, including a per diem allowance, while traveling on official business away from the employee's designated post of duty during the assignment when the Administrator considers the travel to be in the interest of the United States;

“(B) section 5724 for the expenses of transportation of the employee's immediate family, household goods, and personal effects to and from the assignment location;

“(C) section 5724a(a) for the expenses of per diem allowances for the immediate family of the employee to and from the assignment location;

“(D) section 5724a(c) for subsistence expenses of the employee and immediate family while occupying temporary quarters at the assignment location and on return to the employee's former post of duty;

“(E) section 5724a(g) to be used by the employee for miscellaneous expenses related to change of station where movement or storage of household goods is involved; and

“(F) section 5726(c) for the expenses of nontemporary storage of household goods and personal effects in connection with assignment at an isolated location.

“(2) Expenses specified in paragraph (1), other than those in paragraph (1)(A)(iii), may not be allowed in connection with the assignment of an Administration or private sector employee under this section, unless and until the employee agrees in writing to complete the entire period of his assignment or 1 year, whichever is shorter, unless separated or reassigned for reasons beyond his control that are acceptable to the Administrator. If the employee violates the agreement, the money spent by the United States for these expenses is recoverable from the employee as a debt due the United States. The Administrator may waive in whole or in part a right of recovery under this paragraph with respect to a private sector employee on assignment with the Administration or an Administration employee on assignment with a private sector entity.

“(3) Appropriations of the Administration are available to pay expenses under section 5742 with respect to an Administration or private sector employee assigned under this authority.

“(f) A private sector entity may not charge the Federal Government, as direct or indirect costs under a Federal contract, the costs of pay or benefits paid by the entity to an employee assigned to the Administration under this section for the period of the assignment.

“§ 9833. Science and technology scholarship program

“(a)(1) The Administrator shall establish a National Aeronautics and Space Administration Science and Technology Scholarship Program to award scholarships to individuals that is designed to recruit and prepare students for careers in the Administration.

“(2) Individuals shall be selected to receive scholarships under this section through a competitive process primarily on the basis of academic merit, with consideration given to financial need and the goal of promoting the participation of individuals identified in section 33 or 34 of the Science and Engineering Equal Opportunities Act.

“(3) To carry out the Program the Administrator shall enter into contractual agreements with individuals selected under paragraph (2) under which the individuals agree to serve as full-time employees of the Administration, for the period described in subsection (f)(1), in positions needed by the Administration and for which the individuals are qualified, in exchange for receiving a scholarship.

“(b) In order to be eligible to participate in the Program, an individual must—

“(1) be enrolled or accepted for enrollment as a full-time student at an institution of higher

education in an academic field or discipline described in the list made available under subsection (d);

"(2) be a United States citizen; and

"(3) at the time of the initial scholarship award, not be an employee (as defined in section 2105).

"(c) An individual seeking a scholarship under this section shall submit an application to the Administrator at such time, in such manner, and containing such information, agreements, or assurances as the Administrator may require.

"(d) The Administrator shall make publicly available a list of academic programs and fields of study for which scholarships under the Program may be utilized and shall update the list as necessary.

"(e)(1) The Administrator may provide a scholarship under the Program for an academic year if the individual applying for the scholarship has submitted to the Administrator, as part of the application required under subsection (c), a proposed academic program leading to a degree in a program or field of study on the list made available under subsection (d).

"(2) An individual may not receive a scholarship under this section for more than 4 academic years, unless the Administrator grants a waiver.

"(3) The dollar amount of a scholarship under this section for an academic year shall be determined under regulations issued by the Administrator, but shall in no case exceed the cost of attendance.

"(4) A scholarship provided under this section may be expended for tuition, fees, and other authorized expenses as established by the Administrator by regulation.

"(5) The Administrator may enter into a contractual agreement with an institution of higher education under which the amounts provided for a scholarship under this section for tuition, fees, and other authorized expenses are paid directly to the institution with respect to which the scholarship is provided.

"(f)(1) The period of service for which an individual shall be obligated to serve as an employee of the Administration is, except as provided in subsection (h)(2), 12 months for each academic year for which a scholarship under this section is provided.

"(2)(A) Except as provided in subparagraph (B), obligated service under paragraph (1) shall begin not later than 60 days after the individual obtains the educational degree for which the scholarship was provided.

"(B) The Administrator may defer the obligation of an individual to provide a period of service under paragraph (1) if the Administrator determines that such a deferral is appropriate. The Administrator shall prescribe the terms and conditions under which a service obligation may be deferred through regulation.

"(g)(1) Scholarship recipients who fail to maintain a high level of academic standing, as defined by the Administrator by regulation, who are dismissed from their educational institutions for disciplinary reasons, or who voluntarily terminate academic training before graduation from the educational program for which the scholarship was awarded, shall be in breach of their contractual agreement and, in lieu of any service obligation arising under such agreement, shall be liable to the United States for repayment within 1 year after the date of default of all scholarship funds paid to them and to the institution of higher education on their behalf under the agreement, except as provided in subsection (h)(2). The repayment period may be extended by the Administrator when determined to be necessary, as established by regulation.

"(2) Scholarship recipients who, for any reason, fail to begin or complete their service obligation after completion of academic training, or fail to comply with the terms and conditions of deferment established by the Administrator pursuant to subsection (f)(2)(B), shall be in breach of their contractual agreement. When recipients breach their agreements for the reasons stated in the preceding sentence, the recipient shall be liable to the United States for an amount equal to—

"(A) the total amount of scholarships received by such individual under this section; plus

"(B) the interest on the amounts of such awards which would be payable if at the time the awards were received they were loans bearing interest at the maximum legal prevailing rate, as determined by the Treasurer of the United States,

multiplied by 3.

"(h)(1) Any obligation of an individual incurred under the Program (or a contractual agreement thereunder) for service or payment shall be canceled upon the death of the individual.

"(2) The Administrator shall by regulation provide for the partial or total waiver or suspension of any obligation of service or payment incurred by an individual under the Program (or a contractual agreement thereunder) whenever compliance by the individual is impossible or would involve extreme hardship to the individual, or if enforcement of such obligation with respect to the individual would be contrary to the best interests of the Government.

"(i) For purposes of this section—

"(1) the term 'cost of attendance' has the meaning given that term in section 472 of the Higher Education Act of 1965;

"(2) the term 'institution of higher education' has the meaning given that term in section 101(a) of the Higher Education Act of 1965; and

"(3) the term 'Program' means the National Aeronautics and Space Administration Science and Technology Scholarship Program established under this section.

"(j)(1) There is authorized to be appropriated to the Administration for the Program $10,000,000 for each fiscal year.

"(2) Amounts appropriated under this section shall remain available for 2 fiscal years.

"§9834. Distinguished scholar appointment authority

"(a) In this section—

"(1) the term 'professional position' means a position that is classified to an occupational series identified by the Office of Personnel Management as a position that—

"(A) requires education and training in the principles, concepts, and theories of the occupation that typically can be gained only through completion of a specified curriculum at a recognized college or university; and

"(B) is covered by the Group Coverage Qualification Standard for Professional and Scientific Positions; and

"(2) the term 'research position' means a position in a professional series that primarily involves scientific inquiry or investigation, or research-type exploratory development of a creative or scientific nature, where the knowledge required to perform the work successfully is acquired typically and primarily through graduate study.

"(b) The Administration may appoint, without regard to the provisions of sections 3304(b) and 3309 through 3318, candidates directly to General Schedule professional positions in the Administration for which public notice has been given, if—

"(1) with respect to a position at the GS–7 level, the individual—

"(A) received, from an accredited institution authorized to grant baccalaureate degrees, a baccalaureate degree in a field of study for which possession of that degree in conjunction with academic achievements meets the qualification standards as prescribed by the Office of Personnel Management for the position to which the individual is being appointed; and

"(B) achieved a cumulative grade point average of 3.0 or higher on a 4.0 scale and a grade point average of 3.5 or higher for courses in the field of study required to qualify for the position;

"(2) with respect to a position at the GS–9 level, the individual—

"(A) received, from an accredited institution authorized to grant graduate degrees, a graduate degree in a field of study for which possession of that degree meets the qualification standards at this grade level as prescribed by the Office of Personnel Management for the position to which the individual is being appointed; and

"(B) achieved a cumulative grade point average of 3.5 or higher on a 4.0 scale in graduate coursework in the field of study required for the position;

"(3) with respect to a position at the GS–11 level, the individual—

"(A) received, from an accredited institution authorized to grant graduate degrees, a graduate degree in a field of study for which possession of that degree meets the qualification standards at this grade level as prescribed by the Office of Personnel Management for the position to which the individual is being appointed; and

"(B) achieved a cumulative grade point average of 3.5 or higher on a 4.0 scale in graduate coursework in the field of study required for the position; or

"(4) with respect to a research position at the GS–12 level, the individual—

"(A) received, from an accredited institution authorized to grant graduate degrees, a graduate degree in a field of study for which possession of that degree meets the qualification standards at this grade level as prescribed by the Office of Personnel Management for the position to which the individual is being appointed; and

"(B) achieved a cumulative grade point average of 3.5 or higher on a 4.0 scale in graduate coursework in the field of study required for the position.

"(c) Veterans' preference procedures shall apply when selecting candidates under this section. Preference eligibles who meet the criteria for distinguished scholar appointments shall be considered ahead of nonpreference eligibles.

"(d) An appointment made under this authority shall be a career-conditional appointment in the competitive civil service.

"§9835. Travel and transportation expenses of certain new appointees

"(a) In this section, the term 'new appointee' means—

"(1) a person newly appointed or reinstated to Federal service to the Administration to—

"(A) a career or career-conditional appointment;

"(B) a term appointment;

"(C) an excepted service appointment that provides for noncompetitive conversion to a career or career-conditional appointment;

"(D) a career or limited term Senior Executive Service appointment;

"(E) an appointment made under section 203(c)(2)(A) of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2473(c)(2)(A));

"(F) an appointment to a position established under section 3104; or

"(G) an appointment to a position established under section 5108; or

"(2) a student trainee who, upon completion of academic work, is converted to an appointment in the Administration that is identified in paragraph (1) in accordance with an appropriate authority.

"(b) The Administrator may pay the travel, transportation, and relocation expenses of a *new appointee to the same extent, in the same manner, and subject to the same conditions as the payment of such expenses under sections 5724, 5724a, 5724b, and 5724c to an employee transferred in the interests of the United States Government.*

"§9836. Annual leave enhancements

"(a)(1) In this section—

"(A) the term 'newly appointed employee' means an individual who is first appointed—

"(i) regardless of tenure, as an employee of the Federal Government; or

"(ii) as an employee of the Federal Government following a break in service of at least 90 days after that individual's last period of Federal employment, other than—

"(I) employment under the Student Educational Employment Program administered by the Office of Personnel Management;

"(II) employment as a law clerk trainee;

"(III) employment under a short-term temporary appointing authority while a student during periods of vacation from the educational institution at which the student is enrolled;

"(IV) employment under a provisional appointment if the new appointment is permanent and immediately follows the provisional appointment; or

"(V) employment under a temporary appointment that is neither full-time nor the principal employment of the individual;

"(B) the term 'period of qualified non-Federal service' means any period of service performed by an individual that—

"(i) was performed in a position the duties of which were directly related to the duties of the position in the Administration to which that individual will fill as a newly appointed employee; and

"(ii) except for this section, would not otherwise be service performed by an employee for purposes of section 6303; and

"(C) the term 'directly related to the duties of the position' means duties and responsibilities in the same line of work which require similar qualifications.

"(b)(1) For purposes of section 6303, the Administrator may deem a period of qualified non-Federal service performed by a newly appointed employee to be a period of service of equal length performed as an employee.

"(2) A period deemed by the Administrator under paragraph (1) shall continue to apply to the employee during—

"(A) the period of Federal service in which the deeming is made; and

"(B) any subsequent period of Federal service.

"(c)(1) Notwithstanding section 6303(a), the annual leave accrual rate for an employee of the Administration in a position paid under section 5376 or 5383, or for an employee in an equivalent category whose rate of basic pay is greater than the rate payable at GS–15, step 10, shall be 1 day for each full biweekly pay period.

"(2) The accrual rate established under this paragraph shall continue to apply to the employee during—

"(A) the period of Federal service in which such accrual rate first applies; and

"(B) any subsequent period of Federal service.

"§9837. Limited appointments to Senior Executive Service positions

"(a) In this section—

"(1) the term 'career reserved position' means a position in the Administration designated under section 3132(b) which may be filled only by—

"(A) a career appointee; or

"(B) a limited emergency appointee or a limited term appointee—

"(i) who, immediately before entering the career reserved position, was serving under a career or career-conditional appointment outside the Senior Executive Service; or

"(ii) whose limited emergency or limited term appointment is approved in advance by the Office of Personnel Management;

"(2) the term 'limited emergency appointee' has the meaning given under section 3132; and

"(3) the term 'limited term appointee' means an individual appointed to a Senior Executive Service position in the Administration to meet a bona fide temporary need, as determined by the Administrator.

"(b) The number of career reserved positions which are filled by an appointee as described under subsection (a)(1)(B) may not exceed 10 percent of the total number of Senior Executive Service positions allocated to the Administration.

"(c) Notwithstanding sections 3132 and 3394(b)—

"(1) the Administrator may appoint an individual to any Senior Executive Service position in the Administration as a limited term appointee under this section for a period of—

"(A) 4 years or less to a position the duties of which will expire at the end of such term; or

"(B) 1 year or less to a position the duties of which are continuing; and

"(2) in rare circumstances, the Administrator may authorize an extension of a limited appointment under—

"(A) paragraph (1)(A) for a period not to exceed 2 years; and

"(B) paragraph (1)(B) for a period not to exceed 1 year.

"(d) A limited term appointee who has been appointed in the Administration from a career or career-conditional appointment outside the Senior Executive Service shall have reemployment rights in the agency from which appointed, or in another agency, under requirements and conditions established by the Office of Personnel Management. The Office shall have the authority to direct such placement in any agency.

"(e) Notwithstanding section 3394(b) and section 3395—

"(1) a limited term appointee serving under a term prescribed under this section may be reassigned to another Senior Executive Service position in the Administration, the duties of which will expire at the end of a term of 4 years or less; and

"(2) a limited term appointee serving under a term prescribed under this section may be reassigned to another continuing Senior Executive Service position in the Administration, except that the appointee may not serve in 1 or more positions in the Administration under such appointment in excess of 1 year, except that in rare circumstances, the Administrator may approve an extension up to an additional 1 year.

"(f) A limited term appointee may not serve more than 7 consecutive years under any combination of limited appointments.

"(g) Notwithstanding section 5384, the Administrator may authorize performance awards to limited term appointees in the Administration in the same amounts and in the same manner as career appointees.

"§9838. Superior qualifications pay

"(a) In this section the term 'employee' means an employee as defined under section 2105 who is employed by the Administration.

"(b) Notwithstanding section 5334, the Administrator may set the pay of an employee paid under the General Schedule at any step within the pay range for the grade of the position, based on the superior qualifications of the employee, or the special need of the Administration.

"(c) If an exercise of the authority under this section relates to a current employee selected for another position within the Administration, a determination shall be made that the employee's contribution in the new position will exceed that in the former position, before setting pay under this section.

"(d) Pay as set under this section is basic pay for such purposes as pay set under section 5334.

"(e) If the employee serves for at least 1 year in the position for which the pay determination under this section was made, or a successor position, the pay earned under such position may be used in succeeding actions to set pay under chapter 53.

"(f) The Administrator may waive the restrictions in subsection (e), based on criteria established in the plan required under subsection (g).

"(g) Before setting any employee's pay under this section, the Administrator shall submit a plan to the Office of Personnel Management, that includes—

"(1) criteria for approval of actions to set pay under this section;

"(2) the level of approval required to set pay under this section;

"(3) all types of actions and positions to be covered;

"(4) the relationship between the exercise of authority under this section and the use of other pay incentives; and

"(5) a process to evaluate the effectiveness of this section.".

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) TABLE OF CHAPTERS.—The table of chapters for subchapter I of part III of title 5, United States Code, is amended by adding after the item relating to chapter 97 the following:

"98. National Aeronautics and Space Administration .... 9801".

(2) COMPENSATION FOR CERTAIN EXCEPTED PERSONNEL.—Subparagraph (A) of section 203(c)(2) of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2473(c)(2)(A)) is amended by striking "the highest rate of grade 18 of the General Schedule of the Classification Act of 1949, as amended," and inserting "the rate of basic pay payable for level III of the Executive Schedule,".

(3) COMPENSATION CLARIFICATION.—Section 209 of title 18, United States Code, as amended by section 209(g)(2) of the E-Government Act of 2002 (Public Law 107–347; 116 Stat. 2932), is amended by adding at the end the following:

"(h) This section does not prohibit an employee of a private sector organization, while assigned to the National Aeronautics and Space Administration under section 9832 of title 5, from continuing to receive pay and benefits from that organization in accordance with section 9832 of that title.".

(4) CONTINUED TSP ELIGIBILITY.—Section 125(c)(1) of Public Law 100–238 (5 U.S.C. 8432 note), as amended by section 209(g)(3) of the E-Government Act of 2002 (Public Law 107–347; 116 Stat. 2932), is amended—

(A) in subparagraph (C), by striking "or" at the end;

(B) in subparagraph (D), by striking "and" at the end and inserting "or"; and

(C) by adding at the end the following:

"(E) an individual assigned from the National Aeronautics and Space Administration to a private sector organization under section 9832 of title 5, United States Code; and".

(5) ETHICS PROVISIONS.—

(A) ONE-YEAR RESTRICTION ON CERTAIN COMMUNICATIONS.—Section 207(c)(2)(A)(v) of title 18, United States Code, is amended by inserting "or section 9832" after "chapter 37".

(B) DISCLOSURE OF CONFIDENTIAL INFORMATION.—Section 1905 of title 18, United States Code, is amended by inserting "or section 9832" after "chapter 37".

(6) CONTRACT ADVICE.—Section 207(l) of title 18, United States Code, is amended by inserting "or section 9832" after "chapter 37".

(7) AMENDMENTS TO TITLE 5, UNITED STATES CODE.—Title 5, United States Code, is amended—

(A) in section 3111(d), by inserting "or section 9832" after "chapter 37"; and

(B) in section 7353(b)(4), by inserting "or section 9832" after "chapter 37".

Mr. ENSIGN. Mr. President, I ask unanimous consent that the substitute amendment at the desk be agreed to, the committee amendment, as amended, be agreed to, the bill, as amended, be read the third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 2214) was agreed to.

(The amendment is printed in today's RECORD under "Text of Amendments.")

The committee amendment, as amended, was agreed to.

The bill, as amended, was read the third time and passed.

CONVEYING CERTAIN LAND IN THE STATE OF ARKANSAS

Mr. ENSIGN. Mr. President, I ask unanimous consent that the Committee on Agriculture be discharged from further consideration of S. 1537 and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 1537) to direct the Secretary of Agriculture to convey to the New Hope Cemetery Association certain land in the State of Arkansas for use as a cemetery.

There being no objection, the Senate proceeded to consider the bill.

Mr. ENSIGN. Mr. President, I ask unanimous consent that the bill be read three times and passed; that the motion to reconsider be laid upon the table, with no intervening action or debate; and that any statements relating to this measure be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 1537) was read the third time and passed, as follows:

S. 1537

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONVEYANCE OF PROPERTY IN POPE COUNTY, ARKANSAS.

(a) CONVEYANCE ON CONDITION SUBSEQUENT.—Not later than 90 days after the date of enactment of this Act, subject to valid existing rights and the condition stated in subsection (c), the Secretary of Agriculture, acting through the Chief of the Forest Service (referred to in this section as the "Secretary"), shall convey to the New Hope Cemetery Association (referred to in this section as the "association"), for no consideration, all right, title, and interest of the United States in and to the parcel of land described in subsection (b).

(b) DESCRIPTION OF LAND.—The parcel of land referred to in subsection (a) is the parcel of National Forest System land (including any improvements on the land) that—

(1) is known as "New Hope Cemetery Tract 6686c";

(2) consists of approximately 1.1 acres; and

(3) is more particularly described as a portion of the SE ¼ of the NW ¼ of section 30, T. 11, R. 17W, Pope County, Arkansas.

(c) CONDITION ON USE OF LAND.—

(1) IN GENERAL.—The association shall use the parcel conveyed under subsection (a) as a cemetery.

(2) REVERSION.—If the Secretary, after notice to the association and an opportunity for a hearing, makes a finding that the association has used or permitted the use of the parcel for any purpose other than the purpose specified in paragraph (1), and the association fails to discontinue that use, title to the parcel shall, at the option of the Secretary, revert to the United States, to be administered by the Secretary.

AUTHORIZING TO SELL OR EXCHANGE CERTAIN ADMINISTRATIVE SITES AND OTHER LAND

Mr. ENSIGN. Mr. President, I ask unanimous consent that the Committee on Agriculture be discharged from further consideration of S. 33 and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 33) to authorize the Secretary of Agriculture to sell or exchange all or part of certain administrative sites and other land in the Ozark-St. Francis and Ouachita National Forests and to use funds derived from the sale or exchange to acquire, construct, or improve administrative sites.

There being no objection, the Senate proceeded to consider the bill.

Mr. ENSIGN. Mr. President, I ask unanimous consent that the bill be read three times and passed; that the motion to reconsider be laid upon the table, with no intervening action or debate; and that any statements relating to this measure be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 33) was read the third time and passed, as follows:

S. 33

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SALE OR EXCHANGE OF LAND.

(a) IN GENERAL.—The Secretary of Agriculture (referred to in this Act as the "Secretary") may, under such terms and conditions as the Secretary may prescribe, sell or exchange any right, title, and interest of the United States in and to the following National Forest System land and improvements:

(1) In the Ouachita National Forest—

(A) tract 1, "Work Center and two Residences" (approximately 12.4 acres), as identified on the map entitled "Ouachita National Forest, Waldron, Arkansas, Work Center and Residences" and dated July 26, 2000;

(B) tract 2, "Work Center" (approximately 10 acres), as identified on the map entitled "Ouachita National Forest, Booneville, Arkansas, Work Center" and dated July 26, 2000;

(C) tract 3, "Residence" (approximately ½ acre), as identified on the map entitled "Ouachita National Forest, Glenwood, Arkansas, Residence" and dated July 26, 2000;

(D) tract 4, "Work Center" (approximately 10.12 acres), as identified on the map entitled "Ouachita National Forest, Thornburg, Arkansas, Work Center" and dated July 26, 2000;

(E) tract 5, "Office Building" (approximately 1.5 acres), as identified on the map entitled "Ouachita National Forest, Perryville, Arkansas, Office Building" and dated July 26, 2000;

(F) tract 6, "Several Buildings, Including Office Space and Equipment Depot" (approximately 3 acres), as identified on the map entitled "Ouachita National Forest, Hot Springs, Arkansas, Buildings" and dated July 26, 2000;

(G) tract 7, "Isolated Forestland" (approximately 120 acres), as identified on the map entitled "Ouachita National Forest, Sunshine, Arkansas, Isolated Forestland" and dated July 26, 2000;

(H) tract 8, "Isolated Forestland" (approximately 40 acres), as identified on the map entitled "Ouachita National Forest, Sunshine, Arkansas, Isolated Forestland" and dated July 26, 2000;

(I) tract 9, "Three Residences" (approximately 9.89 acres), as identified on the map entitled "Ouachita National Forest, Heavener, Oklahoma, Three Residences" and dated July 26, 2000;

(J) tract 10, "Work Center" (approximately 38.91 acres), as identified on the map entitled "Ouachita National Forest, Heavener, Oklahoma, Work Center" and dated July 26, 2000;

(K) tract 11, "Residence #1" (approximately 0.45 acres), as identified on the map entitled "Ouachita National Forest, Talihina, Oklahoma, Residence #1" and dated July 26, 2000;

(L) tract 12, "Residence #2" (approximately 0.21 acres), as identified on the map entitled "Ouachita National Forest, Talihina, Oklahoma, Residence #2" and dated July 26, 2000;

(M) tract 13, "Work Center" (approximately 5 acres), as identified on the map entitled "Ouachita National Forest, Big Cedar, Oklahoma, Work Center" and dated July 26, 2000;

(N) tract 14, "Residence" (approximately 0.5 acres), as identified on the map entitled "Ouachita National Forest, Idabel, Oklahoma, Residence" and dated July 26, 2000;

(O) tract 15, "Residence and Work Center" (approximately 40 acres), as identified on the map entitled "Ouachita National Forest, Idabel, Oklahoma, Residence and Work Center" and dated July 26, 2000; and

(P) tract 16, "Isolated Forestland" at sec. 30, T. 2 S., R. 25 W. (approximately 2.08 acres), as identified on the map entitled "Ouachita National Forest, Mt. Ida, Arkansas, Isolated Forestland" and dated August 27, 2001.

(2) In the Ozark-St. Francis National Forest—

(A) tract 1, "Tract 750, District 1, Two Residences, Administrative Office" (approximately 8.96 acres), as identified on the map entitled "Ozark-St. Francis National Forest, Mountain View, Arkansas, Tract 750, District 1, Two Residences, Administrative Office" and dated July 26, 2000;

(B) tract 2, "Tract 2736, District 5, Mountainburg Work Center" (approximately 1.61 acres), as identified on the map entitled "Ozark-St. Francis National Forest, Mountainburg, Arkansas, Tract 2736, District 5, Mountainburg Work Center" and dated July 26, 2000;

(C) tract 3, "Tract 2686, District 6, House" (approximately 0.31 acres), as identified on the map entitled "Ozark-St. Francis National Forest, Paris, Arkansas, Tract 2686, District 6 House" and dated July 26, 2000;

(D) tract 4, "Tract 2807, District 6, House" (approximately 0.25 acres), as identified on the map entitled "Ozark-St. Francis National Forest, Paris, Arkansas, Tract 2807, District 6, House" and dated July 26, 2000;

(E) tract 5, "Tract 2556, District 3, Dover Work Center" (approximately 2.0 acres), as identified on the map entitled "Ozark-St. Francis National Forest, Dover, Arkansas, Tract 2556, District 3, Dover Work Center" and dated July 26, 2000;

(F) tract 6, "Tract 2735, District 2, House" (approximately 0.514 acres), as identified on the map entitled "Ozark-St. Francis National Forest, Jasper, Arkansas, Tract 2735, District 2, House" and dated July 26, 2000; and

(G) tract 7, "Tract 2574, District 2, House" (approximately 0.75 acres), as identified on the map entitled "Ozark-St. Francis National Forest, Jasper, Arkansas, Tract 2574, District 2, House" and dated July 26, 2000.

(b) APPLICABLE AUTHORITIES.—Except as otherwise provided in this Act, any sale or exchange of land described in subsection (a) shall be subject to laws (including regulations) applicable to the conveyance and acquisition of land for National Forest System purposes.

(c) CASH EQUALIZATION.—Notwithstanding any other provision of law, the Secretary may accept cash equalization payments in excess of 25 percent of the total value of the land described in subsection (a) from any exchange under subsection (a).

(d) SOLICITATIONS OF OFFERS.—

(1) IN GENERAL.—In carrying out this Act, the Secretary may use solicitations of offers for sale or exchange under this Act on such terms and conditions as the Secretary may prescribe.

(2) REJECTION OF OFFERS.—The Secretary may reject any offer under this Act if the Secretary determines that the offer is not adequate or not in the public interest.

SEC. 2. DISPOSITION OF FUNDS.

Any funds received by the Secretary through sale or by cash equalization from an exchange—

(1) shall be deposited into the fund established by Public Law 90-171 (commonly known as the "Sisk Act") (16 U.S.C. 484a); and

(2) shall be available for expenditure, without further Act of appropriation, for the acquisition, construction, or improvement of administrative facilities, land, or interests in land for the national forests in the States of Arkansas and Oklahoma.

SEC. 3. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.

ADJUSTING BOUNDARIES OF GREEN MOUNTAIN NATIONAL FOREST

Mr. ENSIGN. Mr. President, I ask unanimous consent that the Agriculture Committee be discharged from further consideration of S. 1499 and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 1499) to adjust the boundaries of Green Mountain National Forest.

There being no objection, the Senate proceeded to consider the bill.

Mr. ENSIGN. Mr. President, I ask unanimous consent that the bill be read three times and passed; that the motion to reconsider be laid upon the table; and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 1499) was read the third time and passed, as follows:

S. 1499

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. GREEN MOUNTAIN NATIONAL FOREST EXPANSION.

(a) IN GENERAL.—The boundaries of the Green Mountain National Forest are modified to include all parcels of land depicted on the forest maps entitled "Green Mountain Expansion Area Map I" and "Green Mountain Expansion Area Map II", each dated February 20, 2002, which shall be on file and available for public inspection in the Office of the Chief of the Forest Service, Washington, District of Columbia.

(b) MANAGEMENT.—Federally owned land delineated on the maps acquired for National Forest purposes shall continue to be managed in accordance with the laws (including regulations) applicable to the National Forest System.

(c) LAND AND WATER CONSERVATION FUND.—For the purposes of section 7 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460*l*-9), the boundaries of the Green Mountain National Forest, as adjusted by this Act, shall be considered to be the boundaries of the national forest as of January 1, 1965.

NATIONAL VETERINARY MEDICAL SERVICES ACT

Mr. ENSIGN. Mr. President, I ask unanimous consent that the Agriculture Committee be discharged from further consideration of H.R. 1367 and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I am wondering if the Senator from Nevada is qualified to talk about a bill such as this.

Mr. ENSIGN. Mr. President, this is legislation that I authored and was very proud to have authored. This is the bill that is going to help protect large cats from being owned in a place such as New York and kept in apartments.

Mr. REID. I ask that the Senator from Nevada be listed as cosponsor of this important legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Without objection, the clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 1367) to authorize the Secretary of Agriculture to conduct a loan repayment program regarding the provision of veterinary services in shortage situations, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. REID. Mr. President, will the Senator withhold? We have had a very difficult day. I was trying to add a little levity to it. Senator ENSIGN is, of course, a veterinarian. He is the acting majority leader. I thought he was moving a bill dealing with veterinarians. I should bring to the attention of the American public, we have a veterinarian serving in the Senate.

Mr. ENSIGN. Mr. President, I ask unanimous consent that the bill be read three times and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 1367) was read the third time and passed.

THE CALENDAR

Mr. ENSIGN. Mr. President, I ask unanimous consent that it be in order for the Senate to proceed en bloc to the consideration of the following calendar items: Calendar No. 41, S. 425; Calendar No. 255, S. 391; Calendar No. 256, S. 434; Calendar No. 257, S. 435; Calendar No. 258, S. 452; Calendar No. 259, S. 714; Calendar No. 260, S. 1003; Calendar No. 261, H.R. 622; and Calendar No. 262, H.R. 1012.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ENSIGN. I ask unanimous consent that any amendments, where applicable, be agreed to, the bills, as amended, if amended, be read three times, passed, and the motions to reconsider be laid upon the table en bloc; the consideration of these items appear separately in the RECORD and that any statements related thereto be printed in the RECORD, without intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

WIND CAVE NATIONAL PARK BOUNDARY REVISION ACT OF 2003

The bill (S. 425) to revise the boundary of the Wind Cave National Park in the State of South Dakota, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 425

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Wind Cave National Park Boundary Revision Act of 2003".

SEC. 2. DEFINITIONS.

In this Act:

(1) MAP.—The term "map" means the map entitled "Wind Cave National Park Boundary Revision", numbered 108/80,030, and dated June 2002.

(2) PARK.—The term "Park" means the Wind Cave National Park in the State.

(3) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

(4) STATE.—The term "State" means the State of South Dakota.

SEC. 3. LAND ACQUISITION.

(a) AUTHORITY.—

(1) IN GENERAL.—The Secretary may acquire the land or interest in land described in subsection (b)(1) for addition to the Park.

(2) MEANS.—An acquisition of land under paragraph (1) may be made by donation, purchase from a willing seller with donated or appropriated funds, or exchange.

(b) BOUNDARY.—

(1) MAP AND ACREAGE.—The land referred to in subsection (a)(1) shall consist of approximately 5,675 acres, as generally depicted on the map.

(2) AVAILABILITY OF MAP.—The map shall be on file and available for public inspection in the appropriate offices of the National Park Service.

(3) REVISION.—The boundary of the Park shall be adjusted to reflect the acquisition of land under subsection (a)(1).

SEC. 4. ADMINISTRATION.

(a) IN GENERAL.—The Secretary shall administer any land acquired under section 3(a)(1) as part of the Park in accordance with laws (including regulations) applicable to the Park.

(b) TRANSFER OF ADMINISTRATIVE JURISDICTION.—

(1) IN GENERAL.—The Secretary shall transfer from the Director of the Bureau of Land Management to the Director of the National Park Service administrative jurisdiction over the land described in paragraph (2).

(2) MAP AND ACREAGE.—The land referred to in paragraph (1) consists of the approximately 80 acres of land identified on the map as "Bureau of Land Management land".

SEC. 5. GRAZING.

(a) GRAZING PERMITTED.—Subject to any permits or leases in existence as of the date of acquisition, the Secretary may permit the continuation of livestock grazing on land acquired under section 3(a)(1).

(b) LIMITATION.—Grazing under subsection (a) shall be at not more than the level existing on the date on which the land is acquired under section 3(a)(1).

(c) PURCHASE OF PERMIT OR LEASE.—The Secretary may purchase the outstanding portion of a grazing permit or lease on any land acquired under section 3(a)(1).

(d) TERMINATION OF LEASES OR PERMITS.—The Secretary may accept the voluntary termination of a permit or lease for grazing on any acquired land.

WILD SKY WILDERNESS ACT OF 2003

The Senate proceeded to consider the bill (S. 391) to enhance ecosystem protection and the range of outdoor opportunities protected by statute in the Skykomish River valley of the State of Washington by designating certain lower-elevation Federal lands as wilderness, and for other purposes, which had been reported from the Committee on Energy and Natural Resources, with amendments, as follows:

[Strike the parts shown in black brackets and insert the parts shown in italic.]

S. 391

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Wild Sky Wilderness Act of 2003".

[SEC. 2. FINDINGS AND STATEMENT OF POLICY.

[(a) FINDINGS.—Congress finds the follwing:

[(1) Americans cherish the continued existence of diverse wilderness ecosystems and wildlife found on their Federal lands and share a strong sense of moral responsibility to protect their wilderness heritage as an enduring resource to cherish, protect, and bequeath undisturbed to future generations of Americans.

[(2) The values of an area of wilderness offer to this and future generations of Americans are greatly enhanced to the degree that the area is diverse in topography, elevation, life zones and ecosystems, and to the extent that it offers a wide range of outdoor recreational and educational opportunities accessible in all seasons of the year.

[(3) Large blocks of wildlands embracing a wide range of ecosystems and topography, including low-elevation forests, have seldom remained undisturbed due to many decades of development.

[(4) Certain wildlands on the western slope of the Cascade Range in the Skykomish River valley of the State of Washington offer an outstanding representation of the original character of the forested landscape, ranging from high alpine meadows and extremely rugged peaks to low-elevation mature and old-growth forests, including groves with some of the largest and most spectacular trees in Washington, with diameters of eight feet and larger.

[(5) These diverse, thickly forested mountain slopes and valleys of mature and old-growth trees in the Skykomish River valley harbor nearly the full complement of the original wildlife and fish species found by settlers of the 19th century, including mountain goats, bald eagles, black bear, pine marten, black-tailed deer, as well as rare and endangered wildlife such as northern spotted owls and goshawks, Chinook and Coho salmon, and steelhead and bull trout.

[(6) An ecologically and topographically diverse wilderness area in the Skykomish River valley accessible in all seasons of the year will be enjoyable to users of various kinds, such as hikers, horse riders, hunters, anglers, and educational groups, but also to the many who cherish clean water and clean air, fish and wildlife (including endangered species such as wild salmon), and pristine mountain and riverside scenery.

[(b) STATEMENT OF POLICY.—Congress hereby declares that it is the policy of the United States:

[(1) to better serve the diverse wilderness and environmental education needs of the people of the State of Washington and its burgeoning metropolitan regions by granting wilderness protection to certain lower elevation wildlands in the Skykomish River valley of the State of Washington; and

[(2) to protect additional lands adjacent to the Henry M. Jackson Wilderness designated by the Washington Wilderness Act of 1984 (Public Law 98–339), in further tribute to the ecologically enlightened vision of the distinguished Senator from the State of Washington and former Chairman of the Senate Committee on Energy and Natural Resources (formerly the Senate Interior and Insular Affairs Committee).]

SEC. [3] *2.* ADDITIONS TO THE NATIONAL WILDERNESS PRESERVATION SYSTEM.

(a) ADDITIONS.—The following Federal lands in the State of Washington are hereby designated as wilderness and, therefore, as components of the National Wilderness Preservation System: certain lands which comprise approximately 106,000 acres, as generally depicted on a map entitled "Wild Sky Wilderness Proposal", "Map #1", and dated January 7, 2003, which shall be known as the Wild Sky Wilderness.

(b) MAPS AND LEGAL DESCRIPTIONS.—As soon as practicable after the date of enactment of this Act, the Secretary of Agriculture shall file a map and a legal description for the wilderness area designated under this Act with the Committee on Energy and Natural Resources of the United States Senate and the Committee on Resources of the United States House of Representatives. The map and description shall have the same force and effect as if included in this Act, except that the Secretary of Agriculture may correct clerical and typographical errors in the legal description and map. The map and legal description shall be on file and available for public inspection in the office of the Chief of the Forest Service, Department of Agriculture.

SEC. [4] *3.* ADMINISTRATION PROVISIONS.

(a) IN GENERAL.—

(1) Subject to valid existing rights, lands designated as wilderness by this Act shall be managed by the Secretary of Agriculture in accordance with the Wilderness Act (16 U.S.C. 1131 et seq.) and this Act, except that, with respect to any wilderness areas designated by this Act, any reference in the Wilderness Act to the effective date of the Wilderness Act shall be deemed to be a reference to the date of enactment of this Act.

(2) To fulfill the purposes of this Act and the Wilderness Act and to achieve administrative efficiencies, the Secretary of Agriculture may manage the area designated by this Act as a comprehensive part of the larger complex of adjacent and nearby wilderness areas.

(b) NEW TRAILS.—

(1) The Secretary of Agriculture shall consult with interested parties and shall establish a trail plan for Forest Service lands in order to develop:

(a) a system of hiking and equestrian trails within the wilderness designated by this Act in a manner consistent with the Wilderness Act, Public Law 88–577 (16 U.S.C. 1131 et seq.); and

(b) a system of [trail] *trails* adjacent to or to provide access to the wilderness designated by this Act.

(2) Within two years after the date of enactment of this Act, the Secretary of Agriculture shall complete a report on the implementation of the trail plan required under this Act. This report shall include the identification of priority trail for development.

(c) REPEATER SITE.—Within the Wild Sky Wilderness, the Secretary of Agriculture is authorized to use helicopter access to construct and maintain a joint Forest Service and Snohomish County *telecommunications* repeater site, in compliance with a Forest Service approved communications site plan, for the purposes of improving communications for safety, health, and emergency services.

(d) FLOAT PLANE ACCESS.—As provided by section 4(d)(1) of the Wilderness Act (16 U.S.C. 1133(d)(1)), the use of floatplanes on Lake Isabel, where such use has already become established, shall be permitted to continue subject to such reasonable restrictions as the Secretary of Agriculture determines *to be* desirable.

(e) EVERGREEN MOUNTAIN LOOKOUT.—The designation under this Act shall not preclude the operation and maintenance of the existing Evergreen Mountain Lookout in the same manner and degree in which the operation and maintenance of such lookout was occurring as of the date of enactment of this Act.

SEC. [5] *4.* AUTHORIZATION FOR LAND ACQUISITION.

(a) IN GENERAL.—The Secretary of Agriculture is authorized to acquire lands and interests therein, by purchase, donation, or exchange, and shall give priority consideration to those lands identified as "Priority Acquisition Lands" on the map described in [section 3(a)(1)] *section 2(a)(1)*. The boundaries of the Mt. Baker-Snoqualmie National Forest and the Wild Sky Wilderness shall be adjusted to encompass any lands acquired pursuant to this section.

(b) ACCESS.—Consistent with section 5(a) of the Wilderness Act (Public Law 88–577; 16 U.S.C. 1134(a)), the Secretary of Agriculture shall [assure] *ensure* adequate access to private inholdings within the Wild Sky Wilderness.

(c) APPRAISAL.—Valuation of private lands shall be determined without reference to any restrictions on access or use which arise out of designation as a wilderness area as a result of this Act.

SEC. [6] *5.* LAND EXCHANGES.

The Secretary of Agriculture shall exchange lands and interests in lands, as generally depicted on a map entitled Chelan County Public Utility District Exchange and dated May 22, 2002, with the Chelan County Public Utility District in accordance with the following provisions:

(1) If the Chelan County Public Utility District, within ninety days after the date of enactment of this Act, offers to the Secretary of Agriculture approximately 371.8 acres within the Mt. Baker-Snoqualmie National Forest in the State of Washington, the Secretary shall accept such lands.

(2) Upon acceptance of title by the Secretary of Agriculture to such lands and interests therein, the Secretary of Agriculture shall convey to the Chelan County Public Utility District a permanent easement, including helicopter access, consistent with such levels as used as of date of enactment, to maintain an existing [snowtel site] *telemetry site to monitor snow pack* on 1.82 acres on the Wenatchee National Forest in the State of Washington.

(3) The exchange directed by this Act shall be consummated if Chelan County Public Utility District conveys title acceptable to the Secretary and provided there is no hazardous material on the site, which is objectionable to the Secretary.

(4) In the event Chelan County Public Utility District determines there is no longer a need to maintain a [snowtel] *telemetry* site to monitor the snow pack for calculating expected runoff into the Lake Chelan hydroelectric project and the hydroelectric projects in the Columbia River Basin, the [secretary] *Secretary* shall be notified in writing and the easement shall be extinguished and all rights conveyed by this exchange shall revert to the United States.

The committee amendments were agreed to.

The bill (S. 391), as amended, was read the third time and passed, as follows:

S. 391

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Wild Sky Wilderness Act of 2003".

SEC. 2. ADDITIONS TO THE NATIONAL WILDERNESS PRESERVATION SYSTEM.

(a) ADDITIONS.—The following Federal lands in the State of Washington are hereby designated as wilderness and, therefore, as components of the National Wilderness Preservation System: certain lands which comprise approximately 106,000 acres, as generally depicted on a map entitled "Wild Sky Wilderness Proposal", "Map #1", and dated January 7, 2003, which shall be known as the Wild Sky Wilderness.

(b) MAPS AND LEGAL DESCRIPTIONS.—As soon as practicable after the date of enactment of this Act, the Secretary of Agriculture shall file a map and a legal description for the wilderness area designated under this Act with the Committee on Energy and Natural Resources of the United States Senate and the Committee on Resources of the United States House of Representatives. The map and description shall have the same force and effect as if included in this Act, except that the Secretary of Agriculture may correct clerical and typographical errors in the legal description and map. The map and legal description shall be on file and available for public inspection in the office of the Chief of the Forest Service, Department of Agriculture.

SEC. 3. ADMINISTRATION PROVISIONS.

(a) IN GENERAL.—

(1) Subject to valid existing rights, lands designated as wilderness by this Act shall be managed by the Secretary of Agriculture in accordance with the Wilderness Act (16 U.S.C. 1131 et seq.) and this Act, except that, with respect to any wilderness areas designated by this Act, any reference in the Wilderness Act to the effective date of the Wilderness Act shall be deemed to be a reference to the date of enactment of this Act.

(2) To fulfill the purposes of this Act and the Wilderness Act and to achieve administrative efficiencies, the Secretary of Agriculture may manage the area designated by this Act as a comprehensive part of the larger complex of adjacent and nearby wilderness areas.

(b) NEW TRAILS.—

(1) The Secretary of Agriculture shall consult with interested parties and shall establish a trail plan for Forest Service lands in order to develop:

(a) a system of hiking and equestrian trails within the wilderness designated by this Act in a manner consistent with the Wilderness Act, Public Law 88–577 (16 U.S.C. 1131 et seq.); and

(b) a system of trails adjacent to or to provide access to the wilderness designated by this Act.

(2) Within two years after the date of enactment of this Act, the Secretary of Agriculture shall complete a report on the implementation of the trail plan required under this Act. This report shall include the identification of priority trail for development.

(c) REPEATER SITE.—Within the Wild Sky Wilderness, the Secretary of Agriculture is authorized to use helicopter access to construct and maintain a joint Forest Service and Snohomish County telecommunications repeater site, in compliance with a Forest Service approved communications site plan, for the purposes of improving communications for safety, health, and emergency services.

(d) FLOAT PLANE ACCESS.—As provided by section 4(d)(1) of the Wilderness Act (16 U.S.C. 1133(d)(1)), the use of floatplanes on Lake Isabel, where such use has already become established, shall be permitted to continue subject to such reasonable restrictions as the Secretary of Agriculture determines to be desirable.

(e) EVERGREEN MOUNTAIN LOOKOUT.—The designation under this Act shall not preclude the operation and maintenance of the existing Evergreen Mountain Lookout in the same manner and degree in which the operation and maintenance of such lookout was occurring as of the date of enactment of this Act.

SEC. 4. AUTHORIZATION FOR LAND ACQUISITION.

(a) IN GENERAL.—The Secretary of Agriculture is authorized to acquire lands and interests therein, by purchase, donation, or exchange, and shall give priority consideration to those lands identified as "Priority Acquisition Lands" on the map described in section 2(a)(1). The boundaries of the Mt. Baker-Snoqualmie National Forest and the Wild Sky Wilderness shall be adjusted to encompass any lands acquired pursuant to this section.

(b) ACCESS.—Consistent with section 5(a) of the Wilderness Act (Public Law 88–577; 16 U.S.C. 1134(a)), the Secretary of Agriculture shall ensure adequate access to private inholdings within the Wild Sky Wilderness.

(c) APPRAISAL.—Valuation of private lands shall be determined without reference to any restrictions on access or use which arise out of designation as a wilderness area as a result of this Act.

SEC. 5. LAND EXCHANGES.

The Secretary of Agriculture shall exchange lands and interests in lands, as generally depicted on a map entitled Chelan County Public Utility District Exchange and dated May 22, 2002, with the Chelan County Public Utility District in accordance with the following provisions:

(1) If the Chelan County Public Utility District, within ninety days after the date of enactment of this Act, offers to the Secretary of Agriculture approximately 371.8 acres within the Mt. Baker-Snoqualmie National Forest in the State of Washington, the Secretary shall accept such lands.

(2) Upon acceptance of title by the Secretary of Agriculture to such lands and interests therein, the Secretary of Agriculture shall convey to the Chelan County Public Utility District a permanent easement, including helicopter access, consistent with such levels as used as of date of enactment, to maintain an existing telemetry site to monitor snow pack on 1.82 acres on the Wenatchee National Forest in the State of Washington.

(3) The exchange directed by this Act shall be consummated if Chelan County Public Utility District conveys title acceptable to the Secretary and provided there is no hazardous material on the site, which is objectionable to the Secretary.

(4) In the event Chelan County Public Utility District determines there is no longer a need to maintain a telemetry site to monitor the snow pack for calculating expected runoff into the Lake Chelan hydroelectric project and the hydroelectric projects in the Columbia River Basin, the Secretary shall be notified in writing and the easement shall be extinguished and all rights conveyed by this exchange shall revert to the United States.

IDAHO PANHANDLE NATIONAL FOREST IMPROVEMENT ACT OF 2003

The Senate proceeded to consider the bill (S. 434) to authorize the Secretary of Agriculture to sell or exchange all or part of certain parcels of National Forest System land in the State of Idaho and use the proceeds derived from the sale or exchange for National Forest System purposes, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

[Strike the part shown in black brackets and insert the part shown in italic.]

S. 434

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

[SECTION 1. SHORT TITLE.

[This Act may be cited as the "Idaho Panhandle National Forest Improvement Act of 2003".

[SEC. 2. DEFINITION OF SECRETARY.

[In this Act, the term "Secretary" means the Secretary of Agriculture.

[SEC. 3. SALE OR EXCHANGE OF ADMINISTRATIVE SITES.

[(a) IN GENERAL.—The Secretary may, under such terms and conditions as the Secretary may prescribe, sell or exchange any or all right, title and interest of the United States in and to the following National Forest System land and improvements:

[(1) Granite/Reeder Bay, Priest Lake Parcel, T. 61 N., R. 4 E., B.M., sec. 17, S½NE¼ (80 acres, more or less).

[(2) North South Ski area, T. 43 N., R. 3 W., B.M., sec. 13, SE¼SE¼SW¼, S½SW¼SE¼, NE¼SW¼SE¼, and SW¼SE¼SE¼ (50 acres more or less).

[(3) Shoshone work camp (including easements for utilities), T. 50 N., R. 4 E., B.M., sec. 5, a portion of the S½SE¼.

[(b) DESCRIPTIONS.—The Secretary may modify the descriptions in subsection (a) to correct errors or to reconfigure the properties in order to facilitate a conveyance.

[(c) CONSIDERATION.—Consideration for a sale or exchange of land under subsection (a)—

[(1) shall be equal to the market value of the land; and

[(2) may include cash, improved or unimproved land, or land with improvements constitutes in accordance with specifications of the Secretary.

[(d) APPLICABLE LAW.—Except as otherwise provided in this Act, any sale or exchange of National Forest System land under subsection (a) shall be subject to the laws applicable to the conveyance and acquisition of land for the National Forest System.

[(e) VALUATION.—The market value of the land and the improvements to be sold, exchanged, or constructed under this Act shall be determined by an appraisal that is acceptable to the Secretary and conforms to the "Uniform Appraisal Standards for Federal Land Acquisitions".

[(f) CASH EQUALIZATION.—Notwithstanding any other provision of law, the Secretary may accept a cash equalization payment in excess of 25 percent of the value of land exchanged under subsection (a).

[(g) SOLICITATIONS OF OFFERS.—The Secretary may solicit offers for the sale or exchange of land under this section on such terms and conditions as the Secretary may prescribe. The Secretary may reject any offer made under this section if the Secretary determines that the offer is not adequate or not in the public interest.

[(h) METHODS OF SALE.—The Secretary may sell land under subsection (a) at public or private sale, including at auction, in accordance with such terms, conditions, and procedures as the Secretary determines to be in the best interests of the United States.

[SEC. 4. DISPOSITION OF FUNDS.

[(a) DEPOSIT OF PROCEEDS.—The Secretary shall deposit the proceeds of a sale or exchange under section 3(a) in the fund established under Public Law 90–171 (16 U.S.C. 484a, commonly known as the "Sisk Act").

[(b) USE OF PROCEEDS.—Funds deposited under subsection (a) shall be available to the Secretary, without further appropriation—

[(1) for the acquisition of, construction of, or rehabilitation of existing facilities for, a new ranger station in the Silver Valley portion of the Panhandle National Forest; or,

[(2) to the extent that the amount of funds deposited exceeds the amount needed for the purpose described in paragraph (1), for the acquisition, construction, or rehabilitation of other facilities in the Panhandle National Forest.

[(c) LIMITATIONS.—Proceeds from the sale or exchange of land under this Act shall not be paid or distributed to states or counties under any provision of law, or otherwise considered to be moneys from units of the National Forest System for the purposes of—

[(1) the Act of May 23, 1908 (16 U.S.C. 500);

[(2) the Act of March 1, 1911 (16 U.S.C. 500, commonly known as the "Weeks Law"); or

[(3) the Act of March 4, 1913 (16 U.S.C. 501).

[(d) DEPARTMENTAL REGULATIONS.—The Agriculture Property Management Regulations shall not apply to any disposition of National Forest System land under this Act or any other action taken under this Act.

[(e) MANAGEMENT OF LANDS ACQUIRED BY THE UNITED STATES.—Land transferred to or otherwise acquired by the Secretary under this Act shall be managed in accordance with the Act of March 1, 1911 (16 U.S.C. 480 et seq., commonly known as the "Weeks Law") and other laws relating to the National Forest System.

[(f) WITHDRAWAL AND REVOCATIONS.—

[(1) PUBLIC LAND ORDERS.—As of the date of this Act, any public land order withdrawing land described in section 3(a) from all forms of appropriation under the public land laws is revoked with respect to any portion of the land conveyed by the Secretary under this section.

[(2) WITHDRAWAL.—Subject to valid existing rights, all land described in section 3(a) is withdrawn from location, entry, and patent under the mining laws of the United States.

[SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

[There are authorized to be appropriated such sums as are necessary to carry out this Act.]

SECTION 1. SHORT TITLE.

This Act may be cited as the "Idaho Panhandle National Forest Improvement Act of 2003".

SEC. 2. DEFINITION OF SECRETARY.

In this Act, the term "Secretary" means the Secretary of Agriculture.

SEC. 3. SALE OR EXCHANGE OF ADMINISTRATIVE SITES.

(a) IN GENERAL.—The Secretary may, under such terms and conditions as the Secretary may prescribe, sell or exchange any or all right, title, and interest of the United States in and to the following National Forest System land and improvements:

(1) Granite/Reeder Bay, Priest Lake Parcel, T61N, R4E, Boise Principal Meridian, section 17, S½NE¼ (80 acres, more or less).

(2) North South Ski area, T43N, R3W, Boise Principal Meridian, section 13, SE¼SE¼SW¼, S½SW¼SE¼, NE¼SW¼SE¼, and SW¼SE¼SE¼ (50 acres more or less).

(3) Shoshone work camp (including easements for utilities), T50N, R4E, Boise Principal Meridian, section 5, a portion of the S½SE¼ (19 acres, more or less).

(b) DESCRIPTIONS.—The Secretary may modify the descriptions in subsection (a) to correct errors or to make minor adjustments to the parcels in order to facilitate the conveyance of the parcels.

(c) CONSIDERATION.—Consideration for a sale or exchange of land under subsection (a)—

(1) shall be equal to the fair market value of the land; and

(2) may include cash or improved or unimproved land.

(d) APPLICABLE LAW.—Except as otherwise provided in this Act, any sale or exchange of National Forest System land under subsection (a) shall be subject to the laws applicable to the conveyance and acquisition of land for the National Forest System.

(e) VALUATION.—The market value of the land and the improvements to be sold or exchanged under this Act shall be determined by an appraisal that is acceptable to the Secretary and conforms with the Uniform Appraisal Standards for Federal Land Acquisitions.

(f) CASH EQUALIZATION.—Notwithstanding section 206(b) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716(b)), the Secretary may accept a cash equalization payment in excess of 25 percent of the value of land exchanged under subsection (a).

(g) SOLICITATIONS OF OFFERS.—

(1) IN GENERAL.—The Secretary may solicit offers for the sale or exchange of land under this section on such terms and conditions as the Secretary may prescribe.

(2) REJECTION OF OFFERS.—The Secretary may reject any offer made under this section if the Secretary determines that the offer is not adequate or not in the public interest.

(h) METHODS OF SALE.—The Secretary may sell land under subsection (a) at public or private sale (including at auction), in accordance with any terms, conditions, and procedures that the Secretary determines to be in the best interests of the United States.

SEC. 4. DISPOSITION OF FUNDS.

(a) DEPOSIT OF PROCEEDS.—The Secretary shall deposit the proceeds of a sale or the cash equalization proceeds, if any, from an exchange under section 3(a) in the fund established under Public Law 90–171 (commonly known as the "Sisk Act") (16 U.S.C. 484a).

(b) USE OF PROCEEDS.—Amounts deposited under subsection (a) shall be available to the Secretary, without further appropriation—

(1) for the acquisition of, construction of, or rehabilitation of existing facilities for, a new ranger station in the Silver Valley portion of the Panhandle National Forest; or

(2) to the extent that the amount of funds deposited exceeds the amount needed for the purpose described in paragraph (1), for the acquisition, construction, or rehabilitation of other facilities in the Panhandle National Forest.

(c) NONDISTRIBUTION OF PROCEEDS.—Proceeds from the sale or exchange of land under this Act shall not be paid or distributed to States or counties under any provision of law, or otherwise treated as money received from a national forest, for purposes of—

(1) the Act of May 23, 1908 (16 U.S.C. 500);

(2) section 13 of the Act of March 1, 1911 (commonly known as the "Weeks Law") (16 U.S.C. 500); or

(3) the Act of March 4, 1913 (16 U.S.C. 501).

SEC. 5. ADMINISTRATION.

(a) IN GENERAL.—Land transferred to or otherwise acquired by the Secretary under this Act shall be managed in accordance with—

(1) the Act of March 1, 1911 (commonly known as the "Weeks Law") (16 U.S.C. 480 et seq.); and

(2) other laws relating to the National Forest System.

(b) EXEMPTION FROM PROPERTY MANAGEMENT REGULATIONS.—Part 1955 of title 7, Code of Federal Regulations (or any successor regulation), shall not apply to any actions taken under this Act.

(c) WITHDRAWALS AND REVOCATIONS.—

(1) WITHDRAWAL.—Subject to valid existing rights, all land described in section 3(a) is withdrawn from—

(A) location, entry, and patent under the mining laws; and

(B) the operation of the mineral leasing, mineral materials, and geothermal leasing laws.

(2) REVOCATION OF PUBLIC LAND ORDERS.—As of the date of this Act, any public land order withdrawing land described in section 3(a) from all forms of appropriation under the public land laws is revoked with respect to any portion of the land conveyed by the Secretary under this section.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.

The committee amendment in the nature of a substitute was agreed to.

The bill (S. 434), as amended, was read the third time and passed.

SANDPOINT LAND AND FACILITIES CONVEYANCE ACT OF 2003

The Senate proceeded to consider the bill (S. 435) to provide for the conveyance by the Secretary of Agriculture of the Sandpoint Federal Building and adjacent land in Sandpoint, Idaho, and for other purposes, which had been reported from the Committee on Energy and Natural Resources, with amendments, as follows:

[Strike the parts shown in black brackets and insert the parts shown in italic.]

S. 435

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Sandpoint Land and Facilities Conveyance Act of 2003".

SEC. 2. CONVEYANCE OF SANDPOINT FEDERAL BUILDING AND ADJACENT LAND, SANDPOINT, IDAHO.

(a) TRANSFER OF ADMINISTRATIVE JURISDICTION.—Not later than 30 days after the date of the enactment of this Act, the Administrator of General Services shall transfer to the Secretary of Agriculture, without reimbursement, administrative jurisdiction over the Sandpoint Federal Building and approximately 3.17 acres of land in Sandpoint, Idaho, as depicted on the map entitled "Sandpoint Federal Building," dated September 12, 2002, on file in the Office of the Chief of the Forest Service and the Office of the Supervisor, Idaho National Panhandle Forest, Coeur d'Alene, Idaho.

(b) ASSUMPTION AND REPAYMENT OF DEBT.—As of the date on which administrative jurisdiction of the property is transferred under subsection (a), the Secretary shall assume the obligation of the Administrator of General Services to repay to the Federal Finance Bank the debt incurred with respect to the transferred property. The Secretary may repay the debt using—

(1) the proceeds of the conveyance of the property under this section;

(2) amounts appropriated to the Forest Service for the rental, upkeep, and maintenance of facilities; and

(3) any other unobligated appropriated amounts available to the Secretary.

(c) CONVEYANCE OF PROPERTY.—

(1) CONVEYANCE AUTHORIZED.—The Secretary may convey, by quitclaim deed, all right, title, and interest of the United States in and to the property transferred to the Secretary under subsection (a). The conveyance may be made by sale or by exchange.

(2) SOLICITATIONS OF OFFERS.—The Secretary may solicit offers for the conveyance of the property under this section on such terms and conditions as the Secretary may prescribe. The Secretary may reject any offer made under this section if the Secretary determines that the offer is not adequate or not in the public interest.

(d) CONSIDERATION.—

(1) CONDITIONS OF SALE.—If the property is conveyed under subsection (c) by sale, the purchaser shall pay to the Secretary an amount equal to the fair market value of the property as determined under paragraph (3). At the election of the Secretary, the consideration may be in the form of cash or other consideration, including the construction of administrative facilities for the National Forest System in Bonner County, Idaho.

(2) CONDITIONS OF EXCHANGE.—If the property is conveyed in exchange for construction of administrative facilities, the conveyance shall be subject to—

(A) construction of the administrative facilities in accordance with terms or conditions that the Secretary may prescribe, including final building design and costs;

(B) completion of the administrative facilities in a manner satisfactory to the Secretary;

(C) the condition that the exchange be an equal value exchange, or if the value of the property and the administrative facilities are not equal, as determined under paragraph (3), that the values be equalized in accordance with paragraph (4); and

(D) any requirements of the Secretary that the entity acquiring the property assume any outstanding indebtedness on the property to the Federal Finance Bank.

(3) VALUATION.—The value of the property to be conveyed under subsection (c), and the value of any administrative facilities in exchange for the property, shall be determined by an appraisal that conforms to the Uniform Appraisal Standards for Federal Land Acquisitions and is acceptable to the Secretary.

(4) EQUALIZATION OF VALUES.—Notwithstanding any other provision of law, the Secretary may accept a cash equalization payment in excess of 25 percent of the value of the property conveyed under subsection (c).

SEC. 3. DISPOSITION OF FUNDS.

(a) DEPOSIT OF PROCEEDS.—The Secretary shall deposit the proceeds derived for the conveyance of the property under this section in the fund established by Public Law 90–171 (commonly known as the "Sisk Act"; 16 U.S.C. 484a).

(b) USE OF PROCEEDS.—Amounts deposited under subsection (a) shall be available to the Secretary, without further appropriation and until expended, for—

(1) the acquisition, construction, or improvement of administrative facilities and associated land; and

(2) the acquisition of land and interests in land for addition to the National Forest System in the Northern Region of the Forest Service in the State of Idaho.

(c) LIMITATIONS.—Funds deposited under subsection (a) shall not be paid or distributed to States or counties under any provision of law, or otherwise considered moneys received from units of the National Forest System for purposes of—

(1) the Act of May 23, 1908 (16 U.S.C. 500);

(2) *section 13 of* the Act of March 1, 1911 (16 U.S.C. 500, commonly known as the "Weeks Law"); or

(3) [the fourteenth paragraph under the heading "Forest Service" in] the Act of March 4, 1913 (16 U.S.C. 501).

(d) MANAGEMENT OF LANDS ACQUIRED BY THE UNITED STATES.—Subject to valid existing rights, the Secretary shall manage any land acquired under this Act, in accordance with the Act of March 1, 1911 (16 U.S.C. 480 et seq., commonly known as the "Weeks Law") and other laws relating to the National Forest System.

(e) APPLICABLE LAW.—Except as otherwise provided in this section, the conveyance of property under this section shall be subject to the laws applicable to conveyances of National Forest System land. Part 1955 of title 7, Code of Federal Regulations, shall not apply to any action carried out under this section.

The committee amendments were agreed to.

The bill (S. 435), as amended, was read the third time and passed, as follows:

S. 435

SECTION 1. SHORT TITLE.

This Act may be cited as the "Sandpoint Land and Facilities Conveyance Act of 2003".

SEC. 2. CONVEYANCE OF SANDPOINT FEDERAL BUILDING AND ADJACENT LAND, SANDPOINT, IDAHO.

(a) TRANSFER OF ADMINISTRATIVE JURISDICTION.—Not later than 30 days after the date of the enactment of this Act, the Administrator of General Services shall transfer to the Secretary of Agriculture, without reimbursement, administrative jurisdiction over the Sandpoint Federal Building and approximately 3.17 acres of land in Sandpoint, Idaho, as depicted on the map entitled "Sandpoint Federal Building," dated September 12, 2002, on file in the Office of the Chief of the Forest Service and the Office of the Supervisor, Idaho National Panhandle Forest, Coeur d'Alene, Idaho.

(b) ASSUMPTION AND REPAYMENT OF DEBT.—As of the date on which administrative jurisdiction of the property is transferred under subsection (a), the Secretary shall assume the obligation of the Administrator of General Services to repay to the Federal Finance Bank the debt incurred with respect to the transferred property. The Secretary may repay the debt using—

(1) the proceeds of the conveyance of the property under this section;

(2) amounts appropriated to the Forest Service for the rental, upkeep, and maintenance of facilities; and

(3) any other unobligated appropriated amounts available to the Secretary.

(c) CONVEYANCE OF PROPERTY.—

(1) CONVEYANCE AUTHORIZED.—The Secretary may convey, by quitclaim deed, all right, title, and interest of the United States in and to the property transferred to the

Secretary under subsection (a). The conveyance may be made by sale or by exchange.

(2) Solicitations of Offers.—The Secretary may solicit offers for the conveyance of the property under this section on such terms and conditions as the Secretary may prescribe. The Secretary may reject any offer made under this section if the Secretary determines that the offer is not adequate or not in the public interest.

(d) Consideration.—

(1) Conditions of Sale.—If the property is conveyed under subsection (c) by sale, the purchaser shall pay to the Secretary an amount equal to the fair market value of the property as determined under paragraph (3). At the election of the Secretary, the consideration may be in the form of cash or other consideration, including the construction of administrative facilities for the National Forest System in Bonner County, Idaho.

(2) Conditions of Exchange.—If the property is conveyed in exchange for construction of administrative facilities, the conveyance shall be subject to—

(A) construction of the administrative facilities in accordance with terms or conditions that the Secretary may prescribe, including final building design and costs;

(B) completion of the administrative facilities in a manner satisfactory to the Secretary;

(C) the condition that the exchange be an equal value exchange, or if the value of the property and the administrative facilities are not equal, as determined under paragraph (3), that the values be equalized in accordance with paragraph (4); and

(D) any requirements of the Secretary that the entity acquiring the property assume any outstanding indebtedness on the property to the Federal Finance Bank.

(3) Valuation.—The value of the property to be conveyed under subsection (c), and the value of any administrative facilities in exchange for the property, shall be determined by an appraisal that conforms to the Uniform Appraisal Standards for Federal Land Acquisitions and is acceptable to the Secretary.

(4) Equalization of Values.—Notwithstanding any other provision of law, the Secretary may accept a cash equalization payment in excess of 25 percent of the value of the property conveyed under subsection (c).

SEC. 3. DISPOSITION OF FUNDS.

(a) Deposit of Proceeds.—The Secretary shall deposit the proceeds derived for the conveyance of the property under this section in the fund established by Public Law 90–171 (commonly known as the "Sisk Act"; 16 U.S.C. 484a).

(b) Use of Proceeds.—Amounts deposited under subsection (a) shall be available to the Secretary, without further appropriation and until expended, for—

(1) the acquisition, construction, or improvement of administrative facilities and associated land; and

(2) the acquisition of land and interests in land for addition to the National Forest System in the Northern Region of the Forest Service in the State of Idaho.

(c) Limitations.—Funds deposited under subsection (a) shall not be paid or distributed to States or counties under any provision of law, or otherwise considered moneys received from units of the National Forest System for purposes of—

(1) the Act of May 23, 1908 (16 U.S.C. 500);

(2) section 13 of the Act of March 1, 1911 (16 U.S.C. 500, commonly known as the "Weeks Law"); or

(3) the Act of March 4, 1913 (16 U.S.C. 501).

(d) Management of Lands Acquired by the United States.—Subject to valid existing rights, the Secretary shall manage any land acquired under this Act, in accordance with the Act of March 1, 1911 (16 U.S.C. 480 et seq., commonly known as the "Weeks Law") and other laws relating to the National Forest System.

(e) Applicable Law.—Except as otherwise provided in this section, the conveyance of property under this section shall be subject to the laws applicable to conveyances of National Forest System land. Part 1955 of title 7, Code of Federal Regulations, shall not apply to any action carried out under this section.

COMMEMORATION AND INTERPRETATION OF THE COLD WAR

The Senate proceeded to consider the bill (S. 452) to require that the Secretary of the Interior conduct a study to identify sites and resources, to recommend alternatives for commemorating and interpreting the Cold War, and for other purposes, which had been reported from the Committee on Commerce, Science, and Transportation, with an amendment, as follows:

[Insert the part shown in italic.]

S. 452

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. COLD WAR STUDY.

(a) Subject of Study.—The Secretary of the Interior, in consultation with the Secretary of Defense, *the Secretary of Energy*, State historic preservation offices, State and local officials, Cold War scholars, and other interested organizations and individuals, shall conduct a National Historic Landmark theme study to identify sites and resources in the United States that are significant to the Cold War. In conducting the study, the Secretary of the Interior shall—

(1) consider the inventory of sites and resources associated with the Cold War completed by the Secretary of Defense pursuant to section 8120(b)(9) of the Department of Defense Appropriations Act, 1991 (Public Law 101–511; 104 Stat. 1906);

(2) consider historical studies and research of Cold War sites and resources such as intercontinental ballistic missiles, nuclear weapons sites (such as the Nevada test site), flight training centers, manufacturing facilities, communications and command centers (such as Cheyenne Mountain, Colorado), defensive radar networks (such as the Distant Early Warning Line), and strategic and tactical aircraft; and

(3) inventory and consider nonmilitary sites and resources associated with the people, events, and social aspects of the Cold War.

(b) Contents.—The study shall include—

(1) recommendations for commemorating and interpreting sites and resources identified by the study, including—

(A) sites for which studies for potential inclusion in the National Park System should be authorized;

(B) sites for which new national historic landmarks should be nominated; and

(C) other appropriate designations;

(2) recommendations for cooperative arrangements with State and local governments, local historical organizations, and other entities; and

(3) cost estimates for carrying out each of those recommendations.

(c) Guidelines.—The study shall be—

(1) conducted with public involvement; and

(2) submitted to the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate no later than 3 years after the date that funds are made available for the study.

SEC. 2. INTERPRETIVE HANDBOOK ON THE COLD WAR.

Not later than 4 years after funds are made available for that purpose, the Secretary of the Interior shall prepare and publish an interpretive handbook on the Cold War and shall disseminate information gathered through the study through appropriate means in addition to the handbook.

SEC. 3. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $300,000 to carry out this Act.

The committee amendment was agreed to.

The bill (S. 452), as amended, was read the third time and passed.

CONVEYANCE OF A PARCEL OF LAND IN DOUGLAS COUNTY, OREGON

The Senate proceeded to consider the bill (S. 714) to provide for the conveyance of a small parcel of Bureau of Land Management land in Douglas County, Oregon, to the county to improve management of and recreational access to the Oregon Dunes National Recreation Area, and for other purposes, which had been reported from the Committee on Energy and Natural Resources, with amendments, as follows:

[Strike the part shown in black brackets and insert the part shown in italic.]

S. 714

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONVEYANCE OF BUREAU OF LAND MANAGEMENT LAND IN DOUGLAS COUNTY, OREGON.

(a) In General.—

(1) Conveyance.—The Secretary of the Interior shall convey, without consideration *and subject to valid existing rights*, to Douglas County, Oregon (referred to in this section as the "County"), all right, title, and interest of the United States in and to the parcel described in paragraph (2) for use by the County for recreational purposes.

[(2) Parcel.—The parcel referred to in paragraph (1) is the parcel of real property consisting of approximately 68.8 acres under the administrative jurisdiction of the Bureau of Land Management in the County, as depicted on the map entitled "Umpqua River Lighthouse and Coast Guard Museum Master Plan Study", dated April 17, 2002.**]**

(2) Parcel.—The parcel referred to in paragraph (1) is the parcel of land consisting of approximately 68.8 acres under the administrative jurisdiction of the Bureau of Land Management, as generally depicted on the map entitled "S. 714, Douglas County, Oregon Land Conveyance", dated May 21, 2003.

(b) Purposes of Conveyance.—The purposes of the conveyance under subsection (a) are to improve management of and recreational access to the Oregon Dunes National Recreation Area by—

(1) improving public safety and reducing traffic congestion along Salmon Harbor Drive (County Road No. 251) in the County;

(2) providing a staging area for off-highway vehicles; and

(3) facilitating policing of unlawful camping and parking along Salmon Harbor Drive and adjacent areas.

[(c) REVERSIONARY INTEREST.—

[(1) IN GENERAL.—If the Secretary determines that the parcel conveyed under subsection (a) is not being used by the County for a recreational purpose—

[(A) all right, title, and interest in and to the parcel, including any improvements on the parcel, shall revert to the United States; and

[(B) the United States shall have the right of immediate entry onto the parcel.

[(2) DETERMINATION ON THE RECORD.—Any determination of the Secretary under this subsection shall be made on the record after an opportunity for an agency hearing.

[(d)]*(c)* SURVEY.—The exact acreage and legal description of the parcel to be conveyed under subsection (a) shall be determined by a survey—

(1) that is satisfactory to the Secretary; and

(2) the cost of which shall be paid by the County.

[(e)]*(d)* ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

The committee amendments were agreed to.

The bill (S. 714), as amended, was read the third time and passed, as follows:

S. 714

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONVEYANCE OF BUREAU OF LAND MANAGEMENT LAND IN DOUGLAS COUNTY, OREGON.

(a) IN GENERAL.—

(1) CONVEYANCE.—The Secretary of the Interior shall convey, without consideration and subject to valid existing rights, to Douglas County, Oregon (referred to in this section as the "County"), all right, title, and interest of the United States in and to the parcel described in paragraph (2) for use by the County for recreational purposes.

(2) PARCEL.—The parcel referred to in paragraph (1) is the parcel of land consisting of approximately 68.8 acres under the administrative jurisdiction of the Bureau of Land Management, as generally depicted on the map entitled "S. 714, Douglas County, Oregon Land Conveyance", dated May 21, 2003.

(b) PURPOSES OF CONVEYANCE.—The purposes of the conveyance under subsection (a) are to improve management of and recreational access to the Oregon Dunes National Recreation Area by—

(1) improving public safety and reducing traffic congestion along Salmon Harbor Drive (County Road No. 251) in the County;

(2) providing a staging area for off-highway vehicles; and

(3) facilitating policing of unlawful camping and parking along Salmon Harbor Drive and adjacent areas.

(c) SURVEY.—The exact acreage and legal description of the parcel to be conveyed under subsection (a) shall be determined by a survey—

(1) that is satisfactory to the Secretary; and

(2) the cost of which shall be paid by the County.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

COMMERCIAL OUTFITTER HUNTING CAMPS ON THE SALMON RIVER

The Senate proceeded to consider the bill (S. 1003) to clarify the intent of Congress with respect to the continued use of established commercial outfitter hunting camps on the Salmon River, which had been reported from the Committee on Energy and Natural Resources, with an amendment, as follows:

[Insert the part shown in italic.]

S. 1003

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1.—Section 3(a)(24) of Public Law 90–542 (16 U.S.C. sec. 1274) is amended to add the following after paragraph (C) and redesignate subsequent paragraphs accordingly:

"(D) The established use and occupancy *as of June 6, 2003,* of lands and maintenance or replacement of facilities and structures for commercial recreation services at Stub Creek located in section 28, T24N, R14E, Boise Principal Meridian, at Arctic Creek located in section 21, T25N, R12E, Boise Principal Meridian and at Smith Gulch located in section 27, T25N, R12E, Boise Principal Meridian shall continue to be authorized, subject to such reasonable regulation as the Secretary deems appropriate, including rules that would provide for termination for noncompliance, and if terminated, reoffering the site through a competitive process.".

The committee amendment was agreed to.

The bill (S. 1003), as amended, was read the third time and passed, as follows:

S. 1003

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1.—Section 3(a)(24) of Public Law 90–542 (16 U.S.C. sec. 1274) is amended to add the following after paragraph (C) and redesignate subsequent paragraphs accordingly:

"(D) The established use and occupancy of lands and maintenance or replacement of facilities and structures for commercial recreation services at Stub Creek located in section 28, T24N, R14E, Boise Principal Meridian, at Arctic Creek located in section 21, T25N, R12E, Boise Principal Meridian and at Smith Gulch located in section 27, T25N, R12E, Boise Principal Meridian shall continue to be authorized, subject to such reasonable regulation as the Secretary deems appropriate, including rules that would provide for termination for non-compliance, and if terminated, reoffering the site through a competitive process.".

EXCHANGE OF CERTAIN LANDS IN THE COCONINO AND TONTO NATIONAL FORESTS IN ARIZONA

The Senate proceeded to consider the bill (H.R. 622) to provide for the exchange of certain lands in the Coconino and Tonto National Forests in Arizona, and for other purposes, which had been reported from the Committee on Energy and Natural Resources, with amendments, as follows:

[Strike the part shown in black brackets and insert the part shown in italic.]

H.R. 622

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS; PURPOSE.

(a) FINDINGS.—Congress finds the following:

(1) Certain private lands adjacent to the Montezuma Castle National Monument in Yavapai County, Arizona, are desirable for Federal acquisition to protect important riparian values along Beaver Creek and the scenic backdrop for the National Monument.

(2) Certain other inholdings in the Coconino National Forest are desirable for Federal acquisition to protect important public values near Double Cabin Park.

(3) Approximately 108 acres of land within the Tonto National Forest, northeast of Payson, Arizona, are currently occupied by 45 residential cabins under special use permits from the Secretary of Agriculture, and have been so occupied since the mid-1950s, rendering such lands of limited use and enjoyment potential for the general public. Such lands are, therefore, appropriate for transfer to the cabin owners in exchange for lands that will have higher public use values.

(4) In return for the privatization of such encumbered lands the Secretary of Agriculture has been offered approximately 495 acres of non-Federal land (known as the Q Ranch) within the Tonto National Forest, east of Young, Arizona, in an area where the Secretary has completed previous land exchanges to consolidate public ownership of National Forest lands.

(5) The acquisition of the Q Ranch non-Federal lands by the Secretary will greatly increase National Forest management efficiency and promote public access, use, and enjoyment of the area and surrounding National Forest System lands.

(b) PURPOSE.—The purpose of this Act is to authorize, direct, facilitate, and expedite the consummation of the land exchanges set forth herein in accordance with the terms and conditions of this Act.

SEC. 2. DEFINITIONS.

As used in this Act:

(1) DPSHA.—The term "DPSHA" means the Diamond Point Summer Homes Association, a nonprofit corporation in the State of Arizona.

(2) FEDERAL LAND.—The term "Federal land" means land to be conveyed into non-Federal ownership under this Act.

(3) FLPMA.—The term "FLPMA" means the Federal Land Policy Management Act of 1976 *(43 U.S.C. 1701 et seq.).*

(4) MCJV.—The term "MCJV" means the Montezuma Castle Land Exchange Joint Venture Partnership, an Arizona Partnership.

(5) NON-FEDERAL LAND.—The term "non-Federal land" means land to be conveyed to the Secretary of Agriculture under this Act.

(6) SECRETARY.—The term "Secretary" means the Secretary of Agriculture, unless otherwise specified.

SEC. 3. MONTEZUMA CASTLE LAND EXCHANGE.

(a) LAND EXCHANGE.—Upon receipt of a binding offer from MCJV to convey title acceptable to the Secretary to the land described in subsection (b), the Secretary shall convey to MCJV all right, title, and interest of the United States in and to the Federal land described in subsection (c).

(b) NON-FEDERAL LAND.—The land described in this subsection is the following:

(1) The approximately 157 acres of land adjacent to the Montezuma Castle National Monument, as generally depicted on the map entitled "Montezuma Castle Contiguous Lands", dated May 2002.

(2) Certain private land within the Coconino National Forest, Arizona, comprising approximately 108 acres, as generally depicted on the map entitled "Double Cabin Park Lands", dated September 2002.

(c) FEDERAL LAND.—The Federal land described in this subsection is the approximately 222 acres in the Tonto National Forest, Arizona, and surveyed as Lots 3, 4, 8, 9, 10, 11, 16, *and* 17, and Tract 40 in section 32, Township 11 North, Range 10 East, Gila and Salt River Meridian, Arizona.

(d) EQUAL VALUE EXCHANGE.—The values of the non-Federal and Federal land directed to be exchanged under this section shall be equal or equalized as determined by the Secretary through an appraisal performed by a qualified appraiser mutually agreed to by the Secretary and MCJV and performed in conformance with the Uniform Appraisal Standards for Federal Land Acquisitions (U.S. Department of Justice, December 2000), and section 206(d) [of the] *of* FLPMA (43 U.S.C. 1716(d)). If the values are not equal, the Secretary shall delete Federal lots from the conveyance to MCJV in the following order and priority, as necessary, until the values of Federal and non-Federal land are within the 25 percent cash equalization limit of 206(b) of FLPMA *(43 U.S.C. 1716(b))*:

(1) Lot 3.
(2) Lot 4.
(3) Lot 9.
(4) Lot 10.
(5) Lot 11.
(6) Lot 8.

(e) CASH EQUALIZATION.—Any difference in value remaining after compliance with subsection (d) shall be equalized by the payment of cash to the Secretary or MCJV, as the circumstances dictate, in accordance with section 206(b) of FLPMA (43 U.S.C. 1716(b)). Public Law 90–171 (16 U.S.C. 484a; commonly known as the "Sisk Act") shall, without further appropriation, apply to any cash equalization payment received by the United States under this section.

SEC. 4. DIAMOND POINT—Q RANCH LAND EXCHANGE.

(a) IN GENERAL.—Upon receipt of a binding offer from DPSHA to convey title acceptable to the Secretary to the land described in subsection (b), the Secretary shall convey to DPSHA all right, title, and interest of the United States in and to the land described in subsection (c).

(b) NON-FEDERAL LAND.—The land described in this subsection is the approximately 495 acres of non-Federal land generally depicted on the map entitled "Diamond Point Exchange—Q Ranch Non-Federal Lands", dated May 2002.

(c) FEDERAL LAND.—The Federal land described in this subsection is the approximately 108 acres northeast of Payson, Arizona, as generally depicted on [a map] *the map* entitled "Diamond Point Exchange—Federal Land", dated May 2002.

(d) EQUAL VALUE EXCHANGE.—The values of the non-Federal and Federal land directed to be exchanged under this section shall be equal or equalized as determined by the Secretary through an appraisal performed by a qualified appraiser mutually agreed to by the Secretary and DPSHA and in conformance with the Uniform Appraisal Standards for Federal Land Acquisitions (U.S. Department of Justice, December 2000), and section 206(d) of FLPMA (43 U.S.C. 1716(d)). If the values are not equal, they shall be equalized by the payment of cash to the Secretary or DPSHA pursuant to section 206(b) of FLPMA (43 U.S.C. 1716(b)). Public Law 90–171 (16 U.S.C. 484a; commonly known as the "Sisk Act") shall, without further appropriation, apply to any cash equalization payment received by the United States under this section.

(e) SPECIAL USE PERMIT TERMINATION.—Upon execution of the land exchange authorized by this section, all special use cabin permits on the Federal land shall be terminated.

SEC. 5. MISCELLANEOUS PROVISIONS.

(a) EXCHANGE TIMETABLE.—Not later than 6 months after the Secretary receives an offer under section 3 or 4, the Secretary shall execute the exchange under section 3 or 4, respectively, unless the Secretary and MCJV or DPSHA, respectively, mutually agree to extend such deadline.

(b) EXCHANGE PROCESSING.—Prior to executing the land exchanges authorized by this Act, the Secretary shall perform any necessary land surveys and required preexchange clearances, reviews, and approvals relating to threatened and endangered species, cultural and historic resources, wetlands and floodplains and hazardous materials. If 1 or more of the Federal land parcels or lots, or portions thereof, cannot be transferred to MCJV or DPSHA due to hazardous materials, threatened or endangered species, cultural or historic resources, or wetland and flood plain problems, the parcel or lot, or portion thereof, shall be deleted from the exchange, and the values of the lands to be exchanged adjusted in accordance with subsections (d) and (e) of section 3 or section 4(d), as appropriate. In order to save administrative costs to the United States, the costs of performing such work, including the appraisals required pursuant to this Act, shall be paid by MCJV or DPSHA for the relevant property, except for the costs of any such work (including appraisal reviews and approvals) that the Secretary is required or elects to have performed by employees of the Department of Agriculture.

(c) FEDERAL LAND RESERVATIONS AND ENCUMBRANCES.—The Secretary shall convey the Federal land under this Act subject to valid existing rights, including easements, rights-of-way, utility lines and any other valid encumbrances on the Federal land as of the date of the conveyance under this Act. If applicable to the land conveyed, the Secretary shall also retain any right of access as may be required by section 120(h) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. 9620(h)) for remedial or corrective action relating to hazardous substances as may be necessary in the future.

(d) ADMINISTRATION OF ACQUIRED LAND.—The land acquired by the Secretary pursuant to this Act shall become part of the Tonto or Coconino National Forest, as appropriate, and be administered as such in accordance with the laws, rules, and regulations generally applicable to the National Forest System. Such land may be made available for domestic livestock grazing if determined appropriate by the Secretary in accordance with the laws, rules, and regulations applicable thereto on National Forest System land.

(e) TRANSFER OF LAND TO NATIONAL PARK SERVICE.—Upon their acquisition by the United States, the "Montezuma Castle Contiguous Lands" identified in section [3(d)(1)] *3(b)(1)* shall be transferred to the administrative jurisdiction of the National Park Service, and shall thereafter be permanently incorporated in, and administered by the Secretary of the Interior as part of, the Montezuma Castle National Monument.

The committee amendments were agreed to.

The bill (H.R. 622), as amended, was read the third time and passed.

CARTER G. WOODSON HOME NATIONAL HISTORIC SITE ACT

The Senate proceeded to consider the bill (H.R. 1012) to establish the Carter G. Woodson Home National Historic Site in the District of Columbia, and for other purposes, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

[Strike the part shown in black brackets and insert the part shown in italic.]

H.R. 1012

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

[SECTION 1. SHORT TITLE.

[This Act may be cited as the "Carter G. Woodson Home National Historic Site Establishment Act of 2003".

[SEC. 2. FINDINGS AND PURPOSE.

[(a) FINDINGS.—The Congress finds that:

[(1) Dr. Carter G. Woodson, considered the father of African-American history, founded in 1915 The Association for the Study of Negro Life and History, renamed as The Association for the Study of African-American Life and History.

[(2) Through the Association, Dr. Woodson, the son of slaves who earned a Ph.D. degree from Harvard University, dedicated his life to educating the American public about the extensive and positive contributions of African Americans to the Nation's history and culture.

[(3) Under Dr. Woodson's leadership, Negro History Week was designated in 1926. That designation has since evolved into Black History Month in February of each year.

[(4) The headquarters and operations of the Association was Dr. Woodson's home at 1538 Ninth Street, Northwest, Washington, D.C., where he lived from 1915 to 1950.

[(5) The Carter G. Woodson Home was designated as a National Historic Landmark in 1976 for its national significance in African-American cultural heritage.

[(6) A National Park Service study of the Carter G. Woodson Home dated June 2002, found that the Carter G. Woodson Home is suitable for designation as a unit of the National Park System, and is feasible for designation so long as property adjacent to the home is available for National Park Service administrative, curatorial, access, and visitor interpretative needs.

[(7) Establishment of the Carter G. Woodson Home National Historic Site would foster opportunities for developing and promoting interpretation of African-American cultural heritage throughout the Shaw area of Washington, D.C.

[(b) Purpose.—The purpose of this Act is to preserve, protect, and interpret for the benefit, education, and inspiration of present and future generations, the home of the preeminent historian and educator Dr. Carter G. Woodson, founder of the organization known today as The Association for the Study of African-American Life and History.

[SEC. 3. DEFINITIONS.

[In this Act:

[(1) The term "Secretary" means the Secretary of the Interior.

[(2) The term "historic site" means the Carter G. Woodson Home National Historic Site.

[(3) The term "map" means the map entitled "Carter G. Woodson Home National Historic Site", numbered 876/82338 and dated February 10, 2003.

[SEC. 4. CARTER G. WOODSON HOME NATIONAL HISTORIC SITE.

[(a) Establishment.—After the Secretary has acquired, or agreed to a long-term lease for, the majority of the property described in subsection (b), the Secretary shall establish as a unit of the National Park System the Carter G. Woodson Home National Historic Site.

[(b) Boundary.—The historic site shall consist of the property located at 1538 Ninth Street, Northwest, in the District of Columbia and three adjoining houses north of that address, as depicted on the map, if acquired or leased by the Secretary.

[(c) Availability of Map.—The map shall be available for public inspection in the appropriate offices of the National Park Service, Department of the Interior.

[(d) Acquisition.—The Secretary may acquire lands or interests in lands, and improvements thereon, within the boundary of the historic site from willing owners by donation, purchase with donated or appropriated funds, or exchange.

[(e) Administration.—

[(1) In general.—The Secretary shall administer the historic site in accordance with this Act and with laws generally applicable to units of the National Park System, including the Act of August 25, 1916 (commonly known as the National Park Service Organic Act; 16 U.S.C. 1 et seq.), and the Act of August 21, 1935 (commonly known as the Historic Sites, Buildings, and Antiquities Act; 16 U.S.C. 461 et seq.).

[(2) Rehabilitation agreement.—In order to achieve cost efficiencies in the restoration of property, the Secretary may enter into an agreement with the Shiloh Community Development Corporation for the purpose of rehabilitating the Carter G. Woodson Home and other property within the boundary of the historic site. The agreement may contain such terms and conditions as the Secretary deems appropriate.

[(3) Operation agreement.—In order to reestablish the historical connection between the home of Dr. Woodson and the association he founded and to facilitate interpretation of Dr. Woodson's achievements, the Secretary may enter into an agreement with The Association for the Study of African-American Life and History that allows the association to use a portion of the historic site for its own administrative purposes. The agreement may contain such terms and conditions as the Secretary deems appropriate.

[(4) Cooperative agreements.—The Secretary may enter into cooperative agreements with public and private entities for the purpose of fostering interpretation of African-American heritage in the Shaw area of Washington, D.C.

[(5) General management plan.—The Secretary shall prepare a general management plan for the historic site within three years after funds are made available for that purpose.

[SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

[There are authorized to be appropriated such sums as are necessary to carry out this Act.]

SECTION 1. SHORT TITLE.

This Act may be cited as the "Carter G. Woodson Home National Historic Site Act".

SEC. 2. DEFINITIONS.

As used in this Act:

(1) Carter G. Woodson Home.—The term "Carter G. Woodson Home" means the property located at 1538 Ninth Street, Northwest, in the District of Columbia, as depicted on the map.

(2) Historic site.—The term "historic site" means the Carter G. Woodson Home National Historic Site.

(3) Map.—The term "map" means the map entitled "Carter G. Woodson Home National Historic Site", numbered 876/82338–A and dated July 22, 2003.

(4) Secretary.—The term "Secretary" means the Secretary of the Interior.

SEC. 3. CARTER G. WOODSON HOME NATIONAL HISTORIC SITE.

(a) Establishment.—Upon acquisition by the Secretary of the Carter G. Woodson Home, or interests therein, the Secretary shall establish the historic site as a unit of the National Park System by publication of a notice to that effect in the Federal Register.

(b) Additions to Historic Site.—

(1) In general.—The Secretary may acquire any of the 3 properties immediately north of the Carter G. Woodson Home located at 1540, 1542, and 1544 Ninth Street, Northwest, described on the map as "Potential Additions to National Historic Site", for addition to the historic site.

(2) Boundary revision.—Upon the acquisition of any of the properties described in paragraph (1), the Secretary shall revise the boundaries of the historic site to include the property.

(c) Availability of Map.—The map shall be available for public inspection in the appropriate offices of the National Park Service, Department of the Interior.

(d) Acquisition authority.—The Secretary may acquire the Carter G. Woodson Home or any of the properties described in subsection (b)(1), including interests therein, and any improvements to the land by donation, purchase from a willing seller with donated or appropriated funds, or exchange.

(e) Administration.—(1) The Secretary shall administer the historic site in accordance with this Act and with laws generally applicable to units of the National Park System, including the Act of August 25, 1916 (16 U.S.C. 1, 2–4) and the Act of August 21, 1935 (16 U.S.C. 461 et seq.).

(2) General Management Plan.—The Secretary shall prepare a general management plan for the historic site not later than three years after the date on which funds are made available for that purpose.

SEC. 4. COOPERATIVE AGREEMENTS.

(a) In General.—The Secretary may enter into cooperative agreements with public or private entities to provide public interpretation and education of African-American heritage in the Shaw area of the District of Columbia.

(b) Rehabilitation.—In order to achieve cost efficiencies in the restoration of properties within the historic site, the Secretary may enter into an agreement with public or private entities to restore and rehabilitate the Carter G. Woodson Home and other properties within the boundary of the historic site, subject to such terms and conditions as the Secretary deems necessary.

(c) Agreement With the Association for the Study of African-American Life and History.—In order to reestablish the historical connection between the Carter G. Woodson Home and the association Dr. Woodson founded, and to facilitate interpretation of Dr. Woodson's achievements, the Secretary may enter into an agreement with The Association for the Study of African-American Life and History that allows the association to use a portion of the historic site for its own administrative purposes. Such agreement shall ensure that the association's use of a portion of the historic site is consistent with the administration of the historic site, including appropriate public access and rent, and such other terms and conditions as the Secretary deems necessary.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.

The committee amendment, in the nature of a substitute, was agreed to.

The bill (H.R. 1012), as amended, was read the third time and passed.

CAPTIVITY WILDLIFE SAFETY ACT

Mr. ENSIGN. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of H.R. 1006, which is at the desk.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 1006) to amend the Lacey Act Amendments of 1981 to further the conservation of certain wildlife species.

There being no objection, the Senate proceeded to consider the bill.

Mr. ENSIGN. I ask unanimous consent that the Inhofe amendment at the desk be adopted, the bill, as amended, be read the third time and passed, the motions to reconsider be laid upon the table en bloc, and that nay statements relating to the bill be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 2215) was agreed to, as follows:

On page 2, strike lines 11 through 14 and insert the following:

"(g) Prohibited Wildlife Species.—The term 'prohibited wildlife species' means any live species of lion, tiger, leopard, cheetah, jaguar, or cougar or any hybrid of such species.".

On page 3, line 1, strike "live animal of a".

On page 3, strike lines 20 through 22 and insert the following:

"(A) is licensed or registered, and inspected, by the Animal and Plant Health Inspection Service or any other Federal agency with respect to that species;

On page 4, line 12, insert "listed in section 2(g)" after "animals".

On page 4, line 14, insert "listed in section 2(g)" after "animals".

On page 5, line 3, strike the quotation marks and the following period.

On page 5, between lines 3 and 4, insert the following:

"(5) Authorization of appropriations.—There is authorized to be appropriated to carry out subsection (a)(2)(C) $3,000,000 for each of fiscal years 2004 through 2008.".

The bill (H.R. 1006), as amended, was read the third time and passed.

PRESERVING INDEPENDENCE OF FINANCIAL INSTITUTION EXAMINATIONS ACT OF 2003

Mr. ENSIGN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. 1947, which was introduced earlier today.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1947) to prohibit the offer of credit by a financial institution to a financial institution examiner, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. HATCH. Mr. President, I rise to join my friend and distinguished colleague, Senator LEAHY, in the introduction of the Preserving Independence of Financial Institution Examiners Act of 2003. This bill modifies two criminal statutes, sections 212 and 213 of title 18 of the United States Code, which impose criminal penalties on bank examiners who are offered, or who accept, a loan or gratuity from a financial institution they are examining. These revisions are needed to reflect the changes in our national banking system.

When originally enacted, the criminal statutes were designed to ensure that bank examiners were not subjected to undue and improper influences from the subject banks. With the increased consolidation and globalization of the banking industry, it is difficult in today's banking economy for examiners, particularly those who examine credit card banks, to obtain nationally available credit cards. The statutes, which were originally enacted in 1948, include no exception for routine, ordinary business transactions that were never intended to fall within the ambit of the statutes. The proposed legislation provides an exception to the statutes for bank examiners who hold everyday credit cards and residential home mortgage loans from the banks they are examining. The exceptions are narrow and the purposes of the statutes to prohibit such conflicts of interest will remain intact.

I want to thank Senator LEAHY for his willingness to address this problem. I urge my colleagues to support this measure and quickly pass it.

Mr. LEAHY. Mr. President, today's passage of the Preserving Independence of Financial Examinations Act of 2003 is an example of solid, efficient bipartisan work on a needed legislative reform. I am pleased to have seen its passage so swiftly through the U.S. Senate and I thank my friend from Utah, Senator HATCH, for his assistance and advice.

The bill provides a logical and necessary modification to important, but outdated, criminal statutes originally written to ensure the objectivity and integrity of financial institution examinations. Sections 212 and 213 of title 18 of the United States Code, first drafted in 1948, appropriately provide criminal penalties for bank examiners who are offered, or who accept, a loan or gratuity from the financial institution they are examining. This bill exempts from the law's reach ordinary credit card and residential home mortgage loans sought and held by bank examiners in their everyday lives.

Several factors supported the proposed blanket credit card and residential loan exceptions. Most important, consolidation within the banking industry made it increasingly difficult for examiners to obtain nationally available credit cards and mortgage loans and for the banking agencies to assign examiners to work.

The Leahy-Hatch bill strictly defines the circumstances under which the exceptions to the criminal statute apply with a keen eye on preserving the independence of financial institution examinations and the original legislative intent of the statute.

I thank Senator HATCH for his assistance in this bill forward and making it possible for bank examiners to engage in arms-length and routine business transactions without fear of prosecution. I also thank our friends in the banking agencies, including the Federal Reserve Bank, the Office of Thrift Supervision and the Federal Deposit Insurance Corporation for bringing this important issue to our attention.

Mr. ENSIGN. Mr. President, I further ask unanimous consent that the bill be read three times and passed, the motion to reconsider be laid upon the table, with no intervening action or debate; and that any statements relating to this measure be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 1947) was read the third time and passed, as follows:

S. 1947

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Preserving Independence of Financial Institution Examinations Act of 2003".

SEC. 2. OFFER AND ACCEPTANCE OF CREDIT.

(a) IN GENERAL.—Title 18, United States Code, is amended by striking sections 212 and 213 and inserting the following:

"§212. Offer of loan or gratuity to financial institution examiner

"(a) IN GENERAL.—Except as provided in subsection (b), whoever, being an officer, director or employee of a financial institution, makes or grants any loan or gratuity, to any examiner or assistant examiner who examines or has authority to examine such bank, branch, agency, organization, corporation, association, or institution—

"(1) shall be fined under this title, imprisoned not more than 1 year, or both; and

"(2) may be fined a further sum equal to the money so loaned or gratuity given.

"(b) REGULATIONS.—A Federal financial institution regulatory agency may prescribe regulations establishing additional limitations on the application for and receipt of credit under this section and on the application and receipt of residential mortgage loans under this section, after consulting with each other Federal financial institution regulatory agency.

"(c) DEFINITIONS.—In this section:

"(1) EXAMINER.—The term 'examiner' means any person—

"(A) appointed by a Federal financial institution regulatory agency or pursuant to the laws of any State to examine a financial institution; or

"(B) elected under the law of any State to conduct examinations of any financial institutions.

"(2) FEDERAL FINANCIAL INSTITUTION REGULATORY AGENCY.—The term 'Federal financial institution regulatory agency' means—

"(A) the Office of the Comptroller of the Currency;

"(B) the Board of Governors of the Federal Reserve System;

"(C) the Office of Thrift Supervision;

"(D) the Federal Deposit Insurance Corporation;

"(E) the Federal Housing Finance Board;

"(F) the Farm Credit Administration;

"(G) the Farm Credit System Insurance Corporation; and

"(H) the Small Business Administration.

"(3) FINANCIAL INSTITUTION.—The term 'financial institution' does not include a credit union, a Federal Reserve Bank, a Federal home loan bank, or a depository institution holding company.

"(4) LOAN.—The term 'loan' does not include any credit card account established under an open end consumer credit plan or a loan secured by residential real property that is the principal residence of the examiner, if—

"(A) the applicant satisfies any financial requirements for the credit card account or residential real property loan that are generally applicable to all applicants for the same type of credit card account or residential real property loan;

"(B) the terms and conditions applicable with respect to such account or residential real property loan, and any credit extended to the examiner under such account or residential real property loan, are no more favorable generally to the examiner than the terms and conditions that are generally applicable to credit card accounts or residential real property loans offered by the same financial institution to other borrowers cardholders in comparable circumstances under open end consumer credit plans or for residential real property loans; and

"(C) with respect to residential real property loans, the loan is with respect to the primary residence of the applicant.

"§213. Acceptance of loan or gratuity by financial institution examiner

"(a) IN GENERAL.—Whoever, being an examiner or assistant examiner, accepts a loan or gratuity from any bank, branch, agency, organization, corporation, association, or institution examined by the examiner or from any person connected with it, shall—

"(1) be fined under this title, imprisoned not more than 1 year, or both;

"(2) may be fined a further sum equal to the money so loaned or gratuity given; and

"(3) shall be disqualified from holding office as an examiner.

"(b) DEFINITIONS.—In this section, the terms 'examiner', 'Federal financial institution regulatory agency', 'financial institution', and 'loan' have the same meanings as in section 212.".

(b) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections of chapter 11 of title 18, United States Code, is amended by striking the matter relating to sections 212 and 213 and inserting the following:

"212. Offer of loan or gratuity to financial institution examiner.
"213. Acceptance of loan or gratuity by financial institution examiner.".

AMERICAN DREAM DOWNPAYMENT ACT

Mr. ENSIGN. Mr. President, I ask unanimous consent that the Banking Committee be discharged from further consideration of S. 811 and the Senate now proceed to its immediate consideration.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 811) to support certain housing proposals in the fiscal year 2003 budget for the Federal Government, including the downpayment assistance initiative under the HOME Investment Partnership Act, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. SARBANES. Mr. President, we spend a lot of time talking about homeownership, both in the Banking, Housing, and Urban Affairs Committee and back in our States. I want to spend just a moment reminding everyone why some of us put so much effort into achieving this very important goal for so may American families.

Homeownership is an asset-building engine for families and neighborhoods, indeed for society as a whole. When a family buys a home, they are buying more than bricks and mortar. They are buying into a community. With each homeowner, we create another anchor in a neighborhood, another advocate for better schools, safer streets, and small business development.

Expanding homeownership, particularly in struggling areas, will help replace the vicious cycle of decline that we see in some neighborhoods with a virtuous cycle of wealth accumulation and economic growth. Once you own a home, you are able to build equity, equity that can be used to send your children to college, finance your retirement, and serve as a needed reserve to protect against emergencies.

Increasing homeownership, and especially minority homeownership, has long been a national goal. In fact, the Joint Center for Housing Studies at Harvard points out that the 1990s was a period of significant growth in minority homeownership and in mortgage lending to minorities. Unfortunately, over the last few years, we have seen that progress level off as the economy has cooled down.

Today, we bring before the Senate S. 811, the American Dream Downpayment Assistance Act, originally introduced by my colleague on the Banking Committee, Senator ALLARD. This bill authorizes $200 million for a downpayment assistance program targeted to first time, low-income homebuyers. I support this legislation, and I appreciate the efforts of the Senator from Colorado, as well as Chairman SHELBY. I also note that the bill includes important provisions to expand the supply of affordable rental housing. Senator CORZINE amended the bill to raise the FHA multifamily loan limits to account for the rising costs of producing rental housing. This amendment will facilitate the annual construction of up to 6,000 units of multifamily housing affordable to working families around the country. This is an important contribution to the legislation we are considering.

Likewise, Senator JOHNSON has contributed a provision to make the FHA single family adjustable rate mortgage, ARMs, insurance program more effective. ARMs are an important tool in helping families achieve homeownership, and the Johnson amendment will be a welcome addition to the FHA program.

Finally, I would like to thank Senator STABENOW for bringing to the attention of the committee the special needs of a growing segment of our population, families headed by grandparents. The legislation includes an amendment that will create a demonstration program to examine how existing HUD programs can better serve these families. It also requires HUD to study ways in which barriers to existing programs for these families may be reduced.

Again, I want to thank Chairman SHELBY, as well as Senators ALLARD and REED, chair and ranking member of the Housing Subcommittee, for all their work on this legislation and for their willingness to work in a bipartisan way to produce a good final product. I also want to thank Chairman OXLEY, Ranking Member FRANK, and the other members of the House Financial Services Committee for their contributions to this process and this product.

I support passage of the American Dream Downpayment Assistance Act and urge it passage.

Mr. ENSIGN. I ask unanimous consent that the substitute amendment at the desk be agreed to, the bill, as amended, be read the third time and passed, the motion to reconsider be laid upon the table, and any statements related to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 2216) was agreed to.

(The amendment is printed in today's RECORD under "Text of Amendments.")

The bill (S. 811), as amended, was read the third time and passed.

EXTENSION OF NATIONAL FLOOD INSURANCE PROGRAM

Mr. ENSIGN. I ask that the Chair now lay before the Senate the House message to accompany S. 1768.

The Presiding Officer laid before the Senate the following message:

Resolved, That the bill from the Senate (S. 1768) entitled "An Act to extend the national flood insurance program", do pass with the following amendment:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Flood Insurance Program Reauthorization Act of 2004".

SEC. 2. EXTENSION OF PROGRAM.

(a) EXTENSION.—The National Flood Insurance Act of 1968 is amended as follows:

(1) AUTHORITY FOR CONTRACTS.—In section 1319 (42 U.S.C. 4026), by striking "December 31, 2003" and inserting "March 31, 2004.".

(2) BORROWING AUTHORITY.—In the first sentence of section 1309(a) (42 U.S.C. 4016(a)), by striking "December 31, 2003" and inserting "the date specified in section 1319".

(3) EMERGENCY IMPLEMENTATION.—In section 1336(a) (42 U.S.C. 4056(a)), by striking "December 31, 2003" and inserting "on the date specified in section 1319".

(4) AUTHORIZATION OF APPROPRIATIONS FOR STUDIES.—In section 1376(c) (42 U.S.C. 4127(c)), by striking "December 31, 2003" and inserting "the date specified in section 1319".

(b) EFFECTIVE DATE.—The amendments made by this section shall be considered to have taken effect on December 31, 2003.

Mr. ENSIGN. I ask unanimous consent that the Senate concur in the House amendment, the motion to reconsider be laid upon the table, and that any statements related to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

GAO HUMAN CAPITAL REFORM ACT OF 2003

Mr. ENSIGN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 407, S. 1522.

The PRESIDING OFFICER (Mr. COLEMAN). The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 1522) to provide new human capital flexibilities with respect to the GAO, and for other purposes.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Governmental Affairs, with amendments, as follows:

[Strike the parts shown in black brackets and insert the parts shown in italic.]

S. 1522

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; AMENDMENT OF TITLE 31.

(a) SHORT TITLE.—This Act may be cited as the "GAO Human Capital Reform Act of 2003".

(b) AMENDMENT OF TITLE 31.—Except as otherwise expressly provided, whenever in this Act an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of title 31, United States Code.

[SEC. 2. AMENDMENTS TO PUBLIC LAW 106-303.

Sections 1 and 2 of Public Law 106-303 (5 U.S.C. 8336 note and 5597 note) are amended by striking "for purposes of the period beginning on the date of enactment of this Act and ending on December 31, 2003" each place it appears and inserting "October 13, 2000".]

SEC. 2. AMENDMENTS TO PUBLIC LAW 106–303.

(a) EXTENSION OF AUTHORITIES.—Sections 1 and 2 of Public Law 106–303 (5 U.S.C. 8336 note and 5597 note) are amended by striking "for purposes of the period beginning on the date of enactment of this Act and ending on December 31, 2003" each place it appears and inserting "October 13, 2000".

(b) EXCLUSION OF CERTAIN EMPLOYEES RECEIVING STUDENT LOAN BENEFITS.—Section 2(b) of Public Law 106–303 (5 U.S.C. 5597 note) is amended by striking paragraph (2) and inserting the following:

"(2)(A) subsection (a)(2)(G) of such section shall be applied by construing the citations therein to be references to the appropriate authorities in connection with employees of the General Accounting Office; and

"(B) employees excluded under subsection (a)(2)(G) of such section, shall include any employee who, during the 36-month period preceding the date of separation of that employee, performed service for which a student loan repayment benefit was or is to be paid under section 5379 of title 5, United States Code;".

(c) SENSE OF CONGRESS.—

(1) VOLUNTARY EARLY RETIREMENT AUTHORITY.—Section 1 of Public Law 106–303 (5 U.S.C. 8336 note) is amended by adding at the end the following:

"(e) SENSE OF CONGRESS.—It is the sense of Congress that the implementation of this section is intended to reshape the General Accounting Office workforce and not downsize the General Accounting Office workforce.".

(2) VOLUNTARY SEPARATION INCENTIVE PAYMENTS.—Section 2 of Public Law 106–303 (5 U.S.C. 5597 note) is amended by adding at the end the following:

"(g) SENSE OF CONGRESS.—It is the sense of Congress that the implementation of this section is intended to reshape the General Accounting Office workforce and not downsize the General Accounting Office workforce.".

SEC. 3. ANNUAL PAY ADJUSTMENTS.

(a) OFFICERS AND EMPLOYEES GENERALLY.—Paragraph (3) of section 732(c) is amended to read as follows:

["(3) except as provided under section 733(a)(3)(B) of this title, basic pay rates of officers and employees of the Office shall be adjusted annually to such extent as the Comptroller General shall determine, taking into consideration—]

"(3) except as provided under section 733(a)(3)(B) of this title, basic rates of officers and employees of the Office shall be adjusted annually to such extent as determined by the Comptroller General, and in making that determination the Comptroller General shall consider—

"(A) the principle that [there be equal pay for substantially equal work] *equal pay should be provided for work of equal value* within each local pay area;

["(B) the Consumer Price Index;

"(B) the need to protect the purchasing power of officers and employees of the Office, taking into consideration the Consumer Price Index or other appropriate indices;

"(C) any existing pay disparities between officers and employees of the Office and non-Federal employees in each local pay area;

"(D) the pay rates for the same levels of work for officers and employees of the Office and non-Federal employees in each local pay area;

"(E) the appropriate distribution of agency funds between annual adjustments under this section and performance-based compensation; and

"(F) such other criteria as the Comptroller General considers appropriate, including, but not limited to, the funding level for the Office, amounts allocated for performance-based compensation, and the extent to which the Office is succeeding in fulfilling its mission and accomplishing its strategic plan;

notwithstanding any other provision of this paragraph, an adjustment under this paragraph shall not be applied in the case of any officer or employee whose performance is not at a satisfactory level, as determined by the Comptroller General for purposes of such adjustment;".

(b) OFFICERS AND EMPLOYEES IN THE OFFICE SENIOR EXECUTIVE SERVICE.—Subparagraph (B) of section 733(a)(3) is amended to read as follows:

"(B) adjusted annually by the Comptroller General after taking into consideration the factors listed under section 732(c)(3) of this title, except that an adjustment under this subparagraph shall not be applied in the case of any officer or employee whose performance is not at a satisfactory level, as determined by the Comptroller General for purposes of such adjustment;".

(c) CONFORMING AMENDMENT.—Section 732(b)(6) is amended by striking "title 5." and inserting "title 5, except as provided under subsection (c)(3) of this section and section 733(a)(3)(B) of this title.".

SEC. 4. PAY RETENTION.

Paragraph (5) of section 732(c) is amended to read as follows:

"(5) the Comptroller General shall prescribe regulations under which an officer or employee of the Office shall be entitled to pay retention if, as a result of any reduction-in-force or other workforce adjustment procedure, position reclassification, or other appropriate circumstances as determined by the Comptroller General, such officer or employee is placed in or holds a position in a lower grade or band with a maximum rate of basic pay that is less than the rate of basic pay payable to the officer or employee immediately before the reduction in grade or band; such regulations—

"(A) shall provide that the officer or employee shall be entitled to continue receiving the rate of basic pay that was payable to the officer or employee immediately before the reduction in grade or band until such time as the retained rate becomes less than the maximum rate for the grade or band of the position held by such officer or employee; and

"(B) shall include provisions relating to the minimum period of time for which an officer or employee must have served or for which the position must have been classified at the higher grade or band in order for pay retention to apply, the events that terminate the right to pay retention (apart from the one described in subparagraph (A)), and exclusions based on the nature of an appointment; in prescribing regulations under this subparagraph, the Comptroller General shall be guided by the provisions of sections 5362 and 5363 of title 5.".

SEC. 5. RELOCATION BENEFITS.

Section 731 is amended by adding after subsection (e) the following:

"(f) The Comptroller General shall prescribe regulations under which officers and employees of the Office may, in appropriate circumstances, be reimbursed for any relocation expenses under subchapter II of chapter 57 of title 5 for which they would not otherwise be eligible, but only if the Comptroller General determines that the transfer giving rise to such relocation is of sufficient benefit or value to the Office to justify such reimbursement.".

SEC. 6. INCREASED ANNUAL LEAVE FOR KEY EMPLOYEES.

Section 731 is amended by adding after subsection (f) (as added by section 5 of this Act) the following:

"(g) The Comptroller General shall prescribe regulations under which key officers and employees of the Office who have less than 3 years of service may accrue leave in accordance with section 6303(a)(2) of title 5, in those circumstances in which the Comptroller General has determined such increased annual leave is appropriate for the recruitment or retention of such officers and employees. Such regulations shall define key officers and employees and set forth the factors in determining which officers and employees should be allowed to accrue leave in accordance with this subsection.".

SEC. 7. EXECUTIVE EXCHANGE PROGRAM.

Section 731 is amended by adding after subsection (g) (as added by section 6 of this Act) the following:

"(h) The Comptroller General may by regulation establish an executive exchange program under which officers and employees of the Office [in high-grade, managerial, or supervisory positions] may be assigned to private sector organizations, and employees of private sector organizations may be assigned to the Office, [for work of mutual concern and benefit.] *to further the institutional interests of the Office or Congress, including for the purpose of providing training to officers and employees of the Office*. Regulations to carry out any such program—

"(1) shall include [provisions which define high-grade, managerial, or supervisory positions, and] provisions (consistent with sections 3702 through 3704 of title 5) as to matters concerning—

"(A) the duration and termination of assignments;

"(B) reimbursements; and

"(C) status, entitlements, benefits, and obligations of program participants; [and]

"(2) shall limit—

"(A) the number of officers and employees who are assigned to private sector organizations at any one time to not more than [30]*15*; and

"(B) the number of employees from private sector organizations who are assigned to the Office at any one time to not more than 30.".;

"(3) shall require that an employee of a private sector organization assigned to the Office may not have access to any trade secrets or to any other nonpublic information which is of commercial value to the private sector organization from which such employee is assigned;

"(4) shall require that, before approving the assignment of an officer or employee to a private sector organization, the Comptroller General shall determine that the assignment is an effective use of the Office's funds, taking into account the best interests of the Office and the costs and benefits of alternative methods of achieving the same results and objectives; and

"(5) shall not allow any assignment under this subsection to commence after the end of the 5-year period beginning on the date of the enactment of this subsection.

"(i) An employee of a private sector organization assigned to the Office under the executive

exchange program shall be considered to be an employee of the Office for purposes of—

"(1) chapter 73 of title 5;

"(2) sections 201, 203, 205, 207, 208, 209, 603, 606, 607, 643, 654, 1905, and 1913 of title 18;

"(3) sections 1343, 1344, and 1349(b) of this title;

"(4) chapter 171 of title 28 (commonly referred to as the Federal Tort Claims Act) and any other Federal tort liability statute;

"(5) the Ethics in Government Act of 1978 (5 U.S.C. App.);

"(6) section 1043 of the Internal Revenue Code of 1986; and

"(7) section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. 423).".

SEC. 8. REDESIGNATION.

(a) IN GENERAL.—The General Accounting Office is hereby redesignated the Government Accountability Office.

(b) REFERENCES.—Any reference to the General Accounting Office in any law, rule, regulation, certificate, directive, instruction, or other official paper in force on the date of enactment of this Act shall be considered to refer and apply to the Government Accountability Office.

SEC. 9. PERFORMANCE MANAGEMENT SYSTEM.

Paragraph (1) of section 732(d) is amended to read as follows:

"(1) for a system to appraise the performance of officers and employees of the General Accounting Office that meets the requirements of section 4302 of title 5 and in addition includes—

"(A) a link between the performance management system and the agency's strategic plan;

"(B) adequate training and retraining for supervisors, managers, and employees in the implementation and operation of the performance management system;

"(C) a process for ensuring ongoing performance feedback and dialogue between supervisors, managers, and employees throughout the appraisal period and setting timetables for review;

"(D) effective transparency and accountability measures to ensure that the management of the system is fair, credible, and equitable, including appropriate independent reasonableness, reviews, internal assessments, and employee surveys; and

"(E) a means to ensure that adequate agency resources are allocated for the design, implementation, and administration of the performance management system.".

SEC. 10. CONSULTATION.

Before the implementation of any changes authorized under this Act, the Comptroller General shall consult with any interested groups or associations representing officers and employees of the General Accounting Office.

[SEC. 9.] *SEC. 11.* REPORTING REQUIREMENTS.

(a) ANNUAL REPORTS.—The Comptroller General shall include—

(1) in each report submitted to Congress under section 719(a) of title 31, United States Code, during the 5-year period beginning on the date of enactment of this Act, a summary review of all actions taken under sections 2, 3, 4, 6, [and 7] *7, 9, and 10* of this Act during the period covered by such report, including—

(A) the respective numbers of officers and employees—

(i) separating from the service under section 2 of this Act;

(ii) receiving pay retention under section 4 of this Act;

(iii) receiving increased annual leave under section 6 of this Act; and

(iv) engaging in the executive exchange program under section 7 of this Act, as well as the number of private sector employees participating in such program and a review of the general nature of the work performed by the individuals participating in such program;

(B) a review of all actions taken to formulate the appropriate methodologies to implement the pay adjustments provided for under section 3 of this Act, except that nothing under this subparagraph shall be required if no changes are made in any such methodology during the period covered by such report; and

(C) an assessment of the role of sections 2, 3, 4, 6, [and 7] 7, 9, and 10 of this Act in contributing to the *General Accounting* Office's ability to carry out its mission, meet its performance goals, and fulfill its strategic plan; and

(2) in each report submitted to Congress under such section 719(a) after the effective date of section 3 of this Act and before the close of the [5 year] *5-year* period referred to in paragraph (1)—

(A) a detailed description of the methodologies applied under section 3 of this Act and the manner in which such methodologies were applied to determine the appropriate annual pay adjustments for officers and employees of the Office;

(B) the amount of the annual pay adjustments afforded to officers and employees of the Office under section 3 of this Act; and

(C) a description of any extraordinary economic conditions or serious budget constraints which had a significant impact on the determination of the annual pay adjustments for officers and employees of the Office.

(b) FINAL REPORT.—Not later than 6 years after the date of enactment of this Act, the Comptroller General shall submit to Congress a report concerning the implementation of this Act. Such report shall include—

(1) a summary of the information included in the annual reports required under subsection (a);

(2) recommendations for any legislative changes to section 2, 3, 4, 6, [or 7] *7, 9, or 10* of this Act; and

(3) any assessment furnished by the General Accounting Office Personnel Appeals Board or any interested groups or associations representing officers and employees of the Office for inclusion in such report.

(c) ADDITIONAL REPORTING.—Notwithstanding any other provision of this section, the reporting requirement under subsection (a)(2)(C) shall apply in the case any report submitted under section 719(a) of title 31, United States Code, whether during the 5-year period beginning on the date of enactment of this Act (as required by subsection (a)) or at any time thereafter.

SEC. 12. TECHNICAL AMENDMENT.

Section 732(h)(3)(A) is amended by striking "reduction force" and inserting "reduction in force".

[SEC. 10.] *SEC. 13.* EFFECTIVE DATES.

(a) IN GENERAL.—Except as provided in subsection (b), this Act and the amendments made by this Act shall take effect on the date of enactment of this Act.

(b) PAY ADJUSTMENTS.—

(1) IN GENERAL.—Section 3 of this Act and the amendments made by that section shall take effect on October 1, 2005, and shall apply in the case of any annual pay adjustment taking effect on or after that date.

(2) INTERIM AUTHORITIES.—In connection with any pay adjustment taking effect under section 732(c)(3) or 733(a)(3)(B) of title 31, United States Code, before October 1, 2005, the Comptroller General may by regulation—

(A) provide that such adjustment not be applied in the case of any officer or employee whose performance is not at a satisfactory level, as determined by the Comptroller General for purposes of such adjustment; and

(B) provide that such adjustment be reduced if and to the extent necessary because of extraordinary economic conditions or serious budget constraints.

(3) ADDITIONAL AUTHORITY.—

(A) IN GENERAL.—The Comptroller General may by regulation delay the effective date of section 3 of this Act and the amendments made by that section for groups of officers and employees that the Comptroller General considers appropriate.

(B) INTERIM AUTHORITIES.—If the Comptroller General provides for a delayed effective date under subparagraph (A) with respect to any group of officers or employees, paragraph (2) shall, for purposes of such group, be applied by substituting such date for "October 1, 2005".

Mr. ENSIGN. I ask unanimous consent that the committee amendments be agreed to en bloc, the bill, as amended, be read the third time and passed, the motions to reconsider be laid upon the table en bloc, and that any statements related to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendments were agreed to.

The bill (S. 1522), as amended, was read the third time and passed, as follows:

S. 1522

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; AMENDMENT OF TITLE 31.

(a) SHORT TITLE.—This Act may be cited as the "GAO Human Capital Reform Act of 2003".

(b) AMENDMENT OF TITLE 31.—Except as otherwise expressly provided, whenever in this Act an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of title 31, United States Code.

SEC. 2. AMENDMENTS TO PUBLIC LAW 106–303.

(a) EXTENSION OF AUTHORITIES.—Sections 1 and 2 of Public Law 106–303 (5 U.S.C. 8336 note and 5597 note) are amended by striking "for purposes of the period beginning on the date of enactment of this Act and ending on December 31, 2003" each place it appears and inserting "October 13, 2000".

(b) EXCLUSION OF CERTAIN EMPLOYEES RECEIVING STUDENT LOAN BENEFITS.—Section 2(b) of Public Law 106–303 (5 U.S.C. 5597 note) is amended by striking paragraph (2) and inserting the following:

"(2)(A) subsection (a)(2)(G) of such section shall be applied by construing the citations therein to be references to the appropriate authorities in connection with employees of the General Accounting Office; and

"(B) employees excluded under subsection (a)(2)(G) of such section, shall include any employee who, during the 36-month period preceding the date of separation of that employee, performed service for which a student loan repayment benefit was or is to be paid under section 5379 of title 5, United States Code;".

(c) SENSE OF CONGRESS.—

(1) VOLUNTARY EARLY RETIREMENT AUTHORITY.—Section 1 of Public Law 106–303 (5 U.S.C. 8336 note) is amended by adding at the end the following:

"(e) SENSE OF CONGRESS.—It is the sense of Congress that the implementation of this section is intended to reshape the General Accounting Office workforce and not downsize the General Accounting Office workforce.".

(2) VOLUNTARY SEPARATION INCENTIVE PAYMENTS.—Section 2 of Public Law 106–303 (5 U.S.C. 5597 note) is amended by adding at the end the following:

"(g) SENSE OF CONGRESS.—It is the sense of Congress that the implementation of this section is intended to reshape the General Accounting Office workforce and not downsize the General Accounting Office workforce.".

SEC. 3. ANNUAL PAY ADJUSTMENTS.

(a) OFFICERS AND EMPLOYEES GENERALLY.—Paragraph (3) of section 732(c) is amended to read as follows:

"(3) except as provided under section 733(a)(3)(B) of this title, basic rates of officers and employees of the Office shall be adjusted annually to such extent as determined by the Comptroller General, and in making that determination the Comptroller General shall consider—

"(A) the principle that equal pay should be provided for work of equal value within each local pay area;

"(B) the need to protect the purchasing power of officers and employees of the Office, taking into consideration the Consumer Price Index or other appropriate indices;

"(C) any existing pay disparities between officers and employees of the Office and non-Federal employees in each local pay area;

"(D) the pay rates for the same levels of work for officers and employees of the Office and non-Federal employees in each local pay area;

"(E) the appropriate distribution of agency funds between annual adjustments under this section and performance-based compensation; and

"(F) such other criteria as the Comptroller General considers appropriate, including, but not limited to, the funding level for the Office, amounts allocated for performance-based compensation, and the extent to which the Office is succeeding in fulfilling its mission and accomplishing its strategic plan;

notwithstanding any other provision of this paragraph, an adjustment under this paragraph shall not be applied in the case of any officer or employee whose performance is not at a satisfactory level, as determined by the Comptroller General for purposes of such adjustment;".

(b) OFFICERS AND EMPLOYEES IN THE OFFICE SENIOR EXECUTIVE SERVICE.—Subparagraph (B) of section 733(a)(3) is amended to read as follows:

"(B) adjusted annually by the Comptroller General after taking into consideration the factors listed under section 732(c)(3) of this title, except that an adjustment under this subparagraph shall not be applied in the case of any officer or employee whose performance is not at a satisfactory level, as determined by the Comptroller General for purposes of such adjustment;".

(c) CONFORMING AMENDMENT.—Section 732(b)(6) is amended by striking "title 5." and inserting "title 5, except as provided under subsection (c)(3) of this section and section 733(a)(3)(B) of this title.".

SEC. 4. PAY RETENTION.

Paragraph (5) of section 732(c) is amended to read as follows:

"(5) the Comptroller General shall prescribe regulations under which an officer or employee of the Office shall be entitled to pay retention if, as a result of any reduction-in-force or other workforce adjustment procedure, position reclassification, or other appropriate circumstances as determined by the Comptroller General, such officer or employee is placed in or holds a position in a lower grade or band with a maximum rate of basic pay that is less than the rate of basic pay payable to the officer or employee immediately before the reduction in grade or band; such regulations—

"(A) shall provide that the officer or employee shall be entitled to continue receiving the rate of basic pay that was payable to the officer or employee immediately before the reduction in grade or band until such time as the retained rate becomes less than the maximum rate for the grade or band of the position held by such officer or employee; and

"(B) shall include provisions relating to the minimum period of time for which an officer or employee must have served or for which the position must have been classified at the higher grade or band in order for pay retention to apply, the events that terminate the right to pay retention (apart from the one described in subparagraph (A)), and exclusions based on the nature of an appointment; in prescribing regulations under this subparagraph, the Comptroller General shall be guided by the provisions of sections 5362 and 5363 of title 5.".

SEC. 5. RELOCATION BENEFITS.

Section 731 is amended by adding after subsection (e) the following:

"(f) The Comptroller General shall prescribe regulations under which officers and employees of the Office may, in appropriate circumstances, be reimbursed for any relocation expenses under subchapter II of chapter 57 of title 5 for which they would not otherwise be eligible, but only if the Comptroller General determines that the transfer giving rise to such relocation is of sufficient benefit or value to the Office to justify such reimbursement.".

SEC. 6. INCREASED ANNUAL LEAVE FOR KEY EMPLOYEES.

Section 731 is amended by adding after subsection (f) (as added by section 5 of this Act) the following:

"(g) The Comptroller General shall prescribe regulations under which key officers and employees of the Office who have less than 3 years of service may accrue leave in accordance with section 6303(a)(2) of title 5, in those circumstances in which the Comptroller General has determined such increased annual leave is appropriate for the recruitment or retention of such officers and employees. Such regulations shall define key officers and employees and set forth the factors in determining which officers and employees should be allowed to accrue leave in accordance with this subsection.".

SEC. 7. EXECUTIVE EXCHANGE PROGRAM.

Section 731 is amended by adding after subsection (g) (as added by section 6 of this Act) the following:

"(h) The Comptroller General may by regulation establish an executive exchange program under which officers and employees of the Office may be assigned to private sector organizations, and employees of private sector organizations may be assigned to the Office, to further the institutional interests of the Office or Congress, including for the purpose of providing training to officers and employees of the Office. Regulations to carry out any such program—

"(1) shall include provisions (consistent with sections 3702 through 3704 of title 5) as to matters concerning—

"(A) the duration and termination of assignments;

"(B) reimbursements; and

"(C) status, entitlements, benefits, and obligations of program participants;

"(2) shall limit—

"(A) the number of officers and employees who are assigned to private sector organizations at any one time to not more than 15; and

"(B) the number of employees from private sector organizations who are assigned to the Office at any one time to not more than 30;

"(3) shall require that an employee of a private sector organization assigned to the Office may not have access to any trade secrets or to any other nonpublic information which is of commercial value to the private sector organization from which such employee is assigned;

"(4) shall require that, before approving the assignment of an officer or employee to a private sector organization, the Comptroller General shall determine that the assignment is an effective use of the Office's funds, taking into account the best interests of the Office and the costs and benefits of alternative methods of achieving the same results and objectives; and

"(5) shall not allow any assignment under this subsection to commence after the end of the 5-year period beginning on the date of the enactment of this subsection.

"(i) An employee of a private sector organization assigned to the Office under the executive exchange program shall be considered to be an employee of the Office for purposes of—

"(1) chapter 73 of title 5;

"(2) sections 201, 203, 205, 207, 208, 209, 603, 606, 607, 643, 654, 1905, and 1913 of title 18;

"(3) sections 1343, 1344, and 1349(b) of this title;

"(4) chapter 171 of title 28 (commonly referred to as the Federal Tort Claims Act) and any other Federal tort liability statute;

"(5) the Ethics in Government Act of 1978 (5 U.S.C. App.);

"(6) section 1043 of the Internal Revenue Code of 1986; and

"(7) section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. 423).".

SEC. 8. REDESIGNATION.

(a) IN GENERAL.—The General Accounting Office is hereby redesignated the Government Accountability Office.

(b) REFERENCES.—Any reference to the General Accounting Office in any law, rule, regulation, certificate, directive, instruction, or other official paper in force on the date of enactment of this Act shall be considered to refer and apply to the Government Accountability Office.

SEC. 9. PERFORMANCE MANAGEMENT SYSTEM.

Paragraph (1) of section 732(d) is amended to read as follows:

"(1) for a system to appraise the performance of officers and employees of the General Accounting Office that meets the requirements of section 4302 of title 5 and in addition includes—

"(A) a link between the performance management system and the agency's strategic plan;

"(B) adequate training and retraining for supervisors, managers, and employees in the implementation and operation of the performance management system;

"(C) a process for ensuring ongoing performance feedback and dialogue between supervisors, managers, and employees throughout the appraisal period and setting timetables for review;

"(D) effective transparency and accountability measures to ensure that the management of the system is fair, credible, and equitable, including appropriate independent reasonableness, reviews, internal assessments, and employee surveys; and

"(E) a means to ensure that adequate agency resources are allocated for the design, implementation, and administration of the performance management system.".

SEC. 10. CONSULTATION.

Before the implementation of any changes authorized under this Act, the Comptroller General shall consult with any interested groups or associations representing officers and employees of the General Accounting Office.

SEC. 11. REPORTING REQUIREMENTS.

(a) ANNUAL REPORTS.—The Comptroller General shall include—

(1) in each report submitted to Congress under section 719(a) of title 31, United States Code, during the 5-year period beginning on the date of enactment of this Act, a summary review of all actions taken under sections 2, 3, 4, 6, 7, 9, and 10 of this Act during the period covered by such report, including—

(A) the respective numbers of officers and employees—

(i) separating from the service under section 2 of this Act;

(ii) receiving pay retention under section 4 of this Act;

(iii) receiving increased annual leave under section 6 of this Act; and

(iv) engaging in the executive exchange program under section 7 of this Act, as well as the number of private sector employees participating in such program and a review of the general nature of the work performed by the individuals participating in such program;

(B) a review of all actions taken to formulate the appropriate methodologies to implement the pay adjustments provided for under section 3 of this Act, except that nothing under this subparagraph shall be required if no changes are made in any such methodology during the period covered by such report; and

(C) an assessment of the role of sections 2, 3, 4, 6, 7, 9, and 10 of this Act in contributing to the General Accounting Office's ability to carry out its mission, meet its performance goals, and fulfill its strategic plan; and

(2) in each report submitted to Congress under such section 719(a) after the effective date of section 3 of this Act and before the close of the 5-year period referred to in paragraph (1)—

(A) a detailed description of the methodologies applied under section 3 of this Act and the manner in which such methodologies were applied to determine the appropriate annual pay adjustments for officers and employees of the Office;

(B) the amount of the annual pay adjustments afforded to officers and employees of the Office under section 3 of this Act; and

(C) a description of any extraordinary economic conditions or serious budget constraints which had a significant impact on the determination of the annual pay adjustments for officers and employees of the Office.

(b) FINAL REPORT.—Not later than 6 years after the date of enactment of this Act, the Comptroller General shall submit to Congress a report concerning the implementation of this Act. Such report shall include—

(1) a summary of the information included in the annual reports required under subsection (a);

(2) recommendations for any legislative changes to section 2, 3, 4, 6, 7, 9, or 10 of this Act; and

(3) any assessment furnished by the General Accounting Office Personnel Appeals Board or any interested groups or associations representing officers and employees of the Office for inclusion in such report.

(c) ADDITIONAL REPORTING.—Notwithstanding any other provision of this section, the reporting requirement under subsection (a)(2)(C) shall apply in the case any report submitted under section 719(a) of title 31, United States Code, whether during the 5-year period beginning on the date of enactment of this Act (as required by subsection (a)) or at any time thereafter.

SEC. 12. TECHNICAL AMENDMENT.

Section 732(h)(3)(A) is amended by striking "reduction force" and inserting "reduction in force".

SEC. 13. EFFECTIVE DATES.

(a) IN GENERAL.—Except as provided in subsection (b), this Act and the amendments made by this Act shall take effect on the date of enactment of this Act.

(b) PAY ADJUSTMENTS.—

(1) IN GENERAL.—Section 3 of this Act and the amendments made by that section shall take effect on October 1, 2005, and shall apply in the case of any annual pay adjustment taking effect on or after that date.

(2) INTERIM AUTHORITIES.—In connection with any pay adjustment taking effect under section 732(c)(3) or 733(a)(3)(B) of title 31, United States Code, before October 1, 2005, the Comptroller General may by regulation—

(A) provide that such adjustment not be applied in the case of any officer or employee whose performance is not at a satisfactory level, as determined by the Comptroller General for purposes of such adjustment; and

(B) provide that such adjustment be reduced if and to the extent necessary because of extraordinary economic conditions or serious budget constraints.

(3) ADDITIONAL AUTHORITY.—

(A) IN GENERAL.—The Comptroller General may by regulation delay the effective date of section 3 of this Act and the amendments made by that section for groups of officers and employees that the Comptroller General considers appropriate.

(B) INTERIM AUTHORITIES.—If the Comptroller General provides for a delayed effective date under subparagraph (A) with respect to any group of officers or employees, paragraph (2) shall, for purposes of such group, be applied by substituting such date for "October 1, 2005".

REMOVAL OF INJUNCTION OF SECRECY—TREATY DOCUMENT NO. 108–12

Mr. ENSIGN. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the following treaty transmitted to the Senate on November 24, 2003, by the President of the United States:

Mutual Legal Assistance Treaty With Japan, Treaty Document 108–12.

Mr. ENSIGN. I further ask unanimous consent that the treaty be considered as having been read the first time; that it be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message of the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty Between the United States of America and Japan on Mutual Legal Assistance in Criminal Matters, signed at Washington on August 5, 2003. I transmit also, for the information of the Senate, a related exchange of notes and the report of the Department of State with respect to the Treaty.

The Treaty is one of a series of modern mutual legal assistance treaties negotiated by the United States in order to counter criminal activities more effectively. The Treaty should be an effective tool to assist in the investigation and prosecution of a wide variety of crimes. The Treaty is self-executing.

The Treaty provides for a broad range of cooperation in criminal matters. Mutual assistance available under the Treaty includes: taking testimony, statements, or items; examining persons, items, or places; locating or identifying persons, items, or places; providing items from governmental departments or agencies; inviting persons to testify in the requesting Party; transferring persons in custody for testimony or other purposes; assisting in proceedings related to forfeiture and immobilization of assets; and any other form of assistance permitted under the laws of the requested Party and agreed upon by the Central Authorities of the two Contracting Parties.

I recommend that the Senate give early and favorable consideration to the Treaty, and give its advice and consent to ratification.

GEORGE W. BUSH.

THE WHITE HOUSE, *November 24, 2003.*

APPOINTMENT

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore, pursuant to Public Law 94–201, as amended by Public Law 105–275, appoints Dr. Daniel Botkin, of California, as a member of the Board of Trustees of the American Folklife Center of the Library of Congress, vice Susan Barksdale Howorth, of Mississippi.

SENATE PAGES

Mr. FRIST. Mr. President, it is late tonight and we will be in session early tomorrow morning, but I did want to take a brief moment and give thanks to a very special group of people around this institution. There are a number of professional and dedicated individuals who spend each and every day working to keep this body functioning. But I want to give special thanks to one group of people tonight, and that is our Senate pages.

These are hard-working young men and women who help us each day with a broad range of tasks. They do really pretty much everything from preparing these desks today—as you look around here and see what is on these desks, you can see that that can be a huge task—to running errands for Members, errands that we greatly depend upon as we try to juggle our various responsibilities of the day, to making copies of amendments literally just one after another. In fact, you see the copies of the Medicare legislation on the desks today. When you look at them, you know that somebody has generated each and every one of those copies. The duties really go on and on.

In the middle of my talk last night, I was speaking from this desk. And I thought, I have to get rid of this. How will I do it? I was thinking, and all of a sudden the page came and slipped it away so I could continue my discussion at the time.

I thank them and praise the tremendous work they do each and every day. This past week we have had very busy days. It has been unusual working through last week, through Saturday, through Sunday, through Monday, today. Very late seems to be the norm these last few days, as we have really worked to complete our work before the holidays. It is the pages who have been with us in the past few days where we had not anticipated being here this late.

We have had very special pages with us. I will slip out in a few minutes as we close down, and they will still be here as they tidy up for early tomorrow morning. They will soon be out for their Thanksgiving holiday as well. I really do I want to thank them, several of whom are sitting right here looking at me on the floor tonight. I thank them for their hard work these last several days: Yael Bortnick, Emily Holmgren, Ferrell Oxley, Sarah Smith, Melissa Meyer—and it is her birthday today—Margaret Leddy, and Krista Warner. In particular, I want to thank Melissa Meyer. But I thank them again for their tremendous work.

AUTHORIZING PRODUCTION OF RECORDS

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 274 which was submitted earlier today.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 274) to authorize the production of records by the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs.

There being no objection, Senate proceeded to consider the resolution.

Mr. FRIST. Mr. President, the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs has received requests from various law enforcement and regulatory officials and agencies for assistance in connection with pending investigations for copies of records that the subcommittee obtained during its recent investigation into the role of accountants, lawyers, and financial professionals in the tax shelter industry.

This resolution would authorize the chairman and ranking member of the Permanent Subcommittee on Investigations, acting jointly, to provide investigative records, obtained by the subcommittee in the course of its investigation, in response to these requests.

Mr. FRIST. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to this matter be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 274) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 274

Whereas, the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs has been conducting an investigation into the role of accountants, lawyers, and financial professionals in the tax shelter industry;

Whereas, the Subcommittee has received requests from law enforcement and regulatory officials and agencies for access to records of the Subcommittee's investigation;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that evidence under the control or in the possession of the Senate is needed for the promotion of justice, the Senate will take such action as will promote the ends of justice consistent with the privileges of the Senate: Now, therefore, be it

Resolved, That the Chairman and Ranking Minority Member of the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs, acting jointly, are authorized to provide to law enforcement and regulatory entities and officials, court-appointed officials, and other entities or individuals duly authorized by Federal, State, or foreign governments, records of the Subcommittee's investigation into the role of accountants, lawyers, and financial professionals in the tax shelter industry.

ORDERS FOR TUESDAY, NOVEMBER 24, 2003

Mr. FRIST. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 8:15 a.m., Tuesday, November 25. I further ask that following the prayer and pledge, the morning hour be deemed expired, the Journal of proceedings be approved to date, the time for the two leaders be reserved for their use later in the day, and the Senate then resume consideration of the conference report to accompany H.R. 1, the Medicare Prescription Drug Modernization Act, as provided under the previous order. I further ask unanimous consent that the final 10 minutes prior to the 9:15 a.m. vote be equally divided between the two leaders, with the majority leader in control of the final 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. FRIST. Mr. President, tomorrow morning there will be 1 hour of debate prior to the vote adoption of the conference report to accompany H.R. 1, the Medicare Prescription Drug Modernization Act. We have had 3 days of vigorous debate on this monumental legislation. Tomorrow it will culminate in a historic vote. I do thank all Senators who have participated in the discussion, and I particularly congratulate the chairman and ranking member of the Finance Committee who have worked to bring this legislation to completion.

I also announce that we are continuing our efforts to finish action on the remaining appropriations bills. It is my hope that we will be able to move forward with the appropriations process tomorrow. I will have more to say about this tomorrow, but Senators should expect the possibility of additional votes tomorrow.

ADJOURNMENT UNTIL 8:15 A.M. TOMORROW

Mr. FRIST. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 11:12 p.m., adjourned until 8:15 a.m., Tuesday, November 25, 2003.

NOMINATIONS

Executive nomination received by the Senate November 24, 2003:

THE JUDICIARY

JANE J. BOYLE, OF TEXAS, TO BE UNITED STATES DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF TEXAS, VICE JERRY L. BUCHMEYER, RETIRED.

HOUSE OF REPRESENTATIVES—*Tuesday, November 25, 2003*

The House met at noon and was called to order by the Speaker pro tempore (Mr. BARTLETT of Maryland).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
November 25, 2003.

I hereby appoint the Honorable ROSCOE G. BARTLETT to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

PRAYER

The Reverend Dr. Barry C. Black, Chaplain, United States Senate, offered the following prayer:

Eternal and dependable Creator, giver of the abundant harvest, the refuge of all who flee to You, the helper of those in need and the one sure resource in times of trouble, Lord, thank you for harmonizing the world with seasons and climates, sowing and reaping, color and fragrance.

We praise You, for You are the substance that sustains us in each of life's seasons. In time's rapid passing, remind us of life's brevity and teach us to number our days.

Lord, thank You for all the beauty in our world, for the loveliness of Earth and sea and sky. Thank You for great music and great books, for prose and poetry. Thank You for the nobility You have placed in human hearts, for our military people who love their country until even self is forgotten. Thank You for the Members of this body, who struggle with complex issues and labor for a world at peace. Thank You for loved ones, without whom life would never be the same.

Lord, thank You also for obstacles, delays, challenges, trials, and even enemies that make us stronger. Above all, thank You for Your gift of salvation. Accept this our sacrifice of Thanksgiving and praise, for the sake of Your glorious name. Amen.

NOTICE

If the 108th Congress, 1st Session, adjourns sine die on or before December 9, 2003, a final issue of the Congressional Record for the 108th Congress, 1st Session, will be published on Monday, December 15, 2003, in order to permit Members to revise and extend their remarks.

All material for insertion must be signed by the Member and delivered to the respective offices of the Official Reporters of Debates (Room HT–60 or S–410A of the Capitol), Monday through Friday, between the hours of 10:00 a.m. and 3:00 p.m. through Friday, December 12, 2003. The final issue will be dated Monday, December 15, 2003, and will be delivered on Tuesday, December 16, 2003.

None of the material printed in the final issue of the Congressional Record may contain subject matter, or relate to any event that occurred after the sine die date.

Senators' statements should also be submitted electronically, either on a disk to accompany the signed statement, or by e-mail to the Official Reporters of Debates at "Record@Sec.Senate.gov".

Members of the House of Representatives' statements may also be submitted electronically by e-mail, to accompany the signed statement, and formatted according to the instructions for the Extensions of Remarks template at http://clerkhouse.house.gov/forms. The Official Reporters will transmit to GPO the template formatted electronic file only after receipt of, and authentication with, the hard copy, and signed manuscript. Deliver statements to the Official Reporters in Room HT–60 of the Capitol.

Members of Congress desiring to purchase reprints of material submitted for inclusion in the Congressional Record may do so by contacting the Office of Congressional Publishing Services, at the Government Printing Office, on 512–0224, between the hours of 8:00 a.m. and 4:00 p.m. daily.

By order of the Joint Committee on Printing.

ROBERT W. NEY, *Chairman.*

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. The Chair will lead the House in the Pledge of Allegiance.

Mr. BARTLETT of Maryland led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Monahan, one of its clerks, announced that the Senate has passed without amendment bills and concurrent resolutions of the House of the following titles:

H.R. 421. An act to reauthorize the United States Institute for Environmental Conflict Resolution, and for other purposes.

H.R. 1367. An act to authorize the Secretary of Agriculture to conduct a loan repayment program regarding the provision of veterinary services in shortage situations, and for other purposes.

H.R. 1683. An act to increase, effective as of December 1, 2003, the rates of disability compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for survivors of certain service-connected disabled veterans, and for other purposes.

H.R. 1821. An act to award a congressional gold medal to Dr. Dorothy Height in recognition of her many contributions to the Nation.

☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

H.R. 3349. An act to authorize salary adjustments for Justices and judges of the United States for fiscal year 2004.

H. Con. Res. 69. Concurrent resolution expressing the sense of Congress that Althea Gibson should be recognized for her ground breaking achievements in athletics and her commitment to ending racial discrimination and prejudice within the world of sports.

H. Con. Res. 71. Concurrent resolution recognizing the importance of Ralph Bunche as one of the great leaders of the United States, the first African-American Nobel Peace Prize winner, an accomplished scholar, a distinguished diplomat, and a tireless campaigner of civil rights for people throughout the world.

H. Con. Res. 106. Concurrent resolution recognizing and honoring America's Jewish community on the occasion of its 350th anniversary, supporting the designation of an "American Jewish History Month", and for other purposes.

The message also announced that the Senate has passed with amendments in which the concurrence of the House is requested, bills and a concurrent resolution of the House of the following titles:

H.R. 100. An act to restate, clarify, and revise the Soldiers' and Sailors' Civil Relief Act of 1940.

H.R. 622. An act to provide for the exchange of certain lands in the Coconino and Tonto National Forests in Arizona, and for other purposes.

H.R. 1006. An act to amend the Lacey Act Amendments of 1981 to further the conservation of certain wildlife species.

H.R. 1012. An act to establish the Carter G. Woodson Home National Historic Site in the District of Columbia, and for other purposes.

H. Con. Res. 339. Concurrent resolution providing for the sine die adjournment of the first session of the One Hundred Eighth Congress.

The message also announced that the Senate has passed bills and concurrent resolutions of the following titles in which the concurrence of the House is requested.

S. 33. An act to authorize the Secretary of Agriculture to sell or exchange all or part of certain administrative sites and other land in the Ozark-St. Francis and Ouachita National Forests and to use funds derived from the sale or exchange to acquire, construct, or improve administrative sites.

S. 391. An act to enhance ecosystem protection and the range of outdoor opportunities protected by statute in the Skykomish River valley of the State of Washington by designating certain lower-elevation Federal lands as wilderness, and for other purposes.

S. 425. An act to revise the boundary of the Wind Cave National Park in the State of South Dakota.

S. 434. An act to authorize the Secretary of Agriculture to sell or exchange all or part of certain parcels of National Forest System land in the State of Idaho and use the proceeds derived from the sale or exchange for National Forest System purposes.

S. 435. An act to provide for the conveyance by the Secretary of Agriculture of the Sandpoint Federal Building and adjacent land in Sandpoint, Idaho, and for other purposes.

S. 452. An act to require that the Secretary of the Interior conduct a study to identify sites and resources, to recommend alternatives for commemorating and interpreting the Cold War, and for other purposes.

S. 551. An act to provide for the implementation of air quality programs developed in accordance with an Intergovernmental Agreement between the Southern Ute Indian Tribe and the State of Colorado concerning Air Quality Control on the Southern Ute Indian Reservation, and for other purposes.

S. 610. An act to amend the provision of title 5, United States Code, to provide for workforce flexibilities and certain personnel provisions relating to the National Aeronautics and Space Administration, and for other purposes.

S. 714. An act to provide for the conveyance of a small parcel of Bureau of Land Management land in Douglas County, Oregon, to the county to improve management of and recreational access to the Oregon Dunes National Recreation Area, and for other purposes.

S. 811. An act to support certain housing proposals in the fiscal year 2003 budget for the Federal Government, including the downpayment assistance initiative under the HOME Investment Partnership Act, and for other purposes.

S. 1003. An act to clarify the intent of Congress with respect to the continued use of established commercial outfitter hunting camps on the Salmon River.

S. 1279. An act to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to authorize the President to carry out a program for the protection of the health and safety of residents, workers, volunteers, and others in a disaster area.

S. 1499. An act to adjust the boundaries of Green Mountain National Forest.

S. 1522. An act to provide new human capital flexibilities with respect to the GAO, and for other purposes.

S. 1531. An act to require the Secretary of the Treasury to mint coins in commemoration of Chief Justice John Marshall.

S. 1537. An act to direct the Secretary of Agriculture to convey to the New Hope Cemetery Association certain land in the State of Arkansas for use as a cemetery.

S. 1567. An act to amend title 31, United States Code, to improve the financial accountability requirements applicable to the Department of Homeland Security, and for other purposes.

S. 1929. An act to amend the Employee Retirement Income Security Act of 1974 and the Public Health Service Act to extend the mental health benefits parity provisions for an additional year.

S. 1947. An act to prohibit the offer of credit by a financial institution to a financial institution examiner, and for other purposes.

S. Con. Res. 77. Concurrent resolution expressing the sense of Congress supporting vigorous enforcement of the Federal obscenity laws.

S. Con. Res. 82. Concurrent resolution recognizing the importance of Ralph Bunche as one of the great leaders of the United States, the first African-American Nobel Peace Prize winner, an accomplished scholar, a distinguished diplomat, and a tireless campaigner of civil rights for people throughout the world.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1) "An Act to amend title XVIII of the Social Security Act to provide for a voluntary program for prescription drug coverage under the Medicare Program, to modernize the Medicare Program, to amend the Internal Revenue Code of 1986 to allow a deduction to individuals for amounts contributed to health savings security accounts and health savings accounts, to provide for the disposition of unused health benefits in cafeteria plans and flexible spending arrangements, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2622) "An Act to amend the Fair Credit Reporting Act, to prevent identity theft, improve resolution of consumer disputes, improve the accuracy of consumer records, make improvements in the use of, and consumer access to, credit information, and for other purposes."

The message also announced that the Senate agrees to the amendment of the House of Representatives to the bill (S. 1768) "An Act to extend the national flood insurance program."

The message also announced that pursuant to Public Law 94-201, as amended by Public Law 105-275, the Chair, on behalf of the President pro tempore, appoints Dr. Daniel Botkin, of California, as a member of the Board of Trustees of the American Folklife Center of the Library of Congress, vice Susan Barksdale Howorth, of Mississippi.

APPOINTMENT OF HONORABLE ROSCOE G. BARTLETT OF MARYLAND TO ACT AS SPEAKER PRO TEMPORE TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS ON TODAY

The SPEAKER pro tempore laid before the House the following Communication from the Speaker:

WASHINGTON, DC,
November 25, 2003.

I hereby appoint the Honorable ROSCOE G. BARTLETT to act as Speaker pro tempore to sign enrolled bills and joint resolutions on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

The SPEAKER pro tempore. Without objection, the appointment is approved.

There was no objection.

APPOINTMENT OF HONORABLE TOM DAVIS OF VIRGINIA OR HONORABLE MAC THORNBERRY TO ACT AS SPEAKER PRO TEMPORE TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS UNTIL THE DAY THE HOUSE CONVENES FOR THE SECOND SESSION OF THE 108TH CONGRESS

The Speaker pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
November 25, 2003.

I hereby appoint the Honorable TOM DAVIS or, if not available to perform this duty, the Honorable MAC THORNBERRY to act as Speaker pro tempore to sign enrolled bills and joint resolutions until the day the House convenes for the second session of the 108th Congress.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

The SPEAKER pro tempore. Without objection, the appointment is approved.

There was no objection.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 12 o'clock and 6 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 1315

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. BARTLETT of Maryland) at 1 o'clock and 15 minutes p.m.

CONFERENCE REPORT ON H.R. 2673, CONSOLIDATED APPROPRIATIONS ACT, 2004

Mr. YOUNG of Florida submitted the following conference report and statement on the bill (H.R. 2673) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for the fiscal year ending September 30, 2004, and for other purposes:

CONFERENCE REPORT (H. REPT. 108–401)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2673) "making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for the fiscal year ending September 30, 2004, and for other purposes", having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Consolidated Appropriations Act, 2004".

SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Short title.
Sec. 2. Table of contents.
Sec. 3. References.

DIVISION A—AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES PROGRAMS APPROPRIATIONS, 2004

Title I—Agricultural Programs
Title II—Conservation Programs
Title III—Rural Development Programs
Title IV—Domestic Food Programs
Title V—Foreign Assistance and Related Programs
Title VI—Related Agencies and Food and Drug Administration
Title VII—General Provisions

DIVISION B—COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS, 2004

Title I—Department of Justice
Title II—Department of Commerce and Related Agencies
Title III—The Judiciary
Title IV—Department of State and Related Agency
Title V—Related Agencies
Title VI—General Provisions
Title VII—Rescissions
Title VIII—Alaskan Fisheries

DIVISION C—DISTRICT OF COLUMBIA APPROPRIATIONS, 2004

Title I—Federal Funds
Title II—District of Columbia Funds
Title III—DC School Choice Incentive Act of 2003
Title IV—General Provisions

DIVISION D—FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS, 2004

Title I—Export and Investment Assistance
Title II—Bilateral Economic Assistance
Title III—Military Assistance
Title IV—Multilateral Economic Assistance
Title V—General Provisions
Title VI—Millennium Challenge

DIVISION E—LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS, 2004

Title I—Department of Labor
Title II—Department of Health and Human Services
Title III—Department of Education
Title IV—Related Agencies
Title V—General Provisions

DIVISION F—TRANSPORTATION, TREASURY, AND INDEPENDENT AGENCIES APPROPRIATIONS, 2004

Title I—Department of Transportation
Title II—Department of the Treasury
Title III—Executive Office of the President and Funds Appropriated to the President
Title IV—Independent Agencies
Title V—General Provisions
Title VI—General Provisions—Departments, Agencies, and Corporations

DIVISION G—VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS, 2004

Title I—Department of Veterans Affairs
Title II—Department of Housing and Urban Development
Title III—Independent Agencies
Title IV—General Provisions
Title V—Pesticide Products and Fees

DIVISION H—MISCELLANEOUS APPROPRIATIONS AND OFFSETS

SEC. 3. REFERENCES.

Except as expressly provided otherwise, any reference to "this Act" contained in any division of this Act shall be treated as referring only to the provisions of that division.

DIVISION A—AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2004

AN ACT

Making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for the fiscal year ending September 30, 2004, and for other purposes.

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2004, and for other purposes, namely:

TITLE I

AGRICULTURAL PROGRAMS

PRODUCTION, PROCESSING, AND MARKETING

OFFICE OF THE SECRETARY

For necessary expenses of the Office of the Secretary of Agriculture, $5,092,000: Provided, That not to exceed $11,000 of this amount shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary.

EXECUTIVE OPERATIONS

CHIEF ECONOMIST

For necessary expenses of the Chief Economist, including economic analysis, risk assessment, cost-benefit analysis, energy and new uses, and the functions of the World Agricultural Outlook Board, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1622g), $8,707,000.

NATIONAL APPEALS DIVISION

For necessary expenses of the National Appeals Division, $13,670,000.

OFFICE OF BUDGET AND PROGRAM ANALYSIS

For necessary expenses of the Office of Budget and Program Analysis, $7,740,000.

HOMELAND SECURITY STAFF

For necessary expenses of the Homeland Security Staff, $499,000.

OFFICE OF THE CHIEF INFORMATION OFFICER

For necessary expenses of the Office of the Chief Information Officer, $15,493,000.

COMMON COMPUTING ENVIRONMENT

For necessary expenses to acquire a Common Computing Environment for the Natural Resources Conservation Service, the Farm and Foreign Agricultural Service and Rural Development mission areas for information technology, systems, and services, $119,289,000, to remain available until expended, for the capital asset acquisition of shared information technology systems, including services as authorized by 7 U.S.C. 6915–16 and 40 U.S.C. 1421–28: Provided, That obligation of these funds shall be consistent with the Department of Agriculture Service Center Modernization Plan of the county-based agencies, and shall be with the concurrence of the Department's Chief Information Officer.

OFFICE OF THE CHIEF FINANCIAL OFFICER

For necessary expenses of the Office of the Chief Financial Officer, $5,684,000: Provided, That the Chief Financial Officer shall actively market and expand cross-servicing activities of the National Finance Center: Provided further, That no funds made available by this appropriation may be obligated for FAIR Act or Circular A–76 activities until the Secretary has submitted to the Committees on Appropriations of both Houses of Congress a report on the Department's contracting out policies, including agency budgets for contracting out.

OFFICE OF THE ASSISTANT SECRETARY FOR CIVIL RIGHTS

For necessary salaries and expenses of the Office of the Assistant Secretary for Civil Rights, $808,000.

OFFICE OF CIVIL RIGHTS

For necessary expenses of the Office of Civil Rights, $17,450,000.

OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION

For necessary salaries and expenses of the Office of the Assistant Secretary for Administration, $673,000.

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

(INCLUDING TRANSFERS OF FUNDS)

For payment of space rental and related costs pursuant to Public Law 92–313, including authorities pursuant to the 1984 delegation of authority from the Administrator of General Services to the Department of Agriculture under 40 U.S.C. 486, for programs and activities of the Department which are included in this Act, and for alterations and other actions needed for the Department and its agencies to consolidate unneeded space into configurations suitable for release to the Administrator of General Services, and for the operation, maintenance, improvement, and repair of Agriculture buildings and facilities, and for related costs, as follows: for payments to the General Services Administration, $123,910,000, and for buildings operations and maintenance, $32,559,000, to remain available until expended: Provided, That not to exceed 5 percent of amounts which are made available for space rental and related costs for the Department of Agriculture in this Act may be transferred between such appropriations to cover the costs of new or replacement space 15 days after notice thereof is transmitted to the Appropriations Committees of both Houses of Congress.

HAZARDOUS MATERIALS MANAGEMENT

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Department of Agriculture, to comply with the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. 9601 et seq.) and the Resource Conservation and Recovery Act (42 U.S.C. 6901 et seq.), $15,611,000, to remain available until expended: Provided, That appropriations and funds available herein to the Department for Hazardous Materials Management may be transferred to any agency of the Department for its use in meeting all requirements pursuant to the above Acts on Federal and non-Federal lands.

DEPARTMENTAL ADMINISTRATION

(INCLUDING TRANSFERS OF FUNDS)

For Departmental Administration, $23,031,000, to provide for necessary expenses for management support services to offices of the Department and for general administration, security, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department: Provided, That this appropriation shall be reimbursed from applicable appropriations in this Act for travel expenses incident to the holding of hearings as required by 5 U.S.C. 551–558.

OFFICE OF THE ASSISTANT SECRETARY FOR CONGRESSIONAL RELATIONS

(INCLUDING TRANSFERS OF FUNDS)

For necessary salaries and expenses of the Office of the Assistant Secretary for Congressional Relations to carry out the programs funded by this Act, including programs involving intergovernmental affairs and liaison within the executive branch, $3,796,000: Provided, That these funds may be transferred to agencies of the Department of Agriculture funded by this Act to maintain personnel at the agency level: Provided further, That no funds made available by this appropriation may be obligated after 30 days from the date of enactment of this Act, unless the Secretary has notified the Committees on Appropriations of both Houses of Congress on the allocation of these funds by USDA agency: Provided further, That no other funds appropriated to the Department by this Act shall be available to the Department for support of activities of congressional relations.

OFFICE OF COMMUNICATIONS

For necessary expenses to carry out services relating to the coordination of programs involving public affairs, for the dissemination of agricultural information, and the coordination of information, work, and programs authorized by Congress in the Department, $9,228,000: Provided, That not to exceed $2,000,000 may be used for farmers' bulletins.

OFFICE OF THE INSPECTOR GENERAL

For necessary expenses of the Office of the Inspector General, including employment pursuant to the Inspector General Act of 1978, $77,281,000, including such sums as may be necessary for contracting and other arrangements with public agencies and private persons pursuant to section 6(a)(9) of the Inspector General Act of 1978, and including not to exceed $125,000 for certain confidential operational expenses, including the payment of informants, to be expended under the direction of the Inspector General pursuant to Public Law 95–452 and section 1337 of Public Law 97–98.

OFFICE OF THE GENERAL COUNSEL

For necessary expenses of the Office of the General Counsel, $34,700,000.

OFFICE OF THE UNDER SECRETARY FOR RESEARCH, EDUCATION AND ECONOMICS

For necessary salaries and expenses of the Office of the Under Secretary for Research, Education and Economics to administer the laws enacted by the Congress for the Economic Research Service, the National Agricultural Statistics Service, the Agricultural Research Service, and the Cooperative State Research, Education, and Extension Service, $596,000.

ECONOMIC RESEARCH SERVICE

For necessary expenses of the Economic Research Service in conducting economic research and analysis, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621–1627) and other laws, $71,402,000.

NATIONAL AGRICULTURAL STATISTICS SERVICE

For necessary expenses of the National Agricultural Statistics Service in conducting statistical reporting and service work, including crop and livestock estimates, statistical coordination and improvements, marketing surveys, and the Census of Agriculture, as authorized by 7 U.S.C. 1621–1627 and 2204g, and other laws, $128,922,000, of which up to $25,279,000 shall be available until expended for the Census of Agriculture.

AGRICULTURAL RESEARCH SERVICE

SALARIES AND EXPENSES

For necessary expenses to enable the Agricultural Research Service to perform agricultural research and demonstration relating to production, utilization, marketing, and distribution (not otherwise provided for); home economics or nutrition and consumer use including the acquisition, preservation, and dissemination of agricultural information; and for acquisition of lands by donation, exchange, or purchase at a nominal cost not to exceed $100, and for land exchanges where the lands exchanged shall be of equal value or shall be equalized by a payment of money to the grantor which shall not exceed 25 percent of the total value of the land or interests transferred out of Federal ownership, $1,088,892,000: Provided, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed one for replacement only: Provided further, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of constructing any one building shall not exceed $375,000, except for headhouses or greenhouses which shall each be limited to $1,200,000, and except for 10 buildings to be constructed or improved at a cost not to exceed $750,000 each, and the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building or $375,000, whichever is greater: Provided further, That the limitations on alterations contained in this Act shall not apply to modernization or replacement of existing facilities at Beltsville, Maryland: Provided further, That appropriations hereunder shall be available for granting easements at the Beltsville Agricultural Research Center: Provided further, That the foregoing limitations shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a): Provided further, That funds may be received from any State, other political subdivision, organization, or individual for the purpose of establishing or operating any research facility or research project of the Agricultural Research Service, as authorized by law: Provided further, That all rights and title of the United States in the 1.0664-acre parcel of land including improvements, as recorded at Book 1320, Page 253, records of Larimer County, State of Colorado, shall be conveyed to the Board of Governors of the Colorado State University for the benefit of Colorado State University.

None of the funds appropriated under this heading shall be available to carry out research related to the production, processing or marketing of tobacco or tobacco products.

BUILDINGS AND FACILITIES

For acquisition of land, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities as necessary to carry out the agricultural research programs of the Department of Agriculture, where not otherwise provided, $63,810,000, to remain available until expended.

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE

RESEARCH AND EDUCATION ACTIVITIES

For payments to agricultural experiment stations, for cooperative forestry and other research, for facilities, and for other expenses, $621,447,000, as follows: to carry out the provisions of the Hatch Act of 1887 (7 U.S.C. 361a–i), $180,148,000; for grants for cooperative forestry research (16 U.S.C. 582a through a–7), $21,884,000; for payments to the 1890 land-grant colleges, including Tuskegee University and West Virginia State College (7 U.S.C. 3222), $36,000,000, of which $1,507,496 shall be made available only for the purpose of ensuring that each institution shall receive no less than $1,000,000; for special grants for agricultural research (7 U.S.C. 450i(c)), $111,312,000; for special grants for agricultural research on improved pest control (7 U.S.C. 450i(c)), $13,675,000; for competitive research grants (7 U.S.C. 450i(b)), $165,000,000; for the support of animal health and disease programs (7 U.S.C. 3195), $4,559,000; for supplemental and alternative crops and products (7 U.S.C. 3319d), $1,069,000; for grants for research pursuant to the Critical Agricultural Materials Act (7 U.S.C. 178 et seq.), $1,118,000, to remain available until expended; for the 1994 research grants program for 1994 institutions pursuant to section 536 of Public Law 103–382 (7 U.S.C. 301 note), $1,093,000, to remain available until expended; for rangeland research grants (7 U.S.C. 3333), $900,000; for higher education graduate fellowship grants (7 U.S.C. 3152(b)(6)), $2,900,000, to remain available until expended (7 U.S.C. 2209b); for higher education *challenge grants (7 U.S.C. 3152(b)(1)), $4,888,000; for a higher education multicultural scholars program (7 U.S.C. 3152(b)(5)), $992,000, to remain available until expended (7 U.S.C. 2209b); for an education grants program for Hispanic-serving Institutions (7 U.S.C. 3241), $4,673,000; for noncompetitive grants for the purpose of carrying out all provisions of 7 U.S.C. 3242 (section 759 of Public Law 106–78) to individual eligible institutions or consortia of eligible institutions in Alaska and in Hawaii, with funds awarded equally to each of the States of Alaska and Hawaii, $3,150,000; for a secondary agriculture education program and 2-year post-secondary education (7 U.S.C. 3152(j)), $895,000; for aquaculture grants (7 U.S.C. 3322), $4,024,000; for sustainable agriculture research and education (7 U.S.C. 5811), $12,295,000; for a program of capacity building grants (7 U.S.C. 3152(b)(4)) to colleges eligible to receive funds under the Act of August 30, 1890 (7 U.S.C. 321–326 and 328), including Tuskegee University and West Virginia State College, $11,479,000, to remain available until expended (7 U.S.C. 2209b); for payments to the 1994 Institutions pursuant to section 534(a)(1) of Public Law 103–382, $1,689,000; and for necessary expenses of Research and Education Activities, $37,704,000.*

None of the funds appropriated under this heading shall be available to carry out research related to the production, processing or marketing of tobacco or tobacco products: Provided, That this paragraph shall not apply to research on the medical, biotechnological, food, and industrial uses of tobacco.

NATIVE AMERICAN INSTITUTIONS ENDOWMENT FUND

For the Native American Institutions Endowment Fund authorized by Public Law 103–382 (7 U.S.C. 301 note), $9,000,000.

EXTENSION ACTIVITIES

For payments to States, the District of Columbia, Puerto Rico, Guam, the Virgin Islands, Micronesia, Northern Marianas, and American Samoa, $441,731,000, as follows: payments for cooperative extension work under the Smith-Lever Act, to be distributed under sections 3(b) and 3(c) of said Act, and under section 208(c) of Public Law 93–471, for retirement and employees' compensation costs for extension agents, $279,390,000; payments for extension work at the 1994 Institutions under the Smith-Lever Act (7 U.S.C. 343(b)(3)), $2,946,000; payments for the nutrition and family education program for low-income areas under section 3(d) of the Act, $52,366,000; payments for the pest management program under section 3(d) of the Act, $9,620,000; payments for the farm safety program under section 3(d) of the Act, $4,940,000; payments to upgrade research, extension, and teaching facilities at the 1890 land-grant colleges, including Tuskegee University and West Virginia State College, as authorized by section 1447 of Public Law 95–113 (7 U.S.C. 3222b), $15,000,000, to remain available until expended; payments for youth-at-risk programs under section 3(d) of the Smith-Lever Act, $7,583,000; for youth farm safety education and certification extension grants, to be awarded competitively under section 3(d) of the Act, $446,000; payments for carrying out the provisions of the Renewable Resources Extension Act of 1978 (16 U.S.C. 1671 et seq.), $4,064,000; payments for Indian reservation agents under section 3(d) of the Smith-Lever Act, $1,785,000; payments for sustainable agriculture programs under section 3(d) of the Act, $4,359,000; payments for rural health and safety education as authorized by section 502(i) of Public Law 92–419 (7 U.S.C. 2662(i)), $2,345,000; payments for cooperative extension work by the colleges receiving the benefits of the second Morrill Act (7 U.S.C. 321–326 and 328) and Tuskegee University and West Virginia State College, $31,908,000, of which $1,724,884 shall be made available only for the purpose of ensuring that each institution shall receive no less than $1,000,000; for grants to youth organizations pursuant to section 7630 of title 7, United States Code, $2,683,000; and for necessary expenses of Extension Activities, $22,296,000.

INTEGRATED ACTIVITIES

For the integrated research, education, and extension grants programs, including necessary administrative expenses, $50,493,000, as follows: for competitive grants programs authorized under section 406 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7626), $39,793,000, including $11,598,000 for the water quality program, $13,384,000 for the food safety program, $4,052,000 for the regional pest management centers program, $4,371,000 for the Food Quality Protection Act risk mitigation program for major food crop systems, $1,338,000 for the crops affected by Food Quality Protection Act implementation, $3,150,000 for the methyl bromide transition program, and $1,900,000 for the organic transition program; for a competitive international science and education grants program authorized under section 1459A of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3292b), to remain available until expended, $900,000; for grants programs authorized under section 2(c)(1)(B) of Public Law 89–106, as amended, $1,800,000, including $447,000, to remain available until September 30, 2005 for the critical issues program, and $1,353,000 for the regional rural development centers program; and $8,000,000 for the homeland security program authorized under section 1484 of the National Agricultural Research, Extension, and Teaching Act of 1977, to remain available until September 30, 2005.

OUTREACH FOR SOCIALLY DISADVANTAGED FARMERS

For grants and contracts pursuant to section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279), $5,970,000, to remain available until expended.

OFFICE OF THE UNDER SECRETARY FOR MARKETING AND REGULATORY PROGRAMS

For necessary salaries and expenses of the Office of the Under Secretary for Marketing and Regulatory Programs to administer programs under the laws enacted by the Congress for the Animal and Plant Health Inspection Service; the Agricultural Marketing Service; and the Grain Inspection, Packers and Stockyards Administration; $725,000.

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For expenses, not otherwise provided for, necessary to prevent, control, and eradicate pests and plant and animal diseases; to carry out inspection, quarantine, and regulatory activities; and to protect the environment, as authorized by law, $720,580,000, of which $4,112,000 shall be available for the control of outbreaks of insects, plant diseases, animal diseases and for control of pest animals and birds to the extent necessary to meet emergency conditions; of which $51,000,000 shall be used for the boll weevil eradication program for cost share purposes or for debt retirement for active eradication zones: Provided, That no funds shall be used to formulate or administer a brucellosis eradication program for the current fiscal year that does not require minimum matching by the States of at least 40 percent: Provided further, That this appropriation shall be available for the operation and maintenance of aircraft and the purchase of not to exceed four, of which two shall be for replacement only: Provided further, That, in addition, in emergencies which threaten any segment of the agricultural production industry of this country, the Secretary may transfer from other appropriations or funds available to the agencies or corporations of the Department such sums as may be deemed necessary, to be available only in such emergencies for the arrest and eradication of contagious or infectious disease or pests of animals, poultry, or plants, and for expenses in accordance with sections 10411 and 10417 of the Animal Health Protection Act (7 U.S.C. 8310 and 8316) and sections 431 and 442 of the Plant Protection Act (7 U.S.C. 7751 and 7772), and any unexpended balances of funds transferred for such emergency purposes in the preceding fiscal year shall be merged with such transferred amounts: Provided further, That appropriations hereunder shall be available pursuant to law (7 U.S.C. 2250) for the repair and alteration of leased buildings and improvements, but unless otherwise provided the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

In fiscal year 2004, the agency is authorized to collect fees to cover the total costs of providing technical assistance, goods, or services requested by States, other political subdivisions, domestic and international organizations, foreign governments, or individuals, provided that such fees are structured such that any entity's liability for such fees is reasonably based on the technical assistance, goods, or services provided to the entity by the agency, and such fees shall be credited to this account, to remain available until expended, without further appropriation, for providing such assistance, goods, or services.

BUILDINGS AND FACILITIES

For plans, construction, repair, preventive maintenance, environmental support, improvement, extension, alteration, and purchase of fixed equipment or facilities, as authorized by 7 U.S.C. 2250, and acquisition of land as authorized by 7 U.S.C. 428a, $4,996,000, to remain available until expended.

AGRICULTURAL MARKETING SERVICE

MARKETING SERVICES

For necessary expenses to carry out services related to consumer protection, agricultural marketing and distribution, transportation, and regulatory programs, as authorized by law, and for administration and coordination of payments to States, $75,430,000, including funds for the wholesale market development program for the design and development of wholesale and farmer market facilities for the major metropolitan areas of the country: Provided, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building: Provided further, That, in the case of the term of protection for the variety for which certificate number 8200179 was issued, on the date of enactment of this Act, the Secretary of Agriculture shall issue a new certificate for a term of protection of 10 years for the variety, except that the Secretary may terminate the certificate (at the end of any calendar year that is more than 5 years after the date of issuance of the certificate) if the Secretary determines that a new variety of seed (that is substantially based on the genetics of the variety for which the certificate was issued) is commercially viable and available in sufficient quantities to meet market demands.

Fees may be collected for the cost of standardization activities, as established by regulation pursuant to law (31 U.S.C. 9701).

LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed $62,577,000 (from fees collected) shall be obligated during the current fiscal year for administrative expenses: Provided, That if crop size is understated and/or other uncontrollable events occur, the agency may exceed this limitation by up to 10 percent with notification to the Committees on Appropriations of both Houses of Congress.

FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY (SECTION 32)

(INCLUDING TRANSFERS OF FUNDS)

Funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), shall be used only for commodity program expenses as authorized therein, and other related operating expenses, except for: (1) transfers to the Department of Commerce as authorized by the Fish and Wildlife Act of August 8, 1956; (2) transfers otherwise provided in this Act; and (3) not more than $15,392,000 for formulation and administration of marketing agreements and orders pursuant to the Agricultural Marketing Agreement Act of 1937 and the Agricultural Act of 1961.

PAYMENTS TO STATES AND POSSESSIONS

For payments to departments of agriculture, bureaus and departments of markets, and similar agencies for marketing activities under section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623(b)), $3,338,000, of which not less than $2,000,000 shall be used to make noncompetitive grants under this heading.

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the United States Grain Standards Act, for the administration of the Packers and Stockyards Act, for certifying procedures used to protect purchasers of farm products, and the standardization activities related to grain under the Agricultural Marketing Act of 1946, $35,890,000: Provided, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

LIMITATION ON INSPECTION AND WEIGHING SERVICES EXPENSES

Not to exceed $42,463,000 (from fees collected) shall be obligated during the current fiscal year for inspection and weighing services: Provided, That if grain export activities require additional supervision and oversight, or other uncontrollable factors occur, this limitation may be exceeded by up to 10 percent with notification to the Committees on Appropriations of both Houses of Congress.

OFFICE OF THE UNDER SECRETARY FOR FOOD SAFETY

For necessary salaries and expenses of the Office of the Under Secretary for Food Safety to administer the laws enacted by the Congress for the Food Safety and Inspection Service, $599,000.

FOOD SAFETY AND INSPECTION SERVICE

For necessary expenses to carry out services authorized by the Federal Meat Inspection Act, the Poultry Products Inspection Act, and the Egg Products Inspection Act, including not to exceed $50,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), $784,511,000, of which no less than $701,823,000 shall be available for Federal food safety inspection; and in addition, $1,000,000 may be credited to this account from fees collected for the cost of laboratory accreditation as authorized by section 1327 of the Food, Agriculture, Conservation and Trade Act of 1990 (7 U.S.C. 138f): Provided, That no fewer than 50 full time equivalent positions above the fiscal year 2002 level shall be employed during fiscal year 2004 for purposes dedicated solely to inspections and enforcement related to the Humane Methods of Slaughter Act: Provided further, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

OFFICE OF THE UNDER SECRETARY FOR FARM AND FOREIGN AGRICULTURAL SERVICES

For necessary salaries and expenses of the Office of the Under Secretary for Farm and Foreign Agricultural Services to administer the laws enacted by Congress for the Farm Service Agency, the Foreign Agricultural Service, the Risk Management Agency, and the Commodity Credit Corporation, $635,000.

FARM SERVICE AGENCY

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses for carrying out the administration and implementation of programs administered by the Farm Service Agency, $988,768,000: Provided, That the Secretary is authorized to use the services, facilities, and authorities (but not the funds) of the Commodity Credit Corporation to make program payments for all programs administered by the Agency: Provided further, That other funds made available to the Agency for authorized activities may be advanced to and merged with this account.

STATE MEDIATION GRANTS

For grants pursuant to section 502(b) of the Agricultural Credit Act of 1987, as amended (7 U.S.C. 5101–5106), $3,974,000.

DAIRY INDEMNITY PROGRAM

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses involved in making indemnity payments to dairy farmers and manufacturers of dairy products under a dairy indemnity program, $100,000, to remain available until expended: Provided, That such program is carried out by the Secretary in the same manner as the dairy indemnity program described in the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 106–387, 114 Stat. 1549A–12).

AGRICULTURAL CREDIT INSURANCE FUND PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For gross obligations for the principal amount of direct and guaranteed farm ownership (7 U.S.C. 1922 et seq.) and operating (7 U.S.C. 1941 et seq.) loans, Indian tribe land acquisition loans (25 U.S.C. 488), and boll weevil loans (7 U.S.C. 1989), to be available from funds in the Agricultural Credit Insurance Fund, as follows: farm ownership loans, $1,079,158,000, of which $950,000,000 shall be for guaranteed loans and $129,158,000 shall be for direct loans; operating loans, $2,083,752,000, of which $1,200,000,000 shall be for unsubsidized guaranteed loans, $266,249,000 shall be for subsidized guaranteed loans and $617,503,000 shall be for direct loans; Indian tribe land acquisition loans, $2,000,000; and for boll weevil eradication program loans, $100,000,000.

For the cost of direct and guaranteed loans, including the cost of modifying loans as defined in section 502 of the Congressional Budget Act of 1974, as follows: farm ownership loans, $33,648,000, of which $5,130,000 shall be for guaranteed loans, and $28,518,000 shall be for direct loans; operating loans, $163,004,000, of which $39,960,000 shall be for unsubsidized guaranteed loans, $34,000,000 shall be for subsidized guaranteed loans, and $89,044,000 shall be for direct loans.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, $290,968,000, of which $283,020,000 shall be transferred to and merged with the appropriation for "Farm Service Agency, Salaries and Expenses".

Funds appropriated by this Act to the Agricultural Credit Insurance Program Account for farm ownership and operating direct loans and guaranteed loans may be transferred among these programs: Provided, That the Committees on Appropriations of both Houses of Congress are notified at least 15 days in advance of any transfer.

RISK MANAGEMENT AGENCY

For administrative and operating expenses, as authorized by section 226A of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6933), $71,422,000: Provided, That not to exceed $1,000 shall be available for official reception and representation expenses, as authorized by 7 U.S.C. 1506(i).

CORPORATIONS

The following corporations and agencies are hereby authorized to make expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such corporation or agency, except as hereinafter provided.

FEDERAL CROP INSURANCE CORPORATION FUND

For payments as authorized by section 516 of the Federal Crop Insurance Act (7 U.S.C. 1516), such sums as may be necessary, to remain available until expended.

COMMODITY CREDIT CORPORATION FUND

REIMBURSEMENT FOR NET REALIZED LOSSES

For the current fiscal year, such sums as may be necessary to reimburse the Commodity Credit Corporation for net realized losses sustained, but not previously reimbursed, pursuant to section 2 of the Act of August 17, 1961 (15 U.S.C. 713a–11).

HAZARDOUS WASTE MANAGEMENT

(LIMITATION ON EXPENSES)

For the current fiscal year, the Commodity Credit Corporation shall not expend more than $5,000,000 for site investigation and cleanup expenses, and operations and maintenance expenses to comply with the requirement of section 107(g) of the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. 9607(g)), and section 6001 of the Resource Conservation and Recovery Act (42 U.S.C. 6961).

TITLE II

CONSERVATION PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT

For necessary salaries and expenses of the Office of the Under Secretary for Natural Resources and Environment to administer the laws enacted by the Congress for the Forest Service and the Natural Resources Conservation Service, $745,000.

NATURAL RESOURCES CONSERVATION SERVICE

CONSERVATION OPERATIONS

For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U.S.C. 590a–f), including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures for soil and water management as may be necessary to prevent floods and the siltation of reservoirs and to control agricultural related pollutants); operation of conservation plant materials centers; classification and mapping of soil; dissemination of information; acquisition of lands, water, and interests therein for use in the plant materials program by donation, exchange, or purchase at a nominal cost not to exceed $100 pursuant to the Act of August 3, 1956 (7 U.S.C. 428a); purchase and erection or alteration or improvement of permanent and temporary buildings; and operation and maintenance of aircraft, $853,004,000, to remain available until expended (7 U.S.C. 2209b), of which not less than $9,250,000 is for snow survey and water forecasting, and not less than $11,500,000 is for operation and establishment of the plant materials centers, and of which not less than $23,500,000 shall be for the grazing lands conservation initiative: Provided, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for construction and improvement of buildings and public improvements at plant materials centers, except that the cost of alterations and improvements to other buildings and other public improvements shall not exceed $250,000: Provided further, That when buildings or other structures are erected on non-Federal land, that the right to use such land is obtained as provided in 7 U.S.C. 2250a: Provided further, That this appropriation shall be available for technical assistance and related expenses to carry out programs authorized by section 202(c) of title II of the Colorado River Basin Salinity Control Act of 1974 (43 U.S.C. 1592(c)): Provided further, That qualified local engineers may be temporarily employed at per diem rates to perform the technical planning work of the Service: Provided further, That none of the funds made available under this paragraph by this or any other appropriations Act may be used to provide technical assistance with respect to programs listed in section 1241(a) of the Food Security Act of 1985 (16 U.S.C. 3841(a)).

WATERSHED SURVEYS AND PLANNING

For necessary expenses to conduct research, investigation, and surveys of watersheds of rivers and other waterways, and for small watershed investigations and planning, in accordance with the Watershed Protection and Flood Prevention Act (16 U.S.C. 1001–1009), $10,562,000: Provided, That none of the funds made available under this paragraph by this or any other appropriations Act may be used to provide technical assistance with respect to programs listed in section 1241(a) of the Food Security Act of 1985 (16 U.S.C. 3841(a)).

WATERSHED AND FLOOD PREVENTION OPERATIONS

For necessary expenses to carry out preventive measures, including but not limited to research, engineering operations, methods of cultivation, the growing of vegetation, rehabilitation of existing works and changes in use of land, in accordance with the Watershed Protection and Flood Prevention Act (16 U.S.C. 1001–1005 and 1007–1009), the provisions of the Act of April 27, 1935 (16 U.S.C. 590a–f), and in accordance with the provisions of laws relating to the activities of the Department, $87,000,000, to remain available until expended; of which up to $10,000,000 may be available for the watersheds authorized under the Flood Control Act (33 U.S.C. 701 and 16 U.S.C. 1006a): Provided, That not to exceed $40,000,000 of this appropriation shall be available for technical assistance: Provided further, That not to exceed $1,000,000 of this appropriation is available to carry out the purposes of the Endangered Species Act of 1973 (Public Law 93–205), including cooperative efforts as contemplated by that Act to relocate endangered or threatened species to other suitable habitats as may be necessary to expedite project construction: Provided further, That none of the funds made available under this paragraph by this or any other appropriations Act may be used to provide technical assistance with respect to programs listed in section 1241(a) of the Food Security Act of 1985 (16 U.S.C. 3841(a)).

WATERSHED REHABILITATION PROGRAM

For necessary expenses to carry out rehabilitation of structural measures, in accordance with section 14 of the Watershed Protection and Flood Prevention Act (16 U.S.C. 1012), and in accordance with the provisions of laws relating to the activities of the Department, $29,805,000, to remain available until expended: Provided, That none of the funds made available under this paragraph by this or any other appropriations Act may be used to provide technical assistance with respect to programs listed in section 1241(a) of the Food Security Act of 1985 (16 U.S.C. 3841(a)).

RESOURCE CONSERVATION AND DEVELOPMENT

For necessary expenses in planning and carrying out projects for resource conservation and development and for sound land use pursuant to the provisions of sections 31 and 32 of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1010–1011; 76 Stat. 607); the Act of April 27, 1935 (16 U.S.C. 590a–f); and subtitle H of title XV of the Agriculture and Food Act of 1981 (16 U.S.C. 3451–3461), $51,947,000, to remain available until expended: Provided, That none of the funds made available under this paragraph by this or any other appropriations Act may be used to provide technical assistance with respect to programs listed in section 1241(a) of the Food Security Act of 1985 (16 U.S.C. 3841(a)): Provided further, That the Secretary shall enter into a cooperative or contribution agreement with a national association regarding a Resource Conservation and Development program and such agreement shall contain the same matching, contribution requirements, and funding level, set forth in a similar cooperative or contribution agreement with a national association in fiscal year 2002: Provided further, That not to exceed $3,504,300, the same amount as in the budget, shall be available for national headquarters activities.

TITLE III

RURAL DEVELOPMENT PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR RURAL DEVELOPMENT

For necessary salaries and expenses of the Office of the Under Secretary for Rural Development to administer programs under the laws enacted by the Congress for the Rural Housing Service, the Rural Business-Cooperative Service, and the Rural Utilities Service of the Department of Agriculture, $636,000.

RURAL COMMUNITY ADVANCEMENT PROGRAM

(INCLUDING TRANSFERS OF FUNDS)

For the cost of direct loans, loan guarantees, and grants, as authorized by 7 U.S.C. 1926, 1926a, 1926c, 1926d, and 1932, except for sections 381E–H and 381N of the Consolidated Farm and Rural Development Act, $757,425,000, to remain available until expended, of which $75,919,000 shall be for rural community programs described in section 381E(d)(1) of such Act; of which $605,006,000 shall be for the rural utilities programs described in sections 381E(d)(2), 306C(a)(2), and 306D of such Act, of which not to exceed $500,000 shall be available for the rural utilities program described in section 306(a)(2)(B) of such Act, and of which not to exceed $1,000,000 shall be available for the rural utilities program described in section 306E of such Act; and of which $76,500,000 shall be for the rural business and cooperative development programs described in sections 381E(d)(3) and 310B(f) of such Act: Provided, That of the amount appropriated for rural business and cooperative development programs, $100,000 shall be for a pilot program in the State of Alaska to assist communities with community planning: Provided further, That of the total amount appropriated in this account, $24,000,000 shall be for loans and grants to benefit Federally Recognized Native American Tribes, including grants for drinking water and waste disposal systems pursuant to section 306C of such Act, of which $4,000,000 shall be available for community facilities grants to tribal colleges, as authorized by section 306(a)(19) of the Consolidated Farm and Rural Development Act, and of which $250,000 shall be available for a grant to a qualified national organization to provide technical assistance for rural transportation in order to promote economic development: Provided further, That of the amount appropriated for rural community programs, $6,000,000 shall be available for a Rural Community Development Initiative: Provided further, That such funds shall be used solely to develop the capacity and ability of private, nonprofit community-based housing and community development organizations, low-income rural communities, and Federally Recognized Native American Tribes to undertake projects to improve housing, community facilities, community and economic development projects in rural areas: Provided further, That such funds shall be made available to qualified private, nonprofit and public intermediary organizations proposing to carry out a program of financial and technical assistance: Provided further, That such intermediary organizations shall provide matching funds from other sources, including Federal funds for related activities, in an amount not less than funds provided: Provided further, That of the amount appropriated for the rural business and cooperative development programs, not to exceed $500,000 shall be made available for a grant to a qualified national organization to provide technical assistance for rural transportation in order to promote economic development; $1,750,000 shall be for grants to the Delta Regional Authority (7 U.S.C. 1921 et seq.); and not less than $2,000,000 shall be available for grants in accordance with section 310B(f) of the Consolidated Farm and Rural Development Act: Provided further, That of the amount appropriated for rural utilities programs, not to exceed $25,000,000 shall be for water and waste disposal systems to benefit the Colonias along the United States/Mexico border, including grants pursuant to section 306C of such Act; not to exceed $28,000,000 shall be for water and waste disposal systems for rural and native villages in Alaska pursuant to section 306D of such Act, with up to 1 percent available to administer the program and up to 1 percent available to improve interagency coordination may be transferred to and merged with the appropriation for "Rural Development, Salaries and Expenses", of which $100,000 shall be provided to develop a regional system for centralized billing, operation, and management of rural water and sewer utilities through regional cooperatives, of which 25 percent shall be provided for water and sewer projects in regional hubs, and the State of Alaska shall provide a 25 percent cost share; not to exceed $17,733,000 shall be for technical assistance grants for rural water and waste systems pursuant to section 306(a)(14) of such Act, of which $5,513,000 shall be for Rural Community Assistance Programs; and not to exceed $13,000,000 shall be for contracting with qualified national organizations for a circuit rider program to provide technical assistance for rural water systems: Provided further, That of the amount appropriated for the circuit rider program, Alaska shall receive two additional full circuit rider contracts and not less than $750,000 shall be for contracting with qualified national organizations to establish a Native American circuit rider program to provide technical assistance for rural water systems: Provided further, That of the total amount appropriated, not to exceed $22,132,000 shall be available through June 30, 2004, for authorized empowerment zones and enterprise communities and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones; of which $1,000,000 shall be for the rural community programs described in section 381E(d)(1) of such Act, of which $12,582,000 shall *be for the rural utilities programs described in section 381E(d)(2) of such Act, and of which $8,550,000 shall be for the rural business and cooperative development programs described in section 381E(d)(3) of such Act: Provided further, That of the amount appropriated for rural community programs, not to exceed $22,000,000 shall be to provide grants for facilities in rural communities with extreme unemployment and severe economic depression (Public Law 106–387), with 5 percent for administration and capacity building in the State rural development offices: Provided further, That of the amount appropriated, $28,000,000 shall be transferred to and merged with the "Rural Utilities Service, High Energy Cost Grants Account" to provide grants authorized under section 19 of the Rural Electrification Act of 1936 (7 U.S.C. 918a): Provided further, That any prior year balances for high cost energy grants authorized by section 19 of the Rural Electrification Act of 1936 (7 U.S.C. 901(19)) shall be transferred to and merged with the "Rural Utilities Service, High Energy Costs Grants Account".*

RURAL DEVELOPMENT SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses for carrying out the administration and implementation of programs in the Rural Development mission area, including activities with institutions concerning the development and operation of agricultural cooperatives; and for cooperative agreements;$141,869,000: Provided, That notwithstanding any other provision of law, funds appropriated under this section may be used for advertising and promotional activities that support the Rural Development mission area: Provided further, That not more than $10,000 may be expended to provide modest nonmonetary awards to non-USDA employees: Provided further, That any balances available from prior years for the Rural Utilities Service, Rural Housing Service, and the Rural Business-Cooperative Service salaries and expenses accounts shall be transferred to and merged with this appropriation.

RURAL HOUSING SERVICE

RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For gross obligations for the principal amount of direct and guaranteed loans as authorized by title V of the Housing Act of 1949, to be available from funds in the rural housing insurance fund, as follows: $4,091,634,000 for loans to section 502 borrowers, as determined by the Secretary, of which $1,366,462,000 shall be for direct loans, and of which $2,725,172,000 shall be for unsubsidized guaranteed loans; $35,004,000 for section 504 housing repair loans; $116,545,000 for section 515 rental housing; $100,000,000 for section 538 guaranteed multi-family housing loans; $5,045,000 for section 524 site loans; $11,500,000 for credit sales of acquired property, of which up to $1,500,000 may be for multi-family credit sales; and $2,400,000 for section 523 self-help housing land development loans.

For the cost of direct and guaranteed loans, including the cost of modifying loans, as defined in section 502 of the Congressional Budget Act of 1974, as follows: section 502 loans, $165,921,000, of which $126,018,000 shall be for direct loans, and of which $39,903,000, to remain available until expended, shall be for unsubsidized guaranteed loans; section 504 housing repair loans, $9,612,000; section 515 rental housing, $50,126,000; section 538 multi-family housing guaranteed loans, $5,950,000; multi-family credit sales of acquired property, $663,000; and section 523 self-help housing land development loans, $75,000: Provided, That of the total amount appropriated in this paragraph, $7,100,000 shall be available through June 30, 2004, for authorized empowerment zones and enterprise communities and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, $443,302,000, which shall be transferred to and merged with the appropriation for "Rural Development, Salaries and Expenses".

RENTAL ASSISTANCE PROGRAM

For rental assistance agreements entered into or renewed pursuant to the authority under section 521(a)(2) or agreements entered into in lieu of debt forgiveness or payments for eligible households as authorized by section 502(c)(5)(D) of the Housing Act of 1949, $584,000,000; and, in addition, such sums as may be necessary, as authorized by section 521(c) of the Act, to liquidate debt incurred prior to fiscal year 1992 to carry out the rental assistance program under section 521(a)(2) of the Act: Provided, That of this amount, not more than $5,900,000 shall be available for debt forgiveness or payments for eligible households as authorized by section 502(c)(5)(D) of the Act, and not to exceed $20,000 per project for advances to nonprofit organizations or public agencies to cover direct costs (other than purchase price) incurred in purchasing projects pursuant to section 502(c)(5)(C) of the Act: Provided further, That agreements entered into or renewed during the current fiscal year shall be funded for a four-year period: Provided further, That any unexpended balances remaining at the end of such four-year agreements may be transferred and used for the purposes of any debt reduction; maintenance, repair, or rehabilitation of any existing projects; preservation; and rental assistance activities authorized under title V of the Act.

MUTUAL AND SELF-HELP HOUSING GRANTS

For grants and contracts pursuant to section 523(b)(1)(A) of the Housing Act of 1949 (42 U.S.C. 1490c), $34,000,000, to remain available until expended: Provided, That of the total amount appropriated, $1,000,000 shall be available through June 30, 2004, for authorized empowerment zones and enterprise communities and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones.

RURAL HOUSING ASSISTANCE GRANTS

For grants and contracts for very low-income housing repair, supervisory and technical assistance, compensation for construction defects, and rural housing preservation made by the Rural Housing Service, as authorized by 42 U.S.C. 1474, 1479(c), 1490e, and 1490m, $46,222,000, to remain available until expended, of which $5,000,000 shall be available for a processing and/or fishery workers housing demonstration project in Alaska, Mississippi, Utah, and Wisconsin: Provided, That of the total amount appropriated, $1,800,000 shall be available through June 30, 2004, for authorized empowerment zones and enterprise communities and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones.

FARM LABOR PROGRAM ACCOUNT

For the cost of direct loans, grants, and contracts, as authorized by 42 U.S.C. 1484 and 1486, $36,307,000, to remain available until expended, for direct farm labor housing loans and domestic farm labor housing grants and contracts.

RURAL BUSINESS—COOPERATIVE SERVICE

RURAL DEVELOPMENT LOAN FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the principal amount of direct loans, as authorized by the Rural Development Loan Fund (42 U.S.C. 9812(a)), $40,000,000.

For the cost of direct loans, $17,308,000, as authorized by the Rural Development Loan Fund (42 U.S.C. 9812(a)), of which $1,724,000 shall be available through June 30, 2004, for Federally Recognized Native American Tribes and of which $3,449,000 shall be available through June 30, 2004, for the Delta Regional Authority (7 U.S.C. 1921 et seq.): Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That of the total amount appropriated, $2,447,000 shall be available through June 30, 2004, for the cost of direct loans for authorized empowerment zones and enterprise communities and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones.

In addition, for administrative expenses to carry out the direct loan programs, $4,272,000 shall be transferred to and merged with the appropriation for "Rural Development, Salaries and Expenses".

RURAL ECONOMIC DEVELOPMENT LOANS PROGRAM ACCOUNT

(INCLUDING RESCISSION OF FUNDS)

For the principal amount of direct loans, as authorized under section 313 of the Rural Electrification Act, for the purpose of promoting rural economic development and job creation projects, $15,002,000.

For the cost of direct loans, including the cost of modifying loans as defined in section 502 of the Congressional Budget Act of 1974, $2,792,000.

Of the funds derived from interest on the cushion of credit payments in the current fiscal year, as authorized by section 313 of the Rural Electrification Act of 1936, $2,792,000 shall not be obligated and $2,792,000 are rescinded.

RURAL COOPERATIVE DEVELOPMENT GRANTS

For rural cooperative development grants authorized under section 310B(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932), $24,000,000, of which $2,500,000 shall be for cooperative agreements for the appropriate technology transfer for rural areas program: Provided, That not to exceed $1,500,000 shall be for cooperatives or associations of cooperatives whose primary focus is to provide assistance to small, minority producers and whose governing board and/or membership is comprised of at least 75 percent minority; and of which not to exceed $15,000,000, to remain available until expended, shall be for value-added agricultural product market development grants, as authorized by section 6401 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 1621 note).

RURAL EMPOWERMENT ZONES AND ENTERPRISE COMMUNITIES GRANTS

For grants in connection with second and third rounds of empowerment zones and enterprise communities, $12,667,000, to remain available until expended, for designated rural empowerment zones and rural enterprise communities, as authorized by the Taxpayer Relief Act of 1997 and the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (Public Law 105–277): Provided, That of the funds appropriated, $1,000,000 shall be made available to third round empowerment zones, as authorized by the Community Renewal Tax Relief Act (Public Law 106–554).

RENEWABLE ENERGY PROGRAM

For the cost of a program of direct loans, loan guarantees, and grants, under the same terms and conditions as authorized by section 9006 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8106), $23,000,000 for direct and guaranteed renewable energy loans and grants: Provided, That the cost of direct loans and loan guarantees, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974.

RURAL UTILITIES SERVICE

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

Insured loans pursuant to the authority of section 305 of the Rural Electrification Act of 1936 (7 U.S.C. 935) shall be made as follows: 5 percent rural electrification loans, $240,000,000; municipal rate rural electric loans, $1,000,000,000; loans made pursuant to section 306 of that Act, rural electric, $2,000,000,000; Treasury rate direct electric loans, $750,000,000; 5 percent rural telecommunications loans, $145,000,000; cost of money rural telecommunications loans, $250,000,000; loans made pursuant to section 306 of that Act, rural telecommunications loans, $120,000,000; and for guaranteed underwriting loans pursuant to section 313A, $1,000,000,000.

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, including the cost of modifying loans, of direct and guaranteed loans authorized by sections 305 and 306 of the Rural Electrification Act of 1936 (7 U.S.C. 935 and 936), as follows: cost of rural electric loans, $60,000, and the cost of telecommunication loans, $125,000: Provided, That notwithstanding section 305(d)(2) of the Rural Electrification Act of 1936, borrower interest rates may exceed 7 percent per year.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, $37,853,000 which shall be transferred to and merged with the appropriation for "Rural Development, Salaries and Expenses".

RURAL TELEPHONE BANK PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

The Rural Telephone Bank is hereby authorized to make such expenditures, within the limits of funds available to such corporation in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as may be necessary in carrying out its authorized programs. During fiscal year 2004 and within the resources and authority available, gross obligations for the principal amount of direct loans shall be $173,503,000.

In addition, for administrative expenses, including audits, necessary to carry out the loan programs, $3,171,000, which shall be transferred to and merged with the appropriation for "Rural Development, Salaries and Expenses".

DISTANCE LEARNING, TELEMEDICINE, AND BROADBAND PROGRAM

For the principal amount of direct distance learning and telemedicine loans, $300,000,000; and for the principal amount of direct broadband telecommunication loans, $602,000,000.

For grants for telemedicine and distance learning services in rural areas, as authorized by 7 U.S.C. 950aaa et seq., $39,000,000, to remain available until expended: Provided, That $14,000,000 shall be made available to convert analog to digital operation those noncommercial educational television broadcast stations that serve rural areas and are qualified for Community Service Grants by the Corporation for Public Broadcasting under section 396(k) of the Communications Act of 1934, including associated translators, repeaters, and studio-to-transmitter links.

For the cost of broadband loans, as authorized by 7 U.S.C. 901 et seq., $13,116,000: Provided, That the interest rate for such loans shall be the cost of borrowing to the Department of the Treasury for obligations of comparable maturity: Provided further, That the cost of direct loans shall be as defined in section 502 of the Congressional Budget Act of 1974.

In addition, $9,000,000, to remain available until expended, for a grant program to finance broadband transmission in rural areas eligible for Distance Learning and Telemedicine Program benefits authorized by 7 U.S.C. 950aaa.

TITLE IV

DOMESTIC FOOD PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR FOOD, NUTRITION AND CONSUMER SERVICES

For necessary salaries and expenses of the Office of the Under Secretary for Food, Nutrition and Consumer Services to administer the laws enacted by the Congress for the Food and Nutrition Service, $599,000.

FOOD AND NUTRITION SERVICE

CHILD NUTRITION PROGRAMS

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out the National School Lunch Act (42 U.S.C. 1751 et seq.), except section 21, and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), except sections 17 and 21; $11,417,441,000, to remain available through September 30, 2005, of which $6,717,780,000 is hereby appropriated and $4,699,661,000 shall be derived by transfer from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c): Provided, That $5,000,000 shall be available for the Food and Nutrition Service to conduct a study of over and under certification errors and the effect on expenditures in the National School Lunch and School Breakfast Programs and an assessment of the feasibility of using income data matching in those programs: Provided further, That except as specifically provided under this heading, none of the funds made available under this heading shall be used for studies and evaluations: Provided further, That up to $5,235,000 shall be available for independent verification of school food service claims.

SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)

For necessary expenses to carry out the special supplemental nutrition program as authorized by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), $4,639,232,000, to remain available through September 30, 2005: Provided, That of the total amount available, the Secretary shall obligate not less than $15,000,000 for a breastfeeding support initiative in addition to the activities specified in section 17(h)(3)(A) and up to $25,000,000 for a management information system initiative upon a determination by the Secretary that funds are available to meet caseload requirements: Provided further, That up to $4,000,000 shall be available for pilot projects to prevent childhood obesity upon a determination by the Secretary that funds are available to meet caseload requirements: Provided further, That of the total amount available, the Secretary shall obligate $23,000,000 for the farmers' market nutrition program: Provided further, That notwithstanding section 17(h)(10)(A) of such Act, $14,000,000 shall be available for the purposes specified in section 17(h)(10)(B): Provided further, That none of the funds made available under this heading shall be used for studies and evaluations: Provided further, That none of the funds in this Act shall be available to pay administrative expenses of WIC clinics except those that have an announced policy of prohibiting smoking within the space used to carry out the program: Provided further, That none of the funds provided in this account shall be available for the purchase of infant formula except in accordance with the cost containment and competitive bidding requirements specified in section 17 of such Act: Provided further, That none of the funds provided shall be available for activities that are not fully reimbursed by other Federal Government departments or agencies unless authorized by section 17 of such Act.

FOOD STAMP PROGRAM

For necessary expenses to carry out the Food Stamp Act (7 U.S.C. 2011 et seq.), $30,945,981,000, of which $3,000,000,000 shall be placed in reserve for use only in such amounts and at such times as may become necessary to carry out program operations: Provided, That none of the funds made available under this heading shall be used for studies and evaluations: Provided further, That of the funds made available under this heading and not already appropriated to the Food Distribution Program on Indian Reservations (FDPIR) established under section 4(b) of the Food Stamp Act of 1977 (7 U.S.C. 2013(b)), not to exceed $4,000,000 shall be used to purchase bison meat for the FDPIR from Native American bison producers as well as from producer-owned cooperatives of bison ranchers: Provided further, That funds provided herein shall be expended in accordance with section 16 of the Food Stamp Act: Provided further, That this appropriation shall be subject to any work registration or workfare requirements as may be required by law: Provided further, That funds made available for Employment and Training under this heading shall remain available until expended, as authorized by section 16(h)(1) of the Food Stamp Act.

COMMODITY ASSISTANCE PROGRAM

For necessary expenses to carry out disaster assistance and the commodity supplemental food program as authorized by section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note); the Emergency Food Assistance Act of 1983; and special assistance (in a form determined by the Secretary of Agriculture) for the nuclear affected islands, as authorized by section 103(h)(2) of the Compact of Free Association Act of 1985 (48 U.S.C. 1903(h)(2)) (or a successor law), $150,000,000, to remain available through September 30, 2005: Provided, That none of these funds shall be available to reimburse the Commodity Credit Corporation for commodities donated to the program.

NUTRITION PROGRAMS ADMINISTRATION

For necessary administrative expenses of the domestic nutrition assistance programs funded under this Act, $138,304,000, of which $5,000,000 shall be available only for simplifying procedures, reducing overhead costs, tightening regulations, improving food stamp benefit delivery, and assisting in the prevention, identification, and prosecution of fraud and other violations of law; and of which not less than $4,000,000 shall be available to improve integrity in the Food Stamp and Child Nutrition programs.

TITLE V

FOREIGN ASSISTANCE AND RELATED PROGRAMS

FOREIGN AGRICULTURAL SERVICE

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954 (7 U.S.C. 1761–1769), market development activities abroad, and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed $158,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), $132,148,000: Provided, That the Service may utilize advances of funds, or reimburse this appropriation for expenditures made on behalf of Federal agencies, public and private organizations and institutions under agreements executed pursuant to the agricultural food production assistance programs (7 U.S.C. 1737) and the foreign assistance programs of the United States Agency for International Development.

PUBLIC LAW 480 TITLE I PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of agreements *under the Agricultural Trade Development and Assistance Act of 1954, and the Food for Progress Act of 1985, including the cost of modifying credit arrangements under said Acts, $103,887,000, to remain available until expended.*

In addition, for administrative expenses to carry out the credit program of title I, Public Law 83–480, and the Food for Progress Act of 1985, to the extent funds appropriated for Public Law 83–480 are utilized, $2,134,000, of which $1,075,000 may be transferred to and merged with the appropriation for "Foreign Agricultural Service, Salaries and Expenses", and of which $1,059,000 may be transferred to and merged with the appropriation for "Farm Service Agency, Salaries and Expenses".

PUBLIC LAW 480 TITLE I OCEAN FREIGHT DIFFERENTIAL GRANTS

(INCLUDING TRANSFER OF FUNDS)

For ocean freight differential costs for the shipment of agricultural commodities under title I of the Agricultural Trade Development and Assistance Act of 1954 and under the Food for Progress Act of 1985, $28,000,000, to remain available until expended: Provided, That funds made available for the cost of agreements under title I of the Agricultural Trade Development and Assistance Act of 1954 and for title I ocean freight differential may be used interchangeably between the two accounts with prior notice to the Committees on Appropriations of both Houses of Congress.

PUBLIC LAW 480 TITLE II GRANTS

For expenses during the current fiscal year, not otherwise recoverable, and unrecovered prior years' costs, including interest thereon, under the Agricultural Trade Development and Assistance Act of 1954, for commodities supplied in connection with dispositions abroad under title II of said Act, $1,192,000,000, to remain available until expended.

MCGOVERN-DOLE INTERNATIONAL FOOD FOR EDUCATION AND CHILD NUTRITION PROGRAM GRANTS

For necessary expenses to carry out the provisions of section 3107 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 1736o–1), $50,000,000, to remain available until expended: Provided, That the Commodity Credit Corporation is authorized to provide the services, facilities, and authorities for the purpose of implementing such section, subject to reimbursement from amounts provided herein.

COMMODITY CREDIT CORPORATION EXPORT LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For administrative expenses to carry out the Commodity Credit Corporation's export guarantee program, GSM 102 and GSM 103, $4,152,000; to cover common overhead expenses as permitted by section 11 of the Commodity Credit Corporation Charter Act and in conformity with the Federal Credit Reform Act of 1990, of which $3,306,000 may be transferred to and merged with the appropriation for "Foreign Agricultural Service, Salaries and Expenses", and of which $846,000 may be transferred to and merged with the appropriation for "Farm Service Agency, Salaries and Expenses".

TITLE VI

RELATED AGENCIES AND FOOD AND DRUG ADMINISTRATION

DEPARTMENT OF HEALTH AND HUMAN SERVICES

FOOD AND DRUG ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Food and Drug Administration, including hire and purchase of passenger motor vehicles; for payment of space rental and related costs pursuant to Public Law 92–313 for programs and activities of the Food and Drug Administration which are included in this Act; for rental of special purpose space in the District of Columbia or elsewhere; for miscellaneous and emergency expenses of enforcement activities, authorized and approved by the Secretary and to be accounted for solely on the Secretary's certificate, not to exceed $25,000; and notwithstanding section 521 of Public Law 107–188; $1,673,441,000: Provided, That of the amount provided under this heading, $249,825,000 shall be derived from prescription drug user fees authorized by 21 U.S.C. 379h, and shall be credited to this account and remain available until expended; $31,654,000 shall be derived from medical device user fees authorized by 21 U.S.C. 379j, and shall be credited to this account and remain available until expended; and $5,000,000 shall be derived from animal drug user fees (subject to enactment of legislation authorizing such fees), and shall be credited to this account and remain available until expended: Provided further, That fees derived from prescription drug, medical device, and animal drug assessments received during fiscal year 2004, including any such fees assessed prior to the current fiscal year but credited during the current year, shall be subject to the fiscal year 2004 limitation: Provided further, That none of these funds shall be used to develop, establish, or operate any program of user fees authorized by 31 U.S.C. 9701: Provided further, That of the total amount appropriated: (1) $413,112,000 shall be for the Center for Food Safety and Applied Nutrition and related field activities in the Office of Regulatory Affairs; (2) $477,966,000 shall be for the Center for Drug Evaluation and Research and related field activities in the Office of Regulatory Affairs; (3) $169,429,000 shall be for the Center for Biologics Evaluation and Research and for related field activities in the Office of Regulatory Affairs; (4) $89,396,000 shall be for the Center for Veterinary Medicine and for related field activities in the Office of Regulatory Affairs; (5) $209,420,000 shall be for the Center for Devices and Radiological Health and for related field activities in the Office of Regulatory Affairs; (6) $39,887,000 shall be for the National Center for Toxicological Research; (7) $39,276,000 shall be for Rent and Related activities, other than the amounts paid to the General Services Administration for rent; (8) $119,594,000 shall be for payments to the General Services Administration for rent; and (9) $115,361,000 shall be for other activities, including the Office of the Commissioner; the Office of Management and Systems; the Office of External Relations; the Office of Policy and Planning; and central services for these offices: Provided further, That funds may be transferred from one specified activity to another with the prior approval of the Committees on Appropriations of both Houses of Congress.

In addition, mammography user fees authorized by 42 U.S.C. 263b may be credited to this account, to remain available until expended.

In addition, export certification user fees authorized by 21 U.S.C. 381 may be credited to this account, to remain available until expended.

BUILDINGS AND FACILITIES

For plans, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities of or used by the Food and Drug Administration, where not otherwise provided, $7,000,000 to remain available until expended.

INDEPENDENT AGENCIES

COMMODITY FUTURES TRADING COMMISSION

For necessary expenses to carry out the provisions of the Commodity Exchange Act (7 U.S.C. 1 et seq.), including the purchase and hire of passenger motor vehicles, and the rental of space (to include multiple year leases) in the District of Columbia and elsewhere, $90,435,000, including not to exceed $3,000 for official reception and representation expenses.

FARM CREDIT ADMINISTRATION

LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed $40,900,000 (from assessments collected from farm credit institutions and from the Federal Agricultural Mortgage Corporation) shall be obligated during the current fiscal year for administrative expenses as authorized under 12 U.S.C. 2249: Provided, That this limitation shall not apply to expenses associated with receiverships.

TITLE VII—GENERAL PROVISIONS

SEC. 701. Within the unit limit of cost fixed by law, appropriations and authorizations made for the Department of Agriculture for the current fiscal year under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed 398 passenger motor vehicles, of which 396 shall be for replacement only, and for the hire of such vehicles.

SEC. 702. Funds in this Act available to the Department of Agriculture shall be available for uniforms or allowances therefor as authorized by law (5 U.S.C. 5901–5902).

SEC. 703. Funds appropriated by this Act shall be available for employment pursuant to the second sentence of section 706(a) of the Department of Agriculture Organic Act of 1944 (7 U.S.C. 2225) and 5 U.S.C. 3109.

SEC. 704. The Secretary of Agriculture may transfer unobligated balances of discretionary funds appropriated by this Act or other available unobligated discretionary balances of the Department of Agriculture to the Working Capital Fund for the acquisition of plant and capital equipment necessary for the delivery of financial, administrative, and information technology services of primary benefit to the agencies of the Department of Agriculture: Provided, That none of the funds made available by this Act or any other Act shall be transferred to the Working Capital Fund without the prior approval of the agency administrator: Provided further, That none of the funds transferred to the Working Capital Fund pursuant to this section shall be available for obligation without the prior approval of the Committees on Appropriations of both Houses of Congress.

SEC. 705. New obligational authority provided for the following appropriation items in this Act shall remain available until expended: Animal and Plant Health Inspection Service, the contingency fund to meet emergency conditions, information technology infrastructure, fruit fly program, emerging plant pests, boll weevil program, and up to 25 percent of the screwworm program; Food Safety and Inspection Service, field automation and information management project; Cooperative State Research, Education, and Extension Service, funds for competitive research grants (7 U.S.C. 450i(b)), funds for the Research, Education, and Economics Information System (REEIS), and funds for the Native American Institutions Endowment Fund; Farm Service Agency, salaries and expenses funds made available to county committees; Foreign Agricultural Service, middle-income country training program and up to $2,000,000 of the Foreign Agricultural Service appropriation solely for the purpose of offsetting fluctuations in international currency exchange rates, subject to documentation by the Foreign Agricultural Service.

SEC. 706. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 707. Not to exceed $50,000 of the appropriations available to the Department of Agriculture in this Act shall be available to provide appropriate orientation and language training pursuant to section 606C of the Act of August 28, 1954 (7 U.S.C. 1766b).

SEC. 708. No funds appropriated by this Act may be used to pay negotiated indirect cost *rates on cooperative agreements or similar arrangements between the United States Department of Agriculture and nonprofit institutions in excess of 10 percent of the total direct cost of the agreement when the purpose of such cooperative arrangements is to carry out programs of mutual interest between the two parties. This does not preclude appropriate payment of indirect costs on grants and contracts with such institutions when such indirect costs are computed on a similar basis for all agencies for which appropriations are provided in this Act.*

SEC. 709. None of the funds in this Act shall be available to restrict the authority of the Commodity Credit Corporation to lease space for its own use or to lease space on behalf of other agencies of the Department of Agriculture when such space will be jointly occupied.

SEC. 710. None of the funds in this Act shall be available to pay indirect costs charged against competitive agricultural research, education, or extension grant awards issued by the Cooperative State Research, Education, and Extension Service that exceed 20 percent of total Federal funds provided under each award: Provided, That notwithstanding section 1462 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3310), funds provided by this Act for grants awarded competitively by the Cooperative State Research, Education, and Extension Service shall be available to pay full allowable indirect costs for each grant awarded under section 9 of the Small Business Act (15 U.S.C. 638).

SEC. 711. Notwithstanding any other provision of this Act, all loan levels provided in this Act shall be considered estimates, not limitations.

SEC. 712. Appropriations to the Department of Agriculture for the cost of direct and guaranteed loans made available in the current fiscal year shall remain available until expended to cover obligations made in the current fiscal year for the following accounts: the Rural Development Loan Fund program account, the Rural Telephone Bank program account, the Rural Electrification and Telecommunication Loans program account, the Rural Housing Insurance Fund program account, and the Rural Economic Development Loans program account.

SEC. 713. None of the funds in this Act may be used to retire more than 5 percent of the Class A stock of the Rural Telephone Bank or to maintain any account or subaccount within the accounting records of the Rural Telephone Bank the creation of which has not specifically been authorized by statute: Provided, That notwithstanding any other provision of law, none of the funds appropriated or otherwise made available in this Act may be used to transfer to the Treasury or to the Federal Financing Bank any unobligated balance of the Rural Telephone Bank telephone liquidating account which is in excess of current requirements and such balance shall receive interest as set forth for financial accounts in section 505(c) of the Federal Credit Reform Act of 1990.

SEC. 714. Of the funds made available by this Act, not more than $1,800,000 shall be used to cover necessary expenses of activities related to all advisory committees, panels, commissions, and task forces of the Department of Agriculture, except for panels used to comply with negotiated rule makings and panels used to evaluate competitively awarded grants.

SEC. 715. None of the funds appropriated by this Act may be used to carry out section 410 of the Federal Meat Inspection Act (21 U.S.C. 679a) or section 30 of the Poultry Products Inspection Act (21 U.S.C. 471).

SEC. 716. No employee of the Department of Agriculture may be detailed or assigned from an agency or office funded by this Act to any other agency or office of the Department for more than 30 days unless the individual's employing agency or office is fully reimbursed by the receiving agency or office for the salary and expenses of the employee for the period of assignment.

SEC. 717. None of the funds appropriated or otherwise made available to the Department of Agriculture shall be used to transmit or otherwise make available to any non-Department of Agriculture employee questions or responses to questions that are a result of information requested for the appropriations hearing process.

SEC. 718. None of the funds made available to the Department of Agriculture by this Act may be used to acquire new information technology systems or significant upgrades, as determined by the Office of the Chief Information Officer, without the approval of the Chief Information Officer and the concurrence of the Executive Information Technology Investment Review Board: Provided, That notwithstanding any other provision of law, none of the funds appropriated or otherwise made available by this Act may be transferred to the Office of the Chief Information Officer without the prior approval of the Committees on Appropriations of both Houses of Congress.

SEC. 719. (a) None of the funds provided by this Act, or provided by previous Appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in the current fiscal year, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure through a reprogramming of funds which: (1) creates new programs; (2) eliminates a program, project, or activity; (3) increases funds or personnel by any means for any project or activity for which funds have been denied or restricted; (4) relocates an office or employees; (5) reorganizes offices, programs, or activities; or (6) contracts out or privatizes any functions or activities presently performed by Federal employees; unless the Committees on Appropriations of both Houses of Congress are notified 15 days in advance of such reprogramming of funds.

(b) None of the funds provided by this Act, or provided by previous Appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in the current fiscal year, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure for activities, programs, or projects through a reprogramming of funds in excess of $500,000 or 10 percent, whichever is less, that: (1) augments existing programs, projects, or activities; (2) reduces by 10 percent funding for any existing program, project, or activity, or numbers of personnel by 10 percent as approved by Congress; or (3) results from any general savings from a reduction in personnel which would result in a change in existing programs, activities, or projects as approved by Congress; unless the Committees on Appropriations of both Houses of Congress are notified 15 days in advance of such reprogramming of funds.

(c) The Secretary of Agriculture, the Secretary of Health and Human Services, or the Chairman of the Commodity Futures Trading Commission shall notify the Committees on Appropriations of both Houses of Congress before implementing a program or activity not carried out during the previous fiscal year unless the program or activity is funded by this Act or specifically funded by any other Act.

SEC. 720. With the exception of funds needed to administer and conduct oversight of grants awarded and obligations incurred in prior fiscal years, none of the funds appropriated or otherwise made available by this or any other Act may be used to pay the salaries and expenses of personnel to carry out the provisions of section 401 of Public Law 105–185, the Initiative for Future Agriculture and Food Systems (7 U.S.C. 7621).

SEC. 721. None of the funds appropriated by this or any other Act shall be used to pay the salaries and expenses of personnel who prepare or submit appropriations language as part of the President's Budget submission to the Congress of the United States for programs under the jurisdiction of the Appropriations Subcommittees on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies that assumes revenues or reflects a reduction from the previous year due to user fees proposals that have not been enacted into law prior to the submission of the Budget unless such Budget submission identifies which additional spending reductions should occur in the event the user fees proposals are not enacted prior to the date of the convening of a committee of conference for the fiscal year 2005 appropriations Act.

SEC. 722. None of the funds made available by this or any other Act may be used to close or relocate a state Rural Development office unless or until cost effectiveness and enhancement of program delivery have been determined.

SEC. 723. In addition to amounts otherwise appropriated or made available by this Act, $3,000,000 is appropriated for the purpose of providing Bill Emerson and Mickey Leland Hunger Fellowships, as authorized by Public Law 108–58.

SEC. 724. Notwithstanding section 412 of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1736f), any balances available to carry out title III of such Act as of the date of enactment of this Act, and any recoveries and reimbursements that become available to carry out title III of such Act, may be used to carry out title II of such Act.

SEC. 725. Of any shipments of commodities made pursuant to section 416(b) of the Agricultural Act of 1949 (7 U.S.C. 1431(b)), the Secretary of Agriculture shall, to the extent practicable, direct that tonnage equal in value to not more than $25,000,000 shall be made available to foreign countries to assist in mitigating the effects of the Human Immunodeficiency Virus and Acquired Immune Deficiency Syndrome on communities, including the provision of—

(1) agricultural commodities to—

(A) individuals with Human Immunodeficiency Virus or Acquired Immune Deficiency Syndrome in the communities; and

(B) households in the communities, particularly individuals caring for orphaned children; and

(2) agricultural commodities monetized to provide other assistance (including assistance under microcredit and microenterprise programs) to create or restore sustainable livelihoods among individuals in the communities, particularly individuals caring for orphaned children.

SEC. 726. Section 375(e)(6)(B) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008j(e)(6)(B)) is amended by striking "$26,499,000" and inserting "$26.998,000".

SEC. 727. Notwithstanding any other provision of law, the Natural Resources Conservation Service may provide financial and technical assistance through the Watershed and Flood Prevention Operations program for the Kuhn Bayou and Ditch 26 Improvement projects in Arkansas, the Matanuska River erosion control project in Alaska, the DuPage County Sawmill Creek Watershed project in Illinois, and the Coal Creek project in Utah, and four flood control structures in Marmaton, Kansas.

SEC. 728. Notwithstanding any other provision of law, the Secretary shall consider the County of Lawrence, Ohio; the City of Havelock, North

Carolina; the City of Portsmouth, Ohio; the City of Binghamton, New York; the Town of Vestal, New York; the City of Ithaca, New York; the City of Casa Grande, Arizona; the City of Clarksdale, Mississippi; the City of Coachella, California; the City of Salinas, California; the City of Watsonville, California; the City of Hollister, California; the Municipality of Carolina, Puerto Rico; and the City of Kinston, North Carolina, as meeting the eligibility requirements for loans and grants programs in the Rural Development mission area.

SEC. 729. Notwithstanding any other provision of law, the Natural Resources Conservation Service shall provide financial and technical assistance to the DuPage County, Illinois, Kress Creek Watershed Plan, from funds available for the Watershed and Flood Prevention Operations program, not to exceed $1,600,000 and Rockhouse Creek Watershed, Leslie County, Kentucky, not to exceed $1,000,000.

SEC. 730. None of the funds made available in this Act may be transferred to any department, agency, or instrumentality of the United States Government, except pursuant to a transfer made by, or transfer authority provided in, this or any other appropriation Act.

SEC. 731. None of the funds made available to the Food and Drug Administration by this Act shall be used to close or relocate, or to plan to close or relocate, the Food and Drug Administration Division of Pharmaceutical Analysis in St. Louis, Missouri, outside the city or county limits of St. Louis, Missouri.

SEC. 732. Agencies and offices of the Department of Agriculture may utilize any unobligated salaries and expenses funds to reimburse the Office of the General Counsel for salaries and expenses of personnel, and for other related expenses, incurred in representing such agencies and offices in the resolution of complaints by employees or applicants for employment, and in cases and other matters pending before the Equal Employment Opportunity Commission, the Federal Labor Relations Authority, or the Merit Systems Protection Board with the prior approval of the Committees on Appropriations of both Houses of Congress.

SEC. 733. Notwithstanding any other provision of law, of the funds made available in this Act for competitive research grants (7 U.S.C. 450i(b)), the Secretary may use up to 20 percent of the amount provided to carry out a competitive grants program under the same terms and conditions as those provided in section 401 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7621), including requests for proposals for grants for critical emerging issues described in section 401(c)(1) of that Act for which the Secretary has not issued requests for proposals for grants in fiscal year 2002 or 2003.

SEC. 734. None of the funds appropriated or made available by this or any other Act may be used to pay the salaries and expenses of personnel to carry out section 14(h)(1) of the Watershed Protection and Flood Prevention Act (16 U.S.C. 1012(h)(1)).

SEC. 735. Notwithstanding any other provision of law, the Natural Resources Conservation Service shall provide financial and technical assistance through the Watershed and Flood Prevention Operations program to carry out the Upper Tygart Valley Watershed project, West Virginia: Provided, That the Natural Resources Conservation Service is authorized to provide 100 percent of the engineering assistance and 75 percent cost share for installation of the water supply component of this project.

SEC. 736. None of the funds appropriated or made available by this or any other Act may be used to pay the salaries and expenses of personnel to carry out subtitle I of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009dd through dd–7).

SEC. 737. None of the funds appropriated or made available by this or any other Act may be used to pay the salaries and expenses of personnel to carry out section 6405 of Public Law 107–171 (7 U.S.C. 2655).

SEC. 738. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries and expenses of personnel to carry out the provisions of sections 7404(a)(1) and 7404(c)(1) of Public Law 107–171.

SEC. 739. The Agricultural Marketing Service and the Grain Inspection, Packers and Stockyards Administration, that have statutory authority to purchase interest bearing investments outside of the Treasury, are not required to establish obligations and outlays for those investments, provided those investments are insured by the Federal Deposit Insurance Corporation or are collateralized at the Federal Reserve with securities approved by the Federal Reserve, operating under the guidelines of the United States Department of the Treasury.

SEC. 740. Of the funds made available under section 27(a) of the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.), the Secretary may use up to $10,000,000 for costs associated with the distribution of commodities.

SEC. 741. None of the funds appropriated or otherwise made available by this or any other Act shall be used to pay the salaries and expenses of personnel to enroll in excess of 189,144 acres in the calendar year 2004 wetlands reserve program as authorized by 16 U.S.C. 3837.

SEC. 742. None of the funds made available in fiscal year 2004 or preceding fiscal years for programs authorized under the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1691 et seq.) in excess of $20,000,000 shall be used to reimburse the Commodity Credit Corporation for the release of eligible commodities under section 302(f)(2)(A) of the Bill Emerson Humanitarian Trust Act (7 U.S.C. 1736f–1): Provided, That any such funds made available to reimburse the Commodity Credit Corporation shall only be used pursuant to section 302(b)(2)(B)(i) of the Bill Emerson Humanitarian Trust Act.

SEC. 743. None of the funds appropriated or otherwise made available by this or any other Act shall be used to pay the salaries and expenses of personnel who carry out an environmental quality incentives program authorized by chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.) in excess of $975,000,000.

SEC. 744. Notwithstanding any other provision of law, the Natural Resources Conservation Service may provide from appropriated funds financial and technical assistance to the Dry Creek project, Utah.

SEC. 745. The Secretary of Agriculture is authorized to permit employees of the United States Department of Agriculture to carry and use firearms for personal protection while conducting field work in remote locations in the performance of their official duties.

SEC. 746. None of the funds appropriated or otherwise made available by this or any other Act shall be used to pay the salaries and expenses of personnel to expend the $23,000,000 made available by section 9006(f) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8106(f)).

SEC. 747. ACCESS TO BROADBAND TELECOMMUNICATIONS SERVICES IN RURAL AREAS. None of the funds appropriated or otherwise made available by this or any other Act shall be used to pay the salaries and expenses of personnel to expend the $20,000,000 made available by section 601(j)(1)(A) of the Rural Electrification Act of 1936 (7 U.S.C. 950bb(j)(1)(A)) for fiscal year 2004.

SEC. 748. None of the funds appropriated or otherwise made available by this or any other Act shall be used to pay the salaries and expenses of personnel to expend the $40,000,000 made available by section 231(b)(4) of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1621 note) for fiscal year 2004.

SEC. 749. Section 285 of the Agricultural Marketing Act of 1946 (16 U.S.C. 1638d et seq.) is amended by striking "2004" and inserting in lieu thereof "2006, except for 'farm-raised fish' and 'wild fish' which shall be September 30, 2004".

SEC. 750. (a) Notwithstanding subsections (c) and (e)(2) of section 313A of the Rural Electrification Act (7 U.S.C. 940c(c) and (e)(2)) in implementing section 313A of that Act, the Secretary shall, with the consent of the lender, structure the schedule for payment of the annual fee, not to exceed an average of 30 basis points per year for the term of the loan, to ensure that sufficient funds are available to pay the subsidy costs for note guarantees under that section; and

(b) The Secretary shall publish a proposed rule to carry out section 313A of the Rural Electrification Act of 1936 within 60 days of enactment of this Act.

SEC. 751. Any unobligated balances in the Alternative Agricultural Research and Commercialization Revolving Fund are hereby rescinded.

SEC. 752. Not more than $41,443,000 for fiscal year 2004 of the funds appropriated or otherwise made available by this or any other Act shall be used to carry out the conservation security program established under subchapter A of chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3838 et seq.).

SEC. 753. None of the funds appropriated or otherwise made available by this or any other Act shall be used to pay the salaries and expenses of personnel to carry out a ground and surface water conservation program authorized by section 2301 of Public Law 107–171, the Farm Security and Rural Investment Act of 2002, in excess of $51,000,000.

SEC. 754. None of the funds appropriated or otherwise made available by this or any other Act shall be used to pay the salaries and expenses of personnel to carry out section 2502 of Public Law 107–171, the Farm Security and Rural Investment Act of 2002, in excess of $42,000,000.

SEC. 755. None of the funds appropriated or otherwise made available by this or any other Act shall be used to pay the salaries and expenses of personnel to carry out section 2503 of Public Law 107–171, the Farm Security and Rural Investment Act of 2002, in excess of $112,044,000.

SEC. 756. (a) ASSISTANCE FOR COMMERCIAL TREE LOSSES.—The Secretary of Agriculture shall use $5,000,000 of the funds of the Commodity Credit Corporation to provide assistance under the Tree Assistance Program, subtitle C of title X of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8201 et seq.), to tree-fruit growers located in a federally declared disaster area in the State of New York who suffered tree losses in 2003 as a result of an April 4–6, 2003, icestorm.

(b) The Secretary of Agriculture shall use $10,000,000 of the funds of the Commodity Credit Corporation, to remain available until expended, to compensate commercial citrus and lime growers in the State of Florida for tree replacement and for lost production with respect to trees removed to control citrus canker, and with respect to certified citrus nursery stocks within the citrus canker quarantine areas, as determined by the Secretary. For a grower to receive assistance for a tree under this section, the tree must have been removed after September 30, 2001.

SEC. 757. There is hereby appropriated $1,500,000 to carry out section 6028 of Public

Law 107–171, the Farm Security and Rural Investment Act of 2002: Provided, That notwithstanding section 383B(g)(1) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009bb–1(g)(1)), the Federal share of the administrative expenses of the Northern Great Plains Regional Authority for fiscal year 2004 shall be 100 percent.

SEC. 758. Section 204(a)(3) of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1724(a)(3)) is amended by striking everything from "the Committee on Foreign Affairs" through "the Committee on" and inserting in lieu thereof "the Committees on International Relations, Agriculture and Appropriations of the House of Representatives, and the Committees on Appropriations and".

SEC. 759. None of the funds appropriated or made available by this or any other Act may be used to pay the salaries and expenses of personnel to carry out section 6029 of Public Law 107–171, the Farm Security and Rural Investment Act of 2002: Provided, That this section shall not apply to activities related to the promulgation of regulations or the receipt and review of applications for the Rural Business Investment Program.

SEC. 760. None of the funds appropriated or otherwise made available in this Act shall be expended to violate Public Law 105–264.

SEC. 761. COST-SHARING FOR ANIMAL AND PLANT HEALTH EMERGENCY PROGRAMS. None of the funds made available by this Act may be used to issue a final rule in furtherance of, or otherwise implement, the proposed rule on cost-sharing for animal and plant health emergency programs of the Animal and Plant Health Inspection Service published on July 8, 2003 (Docket No. 02–062–1; 68 Fed. Reg. 40541).

SEC. 762. Agencies and offices of the Department of Agriculture may utilize any available discretionary funds to cover the costs of preparing, or contracting for the preparation of, final agency decisions regarding complaints of discrimination in employment or program activities arising within such agencies and offices.

SEC. 763. Notwithstanding any other provision of law, for any fiscal year, in the case of a high cost isolated rural area in Alaska that is not connected to a road system, the maximum level for the single family housing assistance shall be 150 percent of the average income level in the metropolitan areas of the State and 115 percent of all other eligible areas of the State.

SEC. 764. There is hereby appropriated $1,000,000, to remain available until expended, for the Denali Commission to address deficiencies in solid waste disposal sites which threaten to contaminate rural drinking water supplies.

SEC. 765. Notwithstanding any other provision of law, the Secretary shall consider the City of Vicksburg, Mississippi; the City of Aberdeen, South Dakota; and the City of Starkville, Mississippi as meeting the requirements of a rural area contained in section 520 of the Housing Act of 1949 (42 U.S.C. 1490) until receipt of the decennial Census for the year 2010.

SEC. 766. Notwithstanding any other provision of law, the Secretary shall consider the City of Berlin, New Hampshire; the City of Guymon, Oklahoma; the City of Shawnee, Oklahoma; and the City of Altus, Oklahoma, to be eligible for loans and grants provided through the Rural Community Advancement Program until receipt of the decennial Census in the year 2010.

SEC. 767. None of the funds made available in this Act may be used to study, complete a study of, or enter into a contract with a private party to carry out, without specific authorization in a subsequent Act of Congress, a competitive sourcing activity of the Secretary of Agriculture, including support personnel of the Department of Agriculture, relating to rural development or farm loan programs.

SEC. 768. Section 501(b)(5)(B) of the Housing Act of 1949 (42 U.S.C. 1471(b)(5)(B) is amended by striking "for fiscal years 2002 and 2003,".

SEC. 769. AGRICULTURAL MANAGEMENT ASSISTANCE. Section 524(b)(4)(B) of the Federal Crop Insurance Act (7 U.S.C. 1524(b)(4)(B)) is amended—

(1) in clause (i), by striking "clause (ii)" and inserting "clauses (ii) and (iii)"; and

(2) by adding at the end the following:

"(iii) CERTAIN USES.—Of the amounts made available to carry out this subsection for each fiscal years 2004 through 2007 the Commodity Credit Corporation shall use not less than—

"(I) $14,000,000 to carry out subparagraphs (A), (B), and (C) of paragraph (2) through the Natural Resources Conservation Service;

"(II) $1,000,000 to provide organic certification cost share assistance through the Agricultural Marketing Service; and

"(III) $5,000,000 to conduct activities to carry out subparagraph (F) of paragraph (2) through the Risk Management Agency.".

SEC. 770. Hereafter, no funds provided in this or any other Act shall be available to the Secretary of Agriculture acting through the Foreign Agricultural Service to promote the sale or export of tobacco or tobacco products.

SEC. 771. IN GENERAL.—Section 3(o)(4) of the Food Stamp Act of 1977, as amended (7 U.S.C. 2012(o)(4), is amended by inserting before the period at the end the following: ", and except that on October 1, 2003, in the case of households residing in Alaska and Hawaii the Secretary may not reduce the cost of such diet in effect on September 30, 2002".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall be effective beginning on September 30, 2003.

SEC. 772. Section 601(b)(2) of the Rural Electrification Act of 1936 (7 U.S.C. 950bb(b)(2)) is amended to read as follows:

"(2) ELIGIBLE RURAL COMMUNITY.—The term 'eligible rural community' means any area of the United States that is not contained in an incorporated city or town with a population in excess of 20,000 inhabitants.".

SEC. 773. Notwithstanding any other provision of law, for all activities under programs of the Rural Development Mission Area within the County of Honolulu, Hawaii, the Secretary may designate any portion of the county as a rural area or eligible rural community that the Secretary determines is not urban in character: Provided, That the Secretary shall not include in any such rural area or eligible rural community any area included in the Honolulu Census Designated Place as determined by the Secretary of Commerce.

SEC. 774. The first sentence of section 306(g)(1) of the National Housing Act (12 U.S.C. 1721(g)(1)) is amended—

(1) by striking "or title V of the Housing Act of 1949"; and

(2) by inserting after "1944" the following: ", title V of the Housing Act of 1949,".

SEC. 775. Notwithstanding the provisions of the Consolidated Farm and Rural Development Act (including the associated regulations) governing the Community Facilities Program, the Secretary may allow all Community Facility Program facility borrowers and grantees to enter into contracts with not-for-profit third parties for services consistent with the requirements of the Program, grant, and/or loan: Provided, That the contracts protect the interests of the Government regarding cost, liability, maintenance, and administrative fees.

SEC. 776. Notwithstanding any other provision of law, the Secretary of Agriculture may use appropriations available to the Secretary for activities authorized under sections 426–426c of title 7, United States Code, under this or any other Act, to enter into cooperative agreements, with a State, political subdivision, or agency thereof, a public or private agency, organization, or any other person, to lease aircraft if the Secretary determines that the objectives of the agreement will: (1) serve a mutual interest of the parties to the agreement in carrying out the programs administered by the Animal Plant Health Inspection Service, Wildlife Service; and (2) all parties will contribute resources to the accomplishment of these objectives; award of a cooperative agreement authorized by the Secretary may be made for an initial term not to exceed 5 years.

SEC. 777. CITRUS CANKER ASSISTANCE. Section 211 of the Agricultural Assistance Act of 2003 (117 Stat. 545) is amended—

*(1) in the section heading, by inserting "**TREE REPLACEMENT AND**" after "**FOR**"; and*

(2) in subsection (a), by inserting "tree replacement and" after "Florida for".

SEC. 778. SUN GRANT RESEARCH INITIATIVE. (a) SHORT TITLE.—This section may be cited as the "Sun Grant Research Initiative Act of 2003".

(b) RESEARCH, EXTENSION, AND EDUCATIONAL PROGRAMS ON BIOBASED ENERGY TECHNOLOGIES AND PRODUCTS.—Title IX of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8101 et seq.) is amended by adding at the end the following:

"SEC. 9011. RESEARCH, EXTENSION, AND EDUCATIONAL PROGRAMS ON BIOBASED ENERGY TECHNOLOGIES AND PRODUCTS.

"(a) PURPOSES.—The purposes of the programs established under this section are—

"(1) to enhance national energy security through the development, distribution, and implementation of biobased energy technologies;

"(2) to promote diversification in, and the environmental sustainability of, agricultural production in the United States through biobased energy and product technologies;

"(3) to promote economic diversification in rural areas of the United States through biobased energy and product technologies; and

"(4) to enhance the efficiency of bioenergy and biomass research and development programs through improved coordination and collaboration between the Department of Agriculture, the Department of Energy, and the land-grant colleges and universities.

"(b) DEFINITIONS.—In this section:

"(1) LAND-GRANT COLLEGES AND UNIVERSITIES.—The term 'land-grant colleges and universities' means—

"(A) 1862 Institutions (as defined in section 2 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7601));

"(B) 1890 Institutions (as defined in section 2 of that Act) and West Virginia State College; and

"(C) 1994 Institutions (as defined in section 2 of that Act).

"(2) SECRETARY.—The term 'Secretary' means the Secretary of Agriculture.

"(c) ESTABLISHMENT.—To carry out the purposes described in subsection (a), the Secretary shall establish programs under which—

"(1) the Secretary shall provide grants to sun grant centers specified in subsection (d); and

"(2) the sun grant centers shall use the grants in accordance with this section.

"(d) GRANTS TO CENTERS.—The Secretary shall use amounts made available for a fiscal year under subsection (j) to provide a grants in equal amounts to each of the following sun grant centers:

"(1) NORTH-CENTRAL CENTER.—A north-central sun grant center at South Dakota State University for the region composed of the States of Illinois, Indiana, Iowa, Minnesota, Montana, Nebraska, North Dakota, South Dakota, Wisconsin, and Wyoming.

"(2) SOUTHEASTERN CENTER.—A southeastern sun grant center at the University of Tennessee at Knoxville for the region composed of—

"(A) the States of Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee, and Virginia;

"(B) the Commonwealth of Puerto Rico; and

"(C) the United States Virgin Islands.

"(3) SOUTH-CENTRAL CENTER.—A south-central sun grant center at Oklahoma State University for the region composed of the States of Arkansas, Colorado, Kansas, Louisiana, Missouri, New Mexico, Oklahoma, and Texas.

"(4) WESTERN CENTER.—A western sun grant center at Oregon State University for the region composed of—

"(A) the States of Alaska, Arizona, California, Hawaii, Idaho, Nevada, Oregon, Utah, and Washington; and

"(B) territories and possessions of the United States (other than the territories referred to in subparagraphs (B) and (C) of paragraph (2)).

"(5) NORTHEASTERN CENTER.—A northeastern sun grant center at Cornell University for the region composed of the States of Connecticut, Delaware, Massachusetts, Maryland, Maine, Michigan, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, and West Virginia.

"(e) USE OF FUNDS.—

"(1) CENTERS OF EXCELLENCE.—Of the amount of funds that are made available for a fiscal year to a sun grant center under subsection (d), the center shall use not more than 25 percent of the amount for administration to support excellence in science, engineering, and economics at the center to promote the purposes described in subsection (a) through the State agricultural experiment station, cooperative extension services, and relevant educational programs of the university.

"(2) GRANTS TO LAND-GRANT COLLEGES AND UNIVERSITIES.—

"(A) IN GENERAL.—The sun grant center established for a region shall use the funds that remain available for a fiscal year after expenditures made under paragraph (1) to provide competitive grants to land-grant colleges and universities in the region of the sun grant center to conduct, consistent with the purposes described in subsection (a), multiinstitutional and multistate—

"(i) research, extension, and educational programs on technology development; and

"(ii) integrated research, extension, and educational programs on technology implementation.

"(B) PROGRAMS.—Of the amount of funds that are used to provide grants for a fiscal year under subparagraph (A), the center shall use—

"(i) not less than 30 percent of the funds to carry out programs described in subparagraph (A)(i); and

"(ii) not less than 30 percent of the funds to carry out programs described in subparagraph (A)(ii).

"(3) INDIRECT COSTS.—A sun grant center may not recover the indirect costs of making grants under paragraph (2) to other land-grant colleges and universities.

"(f) PLAN.—

"(1) IN GENERAL.—Subject to the availability of funds under subsection (j), in cooperation with other land-grant colleges and universities and private industry in accordance with paragraph (2), the sun grant centers shall jointly develop and submit to the Secretary, for approval, a plan for addressing at the State and regional levels the bioenergy, biomass, and gasification research priorities of the Department of Agriculture and the Department of Energy for the making of grants under paragraphs (1) and (2) of subsection (e).

"(2) GASIFICATION COORDINATION.—

"(A) IN GENERAL.—In developing the plan under paragraph (1) with respect to gasification research, the sun grant centers identified in paragraphs (1) and (2) of subsection (d) shall coordinate with land grant colleges and universities in their respective regions that have ongoing research activities with respect to the research.

"(B) FUNDING.—Funds made available under subsection (d) to the sun grant center identified in subsection (e)(2) shall be available to carry out planning coordination under paragraph (1) of this subsection.

"(g) GRANTS TO OTHER LAND-GRANT COLLEGES AND UNIVERSITIES.—

"(1) PRIORITY FOR GRANTS.—In making grants under subsection (e)(2), a sun grant center shall give a higher priority to programs that are consistent with the plan approved by the Secretary under subsection (f).

"(2) TERM OF GRANTS.—The term of a grant provided by a sun grant center under subsection (e)(2) shall not exceed 5 years.

"(h) GRANT INFORMATION ANALYSIS CENTER.—The sun grant centers shall maintain a Sun Grant Information Analysis Center at the sun grant center specified in subsection (d)(1) to provide sun grant centers analysis and data management support.

"(i) ANNUAL REPORTS.—Not later than 90 days after the end of a year for which a sun grant center receives a grant under subsection (d), the sun grant center shall submit to the Secretary a report that describes the policies, priorities, and operations of the program carried out by the center during the year, including a description of progress made in facilitating the priorities described in subsection (f).

"(j) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—There are authorized to be appropriated to carry out this section—

"(A) $25,000,000 for fiscal year 2005;

"(B) $50,000,000 for fiscal year 2006; and

"(C) $75,000,000 for each of fiscal years 2007 through 2010.

"(2) GRANT INFORMATION ANALYSIS CENTER.—Of amounts made available under paragraph (1), not more than $4,000,000 for each fiscal year shall be made available to carry out subsection (h).".

SEC. 779. RURAL ELECTRIFICATION. For fiscal year 2004, the Secretary of Agriculture may use any unobligated carryover funds made available for any program administered by the Rural Utilities Service (not including funds made available under the heading "RURAL COMMUNITY ADVANCEMENT PROGRAM" in any Act of appropriation) to carry out section 315 of the Rural Electrification Act of 1936 (7 U.S.C. 940e).

SEC. 780. LIMITATION ON ALLOCATION OF PURCHASE PRICES FOR BUTTER AND NONFAT DRY MILK. None of the funds made available by this Act may be used to pay the salaries or expenses of employees of the Department of Agriculture to allocate the rate of price support between the purchase prices for nonfat dry milk and butter in a manner that does not support the price of milk in accordance with section 1501(b) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7981(b)).

SEC. 781. EMERGENCY WATERSHED PROTECTION PROGRAM. Notwithstanding any other provision of law, the Secretary of Agriculture is authorized to make funding and other assistance available through the emergency watershed protection program under section 403 of the Agricultural Credit Act of 1978 (16 U.S.C. 2203) to repair and prevent damage to non-Federal land in watersheds that have been impaired by fires initiated by the Federal Government and to waive cost sharing requirements for the funding and assistance.

SEC. 782. The Secretary may waive the requirements regarding small and emerging rural business as authorized under the Rural Business Enterprise Grant program for the purpose of a lease for the Oakridge Oregon Industrial Park.

SEC. 783. WATER AND WASTE DISPOSAL GRANT TO THE ALASKA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT. Notwithstanding any other provision of law—

(1) the Alaska Department of Community and Economic Development shall be eligible to receive a water and waste disposal grant under section 306(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)) in an amount that is equal to not more than 75 percent of the total cost of providing water and sewer service to the proposed hospital in the Matanuska-Susitna Borough, Alaska; and

(2) the Alaska Department of Community and Economic Development shall be allowed to pass the grant funds through to the local government entity that will provide water and sewer service to the hospital.

SEC. 784. None of the funds provided in this Act may be used for salaries and expenses to carry out any regulation or rule insofar as it would make ineligible for enrollment in the conservation reserve program established under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.) land that is planted to hardwood trees as of the date of enactment of this Act and was enrolled in the conservation reserve program under a contract that expired prior to calendar year 2002.

SEC. 785. WATER AND WASTE DISPOSAL GRANT TO THE CITY OF POSTVILLE, IOWA. Notwithstanding any other provision of law, the City of Postville, Iowa, shall be eligible to receive a water and waste disposal grant under section 306(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)) in an amount that is equal to not more than 75 percent of the total cost of providing water and sewer service in the city.

SEC. 786. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries and expenses of personnel to implement a reorganization of regional conservationists and/or regional offices of the Natural Resources Conservation Service without the prior approval of the Committees on Appropriations.

SEC. 787. Of the unobligated balance available to the Food Safety and Inspection Service for the field automation and information management project at the beginning of fiscal year 2004, $5,000,000 is hereby rescinded.

SEC. 788. The matter under the heading "Integrated Activities" in Division A—Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Programs Appropriations, 2003, Title I—Agricultural Programs, in Public Law 108–7 is amended by striking "7 U.S.C. 3291" and inserting in its place "7 U.S.C. 3292b".

SEC. 789. Notwithstanding any other provision of law, the City of Great Falls, Montana shall be considered a rural area for purposes of eligibility for business and industry guaranteed loans under section 310B(a)(1) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(a)(1)).

This division may be cited as the "Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2004".

DIVISION B—DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 2004

AN ACT

Making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 2004, and for other purposes.

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2004, and for other purposes, namely:

TITLE I—DEPARTMENT OF JUSTICE

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

For expenses necessary for the administration of the Department of Justice, $106,687,000, of which not to exceed $3,317,000 is for the Facilities Program 2000, to remain available until expended: Provided, That not to exceed 43 permanent positions and 44 full-time equivalent workyears and $10,172,000 shall be expended for the Department Leadership Program exclusive of augmentation that occurred in these offices in fiscal year 2003: Provided further, That not to exceed 26 permanent positions, 21 full-time equivalent workyears and $3,114,000 shall be expended for the Office of Legislative Affairs: Provided further, That not to exceed 15 permanent positions, 20 full-time equivalent workyears and $1,875,000 shall be expended for the Office of Public Affairs: Provided further, That the latter two aforementioned offices may utilize non-reimbursable details of career employees within the caps described in the preceding two provisos.

JOINT AUTOMATED BOOKING SYSTEM

For expenses necessary for the nationwide deployment of a Joint Automated Booking System including automated capability to transmit fingerprint and image data, $19,176,000, to remain available until September 30, 2005.

INTEGRATED AUTOMATED FINGERPRINT IDENTIFICATION SYSTEM

For necessary expenses for the planning, development, and deployment of an integrated fingerprint identification system, including automated capability to transmit fingerprint and image data, $5,100,000, to remain available until September 30, 2005.

LEGAL ACTIVITIES OFFICE AUTOMATION

For necessary expenses related to the design, development, engineering, acquisition, and implementation of office automation systems for the organizations funded under the headings "Salaries and Expenses, General Legal Activities", and "General Administration, Salaries and Expenses", and the United States Attorneys, the United States Marshals Service, the Antitrust Division, the United States Trustee Program, the Executive Office for Immigration Review, the Community Relations Service, the Bureau of Prisons, the Office of Justice Programs and the United States Parole Commission, $27,034,000, to remain available until September 30, 2005.

NARROWBAND COMMUNICATIONS

For the costs of conversion to narrowband communications, including the cost for operation and maintenance of Land Mobile Radio legacy systems, $103,171,000, to remain available until September 30, 2005: Provided, That the Attorney General shall transfer to the "Narrowband Communications" account all funds made available to the Department of Justice for the purchase of portable and mobile radios: Provided further, That any transfer made under the preceding proviso shall be subject to section 605 of this Act.

COUNTERTERRORISM FUND

For necessary expenses, as determined by the Attorney General, $1,000,000, to remain available until expended, to reimburse any Department of Justice organization for: (1) the costs incurred in reestablishing the operational capability of an office or facility which has been damaged or destroyed as a result of any domestic or international terrorist incident; and (2) the costs of providing support to counter, investigate or prosecute domestic or international terrorism, including payment of rewards in connection with these activities: Provided, That any Federal agency may be reimbursed for the costs of detaining in foreign countries individuals accused of acts of terrorism that violate the laws of the United States: Provided further, That funds provided under this paragraph shall be available only after the Attorney General notifies the Committees on Appropriations of the House of Representatives and the Senate in accordance with section 605 of this Act.

ADMINISTRATIVE REVIEW AND APPEALS

For expenses necessary for the administration of pardon and clemency petitions and immigration-related activities, $193,530,000.

DETENTION TRUSTEE

For necessary expenses of the Federal Detention Trustee who shall exercise all power and functions authorized by law relating to the detention of Federal prisoners in non-Federal institutions or otherwise in the custody of the United States Marshals Service, $814,097,000, to remain available until expended: Provided, That the Trustee shall be responsible for managing the Justice Prisoner and Alien Transportation System and for overseeing housing related to such detention; the management of funds appropriated to the Department of Justice for the exercise of any detention functions; and the direction of the United States Marshals Service with respect to the exercise of detention policy setting and operations for the Department: Provided further, That any unobligated balances available in prior years from the funds appropriated under the heading "Federal Prisoner Detention" shall be transferred to and merged with the appropriation under the heading "Detention Trustee" and shall be available until expended: Provided further, That the Trustee, working in consultation with the Bureau of Prisons, shall submit a plan for collecting information related to evaluating the health and safety of Federal prisoners in non-Federal institutions no later than 180 days following the enactment of this Act.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General, $60,840,000, including not to exceed $10,000 to meet unforeseen emergencies of a confidential character.

UNITED STATES PAROLE COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the United States Parole Commission as authorized, $10,609,000.

LEGAL ACTIVITIES

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

For expenses necessary for the legal activities of the Department of Justice, not otherwise provided for, including not to exceed $20,000 for expenses of collecting evidence, to be expended under the direction of, and to be accounted for solely under the certificate of, the Attorney General; and rent of private or Government-owned space in the District of Columbia, $620,533,000, of which not to exceed $10,000,000 for litigation support contracts shall remain available until expended, and of which not less than $1,996,000 shall be available for necessary administrative expenses in accordance with the Radiation Exposure Compensation Act: Provided, That of the total amount appropriated, not to exceed $1,000 shall be available to the United States National Central Bureau, INTERPOL, for official reception and representation expenses: Provided further, That notwithstanding any other provision of law, upon a determination by the Attorney General that emergent circumstances require additional funding for litigation activities of the Civil Division, the Attorney General may transfer such amounts to "Salaries and Expenses, General Legal Activities" from available appropriations for the current fiscal year for the Department of Justice, as may be necessary to respond to such circumstances: Provided further, That any transfer pursuant to the previous proviso shall be treated as a reprogramming under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

In addition, for reimbursement of expenses of the Department of Justice associated with processing cases under the National Childhood Vaccine Injury Act of 1986, not to exceed $4,028,000, to be appropriated from the Vaccine Injury Compensation Trust Fund.

SALARIES AND EXPENSES, ANTITRUST DIVISION

For expenses necessary for the enforcement of antitrust and kindred laws, $133,133,000, to remain available until expended: Provided, That, notwithstanding any other provision of law, not to exceed $112,000,000 of offsetting collections derived from fees collected for premerger notification filings under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (15 U.S.C. 18a), regardless of the year of collection, shall be retained and used for necessary expenses in this appropriation, and shall remain available until expended: Provided further, That the sum herein appropriated from the general fund shall be reduced as such offsetting collections are received during fiscal year 2004, so as to result in a final fiscal year 2004 appropriation from the general fund estimated at not more than $21,133,000.

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS

For necessary expenses of the Offices of the United States Attorneys, including inter-governmental and cooperative agreements, $1,526,253,000; of which not to exceed $2,500,000 shall be available until September 30, 2005, for: (1) training personnel in debt collection; (2) locating debtors and their property; (3) paying the net costs of selling property; and (4) tracking debts owed to the United States Government: Provided, That of the total amount appropriated, not to exceed $8,000 shall be available for official reception and representation expenses: Provided further, That not to exceed $10,000,000 of those funds available for automated litigation support contracts shall remain available until expended: Provided further, That not to exceed $2,500,000 for the operation of the National Advocacy Center shall remain available until expended: Provided further, That, in addition to reimbursable full-time equivalent workyears available to the Offices of the United States Attorneys, not to exceed 10,113 positions and 10,298 full-time equivalent workyears shall be supported from the funds appropriated in this Act for the United States Attorneys: Provided further, That of the funds made available under this heading, $1,500,000 shall only be available to continue "Operation Streetsweeper": Provided further, That of the total amount appropriated, $6,898,000 shall be for Project Seahawk and shall remain available until expended.

UNITED STATES TRUSTEE SYSTEM FUND

For necessary expenses of the United States Trustee Program, as authorized, $166,157,000, to remain available until expended and to be derived from the United States Trustee System Fund: Provided, That, notwithstanding any other provision of law, deposits to the Fund shall be available in such amounts as may be necessary to pay refunds due depositors: Provided further, That, notwithstanding any other provision of law, $166,157,000 of offsetting collections pursuant to 28 U.S.C. 589a(b) shall be retained and used for necessary expenses in this appropriation and remain available until expended: Provided further, That the sum herein appropriated from the Fund shall be reduced as such offsetting collections are received during fiscal year 2004, so as to result in a final fiscal year 2004 appropriation from the Fund estimated at $0.

SALARIES AND EXPENSES, FOREIGN CLAIMS SETTLEMENT COMMISSION

For expenses necessary to carry out the activities of the Foreign Claims Settlement Commission, including services as authorized by 5 U.S.C. 3109, $1,206,000.

SALARIES AND EXPENSES, UNITED STATES MARSHALS SERVICE

For necessary expenses of the United States Marshals Service, $719,777,000; of which not less than $11,476,000 shall only be available for fugitive apprehension task forces; of which $17,403,000 shall be available for 106 supervisory deputy marshal positions for courthouse security; of which not to exceed $6,000 shall be available for official reception and representation expenses; of which $4,000,000 shall remain available until expended; of which not less than $13,394,000 shall be available for the costs of courthouse security equipment, including furnishings, relocations, and telephone systems and cabling, and shall remain available until September 30, 2005: Provided, That, in addition to reimbursable full-time equivalent workyears available to the United States Marshals Service, not to exceed 4,400 positions and 4,259 full-time equivalent workyears shall be supported from the funds appropriated in this Act for the United States Marshals Service.

CONSTRUCTION

For planning, constructing, renovating, equipping, and maintaining United States Marshals Service prisoner-holding space in United States courthouses and Federal buildings, including the renovation and expansion of prisoner movement areas, elevators, and sallyports, $14,066,000, to remain available until September 30, 2006.

FEES AND EXPENSES OF WITNESSES

For fees and expenses of witnesses, for expenses of contracts for the procurement and supervision of expert witnesses, for private counsel expenses, including advances, $156,145,000, to remain available until expended; of which not to exceed $8,000,000 may be made available for planning, construction, renovations, maintenance, remodeling, and repair of buildings, and the purchase of equipment incident thereto, for protected witness safesites; of which not to exceed $1,000,000 may be made available for the purchase and maintenance of armored vehicles for transportation of protected witnesses; and of which not to exceed $5,000,000 may be made available for the purchase, installation, and maintenance of secure telecommunications equipment and a secure automated information network to store and retrieve the identities and locations of protected witnesses.

SALARIES AND EXPENSES, COMMUNITY RELATIONS SERVICE

For necessary expenses of the Community Relations Service, $9,526,000 and, in addition, up to $1,000,000 of funds made available to the Department of Justice in this Act may be transferred by the Attorney General to this account: Provided, That notwithstanding any other provision of law, upon a determination by the Attorney General that emergent circumstances require additional funding for conflict resolution and violence prevention activities of the Community Relations Service, the Attorney General may transfer such amounts to the Community Relations Service, from available appropriations for the current fiscal year for the Department of Justice, as may be necessary to respond to such circumstances: Provided further, That any transfer pursuant to the previous proviso shall be treated as a reprogramming under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

ASSETS FORFEITURE FUND

For expenses authorized by 28 U.S.C. 524(c)(1)(B), (F), and (G), $21,759,000, to be derived from the Department of Justice Assets Forfeiture Fund.

FEDERAL BUREAU OF INVESTIGATION

SALARIES AND EXPENSES

For necessary expenses of the Federal Bureau of Investigation for detection, investigation, and prosecution of crimes against the United States; including purchase for police-type use of not to exceed 2,454 passenger motor vehicles, of which 1,843 will be for replacement only; and not to exceed $70,000 to meet unforeseen emergencies of a confidential character pursuant to 28 U.S.C. 530C, $4,566,798,000; of which not to exceed $65,000,000 for automated data processing and telecommunications and technical investigative equipment, and not to exceed $1,000,000 for undercover operations, shall remain available until September 30, 2005; of which $490,104,000 shall be for counterterrorism investigations, foreign counterintelligence, and other activities related to our national security; of which not less than $153,812,000 shall only be for Joint Terrorism Task Forces; and of which not to exceed $10,000,000 is authorized to be made available for making advances for expenses arising out of contractual or reimbursable agreements with State and local law enforcement agencies while engaged in cooperative activities related to violent crime, terrorism, organized crime, and drug investigations: Provided, That not to exceed $200,000 shall be available for official reception and representation expenses: Provided further, That, in addition to reimbursable full-time equivalent workyears available to the Federal Bureau of Investigation, not to exceed 28,900 positions and 27,096 full-time equivalent workyears shall be supported from the funds appropriated in this Act for the Federal Bureau of Investigation.

FOREIGN TERRORIST TRACKING TASK FORCE/ TERRORIST THREAT INTEGRATION CENTER

For expenses necessary for the Foreign Terrorist Tracking Task Force, including salaries and expenses, operations, equipment, and facilities, $61,597,000: Provided, That funds appropriated in previous fiscal years under the heading "Federal Bureau of Investigation, Salaries and Expenses" may be available for activities associated with the Terrorist Threat Integration Center.

CONSTRUCTION

For necessary expenses to construct or acquire buildings and sites by purchase, or as otherwise authorized by law (including equipment for such buildings); conversion and extension of federally-owned buildings; and preliminary planning and design of projects; $11,174,000, to remain available until September 30, 2006.

DRUG ENFORCEMENT ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Drug Enforcement Administration, including not to exceed $70,000 to meet unforeseen emergencies of a confidential character pursuant to 28 U.S.C. 530C; expenses for conducting drug education and training programs, including travel and related expenses for participants in such programs and the distribution of items of token value that promote the goals of such programs; and purchase of not to exceed 982 passenger motor vehicles, of which 886 will be for replacement only, for police-type use, $1,601,327,000; of which not to exceed $33,000,000 for permanent change of station shall remain available until September 30, 2005; of which not to exceed $1,800,000 for research shall remain available until expended; of which not to exceed $4,000,000 for purchase of evidence and payments for information, not to exceed $10,000,000 for contracting for automated data processing and telecommunications equipment, and not to exceed $2,000,000 for laboratory equipment, $4,000,000 for technical equipment, and $2,000,000 for aircraft replacement retrofit and parts, shall remain available until September 30, 2005; and of which not to exceed $50,000 shall be available for official reception and representation expenses: Provided, That, in addition to reimbursable full-time equivalent workyears available to the Drug Enforcement Administration, not to exceed 8,358 positions and 8,018 full-time equivalent workyears shall be supported from the funds appropriated in this Act for the Drug Enforcement Administration.

INTERAGENCY DRUG ENFORCEMENT

For necessary expenses for the identification, investigation, and prosecution of individuals associated with the most significant drug trafficking and affiliated money laundering organizations not otherwise provided for, to include inter-governmental agreements with State and local law enforcement agencies engaged in the investigation and prosecution of individuals involved in organized crime drug trafficking, $556,465,000, of which $50,000,000 shall remain available until September 30, 2005: Provided, That any amounts obligated from appropriations under this heading may be used under authorities available to the organizations reimbursed from this appropriation: Provided further, That any unobligated balances remaining available at the end of the fiscal year shall revert to the Drug Enforcement Administrator for reallocation among participating organizations in succeeding fiscal years, subject to the reprogramming procedures set forth in section 605 of this Act.

BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND EXPLOSIVES

SALARIES AND EXPENSES

For necessary expenses of the Bureau of Alcohol, Tobacco, Firearms and Explosives, including the purchase of not to exceed 822 vehicles for police-type use, of which 650 shall be for replacement only; not to exceed $18,000 for official reception and representation expenses; for training of State and local law enforcement agencies with or without reimbursement, including training in connection with the training and acquisition of canines for explosives and fire accelerants detection; and for provision of laboratory assistance to State and local law enforcement agencies, with or without reimbursement, $836,087,000, of which not to exceed $1,000,000 shall be available for the payment of attorneys' fees as provided by 18 U.S.C. 924(d)(2): Provided, That no funds appropriated herein shall be available for salaries or administrative expenses in connection with consolidating or centralizing, within the Department of Justice, the records, or any portion thereof, of acquisition and disposition of firearms maintained by Federal firearms licensees: Provided further, That no funds appropriated herein shall be used to pay administrative expenses or the compensation of any officer or employee of the United States to implement an amendment or amendments to 27 CFR 178.118 or to change the definition of "Curios or relics" in 27 CFR 178.11 or remove any item from ATF Publication 5300.11 as it existed on January 1, 1994: Provided further, That none of the funds appropriated herein shall be available to investigate or act upon applications for relief from Federal firearms disabilities under 18 U.S.C. 925(c): Provided further, That such funds shall be available to investigate and act upon applications filed by corporations for relief from Federal firearms disabilities under section 925(c) of title 18, United States Code: Provided further, That no funds made available by this or any other Act may be used to transfer the functions, missions, or activities of the Bureau of Alcohol, Tobacco, Firearms, and Explosives to other agencies or Departments in fiscal year 2004: Provided further, That no funds appropriated under this or any other Act may be used to disclose to the *public the contents or any portion thereof of any information required to be kept by licensees pursuant to section 923(g) of title 18, United States Code, or required to be reported pursuant to paragraphs (3) and (7) of section 923(g) of title 18, United States Code, except that this provision shall apply to any request for information made by any person or entity after January 1, 1998: Provided further, That no funds made available by this or any other Act shall be expended to promulgate or implement any rule requiring a physical inventory of any business licensed under section 923 of title 18, United States Code: Provided further, That no funds under this Act may be used to electronically retrieve information gathered pursuant to 18 U.S.C. 923(g)(4) by name or any personal identification code: Provided further, That subparagraphs (A) and (B) of 28 U.S.C. 530C(b)(2), are amended by inserting "for the Bureau of Alcohol, Tobacco, Firearms and Explosives," after "Marshals Service," in each subparagraph.*

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

For expenses necessary for the administration, operation, and maintenance of Federal penal and correctional institutions, including purchase (not to exceed 838, of which 535 are for replacement only) and hire of law enforcement and passenger motor vehicles, and for the provision of technical assistance and advice on corrections related issues to foreign governments, $4,461,257,000: Provided, That the Attorney General may transfer to the Health Resources and Services Administration such amounts as may be necessary for direct expenditures by that Administration for medical relief for inmates of Federal penal and correctional institutions: Provided further, That the Director of the Federal Prison System, where necessary, may enter into contracts with a fiscal agent/fiscal intermediary claims processor to determine the amounts payable to persons who, on behalf of the Federal Prison System, furnish health services to individuals committed to the custody of the Federal Prison System: Provided further, That not to exceed $6,000 shall be available for official reception and representation expenses: Provided further, That not to exceed $50,000,000 shall remain available for necessary operations until September 30, 2005: Provided further, That, of the amounts provided for Contract Confinement, not to exceed $20,000,000 shall remain available until expended to make payments in advance for grants, contracts and reimbursable agreements, and other expenses authorized by section 501(c) of the Refugee Education Assistance Act of 1980, for the care and security in the United States of Cuban and Haitian entrants: Provided further, That the Director of the Federal Prison System may accept donated property and services relating to the operation of the prison card program from a not-for-profit entity which has operated such program in the past notwithstanding the fact that such not-for-profit entity furnishes services under contracts to the Federal Prison System relating to the operation of pre-release services, halfway houses or other custodial facilities.

BUILDINGS AND FACILITIES

For planning, acquisition of sites and construction of new facilities; purchase and acquisition of facilities and remodeling, and equipping of such facilities for penal and correctional use, including all necessary expenses incident thereto, by contract or force account; and constructing, remodeling, and equipping necessary buildings and facilities at existing penal and correctional institutions, including all necessary expenses incident thereto, by contract or force account, $397,700,000, to remain available until expended, of which not to exceed $14,000,000 shall be available to construct areas for inmate work programs: Provided, That labor of United States prisoners may be used for work performed under this appropriation: Provided further, That not to exceed 10 percent of the funds appropriated to "Buildings and Facilities" in this or any other Act may be transferred to "Salaries and Expenses", Federal Prison System, upon notification by the Attorney General to the Committees on Appropriations of the House of Representatives and the Senate in compliance with provisions set forth in section 605 of this Act.

FEDERAL PRISON INDUSTRIES, INCORPORATED

The Federal Prison Industries, Incorporated, is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available, and in accord with the law, and to make such contracts and commitments, without regard to fiscal year limitations as provided by section 9104 of title 31, United States Code, as may be necessary in carrying out the program set forth in the budget for the current fiscal year for such corporation, including purchase (not to exceed five for replacement only) and hire of passenger motor vehicles.

LIMITATION ON ADMINISTRATIVE EXPENSES, FEDERAL PRISON INDUSTRIES, INCORPORATED

Not to exceed $3,429,000 of the funds of the corporation shall be available for its administrative expenses, and for services as authorized by 5 U.S.C. 3109, to be computed on an accrual basis to be determined in accordance with the corporation's current prescribed accounting system, and such amounts shall be exclusive of depreciation, payment of claims, and expenditures which such accounting system requires to be capitalized or charged to cost of commodities acquired or produced, including selling and shipping expenses, and expenses in connection with acquisition, construction, operation, maintenance, improvement, protection, or disposition of facilities and other property belonging to the corporation or in which it has an interest.

OFFICE OF JUSTICE PROGRAMS

JUSTICE ASSISTANCE

For grants, contracts, cooperative agreements, and other assistance authorized by title I of the Omnibus Crime Control and Safe Streets Act of 1968, the Missing Children's Assistance Act, including salaries and expenses in connection therewith, the Prosecutorial Remedies and Other Tools to end the Exploitation of Children Today Act of 2003 (Public Law 108–21), and the Victims of Crime Act of 1984, $190,125,000, to remain available until expended.

STATE AND LOCAL LAW ENFORCEMENT ASSISTANCE

For grants, contracts, cooperative agreements, and other assistance authorized by the Violent Crime Control and Law Enforcement Act of 1994 (Public Law 103–322) ("the 1994 Act"); the Omnibus Crime Control and Safe Streets Act of 1968 ("the 1968 Act"); the Victims of Trafficking and Violence Protection Act of 2000 (Public Law 106–386); and other programs; $1,297,684,000 (including amounts for administrative costs, which shall be transferred to and merged with the "Justice Assistance" account): Provided, That all balances under this heading for programs to address violence against women may be transferred to and merged with the appropriation for "Violence Against Women Prevention and Prosecution Programs": Provided further, That funding provided under this heading shall remain available until expended as follows:

(1) $225,000,000 for Local Law Enforcement Block Grants, pursuant to H.R. 728 as passed by the House of Representatives on February 14, 1995, except that for purposes of this Act and retroactive to October 1, 2000, Guam shall be considered as one "State" for all purposes under H.R. 728, notwithstanding any provision of section 108(3) thereof, the Commonwealth of Puerto Rico shall be considered a "unit of local government" as well as a "State", for the purposes set forth in paragraphs (A), (B), (D), (F), and (I) of section 101(a)(2) of H.R. 728, and for establishing crime prevention programs involving cooperation between community residents and law enforcement personnel in order to control, detect, or investigate crime or the prosecution of criminals: Provided, That funding shall be available for the purposes authorized by part E of title I of the 1968 Act: Provided further, That no funds provided under this heading may be used as matching funds for any other Federal grant program, of which—

(A) $80,000,000 shall be for Boys and Girls Clubs in public housing facilities and other areas in cooperation with State and local law enforcement, as authorized by section 401 of Public Law 104–294 (42 U.S.C. 13751 note);

(B) $10,000,000 shall be available for grants, contracts, and other assistance to carry out section 102(c) of H.R. 728; and

(C) $2,981,000 for USA Freedom Corps activities;

(2) $300,000,000 for the State Criminal Alien Assistance Program, as authorized by section 242(j) of the Immigration and Nationality Act: Provided, That funds shall be disbursed only as a direct reimbursement for each State's documented cost for incarcerating undocumented criminal aliens;

(3) $2,000,000 for the Cooperative Agreement Program for the improvement of State and local correctional facilities holding prisoners in custody of the United States Marshals Service;

(4) $15,000,000 for assistance to Indian tribes, of which—

(A) $2,000,000 shall be available for grants under section 20109(a)(2) of subtitle A of title II of the 1994 Act;

(B) $8,000,000 shall be available for the Tribal Courts Initiative; and

(C) $5,000,000 shall be available for demonstration projects on alcohol and crime in Indian Country;

(5) $659,117,000 for programs authorized by part E of title I of the 1968 Act, notwithstanding the provisions of section 511 of said Act, of which $159,117,000 shall be for discretionary grants under the Edward Byrne Memorial State and Local Law Enforcement Assistance Programs;

(6) $10,000,000 for victim services programs for victims of trafficking, as authorized by section 107(b)(2) of Public Law 106–386;

(7) $892,000 for the Missing Alzheimer's Disease Patient Alert Program, as authorized by section 240001(c) of the 1994 Act;

(8) $38,500,000 for Drug Courts, as authorized by Part EE of title I of the 1968 Act;

(9) $2,000,000 for public awareness programs addressing marketing scams aimed at senior citizens, as authorized by section 250005(3) of the 1994 Act;

(10) $7,000,000 for a prescription drug monitoring program;

(11) $37,175,000 for prison rape prevention and prosecution programs as authorized by the Prison Rape Elimination Act of 2003 (Public Law 108–79), of which $2,175,000 shall be transferred to the National Prison Rape Reduction Commission for authorized activities; and

(12) $1,000,000 for a State and local law enforcement hate crimes training and technical assistance program: Provided, That funds made available in fiscal year 2004 under subpart 1 of part E of title I of the 1968 Act may be obligated for programs to assist States in the litigation processing of death penalty Federal habeas corpus petitions and for drug testing initiatives: Provided further, That, if a unit of local government uses any of the funds made available under this title to increase the number of law enforcement officers, the unit of local government will achieve a net gain in the number of law enforcement officers who perform nonadministrative public safety service.

WEED AND SEED PROGRAM FUND

For necessary expenses, including salaries and related expenses of the Executive Office for Weed and Seed, to implement "Weed and Seed" program activities, $58,542,000, to remain available until September 30, 2005, for inter-governmental agreements, including grants, cooperative agreements, and contracts, with State and local law enforcement agencies, non-profit organizations, and agencies of local government engaged in the investigation and prosecution of violent crimes and drug offenses in "Weed and Seed" designated communities, and for either reimbursements or transfers to appropriation accounts of the Department of Justice and other Federal agencies which shall be specified by the Attorney General to execute the "Weed and Seed" program strategy: Provided, That funds designated by Congress through language for other Department of Justice appropriation accounts for "Weed and Seed" program activities shall be managed and executed by the Attorney General through the Executive Office for Weed and Seed: Provided further, That the Attorney General may direct the use of other Department of Justice funds and personnel in support of "Weed and Seed" program activities only after the Attorney General notifies the Committees on Appropriations of the House of Representatives and the Senate in accordance with section 605 of this Act.

COMMUNITY ORIENTED POLICING SERVICES

For activities authorized by the Violent Crime Control and Law Enforcement Act of 1994 (Public Law 103–322) (including administrative costs), $756,283,000, to remain available until expended: Provided, That funds that become available as a result of deobligations from prior year balances may not be obligated except in accordance with section 605 of this Act: Provided further, That of the funds under this heading, not to exceed $1,972,000 shall be available for the Office of Justice Programs for reimbursable services associated with programs administered by the Community Oriented Policing Services Office: Provided further, That section 1703(b) and (c) of the Omnibus Crime Control and Safe Streets Act of 1968 ("the 1968 Act") shall not apply to non-hiring grants made pursuant to part Q of title I thereof (42 U.S.C. 3796dd et seq.). Of the amounts provided—

(1) $120,000,000 for the hiring of law enforcement officers, including $60,000,000 for school resource officers;

(2) $25,000,000 for the matching grant program for Law Enforcement Armor Vests pursuant to section 2501 of part Y of the 1968 Act;

(3) $25,000,000 to improve tribal law enforcement including equipment and training;

(4) $54,050,000 for policing initiatives to combat methamphetamine production and trafficking and to enhance policing initiatives in "drug hot spots";

(5) $15,000,000 for Police Corps education and training: Provided, That the out-year program costs of new recruits shall be fully funded from funds currently available;

(6) $158,407,000 for a law enforcement technology program;

(7) $30,000,000 for grants to upgrade criminal records, as authorized under the Crime Identification Technology Act of 1998 (42 U.S.C. 14601);

(8) $100,000,000 for a DNA analysis and backlog reduction formula program, of which:

(A) $55,000,000 shall be for eliminating casework backlogs;

(B) $5,000,000 shall be for eliminating the offender backlog;

(C) $30,000,000 shall be for strengthening crime lab capacity;

(D) $5,000,000 shall be for training the criminal justice community; and

(E) $5,000,000 shall be for using DNA to identify missing persons;

(9) $10,000,000 for Paul Coverdell Forensic Sciences Improvement Grants under part BB of title I of the 1968 Act (42 U.S.C. 3797j et seq.);

(10) $30,000,000 for the Southwest Border Prosecutor Initiative to reimburse State, county, parish, tribal, or municipal governments only for costs associated with the prosecution of criminal cases declined by local United States Attorneys offices;

(11) $5,000,000 for an offender re-entry program, as authorized by Public Law 107–273;

(12) $10,000,000 for a police integrity program;

(13) $30,000,000 for Project Safe Neighborhoods to reduce gun violence, and gang and drug-related crime;

(14) $24,226,000 for grants, contracts and other assistance to States under section 102(b) of the Crime Identification Technology Act of 1998 (42 U.S.C. 14601), of which $5,000,000 is for the National Institute of Justice for grants, contracts, and other agreements to develop school safety technologies and training;

(15) $85,000,000 for the COPS Interoperable Communications Technology Program;

(16) $4,600,000 for the Safe Schools Initiative; and

(17) not to exceed $30,000,000 for program management and administration.

VIOLENCE AGAINST WOMEN PREVENTION AND PROSECUTION PROGRAMS

For grants, contracts, cooperative agreements, and other assistance for the prevention and prosecution of violence against women as authorized by the Omnibus Crime Control and Safe Streets Act of 1968 ("the 1968 Act"); the Violent Crime Control and Law Enforcement Act of 1994 (Public Law 103–322) ("the 1994 Act"); the Victims of Child Abuse Act of 1990 ("the 1990 Act"); the Prosecutorial Remedies and Other Tools to end the Exploitation of Children Today Act of 2003 (Public Law 108–21); and the Victims of Trafficking and Violence Protection Act of 2000 (Public Law 106–386); $387,629,000 (including amounts for administrative costs, which shall be transferred to and merged with the "Justice Assistance" account), to remain available until expended.

Of the amount provided—

(1) $11,897,000 for the court appointed special advocate program, as authorized by section 217 of the 1990 Act;

(2) $2,281,000 for child abuse training programs for judicial personnel and practitioners, as authorized by section 222 of the 1990 Act;

(3) $994,000 for grants for televised testimony, as authorized by part N of the 1968 Act;

(4) $168,334,000 for grants to combat violence against women, as authorized by part T of the 1968 Act, of which—

(A) $5,200,000 shall be for the National Institute of Justice for research and evaluation of violence against women; and

(B) $10,000,000 shall be for the Office of Juvenile Justice and Delinquency Prevention for the Safe Start Program, as authorized by the Juvenile Justice and Delinquency Act of 1974;

(5) $64,503,000 for grants to encourage arrest policies as authorized by part U of the 1968 Act;

(6) $39,685,000 for rural domestic violence and child abuse enforcement assistance grants, as authorized by section 40295 of the 1994 Act;

(7) $4,957,000 for training programs as authorized by section 40152 of the 1994 Act, and for related local demonstration projects;

(8) $2,981,000 for grants to improve the stalking and domestic violence databases, as authorized by section 40602 of the 1994 Act;

(9) $9,935,000 to reduce violent crimes against women on campus, as authorized by section 1108(a) of Public Law 106–386;

(10) $39,740,000 for legal assistance for victims, as authorized by section 1201 of Public Law 106–386;

(11) $4,968,000 for enhancing protection for older and disabled women from domestic violence and sexual assault as authorized by section 40802 of the 1994 Act;

(12) $14,903,000 for the safe havens for children pilot program as authorized by section 1301 of Public Law 106–386;

(13) $15,000,000 shall be for transitional housing assistance grants for victims of domestic violence, stalking or sexual assault as authorized by Public Law 108–21; and

(14) $7,451,000 for education and training to end violence against and abuse of women with disabilities, as authorized by section 1402 of Public Law 106–386.

JUVENILE JUSTICE PROGRAMS

For grants, contracts, cooperative agreements, and other assistance authorized by the Juvenile Justice and Delinquency Prevention Act of 1974 ("the Act"), and other juvenile justice programs, including salaries and expenses in connection therewith to be transferred to and merged with the appropriations for Justice Assistance, $352,700,000, to remain available until expended, as follows:

(1) $3,600,000 for concentration of Federal efforts, as authorized by section 204 of the Act;

(2) $84,000,000 for State and local programs authorized by section 221 of the Act, including training and technical assistance to assist small, non-profit organizations with the Federal grants process;

(3) $2,500,000 for research, evaluation, training and technical assistance, as authorized by sections 251 and 252 of the Act;

(4) $79,600,000 for demonstration projects as authorized by sections 261 and 262 of the Act;

(5) $80,000,000 for delinquency prevention, as authorized by section 505 of the Act, of which—

(A) $10,000,000 shall be for the Tribal Youth program;

(B) $20,000,000 shall be for a gang resistance education and training program to be coordinated with the Bureau of Alcohol, Tobacco, Firearms and Explosives; and

(C) $25,000,000 shall be for grants of $360,000 to each State and $6,640,000 shall be available for discretionary grants to States, for programs and activities to enforce State laws prohibiting the sale of alcoholic beverages to minors or the purchase or consumption of alcoholic beverages by minors, prevention and reduction of consumption of alcoholic beverages by minors, and for technical assistance and training;

(6) $5,000,000 for Project Childsafe;

(7) $10,000,000 for the Secure Our Schools Act as authorized by Public Law 106–386;

(8) $15,000,000 for Project Sentry to reduce youth gun violence, and gang and drug-related crime;

(9) $13,000,000 for programs authorized by the Victims of Child Abuse Act of 1990; and

(10) $60,000,000 for the Juvenile Accountability Block Grants program as authorized by Public Law 107–273 and Guam shall be considered a State:

Provided, That not more than 10 percent of each amount in this section may be used for research, evaluation, and statistics activities designed to benefit the programs or activities authorized, and not more than 2 percent of each amount may be used for training and technical assistance.

PUBLIC SAFETY OFFICERS BENEFITS

To remain available until expended, for payments authorized by part L of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796), such sums as are necessary, as authorized by section 6093 of Public Law 100–690 (102 Stat. 4339–4340); and $3,000,000, to remain available until expended for payments as authorized by section 1201(b) of said Act.

GENERAL PROVISIONS—DEPARTMENT OF JUSTICE

(INCLUDING RESCISSION)

SEC. 101. In addition to amounts otherwise made available in this title for official reception *and representation expenses, a total of not to exceed $45,000 from funds appropriated to the Department of Justice in this title shall be available to the Attorney General for official reception and representation expenses.*

SEC. 102. None of the funds appropriated by this title shall be available to pay for an abortion, except where the life of the mother would be endangered if the fetus were carried to term, or in the case of rape: Provided, That should this prohibition be declared unconstitutional by a court of competent jurisdiction, this section shall be null and void.

SEC. 103. None of the funds appropriated under this title shall be used to require any person to perform, or facilitate in any way the performance of, any abortion.

SEC. 104. Nothing in the preceding section shall remove the obligation of the Director of the Bureau of Prisons to provide escort services necessary for a female inmate to receive such service outside the Federal facility: Provided, That nothing in this section in any way diminishes the effect of section 103 intended to address the philosophical beliefs of individual employees of the Bureau of Prisons.

SEC. 105. Notwithstanding any other provision of law, not to exceed $10,000,000 of the funds made available in this Act may be used to establish and publicize a program under which publicly advertised, extraordinary rewards may be paid, which shall not be subject to spending limitations contained in sections 3059 and 3072 of title 18, United States Code: Provided, That any reward of $100,000 or more, up to a maximum of $2,000,000, may not be made without the personal approval of the President or the Attorney General and such approval may not be delegated: Provided further, That rewards made pursuant to section 501 of Public Law 107–56 shall not be subject to this section.

SEC. 106. Not to exceed 5 percent of any appropriation made available for the current fiscal year for the Department of Justice in this Act may be transferred between such appropriations, but no such appropriation, except as otherwise specifically provided, shall be increased by more than 10 percent by any such transfers: Provided, That any transfer pursuant to this section shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation except in compliance with the procedures set forth in that section.

SEC. 107. Section 114 of Public Law 107–77 shall remain in effect during fiscal year 2004.

SEC. 108. (a) Hereafter, the Attorney General is authorized to transfer, under such terms and conditions as the Attorney General shall specify, forfeited real or personal property of limited or marginal value, as such value is determined by guidelines established by the Attorney General, to a State or local government agency, or its designated contractor or transferee, for use to support drug abuse treatment, drug and crime prevention and education, housing, job skills, and other community-based public health and safety programs.

(b) Any transfer under the preceding proviso shall not create or confer any private right of action in any person against the United States, and shall be treated as a reprogramming under section 605 of this Act.

SEC. 109. Authorities contained in the 21st Century Department of Justice Appropriations Authorization Act (Public Law 107–273) shall remain in effect until the effective date of a subsequent Department of Justice appropriations authorization Act.

SEC. 110. None of the funds appropriated or otherwise made available by this Act or any other Act to the Department of Justice shall be expended for the purpose of reimbursement or direct payments for the legal fees of an individual employed as an attorney in the Department of Justice for a matter in which the individual is the subject of a disciplinary recommendation for ethical misconduct by the Counsel for Professional Responsibility.

SEC. 111. In addition to the amounts provided under "Salaries and Expenses, United States Attorneys", $15,000,000 shall be for Project Seahawk and shall remain available until expended.

SEC. 112. (a)(1) None of the funds provided in this Act or hereafter may be used for courts or law enforcement officers for a tribe or village—

(A) in which fewer than 25 Native members live in the village year round; or

(B) that is located within the boundaries of the Fairbanks North Star Borough, the Matanuska Susitna Borough, the Municipality of Anchorage, the Kenai Peninsula Borough, the City and Borough of Juneau, the Sitka Borough, or the Ketchikan Borough.

(2)(A) There is established an Alaska Rural Justice and Law Enforcement Commission (hereinafter "Justice Commission"). The United States Attorney General shall appoint the Justice Commission which shall include a Federal Co-chairman, the Attorney General for the State of Alaska or his designee who shall act as the State Co-Chairman, the Commissioner of Public Safety for the State of Alaska, a representative from the Alaska Municipal League, a representative from an organized borough, a representative of the Alaska Federation of Natives, a tribal representative, a representative from a non-profit Native corporation that operates Village Public Safety Officer programs, and a representative from the Alaska Native Justice Center. The chief judge for the Federal District Court for the District of Alaska may also appoint a non-voting representative to provide technical support. The Justice Commission may hire such staff as is necessary to assist with its work.

(B) The Justice Commission shall review Federal, State, local, and tribal jurisdiction over civil and criminal matters in Alaska but outside the Municipality of Anchorage, the Fairbanks North Star Borough, the Kenai Peninsula Borough, the Matanuska-Susitna Borough, the City and Borough of Juneau, the Sitka Borough, and the Ketchikan Borough. It shall make recommendations to Congress and the Alaska State Legislature no later than May 1, 2004, on options which shall include the following—

(i) create a unified law enforcement system, court system, and system of local laws or ordinances for Alaska Native villages and communities of varying sizes including the possibility of first, second, and third class villages with different powers;

(ii) meet the law enforcement and judicial personnel needs in rural Alaska including the possible use of cross deputization in a way that maximizes the existing resources of Federal, State, local, and tribal governments;

(iii) address the needs to regulate alcoholic beverages including the prohibition of the sale, importation, use, or possession of alcoholic beverages and to provide restorative justice for persons who violate such laws including treatment; and

(iv) address the problem of domestic violence and child abuse including treatment options and restorative justice.

(b)(1) The General Accounting Office shall immediately begin a review of Federal programs benefitting rural communities in Alaska including the name of each program and the department or agency that administers it, the amount of funds provided to Alaska through each program, a list of the statutes and regulations governing use of funds for each program, and any data demonstrating the performance of each program. With respect to housing programs, the study shall determine the number of houses built by each Native housing authority including the cost per house. The Office shall submit a report of its findings to the House and Senate Committees on Appropriations, and to the Alaska Federation of Natives no later than April 30, 2004.

(2) The Alaska Federation of Natives, in consultation with the Alaska Municipal League, may review the delivery of Federal programs in Alaska and make recommendations to the Congress to reduce duplication, improve and consolidate delivery of services, streamline application and administrative procedures, improve accountability, mandate performance measures, and other actions to reduce costs and improve efficiency.

(c) The Federal Advisory Committee Act shall not apply to this section.

(d) Amend the Denali Commission Act (Title III of Public Law 105–277) by adding a new section as follows:

"SEC. 310. (a) The Federal Co-chairman of the Denali Commission shall appoint an Economic Development Committee to be chaired by the president of the Alaska Federation of Natives which shall include the Commissioner of Community and Economic Affairs for the State of Alaska, a representative from the Alaska Bankers Association, the chairman of the Alaska Permanent Fund, a representative from the Alaska State Chamber of Commerce, and a representative from each region. Of the regional representatives, at least two each shall be from Native regional corporations, Native non-profit corporations, tribes, and borough governments.

"(b) The Economic Development Committee is authorized to consider and approve applications from Regional Advisory Committees for grants and loans to promote economic development and promote private sector investment to reduce poverty in economically distressed rural villages. The Economic Development Committee may make mini-grants to individual applicants and may issue loans under such terms and conditions as it determines.

"(c) The State Co-chairman of the Denali Commission shall appoint a Regional Advisory Committee for each region which may include representatives from local, borough, and tribal governments, the Alaska Native non-profit corporation operating in the region, local Chambers of Commerce, and representatives of the private sector. Each Regional Advisory Committee shall develop a regional economic development plan for consideration by the Economic Development Committee.

"(d) The Economic Development Committee, in consultation with the First Alaskans Institute, may develop rural development performance measures linking economic growth to poverty reduction to measure the success of its program which may include economic, educational, social, and cultural indicators. The performance measures will be tested in one region for two years and evaluated by the University of Alaska before being deployed statewide. Thereafter, performance in each region shall be evaluated using the performance measures, and the Economic Development Committee shall not fund projects which do not demonstrate success.

"(e) Within the amounts made available annually to the Denali Commission for training, the Commission may make a grant to the First Alaskans Foundation upon submittal of an acceptable work plan to assist Alaska Natives and other rural residents in acquiring the skills and training necessary to participate fully in private sector business and economic and development opportunities through fellowships, scholarships, internships, public service programs, and other leadership initiatives.

"(f) The Committee shall sponsor a statewide economic development summit in consultation with the World Bank to evaluate the best practices for economic development worldwide and

how they can be incorporated into regional economic development plans.

"(g) There is authorized to be appropriated such sums as may be necessary to the following agencies which shall be transferred to the Denali Commission as a direct lump sum payment to implement this section:

"(1) Department of Commerce, Economic Development Administration,

"(2) Department of Housing and Urban Development,

"(3) Department of the Interior, Bureau of Indian Affairs,

"(4) Department of Agriculture, Rural Development Administration, and

"(5) Small Business Administration.".

SEC. 113. For an additional amount for the "Local Law Enforcement Block Grant" program to be provided to the City of San Juan, Puerto Rico, $550,000.

SEC. 114. Of the unobligated balances available to the Department of Justice from prior year appropriations with the exception of funds provided for counterterrorism activities, counterintelligence activities, white collar crime enforcement, organized crime enforcement, and drug enforcement, $100,000,000 are rescinded: Provided, That within 30 days after the date of the enactment of this section the Attorney General shall submit to the Committees on Appropriations of the House of Representatives and the Senate a report specifying the amount of each rescission made pursuant to this section.

This title may be cited as the "Department of Justice Appropriations Act, 2004".

TITLE II—DEPARTMENT OF COMMERCE AND RELATED AGENCIES

TRADE AND INFRASTRUCTURE DEVELOPMENT

RELATED AGENCIES

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

SALARIES AND EXPENSES

For necessary expenses of the Office of the United States Trade Representative, including the hire of passenger motor vehicles and the employment of experts and consultants as authorized by 5 U.S.C. 3109, $41,994,000, of which $1,000,000 shall remain available until expended: Provided, That not to exceed $124,000 shall be available for official reception and representation expenses: Provided further, That not less than $2,000,000 provided under this heading shall be for expenses authorized by 19 U.S.C. 2451 and 1677b(c): Provided further, That negotiations shall be conducted within the World Trade Organization to recognize the right of members to distribute monies collected from antidumping and countervailing duties.

INTERNATIONAL TRADE COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the International Trade Commission, including hire of passenger motor vehicles, and services as authorized by 5 U.S.C. 3109, and not to exceed $2,500 for official reception and representation expenses, $58,295,000, to remain available until expended.

DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

OPERATIONS AND ADMINISTRATION

For necessary expenses for international trade activities of the Department of Commerce provided for by law, and for engaging in trade promotional activities abroad, including expenses of grants and cooperative agreements for the purpose of promoting exports of United States firms, without regard to 44 U.S.C. 3702 and 3703; full medical coverage for dependent members of immediate families of employees stationed overseas and employees temporarily posted overseas; travel and transportation of employees of the United States and Foreign Commercial Service between two points abroad, without regard to 49 U.S.C. 40118; employment of Americans and aliens by contract for services; rental of space abroad for periods not exceeding 10 years, and expenses of alteration, repair, or improvement; purchase or construction of temporary demountable exhibition structures for use abroad; payment of tort claims, in the manner authorized in the first paragraph of 28 U.S.C. 2672 when such claims arise in foreign countries; not to exceed $327,000 for official representation expenses abroad; purchase of passenger motor vehicles for official use abroad, not to exceed $30,000 per vehicle; obtaining insurance on official motor vehicles; and rental of tie lines, $395,123,000, to remain available until expended, of which $13,000,000 is to be derived from fees to be retained and used by the International Trade Administration, notwithstanding 31 U.S.C. 3302: Provided, That $46,669,000 shall be for Manufacturing and Services; $38,204,000 shall be for Market Access and Compliance; $68,160,000 shall be for the Import Administration of which $3,000,000 is to establish an Office of China Compliance; $217,040,000 shall be for the United States and Foreign Commercial Service of which $1,500,000 is for the Advocacy Center, $2,500,000 is for the Trade Information Center, and $2,100,000 is for a China and Middle East Business Center; and $25,050,000 shall be for Executive Direction and Administration: Provided further, That negotiations shall be conducted within the World Trade Organization to recognize the right of members to distribute monies collected from antidumping and countervailing duties: Provided further, That the provisions of the first sentence of section 105(f) and all of section 108(c) of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2455(f) and 2458(c)) shall apply in carrying out these activities without regard to section 5412 of the Omnibus Trade and Competitiveness Act of 1988 (15 U.S.C. 4912); and that for the purpose of this Act, contributions under the provisions of the Mutual Educational and Cultural Exchange Act of 1961 shall include payment for assessments for services provided as part of these activities.

BUREAU OF INDUSTRY AND SECURITY

OPERATIONS AND ADMINISTRATION

For necessary expenses for export administration and national security activities of the Department of Commerce, including costs associated with the performance of export administration field activities both domestically and abroad; full medical coverage for dependent members of immediate families of employees stationed overseas; employment of Americans and aliens by contract for services abroad; payment of tort claims, in the manner authorized in the first paragraph of 28 U.S.C. 2672 when such claims arise in foreign countries; not to exceed $15,000 for official representation expenses abroad; awards of compensation to informers under the Export Administration Act of 1979, and as authorized by 22 U.S.C. 401(b); and purchase of passenger motor vehicles for official use and motor vehicles for law enforcement use with special requirement vehicles eligible for purchase without regard to any price limitation otherwise established by law, $68,203,000, to remain available until September 30, 2005, of which $7,203,000 shall be for inspections and other activities related to national security: Provided, That the provisions of the first sentence of section 105(f) and all of section 108(c) of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2455(f) and 2458(c)) shall apply in carrying out these activities: Provided further, That payments and contributions collected and accepted for materials or services provided as part of such activities may be retained for use in covering the cost of such activities, and for providing information to the public with respect to the export administration and national security activities of the Department of Commerce and other export control programs of the United States and other governments.

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

For grants for economic development assistance as provided by the Public Works and Economic Development Act of 1965, and for trade adjustment assistance, $288,115,000, to remain available until expended.

SALARIES AND EXPENSES

For necessary expenses of administering the economic development assistance programs as provided for by law, $30,565,000: Provided, That these funds may be used to monitor projects approved pursuant to title I of the Public Works Employment Act of 1976, title II of the Trade Act of 1974, and the Community Emergency Drought Relief Act of 1977.

MINORITY BUSINESS DEVELOPMENT AGENCY

MINORITY BUSINESS DEVELOPMENT

For necessary expenses of the Department of Commerce in fostering, promoting, and developing minority business enterprise, including expenses of grants, contracts, and other agreements with public or private organizations, $28,859,000.

ECONOMIC AND INFORMATION INFRASTRUCTURE

ECONOMIC AND STATISTICAL ANALYSIS

SALARIES AND EXPENSES

For necessary expenses, as authorized by law, of economic and statistical analysis programs of the Department of Commerce, $75,000,000, to remain available until September 30, 2005.

BUREAU OF THE CENSUS

SALARIES AND EXPENSES

For expenses necessary for collecting, compiling, analyzing, preparing, and publishing statistics, provided for by law, $194,811,000.

PERIODIC CENSUSES AND PROGRAMS

For necessary expenses related to the 2010 decennial census, $255,200,000, to remain available until September 30, 2005: Provided, That, of the total amount available related to the 2010 decennial census, $107,090,000 is for the Re-engineered Design Process for the Short-Form Only Census, $64,800,000 is for the American Community Survey, and $83,310,000 is for the Master Address File/Topologically Integrated Geographic Encoding and Referencing (MAF/TIGER) system.

In addition, for expenses to collect and publish statistics for other periodic censuses and programs provided for by law, $180,853,000, to remain available until September 30, 2005, of which $80,082,000 is for economic statistics programs and $100,771,000 is for demographic statistics programs: Provided, That regarding engineering and design of a facility at the Suitland Federal Center, quarterly reports regarding the expenditure of funds and project planning, design and cost decisions shall be provided by the Bureau, in cooperation with the General Services Administration, to the Committees on Appropriations of the Senate and the House of Representatives: Provided further, That none of the funds provided in this or any other Act under the heading "Bureau of the Census, Periodic Censuses and Programs" shall be used to fund the construction and tenant build-out costs of a facility at the Suitland Federal Center.

NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses, as provided for by law, of the National Telecommunications and Information Administration (NTIA), $14,604,000, to remain available until September 30, 2005: Provided, That, notwithstanding 31 U.S.C. 1535(d), the Secretary of Commerce shall charge Federal agencies for costs incurred in spectrum management, analysis, and operations, and related services and such fees shall be retained *and used as offsetting collections for costs of such spectrum services, to remain available until expended: Provided further, That the Secretary of Commerce is authorized to retain and use as offsetting collections all funds transferred, or previously transferred, from other Government agencies for all costs incurred in telecommunications research, engineering, and related activities by the Institute for Telecommunication Sciences of NTIA, in furtherance of its assigned functions under this paragraph, and such funds received from other Government agencies shall remain available until expended.*

PUBLIC TELECOMMUNICATIONS FACILITIES, PLANNING AND CONSTRUCTION

For grants authorized by section 392 of the Communications Act of 1934, $22,000,000, to remain available until expended as authorized by section 391 of the Act: Provided, That not to exceed $2,000,000 shall be available for program administration as authorized by section 391 of the Act: Provided further, That, notwithstanding the provisions of section 391 of the Act, the prior year unobligated balances may be made available for grants for projects for which applications have been submitted and approved during any fiscal year.

INFORMATION INFRASTRUCTURE GRANTS

For grants authorized by section 392 of the Communications Act of 1934, $15,000,000, to remain available until expended as authorized by section 391 of the Act: Provided, That not to exceed $3,000,000 shall be available for program administration and other support activities as authorized by section 391: Provided further, That, of the funds appropriated herein, not to exceed 5 percent may be available for telecommunications research activities for projects related directly to the development of a national information infrastructure: Provided further, That, notwithstanding the requirements of sections 392(a) and 392(c) of the Act, these funds may be used for the planning and construction of telecommunications networks for the provision of educational, health care, or public information: Provided further, That, notwithstanding any other provision of law, no entity that receives telecommunications services at preferential rates under section 254(h) of the Act (47 U.S.C. 254(h)) or receives assistance under the regional information sharing systems grant program of the Department of Justice under part M of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796h) may use funds under a grant under this heading to cover any costs of the entity that would otherwise be covered by such preferential rates or such assistance, as the case may be.

UNITED STATES PATENT AND TRADEMARK OFFICE

SALARIES AND EXPENSES

For necessary expenses of the United States Patent and Trademark Office provided for by law, including defense of suits instituted against the Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office, $1,222,460,000, to remain available until expended, which amount shall be derived from offsetting collections assessed and collected pursuant to 15 U.S.C. 1113 and 35 U.S.C. 41 and 376, and shall be retained and used for necessary expenses in this appropriation: Provided, That the sum herein appropriated from the general fund shall be reduced as such offsetting collections are received during fiscal year 2004, so as to result in a fiscal year 2004 appropriation from the general fund estimated at $0: Provided further, That during fiscal year 2004, should the total amount of offsetting fee collections be less than $1,222,460,000, the total amounts available to the United States Patent and Trademark Office shall be reduced accordingly: Provided further, That from amounts provided herein, not to exceed $1,000 shall be made available in fiscal year 2004 for official reception and representation expenses: Provided further, That, notwithstanding section 1353 of title 31, United States Code, no employee of the United States Patent and Trademark Office may accept payment or reimbursement from a non-Federal entity for travel, subsistence, or related expenses for the purpose of enabling an employee to attend and participate in a convention, conference, or meeting when the entity offering payment or reimbursement is a person or corporation subject to regulation by the Office, or represents a person or corporation subject to regulation by the Office, unless the person or corporation is an organization exempt from taxation pursuant to section 501(c)(3) of the Internal Revenue Code of 1986.

SCIENCE AND TECHNOLOGY

TECHNOLOGY ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Under Secretary for Technology Office of Technology Policy, $6,411,000.

NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY

SCIENTIFIC AND TECHNICAL RESEARCH AND SERVICES

For necessary expenses of the National Institute of Standards and Technology, $344,366,000, to remain available until expended, of which not to exceed $282,000 may be transferred to the "Working Capital Fund".

INDUSTRIAL TECHNOLOGY SERVICES

For necessary expenses of the Manufacturing Extension Partnership of the National Institute of Standards and Technology, $39,607,000, to remain available until expended.

In addition, for necessary expenses of the Advanced Technology Program of the National Institute of Standards and Technology, $179,175,000, to remain available until expended, of which $60,700,000 shall be expended for the award of new grants before September 30, 2004.

CONSTRUCTION OF RESEARCH FACILITIES

For construction of new research facilities, including architectural and engineering design, and for renovation and maintenance of existing facilities, not otherwise provided for the National Institute of Standards and Technology, as authorized by 15 U.S.C. 278c–278e, $64,954,000, to remain available until expended.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

OPERATIONS, RESEARCH, AND FACILITIES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of activities authorized by law for the National Oceanic and Atmospheric Administration, including maintenance, operation, and hire of aircraft; grants, contracts, or other payments to nonprofit organizations for the purposes of conducting activities pursuant to cooperative agreements; and relocation of facilities as authorized, $2,686,520,000, to remain available until September 30, 2005, except for funds provided for cooperative enforcement which shall remain available until September 30, 2006: Provided, That fees and donations received by the National Ocean Service for the management of the national marine sanctuaries may be retained and used for the salaries and expenses associated with those activities, notwithstanding 31 U.S.C. 3302: Provided further, That, in addition, $62,000,000 shall be derived by transfer from the fund entitled "Promote and Develop Fishery Products and Research Pertaining to American Fisheries": Provided further, That grants to States pursuant to sections 306 and 306A of the Coastal Zone Management Act of 1972, as amended, shall not exceed $2,000,000, unless funds provided for "Coastal Zone Management Grants" exceed funds provided in the previous fiscal year: Provided further, That if funds provided for "Coastal Zone Management Grants" exceed funds provided in the previous fiscal year, then no State shall receive more than 5 percent or less than 1 percent of the additional funds: Provided further, That, of the $2,748,520,000 provided for in direct obligations under this heading (of which $2,686,520,000 is appropriated from the General Fund and $62,000,000 is provided by transfer), $513,910,000 shall be for the National Ocean Service, $639,990,000 shall be for the National Marine Fisheries Service, $400,813,000 shall be for Oceanic and Atmospheric Research, $729,685,000 shall be for the National Weather Service, $153,827,000 shall be for the National Environmental Satellite, Data, and Information Service, and $310,295,000 shall be for Program Support: Provided further, That no general administrative charge shall be applied against an assigned activity included in this Act or the report accompanying this Act: Provided further, That deobligated balances of funds provided under this heading in previous years shall be deposited in the United States Treasury General Fund: Provided further, That payments of funds made available under this heading to the Department of Commerce Working Capital Fund shall not exceed $38,758,000: Provided further, That none of the funds under this heading are available to alter the existing structure, organization, function, and funding of the National Marine Fisheries Service Southwest Region and Fisheries Science Center and Northwest Region and Fisheries Science Center: Provided further, That, hereafter, the Secretary of Commerce may enter into cooperative agreements with the Joint and Cooperative Institutes as designated by the Secretary to use the personnel, services, or facilities of such organizations for research, education, training, and outreach: Provided further, That of the amounts appropriated under this heading, $1,207,000 shall be transferred to and merged with funds appropriated under the heading, "Salaries and Expenses, Marine Mammal Commission", of which $500,000 shall remain available until September 30, 2005: Provided further, That none of the funds in this Act may be used for the National Oceanic and Atmospheric Administration to implement the Department of Commerce's E-Government initiatives.

In addition, for necessary retired pay expenses under the Retired Serviceman's Family Protection and Survivor Benefits Plan, and for payments for medical care of retired personnel and their dependents under the Dependents Medical Care Act (10 U.S.C. ch. 55), such sums as may be necessary.

PROCUREMENT, ACQUISITION AND CONSTRUCTION

For procurement, acquisition and construction of capital assets, including alteration and modification costs, of the National Oceanic and Atmospheric Administration, $990,127,000, to remain available until September 30, 2006, except for funds appropriated for the National Marine Fisheries Service Honolulu Laboratory and the Marine Environmental Health Research Laboratory, which shall remain available until expended: Provided, That of the amounts provided for the National Polar-orbiting Operational Environmental Satellite System, funds shall only be made available on a dollar for dollar matching basis with funds provided for the same purpose by the Department of Defense: Provided further, That none of the funds provided in this Act or any other Act under the heading "National Oceanic and Atmospheric Administration, Procurement, Acquisition and Construction" shall be used to fund the General Services Administration's standard construction and tenant build-out costs of a facility at the Suitland Federal Center.

PACIFIC COASTAL SALMON RECOVERY

For necessary expenses associated with the restoration of Pacific salmon populations, $90,000,000.

FISHERIES FINANCE PROGRAM ACCOUNT

For the costs of direct loans as authorized by the Merchant Marine Act of 1936: Provided, That such costs, including the cost of modifying such loans, shall be as defined in the Federal Credit Reform Act of 1990: Provided further, That these funds are available to subsidize gross obligations for the principle amount of direct loans not to exceed $5,000,000 for Individual Fishing Quota loans, and not to exceed $59,000,000 for traditional direct loans, of which $40,000,000 may be used for direct loans to the United States distant water tuna fleet, and of which $19,000,000 may be used for direct loans to the United States menhaden fishery: Provided further, That none of the funds made available under this heading may be used for direct loans for any new fishing vessel that will increase the harvesting capacity in any United States fishery.

DEPARTMENTAL MANAGEMENT

SALARIES AND EXPENSES

For expenses necessary for the departmental management of the Department of Commerce provided for by law, including not to exceed $5,000 for official entertainment, $47,289,000: Provided, That not to exceed 12 full-time equivalents and $1,621,000 shall be expended for the legislative affairs function of the Department.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978 (5 U.S.C. App.), $21,116,000.

GENERAL PROVISIONS—DEPARTMENT OF COMMERCE

(INCLUDING RESCISSION)

SEC. 201. During the current fiscal year, applicable appropriations and funds made available to the Department of Commerce by this Act shall be available for the activities specified in the Act of October 26, 1949 (15 U.S.C. 1514), to the extent and in the manner prescribed by the Act, and, notwithstanding 31 U.S.C. 3324, may be used for advanced payments not otherwise authorized only upon the certification of officials designated by the Secretary of Commerce that such payments are in the public interest.

SEC. 202. During the current fiscal year, appropriations made available to the Department of Commerce by this Act for salaries and expenses shall be available for hire of passenger motor vehicles as authorized by 31 U.S.C. 1343 and 1344; services as authorized by 5 U.S.C. 3109; and uniforms or allowances therefore, as authorized by law (5 U.S.C. 5901–5902).

SEC. 203. Hereafter, none of the funds made available by this or any other Act for the National Oceanic and Atmospheric Administration may be used to support the hurricane reconnaissance aircraft and activities that are under the control of the United States Air Force or the United States Air Force Reserve.

SEC. 204. Not to exceed 5 percent of any appropriation made available for the current fiscal year for the Department of Commerce in this Act may be transferred between such appropriations, but no such appropriation shall be increased by more than 10 percent by any such transfers: Provided, That any transfer pursuant to this section shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section: Provided further, That the Secretary of Commerce shall notify the Committees on Appropriations at least 15 days in advance of the acquisition or disposal of any capital asset (including land, structures, and equipment) not specifically provided for in this or any other Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act.

SEC. 205. Any costs incurred by a department or agency funded under this title resulting from personnel actions taken in response to funding reductions included in this title or from actions taken for the care and protection of loan collateral or grant property shall be absorbed within the total budgetary resources available to such department or agency: Provided, That the authority to transfer funds between appropriations accounts as may be necessary to carry out this section is provided in addition to authorities included elsewhere in this Act: Provided further, That use of funds to carry out this section shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

SEC. 206. Hereafter, the Secretary of Commerce may use the Commerce franchise fund for expenses and equipment necessary for the maintenance and operation of such administrative services as the Secretary determines may be performed more advantageously as central services, pursuant to section 403 of Public Law 103–356: Provided, That any inventories, equipment, and other assets pertaining to the services to be provided by such fund, either on hand or on order, less the related liabilities or unpaid obligations, and any appropriations made for the purpose of providing capital shall be used to capitalize such fund: Provided further, That such fund shall be paid in advance from funds available to the Department and other Federal agencies for which such centralized services are performed, at rates which will return in full all expenses of operation, including accrued leave, depreciation of fund plant and equipment, amortization of automated data processing software and systems (either acquired or donated), and an amount necessary to maintain a reasonable operating reserve, as determined by the Secretary: Provided further, That such fund shall provide services on a competitive basis: Provided further, That an amount not to exceed 4 percent of the total annual income to such fund may be retained in the fund for fiscal year 2004 and each fiscal year thereafter, to remain available until expended, to be used for the acquisition of capital equipment, and for the improvement and implementation of department financial management, automated data processing, and other support systems: Provided further, That such amounts retained in the fund for fiscal year 2004 and each fiscal year thereafter shall be available for obligation and expenditure only in accordance with section 605 of this Act: Provided further, That no later than 30 days after the end of each fiscal year, amounts in excess of this reserve limitation shall be deposited as miscellaneous receipts in the Treasury.

SEC. 207. Notwithstanding any other provision of law, of the amounts made available elsewhere in this title to the "National Institute of Standards and Technology, Construction of Research Facilities", $14,000,000 is appropriated to fund a cooperative agreement with the Medical University of South Carolina, $5,000,000 is appropriated to the Thayer School of Engineering, of which $1,000,000 is for research relating to intelligent control of distributed systems, $2,000,000 is for a smart laser beam project, and $2,000,000 is for research relating to nanomagnetics, $500,000 is appropriated to the Institute for Information Infrastructure Protection at the Institute for Security and Technology Studies, $1,000,000 is appropriated for the Institute of Politics, and $500,000 is appropriated for the Coastal Conservation Center.

SEC. 208. Of the amount available from the fund entitled "Promote and Develop Fishery Products and Research Pertaining to American Fisheries", $10,000,000 shall be provided to the Alaska Fisheries Marketing Board, $2,000,000 shall be available to the Gulf and South Atlantic Fisheries Foundation, $2,000,000 shall be available to the South Carolina Seafood Alliance, $1,500,000 shall be available to the Oregon Trawl Commission, and $1,500,000 shall be available to the Oregon State University Seafood Laboratory: Provided, That (1) the Alaska Fisheries Marketing Board (hereinafter "the Board") shall be a nonprofit organization and not an agency or establishment of the United States, (2) the Secretary may appoint, assign, or otherwise designate as Executive Director an employee of the Department of Commerce, who may serve in an official capacity in such position, with or without reimbursement, and such appointment or assignment shall be without interruption or loss of civil service status or privilege, and (3) the Board may adopt bylaws consistent with the purposes of this section, and may undertake other acts necessary to carry out the provisions of this section.

SEC. 209. (a) Notwithstanding the provisions of the Public Works and Economic Development Act as amended (42 U.S.C. 3121, et seq.) or any other provision of law, the Economic Development Administration shall approve the sale, transfer, or conveyance, without compensation to the agency, of any land on the former Charleston Naval Base, located north of Viaduct Road which was improved by EDA project numbers 04–49–04196, 04–49–04280, 04–49–04462, and 04–49–04461 and funds obligated but not yet disbursed in connection with EDA project number 04–49–04347 shall remain available until expended and, as of September 30, 2003, shall be exempt from the application of section 1552 of title 31, United States Code.

(b) Notwithstanding any other provision of law, the Secretary of Commerce shall approve, without compensation to the Agency, a lease to be entered into by the city of Florence, Alabama, and Alabama Real Estate Holdings, Inc., containing such terms and conditions as the city of Florence determines appropriate, for use of the parcel of land (including improvements thereon) located in Florence, Alabama, that was improved using assistance from the Economic Development Administration under EDA project number 04–01–03963.

SEC. 210. (a) The Secretary of Commerce is authorized to operate a marine laboratory in South Carolina in accordance with a memorandum of agreement, including any future amendments, among the National Oceanic and Atmospheric Administration, the National Institute of Standards and Technology, the State of South Carolina, the Medical University of South Carolina, and the College of Charleston as a partnership for collaborative, interdisciplinary marine scientific research.

(b) To carry out subsection (a), the agencies that are partners in the Laboratory may accept, apply for, use, and spend Federal, State, private and grant funds as necessary to further the mission of the Laboratory without regard to the source or of the period of availability of these funds and may apply for and hold patents, as well as share personnel, facilities, and property. Any funds collected or accepted by any partner may be used to offset all or portions of its costs, including overhead, without regard to 31 U.S.C. section 143302(b); to reimburse other participating agencies for all or portions of their costs; and to fund research and facilities expansion. Funds for management and operation of the Laboratory may be used to sustain basic laboratory operations for all participating entities. The Secretary of Commerce is authorized to charge fees and enter into contracts, grants, cooperative agreements and other arrangements with Federal, State, private entities, and other

entities, domestic and foreign, to further the mission of the Laboratory. Any funds collected from such fees or arrangements shall be used to support cooperative research, basic operations, and facilities enhancement at the Laboratory.

SEC. 211. EXTENSION OF GUARANTEE AUTHORITY. (a) IN GENERAL.—Section 101(k) of the Emergency Steel Loan Guarantee Act of 1999 (Public Law 106–51; 15 U.S.C. 1841 note) is amended by striking "2003" and inserting "2005".

(b) SALARIES AND EXPENSES.—In addition to funds made available under section 101(j) of Emergency Steel Loan Guarantee Act of 1999 (15 U.S.C. 1841 note), up to $2,000,000 in funds made available under section 101(f) of such Act may be used for salaries and administrative expenses to administer the Emergency Steel Loan Guarantee Program.

SEC. 212. In addition to amounts made available under the heading "Procurement, Acquisition and Construction, National Oceanic and Atmospheric Administration" $1,500,000 shall be available for the Western Carolina University, $1,000,000 shall be available for the South Florida Museum, $140,000 shall be available for the French and Indian War Foundation, $1,000,000 shall be available for the City of Chattanooga, Tennessee, $1,000,000 shall be available for the University of Mississippi, $1,000,000 shall be available for the City of Charlotte, North Carolina, and $489,000 shall be available for a public safety marine docking facility for Hampton, New Hampshire.

SEC. 213. In addition to amounts appropriated or otherwise made available by this Act or any other Act, $500,000 shall be provided until expended for the Federal Credit Reform Act cost of a reduction loan under sections 1111 and 1112 of title XI of the Merchant Marine Act, 1936 (46 U.S.C. App. 1279f, 1279g), not to exceed $50,000,000 in principal, that:

(1) notwithstanding 46 U.S.C. App. 1279f(b), shall have a term of not less than 30 years;

(2) carries out a New England lobster fishing capacity reduction program which may include fewer than all management areas of the fishery;

(3) permanently revokes all fishery licenses, fishery permits, area and species endorsements, and any other fishery privileges issued to a vessel or vessels (or to persons on the basis of their operation or ownership of that vessel or vessels) removed under the program; and

(4) ensures that all vessels removed from the fishery under the program are made permanently ineligible to participate in any fishery worldwide, and that the owners of such vessels will operate only under the United States flag or such vessels shall be scrapped as a reduction vessel pursuant to section 600.1011(c) of title 50, Code of Federal Regulations.

SEC. 214. In addition to amounts appropriated or otherwise made available by this Act or any other Act, $500,000 shall be provided until expended for the Federal Credit Reform Act cost of a reduction loan under sections 1111 and 1112 of title XI of the Merchant Marine Act, 1936 (46 U.S.C. App. 1279f, 1279g), not to exceed $50,000,000 in principal, that:

(1) notwithstanding 46 U.S.C. App. 1279f(b), shall have a term of not less than 30 years;

(2) carries out a Bering Sea and Aleutian Islands non-pollock groundfish capacity reduction program which may include fewer than all management areas of the fishery;

(3) permanently revokes all fishery licenses, fishery permits, area and species endorsements, and any other fishery privileges issued to a vessel or vessels (or to persons on the basis of their operation or ownership of that vessel or vessels) removed under the program; and

(4) ensures that all vessels removed from the fishery under the program are made permanently ineligible to participate in any fishery worldwide, and that the owners of such vessels will operate only under the United States flag or such vessels shall be scrapped as a reduction vessel pursuant to section 600.1011(c) of title 50, Code of Federal Regulations.

SEC. 215. Of the unobligated balances available to the Department of Commerce from prior year appropriations with the exception of funds provided for coral reef activities, fisheries enforcement, the Ocean Health Initiative, land acquisition, and lab construction, $100,000,000 are rescinded: Provided, That within 30 days after the date of enactment of this section the Secretary of Commerce shall submit to the Committees on Appropriations of the House of Representatives and the Senate a report specifying the amount of each rescission made pursuant to this section.

This title may be cited as the "Department of Commerce and Related Agencies Appropriations Act, 2004".

TITLE III—THE JUDICIARY

SUPREME COURT OF THE UNITED STATES

SALARIES AND EXPENSES

For expenses necessary for the operation of the Supreme Court, as required by law, excluding care of the building and grounds, including purchase or hire, driving, maintenance, and operation of an automobile for the Chief Justice, not to exceed $10,000 for the purpose of transporting Associate Justices, and hire of passenger motor vehicles as authorized by 31 U.S.C. 1343 and 1344; not to exceed $10,000 for official reception and representation expenses; and for miscellaneous expenses, to be expended as the Chief Justice may approve, $55,360,000.

CARE OF THE BUILDING AND GROUNDS

For such expenditures as may be necessary to enable the Architect of the Capitol to carry out the duties imposed upon the Architect as authorized by law, $10,591,000, which shall remain available until expended.

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

SALARIES AND EXPENSES

For salaries of the chief judge, judges, and other officers and employees, and for necessary expenses of the court, as authorized by law, $20,662,000.

UNITED STATES COURT OF INTERNATIONAL TRADE

SALARIES AND EXPENSES

For salaries of the chief judge and eight judges, salaries of the officers and employees of the court, services, and necessary expenses of the court, as authorized by law, $14,068,000.

COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES

SALARIES AND EXPENSES

For the salaries of circuit and district judges (including judges of the territorial courts of the United States), justices and judges retired from office or from regular active service, judges of the United States Court of Federal Claims, bankruptcy judges, magistrate judges, and all other officers and employees of the Federal Judiciary not otherwise specifically provided for, and necessary expenses of the courts, as authorized by law, $3,994,176,000 (including the purchase of firearms and ammunition); of which not to exceed $27,817,000 shall remain available until expended for space alteration projects and for furniture and furnishings related to new space alteration and construction projects: Provided, That any funds appropriated in this Act to be used for the United States District Court for the Eastern District of Texas will also be made available for the Sherman Division's expansion into Plano, Texas, and the Sherman Division is also granted authority to hold court proceedings there.

In addition, for expenses of the United States Court of Federal Claims associated with processing cases under the National Childhood Vaccine Injury Act of 1986, not to exceed $3,193,000, to be appropriated from the Vaccine Injury Compensation Trust Fund.

DEFENDER SERVICES

For the operation of Federal Public Defender and Community Defender organizations; the compensation and reimbursement of expenses of attorneys appointed to represent persons under the Criminal Justice Act of 1964; the compensation and reimbursement of expenses of persons furnishing investigative, expert and other services under the Criminal Justice Act of 1964 (18 U.S.C. 3006A(e)); the compensation (in accordance with Criminal Justice Act maximums) and reimbursement of expenses of attorneys appointed to assist the court in criminal cases where the defendant has waived representation by counsel; the compensation and reimbursement of travel expenses of guardians ad litem acting on behalf of financially eligible minor or incompetent offenders in connection with transfers from the United States to foreign countries with which the United States has a treaty for the execution of penal sentences; the compensation of attorneys appointed to represent jurors in civil actions for the protection of their employment, as authorized by 28 U.S.C. 1875(d); and for necessary training and general administrative expenses, $604,477,000, to remain available until expended.

FEES OF JURORS AND COMMISSIONERS

For fees and expenses of jurors as authorized by 28 U.S.C. 1871 and 1876; compensation of jury commissioners as authorized by 28 U.S.C. 1863; and compensation of commissioners appointed in condemnation cases pursuant to rule 71A(h) of the Federal Rules of Civil Procedure (28 U.S.C. Appendix Rule 71A(h)), $57,822,000, to remain available until expended: Provided, That the compensation of land commissioners shall not exceed the daily equivalent of the highest rate payable under section 5332 of title 5, United States Code.

COURT SECURITY

For necessary expenses, not otherwise provided for, incident to providing protective guard services for United States courthouses and the procurement, installation, and maintenance of security equipment for United States courthouses and other facilities housing Federal court operations, including building ingress-egress control, inspection of mail and packages, directed security patrols, and other similar activities as authorized by section 1010 of the Judicial Improvement and Access to Justice Act (Public Law 100–702), $277,500,000, of which not to exceed $10,000,000 shall remain available until expended, to be expended directly or transferred to the United States Marshals Service, which shall be responsible for administering the Judicial Facility Security Program consistent with standards or guidelines agreed to by the Director of the Administrative Office of the United States Courts and the Attorney General.

ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS

SALARIES AND EXPENSES

For necessary expenses of the Administrative Office of the United States Courts as authorized by law, including travel as authorized by 31 U.S.C. 1345, hire of a passenger motor vehicle as authorized by 31 U.S.C. 1343(b), advertising and rent in the District of Columbia and elsewhere, $66,000,000, of which not to exceed $8,500 is authorized for official reception and representation expenses.

FEDERAL JUDICIAL CENTER

SALARIES AND EXPENSES

For necessary expenses of the Federal Judicial Center, as authorized by Public Law 90–219,

$21,440,000; of which $1,800,000 shall remain available through September 30, 2005, to provide education and training to Federal court personnel; and of which not to exceed $1,000 is authorized for official reception and representation expenses.

JUDICIAL RETIREMENT FUNDS

PAYMENT TO JUDICIARY TRUST FUNDS

For payment to the Judicial Officers' Retirement Fund, as authorized by 28 U.S.C. 377(o), $25,700,000; to the Judicial Survivors' Annuities Fund, as authorized by 28 U.S.C. 376(c), $700,000; and to the United States Court of Federal Claims Judges' Retirement Fund, as authorized by 28 U.S.C. 178(l), $2,600,000.

UNITED STATES SENTENCING COMMISSION

SALARIES AND EXPENSES

For the salaries and expenses necessary to carry out the provisions of chapter 58 of title 28, United States Code, $12,354,000, of which not to exceed $1,000 is authorized for official reception and representation expenses.

GENERAL PROVISIONS—THE JUDICIARY

SEC. 301. Appropriations and authorizations made in this title which are available for salaries and expenses shall be available for services as authorized by 5 U.S.C. 3109.

SEC. 302. Not to exceed 5 percent of any appropriation made available for the current fiscal year for the Judiciary in this Act may be transferred between such appropriations, but no such appropriation, except "Courts of Appeals, District Courts, and Other Judicial Services, Defender Services" and "Courts of Appeals, District Courts, and Other Judicial Services, Fees of Jurors and Commissioners", shall be increased by more than 10 percent by any such transfers: Provided, That any transfer pursuant to this section shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

SEC. 303. Notwithstanding any other provision of law, the salaries and expenses appropriation for District Courts, Courts of Appeals, and Other Judicial Services shall be available for official reception and representation expenses of the Judicial Conference of the United States: Provided, That such available funds shall not exceed $11,000 and shall be administered by the Director of the Administrative Office of the United States Courts in the capacity as Secretary of the Judicial Conference.

This title may be cited as the "Judiciary Appropriations Act, 2004".

TITLE IV—DEPARTMENT OF STATE AND RELATED AGENCY

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

DIPLOMATIC AND CONSULAR PROGRAMS

For necessary expenses of the Department of State and the Foreign Service not otherwise provided for, including employment, without regard to civil service and classification laws, of persons on a temporary basis (not to exceed $700,000 of this appropriation), as authorized by section 801 of the United States Information and Educational Exchange Act of 1948; representation to certain international organizations in which the United States participates pursuant to treaties ratified pursuant to the advice and consent of the Senate or specific Acts of Congress; arms control, nonproliferation and disarmament activities as authorized; acquisition by exchange or purchase of passenger motor vehicles as authorized by law; and for expenses of general administration, $3,420,000,000: Provided, That not to exceed 69 permanent positions and $7,311,000 shall be expended for the Bureau of Legislative Affairs: Provided further, That, of the amount made available under this heading, not to exceed $4,000,000 may be transferred to, and merged with, funds in the "Emergencies in the Diplomatic and Consular Service" appropriations account, to be available only for emergency evacuations and terrorism rewards: Provided further, That, of the amount made available under this heading, $301,563,000 shall be available only for public diplomacy international information programs: Provided further, That of the amount made available under this heading, $3,000,000 shall be available only for the establishment and operations of an Office on Right-Sizing the United States Government Overseas Presence: Provided further, That funds available under this heading may be available for a United States Government interagency task force to examine, coordinate and oversee United States participation in the United Nations headquarters renovation project: Provided further, That no funds may be obligated or expended for processing licenses for the export of satellites of United States origin (including commercial satellites and satellite components) to the People's Republic of China unless, at least 15 days in advance, the Committees on Appropriations of the House of Representatives and the Senate are notified of such proposed action.

In addition, not to exceed $1,371,000 shall be derived from fees collected from other executive agencies for lease or use of facilities located at the International Center in accordance with section 4 of the International Center Act; in addition, as authorized by section 5 of such Act, $490,000, to be derived from the reserve authorized by that section, to be used for the purposes set out in that section; in addition, as authorized by section 810 of the United States Information and Educational Exchange Act, not to exceed $6,000,000, to remain available until expended, may be credited to this appropriation from fees or other payments received from English teaching, library, motion pictures, and publication programs and from fees from educational advising and counseling and exchange visitor programs; and, in addition, not to exceed $15,000, which shall be derived from reimbursements, surcharges, and fees for use of Blair House facilities.

In addition, for the costs of worldwide security upgrades, $646,701,000, to remain available until expended: Provided, That, of the amounts made available under this paragraph, $5,000,000 is for the State Department to establish the Center for Antiterrorism and Security Training.

In addition, for the costs of worldwide OpenNet and classified connectivity infrastructure, $40,000,000, to remain available until expended.

CAPITAL INVESTMENT FUND

For necessary expenses of the Capital Investment Fund, $80,000,000, to remain available until expended, as authorized: Provided, That section 135(e) of Public Law 103–236 shall not apply to funds available under this heading.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General, $31,703,000, notwithstanding section 209(a)(1) of the Foreign Service Act of 1980 (Public Law 96–465), as it relates to post inspections.

EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS

For expenses of educational and cultural exchange programs, as authorized, $320,000,000, to remain available until expended: Provided, That not to exceed $2,000,000, to remain available until expended, may be credited to this appropriation from fees or other payments received from or in connection with English teaching, educational advising and counseling programs, and exchange visitor programs as authorized.

REPRESENTATION ALLOWANCES

For representation allowances as authorized, $9,000,000.

PROTECTION OF FOREIGN MISSIONS AND OFFICIALS

For expenses, not otherwise provided, to enable the Secretary of State to provide for extraordinary protective services, as authorized, $10,000,000, to remain available until September 30, 2005.

EMBASSY SECURITY, CONSTRUCTION, AND MAINTENANCE

For necessary expenses for carrying out the Foreign Service Buildings Act of 1926 (22 U.S.C. 292–303), preserving, maintaining, repairing, and planning for buildings that are owned or directly leased by the Department of State, renovating, in addition to funds otherwise available, the Harry S Truman Building, and carrying out the Diplomatic Security Construction Program as authorized, $530,000,000, to remain available until expended as authorized, of which not to exceed $20,000 may be used for domestic and overseas representation as authorized: Provided, That none of the funds appropriated in this paragraph shall be available for acquisition of furniture, furnishings, or generators for other departments and agencies.

In addition, for the costs of worldwide security upgrades, acquisition, and construction as authorized, $861,400,000, to remain available until expended.

EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE

For expenses necessary to enable the Secretary of State to meet unforeseen emergencies arising in the Diplomatic and Consular Service, $1,000,000, to remain available until expended as authorized, of which not to exceed $1,000,000 may be transferred to and merged with the Repatriation Loans Program Account, subject to the same terms and conditions.

REPATRIATION LOANS PROGRAM ACCOUNT

For the cost of direct loans, $612,000, as authorized: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974. In addition, for administrative expenses necessary to carry out the direct loan program, $607,000, which may be transferred to and merged with the Diplomatic and Consular Programs account under Administration of Foreign Affairs.

PAYMENT TO THE AMERICAN INSTITUTE IN TAIWAN

For necessary expenses to carry out the Taiwan Relations Act (Public Law 96–8), $18,782,000.

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

For payment to the Foreign Service Retirement and Disability Fund, as authorized by law, $134,979,000.

INTERNATIONAL ORGANIZATIONS

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

For expenses, not otherwise provided for, necessary to meet annual obligations of membership in international multilateral organizations, pursuant to treaties ratified pursuant to the advice and consent of the Senate, conventions or specific Acts of Congress, $1,010,463,000: Provided, That the Secretary of State shall transmit to the Committees on Appropriations of the Senate and of the House of Representatives the most recent biennial budget prepared by the United Nations for the operations of the United Nations: Provided further, That the Secretary of State shall notify the Committees on Appropriations at least 15 days in advance (or in an emergency, as far in advance as is practicable) of any United Nations action to increase funding for any United Nations program without identifying an offsetting decrease elsewhere in the United Nations budget and cause the United Nations to exceed the adopted budget for the biennium 2002–2003 of $2,891,000,000: Provided further, That any *payment of arrearages under this title shall be directed toward special activities that are mutually agreed upon by the United States and the respective international organization: Provided further, That none of the funds appropriated in this paragraph shall be available for a United States contribution to an international organization for the United States share of interest costs made known to the United States Government by such organization for loans incurred on or after October 1, 1984, through external borrowings: Provided further, That funds appropriated under this paragraph may be obligated and expended to pay the full United States assessment to the civil budget of the North Atlantic Treaty Organization.*

CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES

For necessary expenses to pay assessed and other expenses of international peacekeeping activities directed to the maintenance or restoration of international peace and security, $550,200,000, of which 10 percent shall remain available until September 30, 2005: Provided, That of the amount provided under this heading, $95,358,000 shall be derived from prior year unobligated balances from funds previously appropriated under this heading: Provided further, That none of the funds made available under this Act shall be obligated or expended for any new or expanded United Nations peacekeeping mission unless, at least 15 days in advance of voting for the new or expanded mission in the United Nations Security Council (or in an emergency as far in advance as is practicable): (1) the Committees on Appropriations of the House of Representatives and the Senate and other appropriate committees of the Congress are notified of the estimated cost and length of the mission, the vital national interest that will be served, and the planned exit strategy; and (2) a reprogramming of funds pursuant to section 605 of this Act is submitted, and the procedures therein followed, setting forth the source of funds that will be used to pay for the cost of the new or expanded mission: Provided further, That funds shall be available for peacekeeping expenses only upon a certification by the Secretary of State to the appropriate committees of the Congress that American manufacturers and suppliers are being given opportunities to provide equipment, services, and material for United Nations peacekeeping activities equal to those being given to foreign manufacturers and suppliers: Provided further, That none of the funds made available under this heading are available to pay the United States share of the cost of court monitoring that is part of any United Nations peacekeeping mission.

INTERNATIONAL COMMISSIONS

For necessary expenses, not otherwise provided for, to meet obligations of the United States arising under treaties, or specific Acts of Congress, as follows:

INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO

For necessary expenses for the United States Section of the International Boundary and Water Commission, United States and Mexico, and to comply with laws applicable to the United States Section, including not to exceed $6,000 for representation; as follows:

SALARIES AND EXPENSES

For salaries and expenses, not otherwise provided for, $26,000,000.

CONSTRUCTION

For detailed plan preparation and construction of authorized projects, $3,551,000, to remain available until expended, as authorized.

AMERICAN SECTIONS, INTERNATIONAL COMMISSIONS

For necessary expenses, not otherwise provided, for the International Joint Commission and the International Boundary Commission, United States and Canada, as authorized by treaties between the United States and Canada or Great Britain, and for the Border Environment Cooperation Commission as authorized by Public Law 103–182, $8,944,000, of which not to exceed $9,000 shall be available for representation expenses incurred by the International Joint Commission.

INTERNATIONAL FISHERIES COMMISSIONS

For necessary expenses for international fisheries commissions, not otherwise provided for, as authorized by law, $19,300,000: Provided, That the United State's share of such expenses may be advanced to the respective commissions pursuant to 31 U.S.C. 3324.

OTHER

PAYMENT TO THE ASIA FOUNDATION

For a grant to the Asia Foundation, as authorized by the Asia Foundation Act (22 U.S.C. 4402), $13,000,000, to remain available until expended, as authorized.

INTERNATIONAL CENTER FOR MIDDLE EASTERN-WESTERN DIALOGUE TRUST FUND

For a grant to the International Center for Middle Eastern-Western Dialogue Trust Fund, $7,000,000, for operation of the International Center for Middle Eastern-Western Dialogue, Istanbul, Turkey, to remain available until expended, of which $250,000 shall be made available out of such Trust Fund for the establishment and operation of a steering committee, which the Secretary of State shall appoint to establish the International Center for Middle Eastern-Western Dialogue.

INTERNATIONAL CENTER FOR MIDDLE EASTERN-WESTERN DIALOGUE

For necessary expenses of the International Center for Middle Eastern-Western Dialogue, out of the International Center for Middle Eastern-Western Dialogue Trust Fund, the total amount of the interest and earnings accruing to such Fund before October 1, 2004, to remain available until expended.

EISENHOWER EXCHANGE FELLOWSHIP PROGRAM

For necessary expenses of Eisenhower Exchange Fellowships, Incorporated, as authorized by sections 4 and 5 of the Eisenhower Exchange Fellowship Act of 1990 (20 U.S.C. 5204–5205), all interest and earnings accruing to the Eisenhower Exchange Fellowship Program Trust Fund on or before September 30, 2004, to remain available until expended: Provided, That none of the funds appropriated herein shall be used to pay any salary or other compensation, or to enter into any contract providing for the payment thereof, in excess of the rate authorized by 5 U.S.C. 5376; or for purposes which are not in accordance with OMB Circulars A–110 (Uniform Administrative Requirements) and A–122 (Cost Principles for Non-profit Organizations), including the restrictions on compensation for personal services.

ISRAELI ARAB SCHOLARSHIP PROGRAM

For necessary expenses of the Israeli Arab Scholarship Program as authorized by section 214 of the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993 (22 U.S.C. 2452), all interest and earnings accruing to the Israeli Arab Scholarship Fund on or before September 30, 2004, to remain available until expended.

EAST-WEST CENTER

To enable the Secretary of State to provide for carrying out the provisions of the Center for Cultural and Technical Interchange Between East and West Act of 1960, by grant to the Center for Cultural and Technical Interchange Between East and West in the State of Hawaii, $17,880,000: Provided, That none of the funds appropriated herein shall be used to pay any salary, or enter into any contract providing for the payment thereof, in excess of the rate authorized by 5 U.S.C. 5376: Provided further, That, notwithstanding any other provision of law, the funds appropriated to the East-West Center appropriation in Public Law 108–7 may be obligated and expended notwithstanding section 15 of the State Department Basic Authorities Act of 1956, as amended.

NATIONAL ENDOWMENT FOR DEMOCRACY

For grants made by the Department of State to the National Endowment for Democracy as authorized by the National Endowment for Democracy Act, $40,000,000 to remain available until expended.

RELATED AGENCY

BROADCASTING BOARD OF GOVERNORS

INTERNATIONAL BROADCASTING OPERATIONS

For expenses necessary to enable the Broadcasting Board of Governors, as authorized, to carry out international communication activities, including the purchase, installation, rent, and improvement of facilities for radio and television transmission and reception to Cuba, $546,038,000, of which not to exceed $16,000 may be used for official receptions within the United States as authorized, not to exceed $35,000 may be used for representation abroad as authorized, and not to exceed $39,000 may be used for official reception and representation expenses of Radio Free Europe/Radio Liberty; and in addition, notwithstanding any other provision of law, not to exceed $2,000,000 in receipts from advertising and revenue from business ventures, not to exceed $500,000 in receipts from cooperating international organizations, and not to exceed $1,000,000 in receipts from privatization efforts of the Voice of America and the International Broadcasting Bureau, to remain available until expended for carrying out authorized purposes: Provided, That of the amount made available under this heading, $42,250,000 shall be available to make and supervise grants to the Middle East Television Network, including Radio Sawa, for radio and television broadcasting to the Middle East.

BROADCASTING CAPITAL IMPROVEMENTS

For the purchase, rent, construction, and improvement of facilities for radio transmission and reception, and purchase and installation of necessary equipment for radio and television transmission and reception as authorized, $11,395,000, to remain available until expended, as authorized.

GENERAL PROVISIONS—DEPARTMENT OF STATE AND RELATED AGENCY

SEC. 401. Funds appropriated under this title shall be available, except as otherwise provided, for allowances and differentials as authorized by subchapter 59 of title 5, United States Code; for services as authorized by 5 U.S.C. 3109; and for hire of passenger transportation pursuant to 31 U.S.C. 1343(b).

SEC. 402. Not to exceed 5 percent of any appropriation made available for the current fiscal year for the Department of State in this Act may be transferred between such appropriations, but no such appropriation, except as otherwise specifically provided, shall be increased by more than 10 percent by any such transfers: Provided, That not to exceed 5 percent of any appropriation made available for the current fiscal year for the Broadcasting Board of Governors in this Act may be transferred between such appropriations, but no such appropriation, except as otherwise specifically provided, shall be increased by more than 10 percent by any such transfers: Provided further, That any transfer pursuant to this section shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

SEC. 403. None of the funds made available in this Act may be used by the Department of State or the Broadcasting Board of Governors to provide equipment, technical support, consulting services, or any other form of assistance to the Palestinian Broadcasting Corporation.

SEC. 404. For the purposes of registration of birth, certification of nationality, or issuance of a passport of a United States citizen born in the city of Jerusalem, the Secretary of State shall, upon request of the citizen, record the place of birth as Israel.

SEC. 405. Section 2502 of the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108–11) is repealed.

SEC. 406. An application for a visa shall be denied without prejudice under section 221(g) of the Immigration and Nationality Act (8 U.S.C. 4 1201(g)) if the application is delayed for a period of more than 60 days from the date of application due to administrative processing by any agency in making a determination of inadmissibility under section 212(a)(3) of that Act (8 U.S.C. 1182(a)(3)).

SEC. 407. Funds appropriated by this Act for the Broadcasting Board of Governors and the Department of State may be obligated and expended notwithstanding section 15 of the State Department Basic Authorities Act of 1956, section 313 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (Public Law 103–236), and section 504(a)(1) of the National Security Act of 1947 (50 U.S.C. 414(a)(1)).

SEC. 408. (a) The Senior Policy Operating Group on Trafficking in Persons, established under section 406 of division B of Public Law 108–7 to coordinate agency activities regarding policies (including grants and grant policies) involving the international trafficking in persons, shall coordinate all such policies related to the activities of traffickers and victims of severe forms of trafficking.

(b) None of the funds provided in this or any other Act shall be expended to perform functions that duplicate coordinating responsibilities of the Operating Group.

(c) The Operating Group shall continue to report only to the authorities that appointed them pursuant to section 406 of division B of Public Law 108–7.

SEC. 409. The Secretary of State shall provide to a member of the Committee on Appropriations of the Senate or the Committee on Appropriations of the House of Representatives a copy of each cable sent to or by a Department of State employee that pertains to any topic specified by the requesting member, regardless of the level of classification of the cable, not later than 15 days after the date on which the member makes a written or verbal request for such copies.

This title may be cited as the "Department of State and Related Agency Appropriations Act, 2004".

TITLE V—RELATED AGENCIES

ANTITRUST MODERNIZATION COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Antitrust Modernization Commission, as authorized by Public Law 107–273, $1,200,000, to remain available until expended.

COMMISSION FOR THE PRESERVATION OF AMERICA'S HERITAGE ABROAD

SALARIES AND EXPENSES

For expenses for the Commission for the Preservation of America's Heritage Abroad, $496,000, as authorized by section 1303 of Public Law 99–83.

COMMISSION ON CIVIL RIGHTS

SALARIES AND EXPENSES

For necessary expenses of the Commission on Civil Rights, including hire of passenger motor vehicles, $9,096,000: Provided, That not to exceed $50,000 may be used to employ consultants: Provided further, That none of the funds appropriated in this paragraph shall be used to employ in excess of four full-time individuals under Schedule C of the Excepted Service exclusive of one special assistant for each Commissioner: Provided further, That none of the funds appropriated in this paragraph shall be used to reimburse Commissioners for more than 75 billable days, with the exception of the chairperson, who is permitted 125 billable days.

COMMISSION ON INTERNATIONAL RELIGIOUS FREEDOM

SALARIES AND EXPENSES

For necessary expenses for the United States Commission on International Religious Freedom, as authorized by title II of the International Religious Freedom Act of 1998 (Public Law 105–292), $3,000,000, to remain available until expended.

COMMISSION ON SECURITY AND COOPERATION IN EUROPE

SALARIES AND EXPENSES

For necessary expenses of the Commission on Security and Cooperation in Europe, as authorized by Public Law 94–304, $1,615,000, to remain available until expended as authorized by section 3 of Public Law 99–7.

CONGRESSIONAL-EXECUTIVE COMMISSION ON THE PEOPLE'S REPUBLIC OF CHINA

SALARIES AND EXPENSES

For necessary expenses of the Congressional-Executive Commission on the People's Republic of China, as authorized, $1,800,000, including not more than $3,000 for the purpose of official representation, to remain available until expended: Provided, That $300,000 shall be for the Political Prisoners Registry.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Equal Employment Opportunity Commission as authorized by title VII of the Civil Rights Act of 1964 (29 U.S.C. 206(d) and 621–634), the Americans with Disabilities Act of 1990, and the Civil Rights Act of 1991, including services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles as authorized by 31 U.S.C. 1343(b); non-monetary awards to private citizens; and not to exceed $33,000,000 for payments to State and local enforcement agencies for services to the Commission pursuant to title VII of the Civil Rights Act of 1964, sections 6 and 14 of the Age Discrimination in Employment Act, the Americans with Disabilities Act of 1990, and the Civil Rights Act of 1991, $328,400,000: Provided, That the Commission is authorized to make available for official reception and representation expenses not to exceed $2,500 from available funds.

FEDERAL COMMUNICATIONS COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Communications Commission, as authorized by law, including uniforms and allowances therefor, as authorized by 5 U.S.C. 5901–5902; not to exceed $600,000 for land and structure; not to exceed $500,000 for improvement and care of grounds and repair to buildings; not to exceed $4,000 for official reception and representation expenses; purchase and hire of motor vehicles; special counsel fees; and services as authorized by 5 U.S.C. 3109, $273,958,000: Provided, That $272,958,000 of offsetting collections shall be assessed and collected pursuant to section 9 of title I of the Communications Act of 1934, shall be retained and used for necessary expenses in this appropriation, and shall remain available until expended: Provided further, That the sum herein appropriated shall be reduced as such offsetting collections are received during fiscal year 2004 so as to result in a final fiscal year 2004 appropriation estimated at $1,000,000: Provided further, That any offsetting collections received in excess of $272,958,000 in fiscal year 2004 shall remain available until expended, but shall not be available for obligation until October 1, 2004: Provided further, That notwithstanding 47 U.S.C. 309(j)(8)(B), proceeds from the use of a competitive bidding system that may be retained and made available for obligation shall not exceed $85,000,000 for fiscal year 2004.

FEDERAL TRADE COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Trade Commission, including uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; and not to exceed $2,000 for official reception and representation expenses, $186,041,000, to remain available until expended: Provided, That not to exceed $300,000 shall be available for use to contract with a person or persons for collection services in accordance with the terms of 31 U.S.C. 3718: Provided further, That, notwithstanding any other provision of law, not to exceed $112,000,000 of offsetting collections derived from fees collected for premerger notification filings under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (15 U.S.C. 18a), regardless of the year of collection, shall be retained and used for necessary expenses in this appropriation: Provided further, That $23,100,000 in offsetting collections derived from fees sufficient to implement and enforce the Telemarketing Sales Rule, promulgated under the Telephone Consumer Fraud and Abuse Prevention Act (15 U.S.C. 6101 et seq.), shall be credited to this account, and be retained and used for necessary expenses in this appropriation: Provided further, That the sum herein appropriated from the general fund shall be reduced as such offsetting collections are received during fiscal year 2004, so as to result in a final fiscal year 2004 appropriation from the general fund estimated at not more than $50,941,000: Provided further, That none of the funds made available to the Federal Trade Commission may be used to enforce subsection (e) of section 43 of the Federal Deposit Insurance Act (12 U.S.C. 1831t) or section 151(b)(2) of the Federal Deposit Insurance Corporation Improvement Act of 1991 (12 U.S.C. 1831t note): Provided further, That, not later than 60 days after the date of enactment of this Act, the Federal Trade Commission shall amend the Telemarketing Sales Rule to require telemarketers subject to the Telemarketing Sales Rule to obtain from the Federal Trade Commission the list of telephone numbers on the "do-not-call" registry once a month.

HELP COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the HELP Commission, $3,000,000, to remain available until expended.

LEGAL SERVICES CORPORATION

PAYMENT TO THE LEGAL SERVICES CORPORATION

For payment to the Legal Services Corporation to carry out the purposes of the Legal Services Corporation Act of 1974, $338,848,000, of which $317,471,000 is for basic field programs and required independent audits; $2,600,000 is for the Office of Inspector General, of which such amounts as may be necessary may be used to conduct additional audits of recipients; $13,300,000 is for management and administration; $2,977,000 is for client self-help and information technology; and $2,500,000 is for grants to offset losses due to census adjustments.

ADMINISTRATIVE PROVISION—LEGAL SERVICES CORPORATION

None of the funds appropriated in this Act to the Legal Services Corporation shall be expended for any purpose prohibited or limited by, or contrary to any of the provisions of, sections

501, 502, 503, 504, 505, and 506 of Public Law 105–119, and all funds appropriated in this Act to the Legal Services Corporation shall be subject to the same terms and conditions set forth in such sections, except that all references in sections 502 and 503 to 1997 and 1998 shall be deemed to refer instead to 2003 and 2004, respectively, and except that section 501(a)(1) of Public Law 104–134 (110 Stat. 1321–51, et seq.) shall not apply to the use of the $2,500,000 to address loss of funding due to Census-based reallocations.

MARINE MAMMAL COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Marine Mammal Commission as authorized by title II of Public Law 92–522, $1,856,000.

NATIONAL VETERANS BUSINESS DEVELOPMENT CORPORATION

For necessary expenses of the National Veterans Business Development Corporation as authorized under section 33(a) of the Small Business Act, $2,000,000, to remain available until expended.

SECURITIES AND EXCHANGE COMMISSION

SALARIES AND EXPENSES

For necessary expenses for the Securities and Exchange Commission, including services as authorized by 5 U.S.C. 3109, the rental of space (to include multiple year leases) in the District of Columbia and elsewhere, and not to exceed $3,000 for official reception and representation expenses, $811,500,000; of which not to exceed $10,000 may be used toward funding a permanent secretariat for the International Organization of Securities Commissions; and of which not to exceed $100,000 shall be available for expenses for consultations and meetings hosted by the Commission with foreign governmental and other regulatory officials, members of their delegations, appropriate representatives and staff to exchange views concerning developments relating to securities matters, development and implementation of cooperation agreements concerning securities matters and provision of technical assistance for the development of foreign securities markets, such expenses to include necessary logistic and administrative expenses and the expenses of Commission staff and foreign invitees in attendance at such consultations and meetings including: (1) such incidental expenses as meals taken in the course of such attendance; (2) any travel and transportation to or from such meetings; and (3) any other related lodging or subsistence: Provided, That fees and charges authorized by sections 6(b) of the Securities Exchange Act of 1933 (15 U.S.C. 77f(b)), and 13(e), 14(g) and 31 of the Securities Exchange Act of 1934 (15 U.S.C. 78m(e), 78n(g), and 78ee), shall be credited to this account as offsetting collections: Provided further, That not to exceed $691,500,000 of such offsetting collections shall be available until expended for necessary expenses of this account: Provided further, That $120,000,000 shall be derived from prior year unobligated balances from funds previously appropriated to the Securities and Exchange Commission: Provided further, That the total amount appropriated under this heading from the general fund for fiscal year 2004 shall be reduced as such offsetting fees are received so as to result in a final total fiscal year 2004 appropriation from the general fund estimated at not more than $0.

SMALL BUSINESS ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, of the Small Business Administration as authorized by Public Law 105–135, including hire of passenger motor vehicles as authorized by 31 U.S.C. 1343 and 1344, and not to exceed $3,500 for official reception and representation expenses, $325,750,000: Provided, That the Administrator is authorized to charge fees to cover the cost of publications developed by the Small Business Administration, and certain loan servicing activities: Provided further, That, notwithstanding 31 U.S.C. 3302, revenues received from all such activities shall be credited to this account, to be available for carrying out these purposes without further appropriations: Provided further, That $89,000,000 shall be available to fund grants for performance in fiscal year 2004 or fiscal year 2005 as authorized.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, $13,000,000.

BUSINESS LOANS PROGRAM ACCOUNT

For the cost of direct loans, $1,910,000, to be available until expended; and for the cost of guaranteed loans, $79,132,000, as authorized by 15 U.S.C. 631 note, of which $45,000,000 shall remain available until September 30, 2005: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That during fiscal year 2004 commitments to guarantee loans under section 503 of the Small Business Investment Act of 1958, shall not exceed $4,500,000,000: Provided further, That during fiscal year 2004 commitments for general business loans authorized under section 7(a) of the Small Business Act, shall not exceed $10,000,000,000 without prior notification of the Committees on Appropriations of the House of Representatives and Senate in accordance with section 605 of this Act: Provided further, That during fiscal year 2004 commitments to guarantee loans for debentures and participating securities under section 303(b) of the Small Business Investment Act of 1958, shall not exceed the levels established by section 20(i)(1)(C) of the Small Business Act.

In addition, for administrative expenses to carry out the direct and guaranteed loan programs, $128,000,000, which may be transferred to and merged with the appropriations for Salaries and Expenses.

DISASTER LOANS PROGRAM ACCOUNT

For the cost of direct loans authorized by section 7(b) of the Small Business Act, $56,188,000, to remain available until expended: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974.

In addition, for administrative expenses to carry out the direct loan program, $114,363,000, which may be transferred to and merged with appropriations for Salaries and Expenses, of which $500,000 is for the Office of Inspector General of the Small Business Administration for audits and reviews of disaster loans and the disaster loan program and shall be transferred to and merged with appropriations for the Office of Inspector General; of which $105,363,000 is for direct administrative expenses of loan making and servicing to carry out the direct loan program; and of which $8,500,000 is for indirect administrative expenses: Provided, That any amount in excess of $8,500,000 to be transferred to and merged with appropriations for Salaries and Expenses for indirect administrative expenses shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

ADMINISTRATIVE PROVISION—SMALL BUSINESS ADMINISTRATION

Not to exceed 5 percent of any appropriation made available for the current fiscal year for the Small Business Administration in this Act may be transferred between such appropriations, but no such appropriation shall be increased by more than 10 percent by any such transfers: Provided, That any transfer pursuant to this paragraph shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

STATE JUSTICE INSTITUTE

SALARIES AND EXPENSES

For necessary expenses of the State Justice Institute, as authorized by the State Justice Institute Authorization Act of 1992 (Public Law 102–572), $2,250,000: Provided, That not to exceed $2,500 shall be available for official reception and representation expenses.

UNITED STATES-CHINA ECONOMIC AND SECURITY REVIEW COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the United States-China Economic and Security Review Commission, $2,000,000.

TITLE VI—GENERAL PROVISIONS

(INCLUDING RESCISSIONS)

SEC. 601. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes not authorized by the Congress.

SEC. 602. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 603. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 604. If any provision of this Act or the application of such provision to any person or circumstances shall be held invalid, the remainder of the Act and the application of each provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby.

SEC. 605. (a) None of the funds provided under this Act, or provided under previous appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in fiscal year 2004, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure through a reprogramming of funds that: (1) creates new programs; (2) eliminates a program, project, or activity; (3) increases funds or personnel by any means for any project or activity for which funds have been denied or restricted; (4) relocates an office or employees; (5) reorganizes or renames offices; (6) reorganizes programs or activities; or (7) contracts out or privatizes any functions or activities presently performed by Federal employees; unless the Appropriations Committees of both Houses of Congress are notified 15 days in advance of such reprogramming of funds.

(b) None of the funds provided under this Act, or provided under previous appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in fiscal year 2004, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure for activities, programs, or projects through a reprogramming of funds in excess of $500,000 or 10 percent, whichever is less, that: (1) augments existing programs, projects (including construction projects), or activities; (2) reduces by 10 percent funding for

any existing program, project, or activity, or numbers of personnel by 10 percent as approved by Congress; or (3) results from any general savings from a reduction in personnel which would result in a change in existing programs, activities, or projects as approved by Congress; unless the Appropriations Committees of both Houses of Congress are notified 15 days in advance of such reprogramming of funds.

SEC. 606. None of the funds made available in this Act may be used for the construction, repair (other than emergency repair), overhaul, conversion, or modernization of vessels for the National Oceanic and Atmospheric Administration in shipyards located outside of the United States.

SEC. 607. If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a "Made in America" inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, the person shall be ineligible to receive any contract or subcontract made with funds made available in this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

SEC. 608. None of the funds made available in this Act may be used to implement, administer, or enforce any guidelines of the Equal Employment Opportunity Commission covering harassment based on religion, when it is made known to the Federal entity or official to which such funds are made available that such guidelines do not differ in any respect from the proposed guidelines published by the Commission on October 1, 1993 (58 Fed. Reg. 51266).

SEC. 609. None of the funds appropriated or otherwise made available by this Act or any other Act may be used to implement, enforce, or otherwise abide by the Memorandum of Agreement signed by the Federal Trade Commission and the Antitrust Division of the Department of Justice on March 5, 2002.

SEC. 610. None of the funds made available by this Act may be used for any United Nations undertaking when it is made known to the Federal official having authority to obligate or expend such funds that: (1) the United Nations undertaking is a peacekeeping mission; (2) such undertaking will involve United States Armed Forces under the command or operational control of a foreign national; and (3) the President's military advisors have not submitted to the President a recommendation that such involvement is in the national security interests of the United States and the President has not submitted to the Congress such a recommendation.

SEC. 611. The Departments of Commerce, Justice, and State, the Judiciary and the Small Business Administration shall provide to the Committees on Appropriations of the Senate and of the House of Representatives a quarterly accounting of the cumulative balances of any unobligated funds that were received by such agency during any previous fiscal year.

SEC. 612. (a) None of the funds appropriated or otherwise made available by this Act shall be expended for any purpose for which appropriations are prohibited by section 609 of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1999.

(b) The requirements in subparagraphs (A) and (B) of section 609 of that Act shall continue to apply during fiscal year 2004.

SEC. 613. Any costs incurred by a department or agency funded under this Act resulting from personnel actions taken in response to funding reductions included in this Act shall be absorbed within the total budgetary resources available to such department or agency: Provided, That the authority to transfer funds between appropriations accounts as may be necessary to carry out this section is provided in addition to authorities included elsewhere in this Act: Provided further, That use of funds to carry out this section shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

SEC. 614. Of the funds appropriated in this Act under the heading "Office of Justice Programs—State and Local Law Enforcement Assistance", not more than 90 percent of the amount to be awarded to an entity under the Local Law Enforcement Block Grant shall be made available to such an entity when it is made known to the Federal official having authority to obligate or expend such funds that the entity that employs a public safety officer (as such term is defined in section 1204 of title I of the Omnibus Crime Control and Safe Streets Act of 1968) does not provide such a public safety officer who retires or is separated from service due to injury suffered as the direct and proximate result of a personal injury sustained in the line of duty while responding to an emergency situation or a hot pursuit (as such terms are defined by State law) with the same or better level of health insurance benefits at the time of retirement or separation as they received while on duty.

SEC. 615. None of the funds provided by this Act shall be available to promote the sale or export of tobacco or tobacco products, or to seek the reduction or removal by any foreign country of restrictions on the marketing of tobacco or tobacco products, except for restrictions which are not applied equally to all tobacco or tobacco products of the same type.

SEC. 616. (a) None of the funds appropriated or otherwise made available by this Act shall be expended for any purpose for which appropriations are prohibited by section 616 of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1999.

(b) The requirements in subsections (b) and (c) of section 616 of that Act shall continue to apply during fiscal year 2004.

SEC. 617. (a) None of the funds appropriated pursuant to this Act or any other provision of law may be used for—

(1) the implementation of any tax or fee in connection with the implementation of subsection 922(t) of title 18, United States Code; and

(2) any system to implement subsection 922(t) of title 18, United States Code, that does not require and result in the destruction of any identifying information submitted by or on behalf of any person who has been determined not to be prohibited from possessing or receiving a firearm no more than 24 hours after the system advises a Federal firearms licensee that possession or receipt of a firearm by the prospective transferee would not violate subsection (g) or (n) of section 922 of title 18, United States Code, or State law.

(b) Subsection (a)(2) shall take effect not later than 180 days after enactment of this Act.

SEC. 618. Notwithstanding any other provision of law, amounts deposited or available in the Fund established under 42 U.S.C. 10601 in any fiscal year in excess of $625,000,000 shall not be available for obligation until the following fiscal year.

SEC. 619. None of the funds made available to the Department of Justice in this Act may be used to discriminate against or denigrate the religious or moral beliefs of students who participate in programs for which financial assistance is provided from those funds, or of the parents or legal guardians of such students.

SEC. 620. None of the funds appropriated or otherwise made available to the Department of State shall be available for the purpose of granting either immigrant or nonimmigrant visas, or both, consistent with the determination of the Secretary of State under section 243(d) of the Immigration and Nationality Act, to citizens, subjects, nationals, or residents of countries that the Secretary of Homeland Security has determined deny or unreasonably delay accepting the return of citizens, subjects, nationals, or residents under that section.

SEC. 621. For additional amounts under the heading "Small Business Administration, Salaries and Expenses", $1,592,000 shall be available for the Advanced and Applied Polymer Processing Institute; $500,000 shall be available for Northeast South Dakota Tech-Based Skills Development; $750,000 shall be available for the Southern Methodist University Law School Rule of Law; $1,000,000 shall be available for the Accelerated Entrepreneur "AcE" Program; $500,000 shall be available for the National Mass Fatalities Institute; $1,000,000 shall be available for the Textile Tracers Program; $500,000 shall be available for the Maryland Technology-Based Rural Business Incubation Initiative; $1,000,000 shall be available for the Northeast Indiana Innovation Center; $750,000 shall be available for the Lewis and Clark Bicentennial Bi-State Safety Project; $1,000,000 shall be available for the Greenville Automotive Research Park; $1,000,000 shall be available for the Indiana University Kokomo Business Incubator; $1,593,000 shall be available for the Tuck School of Business for its partnership with the Minority Business Development Administration; $500,000 shall be available for Project Restore; $325,000 shall be available for the School of the Building Arts Trade Program; $500,000 shall be available for the South Carolina Export Consortium; $500,000 shall be available for the Freewoods Farm Living Farm Museum in Horry County, South Carolina; $1,590,000 shall be available for the Alaska InvestNet/Technology Venture Center and Tech Ranch in Montana; $1,000,000 shall be available for Youth and Family with Promises; $500,000 shall be available for the Wisconsin Procurement Institute; $1,000,000 shall be available for the Next Generation Economy Initiative; $1,000,000 shall be available for the Westside Intercept Project; $250,000 shall be available for the International Trade Data Network; $1,000,000 shall be available for the University of Missouri-St. Louis Information Technology Incubator Project; $750,000 shall be available for the Idaho Virtual Incubator/Lewis-Clark State College; $850,000 shall be available for the UNI Student Business Incubator; $1,500,000 shall be available for the promotion and operation of the grant to the Adelante Development Center, Inc., in Albuquerque, New Mexico; $250,000 shall be available for the Mississippi Delta Technology Council; $2,250,000 shall be available for a grant to the Virginia Community College System (VCCS) for improvement of distance learning programs; $175,000 shall be available for a grant to the Loudoun Convention and Visitors Association in Virginia; $100,000 shall be available for a grant to The Cedar Creek Battlefield Foundation; $100,000 shall be available for a grant to Belle Grove Plantation; $750,000 shall be available for a grant to Shenandoah University to develop a historical and tourism development facility; $1,000,000 shall be available for a grant to the Northern Virginia Technology Council for a technology entrepreneurship development and resource center; $100,000 shall be available for a grant to the Washington Airports Task Force to promote small business growth of passenger, cargo and other aviation services; $100,000 shall be available for a grant to Team Northeast Ohio; $500,000 shall be available for a grant to Wilberforce University for a technology initiative; $250,000 shall be available for a grant for

REI Rural Business Resources Center in Seminole, Oklahoma; $1,100,000 shall be available for a grant to Iowa State University for the development of a research park biologics facility; $200,000 shall be available for a grant to the Clarion County Economic Development Corporation; $200,000 shall be available for a grant to the Venango Economic Development Corporation; $900,000 shall be available for a grant to the Illinois Institute of Technology to examine and assess advancements in biotechnologies; $1,000,000 shall be available for the Illinois Coalition for technology development assistance activities; $200,000 shall be available for a grant for the Port of Benton for the planning of a science and technology park in Richland, Washington; $1,500,000 shall be available for a grant to Rockford Area Ventures, Rockford, Illinois, to establish a small manufacturing business incubator and technology research and development center; $100,000 shall be available for a grant to Western Kentucky University for a business incubator; $200,000 shall be available for a grant for the Chicago Field Museum for a collections resource center; $100,000 shall be available for a grant for the Purdue University School of Pharmacy for the development of a national center for pharmaceutical technology; $100,000 shall be available for a grant to the Cedarbridge Development Urban Renewal Corporation for facilities development; $100,000 shall be available for a grant for Concourse Village in the Bronx, New York; $500,000 shall be available for a grant to Pro Co Technology Computer Training Center in the Bronx, New York, for a computer learning center; $200,000 shall be available for a grant for the Promesa Foundation in South Bronx, New York, to provide community growth funding; $560,000 shall be available for a grant to Bronx Shepherds for a community resource center; $200,000 shall be available for a grant to HOGAR, Inc. in the Bronx, New York; $100,000 shall be available for a grant to the Alliance for Community Services for economic development in the Bronx, New York; $300,000 shall be available for a grant to Promesa Enterprises to provide services and support to community based organizations in the Bronx, New York; $300,000 shall be available for a grant to Bronx Overall Economic Development Corporation for technical assistance opportunities for businesses; $250,000 shall be available for a grant to St. Mary's College for a telecommunications initiative; $1,200,000 shall be available for a grant to the MountainMade Foundation to fulfill its charter purposes and to continue the initiative developed by the NTTC for outreach and promotion, business and sites development, the education of artists and craftspeople, and to promote small businesses, artisans and their products through market development, advertisement, commercial sale and other promotional means; $1,000,000 shall be available for the Providence, Rhode Island Center for Women and Enterprise for infrastructure development; $1,200,000 shall be available for a grant for Northwest Shoals Community College to establish a Center for Business and Industry; $950,000 shall be available for a grant to the Family and Children's Service in Minneapolis, Minnesota for community support and development programs; $1,000,000 shall be available for a grant to the Wisconsin Procurement Institute to develop an electronic based system to provide access and opportunity to Federal funding; $200,000 shall be for a grant to the National Association of Development Organizations Research Foundation to provide training and education assistance to small business development finance professionals; $750,000 shall be for a grant to the North Carolina Rural Economic Development Center for expenses and activities in support of the Capital Access Program; $500,000 shall be for a grant for the Women's Initiative for Self Employment in San Francisco, California; $400,000 shall be for a grant to Johnstown Area Regional Industries in Pennsylvania for workforce development training programs and Small Business Technology Centers; $400,000 shall be for a grant to Seton Hill University for expenses in support of the Virtual Entrepreneurial Center; $200,000 shall be for a grant to the Economic Growth Connection Paperless Procurement Program; $200,000 shall be for a grant for the Ridgewood Myrtle Avenue Business Improvement District to conduct a redevelopment study; $400,000 shall be for a grant to Progress, Inc. to establish a Community Technology Center; $150,000 shall be for a grant for UPROSE for the "Sunset Youth Industries" project; $415,000 shall be available for a grant to the Southern and Eastern Kentucky Tourism Development Association for continuation of a regional tourism promotion initiative; and $300,000 shall be for the Arthur Avenue Retail Market in the Bronx, New York, for facility, improvement, and maintenance needs to meet the Market's business requirements: Provided, That Section 625 of Title I of Division B of Public Law 108–7 is amended with respect to a grant of: (1) $450,000 to the Bronx Council on the Arts by deleting the words "help promote stabilization of small arts organizations" and inserting the words "provide financial assistance to small arts organizations to help promote stabilization" in its place; and (2) $500,000 to the City of Merrill, Wisconsin by deleting all of the language following Wisconsin and replacing it with "for the capitalization of a business development fund.".

SEC. 622. None of the funds made available to the Department of Justice in this Act may be used for the purpose of transporting an individual who is a prisoner pursuant to conviction for crime under State or Federal law and is classified as a maximum or high security prisoner, other than to a prison or other facility certified by the Federal Bureau of Prisons as appropriately secure for housing such a prisoner.

SEC. 623. (a) None of the funds appropriated by this Act may be used by Federal prisons to purchase cable television services, to rent or purchase videocassettes, videocassette recorders, or other audiovisual or electronic equipment used primarily for recreational purposes.

(b) The preceding sentence does not preclude the renting, maintenance, or purchase of audiovisual or electronic equipment for inmate training, religious, or educational programs.

SEC. 624. A Deputy Assistant Administrator for non-contiguous states and territories shall, through the Senior Executive Service, administer Small Business Administration programs in Alaska, Hawaii, and the territories, including disaster loans to fishermen, programs benefitting Alaska Native Corporations and Native Hawaiians, including but not limited to Section 8(a) and Historically Underutilized Business Zones, and all other programs serving Alaska Natives and Native Hawaiians. All disaster loans issued in Alaska shall be administered by the Small Business Administration and shall not be sold during fiscal year 2004.

SEC. 625. None of the funds made available in this Act may be transferred to any department, agency, or instrumentality of the United States Government, except pursuant to a transfer made by, or transfer authority provided in, this Act or any other appropriation Act.

SEC. 626. The Secretary of Commerce shall negotiate or reevaluate, with the consent of the President, international agreements affecting international ocean policy.

SEC. 627. The Departments of Commerce, Justice, State, the Judiciary, and the Small Business Administration shall each establish a policy under which eligible employees may participate in telecommuting to the maximum extent possible without diminished employee performance: Provided, That, not later than six months after the date of the enactment of this Act, each of the aforementioned entities shall provide that the requirements of this section are applied to 100 percent of the workforce: Provided further, That, of the funds appropriated in this Act for the Departments of Commerce, Justice, and State, the Judiciary, and the Small Business Administration, $200,000 shall be available to each Department or agency only to implement telecommuting programs: Provided further, That, every six months, each Department or agency shall provide a report to the Committees on Appropriations on the status of telecommuting programs, including the number of Federal employees eligible for, and participating in, such programs, and uses of funds designated under this section: Provided further, That each Department or agency shall designate a "Telework Coordinator" to be responsible for overseeing the implementation of telecommuting programs and serve as a point of contact on such programs for the Committees on Appropriations.

SEC. 628. The paragraph under the heading "Small Business Administration—Disaster Loans Program Account" in chapter 2 of division B of Public Law 107–117 is amended by inserting "or section 7(b) of the Small Business Act" after "September 11, 2001".

SEC. 629. The Telecommunications Act of 1996 is amended as follows—

(1) in section 202(c)(1)(B) by striking "35 percent" and inserting "39 percent";

(2) in section 202(c) by adding the following new paragraph at the end:

"(3) DIVESTITURE.—A person or entity that exceeds the 39 percent national audience reach limitation for television stations in paragraph (1)(B) through grant, transfer, or assignment of an additional license for a commercial television broadcast station shall have not more than 2 years after exceeding such limitation to come into compliance with such limitation. This divestiture requirement shall not apply to persons or entities that exceed the 39 percent national audience reach limitation through population growth.

"(4) FORBEARANCE.—Section 10 of the Communications Act of 1934 (47 U.S.C. 160) shall not apply to any person or entity that exceeds the 39 percent national audience reach limitation for television stations in paragraph (1)(B);"; and

(3) in section 202(h) by striking "biennially" and inserting "quadrennially" and by adding the following new flush sentence at the end:

"This subsection does not apply to any rules relating to the 39 percent national audience reach limitation in subsection (c)(1)(B).".

SEC. 630. (a) Tracing studies conducted by the Bureau of Alcohol, Tobacco, Firearms, and Explosives are released without adequate disclaimers regarding the limitations of the data.

(b) The Bureau of Alcohol, Tobacco, Firearms, and Explosives shall include in all such data releases, language similar to the following that would make clear that trace data cannot be used to draw broad conclusions about firearms-related crime:

(1) Firearm traces are designed to assist law enforcement authorities in conducting investigations by tracking the sale and possession of specific firearms. Law enforcement agencies may request firearms traces for any reason, and those reasons are not necessarily reported to the Federal Government. Not all firearms used in crime are traced and not all firearms traced are used in crime.

(2) Firearms selected for tracing are not chosen for purposes of determining which types, makes or models of firearms are used for illicit purposes. The firearms selected do not constitute a random sample and should not be considered

representative of the larger universe of all firearms used by criminals, or any subset of that universe. Firearms are normally traced to the first retail seller, and sources reported for firearms traced do not necessarily represent the sources or methods by which firearms in general are acquired for use in crime.

SEC. 631. Section 503(f) of the Small Business Investment Act of 1958 (15 U.S.C. 697(f)) shall be amended by substituting "March 15, 2004" for the last date that appears in the subsection.

SEC. 632. In addition to amounts otherwise appropriated in this Act, the unobligated balances previously made available by section 507(g) of Public Law 105–135 shall be available until expended for the cost of general business loans under section 7(a) of the Small Business Act.

SEC. 633. (a) There is established in the Treasury of the United States a trust fund to be known as the International Center for Middle Eastern-Western Dialogue Trust Fund. The income from the fund shall be used for operations of the International Center for Middle Eastern-Western Dialogue to promote dialogue and scholarship in the Middle East. The fund may accept contributions and gifts from public and private sources.

(b) It shall be the duty of the Secretary of the Treasury to invest in full amounts made available to the fund. Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. The interest on, and the proceeds from the sale or redemption of, any obligations held in the fund shall be credited to and form a part of the fund and shall remain available without fiscal year limitation.

(c) For each fiscal year, there is authorized to be appropriated from the fund for the operations of the International Center for Middle Eastern-Western Dialogue the total amount of the interest and earnings credited to the fund under subsection (b).

(d) There are authorized to be appropriated to the International Center for Middle Eastern-Western Dialogue Trust Fund, without fiscal year limitation, such sums as may be necessary to carry out the provisions of this section and to provide for the permanent endowment for the International Center for Middle Eastern-Western Dialogue established under this section.

(e) The United States, through the Department of State, shall retain ownership of the Palazzo Corpi building in Istanbul, Turkey, and the Secretary of State shall be responsible for maintaining the International Center for Middle Eastern-Western Dialogue at such location.

(f) Section 1321(a) of title 31, United States Code, is amended by inserting after "(58) Inmates' fund, workhouse and reformatory, District of Columbia." the following new paragraph:

"(59) International Center for Middle Eastern-Western Dialogue Trust Fund.".

SEC. 634. None of the funds appropriated or otherwise made available under this Act may be used to issue patents on claims directed to or encompassing a human organism.

SEC. 635. None of the funds made available in this Act may be used to pay expenses for any United States delegation to the United Nations Human Rights Commission if such commission is chaired or presided over by a country, the government of which the Secretary of State has determined, for purposes of section 6(j)(1) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)(1)), has repeatedly provided support for acts of international terrorism.

SEC. 636. None of the funds made available in this Act may be used in violation of section 212(a)(10)(C) of the Immigration and Nationality Act.

SEC. 637. (a) This section may be cited as the "HELP Commission Act".

(b)(1) The Congress finds that, despite the long-standing efforts and resources of the United States dedicated to helping needy people around the world, despair remains and in many areas is growing.

(2) Therefore, a commission should be established to bring together the best minds associated with development and humanitarian assistance to make a comprehensive review of—

(A) policy decisions, including why certain development projects are funded and others are not, successes, and best practices, including their applicability to other existing programs and projects;

(B) delivery obstacles, including the roles of United States agencies and other governmental and nongovernmental organizations;

(C) methodology, including whether the delivery of United States development assistance always represents best practices and whether it can be improved; and

(D) results, including measuring improvements in human capacity instead of in purely economic terms.

(3) An examination of these issues should present new approaches and ideas to ensure that United States development assistance reaches and benefits its intended recipients.

(c)(1) There is established the Helping to Enhance the Livelihood of People (HELP) Around the Globe Commission (in this section referred to as the "Commission").

(2) The Commission shall—

(A) identify the past and present objectives of United States development assistance, identify cases in which those objectives have been met, identify the beneficiaries of such assistance, and what percentage of the funds provided actually reached the intended beneficiaries;

(B) identify cases in which United States development assistance has been most successful, and analyze how such successes may be transferable to other countries or areas;

(C) study ways to expand educational opportunities and investments in people, and assess infrastructure needs;

(D) analyze how the United States could place conditions on governments in countries receiving United States development assistance, in light of and notwithstanding the objectives of the Millennium Challenge Account;

(E) analyze ways in which the United States can coordinate its development assistance programs with those of other donor countries and international organizations;

(F) analyze ways in which the safety of development assistance workers can be ensured, particularly in the midst of conflicts;

(G) compare the effectiveness of increased and open trade with development assistance, and analyze the advantages and disadvantages of such trade and whether such trade could be a more effective alternative to United States development assistance;

(H) analyze ways in which the United States can strengthen the capacity of indigenous nongovernmental organizations to be more effective in grassroots development;

(I) analyze ways in which decisions on providing development assistance can involve more of the people of the recipient countries;

(J) analyze ways in which results can be measured if United States development assistance is targeted to the least developed countries;

(K) recommend standards that should be set for "graduating" recipient countries from United States development assistance;

(L) analyze whether United States development assistance should be used as a means to achieve United States foreign policy objectives;

(M) analyze how the United States can evaluate the performance of its development assistance programs not only against economic indicators, but in other ways, including how to measure the success of United States development assistance in democratization efforts; and evaluate the existing foreign assistance framework to ascertain the degree of coordination, or lack thereof, of the disparate foreign development programs as administered by the various Federal agencies, to identify and assess the redundancies of programs and organizational structures engaged in foreign assistance, and to recommend revisions to authorizing legislation for foreign assistance that would seek to reconcile competing foreign policy and foreign aid goals; and

(N) study any other areas that the Commission considers necessary relating to United States development assistance.

(d)(1) The Commission shall be composed of 21 members as follows:

(A) Six members shall be appointed by the President, of whom at least two shall be representatives of nongovernmental organizations.

(B) Four members shall be appointed by the majority leader of the Senate, and three members shall be appointed by the minority leader of the Senate.

(C) Four members shall be appointed by the Speaker of the House of Representatives, and three members shall be appointed by the minority leader of the House of Representatives.

(D) The Administrator of the United States Agency for International Development shall serve as a member of the Commission, ex officio.

(2) Members under subparagraphs (A) through (C) of paragraph (1) shall be appointed for the life of the Commission.

(3) Members of the Commission shall be selected from among individuals noted for their knowledge and experience in foreign assistance, particularly development and humanitarian assistance.

(4) The appointments under paragraph (1) shall be made not later than 60 days after the date of the enactment of this section.

(5) The President shall designate one of the members of the Commission not currently in government service as the Chair of the Commission.

(6) In order to facilitate the workload of the Commission, the Commission shall divide the membership of the Commission into three subcommittees representing the different regions of the world to which the United States provides development assistance, the membership of each subcommittee to be proportional to the percentage of United States development assistance provided to the region represented by the subcommittee. Each subcommittee shall elect one of its members as Chair of the subcommittee.

(7)(A) Eleven members of the Commission shall constitute a quorum for purposes of transacting the business of the Commission. The Commission shall meet at the call of the Chair.

(B) A majority of the members of each regional subcommittee shall constitute a quorum for purposes of transacting the business of the subcommittee. Each subcommittee shall meet at the call of the Chair of the subcommittee.

(8) Any vacancy of the Commission shall not affect its powers, but shall be filled in the manner in which the original appointment was made.

(9) The Administrator of General Services shall provide to the Commission on a reimbursable basis (or, in the discretion of the Administrator, on a nonreimbursable basis) such administrative support services as the Commission may request to carry out this section.

(10)(A) Subject to subparagraph (B), members of the Commission shall serve without pay.

(B) Members of the Commission who are full-time officers or employees of the United States or Members of Congress may not receive additional pay, allowances, or benefits by reason of their service on the Commission.

(11) Members of the Commission shall be allowed travel expenses, including per diem in lieu

of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(12)(A) The Chairman of the Commission may, without regard to the civil service laws and regulations, appoint and terminate an executive director and such other additional personnel as may be necessary to enable the Commission to perform its duties. The employment of an executive director shall be subject to confirmation by the Commission.

(B) To the extent or in the amounts provided in advance in appropriations Acts—

(i) the executive director shall be compensated at the rate payable for level V of the Executive Schedule under section 5316 of title 5, United States Code; and

(ii) the Chairman of the Commission may fix the compensation of other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for such personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(e)(1) The Commission may, for the purpose of carrying out its functions under this section, hold hearings, sit and act at times and places in the United States and in countries that receive United States development assistance, take testimony, and receive evidence as the Commission considers advisable to carry out the purposes of this section.

(2) The Commission may secure directly from any Federal department or agency such information as the Commission considers necessary to carry out the provisions of this section. Upon request of the Chair of the Commission, the head of such department or agency shall furnish such information to the Commission, subject to applicable law.

(3) The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(4) The Commission may adopt such rules and regulations, relating to administrative procedure, as may be reasonably necessary to enable it to carry out the provisions of this section.

(5) The Members of the Commission may, with the approval of the Commission, conduct such travel as is necessary to carry out the purposes of this section. Each trip must be approved by a majority of the Commission.

(6) Upon the request of the Commission, the head of any Federal department or agency may detail, on a reimbursable or nonreimbursable basis, any of the personnel of that department or agency to the Commission to assist it in carrying out its functions under this section. The detail of any such personnel shall be without interruption or loss of civil service or Foreign Service status or privilege.

(f)(1) Not later than 2 years after the members of the Commission are appointed under subsection (d)(1), the Commission shall submit a report to the President, the Secretary of State, the Committee on Appropriations and the Committee on International Relations of the House of Representatives, and the Committee on Appropriations and the Committee on Foreign Relations of the Senate, setting forth its findings and recommendations under section (c)(2).

(2) The report may be submitted in classified form, together with a public summary of recommendations, if the classification of information would further the purposes of this section.

(3) Each member of the Commission may include the individual or dissenting views of the member.

(g) The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Commission.

(h) In this section, the term "United States development assistance" means—

(1) assistance provided by the United States under chapters 1, 10, 11, and 12 of part I of the Foreign Assistance Act of 1961; and

(2) assistance provided under any other provision of law to carry out purposes comparable to those set forth in the provisions referred to in paragraph (1).

(i)(1) There are authorized to be appropriated to the Commission such sums as may be necessary to carry out this section.

(2) Amounts authorized to be appropriated under subsection (a) are authorized to remain available until expended, but not later than the date of termination of the Commission.

(j) The Commission shall terminate 30 days after the submission of its report under subsection (f).

(k)(1) Not later than April 1, 2004, and April 1 of each third year thereafter, the President shall transmit to the Congress a report that analyzes, on a country-by-country basis, the impact and effectiveness of United States economic assistance furnished to each country during the preceding three fiscal years. The report shall include the following for each recipient country:

(A) An analysis of the impact of United States economic assistance during the preceding three fiscal years on economic development in that country, with a discussion of the United States interests that were served by the assistance. The analysis shall be done on a sector-by-sector basis to the extent possible and shall identify any economic policy reforms that were promoted by the assistance. The analysis shall—

(i) include a description, quantified to the extent practicable, of the specific objectives the United States sought to achieve in providing economic assistance for that country; and

(ii) specify the extent to which those objectives were not achieved, with an explanation of why they were not achieved.

(B) A description of the amount and nature of economic assistance provided by other donors during the preceding three fiscal years, set forth by development sector to the extent possible.

(C) A discussion of the commitment of the host government to addressing the country's needs in each development sector, including a description of the resources devoted by that government to each development sector during the preceding three fiscal years.

(D) A description of the trends, both favorable and unfavorable, in each development sector.

(E) Statistical and other information necessary to evaluate the impact and effectiveness of United States economic assistance on development in the country.

(F) A comparison of the analysis provided in the report with relevant analyses by international financial institutions, other international organizations, other donor countries, or nongovernmental organizations.

(2) The report required by this section shall identify—

(A) each country in which United States economic assistance has been most successful, as indicated by the extent to which the specific objectives the United States sought to achieve in providing the assistance for the country, as referred to in paragraph (1)(A)(i), were achieved; and

(B) each country in which United States economic assistance has been least successful, as indicated by the extent to which the specific objectives the United States sought to achieve in providing the assistance for the country, as referred to in paragraph (1)(A)(i), were not achieved; and, for each such country, an explanation of why the assistance was not more successful and a specification of what the United States has done as a result.

(3) Information under paragraphs (1) and (2) for a fiscal year shall not be required with respect to a country for which United States economic assistance for the country for the fiscal year is less than $5,000,000.

(4) In this subsection, the term "United States economic assistance" means any bilateral economic assistance, from any budget functional category, that is provided by any department or agency of the United States to a foreign country, including such assistance that is intended—

(A) to assist the development and economic advancement of friendly foreign countries and peoples;

(B) to promote the freedom, aspirations, or sustenance of friendly peoples under oppressive rule by unfriendly governments;

(C) to promote international trade and foreign direct investment as a means of aiding economic growth;

(D) to save lives and alleviate suffering of foreign peoples during or following wars, natural disasters, or complex crisies;

(E) to assist in recovery and rehabilitation of countries or peoples following disaster or war;

(F) to protect refugees and promote durable solutions to aid refugees;

(G) to promote sound environmental practices;

(H) to assist in development of democratic institutions and good governance by the people of foreign countries;

(I) to promote peace and reconciliation or prevention of conflict;

(J) to improve the technical capacities of governments to reduce production of and demand for illicit narcotics; and

(K) to otherwise promote through bilateral foreign economic assistance the national objectives of the United States.

SEC. 638. (a) There is hereby rescinded an amount equal to 0.465 percent of the budget authority provided for fiscal year 2004 for any discretionary account in this Act.

(b) Any rescission made by subsection (a) shall be applied proportionately—

(1) to each discretionary account and each item of budget authority described in subsection (a); and

(2) within each such account and item, to each program, project, and activity (with programs, projects, and activities as delineated in the appropriation Act or accompanying reports for the relevant fiscal year covering such account or item, or for accounts and items not included in appropriation Acts, as delineated in the most recently submitted President's budget).

TITLE VII—RESCISSIONS

DEPARTMENT OF JUSTICE

GENERAL ADMINISTRATION

WORKING CAPITAL FUND

(RESCISSION)

Of the unobligated balances available under this heading, $67,326,000 are rescinded.

COUNTERTERRORISM FUND

(RESCISSION)

Of the unobligated balances available under this heading, $40,000,000 are rescinded.

LEGAL ACTIVITIES

ASSET FORFEITURE FUND

(RESCISSION)

Of the unobligated balances available under this heading, $61,608,000 are rescinded.

FEDERAL PRISON SYSTEM

BUILDINGS AND FACILITIES

(RESCISSION)

Of the unobligated balances available under this heading, $51,895,000 are rescinded.

OFFICE OF JUSTICE PROGRAMS

STATE AND LOCAL LAW ENFORCEMENT ASSISTANCE

(RESCISSION)

Of the unobligated balances available under this heading, $21,600,000 are rescinded.

COMMUNITY ORIENTED POLICING SERVICES

(RESCISSION)

Of the unobligated balances available under this heading, $6,378,000 are rescinded.

JUVENILE JUSTICE PROGRAMS

(RESCISSION)

Of the unobligated balances available under this heading, $15,900,000 are rescinded.

DEPARTMENT OF COMMERCE AND RELATED AGENCIES

DEPARTMENT OF COMMERCE

International Trade Administration

OPERATIONS AND ADMINISTRATION

(RESCISSION)

Of the appropriations made available for travel and tourism by section 210 of Public Law 108–7, $40,000,000 are rescinded.

National Oceanic and Atmospheric Administration

COASTAL AND OCEAN ACTIVITIES

(RESCISSION)

Of the appropriations made available for coastal and ocean activities by Public Law 106–553, $2,500,000 are rescinded.

TITLE VIII—ALASKAN FISHERIES

Sec. 801. Bering Sea and Aleutian Islands Crab Rationalization. Section 313 of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1801 et seq.), as amended, is further amended by adding at the end thereof the following:

"(j) Bering Sea and Aleutian Islands Crab Rationalization.—

"(1) By not later than January 1, 2005, the Secretary shall approve and hereafter implement by regulation the Voluntary Three-Pie Cooperative Program for crab fisheries of the Bering Sea and Aleutian Islands approved by the North Pacific Fishery Management Council between June 2002 and April 2003, and all trailing amendments including those reported to Congress on May 6, 2003. This section shall not preclude the Secretary from approving by January 1, 2005, and implementing any subsequent program amendments approved by the Council.

"(2) Notwithstanding any other provision of this Act, in carrying out paragraph (1) the Secretary shall approve all parts of the Program referred to in such paragraph. Further, no part of such Program may be implemented if, as approved by the North Pacific Fishery Management Council, individual fishing quotas, processing quotas, community development quota allocation, voluntary cooperatives, binding arbitration, regional landing and processing requirements, community protections, economic data collection, or the loan program for crab fishing vessel captains and crew members, is invalidated subject to a judicial determination not subject to judicial appeal. If the Secretary determines that a processor has leveraged its Individual Processor Quota shares to acquire a harvesters open-delivery "B shares", the processor's Individual Processor Quota shares shall be forfeited.

"(3) Subsequent to implementation pursuant to paragraph (1), the Council may submit and the Secretary may implement changes to or repeal of conservation and management measures, including measures authorized in this section, for crab fisheries of the Bering Sea and Aleutian Islands in accordance with applicable law, including this Act as amended by this subsection, to achieve on a continuing basis the purposes identified by the Council.

"(4) The loan program referred to in paragraph (2) shall be carried out pursuant to the authority of sections 1111 and 1112 of title XI of the Merchant Marine Act, 1936 (46 U.S.C. App. 1279f, 1279g).

"(5) For purposes of implementing this section $1,000,000 shall be made available each year until fully implemented from funds otherwise made available to the National Marine Fisheries Service for Alaska fisheries activities.

"(6) Nothing in this Act shall constitute a waiver, either express or implied, of the antitrust laws of the United States. The Secretary, in consultation with the Department of Justice and the Federal Trade Commission, shall develop and implement a mandatory information collection and review process to provide any and all information necessary for the Department of Justice and the Federal Trade Commission to determine whether any illegal acts of anti-competition, anti-trust, or price collusion have occurred among persons receiving individual processing quotas under the Program. The Secretary may revoke any individual processing quota held by any person found to have violated a provision of the antitrust laws of the United States.

"(7) An individual processing quota issued under the Program shall be considered a permit for the purposes of sections 307, 308, and 309, and may be revoked or limited at any time in accordance with this Act. Issuance of an individual processing quota under the program shall not confer any right of compensation to the holder of such individual processing quota if it is revoked or limited and shall not create, or be construed to create, any right, title, or interest in or to any fish before the fish is purchased from an individual fishing quota holder.

"(8) The restriction on the collection of economic data in section 303 shall not apply with respect to any fish processor who is eligible for, or who has received, individual processing quota under the Program. The restriction on the disclosure of information in section 402(b)(1) shall not apply when the information is used to determine eligibility for or compliance with an individual processing quota program.

"(9) The provisions of sections 308, 310, and 311 shall apply to the processing facilities and fish products of any person holding individual processing quota, and the provisions of subparagraphs (D), (E), and (L) of section 307(l) shall apply to any facility owned or controlled by a person holding individual processing quota.".

Sec. 802. Gulf of Alaska Rockfish Demonstration Program. The Secretary of Commerce, in consultation with the North Pacific Fishery Management Council, shall establish a pilot program that recognizes the historic participation of fishing vessels (1996 to 2002, best 5 of 7 years) and historic participation of fish processors (1996 to 2000, best 4 of 5 years) for pacific ocean perch, northern rockfish, and pelagic shelf rockfish harvested in Central Gulf of Alaska. Such a pilot program shall (1) provide for a set-aside of up to 5 percent for the total allowable catch of such fisheries for catcher vessels not eligible to participate in the pilot program, which shall be delivered to shore-based fish processors not eligible to participate in the pilot program; (2) establish catch limits for non-rockfish species and non-target rockfish species currently harvested with pacific ocean perch, northern rockfish, and pelagic shelf rockfish, which shall be based on historical harvesting of such bycatch species. The pilot program will sunset when a Gulf of Alaska Groundfish comprehensive rationalization plan is authorized by the Council and implemented by the Secretary, or 2 years from date of implementation, whichever is earlier.

Sec. 803. Aleutian Islands Fisheries Development. (a) Aleutian Islands Pollock Allocation.—Effective January 1, 2004 and thereafter, the directed pollock fishery in the Aleutian Islands Subarea [AI] of the BSAI (as defined in 50 CFR 679.2) shall be allocated to the Aleut Corporation (incorporated pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.)). Except with the permission of the Aleut Corporation or its authorized agent, the fishing or processing of any part of such allocation shall be prohibited by section 307 of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1857), subject to the penalties and sanctions under section 308 of such Act (16 U.S.C. 1858), and subject to the forfeiture of any fish harvested or processed.

(b) Eligible Vessels.—Only vessels that are 60 feet or less in length overall and have a valid fishery endorsement, or vessels that are eligible to harvest pollock under section 208 of Title II of Division C of Public Law 105–277, shall be eligible to form partnerships with the Aleut Corporation (or its authorized agents) to harvest the allocation under subsection (a). During the years 2004 through 2008, up to 25 percent of such allocation may be harvested by vessels 60 feet or less in length overall. During the years 2009 through 2013, up to 50 percent of such allocation may be harvested by vessels 60 feet or less in length overall. After the year 2012, 50 percent of such allocation shall be harvested by vessels 60 feet or less in length overall, and 50 percent shall be harvested by vessels eligible under such section of Public Law 105–277.

(c) Groundfish Optimum Yield Limitation.—The optimum yield for groundfish in the Bering Sea and Aleutian Islands Management Area shall not exceed 2 million metric tons. For the purposes of implementing subsections (a) and (b) without adversely affecting current fishery participants, the allocation under subsection (a) may be in addition to such optimum yield during the years 2004 through 2008 upon recommendation by the North Pacific Council and approval by the Secretary of Commerce (if consistent with the requirements of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1801 et seq.)).

(d) Management and Allocation.—For the purposes of this section, the North Pacific Fishery Management Council shall recommend and the Secretary shall approve an allocation under subsection (a) to the Aleut Corporation for the purposes of economic development in Adak, Alaska pursuant to the requirements of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1801 et seq.).

Sec. 804. A Council or the Secretary may not consider or establish any program to allocate or issue an individual processing quota or processor share in any fishery of the United States other than the crab fisheries of the Bering Sea and Aleutian Islands.

This division may be cited as the "Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 2004".

DIVISION C—DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 2004

AN ACT

Making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 2004, and for other purposes.

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the District of Columbia and related agencies for the fiscal year ending September 30, 2004, and for other purposes, namely:

TITLE I—FEDERAL FUNDS

Federal Payment for Resident Tuition Support

For a Federal payment to the District of Columbia, to be deposited into a dedicated account, for a nationwide program to be administered by the Mayor, for District of Columbia resident tuition support, $17,000,000, to remain available until expended: Provided, That such funds, including any interest accrued thereon, *may be used on behalf of eligible District of Columbia residents to pay an amount based upon the difference between in-State and out-of-State tuition at public institutions of higher education, or to pay up to $2,500 each year at eligible private institutions of higher education: Provided further, That the awarding of such funds may be prioritized on the basis of a resident's academic merit, the income and need of eligible students and such other factors as may be authorized: Provided further, That the District of Columbia government shall maintain a dedicated account for the Resident Tuition Support Program that shall consist of the Federal funds appropriated to the Program in this Act and any subsequent appropriations, any unobligated balances from prior fiscal years, and any interest earned in this or any fiscal year: Provided further, That the account shall be under the control of the District of Columbia Chief Financial Officer who shall use those funds solely for the purposes of carrying out the Resident Tuition Support Program: Provided further, That the Office of the Chief Financial Officer shall provide a quarterly financial report to the Committees on Appropriations of the House of Representatives and Senate for these funds showing, by object class, the expenditures made and the purpose therefor: Provided further, That not more than 7 percent of the total amount appropriated for this program may be used for administrative expenses.*

FEDERAL PAYMENT FOR EMERGENCY PLANNING AND SECURITY COSTS IN THE DISTRICT OF COLUMBIA

For necessary expenses, as determined by the Mayor of the District of Columbia in written consultation with the elected county or city officials of surrounding jurisdictions, $11,000,000, to remain available until expended, to reimburse the District of Columbia for the costs of providing public safety at events related to the presence of the national capital in the District of Columbia and for the costs of providing support to respond to immediate and specific terrorist threats or attacks in the District of Columbia or surrounding jurisdictions: Provided, That any amount provided under this heading shall be available only after notice of its proposed use has been transmitted by the President to Congress and such amount has been apportioned pursuant to chapter 15 of title 31, United States Code.

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA COURTS

For salaries and expenses for the District of Columbia Courts, $167,765,000, to be allocated as follows: for the District of Columbia Court of Appeals, $8,775,000, of which not to exceed $1,500 is for official reception and representation expenses; for the District of Columbia Superior Court, $83,387,000, of which not to exceed $1,500 is for official reception and representation expenses; for the District of Columbia Court System, $40,006,000, of which not to exceed $1,500 is for official reception and representation expenses; and $35,597,000, to remain available until September 30, 2005, for capital improvements for District of Columbia courthouse facilities: Provided, That funds made available for capital improvements shall be expended consistent with the General Services Administration master plan study and building evaluation report: Provided further, That notwithstanding any other provision of law, all amounts under this heading shall be apportioned quarterly by the Office of Management and Budget and obligated and expended in the same manner as funds appropriated for salaries and expenses of other Federal agencies, with payroll and financial services to be provided on a contractual basis with the General Services Administration (GSA), said services to include the preparation of monthly financial reports, copies of which shall be submitted directly by GSA to the President and to the Committees on Appropriations of the House of Representatives and Senate, the Committee on Government Reform of the House of Representatives, and the Committee on Governmental Affairs of the Senate: Provided further, That 30 days after providing written notice to the Committees on Appropriations of the House of Representatives and Senate, the District of Columbia Courts may reallocate not more than $1,000,000 of the funds provided under this heading among the items and entities funded under such heading.

DEFENDER SERVICES IN DISTRICT OF COLUMBIA COURTS

For payments authorized under section 11–2604 and section 11–2605, D.C. Official Code (relating to representation provided under the District of Columbia Criminal Justice Act), payments for counsel appointed in proceedings in the Family Court of the Superior Court of the District of Columbia under chapter 23 of title 16, D.C. Official Code, or pursuant to contractual agreements to provide guardian ad litem representation, training, technical assistance and/or such other services as are necessary to improve the quality of guardian ad litem representation, payments for counsel appointed in adoption proceedings under chapter 3 of title 16, D.C. Code, and payments for counsel authorized under section 21–2060, D.C. Official Code (relating to representation provided under the District of Columbia Guardianship, Protective Proceedings, and Durable Power of Attorney Act of 1986), $32,000,000, to remain available until expended: Provided, That the funds provided in this Act under the heading "Federal Payment to the District of Columbia Courts" (other than the $35,597,000 provided under such heading for capital improvements for District of Columbia courthouse facilities) may also be used for payments under this heading: Provided further, That in addition to the funds provided under this heading, the Joint Committee on Judicial Administration in the District of Columbia shall use funds provided in this Act under the heading "Federal Payment to the District of Columbia Courts" (other than the $35,597,000 provided under such heading for capital improvements for District of Columbia courthouse facilities), to make payments described under this heading for obligations incurred during any fiscal year: Provided further, That funds provided under this heading shall be administered by the Joint Committee on Judicial Administration in the District of Columbia: Provided further, That notwithstanding any other provision of law, this appropriation shall be apportioned quarterly by the Office of Management and Budget and obligated and expended in the same manner as funds appropriated for expenses of other Federal agencies, with payroll and financial services to be provided on a contractual basis with the General Services Administration (GSA), said services to include the preparation of monthly financial reports, copies of which shall be submitted directly by GSA to the President and to the Committees on Appropriations of the House of Representatives and Senate, the Committee on Government Reform of the House of Representatives, and the Committee on Governmental Affairs of the Senate.

FEDERAL PAYMENT TO THE COURT SERVICES AND OFFENDER SUPERVISION AGENCY FOR THE DISTRICT OF COLUMBIA

(INCLUDING TRANSFER OF FUNDS)

For salaries and expenses, including the transfer and hire of motor vehicles, of the Court Services and Offender Supervision Agency for the District of Columbia and the Public Defender Service for the District of Columbia, as authorized by the National Capital Revitalization and Self-Government Improvement Act of 1997, $168,435,000, of which not to exceed $2,000 is for official reception and representation expenses related to Community Supervision and Pretrial Services Agency programs; of which not to exceed $25,000 is for dues and assessments relating to the implementation of the Court Services and Offender Supervision Agency Interstate Supervision Act of 2002; of which $105,814,000 shall be for necessary expenses of Community Supervision and Sex Offender Registration, to include expenses relating to the supervision of adults subject to protection orders or the provision of services for or related to such persons; of which $37,411,000 shall be available to the Pretrial Services Agency; and of which $25,210,000 shall be transferred to the Public Defender Service for the District of Columbia: Provided, That notwithstanding any other provision of law, all amounts under this heading shall be apportioned quarterly by the Office of Management and Budget and obligated and expended in the same manner as funds appropriated for salaries and expenses of other Federal agencies: Provided further, That notwithstanding chapter 12 of title 40, United States Code, the Director may acquire by purchase, lease, condemnation, or donation, and renovate as necessary, Building Number 17, 1900 Massachusetts Avenue, Southeast, Washington, District of Columbia to house or supervise offenders and defendants, with funds made available for this purpose in Public Law 107–96: Provided further, That the Director is authorized to accept and use gifts in the form of in-kind contributions of space and hospitality to support offender and defendant programs, and equipment and vocational training services to educate and train offenders and defendants: Provided further, That the Director shall keep accurate and detailed records of the acceptance and use of any gift or donation under the previous proviso, and shall make such records available for audit and public inspection.

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

For a Federal payment to the District of Columbia Water and Sewer Authority, $30,000,000, to remain available until expended, to continue implementation of the Combined Sewer Overflow Long-Term Plan: Provided, That the District of Columbia Water and Sewer Authority provides a 100 percent match for this payment.

FEDERAL PAYMENT FOR HOSPITAL BIOTERRORISM PREPAREDNESS IN THE DISTRICT OF COLUMBIA

For a Federal payment to the District of Columbia Department of Health to support hospital bioterrorism preparedness in the District of Columbia, $7,500,000, of which $3,750,000 shall be for the Children's National Medical Center in the District of Columbia for the expansion of quarantine facilities and the establishment of a decontamination facility, and $3,750,000 shall be for the Washington Hospital Center for construction of containment facilities.

FEDERAL PAYMENT FOR THE ANACOSTIA WATERFRONT INITIATIVE

For a Federal payment to the District of Columbia Department of Transportation, $5,000,000, to remain available until September 30, 2005, for design and construction of a continuous pedestrian and bicycle trail system from the Potomac River to the District's border with Maryland.

FEDERAL PAYMENT TO THE CRIMINAL JUSTICE COORDINATING COUNCIL

For a Federal payment to the Criminal Justice Coordinating Council, $1,300,000, to support initiatives related to the coordination of Federal and local criminal justice resources in the District of Columbia.

Federal Payment for Capital Development in the District of Columbia

For a Federal payment to the District of Columbia for capital development, $8,150,000, to remain available until expended, of which $150,000 shall be for renovations at Eastern Market and $8,000,000 shall be for the Unified Communications Center.

Federal Payment for Public School Facilities

For a Federal payment to the District of Columbia Public Schools, $4,500,000, of which $500,000 shall be for a window repair and reglazing program and $4,000,000 shall be for a playground repair and replacement program.

Federal Payment for a Family Literacy Program

For a Federal payment to the District of Columbia, $2,000,000 for a family literacy program to address the needs of literacy-challenged parents while endowing their children with an appreciation for literacy and strengthening familial ties: Provided, That the District of Columbia shall provide a 100 percent match with local funds as a condition of receiving this payment.

Federal Payment for Transportation Assistance

For a Federal payment to the District of Columbia Department of Transportation, $3,500,000, of which $500,000 shall be allocated to implement a downtown circulator transit system, and of which $3,000,000 shall be to offset a portion of the District of Columbia's allocated operating subsidy payment to the Washington Metropolitan Area Transit Authority.

Federal Payment for Foster Care Improvements in the District of Columbia

For a Federal payment to the District of Columbia for foster care improvements, $14,000,000: Provided, That $9,000,000 shall be for the Child and Family Services Agency, of which $2,000,000 shall be to establish an early intervention program to provide intensive and immediate services for foster children; of which $1,000,000 shall be to establish an emergency support fund to purchase items necessary to allow children to remain in the care of an approved and licensed family member; of which $3,000,000 shall be for a loan repayment program for social workers who meet certain agency-established requirements; of which $3,000,000 shall be to upgrade the agency's computer database to a web-based technology and to provide computer technology for social workers: Provided further, That $3,900,000 shall be for the Department of Mental Health to provide all court-ordered or agency-required mental health screenings, assessments and treatments for children under the supervision of the Child and Family Services Agency: Provided further, That the Director of the Department of Mental Health shall initiate court-ordered or agency-required mental health services within 3 days of notification that service is needed: Provided further, That the Director of the Department of Mental Health shall ensure that court-ordered or agency-required mental health assessments are completed within 15 days of the request and that all assessments be provided to the Court within 5 days of completion of the assessment: Provided further, That $1,100,000 shall be for the Washington Metropolitan Council of Governments, to develop a program in conjunction with the Foster and Adoptive Parents Advocacy Center, to provide respite care for and recruitment of foster parents: Provided further, That the Mayor shall submit a detailed expenditure plan for the use of funds provided under this heading within 15 days of enactment of this legislation to the Committees on Appropriations of the House of Representatives and Senate: Provided further, That the funds provided under this heading shall not be made available until 30 calendar days after the submission of a spending plan to the Committees on Appropriations of the House of Representatives and Senate: Provided further, That with the exception of funds provided for the Department of Mental Health and the Washington Metropolitan Council of Governments, no part of this appropriation may be used for contractual community-based services: Provided further, That the Comptroller General shall prepare and submit to the Committees on Appropriations of the House of Representatives and Senate an accounting of all obligations and expenditures of the funds provided under this heading: Provided further, That the Comptroller General shall initiate management reviews of the Child and Family Services Agency and the Department of Mental Health and shall submit a report to the Committees on Appropriations of the House of Representatives and Senate no later than 6 months after enactment of this Act.

Federal Payment to the Office of the Chief Financial Officer of the District of Columbia

For a Federal payment to the Office of the Chief Financial Officer of the District of Columbia, $32,350,000: Provided, That these funds shall be available for the projects and in the amounts specified in the statement of the managers on the conference report accompanying this Act: Provided further, That each entity that receives funding under this heading shall submit to the Office of the Chief Financial Officer of the District of Columbia and the Committees on Appropriations of the House of Representatives and Senate a report on the activities carried out with such funds no later than March 15, 2004.

Federal Payment for Emergency Personnel Cross Training

For a Federal payment to the Emergency Management Agency, $500,000 for activities related to the cross training of police officers, firefighters, emergency medical technicians, and other emergency personnel: Provided, That this funding shall not be obligated until the Agency submits a detailed cross training plan for the District's public safety workforce to the Committees on Appropriations of the House of Representatives and Senate.

Federal Payment for School Improvement

For a Federal payment for a School Improvement Program in the District of Columbia, $40,000,000, to be allocated as follows: for the District of Columbia Public Schools, $13,000,000 to improve public school education in the District of Columbia, as specified in the statement of the managers on the conference report accompanying this Act; for the State Education Office, $13,000,000 to expand quality charter schools in the District of Columbia, as specified in the statement of the managers on the conference report accompanying this Act; for the Secretary of the Department of Education, $14,000,000 to provide opportunity scholarships for students in the District of Columbia in accordance with title III of this Act, of which up to $1,000,000 may be used to administer and fund assessments for title III of this Act: Provided, That the District of Columbia Public Schools shall submit a plan for the use of funds provided under this heading for public school education to the Committees on Appropriations of the House of Representatives and Senate, and the Committee on Education and the Workforce and the Committee on Government Reform of the House of Representatives, and the Committee on Health, Education, Labor, and Pensions of the Senate: Provided further, That the funds provided under this heading for public school education shall not be made available until 30 calendar days after the submission of a spending plan by the District of Columbia Public Schools to the Committees on Appropriations of the House of Representatives and Senate.

TITLE II—DISTRICT OF COLUMBIA FUNDS OPERATING EXPENSES

Division of Expenses

The following amounts are appropriated for the District of Columbia for the current fiscal year out of the general fund of the District of Columbia, except as otherwise specifically provided: Provided, That notwithstanding any other provision of law, except as provided in section 450A of the District of Columbia Home Rule Act (D.C. Official Code, sec. 1–204.50a) and section 417 and section 436 of this Act, the total amount appropriated in this Act for operating expenses for the District of Columbia for fiscal year 2004 under this heading shall not exceed the lesser of the sum of the total revenues of the District of Columbia for such fiscal year or $6,326,138,000 (of which $3,832,734,000 shall be from local funds, $1,568,734,000 shall be from Federal grant funds, $910,904,000 shall be from other funds, and $13,766,000 shall be from private funds), in addition, $119,650,000 from funds previously appropriated in this Act as Federal payments: Provided further, That this amount may be increased by proceeds of one-time transactions, which are expended for emergency or unanticipated operating or capital needs: Provided further, That such increases shall be approved by enactment of local District law and shall comply with all reserve requirements contained in the District of Columbia Home Rule Act as amended by this Act: Provided further, That the Chief Financial Officer of the District of Columbia shall take such steps as are necessary to assure that the District of Columbia meets these requirements, including the apportioning by the Chief Financial Officer of the appropriations and funds made available to the District during fiscal year 2004, except that the Chief Financial Officer may not reprogram for operating expenses any funds derived from bonds, notes, or other obligations issued for capital projects.

Governmental Direction and Support

Governmental direction and support, $284,415,000 (including $206,825,000 from local funds, $57,440,000 from Federal grant funds, and $20,150,000 from other funds), in addition, $32,350,000 from funds previously appropriated in this Act under the heading "Federal Payment to the Office of the Chief Financial Officer of the District of Columbia", $11,000,000 from funds previously appropriated in this Act under the heading "Federal Payment for Emergency Planning and Security Costs in the District of Columbia", $2,000,000 from funds previously appropriated in this Act under the heading "Federal Payment for a family literacy program", and $1,100,000 from funds previously appropriated in this Act under the heading "Federal Payment for Foster Care Improvements in the District of Columbia": Provided, That not to exceed $2,500 for the Mayor, $2,500 for the Chairman of the Council of the District of Columbia, $2,500 for the City Administrator, and $2,500 for the Office of the Chief Financial Officer shall be available from this appropriation for official reception and representation expenses: Provided further, That any program fees collected from the issuance of debt shall be available for the payment of expenses of the debt management program of the District of Columbia: Provided further, That no revenues from Federal sources shall be used to support the operations or activities of the Statehood Commission and Statehood Compact Commission: Provided further, That the District of Columbia shall identify the sources of funding for Admission to Statehood from its own locally generated revenues: Provided further, That notwithstanding any other provision of law, or Mayor's Order 86–45, issued

March 18, 1986, the Office of the Chief Technology Officer's delegated small purchase authority shall be $500,000: Provided further, That the District of Columbia government may not require the Office of the Chief Technology Officer to submit to any other procurement review process, or to obtain the approval of or be restricted in any manner by any official or employee of the District of Columbia government, for purchases that do not exceed $500,000: Provided further, That not to exceed $25,000, to remain available until expended, of the funds in the District of Columbia Antitrust Fund established pursuant to section 820 of the District of Columbia Procurement Practices Act of 1985 (D.C. Law 6–85; D.C. Official Code, sec. 2–308.20) is hereby made available for the use of the Office of the Corporation Counsel of the District of Columbia in accordance with the laws establishing this fund.

ECONOMIC DEVELOPMENT AND REGULATION

Economic development and regulation, $276,647,000 (including $53,336,000 from local funds, $91,077,000 from Federal grant funds, $132,109,000 from other funds, and $125,000 from private funds), of which $15,000,000 collected by the District of Columbia in the form of BID tax revenue shall be paid to the respective BIDs pursuant to the Business Improvement Districts Act of 1996 (D.C. Law 11–134; D.C. Official Code, sec. 2–1215.01 et seq.), and the Business Improvement Districts Amendment Act of 1997 (D.C. Law 12–26; D.C. Official Code, sec. 2–1215.15 et seq.): Provided, That such funds are available for acquiring services provided by the General Services Administration: Provided further, That Business Improvement Districts shall be exempt from taxes levied by the District of Columbia.

PUBLIC SAFETY AND JUSTICE

Public safety and justice, $745,958,000 (including $716,715,000 from local funds, $10,290,000 from Federal grant funds, $18,944,000 from other funds, and $9,000 from private funds), in addition, $1,300,000 from funds previously appropriated in this Act under the heading "Federal Payment to the Criminal Justice Coordinating Council" and $500,000 from funds previously appropriated in this Act under the heading "Federal Payment for Emergency Personnel Cross Training": Provided, That not to exceed $500,000 shall be available from this appropriation for the Chief of Police for the prevention and detection of crime: Provided further, That the Mayor shall reimburse the District of Columbia National Guard for expenses incurred in connection with services that are performed in emergencies by the National Guard in a militia status and are requested by the Mayor, in amounts that shall be jointly determined and certified as due and payable for these services by the Mayor and the Commanding General of the District of Columbia National Guard: Provided further, That such sums as may be necessary for reimbursement to the District of Columbia National Guard under the preceding proviso shall be available from this appropriation, and the availability of the sums shall be deemed as constituting payment in advance for emergency services involved.

PUBLIC EDUCATION SYSTEM

(INCLUDING TRANSFERS OF FUNDS)

Public education system, including the development of national defense education programs, $1,157,841,000 (including $962,941,000 from local funds, $156,708,000 from Federal grant funds, $27,074,000 from other funds, $4,302,000 from private funds, and not to exceed $6,816,000, to remain available until expended, from the Medicaid and Special Education Reform Fund established pursuant to the Medicaid and Special Education Reform Fund Establishment Act of 2002 (D.C. Law 14–190; D.C. Official Code 4–204.51 et seq.)), in addition, $17,000,000 from funds previously appropriated in this Act under the heading "Federal Payment for Resident Tuition Support", $4,500,000 from funds previously appropriated in this Act under the heading "Federal Payment for Public School Facilities", and $26,000,000 from funds previously appropriated in this Act under the heading "Federal Payment for School Improvement in the District of Columbia" to be allocated as follows:

(1) DISTRICT OF COLUMBIA PUBLIC SCHOOLS.—$870,135,000 (including $738,444,000 from local funds, $114,749,000 from Federal grant funds, $6,527,000 from other funds, $3,599,000 from private funds, and not to exceed $6,816,000, to remain available until expended, from the Medicaid and Special Education Reform Fund established pursuant to the Medicaid and Special Education Reform Fund Establishment Act of 2002 (D.C. Law 14–190; D.C. Official Code 4–204.51 et seq.)), in addition, $4,500,000 from funds previously appropriated in this Act under the heading "Federal Payment for Public School Facilities" and $13,000,000 from funds previously appropriated in this Act under the heading "Federal Payment for School Improvement in the District of Columbia" shall be available for District of Columbia Public Schools: Provided, That notwithstanding any other provision of law, rule, or regulation, the evaluation process and instruments for evaluating District of Columbia Public School employees shall be a non-negotiable item for collective bargaining purposes: Provided further, That this appropriation shall not be available to subsidize the education of any nonresident of the District of Columbia at any District of Columbia public elementary or secondary school during fiscal year 2004 unless the nonresident pays tuition to the District of Columbia at a rate that covers 100 percent of the costs incurred by the District of Columbia that are attributable to the education of the nonresident (as established by the Superintendent of the District of Columbia Public Schools): Provided further, That notwithstanding the amounts otherwise provided under this heading or any other provision of law, there shall be appropriated to the District of Columbia Public Schools on July 1, 2004, an amount equal to 10 percent of the total amount provided for the District of Columbia Public Schools in the proposed budget of the District of Columbia for fiscal year 2005 (as submitted to Congress), and the amount of such payment shall be chargeable against the final amount provided for the District of Columbia Public Schools under the District of Columbia Appropriations Act, 2005: Provided further, That not to exceed $2,500 for the Superintendent of Schools shall be available from this appropriation for official reception and representation expenses: Provided further, That the District of Columbia Public Schools shall submit to the Board of Education by January 1 and July 1 of each year a Schedule A showing all the current funded positions of the District of Columbia Public Schools, their compensation levels, and indicating whether the positions are encumbered: Provided further, That the Board of Education shall approve or disapprove each Schedule A within 30 days of its submission and provide the Council of the District of Columbia a copy of the Schedule A upon its approval.

(2) STATE EDUCATION OFFICE.—$38,752,000 (including $9,959,000 from local funds, $28,617,000 from Federal grant funds, and $176,000 from other funds), in addition, $17,000,000 from funds previously appropriated in this Act under the heading "Federal Payment for Resident Tuition Support" and $13,000,000 from funds previously appropriated in this Act under the heading "Federal Payment for School Improvement in the District of Columbia" shall be available for the State Education Office: Provided, That of the amounts provided to the State Education Office, $500,000 from local funds shall remain available until June 30, 2005 for an audit of the student enrollment of each District of Columbia Public School and of each District of Columbia public charter school.

(3) DISTRICT OF COLUMBIA PUBLIC CHARTER SCHOOLS.—$137,531,000 from local funds shall be available for District of Columbia public charter schools: Provided, That there shall be quarterly disbursement of funds to the District of Columbia public charter schools, with the first payment to occur within 15 days of the beginning of the fiscal year: Provided further, That if the entirety of this allocation has not been provided as payments to any public charter schools currently in operation through the per pupil funding formula, the funds shall be available as follows: (A) the first $3,000,000 shall be deposited in the Credit Enhancement Revolving Fund established pursuant to section 603(e) of the Student Loan Marketing Association Reorganization Act of 1996 (Public Law 104–208; 110 Stat. 3009; 20 U.S.C. 1155(e)); and (B) the balance shall be for public education in accordance with section 2403(b)(2) of the District of Columbia School Reform Act of 1995 (D.C. Official Code, sec. 38–1804.03(b)(2)): Provided further, That of the amounts made available to District of Columbia public charter schools, $25,000 shall be made available to the Office of the Chief Financial Officer as authorized by section 2403(b)(6) of the District of Columbia School Reform Act of 1995 (D.C. Official Code, sec. 38–1804.03(b)(6)): Provided further, That $660,000 of this amount shall be available to the District of Columbia Public Charter School Board for administrative costs: Provided further, That notwithstanding the amounts otherwise provided under this heading or any other provision of law, there shall be appropriated to the District of Columbia public charter schools on July 1, 2004, an amount equal to 25 percent of the total amount provided for payments to public charter schools in the proposed budget of the District of Columbia for fiscal year 2005 (as submitted to Congress), and the amount of such payment shall be chargeable against the final amount provided for such payments under the District of Columbia Appropriations Act, 2005.

(4) UNIVERSITY OF THE DISTRICT OF COLUMBIA.—$80,660,000 (including $48,656,000 from local funds, $11,867,000 from Federal grant funds, $19,434,000 from other funds, and $703,000 from private funds) shall be available for the University of the District of Columbia: Provided, That this appropriation shall not be available to subsidize the education of nonresidents of the District of Columbia at the University of the District of Columbia, unless the Board of Trustees of the University of the District of Columbia adopts, for the fiscal year ending September 30, 2004, a tuition rate schedule that will establish the tuition rate for nonresident students at a level no lower than the nonresident tuition rate charged at comparable public institutions of higher education in the metropolitan area: Provided further, That notwithstanding the amounts otherwise provided under this heading or any other provision of law, there shall be appropriated to the University of the District of Columbia on July 1, 2004, an amount equal to 10 percent of the total amount provided for the University of the District of Columbia in the proposed budget of the District of Columbia for fiscal year 2005 (as submitted to Congress), and the amount of such payment shall be chargeable against the final amount provided for the University of the District of Columbia under the District of Columbia Appropriations Act, 2005: Provided further, That not to exceed $2,500 for the President of the University of the District of Columbia shall be available from this appropriation for official reception and representation expenses.

(5) DISTRICT OF COLUMBIA PUBLIC LIBRARIES.—$28,287,000 (including $26,750,000 from local funds, $1,000,000 from Federal grant funds, and $537,000 from other funds) shall be available for the District of Columbia Public Libraries: Provided, That not to exceed $2,000 for the Public Librarian shall be available from this appropriation for official reception and representation expenses.

(6) COMMISSION ON THE ARTS AND HUMANITIES.—$2,476,000 (including $1,601,000 from local funds, $475,000 from Federal grant funds, and $400,000 from other funds) shall be available for the Commission on the Arts and Humanities.

HUMAN SUPPORT SERVICES

(INCLUDING TRANSFER OF FUNDS)

Human support services, $2,360,067,000 (including $1,030,223,000 from local funds, $1,247,945,000 from Federal grant funds, $24,330,000 from other funds, $9,330,000 from private funds, and $48,239,000, to remain available until expended, from the Medicaid and Special Education Reform Fund established pursuant to the Medicaid and Special Education Reform Fund Establishment Act of 2002 (D.C. Law 14–190; D.C. Official Code 4–204.51 et seq.)), in addition, $7,500,000 from funds previously appropriated in this Act under the heading "Federal Payment for Hospital Bioterrorism Preparedness in the District of Columbia" and $12,900,000 from funds previously appropraited in this Act under the heading "Federal Payment to Foster Care Improvements in the District of Columbia": Provided, That the funds available from the Medicaid and Special Education Reform Fund are allocated as follows: not more than $18,744,000 for Child and Family Services, not more than $7,795,000 for the Department of Human Services, and not more than $21,700,000 for the Department of Mental Health: Provided further, That $27,959,000 of this appropriation, to remain available until expended, shall be available solely for District of Columbia employees' disability compensation: Provided further, That $7,500,000 of this appropriation, to remain available until expended, shall be deposited in the Addiction Recovery Fund, established pursuant to section 5 of the Choice in Drug Treatment Act of 2000 (D.C. Law 13–146; D.C. Official Code, sec. 7–3004) and used exclusively for the purpose of the Drug Treatment Choice Program established pursuant to section 4 of the Choice in Drug Treatment Act of 2000 (D.C. Law 13–146; D.C. Official Code, sec. 7–3003): Provided further, That no less than $2,000,000 of this appropriation shall be available exclusively for the purpose of funding the pilot substance abuse program for youth ages 14 through 21 years established pursuant to section 4212 of the Pilot Substance Abuse Program for Youth Act of 2001 (D.C. Law 14–28; D.C. Official Code, sec. 7–3101): Provided further, That $4,500,000 of this appropriation, to remain available until expended, shall be deposited in the Interim Disability Assistance Fund established pursuant to section 201 of the District of Columbia Public Assistance Act of 1982 (D.C. Law 4–101; D.C. Official Code, sec. 4–202.01), to be used exclusively for the Interim Disability Assistance program and the purposes for that program set forth in section 407 of the District of Columbia Public Assistance Act of 1982 (D.C. Law 13–252; D.C. Official Code, sec. 4–204.07): Provided further, That not less than $640,531 of this appropriation shall be available exclusively for the purpose of funding the Burial Assistance Program established by section 1802 of the Burial Assistance Program Reestablishment Act of 1999 (D.C. Law 13–38; D.C. Official Code, sec. 4–1001).

PUBLIC WORKS

Public works, including rental of one passenger-carrying vehicle for use by the Mayor and three passenger-carrying vehicles for use by the Council of the District of Columbia and leasing of passenger-carrying vehicles, $327,046,000 (including $308,028,000 from local funds, $5,274,000 from Federal grant funds, and $13,744,000 from other funds), in addition, $3,500,000 from funds previously appropriated in this Act under the heading "Federal Payment for Transportation Assistance": Provided, That this appropriation shall not be available for collecting ashes or miscellaneous refuse from hotels and places of business.

CASH RESERVE

For the cumulative cash reserve established pursuant to section 202(j)(2) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995 (D.C. Official Code, sec. 47–392.02(j)(2)), $50,000,000 from local funds.

EMERGENCY AND CONTINGENCY RESERVE FUNDS

For the emergency reserve fund and the contingency reserve fund under section 450A of the District of Columbia Home Rule Act (D.C. Official Code, sec. 1–204.50a), such amounts from local funds as are necessary to meet the balance requirements for such funds under such section.

REPAYMENT OF LOANS AND INTEREST

For payment of principal, interest, and certain fees directly resulting from borrowing by the District of Columbia to fund District of Columbia capital projects as authorized by sections 462, 475, and 490 of the District of Columbia Home Rule Act (D.C. Official Code, secs. 1–204.62, 1–204.75, and 1–204.90), $311,504,000 from local funds: Provided, That for equipment leases, the Mayor may finance $14,300,000 of equipment cost, plus cost of issuance not to exceed 2 percent of the par amount being financed on a lease purchase basis with a maturity not to exceed 5 years.

PAYMENT OF INTEREST ON SHORT-TERM BORROWING

For payment of interest on short-term borrowing, $3,000,000 from local funds.

CERTIFICATES OF PARTICIPATION

For principal and interest payments on the District's Certificates of Participation, issued to finance the ground lease underlying the building located at One Judiciary Square, $4,911,000 from local funds.

SETTLEMENTS AND JUDGMENTS

For making refunds and for the payment of legal settlements or judgments that have been entered against the District of Columbia government, $22,522,000 from local funds: Provided, That this appropriation shall not be construed as modifying or affecting the provisions of section 103 of this Act.

WILSON BUILDING

For expenses associated with the John A. Wilson building, $3,704,000 from local funds.

WORKFORCE INVESTMENTS

For workforce investments, $22,308,000 from local funds, to be transferred by the Mayor of the District of Columbia within the various appropriation headings in this Act for which employees are properly payable.

NON-DEPARTMENTAL AGENCY

To account for anticipated costs that cannot be allocated to specific agencies during the development of the proposed budget, $19,639,000 (including $11,455,000 from local funds and $8,184,000 from other funds) to be transferred by the Mayor of the District of Columbia within the various appropriations headings in this Act: Provided, That $11,455,000 from local funds shall be for anticipated costs associated with the No Child Left Behind Act.

PAY-AS-YOU-GO CAPITAL

For Pay-As-You-Go Capital funds in lieu of capital financing, $11,267,000 from local funds, to be transferred to the Capital Fund, subject to the Criteria for Spending Pay-as-You-Go Funding Amendment Act of 2003 (D.C. Act 15–106): Provided, That pursuant to this Act, there are authorized to be transferred from Pay-As-You-Go Capital funds to other headings of this Act, such sums as may be necessary to carry out the purposes of this Act.

TAX INCREMENT FINANCING PROGRAM

For a Tax Increment Financing Program, $1,940,000 from local funds.

MEDICAID DISALLOWANCE

For making refunds associated with disallowed Medicaid funding, an amount not to exceed $57,000,000 in local funds, to remain available until expended: Provided, That funds are derived from a transfer from the funds identified in the fiscal year 2002 comprehensive annual financial report as the District of Columbia's Grants Disallowance balance.

ENTERPRISE AND OTHER FUNDS

WATER AND SEWER AUTHORITY

For operation of the Water and Sewer Authority, $259,095,000 from other funds, of which $18,692,000 shall be apportioned for repayment of loans and interest incurred for capital improvement projects and payable to the District's debt service fund.

For construction projects, $229,807,000, to be distributed as follows: $99,449,000 for the Blue Plains Wastewater Treatment Plant, $16,739,000 for the sewer program, $72,047,000 for the combined sewer program, $5,993,000 for the stormwater program, $24,431,000 for the water program, and $11,148,000 for the capital equipment program; in addition, $30,000,000 from funds previously appropriated in this Act under the heading "Federal Payment to the District of Columbia Water and Sewer Authority": Provided, That the requirements and restrictions that are applicable to general fund capital improvement projects and set forth in this Act under the Capital Outlay appropriation account shall apply to projects approved under this appropriation account.

WASHINGTON AQUEDUCT

For operation of the Washington Aqueduct, $55,553,000 from other funds.

STORMWATER PERMIT COMPLIANCE ENTERPRISE FUND

For operation of the Stormwater Permit Compliance Enterprise Fund, $3,501,000 from other funds.

LOTTERY AND CHARITABLE GAMES ENTERPRISE FUND

For the Lottery and Charitable Games Enterprise Fund, established by the District of Columbia Appropriation Act, 1982, for the purpose of implementing the Law to Legalize Lotteries, Daily Numbers Games, and Bingo and Raffles for Charitable Purposes in the District of Columbia (D.C. Law 3–172; D.C. Official Code, sec. 3–1301 et seq. and sec. 22–1716 et seq.), $242,755,000 from other funds: Provided, That the District of Columbia shall identify the source of funding for this appropriation title from the District's own locally generated revenues: Provided further, That no revenues from Federal sources shall be used to support the operations or activities of the Lottery and Charitable Games Control Board.

SPORTS AND ENTERTAINMENT COMMISSION

For the Sports and Entertainment Commission, $13,979,000 from local funds.

DISTRICT OF COLUMBIA RETIREMENT BOARD

For the District of Columbia Retirement Board, established pursuant to section 121 of the District of Columbia Retirement Reform Act of 1979 (D.C. Official Code, sec. 1–711), $13,895,000 from the earnings of the applicable retirement *funds to pay legal, management, investment, and other fees and administrative expenses of the District of Columbia Retirement Board: Provided, That the District of Columbia Retirement Board shall provide to the Congress and to the Council of the District of Columbia a quarterly report of the allocations of charges by fund and of expenditures of all funds: Provided further, That the District of Columbia Retirement Board shall provide the Mayor, for transmittal to the Council of the District of Columbia, an itemized accounting of the planned use of appropriated funds in time for each annual budget submission and the actual use of such funds in time for each annual audited financial report.*

WASHINGTON CONVENTION CENTER ENTERPRISE FUND

For the Washington Convention Center Enterprise Fund, $69,742,000 from other funds.

NATIONAL CAPITAL REVITALIZATION CORPORATION

For the National Capital Revitalization Corporation, $7,849,000 from other funds.

CAPITAL OUTLAY

(INCLUDING RESCISSIONS)

For construction projects, an increase of $1,004,796,000, of which $601,708,000 shall be from local funds, $46,014,000 from Highway Trust funds, $38,311,000 from the Rights-of-way funds, $218,880,000 from Federal grant funds, and a rescission of $99,884,000 from local funds appropriated under this heading in prior fiscal years, for a net amount of $904,913,000, to remain available until expended; in addition, $8,150,000 from funds previously appropriated in this Act under the heading "Federal Payment for Capital Development in the District of Columbia" and $5,000,000 from funds previously appropriated in this Act under the heading "Federal Payment for the Anacostia Waterfront Initiative": Provided, That funds for use of each capital project implementing agency shall be managed and controlled in accordance with all procedures and limitations established under the Financial Management System: Provided further, That all funds provided by this appropriation title shall be available only for the specific projects and purposes intended.

TITLE III—DC SCHOOL CHOICE INCENTIVE ACT OF 2003

SEC. 301. SHORT TITLE.

This title may be cited as the "DC School Choice Incentive Act of 2003".

SEC. 302 FINDINGS.

The Congress finds the following:

(1) Parents are best equipped to make decisions for their children, including the educational setting that will best serve the interests and educational needs of their child.

(2) For many parents in the District of Columbia, public school choice provided for under the No Child Left Behind Act of 2001 as well as under other public school choice programs, is inadequate due to capacity constraints. Available educational alternatives to the public schools are insufficient and more educational options are needed. In particular, funds are needed to assist low-income parents to exercise choice among enhanced public opportunities and private educational environments, whether religious or nonreligious. Therefore, in keeping with the spirit of the No Child Left Behind Act of 2001, school choice options, in addition to those already available to parents in the District of Columbia (such as magnet and charter schools and open enrollment schools) should be made available to those parents.

(3) In the most recent mathematics assessment on the National Assessment of Educational Progress (NAEP), administered in 2000, a lower percentage of 4th-grade students in the District of Columbia demonstrated proficiency than was the case for any State. Seventy-six percent of the District of Columbia fourth-graders scored at the "below basic" level and of the 8th-grade students in the District of Columbia, only 6 percent of the students tested at the proficient or advanced levels, and 77 percent were below basic. In the most recent NAEP reading assessment, in 1998, only 10 percent of the District of Columbia fourth-graders could read proficiently, while 72 percent were below basic. At the 8th-grade level, 12 percent were proficient or advanced and 56 percent were below basic.

(4) A program enacted for the valid secular purpose of providing educational assistance to low-income children in a demonstrably failing public school system is constitutional under Zelman v. Simmons-Harris, 536 U.S. 639 (2002), if it is neutral with respect to religion and provides assistance to a broad class of citizens who direct government aid to religious and secular schools solely as a result of their genuine and independent private choices.

(5) The Mayor of the District of Columbia, the Chairman of the Education Committee of the City Council of the District of Columbia, and the President of the District of Columbia Board of Education support this title.

(6) This title provides additional money for the District of Columbia public schools and therefore money for scholarships is not being taken out of money that would otherwise go to the District of Columbia public schools.

(7) This title creates a 5-year program tailored to the current needs and particular circumstances of low-income children in District of Columbia schools. This title does not establish parameters or requirements for other school choice programs.

SEC. 303. PURPOSE.

The purpose of this title is to provide low-income parents residing in the District of Columbia, particularly parents of students who attend elementary schools or secondary schools identified for improvement, corrective action, or restructuring under section 1116 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6316), with expanded opportunities for enrolling their children in higher-performing schools in the District of Columbia.

SEC. 304. GENERAL AUTHORITY.

(a) AUTHORITY.—From funds appropriated to carry out this title, the Secretary shall award grants on a competitive basis to eligible entities with approved applications under section 305 to carry out activities to provide eligible students with expanded school choice opportunities. The Secretary may award a single grant or multiple grants, depending on the quality of applications submitted and the priorities of this title.

(b) DURATION OF GRANTS.—The Secretary may make grants under this section for a period of not more than 5 years.

(c) MEMORANDUM OF UNDERSTANDING.—The Secretary and the Mayor of the District of Columbia shall enter into a memorandum of understanding, as described in the statement of the managers, regarding the design of, selection of eligible entities to receive grants under, and implementation of, a program assisted under this title.

SEC. 305. APPLICATIONS.

(a) IN GENERAL.—In order to receive a grant under this title, an eligible entity shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require.

(b) CONTENTS.—The Secretary may not approve the request of an eligible entity for a grant under this title unless the entity's application includes—

(1) a detailed description of—

(A) how the entity will address the priorities described in section 306;

(B) how the entity will ensure that if more eligible students seek admission in the program than the program can accommodate, eligible students are selected for admission through a random selection process which gives weight to the priorities described in section 306;

(C) how the entity will ensure that if more participating eligible students seek admission to a participating school than the school can accommodate, participating eligible students are selected for admission through a random selection process;

(D) how the entity will notify parents of eligible students of the expanded choice opportunities and how the entity will ensure that parents receive sufficient information about their options to allow the parents to make informed decisions;

(E) the activities that the entity will carry out to provide parents of eligible students with expanded choice opportunities through the awarding of scholarships under section 307(a);

(F) how the entity will determine the amount that will be provided to parents for the tuition, fees, and transportation expenses, if any;

(G) how the entity will seek out private elementary schools and secondary schools in the District of Columbia to participate in the program, and will ensure that participating schools will meet the applicable requirements of this title and provide the information needed for the entity to meet the reporting requirements of this title;

(H) how the entity will ensure that participating schools are financially responsible and will use the funds received under this title effectively;

(I) how the entity will address the renewal of scholarships to participating eligible students, including continued eligibility; and

(J) how the entity will ensure that a majority of its voting board members or governing organization are residents of the District of Columbia; and

(2) an assurance that the entity will comply with all requests regarding any evaluation carried out under section 309.

SEC. 306. PRIORITIES.

In awarding grants under this title, the Secretary shall give priority to applications from eligible entities who will most effectively—

(1) give priority to eligible students who, in the school year preceding the school year for which the eligible student is seeking a scholarship, attended an elementary school or secondary school identified for improvement, corrective action, or restructuring under section 1116 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6316);

(2) target resources to students and families that lack the financial resources to take advantage of available educational options; and

(3) provide students and families with the widest range of educational options.

SEC. 307. USE OF FUNDS.

(a) SCHOLARSHIPS.—

(1) IN GENERAL.—Subject to paragraphs (2) and (3), a grantee shall use the grant funds to provide eligible students with scholarships to pay the tuition, fees, and transportation expenses, if any, to enable them to attend the District of Columbia private elementary school or secondary school of their choice. Each grantee shall ensure that the amount of any tuition or fees charged by a school participating in the grantee's program under this title to an eligible student participating in the program does not exceed the amount of tuition or fees that the school customarily charges to students who do not participate in the program.

(2) PAYMENTS TO PARENTS.—A grantee shall make scholarship payments under the program under this title to the parent of the eligible student participating in the program, in a manner which ensures that such payments will be used for the payment of tuition, fees, and transportation expenses (if any), in accordance with this title.

(3) AMOUNT OF ASSISTANCE.—

(A) VARYING AMOUNTS PERMITTED.—Subject to the other requirements of this section, a grantee may award scholarships in larger amounts to those eligible students with the greatest need.

(B) ANNUAL LIMIT ON AMOUNT.—The amount of assistance provided to any eligible student by a grantee under a program under this title may not exceed $7,500 for any academic year.

(4) CONTINUATION OF SCHOLARSHIPS.—Notwithstanding section 312(3)(B), an eligible entity receiving a grant under this title may award a scholarship, for the second or any succeeding year of an eligible student's participation in a program under this title, to a student who comes from a household whose income does not exceed 200 percent of the poverty line.

(b) ADMINISTRATIVE EXPENSES.—A grantee may use not more than 3 percent of the amount provided under the grant each year for the administrative expenses of carrying out its program under this title during the year, including—

(1) determining the eligibility of students to participate;

(2) providing information about the program and the schools involved to parents of eligible students;

(3) selecting students to receive scholarships;

(4) determining the amount of scholarships and issuing the scholarships to eligible students;

(5) compiling and maintaining financial and programmatic records; and

(6) providing funds to assist parents in meeting expenses that might otherwise preclude the participation of their child in the program.

SEC. 308. NONDISCRIMINATION.

(a) IN GENERAL.—An eligible entity or a school participating in any program under this title shall not discriminate against program participants or applicants on the basis of race, color, national origin, religion, or sex.

(b) APPLICABILITY AND SINGLE SEX SCHOOLS, CLASSES, OR ACTIVITIES.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the prohibition of sex discrimination in subsection (a) shall not apply to a participating school that is operated by, supervised by, controlled by, or connected to a religious organization to the extent that the application of subsection (a) is inconsistent with the religious tenets or beliefs of the school.

(2) SINGLE SEX SCHOOLS, CLASSES, OR ACTIVITIES.—Notwithstanding subsection (a) or any other provision of law, a parent may choose and a school may offer a single sex school, class, or activity.

(3) APPLICABILITY.—For purposes of this title, the provisions of section 909 of the Education Amendments of 1972 (20 U.S.C. 1688) shall apply to this title as if section 909 of the Education Amendments of 1972 (20 U.S.C. 1688) were part of this title.

(c) CHILDREN WITH DISABILITIES.—Nothing in this title may be construed to alter or modify the provisions of the Individuals with Disabilities Education Act.

(d) RELIGIOUSLY AFFILIATED SCHOOLS.—

(1) IN GENERAL.—Notwithstanding any other provision of law, a school participating in any program under this title that is operated by, supervised by, controlled by, or connected to, a religious organization may exercise its right in matters of employment consistent with title VII of the Civil Rights Act of 1964 (42 U.S.C. 2000e-1 et seq.), including the exemptions in such title.

(2) MAINTENANCE OF PURPOSE.—Notwithstanding any other provision of law, funds made available under this title to eligible students that are received by a participating school, as a result of their parents' choice, shall not, consistent with the first amendment of the United States Constitution, necessitate any change in the participating school's teaching mission, require any participating school to remove religious art, icons, scriptures, or other symbols, or preclude any participating school from retaining religious terms in its name, selecting its board members on a religious basis, or including religious references in its mission statements and other chartering or governing documents.

(e) RULE OF CONSTRUCTION.—A scholarship (or any other form of support provided to parents of eligible students) under this title shall be considered assistance to the student and shall not be considered assistance to the school that enrolls the eligible student. The amount of any scholarship (or other form of support provided to parents of an eligible student) under this title shall not be treated as income of the parents for purposes of Federal tax laws or for determining eligibility for any other Federal program.

SEC. 309. EVALUATIONS.

(a) IN GENERAL.—

(1) DUTIES OF THE SECRETARY AND THE MAYOR.—The Secretary and the Mayor of the District of Columbia shall jointly select an independent entity to evaluate annually the performance of students who received scholarships under the 5-year program under this title, and shall make the evaluations public in accordance with subsection (c).

(2) DUTIES OF THE SECRETARY.—The Secretary, through a grant, contract, or cooperative agreement, shall—

(A) ensure that the evaluation is conducted using the strongest possible research design for determining the effectiveness of the programs funded under this title that addresses the issues described in paragraph (4); and

(B) disseminate information on the impact of the programs in increasing the student academic achievement of participating students, and on the impact of the programs on students and schools in the District of Columbia.

(3) DUTIES OF THE INDEPENDENT ENTITY.—The independent entity shall—

(A) measure the academic achievement of all participating eligible students;

(B) use the same grade appropriate measurement every school year to assess participating eligible students as the measurement used by the District of Columbia Public Schools to assess District of Columbia Public School students in the first year of the program;

(C) work with the eligible entities to ensure that the parents of each student who applies for a scholarship under this title (regardless of whether the student receives the scholarship) and the parents of each student participating in the scholarship program under this title, agree that the student will participate in the measurements given annually by the independent entity for the period for which the student applied for or received the scholarship, respectively.

(4) ISSUES TO BE EVALUATED.—The issues to be evaluated include the following:

(A) A comparison of the academic achievement of participating eligible students in the measurements described in this section to the achievement of—

(i) students in the same grades in the District of Columbia public schools; and

(ii) the eligible students in the same grades in the District of Columbia public schools who sought to participate in the scholarship program but were not selected.

(B) The success of the programs in expanding choice options for parents.

(C) The reasons parents choose for their children to participate in the programs.

(D) A comparison of the retention rates, dropout rates, and (if appropriate) graduation and college admission rates, of students who participate in the programs funded under this title with the retention rates, dropout rates, and (if appropriate) graduation and college admission rates of students of similar backgrounds who do not participate in such programs.

(E) The impact of the program on students, and public elementary schools and secondary schools, in the District of Columbia.

(F) A comparison of the safety of the schools attended by students who participate in the programs and the schools attended by students who do not participate in the programs.

(G) Such other issues as the Secretary considers appropriate for inclusion in the evaluation.

(5) PROHIBITION.—Personally identifiable information regarding the results of the measurements used for the evaluations may not be disclosed, except to the parents of the student to whom the information relates.

(b) REPORTS.—The Secretary shall submit to the Committees on Appropriations, Education and the Workforce, and Government Reform of the House of Representatives and the Committees on Appropriations, Health, Education, Labor, and Pensions, and Governmental Affairs of the Senate—

(1) annual interim reports, not later than December 1 of each year for which a grant is made under this title, on the progress and preliminary results of the evaluation of the programs funded under this title; and

(2) a final report, not later than 1 year after the final year for which a grant is made under this title, on the results of the evaluation of the programs funded under this title.

(c) PUBLIC AVAILABILITY.—All reports and underlying data gathered pursuant to this section shall be made available to the public upon request, in a timely manner following submission of the applicable report under subsection (b), except that personally identifiable information shall not be disclosed or made available to the public.

(d) LIMIT ON AMOUNT EXPENDED.—The amount expended by the Secretary to carry out this section for any fiscal year may not exceed 3 percent of the total amount appropriated to carry out this title for the fiscal year.

SEC. 310. REPORTING REQUIREMENTS.

(a) ACTIVITIES REPORTS.—Each grantee receiving funds under this title during a year shall submit a report to the Secretary not later than July 30 of the following year regarding the activities carried out with the funds during the preceding year.

(b) ACHIEVEMENT REPORTS.—

(1) IN GENERAL.—In addition to the reports required under subsection (a), each grantee shall, not later than September 1 of the year during which the second academic year of the grantee's program is completed and each of the next 2 years thereafter, submit a report to the Secretary regarding the data collected in the previous 2 academic years concerning—

(A) the academic achievement of students participating in the program;

(B) the graduation and college admission rates of students who participate in the program, where appropriate; and

(C) parental satisfaction with the program.

(2) PROHIBITING DISCLOSURE OF PERSONAL INFORMATION.—No report under this subsection may contain any personally identifiable information.

(c) REPORTS TO PARENT.—

(1) IN GENERAL.—Each grantee shall ensure that each school participating in the grantee's program under this title during a year reports at least once during the year to the parents of each of the school's students who are participating in the program on—

(A) the student's academic achievement, as measured by a comparison with the aggregate academic achievement of other participating students at the student's school in the same grade or level, as appropriate, and the aggregate

academic achievement of the student's peers at the student's school in the same grade or level, as appropriate; and

(B) the safety of the school, including the incidence of school violence, student suspensions, and student expulsions.

(2) Prohibiting Disclosure of Personal Information.—No report under this subsection may contain any personally identifiable information, except as to the student who is the subject of the report to that student's parent.

(d) Report to Congress.—The Secretary shall submit to the Committees on Appropriations, Education and the Workforce, and Government Reform of the House of Representatives and the Committees on Appropriations, Health, Education, Labor, and Pensions, and Governmental Affairs of the Senate an annual report on the findings of the reports submitted under subsections (a) and (b).

SEC. 311. OTHER REQUIREMENTS FOR PARTICIPATING SCHOOLS.

(a) Requests for Data and Information.—Each school participating in a program funded under this title shall comply with all requests for data and information regarding evaluations conducted under section 309(a).

(b) Rules of Conduct and Other School Policies.—A participating school, including those described in section 308(d), may require eligible students to abide by any rules of conduct and other requirements applicable to all other students at the school.

SEC. 312. DEFINITIONS.

As used in this title:

(1) Elementary school.—The term "elementary school" means an institutional day or residential school, including a public elementary charter school, that provides elementary education, as determined under District of Columbia law.

(2) Eligible entity.—The term "eligible entity" means any of the following:

(A) An educational entity of the District of Columbia Government.

(B) A nonprofit organization.

(C) A consortium of nonprofit organizations.

(3) Eligible student.—The term "eligible student" means a student who—

(A) is a resident of the District of Columbia; and

(B) comes from a household whose income does not exceed 185 percent of the poverty line.

(4) Parent.—The term "parent" has the meaning given that term in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

(5) Poverty line.—The term "poverty line" has the meaning given that term in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

(6) Secondary school.—The term "secondary school" means an institutional day or residential school, including a public secondary charter school, as determined under District of Columbia law, except that the term does not include any education beyond grade 12.

(7) Secretary.—The term "Secretary" means the Secretary of Education.

SEC. 313. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this title $14,000,000 for fiscal year 2004 and such sums as may be necessary for each of the 4 succeeding fiscal years.

TITLE IV—GENERAL PROVISIONS

Sec. 401. Whenever in this Act, an amount is specified within an appropriation for particular purposes or objects of expenditure, such amount, unless otherwise specified, shall be considered as the maximum amount that may be expended for said purpose or object rather than an amount set apart exclusively therefor.

Sec. 402. Appropriations in this Act shall be available for expenses of travel and for the payment of dues of organizations concerned with the work of the District of Columbia government, when authorized by the Mayor: Provided, That in the case of the Council of the District of Columbia, funds may be expended with the authorization of the Chairman of the Council.

Sec. 403. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making refunds and for the payment of legal settlements or judgments that have been entered against the District of Columbia government: Provided, That nothing contained in this section shall be construed as modifying or affecting the provisions of section 11(c)(3) of title XII of the District of Columbia Income and Franchise Tax Act of 1947 (D.C. Official Code, sec. 47–1812.11(c)(3)).

Sec. 404. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly to provided herein.

Sec. 405. No funds appropriated in this Act for the District of Columbia government for the operation of educational institutions, the compensation of personnel, or for other educational purposes may be used to permit, encourage, facilitate, or further partisan political activities. Nothing herein is intended to prohibit the availability of school buildings for the use of any community or partisan political group during non-school hours.

Sec. 406. None of the funds appropriated in this Act shall be made available to pay the salary of any employee of the District of Columbia government whose name, title, grade, and salary are not available for inspection by the Committees on Appropriations of the House of Representatives and Senate, the Committee on Government Reform of the House of Representatives, the Committee on Governmental Affairs of the Senate, and the Council of the District of Columbia, or their duly authorized representative.

Sec. 407. (a) Except as provided in subsection (b), no part of this appropriation shall be used for publicity or propaganda purposes or implementation of any policy including boycott designed to support or defeat legislation pending before Congress or any State legislature.

(b) The District of Columbia may use local funds provided in this Act to carry out lobbying activities on any matter other than—

(1) the promotion or support of any boycott; or

(2) statehood for the District of Columbia or voting representation in Congress for the District of Columbia.

(c) Nothing in this section may be construed to prohibit any elected official from advocating with respect to any of the issues referred to in subsection (b).

Sec. 408. (a) None of the funds provided under this Act to the agencies funded by this Act, both Federal and District government agencies, that remain available for obligation or expenditure in fiscal year 2004, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditures for an agency through a reprogramming of funds which—

(1) creates new programs;

(2) eliminates a program, project, or responsibility center;

(3) establishes or changes allocations specifically denied, limited or increased under this Act;

(4) increases funds or personnel by any means for any program, project, or responsibility center for which funds have been denied or restricted;

(5) reestablishes any program or project previously deferred through reprogramming;

(6) augments any existing program, project, or responsibility center through a reprogramming of funds in excess of $1,000,000 or 10 percent, whichever is less; or

(7) increases by 20 percent or more personnel assigned to a specific program, project or responsibility center,

unless the Committee on Appropriations of the House of Representatives and Senate are notified in writing 30 days in advance of the reprogramming.

(b) None the local funds contained in this Act may be available for obligation or expenditure for an agency through a transfer of any local funds from one appropriation heading to another unless the Committees on Appropriations of the House of Representatives and Senate are notified in writing 30 days in advance of the transfer, except that in no event may the amount of any funds transferred exceed 4 percent of the local funds in the appropriations.

Sec. 409. Consistent with the provisions of section 1301(a) of title 31, United States Code, appropriations under this Act shall be applied only to the objects for which the appropriations were made except as otherwise provided by law.

Sec. 410. Notwithstanding any other provisions of law, the provisions of the District of Columbia Government Comprehensive Merit Personnel Act of 1978 (D.C. Law 2–139; D.C. Official Code, sec. 1–601.01 et seq.), enacted pursuant to section 422(3) of the District of Columbia Home Rule Act (D.C. Official Code, sec. 1–204l.22(3)), shall apply with respect to the compensation of District of Columbia employees: Provided, That for pay purposes, employees of the District of Columbia government shall not be subject to the provisions of title 5, United States Code.

Sec. 411. No later than 30 days after the end of the first quarter of fiscal year 2004, the Mayor of the District of Columbia shall submit to the Council of the District of Columbia and the Committees on Appropriations of the House of Representatives and Senate the new fiscal year 2004 revenue estimates as of the end of such quarter. These estimates shall be used in the budget request for fiscal year 2005. The officially revised estimates at midyear shall be used for the midyear report.

Sec. 412. No sole source contract with the District of Columbia government or any agency thereof may be renewed or extended without opening that contract to the competitive bidding process as set forth in section 303 of the District of Columbia Procurement Practices Act of 1985 (D.C. Law 6–85; D.C. Official Code, sec. 2–303.03), except that the District of Columbia government or any agency thereof may renew or extend sole source contracts for which competition is not feasible or practical, but only if the determination as to whether to invoke the competitive bidding process has been made in accordance with duly promulgated rules and procedures and has been reviewed and certified by the Chief Financial Officer of the District of Columbia.

Sec. 413. (a) In the event a sequestration order is issued pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985 after the amounts appropriated to the District of Columbia for the fiscal year involved have been paid to the District of Columbia, the Mayor of the District of Columbia shall pay to the Secretary of the Treasury, within 15 days after receipt of a request therefor from the Secretary of the Treasury, such amounts as are sequestered by the order: Provided, That the sequestration percentage specified in the order shall be applied proportionately to each of the Federal appropriation accounts in this Act that are not specifically exempted from sequestration by such Act.

(b) For purposes of the Balanced Budget and Emergency Deficit Control Act of 1985, the term "program, project, and activity" shall be synonymous with and refer specifically to each account appropriating Federal funds in this Act,

and any sequestration order shall be applied to each of the accounts rather than to the aggregate total of those accounts: Provided, That sequestration orders shall not be applied to any account that is specifically exempted from sequestration by the Balanced Budget and Emergency Deficit Control Act of 1985.

SEC. 414. None of the Federal funds provided in this Act may be used by the District of Columbia to provide for salaries, expenses, or other costs associated with the offices of United States Senator or United States Representative under section 4(d) of the District of Columbia Statehood Constitutional Convention Initiatives of 1979 (D.C. Law 3–171; D.C. Official Code, sec. 1–123).

SEC. 415. None of the funds appropriated under this Act shall be expended for any abortion except where the life of the mother would be endangered if the fetus were carried to term or where the pregnancy is the result of an act of rape or incest.

SEC. 416. None of the Federal funds made available in this Act may be used to implement or enforce the Health Care Benefits Expansion Act of 1992 (D.C. Law 9–114; D.C. Official Code, sec. 32–701 et seq.) or to otherwise implement or enforce any system of registration of unmarried, cohabiting couples, including but not limited to registration for the purpose of extending employment, health, or governmental benefits to such couples on the same basis that such benefits are extended to legally married couples.

SEC. 417. (a) Notwithstanding any other provision of this Act, the Mayor, in consultation with the Chief Financial Officer of the District of Columbia may accept, obligate, and expend Federal, private, and other grants received by the District government that are not reflected in the amounts appropriated in this Act.

(b)(1) No such Federal, private, or other grant may be accepted, obligated, or expended pursuant to subsection (a) until—

(A) the Chief Financial Officer of the District of Columbia submits to the Council a report setting forth detailed information regarding such grant; and

(B) the Council has reviewed and approved the acceptance, obligation, and expenditure of such grant.

(2) For purposes of paragraph (1)(B), the Council shall be deemed to have reviewed and approved the acceptance, obligation, and expenditure of a grant if—

(A) no written notice of disapproval is filed with the Secretary of the Council within 14 calendar days of the receipt of the report from the Chief Financial Officer under paragraph (1)(A); or

(B) if such a notice of disapproval is filed within such deadline, the Council does not by resolution disapprove the acceptance, obligation, or expenditure of the grant within 30 calendar days of the initial receipt of the report from the Chief Financial Officer under paragraph (1)(A).

(c) No amount may be obligated or expended from the general fund or other funds of the District of Columbia government in anticipation of the approval or receipt of a grant under subsection (b)(2) or in anticipation of the approval or receipt of a Federal, private, or other grant not subject to such subsection.

(d) The Chief Financial Officer of the District of Columbia shall prepare a quarterly report setting forth detailed information regarding all Federal, private, and other grants subject to this section. Each such report shall be submitted to the Council of the District of Columbia and to the Committees on Appropriations of the House of Representatives and Senate not later than 15 days after the end of the quarter covered by the report.

SEC. 418. (a) Except as otherwise provided in this section, none of the funds made available by this Act or by any other Act may be used to provide any officer or employee of the District of Columbia with an official vehicle unless the officer or employee uses the vehicle only in the performance of the officer's or employee's official duties. For purposes of this paragraph, the term "official duties" does not include travel between the officer's or employee's residence and workplace, except in the case of—

(1) an officer or employee of the Metropolitan Police Department who resides in the District of Columbia or is otherwise designated by the Chief of the Department;

(2) at the discretion of the Fire Chief, an officer or employee of the District of Columbia Fire and Emergency Medical Services Department who resides in the District of Columbia and is on call 24 hours a day;

(3) the Mayor of the District of Columbia; and

(4) the Chairman of the Council of the District of Columbia.

(b) The Chief Financial Officer of the District of Columbia shall submit by March 1, 2004, an inventory, as of September 30, 2003, of all vehicles owned, leased or operated by the District of Columbia government. The inventory shall include, but not be limited to, the department to which the vehicle is assigned; the year and make of the vehicle; the acquisition date and cost; the general condition of the vehicle; annual operating and maintenance costs; current mileage; and whether the vehicle is allowed to be taken home by a District officer or employee and if so, the officer or employee's title and resident location.

SEC. 419. None of the funds contained in this Act may be used for purposes of the annual independent audit of the District of Columbia government for fiscal year 2004 unless—

(1) the audit is conducted by the Inspector General of the District of Columbia, in coordination with the Chief Financial Officer of the District of Columbia, pursuant to section 208(a)(4) of the District of Columbia Procurement Practices Act of 1985 (D.C. Official Code, sec. 2–302.8); and

(2) the audit includes as a basic financial statement a comparison of audited actual year-end results with the revenues submitted in the budget document for such year and the appropriations enacted into law for such year using the format, terminology, and classifications contained in the law making the appropriations for the year and its legislative history.

SEC. 420. (a) None of the funds contained in this Act may be used by the District of Columbia Corporation Counsel or any other officer or entity of the District government to provide assistance for any petition drive or civil action which seeks to require Congress to provide for voting representation in Congress for the District of Columbia.

(b) Nothing in this section bars the District of Columbia Corporation Counsel from reviewing or commenting on briefs in private lawsuits, or from consulting with officials of the District government regarding such lawsuits.

SEC. 421. (a) None of the funds contained in this Act may be used for any program of distributing sterile needles or syringes for the hypodermic injection of any illegal drug.

(b) Any individual or entity who receives any funds contained in this Act and who carries out any program described in subsection (a) shall account for all funds used for such program separately from any funds contained in this Act.

SEC. 422. None of the funds contained in this Act may be used after the expiration of the 60-day period that begins on the date of the enactment of this Act to pay the salary of any chief financial officer of any office of the District of Columbia government (including any independent agency of the District of Columbia) who has not filed a certification with the Mayor and the Chief Financial Officer of the District of Columbia that the officer understands the duties and restrictions applicable to the officer and the officer's agency as a result of this Act (and the amendments made by this Act), including any duty to prepare a report requested either in the Act or in any of the reports accompanying the Act and the deadline by which each report must be submitted. The Chief Financial Officer of the District of Columbia shall provide to the Committees on Appropriations of the House of Representatives and Senate by the 10th day after the end of each quarter a summary list showing each report, the due date, and the date submitted to the Committees.

SEC. 423. (a) None of the funds contained in this Act may be used to enact or carry out any law, rule, or regulation to legalize or otherwise reduce penalties associated with the possession, use, or distribution of any schedule I substance under the Controlled Substances Act (21 U.S.C. 802) or any tetrahydrocannabinols derivative.

(b) The Legalization of Marijuana for Medical Treatment Initiative of 1998, also known as Initiative 59, approved by the electors of the District of Columbia on November 3, 1998, shall not take effect.

SEC. 424. Nothing in this Act may be construed to prevent the Council or Mayor of the District of Columbia from addressing the issue of the provision of contraceptive coverage by health insurance plans, but it is the intent of Congress that any legislation enacted on such issue should include a "conscience clause" which provides exceptions for religious beliefs and moral convictions.

SEC. 425. The Mayor of the District of Columbia shall submit to the Committees on Appropriations of the House of Representatives and Senate, the Committee on Government Reform of the House of Representatives, and the Committee on Governmental Affairs of the Senate quarterly reports addressing—

(1) crime, including the homicide rate, implementation of community policing, the number of police officers on local beats, and the closing down of open-air drug markets;

(2) access to substance and alcohol abuse treatment, including the number of treatment slots, the number of people served, the number of people on waiting lists, and the effectiveness of treatment programs;

(3) management of parolees and pre-trial violent offenders, including the number of halfway houses escapes and steps taken to improve monitoring and supervision of halfway house residents to reduce the number of escapes to be provided in consultation with the Court Services and Offender Supervision Agency for the District of Columbia;

(4) education, including access to special education services and student achievement to be provided in consultation with the District of Columbia Public Schools and the District of Columbia public charter schools;

(5) improvement in basic District services, including rat control and abatement;

(6) application for and management of Federal grants, including the number and type of grants for which the District was eligible but failed to apply and the number and type of grants awarded to the District but for which the District failed to spend the amounts received; and

(7) indicators of child well-being.

SEC. 426. No later than 30 calendar days after the date of the enactment of this Act, the Chief Financial Officer of the District of Columbia shall submit to the appropriate committees of Congress, the Mayor, and the Council of the District of Columbia a revised appropriated funds operating budget in the format of the budget that the District of Columbia government submitted pursuant to section 442 of the District *of Columbia Home Rule Act (D.C. Official Code, sec. 1–204.42), for all agencies of the District of Columbia government for fiscal year 2003 that is in the total amount of the approved appropriation and that realigns all budgeted data for personal services and other-than-personal-services, respectively, with anticipated actual expenditures.*

SEC. 427. None of the funds contained in this Act may be used to issue, administer, or enforce any order by the District of Columbia Commission on Human Rights relating to docket numbers 93–030–(PA) and 93–031–(PA).

SEC. 428. None of the Federal funds made available in this Act may be transferred to any department, agency, or instrumentality of the United States Government, except pursuant to a transfer made by, or transfer authority provided in, this Act or any other appropriation Act.

SEC. 429. During fiscal year 2004 and any subsequent fiscal year, in addition to any other authority to pay claims and judgments, any department, agency, or instrumentality of the District government may use local funds to pay the settlement or judgment of a claim or lawsuit in an amount less than $10,000, in accordance with the Risk Management for Settlements and Judgments Amendment Act of 2000 (D.C. Law 13–172; D.C. Official Code, sec. 2–402).

SEC. 430. Notwithstanding any other law, the District of Columbia Courts shall transfer to the general treasury of the District of Columbia all fines levied and collected by the Courts under section 10(b)(1) and (2) of the District of Columbia Traffic Act (D.C. Official Code, sec. 50–2201.05(b)(1) and (2)). The transferred funds shall remain available until expended and shall be used by the Office of the Corporation Counsel for enforcement and prosecution of District traffic alcohol laws in accordance with section 10(b)(3) of the District of Columbia Traffic Act (D.C. Official Code, sec. 50–2201.05(b)(3)).

SEC. 431. During fiscal year 2004 and any subsequent fiscal year, any agency of the District government may transfer to the Office of Labor Relations and Collective Bargaining (OLRCB) such local funds as may be necessary to pay for representation by OLRCB in third-party cases, grievances, and dispute resolution, pursuant to an intra-District agreement with OLRCB. These amounts shall be available for use by OLRCB to reimburse the cost of providing the representation.

SEC. 432. None of the funds contained in this Act may be made available to pay—

(1) the fees of an attorney who represents a party in an action or an attorney who defends an action, including an administrative proceeding, brought against the District of Columbia Public Schools under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.) in excess of $4,000 for that action; or

(2) the fees of an attorney or firm whom the Chief Financial Officer of the District of Columbia determines to have a pecuniary interest, either through an attorney, officer or employee of the firm, in any special education diagnostic services, schools, or other special education service providers.

SEC. 433. The Chief Financial Officer of the District of Columbia shall require attorneys in special education cases brought under the Individuals with Disabilities Act (IDEA) in the District of Columbia to certify in writing that the attorney or representative rendered any and all services for which they receive awards, including those received under a settlement agreement or as part of an administrative proceeding, under the IDEA from the District of Columbia: Provided, That as part of the certification, the Chief Financial Officer of the District of Columbia shall require all attorneys in IDEA cases to disclose any financial, corporate, legal, memberships on boards of directors, or other relationships with any special education diagnostic services, schools, or other special education service providers to which the attorneys have referred any clients as part of this certification: Provided further, That the Chief Financial Officer shall prepare and submit quarterly reports to the Committees on Appropriations of the House of Representatives and Senate on the certification of and the amount paid by the government of the District of Columbia, including the District of Columbia Public Schools, to attorneys in cases brought under IDEA: Provided further, That the Inspector General of the District of Columbia may conduct investigations to determine the accuracy of the certifications.

SEC. 434. Section 603(e)(3)(C)(iv) of the Student Loan Marketing Association Reorganization Act of 1996 (20 U.S.C. 1155(e)(3)(C)(iv)) is amended as follows:

(1) by inserting "for a fiscal year" after "this subparagraph"; and

(2) by inserting "for the fiscal year" before the period.

SEC. 435. Chapter 3 of title 16, District of Columbia Code, is amended by inserting at the end the following new section:

"SEC. 16–316. APPOINTMENT AND COMPENSATION OF COUNSEL; GUARDIAN AD LITEM.

"(a) When a petition for adoption has been filed and there has been no termination or relinquishment of parental rights with respect to the proposed adoptee or consent to the proposed adoption by a parent or guardian whose consent is required under D.C. Code section 16–304, the Court may appoint an attorney to represent such parent or guardian in the adoption proceeding if the individual is financially unable to obtain adequate representation.

"(b) The Court may appoint a guardian ad litem who is an attorney to represent the child in an adoption proceeding. The guardian ad litem shall in general be charged with the representation of the child's best interest.

"(c) An attorney appointed pursuant to subsection (a) or (b) of this section shall be compensated in accordance with D.C. Code section 16–2326.01, except that compensation in the adoption case shall be subject to the limitation set forth in D.C. Code section 16–2326.01(b)(2).".

The table of sections for chapter 3 of title 16, District of Columbia Code, is amended by inserting at the end the following new item:

"Sec. 16–316. Appointment and compensation of counsel; guardian ad litem.".

SEC. 436. The amount appropriated by this Act may be increased by no more than $15,000,000 from funds identified in the comprehensive annual financial report as the District's fiscal year 2003 unexpended general fund surplus. The District may obligate and expend these amounts only in accordance with the following conditions:

(1) The Chief Financial Officer of the District of Columbia shall certify that the use of any such amounts is not anticipated to have a negative impact on the District's long-term financial, fiscal, and economic vitality.

(2) The District of Columbia may only use these funds for the following expenditures:

(A) Unanticipated one-time expenditures;

(B) To avoid deficit spending;

(C) Debt Reduction;

(D) Unanticipated program needs; or

(E) To avoid revenue shortfalls.

(3) The amounts shall be obligated and expended in accordance with laws enacted by the Council in support of each such obligation or expenditure.

(4) The amounts may not be used to fund the agencies of the District of Columbia government under court ordered receivership.

(5) The amounts may be obligated and expended only if approved by the Committees on Appropriations of the House of Representatives and Senate in advance of any obligation or expenditure.

This division may be cited as the "District of Columbia Appropriations Act, 2004".

DIVISION D—FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 2004

AN ACT

Making appropriations for foreign opeations, export financing, and related programs for the fiscal year ending September 30, 2004, and for other purposes.

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2004, and for other purposes, namely:

TITLE I—EXPORT AND INVESTMENT ASSISTANCE

EXPORT-IMPORT BANK OF THE UNITED STATES

The Export-Import Bank of the United States is authorized to make such expenditures within the limits of funds and borrowing authority available to such corporation, and in accordance with law, and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 104 of the Government Corporation Control Act, as may be necessary in carrying out the program for the current fiscal year for such corporation: Provided, That none of the funds available during the current fiscal year may be used to make expenditures, contracts, or commitments for the export of nuclear equipment, fuel, or technology to any country, other than a nuclear-weapon state as defined in Article IX of the Treaty on the Non-Proliferation of Nuclear Weapons eligible to receive economic or military assistance under this Act, that has detonated a nuclear explosive after the date of the enactment of this Act: Provided further, That notwithstanding section 1(c) of Public Law 103–428, as amended, sections 1(a) and (b) of Public Law 103–428 shall remain in effect through October 1, 2004.

ADMINISTRATIVE EXPENSES

For administrative expenses to carry out the direct and guaranteed loan and insurance programs, including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109, and not to exceed $30,000 for official reception and representation expenses for members of the Board of Directors, $72,895,000: Provided, That the Export-Import Bank may accept, and use, payment or services provided by transaction participants for legal, financial, or technical services in connection with any transaction for which an application for a loan, guarantee or insurance commitment has been made: Provided further, That, notwithstanding subsection (b) of section 117 of the Export Enhancement Act of 1992, subsection (a) thereof shall remain in effect until October 1, 2004.

OVERSEAS PRIVATE INVESTMENT CORPORATION

NONCREDIT ACCOUNT

The Overseas Private Investment Corporation is authorized to make, without regard to fiscal year limitations, as provided by 31 U.S.C. 9104, such expenditures and commitments within the limits of funds available to it and in accordance with law as may be necessary: Provided, That the amount available for administrative expenses to carry out the credit and insurance programs (including an amount for official reception and representation expenses which shall not exceed $35,000) shall not exceed $41,385,000: Provided further, That project-specific transaction costs, including direct and indirect costs incurred in claims settlements, and other direct costs associated with services provided to specific investors or potential investors pursuant to section 234 of the Foreign Assistance Act of 1961, shall not be considered administrative expenses for the purposes of this heading.

PROGRAM ACCOUNT

For the cost of direct and guaranteed loans, $24,000,000, as authorized by section 234 of the Foreign Assistance Act of 1961, to be derived by transfer from the Overseas Private Investment Corporation Non-Credit Account: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That such sums shall be available for direct loan obligations and loan guaranty commitments incurred or made during fiscal years 2004 and 2005: Provided further, That such sums shall remain available through fiscal year 2012 for the disbursement of direct and guaranteed loans obligated in fiscal year 2004, and through fiscal year 2013 for the disbursement of direct and guaranteed loans obligated in fiscal year 2005.

In addition, such sums as may be necessary for administrative expenses to carry out the credit program may be derived from amounts available for administrative expenses to carry out the credit and insurance programs in the Overseas Private Investment Corporation Noncredit Account and merged with said account.

FUNDS APPROPRIATED TO THE PRESIDENT

TRADE AND DEVELOPMENT AGENCY

For necessary expenses to carry out the provisions of section 661 of the Foreign Assistance Act of 1961, $50,000,000, to remain available until September 30, 2005.

TITLE II—BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

For expenses necessary to enable the President to carry out the provisions of the Foreign Assistance Act of 1961, and for other purposes, to remain available until September 30, 2004, unless otherwise specified herein, as follows:

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

CHILD SURVIVAL AND HEALTH PROGRAMS FUND

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out the provisions of chapters 1 and 10 of part I of the Foreign Assistance Act of 1961, for child survival, health, and family planning/reproductive health activities, in addition to funds otherwise available for such purposes, $1,835,000,000, to remain available until September 30, 2005: Provided, That this amount shall be made available for such activities as: (1) immunization programs; (2) oral rehydration programs; (3) health, nutrition, water and sanitation programs which directly address the needs of mothers and children, and related education programs; (4) assistance for children displaced or orphaned by causes other than AIDS; (5) programs for the prevention, treatment, control of, and research on HIV/AIDS, tuberculosis, polio, malaria, and other infectious diseases, and for assistance to communities severely affected by HIV/AIDS, including children displaced or orphaned by AIDS; and (6) family planning/reproductive health: Provided further, That none of the funds appropriated under this heading may be made available for nonproject assistance, except that funds may be made available for such assistance for ongoing health activities: Provided further, That of the funds appropriated under this heading, not to exceed $250,000, in addition to funds otherwise available for such purposes, may be used to monitor and provide oversight of child survival, maternal and family planning/reproductive health, and infectious disease programs: Provided further, That the following amounts should be allocated as follows: $330,000,000 for child survival and maternal health; $28,000,000 for vulnerable children; $516,500,000 for HIV/AIDS including not less than $22,000,000 which should be made available to support the development of microbicides as a means for combating HIV/AIDS; $185,000,000 for other infectious diseases; and $375,500,000 for family planning/reproductive health, including in areas where population growth threatens biodiversity or endangered species: Provided further, That of the funds appropriated under this heading, and in addition to funds allocated under the previous proviso, not less than $400,000,000 shall be made available, notwithstanding any other provision of law, except for the United States Leadership Against HIV/AIDS, Tuberculosis and Malaria Act of 2003 (117 Stat. 711; 22 U.S.C. 1701 et seq.) as amended by section 595 of this Act, for a United States contribution to the Global Fund to Fight AIDS, Tuberculosis and Malaria (the "Global Fund"), and shall be expended at the minimum rate necessary to make timely payment for projects and activities: Provided further, That of the funds appropriated under this heading that are available for HIV/AIDS programs and activities, not less than $26,000,000 should be made available for the International AIDS Vaccine Initiative and not less than $26,000,000 should be made available for a United States contribution to UNAIDS: Provided further, That of the funds appropriated under this heading, $60,000,000 should be made available for a United States contribution to The Vaccine Fund, and up to $6,000,000 may be transferred to and merged with funds appropriated by this Act under the heading "Operating Expenses of the United States Agency for International Development" for costs directly related to international health, but funds made available for such costs may not be derived from amounts made available for contribution under this and preceding provisos: Provided further, That none of the funds made available in this Act nor any unobligated balances from prior appropriations may be made available to any organization or program which, as determined by the President of the United States, supports or participates in the management of a program of coercive abortion or involuntary sterilization: Provided further, That none of the funds made available under this Act may be used to pay for the performance of abortion as a method of family planning or to motivate or coerce any person to practice abortions: Provided further, That none of the funds made available under this Act may be used to lobby for or against abortion: Provided further, That in order to reduce reliance on abortion in developing nations, funds shall be available only to voluntary family planning projects which offer, either directly or through referral to, or information about access to, a broad range of family planning methods and services, and that any such voluntary family planning project shall meet the following requirements: (1) service providers or referral agents in the project shall not implement or be subject to quotas, or other numerical targets, of total number of births, number of family planning acceptors, or acceptors of a particular method of family planning (this provision shall not be construed to include the use of quantitative estimates or indicators for budgeting and planning purposes); (2) the project shall not include payment of incentives, bribes, gratuities, or financial reward to: (A) an individual in exchange for becoming a family planning acceptor; or (B) program personnel for achieving a numerical target or quota of total number of births, number of family planning acceptors, or acceptors of a particular method of family planning; (3) the project shall not deny any right or benefit, including the right of access to participate in any program of general welfare or the right of access to health care, as a consequence of any individual's decision not to accept family planning services; (4) the project shall provide family planning acceptors comprehensible information on the health benefits and risks of the method chosen, including those conditions that might render the use of the method inadvisable and those adverse side effects known to be consequent to the use of the method; and (5) the project shall ensure that experimental contraceptive drugs and devices and medical procedures are provided only in the context of a scientific study in which participants are advised of potential risks and benefits; and, not less than 60 days after the date on which the Administrator of the United States Agency for International Development determines that there has been a violation of the requirements contained in paragraph (1), (2), (3), or (5) of this proviso, or a pattern or practice of violations of the requirements contained in paragraph (4) of this proviso, the Administrator shall submit to the Committees on Appropriations a report containing a description of such violation and the corrective action taken by the Agency: Provided further, That in awarding grants for natural family planning under section 104 of the Foreign Assistance Act of 1961 no applicant shall be discriminated against because of such applicant's religious or conscientious commitment to offer only natural family planning; and, additionally, all such applicants shall comply with the requirements of the previous proviso: Provided further, That for purposes of this or any other Act authorizing or appropriating funds for foreign operations, export financing, and related programs, the term "motivate", as it relates to family planning assistance, shall not be construed to prohibit the provision, consistent with local law, of information or counseling about all pregnancy options: Provided further, That nothing in this paragraph shall be construed to alter any existing statutory prohibitions against abortion under section 104 of the Foreign Assistance Act of 1961: Provided further, That to the maximum extent feasible, taking into consideration cost, timely availability, and best health practices, funds appropriated in this Act or prior appropriations Acts that are made available for condom procurement shall be made available only for the procurement of condoms manufactured in the United States: Provided further, That information provided about the use of condoms as part of projects or activities that are funded from amounts appropriated by this Act shall be medically accurate and shall include the public health benefits and failure rates of such use.

DEVELOPMENT ASSISTANCE

For necessary expenses of the United States Agency for International Development to carry out the provisions of sections 103, 105, 106, and 131, and chapter 10 of part I of the Foreign Assistance Act of 1961, $1,385,000,000, of which up to $150,000,000 may remain available until September 30, 2005: Provided, That none of the funds appropriated under title II of this Act that are managed by or allocated to the United States Agency for International Development's Global Development Secretariat, may be made available except through the regular notification procedures of the Committees on Appropriations: Provided further, That $190,000,000 should be allocated for trade capacity building: Provided further, That $235,000,000 should be allocated for basic education: Provided further, That of the funds appropriated under this heading and managed by the United States Agency for International Development Bureau of Democracy, Conflict, and Humanitarian Assistance, not less than $11,000,000 shall be made available only for programs to improve women's leadership capacity in recipient countries: Provided further, That such funds may not be made available for construction: Provided further, That of the funds appropriated under this heading that are made available for assistance programs for displaced and orphaned children and victims of war, not to exceed $32,500, in addition *to funds otherwise available for such purposes, may be used to monitor and provide oversight of such programs: Provided further, That of the aggregate amount of the funds appropriated by this Act that are made available for agriculture and rural development programs, $25,000,000 should be made available for plant biotechnology research and development: Provided further, That not less than $2,300,000 should be made available for core support for the International Fertilizer Development Center: Provided further, That of the funds appropriated under this heading, not less than $19,000,000 should be made available for the American Schools and Hospitals Abroad program: Provided further, That of the funds appropriated under this heading, not less than $10,000,000, in addition to other funds available under this heading for assistance for Mexico, should be made available for programs and activities in rural Mexico to promote microfinance, small business development, energy and environmental conservation, and private property ownership in rural communities, and to support small farmers who have been affected by adverse economic conditions: Provided further, That funds made available pursuant to the previous proviso shall be subject to the regular notification procedures of the Committees on Appropriations: Provided further, That of the funds appropriated by this Act, $100,000,000 shall be made available for drinking water supply projects and related activities.*

INTERNATIONAL DISASTER AND FAMINE ASSISTANCE

For necessary expenses of the United States Agency for International Development to carry out the provisions of section 491 of the Foreign Assistance Act of 1961, as amended for international disaster relief, rehabilitation, and reconstruction assistance, $235,500,000, to remain available until expended.

In addition, for necessary expenses for assistance for famine prevention and relief, including for mitigation of the effects of famine, $20,000,000, to remain available until expended: Provided, That such funds shall be made available utilizing the general authorities of section 491 of the Foreign Assistance Act of 1961, and shall be in addition to amounts otherwise available for such purposes: Provided further, That funds appropriated by this paragraph shall be available for obligation subject to prior consultation with the Committees on Appropriations.

TRANSITION INITIATIVES

For necessary expenses for international disaster rehabilitation and reconstruction assistance pursuant to section 491 of the Foreign Assistance Act of 1961, $55,000,000, to remain available until expended, to support transition to democracy and to long-term development of countries in crisis: Provided, That such support may include assistance to develop, strengthen, or preserve democratic institutions and processes, revitalize basic infrastructure, and foster the peaceful resolution of conflict: Provided further, That the United States Agency for International Development shall submit a report to the Committees on Appropriations at least 5 days prior to beginning a new program of assistance: Provided further, That if the President determines that is important to the national interests of the United States to provide transition assistance in excess of the amount appropriated under this heading, up to $15,000,000 of the funds appropriated by this Act to carry out the provisions of part I of the Foreign Assistance Act of 1961 may be used for purposes of this heading and under the authorities applicable to funds appropriated under this heading: Provided further, That funds made available pursuant to the previous proviso shall be made available subject to prior consultation with the Committees on Appropriations.

DEVELOPMENT CREDIT AUTHORITY

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans and loan guarantees provided by the United States Agency for International Development, as authorized by sections 108 and 635 of the Foreign Assistance Act of 1961, funds may be derived by transfer from funds appropriated by this Act to carry out part I of such Act and under the heading "Assistance for Eastern Europe and the Baltic States": Provided, That such funds shall not exceed $21,000,000, which shall be made available only for micro and small enterprise programs, urban programs, and other programs which further the purposes of part I of the Act: Provided further, That such costs, including the cost of modifying such direct and guaranteed loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That funds made available by this paragraph may be used for the cost of modifying any such guaranteed loans under this Act or prior Acts, and funds used for such costs shall be subject to the regular notification procedures of the Committees on Appropriations.

In addition, for administrative expenses to carry out credit programs administered by the United States Agency for International Development, $8,000,000, which may be transferred to and merged with the appropriation for Operating Expenses of the United States Agency for International Development: Provided, That funds made available under this heading shall remain available until September 30, 2007.

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

For payment to the "Foreign Service Retirement and Disability Fund", as authorized by the Foreign Service Act of 1980, $43,859,000.

OPERATING EXPENSES OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out the provisions of section 667 of the Foreign Assistance Act of 1961, $604,100,000, of which up to $25,000,000 may remain available until September 30, 2005: Provided, That none of the funds appropriated under this heading and under the heading "Capital Investment Fund" may be made available to finance the construction (including architect and engineering services), purchase, or long term lease of offices for use by the United States Agency for International Development, unless the Administrator has identified such proposed construction (including architect and engineering services), purchase, or long term lease of offices in a report submitted to the Committees on Appropriations at least 15 days prior to the obligation of these funds for such purposes: Provided further, That the previous proviso shall not apply where the total cost of construction (including architect and engineering services), purchase, or long term lease of offices does not exceed $1,000,000: Provided further, That contracts or agreements entered into with funds appropriated under this heading may entail commitments for the expenditure of such funds through fiscal year 2005: Provided further, That in addition not to exceed $15,000,000 shall be derived by transfer from the "Iraq Relief and Reconstruction Fund" (Public Law 108--11) to support the United States Agency for International Development mission in Iraq: Provided further, That none of the funds in this Act may be used to open a new overseas mission of the United States Agency for International Development without the prior written notification of the Committees on Appropriations: Provided further, That the authority of sections 610 and 109 of the Foreign Assistance Act of 1961 may be exercised by the Secretary of State to transfer funds appropriated to carry out chapter 1 of part I of such Act to "Operating Expenses of the United States Agency for International Development" in accordance with the provisions of those sections: Provided further, That during fiscal year 2004, the number of full-time equivalent positions for United States foreign service employees of the United States Agency for International Development for countries in the Latin America and Caribbean region shall not be reduced below the number for such employees for countries in that region as of September 30, 2003, except as provided through the regular notification procedures of the Committees on Appropriations.

CAPITAL INVESTMENT FUND

For necessary expenses for overseas construction and related costs, and for the procurement and enhancement of information technology and related capital investments, pursuant to section 667 of the Foreign Assistance Act of 1961, $82,200,000, to remain available until expended: Provided, That this amount is in addition to funds otherwise available for such purposes: Provided further, That the Administrator of the United States Agency for International Development shall assess fair and reasonable rental payments for the use of space by employees of other United States Government agencies in buildings constructed using funds appropriated under this heading, and such rental payments shall be deposited into this account as an offsetting collection: Provided further, That the rental payments collected pursuant to the previous proviso and deposited as an offsetting collection shall be available for obligation only pursuant to the regular notification procedures of the Committees on Appropriations: Provided further, That the assignment of United States Government employees or contractors to space in buildings constructed using funds appropriated under this heading shall be subject to the concurrence of the Administrator of the United States Agency for International Development: Provided further, That funds appropriated under this heading shall be available for obligation only pursuant to the regular notification procedures of the Committees on Appropriations.

OPERATING EXPENSES OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT OFFICE OF INSPECTOR GENERAL

For necessary expenses to carry out the provisions of section 667 of the Foreign Assistance Act of 1961, $35,000,000, to remain available until September 30, 2005, which sum shall be available for the Office of the Inspector General of the United States Agency for International Development.

OTHER BILATERAL ECONOMIC ASSISTANCE

ECONOMIC SUPPORT FUND

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out the provisions of chapter 4 of part II, $2,132,500,000, to remain available until September 30, 2005: Provided, That of the funds appropriated under this heading, not less than $480,000,000 shall be available only for Israel, which sum shall be available on a grant basis as a cash transfer and shall be disbursed within 30 days of the enactment of this Act: Provided further, That not less than $575,000,000 shall be available only for Egypt, which sum shall be provided on a grant basis, and of which sum cash transfer assistance shall be provided with the understanding that Egypt will undertake significant economic reforms which are additional to those which were undertaken in previous fiscal years, and of which not less than $200,000,000 shall be provided as Commodity Import Program assistance: Provided further, That in exercising the authority to provide cash transfer assistance for Israel, the President shall ensure that the level of such assistance does not cause an adverse impact on *the total level of nonmilitary exports from the United States to such country and that Israel enters into a side letter agreement in an amount proportional to the fiscal year 1999 agreement: Provided further, That of the funds appropriated under this heading, not less than $250,000,000 should be made available only for assistance for Jordan: Provided further, That of the funds appropriated under this heading, up to $1,000,000 should be used to further legal reforms in the West Bank and Gaza, including judicial training on commercial disputes and ethics: Provided further, That funds appropriated under this heading shall be made available for administrative costs of the United States Agency for International Development to implement regional programs in Asia and the Near East, including the Middle East Partnership Initiative, in addition to amounts otherwise available for such purposes: Provided further, That $13,500,000 of the funds appropriated under this heading shall be made available for Cyprus to be used only for scholarships, administrative support of the scholarship program, bicommunal projects, and measures aimed at reunification of the island and designed to reduce tensions and promote peace and cooperation between the two communities on Cyprus: Provided further, That $35,000,000 of the funds appropriated under this heading shall be made available for assistance for Lebanon, of which not less than $4,000,000 should be made available for American educational institutions for scholarships and other programs: Provided further, That notwithstanding section 534(a) of this Act, funds appropriated under this heading that are made available for assistance for the Central Government of Lebanon shall be subject to the regular notification procedures of the Committees on Appropriations: Provided further, That of the funds appropriated under this heading, not less than $22,500,000 shall be made available for assistance for the Democratic Republic of Timor-Leste, of which up to $1,000,000 may be available for administrative expenses of the United States Agency for International Development: Provided further, That of the funds appropriated under this heading, not less than $1,500,000 should be made available for technical assistance for countries to implement and enforce the Kimberley Process Certification Scheme: Provided further, That funds appropriated under this heading should be made available to support the development of justice and reconciliation mechanisms in the Democratic Republic of the Congo, Rwanda, Burundi, and Uganda, including programs to improve local capacity to prevent and respond to gender-based violence: Provided further, That funds appropriated under this heading may be used, notwithstanding any other provision of law, to provide assistance to the National Democratic Alliance of Sudan to strengthen its ability to protect civilians from attacks, slave raids, and aerial bombardment by the Sudanese Government forces and its militia allies, and the provision of such funds shall be subject to the regular notification procedures of the Committees on Appropriations: Provided further, That in the previous proviso, the term "assistance" includes non-lethal, non-food aid such as blankets, medicine, fuel, mobile clinics, water drilling equipment, communications equipment to notify civilians of aerial bombardment, non-military vehicles, tents, and shoes: Provided further, That of the funds appropriated under this heading, not less than $1,750,000 should be made available for East Asia and Pacific Environment Initiatives: Provided further, That of the funds appropriated under this heading, $5,000,000 shall be made available to continue to support the provision of wheelchairs for needy persons in developing countries: Provided further, That funds appropriated under this heading that are made available for a Middle East Financing Facility, Middle East Enterprise Fund, or any other similar entity in the Middle East shall be subject to the regular notification procedures of the Committees on Appropriations: Provided further, That with respect to funds appropriated under this heading in this Act or prior Acts making appropriations for foreign operations, export financing, and related programs, the responsibility for policy decisions and justifications for the use of such funds, including whether there will be a program for a country that uses those funds and the amount of each such program, shall be the responsibility of the Secretary of State and the Deputy Secretary of State and this responsibility shall not be delegated: Provided further, That of the funds appropriated in Public Law 108–106 under the heading "Iraq Relief and Reconstruction Fund", up to $100,000,000 may be transferred to and consolidated with funds appropriated by this Act under this heading and made available for Turkey, and up to $30,000,000 may be transferred to and consolidated with funds appropriated by this Act under this heading and made available for the Middle East Partnership Initiative: Provided further, That funds appropriated under this heading shall be made available for programs and countries in the amounts contained in the table accompanying the joint explanatory statement of the managers accompanying this Act: Provided further, That any proposed increases or decreases to the amounts contained in such table shall be subject to the regular notification procedures of the Committees on Appropriations and section 634A of the Foreign Assistance Act of 1961 and notifications shall be transmitted at least 15 days in advance of the obligation of funds.*

INTERNATIONAL FUND FOR IRELAND

For necessary expenses to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961, $18,500,000, which shall be available for the United States contribution to the International Fund for Ireland and shall be made available in accordance with the provisions of the Anglo-Irish Agreement Support Act of 1986 (Public Law 99–415): Provided, That such amount shall be expended at the minimum rate necessary to make timely payment for projects and activities: Provided further, That funds made available under this heading shall remain available until September 30, 2005.

GLOBAL HIV/AIDS INITIATIVE

For necessary expenses to carry out the provisions of the Foreign Assistance Act of 1961 for the prevention, treatment, and control of, and research on, HIV/AIDS, $491,000,000, to remain available until expended: Provided, That of the funds appropriated under this heading, $15,000,000 may be apportioned directly to the Peace Corps to remain available until expended for necessary expenses to carry out activities to combat HIV/AIDS, tuberculosis and malaria: Provided further, That of the funds appropriated under this heading, not more than $8,000,000 may be made available for administrative expenses of the office of the "Coordinator of United States Government Activities to Combat HIV/AIDS Globally" of the Department of State: Provided further, That in carrying out the duties specified in section 1(f)(2)(B)(ii)(VII) of the State Department Basic Authorities Act of 1956, the Coordinator shall ensure that assistance is provided for activities in not fewer than 15 countries, at least one of which shall not be in Africa or the Caribbean region: Provided further, That of the funds appropriated under this heading, up to $75,000,000 should be made available for the safe and appropriate use of injections and other forms of infection control and prevention, and for blood safety programs.

ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC STATES

(a) For necessary expenses to carry out the provisions of the Foreign Assistance Act of 1961 and the Support for East European Democracy (SEED) Act of 1989, $445,000,000, to remain available until September 30, 2005, which shall be available, notwithstanding any other provision of law, for assistance and for related programs for Eastern Europe and the Baltic States: Provided, That of the funds appropriated under this heading that are made available for assistance for Bulgaria, $2,000,000 should be made available to enhance safety at nuclear power plants: Provided further, That of the funds appropriated under this heading, and under the headings "Assistance for the Independent States of the Former Soviet Union", "Foreign Military Financing Program", and "Economic Support Fund", not less than $53,500,000 shall be made available for programs for the prevention, treatment, and control of, and research on, HIV/AIDS, tuberculosis, and malaria: Provided further, That of the funds appropriated under this heading that are made available for Montenegro, not less than $12,000,000 shall be made available for economic development and environmental programs in the coastal region: Provided further, That of the funds appropriated under this heading, up to $1,000,000 should be made available for a program to promote greater understanding and interaction among youth in Albania, Kosovo, Montenegro and Macedonia: Provided further, That funds appropriated under this heading shall be made available for programs and countries in the amounts contained in the table accompanying the joint explanatory statement of the managers accompanying this Act: Provided further, That any proposed increases or decreases to the amounts contained in such table shall be subject to the regular notification procedures of the Committees on Appropriations and section 634A of the Foreign Assistance Act of 1961 and notifications shall be transmitted at least 15 days in advance of the obligation of funds.

(b) Funds appropriated under this heading shall be considered to be economic assistance under the Foreign Assistance Act of 1961 for purposes of making available the administrative authorities contained in that Act for the use of economic assistance.

(c) With regard to funds appropriated under this heading for the economic revitalization program in Bosnia and Herzegovina, and local currencies generated by such funds (including the conversion of funds appropriated under this heading into currency used by Bosnia and Herzegovina as local currency and local currency returned or repaid under such program) the Administrator of the United States Agency for International Development shall provide written approval for grants and loans prior to the obligation and expenditure of funds for such purposes, and prior to the use of funds that have been returned or repaid to any lending facility or grantee.

(d) The provisions of section 529 of this Act shall apply to funds made available under subsection (c) and to funds appropriated under this heading: Provided, That notwithstanding any provision of this or any other Act, including provisions in this subsection regarding the application of section 529 of this Act, local currencies generated by, or converted from, funds appropriated by this Act and by previous appropriations Acts and made available for the economic revitalization program in Bosnia may be used in Eastern Europe and the Baltic States to carry out the provisions of the Foreign Assistance Act of 1961 and the Support for East European Democracy (SEED) Act of 1989.

(e) The President is authorized to withhold funds appropriated under this heading made

available for economic revitalization programs in Bosnia and Herzegovina, if he determines and certifies to the Committees on Appropriations that the Federation of Bosnia and Herzegovina has not complied with article III of annex 1–A of the General Framework Agreement for Peace in Bosnia and Herzegovina concerning the withdrawal of foreign forces, and that intelligence cooperation on training, investigations, and related activities between state sponsors of terrorism and terrorist organizations and Bosnian officials has not been terminated.

ASSISTANCE FOR THE INDEPENDENT STATES OF THE FORMER SOVIET UNION

(a) For necessary expenses to carry out the provisions of chapters 11 and 12 of part I of the Foreign Assistance Act of 1961 and the FREEDOM Support Act, for assistance for the Independent States of the former Soviet Union and for related programs, $587,000,000, to remain available until September 30, 2005: Provided, That the provisions of such chapters shall apply to funds appropriated by this paragraph: Provided further, That of the funds made available for the Southern Caucasus region, notwithstanding any other provision of law, funds may be used for confidence-building measures and other activities in furtherance of the peaceful resolution of the regional conflicts, especially those in the vicinity of Abkhazia and Nagorno-Karabagh: Provided further, That of the funds appropriated under this heading, $1,500,000 should be available only to meet the health and other assistance needs of victims of trafficking in persons: Provided further, That of the funds appropriated under this heading, $17,500,000 shall be made available solely for assistance for the Russian Far East, of which not less than $3,000,000 shall be made available for programs and activities authorized under section 307 of the FREEDOM Support Act (Public Law 102–511): Provided further, That $4,000,000 shall be made available to promote freedom of the media and an independent media in Russia: Provided further, That of the funds appropriated under this heading, up to $500,000 should be made available to support democracy building programs in Russia through the Sakharov Archives: Provided further, That, notwithstanding any other provision of law, funds appropriated under this heading in this Act or prior Acts making appropriations for foreign operations, export financing, and related programs, that are made available pursuant to the provisions of section 807 of Public Law 102–511 shall be subject to a 6 percent ceiling on administrative expenses.

(b) Of the funds appropriated under this heading that are made available for assistance for Ukraine, not less than $19,000,000 should be made available for nuclear reactor safety initiatives, and not less than $1,500,000 shall be made available for coal mine safety programs.

(c) Of the funds appropriated under this heading, not less than $94,000,000 shall be made available for assistance for Russia.

(d) Of the funds appropriated under this heading, not less than $75,000,000 shall be made available for assistance for Armenia.

(e) Of the funds appropriated under this heading, not less than $57,000,000 should be made available, in addition to funds otherwise available for such purposes, for assistance for child survival, environmental and reproductive health, and to combat HIV/AIDS, tuberculosis and other infectious diseases, and for related activities.

(f)(1) Of the funds appropriated under this heading that are allocated for assistance for the Government of the Russian Federation, 60 percent shall be withheld from obligation until the President determines and certifies in writing to the Committees on Appropriations that the Government of the Russian Federation:

(A) has terminated implementation of arrangements to provide Iran with technical expertise, training, technology, or equipment necessary to develop a nuclear reactor, related nuclear research facilities or programs, or ballistic missile capability; and

(B) is providing full access to international non-government organizations providing humanitarian relief to refugees and internally displaced persons in Chechnya.

(2) Paragraph (1) shall not apply to—

(A) assistance to combat infectious diseases, child survival activities, or assistance for victims of trafficking in persons; and

(B) activities authorized under title V (Nonproliferation and Disarmament Programs and Activities) of the FREEDOM Support Act.

(g) Section 907 of the FREEDOM Support Act shall not apply to—

(1) activities to support democracy or assistance under title V of the FREEDOM Support Act and section 1424 of Public Law 104–201 or non-proliferation assistance;

(2) any assistance provided by the Trade and Development Agency under section 661 of the Foreign Assistance Act of 1961 (22 U.S.C. 2421);

(3) any activity carried out by a member of the United States and Foreign Commercial Service while acting within his or her official capacity;

(4) any insurance, reinsurance, guarantee or other assistance provided by the Overseas Private Investment Corporation under title IV of chapter 2 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2191 et seq.);

(5) any financing provided under the Export-Import Bank Act of 1945; or

(6) humanitarian assistance.

INDEPENDENT AGENCIES

INTER-AMERICAN FOUNDATION

For necessary expenses to carry out the functions of the Inter-American Foundation in accordance with the provisions of section 401 of the Foreign Assistance Act of 1969, $16,334,000, to remain available until September 30, 2005.

AFRICAN DEVELOPMENT FOUNDATION

For necessary expenses to carry out title V of the International Security and Development Cooperation Act of 1980, Public Law 96–533, $18,689,000, to remain available until September 30, 2005: Provided, That funds made available to grantees may be invested pending expenditure for project purposes when authorized by the board of directors of the Foundation: Provided further, That interest earned shall be used only for the purposes for which the grant was made: Provided further, That notwithstanding section 505(a)(2) of the African Development Foundation Act, in exceptional circumstances the board of directors of the Foundation may waive the $250,000 limitation contained in that section with respect to a project: Provided further, That the Foundation shall provide a report to the Committees on Appropriations after each time such waiver authority is exercised.

PEACE CORPS

For necessary expenses to carry out the provisions of the Peace Corps Act (75 Stat. 612), $310,000,000, including the purchase of not to exceed five passenger motor vehicles for administrative purposes for use outside of the United States: Provided, That none of the funds appropriated under this heading shall be used to pay for abortions: Provided further, That funds appropriated under this heading shall remain available until September 30, 2005: Provided further, That during fiscal year 2004 and any subsequent fiscal year, the Director of the Peace Corps may make appointments or assignments, or extend current appointments or assignments, to permit United States citizens to serve for periods in excess of five years in the case of individuals whose appointment or assignment, such as regional safety security officers and employees within the Office of the Inspector General, involves the safety of Peace Corps volunteers: Provided further, That the Director of the Peace Corps may make such appointments or assignments notwithstanding the provisions of section 7 of the Peace Corps Act limiting the length of an appointment or assignment, the circumstances under which such an appointment or assignment may exceed 5 years, and the percentage of appointments or assignments that can be made in excess of 5 years.

MILLENNIUM CHALLENGE CORPORATION

For necessary expenses for the "Millennium Challenge Account", $650,000,000, to remain available until expended: Provided, That of the funds appropriated under this heading, not more than $50,000,000 may be available for administrative expenses.

DEPARTMENT OF STATE

INTERNATIONAL NARCOTICS CONTROL AND LAW ENFORCEMENT

For necessary expenses to carry out section 481 of the Foreign Assistance Act of 1961, $241,700,000, to remain available until September 30, 2006: Provided, That during fiscal year 2004, the Department of State may also use the authority of section 608 of the Foreign Assistance Act of 1961, without regard to its restrictions, to receive excess property from an agency of the United States Government for the purpose of providing it to a foreign country under chapter 8 of part I of that Act subject to the regular notification procedures of the Committees on Appropriations: Provided further, That of the funds appropriated under this heading, $12,000,000 should be made available for anti-trafficking in persons programs, including trafficking prevention, protection and assistance for victims, and prosecution of traffickers: Provided further, That the Secretary of State shall provide to the Committees on Appropriations not later than 45 days after the date of the enactment of this Act and prior to the initial obligation of funds appropriated under this heading, a report on the proposed uses of all funds under this heading on a country-by-country basis for each proposed program, project, or activity: Provided further, That of the funds appropriated under this heading, $7,105,000 should be made available for the International Law Enforcement Academy in Roswell, New Mexico, of which $2,105,000 should be made available for construction and completion of a new facility: Provided further, That of the funds appropriated under this heading, not more than $26,117,000 may be available for administrative expenses.

ANDEAN COUNTERDRUG INITIATIVE

For necessary expenses to carry out section 481 of the Foreign Assistance Act of 1961 to support counterdrug activities in the Andean region of South America, $731,000,000, to remain available until September 30, 2006: Provided, That in fiscal year 2004, funds available to the Department of State for assistance to the Government of Colombia shall be available to support a unified campaign against narcotics trafficking, against activities by organizations designated as terrorist organizations such as the Revolutionary Armed Forces of Colombia (FARC), the National Liberation Army (ELN), and the United Self-Defense Forces of Colombia (AUC), and to take actions to protect human health and welfare in emergency circumstances, including undertaking rescue operations: Provided further, That this authority shall cease to be effective if the Secretary of State has credible evidence that the Colombian Armed Forces are not conducting vigorous operations to restore government authority and respect for human rights in areas under the effective control of paramilitary and guerrilla organizations: Provided further, That the President shall ensure that if *any helicopter procured with funds under this heading is used to aid or abet the operations of any illegal self-defense group or illegal security cooperative, such helicopter shall be immediately returned to the United States: Provided further, That none of the funds appropriated by this Act may be made available to support a Peruvian air interdiction program until the Secretary of State and Director of Central Intelligence certify to the Congress, 30 days before any resumption of United States involvement in a Peruvian air interdiction program, that an air interdiction program that permits the ability of the Peruvian Air Force to shoot down aircraft will include enhanced safeguards and procedures to prevent the occurrence of any incident similar to the April 20, 2001 incident: Provided further, That the Secretary of State, in consultation with the Administrator of the United States Agency for International Development, shall provide to the Committees on Appropriations not later than 45 days after the date of the enactment of this Act and prior to the initial obligation of funds appropriated under this heading, a report on the proposed uses of all funds under this heading on a country-by-country basis for each proposed program, project, or activity: Provided further, That of the funds appropriated under this heading, not less than $257,000,000 shall be made available for alternative development/institution building, of which $229,200,000 shall be apportioned directly to the United States Agency for International Development: Provided further, That of the funds appropriated under this heading, not less than $25,000,000 should be made available for justice and rule of law programs in Colombia: Provided further, That of the funds appropriated under this heading, in addition to funds made available pursuant to the previous proviso, not less than $13,000,000 should be made available for organizations and programs to protect human rights: Provided further, That not more than 20 percent of the funds appropriated by this Act that are used for the procurement of chemicals for aerial coca and poppy fumigation programs may be made available for such programs unless the Secretary of State, after consultation with the Administrator of the Environmental Protection Agency (EPA), certifies to the Committees on Appropriations that: (1) the herbicide mixture is being used in accordance with EPA label requirements for comparable use in the United States and any additional controls recommended by the EPA for this program, and with the Colombian Environmental Management Plan for aerial fumigation; and (2) the herbicide mixture, in the manner it is being used, does not pose unreasonable risks or adverse effects to humans or the environment: Provided further, That such funds may not be made available unless the Secretary of State certifies to the Committees on Appropriations that complaints of harm to health or licit crops caused by such fumigation are evaluated and fair compensation is being paid for meritorious claims: Provided further, That such funds may not be made available for such purposes unless programs are being implemented by the United States Agency for International Development, the Government of Colombia, or other organizations, in consultation with local communities, to provide alternative sources of income in areas where security permits for small-acreage growers whose illicit crops are targeted for fumigation: Provided further, That of the funds appropriated under this heading, not less than $2,500,000 should be made available for continued training, equipment, and other assistance for the Colombian National Park Service: Provided further, That funds appropriated by this Act may be used for aerial fumigation in Colombia's national parks or reserves if the Secretary of State determines that it is in accordance with Colombian laws and that there are no effective alternatives to reduce drug cultivation in these areas: Provided further, That section 482(b) of the Foreign Assistance Act of 1961 shall not apply to funds appropriated under this heading: Provided further, That assistance provided with funds appropriated under this heading that is made available notwithstanding section 482(b) of the Foreign Assistance Act of 1961, as amended, shall be made available subject to the regular notification procedures of the Committees on Appropriations: Provided further, That the provisions of section 3204(b) through (d) of Public Law 106–246, as amended by Public Law 107–115, shall be applicable to funds appropriated for fiscal year 2004: Provided further, That no United States Armed Forces personnel or United States civilian contractor employed by the United States will participate in any combat operation in connection with assistance made available by this Act for Colombia: Provided further, That funds appropriated under this heading that are available for assistance for the Bolivian military and police should be made available for such purposes subject to a determination by the Secretary of State, and a report to the Committees on Appropriations, that the Bolivian military and police are respecting human rights and cooperating with investigations and prosecutions of alleged violations of human rights: Provided further, That of the funds appropriated under this heading, not more than $16,285,000 may be available for administrative expenses of the Department of State, and not more than $4,500,000 may be available, in addition to amounts otherwise available for such purposes, for administrative expenses of the United States Agency for International Development.*

MIGRATION AND REFUGEE ASSISTANCE

For expenses, not otherwise provided for, necessary to enable the Secretary of State to provide, as authorized by law, a contribution to the International Committee of the Red Cross, assistance to refugees, including contributions to the International Organization for Migration and the United Nations High Commissioner for Refugees, and other activities to meet refugee and migration needs; salaries and expenses of personnel and dependents as authorized by the Foreign Service Act of 1980; allowances as authorized by sections 5921 through 5925 of title 5, United States Code; purchase and hire of passenger motor vehicles; and services as authorized by section 3109 of title 5, United States Code, $760,197,000, which shall remain available until expended: Provided, That not more than $21,000,000 may be available for administrative expenses: Provided further, That not less than $50,000,000 of the funds made available under this heading shall be made available for refugees from the former Soviet Union and Eastern Europe and other refugees resettling in Israel: Provided further, That funds appropriated under this heading may be made available for a headquarters contribution to the International Committee of the Red Cross only if the Secretary of State determines (and so reports to the appropriate committees of Congress) that the Magen David Adom Society of Israel is not being denied participation in the activities of the International Red Cross and Red Crescent Movement.

UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

For necessary expenses to carry out the provisions of section 2(c) of the Migration and Refugee Assistance Act of 1962, as amended (22 U.S.C. 2601(c)), $30,000,000, to remain available until expended: Provided, That funds made available under this heading are appropriated notwithstanding the provisions contained in section 2(c)(2) of such Act which would limit the amount of funds which could be appropriated for this purpose.

NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND RELATED PROGRAMS

For necessary expenses for nonproliferation, anti-terrorism, demining and related programs and activities, $353,500,000, to carry out the provisions of chapter 8 of part II of the Foreign Assistance Act of 1961 for anti-terrorism assistance, chapter 9 of part II of the Foreign Assistance Act of 1961, section 504 of the FREEDOM Support Act, section 23 of the Arms Export Control Act or the Foreign Assistance Act of 1961 for demining activities, the clearance of unexploded ordnance, the destruction of small arms, and related activities, notwithstanding any other provision of law, including activities implemented through nongovernmental and international organizations, and section 301 of the Foreign Assistance Act of 1961 for a voluntary contribution to the International Atomic Energy Agency (IAEA), and for a United States contribution to the Comprehensive Nuclear Test Ban Treaty Preparatory Commission: Provided, That of this amount not to exceed $30,000,000, to remain available until expended, may be made available for the Nonproliferation and Disarmament Fund, notwithstanding any other provision of law, to promote bilateral and multilateral activities relating to nonproliferation and disarmament: Provided further, That such funds may also be used for such countries other than the Independent States of the former Soviet Union and international organizations when it is in the national security interest of the United States to do so: Provided further, That funds appropriated under this heading may be made available for the International Atomic Energy Agency only if the Secretary of State determines (and so reports to the Congress) that Israel is not being denied its right to participate in the activities of that Agency: Provided further, That funds available during fiscal year 2004 for a contribution to the Comprehensive Nuclear Test Ban Treaty Preparatory Commission and that are not necessary to make the United States contribution to the Commission in the amount assessed for fiscal year 2004 shall be made available for a voluntary contribution to the International Atomic Energy Agency and shall remain available until September 30, 2005: Provided further, That of the funds made available for demining and related activities, not to exceed $690,000, in addition to funds otherwise available for such purposes, may be used for administrative expenses related to the operation and management of the demining program: Provided further, That the Secretary of State is authorized to provide, from funds appropriated under this heading in this and subsequent Acts making appropriations for foreign operations, export financing and related programs, not to exceed $250,000 for public-private partnerships for mine action by grant, cooperative agreement, or contract: Provided further, That funds appropriated under this heading shall be made available for programs and countries in the amounts contained in the table accompanying the joint explanatory statement of the managers accompanying this Act: Provided further, That any proposed increases or decreases to the amounts contained in such table shall be subject to the regular notification procedures of the Committees on Appropriations and section 634A of the Foreign Assistance Act of 1961 and notifications shall be transmitted at least 15 days in advance of the obligation of funds.

DEPARTMENT OF THE TREASURY

INTERNATIONAL AFFAIRS TECHNICAL ASSISTANCE

For necessary expenses to carry out the provisions of section 129 of the Foreign Assistance Act of 1961, $19,000,000, to remain available until September 30, 2006, which shall be available notwithstanding any other provision of law.

DEBT RESTRUCTURING

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of modifying loans and loan guarantees, as the President may determine, for which funds have been appropriated or otherwise made available for programs within the International Affairs Budget Function 150, including the cost of selling, reducing, or canceling amounts owed to the United States as a result of concessional loans made to eligible countries, pursuant to parts IV and V of the Foreign Assistance Act of 1961, and of modifying concessional credit agreements with least developed countries, as authorized under section 411 of the Agricultural Trade Development and Assistance Act of 1954, as amended, and concessional loans, guarantees and credit agreements, as authorized under section 572 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1989 (Public Law 100–461), and of canceling amounts owed, as a result of loans or guarantees made pursuant to the Export-Import Bank Act of 1945, by countries that are eligible for debt reduction pursuant to title V of H.R. 3425 as enacted into law by section 1000(a)(5) of Public Law 106–113, $95,000,000, to remain available until September 30, 2006: Provided, That not less than $20,000,000 of the funds appropriated under this heading shall be made available to carry out the provisions of part V of the Foreign Assistance Act of 1961: Provided further, That $75,000,000 of the funds appropriated under this heading may be used by the Secretary of the Treasury to pay to the Heavily Indebted Poor Countries (HIPC) Trust Fund administered by the International Bank for Reconstruction and Development amounts for the benefit of countries that are eligible for debt reduction pursuant to title V of H.R. 3425 as enacted into law by section 1000(a)(5) of Public Law 106–113: Provided further, That amounts paid to the HIPC Trust Fund may be used only to fund debt reduction under the enhanced HIPC initiative by—

(1) the Inter-American Development Bank;
(2) the African Development Fund;
(3) the African Development Bank; and
(4) the Central American Bank for Economic Integration:

Provided further, That funds may not be paid to the HIPC Trust Fund for the benefit of any country if the Secretary of State has credible evidence that the government of such country is engaged in a consistent pattern of gross violations of internationally recognized human rights or in military or civil conflict that undermines its ability to develop and implement measures to alleviate poverty and to devote adequate human and financial resources to that end: Provided further, That on the basis of final appropriations, the Secretary of the Treasury shall consult with the Committees on Appropriations concerning which countries and international financial institutions are expected to benefit from a United States contribution to the HIPC Trust Fund during the fiscal year: Provided further, That the Secretary of the Treasury shall inform the Committees on Appropriations not less than 15 days in advance of the signature of an agreement by the United States to make payments to the HIPC Trust Fund of amounts for such countries and institutions: Provided further, That the Secretary of the Treasury may disburse funds designated for debt reduction through the HIPC Trust Fund only for the benefit of countries that—

(1) have committed, for a period of 24 months, not to accept new market-rate loans from the international financial institution receiving debt repayment as a result of such disbursement, other than loans made by such institutions to export-oriented commercial projects that generate foreign exchange which are generally referred to as "enclave" loans; and

(2) have documented and demonstrated their commitment to redirect their budgetary resources from international debt repayments to programs to alleviate poverty and promote economic growth that are additional to or expand upon those previously available for such purposes:

Provided further, That any limitation of subsection (e) of section 411 of the Agricultural Trade Development and Assistance Act of 1954 shall not apply to funds appropriated under this heading: Provided further, That none of the funds made available under this heading in this or any other appropriations Act shall be made available for Sudan or Burma unless the Secretary of the Treasury determines and notifies the Committees on Appropriations that a democratically elected government has taken office.

TITLE III—MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL MILITARY EDUCATION AND TRAINING

For necessary expenses to carry out the provisions of section 541 of the Foreign Assistance Act of 1961, $91,700,000, of which up to $3,000,000 may remain available until expended: Provided, That the civilian personnel for whom military education and training may be provided under this heading may include civilians who are not members of a government whose participation would contribute to improved civil-military relations, civilian control of the military, or respect for human rights: Provided further, That funds appropriated under this heading for military education and training for Guatemala may only be available for expanded international military education and training, and funds made available for Algeria, Cambodia, Nigeria and Guatemala may only be provided through the regular notification procedures of the Committees on Appropriations.

FOREIGN MILITARY FINANCING PROGRAM

(INCLUDING TRANSFER OF FUNDS)

For expenses necessary for grants to enable the President to carry out the provisions of section 23 of the Arms Export Control Act, $4,294,000,000: Provided, That of the funds appropriated under this heading, not less than $2,160,000,000 shall be available for grants only for Israel, and not less than $1,300,000,000 shall be made available for grants only for Egypt: Provided further, That the funds appropriated by this paragraph for Israel shall be disbursed within 30 days of the enactment of this Act: Provided further, That to the extent that the Government of Israel requests that funds be used for such purposes, grants made available for Israel by this paragraph shall, as agreed by Israel and the United States, be available for advanced weapons systems, of which not less than $568,000,000 shall be available for the procurement in Israel of defense articles and defense services, including research and development: Provided further, That of the funds appropriated by this paragraph, $206,000,000 should be made available for assistance for Jordan: Provided further, That of the funds appropriated by this paragraph, $17,000,000 may be transferred to and merged with funds appropriated under the heading "Andean Counterdrug Initiative" and made available for aircraft and related assistance for the Colombian National Police: Provided further, That funds appropriated by this paragraph shall be nonrepayable notwithstanding any requirement in section 23 of the Arms Export Control Act: Provided further, That funds made available under this paragraph shall be obligated upon apportionment in accordance with paragraph (5)(C) of title 31, United States Code, section 1501(a).

None of the funds made available under this heading shall be available to finance the procurement of defense articles, defense services, or design and construction services that are not sold by the United States Government under the Arms Export Control Act unless the foreign country proposing to make such procurements has first signed an agreement with the United States Government specifying the conditions under which such procurements may be financed with such funds: Provided, That all country and funding level increases in allocations shall be submitted through the regular notification procedures of section 515 of this Act: Provided further, That none of the funds appropriated under this heading shall be available for assistance for Sudan, Guatemala and Liberia: Provided further, That funds made available under this heading may be used, notwithstanding any other provision of law, for demining, the clearance of unexploded ordnance, and related activities, and may include activities implemented through nongovernmental and international organizations: Provided further, That the authority contained in the previous proviso or any other provision of law relating to the use of funds for programs under this heading, including provisions contained in previously enacted appropriations Acts, shall not apply to activities relating to the clearance of unexploded ordnance resulting from United States Armed Forces testing or training exercises: Provided further, That the previous proviso shall not apply to San Jose Island, Republic of Panama: Provided further, That only those countries for which assistance was justified for the "Foreign Military Sales Financing Program" in the fiscal year 1989 congressional presentation for security assistance programs may utilize funds made available under this heading for procurement of defense articles, defense services or design and construction services that are not sold by the United States Government under the Arms Export Control Act: Provided further, That funds appropriated under this heading shall be expended at the minimum rate necessary to make timely payment for defense articles and services: Provided further, That not more than $40,500,000 of the funds appropriated under this heading may be obligated for necessary expenses, including the purchase of passenger motor vehicles for replacement only for use outside of the United States, for the general costs of administering military assistance and sales: Provided further, That not more than $361,000,000 of funds realized pursuant to section 21(e)(1)(A) of the Arms Export Control Act may be obligated for expenses incurred by the Department of Defense during fiscal year 2004 pursuant to section 43(b) of the Arms Export Control Act, except that this limitation may be exceeded only through the regular notification procedures of the Committees on Appropriations: Provided further, That foreign military financing program funds estimated to be outlayed for Egypt during fiscal year 2004 shall be transferred to an interest bearing account for Egypt in the Federal Reserve Bank of New York within 30 days of enactment of this Act.

PEACEKEEPING OPERATIONS

For necessary expenses to carry out the provisions of section 551 of the Foreign Assistance Act of 1961, $74,900,000: Provided, That none of the funds appropriated under this heading shall be obligated or expended except as provided through the regular notification procedures of the Committees on Appropriations.

TITLE IV—MULTILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL FINANCIAL INSTITUTIONS

GLOBAL ENVIRONMENT FACILITY

For the United States contribution for the Global Environment Facility, $139,240,000 to the

International Bank for Reconstruction and Development as trustee for the Global Environment Facility, by the Secretary of the Treasury, to remain available until expended.

CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION

For payment to the International Development Association by the Secretary of the Treasury, $913,200,000, to remain available until expended: Provided, That the Secretary of the Treasury shall work to ensure that the World Bank provides for an independent entity, such as a private auditing firm, to conduct and make publicly available an external performance audit which verifies whether the IDA–13 Spring 2004 performance targets have been met: Provided further, That any further incentive contribution for additional contributions for IDA–13 regarding such targets shall be made only after the Secretary of the Treasury has reviewed and considered carefully the findings of any such independent external audit.

CONTRIBUTION TO THE MULTILATERAL INVESTMENT GUARANTEE AGENCY

For payment to the Multilateral Investment Guarantee Agency by the Secretary of the Treasury, $1,124,000, for the United States paid-in share of the increase in capital stock, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the Multilateral Investment Guarantee Agency may subscribe without fiscal year limitation for the callable capital portion of the United States share of such capital stock in an amount not to exceed $4,475,203.

CONTRIBUTION TO THE ENTERPRISE FOR THE AMERICAS MULTILATERAL INVESTMENT FUND

For payment to the Enterprise for the Americas Multilateral Investment Fund by the Secretary of the Treasury, for the United States contribution to the fund, $25,000,000, to remain available until expended.

CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND

For the United States contribution by the Secretary of the Treasury to the increase in resources of the Asian Development Fund, as authorized by the Asian Development Bank Act, as amended, $144,421,000, to remain available until expended.

CONTRIBUTION TO THE AFRICAN DEVELOPMENT BANK

For payment to the African Development Bank by the Secretary of the Treasury, $5,104,930, for the United States paid-in share of the increase in capital stock, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the African Development Bank may subscribe without fiscal year limitation for the callable capital portion of the United States share of such capital stock in an amount not to exceed $79,609,817.

CONTRIBUTION TO THE AFRICAN DEVELOPMENT FUND

For the United States contribution by the Secretary of the Treasury to the increase in resources of the African Development Fund, $112,725,000, to remain available until expended.

CONTRIBUTION TO THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

For payment to the European Bank for Reconstruction and Development by the Secretary of the Treasury, $35,431,111 for the United States share of the paid-in portion of the increase in capital stock, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the European Bank for Reconstruction and Development may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed $122,085,497.

CONTRIBUTION TO THE INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

For the United States contribution by the Secretary of the Treasury to increase the resources of the International Fund for Agricultural Development, $15,004,042, to remain available until expended.

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

For necessary expenses to carry out the provisions of section 301 of the Foreign Assistance Act of 1961, and of section 2 of the United Nations Environment Program Participation Act of 1973, $321,650,000: Provided, That none of the funds appropriated under this heading may be made available to the International Atomic Energy Agency (IAEA): Provided further, That funds appropriated under this heading shall be made available for programs and countries in the amounts contained in the table accompanying the joint explanatory statement of the managers accompanying this Act: Provided further, That any proposed increases or decreases to the amounts contained in such table shall be subject to the regular notification procedures of the Committees on Appropriations and section 634A of the Foreign Assistance Act of 1961 and notifications shall be transmitted at least 15 days in advance of the obligation of funds.

TITLE V—GENERAL PROVISIONS

COMPENSATION FOR UNITED STATES EXECUTIVE DIRECTORS TO INTERNATIONAL FINANCIAL INSTITUTIONS

SEC. 501. (a) No funds appropriated by this Act may be made as payment to any international financial institution while the United States Executive Director to such institution is compensated by the institution at a rate which, together with whatever compensation such Director receives from the United States, is in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while any alternate United States Director to such institution is compensated by the institution at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

(b) For purposes of this section, "international financial institutions" are: the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the Asian Development Fund, the African Development Bank, the African Development Fund, the International Monetary Fund, the North American Development Bank, and the European Bank for Reconstruction and Development.

PRIVATE AND VOLUNTARY ORGANIZATIONS

SEC. 502. None of the funds appropriated or otherwise made available by this Act for development assistance may be made available to any United States private and voluntary organization, except any cooperative development organization, which obtains less than 20 percent of its total annual funding for international activities from sources other than the United States Government: Provided, That the Administrator of the United States Agency for International Development, after informing the Committees on Appropriations, may, on a case-by-case basis, waive the restriction contained in this subsection, after taking into account the effectiveness of the overseas development activities of the organization, its level of volunteer support, its financial viability and stability, and the degree of its dependence for its financial support on the agency.

LIMITATION ON RESIDENCE EXPENSES

SEC. 503. Of the funds appropriated or made available pursuant to this Act, not to exceed $100,500 shall be for official residence expenses of the United States Agency for International Development during the current fiscal year: Provided, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars.

LIMITATION ON EXPENSES

SEC. 504. Of the funds appropriated or made available pursuant to this Act, not to exceed $5,000 shall be for entertainment expenses of the United States Agency for International Development during the current fiscal year.

LIMITATION ON REPRESENTATIONAL ALLOWANCES

SEC. 505. Of the funds appropriated or made available pursuant to this Act, not to exceed $125,000 shall be available for representation allowances for the United States Agency for International Development during the current fiscal year: Provided, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars: Provided further, That of the funds made available by this Act for general costs of administering military assistance and sales under the heading "Foreign Military Financing Program", not to exceed $2,000 shall be available for entertainment expenses and not to exceed $125,000 shall be available for representation allowances: Provided further, That of the funds made available by this Act under the heading "International Military Education and Training", not to exceed $50,000 shall be available for entertainment allowances: Provided further, That of the funds made available by this Act for the Inter-American Foundation, not to exceed $2,000 shall be available for entertainment and representation allowances: Provided further, That of the funds made available by this Act for the Peace Corps, not to exceed a total of $4,000 shall be available for entertainment expenses: Provided further, That of the funds made available by this Act under the heading "Trade and Development Agency", not to exceed $2,000 shall be available for representation and entertainment allowances: Provided further, That of the funds made available by this Act under the heading "Millennium Challenge Corporation", not to exceed $130,000 shall be available for representation and entertainment allowances.

PROHIBITION ON TAXATION OF UNITED STATES ASSISTANCE

SEC. 506. (a) PROHIBITION ON TAXATION.—None of the funds appropriated by this Act may be made available to provide assistance for a foreign country under a new bilateral agreement governing the terms and conditions under which such assistance is to be provided unless such agreement includes a provision stating that assistance provided by the United States shall be exempt from taxation, or reimbursed, by the foreign government, and the Secretary of State shall expeditiously seek to negotiate amendments to existing bilateral agreements, as necessary, to conform with this requirement.

(b) REIMBURSEMENT OF FOREIGN TAXES.—An amount equivalent to 200 percent of the total taxes assessed during fiscal year 2004 on funds appropriated by this Act by a foreign government or entity against commodities financed under United States assistance programs for which funds are appropriated by this Act, either directly or through grantees, contractors and subcontractors shall be withheld from obligation from funds appropriated for assistance for fiscal year 2005 and allocated for the central government of such country and for the West Bank and Gaza Program to the extent that the Secretary of State certifies and reports in writing to the Committees on Appropriations that such

taxes have not been reimbursed to the Government of the United States.

(c) DE MINIMIS EXCEPTION.—Foreign taxes of a de minimis nature shall not be subject to the provisions of subsection (b).

(d) REPROGRAMMING OF FUNDS.—Funds withheld from obligation for each country or entity pursuant to subsection (b) shall be reprogrammed for assistance to countries which do not assess taxes on United States assistance or which have an effective arrangement that is providing substantial reimbursement of such taxes.

(e) DETERMINATIONS.—

(1) The provisions of this section shall not apply to any country or entity the Secretary of State determines—

(A) does not assess taxes on United States assistance or which has an effective arrangement that is providing substantial reimbursement of such taxes; or

(B) the foreign policy interests of the United States outweigh the policy of this section to ensure that United States assistance is not subject to taxation.

(2) The Secretary of State shall consult with the Committees on Appropriations at least 15 days prior to exercising the authority of this subsection with regard to any country or entity.

(f) IMPLEMENTATION.—The Secretary of State shall issue rules, regulations, or policy guidance, as appropriate, to implement the prohibition against the taxation of assistance contained in this section.

(g) DEFINITIONS.—As used in this section—

(1) the terms "taxes" and "taxation" refer to value added taxes and customs duties imposed on commodities financed with United States assistance for programs for which funds are appropriated by this Act; and

(2) the term "bilateral agreement" refers to a framework bilateral agreement between the Government of the United States and the government of the country receiving assistance that describes the privileges and immunities applicable to United States foreign assistance for such country generally, or an individual agreement between the Government of the United States and such government that describes, among other things, the treatment for tax purposes that will be accorded the United States assistance provided under that agreement.

(h) RELATIONSHIP TO PRIOR LAW.—Section 579 of Division E of Public Law 108–7 shall be deemed to have been amended by subsection (f) of this section and the modifications made by this section to comparable provisions contained in section 579.

PROHIBITION AGAINST DIRECT FUNDING FOR CERTAIN COUNTRIES

SEC. 507. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance or reparations to Cuba, Libya, North Korea, Iran, or Syria: Provided, That for purposes of this section, the prohibition on obligations or expenditures shall include direct loans, credits, insurance and guarantees of the Export-Import Bank or its agents.

MILITARY COUPS

SEC. 508. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance to the government of any country whose duly elected head of government is deposed by decree or military coup: Provided, That assistance may be resumed to such government if the President determines and certifies to the Committees on Appropriations that subsequent to the termination of assistance a democratically elected government has taken office: Provided further, That the provisions of this section shall not apply to assistance to promote democratic elections or public participation in democratic processes: Provided further, That funds made available pursuant to the previous provisos shall be subject to the regular notification procedures of the Committees on Appropriations.

TRANSFERS

SEC. 509. (a)(1) LIMITATION ON TRANSFERS BETWEEN AGENCIES.—None of the funds made available by this Act may be transferred to any department, agency, or instrumentality of the United States Government, except pursuant to a transfer made by, or transfer authority provided in, this Act or any other appropriation Act.

(2) Notwithstanding paragraph (1), in addition to transfers made by, or authorized elsewhere in, this Act, funds appropriated by this Act to carry out the purposes of the Foreign Assistance Act of 1961 may be allocated or transferred to agencies of the United States Government pursuant to the provisions of sections 109, 610, and 632 of the Foreign Assistance Act of 1961.

(b) TRANSFERS BETWEEN ACCOUNTS.—None of the funds made available by this Act may be obligated under an appropriation account to which they were not appropriated, except for transfers specifically provided for in this Act, unless the President, not less than five days prior to the exercise of any authority contained in the Foreign Assistance Act of 1961 to transfer funds, consults with and provides a written policy justification to the Committees on Appropriations of the House of Representatives and the Senate.

(c) AUDIT OF INTER-AGENCY TRANSFERS.—Any agreement for the transfer or allocation of funds appropriated by this Act, or prior Acts, entered into between the United States Agency for International Development and another agency of the United States Government under the authority of section 632(a) of the Foreign Assistance Act of 1961 or any comparable provision of law, shall expressly provide that the Office of the Inspector General for the agency receiving the transfer or allocation of such funds shall perform periodic program and financial audits of the use of such funds: Provided, That funds transferred under such authority may be made available for the cost of such audits.

COMMERCIAL LEASING OF DEFENSE ARTICLES

SEC. 510. Notwithstanding any other provision of law, and subject to the regular notification procedures of the Committees on Appropriations, the authority of section 23(a) of the Arms Export Control Act may be used to provide financing to Israel, Egypt and NATO and major non-NATO allies for the procurement by leasing (including leasing with an option to purchase) of defense articles from United States commercial suppliers, not including Major Defense Equipment (other than helicopters and other types of aircraft having possible civilian application), if the President determines that there are compelling foreign policy or national security reasons for those defense articles being provided by commercial lease rather than by government-to-government sale under such Act.

AVAILABILITY OF FUNDS

SEC. 511. No part of any appropriation contained in this Act shall remain available for obligation after the expiration of the current fiscal year unless expressly so provided in this Act: Provided, That funds appropriated for the purposes of chapters 1, 8, 11, and 12 of part I, section 667, chapter 4 of part II of the Foreign Assistance Act of 1961, as amended, section 23 of the Arms Export Control Act, and funds provided under the heading "Assistance for Eastern Europe and the Baltic States", shall remain available for an additional four years from the date on which the availability of such funds would otherwise have expired, if such funds are initially obligated before the expiration of their respective periods of availability contained in this Act: Provided further, That, notwithstanding any other provision of this Act, any funds made available for the purposes of chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961 which are allocated or obligated for cash disbursements in order to address balance of payments or economic policy reform objectives, shall remain available until expended.

LIMITATION ON ASSISTANCE TO COUNTRIES IN DEFAULT

SEC. 512. No part of any appropriation contained in this Act shall be used to furnish assistance to the government of any country which is in default during a period in excess of one calendar year in payment to the United States of principal or interest on any loan made to the government of such country by the United States pursuant to a program for which funds are appropriated under this Act unless the President determines, following consultations with the Committees on Appropriations, that assistance to such country is in the national interest of the United States.

COMMERCE AND TRADE

SEC. 513. (a) None of the funds appropriated or made available pursuant to this Act for direct assistance and none of the funds otherwise made available pursuant to this Act to the Export-Import Bank and the Overseas Private Investment Corporation shall be obligated or expended to finance any loan, any assistance or any other financial commitments for establishing or expanding production of any commodity for export by any country other than the United States, if the commodity is likely to be in surplus on world markets at the time the resulting productive capacity is expected to become operative and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity: Provided, That such prohibition shall not apply to the Export-Import Bank if in the judgment of its Board of Directors the benefits to industry and employment in the United States are likely to outweigh the injury to United States producers of the same, similar, or competing commodity, and the Chairman of the Board so notifies the Committees on Appropriations.

(b) None of the funds appropriated by this or any other Act to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 shall be available for any testing or breeding feasibility study, variety improvement or introduction, consultancy, publication, conference, or training in connection with the growth or production in a foreign country of an agricultural commodity for export which would compete with a similar commodity grown or produced in the United States: Provided, That this subsection shall not prohibit—

(1) activities designed to increase food security in developing countries where such activities will not have a significant impact on the export of agricultural commodities of the United States; or

(2) research activities intended primarily to benefit American producers.

SURPLUS COMMODITIES

SEC. 514. The Secretary of the Treasury shall instruct the United States Executive Directors of the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Inter-American Development Bank, the International Monetary Fund, the Asian Development Bank, the Inter-American Investment Corporation, the North American Development Bank, the European Bank for Reconstruction and Development, the African Development Bank, and the African Development Fund to use the voice and vote of the United States to oppose any assistance by these institutions, *using funds appropriated or made available pursuant to this Act, for the production or extraction of any commodity or mineral for export, if it is in surplus on world markets and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity.*

NOTIFICATION REQUIREMENTS

SEC. 515. For the purposes of providing the executive branch with the necessary administrative flexibility, none of the funds made available under this Act for "Child Survival and Health Programs Fund", "Development Assistance", "International Organizations and Programs", "Trade and Development Agency", "International Narcotics Control and Law Enforcement", "Andean Counterdrug Initiative", "Assistance for Eastern Europe and the Baltic States", "Assistance for the Independent States of the Former Soviet Union", "Economic Support Fund", "Global HIV/AIDS Initiative", "Peacekeeping Operations", "Capital Investment Fund", "Operating Expenses of the United States Agency for International Development", "Operating Expenses of the United States Agency for International Development Office of Inspector General", "Nonproliferation, Anti-terrorism, Demining and Related Programs", "Millennium Challenge Corporation" (by country only), "Foreign Military Financing Program", "International Military Education and Training", "Peace Corps", and "Migration and Refugee Assistance", shall be available for obligation for activities, programs, projects, type of materiel assistance, countries, or other operations not justified or in excess of the amount justified to the Committees on Appropriations for obligation under any of these specific headings unless the Committees on Appropriations of both Houses of Congress are previously notified 15 days in advance: Provided, That the President shall not enter into any commitment of funds appropriated for the purposes of section 23 of the Arms Export Control Act for the provision of major defense equipment, other than conventional ammunition, or other major defense items defined to be aircraft, ships, missiles, or combat vehicles, not previously justified to Congress or 20 percent in excess of the quantities justified to Congress unless the Committees on Appropriations are notified 15 days in advance of such commitment: Provided further, That this section shall not apply to any reprogramming for an activity, program, or project for which funds are appropriated under title II of this Act of less than 10 percent of the amount previously justified to the Congress for obligation for such activity, program, or project for the current fiscal year: Provided further, That the requirements of this section or any similar provision of this Act or any other Act, including any prior Act requiring notification in accordance with the regular notification procedures of the Committees on Appropriations, may be waived if failure to do so would pose a substantial risk to human health or welfare: Provided further, That in case of any such waiver, notification to the Congress, or the appropriate congressional committees, shall be provided as early as practicable, but in no event later than 3 days after taking the action to which such notification requirement was applicable, in the context of the circumstances necessitating such waiver: Provided further, That any notification provided pursuant to such a waiver shall contain an explanation of the emergency circumstances.

LIMITATION ON AVAILABILITY OF FUNDS FOR INTERNATIONAL ORGANIZATIONS AND PROGRAMS

SEC. 516. Subject to the regular notification procedures of the Committees on Appropriations, funds appropriated under this Act or any previously enacted Act making appropriations for foreign operations, export financing, and related programs, which are returned or not made available for organizations and programs because of the implementation of section 307(a) of the Foreign Assistance Act of 1961, shall remain available for obligation until September 30, 2005.

INDEPENDENT STATES OF THE FORMER SOVIET UNION

SEC. 517. (a) None of the funds appropriated under the heading "Assistance for the Independent States of the Former Soviet Union" shall be made available for assistance for a government of an Independent State of the former Soviet Union—

(1) unless that government is making progress in implementing comprehensive economic reforms based on market principles, private ownership, respect for commercial contracts, and equitable treatment of foreign private investment; and

(2) if that government applies or transfers United States assistance to any entity for the purpose of expropriating or seizing ownership or control of assets, investments, or ventures.

Assistance may be furnished without regard to this subsection if the President determines that to do so is in the national interest.

(b) None of the funds appropriated under the heading "Assistance for the Independent States of the Former Soviet Union" shall be made available for assistance for a government of an Independent State of the former Soviet Union if that government directs any action in violation of the territorial integrity or national sovereignty of any other Independent State of the former Soviet Union, such as those violations included in the Helsinki Final Act: Provided, That such funds may be made available without regard to the restriction in this subsection if the President determines that to do so is in the national security interest of the United States.

(c) None of the funds appropriated under the heading "Assistance for the Independent States of the Former Soviet Union" shall be made available for any state to enhance its military capability: Provided, That this restriction does not apply to demilitarization, demining or nonproliferation programs.

(d) Funds appropriated under the heading "Assistance for the Independent States of the Former Soviet Union" for the Russian Federation, Armenia, Georgia, and Ukraine shall be subject to the regular notification procedures of the Committees on Appropriations.

(e) Funds made available in this Act for assistance for the Independent States of the former Soviet Union shall be subject to the provisions of section 117 (relating to environment and natural resources) of the Foreign Assistance Act of 1961.

(f) Funds made available for Enterprise Funds shall be expended at the minimum rate necessary to make timely payment for projects and activities.

(g) In issuing new task orders, entering into contracts, or making grants, with funds appropriated in this Act or prior appropriations Acts under the heading "Assistance for the Independent States of the Former Soviet Union" and under comparable headings in prior appropriations Acts, for projects or activities that have as one of their primary purposes the fostering of private sector development, the Coordinator for United States Assistance to the New Independent States and the implementing agency shall encourage the participation of and give significant weight to contractors and grantees who propose investing a significant amount of their own resources (including volunteer services and in-kind contributions) in such projects and activities.

PROHIBITION ON FUNDING FOR ABORTIONS AND INVOLUNTARY STERILIZATION

SEC. 518. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to undergo sterilizations. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for any biomedical research which relates in whole or in part, to methods of, or the performance of, abortions or involuntary sterilization as a means of family planning. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be obligated or expended for any country or organization if the President certifies that the use of these funds by any such country or organization would violate any of the above provisions related to abortions and involuntary sterilizations.

EXPORT FINANCING TRANSFER AUTHORITIES

SEC. 519. Not to exceed 5 percent of any appropriation other than for administrative expenses made available for fiscal year 2004, for programs under title I of this Act may be transferred between such appropriations for use for any of the purposes, programs, and activities for which the funds in such receiving account may be used, but no such appropriation, except as otherwise specifically provided, shall be increased by more than 25 percent by any such transfer: Provided, That the exercise of such authority shall be subject to the regular notification procedures of the Committees on Appropriations.

SPECIAL NOTIFICATION REQUIREMENTS

SEC. 520. None of the funds appropriated by this Act shall be obligated or expended for Liberia, Serbia, Sudan, Zimbabwe, Pakistan, Cambodia, or the Democratic Republic of the Congo except as provided through the regular notification procedures of the Committees on Appropriations.

DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

SEC. 521. For the purpose of this Act, "program, project, and activity" shall be defined at the appropriations Act account level and shall include all appropriations and authorizations Acts earmarks, ceilings, and limitations with the exception that for the following accounts: Economic Support Fund and Foreign Military Financing Program, "program, project, and activity" shall also be considered to include country, regional, and central program level funding within each such account; for the development assistance accounts of the United States Agency for International Development "program, project, and activity" shall also be considered to include central, country, regional, and program level funding, either as: (1) justified to the Congress; or (2) allocated by the executive branch in accordance with a report, to be provided to the Committees on Appropriations within 30 days of the enactment of this Act, as required by section 653(a) of the Foreign Assistance Act of 1961.

CHILD SURVIVAL AND HEALTH ACTIVITIES

SEC. 522. Up to $13,500,000 of the funds made available by this Act for assistance under the heading "Child Survival and Health Programs Fund", may be used to reimburse United States Government agencies, agencies of State governments, institutions of higher learning, and private and voluntary organizations for the full cost of individuals (including for the personal services of such individuals) detailed or assigned to, or contracted by, as the case may be, the United States Agency for International Development for the purpose of carrying out activities under that heading: Provided, That up to $3,500,000 of the funds made available by this

Act for assistance under the heading "Development Assistance" may be used to reimburse such agencies, institutions, and organizations for such costs of such individuals carrying out other development assistance activities: Provided further, That funds appropriated by titles II and III of this Act that are made available for bilateral assistance for child survival activities or disease programs including activities relating to research on, and the prevention, treatment and control of, HIV/AIDS may be made available notwithstanding any other provision of law except for the provisions under the heading "Child Survival and Health Programs Fund" and the United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003 (117 Stat. 711; 22 U.S.C. 7601 et seq.) as amended by section 595 of this Act: Provided further, That of the funds appropriated under title II of this Act, not less than $432,000,000 shall be made available for family planning/reproductive health.

AFGHANISTAN

SEC. 523. Of the funds appropriated by this Act, $405,000,000 shall be made available for humanitarian and reconstruction assistance for Afghanistan: Provided, That of the funds made available pursuant to this section, not less than $75,000,000 should be from funds appropriated under the heading "Economic Support Fund": Provided further, That of the funds made available pursuant to this section, not less than $2,000,000 should be made available for reforestation activities: Provided further, That funds made available pursuant to the previous proviso should be matched, to the maximum extent possible, with contributions from American and Afghan businesses: Provided further, That of the funds made available pursuant to this section, not less than $2,000,000 should be made available for the Afghan Judicial Reform Commission: Provided further, That of the funds made available pursuant to this section, not less than $5,000,000 should be made available to support programs to address the needs of Afghan women through training and equipment to improve the capacity of women-led Afghan nongovernmental organizations and to support the activities of such organizations: Provided further, That not less than $2,000,000 should be made available for assistance for Afghan communities and families that suffer losses as a result of the military operations.

NOTIFICATION ON EXCESS DEFENSE EQUIPMENT

SEC. 524. Prior to providing excess Department of Defense articles in accordance with section 516(a) of the Foreign Assistance Act of 1961, the Department of Defense shall notify the Committees on Appropriations to the same extent and under the same conditions as are other committees pursuant to subsection (f) of that section: Provided, That before issuing a letter of offer to sell excess defense articles under the Arms Export Control Act, the Department of Defense shall notify the Committees on Appropriations in accordance with the regular notification procedures of such Committees if such defense articles are significant military equipment (as defined in section 47(9) of the Arms Export Control Act) or are valued (in terms of original acquisition cost) at $7,000,000 or more, or if notification is required elsewhere in this Act for the use of appropriated funds for specific countries that would receive such excess defense articles: Provided further, That such Committees shall also be informed of the original acquisition cost of such defense articles.

USAID OVERSEAS PROGRAM

SEC. 525. Funds appropriated by this and subsequent appropriations Acts to carry out the provisions of Part I of the Foreign Assistance Act of 1961, including funds appropriated under the heading "Assistance for Eastern Europe and the Baltic States", may be made available to employ individuals overseas on a limited appointment basis pursuant to the authority of sections 308 and 309 of the Foreign Service Act of 1980: Provided, That in fiscal years 2004, 2005, and 2006 the authority of this section may be used to hire not more than 85 individuals in each such year.

DEMOCRACY PROGRAMS

SEC. 526. (a) Notwithstanding any other provision of law, of the funds appropriated by this Act to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961, not less than $13,500,000 shall be made available for assistance for activities to support democracy, human rights, and the rule of law in the People's Republic of China and Hong Kong: Provided, That funds appropriated under the heading "Economic Support Fund" should be made available for assistance for Taiwan for the purposes of furthering political and legal reforms: Provided further, That such funds shall only be made available to the extent that they are matched from sources other than the United States Government: Provided further, That funds made available pursuant to the authority of this subsection shall be subject to the regular notification procedures of the Committees on Appropriations.

(b)(1) In addition to the funds made available in subsection (a), of the funds appropriated by this Act under the heading "Economic Support Fund" not less than $11,500,000 shall be made available for programs and activities to foster democracy, human rights, civic education, women's development, press freedom, and the rule of law in countries with a significant Muslim population, and where such programs and activities would be important to United States efforts to respond to, deter, or prevent acts of international terrorism: Provided, That funds made available pursuant to the authority of this subsection should support new initiatives or bolster ongoing programs and activities in those countries: Provided further, That not less than $3,000,000 of such funds shall be made available for programs and activities that provide professional training for journalists: Provided further, That of the funds appropriated under this heading, in addition to other amounts made available for Egypt in this Act, funds shall be made available to support civil society organizations working for democracy in Egypt: Provided further, That notwithstanding any other provision of law, not to exceed $1,500,000 of such funds may be used for making grants to educational, humanitarian and nongovernmental organizations and individuals inside Iran to support the advancement of democracy and human rights in Iran: Provided further, That funds made available pursuant to this subsection shall be subject to the regular notification procedures of the Committees on Appropriations.

(2) In addition to funds made available under subsections (a) and (b)(1), of the funds appropriated by this Act under the heading "Economic Support Fund" not less than $3,000,000 shall be made available for programs and activities of the National Endowment for Democracy to foster democracy, human rights, civic education, women's development, press freedom, and the rule of law in countries in sub-Saharan Africa.

(c) Of the funds made available under subsection (a). not less than $10,500,000 shall be made available for the Human Rights and Democracy Fund of the Bureau of Democracy, Human Rights and Labor, Department of State, to support the activities described in subsection (a), and of the funds made available under subsection (b), not less than $7,000,000 shall be made available for such Fund to support the activities described in subsection (b): Provided, That the total amount of funds made available by this Act under "Economic Support Fund" for activities of the Bureau of Democracy, Human Rights and Labor, Department of State, including funds available in this section, shall be not less than $34,500,000.

(d) Of the funds made available under subsection (a), not less than $3,000,000 shall be made available for the National Endowment for Democracy to support the activities described in subsection (a), and of the funds made available under subsection (b), not less than $3,500,000 shall be made available for the National Endowment for Democracy to support the activities described in subsection (b): Provided, That the Secretary of State shall provide a report to the Committees on Appropriations within 120 days of the date of enactment of this Act on the status of the allocation, obligation, and expenditure of such funds.

PROHIBITION ON BILATERAL ASSISTANCE TO TERRORIST COUNTRIES

SEC. 527. (a) Funds appropriated for bilateral assistance under any heading of this Act and funds appropriated under any such heading in a provision of law enacted prior to the enactment of this Act, shall not be made available to any country which the President determines—

(1) grants sanctuary from prosecution to any individual or group which has committed an act of international terrorism; or

(2) otherwise supports international terrorism.

(b) The President may waive the application of subsection (a) to a country if the President determines that national security or humanitarian reasons justify such waiver. The President shall publish each waiver in the Federal Register and, at least 15 days before the waiver takes effect, shall notify the Committees on Appropriations of the waiver (including the justification for the waiver) in accordance with the regular notification procedures of the Committees on Appropriations.

DEBT-FOR-DEVELOPMENT

SEC. 528. In order to enhance the continued participation of nongovernmental organizations in debt-for-development and debt-for-nature exchanges, a nongovernmental organization which is a grantee or contractor of the United States Agency for International Development may place in interest bearing accounts local currencies which accrue to that organization as a result of economic assistance provided under title II of this Act and any interest earned on such investment shall be used for the purpose for which the assistance was provided to that organization.

SEPARATE ACCOUNTS

SEC. 529. (a) SEPARATE ACCOUNTS FOR LOCAL CURRENCIES.—(1) If assistance is furnished to the government of a foreign country under chapters 1 and 10 of part I or chapter 4 of part II of the Foreign Assistance Act of 1961 under agreements which result in the generation of local currencies of that country, the Administrator of the United States Agency for International Development shall—

(A) require that local currencies be deposited in a separate account established by that government;

(B) enter into an agreement with that government which sets forth—

(i) the amount of the local currencies to be generated; and

(ii) the terms and conditions under which the currencies so deposited may be utilized, consistent with this section; and

(C) establish by agreement with that government the responsibilities of the United States Agency for International Development and that government to monitor and account for deposits into and disbursements from the separate account.

(2) USES OF LOCAL CURRENCIES.—As may be agreed upon with the foreign government, local

currencies deposited in a separate account pursuant to subsection (a), or an equivalent amount of local currencies, shall be used only—

(A) to carry out chapter 1 or 10 of part I or chapter 4 of part II (as the case may be), for such purposes as—

(i) project and sector assistance activities; or

(ii) debt and deficit financing; or

(B) for the administrative requirements of the United States Government.

(3) PROGRAMMING ACCOUNTABILITY.—The United States Agency for International Development shall take all necessary steps to ensure that the equivalent of the local currencies disbursed pursuant to subsection (a)(2)(A) from the separate account established pursuant to subsection (a)(1) are used for the purposes agreed upon pursuant to subsection (a)(2).

(4) TERMINATION OF ASSISTANCE PROGRAMS.—Upon termination of assistance to a country under chapter 1 or 10 of part I or chapter 4 of part II (as the case may be), any unencumbered balances of funds which remain in a separate account established pursuant to subsection (a) shall be disposed of for such purposes as may be agreed to by the government of that country and the United States Government.

(5) REPORTING REQUIREMENT.—The Administrator of the United States Agency for International Development shall report on an annual basis as part of the justification documents submitted to the Committees on Appropriations on the use of local currencies for the administrative requirements of the United States Government as authorized in subsection (a)(2)(B), and such report shall include the amount of local currency (and United States dollar equivalent) used and/or to be used for such purpose in each applicable country.

(b) SEPARATE ACCOUNTS FOR CASH TRANSFERS.—(1) If assistance is made available to the government of a foreign country, under chapter 1 or 10 of part I or chapter 4 of part II of the Foreign Assistance Act of 1961, as cash transfer assistance or as nonproject sector assistance, that country shall be required to maintain such funds in a separate account and not commingle them with any other funds.

(2) APPLICABILITY OF OTHER PROVISIONS OF LAW.—Such funds may be obligated and expended notwithstanding provisions of law which are inconsistent with the nature of this assistance including provisions which are referenced in the Joint Explanatory Statement of the Committee of Conference accompanying House Joint Resolution 648 (House Report No. 98–1159).

(3) NOTIFICATION.—At least 15 days prior to obligating any such cash transfer or nonproject sector assistance, the President shall submit a notification through the regular notification procedures of the Committees on Appropriations, which shall include a detailed description of how the funds proposed to be made available will be used, with a discussion of the United States interests that will be served by the assistance (including, as appropriate, a description of the economic policy reforms that will be promoted by such assistance).

(4) EXEMPTION.—Nonproject sector assistance funds may be exempt from the requirements of subsection (b)(1) only through the notification procedures of the Committees on Appropriations.

ENTERPRISE FUND RESTRICTIONS

SEC. 530. Prior to the distribution of any assets resulting from any liquidation, dissolution, or winding up of an Enterprise Fund, in whole or in part, the President shall submit to the Committees on Appropriations, in accordance with the regular notification procedures of the Committees on Appropriations, a plan for the distribution of the assets of the Enterprise Fund.

BURMA

SEC. 531. (a) The Secretary of the Treasury shall instruct the United States executive director to each appropriate international financial institution in which the United States participates, to oppose and vote against the extension by such institution of any loan or financial or technical assistance or any other utilization of funds of the respective bank to and for Burma.

(b) Of the funds appropriated under the heading "Economic Support Fund", not less than $13,000,000 shall be made available to support democracy activities in Burma, along the Burma-Thailand border, for activities of Burmese student groups and other organizations located outside Burma, and for the purpose of supporting the provision of humanitarian assistance to displaced Burmese along Burma's borders: Provided, That of this amount $500,000 should be made available to support newspapers, publications, and other media activities promoting democracy inside Burma: Provided further, That funds made available under this heading may be made available notwithstanding any other provision of law: Provided further, That $5,000,000 shall be allocated to the United States Agency for International Development for humanitarian assistance for displaced Burmese and host communities in Thailand: Provided further, That not more than 60 days after enactment of this Act, the Secretary of State, in consultation with the Administrator of the United States Agency for International Development, shall submit a report to the Committees on Appropriations describing the amount and rate of disbursement of fiscal years 2002 and 2003 funding for HIV/AIDS programs and activities in Burma, the estimated amount of funds expended by the State Peace and Development Council (SPDC) on HIV/AIDS programs and activities in calendar years 2001, 2002, and 2003, and the extent to which international nongovernmental organizations are able to conduct HIV/AIDS programs throughout Burma, including the ability of expatriate staff to freely travel through the country and to conduct programmatic oversight independent of SPDC handling and monitoring: Provided further, That funds made available by this section shall be subject to the regular notification procedures of the Committees on Appropriations.

(c) It is the sense of the Congress that the United Nations Security Council should debate and consider sanctions against Burma as a result of the threat to regional stability and peace posed by the repressive and illegitimate rule of the State Peace and Development Council.

AUTHORITIES FOR THE PEACE CORPS, INTER-AMERICAN FOUNDATION AND AFRICAN DEVELOPMENT FOUNDATION

SEC. 532. Unless expressly provided to the contrary, provisions of this or any other Act, including provisions contained in prior Acts authorizing or making appropriations for foreign operations, export financing, and related programs, shall not be construed to prohibit activities authorized by or conducted under the Peace Corps Act, the Inter-American Foundation Act or the African Development Foundation Act. The agency shall promptly report to the Committees on Appropriations whenever it is conducting activities or is proposing to conduct activities in a country for which assistance is prohibited.

IMPACT ON JOBS IN THE UNITED STATES

SEC. 533. None of the funds appropriated by this Act may be obligated or expended to provide—

(a) any financial incentive to a business enterprise currently located in the United States for the purpose of inducing such an enterprise to relocate outside the United States if such incentive or inducement is likely to reduce the number of employees of such business enterprise in the United States because United States production is being replaced by such enterprise outside the United States; or

(b) assistance for any program, project, or activity that contributes to the violation of internationally recognized workers rights, as defined in section 507(4) of the Trade Act of 1974, of workers in the recipient country, including any designated zone or area in that country: Provided, That the application of section 507(4) (D) and (E) of such Act should be commensurate with the level of development of the recipient country and sector, and shall not preclude assistance for the informal sector in such country, micro and small-scale enterprise, and smallholder agriculture.

SPECIAL AUTHORITIES

SEC. 534. (a) AFGHANISTAN, PAKISTAN, LEBANON, MONTENEGRO, VICTIMS OF WAR, DISPLACED CHILDREN, AND DISPLACED BURMESE.—Funds appropriated by this Act that are made available for assistance for Afghanistan may be made available notwithstanding section 512 of this Act or any similar provision of law and section 660 of the Foreign Assistance Act of 1961, and funds appropriated in titles I and II of this Act that are made available for Lebanon, Montenegro, Pakistan, and for victims of war, displaced children, and displaced Burmese, and to assist victims of trafficking in persons and, subject to the regular notification procedures of the Committees on Appropriations, to combat such trafficking, may be made available notwithstanding any other provision of law.

(b) TROPICAL FORESTRY AND BIODIVERSITY CONSERVATION ACTIVITIES.—Funds appropriated by this Act to carry out the provisions of sections 103 through 106, and chapter 4 of part II, of the Foreign Assistance Act of 1961 may be used, notwithstanding any other provision of law, for the purpose of supporting tropical forestry and biodiversity conservation activities and energy programs aimed at reducing greenhouse gas emissions: Provided, That such assistance shall be subject to sections 116, 502B, and 620A of the Foreign Assistance Act of 1961.

(c) PERSONAL SERVICES CONTRACTORS.—Funds appropriated by this Act to carry out chapter 1 of part I, chapter 4 of part II, and section 667 of the Foreign Assistance Act of 1961, and title II of the Agricultural Trade Development and Assistance Act of 1954, may be used by the United States Agency for International Development to employ up to 25 personal services contractors in the United States, notwithstanding any other provision of law, for the purpose of providing direct, interim support for new or expanded overseas programs and activities managed by the agency until permanent direct hire personnel are hired and trained: Provided, That not more than 10 of such contractors shall be assigned to any bureau or office: Provided further, That such funds appropriated to carry out title II of the Agricultural Trade Development and Assistance Act of 1954, may be made available only for personal services contractors assigned to the Office of Food for Peace.

(d)(1) WAIVER.—The President may waive the provisions of section 1003 of Public Law 100–204 if the President determines and certifies in writing to the Speaker of the House of Representatives and the President pro tempore of the Senate that it is important to the national security interests of the United States.

(2) PERIOD OF APPLICATION OF WAIVER.—Any waiver pursuant to paragraph (1) shall be effective for no more than a period of 6 months at a time and shall not apply beyond 12 months after the enactment of this Act.

(e) SMALL BUSINESS.—In entering into multiple award indefinite-quantity contracts with funds appropriated by this Act, the United States Agency for International Development may provide an exception to the fair opportunity process for placing task orders under *such contracts when the order is placed with any category of small or small disadvantaged business.*

(f) SHIPMENT OF HUMANITARIAN ASSISTANCE.—During fiscal year 2004 and each fiscal year thereafter, of the amounts made available by the United States Agency for International Development to carry out the provisions of section 123(b) of the Foreign Assistance Act of 1961, funds may be made available to nongovernmental organizations for administrative costs necessary to implement a program to obtain available donated space on commercial ships for the shipment of humanitarian assistance overseas.

(g) RECONSTITUTING CIVILIAN POLICE AUTHORITY.—In providing assistance with funds appropriated by this Act under section 660(b)(6) of the Foreign Assistance Act of 1961, support for a nation emerging from instability may be deemed to mean support for regional, district, municipal, or other sub-national entity emerging from instability, as well as a nation emerging from instability.

(h) NATIONAL ENDOWMENT FOR DEMOCRACY.—Funds appropriated by this Act that are provided to the National Endowment for Democracy may be provided notwithstanding any other provision of law or regulation.

(i) WORLD FOOD PROGRAM.—Of the funds managed by the Bureau for Democracy, Conflict, and Humanitarian Assistance of the United States Agency for International Development, from this or any other Act, not less than $6,000,000 shall be made available as a general contribution to the World Food Program, notwithstanding any other provision of law.

(j) SUDAN.—For the purposes of section 501 of Public Law 106–570, the terms "areas outside of control of the Government of Sudan" and "area in Sudan outside of control of the Government of Sudan" shall, upon conclusion of a peace agreement between the Government of Sudan and the Sudan People's Liberation Movement, have the same meaning and application as was the case immediately prior to the conclusion of such agreement.

(k) PROGRAMS.—Of the funds appropriated under "Economic Support Fund" for Middle East regional programs, up to $5,000,000 may be made available for programs and activities of the Yitzhak Rabin Center for Israel Studies in Tel Aviv, Israel, and up to $5,000,000 may be made available for programs and activities of the Center for Human Dignity Museum of Tolerance in Jerusalem.

ARAB LEAGUE BOYCOTT OF ISRAEL

SEC. 535. It is the sense of the Congress that—

(1) the Arab League boycott of Israel, and the secondary boycott of American firms that have commercial ties with Israel, is an impediment to peace in the region and to United States investment and trade in the Middle East and North Africa;

(2) the Arab League boycott, which was regrettably reinstated in 1997, should be immediately and publicly terminated, and the Central Office for the Boycott of Israel immediately disbanded;

(3) the three Arab League countries with diplomatic and trade relations with Israel should return their ambassadors to Israel, should refrain from downgrading their relations with Israel, and should play a constructive role in securing a peaceful resolution of the Israeli-Arab conflict;

(4) the remaining Arab League states should normalize relations with their neighbor Israel;

(5) the President and the Secretary of State should continue to vigorously oppose the Arab League boycott of Israel and find concrete steps to demonstrate that opposition by, for example, taking into consideration the participation of any recipient country in the boycott when determining to sell weapons to said country; and

(6) the President should report to Congress annually on specific steps being taken by the United States to encourage Arab League states to normalize their relations with Israel to bring about the termination of the Arab League boycott of Israel, including those to encourage allies and trading partners of the United States to enact laws prohibiting businesses from complying with the boycott and penalizing businesses that do comply.

ADMINISTRATION OF JUSTICE ACTIVITIES

SEC. 536. Of the funds appropriated or otherwise made available by this Act or any subsequent Act for "Economic Support Fund", assistance may be provided to strengthen the administration of justice in countries in Latin America and the Caribbean and in other regions consistent with the provisions of section 534(b) of the Foreign Assistance Act of 1961, except that programs to enhance protection of participants in judicial cases may be conducted notwithstanding section 660 of that Act. Funds made available pursuant to this section may be made available notwithstanding section 534(c) and the second and third sentences of section 534(e) of the Foreign Assistance Act of 1961.

ELIGIBILITY FOR ASSISTANCE

SEC. 537. (a) ASSISTANCE THROUGH NONGOVERNMENTAL ORGANIZATIONS.—Restrictions contained in this or any other Act with respect to assistance for a country shall not be construed to restrict assistance in support of programs of nongovernmental organizations from funds appropriated by this Act to carry out the provisions of chapters 1, 10, 11, and 12 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961, and from funds appropriated under the heading "Assistance for Eastern Europe and the Baltic States": Provided, That before using the authority of this subsection to furnish assistance in support of programs of nongovernmental organizations, the President shall notify the Committees on Appropriations under the regular notification procedures of those committees, including a description of the program to be assisted, the assistance to be provided, and the reasons for furnishing such assistance: Provided further, That nothing in this subsection shall be construed to alter any existing statutory prohibitions against abortion or involuntary sterilizations contained in this or any other Act.

(b) PUBLIC LAW 480.—During fiscal year 2004, restrictions contained in this or any other Act with respect to assistance for a country shall not be construed to restrict assistance under the Agricultural Trade Development and Assistance Act of 1954: Provided, That none of the funds appropriated to carry out title I of such Act and made available pursuant to this subsection may be obligated or expended except as provided through the regular notification procedures of the Committees on Appropriations.

(c) EXCEPTION.—This section shall not apply—

(1) with respect to section 620A of the Foreign Assistance Act of 1961 or any comparable provision of law prohibiting assistance to countries that support international terrorism; or

(2) with respect to section 116 of the Foreign Assistance Act of 1961 or any comparable provision of law prohibiting assistance to the government of a country that violates internationally recognized human rights.

RESERVATIONS OF FUNDS

SEC. 538. (a) Funds appropriated by this Act which are earmarked may be reprogrammed for other programs within the same account notwithstanding the earmark if compliance with the earmark is made impossible by operation of any provision of this or any other Act: Provided, That any such reprogramming shall be subject to the regular notification procedures of the Committees on Appropriations: Provided further, That assistance that is reprogrammed pursuant to this subsection shall be made available under the same terms and conditions as originally provided.

(b) In addition to the authority contained in subsection (a), the original period of availability of funds appropriated by this Act and administered by the United States Agency for International Development that are earmarked for particular programs or activities by this or any other Act shall be extended for an additional fiscal year if the Administrator of such agency determines and reports promptly to the Committees on Appropriations that the termination of assistance to a country or a significant change in circumstances makes it unlikely that such earmarked funds can be obligated during the original period of availability: Provided, That such earmarked funds that are continued available for an additional fiscal year shall be obligated only for the purpose of such earmark.

CEILINGS AND EARMARKS

SEC. 539. Ceilings and earmarks contained in this Act shall not be applicable to funds or authorities appropriated or otherwise made available by any subsequent Act unless such Act specifically so directs. Earmarks or minimum funding requirements contained in any other Act shall not be applicable to funds appropriated by this Act.

PROHIBITION ON PUBLICITY OR PROPAGANDA

SEC. 540. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes within the United States not authorized before the date of the enactment of this Act by the Congress: Provided, That not to exceed $750,000 may be made available to carry out the provisions of section 316 of Public Law 96–533.

PROHIBITION OF PAYMENTS TO UNITED NATIONS MEMBERS

SEC. 541. None of the funds appropriated or made available pursuant to this Act for carrying out the Foreign Assistance Act of 1961, may be used to pay in whole or in part any assessments, arrearages, or dues of any member of the United Nations or, from funds appropriated by this Act to carry out chapter 1 of part I of the Foreign Assistance Act of 1961, the costs for participation of another country's delegation at international conferences held under the auspices of multilateral or international organizations.

NONGOVERNMENTAL ORGANIZATIONS—DOCUMENTATION

SEC. 542. None of the funds appropriated or made available pursuant to this Act shall be available to a nongovernmental organization which fails to provide upon timely request any document, file, or record necessary to the auditing requirements of the United States Agency for International Development.

PROHIBITION ON ASSISTANCE TO FOREIGN GOVERNMENTS THAT EXPORT LETHAL MILITARY EQUIPMENT TO COUNTRIES SUPPORTING INTERNATIONAL TERRORISM

SEC. 543. (a) None of the funds appropriated or otherwise made available by this Act may be available to any foreign government which provides lethal military equipment to a country the government of which the Secretary of State has determined is a terrorist government for purposes of section 6(j) of the Export Administration Act. The prohibition under this section with respect to a foreign government shall terminate 12 months after that government ceases to provide such military equipment. This section applies with respect to lethal military equipment provided under a contract entered into after October 1, 1997.

(b) Assistance restricted by subsection (a) or any other similar provision of law, may be furnished if the President determines that furnishing such assistance is important to the national interests of the United States.

(c) Whenever the waiver authority of subsection (b) is exercised, the President shall submit to the appropriate congressional committees a report with respect to the furnishing of such assistance. Any such report shall include a detailed explanation of the assistance to be provided, including the estimated dollar amount of such assistance, and an explanation of how the assistance furthers United States national interests.

WITHHOLDING OF ASSISTANCE FOR PARKING FINES OWED BY FOREIGN COUNTRIES

Sec. 544. (a) Subject to subsection (c), of the funds appropriated by this Act that are made available for assistance for a foreign country, an amount equal to 110 percent of the total amount of the unpaid fully adjudicated parking fines and penalties owed by such country shall be withheld from obligation for such country until the Secretary of State submits a certification to the appropriate congressional committees stating that such parking fines and penalties are fully paid.

(b) Funds withheld from obligation pursuant to subsection (a) may be made available for other programs or activities funded by this Act, after consultation with and subject to the regulation notification procedures of the appropriate congressional committees, provided that no such funds shall be made available for assistance to the central government of a foreign country that has not paid the total amount of the fully adjudicated parking fines and penalties owed by such country.

(c) Subsection (a) shall not include amounts that have been withheld under any other provision of law.

(d) The Secretary of State may waive the requirements set forth in subsection (a) no sooner than 60 days from the date of enactment of this Act, or at any time with respect to a particular country, if the Secretary determines that it is in the national interests of the United States to do so.

(e) Not later than 6 months after the initial exercise of the waiver authority in subsection (d), the Secretary of State, after consultations with the City of New York, shall submit a report to the Committees on Appropriations describing a strategy, including a timetable and steps currently being taken, to collect the parking fines and penalties owed by nations receiving foreign assistance under this Act.

(f) In this section:

(1) The term "appropriate congressional committees" means the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives.

(2) The term "fully adjudicated" includes circumstances in which the person to whom the vehicle is registered—

(A)(i) has not responded to the parking violation summons; or

(ii) has not followed the appropriate adjudication procedure to challenge the summons; and

(B) the period of time for payment of or challenge to the summons has lapsed.

(3) The term "parking fines and penalties" means parking fines and penalties—

(A) owed to—

(i) the District of Columbia; or

(ii) New York, New York; and

(B) incurred during the period April 1, 1997 through September 30, 2003.

LIMITATION ON ASSISTANCE FOR THE PLO FOR THE WEST BANK AND GAZA

Sec. 545. None of the funds appropriated by this Act may be obligated for assistance for the Palestine Liberation Organization for the West Bank and Gaza unless the President has exercised the authority under section 604(a) of the Middle East Peace Facilitation Act of 1995 (title VI of Public Law 104–107) or any other legislation to suspend or make inapplicable section 307 of the Foreign Assistance Act of 1961 and that suspension is still in effect: Provided, That if the President fails to make the certification under section 604(b)(2) of the Middle East Peace Facilitation Act of 1995 or to suspend the prohibition under other legislation, funds appropriated by this Act may not be obligated for assistance for the Palestine Liberation Organization for the West Bank and Gaza.

WAR CRIMES TRIBUNALS DRAWDOWN

Sec. 546. If the President determines that doing so will contribute to a just resolution of charges regarding genocide or other violations of international humanitarian law, the President may direct a drawdown pursuant to section 552(c) of the Foreign Assistance Act of 1961, as amended, of up to $30,000,000 of commodities and services for the United Nations War Crimes Tribunal established with regard to the former Yugoslavia by the United Nations Security Council or such other tribunals or commissions as the Council may establish or authorize to deal with such violations, without regard to the ceiling limitation contained in paragraph (2) thereof: Provided, That the determination required under this section shall be in lieu of any determinations otherwise required under section 552(c): Provided further, That the drawdown made under this section for any tribunal shall not be construed as an endorsement or precedent for the establishment of any standing or permanent international criminal tribunal or court: Provided further, That funds made available for tribunals other than Yugoslavia, Rwanda, or the Special Court for Sierra Leone shall be made available subject to the regular notification procedures of the Committees on Appropriations.

LANDMINES

Sec. 547. Notwithstanding any other provision of law, demining equipment available to the United States Agency for International Development and the Department of State and used in support of the clearance of landmines and unexploded ordnance for humanitarian purposes may be disposed of on a grant basis in foreign countries, subject to such terms and conditions as the President may prescribe.

RESTRICTIONS CONCERNING THE PALESTINIAN AUTHORITY

Sec. 548. None of the funds appropriated by this Act may be obligated or expended to create in any part of Jerusalem a new office of any department or agency of the United States Government for the purpose of conducting official United States Government business with the Palestinian Authority over Gaza and Jericho or any successor Palestinian governing entity provided for in the Israel-PLO Declaration of Principles: Provided, That this restriction shall not apply to the acquisition of additional space for the existing Consulate General in Jerusalem: Provided further, That meetings between officers and employees of the United States and officials of the Palestinian Authority, or any successor Palestinian governing entity provided for in the Israel-PLO Declaration of Principles, for the purpose of conducting official United States Government business with such authority should continue to take place in locations other than Jerusalem. As has been true in the past, officers and employees of the United States Government may continue to meet in Jerusalem on other subjects with Palestinians (including those who now occupy positions in the Palestinian Authority), have social contacts, and have incidental discussions.

PROHIBITION OF PAYMENT OF CERTAIN EXPENSES

Sec. 549. None of the funds appropriated or otherwise made available by this Act under the heading "International Military Education and Training" or "Foreign Military Financing Program" for Informational Program activities or under the headings "Child Survival and Health Programs Fund", "Development Assistance", and "Economic Support Fund" may be obligated or expended to pay for—

(1) alcoholic beverages; or

(2) entertainment expenses for activities that are substantially of a recreational character, including but not limited to entrance fees at sporting events, theatrical and musical productions, and amusement parks.

RESTRICTIONS ON VOLUNTARY CONTRIBUTIONS TO UNITED NATIONS AGENCIES

Sec. 550. None of the funds appropriated by this Act may be made available to pay any voluntary contribution of the United States to the United Nations (including the United Nations Development Program) if the United Nations implements or imposes any taxation on any United States persons.

HAITI

Sec. 551. The Government of Haiti shall be eligible to purchase defense articles and services under the Arms Export Control Act (22 U.S.C. 2751 et seq.), for the Coast Guard.

LIMITATION ON ASSISTANCE TO THE PALESTINIAN AUTHORITY

Sec. 552. (a) Prohibition of Funds.—None of the funds appropriated by this Act to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961 may be obligated or expended with respect to providing funds to the Palestinian Authority.

(b) Waiver.—The prohibition included in subsection (a) shall not apply if the President certifies in writing to the Speaker of the House of Representatives and the President pro tempore of the Senate that waiving such prohibition is important to the national security interests of the United States.

(c) Period of Application of Waiver.—Any waiver pursuant to subsection (b) shall be effective for no more than a period of 6 months at a time and shall not apply beyond 12 months after the enactment of this Act.

(d) Report.—Whenever the waiver authority pursuant to subsection (b) is exercised, the President shall submit a report to the Committees on Appropriations detailing the steps the Palestinian Authority has taken to arrest terrorists, confiscate weapons and dismantle the terrorist infrastructure. The report shall also include a description of how funds will be spent and the accounting procedures in place to ensure that they are properly disbursed.

LIMITATION ON ASSISTANCE TO SECURITY FORCES

Sec. 553. None of the funds made available by this Act may be provided to any unit of the security forces of a foreign country if the Secretary of State has credible evidence that such unit has committed gross violations of human rights, unless the Secretary determines and reports to the Committees on Appropriations that the government of such country is taking effective measures to bring the responsible members of the security forces unit to justice: Provided, That nothing in this section shall be construed to withhold funds made available by this Act from any unit of the security forces of a foreign country not credibly alleged to be involved in gross violations of human rights: Provided further, That in the event that funds are withheld from any unit pursuant to this section, the Secretary of State shall promptly inform the foreign government of the basis for such action and shall, to the maximum extent practicable, assist the foreign government in taking effective measures to bring the responsible members of the security forces to justice.

FOREIGN MILITARY TRAINING REPORT

Sec. 554. The annual foreign military training report required by section 656 of the Foreign Assistance Act of 1961 shall be submitted by the Secretary of Defense and the Secretary of State *to the Committees on Appropriations of the House of Representatives and the Senate by the date specified in that section.*

ENVIRONMENT PROGRAMS

SEC. 555. (a) FUNDING.—Of the funds appropriated under the heading "Development Assistance", not less than $155,000,000 shall be made available for programs and activities which directly protect biodiversity, including forests, in developing countries, of which $1,500,000 should be made available to improve the capacity of indigenous groups and local environmental organizations and law enforcement agencies to protect the biodiversity of indigenous reserves in the Amazon Basin region of Brazil, which amount shall be in addition to the amount requested in this Act for assistance for Brazil for fiscal year 2004: Provided, That not later than one year after enactment of this Act, the Secretary of State, in coordination with the Administrator of the United States Agency for International Development and other appropriate departments and agencies, and after consultation with appropriate governments and nongovernmental organizations, shall submit to the Committees on Appropriations a strategy for biodiversity conservation in the Amazon Basin region of South America: Provided further, That of the funds appropriated under the headings "Development Assistance" and "Andean Counterdrug Initiative", funds shall be made available in fiscal year 2004 to develop the strategy described in the previous proviso: Provided further, That of the funds appropriated by this Act, not less than $180,000,000 shall be made available to support policies and programs in developing countries that directly (1) promote a wide range of energy conservation, energy efficiency and clean energy programs and activities, including the transfer of clean and environmentally sustainable energy technologies; (2) measure, monitor, and reduce greenhouse gas emissions; (3) increase carbon sequestration activities; and (4) enhance climate change mitigation and adaptation programs.

(b) CLIMATE CHANGE REPORT.—Not later than 45 days after the date on which the President's fiscal year 2005 budget request is submitted to Congress, the President shall submit a report to the Committees on Appropriations describing in detail the following—

(1) all Federal agency obligations and expenditures, domestic and international, for climate change programs and activities in fiscal year 2004, including an accounting of expenditures by agency with each agency identifying climate change activities and associated costs by line item as presented in the President's Budget Appendix; and

(2) all fiscal year 2003 obligations and estimated expenditures, fiscal year 2004 estimated expenditures and estimated obligations, and fiscal year 2005 requested funds by the United States Agency for International Development, by country and central program, for each of the following: (i) to promote the transfer and deployment of a wide range of United States clean energy and energy efficiency technologies; (ii) to assist in the measurement, monitoring, reporting, verification, and reduction of greenhouse gas emissions; (iii) to promote carbon capture and sequestration measures; (iv) to help meet such countries' responsibilities under the Framework Convention on Climate Change; and (v) to develop assessments of the vulnerability to impacts of climate change and mitigation and adaptation response strategies.

REGIONAL PROGRAMS FOR EAST ASIA AND THE PACIFIC

SEC. 556. Funds appropriated by this Act under the heading "Economic Support Fund" that are requested for "Regional Democracy" assistance for East Asia and the Pacific shall be made available for the Human Rights and Democracy Fund of the Bureau for Democracy, Human Rights and Labor, Department of State.

ZIMBABWE

SEC. 557. The Secretary of the Treasury shall instruct the United States executive director to each international financial institution to vote against any extension by the respective institution of any loans, to the Government of Zimbabwe, except to meet basic human needs or to promote democracy, unless the Secretary of State determines and certifies to the Committees on Appropriations that the rule of law has been restored in Zimbabwe, including respect for ownership and title to property, freedom of speech and association.

TIBET

SEC. 558. (a) The Secretary of Treasury should instruct the United States executive director to each international financial institution to use the voice and vote of the United States to support projects in Tibet if such projects do not provide incentives for the migration and settlement of non-Tibetans into Tibet or facilitate the transfer of ownership of Tibetan land and natural resources to non-Tibetans; are based on a thorough needs-assessment; foster self-sufficiency of the Tibetan people and respect Tibetan culture and traditions; and are subject to effective monitoring.

(b) Notwithstanding any other provision of law, not less than $4,000,000 of the funds appropriated by this Act under the heading "Economic Support Fund" shall be made available to nongovernmental organizations to support activities which preserve cultural traditions and promote sustainable development and environmental conservation in Tibetan communities in the Tibetan Autonomous Region and in other Tibetan communities in China.

AUTHORIZATION REQUIREMENT

SEC. 559. Funds appropriated by this Act may be obligated and expended notwithstanding section 10 of Public Law 91–672 and section 15 of the State Department Basic Authorities Act of 1956.

NIGERIA

SEC. 560. None of the funds appropriated under the headings "International Military Education and Training" and "Foreign Military Financing Program" may be made available for assistance for Nigeria until the President certifies to the Committees on Appropriations that the Nigerian Minister of Defense, the Chief of the Army Staff, and the Minister of State for Defense/Army are suspending from the Armed Forces those members, of whatever rank, against whom there is credible evidence of gross violations of human rights in Benue State in October 2001, and the Government of Nigeria and the Nigerian Armed Forces are taking effective measures to bring such individuals to justice: Provided, That the President may waive such prohibition if he determines that doing so is in the national security interest of the United States: Provided further, That prior to exercising such waiver authority, the President shall submit a report to the Committees on Appropriations describing the involvement of the Nigerian Armed Forces in the incident in Benue State, the measures that are being taken to bring such individuals to justice, and whether any Nigerian Armed Forces units involved with the incident in Benue State are receiving United States assistance.

CAMBODIA

SEC. 561. (a) The Secretary of the Treasury should instruct the United States executive directors of the international financial institutions to use the voice and vote of the United States to oppose loans to the Central Government of Cambodia, except loans to meet basic human needs.

(b)(1) None of the funds appropriated by this Act may be made available for assistance for the Central Government of Cambodia.

(2) Paragraph (1) shall not apply to assistance for basic education, reproductive and maternal and child health, cultural and historic preservation, programs for the prevention, treatment, and control of, and research on, HIV/AIDS, tuberculosis, malaria, polio and other infectious diseases, programs to combat human trafficking that are provided through nongovernmental organizations, and for the Ministry of Women and Veterans Affairs to combat human trafficking.

(c) Of the funds appropriated by this Act under the heading "Economic Support Fund", up to $4,000,000 may be made available for activities to support democracy, including assistance for democratic political parties.

(d) Funds appropriated by this Act to carry out provisions of section 541 of the Foreign Assistance Act of 1961 may be made available notwithstanding subsection (b) only if at least 15 days prior to the obligation of such funds, the Secretary of State provides to the Committees on Appropriations a list of those individuals who have been credibly alleged to have ordered or carried out extrajudicial and political killings that occurred during the March 1997 grenade attack against the Khmer Nation Party, the July 1997 coup d'etat, and election related violence that occurred during the 1998, 2002, and 2003 elections in Cambodia.

(e) None of the funds appropriated or otherwise made available by this Act may be used to provide assistance to any tribunal established by the Government of Cambodia.

PALESTINIAN STATEHOOD

SEC. 562. (a) LIMITATION ON ASSISTANCE.—None of the funds appropriated by this Act may be provided to support a Palestinian state unless the Secretary of State determines and certifies to the appropriate congressional committees that—

(1) a new leadership of a Palestinian governing entity has been democratically elected through credible and competitive elections;

(2) the elected governing entity of a new Palestinian state—

(A) has demonstrated a firm commitment to peaceful co-existence with the State of Israel;

(B) is taking appropriate measures to counter terrorism and terrorist financing in the West Bank and Gaza, including the dismantling of terrorist infrastructures;

(C) is establishing a new Palestinian security entity that is cooperative with appropriate Israeli and other appropriate security organizations; and

(3) the Palestinian Authority (or the governing body of a new Palestinian state) is working with other countries in the region to vigorously pursue efforts to establish a just, lasting, and comprehensive peace in the Middle East that will enable Israel and an independent Palestinian state to exist within the context of full and normal relationships, which should include—

(A) termination of all claims or states of belligerency;

(B) respect for and acknowledgement of the sovereignty, territorial integrity, and political independence of every state in the area through measures including the establishment of demilitarized zones;

(C) their right to live in peace within secure and recognized boundaries free from threats or acts of force;

(D) freedom of navigation through international waterways in the area; and

(E) a framework for achieving a just settlement of the refugee problem.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the newly elected governing entity should enact a constitution assuring the rule of law, an independent judiciary, and respect

for human rights for its citizens, and should enact other laws and regulations assuring transparent and accountable governance.

(c) WAIVER.—The President may waive subsection (a) if he determines that it is vital to the national security interests of the United States to do so.

(d) EXEMPTION.—The restriction in subsection (a) shall not apply to assistance intended to help reform the Palestinian Authority and affiliated institutions, or a newly elected governing entity, in order to help meet the requirements of subsection (a), consistent with the provisions of section 552 of this Act ("Limitation on Assistance to the Palestinian Authority").

COLOMBIA

SEC. 563. (a) DETERMINATION AND CERTIFICATION REQUIRED.—Notwithstanding any other provision of law, funds appropriated by this Act that are available for assistance for the Colombian Armed Forces, may be made available as follows:

(1) Up to 75 percent of such funds may be obligated prior to a determination and certification by the Secretary of State pursuant to paragraph (2).

(2) Up to 12.5 percent of such funds may be obligated only after the Secretary of State certifies and reports to the appropriate congressional committees that:

(A) The Commander General of the Colombian Armed Forces is suspending from the Armed Forces those members, of whatever rank who, according to the Minister of Defense or the Procuraduria General de la Nacion, have been credibly alleged to have committed gross violations of human rights, including extra-judicial killings, or to have aided or abetted paramilitary organizations.

(B) The Colombian Government is vigorously investigating and prosecuting those members of the Colombian Armed Forces, of whatever rank, who have been credibly alleged to have committed gross violations of human rights, including extra-judicial killings, or to have aided or abetted paramilitary organizations, and is promptly punishing those members of the Colombian Armed Forces found to have committed such violations of human rights or to have aided or abetted paramilitary organizations.

(C) The Colombian Armed Forces have made substantial progress in cooperating with civilian prosecutors and judicial authorities in such cases (including providing requested information, such as the identity of persons suspended from the Armed Forces and the nature and cause of the suspension, and access to witnesses, relevant military documents, and other requested information).

(D) The Colombian Armed Forces have made substantial progress in severing links (including denying access to military intelligence, vehicles, and other equipment or supplies, and ceasing other forms of active or tacit cooperation) at the command, battalion, and brigade levels, with paramilitary organizations, especially in regions where these organizations have a significant presence.

(E) The Colombian Armed Forces are dismantling paramilitary leadership and financial networks by arresting commanders and financial backers, especially in regions where these networks have a significant presence.

(3) The balance of such funds may be obligated after July 31, 2004, if the Secretary of State certifies and reports to the appropriate congressional committees, after such date, that the Colombian Armed Forces are continuing to meet the conditions contained in paragraph (2) and are conducting vigorous operations to restore government authority and respect for human rights in areas under the effective control of paramilitary and guerrilla organizations.

(b) CONGRESSIONAL NOTIFICATION.—Funds made available by this Act for the Colombian Armed Forces shall be subject to the regular notification procedures of the Committees on Appropriations.

(c) CONSULTATIVE PROCESS.—Not later than 60 days after the date of enactment of this Act, and every 90 days thereafter until September 30, 2005, the Secretary of State shall consult with internationally recognized human rights organizations regarding progress in meeting the conditions contained in that subsection.

(d) DEFINITIONS.—In this section:

(1) AIDED OR ABETTED.—The term "aided or abetted" means to provide any support to paramilitary groups, including taking actions which allow, facilitate, or otherwise foster the activities of such groups.

(2) PARAMILITARY GROUPS.—The term "paramilitary groups" means illegal self-defense groups and illegal security cooperatives.

ILLEGAL ARMED GROUPS

SEC. 564. (a) DENIAL OF VISAS TO SUPPORTERS OF COLOMBIAN ILLEGAL ARMED GROUPS.—Subject to subsection (b), the Secretary of State shall not issue a visa to any alien who the Secretary determines, based on credible evidence—

(1) has willfully provided any support to the Revolutionary Armed Forces of Colombia (FARC), the National Liberation Army (ELN), or the United Self-Defense Forces of Colombia (AUC), including taking actions or failing to take actions which allow, facilitate, or otherwise foster the activities of such groups; or

(2) has committed, ordered, incited, assisted, or otherwise participated in the commission of gross violations of human rights, including extra-judicial killings, in Colombia.

(b) WAIVER.—Subsection (a) shall not apply if the Secretary of State determines and certifies to the appropriate congressional committees, on a case-by-case basis, that the issuance of a visa to the alien is necessary to support the peace process in Colombia or for urgent humanitarian reasons.

PROHIBITION ON ASSISTANCE TO THE PALESTINIAN BROADCASTING CORPORATION

SEC. 565. None of the funds appropriated or otherwise made available by this Act may be used to provide equipment, technical support, consulting services, or any other form of assistance to the Palestinian Broadcasting Corporation.

WEST BANK AND GAZA PROGRAM

SEC. 566. (a) OVERSIGHT.—For fiscal year 2004, 30 days prior to the initial obligation of funds for the bilateral West Bank and Gaza Program, the Secretary of State shall certify to the appropriate committees of Congress that procedures have been established to assure the Comptroller General of the United States will have access to appropriate United States financial information in order to review the uses of United States assistance for the Program funded under the heading "Economic Support Fund" for the West Bank and Gaza.

(b) VETTING.—Prior to the obligation of funds appropriated by this Act under the heading "Economic Support Fund" for assistance for the West Bank and Gaza, the Secretary of State shall take all appropriate steps to ensure that such assistance is not provided to or through any individual or entity that the Secretary knows or has reason to believe advocates, plans, sponsors, engages in, or has engaged in, terrorist activity. The Secretary of State shall, as appropriate, establish procedures specifying the steps to be taken in carrying out this subsection.

(c) AUDITS.—(1) The Administrator of the United States Agency for International Development shall ensure that Federal or non-Federal audits of all contractors and grantees, and significant subcontractors and subgrantees, under the West Bank and Gaza Program, are conducted at least on an annual basis to ensure, among other things, compliance with this section.

(2) Of the funds appropriated by this Act under the heading "Economic Support Fund" that are made available for assistance for the West Bank and Gaza, up to $1,000,000 may be used by the Office of the Inspector General of the United States Agency for International Development for audits, inspections, and other activities in furtherance of the requirements of this subsection. Such funds are in addition to funds otherwise available for such purposes.

CONTRIBUTIONS TO UNITED NATIONS POPULATION FUND

SEC. 567. (a) LIMITATIONS ON AMOUNT OF CONTRIBUTION.—Of the amounts made available under "International Organizations and Programs" and "Child Survival and Health Programs Fund" for fiscal year 2004, the amount cited in section 576 of Public Law 107–115 shall be made available for the United Nations Population Fund (hereafter in this section referred to as the "UNFPA").

(b) FAMILY PLANNING, MATERNAL AND REPRODUCTIVE HEALTH ACTIVITIES.—Of the funds appropriated in Public Law 107–115 that were available for the UNFPA, including all funds that were transferred to "Child Survival and Health Programs Fund", $34,000,000 shall be made available for family planning, maternal and reproductive health activities in the Democratic Republic of the Congo, Ethiopia, Nigeria, Tanzania, Uganda, Haiti, Georgia, Azerbaijan, Russia, Albania, Romania, and Kazakhstan: Provided, That such programs and activities shall be deemed to have been justified to Congress.

(c) TRAFFICKING INITIATIVE.—Of the funds appropriated in Public Law 108–7 that were available for the UNFPA and that were transferred to "Child Survival and Health Programs Fund", $25,000,000 shall be allocated for assistance for "vulnerable children" and made available for a new initiative for assistance for young women, mothers and children who are victims of trafficking in persons: Provided, That such programs and activities shall be deemed to have been justified to Congress.

(d) PROHIBITION ON USE OF FUNDS IN CHINA.—None of the funds made available under "International Organizations and Programs" may be made available for the UNFPA for a country program in the People's Republic of China.

(e) CONDITIONS ON AVAILABILITY OF FUNDS.—Amounts made available under "International Organizations and Programs" and "Child Survival and Health Programs Fund" for fiscal year 2004 for the UNFPA may not be made available to UNFPA unless—

(1) the UNFPA maintains amounts made available to the UNFPA under this section in an account separate from other accounts of the UNFPA;

(2) the UNFPA does not commingle amounts made available to the UNFPA under this section with other sums; and

(3) the UNFPA does not fund abortions.

CENTRAL ASIA

SEC. 568. (a) Funds appropriated by this Act may be made available for assistance for the central Government of Uzbekistan only if the Secretary of State determines and reports to the Committees on Appropriations that the Government of Uzbekistan is making substantial and continuing progress in meeting its commitments under the "Declaration on the Strategic Partnership and Cooperation Framework Between the Republic of Uzbekistan and the United States of America", including respect for human rights, establishing a genuine multi-party system, and ensuring free and fair elections, freedom of expression, and the independence of the media.

(b) Funds appropriated by this Act may be made available for assistance for the Government of Kazakhstan only if the Secretary of

State determines and reports to the Committees on Appropriations that the Government of Kazakhstan has made significant improvements in the protection of human rights during the preceding 6 month period.

(c) The Secretary of State may waive the requirements under subsection (b) if he determines and reports to the Committees on Appropriations that such a waiver is in the national security interests of the United States.

(d) Not later than October 1, 2004, the Secretary of State shall submit a report to the Committees on Appropriations and the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives describing the following:

(1) The defense articles, defense services, and financial assistance provided by the United States to the countries of Central Asia during the 6-month period ending 30 days prior to submission of such report.

(2) The use during such period of defense articles, defense services, and financial assistance provided by the United States by units of the armed forces, border guards, or other security forces of such countries.

(e) For purposes of this section, the term "countries of Central Asia" means Uzbekistan, Kazakhstan, Kyrgyz Republic, Tajikistan, and Turkmenistan.

DISCRIMINATION AGAINST MINORITY RELIGIOUS FAITHS IN THE RUSSIAN FEDERATION

SEC. 569. None of the funds appropriated under this Act may be made available for the Government of the Russian Federation, after 180 days from the date of the enactment of this Act, unless the President determines and certifies in writing to the Committees on Appropriations that the Government of the Russian Federation has implemented no statute, executive order, regulation or similar government action that would discriminate, or who have as its principal effect discrimination, against religious groups or religious communities in the Russian Federation in violation of accepted international agreements on human rights and religious freedoms to which the Russian Federation is a party.

WAR CRIMINALS

SEC. 570. (a)(1) None of the funds appropriated or otherwise made available pursuant to this Act may be made available for assistance, and the Secretary of the Treasury shall instruct the United States executive directors to the international financial institutions to vote against any new project involving the extension by such institutions of any financial or technical assistance, to any country, entity, or municipality whose competent authorities have failed, as determined by the Secretary of State, to take necessary and significant steps to implement its international legal obligations to apprehend and transfer to the International Criminal Tribunal for the former Yugoslavia (the "Tribunal") all persons in their territory who have been indicted by the Tribunal and to otherwise cooperate with the Tribunal.

(2) The provisions of this subsection shall not apply to humanitarian assistance or assistance for democratization.

(b) The provisions of subsection (a) shall apply unless the Secretary of State determines and reports to the appropriate congressional committees that the competent authorities of such country, entity, or municipality are—

(1) cooperating with the Tribunal, including access for investigators to archives and witnesses, the provision of documents, and the surrender and transfer of indictees or assistance in their apprehension; and

(2) are acting consistently with the Dayton Accords.

(c) Not less than 10 days before any vote in an international financial institution regarding the extension of any new project involving financial or technical assistance or grants to any country or entity described in subsection (a), the Secretary of the Treasury, in consultation with the Secretary of State, shall provide to the Committees on Appropriations a written justification for the proposed assistance, including an explanation of the United States position regarding any such vote, as well as a description of the location of the proposed assistance by municipality, its purpose, and its intended beneficiaries.

(d) In carrying out this section, the Secretary of State, the Administrator of the United States Agency for International Development, and the Secretary of the Treasury shall consult with representatives of human rights organizations and all government agencies with relevant information to help prevent indicted war criminals from benefiting from any financial or technical assistance or grants provided to any country or entity described in subsection (a).

(e) The Secretary of State may waive the application of subsection (a) with respect to projects within a country, entity, or municipality upon a written determination to the Committees on Appropriations that such assistance directly supports the implementation of the Dayton Accords.

(f) DEFINITIONS.—As used in this section—

(1) COUNTRY.—The term "country" means Bosnia and Herzegovina, Croatia and Serbia.

(2) ENTITY.—The term "entity" refers to the Federation of Bosnia and Herzegovina, Kosovo, Montenegro and the Republika Srpska.

(3) MUNICIPALITY.—The term "municipality" means a city, town or other subdivision within a country or entity as defined herein.

(4) DAYTON ACCORDS.—The term "Dayton Accords" means the General Framework Agreement for Peace in Bosnia and Herzegovina, together with annexes relating thereto, done at Dayton, November 10 through 16, 1995.

USER FEES

SEC. 571. The Secretary of the Treasury shall instruct the United States Executive Director at each international financial institution (as defined in section 1701(c)(2) of the International Financial Institutions Act) and the International Monetary Fund to oppose any loan, grant, strategy or policy of these institutions that would require user fees or service charges on poor people for primary education or primary healthcare, including prevention and treatment efforts for HIV/AIDS, malaria, tuberculosis, and infant, child, and maternal well-being, in connection with the institutions' financing programs.

FUNDING FOR SERBIA

SEC. 572. (a) Funds appropriated by this Act may be made available for assistance for Serbia after March 31, 2004, if the President has made the determination and certification contained in subsection (c).

(b) After March 31, 2004, the Secretary of the Treasury should instruct the United States executive directors to the international financial institutions to support loans and assistance to the Government of the Federal Republic of Yugoslavia (or a government of a successor state) subject to the conditions in subsection (c): Provided, That section 576 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1997, as amended, shall not apply to the provision of loans and assistance to the Federal Republic of Yugoslavia (or a successor state) through international financial institutions.

(c) The determination and certification referred to in subsection (a) is a determination by the President and a certification to the Committees on Appropriations that the Government of the Federal Republic of Yugoslavia (or a government of a successor state) is—

(1) cooperating with the International Criminal Tribunal for the former Yugoslavia including access for investigators, the provision of documents, and the surrender and transfer of indictees or assistance in their apprehension, including making all practicable efforts to apprehend and transfer Ratko Mladic;

(2) taking steps that are consistent with the Dayton Accords to end Serbian financial, political, security and other support which has served to maintain separate Republika Srpska institutions; and

(3) taking steps to implement policies which reflect a respect for minority rights and the rule of law, including the release of political prisoners from Serbian jails and prisons.

(d) This section shall not apply to Montenegro, Kosovo, humanitarian assistance or assistance to promote democracy in municipalities.

COMMUNITY-BASED POLICE ASSISTANCE

SEC. 573. (a) AUTHORITY.—Funds made available by this Act to carry out the provisions of chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961, may be used, notwithstanding section 660 of that Act, to enhance the effectiveness and accountability of civilian police authority in Jamaica and El Salvador through training and technical assistance in human rights, the rule of law, strategic planning, and through assistance to foster civilian police roles that support democratic governance including assistance for programs to prevent conflict and foster improved police relations with the communities they serve.

(b) NOTIFICATION.—Assistance provided under subsection (a) shall be subject to the regular notification procedures of the Committees on Appropriations.

SPECIAL DEBT RELIEF FOR THE POOREST

SEC. 574. (a) AUTHORITY TO REDUCE DEBT.—The President may reduce amounts owed to the United States (or any agency of the United States) by an eligible country as a result of—

(1) guarantees issued under sections 221 and 222 of the Foreign Assistance Act of 1961;

(2) credits extended or guarantees issued under the Arms Export Control Act; or

(3) any obligation or portion of such obligation, to pay for purchases of United States agricultural commodities guaranteed by the Commodity Credit Corporation under export credit guarantee programs authorized pursuant to section 5(f) of the Commodity Credit Corporation Charter Act of June 29, 1948, as amended, section 4(b) of the Food for Peace Act of 1966, as amended (Public Law 89–808), or section 202 of the Agricultural Trade Act of 1978, as amended (Public Law 95–501).

(b) LIMITATIONS.—

(1) The authority provided by subsection (a) may be exercised only to implement multilateral official debt relief and referendum agreements, commonly referred to as "Paris Club Agreed Minutes".

(2) The authority provided by subsection (a) may be exercised only in such amounts or to such extent as is provided in advance by appropriations Acts.

(3) The authority provided by subsection (a) may be exercised only with respect to countries with heavy debt burdens that are eligible to borrow from the International Development Association, but not from the International Bank for Reconstruction and Development, commonly referred to as "IDA-only" countries.

(c) CONDITIONS.—The authority provided by subsection (a) may be exercised only with respect to a country whose government—

(1) does not have an excessive level of military expenditures;

(2) has not repeatedly provided support for acts of international terrorism;

(3) is not failing to cooperate on international narcotics control matters;

(4) (including its military or other security forces) does not engage in a consistent pattern

of gross violations of internationally recognized human rights; and

(5) is not ineligible for assistance because of the application of section 527 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995.

(d) AVAILABILITY OF FUNDS.—The authority provided by subsection (a) may be used only with regard to the funds appropriated by this Act under the heading "Debt Restructuring".

(e) CERTAIN PROHIBITIONS INAPPLICABLE.—A reduction of debt pursuant to subsection (a) shall not be considered assistance for the purposes of any provision of law limiting assistance to a country. The authority provided by subsection (a) may be exercised notwithstanding section 620(r) of the Foreign Assistance Act of 1961 or section 321 of the International Development and Food Assistance Act of 1975.

AUTHORITY TO ENGAGE IN DEBT BUYBACKS OR SALES

SEC. 575. (a) LOANS ELIGIBLE FOR SALE, REDUCTION, OR CANCELLATION.—

(1) AUTHORITY TO SELL, REDUCE, OR CANCEL CERTAIN LOANS.—Notwithstanding any other provision of law, the President may, in accordance with this section, sell to any eligible purchaser any concessional loan or portion thereof made before January 1, 1995, pursuant to the Foreign Assistance Act of 1961, to the government of any eligible country as defined in section 702(6) of that Act or on receipt of payment from an eligible purchaser, reduce or cancel such loan or portion thereof, only for the purpose of facilitating—

(A) debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps; or

(B) a debt buyback by an eligible country of its own qualified debt, only if the eligible country uses an additional amount of the local currency of the eligible country, equal to not less than 40 percent of the price paid for such debt by such eligible country, or the difference between the price paid for such debt and the face value of such debt, to support activities that link conservation and sustainable use of natural resources with local community development, and child survival and other child development, in a manner consistent with sections 707 through 710 of the Foreign Assistance Act of 1961, if the sale, reduction, or cancellation would not contravene any term or condition of any prior agreement relating to such loan.

(2) TERMS AND CONDITIONS.—Notwithstanding any other provision of law, the President shall, in accordance with this section, establish the terms and conditions under which loans may be sold, reduced, or canceled pursuant to this section.

(3) ADMINISTRATION.—The Facility, as defined in section 702(8) of the Foreign Assistance Act of 1961, shall notify the administrator of the agency primarily responsible for administering part I of the Foreign Assistance Act of 1961 of purchasers that the President has determined to be eligible, and shall direct such agency to carry out the sale, reduction, or cancellation of a loan pursuant to this section. Such agency shall make adjustment in its accounts to reflect the sale, reduction, or cancellation.

(4) LIMITATION.—The authorities of this subsection shall be available only to the extent that appropriations for the cost of the modification, as defined in section 502 of the Congressional Budget Act of 1974, are made in advance.

(b) DEPOSIT OF PROCEEDS.—The proceeds from the sale, reduction, or cancellation of any loan sold, reduced, or canceled pursuant to this section shall be deposited in the United States Government account or accounts established for the repayment of such loan.

(c) ELIGIBLE PURCHASERS.—A loan may be sold pursuant to subsection (a)(1)(A) only to a purchaser who presents plans satisfactory to the President for using the loan for the purpose of engaging in debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps.

(d) DEBTOR CONSULTATIONS.—Before the sale to any eligible purchaser, or any reduction or cancellation pursuant to this section, of any loan made to an eligible country, the President should consult with the country concerning the amount of loans to be sold, reduced, or canceled and their uses for debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps.

(e) AVAILABILITY OF FUNDS.—The authority provided by subsection (a) may be used only with regard to funds appropriated by this Act under the heading "Debt Restructuring".

DISASTER SURGE CAPACITY

SEC. 576. Funds appropriated by this Act to carry out part I of the Foreign Assistance Act of 1961 may be used, in addition to funds otherwise available for such purposes, for the cost (including the support costs) of individuals detailed to or employed by the United States Agency for International Development whose primary responsibility is to carry out programs to address natural or manmade disasters or programs under the heading "Transition Initiatives".

IFAD AUTHORIZATION

SEC. 577. The Secretary of the Treasury may, to fulfill commitments of the United States, contribute on behalf of the United States to the sixth replenishment of the resources of the International Fund for Agricultural Development. The following amount is authorized to be appropriated without fiscal year limitation for payment by the Secretary of the Treasury: $45,000,000 for the International Fund for Agricultural Development.

PHILIPPINE EDUCATION AND HEALTH INFRASTRUCTURE

SEC. 578. Of the funds appropriated under "Economic Support Fund" for the Philippines in Public Law 108–11, the Emergency Wartime Supplemental Appropriations Act, 2003, $600,000 shall be available only for upgrading education and health infrastructure in the Sulu Archipelago.

BASIC EDUCATION

SEC. 579. Of the funds appropriated by title II of this Act, not less than $326,500,000 shall be made available for basic education: Provided, That the Secretary of State, in consultation with the Administrator of the United States Agency for International Development (USAID), shall submit a report not later than 120 days after enactment of this Act articulating a strategy for the use of basic education funds in Africa, East Asia and the Pacific, the Near East, South Asia, and the Western Hemisphere (excluding the United States) to include—

(1) country strategies and brief project descriptions of the uses and proposed uses of all United States Government resources for basic education overseas;

(2) a detailed description of the administrative structure currently in place to manage strategic coordination undertaken among the State Department, USAID and other agencies involved in international basic education activities; and

(3) a description of actions being taken to expand the administrative capacity of both USAID and the State Department to deliver effective expanded basic education programs.

PARTICIPATION IN THE THIRTEENTH REPLENISHMENT OF THE RESOURCES OF THE INTERNATIONAL DEVELOPMENT ASSOCIATION

SEC. 580. The International Development Association Act (22 U.S.C. 284–284s) is amended by adding at the end the following:

"SEC. 22. THIRTEENTH REPLENISHMENT.

"(a) CONTRIBUTION AUTHORITY.—

"(1) IN GENERAL.—The United States Governor of the Association may contribute on behalf of the United States an amount equal to the amount appropriated under subsection (b), pursuant to the resolution of the Association entitled 'Additions to IDA Resources: Thirteenth Replenishment'.

"(2) SUBJECT TO APPROPRIATIONS.—Any commitment to make the contribution authorized by paragraph (1) shall be effective only to such extent or in such amounts as are provided in advance in appropriations Acts.

"(b) LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS.—For the contribution authorized by subsection (a), there are authorized to be appropriated such sums as may be necessary for payment by the Secretary of the Treasury, without fiscal year limitation.".

ADMINISTRATIVE PROVISIONS RELATED TO MULTILATERAL DEVELOPMENT INSTITUTIONS

SEC. 581. Title XV of the International Financial Institutions Act (22 U.S.C. 262o—262o-2) is amended by adding at the end the following:

"SEC. 1504. ADMINISTRATIVE PROVISIONS.

"(a) ACHIEVEMENT OF CERTAIN POLICY GOALS.—The Secretary of Treasury should instruct the United States Executive Director at each multilateral development institution to inform the institution of the following United States policy goals, and use the voice and vote of the United States to achieve the goals at the institution before June 30, 2005:

"(1) No later than 60 calendar days after the Board of Directors of the institution approves the minutes of a Board meeting, the institution shall post on its website an electronic version of the minutes, with material deemed too sensitive for public distribution redacted.

"(2) The institution shall keep a written transcript or electronic recording of each meeting of its Board of Directors and preserve the transcript or recording for at least 10 years after the meeting.

"(3) All public sector loan, credit and grant documents, country assistance strategies, sector strategies, and sector policies prepared by the institution and presented for endorsement or approval by its Board of Directors, with materials deemed too sensitive for public distribution redacted or withheld, shall be made available to the public 15 calendar days before consideration by the Board or, if not then available, when the documents are distributed to the Board. Such documents shall include the resources and conditionality necessary to ensure that the borrower complies with applicable laws in carrying out the terms and conditions of such documents, strategies, or policies, including laws pertaining to the integrity and transparency of the process such as public consultation, and to public health and safety and environmental protection.

"(4) The institution shall post on its website an annual report containing statistical summaries and case studies of the fraud and corruption cases pursued by its investigations unit.

"(5) The institution shall require that any health, education, or poverty-focused loan, credit, grant, document, policy, or strategy prepared by the institution includes specific outcome and output indicators to measure results, and that the indicators and results be published periodically during the execution, and at the completion, of the project or program.

"(6) The institution shall establish a plan and schedule for conducting regular, independent audits of internal management controls and procedures for meeting operational objectives, complying with Bank policies, and preventing fraud, and making reports describing the scope and findings of such audits available to the public.

"(7) The institution shall establish effective procedures for the receipt, retention, and treatment of (A) complaints received by the Bank regarding fraud, accounting, mismanagement, internal accounting controls, or auditing matters;

and (B) the confidential, anonymous submission by employees of the Bank of concerns regarding fraud, accounting, mismanagement, internal accounting controls, or auditing matters.

"(b) Not later than September 1, 2004 and six months thereafter, the Secretary of the Treasury shall submit a report to the appropriate congressional committees describing the actions taken by each multilateral development institution to implement the policy goals described in subsection (a), and any further actions that need to be taken to fully implement such goals.

"(c) PUBLICATION OF WRITTEN STATEMENTS REGARDING INSPECTION MECHANISM CASES.—No later than 60 calendar days after a meeting of the Board of Directors of a multilateral development institution, the Secretary of the Treasury should provide for publication on the website of the Department of the Treasury of any written statement presented at the meeting by the United States Executive Director at the institution concerning—

"(1) a project on which a claim has been made to the inspection mechanism of the institution; or

"(2) a pending inspection mechanism case.

"(d) CONGRESSIONAL BRIEFINGS.—The Secretary of the Treasury or the designee of the Secretary should brief the appropriate congressional committees, when requested, on the steps that have been taken by the United States Executive Director at any multilateral development institution, and by any such institution, to implement the measures described in this section.

"(e) PUBLICATION OF 'NO' VOTES AND ABSTENTIONS BY THE UNITED STATES.—Each month, the Secretary of the Treasury should provide for posting on the website of the Department of the Treasury of a record of all 'no' votes and abstentions made by the United States Executive Director at any multilateral development institution on any matter before the Board of Directors of the institution.

"(f) MULTILATERAL DEVELOPMENT INSTITUTION DEFINED.—In this section, the term 'multilateral development institution' shall have the meaning given in section 1701(c)(3).".

PARTICIPATION IN THE SEVENTH REPLENISHMENT OF THE RESOURCES OF THE ASIAN DEVELOPMENT FUND

SEC. 582. The Asian Development Bank Act (22 U.S.C. 285–285aa) is amended by adding at the end the following:

"SEC. 31. ADDITIONAL CONTRIBUTION TO SPECIAL FUNDS.

"(a) CONTRIBUTION AUTHORITY.—

"(1) IN GENERAL.—The United States Governor of the Bank may contribute on behalf of the United States an amount equal to the amount appropriated under subsection (b), pursuant to the resolution of the Bank entitled 'Seventh Replenishment of the Asian Development Fund'.

"(2) SUBJECT TO APPROPRIATIONS.—Any commitment to make the contribution authorized by paragraph (1) shall be effective only to such extent or in such amounts as are provided in advance in appropriations Acts.

"(b) LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS.—For the contribution authorized by subsection (a), there are authorized to be appropriated such sums as may be necessary for payment by the Secretary of the Treasury, without fiscal year limitation.".

PARTICIPATION IN THE NINTH REPLENISHMENT OF THE RESOURCES OF THE AFRICAN DEVELOPMENT FUND

SEC. 583. The African Development Fund Act (22 U.S.C. 290g—290g–15) is amended by adding at the end the following:

"SEC. 217. NINTH REPLENISHMENT.

"(a) CONTRIBUTION AUTHORITY.—

"(1) IN GENERAL.—The United States Governor of the Fund may contribute on behalf of the United States an amount equal to the amount appropriated under subsection (b), pursuant to the resolution of the Fund entitled 'The Ninth General Replenishment of Resources of the African Development Fund'.

"(2) SUBJECT TO APPROPRIATIONS.—Any commitment to make the contribution authorized by paragraph (1) shall be effective only to such extent or in such amounts as are provided in advance in appropriations Acts.

"(b) LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS.—For the contribution authorized by subsection (a), there are authorized to be appropriated such sums as may be necessary for payment by the Secretary of the Treasury, without fiscal year limitation.".

OVERSEAS PRIVATE INVESTMENT CORPORATION AND EXPORT-IMPORT BANK RESTRICTIONS

SEC. 584. (a) LIMITATION ON USE OF FUNDS BY OPIC.—None of the funds made available in this Act may be used by the Overseas Private Investment Corporation to insure, reinsure, guarantee, or finance any investment in connection with a project involving the mining, polishing or other processing, or sale of diamonds in a country that fails to meet the requirements of subsection (c).

(b) LIMITATION ON USE OF FUNDS BY THE EXPORT-IMPORT BANK.—None of the funds made available in this Act may be used by the Export-Import Bank of the United States to guarantee, insure, extend credit, or participate in an extension of credit in connection with the export of any goods to a country for use in an enterprise involving the mining, polishing or other processing, or sale of diamonds in a country that fails to meet the requirements of subsection (c).

(c) REQUIREMENTS.—The requirements referred to in subsections (a) and (b) are that the country concerned is implementing the recommendations, obligations and requirements developed by the Kimberley Process on conflict diamonds.

RECONCILIATION PROGRAMS

SEC. 585. Of the funds appropriated under the headings "Economic Support Fund", not less than $8,000,000 shall be made available to support reconciliation programs and activities which bring together individuals of different ethnic, religious, and political backgrounds from areas of civil conflict and war.

NICARAGUA

SEC. 586. Of the funds appropriated under the headings "Development Assistance" and "Child Survival and Health Programs Fund", not less than $35,000,000 shall be made available for assistance for Nicaragua.

DISABILITY ACCESS

SEC. 587. The Administrator of the United States Agency for International Development ("USAID") shall seek to ensure that programs, projects, and activities administered by USAID in Afghanistan comply fully with USAID's "Policy Paper: Disability" issued on September 12, 1997: Provided, That the Administrator shall submit a report to the Committees on Appropriations not later than December 31, 2004, describing the manner in which the needs of people with disabilities were met in the development and implementation of USAID programs, projects, and activities in Afghanistan in fiscal year 2004: Provided further, That the Administrator, not later than 180 days after enactment of this Act and in consultation, as appropriate, with other appropriate departments and agencies, the Architectural and Transportation Barriers Compliance Board, and nongovernmental organizations with expertise in the needs of people with disabilities, shall develop and implement appropriate standards for access for people with disabilities for construction projects funded by USAID.

TRADE CAPACITY BUILDING

SEC. 588. Of the funds appropriated by this Act, under the headings "Trade and Development Agency", "Development Assistance", "Transition Initiatives", "Economic Support Fund", "International Affairs Technical Assistance", and "International Organizations and Programs", not less than $503,000,000 should be made available for trade capacity building assistance.

WAR CRIMES IN AFRICA

SEC. 589. (a) The Congress recognizes the important contribution that the democratically elected Government of Nigeria has played in fostering stability in West Africa, including reaching an agreement with the Government of Liberia to provide relief and promote reconciliation in that nation. The Congress also recognizes the important contributions of other African nations and supports continued assistance aimed at resolving the conflicts that have destabilized West Africa and the Great Lakes region.

(b) The Congress reaffirms its support for the efforts of the International Criminal Tribunal for Rwanda (ICTR) and the Special Court for Sierra Leone (SCSL) to bring to justice individuals responsible for war crimes and crimes against humanity in a timely manner.

(c) Funds appropriated by this Act, including funds for debt restructuring, may be made available for assistance to the central government of a country in which individuals indicted by ICTR and SCSL are credibly alleged to be living, if the Secretary of State determines and reports to the Committees on Appropriations that such government is cooperating with ICTR and SCSL, including the surrender and transfer of indictees in a timely manner: Provided, That this subsection shall not apply to assistance provided under section 551 of the Foreign Assistance Act of 1961 or to project assistance under title II of this Act: Provided further, That the United States shall use its voice and vote in the United Nations Security Council to fully support efforts by ICTR and SCSL to bring to justice individuals indicted by such tribunals in a timely manner.

(d) The prohibition in subsection (c) may be waived on a country by country basis if the President determines that doing so is in the national security interest of the United States: Provided, That prior to exercising such waiver authority, the President shall report to the Committees on Appropriations, in classified form if necessary, on (1) the steps being taken to obtain the cooperation of the government in surrendering the indictee in question to SCSL or ICTR; (2) a strategy for bringing the indictee before ICTR or SCSL; and (3) the justification for exercising the waiver authority.

(e) Of the funds made available under the heading "Economic Support Fund" in Public Law 108–7, not less than $5,000,000 shall be made available during fiscal year 2004 for a contribution to the Special Court of Sierra Leone: Provided, That funds made available under the previous proviso shall be disbursed no later than 30 days after enactment of this Act.

REPORT ON ADMISSION OF REFUGEES

SEC. 590. (a) The Secretary of State shall utilize private voluntary organizations with expertise in the protection needs of refugees in the processing of refugees overseas for admission and resettlement to the United States, and shall utilize such agencies in addition to the United Nations High Commissioner for Refugees in the identification and referral of refugees.

(b) The Secretary of State should establish a system for accepting referrals of appropriate candidates for resettlement from local private, voluntary organizations and work to ensure that particularly vulnerable refugee groups receive special consideration for admission into the United States, including—

(1) long-stayers in countries of first asylum;

(2) unaccompanied refugee minors;

(3) refugees outside traditional camp settings; and

(4) refugees in woman-headed households.

(c) The Secretary of State shall give special consideration to—

(1) refugees of all nationalities who have close family ties to citizens and residents of the United States; and

(2) other groups of refugees who are of special concern to the United States.

(d) Not later than 120 days after the date of enactment of this Act, the Secretary of State shall submit a report to the Committees on Appropriations describing the steps that have been taken to implement this section.

POST DIFFERENTIALS AND DANGER PAY ALLOWANCES

SEC. 591. (a) Section 5925(a) of title 5, United States Code, is amended in the third sentence by inserting after "25 percent of the rate of basic pay" the following: "or, in the case of an employee of the United States Agency for International Development, 35 percent of the rate of basic pay".

(b) Section 5928 of title 5, United States Code, is amended by inserting after "25 percent of the basic pay of the employee" both places it appears the following: "or 35 percent of the basic pay of the employee in the case of an employee of the United States Agency for International Development".

(c) Except for employees of the United States Agency for International Development stationed in Iraq and Afghanistan, the amendments made by subsections (a) and (b) shall not take effect until the same authority is enacted for employees of the Department of State.

REPORT ON AZERBAIJAN

SEC. 592. Not later than 90 days after the date of the enactment of this Act, the Secretary of State, in consultation with the Attorney General, shall submit a report to the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Committee on International Relations and the Committee on Appropriations of the House of Representatives on the investigation of the murder of United States democracy worker John Alvis. Such report shall include—

(1) a description of the steps taken by the Government of Azerbaijan to further such investigation and bring to justice those responsible for the murder of John Alvis;

(2) a description of the actions of the Government of Azerbaijan to cooperate with United States agencies involved in such investigation; and

(3) any recommendations of the Secretary for furthering progress of such investigation.

DESIGNATION OF THE GLOBAL FUND TO FIGHT AIDS, TUBERCULOSIS AND MALARIA UNDER THE INTERNATIONAL ORGANIZATIONS IMMUNITIES ACT

SEC. 593. The International Organizations Immunities Act (22 U.S.C. 288 et seq.) is amended by adding at the end the following new section:

"SEC. 16. The provisions of this title may be extended to the Global Fund to Fight AIDS, Tuberculosis and Malaria in the same manner, to the same extent, and subject to the same conditions, as they may be extended to a public international organization in which the United States participates pursuant to any treaty or under the authority of any Act of Congress authorizing such participation or making an appropriation for such participation.".

CODE OF CONDUCT

SEC. 594. (a) None of the funds made available by title II under the heading "MIGRATION AND REFUGEE ASSISTANCE" or "TRANSITION INITIATIVES" to provide assistance to refugees or internally displaced persons may be provided to an organization that has failed to adopt a code of conduct consistent with the Inter-Agency Standing Committee Task Force on Protection From Sexual Exploitation and Abuse in Humanitarian Crises six core principles for the protection of beneficiaries of humanitarian assistance.

(b) In administering the amounts made available for the accounts described in subsection (a), the Secretary of State and Administrator of the United States Agency for International Development shall incorporate specific policies and programs for the purpose of identifying specific needs of, and particular threats to, women and children at the various stages of humanitarian emergencies, especially at the onset of such emergency.

(c) Not later than 90 days after the date of enactment of this Act, the Secretary of State shall submit to the Committee on Foreign Relations of the Senate, the Committee on International Relations of the House of Representatives and the Committees on Appropriations a report on activities of the Government of the United States to protect women and children affected by humanitarian emergencies. The report shall include—

(1) an assessment of the specific protection needs of women and children at the various stages of humanitarian emergencies;

(2) a description of which agencies and offices of the United States Government are responsible for addressing each aspect of such needs and threats; and

(3) guidelines and recommendations for improving United States and international systems for the protection of women and children during humanitarian emergencies.

ASSISTANCE FOR HIV/AIDS

SEC. 595. The United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003 (117 Stat. 711; 22 U.S.C. 7601 et seq.) is amended—

(1) in section 202(d)(4)(A), by adding at the end the following new clause:

"(vi) for the purposes of clause (i), 'funds contributed to the Global Fund from all sources' means funds contributed to the Global Fund at any time during fiscal years 2004 through 2008 that are not contributed to fulfill a commitment made for a fiscal year prior to fiscal year 2004.";

(2) in section 202(d)(4)(B), by adding at the end the following new clause:

"(iv) Notwithstanding clause (i), after July 31 of each of the fiscal years 2004 through 2008, any amount made available under this subsection that is withheld by reason of subparagraph (A)(i) is authorized to be made available to carry out sections 104A, 104B, and 104C of the Foreign Assistance Act of 1961 (as added by title III of this Act)."; and

(3) in section 301(f), by inserting ", except that this subsection shall not apply to the Global Fund to Fight AIDS, Tuberculosis and Malaria, the World Health Organization, the International AIDS Vaccine Initiative or to any United Nations agency" after "trafficking".

TECHNICAL CORRECTION RELATING TO THE ENHANCED HIPC INITIATIVE

SEC. 596. Section 1625(a)(1)(B)(ii) of the International Financial Institutions Act (as added by section 501 of the United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003 (Public Law 108–25)) is amended by striking "subparagraph (A)" and inserting "clause (i)".

INDONESIA

SEC. 597. (a) Funds appropriated by this Act under the heading "Foreign Military Financing Program" may be made available for assistance for Indonesia, and licenses may be issued for the export of lethal defense articles for the Indonesian Armed Forces, only if the President certifies to the appropriate congressional committees that—

(1) the Indonesia Minister of Defense is suspending from the Armed Forces those members, of whatever rank, who have been credibly alleged to have committed gross violations of human rights, or to have aided or abetted militia groups;

(2) the Indonesian Government is prosecuting those members of the Indonesian Armed Forces, of whatever rank, who have been credibly alleged to have committed gross violations of human rights, or to have aided or abetted militia groups, and is punishing those members of the Indonesian Armed Forces found to have committed such violations of human rights or to have aided or abetted militia groups;

(3) the Indonesian Armed Forces are cooperating with civilian prosecutors and judicial authorities in Indonesia and with the joint United Nations-East Timor Serious Crimes Unit (SCU) in such cases (including extraditing those indicted by the SCU to East Timor and providing access to witnesses, relevant military documents, and other requested information); and

(4) the Minister of Defense is making publicly available audits of receipts and expenditures of the Indonesian Armed Forces.

(b) Congress notes that the Indonesian Government and Armed Forces have pledged to cooperate with the Federal Bureau of Investigation with respect to its investigation into the August 31, 2002, murders of two American citizens and one Indonesian citizen in Timika, Indonesia. Therefore, funds appropriated under the heading "INTERNATIONAL MILITARY EDUCATION AND TRAINING" may be made available for Indonesia if the Secretary of State determines and reports to the appropriate congressional committees that the Indonesian Government and Armed Forces are cooperating with the Federal Bureau of Investigation's investigation: Provided, That this restriction shall not apply to expanded international military education and training, which may include English language training.

RELIGIOUS FREEDOM REPORT

SEC. 598. The assessment and description of violations of religious freedom contained in the report required by section 102(b)(1)(B) of the International Religious Freedom Act of 1998 (22 U.S.C. 6412 (b)(1)(B)) shall include a description of persecution targeted at specific religions, including acts of anti-Semitism, by individuals or organizations designated as terrorist organizations by the Secretary of State under section 219 of the Immigration and Nationality Act, as amended.

DELIVERY OF ASSISTANCE BY AIR

SEC. 599A. The Secretary of State and the Administrator of the United States Agency for International Development shall seek to ensure that, where appropriate, dedicated air service is provided for transportation to areas where scheduled air service is not adequate to meet assistance requirements on a timely basis: Provided, That to the maximum extent practicable and in a manner consistent with the use of full and open competition (as that term is defined in section 4(6) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(6)), contracts for such dedicated air service shall be entered into with United States air carriers.

MODIFICATION ON REPORTING REQUIREMENTS

SEC. 599B. (a) Section 3204(f) of the Emergency Supplemental Act, 2000 (Public Law 106–246) is amended—

(1) in the heading, by striking "BI-MONTHLY" and inserting "QUARTERLY";

(2) by striking "60" and inserting "90"; and

(3) by striking "Congress" and inserting "the appropriate congressional committees";

(b) The report required by sections 3204(e) of the Emergency Supplemental Act, 2000 (Public Law 106–246) is amended by striking "Congress" and inserting "the appropriate congressional committees";

(c) Subsection (a) of section 803 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2001, Appendix A of

Public Law 106–429 (as enacted by section 101(a) of such Public Law) is hereby repealed.

CPA DETAILEES

SEC. 599C. The Office of Personnel Management shall provide the House and Senate Committees on Appropriations a report of the number of Federal employees detailed from each executive agency to the Coalition Provisional Authority in Iraq on the date of enactment of this Act: Provided, That the report shall identify by agency the number of non-reimbursable and reimbursable detailees and shall be submitted to the House and Senate Committees on Appropriations by February 1, 2004: Provided further, That the report shall be updated and submitted on a quarterly basis until May, 2005.

TITLE VI—MILLENNIUM CHALLENGE ACT OF 2003

SEC. 601. SHORT TITLE.

This title may be cited as the "Millennium Challenge Act of 2003".

SEC. 602. PURPOSES.

The purposes of this title are—

(1) to provide United States assistance for global development through the Millennium Challenge Corporation, as described in section 604; and

(2) to provide such assistance in a manner that promotes economic growth and the elimination of extreme poverty and strengthens good governance, economic freedom, and investments in people.

SEC. 603. DEFINITIONS.

In this title:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term "appropriate congressional committees" means—

(A) the Committee on International Relations and the Committee on Appropriations of the House of Representatives; and

(B) the Committee on Foreign Relations and the Committee on Appropriations of the Senate.

(2) BOARD.—The term "Board" means the Board of Directors of the Corporation established pursuant to section 604(c).

(3) CANDIDATE COUNTRY.—The term "candidate country" means a country that meets the requirements of section 606.

(4) CHIEF EXECUTIVE OFFICER.—The term "Chief Executive Officer" means the chief executive officer of the Corporation appointed pursuant to section 604(b).

(5) COMPACT.—The term "Compact" means a Millennium Challenge Compact described in section 609.

(6) CORPORATION.—The term "Corporation" means the Millennium Challenge Corporation established by section 604(a).

(7) ELIGIBLE COUNTRY.—The term "eligible country" means a candidate country that is determined, under section 607, to be an eligible country to receive assistance under section 605.

SEC. 604. ESTABLISHMENT AND MANAGEMENT OF THE MILLENNIUM CHALLENGE CORPORATION.

(a) ESTABLISHMENT.—There is established in the executive branch a corporation to be known as the "Millennium Challenge Corporation" that shall be responsible for carrying out this title. The Corporation shall be a government corporation, as defined in section 103 of title 5, United States Code.

(b) CHIEF EXECUTIVE OFFICER.—

(1) IN GENERAL.—There shall be in the Corporation a Chief Executive Officer who shall be responsible for the management of the Corporation.

(2) APPOINTMENT.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the Chief Executive Officer shall be appointed by the President, by and with the advice and consent of the Senate.

(B) INTERIM CEO.—The members of the Board of Directors described in subsection (c)(3)(A) may designate by unanimous consent in writing an individual who is an officer within any Federal department or agency (and who has been appointed to such position by the President, by and with the advice and consent of the Senate) to carry out the duties described in this subsection until the Chief Executive Officer is appointed pursuant to subparagraph (A).

(3) RELATIONSHIP TO BOARD.—The Chief Executive Officer shall report to and be under the direct authority of the Board.

(4) COMPENSATION AND RANK.—

(A) IN GENERAL.—The Chief Executive Officer shall be compensated at the rate provided for level II of the Executive Schedule under section 5313 of title 5, United States Code, and shall have the equivalent rank of Deputy Secretary.

(B) AMENDMENT.—Section 5313 of title 5, United States Code, is amended by adding at the end the following:

"Chief Executive Officer, Millennium Challenge Corporation.".

(5) AUTHORITIES AND DUTIES.—The Chief Executive Officer shall be responsible for the management of the Corporation and shall exercise the powers and discharge the duties of the Corporation.

(6) AUTHORITY TO APPOINT OFFICERS.—In consultation and with approval of the Board, the Chief Executive Officer shall appoint all officers of the Corporation.

(c) BOARD OF DIRECTORS.—

(1) ESTABLISHMENT.—There shall be in the Corporation a Board of Directors.

(2) DUTIES.—The Board shall perform the functions specified to be carried out by the Board in this title and may prescribe, amend, and repeal bylaws, rules, regulations, and procedures governing the manner in which the business of the Corporation may be conducted and in which the powers granted to it by law may be exercised.

(3) MEMBERSHIP.—The Board shall consist of—

(A) the Secretary of State, the Secretary of the Treasury, the Administrator of the United States Agency for International Development, the Chief Executive Officer of the Corporation, and the United States Trade Representative; and

(B) four other individuals with relevant international experience who shall be appointed by the President, by and with the advice and consent of the Senate, of which—

(i) one individual should be appointed from among a list of individuals submitted by the majority leader of the House of Representatives;

(ii) one individual should be appointed from among a list of individuals submitted by the minority leader of the House of Representatives;

(iii) one individual should be appointed from among a list of individuals submitted by the majority leader of the Senate; and

(iv) one individual should be appointed from among a list of individuals submitted by the minority leader of the Senate.

(4) TERMS.—

(A) OFFICERS OF THE FEDERAL GOVERNMENT.—Each member of the Board described in paragraph (3)(A) shall serve for a term that is concurrent with the term of service of the individual's position as an officer within the other Federal department or agency.

(B) OTHER MEMBERS.—Each member of the Board described in paragraph (3)(B) shall be appointed for a term of 3 years and may be reappointed for a term of an additional 2 years.

(C) VACANCIES.—A vacancy in the Board shall be filled in the manner in which the original appointment was made.

(5) CHAIRPERSON.—There shall be a Chairperson of the Board. The Secretary of State shall serve as the Chairperson.

(6) QUORUM.—A majority of the members of the Board shall constitute a quorum, which, except with respect to a meeting of the Board during the 135-day period beginning on the date of the enactment of this Act, shall include at least one member of the Board described in paragraph (3)(B).

(7) MEETINGS.—The Board shall meet at the call of the Chairperson.

(8) COMPENSATION.—

(A) OFFICERS OF THE FEDERAL GOVERNMENT.—

(i) IN GENERAL.—A member of the Board described in paragraph (3)(A) may not receive additional pay, allowances, or benefits by reason of the member's service on the Board.

(ii) TRAVEL EXPENSES.—Each such member of the Board shall receive travel expenses, including per diem in lieu of subsistence, in accordance with applicable provisions under subchapter I of chapter 57 of title 5, United States Code.

(B) OTHER MEMBERS.—

(i) IN GENERAL.—Except as provided in clause (ii), a member of the Board described in paragraph (3)(B)—

(I) shall be paid compensation out of funds made available for the purposes of this title at the daily equivalent of the highest rate payable under section 5332 of title 5, United States Code, for each day (including travel time) during which the member is engaged in the actual performance of duties as a member of the Board; and

(II) while away from the member's home or regular place of business on necessary travel in the actual performance of duties as a member of the Board, shall be paid per diem, travel, and transportation expenses in the same manner as is provided under subchapter I of chapter 57 of title 5, United States Code.

(ii) LIMITATION.—A member of the Board may not be paid compensation under clause (i)(II) for more than 90 days in any calendar year.

SEC. 605. AUTHORIZATION OF ASSISTANCE.

(a) ASSISTANCE.—Notwithstanding any other provision of law (other than a provision of this title), the Board, acting through the Chief Executive Officer, is authorized to provide assistance under this section for each country that enters into a Millennium Challenge Compact with the United States pursuant to section 609 to support policies and programs that advance the progress of the country in achieving lasting economic growth and poverty reduction and are in furtherance of the purposes of this title.

(b) FORM OF ASSISTANCE.—Assistance under this section may be provided in the form of grants, cooperative agreements, or contracts to or with eligible entities described in subsection (c). Assistance under this section may not be provided in the form of loans.

(c) ELIGIBLE ENTITIES.—An eligible entity referred to in subsection (b) is—

(1) the national government of the eligible country;

(2) regional or local governmental units of the country; or

(3) a nongovernmental organization or a private entity.

(d) APPLICATION.—The Chief Executive Officer, in consultation with the Board and working with eligible countries selected by the Board for negotiation of Compacts, should develop and recommend procedures for considering solicited and unsolicited proposals in Compacts prior to an approval of the Compacts by the Board.

(e) LIMITATIONS.—

(1) PROHIBITION ON MILITARY ASSISTANCE AND TRAINING.—Assistance under this section may not include military assistance or military training for a country.

(2) PROHIBITION ON ASSISTANCE RELATING TO UNITED STATES JOB LOSS OR PRODUCTION DISPLACEMENT.—Assistance under this section may not be provided for any project that is likely to cause a substantial loss of United States jobs or

a substantial displacement of United States production.

(3) PROHIBITION ON ASSISTANCE RELATING TO ENVIRONMENTAL, HEALTH, OR SAFETY HAZARDS.—Assistance under this section may not be provided for any project that is likely to cause a significant environmental, health, or safety hazard.

(4) PROHIBITION ON USE OF FUNDS FOR ABORTIONS AND INVOLUNTARY STERILIZATIONS.—The prohibitions on use of funds contained in paragraphs (1) through (3) of section 104(f) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151b(f)(1)–(3)) shall apply to funds made available to carry out this section to the same extent and in the same manner as such prohibitions apply to funds made available to carry out part I of such Act. The prohibition on use of funds contained in any provision of law comparable to the eleventh and fourteenth provisos under the heading "Child Survival and Health Programs Fund" of division E of Public Law 108–7 (117 Stat. 162) shall apply to funds made available to carry out this section for fiscal year 2004.

(f) COORDINATION.—The provision of assistance under this section shall be coordinated with other United States foreign assistance programs.

SEC. 606. CANDIDATE COUNTRIES.

(a) Low Income Countries.—

(1) FISCAL YEAR 2004.—A country shall be a candidate country for purposes of eligibility for assistance for fiscal year 2004 if—

(A) the country is eligible for assistance from the International Development Association, and the per capita income of the country is equal to or less than the historical ceiling of the International Development Association for that year, as defined by the International Bank for Reconstruction and Development; and

(B) subject to paragraph (3), the country is not ineligible to receive United States economic assistance under part I of the Foreign Assistance Act of 1961 by reason of the application of any provision of the Foreign Assistance Act of 1961 or any other provision of law.

(2) FISCAL YEAR 2005 AND SUBSEQUENT FISCAL YEARS.—A country shall be a candidate country for purposes of eligibility for assistance for fiscal year 2005 or a subsequent fiscal year if—

(A) the per capita income of the country is equal to or less than the historical ceiling of the International Development Association for the fiscal year involved, as defined by the International Bank for Reconstruction and Development; and

(B) the country meets the requirements of paragraph (1)(B).

(3) RULE OF CONSTRUCTION.—For the purposes of determining whether a country is eligible for receiving assistance under section 605 pursuant to paragraph (1)(B), the exercise by the President, the Secretary of State, or any other officer or employee of the United States of any waiver or suspension of any provision of law referred to in such paragraph, and notification to the appropriate congressional committees in accordance with such provision of law, shall be construed as satisfying the requirement of such paragraph.

(b) Lower Middle Income Countries.—

(1) In general.—In addition to countries described in subsection (a), a country shall be a candidate country for purposes of eligibility for assistance for fiscal year 2006 or a subsequent fiscal year if the country—

(A) is classified as a lower middle income country in the then most recent edition of the World Development Report for Reconstruction and Development published by the International Bank for Reconstruction and Development and has an income greater than the historical ceiling for International Development Association eligibility for the fiscal year involved; and

(B) meets the requirements of subsection (a)(1)(B).

(2) LIMITATION.—The total amount of assistance provided to countries described in paragraph (1) for fiscal year 2006 or any subsequent fiscal year may not exceed 25 percent of the total amount of assistance provided to all countries under section 605 for fiscal year 2006 or the subsequent fiscal year, as the case may be.

(c) Identification by the Board.—The Board shall identify whether a country is a candidate country for purposes of this section.

SEC. 607. ELIGIBLE COUNTRIES.

(a) Determination by the Board.—The Board shall determine whether a candidate country is an eligible country for purposes of this section. Such determination shall be based, to the maximum extent possible, upon objective and quantifiable indicators of a country's demonstrated commitment to the criteria in subsection (b), and shall, where appropriate, take into account and assess the role of women and girls.

(b) Criteria.—A candidate country should be considered to be an eligible country for purposes of this section if the Board determines that the country has demonstrated a commitment to—

(1) just and democratic governance, including a demonstrated commitment to—

(A) promote political pluralism, equality, and the rule of law;

(B) respect human and civil rights, including the rights of people with disabilities;

(C) protect private property rights;

(D) encourage transparency and accountability of government; and

(E) combat corruption;

(2) economic freedom, including a demonstrated commitment to economic policies that—

(A) encourage citizens and firms to participate in global trade and international capital markets;

(B) promote private sector growth and the sustainable management of natural resources;

(C) strengthen market forces in the economy; and

(D) respect worker rights, including the right to form labor unions; and

(3) investments in the people of such country, particularly women and children, including programs that—

(A) promote broad-based primary education; and

(B) strengthen and build capacity to provide quality public health and reduce child mortality.

(c) Selection by the Board.—

(1) In general.—At the time the Board determines eligible countries under this section for a fiscal year, the Board shall select those eligible countries with respect to which the United States will initially seek to enter into a Millennium Challenge Compact pursuant to section 609.

(2) Factors.—In selecting eligible countries under paragraph (1), the Board shall consider the following factors:

(A) The extent to which the country clearly meets or exceeds the eligibility criteria.

(B) The opportunity to reduce poverty and generate economic growth in the country.

(C) The availability of amounts to carry out this title.

(d) Establishment of Criteria and Methodology.—The criteria and methodology submitted by the Board to Congress and published in the Federal Register under section 608(b)(2) with respect to a fiscal year shall remain fixed for purposes of eligibility determinations for such year.

(e) Annual Modification of Criteria and Methodology.—As appropriate, the Board, acting through the Chief Executive Officer, shall review the eligibility criteria and methodology and modify such criteria and methodology in subsequent years consistent with section 608(b).

SEC. 608. CONGRESSIONAL AND PUBLIC NOTIFICATION OF CANDIDATE COUNTRIES, ELIGIBILITY CRITERIA, AND ELIGIBLE COUNTRIES.

(a) Identification of Candidate Countries.—Not later than 90 days prior to the date on which the Board determines eligible countries under section 607 for a fiscal year, the Chief Executive Officer—

(1) shall prepare and submit to the appropriate congressional committees a report that contains a list of all candidate countries identified under section 606, and all countries that would be candidate countries if the countries met the requirement contained in section 606(a)(1)(B), for the fiscal year; and

(2) shall publish in the Federal Register the information contained in the report described in paragraph (1).

(b) Identification of Eligibility Criteria and Methodology.—Not later than 60 days prior to the date on which the Board determines eligible countries under section 607 for a fiscal year, the Chief Executive Officer—

(1) shall prepare and submit to the appropriate congressional committees a report that contains a list of the criteria and methodology described in subsections (a) and (b) of section 607 that will be used to determine eligibility for each candidate country identified under subsection (a);

(2) shall publish in the Federal Register the information contained in the report described in paragraph (1); and

(3) may conduct one or more public hearings on the eligibility criteria and methodology.

(c) Public Comment and Congressional Consultation.—

(1) Public comment.—The Chief Executive Officer shall, for the 30-day period beginning on the date of publication in the Federal Register of the information contained in the report described in subsection (b)(1), accept public comment and consider such comment for purposes of determining eligible countries under section 607.

(2) Congressional consultation.—The Chief Executive Officer shall consult with the appropriate congressional committees on the extent to which the candidate countries meet the criteria described in section 607(b).

(d) Identification of Eligible Countries.—Not later than 5 days after the date on which the Board determines eligible countries under section 607 for a fiscal year, the Chief Executive Officer—

(1) shall prepare and submit to the appropriate congressional committees a report that contains a list of all such eligible countries, an identification of those countries on such list with respect to which the Board will seek to enter into a Compact under section 609, and a justification for such eligibility determination and selection for Compact negotiation; and

(2) shall publish in the Federal Register the information contained in the report described in paragraph (1).

SEC. 609. MILLENNIUM CHALLENGE COMPACT.

(a) Compact.—The Board, acting through the Chief Executive Officer of the Corporation, may provide assistance for an eligible country only if the country enters into an agreement with the United States, to be known as a "Millennium Challenge Compact", that establishes a multiyear plan for achieving shared development objectives in furtherance of the purposes of this title.

(b) Elements.—

(1) In general.—The Compact should take into account the national development strategy of the eligible country and shall contain—

(A) the specific objectives that the country and the United States expect to achieve during the term of the Compact;

(B) the responsibilities of the country and the United States in the achievement of such objectives;

(C) regular benchmarks to measure, where appropriate, progress toward achieving such objectives;

(D) an identification of the intended beneficiaries, disaggregated by income level, gender, and age, to the maximum extent practicable;

(E) a multi-year financial plan, including the estimated amount of contributions by the Corporation and the country and proposed mechanisms to implement the plan and provide oversight, that describes how the requirements of subparagraphs (A) through (D) will be met, including identifying the role of civil society in the achievement of such requirements;

(F) where appropriate, a description of the current and potential participation of other donors in the achievement of such objectives;

(G) a plan to ensure appropriate fiscal accountability for the use of assistance provided under section 605;

(H) where appropriate, a process or processes for consideration of solicited proposals under the Compact as well as a process for consideration of unsolicited proposals by the Corporation and national, regional, or local units of government;

(I) a requirement that open, fair, and competitive procedures are used in a transparent manner in the administration of grants or cooperative agreements or the procurement of goods and services for the accomplishment of objectives under the Compact;

(J) the strategy of the eligible country to sustain progress made toward achieving such objectives after expiration of the Compact; and

(K) a description of the role of the United States Agency for International Development in any design, implementation, and monitoring of programs and activities funded under the Compact.

(2) Lower middle income countries.—In addition to the elements described in subparagraphs (A) through (K) of paragraph (1), with respect to a lower middle income country described in section 606(b), the Compact shall identify a contribution, as appropriate, from the country relative to its national budget, taking into account the prevailing economic conditions, toward meeting the objectives of the Compact. Any such contribution should be in addition to government spending allocated for such purposes in the country's budget for the year immediately preceding the establishment of the Compact and should continue for the duration of the Compact.

(3) Definition.—In this subsection, the term "national development strategy" means any strategy to achieve market-driven economic growth and eliminate extreme poverty that has been developed by the government of the country in consultation with a wide variety of civic participation, including nongovernmental organizations, private and voluntary organizations, academia, women's and student organizations, local trade and labor unions, and the business community.

(c) Additional Provision Relating to Prohibition on Taxation.—In addition to the elements described in subsection (c), each Compact shall contain a provision that states that assistance provided by the United States under the Compact shall be exempt from taxation by the government of the eligible country.

(d) Local Input.—In entering into a Compact, the United States shall seek to ensure that the government of an eligible country—

(1) takes into account the local-level perspectives of the rural and urban poor, including women, in the eligible country; and

(2) consults with private and voluntary organizations, the business community, and other donors in the eligible country.

(e) Consultation.—During any discussions with a country for the purpose of entering into a Compact with the country, officials of the Corporation participating in such discussions shall, at a minimum, consult with appropriate officials of the United States Agency for International Development, particularly with those officials responsible for the appropriate region or country on development issues related to the Compact.

(f) Coordination With Other Donors.—To the maximum extent feasible, activities undertaken to achieve the objectives of the Compact shall be undertaken in coordination with the assistance activities of other donors.

(g) Assistance for Development of Compact.—Notwithstanding subsection (a), the Chief Executive Officer may enter into contracts or make grants for any eligible country for the purpose of facilitating the development and implementation of the Compact between the United States and the country.

(h) Requirement for Approval by the Board.—Each Compact shall be approved by the Board before the United States enters into the Compact.

(i) Increase or Extension of Assistance Under a Compact.—Not later than 15 days after making a determination to increase or extend assistance under a Compact with an eligible country, the Board, acting through the Chief Executive Officer—

(1) shall prepare and transmit to the appropriate congressional committees a written report and justification that contains a detailed summary of the proposed increase in or extension of assistance under the Compact and a copy of the full text of the amendment to the Compact; and

(2) shall publish a detailed summary, full text, and justification of the proposed increase in or extension of assistance under the Compact in the Federal Register and on the Internet website of the Corporation.

(j) Duration of Compact.—The duration of a Compact shall not exceed 5 years.

(k) Subsequent Compacts.—An eligible country and the United States may enter into and have in effect only one Compact at any given time under this section. An eligible country and the United States may enter into one or more subsequent Compacts in accordance with the requirements of this title after the expiration of the existing Compact.

SEC. 610. CONGRESSIONAL AND PUBLIC NOTIFICATION OF COMPACT.

(a) Congressional Consultation Prior to Compact Negotiations.—Not later than 15 days prior to the start of negotiations of a Compact with an eligible country, the Board, acting through the Chief Executive Officer—

(1) shall consult with the appropriate congressional committees with respect to the proposed Compact negotiation; and

(2) shall identify the objectives and mechanisms to be used for the negotiation of the Compact.

(b) Congressional and Public Notification After Entering Into a Compact.—Not later than 10 days after entering into a Compact with an eligible country, the Board, acting through the Chief Executive Officer—

(1) shall provide notification of the Compact to the appropriate congressional committees, including a detailed summary of the Compact and a copy of the text of the Compact; and

(2) shall publish such detailed summary and the text of the Compact in the Federal Register and on the Internet website of the Corporation.

SEC. 611. SUSPENSION AND TERMINATION OF ASSISTANCE.

(a) Suspension and Termination of Assistance.—After consultation with the Board, the Chief Executive Officer may suspend or terminate assistance in whole or in part for a country or entity under section 605 if the Chief Executive Officer determines that—

(1) the country or entity is engaged in activities which are contrary to the national security interests of the United States;

(2) the country or entity has engaged in a pattern of actions inconsistent with the criteria used to determine the eligibility of the country or entity, as the case may be; or

(3) the country or entity has failed to adhere to its responsibilities under the Compact.

(b) Reinstatement.—The Chief Executive Officer may reinstate assistance for a country or entity under section 605 only if the Chief Executive Officer determines that the country or entity has demonstrated a commitment to correcting each condition for which assistance was suspended or terminated under subsection (a).

(c) Congressional Notification.—Not later than 3 days after the date on which the Chief Executive Officer suspends or terminates assistance under subsection (a) for a country or entity, or reinstates assistance under subsection (b) for a country or entity, the Chief Executive Officer shall submit to the appropriate congressional committees a report that contains the determination of the Chief Executive Officer under subsection (a) or subsection (b), as the case may be.

(d) Rule of Construction.—The authority to suspend or terminate assistance under this section includes the authority to suspend or terminate obligations and sub-obligations.

SEC. 612. DISCLOSURE.

(a) Requirement for Disclosure.—The Corporation shall make available to the public on at least a quarterly basis, the following information:

(1) For assistance provided under section 605—

(A) the name of each entity to which assistance is provided;

(B) the amount of assistance provided to the entity; and

(C) a description of the program or project, including—

(i) a description of whether the program or project was solicited or unsolicited; and

(ii) a detailed description of the objectives and measures for results of the program or project.

(2) For funds allocated or transferred under section 619(b)—

(A) the name of each United States Government agency to which such funds are transferred or allocated;

(B) the amount of funds transferred or allocated to such agency; and

(C) a description of the program or project to be carried out by such agency with such funds.

(b) Dissemination.—The information required to be disclosed under subsection (a) shall be made available to the public by means of publication in the Federal Register and on the Internet website of the Corporation, as well as by any other methods that the Board determines appropriate.

SEC. 613. ANNUAL REPORT.

(a) Report.—Not later than March 31, 2005, and each March 31 thereafter, the President shall submit to Congress a report on the assistance provided under section 605 during the prior fiscal year.

(b) Contents.—The report shall include the following:

(1) The amount of obligations and expenditures for assistance provided to each eligible country during the prior fiscal year.

(2) For each eligible country, an assessment of—

(A) the progress made during each year by the country toward achieving the objectives set out in the Compact entered into by the country; and

(B) the extent to which assistance provided under section 605 has been effective in helping the country to achieve such objectives.

(3) A description of the coordination of assistance provided under section 605 with other United States foreign assistance and related trade policies.

(4) A description of the coordination of assistance provided under section 605 with assistance provided by other donor countries.

(5) Any other information the President considers relevant with respect to assistance provided under section 605.

SEC. 614. POWERS OF THE CORPORATION; RELATED PROVISIONS.

(a) POWERS.—The Corporation—

(1) shall have perpetual succession unless dissolved by a law enacted after the date of the enactment of this Act;

(2) may adopt, alter, and use a seal, which shall be judicially noticed;

(3) may make and perform such contracts, grants, and other agreements with any person or government however designated and wherever situated, as may be necessary for carrying out the functions of the Corporation;

(4) may determine and prescribe the manner in which its obligations shall be incurred and its expenses allowed and paid, including expenses for representation;

(5) may lease, purchase, or otherwise acquire, improve, and use such real property wherever situated, as may be necessary for carrying out the functions of the Corporation;

(6) may accept cash gifts or donations of services or of property (real, personal, or mixed), tangible or intangible, for the purpose of carrying out the provisions of this title;

(7) may use the United States mails in the same manner and on the same conditions as the Executive departments;

(8) may contract with individuals for personal services, who shall not be considered Federal employees for any provision of law administered by the Office of Personnel Management;

(9) may hire or obtain passenger motor vehicles; and

(10) shall have such other powers as may be necessary and incident to carrying out this title.

(b) PRINCIPAL OFFICE.—The Corporation shall maintain its principal office in the metropolitan area of Washington, District of Columbia.

(c) POSITIONS WITH FOREIGN GOVERNMENTS.—When approved by the Chief Executive Officer, for purposes of implementing a Compact, employees of the Corporation (including individuals detailed to the Corporation) may accept and hold offices or positions to which no compensation is attached with governments or governmental agencies of foreign countries or with international organizations.

(d) OTHER AUTHORITIES.—Except to the extent inconsistent with the provisions of this title, the administrative authorities contained in the State Department Basic Authorities Act of 1956 (22 U.S.C. 2651a et seq.) and the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) shall apply to the implementation of this title to the same extent and in the same manner as such authorities apply to the implementation of those Acts.

(e) APPLICABILITY OF GOVERNMENT CORPORATION CONTROL ACT.—

(1) IN GENERAL.—The Corporation shall be subject to chapter 91 of subtitle VI of title 31, United States Code, except that the Corporation shall not be authorized to issue obligations or offer obligations to the public.

(2) CONFORMING AMENDMENT.—Section 9101(3) of title 31, United States Code, is amended by adding at the end the following:

"(Q) the Millennium Challenge Corporation.".

(f) INSPECTOR GENERAL.—

(1) IN GENERAL.—The Inspector General of the United States Agency for International Development shall serve as Inspector General of the Corporation, and, in acting in such capacity, may conduct reviews, investigations, and inspections of all aspects of the operations and activities of the Corporation.

(2) AUTHORITY OF THE BOARD.—In carrying out the responsibilities under this subsection, the Inspector General shall report to and be under the general supervision of the Board.

(3) REIMBURSEMENT AND AUTHORIZATION OF SERVICES.—

(A) REIMBURSEMENT.—The Corporation shall reimburse the United States Agency for International Development for all expenses incurred by the Inspector General in connection with the Inspector General's responsibilities under this subsection.

(B) AUTHORIZATION FOR SERVICES.—Of the amount authorized to be appropriated under section 619(a) for a fiscal year, up to $5,000,000 is authorized to be made available to the Inspector General of the United States Agency for International Development to conduct reviews, investigations, and inspections of operations and activities of the Corporation.

(g) SPECIAL ASSISTANCE.—

(1) IN GENERAL.—The Chief Executive Officer is authorized to contract with any nongovernmental organization (including a university, independent foundation, or other organization) in the United States or in a candidate country, and, where appropriate, directly with a governmental agency of any such country, that is undertaking research aimed at improving data related to eligibility criteria under this title with respect to the country.

(2) FUNDING.—Of the amount authorized to be appropriated under section 619(a) for a fiscal year, up to $5,000,000 is authorized to be made available to carry out paragraph (1).

SEC. 615. COORDINATION WITH UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT.

(a) REQUIREMENT FOR COORDINATION.—The Chief Executive Officer shall consult with the Administrator of the United States Agency for International Development in order to coordinate the activities of the Corporation with the activities of the Agency.

(b) USAID PROGRAMS.—The Administrator of the United States Agency for International Development shall seek to ensure that appropriate programs of the Agency play a primary role in preparing candidate countries to become eligible countries.

SEC. 616. ASSISTANCE TO CERTAIN CANDIDATE COUNTRIES.

(a) AUTHORIZATION.—The Board, acting through the Chief Executive Officer, is authorized to provide assistance to a candidate country described in subsection (b) for the purpose of assisting such country to become an eligible country.

(b) CANDIDATE COUNTRY DESCRIBED.—A candidate country referred to in subsection (a) is a candidate country that—

(1) satisfies the requirements contained in subparagraphs (A) and (B) of section 606(a)(1); and

(2) demonstrates a significant commitment to meet the requirements of section 607(b) but fails to meet such requirements (including by reason of the absence or unreliability of data).

(c) ADMINISTRATION.—Assistance under this section may be provided through the United States Agency for International Development.

(d) FUNDING.—Not more than 10 percent of the amount appropriated pursuant to the authorization of appropriations under section 619(a) for fiscal year 2004 is authorized to be made available to carry out this section.

SEC. 617. GENERAL PERSONNEL AUTHORITIES.

(a) DETAIL OF PERSONNEL.—Upon request of the Chief Executive Officer, the head of an agency may detail any employee of such agency to the Corporation on a reimbursable basis. Any employee so detailed remains, for the purpose of preserving such employee's allowances, privileges, rights, seniority, and other benefits, an employee of the agency from which detailed.

(b) REEMPLOYMENT RIGHTS.—

(1) IN GENERAL.—An employee of an agency who is serving under a career or career conditional appointment (or the equivalent), and who, with the consent of the head of such agency, transfers to the Corporation, is entitled to be reemployed in such employee's former position or a position of like seniority, status, and pay in such agency, if such employee—

(A) is separated from the Corporation for any reason, other than misconduct, neglect of duty, or malfeasance; and

(B) applies for reemployment not later than 90 days after the date of separation from the Corporation.

(2) SPECIFIC RIGHTS.—An employee who satisfies paragraph (1) is entitled to be reemployed (in accordance with such paragraph) within 30 days after applying for reemployment and, on reemployment, is entitled to at least the rate of basic pay to which such employee would have been entitled had such employee never transferred.

(c) HIRING AUTHORITY.—Of persons employed by the Corporation, not to exceed 30 persons may be appointed, compensated, or removed without regard to the civil service laws and regulations.

(d) BASIC PAY.—The Chief Executive Officer may fix the rate of basic pay of employees of the Corporation without regard to the provisions of chapter 51 of title 5, United States Code (relating to the classification of positions), subchapter III of chapter 53 of such title (relating to General Schedule pay rates), except that no employee of the Corporation may receive a rate of basic pay that exceeds the rate for level II of the Executive Schedule under section 5313 of such title.

(e) DEFINITIONS.—In this section—

(1) the term "agency" means an Executive agency, as defined by section 105 of title 5, United States Code; and

(2) the term "detail" means the assignment or loan of an employee, without a change of position, from the agency by which such employee is employed to the Corporation.

SEC. 618. PERSONNEL OUTSIDE THE UNITED STATES.

(a) ASSIGNMENT TO UNITED STATES EMBASSIES.—An employee of the Corporation, including an individual detailed to or contracted by the Corporation, may be assigned to a United States diplomatic mission or consular post or a United States Agency for International Development field mission.

(b) PRIVILEGES AND IMMUNITIES.—The Secretary of State shall seek to ensure that an employee of the Corporation, including an individual detailed to or contracted by the Corporation, and the members of the family of such employee, while the employee is performing duties in any country or place outside the United States, enjoy the privileges and immunities that are enjoyed by a member of the Foreign Service, or the family of a member of the Foreign Service, as appropriate, of comparable rank and salary of such employee, if such employee or a member of the family of such employee is not a national of or permanently resident in such country or place.

(c) RESPONSIBILITY OF CHIEF OF MISSION.—An employee of the Corporation, including an individual detailed to or contracted by the Corporation, and a member of the family of such employee, shall be subject to section 207 of the Foreign Service Act of 1980 (22 U.S.C. 3927) in the same manner as United States Government employees while the employee is performing duties

in any country or place outside the United States if such employee or member of the family of such employee is not a national of or permanently resident in such country or place.

SEC. 619. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this title such sums as may be necessary for each of the fiscal years 2004 and 2005.

(b) ALLOCATION OF FUNDS.—

(1) IN GENERAL.—The Corporation may allocate or transfer to any agency of the United States Government any of the funds available for carrying out this title. Such funds shall be available for obligation and expenditure for the purposes for which the funds were authorized, in accordance with authority granted in this title or under authority governing the activities of the United States Government agency to which such funds are allocated or transferred.

(2) NOTIFICATION.—The Corporation shall notify the appropriate congressional committees not less than 15 days prior to an allocation or transfer of funds pursuant to paragraph (1).

This division may be cited as the "Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2004".

DIVISION E—DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS, 2004

AN ACT

Making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2004, and for other purposes.

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2004, and for other purposes, namely:

TITLE I—DEPARTMENT OF LABOR

EMPLOYMENT AND TRAINING ADMINISTRATION

TRAINING AND EMPLOYMENT SERVICES

For necessary expenses of the Workforce Investment Act of 1998, including the purchase and hire of passenger motor vehicles, the construction, alteration, and repair of buildings and other facilities, and the purchase of real property for training centers as authorized by the Workforce Investment Act of 1998; $2,697,654,000 plus reimbursements, of which $1,666,473,000 is available for obligation for the period July 1, 2004 through June 30, 2005; except that amounts determined by the Secretary of Labor to be necessary pursuant to sections 173(a)(4)(A) and 174(c) of such Act shall be available from October 1, 2003 until expended; of which $1,000,965,000 is available for obligation for the period April 1, 2004 through June 30, 2005, to carry out chapter 4 of the Workforce Investment Act of 1998; and of which $30,216,000 is available for the period July 1, 2004 through June 30, 2007 for necessary expenses of construction, rehabilitation, and acquisition of Job Corps centers: Provided, That notwithstanding any other provision of law, of the funds provided herein under section 137(c) of the Workforce Investment Act of 1998, $276,608,000 shall be for activities described in section 132(a)(2)(A) of such Act and $1,180,152,000 shall be for activities described in section 132(a)(2)(B) of such Act: Provided further, That funds provided to carry out section 132(a)(2)(A) of the Workforce Investment Act may be used to provide assistance to a State for state-wide or local use in order to address cases where there have been worker dislocations across multiple sectors or across multiple local areas and such workers remain dislocated; coordinate the State workforce development plan with emerging economic development needs; and train such eligible dislocated workers: Provided further, That $9,039,000 shall be for carrying out section 172 of the Workforce Investment Act of 1998: Provided further, That, notwithstanding any other provision of law or related regulation, $77,330,000 shall be for carrying out section 167 of the Workforce Investment Act of 1998, including $72,213,000 for formula grants, $4,610,000 for migrant and seasonal housing (of which not less than 70 percent shall be for permanent housing), and $507,000 for other discretionary purposes: Provided further, That notwithstanding the transfer limitation under section 133(b)(4) of such Act, up to 30 percent of such funds may be transferred by a local board if approved by the Governor: Provided further, That funds provided to carry out section 171(d) of the Workforce Investment Act of 1998 may be used for demonstration projects that provide assistance to new entrants in the workforce and incumbent workers: Provided further, That funding provided to carry out projects under section 171 of the Workforce Investment Act of 1998 that are identified in the Conference Agreement, shall not be subject to the requirements of section 171(b)(2)(B) of such Act, the requirements of section 171(c)(4)(D) of such Act, the joint funding requirements of sections 171(b)(2)(A) and 171(c)(4)(A) of such Act, or any time limit requirements of sections 171(b)(2)(C) and 171(c)(4)(B) of such Act: Provided further, That no funds from any other appropriation shall be used to provide meal services at or for Job Corps centers.

For necessary expenses of the Workforce Investment Act of 1998, including the purchase and hire of passenger motor vehicles, the construction, alteration, and repair of buildings and other facilities, and the purchase of real property for training centers as authorized by the Workforce Investment Act of 1998; $2,463,000,000 plus reimbursements, of which $2,363,000,000 is available for obligation for the period October 1, 2004 through June 30, 2005, and of which $100,000,000 is available for the period October 1, 2004 through June 30, 2007, for necessary expenses of construction, rehabilitation, and acquisition of Job Corps centers.

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

To carry out title V of the Older Americans Act of 1965, as amended, $441,253,000.

FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

For payments during the current fiscal year of trade adjustment benefit payments and allowances under part I and section 246; and for training, allowances for job search and relocation, and related State administrative expenses under part II of chapter 2, title II of the Trade Act of 1974 (including the benefits and services described under sections 123(c)(2) and 151(b) and (c) of the Trade Adjustment Assistance Reform Act of 2002, Public Law 107–210), $1,338,200,000, together with such amounts as may be necessary to be charged to the subsequent appropriation for payments for any period subsequent to September 15 of the current year.

STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS

For authorized administrative expenses, $142,520,000, together with not to exceed $3,466,861,000 (including not to exceed $1,228,000 which may be used for amortization payments to States which had independent retirement plans in their State employment service agencies prior to 1980), which may be expended from the Employment Security Administration Account in the Unemployment Trust Fund including the cost of administering section 51 of the Internal Revenue Code of 1986, as amended, section 7(d) of the Wagner-Peyser Act, as amended, the Trade Act of 1974, as amended, the Immigration Act of 1990, and the Immigration and Nationality Act, as amended, and of which the sums available in the allocation for activities authorized by title III of the Social Security Act, as amended (42 U.S.C. 502–504), and the sums available in the allocation for necessary administrative expenses for carrying out 5 U.S.C. 8501–8523, shall be available for obligation by the States through December 31, 2004, except that funds used for automation acquisitions shall be available for obligation by the States through September 30, 2006; of which $142,520,000, together with not to exceed $768,257,000 of the amount which may be expended from said trust fund, shall be available for obligation for the period July 1, 2004 through June 30, 2005, to fund activities under the Act of June 6, 1933, as amended, including the cost of penalty mail authorized under 39 U.S.C. 3202(a)(1)(E) made available to States in lieu of allotments for such purpose: Provided, That to the extent that the Average Weekly Insured Unemployment (AWIU) for fiscal year 2004 is projected by the Department of Labor to exceed 3,227,000, an additional $28,600,000 shall be available for obligation for every 100,000 increase in the AWIU level (including a pro rata amount for any increment less than 100,000) from the Employment Security Administration Account of the Unemployment Trust Fund: Provided further, That funds appropriated in this Act which are used to establish a national one-stop career center system, or which are used to support the national activities of the Federal-State unemployment insurance or immigration programs, may be obligated in contracts, grants or agreements with non-State entities: Provided further, That funds appropriated under this Act for activities authorized under the Wagner-Peyser Act, as amended, and title III of the Social Security Act, may be used by the States to fund integrated Employment Service and Unemployment Insurance automation efforts, notwithstanding cost allocation principles prescribed under Office of Management and Budget Circular A–87.

ADVANCES TO THE UNEMPLOYMENT TRUST FUND AND OTHER FUNDS

For repayable advances to the Unemployment Trust Fund as authorized by sections 905(d) and 1203 of the Social Security Act, as amended, and to the Black Lung Disability Trust Fund as authorized by section 9501(c)(1) of the Internal Revenue Code of 1954, as amended; and for nonrepayable advances to the Unemployment Trust Fund as authorized by section 8509 of title 5, United States Code, and to the "Federal unemployment benefits and allowances" account, to remain available until September 30, 2005, $467,000,000.

In addition, for making repayable advances to the Black Lung Disability Trust Fund in the current fiscal year after September 15, 2004, for costs incurred by the Black Lung Disability Trust Fund in the current fiscal year, such sums as may be necessary.

PROGRAM ADMINISTRATION

For expenses of administering employment and training programs, $115,824,000, including $2,393,000 to administer welfare-to-work grants, together with not to exceed $57,820,000, which may be expended from the Employment Security Administration Account in the Unemployment Trust Fund.

EMPLOYEE BENEFITS SECURITY ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Employee Benefits Security Administration, $124,962,000.

PENSION BENEFIT GUARANTY CORPORATION

PENSION BENEFIT GUARANTY CORPORATION FUND

The Pension Benefit Guaranty Corporation is authorized to make such expenditures, including financial assistance authorized by section

104 of Public Law 96–364, within limits of funds and borrowing authority available to such Corporation, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended (31 U.S.C. 9104), as may be necessary in carrying out the program, including associated administrative expenses, through September 30, 2004 for such Corporation: Provided, That none of the funds available to the Corporation for fiscal year 2004 shall be available for obligations for administrative expenses in excess of $228,772,000: Provided further, That obligations in excess of such amount may be incurred after approval by the Office of Management and Budget and the Committees on Appropriations of the House and Senate.

EMPLOYMENT STANDARDS ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Employment Standards Administration, including reimbursement to State, Federal, and local agencies and their employees for inspection services rendered, $392,872,000, together with $2,036,000 which may be expended from the Special Fund in accordance with sections 39(c), 44(d) and 44(j) of the Longshore and Harbor Workers' Compensation Act: Provided, That $1,250,000 shall be for the development of an alternative system for the electronic submission of reports required to be filed under the Labor-Management Reporting and Disclosure Act of 1959, as amended, and for a computer database of the information for each submission by whatever means, that is indexed and easily searchable by the public via the Internet: Provided further, That the Secretary of Labor is authorized to accept, retain, and spend, until expended, in the name of the Department of Labor, all sums of money ordered to be paid to the Secretary of Labor, in accordance with the terms of the Consent Judgment in Civil Action No. 91–0027 of the United States District Court for the District of the Northern Mariana Islands (May 21, 1992): Provided further, That the Secretary of Labor is authorized to establish and, in accordance with 31 U.S.C. 3302, collect and deposit in the Treasury fees for processing applications and issuing certificates under sections 11(d) and 14 of the Fair Labor Standards Act of 1938, as amended (29 U.S.C. 211(d) and 214) and for processing applications and issuing registrations under title I of the Migrant and Seasonal Agricultural Worker Protection Act (29 U.S.C. 1801 et seq.).

SPECIAL BENEFITS

(INCLUDING TRANSFER OF FUNDS)

For the payment of compensation, benefits, and expenses (except administrative expenses) accruing during the current or any prior fiscal year authorized by title 5, chapter 81 of the United States Code; continuation of benefits as provided for under the heading "Civilian War Benefits" in the Federal Security Agency Appropriation Act, 1947; the Employees' Compensation Commission Appropriation Act, 1944; sections 4(c) and 5(f) of the War Claims Act of 1948 (50 U.S.C. App. 2012); and 50 percent of the additional compensation and benefits required by section 10(h) of the Longshore and Harbor Workers' Compensation Act, as amended, $163,000,000, together with such amounts as may be necessary to be charged to the subsequent year appropriation for the payment of compensation and other benefits for any period subsequent to August 15 of the current year: Provided, That amounts appropriated may be used under section 8104 of title 5, United States Code, by the Secretary of Labor to reimburse an employer, who is not the employer at the time of injury, for portions of the salary of a reemployed, disabled beneficiary: Provided further, That balances of reimbursements unobligated on September 30, 2003, shall remain available until expended for the payment of compensation, benefits, and expenses: Provided further, That in addition there shall be transferred to this appropriation from the Postal Service and from any other corporation or instrumentality required under section 8147(c) of title 5, United States Code, to pay an amount for its fair share of the cost of administration, such sums as the Secretary determines to be the cost of administration for employees of such fair share entities through September 30, 2004: Provided further, That of those funds transferred to this account from the fair share entities to pay the cost of administration of the Federal Employees' Compensation Act, $39,315,000 shall be made available to the Secretary as follows: (1) for enhancement and maintenance of automated data processing systems and telecommunications systems, $11,618,000; (2) for automated workload processing operations, including document imaging, centralized mail intake and medical bill processing, $14,496,000; (3) for periodic roll management and medical review, $13,201,000; and (4) the remaining funds shall be paid into the Treasury as miscellaneous receipts: Provided further, That the Secretary may require that any person filing a notice of injury or a claim for benefits under chapter 81 of title 5, United States Code, or 33 U.S.C. 901 et seq., provide as part of such notice and claim, such identifying information (including Social Security account number) as such regulations may prescribe.

SPECIAL BENEFITS FOR DISABLED COAL MINERS

For carrying out title IV of the Federal Mine Safety and Health Act of 1977, as amended by Public Law 107–275, (the "Act"), $300,000,000, to remain available until expended.

For making after July 31 of the current fiscal year, benefit payments to individuals under title IV of the Act, for costs incurred in the current fiscal year, such amounts as may be necessary.

For making benefit payments under title IV for the first quarter of fiscal year 2005, $88,000,000, to remain available until expended.

ADMINISTRATIVE EXPENSES, ENERGY EMPLOYEES OCCUPATIONAL ILLNESS COMPENSATION FUND

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to administer the Energy Employees Occupational Illness Compensation Act, $55,074,000, to remain available until expended: Provided, That the Secretary of Labor is authorized to transfer to any executive agency with authority under the Energy Employees Occupational Illness Compensation Act, including within the Department of Labor, such sums as may be necessary in fiscal year 2004 to carry out those authorities: Provided further, That the Secretary may require that any person filing a claim for benefits under the Act provide as part of such claim, such identifying information (including Social Security account number) as may be prescribed.

BLACK LUNG DISABILITY TRUST FUND

(INCLUDING TRANSFER OF FUNDS)

Beginning in fiscal year 2004 and thereafter, such sums as may be necessary from the Black Lung Disability Trust Fund, to remain available until expended, for payment of all benefits authorized by section 9501(d)(1), (2), (4), and (7) of the Internal Revenue Code of 1954, as amended; and interest on advances, as authorized by section 9501(c)(2) of that Act. In addition, the following amounts shall be available from the Fund for fiscal year 2004 for expenses of operation and administration of the Black Lung Benefits program, as authorized by section 9501(d)(5): $32,004,000 for transfer to the Employment Standards Administration, "Salaries and Expenses"; $23,401,000 for transfer to Departmental Management, "Salaries and Expenses"; $338,000 for transfer to Departmental Management, "Office of Inspector General"; and $356,000 for payments into miscellaneous receipts for the expenses of the Department of the Treasury.

OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Occupational Safety and Health Administration, $460,786,000, including not to exceed $92,505,000 which shall be the maximum amount available for grants to States under section 23(g) of the Occupational Safety and Health Act (the "Act"), which grants shall be no less than 50 percent of the costs of State occupational safety and health programs required to be incurred under plans approved by the Secretary under section 18 of the Act; and, in addition, notwithstanding 31 U.S.C. 3302, the Occupational Safety and Health Administration may retain up to $750,000 per fiscal year of training institute course tuition fees, otherwise authorized by law to be collected, and may utilize such sums for occupational safety and health training and education grants: Provided, That, notwithstanding 31 U.S.C. 3302, the Secretary of Labor is authorized, during the fiscal year ending September 30, 2004, to collect and retain fees for services provided to Nationally Recognized Testing Laboratories, and may utilize such sums, in accordance with the provisions of 29 U.S.C. 9a, to administer national and international laboratory recognition programs that ensure the safety of equipment and products used by workers in the workplace: Provided further, That none of the funds appropriated under this paragraph shall be obligated or expended to prescribe, issue, administer, or enforce any standard, rule, regulation, or order under the Act which is applicable to any person who is engaged in a farming operation which does not maintain a temporary labor camp and employs 10 or fewer employees: Provided further, That no funds appropriated under this paragraph shall be obligated or expended to administer or enforce any standard, rule, regulation, or order under the Act with respect to any employer of 10 or fewer employees who is included within a category having an occupational injury lost workday case rate, at the most precise Standard Industrial Classification Code for which such data are published, less than the national average rate as such rates are most recently published by the Secretary, acting through the Bureau of Labor Statistics, in accordance with section 24 of that Act (29 U.S.C. 673), except—

(1) to provide, as authorized by such Act, consultation, technical assistance, educational and training services, and to conduct surveys and studies;

(2) to conduct an inspection or investigation in response to an employee complaint, to issue a citation for violations found during such inspection, and to assess a penalty for violations which are not corrected within a reasonable abatement period and for any willful violations found;

(3) to take any action authorized by such Act with respect to imminent dangers;

(4) to take any action authorized by such Act with respect to health hazards;

(5) to take any action authorized by such Act with respect to a report of an employment accident which is fatal to one or more employees or which results in hospitalization of two or more employees, and to take any action pursuant to such investigation authorized by such Act; and

(6) to take any action authorized by such Act with respect to complaints of discrimination against employees for exercising rights under such Act:

Provided further, That the foregoing proviso shall not apply to any person who is engaged in a farming operation which does not maintain a temporary labor camp and employs 10 or fewer *employees: Provided further, That not less than $3,200,000 shall be used to extend funding for the Institutional Competency Building training grants which commenced in September 2000, for program activities for the period of September 30, 2003 to September 30, 2004, provided that a grantee has demonstrated satisfactory performance.*

MINE SAFETY AND HEALTH ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Mine Safety and Health Administration, $270,826,000, including purchase and bestowal of certificates and trophies in connection with mine rescue and first-aid work, and the hire of passenger motor vehicles, including $100,000 for an award to the Stolar Research Corporation to further develop and demonstrate electromagnetic wave detection technology, and other purposes, in Allegheny County, Pennsylvania; including $1,000,000 for an award to the National Technology Transfer Center for a coal slurry impoundment pilot project in southern West Virginia; including up to $2,000,000 for mine rescue and recovery activities; in addition, not to exceed $750,000 may be collected by the National Mine Health and Safety Academy for room, board, tuition, and the sale of training materials, otherwise authorized by law to be collected, to be available for mine safety and health education and training activities, notwithstanding 31 U.S.C. 3302; and, in addition, the Mine Safety and Health Administration may retain up to $1,000,000 from fees collected for the approval and certification of equipment, materials, and explosives for use in mines, and may utilize such sums for such activities; the Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, or private; the Mine Safety and Health Administration is authorized to promote health and safety education and training in the mining community through cooperative programs with States, industry, and safety associations; and any funds available to the department may be used, with the approval of the Secretary, to provide for the costs of mine rescue and survival operations in the event of a major disaster.

BUREAU OF LABOR STATISTICS

SALARIES AND EXPENSES

For necessary expenses for the Bureau of Labor Statistics, including advances or reimbursements to State, Federal, and local agencies and their employees for services rendered, $447,088,000, together with not to exceed $75,110,000, which may be expended from the Employment Security Administration Account in the Unemployment Trust Fund, of which $5,000,000 may be used to fund the mass layoff statistics program under section 15 of the Wagner-Peyser Act (29 U.S.C. 49l–2).

OFFICE OF DISABILITY EMPLOYMENT POLICY

SALARIES AND EXPENSES

For necessary expenses for the Office of Disability Employment Policy to provide leadership, develop policy and initiatives, and award grants furthering the objective of eliminating barriers to the training and employment of people with disabilities, $47,333,000.

DEPARTMENTAL MANAGEMENT

SALARIES AND EXPENSES

For necessary expenses for Departmental Management, including the hire of three sedans, and including the management or operation, through contracts, grants or other arrangements of Departmental activities conducted by or through the Bureau of International Labor Affairs, including bilateral and multilateral technical assistance and other international labor activities, $48,565,000, for the acquisition of Departmental information technology, architecture, infrastructure, equipment, software and related needs which will be allocated by the Department's Chief Information Officer in accordance with the Department's capital investment management process to assure a sound investment strategy; $352,514,000; together with not to exceed $316,000, which may be expended from the Employment Security Administration Account in the Unemployment Trust Fund: Provided, That no funds made available by this Act may be used by the Solicitor of Labor to participate in a review in any United States court of appeals of any decision made by the Benefits Review Board under section 21 of the Longshore and Harbor Workers' Compensation Act (33 U.S.C. 921) where such participation is precluded by the decision of the United States Supreme Court in Director, Office of Workers' Compensation Programs v. Newport News Shipbuilding, 115 S. Ct. 1278 (1995), notwithstanding any provisions to the contrary contained in Rule 15 of the Federal Rules of Appellate Procedure: Provided further, That no funds made available by this Act may be used by the Secretary of Labor to review a decision under the Longshore and Harbor Workers' Compensation Act (33 U.S.C. 901 et seq.) that has been appealed and that has been pending before the Benefits Review Board for more than 12 months: Provided further, That any such decision pending a review by the Benefits Review Board for more than 1 year shall be considered affirmed by the Benefits Review Board on the 1-year anniversary of the filing of the appeal, and shall be considered the final order of the Board for purposes of obtaining a review in the United States courts of appeals: Provided further, That these provisions shall not be applicable to the review or appeal of any decision issued under the Black Lung Benefits Act (30 U.S.C. 901 et seq.): Provided further, That of the funds provided under this heading, $150,000 shall be for a grant to the International Center on Child Labor and Education.

VETERANS EMPLOYMENT AND TRAINING

Not to exceed $193,443,000 may be derived from the Employment Security Administration Account in the Unemployment Trust Fund to carry out the provisions of 38 U.S.C. 4100–4110A, 4212, 4214, and 4321–4327, and Public Law 103–353, and which shall be available for obligation by the States through December 31, 2004, of which $2,000,000 is for the National Veterans' Employment and Training Services Institute. To carry out the Homeless Veterans Reintegration Programs (38 U.S.C. 2021) and the Veterans Workforce Investment Programs (29 U.S.C. 2913), $26,550,000 of which $7,550,000 shall be available for obligation for the period July 1, 2004 through June 30, 2005.

OFFICE OF INSPECTOR GENERAL

For salaries and expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $60,094,000, together with not to exceed $5,730,000, which may be expended from the Employment Security Administration Account in the Unemployment Trust Fund.

WORKING CAPITAL FUND

For the acquisition of a new core accounting system for the Department of Labor, including hardware and software infrastructure and the costs associated with implementation thereof, $13,850,000.

GENERAL PROVISIONS

SEC. 101. None of the funds appropriated in this title for the Job Corps shall be used to pay the compensation of an individual, either as direct costs or any proration as an indirect cost, at a rate in excess of Executive Level II.

(TRANSFER OF FUNDS)

SEC. 102. Not to exceed 1 percent of any discretionary funds (pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended) which are appropriated for the current fiscal year for the Department of Labor in this Act may be transferred between appropriations, but no such appropriation shall be increased by more than 3 percent by any such transfer: Provided, That the Appropriations Committees of both Houses of Congress are notified at least 15 days in advance of any transfer.

SEC. 103. In accordance with Executive Order No. 13126, none of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended for the procurement of goods mined, produced, manufactured, or harvested or services rendered, whole or in part, by forced or indentured child labor in industries and host countries already identified by the United States Department of Labor prior to enactment of this Act.

SEC. 104. There is authorized to be appropriated such sums as may be necessary to the Denali Commission through the Department of Labor to conduct job training of the local workforce where Denali Commission projects will be constructed.

SEC. 105. Of the funds appropriated for fiscal year 1999 under section 403(a)(5)(H)(i)(II) of the Social Security Act (42 U.S.C. 603(a)(5)(H)(i)(II)) that were allotted as welfare to work formula grants to the States under section 403(a)(5)(A) of such Act (42 U.S.C. 603(a)(5)(A)), there is hereby rescinded any funds that are unexpended by the States as of the date of enactment of this section, except for such funds as the Secretary of Labor determines are necessary for States to carry out administrative activities relating to the close out of such grants. Notwithstanding section 403(a)(5) of the Social Security Act (42 U.S.C. 603(a)(5)), the Secretary of Labor may take such actions as the Secretary determines are appropriate to facilitate the orderly and equitable close out of such grants, consistent with the requirements of this section.

SEC. 106. (a) FINDINGS.—Congress finds that—

(1) it is projected that the Department of Labor, in conjunction with labor, industry, and the National Institute for Occupational Safety and Health, will be undertaking several months of testing on Personal Dust Monitor production prototypes; and

(2) the testing of Personal Dust Monitor prototypes is set to begin (by late May or early June of 2004) following the scheduled delivery of the Personal Dust Monitors in May 2004.

(b) RE-PROPOSAL OF RULE.—Following the successful demonstration of Personal Dust Monitor technology, and if the Secretary of Labor makes a determination that Personal Dust Monitors can be effectively applied in a regulatory scheme, the Secretary of Labor shall re-propose a rule on respirable coal dust which incorporates the use of Personal Dust Monitors, and, if such rule is re-proposed, the Secretary shall comply with the regular procedures applicable to Federal rulemaking.

SEC. 107. The Secretary of Labor shall transfer, without charge or consideration, to Hamilton County, Ohio all rights, title, and interest (including all federal equity) the United States holds in the real property located at 1916 Central Parkway, Cincinnati, Ohio to the extent such rights, title, or interest were acquired through grants to the State of Ohio under title III of the Social Security Act or the Wagner-Peyser Act or acquired through funds distributed to the State of Ohio under section 903 of the Social Security Act.

SEC. 108. FAIR LABOR STANDARDS ACT WOODWORKING EXEMPTION. Section 13(c) of the Fair Labor Standards Act of 1938 (29 U.S.C. 213(c)) is amended by adding at the end the following:

"(7)(A)(i) Subject to subparagraph (B), in the administration and enforcement of the child labor provisions of this Act, it shall not be considered oppressive child labor for a new entrant

into the workforce to be employed inside or outside places of business where machinery is used to process wood products.

"(ii) In this paragraph, the term 'new entrant into the workforce' means an individual who—

"(I) is under the age of 18 and at least the age of 14, and

"(II) by statute or judicial order is exempt from compulsory school attendance beyond the eighth grade.

"(B) The employment of a new entrant into the workforce under subparagraph (A) shall be permitted—

"(i) if the entrant is supervised by an adult relative of the entrant or is supervised by an adult member of the same religious sect or division as the entrant;

"(ii) if the entrant does not operate or assist in the operation of power-driven woodworking machines;

"(iii) if the entrant is protected from wood particles or other flying debris within the workplace by a barrier appropriate to the potential hazard of such wood particles or flying debris or by maintaining a sufficient distance from machinery in operation; and

"(iv) if the entrant is required to use personal protective equipment to prevent exposure to excessive levels of noise and saw dust.".

This title may be cited as the "Department of Labor Appropriations Act, 2004".

TITLE II—DEPARTMENT OF HEALTH AND HUMAN SERVICES

HEALTH RESOURCES AND SERVICES ADMINISTRATION

HEALTH RESOURCES AND SERVICES

For carrying out titles II, III, IV, VII, VIII, X, XII, XIX, and XXVI of the Public Health Service Act, section 427(a) of the Federal Coal Mine Health and Safety Act, title V (including section 510), and sections 1128E, 711 and 1820 of the Social Security Act, the Health Care Quality Improvement Act of 1986, as amended, the Native Hawaiian Health Care Act of 1988, as amended, the Cardiac Arrest Survival Act of 2000, and the Poison Control Center Enhancement and Awareness Act, $6,698,437,000, of which $367,563,000 shall be available for construction and renovation (including equipment) of health care and other facilities, abstinence education and related services, and other health-related activities as specified in the statement of the managers on the conference report accompanying this Act, and of which $39,740,000 from general revenues, notwithstanding section 1820(j) of the Social Security Act, shall be available for carrying out the Medicare rural hospital flexibility grants program under section 1820 of such Act: Provided, That of the funds made available under this heading, $250,000 shall be available until expended for facilities renovations at the Gillis W. Long Hansen's Disease Center: Provided further, That in addition to fees authorized by section 427(b) of the Health Care Quality Improvement Act of 1986, fees shall be collected for the full disclosure of information under the Act sufficient to recover the full costs of operating the National Practitioner Data Bank, and shall remain available until expended to carry out that Act: Provided further, That fees collected for the full disclosure of information under the "Health Care Fraud and Abuse Data Collection Program", authorized by section 1128E(d)(2) of the Social Security Act, shall be sufficient to recover the full costs of operating the program, and shall remain available until expended to carry out that Act: Provided further, That $25,000,000 of the funding provided for community health centers shall be used for base grant adjustments for existing centers: Provided further, That no more than $4,850,000 is available for carrying out the provisions of U.S.C. Title 42 Section 233(o) including associated administrative expenses: Provided further, That no more than $45,000,000 is available for carrying out the provisions of Public Law 104–73: Provided further, That $10,000,000 is available until expended to establish a National Cord Blood Stem Cell Bank Program as described in the statement of the managers on the conference report accompanying this Act: Provided further, That of the funds made available under this heading, $280,000,000 shall be for the program under title X of the Public Health Service Act to provide for voluntary family planning projects: Provided further, That amounts provided to said projects under such title shall not be expended for abortions, that all pregnancy counseling shall be nondirective, and that such amounts shall not be expended for any activity (including the publication or distribution of literature) that in any way tends to promote public support or opposition to any legislative proposal or candidate for public office: Provided further, That $753,317,000 shall be for State AIDS Drug Assistance Programs authorized by section 2616 of the Public Health Service Act: Provided further, That in addition to amounts provided herein, $25,000,000 shall be available from amounts available under section 241 of the Public Health Service Act to carry out Parts A, B, C, and D of title XXVI of the Public Health Service Act to fund section 2691 Special Projects of National Significance: Provided further, That notwithstanding section 502(a)(1) of the Social Security Act, not to exceed $121,130,000 is available for carrying out special projects of regional and national significance pursuant to section 501(a)(2) of such Act: Provided further, That $70,488,000 is available for special projects of regional and national significance under section 501(a)(2) of the Social Security Act, which shall not be counted toward compliance with the allocation required in section 502(a)(1) of such Act, and which shall be used only for making competitive grants to provide abstinence education (as defined in section 510(b)(2) of such Act) to adolescents and for Federal costs of administering the grants: Provided further, That grants under the immediately preceding proviso shall be made only to public and private entities which agree that, with respect to an adolescent to whom the entities provide abstinence education under such grant, the entities will not provide to that adolescent any other education regarding sexual conduct, except that, in the case of an entity expressly required by law to provide health information or services the adolescent shall not be precluded from seeking health information or services from the entity in a different setting than the setting in which the abstinence education was provided: Provided further, That in addition to amounts provided herein for abstinence education to adolescents, $4,500,000 shall be available from amounts available under section 241 of the Public Health Service Act to carry out evaluations (including longitudinal evaluations) of adolescent pregnancy prevention approaches.

HEALTH EDUCATION ASSISTANCE LOANS PROGRAM ACCOUNT

Such sums as may be necessary to carry out the purpose of the program, as authorized by title VII of the Public Health Service Act, as amended. For administrative expenses to carry out the guaranteed loan program, including section 709 of the Public Health Service Act, $3,389,000.

VACCINE INJURY COMPENSATION PROGRAM TRUST FUND

For payments from the Vaccine Injury Compensation Program Trust Fund, such sums as may be necessary for claims associated with vaccine-related injury or death with respect to vaccines administered after September 30, 1988, pursuant to subtitle 2 of title XXI of the Public Health Service Act, to remain available until expended: Provided, That for necessary administrative expenses, not to exceed $3,222,000 shall be available from the Trust Fund to the Secretary of Health and Human Services.

CENTERS FOR DISEASE CONTROL AND PREVENTION

DISEASE CONTROL, RESEARCH, AND TRAINING

To carry out titles II, III, VII, XI, XV, XVII, XIX, XXI, and XXVI of the Public Health Service Act, sections 101, 102, 103, 201, 202, 203, 301, and 501 of the Federal Mine Safety and Health Act of 1977, sections 20, 21, and 22 of the Occupational Safety and Health Act of 1970, title IV of the Immigration and Nationality Act, and section 501 of the Refugee Education Assistance Act of 1980; including purchase and insurance of official motor vehicles in foreign countries; and purchase, hire, maintenance, and operation of aircraft, $4,545,472,000, of which $262,000,000 shall remain available until expended for equipment, and construction and renovation of facilities, and of which $293,569,000 for international HIV/AIDS shall remain available until September 30, 2005, including $150,000,000, to remain available until expended for the "International Mother and Child HIV Prevention Initiative." In addition, such sums as may be derived from authorized user fees, which shall be credited to this account: Provided, That in addition to amounts provided herein, $14,000,000 shall be available from amounts available under section 241 of the Public Health Service Act to carry out the National Immunization Surveys: Provided further, That in addition to amounts provided herein, $127,634,000 shall be available from amounts available under section 241 of the Public Health Service Act to carry out the National Center for Health Statistics surveys: Provided further, That in addition to amounts provided herein, $28,600,000 shall be available from amounts available under section 241 of the Public Health Service Act to carry out information systems standards development and architecture and applications-based research used at local public health levels: Provided further, That in addition to amounts provided herein, $41,900,000 shall be available from amounts available under section 241 of the Public Health Service Act to carry out Research Tools and Approaches activities within the National Occupational Research Agenda: Provided further, That none of the funds made available for injury prevention and control at the Centers for Disease Control and Prevention may be used, in whole or in part, to advocate or promote gun control: Provided further, That the Director may redirect the total amount made available under authority of Public Law 101–502, section 3, dated November 3, 1990, to activities the Director may so designate: Provided further, That the Congress is to be notified promptly of any such transfer: Provided further, That not to exceed $12,500,000 may be available for making grants under section 1509 of the Public Health Service Act to not more than 15 States: Provided further, That without regard to existing statute, funds appropriated may be used to proceed, at the discretion of the Centers for Disease Control and Prevention, with property acquisition, including a long-term ground lease for construction on non-Federal land, to support the construction of a replacement laboratory in the Fort Collins, Colorado area: Provided further, That notwithstanding any other provision of law, a single contract or related contracts for development and construction of facilities may be employed which collectively include the full scope of the project: Provided further, That the solicitation and contract shall contain the clause "availability of funds" found at 48 CFR 52.232–18.

NATIONAL INSTITUTES OF HEALTH

NATIONAL CANCER INSTITUTE

For carrying out section 301 and title IV of the Public Health Service Act with respect to cancer, $4,770,519,000.

NATIONAL HEART, LUNG, AND BLOOD INSTITUTE

For carrying out section 301 and title IV of the Public Health Service Act with respect to cardiovascular, lung, and blood diseases, and blood and blood products, $2,897,145,000.

NATIONAL INSTITUTE OF DENTAL AND CRANIOFACIAL RESEARCH

For carrying out section 301 and title IV of the Public Health Service Act with respect to dental disease, $385,796,000.

NATIONAL INSTITUTE OF DIABETES AND DIGESTIVE AND KIDNEY DISEASES

For carrying out section 301 and title IV of the Public Health Service Act with respect to diabetes and digestive and kidney disease, $1,682,457,000.

NATIONAL INSTITUTE OF NEUROLOGICAL DISORDERS AND STROKE

For carrying out section 301 and title IV of the Public Health Service Act with respect to neurological disorders and stroke, $1,510,776,000.

NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES

(INCLUDING TRANSFER OF FUNDS)

For carrying out section 301 and title IV of the Public Health Service Act with respect to allergy and infectious diseases, $4,335,155,000: Provided, That $150,000,000 may be made available to International Assistance Programs, "Global Fund to Fight HIV/AIDS, Malaria, and Tuberculosis", to remain available until expended.

NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES

For carrying out section 301 and title IV of the Public Health Service Act with respect to general medical sciences, $1,916,333,000.

NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT

For carrying out section 301 and title IV of the Public Health Service Act with respect to child health and human development, $1,250,585,000.

NATIONAL EYE INSTITUTE

For carrying out section 301 and title IV of the Public Health Service Act with respect to eye diseases and visual disorders, $657,199,000.

NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

For carrying out sections 301 and 311 and title IV of the Public Health Service Act with respect to environmental health sciences, $636,974,000.

NATIONAL INSTITUTE ON AGING

For carrying out section 301 and title IV of the Public Health Service Act with respect to aging, $1,031,311,000.

NATIONAL INSTITUTE OF ARTHRITIS AND MUSCULOSKELETAL AND SKIN DISEASES

For carrying out section 301 and title IV of the Public Health Service Act with respect to arthritis and musculoskeletal and skin diseases, $504,300,000.

NATIONAL INSTITUTE ON DEAFNESS AND OTHER COMMUNICATION DISORDERS

For carrying out section 301 and title IV of the Public Health Service Act with respect to deafness and other communication disorders, $384,477,000.

NATIONAL INSTITUTE OF NURSING RESEARCH

For carrying out section 301 and title IV of the Public Health Service Act with respect to nursing research, $135,555,000.

NATIONAL INSTITUTE ON ALCOHOL ABUSE AND ALCOHOLISM

For carrying out section 301 and title IV of the Public Health Service Act with respect to alcohol abuse and alcoholism, $431,471,000.

NATIONAL INSTITUTE ON DRUG ABUSE

For carrying out section 301 and title IV of the Public Health Service Act with respect to drug abuse, $997,414,000.

NATIONAL INSTITUTE OF MENTAL HEALTH

For carrying out section 301 and title IV of the Public Health Service Act with respect to mental health, $1,390,714,000.

NATIONAL HUMAN GENOME RESEARCH INSTITUTE

For carrying out section 301 and title IV of the Public Health Service Act with respect to human genome research, $482,222,000.

NATIONAL INSTITUTE OF BIOMEDICAL IMAGING AND BIOENGINEERING

For carrying out section 301 and title IV of the Public Health Service Act with respect to biomedical imaging and bioengineering research, $288,900,000.

NATIONAL CENTER FOR RESEARCH RESOURCES

For carrying out section 301 and title IV of the Public Health Service Act with respect to research resources and general research support grants, $1,186,183,000: Provided, That none of these funds shall be used to pay recipients of the general research support grants program any amount for indirect expenses in connection with such grants: Provided further, That $119,220,000 shall be for extramural facilities construction grants.

NATIONAL CENTER FOR COMPLEMENTARY AND ALTERNATIVE MEDICINE

For carrying out section 301 and title IV of the Public Health Service Act with respect to complementary and alternative medicine, $117,752,000.

NATIONAL CENTER ON MINORITY HEALTH AND HEALTH DISPARITIES

For carrying out section 301 and title IV of the Public Health Service Act with respect to minority health and health disparities research, $192,724,000.

JOHN E. FOGARTY INTERNATIONAL CENTER

For carrying out the activities at the John E. Fogarty International Center, $65,800,000.

NATIONAL LIBRARY OF MEDICINE

For carrying out section 301 and title IV of the Public Health Service Act with respect to health information communications, $311,635,000, of which $4,000,000 shall be available until expended for improvement of information systems: Provided, That in fiscal year 2004, the Library may enter into personal services contracts for the provision of services in facilities owned, operated, or constructed under the jurisdiction of the National Institutes of Health: Provided further, That in addition to amounts provided herein, $8,200,000 shall be available from amounts available under section 241 of the Public Health Service Act to carry out National Information Center on Health Services Research and Health Care Technology and related health services.

OFFICE OF THE DIRECTOR

(INCLUDING TRANSFER OF FUNDS)

For carrying out the responsibilities of the Office of the Director, National Institutes of Health, $329,707,000, of which up to $7,500,000 shall be used to carry out section 221 of this Act: Provided, That funding shall be available for the purchase of not to exceed 29 passenger motor vehicles for replacement only: Provided further, That the Director may direct up to 1 percent of the total amount made available in this or any other Act to all National Institutes of Health appropriations to activities the Director may so designate: Provided further, That no such appropriation shall be decreased by more than 1 percent by any such transfers and that the Congress is promptly notified of the transfer: Provided further, That the National Institutes of Health is authorized to collect third party payments for the cost of clinical services that are incurred in National Institutes of Health research facilities and that such payments shall be credited to the National Institutes of Health Management Fund: Provided further, That all funds credited to the National Institutes of Health Management Fund shall remain available for 1 fiscal year after the fiscal year in which they are deposited: Provided further, That up to $500,000 shall be available to carry out section 499 of the Public Health Service Act.

BUILDINGS AND FACILITIES

(INCLUDING TRANSFER OF FUNDS)

For the study of, construction of, renovation of, and acquisition of equipment for, facilities of or used by the National Institutes of Health, including the acquisition of real property, $89,500,000, to remain available until expended: Provided, That notwithstanding any other provision of law, single contracts or related contracts, which collectively include the full scope of the project, may be employed for the development and construction of the first and second phases of the John Edward Porter Neuroscience Research Center: Provided further, That the solicitations and contracts shall contain the clause "availability of funds" found at 48 CFR 52.232–18.

SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION

SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES

For carrying out titles V and XIX of the Public Health Service Act with respect to substance abuse and mental health services, the Protection and Advocacy for Mentally Ill Individuals Act of 1986, and section 301 of the Public Health Service Act with respect to program management, $3,253,763,000: Provided, That in addition to amounts provided herein, $79,200,000 shall be available from amounts available under section 241 of the Public Health Service Act to carry out subpart II of title XIX of the Public Health Service Act to fund section 1935(b) technical assistance, national data, data collection and evaluation activities, and further that the total available under this Act for section 1935(b) activities shall not exceed 5 percent of the amounts appropriated for subpart II of title XIX: Provided further, That in addition to the amounts provided herein, $21,850,000 shall be available from amounts available under Section 241 of the Public Health Service Act to carry out subpart I of Part B of title XIX of the Public Health Service Act to fund section 1920(b) technical assistance, data collection and program evaluation activities, and further that the total available under this Act for section 1920(b) activities shall not exceed 5 percent of the amounts appropriated for subpart I of Part B of title XIX: Provided further, That in addition to amounts provided herein, $16,000,000 shall be made available from amounts available under section 241 of the Public Health Service Act to carry out national surveys on drug abuse.

AGENCY FOR HEALTHCARE RESEARCH AND QUALITY

HEALTHCARE RESEARCH AND QUALITY

For carrying out titles III and IX of the Public Health Service Act, and part A of title XI of the Social Security Act, amounts received from Freedom of Information Act fees, reimbursable and interagency agreements, and the sale of data shall be credited to this appropriation and shall remain available until expended: Provided, That the amount made available pursuant to section 927(c) of the Public Health Service Act shall not exceed $303,695,000: Provided further, That, of the funds made available under this heading, $12,000,000 shall be for the conduct of research on the comparative clinical effectiveness, cost-effectiveness, and safety of drugs, biological products, and devices.

CENTERS FOR MEDICARE AND MEDICAID SERVICES

GRANTS TO STATES FOR MEDICAID

For carrying out, except as otherwise provided, titles XI and XIX of the Social Security Act, $130,892,197,000, to remain available until expended.

For making, after May 31, 2004, payments to States under title XIX of the Social Security Act for the last quarter of fiscal year 2004 for unanticipated costs, incurred for the current fiscal year, such sums as may be necessary.

For making payments to States or in the case of section 1928 on behalf of States under title XIX of the Social Security Act for the first quarter of fiscal year 2005, $58,416,275,000, to remain available until expended.

Payment under title XIX may be made for any quarter with respect to a State plan or plan amendment in effect during such quarter, if submitted in or prior to such quarter and approved in that or any subsequent quarter.

PAYMENTS TO HEALTH CARE TRUST FUNDS

For payment to the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds, as provided under section 1844 of the Social Security Act, sections 103(c) and 111(d) of the Social Security Amendments of 1965, section 278(d) of Public Law 97–248, and for administrative expenses incurred pursuant to section 201(g) of the Social Security Act, $95,084,100,000.

PROGRAM MANAGEMENT

For carrying out, except as otherwise provided, titles XI, XVIII, XIX, and XXI of the Social Security Act, titles XIII and XXVII of the Public Health Service Act, and the Clinical Laboratory Improvement Amendments of 1988, not to exceed $2,664,994,000, to be transferred from the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds, as authorized by section 201(g) of the Social Security Act; together with all funds collected in accordance with section 353 of the Public Health Service Act and section 1857(e)(2) of the Social Security Act, and such sums as may be collected from authorized user fees and the sale of data, which shall remain available until expended, and together with administrative fees collected relative to Medicare overpayment recovery activities, which shall remain available until expended: Provided, That all funds derived in accordance with 31 U.S.C. 9701 from organizations established under title XIII of the Public Health Service Act shall be credited to and available for carrying out the purposes of this appropriation: Provided further, That $30,000,000, to remain available until September 30, 2005, is for contract costs for CMS's Systems Revitalization Plan: Provided further, That $56,991,000, to remain available until September 30, 2005, is for contract costs for the Healthcare Integrated General Ledger Accounting System: Provided further, That of the amounts made available for research, demonstration and evaluation, $100,000 is available for Advocate Health Care in Oak Brook, Illinois for health education programs and services to the deaf and hard-of-hearing, $1,750,000 is available for AIDS Healthcare Foundation in Los Angeles for a demonstration of residential and outpatient treatment facilities, $250,000 is available for Berwick Hospital Center, Berwick, Pennsylvania for stabilizing the workforce for patient care, $163,000 is available for Bloomsburg Hospital, Bloomsburg, Pennsylvania for stabilizing the workforce for patient care, $275,000 is available for Cheyenne River Sioux Tribe in Eagle Butte, South Dakota to establish a nursing home, $778,000 is available for Community Medical Center, Scranton, Pennsylvania for stabilizing the workforce for patient care, $150,000 is available for Cook County (Illinois) Bureau of Health Services to improve the management of vulnerable patients with poorly controlled diabetes, $178,000 is available for Divine Providence Hospital, Williamsport, Pennsylvania for stabilizing the workforce for patient care, $267,000 is available for Geisinger Wyoming Valley Medical Center, Wilkes-Barre, Pennsylvania for stabilizing the workforce for patient care, $237,000 is available for Hazleton General Hospital, Hazleton, Pennsylvania for stabilizing the workforce for patient care, $25,000 is available for Hope Worldwide, Philadelphia, Pennsylvania to maintain clinical care for recovering drug and alcohol addicts, $825,000 is available for Illinois Primary Health Care Association for the Shared Integrated Management Information System, Springfield, Illinois, $250,000 is available for James S. Taylor Memorial Home, Louisville, Kentucky, $100,000 is available for Jefferson Area Board for Aging, Charlottesville, Virginia, for the Nursing Assistant Institute, $85,000 is available for Jersey Shore Hospital, Jersey Shore, Pennsylvania for stabilizing the workforce for patient care, $179,000 is available for Marian Community Hospital, Carbondale, Pennsylvania for stabilizing the workforce for patient care, $200,000 is available for Medical Care for Children Partnership, Fairfax, Virginia to provide outreach to increase access to medical and dental care for children, $393,000 is available for Mercy Health Partners, Scranton, Pennsylvania for stabilizing the workforce for patient care, $571,000 is available for Mercy Hospital, Wilkes-Barre, Pennsylvania for stabilizing the workforce for patient care, $63,000 is available for Mid-Valley Hospital, Peckville, Pennsylvania for stabilizing the workforce for patient care, $510,000 is available for Moses Taylor Hospital, Scranton, Pennsylvania for stabilizing the workforce for patient care, $109,000 is available for Muncy Valley Hospital, Muncy, Pennsylvania for stabilizing the workforce for patient care, $225,000 is available for Muskegon Community Health Project, Muskegon, Michigan, for the Access Health program, $75,000 is available for North Penn Visiting Nurse Association, Lansdale, Pennsylvania to provide low-cost or free health care to children who do not have health insurance, $122,000 is available for Patient Advocate Foundation, Newport News, Virginia to provide direct intervention assistance to patients throughout the United States who are experiencing difficulty in accessing quality health care services, $100,000 is available for Rhode Island Hospital-Medical Simulation Center of Providence, Rhode Island for the creation of a transportable simulation-based training curriculum and validated human performance measurement system, $256,000 is available for Saint Joseph Medical Center, Hazleton, Pennsylvania for stabilizing the workforce for patient care, $100,000 is available for Santa Clara County, California, for its Children's Health Initiative program to provide outreach and enrollment assistance for families under 300 percent of federal poverty level, $664,000 is available for Sharon Regional Health System, Sharon, Pennsylvania for stabilizing the workforce for patient care, $25,000 is available for Sickle Cell Medical Treatment & Education Center, St. Louis Children's Hospital, St. Louis, Missouri, to improve the academic achievement of children with Sickle Cell Disease with specific cognitive rehabilitation, $111,000 is available for Tyler Memorial Hospital, Tunkhannock, Pennsylvania for stabilizing the workforce for patient care, $174,000 is available for United Community Hospital, Grove City, Pennsylvania for stabilizing the workforce for patient care, $503,000 is available for UPMC Horizon, Farrell, Pennsylvania for stabilizing the workforce for patient care, $613,000 is available for Williamsport Hospital & Medical Center, Williamsport, Pennsylvania for stabilizing the workforce for patient care, and $965,000 is available for Wyoming Valley Health Care System, Wilkes-Barre, Pennsylvania for stabilizing the workforce for patient care: Provided further, That the Secretary of Health and Human Services is directed to collect fees in fiscal year 2004 from Medicare+Choice organizations pursuant to section 1857(e)(2) of the Social Security Act and from eligible organizations with risk-sharing contracts under section 1876 of that Act pursuant to section 1876(k)(4)(D) of that Act: Provided further, that to the extent Medicare claims processing unit costs are projected by the Centers for Medicare & Medicaid Services to exceed $0.87 for Part A claims and/or $0.65 for Part B claims, up to an additional $18,000,000 may be available for obligation for every $0.04 increase in Medicare claims processing unit costs from the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds. The calculation of projected unit costs shall be derived in the same manner in which the estimated unit costs were calculated for the Federal budget estimate for the fiscal year.

HEALTH MAINTENANCE ORGANIZATION LOAN AND LOAN GUARANTEE FUND

For carrying out subsections (d) and (e) of section 1308 of the Public Health Service Act, any amounts received by the Secretary in connection with loans and loan guarantees under title XIII of the Public Health Service Act, to be available without fiscal year limitation for the payment of outstanding obligations. During fiscal year 2004, no commitments for direct loans or loan guarantees shall be made.

ADMINISTRATION FOR CHILDREN AND FAMILIES

PAYMENTS TO STATES FOR CHILD SUPPORT ENFORCEMENT AND FAMILY SUPPORT PROGRAMS

For making payments to States or other non-Federal entities under titles I, IV–D, X, XI, XIV, and XVI of the Social Security Act and the Act of July 5, 1960 (24 U.S.C. ch. 9), $3,292,970,000, to remain available until expended; and for such purposes for the first quarter of fiscal year 2005, $1,200,000,000, to remain available until expended.

For making payments to each State for carrying out the program of Aid to Families with Dependent Children under title IV–A of the Social Security Act before the effective date of the program of Temporary Assistance for Needy Families (TANF) with respect to such State, such sums as may be necessary: Provided, That the sum of the amounts available to a State with respect to expenditures under such title IV–A in fiscal year 1997 under this appropriation and under such title IV–A as amended by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 shall not exceed the limitations under section 116(b) of such Act.

For making, after May 31 of the current fiscal year, payments to States or other non-Federal entities under titles I, IV–D, X, XI, XIV, and XVI of the Social Security Act and the Act of July 5, 1960 (24 U.S.C. ch. 9), for the last 3 months of the current fiscal year for unanticipated costs, incurred for the current fiscal year, such sums as may be necessary.

LOW-INCOME HOME ENERGY ASSISTANCE

For making payments under title XXVI of the Omnibus Budget Reconciliation Act of 1981, $1,800,000,000.

For making payments under title XXVI of the Omnibus Budget Reconciliation Act of 1981, $100,000,000, to remain available until expended: Provided, That these funds are for the unanticipated home energy assistance needs of one or more States, as authorized by section 2604(e) of the Act, and notwithstanding the designation requirement of section 2602(e).

REFUGEE AND ENTRANT ASSISTANCE

For necessary expenses for refugee and entrant assistance activities authorized by title IV of the Immigration and Nationality Act and section 501 of the Refugee Education Assistance

Act of 1980 (Public Law 96–422), for carrying out section 462 of the Homeland Security Act of 2002 (Public Law 107–296), and for carrying out section 5 of the Torture Victims Relief Act of 1998 (Public Law 105–320), $450,276,000, of which up to $9,968,000 shall be available to carry out the Trafficking Victims Protection Act of 2000 (Public Law 106–386; division A): Provided, That funds appropriated under this heading pursuant to section 414(a) of the Immigration and Nationality Act for fiscal year 2004 shall be available for the costs of assistance provided and other activities, to remain available through September 30, 2006.

PAYMENTS TO STATES FOR THE CHILD CARE AND DEVELOPMENT BLOCK GRANT

For carrying out sections 658A through 658R of the Omnibus Budget Reconciliation Act of 1981 (The Child Care and Development Block Grant Act of 1990), $2,099,729,000 shall be used to supplement, not supplant state general revenue funds for child care assistance for low-income families: Provided, That $19,120,000 shall be available for child care resource and referral and school-aged child care activities, of which $1,000,000 shall be for the Child Care Aware toll free hotline: Provided further, That, in addition to the amounts required to be reserved by the State's under section 658G, $272,672,000 shall be reserved by the States for activities authorized under section 658G, of which $100,000,000 shall be for activities that improve the quality of infant and toddler care: Provided further, That $9,864,000 shall be for use by the Secretary for child care research, demonstration, and evaluation activities.

SOCIAL SERVICES BLOCK GRANT

For making grants to States pursuant to section 2002 of the Social Security Act, $1,700,000,000: Provided, That notwithstanding subparagraph (B) of section 404(d)(2) of such Act, the applicable percent specified under such subparagraph for a State to carry out State programs pursuant to title XX of such Act shall be 10 percent.

CHILDREN AND FAMILIES SERVICES PROGRAMS

For carrying out, except as otherwise provided, the Runaway and Homeless Youth Act, the Developmental Disabilities Assistance and Bill of Rights Act, the Head Start Act, the Child Abuse Prevention and Treatment Act, sections 310 and 316 of the Family Violence Prevention and Services Act, as amended, the Native American Programs Act of 1974, title II of Public Law 95–266 (adoption opportunities), the Adoption and Safe Families Act of 1997 (Public Law 105–89), sections 1201 and 1211 of the Children's Health Act of 2000, the Abandoned Infants Assistance Act of 1988, sections 261 and 291 of the Help America Vote Act of 2002, the Early Learning Opportunities Act, part B(1) of title IV and sections 413, 429A, 1110, and 1115 of the Social Security Act, and sections 40155, 40211, and 40241 of Public Law 103–322; for making payments under the Community Services Block Grant Act, sections 439(h), 473A, and 477(i) of the Social Security Act, and title IV of Public Law 105–285, and for necessary administrative expenses to carry out said Acts and titles I, IV, X, XI, XIV, XVI, and XX of the Social Security Act, the Act of July 5, 1960 (24 U.S.C. ch. 9), the Omnibus Budget Reconciliation Act of 1981, title IV of the Immigration and Nationality Act, section 501 of the Refugee Education Assistance Act of 1980, section 5 of the Torture Victims Relief Act of 1998 (Public Law 105–320), sections 40155, 40211, and 40241 of Public Law 103–322, and section 126 and titles IV and V of Public Law 100–485, $8,816,097,000, of which $7,500,000, to remain available until September 30, 2005, shall be for grants to States for adoption incentive payments, as authorized by section 473A of title IV of the Social Security Act (42 U.S.C. 670–679) and may be made for adoptions completed before September 30, 2004: Provided, That funds appropriated in Public Law 108–7 for grants to States as authorized by section 473A of title IV of the Social Security Act shall also be available for adoption incentive payments for adoptions completed before September 30, 2004: Provided further, That $6,815,570,000 shall be for making payments under the Head Start Act, of which $1,400,000,000 shall become available October 1, 2004 and remain available through September 30, 2005: Provided further, That $735,686,000 shall be for making payments under the Community Services Block Grant Act: Provided further, That not less than $7,227,000 shall be for section 680(3)(B) of the Community Services Block Grant Act, as amended: Provided further, That in addition to amounts provided herein, $6,000,000 shall be available from amounts available under section 241 of the Public Health Service Act to carry out the provisions of section 1110 of the Social Security Act: Provided further, That to the extent Community Services Block Grant funds are distributed as grant funds by a State to an eligible entity as provided under the Act, and have not been expended by such entity, they shall remain with such entity for carryover into the next fiscal year for expenditure by such entity consistent with program purposes: Provided further, That the Secretary shall establish procedures regarding the disposition of intangible property which permits grant funds, or intangible assets acquired with funds authorized under section 680 of the Community Services Block Grant Act, as amended, to become the sole property of such grantees after a period of not more than 12 years after the end of the grant for purposes and uses consistent with the original grant: Provided further, That funds appropriated for section 680(a)(2) of the Community Services Block Grant Act, as amended, shall be available for financing construction and rehabilitation and loans or investments in private business enterprises owned by community development corporations: Provided further, That $89,978,000 shall be for activities authorized by the Runaway and Homeless Youth Act, notwithstanding the allocation requirements of section 388(a) of such Act, of which $40,505,000 is for the transitional living program: Provided further, That $48,000,000 is for a compassion capital fund to provide grants to charitable organizations to emulate model social service programs and to encourage research on the best practices of social service organizations: Provided further, That $15,000,000 shall be for activities authorized by the Help America Vote Act of 2002, of which $10,000,000 shall be for payments to States to promote disabled voter access, and of which $5,000,000 shall be for payments to States for disabled voters protection and advocacy systems.

PROMOTING SAFE AND STABLE FAMILIES

For carrying out section 436 of the Social Security Act, $305,000,000 and for section 437, $100,000,000.

PAYMENTS TO STATES FOR FOSTER CARE AND ADOPTION ASSISTANCE

For making payments to States or other non-Federal entities under title IV–E of the Social Security Act, $5,068,300,000.

For making payments to States or other non-Federal entities under title IV–E of the Act, for the first quarter of fiscal year 2005, $1,767,700,000.

For making, after May 31 of the current fiscal year, payments to States or other non-Federal entities under section 474 of title IV–E, for the last 3 months of the current fiscal year for unanticipated costs, incurred for the current fiscal year, such sums as may be necessary.

ADMINISTRATION ON AGING

AGING SERVICES PROGRAMS

For carrying out, to the extent not otherwise provided, the Older Americans Act of 1965, as amended, and section 398 of the Public Health Service Act, $1,381,689,000, of which $5,500,000 shall be available for activities regarding medication management, screening, and education to prevent incorrect medication and adverse drug reactions; and of which $2,842,000 shall remain available until September 30, 2006, for the White House Conference on Aging.

OFFICE OF THE SECRETARY

GENERAL DEPARTMENTAL MANAGEMENT

For necessary expenses, not otherwise provided, for general departmental management, including hire of six sedans, and for carrying out titles III, XVII, XX, and XXI of the Public Health Service Act, and the United States-Mexico Border Health Commission Act, $357,358,000, together with $5,851,000 to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from the Hospital Insurance Trust Fund and the Supplemental Medical Insurance Trust Fund: Provided, That of the funds made available under this heading for carrying out title XX of the Public Health Service Act, $11,885,000 shall be for activities specified under section 2003(b)(2), of which $10,157,000 shall be for prevention service demonstration grants under section 510(b)(2) of title V of the Social Security Act, as amended, without application of the limitation of section 2010(c) of said title XX: Provided further, That of this amount, $49,838,000 is for minority AIDS prevention and treatment activities; and $15,000,000 shall be for an Information Technology Security and Innovation Fund for Department-wide activities involving cybersecurity, information technology security, and related innovation projects, and $5,000,000 is to assist Afghanistan in the development of maternal and child health clinics, consistent with section 103(a)(4)(H) of the Afghanistan Freedom Support Act of 2002.

OFFICE OF INSPECTOR GENERAL

For expenses necessary for the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $39,497,000: Provided, That, of such amount, necessary sums are available for providing protective services to the Secretary and investigating non-payment of child support cases for which non-payment is a Federal offense under 18 U.S.C. 228.

OFFICE FOR CIVIL RIGHTS

For expenses necessary for the Office for Civil Rights, $30,936,000, together with not to exceed $3,314,000 to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from the Hospital Insurance Trust Fund and the Supplemental Medical Insurance Trust Fund.

POLICY RESEARCH

For carrying out, to the extent not otherwise provided, research studies under section 1110 of the Social Security Act and title III of the Public Health Service Act, $20,750,000, which shall be available from amounts available under section 241 of the Public Health Service Act to carry out national health or human services research and evaluation activities: Provided, That the expenditure of any funds available under section 241 of the Public Health Service Act are subject to the requirements of section 205 of this Act.

RETIREMENT PAY AND MEDICAL BENEFITS FOR COMMISSIONED OFFICERS

For retirement pay and medical benefits of Public Health Service Commissioned Officers as authorized by law, for payments under the Retired Serviceman's Family Protection Plan and Survivor Benefit Plan, for medical care of dependents and retired personnel under the Dependents' Medical Care Act (10 U.S.C. ch. 55 and 56), and for payments pursuant to section 229(b) of the Social Security Act (42 U.S.C.

429(b)), such amounts as may be required during the current fiscal year. The following are definitions for the medical benefits of the Public Health Service Commissioned Officers that apply to 10 U.S.C. chapter 56, section 1116(c). The source of funds for the monthly accrual payments into the Department of Defense Medicare-Eligible Retiree Health Care Fund shall be the Retirement Pay and Medical Benefits for Commissioned Officers account. For purposes of this Act, the term “pay of members” shall be construed to be synonymous with retirement payments to United States Public Health Service officers who are retired for age, disability, or length of service; payments to survivors of deceased officers; medical care to active duty and retired members and dependents and beneficiaries; and for payments to the Social Security Administration for military service credits; all of which payments are provided for by the Retirement Pay and Medical Benefits for Commissioned Officers account.

PUBLIC HEALTH AND SOCIAL SERVICES EMERGENCY FUND

For expenses necessary to support activities related to countering potential biological, disease and chemical threats to civilian populations, $1,726,846,000: Provided, That this amount is distributed as follows: Centers for Disease Control and Prevention, $1,116,156,000; Office of the Secretary, $64,820,000; and Health Resources and Services Administration, $545,870,000: Provided further, That at the discretion of the Secretary of Health and Human Services, these amounts may be transferred between categories subject to normal reprogramming procedures: Provided further, That employees of the Centers for Disease Control and Prevention or the Public Health Service, both civilian and Commissioned Officers, detailed to States, municipalities, or other organizations under authority of section 214 of the Public Health Service Act for purposes related to homeland security, shall be treated as non-Federal employees for reporting purposes only and shall not be included within any personnel ceiling applicable to the Agency, Service, or the Department of Health and Human Services during the period of detail or assignment.

In addition, for activities to ensure a year-round influenza vaccine production capacity and the development and implementation of rapidly expandable influenza vaccine production technologies, $50,000,000, to remain available until expended.

GENERAL PROVISIONS

SEC. 201. Funds appropriated in this title shall be available for not to exceed $50,000 for official reception and representation expenses when specifically approved by the Secretary.

SEC. 202. The Secretary shall make available through assignment not more than 60 employees of the Public Health Service to assist in child survival activities and to work in AIDS programs through and with funds provided by the Agency for International Development, the United Nations International Children's Emergency Fund or the World Health Organization.

SEC. 203. None of the funds appropriated under this Act may be used to implement section 399F(b) of the Public Health Service Act or section 1503 of the National Institutes of Health Revitalization Act of 1993, Public Law 103–43.

SEC. 204. None of the funds appropriated in this Act for the National Institutes of Health, the Agency for Healthcare Research and Quality, and the Substance Abuse and Mental Health Services Administration shall be used to pay the salary of an individual, through a grant or other extramural mechanism, at a rate in excess of Executive Level I.

SEC. 205. None of the funds appropriated in this Act may be expended pursuant to section 241 of the Public Health Service Act, except for funds specifically provided for in this Act, or for other taps and assessments made by any office located in the Department of Health and Human Services, prior to the Secretary's preparation and submission of a report to the Committee on Appropriations of the Senate and of the House detailing the planned uses of such funds.

SEC. 206. Notwithstanding section 241(a) of the Public Health Service Act, such portion as the Secretary shall determine, but not more than 2.2 percent, of any amounts appropriated for programs authorized under said Act shall be made available for the evaluation (directly, or by grants or contracts) of the implementation and effectiveness of such programs.

(TRANSFER OF FUNDS)

SEC. 207. Not to exceed 1 percent of any discretionary funds (pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended) which are appropriated for the current fiscal year for the Department of Health and Human Services in this Act may be transferred between appropriations, but no such appropriation shall be increased by more than 3 percent by any such transfer: Provided, That an appropriation may be increased by up to an additional 2 percent subject to approval by the House and Senate Committees on Appropriations: Provided further, That the Appropriations Committees of both Houses of Congress are notified at least 15 days in advance of any transfer.

SEC. 208. The Director of the National Institutes of Health, jointly with the Director of the Office of AIDS Research, may transfer up to 3 percent among institutes, centers, and divisions from the total amounts identified by these two Directors as funding for research pertaining to the human immunodeficiency virus: Provided, That the Congress is promptly notified of the transfer.

SEC. 209. Of the amounts made available in this Act for the National Institutes of Health, the amount for research related to the human immunodeficiency virus, as jointly determined by the Director of the National Institutes of Health and the Director of the Office of AIDS Research, shall be made available to the “Office of AIDS Research” account. The Director of the Office of AIDS Research shall transfer from such account amounts necessary to carry out section 2353(d)(3) of the Public Health Service Act.

SEC. 210. None of the funds appropriated in this Act may be made available to any entity under title X of the Public Health Service Act unless the applicant for the award certifies to the Secretary that it encourages family participation in the decision of minors to seek family planning services and that it provides counseling to minors on how to resist attempts to coerce minors into engaging in sexual activities.

SEC. 211. None of the funds appropriated by this Act (including funds appropriated to any trust fund) may be used to carry out the Medicare+Choice program if the Secretary denies participation in such program to an otherwise eligible entity (including a Provider Sponsored Organization) because the entity informs the Secretary that it will not provide, pay for, provide coverage of, or provide referrals for abortions: Provided, That the Secretary shall make appropriate prospective adjustments to the capitation payment to such an entity (based on an actuarially sound estimate of the expected costs of providing the service to such entity's enrollees): Provided further, That nothing in this section shall be construed to change the Medicare program's coverage for such services and a Medicare+Choice organization described in this section shall be responsible for informing enrollees where to obtain information about all Medicare covered services.

SEC. 212. Notwithstanding any other provision of law, no provider of services under title X of the Public Health Service Act shall be exempt from any State law requiring notification or the reporting of child abuse, child molestation, sexual abuse, rape, or incest.

SEC. 213. The Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990 (Public Law 101–167) is amended—

(1) in section 599D (8 U.S.C. 1157 note)—

(A) in subsection (b)(3), by striking “1997, 1998, 1999, 2000, 2001, 2002, and 2003” and inserting “1997, 1998, 1999, 2000, 2001, 2002, 2003, and 2004”; and

(B) in subsection (e), by striking “October 1, 2003” each place it appears and inserting “October 1, 2004”;

(C) in subsection (b)(1)—

(i) in subparagraph (A), by striking “and” at the end;

(ii) in subparagraph (B), by striking the period and inserting “; and”; and

(iii) by adding at the end the following:

“(C) one or more categories of aliens who are or were nationals and residents of the Islamic Republic or Iran who, as members of a religious minority in Iran, share common characteristics that identify them as targets of persecution in that state on account of race, religion, nationality, membership in a particular social group, or political opinion.”; and

(2) in section 599E (8 U.S.C. 1255 note) in subsection (b)(2), by striking “September 30, 2003” and inserting “September 30, 2004”.

SEC. 214. (a) Except as provided by subsection (e) none of the funds appropriated by this Act may be used to withhold substance abuse funding from a State pursuant to section 1926 of the Public Health Service Act (42 U.S.C. 300x–26) if such State certifies to the Secretary of Health and Human Services by May 1, 2004 that the State will commit additional State funds, in accordance with subsection (b), to ensure compliance with State laws prohibiting the sale of tobacco products to individuals under 18 years of age.

(b) The amount of funds to be committed by a State under subsection (a) shall be equal to 1 percent of such State's substance abuse block grant allocation for each percentage point by which the State misses the retailer compliance rate goal established by the Secretary of Health and Human Services under section 1926 of such Act.

(c) The State is to maintain State expenditures in fiscal year 2004 for tobacco prevention programs and for compliance activities at a level that is not less than the level of such expenditures maintained by the State for fiscal year 2003, and adding to that level the additional funds for tobacco compliance activities required under subsection (a). The State is to submit a report to the Secretary on all fiscal year 2003 State expenditures and all fiscal year 2004 obligations for tobacco prevention and compliance activities by program activity by July 31, 2004.

(d) The Secretary shall exercise discretion in enforcing the timing of the State obligation of the additional funds required by the certification described in subsection (a) as late as July 31, 2004.

(e) None of the funds appropriated by this Act may be used to withhold substance abuse funding pursuant to section 1926 from a territory that receives less than $1,000,000.

SEC. 215. In order for the Centers for Disease Control and Prevention to carry out international health activities, including HIV/AIDS and other infectious disease, chronic and environmental disease, and other health activities abroad during fiscal year 2004, the Secretary of Health and Human Services—

(1) may exercise authority equivalent to that available to the Secretary of State in section 2(c) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2669(c)). The Secretary of Health

and Human Services shall consult with the Secretary of State and relevant Chief of Mission to ensure that the authority provided in this section is exercised in a manner consistent with section 207 of the Foreign Service Act of 1980 (22 U.S.C. 3927) and other applicable statutes administered by the Department of State, and

(2) is authorized to provide such funds by advance or reimbursement to the Secretary of State as may be necessary to pay the costs of acquisition, lease, alteration, renovation, and management of facilities outside of the United States for the use of the Department of Health and Human Services. The Department of State shall cooperate fully with the Secretary of Health and Human Services to ensure that the Department of Health and Human Services has secure, safe, functional facilities that comply with applicable regulation governing location, setback, and other facilities requirements and serve the purposes established by this Act. The Secretary of Health and Human Services is authorized, in consultation with the Secretary of State, through grant or cooperative agreement, to make available to public or nonprofit private institutions or agencies in participating foreign countries, funds to acquire, lease, alter, or renovate facilities in those countries as necessary to conduct programs of assistance for international health activities, including activities relating to HIV/AIDS and other infectious diseases, chronic and environmental diseases, and other health activities abroad.

SEC. 216. The Division of Federal Occupational Health may utilize personal services contracting to employ professional management/administrative and occupational health professionals.

SEC. 217. Notwithstanding section 409B(c) of the Public Health Service Act regarding a limitation on the number of such grants, funds appropriated in this Act and Acts in fiscal years thereafter may be expended by the Director of the National Institutes of Health to award Core Center Grants to encourage the development of innovative multidisciplinary research and provide training concerning Parkinson's disease. Each center funded under such grants shall be designated as a Morris K. Udall Center for Research on Parkinson's Disease.

SEC. 218. Not later than 90 days after the date of enactment of this Act, the Director of the National Institutes of Health shall submit to the appropriate committees of Congress a report that shall—

(1) contain the recommendations of the Director concerning the role of the National Institutes of Health in promoting the affordability of inventions and products developed with Federal funds; and

(2) specify whether any circumstances exist to prevent the Director from promoting the affordability of inventions and products developed with Federal funds.

SEC. 219. Notwithstanding any other provisions of law, funds made available under this heading may be used to continue operating the Council on Graduate Medical Education established by section 301 of Public Law 102–408.

SEC. 220. DESIGNATION OF SENATOR PAUL D. WELLSTONE NIH MDCRC PROGRAM. (a) FINDINGS.—Congress finds the following:

(1) On December 18, 2001, Public Law 107–84, otherwise known as the Muscular Dystrophy Community· Assistance, Research and Education Amendments of 2001, or the MD CARE Act, was signed into law to provide for research and education with respect to various forms of muscular dystrophy, including Duchenne, Becker, limb girdle, congenital, facioscapulohumeral, myotonic, oculopharyngeal, distal, and EmeryDreifuss muscular dystrophies.

(2) In response to the MD CARE Act of 2001, in September 2002, the National Institutes of Health (NIH) announced its intention to establish the Muscular Dystrophy Cooperative Research Centers (MDCRC) program.

(3) Senator Paul D. Wellstone was a driving force behind enactment of the MD CARE Act, which led to the establishment of the MDCRC program.

(b) DESIGNATION.—The NIH Muscular Dystrophy Cooperative Research Centers (MDCRC) program shall be known and designated as the "Senator Paul D. Wellstone Muscular Dystrophy Cooperative Research Centers", in honor of Senator Paul D. Wellstone who was deceased on October 25, 2002.

(c) REFERENCES.—Any reference in a law, regulation, document, paper, or other record of the United States to the NIH program of Muscular Dystrophy Cooperative Research Centers shall be deemed to be a reference to the "Senator Paul D. Wellstone Muscular Dystrophy Cooperative Research Centers.

SEC. 221. (a) AUTHORITY.—Notwithstanding any other provision of law, the Director of the National Institutes of Health may use funds available under section 402(i) of the Public Health Service Act (42 U.S.C. 282(i)) to enter into transactions (other than contracts, cooperative agreements, or grants) to carry out research in support of the NIH Roadmap Initiative of the Director.

(b) PEER REVIEW.—In entering into transactions under subsection (a), the Director of the National Institutes of Health may utilize such peer review procedures (including consultation with appropriate scientific experts) as the Director determines to be appropriate to obtain assessments of scientific and technical merit. Such procedures shall apply to such transactions in lieu of the peer review and advisory council review procedures that would otherwise be required under sections 301(a)(3), 405(b)(1)(B), 405(b)(2), 406(a)(3)(A), 492, and 494 of the Public Health Service Act (42 U.S.C. 241, 284(b)(1)(B), 284(b)(2), 284a(a)(3)(A), 289a, and 289c).

SEC. 222. Section 307(c) of the Denali Commission Act of 1998 (42 U.S.C. 3121 note) is amended by striking "is authorized to make grants" and inserting "is authorized to make interagency transfers".

This title may be cited as the "Department of Health and Human Services Appropriations Act, 2004".

TITLE III—DEPARTMENT OF EDUCATION

EDUCATION FOR THE DISADVANTAGED

For carrying out title I of the Elementary and Secondary Education Act of 1965 ("ESEA") and section 418A of the Higher Education Act of 1965, $14,528,522,000, of which $6,983,169,000 shall become available on July 1, 2004, and shall remain available through September 30, 2005, and of which $7,383,301,000 shall become available on October 1, 2004, and shall remain available through September 30, 2005, for academic year 2004–2005: Provided, That $7,107,283,000 shall be available for basic grants under section 1124: Provided further, That up to $3,500,000 of these funds shall be available to the Secretary of Education on October 1, 2003, to obtain annually updated educational-agency-level census poverty data from the Bureau of the Census: Provided further, That $1,365,031,000 shall be available for concentration grants under section 1124A: Provided further, That $1,969,843,000 shall be available for targeted grants under section 1125: Provided further, That $1,969,843,000 shall be available for education finance incentive grants under section 1125A: Provided further, That $235,000,000 shall be available for comprehensive school reform grants under part F of the ESEA: Provided further, That from the $8,842,000 available to carry out part E of title I, up to $1,000,000 shall be available to the Secretary of Education to provide technical assistance to state and local educational agencies concerning part A of title I.

IMPACT AID

For carrying out programs of financial assistance to federally affected schools authorized by title VIII of the Elementary and Secondary Education Act of 1965, $1,236,824,000, of which $1,070,000,000 shall be for basic support payments under section 8003(b), $50,668,000 shall be for payments for children with disabilities under section 8003(d), $46,208,000 shall be for construction under section 8007 and shall remain available through September 30, 2005, $62,000,000 shall be for Federal property payments under section 8002, and $7,948,000, to remain available until expended, shall be for facilities maintenance under section 8008: Provided, That $1,500,000 of the funds for section 8007 shall be available for the local educational agencies and in the amounts specified in the statement of the managers on the conference report accompanying this Act: Provided further, That, notwithstanding any other provision of law, these funds shall remain available until expended.

SCHOOL IMPROVEMENT PROGRAMS

For carrying out school improvement activities authorized by titles II, part B of title IV, part A and subparts 6 and 9 of part D of title V, parts A and B of title VI, and parts B and C of title VII of the Elementary and Secondary Education Act of 1965 ("ESEA"); the McKinney-Vento Homeless Assistance Act; and the Civil Rights Act of 1964, $5,834,208,000, of which $4,282,199,000 shall become available on July 1, 2004, and remain available through September 30, 2005, and of which $1,435,000,000 shall become available on October 1, 2004, and shall remain available through September 30, 2005, for academic year 2004–2005: Provided, That funds made available to carry out part B of title VII of the ESEA may be used for construction, renovation and modernization of any elementary school, secondary school, or structure related to an elementary school or secondary school, run by the Department of Education of the State of Hawaii, that serves a predominantly Native Hawaiian student body: Provided further, That from the funds referred to in the preceding proviso, not less than $1,000,000 shall be for a grant to the Department of Education of the State of Hawaii for the activities described in such proviso: Provided further, That funds made available to carry out part C of title VII of the ESEA may be used for construction: Provided further, That $391,600,000 shall be for subpart 1 of part A of title VI of the ESEA: Provided further, That $27,821,000 shall be available to carry out part D of title V of the ESEA: Provided further, That no funds appropriated under this heading may be used to carry out section 5494 under the ESEA.

INDIAN EDUCATION

For expenses necessary to carry out, to the extent not otherwise provided, title VII, part A of the Elementary and Secondary Education Act of 1965, $121,573,000.

INNOVATION AND IMPROVEMENT

For carrying out activities authorized by parts G and H of title I, subpart 5 of part A and parts C and D of title II, parts B, C, and D of title V, and section 1504 of the Elementary and Secondary Education Act of 1965 ("ESEA"), $1,106,811,000: Provided, That $74,513,000 for continuing and new grants to demonstrate effective approaches to comprehensive school reform shall become available on July 1, 2004, and remain available through September 30, 2005, and shall be allocated and expended in the same manner as the funds provided under the Fund for the Improvement of Education for this purpose were allocated and expended in fiscal year 2003: Provided further, That $18,500,000 shall be available to carry out section 2151(c) of the ESEA, of which not less than $10,000,000 shall be provided to the National Board for Professional Teaching Standards, not less than $7,000,000 shall be provided to the National Council on Teacher Quality, and up to $1,500,000 may be reserved by the Secretary to conduct an evaluation of activities authorized by such section: Provided further, That $430,463,000 shall be available to carry out part D of title V of the ESEA: Provided further, That $177,271,000 of the funds for subpart 1, part D of title V of the ESEA shall be available for the projects and in the amounts specified in the statement of the managers on the conference report accompanying this Act.

Safe Schools and Citizenship Education

For carrying out activities authorized by subpart 3 of part C of title II, part A of title IV, and subparts 2, 3 and 10 of part D of title V of the Elementary and Secondary Education Act of 1965 ("ESEA"), title VIII–D of the Higher Education Amendments of 1998, and Public Law 102–73, $862,813,000, of which $470,483,000 shall become available on July 1, 2004 and remain available through September 30, 2005: Provided, That of the amount available for subpart 2 of part A of title IV of the ESEA, $850,000 shall be used to continue the National Recognition Awards program under the same guidelines outlined by section 120(f) of Public Law 105–244: Provided further, That $445,483,000 shall be available for subpart 1 of part A of title IV and $234,680,000 shall be available for subpart 2 of part A of title IV: Provided further, That $128,838,000 shall be available to carry out part D of title V of the ESEA: Provided further, That of the funds available to carry out subpart 3 of part C of title II, up to $11,922,000 may be used to carry out section 2345 and $2,980,000 shall be used by the Center for Civic Education to implement a comprehensive program to improve public knowledge, understanding, and support of the Congress and the state legislatures: Provided further, That $25,000,000 shall be for Youth Offender Grants, of which $5,000,000 shall be used in accordance with section 601 of Public Law 102–73 as that section was in effect prior to enactment of Public Law 105–220.

English Language Acquisition

For carrying out part A of title III of the ESEA, $685,258,000, of which $560,301,000 shall become available on July 1, 2004, and shall remain available through September 30, 2005: Provided, That notwithstanding section 3111(c)(4)(B)(ii), the Secretary may, in determining the allotments under section 3111(c)(3), use the same Census data for the number of limited English proficient children and youth used for the previous year's allotments under section 3111(c)(3) and the most recent data collected from States for the number of immigrant children and youth that is acceptable to the Secretary: Provided further, That funds reserved under section 3111(c)(1)(D) of the ESEA that are not used in accordance with section 3111(c)(2) may be added to the funds that are available July 1, 2004 through September 30, 2005 for State allotments under section 3111(c)(3).

Special Education

For carrying out the Individuals with Disabilities Education Act, $11,307,072,000, of which $5,604,762,000 shall become available for obligation on July 1, 2004, and shall remain available through September 30, 2005, and of which $5,413,000,000 shall become available on October 1, 2004, and shall remain available through September 30, 2005, for academic year 2004–2005: Provided, That $11,400,000 shall be for Recording for the Blind and Dyslexic to support the development, production, and circulation of recorded educational materials: Provided further, That $1,500,000 shall be for the recipient of funds provided by Public Law 105–78 under section 687(b)(2)(G) of the Act to provide information on diagnosis, intervention, and teaching strategies for children with disabilities: Provided further, That the amount for section 611(c) of the Act shall be equal to the amount available for that section during fiscal year 2003, increased by the amount of inflation as specified in section 611(f)(1)(B)(ii) of the Act: Provided further, That $6,879,000 of the funds for section 672 of the Act shall be available for the projects and in the amounts specified in the statement of the managers of the conference report accompanying this Act.

Rehabilitation Services and Disability Research

For carrying out, to the extent not otherwise provided, the Rehabilitation Act of 1973, the Assistive Technology Act of 1998, and the Helen Keller National Center Act, $3,013,305,000, of which $1,000,000 shall be awarded to the American Academy of Orthotists and Prosthetists for activities that further the purposes of the grant received by the Academy for the period beginning October 1, 2003, including activities to meet the demand for orthotic and prosthetic provider services and improve patient care: Provided, That the funds provided for title I of the Assistive Technology Act of 1998 ("the AT Act") shall be allocated notwithstanding section 105(b)(1) of the AT Act: Provided further, That section 101(f) of the AT Act shall not limit the award of an extension grant to three years: Provided further, That no State or outlying area awarded funds under section 101 shall receive less than the amount received in fiscal year 2003: Provided further, That $5,035,000 of the funds for section 303 of the Rehabilitation Act of 1973 shall be available for the projects and in the amounts specified in the statement of the managers of the conference report accompanying this Act.

Special Institutions for Persons With Disabilities

AMERICAN PRINTING HOUSE FOR THE BLIND

For carrying out the Act of March 3, 1879, as amended (20 U.S.C. 101 et seq.), $16,500,000.

NATIONAL TECHNICAL INSTITUTE FOR THE DEAF

For the National Technical Institute for the Deaf under titles I and II of the Education of the Deaf Act of 1986 (20 U.S.C. 4301 et seq.), $53,800,000, of which $367,000 shall be for construction and shall remain available until expended: Provided, That from the total amount available, the Institute may at its discretion use funds for the endowment program as authorized under section 207.

GALLAUDET UNIVERSITY

For the Kendall Demonstration Elementary School, the Model Secondary School for the Deaf, and the partial support of Gallaudet University under titles I and II of the Education of the Deaf Act of 1986 (20 U.S.C. 4301 et seq.), $100,800,000: Provided, That from the total amount available, the University may at its discretion use funds for the endowment program as authorized under section 207.

Vocational and Adult Education

For carrying out, to the extent not otherwise provided, the Carl D. Perkins Vocational and Technical Education Act of 1998, the Adult Education and Family Literacy Act, and subparts 4 and 11 of part D of title V of the Elementary and Secondary Education Act of 1965 ("ESEA"), $2,121,690,000, of which $1,304,712,000 shall become available on July 1, 2004 and shall remain available through September 30, 2005 and of which $791,000,000 shall become available on October 1, 2004 and shall remain available through September 30, 2005: Provided, That notwithstanding any other provision of law or any regulation, the Secretary of Education shall not require the use of a restricted indirect cost rate for grants issued pursuant to section 117 of the Carl D. Perkins Vocational and Technical Education Act of 1998: Provided further, That of the amount provided for Adult Education State Grants, $69,545,000 shall be made available for integrated English literacy and civics education services to immigrants and other limited English proficient populations: Provided further, That of the amount reserved for integrated English literacy and civics education, notwithstanding section 211 of the Adult Education and Family Literacy Act, 65 percent shall be allocated to States based on a State's absolute need as determined by calculating each State's share of a 10-year average of the Immigration and Naturalization Service data for immigrants admitted for legal permanent residence for the 10 most recent years, and 35 percent allocated to States that experienced growth as measured by the average of the 3 most recent years for which Immigration and Naturalization Service data for immigrants admitted for legal permanent residence are available, except that no State shall be allocated an amount less than $60,000: Provided further, That of the amounts made available for the Adult Education and Family Literacy Act, $9,223,000 shall be for national leadership activities under section 243 and $6,732,000 shall be for the National Institute for Literacy under section 242: Provided further, That $185,000,000 shall be available to carry out part D of title V of the ESEA: Provided further, That $175,000,000 shall be available to support the activities authorized under subpart 4 of part D of title V of the Elementary and Secondary Education Act of 1965, of which up to 5 percent shall become available October 1, 2003 and shall remain available through September 30, 2005, for evaluation, technical assistance, school networking, peer review of applications, and program outreach activities, and of which not less than 95 percent shall become available on July 1, 2004, and remain available through September 30, 2005, for grants to local educational agencies: Provided further, That funds made available to local education agencies under this subpart shall be used only for activities related to establishing smaller learning communities in high schools.

Student Financial Assistance

For carrying out subparts 1, 3 and 4 of part A, part C and part E of title IV of the Higher Education Act of 1965, as amended, $14,090,430,000, which shall remain available through September 30, 2005.

The maximum Pell Grant for which a student shall be eligible during award year 2004–2005 shall be $4,050.

Student Aid Administration

For Federal administrative expenses (in addition to funds made available under section 458), to carry out part D of title I, and subparts 1, 3, and 4 of part A, and parts B, C, D and E of title IV of the Higher Education Act of 1965, as amended, $118,010,000.

Higher Education

For carrying out, to the extent not otherwise provided, section 121 and titles II, III, IV, V, VI, and VII of the Higher Education Act of 1965 ("HEA"), as amended, section 1543 of the Higher Education Amendments of 1992, title VIII of the Higher Education Amendments of 1998, and the Mutual Educational and Cultural Exchange Act of 1961, $2,094,511,000, of which $2,000,000 for interest subsidies authorized by section 121 of the HEA shall remain available until expended: Provided, That $9,935,000, to remain available through September 30, 2005, shall be available to fund fellowships for academic year 2005–2006 under part A, subpart 1 of title VII of said Act, under the terms and conditions of part A, subpart 1: Provided further, That $994,000 is for data collection and evaluation activities for *programs under the HEA, including such activities needed to comply with the Government Performance and Results Act of 1993: Provided further, That notwithstanding any other provision of law, funds made available in this Act to carry out title VI of the HEA and section 102(b)(6) of the Mutual Educational and Cultural Exchange Act of 1961 may be used to support visits and study in foreign countries by individuals who are participating in advanced foreign language training and international studies in areas that are vital to United States national security and who plan to apply their language skills and knowledge of these countries in the fields of government, the professions, or international development: Provided further, That up to one percent of the funds referred to in the preceding proviso may be used for program evaluation, national outreach, and information dissemination activities: Provided further, That $123,110,000 of the funds for part B of title VII of the Higher Education Act of 1965 shall be available for the projects and in the amounts specified in the statement of the managers of the conference report accompanying this Act.*

HOWARD UNIVERSITY

For partial support of Howard University (20 U.S.C. 121 et seq.), $240,180,000, of which not less than $3,573,000 shall be for a matching endowment grant pursuant to the Howard University Endowment Act (Public Law 98–480) and shall remain available until expended.

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM

For Federal administrative expenses authorized under section 121 of the Higher Education Act of 1965, $774,000 to carry out activities related to existing facility loans entered into under the Higher Education Act of 1965.

HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING PROGRAM ACCOUNT

The aggregate principal amount of outstanding bonds insured pursuant to section 344 of title III, part D of the Higher Education Act of 1965, shall not exceed $357,000,000, and the cost, as defined in section 502 of the Congressional Budget Act of 1974, of such bonds shall not exceed zero.

For administrative expenses to carry out the Historically Black College and University Capital Financing Program entered into pursuant to title III, part D of the Higher Education Act of 1965, as amended, $210,000.

INSTITUTE OF EDUCATION SCIENCES

For carrying out activities authorized by Public Law 107–279, $478,717,000: Provided, That, of the amount appropriated, $166,500,000 shall be available for obligation through September 30, 2005: Provided further, That of the amount provided to carry out title I, parts B and D of Public Law 107–279, not less than $24,362,000 shall be for the national research and development centers authorized under section 133(c): Provided further, That $4,968,000 shall be available to extend for one additional year the contract for the Eisenhower National Clearinghouse for Mathematics and Science Education authorized under section 2102(a)(2) of the Elementary and Secondary Education Act of 1965, prior to its amendment by the No Child Left Behind Act of 2001, Public Law 107–110.

DEPARTMENTAL MANAGEMENT

PROGRAM ADMINISTRATION

For carrying out, to the extent not otherwise provided, the Department of Education Organization Act, including rental of conference rooms in the District of Columbia and hire of three passenger motor vehicles, $425,000,000, of which $13,644,000, to remain available until expended, shall be for building alterations and related expenses for the relocation of Department staff to Potomac Center Plaza in Washington, D.C.

OFFICE FOR CIVIL RIGHTS

For expenses necessary for the Office for Civil Rights, as authorized by section 203 of the Department of Education Organization Act, $89,275,000.

OFFICE OF THE INSPECTOR GENERAL

For expenses necessary for the Office of the Inspector General, as authorized by section 212 of the Department of Education Organization Act, $47,137,000.

GENERAL PROVISIONS

SEC. 301. No funds appropriated in this Act may be used for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to overcome racial imbalance in any school or school system, or for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to carry out a plan of racial desegregation of any school or school system.

SEC. 302. None of the funds contained in this Act shall be used to require, directly or indirectly, the transportation of any student to a school other than the school which is nearest the student's home, except for a student requiring special education, to the school offering such special education, in order to comply with title VI of the Civil Rights Act of 1964. For the purpose of this section an indirect requirement of transportation of students includes the transportation of students to carry out a plan involving the reorganization of the grade structure of schools, the pairing of schools, or the clustering of schools, or any combination of grade restructuring, pairing or clustering. The prohibition described in this section does not include the establishment of magnet schools.

SEC. 303. No funds appropriated under this Act may be used to prevent the implementation of programs of voluntary prayer and meditation in the public schools.

(TRANSFER OF FUNDS)

SEC. 304. Not to exceed 1 percent of any discretionary funds (pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended) which are appropriated for the Department of Education in this Act may be transferred between appropriations, but no such appropriation shall be increased by more than 3 percent by any such transfer: Provided, That the Appropriations Committees of both Houses of Congress are notified at least 15 days in advance of any transfer.

SEC. 305. SPECIAL STUDY OF SIMPLIFICATION OF NEED ANALYSIS AND APPLICATION FOR TITLE IV AID. (a) STUDY REQUIRED.—The Advisory Committee on Student Financial Assistance established by section 491 of the Higher Education Act of 1965 (20 U.S.C. 1098), hereafter in this section referred to as "the Advisory Committee", shall conduct a thorough study of the feasibility of simplifying the need analysis methodology for all Federal student financial assistance programs and the process of applying for such assistance.

(b) REQUIRED SUBJECTS OF STUDY.—In performing the study, the Advisory Committee shall, at a minimum, examine the following:

(1) whether the methodology used to calculate the expected family contribution can be simplified without significant adverse effects on program intent, costs, integrity, delivery, and distribution of awards;

(2) whether the number of data elements, and, accordingly, the number and complexity of questions asked of students and families, used to calculate the expected family contribution can be reduced without such adverse effects;

(3) whether the procedures for determining such data elements, including determining and updating offsets and allowances, is the most efficient, effective, and fair means to determine a family's available income and assets;

(4) whether the methodology used to calculate the expected family contribution, specifically the consideration of income earned by a dependent student and its effect on Pell grant eligibility, is an effective and fair means to determine a family's available income and a student's need;

(5) whether the nature and timing of the application required in section 483 (a)(1) of the Higher Education Act of 1965 (20 U.S.C. 1090(a)(1)), eligibility and award determination, financial aid processing, and funds delivery can be streamlined further for students and families, institutions, and States;

(6) whether it is feasible to allow students to complete only those limited sections of the financial aid application that apply to their specific circumstances and the State in which they reside;

(7) whether a widely disseminated printed form, or the use of an Internet or other electronic means, can be developed to notify individuals of an estimation of their approximate eligibility for grant, work-study, and loan assistance upon completion and verification of the simplified application form;

(8) whether information provided on other Federal forms (such as the form applying for supplemental security income under title XVI of the Social Security Act, the form for applying for food stamps under the Food Stamp Act of 1977, and the schedule for applying for the earned income tax credit under section 32 of the Internal Revenue Code of 1986) that are designed to determine eligibility for various Federal need-based assistance programs could be used to qualify potential students for the simplified needs test; and

(9) whether any proposed changes to data elements collected, in addition to those used to calculate expected family contribution, or any proposed changes to the form's design or the process of applying for aid, may have adverse effects on program costs, integrity, delivery, or distribution of awards, as well as, application development or application processing.

(c) ADDITIONAL CONSIDERATIONS.—In conducting the feasibility study, the Advisory Committee's primary objective under this subsection shall be simplifying the financial aid application forms and process and obtaining a substantial reduction in the number of required data items. In carrying out that objective, the Advisory Committee shall pay special attention to the needs of low-income and moderate-income students and families.

(d) CONSULTATION.—

(1) IN GENERAL.—The Advisory Committee shall consult with a broad range of interested parties in higher education, including parents and students, high school guidance counselors, financial aid and other campus administrators, appropriate State administrators, administrators of intervention and outreach programs, and appropriate officials from the Department of Education.

(2) FORMS DESIGN EXPERT.—With the goal of making significant changes to the form to make the questions more easily understandable, the Advisory Committee shall consult a forms design expert to ensure that its recommendations for revision of the application form would assist in making the form easily readable and understood by parents, students, and other members of the public.

(3) CONGRESSIONAL CONSULTATION.—The Advisory Committee shall consult on a regular basis with the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate in carrying out the feasibility study required by this subsection.

(4) DEPARTMENTAL CONSULTATION.—The Secretary of Education shall provide such assistance to the Advisory Committee as is requested

and practicable in conducting the study required by this subsection.

(e) Reports.—

(1) Interim report.—The Advisory Committee shall, not later than six months after the date of enactment of this Act, prepare and submit an interim report containing any such legislative changes as the Advisory Committee recommends to reform and simplify the needs analysis under part F of title IV of the Higher Education Act of 1965 (20 U.S.C. 1087kk et seq.) and forms and other requirements under such title to the Committee on Education and the Workforce of the House of Representatives, the Committee on Health, Education, Labor, and Pensions of the Senate, and the Secretary of Education.

(2) Final report.—The Advisory Committee shall, not later than one year after the date of enactment of this Act, prepare and submit a full final report on the study, including recommendations for regulatory and administrative changes required by this section, to the Committee on Education and the Workforce of the House of Representatives, the Committee on Health, Education, Labor, and Pensions of the Senate, and the Secretary of Education.

(f) Implementation.—The Secretary of Education shall consult with the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate and shall subsequently initiate a redesign of the form required by section 483 of the Higher Education Act of 1965 (20 U.S.C. 1090). Such redesign shall include the testing of alternative simplified versions of the free federal form. The Secretary shall keep the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate fully and currently informed on the progress of these efforts.

(g) Postponement of Tax Table Update Pending Report and Implementation.—The Secretary of Education shall not implement or enforce for the award year 2004–2005 the annual update to the allowances for State and other taxes in the tables used in the Federal needs analysis methodology, as prescribed by the Secretary on May 30, 2003 (68 Fed. Reg. 32473).

Sec. 306. The Secretary of Education shall treat as timely filed an application under section 8003 of the Elementary and Secondary Education Act of 1965 from the local educational agency for Hydaburg, Alaska, for a payment for fiscal year 2004, and shall process such application for payment, if the Secretary has received the fiscal year 2004 application not later than 30 days after the date of enactment of this Act.

This title may be cited as the "Department of Education Appropriations Act, 2004".

TITLE IV—RELATED AGENCIES

Armed Forces Retirement Home

For expenses necessary for the Armed Forces Retirement Home to operate and maintain the Armed Forces Retirement Home—Washington and the Armed Forces Retirement Home—Gulfport, to be paid from funds available in the Armed Forces Retirement Home Trust Fund, $65,279,000, of which $1,983,000 shall remain available until expended for construction and renovation of the physical plants at the Armed Forces Retirement Home—Washington and the Armed Forces Retirement Home—Gulfport.

Corporation for National and Community Service

DOMESTIC VOLUNTEER SERVICE PROGRAMS, OPERATING EXPENSES

For expenses necessary for the Corporation for National and Community Service to carry out the provisions of the Domestic Volunteer Service Act of 1973, as amended, $356,443,000: Provided, That none of the funds made available to the Corporation for National and Community Service in this Act for activities authorized by section 122 of Part C of Title I and Part E of Title II of the Domestic Volunteer Service Act of 1973 shall be used to provide stipends or other monetary incentives to volunteers or volunteer leaders whose incomes exceed 125 percent of the national poverty level.

Corporation for Public Broadcasting

For payment to the Corporation for Public Broadcasting, as authorized by the Communications Act of 1934, an amount which shall be available within limitations specified by that Act, for the fiscal year 2006, $400,000,000: Provided, That no funds made available to the Corporation for Public Broadcasting by this Act shall be used to pay for receptions, parties, or similar forms of entertainment for Government officials or employees: Provided further, That none of the funds contained in this paragraph shall be available or used to aid or support any program or activity from which any person is excluded, or is denied benefits, or is discriminated against, on the basis of race, color, national origin, religion, or sex: Provided further, That for fiscal year 2004, in addition to the amounts provided above, $50,000,000 shall be for costs related to digital program production, development, and distribution, associated with the transition of public broadcasting to digital broadcasting, to be awarded as determined by the Corporation in consultation with public radio and television licensees or permittees, or their designated representatives: Provided further, That for fiscal year 2004, in addition to the amounts provided above, $10,000,000 shall be for the costs associated with implementing the first phase of the next generation interconnection system.

Federal Mediation and Conciliation Service

SALARIES AND EXPENSES

For expenses necessary for the Federal Mediation and Conciliation Service to carry out the functions vested in it by the Labor Management Relations Act, 1947 (29 U.S.C. 171–180, 182–183), including hire of passenger motor vehicles; for expenses necessary for the Labor-Management Cooperation Act of 1978 (29 U.S.C. 175a); and for expenses necessary for the Service to carry out the functions vested in it by the Civil Service Reform Act, Public Law 95–454 (5 U.S.C. ch. 71), $43,385,000, including $1,500,000, to remain available through September 30, 2005, for activities authorized by the Labor-Management Cooperation Act of 1978 (29 U.S.C. 175a): Provided, That notwithstanding 31 U.S.C. 3302, fees charged, up to full-cost recovery, for special training activities and other conflict resolution services and technical assistance, including those provided to foreign governments and international organizations, and for arbitration services shall be credited to and merged with this account, and shall remain available until expended: Provided further, That fees for arbitration services shall be available only for education, training, and professional development of the agency workforce: Provided further, That the Director of the Service is authorized to accept and use on behalf of the United States gifts of services and real, personal, or other property in the aid of any projects or functions within the Director's jurisdiction.

Federal Mine Safety and Health Review Commission

SALARIES AND EXPENSES

For expenses necessary for the Federal Mine Safety and Health Review Commission (30 U.S.C. 801 et seq.), $7,774,000.

Institute of Museum and Library Services

For carrying out the Museum and Library Services Act of 1996, $262,596,000, to remain available until expended: Provided, That of the amount provided, $125,000 shall be awarded to the Alabama School of Math and Science at the University of Alabama for technology upgrades and library resources, $50,000 shall be awarded to the Alaska Moving Image Preservation Association, Anchorage, Alaska to digitize files/photos/videos of Alaskan history, $25,000 shall be awarded to the Alex Haley House Museum, Henning, Tennessee for care and preservation of collection, $500,000 shall be awarded to the Allen County Historical Society, Lima, Ohio, for the "Move Our Past Forward" project to expand and develop exhibits for their Children's Discovery Museum Center, $75,000 shall be awarded to the Allentown Art Museum, Allentown, Pennsylvania, for educational programming for school districts, $100,000 shall be awarded to the Alutiiq Museum, Kodiak, Alaska to support programs to teach students and adults how to develop traditional Native arts, $200,000 shall be awarded to the American Village Citizenship Trust, Montevallo, Alabama for a national initiative for teaching American history and civics, $100,000 shall be awarded to the Arab Community Center for Economic and Social Services (ACCESS), Dearborn, Michigan, for exhibits and museum programs, $100,000 shall be awarded to the Ashland Community Arts Center, Ashland, Ohio, for Arts in Downtown project, $75,000 shall be awarded to the Athenaeum of Philadelphia, Philadelphia, Pennsylvania, to preserve library materials and access to information in the form of digital images on the Internet, $500,000 shall be awarded to the Beth Medrash Govoha, Lakewood, New Jersey, for equipment and exhibits for the Holocaust Library, $400,000 shall be awarded to the Bishop Museum in Hawaii for activities to preserve the culture of Native Hawaiians, $400,000 shall be awarded to the Bishop Museum in Hawaii to develop Native Hawaiian cultural projects in collaboration with the Peabody Museum of Massachusetts and an Alaskan museum, $900,000 shall be awarded to the Burpee Museum of Natural History, Rockford, Illinois, for community outreach and educational activities, $100,000 shall be awarded to the Campbell Center for Historic Preservation Studies, Mount Carroll, Illinois, for community outreach and program planning, $200,000 shall be awarded to the Chaldean Community Culture Center, West Bloomfield, Michigan, for programs that promote Chaldean language, history, culture and teacher training, $250,000 shall be awarded to the Chapman University, Orange, California, for technological infrastructure, $250,000 shall be awarded to the Chartiers Valley Partnership, Inc., Carnegie, Pennsylvania, for technological upgrades and educational programs at the Andrew Carnegie Free Library, $113,000 shall be awarded to the Children's Museum at La Habra, California, for a Hands On English Program, $144,000 shall be awarded to the Children's Museum of History, Natural History, Science and Technology, Utica, New York, for technology improvements, staffing and training, $400,000 shall be awarded to the Cincinnati Museum Center at Union Terminal, Cincinnati, Ohio, to develop and implement an integrated curriculum that will utilize its resources in art, science, and history when visiting the museum, $150,000 shall be awarded to the City of Hemet, California, for Hemet Public Library, for library materials and technological equipment, $387,000 shall be awarded to the City of Whittier, California, for the Whittier Public Library Children's Area and History Room, $250,000 shall be awarded to the Cleveland Health Museum, Cleveland Ohio, for exhibits, $100,000 shall be awarded to the College of Physicians of Philadelphia, Philadelphia, Pennsylvania, to preserve medical library and art collection, $400,000 shall be awarded to the Davenport Music History Museum in Davenport, Iowa, $75,000 shall be awarded to the

Delaware County Historical Society, Media, Pennsylvania, for educational programs highlighting historical themes and sites relating to Delaware County, $75,000 shall be awarded to the East Stroudsburg University, East Stroudsburg, Pennsylvania to preserve and develop exhibits for their Vintage Radio Programs and Jazz Museum, $100,000 shall be awarded to the Elmwood Zoo, Norristown, Pennsylvania for student education programs, $75,000 shall be awarded to the Erie County, Erie, Pennsylvania, for technology upgrades for the Erie County Library, $100,000 shall be awarded to the Fender Museum of the Arts Foundation, Corona, California, for the Kids Rock Free educational program, $200,000 shall be awarded to the Fine Arts Museums of San Francisco for the De Young Museum's Art Education Program, $1,500,000 shall be awarded to the Florida Holocaust Museum, St. Petersburg, Florida, for school outreach program, $750,000 shall be awarded to the Florida International Museum, St. Petersburg, Florida, for professional activities, $1,600,000 shall be awarded to the Folger Library, Washington, DC for exhibits, operations, and public programs including education and outreach, $50,000 shall be awarded to the Forsyth County Public Library, Winston-Salem, North Carolina, for salaries, supplies, personnel and materials, $50,000 shall be awarded to the Gault Family Learning Center, Wooster, Ohio, for PALS/Parenting Resource Center/Growing Together, $250,000 shall be awarded to the General George S. Patton Jr. National Museum of Cavalry and Armor, Fort Knox, Kentucky, $500,000 shall be awarded to the George C. Marshall Foundation in Lexington, Virginia, for exhibit design and development and collection preservation, $500,000 shall be awarded to the Grout Museum, Waterloo, Iowa, for exhibits and design of the Sullivan Brothers Veterans Museum and Research Center, $200,000 shall be awarded to the Heritage Harbor Museum of Providence, Rhode Island for exhibit design and development relating Rhode Island and American history, $150,000 shall be awarded to the Hernando County Library System, Florida, for technology improvements at West Hernando Branch Library, Brooksville Main Library, Spring Hill Library, and East Hernando Branch Library, $250,000 shall be awarded to the Hesperia Community Library, Hesperia, California, $200,000 shall be awarded to the Historical Society of Western Pennsylvania, Pittsburgh, Pennsylvania for exhibit and curriculum development for the Western Pennsylvania Sports Museum at the Senator John Heinz Pittsburgh Regional History Center, $150,000 shall be awarded to the Historical Society of Western Pennsylvania, Pittsburgh, Pennsylvania for exhibit design and development for the Meadowcraft Museum of Rural Life, $250,000 shall be awarded to the Idaho State University, Pocatello, Idaho, for a Virtual Idaho Museum of Natural History project, $50,000 shall be awarded to the Imaginarium Science Center, Anchorage, Alaska to develop science exhibits and distance delivery modules, $100,000 shall be awarded to the International Museum of Women to develop exhibits on the history of women's lives worldwide, $100,000 shall be awarded to the International Storytelling Center, Jonesborough, Tennessee, $100,000 shall be awarded to the James Ford Bell Museum of Natural History, Minneapolis, Minnesota, to produce detailed exhibit design and development, $100,000 shall be awarded to the Kishacoquillas Valley Historical Society, Allensville, Pennsylvania for care and preservation of collection, $100,000 shall be awarded to the Lafayette College, Easton, Pennsylvania, for technology updates to the Skillman Library, $166,000 shall be awarded to the Madera County Resource Management Agency, Madera, California, $21,000 shall be awarded to the Magic House, Kirkwood, Missouri for the development and design of interactive exhibits and software to be used within The Magic Library to support family literacy, $100,000 shall be awarded to the Mary Meuser Memorial Library, Easton, Pennsylvania for library upgrades, $250,000 shall be awarded to the Metropolitan Museum of Art, New York, in conjunction with the Fairbanks Museum of Art and the Anchorage Museum of History and Art, for costs of mounting the exhibit and for costs associated with bringing the exhibit to Alaska, $350,000 shall be awarded to the Michigan Space and Science Center, Jackson, Michigan, for development of the strategic plan, operational costs and personnel, $450,000 shall be awarded to the Mississippi Department of Archives and History, Jackson, Mississippi, to complete the preservation and restoration of the Eudora Welty House, $75,000 shall be awarded to the Mobile Museum of Art, Mobile, Alabama for equipment and supplies, and for exhibit design and development, $100,000 shall be awarded to the Morehouse College Library, Atlanta, Georgia for historical preservation of documents and records, $100,000 shall be awarded to the Mother Bethel Foundation, Philadelphia, Pennsylvania for care and preservation of collection at the Richard Allen Museum, $225,000 shall be awarded to the Museum of Aviation Foundation Inc., Warner Robins, Georgia, $250,000 shall be awarded to the Museum of Broadcast Communications, Chicago, Illinois for educational programming, $1,000,000 shall be awarded to the Museum of Science in Boston, Massachusetts, for technology upgrades and equipment for the National Center for Technology Literacy, $100,000 shall be awarded to the Mystic Seaport, the Museum of America and the Sea, Mystic, Connecticut to support collections, $50,000 shall be awarded to the National Canal Museum, Easton, Pennsylvania, for educational programming and exhibits on the use of transportation and industrial technology along the Lehigh Canal, $400,000 shall be awarded to the National Center for American Revolution, Wayne, Pennsylvania, for exhibit design and curriculum development for the Museum of the American Revolution at Valley Forge National Historic Park, $50,000 shall be awarded to the National Center for the Study of Civil Rights and African-American Culture, Alabama State University, Montgomery, Alabama, for support of events leading into the 50th anniversary of the Montgomery Bus Boycott, $500,000 shall be awarded to the National Civil Rights Museum in Memphis for exhibit design and development, and for educational programs, $16,000 shall be awarded to the National Distance Running Hall of Fame, Utica, New York, for display cases and to establish new interactive displays, $500,000 shall be awarded to the National Liberty Museum, Philadelphia, Pennsylvania for a teacher training program to assist educators in addressing violence in schools, $650,000 shall be awarded to the National Mississippi River Museum and Aquarium in Dubuque, Iowa for exhibits, $200,000 shall be awarded to the National Museum of American Jewish History, Philadelphia, Pennsylvania for online educational programming and technology modernization, $1,000,000 shall be awarded to the National Museum of Women in the Arts, Washington, DC, $1,000,000 shall be awarded to the Native American Cultural and Educational Authority, Oklahoma City, Oklahoma, for the Oklahoma Native American Culture Center and Museum, to be expended only upon meeting the matching requirements in Title III, section 301(b)(2)(B) of Public Law 107–331, $300,000 shall be awarded to the Negro Leagues Baseball Museum, Kansas City, Missouri, for exhibits for the Double Play Action Center, $400,000 shall be awarded to the New York Botanical Garden's Virtual Herbarium imaging project in Bronx, New York, $900,000 shall be awarded to the New York Hall of Science to develop, expand, and display science-related educational materials, $420,000 shall be awarded to the Niagara County Historical Society, Lockport, New York, to create a state-of-the-art interpretive museum, $50,000 shall be awarded to the Northwest Museum of Arts and Culture, Spokane, Washington for the Star Nations Program, $210,000 shall be awarded to the O. Winston Link Museum, Roanoke, Virginia, for displays and digitization, $150,000 shall be awarded to the Piper's Opera House Programs, Inc., Virginia City, Nevada for exhibit design and development, educational programming, and technology modernization, $100,000 shall be awarded to the Pittsburgh Children's Museum, Pittsburgh, Pennsylvania, to expand arts and after-school programs for at-risk children, $50,000 shall be awarded to the Placer County Library, Auburn, California, to enhance library collection through the purchase of library materials, $977,000 shall be awarded to the Plano Community Library District, Plano, Illinois, for expenses related to the library, $725,000 shall be awarded to the Please Touch Museum, Philadelphia, Pennsylvania, to develop educational programs focusing on hands-on learning experiences, $100,000 shall be awarded to the Plumas County Library, Quincy, California, for library materials, $25,000 shall be awarded to the Putnam County Commissioners, Winfield, West Virginia, for technology for the public library system in Putnam County, $200,000 shall be awarded to the Rock and Roll Hall of Fame and Museum, Cleveland, Ohio for the Rockin' the Schools education program, $50,000 shall be awarded to the Saint Tikhon's Theological Seminary, South Canaan, Pennsylvania, for care and preservation of Russian artifacts, $250,000 shall be awarded to the San Bernardino County, San Bernardino, California for the San Bernardino County Museum, $100,000 shall be awarded to the Serra Cooperative Library System, San Diego, California, to provide Live Homework Help Project to help students with expert tutors for real-time online instructions, $100,000 shall be awarded to the Simon Wiesenthal Center's Los Angeles Museum for Tolerance, Los Angeles, California, for the Tools for Tolerance for Educators program to provide teacher training in diversity, tolerance and cooperation, $25,000 shall be awarded to the Southern New Hampshire Services, Inc., Manchester, New Hampshire, for exhibit acquisition for SEE Science Center, $400,000 shall be awarded to the Speed Art Museum, Louisville, Kentucky, $100,000 shall be awarded to the Standing Bear Museum and Learning Center, Ponca City, Oklahoma, $1,000,000 shall be awarded to the State Historical Society of Iowa in Des Moines, Iowa for the development of exhibits for the World Food Prize, $200,000 shall be awarded to the Taft Museum of Art, Cincinnati, Ohio for educational programming and exhibits, $1,000,000 shall be awarded to the Tennessee State University African American History Museum, Nashville, Tennessee to enhance the library facilities which will include new exhibits, expanded archives, and research programs, $24,000 shall be awarded to The Arts Guild of Old Forge, Old Forge, New York, for the new exhibits spaces and educational programs, $50,000 shall be awarded to the Tifton-Tift County Public Library, Tifton, Georgia, $60,000 shall be awarded to the Tillamook County Library, Tillamook, Oregon for design and development of exhibits and educational programs, $100,000 shall be awarded to the Town of Greece, Rochester, New York, for the Greece Public Library Security program, $50,000 shall be awarded to the Tuskegee Multicultural Center, Tuskegee, Alabama, to provide for technology enhancements and installation of exhibits,

$400,000 shall be awarded to the University of Idaho for digital archiving and preservation of historically significant American music and facilitating its access to students and scholars nationwide, $500,000 shall be awarded to the Vietnam Archives Center at Texas Tech University, Lubbock, Texas, for technology infrastructure, $250,000 shall be awarded to the Virginia Historical Society, Richmond, Virginia, to assist with educational programmatic development and for cataloging and archiving of business history records, $100,000 shall be awarded to the Virginia Living Museum for the expansion of its educational programs in its capital campaign project, $100,000 shall be awarded to the Westminster College Library, New Willmington, Pennsylvania for technology upgrades and computers and community programming, $600,000 shall be awarded to the WWII Victory Memorial Museum, Auburn, Indiana, for interpretive dioramas, education, research library and visual documentary, and $100,000 shall be awarded to the Zimmer Children's Museum, Los Angeles, California to expand the youTHink education program.

MEDICARE PAYMENT ADVISORY COMMISSION

SALARIES AND EXPENSES

For expenses necessary to carry out section 1805 of the Social Security Act, $9,300,000, to be transferred to this appropriation from the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds.

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

SALARIES AND EXPENSES

For necessary expenses for the National Commission on Libraries and Information Science, established by the Act of July 20, 1970 (Public Law 91–345, as amended), $1,000,000.

NATIONAL COUNCIL ON DISABILITY

SALARIES AND EXPENSES

For expenses necessary for the National Council on Disability as authorized by title IV of the Rehabilitation Act of 1973, as amended, $3,039,000.

NATIONAL LABOR RELATIONS BOARD

SALARIES AND EXPENSES

For expenses necessary for the National Labor Relations Board to carry out the functions vested in it by the Labor-Management Relations Act, 1947, as amended (29 U.S.C. 141–167), and other laws, $244,073,000: Provided, That no part of this appropriation shall be available to organize or assist in organizing agricultural laborers or used in connection with investigations, hearings, directives, or orders concerning bargaining units composed of agricultural laborers as referred to in section 2(3) of the Act of July 5, 1935 (29 U.S.C. 152), and as amended by the Labor-Management Relations Act, 1947, as amended, and as defined in section 3(f) of the Act of June 25, 1938 (29 U.S.C. 203), and including in said definition employees engaged in the maintenance and operation of ditches, canals, reservoirs, and waterways when maintained or operated on a mutual, nonprofit basis and at least 95 percent of the water stored or supplied thereby is used for farming purposes.

NATIONAL MEDIATION BOARD

SALARIES AND EXPENSES

For expenses necessary to carry out the provisions of the Railway Labor Act, as amended (45 U.S.C. 151–188), including emergency boards appointed by the President, $11,421,000.

OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

SALARIES AND EXPENSES

For expenses necessary for the Occupational Safety and Health Review Commission (29 U.S.C. 661), $9,863,000.

RAILROAD RETIREMENT BOARD

DUAL BENEFITS PAYMENTS ACCOUNT

For payment to the Dual Benefits Payments Account, authorized under section 15(d) of the Railroad Retirement Act of 1974, $119,000,000, which shall include amounts becoming available in fiscal year 2004 pursuant to section 224(c)(1)(B) of Public Law 98–76; and in addition, an amount, not to exceed 2 percent of the amount provided herein, shall be available proportional to the amount by which the product of recipients and the average benefit received exceeds $119,000,000: Provided, That the total amount provided herein shall be credited in 12 approximately equal amounts on the first day of each month in the fiscal year.

FEDERAL PAYMENTS TO THE RAILROAD RETIREMENT ACCOUNTS

For payment to the accounts established in the Treasury for the payment of benefits under the Railroad Retirement Act for interest earned on unnegotiated checks, $150,000, to remain available through September 30, 2005, which shall be the maximum amount available for payment pursuant to section 417 of Public Law 98–76.

LIMITATION ON ADMINISTRATION

For necessary expenses for the Railroad Retirement Board for administration of the Railroad Retirement Act and the Railroad Unemployment Insurance Act, $101,300,000, to be derived in such amounts as determined by the Board from the railroad retirement accounts and from moneys credited to the railroad unemployment insurance administration fund.

LIMITATION ON THE OFFICE OF INSPECTOR GENERAL

For expenses necessary for the Office of Inspector General for audit, investigatory and review activities, as authorized by the Inspector General Act of 1978, as amended, not more than $6,600,000, to be derived from the railroad retirement accounts and railroad unemployment insurance account: Provided, That none of the funds made available in any other paragraph of this Act may be transferred to the Office; used to carry out any such transfer; used to provide any office space, equipment, office supplies, communications facilities or services, maintenance services, or administrative services for the Office; used to pay any salary, benefit, or award for any personnel of the Office; used to pay any other operating expense of the Office; or used to reimburse the Office for any service provided, or expense incurred, by the Office.

SOCIAL SECURITY ADMINISTRATION

PAYMENTS TO SOCIAL SECURITY TRUST FUNDS

For payment to the Federal Old-Age and Survivors Insurance and the Federal Disability Insurance trust funds, as provided under sections 201(m), 228(g), and 1131(b)(2) of the Social Security Act, $21,658,000.

SUPPLEMENTAL SECURITY INCOME PROGRAM

For carrying out titles XI and XVI of the Social Security Act, section 401 of Public Law 92–603, section 212 of Public Law 93–66, as amended, and section 405 of Public Law 95–216, including payment to the Social Security trust funds for administrative expenses incurred pursuant to section 201(g)(1) of the Social Security Act, $26,229,300,000, to remain available until expended: Provided, That any portion of the funds provided to a State in the current fiscal year and not obligated by the State during that year shall be returned to the Treasury.

For making, after June 15 of the current fiscal year, benefit payments to individuals under title XVI of the Social Security Act, for unanticipated costs incurred for the current fiscal year, such sums as may be necessary.

For making benefit payments under title XVI of the Social Security Act for the first quarter of fiscal year 2005, $12,590,000,000, to remain available until expended.

LIMITATION ON ADMINISTRATIVE EXPENSES

For necessary expenses, including the hire of two passenger motor vehicles, and not to exceed $15,000 for official reception and representation expenses, not more than $8,241,800,000 may be expended, as authorized by section 201(g)(1) of the Social Security Act, from any one or all of the trust funds referred to therein: Provided, That not less than $1,800,000 shall be for the Social Security Advisory Board: Provided further, That unobligated balances of funds provided under this paragraph at the end of fiscal year 2004 not needed for fiscal year 2004 shall remain available until expended to invest in the Social Security Administration information technology and telecommunications hardware and software infrastructure, including related equipment and non-payroll administrative expenses associated solely with this information technology and telecommunications infrastructure: Provided further, That reimbursement to the trust funds under this heading for expenditures for official time for employees of the Social Security Administration pursuant to section 7131 of title 5, United States Code, and for facilities or support services for labor organizations pursuant to policies, regulations, or procedures referred to in section 7135(b) of such title shall be made by the Secretary of the Treasury, with interest, from amounts in the general fund not otherwise appropriated, as soon as possible after such expenditures are made.

In addition, $120,000,000 to be derived from administration fees in excess of $5.00 per supplementary payment collected pursuant to section 1616(d) of the Social Security Act or section 212(b)(3) of Public Law 93–66, which shall remain available until expended. To the extent that the amounts collected pursuant to such section 1616(d) or 212(b)(3) in fiscal year 2004 exceed $120,000,000, the amounts shall be available in fiscal year 2005 only to the extent provided in advance in appropriations Acts.

From funds previously appropriated for this purpose, any unobligated balances at the end of fiscal year 2003 shall be available to continue Federal-State partnerships which will evaluate means to promote Medicare buy-in programs targeted to elderly and disabled individuals under titles XVIII and XIX of the Social Security Act.

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

For expenses necessary for the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $24,500,000, together with not to exceed $63,700,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

In addition, an amount not to exceed 3 percent of the total provided in this appropriation may be transferred from the "Limitation on Administrative Expenses", Social Security Administration, to be merged with this account, to be available for the time and purposes for which this account is available: Provided, That notice of such transfers shall be transmitted promptly to the Committees on Appropriations of the House and Senate.

UNITED STATES INSTITUTE OF PEACE

OPERATING EXPENSES

For necessary expenses of the United States Institute of Peace as authorized in the United States Institute of Peace Act, $17,200,000.

TITLE V—GENERAL PROVISIONS

SEC. 501. The Secretaries of Labor, Health and Human Services, and Education are authorized to transfer unexpended balances of prior appropriations to accounts corresponding to current *appropriations provided in this Act: Provided, That such transferred balances are used for the same purpose, and for the same periods of time, for which they were originally appropriated.*

SEC. 502. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 503. (a) No part of any appropriation contained in this Act shall be used, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio, television, or video presentation designed to support or defeat legislation pending before the Congress or any State legislature, except in presentation to the Congress or any State legislature itself.

(b) No part of any appropriation contained in this Act shall be used to pay the salary or expenses of any grant or contract recipient, or agent acting for such recipient, related to any activity designed to influence legislation or appropriations pending before the Congress or any State legislature.

SEC. 504. The Secretaries of Labor and Education are authorized to make available not to exceed $28,000 and $20,000, respectively, from funds available for salaries and expenses under titles I and III, respectively, for official reception and representation expenses; the Director of the Federal Mediation and Conciliation Service is authorized to make available for official reception and representation expenses not to exceed $5,000 from the funds available for "Salaries and expenses, Federal Mediation and Conciliation Service"; and the Chairman of the National Mediation Board is authorized to make available for official reception and representation expenses not to exceed $5,000 from funds available for "Salaries and expenses, National Mediation Board".

SEC. 505. Notwithstanding any other provision of this Act, no funds appropriated under this Act shall be used to carry out any program of distributing sterile needles or syringes for the hypodermic injection of any illegal drug.

SEC. 506. (a) It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.

(b) In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

(c) If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a "Made in America" inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, the person shall be ineligible to receive any contract or subcontract made with funds made available in this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

SEC. 507. When issuing statements, press releases, requests for proposals, bid solicitations and other documents describing projects or programs funded in whole or in part with Federal money, all grantees receiving Federal funds included in this Act, including but not limited to State and local governments and recipients of Federal research grants, shall clearly state: (1) the percentage of the total costs of the program or project which will be financed with Federal money; (2) the dollar amount of Federal funds for the project or program; and (3) percentage and dollar amount of the total costs of the project or program that will be financed by non-governmental sources.

SEC. 508. (a) None of the funds appropriated under this Act, and none of the funds in any trust fund to which funds are appropriated under this Act, shall be expended for any abortion.

(b) None of the funds appropriated under this Act, and none of the funds in any trust fund to which funds are appropriated under this Act, shall be expended for health benefits coverage that includes coverage of abortion.

(c) The term "health benefits coverage" means the package of services covered by a managed care provider or organization pursuant to a contract or other arrangement.

SEC. 509. (a) The limitations established in the preceding section shall not apply to an abortion—

(1) if the pregnancy is the result of an act of rape or incest; or

(2) in the case where a woman suffers from a physical disorder, physical injury, or physical illness, including a life-endangering physical condition caused by or arising from the pregnancy itself, that would, as certified by a physician, place the woman in danger of death unless an abortion is performed.

(b) Nothing in the preceding section shall be construed as prohibiting the expenditure by a State, locality, entity, or private person of State, local, or private funds (other than a State's or locality's contribution of Medicaid matching funds).

(c) Nothing in the preceding section shall be construed as restricting the ability of any managed care provider from offering abortion coverage or the ability of a State or locality to contract separately with such a provider for such coverage with State funds (other than a State's or locality's contribution of Medicaid matching funds).

SEC. 510. (a) None of the funds made available in this Act may be used for—

(1) the creation of a human embryo or embryos for research purposes; or

(2) research in which a human embryo or embryos are destroyed, discarded, or knowingly subjected to risk of injury or death greater than that allowed for research on fetuses in utero under 45 CFR 46.208(a)(2) and section 498(b) of the Public Health Service Act (42 U.S.C. 289g(b)).

(b) For purposes of this section, the term "human embryo or embryos" includes any organism, not protected as a human subject under 45 CFR 46 as of the date of the enactment of this Act, that is derived by fertilization, parthenogenesis, cloning, or any other means from one or more human gametes or human diploid cells.

SEC. 511. (a) None of the funds made available in this Act may be used for any activity that promotes the legalization of any drug or other substance included in schedule I of the schedules of controlled substances established by section 202 of the Controlled Substances Act (21 U.S.C. 812).

(b) The limitation in subsection (a) shall not apply when there is significant medical evidence of a therapeutic advantage to the use of such drug or other substance or that federally sponsored clinical trials are being conducted to determine therapeutic advantage.

SEC. 512. None of the funds made available in this Act may be obligated or expended to enter into or renew a contract with an entity if—

(1) such entity is otherwise a contractor with the United States and is subject to the requirement in section 4212(d) of title 38, United States Code, regarding submission of an annual report to the Secretary of Labor concerning employment of certain veterans; and

(2) such entity has not submitted a report as required by that section for the most recent year for which such requirement was applicable to such entity.

SEC. 513. None of the funds made available in this Act may be used to promulgate or adopt any final standard under section 1173(b) of the Social Security Act (42 U.S.C. 1320d–2(b)) providing for, or providing for the assignment of, a unique health identifier for an individual (except in an individual's capacity as an employer or a health care provider), until legislation is enacted specifically approving the standard.

SEC. 514. None of the funds made available in this Act may be transferred to any department, agency, or instrumentality of the United States Government, except pursuant to a transfer made by, or transfer authority provided in, this Act or any other appropriation Act.

SEC. 515. (a) IN GENERAL.—Amounts made available under this Act for the administrative and related expenses for departmental management for the Department of Labor, the Department of Health and Human Services, and the Department of Education shall be reduced on a pro rata basis by $50,000,000: Provided, That not later than 15 days after the enactment of this Act, the Director of the Office of Management and Budget shall report to the House and Senate Committees on Appropriations the accounts subject to the pro rata reductions and the amount to be reduced in each account.

(b) LIMITATION.—The reduction required by subsection (a) shall not apply to the Food and Drug Administration and the Indian Health Service.

SEC. 516. None of the funds made available by this Act to carry out the Library Services and Technology Act may be made available to any library covered by paragraph (1) of section 224(f) of such Act (20 U.S.C. 9134(f)), as amended by the Children's Internet Protections Act, unless such library has made the certifications required by paragraph (4) of such section.

SEC. 517. None of the funds made available by this Act to carry out part D of title II of the Elementary and Secondary Education Act of 1965 may be made available to any elementary or secondary school covered by paragraph (1) of section 2441(a) of such Act (20 U.S.C. 6777(a)), as amended by the Children's Internet Protections Act and the No Child Left Behind Act, unless the local educational agency with responsibility for such covered school has made the certifications required by paragraph (2) of such section.

This division may be cited as the "Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2004".

DIVISON F—DEPARTMENTS OF TRANSPORTATION AND TREASURY, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 2004

AN ACT

Making appropriations for the Departments of Transportation and Treasury, and independent agencies for the fiscal year ending September 30, 2004, and for other purposes.

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Departments of Transportation and Treasury and independent agencies for the fiscal year ending September 30, 2004, and for other purposes, namely:

TITLE I

DEPARTMENT OF TRANSPORTATION

OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

For necessary expenses of the Office of the Secretary, $80,903,000, of which not to exceed $2,210,000 shall be available for the immediate

Office of the Secretary; not to exceed $700,000 shall be available for the immediate Office of the Deputy Secretary; not to exceed $15,403,000 shall be available for the Office of the General Counsel; not to exceed $12,312,000 shall be available for the Office of the Under Secretary of Transportation for Policy; not to exceed $8,536,000 shall be available for the Office of the Assistant Secretary for Budget and Programs; not to exceed $2,300,000 shall be available for the Office of the Assistant Secretary for Governmental Affairs; not to exceed $24,612,000 shall be available for the Office of the Assistant Secretary for Administration; not to exceed $1,915,000 shall be available for the Office of Public Affairs; not to exceed $1,447,000 shall be available for the Office of the Executive Secretariat; not to exceed $700,000 shall be available for the Board of Contract Appeals; not to exceed $1,268,000 shall be available for the Office of Small and Disadvantaged Business Utilization; not to exceed $2,000,000 for the Office of Intelligence and Security; and not to exceed $7,500,000 shall be available for the Office of the Chief Information Officer: Provided, That the Secretary of Transportation is authorized to transfer funds appropriated for any office of the Office of the Secretary to any other office of the Office of the Secretary: Provided further, That no appropriation for any office shall be increased or decreased by more than 5 percent by all such transfers: Provided further, That any change in funding greater than 5 percent shall be submitted for approval to the House and Senate Committees on Appropriations: Provided further, That not to exceed $60,000 shall be for allocation within the Department for official reception and representation expenses as the Secretary may determine: Provided further, That notwithstanding any other provision of law, excluding fees authorized in Public Law 107–71, there may be credited to this appropriation up to $2,500,000 in funds received in user fees: Provided further, That none of the funds provided in this Act shall be available for the position of Assistant Secretary for Public Affairs.

OFFICE OF CIVIL RIGHTS

For necessary expenses of the Office of Civil Rights, $8,569,000.

TRANSPORTATION PLANNING, RESEARCH, AND DEVELOPMENT

For necessary expenses for conducting transportation planning, research, systems development, development activities, and making grants, to remain available until expended, $20,864,000.

WORKING CAPITAL FUND

Necessary expenses for operating costs and capital outlays of the Working Capital Fund, not to exceed $116,715,000, shall be paid from appropriations made available to the Department of Transportation: Provided, That such services shall be provided on a competitive basis to entities within the Department of Transportation: Provided further, That the above limitation on operating expenses shall not apply to non-DOT entities: Provided further, That no funds appropriated in this Act to an agency of the Department shall be transferred to the Working Capital Fund without the approval of the agency modal administrator: Provided further, That no assessments may be levied against any program, budget activity, subactivity or project funded by this Act unless notice of such assessments and the basis therefor are presented to the House and Senate Committees on Appropriations and are approved by such Committees.

MINORITY BUSINESS RESOURCE CENTER PROGRAM

For the cost of guaranteed loans, $500,000, as authorized by 49 U.S.C. 332: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $18,367,000. In addition, for administrative expenses to carry out the guaranteed loan program, $400,000.

MINORITY BUSINESS OUTREACH

For necessary expenses of Minority Business Resource Center outreach activities, $3,000,000, to remain available until September 30, 2005: Provided, That notwithstanding 49 U.S.C. 332, these funds may be used for business opportunities related to any mode of transportation.

PAYMENTS TO AIR CARRIERS

(AIRPORT AND AIRWAY TRUST FUND)

In addition to funds made available from any other source to carry out the essential air service program under 49 U.S.C. 41731 through 41742, $52,000,000, to be derived from the Airport and Airway Trust Fund, to remain available until expended.

FEDERAL AVIATION ADMINISTRATION

OPERATIONS

For necessary expenses of the Federal Aviation Administration, not otherwise provided for, including operations and research activities related to commercial space transportation, administrative expenses for research and development, establishment of air navigation facilities, the operation (including leasing) and maintenance of aircraft, subsidizing the cost of aeronautical charts and maps sold to the public, lease or purchase of passenger motor vehicles for replacement only, in addition to amounts made available by Public Law 104–264, $7,530,925,000, of which $4,500,000,000 shall be derived from the Airport and Airway Trust Fund, of which not to exceed $6,053,724,000 shall be available for air traffic services program activities; not to exceed $880,684,000 shall be available for aviation regulation and certification program activities; not to exceed $218,481,000 shall be available for research and acquisition program activities; not to exceed $11,776,000 shall be available for commercial space transportation program activities; not to exceed $49,783,000 shall be available for financial services program activities; not to exceed $76,529,000 shall be available for human resources program activities; not to exceed $86,749,000 shall be available for regional coordination program activities; not to exceed $143,150,000 shall be available for staff offices; and not to exceed $29,681,000 shall be available for information services: Provided, That none of the funds in this Act shall be available for the Federal Aviation Administration to finalize or implement any regulation that would promulgate new aviation user fees not specifically authorized by law after the date of the enactment of this Act: Provided further, That there may be credited to this appropriation funds received from States, counties, municipalities, foreign authorities, other public authorities, and private sources, for expenses incurred in the provision of agency services, including receipts for the maintenance and operation of air navigation facilities, and for issuance, renewal or modification of certificates, including airman, aircraft, and repair station certificates, or for tests related thereto, or for processing major repair or alteration forms: Provided further, That of the funds appropriated under this heading, not less than $6,500,000 shall be for the contract tower cost-sharing program: Provided further, That funds may be used to enter into a grant agreement with a nonprofit standard-setting organization to assist in the development of aviation safety standards: Provided further, That none of the funds in this Act shall be available for new applicants for the second career training program: Provided further, That none of the funds in this Act shall be available for paying premium pay under 5 U.S.C. 5546(a) to any Federal Aviation Administration employee unless such employee actually performed work during the time corresponding to such premium pay: Provided further, That none of the funds in this Act may be obligated or expended to operate a manned auxiliary flight service station in the contiguous United States: Provided further, That none of the funds in this Act for aeronautical charting and cartography are available for activities conducted by, or coordinated through, the Working Capital Fund: Provided further, That of the amount appropriated under this heading, not to exceed $50,000 may be transferred to the Aircraft Loan Purchase Guarantee Program: Provided further, That not later than March 1, 2004, the Secretary of Transportation, in consultation with the Administrator of the Federal Aviation Administration, shall issue final regulations, pursuant to 5 U.S.C. 8335, establishing an exemption process allowing individual air traffic controllers to delay mandatory retirement until the employee reaches no later than 61 years of age: Provided further, That of the funds provided under this heading, $4,000,000 is available only for recruitment, personnel compensation and benefits, and related costs to raise the level of operational air traffic control supervisors to the level of 1,726: Provided further, That none of the funds in this Act may be obligated or expended to execute or continue to implement a memorandum of understanding or memorandum of agreement (or any revisions thereto) with representatives of any FAA bargaining unit after January 1, 2004 unless such document is filed in a central registry and catalogued in an automated, searchable database under the executive direction of appropriate management representatives at FAA headquarters: Provided further, That none of the funds in this Act may be obligated or expended for an employee of the Federal Aviation Administration to purchase a store gift card or gift certificate through use of a Government-issued credit card.

FACILITIES AND EQUIPMENT

(AIRPORT AND AIRWAY TRUST FUND)

For necessary expenses, not otherwise provided for, for acquisition, establishment, technical support services, improvement by contract or purchase, and hire of air navigation and experimental facilities and equipment, as authorized under part A of subtitle VII of title 49, United States Code, including initial acquisition of necessary sites by lease or grant; engineering and service testing, including construction of test facilities and acquisition of necessary sites by lease or grant; construction and furnishing of quarters and related accommodations for officers and employees of the Federal Aviation Administration stationed at remote localities where such accommodations are not available; and the purchase, lease, or transfer of aircraft from funds available under this heading; to be derived from the Airport and Airway Trust Fund, $2,910,000,000, of which $2,489,158,800 shall remain available until September 30, 2006, and of which $420,841,200 shall remain available until September 30, 2004: Provided, That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, and private sources, for expenses incurred in the establishment and modernization of air navigation facilities: Provided further, That upon initial submission to the Congress of the fiscal year 2005 President's budget, the Secretary of Transportation shall transmit to the Congress a comprehensive capital investment plan for the Federal Aviation Administration which includes funding for each budget line item for fiscal years 2005 through 2009, with total funding for each year of the plan constrained to the funding targets for those years as estimated and approved by the Office of Management and Budget: Provided further, That of the funds provided under this heading, *not less than $3,000,000 is for contract audit services provided by the Defense Contract Audit Agency: Provided further, That of the funds provided under this heading, $25,000,000 is available only for the Houston Area Air Traffic System.*

FACILITIES AND EQUIPMENT

(AIRPORT AND AIRWAY TRUST FUND)

(RESCISSION)

Of the available balances under this heading, $30,000,000 are rescinded.

RESEARCH, ENGINEERING, AND DEVELOPMENT

(AIRPORT AND AIRWAY TRUST FUND)

For necessary expenses, not otherwise provided for, for research, engineering, and development, as authorized under part A of subtitle VII of title 49, United States Code, including construction of experimental facilities and acquisition of necessary sites by lease or grant, $119,439,000, to be derived from the Airport and Airway Trust Fund and to remain available until September 30, 2006: Provided, That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, and private sources, for expenses incurred for research, engineering, and development.

GRANTS-IN-AID FOR AIRPORTS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(LIMITATION ON OBLIGATIONS)

(AIRPORT AND AIRWAY TRUST FUND)

For liquidation of obligations incurred for grants-in-aid for airport planning and development, and noise compatibility planning and programs as authorized under subchapter I of chapter 471 and subchapter I of chapter 475 of title 49, United States Code, and under other law authorizing such obligations; for procurement, installation, and commissioning of runway incursion prevention devices and systems at airports of such title; for grants authorized under section 41743 of title 49, United States Code; and for inspection activities and administration of airport safety programs, including those related to airport operating certificates under section 44706 of title 49, United States Code, $3,400,000,000, to be derived from the Airport and Airway Trust Fund and to remain available until expended: Provided, That none of the funds under this heading shall be available for the planning or execution of programs the obligations for which are in excess of $3,400,000,000 in fiscal year 2004, notwithstanding section 47117(g) of title 49, United States Code: Provided further, That none of the funds under this heading shall be available for the replacement of baggage conveyor systems, reconfiguration of terminal baggage areas, or other airport improvements that are necessary to install bulk explosive detection systems: Provided further, That notwithstanding any other provision of law, not more than $66,254,000 of funds limited under this heading shall be obligated for administration and not less than $20,000,000 shall be for the Small Community Air Service Development Pilot Program.

GENERAL PROVISIONS—FEDERAL AVIATION ADMINISTRATION

SEC. 101. Notwithstanding any other provision of law, airports may transfer, without consideration, to the Federal Aviation Administration (FAA) instrument landing systems (along with associated approach lighting equipment and runway visual range equipment) which conform to FAA design and performance specifications, the purchase of which was assisted by a Federal airport-aid program, airport development aid program or airport improvement program grant: Provided, That, the Federal Aviation Administration shall accept such equipment, which shall thereafter be operated and maintained by FAA in accordance with agency criteria.

SEC. 102. None of the funds in this Act may be used to compensate in excess of 350 technical staff-years under the federally funded research and development center contract between the Federal Aviation Administration and the Center for Advanced Aviation Systems Development during fiscal year 2004.

SEC. 103. None of the funds made available in this Act may be used for engineering work related to an additional runway at Louis Armstrong New Orleans International Airport.

SEC. 104. None of the funds in this Act shall be used to pursue or adopt guidelines or regulations requiring airport sponsors to provide to the Federal Aviation Administration without cost building construction, maintenance, utilities and expenses, or space in airport sponsor-owned buildings for services relating to air traffic control, air navigation, or weather reporting: Provided, That the prohibition of funds in this section does not apply to negotiations between the agency and airport sponsors to achieve agreement on "below-market" rates for these items or to grant assurances that require airport sponsors to provide land without cost to the FAA for air traffic control facilities.

SEC. 105. For an airport project that the Administrator of the Federal Aviation Administration (FAA) determines will add critical airport capacity to the national air transportation system, the Administrator is authorized to accept funds from an airport sponsor, including entitlement funds provided under the "Grants-in-Aid for Airports" program, for the FAA to hire additional staff or obtain the services of consultants: Provided, That the Administrator is authorized to accept and utilize such funds only for the purpose of facilitating the timely processing, review, and completion of environmental activities associated with such project.

SEC. 106. None of the funds appropriated or limited by this Act may be used to change weight restrictions or prior permission rules at Teterboro Airport in Teterboro, New Jersey.

SEC. 107. None of the funds appropriated or otherwise made available by this Act may be obligated or expended to establish or implement a pilot program under which not more than 10 designated essential air service communities located in proximity to hub airports are required to assume 10 percent of their essential air subsidy costs for a 4-year period, commonly referred to as the EAS local participation program.

SEC. 108. Notwithstanding any other provision of law, the costs of construction of terminal and hangar buildings are allowable for an airport development project at Somerset-Pulaski County Airport-J.T. Wilson Field, Kentucky and at Pryor Field Regional Airport, Decatur, Alabama, under chapter 471 of title 49, United States Code.

FEDERAL HIGHWAY ADMINISTRATION

LIMITATION ON ADMINISTRATIVE EXPENSES

Necessary expenses for administration and operation of the Federal Highway Administration, not to exceed $337,604,000, shall be paid in accordance with law from appropriations made available by this Act to the Federal Highway Administration together with advances and reimbursements received by the Federal Highway Administration: Provided, That of the funds available under section 104(a)(1)(A) of title 23, United States Code, $7,000,000 shall be available for environmental streamlining activities, which may include making grants to, or entering into contracts, cooperative agreements, and other transactions, with a Federal agency, State agency, local agency, authority, association, nonprofit or for-profit corporation, or institution of higher education.

FEDERAL-AID HIGHWAYS

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

None of the funds in this Act shall be available for the implementation or execution of programs, the obligations for which are in excess of $33,843,000,000 for Federal-aid highways and highway safety construction programs for fiscal year 2004: Provided, That within the $33,843,000,000 obligation limitation on Federal-aid highways and highway safety construction programs, not more than $462,500,000 shall be available for the implementation or execution of programs for transportation research (sections 502, 503, 504, 506, 507, and 508 of title 23, United States Code, as amended; section 5505 of title 49, United States Code, as amended; and sections 5112 and 5204–5209 of Public Law 105–178) for fiscal year 2004: Provided further, That this limitation on transportation research programs shall not apply to any authority previously made available for obligation: Provided further, That within the $232,000,000 obligation limitation on Intelligent Transportation Systems, the following sums shall be made available for Intelligent Transportation System projects that are designed to achieve the goals and purposes set forth in section 5203 of the Intelligent Transportation Systems Act of 1998 (subtitle C of title V of Public Law 105–178; 112 Stat. 453; 23 U.S.C. 502 note) in the following specified areas:

City of Huntsville, Alabama, ITS, $4,500,000;

511 Traveler Information Program in North Carolina, $400,000;

Advanced Ticket Collection and Passenger Information Systems, New Jersey, $750,000;

Advanced Traffic Analysis Center, North Dakota, $200,000;

Advanced Transportation Management Systems (ATMS), Montgomery County, Maryland, $500,000;

Alameda Corridor-East Gateway to America Project Phase II, Los Angeles, California, $1,200,000;

Alexandria ITS Real-Time Transit Enhancement Pilot Project, $410,000;

Altarum Restricted Use Technology Study, $1,750,000;

Altoona, Pennsylvania, ITS, $800,000;

Amber Alert Multi-Regional Strategic Plan, $400,000;

ATR Transportation Technology/CVISN, New Mexico, $175,000;

Auburn, Auburn Way South ITS, Washington, $1,600,000;

Bay County Area Wide Traffic Signal System, $750,000;

Cargo Watch Logistics Information System, New York, $2,500,000;

Carson Passenger Information System, $300,000;

CCTA Intelligent Transportation Systems, Vermont, $300,000;

City of Baltimore, Maryland Traffic Congestion Management, $200,000;

City of Boston Intelligent Transportation Systems, Massachusetts, $1,000,000;

City of New Rochelle, NY Traffic Signal Replacement Program, $500,000;

City of Santa Rosa, Intelligent Transportation System, $300,000;

Clark County Transit, VAST ITS, Washington, $1,600,000;

Computerization of traffic signals in Ashtabula, Ohio, $14,000;

Corona City-wide automated traffic management system, $1,000,000;

DelTrac Statewide Integration, Delaware, $1,000,000;

Demonstration project to deploy Geospatial Emergency & Response System (GEARS) for transportation, $150,000;

Detroit Metro Airport ITS, $350,000;

DuPage County Signal Interconnection Project, $300,000;

Elk Grove Traffic Operations Center, $960,000;

Fairfax County Route 1 Traffic Synchronization ITS Pilot Project, $500,000;

FAST Las Vegas (ITS—Phase 2)—Construction, $300,000;

Fiber Optic Signal Interconnect System, Tuscon, Arizona, $3,500,000;

George Washington University, Virginia Campus, $500,000;

Germantown Parkway ITS Project, Tennessee, $3,000,000;

GMU ITS Research, Virginia, $500,000;

Great Lakes ITS, Michigan, $3,000,000;

Greater Philadelphia Chamber of Commerce ITS System, Pennsylvania, $1,500,000;

Harbor Boulevard Intelligent Transportation, $800,000;

Hawthorne Street Public Access Improvements, New Bedford, Massachusetts, $150,000;

Hillsborough Area Regional Transit: Bus Tracking, Communication and Security, Florida, $750,000;

Houma, Louisiana, $1,250,000;

Houston ITS, $1,500,000;

I–70 Incident Management Plan Implementation, Colorado, $2,500,000;

I–87 Highway Speed E-Z Pass at the Woodbury Toll Barrier, $1,750,000;

I–87 Smart Corridor, $1,000,000;

I–90 Phase 2 Connector ITS Testbed—Town of North Greenbush—Rensselaer County, New York, $200,000;

Illinois Statewide ITS, $3,000,000;

Implementation of Wisconsin DOT's Fiber Optics Network, $1,000,000;

Integration and Implementation of DYNASMART-X, RHODES and CLAIRE in Houston, Texas, $500,000;

Intelligent Transportation System (Kansas City metro area), $200,000;

Intelligent Transportation Systems—Phases II and III, Ohio, $700,000;

Intelligent Transportation Systems Deployment Project, Inglewood, California, $500,000;

Intelligent Transportation Systems, City of Wichita Transit Authority, $750,000;

Intelligent Transportation Systems, Statewide and Commercial Vehicle Information Systems Network, Maryland, $750,000;

Intelligent Transportation Systems, Washington, DC Region, $500,000;

Intersection Signalization Project for the City of Virginia Beach, Virginia, $500,000;

Iowa Transportation Systems, $750,000;

ITS Baton Rouge, Louisiana, $1,250,000;

ITS Expansion in Davis and Utah Counties, Utah, $1,250,000;

ITS Logistics and Systems Management for the Gateway Cities, $250,000;

ITS Technologies, San Antonio, Texas, $200,000;

ITS, Cache Valley, Utah, $1,000,000;

Jacksonville Transportation Authority, Intelligent Transportation Initiative—Regional Planning, Florida, $750,000;

King County, County-wide Signal Program, Washington, $1,500,000;

Lincoln, Nebraska StarTran Automatic Vehicle Locator System, $1,000,000;

Los Angeles MTA Regional Universal Fare System, $500,000;

Macomb County ITS Integration, Michigan, $600,000;

Maine Statewide ITS, $1,000,000;

Market Street Signalization Improvements, $100,000;

MARTA Automated Fare Collection/Smart Card System, Georgia, $700,000;

Metrolina Transportation Management Center, $1,750,000;

Mid-America Surface Transportation Water Research Institute, North Dakota, $500,000;

Minnesota Guidestar, $1,250,000;

Missouri Statewide Rural ITS, $4,000,000;

Mobile Data Computer Network Phase II (MDCN), Wisconsin, $2,200,000;

Monroe County ATMS ITS Deployment Project, $800,000;

Montachusett Area Regional Transit (MART) AVLS, Massachusetts, $240,000;

Multi Region Advanced Traveler Information System (ATIS) for the IH–20 Corridor—Phase 1 in Texas, $550,000;

Nebraska Statewide Intelligent Transportation System Deployment, $1,000,000;

New York State Thruway Authority Traffic Operation Package for I–95 and I–87, $1,676,000;

North Bergen, New Jersey Traffic Signalization Replacement, $1,000,000;

Oklahoma Statewide ITS, $4,000,000;

Palm Tran, Palm Beach County, Florida—Automated Vehicle Location and Mobile Data Terminals, $1,000,000;

Portland State University Intelligent Transportation Research Initiative, $400,000;

Program of Projects, Washington, $2,000,000;

Project Hoosier SAFE-T, $2,000,000;

Real Time Transit Passenger Information System for the Prince George's County Dept. of Public Works, Maryland, $1,000,000;

Regional Intelligent Transportation System, Springfield, Missouri, $2,000,000;

Regional ITS Architecture and Deployment Plan for the Eagle Pass Region and Integrate with Laredo, $300,000;

Roosevelt Boulevard ITS Enhancement Pilot Program, $750,000;

Rural Freeway Management System Implementation for the IH–20 Corridor in the Tyler Region—Phase 1, $200,000;

Sacramento Area Council of Governments—ITS Projects, California, $1,175,000;

San Diego Joint Transportation Operations Center, $400,000;

Seacoast Intelligent Transportation System Congestion Relief Project, $1,000,000;

Seattle City Center ITS, Washington, $2,500,000;

Shreveport Intelligent Transportation System, Louisiana, $1,000,000;

South Carolina DOT Inroads Intelligent Transportation System, $3,500,000;

Spotswood Township, NJ; Expand and improve traffic flow with road improvements, $250,000;

SR 924 ITS Integration Project, $1,000,000;

SR112 ITS Integration Project, $300,000;

Statewide AVL Initiative, Nebraska, $300,000;

Swatara Township, Pennsylvania—Traffic Signalization Improvements, $100,000;

TalTran ITS Smartbus Program, Florida, $1,750,000;

Texas Medical Center EMS Early Warning Transportation System, $1,000,000;

Texas Statewide ITS Deployment and Integration, City of Lubbock, $400,000;

Texas Statewide ITS Deployment and Integration, Port of Galveston, $400,000;

Town of Cary Computerized Traffic Signal Project, North Carolina, $800,000;

Traffic Signal Controllers & Cabinets, District of Columbia, $400,000;

TRANSCOM Regional Architecture & TRANSMIT project, NJ, NY, & CT, $500,000;

Transportation Research Center (TRC) for Freight, Trade, Security, and Economic Strength, Georgia, $500,000;

Tukwila, Signalization Interconnect and Intelligent Transportation, Washington, $1,400,000;

Twin Cities, Minnesota Redundant Communications Pilot, $1,000,000;

Tysons Transportation Association—ITS, $250,000;

University of Kentucky Transportation Center, $1,000,000;

Ventura County Intelligent Transportation System, $1,000,000;

West Baton Rouge Parish Joint Operations Emergency Communications Center, $800,000;

Wisconsin CVISN Level One Deployment, $800,000; and

Wyoming Statewide ITS Initiative, $4,000,000.

FEDERAL-AID HIGHWAYS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

Notwithstanding any other provision of law, for carrying out the provisions of title 23, United States Code, that are attributable to Federal-aid highways, including the National Scenic and Recreational Highway as authorized by 23 U.S.C. 148, not otherwise provided, including reimbursement for sums expended pursuant to the provisions of 23 U.S.C. 308, $34,000,000,000 or so much thereof as may be available in and derived from the Highway Trust Fund, to remain available until expended.

FEDERAL-AID HIGHWAYS

MISCELLANEOUS HIGHWAY AND HIGHWAY SAFETY PROGRAMS

(HIGHWAY TRUST FUND)

Notwithstanding any other provision of law, from the available unobligated balances under the programs for which funds are authorized under sections 1101(a)(1), 1101(a)(2), 1101(a)(3), 1101(a)(4), and 1101(a)(5) of Public Law 105–178, as amended, $15,000,000 shall be made available for planning and design activities, and initiation of construction of the project at Pennsylvania Avenue in front of the White House; $20,000,000 shall be made available to provide grants to States for the development or enhancement of notification or communications systems along highways for alerts and other information for the recovery of abducted children under section 303 of Public Law 108–21; $8,000,000 shall be made available to the Federal Motor Carrier Safety Administration to make grants to States for implementation of section 210 of Public Law 106–159; $3,500,000 shall be made available to the Federal Motor Carrier Safety Administration for necessary operating expenses and personnel for implementation of section 210 of Public Law 106–159; $23,000,000 shall be made available to the Federal Motor Carrier Safety Administration to make grants to States for southern border State operations for the purposes described in 49 U.S.C. 31104(f)(2)(B); $9,000,000 shall be made available to the Federal Motor Carrier Safety Administration to make grants to States for northern border truck inspections; $21,000,000 shall be made available to the Federal Motor Carrier Safety Administration to make grants to States, local governments, or other entities for commercial driver's license program improvements; $47,000,000 shall be made available to make grants to States for construction of State border safety inspection facilities at the United States border with Mexico; and $150,545,000 shall be made available to the National Highway Traffic Safety Administration for expenses necessary to discharge the functions of the Secretary, with respect to traffic and highway safety under chapter 301 of title 49, United States Code, and part C of subtitle VI of title 49, United States Code: Provided, That funds shall be made available from a State's available unobligated balances in the programs funded under sections 1101(a)(1) through (5) of Public Law 105–178, as amended, in the ratio that the State's total amount of funds apportioned under such programs for fiscal year 2003 bears to the total amount of funds apportioned to all States under such programs: Provided further, That the funds made available under this heading may be transferred by the Secretary to another Federal agency, such funds to be then administered by the procedures of the Federal agency to which such funds are transferred: Provided further, That none of the funds provided to the National Highway Traffic Safety Administration *may be obligated or expended to plan, finalize, or implement any rulemaking to add to section 575.104 of title 49 of the Code of Federal Regulations any requirement pertaining to a grading standard that is different from the three grading standards (treadwear, traction, and temperature resistance) already in effect: Provided further, That all funds made available for obligation under this heading shall be available in the same manner as though such funds were apportioned under chapter one of title 23, United States Code, except that the Federal share payable on account of any program, project, or activity carried out with funds made available under this heading shall be 100 percent and such funds shall remain available for obligation until expended: Provided further, That all funds made available under this heading shall be subject to any limitation on obligations for Federal-aid highways and highway safety construction programs set forth in this Act or any other Act.*

FEDERAL-AID HIGHWAYS

(HIGHWAY TRUST FUND)

(RESCISSION)

Of the unobligated balances of funds apportioned to each state under the program authorized under sections 1101(a)(1), 1101(a)(2), 1101(a)(3), 1101(a)(4), and 1101(a)(5) of Public Law 105–178, as amended, $207,000,000 are rescinded.

APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM

For necessary expenses for the Appalachian Development Highway System as authorized under section 1069(y) of Public Law 102–240, as amended, $125,000,000, to remain available until expended.

GENERAL PROVISIONS—FEDERAL HIGHWAY ADMINISTRATION

SEC. 110. (a) For fiscal year 2004, the Secretary of Transportation shall—

(1) not distribute from the obligation limitation for Federal-aid Highways amounts authorized for administrative expenses and programs funded from the administrative takedown authorized by section 104(a)(1)(A) of title 23, United States Code, for the highway use tax evasion program, for the Bureau of Transportation Statistics and for the programs, projects, and activities for which funds are made available under the heading "Federal-Aid Highways, Miscellaneous Highway and Highway Safety Programs" in this Act;

(2) not distribute an amount from the obligation limitation for Federal-aid Highways that is equal to the unobligated balance of amounts made available from the Highway Trust Fund (other than the Mass Transit Account) for Federal-aid highways and highway safety programs for the prior fiscal years the funds for which are allocated by the Secretary;

(3) determine the ratio that—

(A) the obligation limitation for Federal-aid Highways less the aggregate of amounts not distributed under paragraphs (1) and (2), bears to

(B) the total of the sums authorized to be appropriated for Federal-aid highways and highway safety construction programs (other than sums authorized to be appropriated for sections set forth in paragraphs (1) through (7) of subsection (b) and sums authorized to be appropriated for section 105 of title 23, United States Code, equal to the amount referred to in subsection (b)(8)) for such fiscal year less the aggregate of the amounts not distributed under paragraph (1) of this subsection;

(4) distribute the obligation limitation for Federal-aid Highways less the aggregate amounts not distributed under paragraphs (1) and (2) for section 201 of the Appalachian Regional Development Act of 1965 and $2,000,000,000 for such fiscal year under section 105 of title 23, United States Code (relating to minimum guarantee) so that the amount of obligation authority available for each of such sections is equal to the amount determined by multiplying the ratio determined under paragraph (3) by the sums authorized to be appropriated for such section (except in the case of section 105, $2,000,000,000) for such fiscal year;

(5) distribute the obligation limitation provided for Federal-aid Highways less the aggregate amounts not distributed under paragraphs (1) and (2) and amounts distributed under paragraph (4) for each of the programs that are allocated by the Secretary under title 23, United States Code (other than activities to which paragraph (1) applies and programs to which paragraph (4) applies) by multiplying the ratio determined under paragraph (3) by the sums authorized to be appropriated for such program for such fiscal year; and

(6) distribute the obligation limitation provided for Federal-aid Highways less the aggregate amounts not distributed under paragraphs (1) and (2) and amounts distributed under paragraphs (4) and (5) for Federal-aid highways and highway safety construction programs (other than the minimum guarantee program, but only to the extent that amounts apportioned for the minimum guarantee program for such fiscal year exceed $2,639,000,000, and the Appalachian development highway system program) that are apportioned by the Secretary under title 23, United States Code, in the ratio that—

(A) sums authorized to be appropriated for such programs that are apportioned to each State for such fiscal year, bear to

(B) the total of the sums authorized to be appropriated for such programs that are apportioned to all States for such fiscal year.

(b) EXCEPTIONS FROM OBLIGATION LIMITATION.—The obligation limitation for Federal-aid Highways shall not apply to obligations: (1) under section 125 of title 23, United States Code; (2) under section 147 of the Surface Transportation Assistance Act of 1978; (3) under section 9 of the Federal-Aid Highway Act of 1981; (4) under sections 131(b) and 131(j) of the Surface Transportation Assistance Act of 1982; (5) under sections 149(b) and 149(c) of the Surface Transportation and Uniform Relocation Assistance Act of 1987; (6) under sections 1103 through 1108 of the Intermodal Surface Transportation Efficiency Act of 1991; (7) under section 157 of title 23, United States Code, as in effect on the day before the date of the enactment of the Transportation Equity Act for the 21st Century; (8) under section 105 of title 23, United States Code (but, only in an amount equal to $639,000,000 for such fiscal year); and for Federal-aid highway programs for which obligation authority was made available under the Transportation Equity Act for the 21st Century or subsequent public laws for multiple years or to remain available until used, but only to the extent that such obligation authority has not lapsed or been used.

(c) REDISTRIBUTION OF UNUSED OBLIGATION AUTHORITY.—Notwithstanding subsection (a), the Secretary shall after August 1 for such fiscal year revise a distribution of the obligation limitation made available under subsection (a) if a State will not obligate the amount distributed during that fiscal year and redistribute sufficient amounts to those States able to obligate amounts in addition to those previously distributed during that fiscal year giving priority to those States having large unobligated balances of funds apportioned under sections 104 and 144 of title 23, United States Code, section 160 (as in effect on the day before the enactment of the Transportation Equity Act for the 21st Century) of title 23, United States Code, and under section 1015 of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 1943–1945).

(d) APPLICABILITY OF OBLIGATION LIMITATIONS TO TRANSPORTATION RESEARCH PROGRAMS.—The obligation limitation shall apply to transportation research programs carried out under chapter 5 of title 23, United States Code, except that obligation authority made available for such programs under such limitation shall remain available for a period of 3 fiscal years.

(e) REDISTRIBUTION OF CERTAIN AUTHORIZED FUNDS.—Not later than 30 days after the date of the distribution of obligation limitation under subsection (a), the Secretary shall distribute to the States any funds: (1) that are authorized to be appropriated for such fiscal year for Federal-aid highways programs (other than the program under section 160 of title 23, United States Code) and for carrying out subchapter I of chapter 311 of title 49, United States Code, and highway-related programs under chapter 4 of title 23, United States Code; and (2) that the Secretary determines will not be allocated to the States, and will not be available for obligation, in such fiscal year due to the imposition of any obligation limitation for such fiscal year. Such distribution to the States shall be made in the same ratio as the distribution of obligation authority under subsection (a)(6). The funds so distributed shall be available for any purposes described in section 133(b) of title 23, United States Code.

(f) SPECIAL RULE.—Obligation limitation distributed for a fiscal year under subsection (a)(4) of this section for a section set forth in subsection (a)(4) shall remain available until used and shall be in addition to the amount of any limitation imposed on obligations for Federal-aid highway and highway safety construction programs for future fiscal years.

(g) Of the obligation authority distributed to a State under subsection (a)(6), an mount of obligation authority equal to the amount for each surface transportation project in such State identified in section 115 of the statement of managers accompanying this Act shall be available for carrying out each project.

(h) The obligation limitation made available for the programs, projects, and activities for which funds are made available under the heading "Federal-Aid Highways, Miscellaneous Highway and Highway Safety Program" of this Act shall remain available until used and shall be in addition to the amount of any limitation imposed on obligations for Federal-aid highway and highway safety construction programs for future fiscal years.

SEC. 111. Notwithstanding any other provision of law:

(1) Section 1105(c) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2032; 112 Stat. 191; 115 Stat. 871) is amended—

(A) in paragraph (42), by striking "Fulton, Mississippi," the first time that it appears and all that follows to the end of the paragraph and inserting "Fulton, Mississippi."; and

(B) by adding at the end the following:

"(45) The United States Route 78 Corridor from Memphis, Tennessee, to Corridor X of the Appalachian development highway system near Fulton, Mississippi, and Corridor X of the Appalachian development highway system extending from near Fulton, Mississippi, to near Birmingham, Alabama.".

(2) Section 1105(e)(5) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2032; 115 Stat. 872) is amended—

(A) in subparagraph (A) by striking "(A) IN GENERAL.—The portions" and all that follows through the end of the first sentence and inserting:

"(A) IN GENERAL.—The portions of the routes referred to in subsection (c)(1), subsection (c)(3) (relating solely to the Kentucky Corridor), clauses (i), (ii), and (except with respect to Georgetown County) (iii) of subsection (c)(5)(B), subsection (c)(9), subsections (c)(18) and (c)(20), subsection (c)(36), subsection (c)(37), subsection (c)(40), subsection (c)(42), and subsection (c)(45)

that are not a part of the Interstate System are designated as future parts of the Interstate System."; and

(B) by adding the following at the end of subparagraph (B)(i): "The route referred to in subsection (c)(45) is designated as Interstate Route I-22.".

SEC. 112. Notwithstanding any other provision of law, in section 1602 of the Transportation Equity Act for the 21st Century—

(1) item number 230 is amended by striking "Monroe County transportation improvements on Long Pond Road, Pattonwood Road, and Lyell road" and inserting "Route 531/Brockport-Rochester Corridor in Monroe County, New York".

(2) Item number 1149 is amended by striking "Traffic Mitigation Project on William Street and Losson Road in Cheektowaga" and inserting "Study and implement mitigation and diversion options for William Street and Broadway Street in Cheektowaga, I–90 Corridor Study; Interchange 53 to Interchange 49, PIN 552830 and Cheektowaga Rails to Trails, PIN 575508".

(3) Item number 476 is amended by striking "Expand Perkins Road in Baton Rouge" and inserting "Feasibility study, design, and construction of a connector between Louisiana Highway 1026 and I–12 in Livingston Parish".

(4) Item 4 of the table contained in section 1602 of the Transportation Equity Act for the 21st Century, relating to construction of a bike path in Michigan, is amended by striking "between Mount Clemens and New Baltimore" and inserting "for the Macomb Orchard Trail in Macomb County".

(5) Item number 1077 is amended by striking "Construct I–95–I–26 interchange, Orangeburg Co" and inserting "Expand Transportation Research Center, South Carolina State University, Orangeburg, SC".

(6) Item number 897 is amended by striking "Upgrade Bishop Ford Expressway/142nd St. interchange" and inserting "Road upgrade and access road near the intersection of I–80 and I–57 in Country Club Hills, Illinois".

(7) Item number 436 is amended by inserting after "Ohio River Major Investment Study Project, Kentucky and Indiana" the following: ", and preliminary engineering and right of way acquisition associated with the project".

SEC. 113. Notwithstanding 31 U.S.C. 3302, funds received by the Bureau of Transportation Statistics from the sale of data products, for necessary expenses incurred pursuant to 49 U.S.C. 111 may be credited to the Federal-aid highways account for the purpose of reimbursing the Bureau for such expenses: Provided, That such funds shall be subject to the obligation limitation for Federal-aid highways and highway safety construction.

SEC. 114. Intelligent Transportation Systems appropriations made to the State of Wisconsin in Public Law 105–277, Public Law 106–69, and Public Law 107–87 shall not be subject to the limitations of Public Law 105–178, section 5208(d), 23 U.S.C. 502 note.

SEC. 115. Notwithstanding any other provision of law, from the available unobligated balances under the programs for which funds are authorized under sections 1101(a)(1), 1101(a)(2), 1101(a)(3), 1101(a)(4), and 1101(a)(5) of Public Law 105–178, as amended, of each State for which a project or projects in such State identified under this section in the statement of managers accompanying this Act shall be made available for necessary expenses to carry out such project: Provided, That the amount identified for each such project shall be made available from the State's unobligated balance in any of the five specified programs for which the project would be eligible, such selection to be at the option of the State: Provided further, That if a project is not otherwise eligible for funding under one of the five programs, then such project shall be deemed eligible and shall be funded from the unobligated balance of funds made available for the program for which funds are authorized under section 1101(a)(4) of Public Law 105–178, as amended, but not including funds setaside pursuant to 133(d) of title 23, United States Code: Provided further, That funds made available under this section may, at the request of a State, be transferred by the Secretary to another Federal agency to carry out a project funded under this section, such funds to be then administered by the procedures of the Federal agency to which such funds may be transferred: Provided further, That all funds made available for obligation under this section shall be available in the same manner as though such funds were apportioned under chapter one of title 23, United States Code, except that the Federal share payable on account of any program, project, or activity carried out with funds made available under this heading shall be 100 percent and such funds shall remain available for obligation until expended: Provided further, That all funds made available in this section shall be subject to any limitation on obligations for Federal-aid highways and highway safety construction programs set forth in this Act or any other Act.

SEC. 116. Notwithstanding Public Law 105–178, section 5208(d), Intelligent Transportation Systems appropriations for—

(1) Wausau-Stevens Point-Wisconsin Rapids, Wisconsin, in Public Law 105–277 and Public Law 106–69 shall be available for use in the counties of Ashland, Barron, Bayfield, Burnett, Chippewa, Douglas, Iron, Lincoln, Marathon, Polk, Portage, Price, Rusk, Sawyer, Taylor, Washburn, Wood, Clark, Langlade, and Oneida; and

(2) the City of Superior and Douglas County, Wisconsin, in Public Law 106–69 shall be available for use in the City of Superior and northern Wisconsin.

SEC. 117. (a) IN GENERAL.—As soon as practicable after the date of enactment of this Act, the Secretary of Transportation shall enter into an agreement with the State of Nevada, the State of Arizona, or both, to provide a method of funding for construction of a Hoover Dam Bypass Bridge from funds allocated for the Federal Lands Highway Program under section 202(b) of title 23, United States Code.

(b) METHODS OF FUNDING.—

(1) The agreement entered into under subsection (a) shall provide for funding in a manner consistent with the advance construction and debt instrument financing procedures for Federal-aid highways set forth in section 115 and 122 of title 23, except that the funding source may include funds made available under the Federal Lands Highway Program.

(2) Eligibility for funding under this subsection shall not be construed as a commitment, guarantee, or obligation on the part of the United States to provide for payment of principal or interest of an eligible debt financing instrument as so defined in section 122, nor create a right of a third party against the United States for payment under an eligible debt financing instrument. The agreement entered into pursuant to subsection (a) shall make specific reference to this provision of law.

(3) The provisions of this section do not limit the use of other available funds for which the project referenced in subsection (a) is eligible.

SEC. 118. Section 1108 of the Intermodal Surface Transportation Efficiency Act of 1991, item number 8, is amended by striking "To relocate" and all that follows through "Street" and inserting the following, "For road improvements and non-motorized enhancements in the Detroit East Riverfront, Detroit, Michigan".

SEC. 119. The funds provided under the heading "Transportation and Community and System Preservation Program" in Conference Report 106–940 for the Lodge Freeway pedestrian overpass, Detroit, Michigan, shall be transferred to, and made available for, enhancements in the East Riverfront, Detroit, Michigan.

SEC. 120. The funds provided under the heading "Transportation and Community and System Preservation Program" in Conference Report 107–308 for the Eastern Market pedestrian overpass park, shall be transferred to, and made available for, enhancements in the East Riverfront, Detroit, Michigan.

SEC. 121. KANSAS RECREATION AREAS. Any unexpended balances of the amounts made available by the Consolidated Appropriations Resolution, 2003 (Public Law 108–7) from the Federal-aid highway account for improvements to Council Grove Lake, Kansas, shall be available to make improvements to Richey Cove, Santa Fe Recreation Area, Canning Creek Recreation Area, and other areas in the State of Kansas.

SEC. 122. Section 330 of Public Law 108–7 is amended to read as follows: In addition to amounts otherwise made available in this Act, to enable the Secretary of Transportation to make grants for surface transportation projects, $90,600,000 to remain available until expended: Provided, That notwithstanding any other provision of law, the surface transportation projects identified in the Joint Explanatory Statement of the Committee of Conference accompanying this Act are also eligible for funding made available by the immediately preceding clause of this provision: Provided further, That notwithstanding any other provision of law and the immediately preceding clause of this provision, the Secretary of Transportation may use amounts made available by this section to make grants for any surface transportation project otherwise eligible for funding under title 23 or title 49 of the United States Code.

SEC. 123. (a) Section 14501 of title 40, United States Code is amended in the third sentence by striking "three thousand and twenty-five" and inserting "three thousand and ninety".

(b) There is hereby designated as Corridor X–1 in Alabama an addition to the Appalachian development highway system. Corridor X–1 shall extend approximately sixty-five miles along the alignment of the Birmingham Northern Beltline from Interstate 20/59, in the vicinity of Interstate 459 southwest of Birmingham, and extending northward crossing State Route 269 and Corridor X and continuing eastward crossing Interstate 65, United States Route 31, State Route 79, State Route 75, Interstate 59, United States Route 11. United States Route 411, and connecting to Interstate 20 to the east of Birmingham. Corridor X–1 shall be developed as a multi-lane freeway, with interchanges at appropriate crossroad locations.

SEC. 124. MOTORIST INFORMATION CONCERNING PHARMACY SERVICES. (a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary of Transportation shall amend the Manual on Uniform Traffic Control Devices to include a provision permitting information to be provided to motorists to assist motorists in locating licensed 24-hour pharmacy services open to the public.

(b) LOGO PANEL.—The provision under subsection (a) may allow placement of a logo panel that displays information disclosing the names or logos of pharmacies described in subsection (a) that are located within 3 miles of an interchange on the Federal-aid system (as defined in section 101 of title 23, United States Code).

SEC. 125. Notwithstanding any other provision of law, funds obligated for pre-implementation costs, project design, and implementation costs of the I–15 Congestion Pricing Project, also known as the I–15 FasTrack project located in the city of San Diego shall be eligible for funding the costs incurred under such project. The

Federal share payable for the total cost of the project shall not exceed 80 percent.

SEC. 126. The project name in House Report 108–10, delineating projects referenced in Division I, Section 330, of the Fiscal Year 2003 Omnibus Appropriations Act, Public Law 108–7, is amended by striking "Freight Enhancement KY Highlands, Kentucky," and inserting "Kentucky Highlands, Freight Enhancement Revolving Loan Fund, Kentucky". Notwithstanding any other provision of law, such revolving loan fund shall be eligible for the funding made available under this section and administered consistent with section 1511 of Public Law 105–178, except that such assistance shall be to assist in financing freight enhancement projects and that capitalization of such fund shall be limited to the amount made available by Division I, Section 330 of Public Law 108–7.

SEC. 127. The amount made available for obligation in fiscal year 2003 for the project Kannapolis Parkway & Interstate 85 Interchange-Kannapolis, North Carolina as specified in section 329 of Public Law 108–7 and on page 1317 of the Joint Committee of the Conference pursuant to the Joint Resolution Making Consolidated Appropriations for fiscal year 2003 shall be reprogrammed and transferred to and made available for obligation for "Kannapolis Industrial Park Access Road-Kannapolis, North Carolina".

SEC. 128. Section 378 of the Department of Transportation and Related Agencies Appropriations Act, 2001 (as enacted into law by Public Law 106–346; 114 Stat. 1356A–40) is amended by striking "$5,000,000 for improvements to US 73 from State Avenue North to Marxen Road in Wyandotte County, Kansas" and inserting "$5,000,000 for improvements to US 73 from State Avenue north to Marxen Road, and along US 73 on State Avenue eastward to its terminus at I–435, in Wyandotte County, Kansas".

SEC. 129. Section 375 of division I of the Consolidated Appropriations Resolution, 2003 (117 Stat. 428) is amended by inserting before the period at the end the following: ", including construction of a connector road between the newly relocated State Route 1045 and Saint Vincent College, Latrobe, PA".

FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION

MOTOR CARRIER SAFETY

LIMITATION ON ADMINISTRATIVE EXPENSES

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

(INCLUDING TRANSFER OF FUNDS)

Notwithstanding any other provision of law, none of the funds in this Act shall be available for expenses for administration of motor carrier safety programs and motor carrier safety research, the obligations for which are in excess of $176,070,000 for fiscal year 2004: Provided, That notwithstanding any other provision of law, for payment of obligations incurred to pay administrative expenses of the Federal Motor Carrier Safety Administration, $176,070,000, to be derived from the Highway Trust Fund and to remain available until expended.

NATIONAL MOTOR CARRIER SAFETY PROGRAM

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

Notwithstanding any other provision of law, for payment.of obligations incurred in carrying out 49 U.S.C. 31102, 31106 and 31309, $190,000,000, to be derived from the Highway Trust Fund and to remain available until expended: Provided, That none of the funds in this Act shall be available for the implementation or execution of programs the obligations for which are in excess of $190,000,000 for "Motor Carrier Safety Grants", and "Information Systems".

GENERAL PROVISIONS—FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION

SEC. 130. Funds appropriated or limited in this Act shall be subject to the terms and conditions stipulated in section 350 of Public Law 107–87, including that the Secretary submit a report to the House and Senate Appropriations Committees annually on the safety and security of transportation into the United States by Mexico-domiciled motor carriers.

SEC. 131. No funds appropriated or otherwise made available by this Act may be used to implement or enforce any provisions of the Final Rule, issued on April 16, 2003 (Docket No. FMCSA–97–2350), with respect to either of the following:

(1) The operators of utility service vehicles, as that term is defined in section 395.2 of title 49, Code of Federal Regulations.

(2) Maximum daily hours of service for drivers engaged in the transportation of property or passengers to or from a motion picture or television production site located within a 100-air mile radius of the work reporting location of such drivers.

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

OPERATIONS AND RESEARCH

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

Notwithstanding any other provision of law, for payment of obligations incurred in carrying out the provisions of 23 U.S.C. 403, to remain available until expended, $72,000,000, to be derived from the Highway Trust Fund: Provided, That none of the funds in this Act shall be available for the planning or execution of programs the total obligations for which, in fiscal year 2004, are in excess of $72,000,000 for programs authorized under 23 U.S.C. 403.

NATIONAL DRIVER REGISTER

(HIGHWAY TRUST FUND)

For expenses necessary to discharge the functions of the Secretary with respect to the National Driver Register under chapter 303 of title 49, United States Code, $3,600,000, to be derived from the Highway Trust Fund, and to remain available until expended.

HIGHWAY TRAFFIC SAFETY GRANTS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

Notwithstanding any other provision of law, for payment of obligations incurred in carrying out the provisions of 23 U.S.C. 402, 405, and 410, to remain available until expended, $225,000,000, to be derived from the Highway Trust Fund: Provided, That none of the funds in this Act shall be available for the planning or execution of programs the total obligations for which, in fiscal year 2004, are in excess of $225,000,000 for programs authorized under 23 U.S.C. 402, 405, and 410, of which $165,000,000 shall be for "Highway Safety Programs" under 23 U.S.C. 402, $20,000,000 shall be for "Occupant Protection Incentive Grants" under 23 U.S.C. 405, and $40,000,000 shall be for "Alcohol-Impaired Driving Countermeasures Grants" under 23 U.S.C. 410: Provided further, That none of these funds shall be used for construction, rehabilitation, or remodeling costs, or for office furnishings and fixtures for State, local, or private buildings or structures: Provided further, That not to exceed $8,150,000 of the funds made available for section 402, not to exceed $1,000,000 of the funds made available for section 405, and not to exceed $2,000,000 of the funds made available for section 410 shall be available to NHTSA for administering highway safety grants under chapter 4 of title 23, United States Code: Provided further, That not to exceed $500,000 of the funds made available for section 410 "Alcohol-Impaired Driving Countermeasures Grants" shall be available for technical assistance to the States.

GENERAL PROVISIONS—NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

SEC. 140. Notwithstanding any other provision of law, States may use funds provided in this Act under section 402 of title 23, United States Code, to produce and place highway safety public service messages in television, radio, cinema, and print media, and on the Internet in accordance with guidance issued by the Secretary of Transportation: Provided, That any State that uses funds for such public service messages shall submit to the Secretary a report describing and assessing the effectiveness of the messages: Provided further, That $10,000,000 of the funds allocated under section 157 of title 23, United States Code, shall be used as directed by the National Highway Traffic Safety Administrator to purchase national paid advertising (including production and placement) to support national safety belt mobilizations: Provided further, That, of the funds allocated under section 163 of title 23, United States Code, $2,750,000 shall be used as directed by the Administrator to support national impaired driving mobilizations and enforcement efforts, $14,000,000 shall be used as directed by the Administrator to purchase national paid advertising (including production and placement) to support such national impaired driving mobilizations and enforcement efforts, $500,000 shall be used as directed by the Administrator to conduct an evaluation of alcohol-impaired driving messages, and $3,000,000 shall be used as directed by the Administrator to conduct an impaired driving demonstration program.

SEC. 141. Notwithstanding any other provision of law, funds appropriated or limited in the Act to educate the motoring public on how to share the road safely with commercial motor vehicles shall be administered by the National Highway Traffic Safety Administration.

SEC. 142. Notwithstanding any other provision of law, for fiscal year 2004 the Secretary of Transportation is authorized to use amounts made available to carry out section 157 of title 23, United States Code, to make innovative project allocations, not to exceed the prior year's amounts for such allocations, before making incentive grants for use of seat belts.

SEC. 143. Notwithstanding any other provision of law, for fiscal year 2004 the Secretary of Transportation is authorized to use the amounts made available to carry out section 163 of title 23, United States Code, to support national mobilizations that target impaired drivers, in cooperation with the States and nonprofit safety organizations that have been active participants in such mobilizations. Such support shall include impaired driving enforcement grants, broadcast advertising to be used as directed by the Secretary, evaluation of these activities, and a demonstration project to test new and improved strategies in States where the largest gains in reducing alcohol-related fatalities can be made, as determined by the Secretary.

FEDERAL RAILROAD ADMINISTRATION

SAFETY AND OPERATIONS

For necessary expenses of the Federal Railroad Administration, not otherwise provided for, $130,825,000, of which $11,712,000 shall remain available until expended.

RAILROAD RESEARCH AND DEVELOPMENT

For necessary expenses for railroad research and development, $34,025,000, to remain available until expended.

RAILROAD REHABILITATION AND IMPROVEMENT PROGRAM

The Secretary of Transportation is authorized to issue to the Secretary of the Treasury notes *or other obligations pursuant to section 512 of the Railroad Revitalization and Regulatory Reform Act of 1976 (Public Law 94–210), as amended, in such amounts and at such times as may be necessary to pay any amounts required pursuant to the guarantee of the principal amount of obligations under sections 511 through 513 of such Act, such authority to exist as long as any such guaranteed obligation is outstanding: Provided, That pursuant to section 502 of such Act, as amended, no new direct loans or loan guarantee commitments shall be made using Federal funds for the credit risk premium during fiscal year 2004: Provided further, That no payments of principal or interest shall be collected during fiscal year 2004 for the direct loan made to the National Railroad Passenger Corporation under section 502 of such Act.*

NEXT GENERATION HIGH-SPEED RAIL

For necessary expenses for the Next Generation High-Speed Rail program as authorized under 49 U.S.C. 26101 and 26102, $37,400,000, to remain available until expended.

ALASKA RAILROAD REHABILITATION

To enable the Secretary of Transportation to make grants to the Alaska Railroad, $25,000,000 shall be for capital rehabilitation and improvements benefiting its passenger operations, to remain available until expended.

GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION

To enable the Secretary of Transportation to make quarterly grants to the National Railroad Passenger Corporation, $1,225,000,000, to remain available until September 30, 2004: Provided, That the Secretary of Transportation shall approve funding to cover operating losses and capital expenditures, including advance purchase orders, for the National Railroad Passenger Corporation only after receiving and reviewing a grant request for each specific train route: Provided further, That each such grant request shall be accompanied by a detailed financial analysis, revenue projection, and capital expenditure projection justifying the Federal support to the Secretary's satisfaction: Provided further, That the Secretary of Transportation shall reserve $60,000,000 of the funds provided under this heading and is authorized to transfer such sums to the Surface Transportation Board, upon request from said Board, to carry out directed service orders issued pursuant to section 11123 of title 49, United States Code to respond to the cessation of commuter rail operations by the National Railroad Passenger Corporation: Provided further, That the Secretary of Transportation shall make the reserved funds available to the National Railroad Passenger Corporation through an appropriate grant instrument during the fourth quarter of fiscal year 2004 to the extent that no directed service orders have been issued by the Surface Transportation Board as of the date of transfer or there is a balance of reserved funds not needed by the Board to pay for any directed service order issued through September 30, 2004: Provided further, That not later than 60 days after enactment of this Act, Amtrak shall transmit, in electronic format, to the Secretary of Transportation, the House and Senate Committees on Appropriations, the House Committee on Transportation and Infrastructure and the Senate Committee on Commerce, Science, and Transportation a comprehensive business plan approved by the Board of Directors for fiscal year 2005 under section 24104(a) of title 49, United States Code: Provided further, That the business plan shall include, as applicable, targets for ridership, revenues, and capital and operating expenses: Provided further, That the plan shall also include a separate accounting of such targets for the Northeast Corridor; commuter service; long-distance Amtrak service; state-supported service; each intercity train route; including Autotrain; and commercial activities including contract operations and mail and express: Provided further, That the business plan shall include a description of the work to be funded, along with cost estimates and an estimated timetable for completion of the projects covered by this business plan: Provided further, That not later than December 1, 2003 and no later than 30 days following the last business day of the previous month thereafter, Amtrak shall submit to the Secretary of Transportation and the House and Senate Committees on Appropriations a supplemental report, in electronic format, regarding the pending business plan, which shall describe the work completed to date, any changes to the business plan, and the reasons for such changes: Provided further, That none of the funds in this Act may be used for operating expenses, including advance purchase orders, and capital projects not approved by the Secretary of Transportation nor on the National Railroad Passenger Corporation's fiscal year 2004 business plan: Provided further, That Amtrak shall display the business plan and all subsequent supplemental plans on the Corporation's website within a reasonable timeframe following their submission to the appropriate entities: Provided further, That none of the funds under this heading may be obligated or expended until the National Railroad Passenger Corporation agrees to continue abiding by the provisions of paragraphs 1, 2, 3, 5, 9, and 11 of the summary of conditions for the direct loan agreement of June 28, 2002, in the same manner as in effect on the date of enactment of this Act.

GENERAL PROVISIONS—FEDERAL RAILROAD ADMINISTRATION

SEC. 150. To authorize the Surface Transportation Board to direct the continued operation of certain commuter rail passenger transportation operations in emergency situations, and for other purposes:

(a) Section 11123 of title 49, United States Code, is amended—

(1) in subsection (a)—

(A) by inserting "failure of existing commuter rail passenger transportation operations caused by a cessation of service by the National Railroad Passenger Corporation," after "cessation of operations,";

(B) by striking "or" at the end of paragraph (3);

(C) by striking the period at the end of paragraph (4)(C) and inserting "; or"; and

(D) by adding at the end the following new paragraph:

"(5) in the case of a failure of existing freight or commuter rail passenger transportation operations caused by a cessation of service by the National Railroad Passenger Corporation, direct the continuation of the operations and dispatching, maintenance, and other necessary infrastructure functions related to the operations.";

(2) in subsection (b)(3)—

(A) by striking "When" and inserting "(A) Except as provided in subparagraph (B), when"; and

(B) by adding at the end the following new subparagraph:

"(B) In the case of a failure of existing freight or commuter rail passenger transportation operations caused by a cessation of service by the National Railroad Passenger Corporation, the Board shall provide funding to fully reimburse the directed service provider for its costs associated with the activities directed under subsection (a), including the payment of increased insurance premiums. The Board shall order complete indemnification against any and all claims associated with the provision of service to which the directed rail carrier may be exposed.";

(3) by adding the following new paragraph at the end of subsection (c):

"(4) In the case of a failure of existing freight or commuter rail passenger transportation operations caused by cessation of service by the National Railroad Passenger Corporation, the Board may not direct a rail carrier to undertake activities under subsection (a) to continue such operations unless—

"(A) the Board first affirmatively finds that the rail carrier is operationally capable of conducting the directed service in a safe and efficient manner; and

"(B) the funding for such directed service required by subparagraph (B) of subsection (b)(3) is provided in advance in appropriations Acts."; and

(4) by adding at the end the following new subsections:

"(e) For purposes of this section, the National Railroad Passenger Corporation and any entity providing commuter rail passenger transportation shall be considered rail carriers subject to the Board's jurisdiction.

"(f) For purposes of this section, the term 'commuter rail passenger transportation' has the meaning given that term in section 24102(4).".

(b) Section 24301(c) of title 49, United States Code, is amended by inserting "11123," after "except for sections".

SEC. 151. For the purpose of assisting State-supported intercity rail service, in order to demonstrate whether competition will provide higher quality rail passenger service at reasonable prices, the Secretary of Transportation, working with affected States, shall develop and implement a procedure for fair competitive bidding by Amtrak and non-Amtrak operators for State-supported routes: Provided, That in the event a State desires to select or selects a non-Amtrak operator for the route, the State may make an agreement with Amtrak to use facilities and equipment of, or have services provided by, Amtrak under terms agreed to by the State and Amtrak to enable the non-Amtrak operator to provide the State-supported service: Provided further, That if the parties cannot agree on terms, the Secretary shall, as a condition of receipt of Federal grant funds, order that the facilities and equipment be made available and the services be provided by Amtrak under reasonable terms and compensation: Provided further, That when prescribing reasonable compensation to Amtrak, the Secretary shall consider quality of service as a major factor when determining whether, and the extent to which, the amount of compensation shall be greater than the incremental costs of using the facilities and providing the services: Provided further, That the Secretary may reprogram up to $2,500,000 from the Amtrak operating grant funds for costs associated with the implementation of the fair bid procedure and demonstration of competition under this section.

FEDERAL TRANSIT ADMINISTRATION

ADMINISTRATIVE EXPENSES

For necessary administrative expenses of the Federal Transit Administration's programs authorized by chapter 53 of title 49, United States Code, $15,100,000: Provided, That no more than $75,500,000 of budget authority shall be available for these purposes: Provided further, That of the funds available not to exceed $970,938 shall be available for the Office of the Administrator; not to exceed $6,755,434 shall be available for the Office of Administration; not to exceed $3,892,622 shall be available for the Office of the Chief Counsel; not to exceed $1,168,780 shall be available for the Office of Communication and Congressional Affairs; not to exceed $7,157,766 shall be available for the Office of Program Management; not to exceed $6,231,332 shall be available for the Office of Budget and Policy; not to exceed $4,854,892 shall be available for the Office of Demonstration and Innovation; not to *exceed $2,717,034 shall be available for the Office of Civil Rights; not to exceed $3,667,320 shall be available for the Office of Planning; not to exceed $19,050,044 shall be available for regional offices; and not to exceed $16,838,838 shall be available for the central account: Provided further, That the Administrator is authorized to transfer funds appropriated for an office of the Federal Transit Administration: Provided further, That no appropriation for an office shall be increased or decreased by more than 3 percent by all such transfers: Provided further, That any change in funding greater than 3 percent shall be submitted for approval to the House and Senate Committees on Appropriations: Provided further, That of the funds in this Act available for the execution of contracts under section 5327(c) of title 49, United States Code, $2,000,000 shall be reimbursed to the Department of Transportation's Office of Inspector General for costs associated with audits and investigations of transit-related issues, including reviews of new fixed guideway systems: Provided further, That not less than $2,200,000 for the National transit database shall remain available until expended: Provided further, That upon submission to the Congress of the fiscal year 2005 President's budget, the Secretary of Transportation shall transmit to Congress the annual report on new starts, proposed allocations of funds for fiscal year 2005: Provided further, That the amount herein appropriated shall be reduced by $100,000 per day for each day after initial submission of the President's budget that the report has not been submitted to the Congress.*

FORMULA GRANTS

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out 49 U.S.C. 5307, 5308, 5310, 5311, 5327, and section 3038 of Public Law 105–178, $767,800,000, to remain available until expended: Provided, That no more than $3,839,000,000 of budget authority shall be available for these purposes: Provided further, That notwithstanding section 3008 of Public Law 105–178, $50,000,000 of the funds to carry out 49 U.S.C. 5308 shall be transferred to and merged with funding provided for the replacement, rehabilitation, and purchase of buses and related equipment and the construction of bus-related facilities under "Federal Transit Administration, Capital investment grants".

UNIVERSITY TRANSPORTATION RESEARCH

For necessary expenses to carry out 49 U.S.C. 5505, $1,200,000, to remain available until expended: Provided, That no more than $6,000,000 of budget authority shall be available for these purposes.

TRANSIT PLANNING AND RESEARCH

For necessary expenses to carry out 49 U.S.C. 5303, 5304, 5305, 5311(b)(2), 5312, 5313(a), 5314, 5315, and 5322, $25,200,000, to remain available until expended: Provided, That no more than $126,000,000 of budget authority shall be available for these purposes: Provided further, That $5,250,000 is available to provide rural transportation assistance (49 U.S.C. 5311(b)(2)), $4,000,000 is available to carry out programs under the National Transit Institute (49 U.S.C. 5315), $8,250,000 is available to carry out transit cooperative research programs (49 U.S.C. 5313(a)), $60,385,600 is available for metropolitan planning (49 U.S.C. 5303. 5304, and 5305), $12,614,400 is available for State planning (49 U.S.C. 5313(b)); and $35,500,000 is available for the national planning and research program (49 U.S.C. 5314).

TRUST FUND SHARE OF EXPENSES

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

Notwithstanding any other provision of law, for payment of obligations incurred in carrying out 49 U.S.C. 5303–5308, 5310–5315, 5317(b), 5322, 5327, 5334, 5505, and sections 3037 and 3038 of Public Law 105–178, $5,847,200,000, to remain available until expended, and to be derived from the Mass Transit Account of the Highway Trust Fund: Provided, That $3,071,200,000 shall be paid to the Federal Transit Administration's formula grants account: Provided further, That $100,800,000 shall be paid to the Federal Transit Administration's transit planning and research account: Provided further, That $60,400,000 shall be paid to the Federal Transit Administration's administrative expenses account: Provided further, That $4,800,000 shall be paid to the Federal Transit Administration's university transportation research account: Provided further, That $100,000,000 shall be paid to the Federal Transit Administration's job access and reverse commute grants program: Provided further, That $2,510,000,000 shall be paid to the Federal Transit Administration's capital investment grants account.

CAPITAL INVESTMENT GRANTS

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to carry out 49 U.S.C. 5308, 5309, 5318, and 5327, $627,500,000, to remain available until expended: Provided, That no more than $3,137,500,000 of budget authority shall be available for these purposes: Provided further, That there shall be available for fixed guideway modernization, $1,206,506,000; there shall be available for the replacement, rehabilitation, and purchase of buses and related equipment and the construction of bus-related facilities, $607,200,000, which shall include $50,000,000 made available under 5309(m)(3)(C) of this title, plus $50,000,000 transferred from "Federal Transit Administration, Formula Grants" and $20,000,000 transferred from "Federal Transit Administration, Job Access and Reverse Commute Grants"; and there shall be available for new fixed guideway systems $1,323,794,000, together with $2,331,545 in unobligated balances made available in Public Law 106–69 and $2,182,937 in unobligated balances made available in Public Law 106–346 to carry out section 3037 of Public Law 105–178, as amended, to be available as follows:

Atlanta, Georgia, Northwest Corridor BRT, $2,149,413;

Baltimore, Maryland, Central Light Rail Double Track Project, $40,000,000;

BART San Francisco Airport (SFO), California, Extension Project, $100,000,000;

Birmingham—Transit Corridor, Alabama, $3,500,000;

Boston, Massachusetts, Silver Line Phase III, $2,000,000;

Charlotte, North Carolina, South Corridor Light Rail Project, $12,000,000;

Chicago, Illinois, Metra Commuter Rail Expansions and Extensions, $52,000,000;

Chicago, Illinois, Ravenswood Reconstruction, $10,000,000;

Chicago, Illinois, Transit Authority, Douglas Branch Reconstruction, $85,000,000;

Dallas, Texas, North Central Light Rail Extension, $30,161,283;

Denver, Colorado, Southeast Corridor LRT (T-REX), $80,000,000;

East Side Access Project, New York, Phase I, $75,000,000;

Euclid Corridor Transportation Project, Ohio, $11,000,000;

Fort Lauderdale, Florida, Tri-Rail Commuter Project, $18,410,000;

Hawaii and Alaska Ferry Boats, $10,296,000;

Houston Advanced Metro Transit Plan, Texas, $8,000,000;

Integrated Intermodal project, Rhode Island, $3,000,000;

Kenosha-Racine-Milwaukee Commuter Rail Extension, Wisconsin, $3,250,000;

Las Vegas, Nevada, Resort Corridor Fixed Guideway, MOS, $20,000,000;

Little Rock, Arkansas, River Rail Streetcar Project, $3,000,000;

Maine Marine Highway, $1,550,000;

Memphis, Tennessee, Medical Center Rail Extension, $9,247,588;

Minneapolis, Minnesota, Hiawatha Corridor Light Rail Transit (LRT), $74,980,000;

Minneapolis, Minnesota, Northstar Corridor Rail Project, $5,750,000;

New Orleans, Louisiana, Canal Street Streetcar Project, $23,291,373;

New York, Second Avenue Subway, $2,000,000;

Newark, New Jersey, Rail Link (NERL) MOS1, $22,566,022;

Northern Oklahoma Regional Multimodal Transportation System, $3,000,000;

Northern, New Jersey, Hudson-Bergen Light Rail (MOS2), $100,000,000;

Phase II, LA to Pasadena Metro Gold Line Light Rail Project, $4,000,000;

Philadelphia, Pennsylvania, Schuylkill Valley Metro, $14,000,000;

Phoenix, Arizona, Central Phoenix/East Valley Light Rail Transit Project, $13,000,000;

Pittsburgh, Pennsylvania, North Shore Connector, $10,000,000;

Pittsburgh, Pennsylvania, Stage II Light Rail Transit Reconstruction, $32,243,442;

Portland, Oregon, Interstate MAX Light Rail Extension, $77,500,000;

Raleigh, North Carolina, Triangle Transit Authority Regional Rail Project, $5,500,000;

Regional Commuter Rail (Weber County to Salt Lake City), Utah, $9,000,000;

Salt Lake City, Utah, Medical Center LRT Extension, $30,663,361;

San Diego, California, Mission Valley East Light Rail Transit Extension, $65,000,000;

San Diego, California, Oceanside-Escondido Rail Project, $48,000,000;

San Francisco, California Muni Third Street Light Rail Project, $9,000,000;

San Jose, California, Silicon Valley Rapid Transit Corridor, $2,000,000;

Scranton, Pennsylvania, NY City Rail Service, $2,500,000;

Seattle, Washington, Sound Transit Central Link Initial Segment, $75,000,000;

South Shore Commuter Rail Service capacity enhancement, $1,000,000;

Stamford, Connecticut, Urban Transitway & Intermodal Transportation Center Improvements, $4,000,000;

Tren Urbano Rapid Transit System, San Juan, PR, $20,000,000;

VRE Parking Improvements, Virginia, $3,000,000;

Washington, DC/VA Dulles Corridor Rapid Transit Project, $20,000,000;

Washington, DC/MD, Largo Extension, $65,000,000;

Western North Carolina Rail Passenger Service, $1,000,000;

Wilmington, Delaware, Train Station Improvements, $1,500,000;

Wilsonville to Beaverton, Oregon, Commuter Rail, $3,250,000; and

Yarmouth to Auburn Line, Maine, $1,000,000.

JOB ACCESS AND REVERSE COMMUTE GRANTS

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to carry out section 3037 of the Federal Transit Act of 1998, $25,000,000, to remain available until expended: Provided, That no more than $125,000,000 of budget authority shall be available for these purposes: Provided further, That up to $300,000 of the funds provided under this heading may be used by the Federal Transit Administration for technical assistance and support and performance reviews of the Job Access and Reverse Commute Grants program: Provided further, That $20,000,000 of the funds provided under this heading shall be transferred to and merged with funds for the replacement, rehabilitation, *and purchase of buses and related equipment and the construction of bus-related facilities under "Federal Transit Administration, Capital Investment Grants": Provided further, That $2,331,545 in unobligated balances made available in Public Law 106–69 and $2,182,937 in unobligated balances made available in Public Law 106–346 to carry out section 3037 of Public Law 105–178, as amended, shall be transferred to and merged with funds for new fixed guideway systems under "Federal Transit Administration, Capital Investment Grants".*

GENERAL PROVISIONS—FEDERAL TRANSIT ADMINISTRATION

SEC. 160. The limitations on obligations for the programs of the Federal Transit Administration shall not apply to any authority under 49 U.S.C. 5338, previously made available for obligation, or to any other authority previously made available for obligation.

SEC. 161. Notwithstanding any other provision of law, and except for fixed guideway modernization projects, funds made available by this Act under "Federal Transit Administration, Capital investment grants" for projects specified in this Act or identified in reports accompanying this Act not obligated by September 30, 2006, and other recoveries, shall be made available for other projects under 49 U.S.C. 5309.

SEC. 162. Notwithstanding any other provision of law, any funds appropriated before October 1, 2003, under any section of chapter 53 of title 49, United States Code, that remain available for expenditure may be transferred to and administered under the most recent appropriation heading for any such section.

SEC. 163. Funds made available for Alaska or Hawaii ferry boats or ferry terminal facilities pursuant to 49 U.S.C. 5309(m)(2)(B) may be used to construct new vessels and facilities, or to improve existing vessels and facilities, including both the passenger and vehicle-related elements of such vessels and facilities, and for repair facilities: Provided, That not more than $3,000,000 of the funds made available pursuant to 49 U.S.C. 5309(m)(2)(B) may be used by the State of Hawaii to initiate and operate a passenger ferryboat services demonstration project to test the viability of different intra-island and inter-island ferry boat routes and technology: Provided further, That notwithstanding 49 U.S.C. 5302(a)(7), funds made available for Alaska or Hawaii ferry boats may be used to acquire passenger ferry boats and to provide passenger ferry transportation services within areas of the State of Hawaii under the control or use of the National Park Service.

SEC. 164. Notwithstanding any other provision of law, funds made available to the Colorado Roaring Fork Transportation Authority under "Federal Transit Administration, Capital investment grants" in Public Laws 106–69 and 106–346 shall be available for expenditure on park and ride lots in Carbondale and Glenwood Springs, Colorado as part of the Roaring Fork Valley Bus Rapid Transit project.

SEC. 165. Notwithstanding any other provision of law, unobligated funds made available for a new fixed guideway systems projects under the heading "Federal Transit Administration, Capital Investment Grants" in any appropriations act prior to this Act may be used during this fiscal year to satisfy expenses incurred for such projects.

SEC. 166. (a) IN GENERAL.—The Secretary shall establish a pilot program to determine the benefits of encouraging cooperative procurement of major capital equipment under sections 5307, 5309, and 5311. The program shall consist of three pilot projects. Cooperative procurements in these projects may be carried out by grantees, consortiums of grantees, or members of the private sector acting as agents of grantees.

(b) FEDERAL SHARE.—Notwithstanding any other provision of law, the Federal share for a grant under this pilot program shall be 90 percent of the net project cost.

(c) PERMISSIBLE ACTIVITIES.—

(1) DEVELOPING SPECIFICATIONS.—Cooperative specifications may be developed either by the grantees or their agents.

(2) REQUESTS FOR PROPOSALS.—To the extent permissible under state and local law, cooperative procurements under this section may be carried out, either by the grantees or their agents, by issuing one request for proposal for each cooperative procurement, covering all agencies that are participating in the procurement.

(3) BEST AND FINAL OFFERS.—The cost of evaluating best and final offers either by the grantees or their agents, is an eligible expense under this program.

(d) TECHNOLOGY.—To the extent feasible, cooperative procurements under this section shall maximize use of Internet-based software technology designed specifically for transit buses and other major capital equipment to develop specifications; aggregate equipment requirements with other transit agencies; generate cooperative request for proposal packages; create cooperative specifications; and automate the request for approved equals process.

(e) ELIGIBLE EXPENSES.—The cost of the permissible activities under (c) and procurement under (d) are eligible expenses under the pilot program.

(f) PROPORTIONATE CONTRIBUTIONS.—Cooperating agencies may contribute proportionately to the non-Federal share of any of the eligible expenses under (e).

(g) OUTREACH.—The Secretary shall conduct outreach on cooperative procurement. Under this program the Secretary shall: (1) offer technical assistance to transit agencies to facilitate the use of cooperative procurement of major capital equipment and (2) conduct seminars and conferences for grantees, nationwide, on the concept of cooperative procurement of major capital equipment.

(h) REPORT.—Not later than 30 days after delivery of the base order under each of the pilot projects, the Secretary shall submit to the House and Senate Committees on Appropriations a report on the results of that pilot project. Each report shall evaluate any savings realized through the cooperative procurement and the benefits of incorporating cooperative procurement, as shown by that project, into the mass transit program as a whole.

SEC. 167. Notwithstanding any other provision of law, new fixed guideway system funds available for the Yosemite, California, area regional transportation system project, in the Department of Transportation and Related Agencies. Appropriations Act, 2002, Public Law 107–87, under "Capital Investment Grants", in the amount of $400,000 shall be available for obligation for the replacement, rehabilitation, or purchase of buses or related equipment, or the construction of bus related facilities: Provided, That this amount shall be in addition to the amount available in fiscal year 2002 for these purposes.

SEC. 168. Notwithstanding any other provision of law, for the purpose of calculating the non-New Starts share of the total project cost of both phases of San Francisco Muni's Third Street Light Rail Transit project for fiscal year 2004, the Secretary of Transportation shall include all non-New Starts contributions made towards Phase 1 of the two-phase project for engineering, final design and construction, and also shall allow non-New Starts funds expended on one element or phase of the project to be used to meet the non-New Starts share requirement of any element or phase of the project: Provided further, That none of the funds provided in this Act for the San Francisco Muni Third Street Light Rail Transit Project shall be obligated if the Federal Transit Administration determines that the project is found to be "not recommended" after evaluation and computation of revised transportation system user benefit data.

SEC. 169. Notwithstanding any other provision of law, funds made available under "Federal Transit Administration, Capital Investment Grants" in Public Law 105–277 for the Cleveland Berea Red Line Extension to the Hopkins International Airport project may be used for the Euclid Corridor Transportation Project.

SEC. 170. Notwithstanding any other provision of law, funds designated to the Community Transportation Association of America (CTAA) on pages 1305 through 1307 of the Joint Explanatory Statement of the Committee of Conference for Public Law 108–7 may be available to CTAA for any project or activity authorized under section 3037 of Public Law 105–178 upon receipt of an application.

SEC. 171. After the last section of the Federal Transit Act, 49 U.S.C. Chapter 53, add the following section:

"SEC. 3042. UTAH TRANSPORTATION PROJECTS.

"(a) COORDINATION.—FTA and FHWA are directed to work with the Utah Transit Authority and the Utah Department of Transportation to coordinate the development regional commuter rail and the northern segment of I–15 reconstruction located in the Wasatch Front corridor extending from Brigham City to Payson, Utah. Coordination includes integration of preliminary engineering and design, a simplified method for allocating project costs among eligible FTA and FHWA funding sources, and a unified accounting and audit process.

"(b) GOVERNMENTAL FUNDING.—For purposes of determining and allocating the nongovernmental and governmental share of costs, the following projects comprise a related program of projects: regional commuter rail, the TRAX light rail system, TRAX extensions to the Medical Center and to the Gateway Intermodal Center, and the northern segment of I–15 reconstruction. The governmental share of project costs appropriated from the Section 5309 New Start program shall conform to the share specified in the extension or reauthorization of TEA21.".

SEC. 172. Funds apportioned to the Charleston Area Regional Transportation Authority to carry out section 5307 of title 49, United States Code, may be used to lease land, equipment, or facilities used in public transportation from another governmental authority in the same geographic area: Provided, That the non-Federal share under section 5307 may include revenues from the sale of advertising and concessions: Provided further, That this provision shall remain in effect until September 30, 2004, or until the Federal interest in the land, equipment or facilities leased reaches 80 percent of its fair market value at disposition, whichever occurs first.

SEC. 173. Notwithstanding any other provision of law, funds designated to the Pennsylvania Cumberland/Dauphin County Corridor I project in committee reports accompanying this Act may be available to the recipient for any project activities authorized under sections 5307 and 5309 of title 49, United States Code.

SEC. 174. To the extent that funds provided by the Congress for the Memphis Medical Center light rail extension project through the Section 5309 "new fixed guideway systems" program remain available upon the closeout of the project, Federal Transit Administration is directed to permit the Memphis Area Transit Authority to use all of those funds for planning, engineering, design, construction or acquisition projects pertaining to the Memphis Regional Rail Plan. Such funds shall remain available until expended.

SEC. 175. Section 30303(d)(3) of the Transportation Equity Act for the 21st Century (Public

Law 105–178) is amended by inserting at the end:

"(D) Memphis-Shelby International Airport intermodal facility.".

SEC. 176. For fiscal year 2004, Section 3027 of the Transportation Equity Act for the 21st Century (49 U.S.C. 5307 note; 112 Stat. 366), as amended, is amended by adding at the end the following:

"(3) SERVICES FOR ELDERLY AND PERSONS WITH DISABILITIES.—In addition to assistance made available under paragraph (1), the Secretary may provide assistance under section 5307 of title 49, United States Code, to a transit provider that operates 25 or fewer vehicles in an urbanized area with a population of at least 200,000 to finance the operating costs of equipment and facilities used by the transit provider in providing mass transportation services to elderly and persons with disabilities, provided that such assistance to all entities shall not exceed $10,000,000 annually.".

SEC. 177. None of the funds in this Act shall be available to any Federal transit grantee after February 1, 2004, involved directly or indirectly, in any activity that promotes the legalization or medical use of any substance listed in schedule I of section 202 of the Controlled Substances Act (21 U.S.C. 812 et seq.).

SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION

The Saint Lawrence Seaway Development Corporation is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to the Corporation, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the Corporation's budget for the current fiscal year.

OPERATIONS AND MAINTENANCE

(HARBOR MAINTENANCE TRUST FUND)

For necessary expenses for operations and maintenance of those portions of the Saint Lawrence Seaway operated and maintained by the Saint Lawrence Seaway Development Corporation, $14,400,000, to be derived from the Harbor Maintenance Trust Fund, pursuant to Public Law 99–662.

MARITIME ADMINISTRATION

MARITIME SECURITY PROGRAM

For necessary expenses to maintain and preserve a U.S.-flag merchant fleet to serve the national security needs of the United States, $98,700,000, to remain available until expended.

OPERATIONS AND TRAINING

For necessary expenses of operations and training activities authorized by law, $106,997,000, of which $23,600,000 shall remain available until September 30, 2004, for salaries and benefits of employees of the United States Merchant Marine Academy; of which $13,500,000 shall remain available until expended for capital improvements at the United States Merchant Marine Academy; of which $8,063,000 shall remain available until expended for the State Maritime Schools Schoolship Maintenance and Repair; of which $500,000 shall remain available until expended for the evaluation and provision of the fourteen commercially strategic ports; and of which $1,000,000 shall remain available until September 30, 2005, for Maritime Security Professional Training in support of Section 109 of the Maritime Transportation Security Act of 2002.

SHIP DISPOSAL

For necessary expenses related to the disposal of obsolete vessels in the National Defense Reserve Fleet of the Maritime Administration, $16,211,000, to remain available until expended.

MARITIME GUARANTEED LOAN (TITLE XI) PROGRAM ACCOUNT

For administrative expenses to carry out the guaranteed loan program, not to exceed $4,498,000, which shall be transferred to and merged with the appropriation for Operations and Training.

SHIP CONSTRUCTION

(RESCISSION)

Of the unobligated balances available under this heading, $4,107,056 are rescinded.

GENERAL PROVISIONS—MARITIME ADMINISTRATION

SEC. 180. Notwithstanding any other provision of this Act, the Maritime Administration is authorized to furnish utilities and services and make necessary repairs in connection with any lease, contract, or occupancy involving Government property under control of the Maritime Administration, and payments received therefore shall be credited to the appropriation charged with the cost thereof: Provided, That rental payments under any such lease, contract, or occupancy for items other than such utilities, services, or repairs shall be covered into the Treasury as miscellaneous receipts.

SEC. 181. No obligations shall be incurred during the current fiscal year from the construction fund established by the Merchant Marine Act, 1936, or otherwise, in excess of the appropriations and limitations contained in this Act or in any prior appropriation Act.

RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION

RESEARCH AND SPECIAL PROGRAMS

For expenses necessary to discharge the functions of the Research and Special Programs Administration, $46,441,000, of which $645,000 shall be derived from the Pipeline Safety Fund, and of which $2,510,000 shall remain available until September 30, 2006: Provided, That up to $1,200,000 in fees collected under 49 U.S.C. 5108(g) shall be deposited in the general fund of the Treasury as offsetting receipts: Provided further, That there may be credited to this appropriation, to be available until expended, funds received from States, counties, municipalities, other public authorities, and private sources for expenses incurred for training, for reports publication and dissemination, and for travel expenses incurred in performance of hazardous materials exemptions and approvals functions.

PIPELINE SAFETY

(PIPELINE SAFETY FUND)

(OIL SPILL LIABILITY TRUST FUND)

For expenses necessary to conduct the functions of the pipeline safety program, for grants-in-aid to carry out a pipeline safety program, as authorized by 49 U.S.C. 60107, and to discharge the pipeline program responsibilities of the Oil Pollution Act of 1990, $66,305,000, of which $13,000,000 shall be derived from the Oil Spill Liability Trust Fund and shall remain available until September 30, 2006; of which $53,305,000 shall be derived from the Pipeline Safety Fund, of which $21,828,000 shall remain available until September 30, 2006.

EMERGENCY PREPAREDNESS GRANTS

(EMERGENCY PREPAREDNESS FUND)

For necessary expenses to carry out 49 U.S.C. 5127(c), $200,000, to be derived from the Emergency Preparedness Fund, to remain available until September 30, 2006: Provided, That not more than $14,300,000 shall be made available for obligation in fiscal year 2004 from amounts made available by 49 U.S.C. 5116(i) and 5127(d): Provided further, That none of the funds made available by 49 U.S.C. 5116(i) and 5127(d) shall be made available for obligation by individuals other than the Secretary of Transportation, or his designee.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

For necessary expenses of the Office of Inspector General to carry out the provisions of the Inspector General Act of 1978, as amended, $56,000,000: Provided, That the Inspector General shall have all necessary authority, in carrying out the duties specified in the Inspector General Act, as amended (5 U.S.C. App. 3) to investigate allegations of fraud, including false statements to the government (18 U.S.C. 1001), by any person or entity that is subject to regulation by the Department: Provided further, That the funds made available under this heading shall be used to investigate, pursuant to section 41712 of title 49, United States Code: (1) unfair or deceptive practices and unfair methods of competition by domestic and foreign air carriers and ticket agents; and (2) the compliance of domestic and foreign air carriers with respect to item (1) of this proviso.

SURFACE TRANSPORTATION BOARD

SALARIES AND EXPENSES

For necessary expenses of the Surface Transportation Board, including services authorized by 5 U.S.C. 3109, $19,521,000: Provided, That notwithstanding any other provision of law, not to exceed $1,050,000 from fees established by the Chairman of the Surface Transportation Board shall be credited to this appropriation as offsetting collections and used for necessary and authorized expenses under this heading: Provided further, That the sum herein appropriated from the general fund shall be reduced on a dollar-for-dollar basis as such offsetting collections are received during fiscal year 2004, to result in a final appropriation from the general fund estimated at no more than $18,471,000.

TITLE II—DEPARTMENT OF THE TREASURY

DEPARTMENTAL OFFICES

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Departmental Offices including operation and maintenance of the Treasury Building and Annex; hire of passenger motor vehicles; maintenance, repairs, and improvements of, and purchase of commercial insurance policies for, real properties leased or owned overseas, when necessary for the performance of official business; not to exceed $3,000,000, to remain available until September 30, 2005 for information technology modernization requirements; not to exceed $150,000 for official reception and representation expenses; not to exceed $258,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Secretary of the Treasury and to be accounted for solely on his certificate, $176,109,000: Provided, That the Office of Foreign Assets Control shall be funded at no less than $21,855,000 and 120 full time equivalent positions: Provided further, That of these amounts, $2,900,000 is available for grants to State and local law enforcement groups to help fight money laundering: Provided further, That of these amounts, $3,393,000, to remain available until September 30, 2005, shall be for the Treasury-wide Financial Statement Audit Program, of which such amounts as may be necessary may be transferred to accounts of the Department's offices and bureaus to conduct audits: Provided further, That this transfer authority shall be in addition to any other provided in this Act.

DEPARTMENT-WIDE SYSTEMS AND CAPITAL INVESTMENTS PROGRAMS

(INCLUDING TRANSFER OF FUNDS)

For development and acquisition of automatic data processing equipment, software, and services for the Department of the Treasury, $36,400,000, to remain available until September

30, 2006: Provided, That these funds shall be transferred to accounts and in amounts as necessary to satisfy the requirements of the Department's offices, bureaus, and other organizations: Provided further, That this transfer authority shall be in addition to any other transfer authority provided in this Act: Provided further, That none of the funds appropriated shall be used to support or supplement the Internal Revenue Service appropriations for Information Systems or Business Systems Modernization.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, not to exceed $2,000,000 for official travel expenses, including hire of passenger motor vehicles; and not to exceed $100,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Inspector General of the Treasury, $13,000,000, of which not to exceed $2,500 shall be available for official reception and representation expenses.

TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Treasury Inspector General for Tax Administration in carrying out the Inspector General Act of 1978, as amended, including purchase (not to exceed 150 for replacement only for police-type use) and hire of passenger motor vehicles (31 U.S.C. 1343(b)); services authorized by 5 U.S.C. 3109, at such rates as may be determined by the Inspector General for Tax Administration; not to exceed $6,000,000 for official travel expenses; and not to exceed $500,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Inspector General for Tax Administration, $128,034,000.

AIR TRANSPORTATION STABILIZATION PROGRAM

For necessary expenses to administer the Air Transportation Stabilization Board established by section 102 of the Air Transportation Safety and System Stabilization Act (Public Law 107–42), $2,538,000, to remain available until expended.

TREASURY BUILDING AND ANNEX REPAIR AND RESTORATION

For the repair, alteration, and improvement of the Treasury Building and Annex, $25,000,000, to remain available until September 30, 2006, of which not less than $7,000,000 shall not be available for obligation until completion of the audit by the Treasury Inspector General or upon the advance approval of the House and Senate Committees on Appropriations.

FINANCIAL CRIMES ENFORCEMENT NETWORK

SALARIES AND EXPENSES

For necessary expenses of the Financial Crimes Enforcement Network, including hire of passenger motor vehicles; travel expenses of non-Federal law enforcement personnel to attend meetings concerned with financial intelligence activities, law enforcement, and financial regulation; not to exceed $14,000 for official reception and representation expenses; and for assistance to Federal law enforcement agencies, with or without reimbursement, $57,571,000, of which not to exceed $4,500,000 shall remain available until September 30, 2006; and of which $8,152,000 shall remain available until September 30, 2005: Provided, That funds appropriated in this account may be used to procure personal services contracts.

FINANCIAL MANAGEMENT SERVICE

SALARIES AND EXPENSES

For necessary expenses of the Financial Management Service, $228,558,000, of which not to exceed $9,220,000 shall remain available until September 30, 2006, for information systems modernization initiatives; and of which not to exceed $2,500 shall be available for official reception and representation expenses.

ALCOHOL AND TOBACCO TAX AND TRADE BUREAU

SALARIES AND EXPENSES

For necessary expenses of carrying out section 1111 of the Homeland Security Act of 2002, including hire of passenger motor vehicles, $80,000,000; of which not to exceed $6,000 for official reception and representation expenses; not to exceed $50,000 for cooperative research and development programs for Laboratory Services; and provision of laboratory assistance to State and local agencies with or without reimbursement.

UNITED STATES MINT

UNITED STATES MINT PUBLIC ENTERPRISE FUND

Pursuant to section 5136 of title 31, United States Code, the United States Mint is provided funding through the United States Mint Public Enterprise Fund for costs associated with the production of circulating coins, numismatic coins, and protective services, including both operating expenses and capital investments. The aggregate amount of new liabilities and obligations incurred during fiscal year 2004 under such section 5136 for circulating coinage and protective service capital investments of the United States Mint shall not exceed $40,652,000.

BUREAU OF THE PUBLIC DEBT

ADMINISTERING THE PUBLIC DEBT

For necessary expenses connected with any public-debt issues of the United States, $178,052,000, of which not to exceed $2,500 shall be available for official reception and representation expenses, and of which not to exceed $2,000,000 shall remain available until expended for systems modernization: Provided, That the sum appropriated herein from the General Fund for fiscal year 2004 shall be reduced by not more than $4,400,000 as definitive security issue fees and Treasury Direct Investor Account Maintenance fees are collected, so as to result in a final fiscal year 2004 appropriation from the general fund estimated at $173,652,000. In addition, $40,000 to be derived from the Oil Spill Liability Trust Fund to reimburse the Bureau for administrative and personnel expenses for financial management of the Fund, as authorized by section 1012 of Public Law 101–380.

INTERNAL REVENUE SERVICE

PROCESSING, ASSISTANCE, AND MANAGEMENT

For necessary expenses of the Internal Revenue Service for pre-filing taxpayer assistance and education, filing and account services, shared services support, general management and administration; and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner, $4,033,000,000, of which up to $4,100,000 shall be for the Tax Counseling for the Elderly Program, of which $7,500,000 shall be available for low-income taxpayer clinic grants, and of which not to exceed $25,000 shall be for official reception and representation expenses.

TAX LAW ENFORCEMENT

For necessary expenses of the Internal Revenue Service for determining and establishing tax liabilities; providing litigation support; conducting criminal investigation and enforcement activities; securing unfiled tax returns; collecting unpaid accounts; conducting a document matching program; resolving taxpayer problems through prompt identification, referral and settlement; resolving essential earned income tax credit compliance and error problems; compiling statistics of income and conducting compliance research; purchase (for police-type use, not to exceed 850) and hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by U.S.C. 3109, at such rates as may be determined by the Commissioner, $4,196,000,000, of which not to exceed $1,000,000 shall remain available until September 30, 2006, for research: Provided, That such sums may be transferred as necessary from this account to the IRS Processing, Assistance, and Management appropriation or the IRS Information Systems appropriation solely for the purposes of management of the Earned Income Tax Compliance program and to reimburse the Social Security Administration for the cost of implementing section 1090 of the Taxpayer Relief Act of 1997 (Public Law 105–33): Provided further, That this transfer authority shall be in addition to any other transfer authority provided in this Act.

INFORMATION SYSTEMS

For necessary expenses of the Internal Revenue Service for information systems and telecommunications support, including developmental information systems and operational information systems; the hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner, $1,590,962,000, of which $200,000,000 shall remain available until September 30, 2005.

BUSINESS SYSTEMS MODERNIZATION

For necessary expenses of the Internal Revenue Service, $390,000,000, to remain available until September 30, 2006, for the capital asset acquisition of information technology systems, including management and related contractual costs of said acquisitions, including contractual costs associated with operations authorized by 5 U.S.C. 3109: Provided, That none of these funds may be obligated until the Internal Revenue Service submits to the Committees on Appropriations, and such Committees approve, a plan for expenditure that: (1) meets the capital planning and investment control review requirements established by the Office of Management and Budget, including Circular A–11 part 3; (2) complies with the Internal Revenue Service's enterprise architecture, including the modernization blueprint; (3) conforms with the Internal Revenue Service's enterprise life cycle methodology; (4) is approved by the Internal Revenue Service, the Department of the Treasury, and the Office of Management and Budget; (5) has been reviewed by the General Accounting Office; and (6) complies with the acquisition rules, requirements, guidelines, and systems acquisition management practices of the Federal Government.

HEALTH INSURANCE TAX CREDIT ADMINISTRATION

For expenses necessary to implement the health insurance tax credit included in the Trade Act of 2002 (Public Law 107–210), $35,000,000, to remain available until September 30, 2005.

GENERAL PROVISIONS—INTERNAL REVENUE SERVICE

SEC. 201. Not to exceed 5 percent of any appropriation made available in this Act to the Internal Revenue Service may be transferred to any other Internal Revenue Service appropriation upon the advance approval of the Committees on Appropriations.

SEC. 202. The Internal Revenue Service shall maintain a training program to ensure that Internal Revenue Service employees are trained in taxpayers' rights, in dealing courteously with the taxpayers, and in cross-cultural relations.

SEC. 203. The Internal Revenue Service shall institute and enforce policies and procedures that will safeguard the confidentiality of taxpayer information.

SEC. 204. Funds made available by this or any other Act to the Internal Revenue Service shall be available for improved facilities and increased manpower to provide sufficient and effective 1–800 help line service for taxpayers. The Commissioner shall continue to make the improvement of the Internal Revenue Service 1–800 help line service a priority and allocate resources necessary to increase phone lines and staff to improve the Internal Revenue Service 1-800 help line service.

SEC. 205. Within one hundred and eighty days of enactment, the Secretary of the Treasury shall present to the Congress a proposal for legislation which would provide transition relief for older and longer-service participants affected by conversions of their employers' traditional pension plans to cash balance pension plans: Provided, That none of the funds made available in this Act may be used by the Secretary of the Treasury, or his designee, to issue any rule or regulation which implements the proposed amendments to Internal Revenue Service regulations set forth in REG–209500–86 and REG–164464–02, or any amendments reaching results similar to such proposed amendments.

SEC. 206. STUDY ON EARNED INCOME TAX CREDIT CERTIFICATION PROGRAM. (A) STUDY.—The Internal Revenue Service shall conduct a study, as a part of any program that requires certification (including pre-certification) in order to claim the earned income tax credit under section 32 of the Internal Revenue Code of 1986, on the following matters:

(1) The costs (in time and money) incurred by the participants in the program.

(2) The administrative costs incurred by the Internal Revenue Service in operating the program.

(3) The percentage of individuals included in the program who were not certified for the credit, including the percentage of individuals who were not certified due to—

(A) ineligibility for the credit; and

(B) failure to complete the requirements for certification.

(4) The percentage of individuals to whom paragraph (3)(B) applies who were—

(A) otherwise eligible for the credit; and

(B) otherwise ineligible for the credit.

(5) The percentage of individuals to whom paragraph (3)(B) applies who—

(A) did not respond to the request for certification; and

(B) responded to such request but otherwise failed to complete the requirements for certification.

(6) The reasons—

(A) for which individuals described in paragraph (5)(A) did not respond to requests for certification; and

(B) for which individuals described in paragraph (5)(B) had difficulty in completing the requirements for certification.

(7) The characteristics of those individuals who were denied the credit due to—

(A) failure to complete the requirements for certification; and

(B) ineligibility for the credit.

(8) The impact of the program on non-English speaking participants.

(9) The impact of the program on homeless and other highly transient individuals.

(b) REPORT.—

(1) PRELIMINARY REPORT.—Not later than July 30, 2004, the Commissioner of the Internal Revenue Service shall submit to Congress a preliminary report on the study conducted under subsection (a).

(2) FINAL REPORT.—Not later than June 30, 2005, the Commissioner of the Internal Revenue Service shall submit to Congress a final report detailing the findings of the study conducted under subsection (a).

GENERAL PROVISIONS—DEPARTMENT OF THE TREASURY

SEC. 210. Appropriations to the Department of the Treasury in this Act shall be available for uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901), including maintenance, repairs, and cleaning; purchase of insurance for official motor vehicles operated in foreign countries; purchase of motor vehicles without regard to the general purchase price limitations for vehicles purchased and used overseas for the current fiscal year; entering into contracts with the Department of State for the furnishing of health and medical services to employees and their dependents serving in foreign countries; and services authorized by 5 U.S.C. 3109.

SEC. 211. Not to exceed 2 percent of any appropriations in this Act made available to the Departmental Offices—Salaries and Expenses, Office of Inspector General, Financial Management Service, Alcohol and Tobacco Tax and Trade Bureau, Financial Crime Enforcement Network, and Bureau of the Public Debt, may be transferred between such appropriations upon the advance approval of the Committees on Appropriations. No transfer may increase or decrease any such appropriation by more than 2 percent.

SEC. 212. Not to exceed 2 percent of any appropriation made available in this Act to the Internal Revenue Service may be transferred to the Treasury Inspector General for Tax Administration's appropriation upon the advance approval of the Committees on Appropriations. No transfer may increase or decrease any such appropriation by more than 2 percent.

SEC. 213. Of the funds available for the purchase of law enforcement vehicles, no funds may be obligated until the Secretary of the Treasury certifies that the purchase by the respective Treasury bureau is consistent with Departmental vehicle management principles: Provided, That the Secretary may delegate this authority to the Assistant Secretary for Management.

SEC. 214. None of the funds appropriated in this Act or otherwise available to the Department of the Treasury or the Bureau of Engraving and Printing may be used to redesign the $1 Federal Reserve note.

SEC. 215. The Secretary of the Treasury may transfer funds from "Salaries and Expenses", Financial Management Service, to the Debt Services Account as necessary to cover the costs of debt collection: Provided, That such amounts shall be reimbursed to such Salaries and Expenses account from debt collections received in the Debt Services Account.

SEC. 216. Section 122(g)(1) of Public Law 105–119 (5 U.S.C. 3104 note), is further amended by striking "5 years" and inserting "6 years".

SEC. 217. None of the funds appropriated or otherwise made available by this or any other Act may be used by the United States Mint to construct or operate any museum without the explicit approval of the House Committee on Financial Services and the Senate Committee on Banking, Housing, and Urban Affairs.

SEC. 218 For fiscal year 2004 and each fiscal year thereafter, there are appropriated to the Secretary of the Treasury such sums as may be necessary to reimburse financial institutions in their capacity as depositaries and financial agents of the United States for all services required or directed by the Secretary of the Treasury, or the Secretary's designee, to be performed by such financial institutions on behalf of the Department of the Treasury or other Federal agencies, including services rendered prior to fiscal year 2004.

TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT

COMPENSATION OF THE PRESIDENT

For compensation of the President, including an expense allowance at the rate of $50,000 per annum as authorized by 3 U.S.C. 102, $450,000: Provided, That none of the funds made available for official expenses shall be expended for any other purpose and any unused amount shall revert to the Treasury pursuant to section 1552 of title 31, United States Code.

WHITE HOUSE OFFICE

SALARIES AND EXPENSES

For necessary expenses for the White House as authorized by law, including not to exceed $3,850,000 for services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 105; subsistence expenses as authorized by 3 U.S.C. 105, which shall be expended and accounted for as provided in that section; hire of passenger motor vehicles, newspapers, periodicals, teletype news service, and travel (not to exceed $100,000 to be expended and accounted for as provided by 3 U.S.C. 103); and not to exceed $19,000 for official entertainment expenses, to be available for allocation within the Executive Office of the President, $69,168,000: Provided, That $8,650,000 of the funds appropriated shall be available for reimbursements to the White House Communications Agency: Provided further, That $7,231,000 of the funds appropriated under this heading shall be available for the Homeland Security Council.

EXECUTIVE RESIDENCE AT THE WHITE HOUSE

OPERATING EXPENSES

For the care, maintenance, repair and alteration, refurnishing, improvement, heating, and lighting, including electric power and fixtures, of the Executive Residence at the White House and official entertainment expenses of the President, $12,501,000, to be expended and accounted for as provided by 3 U.S.C. 105, 109, 110, and 112–114.

REIMBURSABLE EXPENSES

For the reimbursable expenses of the Executive Residence at the White House, such sums as may be necessary: Provided, That all reimbursable operating expenses of the Executive Residence shall be made in accordance with the provisions of this paragraph: Provided further, That, notwithstanding any other provision of law, such amount for reimbursable operating expenses shall be the exclusive authority of the Executive Residence to incur obligations and to receive offsetting collections, for such expenses: Provided further, That the Executive Residence shall require each person sponsoring a reimbursable political event to pay in advance an amount equal to the estimated cost of the event, and all such advance payments shall be credited to this account and remain available until expended: Provided further, That the Executive Residence shall require the national committee of the political party of the President to maintain on deposit $25,000, to be separately accounted for and available for expenses relating to reimbursable political events sponsored by such committee during such fiscal year: Provided further, That the Executive Residence shall ensure that a written notice of any amount owed for a reimbursable operating expense under this paragraph is submitted to the person owing such amount within 60 days after such expense is incurred, and that such amount is collected within 30 days after the submission of such notice: Provided further, That the Executive Residence shall charge interest and assess penalties and other charges on any such amount that is not reimbursed within such 30 days, in accordance with the interest and penalty provisions applicable to an outstanding debt on a United States Government claim under section 3717 of title 31, United States Code: Provided further, That each such amount that is reimbursed, and any accompanying interest and charges, shall be deposited in the Treasury as miscellaneous receipts: Provided further, That the Executive Residence shall prepare and submit to the Committees on Appropriations, by not later than 90 days after the end of the fiscal year covered by this Act, a report setting forth the reimbursable operating expenses of the Executive Residence during the preceding fiscal year, including the total amount of such expenses, the amount of such total that consists of reimbursable official and ceremonial events, the amount *of such total that consists of reimbursable political events, and the portion of each such amount that has been reimbursed as of the date of the report: Provided further, That the Executive Residence shall maintain a system for the tracking of expenses related to reimbursable events within the Executive Residence that includes a standard for the classification of any such expense as political or nonpolitical: Provided further, That no provision of this paragraph may be construed to exempt the Executive Residence from any other applicable requirement of subchapter I or II of chapter 37 of title 31, United States Code.*

WHITE HOUSE REPAIR AND RESTORATION

For the repair, alteration, and improvement of the Executive Residence at the White House, $4,225,000, to remain available until expended, for required maintenance, safety and health issues, and continued preventative maintenance.

COUNCIL OF ECONOMIC ADVISERS

SALARIES AND EXPENSES

For necessary expenses of the Council of Economic Advisors in carrying out its functions under the Employment Act of 1946 (15 U.S.C. 1021), $4,502,000.

OFFICE OF POLICY DEVELOPMENT

SALARIES AND EXPENSES

For necessary expenses of the Office of Policy Development, including services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 107, $4,109,000.

NATIONAL SECURITY COUNCIL

SALARIES AND EXPENSES

For necessary expenses of the National Security Council, including services as authorized by 5 U.S.C. 3109, $10,551,000.

OFFICE OF ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Office of Administration, including services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 107, and hire of passenger motor vehicles, $82,826,000, of which $20,578,000 shall remain available until expended for the Capital Investment Plan for continued modernization of the information technology infrastructure within the Executive Office of the President.

OFFICE OF MANAGEMENT AND BUDGET

SALARIES AND EXPENSES

For necessary expenses of the Office of Management and Budget, including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109 and to carry out the provisions of chapter 35 of title 44, United States Code, $67,159,000, of which not to exceed $3,000 shall be available for official representation expenses: Provided, That, as provided in 31 U.S.C. 1301(a), appropriations shall be applied only to the objects for which appropriations were made except as otherwise provided by law: Provided further, That none of the funds appropriated in this Act for the Office of Management and Budget may be used for the purpose of reviewing any agricultural marketing orders or any activities or regulations under the provisions of the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 601 et seq.): Provided further, That none of the funds made available for the Office of Management and Budget by this Act may be expended for the altering of the transcript of actual testimony of witnesses, except for testimony of officials of the Office of Management and Budget, before the Committees on Appropriations or the Committees on Veterans' Affairs or their subcommittees: Provided further, That the preceding shall not apply to printed hearings released by the Committees on Appropriations or the Committees on Veterans' Affairs: Provided further, That none of the funds appropriated in this Act may be available to pay the salary or expenses of any employee of the Office of Management and Budget who calculates, prepares, or approves any tabular or other material that proposes the sub-allocation of budget authority or outlays by the Committees on Appropriations among their subcommittees.

OFFICE OF NATIONAL DRUG CONTROL POLICY

SALARIES AND EXPENSES

For necessary expenses of the Office of National Drug Control Policy; for research activities pursuant to the Office of National Drug Control Policy Reauthorization Act of 1998 (21 U.S.C. 1701 et seq.); not to exceed $10,000 for official reception and representation expenses; and for participation in joint projects or in the provision of services on matters of mutual interest with nonprofit, research, or public organizations or agencies, with or without reimbursement, $27,996,500; of which $1,350,000 shall remain available until expended for policy research and evaluation; and $1,500,000 for the National Alliance for Model State Drug Laws: Provided, That the Office is authorized to accept, hold, administer, and utilize gifts, both real and personal, public and private, without fiscal year limitation, for the purpose of aiding or facilitating the work of the Office.

COUNTERDRUG TECHNOLOGY ASSESSMENT CENTER

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses for the Counterdrug Technology Assessment Center for research activities pursuant to the Office of National Drug Control Policy Reauthorization Act of 1998 (21 U.S.C. 1701 et seq.), $42,000,000, which shall remain available until expended, consisting of $18,000,000 for counternarcotics research and development projects, and $24,000,000 for the continued operation of the technology transfer program: Provided, That the $18,000,000 for counternarcotics research and development projects shall be available for transfer to other Federal departments or agencies.

FEDERAL DRUG CONTROL PROGRAMS

HIGH INTENSITY DRUG TRAFFICKING AREAS PROGRAM

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of National Drug Control Policy's High Intensity Drug Trafficking Areas Program, $226,350,000, for drug control activities consistent with the approved strategy for each of the designated High Intensity Drug Trafficking Areas, of which no less than 51 percent shall be transferred to State and local entities for drug control activities, which shall be obligated within 120 days of the date of the enactment of this Act: Provided, That up to 49 percent, to remain available until September 30, 2005, may be transferred to Federal agencies and departments at a rate to be determined by the Director, of which not less than $2,100,000 shall be used for auditing services and associated activities, and at least $500,000 of the $2,100,000 shall be used to develop and implement a data collection system to measure the performance of the High Intensity Drug Trafficking Areas Program: Provided further, That High Intensity Drug Trafficking Areas Programs designated as of September 30, 2003, shall be funded at no less than the fiscal year 2003 initial allocation levels unless the Director submits to the Committees on Appropriations, and the Committees approve, justification for changes in those levels based on clearly articulated priorities for the High Intensity Drug Trafficking Areas Programs, as well as published Office of National Drug Control Policy performance measures of effectiveness: Provided further, That a request shall be submitted to the Committees on Appropriations for approval prior to the obligation of funds of an amount in excess of the fiscal year 2004 budget request: Provided further, That such request shall be made in compliance with the reprogramming guidelines.

OTHER FEDERAL DRUG CONTROL PROGRAMS

(INCLUDING TRANSFER OF FUNDS)

For activities to support a national anti-drug campaign for youth, and for other purposes, authorized by the Office of National Drug Control Policy Reauthorization Act of 1998 (21 U.S.C. 1701 et seq.), $229,000,000, to remain available until expended, of which the following amounts are available as follows: $145,000,000 to support a national media campaign, as authorized by the Drug-Free Media Campaign Act of 1998; $70,000,000 to continue a program of matching grants to drug-free communities, of which $1,000,000 shall be a directed grant to the Community Anti-Drug Coalitions of America for the National Community Anti-Drug Coalition Institute, as authorized in chapter 2 of the National Narcotics Leadership Act of 1988, as amended; $3,000,000 for the Counterdrug Intelligence Executive Secretariat; $2,000,000 for evaluations and research related to National Drug Control Program performance measures; $1,000,000 for the National Drug Court Institute; $7,200,000 for the United States Anti-Doping Agency for anti-doping activities; and $800,000 for the United States membership dues to the World Anti-Doping Agency: Provided, That such funds may be transferred to other Federal departments and agencies to carry out such activities: Provided further, That of the amounts appropriated for a national media campaign, no less than 78 percent shall be used for the purchase of advertising time and space for the national media campaign.

UNANTICIPATED NEEDS

For expenses necessary to enable the President to meet unanticipated needs, in furtherance of the national interest, security, or defense which may arise at home or abroad during the current fiscal year, as authorized by 3 U.S.C. 108, $1,000,000.

SPECIAL ASSISTANCE TO THE PRESIDENT AND THE OFFICIAL RESIDENCE OF THE VICE PRESIDENT

SALARIES AND EXPENSES

For necessary expenses to enable the Vice President to provide assistance to the President in connection with specially assigned functions; services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 106, including subsistence expenses as authorized by 3 U.S.C. 106, which shall be expended and accounted for as provided in that section; and hire of passenger motor vehicles, $4,461,000.

OPERATING EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For the care, operation, refurnishing, improvement, and to the extent not otherwise provided for, heating and lighting, including electric power and fixtures, of the official residence of the Vice President; the hire of passenger motor vehicles; and not to exceed $90,000 for official entertainment expenses of the Vice President, to be accounted for solely on his certificate, $331,000: Provided, That advances or repayments or transfers from this appropriation may be made to any department or agency for expenses of carrying out such activities.

GENERAL PROVISION—EXECUTIVE OFFICE OF THE PRESIDENT

SEC. 301. Section 102 of title 3, United States Code, is amended by striking ", for which expense allowance" and all that follows through the first period and inserting ". Any unused amount of such expense allowance shall revert to the Treasury pursuant to section 1552 of title 31, United States Code. No amount of such expense allowance shall be included in the gross income of the President.".

TITLE IV—INDEPENDENT AGENCIES

ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

SALARIES AND EXPENSES

For expenses necessary for the Architectural and Transportation Barriers Compliance Board, as authorized by section 502 of the Rehabilitation Act of 1973, as amended $5,401,000: Provided, That, notwithstanding any other provision of law, there may be credited to this appropriation funds received for publications and training expenses.

NATIONAL TRANSPORTATION SAFETY BOARD

SALARIES AND EXPENSES

For necessary expenses of the National Transportation Safety Board, including hire of passenger motor vehicles and aircraft; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for a GS–15; uniforms, or allowances therefor, as authorized by law (5 U.S.C. 5901–5902) $73,499,000, of which not to exceed $2,000 may be used for official reception and representation expenses.

EMERGENCY FUND

For necessary expenses of the National Transportation Safety Board for accident investigations, $600,000, to remain available until expended: Provided, That these funds shall be available only to the extent necessary to restore the balance of the emergency fund to $2,000,000 (29 U.S.C. 1118 (b)).

COMMITTEE FOR PURCHASE FROM PEOPLE WHO ARE BLIND OR SEVERELY DISABLED

SALARIES AND EXPENSES

For necessary expenses of the Committee for Purchase From People Who Are Blind or Severely Disabled established by Public Law 92–28, $4,725,000.

FEDERAL ELECTION COMMISSION

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the Federal Election Campaign Act of 1971, as amended, $51,240,000, of which no less than $6,389,900 shall be available for internal automated data processing systems, of which not to exceed $5,000 shall be available for reception and representation expenses, and of which $800,000 shall be available for necessary expenses to carry out the functions of the Office of Election Administration: Provided, That upon the transfer of functions of the Office of Election Administration to the Election Assistance Commission under the provisions of title VIII of the Help America Vote Act of 2002, any portion of such funds remaining available as of the date of the transfer shall be transferred to the Election Assistance Commission for purposes of carrying out such functions.

ELECTION ASSISTANCE COMMISSION

SALARIES AND EXPENSES

For necessary expenses to carry out the Help America Vote Act of 2002, $1,200,000.

ELECTION REFORM PROGRAMS

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out a program of requirements payments to States as authorized by Section 257 of the Help America Vote Act of 2002, $500,000,000: Provided, That no more that $^{1}/_{10}$ of 1 percent of funds available for requirements payments under Section 257 of the Help America Vote Act of 2002 shall be allocated to any territory: Provided further, That of the funds made available for providing grants to assist State and local efforts to improve election technology and the administration of Federal elections, as authorized by such Act, not to exceed $100,000 shall be transferred to the General Services Administration for necessary administrative expenses to carry out programs of payments to States as authorized by section 257 of such Act.

FEDERAL LABOR RELATIONS AUTHORITY

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Federal Labor Relations Authority, pursuant to Reorganization Plan Numbered 2 of 1978, and the Civil Service Reform Act of 1978, including services authorized by 5 U.S.C. 3109, and including hire of experts and consultants, hire of passenger motor vehicles, and rental of conference rooms in the District of Columbia and elsewhere, $29,611,000: Provided, That public members of the Federal Service Impasses Panel may be paid travel expenses and per diem in lieu of subsistence as authorized by law (5 U.S.C. 5703) for persons employed intermittently in the Government service, and compensation as authorized by 5 U.S.C. 3109: Provided further, That notwithstanding 31 U.S.C. 3302, funds received from fees charged to non-Federal participants at labor-management relations conferences shall be credited to and merged with this account, to be available without further appropriation for the costs of carrying out these conferences.

FEDERAL MARITIME COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Maritime Commission as authorized by section 201(d) of the Merchant Marine Act, 1936, as amended (46 U.S.C. App. 1111), including services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles as authorized by 31 U.S.C. 1343(b); and uniforms or allowances therefore, as authorized by 5 U.S.C. 5901–5902, $18,471,000: Provided, That not to exceed $2,000 shall be available for official reception and representation expenses.

GENERAL SERVICES ADMINISTRATION

REAL PROPERTY ACTIVITIES

FEDERAL BUILDINGS FUND

LIMITATIONS ON AVAILABILITY OF REVENUE

(INCLUDING TRANSFERS OF FUNDS)

For an additional amount to be deposited in, and to be used for the purposes of, the Fund established pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 592), $446,000,000. The revenues and collections deposited into the Fund shall be available for necessary expenses of real property management and related activities not otherwise provided for, including operation, maintenance, and protection of federally owned and leased buildings; rental of buildings in the District of Columbia; restoration of leased premises; moving governmental agencies (including space adjustments and telecommunications relocation expenses) in connection with the assignment, allocation and transfer of space; contractual services incident to cleaning or servicing buildings, and moving; repair and alteration of federally owned buildings including grounds, approaches and appurtenances; care and safeguarding of sites; maintenance, preservation, demolition, and equipment; acquisition of buildings and sites by purchase, condemnation, or as otherwise authorized by law; acquisition of options to purchase buildings and sites; conversion and extension of federally owned buildings; preliminary planning and design of projects by contract or otherwise; construction of new buildings (including equipment for such buildings); and payment of principal, interest, and any other obligations for public buildings acquired by installment purchase and purchase contract; in the aggregate amount of $6,758,208,000, of which: (1) $708,268,000 shall remain available until expended for construction (including funds for sites and expenses and associated design and construction services) of additional projects at the following locations:

New Construction:

Alabama:

Anniston, United States Courthouse, $4,400,000

Tuscaloosa, Federal Building, $7,500,000

California:

Los Angeles, United States Courthouse, $50,000,000

San Diego, Border Station, $34,211,000

Colorado:

Denver Federal Center, site remediation, $6,000,000

District of Columbia:

Department of Transportation Headquarters, $42,000,000

Florida:

Orlando, United States Courthouse, $7,200,000

Georgia:

Atlanta, Tuttle Building Annex, $10,600,000

Maine:

Jackman, Border Station, $7,712,000

Maryland:

Montgomery County, Food and Drug Administration Consolidation, $42,000,000

Suitland, United States Census Bureau, $146,451,000

Michigan:

Detroit, Ambassador Bridge Border Station, $25,387,000

New York:

Champlain, Border Station, $31,031,000

North Carolina:

Charlotte, United States Courthouse, $8,500,000

Ohio:

Toledo, United States Courthouse, $6,500,000

Pennsylvania:

Harrisburg, United States Courthouse, $26,000,000

South Carolina:

Greenville, United States Courthouse, $11,000,000

Texas:

Del Rio, Border Station, $23,966,000

Eagle Pass, Border Station, $31,980,000

Houston, Federal Bureau of Investigation, $58,080,000

McAllen, Border Station, $17,938,000

San Antonio, United States Courthouse, $8,000,000

Virginia:

Richmond, United States Courthouse, $83,000,000

Washington:

Blaine, Border Station, $9,812,000

Nonprospectus Construction, $9,000,000: Provided, That each of the foregoing limits of costs on new construction projects may be exceeded to the extent that savings are effected in other such projects, but not to exceed 10 percent of the amounts included in an approved prospectus, if required, unless advance approval is obtained from the Committees on Appropriations of a greater amount: Provided further, That all funds for direct construction projects shall expire on September 30, 2005, and remain in the Federal Buildings Fund except for funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date; (2) $991,300,000 shall remain available until expended for repairs and alterations, which includes associated design and construction services:

Repairs and Alterations:

Colorado:

Denver, Byron G. Rogers Federal Building—Courthouse, $39,436,000

District of Columbia:

320 First Street, $7,485,000

Eisenhower Executive Office Building, $65,757,000

Federal Office Building 8, $134,872,000

Main Interior Building, $15,603,000

Fire & Life Safety, $68,188,000

Georgia:

Atlanta, Richard B. Russell Federal Building, $32,173,000

Illinois:

Chicago, Dirksen Courthouse & Kluczynski Federal Building, $24,056,000

Springfield, Paul H. Findley Federal Building—Courthouse, $6,183,000

Indiana:

Terre Haute Federal Building—Post Office, $4,600,000

Massachusetts:

Boston, John W. McCormack Post Office and Courthouse, $73,037,000

New York:

Brooklyn, Emanuel Celler Courthouse, $65,511,000

North Dakota:

Fargo, Federal Building—Post Office, $5,801,000

Ohio:

Columbus, John W. Bricker Federal Building, $10,707,000

Washington:

Auburn, Building 7, Auburn Federal Building, $18,315,000

Bellingham, Federal Building, $2,610,000

Seattle, Henry M. Jackson Federal Building, $6,868,000

Special Emphasis Programs:

Chlorofluorocarbons Program, $5,000,000

Energy Program, $5,000,000

Glass Fragmentation Program, $20,000,000

Design Program, $41,462,000:

Provided further, That funds made available in any previous Act in the Federal Buildings Fund for Repairs and Alterations shall, for prospectus projects, be limited to the amount identified for each project, except each project in any previous Act may be increased by an amount not to exceed 10 percent unless advance approval is obtained from the Committees on Appropriations of a greater amount: Provided further, That additional projects for which prospectuses have been fully approved may be funded under this category only if advance approval is obtained from the Committees on Appropriations: Provided further, That the amounts provided in this or any prior Act for "Repairs and Alterations" may be used to fund costs associated with implementing security improvements to buildings necessary to meet the minimum standards for security in accordance with current law and in compliance with the reprogramming guidelines of the appropriate Committees of the House and Senate: Provided further, That the difference between the funds appropriated and expended on any projects in this or any prior Act, under the heading "Repairs and Alterations", may be transferred to Basic Repairs and Alterations or used to fund authorized increases in prospectus projects: Provided further, That all funds for repairs and alterations prospectus projects shall expire on September 30, 2005 and remain in the Federal Buildings Fund except funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date: Provided further, That the amount provided in this or any prior Act for Basic Repairs and Alterations may be used to pay claims against the Government arising from any projects under the heading "Repairs and Alterations" or used to fund authorized increases in prospectus projects: Provided further, That the funds available herein for repairs to the Bellingham, Washington, Federal Building, shall be available for transfer to the city of Bellingham, Washington, subject to disposal of the building to the city; (3) $169,745,000 for installment acquisition payments including payments on purchase contracts which shall remain available until expended; (4) $3,280,187,000 for rental of space which shall remain available until expended; and (5) $1,608,708,000 for building operations which shall remain available until expended: Provided further, That funds available to the General Services Administration shall not be available for expenses of any construction, repair, alteration and acquisition project for which a prospectus, if required by the Public Buildings Act of 1959, as amended, has not been approved, except that necessary funds may be expended for each project for required expenses for the development of a proposed prospectus: Provided further, That funds available in the Federal Buildings Fund may be expended for emergency repairs when advance approval is obtained from the Committees on Appropriations: Provided further, That amounts necessary to provide reimbursable special services to other agencies under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 592(b)(2)) and amounts to provide such reimbursable fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control as may be appropriate to enable the United States Secret Service to perform its protective functions pursuant to 18 U.S.C. 3056, shall be available from such revenues and collections: Provided further, That revenues and collections and any other sums accruing to this Fund during fiscal year 2004, excluding reimbursements under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 592(b)(2)) in excess of $6,717,208,000 shall remain in the Fund and shall not be available for expenditure except as authorized in appropriations Acts.

GENERAL ACTIVITIES

GOVERNMENT-WIDE POLICY

For expenses authorized by law, not otherwise provided for, for Government-wide policy and evaluation activities associated with the management of real and personal property assets and certain administrative services; Government-wide policy support responsibilities relating to acquisition, telecommunications, information technology management, and related technology activities; and services as authorized by 5 U.S.C. 3109, $56,383,000.

OPERATING EXPENSES

For expenses authorized by law, not otherwise provided for, for Government-wide activities associated with utilization and donation of surplus personal property; disposal of real property; telecommunications, information technology management, and related technology activities; providing Internet access to Federal information and services; agency-wide policy direction and management, and Board of Contract Appeals; accounting, records management, and other support services incident to adjudication of Indian Tribal Claims by the United States Court of Federal Claims; services as authorized by 5 U.S.C. 3109; and not to exceed $7,500 for official reception and representation expenses, $88,110,000.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General and services authorized by 5 U.S.C. 3109, $39,169,000: Provided, That not to exceed $15,000 shall be available for payment for information and detection of fraud against the Government, including payment for recovery of stolen Government property: Provided further, That not to exceed $2,500 shall be available for awards to employees of other Federal agencies and private citizens in recognition of efforts and initiatives resulting in enhanced Office of Inspector General effectiveness.

ELECTRONIC GOVERNMENT (E-GOV) FUND

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses in support of interagency projects that enable the Federal Government to expand its ability to conduct activities electronically, through the development and implementation of innovative uses of the Internet and other electronic methods, $3,000,000, to remain available until expended: Provided, That these funds may be transferred to Federal agencies to carry out the purposes of the Fund: Provided further, That this transfer authority shall be in addition to any other transfer authority provided in this Act: Provided further, That such transfers may not be made until 10 days after a proposed spending plan and justification for each project to be undertaken has been submitted to the Committees on Appropriations.

ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

(INCLUDING TRANSFER OF FUNDS)

For carrying out the provisions of the Act of August 25, 1958, as amended (3 U.S.C. 102 note), and Public Law 95–138, $3,393,000: Provided, That the Administrator of General Services shall transfer to the Secretary of the Treasury such sums as may be necessary to carry out the provisions of such Acts.

GENERAL PROVISIONS—GENERAL SERVICES ADMINISTRATION

SEC. 401. *The appropriate appropriation or fund available to the General Services Administration shall be credited with the cost of operation, protection, maintenance, upkeep, repair, and improvement, included as part of rentals received from Government corporations pursuant to law (40 U.S.C. 129).*

SEC. 402. *Funds available to the General Services Administration shall be available for the hire of passenger motor vehicles.*

SEC. 403. *Funds in the Federal Buildings Fund made available for fiscal year 2004 for Federal Buildings Fund activities may be transferred between such activities only to the extent necessary to meet program requirements: Provided, That any proposed transfers shall be approved in advance by the Committees on Appropriations.*

SEC. 404. *No funds made available by this Act shall be used to transmit a fiscal year 2005 request for United States Courthouse construction that: (1) does not meet the design guide standards for construction as established and approved by the General Services Administration, the Judicial Conference of the United States, and the Office of Management and Budget; and (2) does not reflect the priorities of the Judicial Conference of the United States as set out in its approved 5-year construction plan: Provided, That the fiscal year 2005 request must be accompanied by a standardized courtroom utilization study of each facility to be constructed, replaced, or expanded.*

SEC. 405. *None of the funds provided in this Act may be used to increase the amount of occupiable square feet, provide cleaning services, security enhancements, or any other service usually provided through the Federal Buildings Fund, to any agency that does not pay the rate per square foot assessment for space and services as determined by the General Services Administration in compliance with the Public Buildings Amendments Act of 1972 (Public Law 92–313).*

SEC. 406. *Funds provided to other Government agencies by the Information Technology Fund, General Services Administration, under section 110 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 757) and sections 5124(b) and 5128 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1424(b) and 1428), for performance of pilot information technology projects which have potential for Government-wide benefits and savings, may be repaid to this Fund from any savings actually incurred by these projects or other funding, to the extent feasible.*

SEC. 407. *From funds made available under the heading "Federal Buildings Fund, Limitations on Availability of Revenue", claims* *against the Government of less than $250,000 arising from direct construction projects and acquisition of buildings may be liquidated from savings effected in other construction projects with prior notification to the Committees on Appropriations.*

SEC. 408. (a) Notwithstanding any other provision of law, the Administrator of General Services is authorized to acquire, under such terms and conditions as he deems to be in the interests of the United States, approximately 27 acres of land, identified as Site 7 and located at 234 Corporate Drive, Pease International Tradeport, Portsmouth, NH 03801, as a site for the public building needs of the Federal Government, and to design and construct upon the site a new Federal Office Building of approximately 98,000 gross square feet: Provided, That the Administrator shall not acquire any property under this subsection until the Administrator determines that the property is in compliance with applicable environmental laws, and that the property is suitable and available for use as a site to house the Federal agencies presently located in the Thomas J. McIntyre Federal Building.

(b) For the site acquisition, design, construction, and relocation, $11,149,000 shall be available from funds previously provided under the heading "General Services Administration, Real Property Activities, Federal Buildings Fund" in Public Law 108–7 for repairs and alterations to the Thomas J. McIntyre Federal Building in Portsmouth, New Hampshire, which was included in the plan for expenditure of repairs and alterations funds as required by accompanying House Report 108–10.

(c) For any additional costs of construction, management and inspection of the new facility to house the Federal agencies relocated from the McIntyre Federal Office Building, and for the costs of relocating the Federal agencies occupying the McIntyre Federal Office Building, $13,669,000 shall be deposited into the Federal Buildings Fund (40 U.S.C. 592) from the General Fund; which amount, together with the amount set forth in subsection (b) of this section shall remain available until expended and shall be subject to such escalation and reprogramming authorities available to the Administrator for any other new construction projects under the heading "Federal Building Fund Limitations on Availability of Revenue".

(d) The Administrator is authorized and directed to convey, without consideration, the Thomas J. McIntyre Federal Office Building to the City of Portsmouth, New Hampshire for economic development purposes subject to the following conditions: (i) that all Federal agencies currently occupying the McIntyre Building except the United States Postal Service are completely relocated to the new Federal Building for so long as those agencies have continuing mission needs for that new location, (ii) that the requirements of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11411 et seq.) shall not apply to this conveyance; and (iii) that the Administrator may include in the conveyance documents such terms and conditions as the Administrator determines in the best interest of the United States.

SEC. 409. (a) The Administrator of General Services shall carry out the authority of the Election Assistance Commission to make election assistance payments under subtitle D of title II of the Help America Vote Act of 2002, including the authority under such subtitle to receive statements and applications from entities seeking such payments and reports from entities receiving such payments.

(b) The authority of the Administrator of General Services under subsection (a) shall apply with respect to amounts appropriated for fiscal year 2004 and amounts appropriated for fiscal year 2003 which remain unobligated and unexpended at the end of fiscal year 2003, except that this authority shall expire upon the earlier of—

(1) the expiration of the 3-month period which begins on the date on which all members of the Election Assistance Commission are appointed; or

(2) June 30, 2004.

(c) Upon the appointment of all members of the Election Assistance Commission, the Administrator of General Services shall transmit to the Commission all statements, applications, and reports received by the Administrator in carrying out this section.

SEC. 410. None of the funds made available in this Act may be used by the General Services Administration to establish a quick response team processing center on East Brainerd Road in Chattanooga, Tennessee.

SEC. 411. COMPLETION OF LAND CONVEYANCE, SAN JOAQUIN COUNTY, CALIFORNIA. Section 140 of division C of Public Law 105–277 (112 Stat. 2681–599), as amended by section 3034 of the 1999 Emergency Supplemental Appropriations Act (Public Law 106–31; 113 Stat. 104), is amended—

(1) in subsection (a)—

(A) in the first sentence, by striking "Attorney General" and inserting "Administrator of General Services, on behalf of the Attorney General,";

(B) in the second sentence, by striking "Attorney General" and inserting "Administrator"; and

(C) in the second sentence, by striking "not later than August 21, 1999" and inserting "as soon as practicable";

(2) in subsection (b), by striking "Attorney General" and inserting "Administrator";

(3) in subsection (c)(1)—

(A) in the first sentence, by striking "as the location" and all that follows through "other educational purposes" and inserting "for educational or recreational purposes"; and

(B) by striking the second sentence;

(4) in subsection (c)(2), by striking "Attorney General" and inserting "Administrator";

(5) in subsection (d), by striking paragraph (2) and inserting the following new paragraph:

"(2) The use of the real property conveyed under subsection (a) for recreational purposes, as provided in subsection (c), shall be subject to the approval of the Secretary of the Interior.";

(6) in subsection (e)—

(A) in paragraph (1), by striking "If the Secretary" and all that follows through "not being used" and inserting "If a portion of the real property conveyed under subsection (a) is used for educational purposes, as provided in subsection (c), and the Secretary of Education determines that such portion is no longer being used"; and

(B) in paragraph (2), by striking "as a public park or for other recreational purposes" and inserting "for recreational purposes"; and

(7) in subsection (f), by striking "Attorney General" and inserting "Administrator".

MERIT SYSTEMS PROTECTION BOARD

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out functions of the Merit Systems Protection Board pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles, and direct procurement of survey printing, $32,877,000 together with not to exceed $2,626,000 for administrative expenses to adjudicate retirement appeals to be transferred from the Civil Service Retirement and Disability Fund in amounts determined by the Merit Systems Protection Board.

MORRIS K. UDALL SCHOLARSHIP AND EXCELLENCE IN NATIONAL ENVIRONMENTAL POLICY FOUNDATION

MORRIS K. UDALL SCHOLARSHIP AND EXCELLENCE IN NATIONAL ENVIRONMENTAL POLICY TRUST FUND

For payment to the Morris K. Udall Scholarship and Excellence in National Environmental Policy Trust Fund, pursuant to the Morris K. Udall Scholarship and Excellence in National Environmental and Native American Public Policy Act of 1992 (20 U.S.C. 5601 et seq.), $1,996,000, to remain available until expended of which up to $50,000 shall be used to conduct financial audits pursuant to the Accountability of Tax Dollars Act of 2002 (Public Law 107–289) notwithstanding sections 8 and 9 of Public Law 102–259: Provided, That up to 60 percent of such funds may be transferred by the Morris K. Udall Scholarship and Excellence in National Environmental Policy Foundation for the necessary expenses of the Native Nations Institute.

ENVIRONMENTAL DISPUTE RESOLUTION FUND

For payment to the Environmental Dispute Resolution Fund to carry out activities authorized in the Environmental Policy and Conflict Resolution Act of 1998, $1,309,000, to remain available until expended.

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

OPERATING EXPENSES

For necessary expenses in connection with the administration of the National Archives and Records Administration (including the Information Security Oversight Office) and archived Federal records and related activities, as provided by law, and for expenses necessary for the review and declassification of documents, and for the hire of passenger motor vehicles, $256,700,000: Provided, That the Archivist of the United States is authorized to use any excess funds available from the amount borrowed for construction of the National Archives facility, for expenses necessary to provide adequate storage for holdings: Provided further, That, of the funds provided in this paragraph, $600,000 shall be for the preservation of the records of the Freedmen's Bureau.

ELECTRONIC RECORDS ARCHIVE

For necessary expenses in connection with the development of an electronic records archive, to include all direct project costs associated with research, analysis, design, development, and program management, $35,914,000, of which $22,000,000 shall remain available until September 30, 2006.

REPAIRS AND RESTORATION

For the repair, alteration, and improvement of archives facilities, and to provide adequate storage for holdings, $13,708,000, to remain available until expended, of which $500,000 is for the Military Personnel Records Center requirements study, of which $2,250,000 is for land acquisition for a site in Anchorage, Alaska to construct a new regional archives and records facility and of which $5,000,000 is for the repair and restoration of the plaza that surrounds the Lyndon Baines Johnson Presidential Library and that is under the joint control and custody of the University of Texas: Provided, That such funds may be transferred directly to the University and used, together with University funds, for repair and restoration of the plaza and remain available until expended for this purpose: Provided further, That the same transfer authority shall extend to funds previously appropriated in Public Law 108–7 for this purpose.

NATIONAL HISTORICAL PUBLICATIONS AND RECORDS COMMISSION

GRANTS PROGRAM

For necessary expenses for allocations and grants for historical publications and records as *authorized by 44 U.S.C. 2504, as amended, $10,000,000, to remain available until expended.*

OFFICE OF GOVERNMENT ETHICS

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Office of Government Ethics pursuant to the Ethics in Government Act of 1978, as amended and the Ethics Reform Act of 1989, including services as authorized by 5 U.S.C. 3109, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles, and not to exceed $1,500 for official reception and representation expenses, $10,738,000.

OFFICE OF PERSONNEL MANAGEMENT

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses to carry out functions of the Office of Personnel Management pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109; medical examinations performed for veterans by private physicians on a fee basis; rental of conference rooms in the District of Columbia and elsewhere; hire of passenger motor vehicles; not to exceed $2,500 for official reception and representation expenses; advances for reimbursements to applicable funds of the Office of Personnel Management and the Federal Bureau of Investigation for expenses incurred under Executive Order No. 10422 of January 9, 1953, as amended; and payment of per diem and/or subsistence allowances to employees where Voting Rights Act activities require an employee to remain overnight at his or her post of duty, $119,498,000, of which $2,000,000 shall remain available until expended for the cost of the enterprise human resources integration project, and $2,500,000 shall remain available until expended for the cost of leading the governmentwide initiative to modernize the Federal payroll systems and service delivery and $2,500,000 shall remain available through September 30, 2005 to coordinate and conduct program evaluation and performance measurement; and in addition $135,914,000 for administrative expenses, to be transferred from the appropriate trust funds of the Office of Personnel Management without regard to other statutes, including direct procurement of printed materials, for the retirement and insurance programs, of which $36,700,000 shall remain available until expended for the cost of automating the retirement recordkeeping systems: Provided, That the provisions of this appropriation shall not affect the authority to use applicable trust funds as provided by sections 8348(a)(1)(B), 8909(g), and 9004(f)(1)(A) and (2)(A) of title 5, United States Code: Provided further, That no part of this appropriation shall be available for salaries and expenses of the Legal Examining Unit of the Office of Personnel Management established pursuant to Executive Order No. 9358 of July 1, 1943, or any successor unit of like purpose: Provided further, That the President's Commission on White House Fellows, established by Executive Order No. 11183 of October 3, 1964, may, during fiscal year 2004, accept donations of money, property, and personal services in connection with the development of a publicity brochure to provide information about the White House Fellows, except that no such donations shall be accepted for travel or reimbursement of travel expenses, or for the salaries of employees of such Commission.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act, as amended, including services as authorized by 5 U.S.C. 3109, hire of passenger motor vehicles, $1,498,000, and in addition, not to exceed $14,427,000 for administrative expenses to audit, investigate, and provide other oversight of the Office of Personnel Management's retirement and insurance programs, to be transferred from the appropriate trust funds of the Office of Personnel Management, as determined by the Inspector General: Provided, That the Inspector General is authorized to rent conference rooms in the District of Columbia and elsewhere.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

For payment of Government contributions with respect to retired employees, as authorized by chapter 89 of title 5, United States Code, and the Retired Federal Employees Health Benefits Act (74 Stat. 849), as amended, such sums as may be necessary.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEE LIFE INSURANCE

For payment of Government contributions with respect to employees retiring after December 31, 1989, as required by chapter 87 of title 5, United States Code, such sums as may be necessary.

PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

For financing the unfunded liability of new and increased annuity benefits becoming effective on or after October 20, 1969, as authorized by 5 U.S.C. 8348, and annuities under special Acts to be credited to the Civil Service Retirement and Disability Fund, such sums as may be necessary: Provided, That annuities authorized by the Act of May 29, 1944, as amended, and the Act of August 19, 1950, as amended (33 U.S.C. 771–775), may hereafter be paid out of the Civil Service Retirement and Disability Fund.

HUMAN CAPITAL PERFORMANCE FUND

(INCLUDING TRANSFER OF FUNDS)

For a human capital performance fund, $1,000,000: Provided, That such amount shall not be available for obligation or transfer until enactment of legislation that establishes a human capital performance fund within the Office of Personnel Management: Provided further, That such amounts as determined by the Director of the Office of Personnel Management may be transferred to Federal agencies to carry out the purposes of this fund as authorized: Provided further, That no funds shall be available for obligation or transfer to any Federal agency until the Director has notified the relevant subcommittees of jurisdiction of the Committees on Appropriations of the approval of a performance pay plan for that agency, and the prior approval of such subcommittees has been attained.

OFFICE OF SPECIAL COUNSEL

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Office of Special Counsel pursuant to Reorganization Plan Numbered 2 of 1978, the Civil Service Reform Act of 1978 (Public Law 95–454), as amended, the Whistleblower Protection Act of 1989 (Public Law 101–12), as amended, Public Law 103–424, and the Uniformed Services Employment and Reemployment Act of 1994 (Public Law 103–353), including services as authorized by 5 U.S.C. 3109, payment of fees and expenses for witnesses, rental of conference rooms in the District of Columbia and elsewhere, and hire of passenger motor vehicles; $13,504,000.

UNITED STATES POSTAL SERVICE

PAYMENT TO THE POSTAL SERVICE FUND

For payment to the Postal Service Fund for revenue forgone on free and reduced rate mail, pursuant to subsections (c) and (d) of section 2401 of title 39, United States Code, $65,521,000, of which $36,521,000 shall not be available for obligation until October 1, 2004: Provided, That mail for overseas voting and mail for the blind shall continue to be free: Provided further, That 6-day delivery and rural delivery of mail shall continue at not less than the 1983 level: Provided further, That none of the funds made available to the Postal Service by this Act shall be used to implement any rule, regulation, or policy of charging any officer or employee of any State or local child support enforcement agency, or any individual participating in a State or local program of child support enforcement, a fee for information requested or provided concerning an address of a postal customer: Provided further, That none of the funds provided in this Act shall be used to consolidate or close small rural and other small post offices in fiscal year 2004.

UNITED STATES TAX COURT

SALARIES AND EXPENSES

For necessary expenses, including contract reporting and other services as authorized by 5 U.S.C. 3109, $40,187,000: Provided, That travel expenses of the judges shall be paid upon the written certificate of the judge.

WHITE HOUSE COMMISSION ON THE NATIONAL MOMENT OF REMEMBRANCE

For necessary expenses of the White House Commission on the National Moment of Remembrance, $250,000.

TITLE V—GENERAL PROVISIONS

THIS ACT

(INCLUDING TRANSFERS OF FUNDS)

SEC. 501. During the current fiscal year applicable appropriations to the Department of Transportation shall be available for maintenance and operation of aircraft; hire of passenger motor vehicles and aircraft; purchase of liability insurance for motor vehicles operating in foreign countries on official department business; and uniforms, or allowances therefor, as authorized by law (5 U.S.C. 5901–5902).

SEC. 502. Such sums as may be necessary for fiscal year 2004 pay raises for programs funded in this Act shall be absorbed within the levels appropriated in this Act or previous appropriations Acts.

SEC. 503. Appropriations contained in this Act for the Department of Transportation shall be available for services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for an Executive Level IV.

SEC. 504. None of the funds in this Act shall be available for salaries and expenses of more than 106 political and Presidential appointees in the Department of Transportation: Provided, That none of the personnel covered by this provision may be assigned on temporary detail outside the Department of Transportation.

SEC. 505. None of the funds in this Act shall be used for the planning or execution of any program to pay the expenses of, or otherwise compensate, non-Federal parties intervening in regulatory or adjudicatory proceedings funded in this Act.

SEC. 506. None of the funds appropriated in this Act shall remain available for obligation beyond the current fiscal year, nor may any be transferred to other appropriations, unless expressly so provided herein.

SEC. 507. The expenditure of any appropriation under this Act for any consulting service through procurement contract pursuant to section 3109 of title 5, United States Code, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 508. None of the funds in this Act shall be used to implement section 404 of title 23, United States Code.

SEC. 509. (a) No recipient of funds made available in this Act shall disseminate personal information (as defined in 18 U.S.C. 2725(3)) obtained *by a State department of motor vehicles in connection with a motor vehicle record as defined in 18 U.S.C. 2725(1), except as provided in 18 U.S.C. 2721 for a use permitted under 18 U.S.C. 2721.*

(b) Notwithstanding subsection (a), the Secretary shall not withhold funds provided in this Act for any grantee if a State is in noncompliance with this provision.

SEC. 510. Funds received by the Federal Highway Administration, Federal Transit Administration, and Federal Railroad Administration from States, counties, municipalities, other public authorities, and private sources for expenses incurred for training may be credited respectively to the Federal Highway Administration's "Federal-Aid Highways" account, the Federal Transit Administration's "Transit Planning and Research" account, and to the Federal Railroad Administration's "Safety and Operations" account, except for State rail safety inspectors participating in training pursuant to 49 U.S.C. 20105.

SEC. 511. Notwithstanding any other provision of law, rule or regulation, the Secretary of Transportation is authorized to allow the issuer of any preferred stock heretofore sold to the Department to redeem or repurchase such stock upon the payment to the Department of an amount determined by the Secretary.

SEC. 512. None of the funds in title I of this Act may be used to make a grant unless the Secretary of Transportation notifies the House and Senate Committees on Appropriations not less than 3 full business days before any discretionary grant award, letter of intent, or full funding grant agreement totaling $1,000,000 or more is announced by the department or its modal administrations from: (1) any discretionary grant program of the Federal Highway Administration other than the emergency relief program; (2) the airport improvement program of the Federal Aviation Administration; or (3) any program of the Federal Transit Administration other than the formula grants and fixed guideway modernization programs: Provided, That no notification shall involve funds that are not available for obligation.

SEC. 513. For the purpose of any applicable law, for fiscal year 2004, the city of Norman, Oklahoma, shall be considered to be part of the Oklahoma City Transportation Management Area.

SEC. 514. None of the funds in title I of this Act may be obligated for the Office of the Secretary of Transportation to approve assessments or reimbursable agreements pertaining to funds appropriated to the modal administrations in this Act, except for activities underway on the date of enactment of this Act, unless such assessments or agreements have completed the normal reprogramming process for Congressional notification.

SEC. 515. None of the funds made available in this Act may be transferred to any department, agency, or instrumentality of the United States Government, except pursuant to a transfer made by, or transfer authority provided in, this Act or any other appropriations Act.

SEC. 516. Rebates, refunds, incentive payments, minor fees and other funds received by the Department of Transportation from travel management centers, charge card programs, the subleasing of building space, and miscellaneous sources are to be credited to appropriations of the Department of Transportation and allocated to elements of the Department of Transportation using fair and equitable criteria and such funds shall be available until expended.

SEC. 517. Funds provided in this Act for the Working Capital Fund shall be reduced by $17,816,000, which limits fiscal year 2004 Working Capital Fund obligational authority for elements of the Department of Transportation funded in this Act to no more than $98,899,000: Provided, That such reductions from the budget request shall be allocated by the Department of Transportation to each appropriations account in proportion to the amount included in each account for the Working Capital Fund.

SEC. 518. Amounts made available in this or any other Act that the Secretary determines represent improper payments by the Department of Transportation to a third party contractor under a financial assistance award, which are recovered pursuant to law, shall be available—

(1) to reimburse the actual expenses incurred by the Department of Transportation in recovering improper payments; and

(2) to pay contractors for services provided in recovering improper payments: Provided, That amounts in excess of that required for paragraphs (1) and (2)—

(A) shall be credited to and merged with the appropriation from which the improper payments were made, and shall be available for the purposes and period for which such appropriations are available; or

(B) if no such appropriation remains available, shall be deposited in the Treasury as miscellaneous receipts: Provided, That prior to the transfer of any such recovery to an appropriations account, the Secretary shall notify the House and Senate Committees on Appropriations of the amount and reasons for such transfer: Provided further, That for purposes of this section, the term "improper payments", has the same meaning as that provided in section 2(d)(2) of Public Law 107–300.

SEC. 519. The Secretary of Transportation is authorized to transfer the unexpended balances available for the bonding assistance program from "Office of the Secretary, Salaries and expenses" to "Minority Business Outreach".

SEC. 520. None of the funds made available by this Act shall be available for any activity or for paying the salary of any Government employee where funding an activity or paying a salary to a Government employee would result in a decision, determination, rule, regulation, or policy that would prohibit the enforcement of section 307 of the Tariff Act of 1930.

SEC. 521. (a) IN GENERAL.—The Secretary of Transportation—

(1) shall, without regard to any fiscal year limitation, maintain in full force and effect the restrictions imposed under Federal Aviation Administration Notices to Airmen FDC 3/2122, FDC 3/2123, and FDC 2/0199; and

(2) may not grant any waivers or exemptions from such restrictions, except—

(A) as authorized by air traffic control for operational or safety purposes;

(B) with respect to an event, stadium, or other venue—

(i) for operational purposes;

(ii) for the transport of team members, officials of the governing body, and immediate family members and guests of such team members and officials to and from such event, stadium, or venue;

(iii) in the case of a sporting event, for the transport of equipment or parts to and from such sporting event;

(iv) to permit a broadcast rights holder to provide broadcast coverage of such event, stadium, or venue; and

(v) for safety and security purposes related to such event, stadium, or venue; and

(C) to allow the operation of an aircraft in restricted airspace to the extent necessary to arrive at or depart from an airport using standard air traffic control procedures.

(b) LIMITATIONS ON USE OF FUNDS.—None of the funds appropriated or otherwise made available by title I of this Act may be obligated or expended to terminate or limit the restrictions imposed under the Federal Aviation Administration Notices to Airmen referred to in subsection (a), or to grant waivers of, or exemptions from, such restrictions except as provided under subsection (a)(2).

(c) BROADCAST CONTRACTS NOT AFFECTED.—Nothing in this section shall be construed to affect contractual rights pertaining to any broadcasting agreement.

SEC. 522. No part of any appropriation contained in this Act shall be available to pay the salary for any person filling a position, other than a temporary position, formerly held by an employee who has left to enter the Armed Forces of the United States and has satisfactorily completed his period of active military or naval service, and has within 90 days after his release from such service or from hospitalization continuing after discharge for a period of not more than 1 year, made application for restoration to his former position and has been certified by the Office of Personnel Management as still qualified to perform the duties of his former position and has not been restored thereto.

SEC. 523. No funds appropriated pursuant to this Act may be expended by an entity unless the entity agrees that in expending the assistance the entity will comply with sections 2 through 4 of the Act of March 3, 1933 (41 U.S.C. 10a–10c, popularly known as the "Buy America Act").

SEC. 524. (a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—Hereafter, in the case of any equipment or products that may be authorized to be purchased with financial assistance provided under this Act, it is the sense of the Congress that entities receiving such assistance should, in expending the assistance, purchase only American-made equipment and products.

(b) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance under this Act, the Secretary of the Treasury shall provide to each recipient of the assistance a notice describing the statement made in subsection (a) by the Congress.

SEC. 525. Hereafter, if it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a "Made in America" inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, such person shall be ineligible to receive any contract or subcontract made with funds provided pursuant to this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

SEC. 526. Except as otherwise specifically provided by law, not to exceed 50 percent of unobligated balances remaining available at the end of fiscal year 2004 from appropriations made available for salaries and expenses for fiscal year 2004 in this Act, shall remain available through September 30, 2005, for each such account for the purposes authorized: Provided, That a request shall be submitted to the Committees on Appropriations for approval prior to the expenditure of such funds: Provided further, That these requests shall be made in compliance with reprogramming guidelines.

SEC. 527. None of the funds made available in this Act may be used by the Executive Office of the President to request from the Federal Bureau of Investigation any official background investigation report on any individual, except when—

(1) such individual has given his or her express written consent for such request not more than 6 months prior to the date of such request and during the same presidential administration; or

(2) such request is required due to extraordinary circumstances involving national security.

SEC. 528. The cost accounting standards promulgated under section 26 of the Office of Federal Procurement Policy Act (Public Law 93–400; 41 U.S.C. 422) shall not apply with respect to a contract under the Federal Employees Health Benefits Program established under chapter 89 of title 5, United States Code.

SEC. 529. For the purpose of resolving litigation and implementing any settlement agreements regarding the nonforeign area cost-of-living allowance program, the Office of Personnel Management may accept and utilize (without regard to any restriction on unanticipated travel expenses imposed in an Appropriations Act) funds made available to the Office pursuant to court approval.

SEC. 530. No funds appropriated or otherwise made available under this Act shall be made available to any person or entity that has been convicted of violating the Buy American Act (41 U.S.C. 10a–10c).

SEC. 531. No funds appropriated by this Act shall be available to pay for an abortion, or the administrative expenses in connection with any health plan under the Federal employees health benefits program which provides any benefits or coverage for abortions.

SEC. 532. The provision of section 531 shall not apply where the life of the mother would be endangered if the fetus were carried to term, or the pregnancy is the result of an act of rape or incest.

SEC. 533. None of the funds provided in this Act, provided by previous appropriations Acts to the agencies or entities funded in this Act that remain available for obligation or expenditure in fiscal year 2004, or provided from any accounts in the Treasury derived by the collection of fees and available to the agencies funded by this Act, shall be available for obligation or expenditure through a reprogramming of funds that—

(1) creates a new program;

(2) eliminates a program, project, or activity;

(3) increases funds for any program, project, or activity for which funds have been denied or restricted by the Congress;

(4) proposes to use funds directed for a specific activity by either the House or Senate Committees on Appropriations for a different purpose;

(5) augments existing programs, projects, or activities in excess of $5,000,000 or 10 percent, whichever is greater; or

(6) reduces existing programs, projects, or activities by $5,000,000 or 10 percent, whichever is greater, unless prior approval is received from the House and Senate Committees on Appropriations.

SEC. 534. None of the funds made available in this Act may be used to require a State or local government to post a traffic control device or variable message sign, or any other type of traffic warning sign, in a language other than English, except with respect to the names of cities, streets, places, events, or signs related to an international border.

SEC. 535. EXEMPTION FROM LIMITATIONS ON PROCUREMENT OF FOREIGN INFORMATION TECHNOLOGY THAT IS A COMMERCIAL ITEM.—(a) EXEMPTION.—In order to promote Government access to commercial information technology, the restriction on purchasing nondomestic articles, materials, and supplies set forth in the Buy American Act (41 U.S.C. 10a et seq.), shall not apply to the acquisition by the Federal Government of information technology (as defined in section 11101 of title 40, United States Code, that is a commercial item (as defined in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12)).

(b) DEFINITION.—Section 11101(6) of title 40, United States Code, is amended—

(1) in subparagraph (A), by inserting after "storage," the following: "analysis, evaluation,"; and

(2) in subparagraph (B), by striking "ancillary equipment," and inserting "ancillary equipment (including imaging peripherals, input, output, and storage devices necessary for security and surveillance), peripheral equipment designed to be controlled by the central processing unit of a computer,".

SEC. 536. It is the sense of the House of Representatives that empowerment zones within cities should have the necessary flexibility to expand to include relevant communities so that empowerment zone benefits are equitably distributed.

SEC. 537. It is the sense of the House of Representatives that all census tracts contained in an empowerment zone, either fully or partially, should be equitably accorded the same benefits.

SEC. 538. None of the funds made available in this Act may be used to finalize, implement, administer, or enforce—

(1) the proposed rule relating to the determination that real estate brokerage is an activity that is financial in nature or incidental to a financial activity published in the Federal Register on January 3, 2001 (66 Fed. Reg. 307 et seq.); or

(2) the revision proposed in such rule to section 1501.2 of title 12 of the Code of Federal Regulations.

SEC. 539. It is the sense of Congress that, after proper documentation, justification, and review, the Department of Transportation should consider programs to reimburse general aviation ground support services at Ronald Reagan Washington National Airport, and airports located within fifteen miles of Ronald Reagan Washington National Airport, for their financial losses due to Government actions after the terrorist attacks of September 11, 2001.

SEC. 540. It is the sense of the House of Representatives that public private partnerships (PPPs) could help eliminate some of the cost drivers behind complex, capital-intensive highway and transit projects. The House of Representatives encourages the Secretary of Transportation to apply available funds to select projects that are in the development phase, eligible under title 23 and title 49, United States Code, except 23 U.S.C. 133(b)(8), and that employ a PPP strategy.

SEC. 541. Section 414(h) of title 39, United States Code, is amended by striking "2003" and inserting "2005".

SEC. 542. None of the funds in title I of this Act may be used to adopt rules or regulations concerning travel agent service fees unless the Department of Transportation publishes in the Federal Register revisions to the proposed rule and provides a period for additional public comment on such proposed rule for a period not less than 60 days.

SEC. 543. (a) Section 103 of the Presidential Recordings and Materials Preservation Act (Public Law 93–526; 44 U.S.C. 2111 note) is amended by striking the second sentence and inserting the following: "The Archivist may transfer such recordings and materials to a Presidential archival depository in accordance with section 2112 of title 44, United States Code.".

(b) Nothing in section 103 of the Presidential Recordings and Materials Preservation Act (Public Law 93–526; 44 U.S.C. 2111 note), as amended by subsection (a), may be construed as affecting public access to the recordings and materials referred to in that section as provided in regulations promulgated pursuant to section 104 of such Act.

SEC. 544. AMENDMENTS TO OKLAHOMA CITY NATIONAL MEMORIAL ACT OF 1997. (a) SHORT TITLE.—This section may be cited as the "Oklahoma City National Memorial Act Amendments of 2003".

(b) FOUNDATION DEFINED; CONFORMING AMENDMENT.—Section 3 of the Oklahoma City National Memorial Act of 1997 (16 U.S.C. 450ss-1) is amended—

(1) by redesignating paragraphs (1), (2), and (3) as paragraphs (2), (3), and (4), respectively;

(2) by inserting immediately preceding paragraph (2) (as so redesignated by paragraph (1) of this subsection) the following new paragraph:

"(1) FOUNDATION.—The term 'Foundation' means the Oklahoma City National Memorial Foundation, a not-for-profit corporation that is—

"(A) described in section 501(c)(3) of the Internal Revenue Code of 1986;

"(B) exempt from taxation under section 501(a) of such Code; and

"(C) dedicated to the support of the Memorial."; and

(3) in paragraph (3), by striking "designated under section 5(a)".

(c) ADMINISTRATION OF MEMORIAL BY FOUNDATION.—Section 4 of the Oklahoma City National Memorial Act of 1997 (16 U.S.C. 450ss-2) is amended—

(1) in subsection (a)—

(A) by striking "a unit" and inserting "an affiliate"; and

(B) by striking the second sentence;

(2) by redesignating subsection (b) as subsection (c);

(3) by inserting after subsection (a) the following new subsection:

"(b) ADMINISTRATION OF MEMORIAL.—The Foundation shall administer the Memorial in accordance with this Act and the general objectives of the 'Memorial Mission Statement', adopted March 26, 1996, by the Foundation."; and

(4) in subsection (c) (as so redesignated by paragraph (2) of this subsection) by striking "1997 (hereafter" and all that follows through the final period and inserting "1997. The map shall be on file and available for public inspection in the appropriate office of the Foundation.".

(d) TRANSFER OF MEMORIAL PROPERTY, RIGHTS, AUTHORITIES, AND DUTIES.—Section 5 of the Oklahoma City National Memorial Act of 1997 (16 U.S.C. 450ss-3) is amended to read as follows:

"SEC. 5. TRANSFER OF MEMORIAL PROPERTY, RIGHTS, AUTHORITIES, AND DUTIES.

"(a) TRANSFER OF MEMORIAL PROPERTY.—

"(1) IN GENERAL.—Not later than 90 days after the date of the enactment of the Oklahoma City National Memorial Act Amendments of 2003, the Trust shall transfer to the Foundation—

"(A) all assets of the Trust, including all real and personal property of the Memorial, any appurtenances, buildings, facilities, monuments, contents, artifacts, contracts and contract rights, accounts, deposits, intangibles, trademarks, trade names, copyrights, all other intellectual property, all other real and personal property of every kind and character comprising the Memorial, and any amounts appropriated for the Trust;

"(B) any property owned by the Trust that is adjacent or related to the Memorial; and

"(C) all property maintained for the Memorial, together with all rights, authorities, and duties relating to the ownership, administration, operation, and management of the Memorial.

"(2) SUBSEQUENT GIFTS.—Any artifact, memorial, or other personal property that is received by, or is intended by any person to be given to, the Trust after the date of transfer of property under paragraph (1) shall be the property of the Foundation.

"(b) ASSUMPTION OF TRUST OBLIGATIONS.—Any obligations of the Trust relating to the Memorial that have been approved by the Trust before the date on which the property is transferred under subsection (a) shall become the responsibility of the Foundation on the date of the transfer.

"(c) DISSOLUTION OF TRUST.—Not later than 30 days after the transfer under subsection (a) is completed—

"(1) the Trust shall be dissolved; and

"(2) the Trust shall notify the Secretary of the date of dissolution.

"(d) AUTHORITY TO ENTER INTO AGREEMENTS.—The Secretary, acting through the National Park Service, is authorized to enter into 1 or more cooperative agreements with the Foundation for the National Park Service to provide interpretive services related to the Memorial and such other assistance as may be agreed upon between the Secretary and the Foundation. The costs of the services and other agreed assistance shall be paid by the Secretary.

"(e) GENERAL SERVICES ADMINISTRATION AUTHORITY.—The Administrator of General Services shall provide, on a non-reimbursable basis, services necessary for the facilitation of the transfer of the Memorial to the Foundation.

"(f) LIMITATION.—Nothing in this Act shall prohibit the use of State and local law enforcement for the purposes of security related to the Memorial.".

(e) REPEAL OF DUTIES AND AUTHORITIES OF TRUST.—

(1) IN GENERAL.—Section 6 of the Oklahoma City National Memorial Act of 1997 (16 U.S.C. 450ss-4) is repealed.

(2) EFFECTIVE DATE.—The repeal under this subsection shall take effect upon the transfer of the Memorial property, rights, authorities, and duties pursuant to the amendments made by subsection (d).

(f) AUTHORIZATION OF APPROPRIATIONS.—Section 7 of the Oklahoma City National Memorial Act of 1997 (16 U.S.C. 450ss-5) is amended—

(1) in paragraph (1), by inserting "for an endowment fund subject to paragraph (2)" after "the sum of $5,000,000"; and

(2) in paragraph (2)—

(A) by striking "Trust or to the Oklahoma City Memorial"; and

(B) by striking "or operation" and inserting "operation, or endowment".

(g) AUTHORIZATION OF SECRETARY TO REIMBURSE PREVIOUS COSTS PAID BY FOUNDATION OR TRUST.—To the extent that funds are made available for the Trust, the Secretary of the Interior shall reimburse the Oklahoma City National Memorial Foundation for funds obligated or expended by the Oklahoma City National Memorial Foundation or the Oklahoma City National Memorial Trust to the Secretary of the Interior for interpretive services, security, and other costs and services related to the Oklahoma City National Memorial before the date of the enactment of this Act. The Oklahoma City National Memorial Foundation may use such reimbursed funds for the operation, maintenance, and permanent endowment of the Oklahoma City National Memorial.

(h) REPEAL OF DISPOSITION OF SITE OF ALFRED P. MURRAH FEDERAL BUILDING.—Section 8 of the Oklahoma City National Memorial Act of 1997 (16 U.S.C. 450ss-6) is repealed.

(i) REPEAL OF STUDY REQUIREMENT.—Section 9 of the Oklahoma City National Memorial Act of 1997 (16 U.S.C. 450ss-7) is repealed.

SEC. 545. Notwithstanding any other provision of law, the unobligated balance of funds made available to the District of Columbia under item 70 in the table contained in section 1106(b)(2) of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102–240; 105 Stat. 2047) and the unobligated balance of funds made available to the District of Columbia under item 554 of the table contained in section 1602 of the Transportation Equity Act for the 21st Century (Public Law 105–178, as amended; 112 Stat. 277) shall be made available to carry out a project for the replacement of the existing bridge on Kenilworth Avenue over Nannie Helen Burroughs Avenue and for a ferry and ferry facility project on the Anacostia River.

SEC. 546. Section 345(6), Division I, of Public Law 108–7 is amended by adding at the end of the section the following "In implementing section 345(6) the Secretary may also modify the permitted uses of draws on the lines of credit to include any repair and replacement costs.".

SEC. 547. Notwithstanding any other provision of law, projects and activities described in the statement of managers accompanying this Act under the headings "Federal-Aid Highways" and "Federal Transit Administration" shall be eligible for fiscal year 2004 funds made available for the program for which each project or activity is so designated and projects and activities under the heading "Job Access and Reverse Commute Grants" shall be awarded those grants upon receipt of an application.

TITLE VI—GENERAL PROVISIONS

DEPARTMENTS, AGENCIES, AND CORPORATIONS

SEC. 601. Funds appropriated in this or any other Act may be used to pay travel to the United States for the immediate family of employees serving abroad in cases of death or life threatening illness of said employee.

SEC. 602. No department, agency, or instrumentality of the United States receiving appropriated funds under this or any other Act for fiscal year 2004 shall obligate or expend any such funds, unless such department, agency, or instrumentality has in place, and will continue to administer in good faith, a written policy designed to ensure that all of its workplaces are free from the illegal use, possession, or distribution of controlled substances (as defined in the Controlled Substances Act) by the officers and employees of such department, agency, or instrumentality.

SEC. 603. Unless otherwise specifically provided, the maximum amount allowable during the current fiscal year in accordance with section 16 of the Act of August 2, 1946 (60 Stat. 810), for the purchase of any passenger motor vehicle (exclusive of buses, ambulances, law enforcement, and undercover surveillance vehicles), is hereby fixed at $8,100 except station wagons for which the maximum shall be $9,100: Provided, That these limits may be exceeded by not to exceed $3,700 for police-type vehicles, and by not to exceed $4,000 for special heavy-duty vehicles: Provided further, That the limits set forth in this section may not be exceeded by more than 5 percent for electric or hybrid vehicles purchased for demonstration under the provisions of the Electric and Hybrid Vehicle Research, Development, and Demonstration Act of 1976: Provided further, That the limits set forth in this section may be exceeded by the incremental cost of clean alternative fuels vehicles acquired pursuant to Public Law 101–549 over the cost of comparable conventionally fueled vehicles.

SEC. 604. Appropriations of the executive departments and independent establishments for the current fiscal year available for expenses of travel, or for the expenses of the activity concerned, are hereby made available for quarters allowances and cost-of-living allowances, in accordance with 5 U.S.C. 5922–5924.

SEC. 605. Unless otherwise specified during the current fiscal year, no part of any appropriation contained in this or any other Act shall be used to pay the compensation of any officer or employee of the Government of the United States (including any agency the majority of the stock of which is owned by the Government of the United States) whose post of duty is in the continental United States unless such person: (1) is a citizen of the United States; (2) is a person in the service of the United States on the date of the enactment of this Act who, being eligible for citizenship, has filed a declaration of intention to become a citizen of the United States prior to such date and is actually residing in the United States; (3) is a person who owes allegiance to the United States; (4) is an alien from Cuba, Poland, South Vietnam, the countries of the former Soviet Union, or the Baltic countries lawfully admitted to the United States for permanent residence; (5) is a South Vietnamese, Cambodian, or Laotian refugee paroled in the United States after January 1, 1975; or (6) is a national of the People's Republic of China who qualifies for adjustment of status pursuant to the Chinese Student Protection Act of 1992: Provided, That for the purpose of this section, an affidavit signed by any such person shall be considered prima facie evidence that the requirements of this section with respect to his or her status have been complied with: Provided further, That any person making a false affidavit shall be guilty of a felony, and, upon conviction, shall be fined no more than $4,000 or imprisoned for not more than 1 year, or both: Provided further, That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law: Provided further, That any payment made to any officer or employee contrary to the provisions of this section shall be recoverable in action by the Federal Government. This section shall not apply to citizens of Ireland, Israel, or the Republic of the Philippines, or to nationals of those countries allied with the United States in a current defense effort, or to international broadcasters employed by the United States Information Agency, or to temporary employment of translators, or to temporary employment in the field service (not to exceed 60 days) as a result of emergencies.

SEC. 606. Appropriations available to any department or agency during the current fiscal year for necessary expenses, including maintenance or operating expenses, shall also be available for payment to the General Services Administration for charges for space and services and those expenses of renovation and alteration of buildings and facilities which constitute public improvements performed in accordance with the Public Buildings Act of 1959 (73 Stat. 749), the Public Buildings Amendments of 1972 (87 Stat. 216), or other applicable law.

SEC. 607. In addition to funds provided in this or any other Act, all Federal agencies are authorized to receive and use funds resulting from the sale of materials, including Federal records disposed of pursuant to a records schedule recovered through recycling or waste prevention programs. Such funds shall be available until expended for the following purposes:

(1) Acquisition, waste reduction and prevention, and recycling programs as described in Executive Order No. 13101 (September 14, 1998), including any such programs adopted prior to the effective date of the Executive order.

(2) Other Federal agency environmental management programs, including, but not limited to, the development and implementation of hazardous waste management and pollution prevention programs.

(3) Other employee programs as authorized by law or as deemed appropriate by the head of the Federal agency.

SEC. 608. Funds made available by this or any other Act for administrative expenses in the current fiscal year of the corporations and agencies subject to chapter 91 of title 31, United States Code, shall be available, in addition to objects for which such funds are otherwise available, for rent in the District of Columbia; services in accordance with 5 U.S.C. 3109; and the objects specified under this head, all the provisions of which shall be applicable to the expenditure of such funds unless otherwise specified in the Act by which they are made available: Provided, *That in the event any functions budgeted as administrative expenses are subsequently transferred to or paid from other funds, the limitations on administrative expenses shall be correspondingly reduced.*

SEC. 609. No part of any appropriation for the current fiscal year contained in this or any other Act shall be paid to any person for the filling of any position for which he or she has been nominated after the Senate has voted not to approve the nomination of said person.

SEC. 610. No part of any appropriation contained in this or any other Act shall be available for interagency financing of boards (except Federal Executive Boards), commissions, councils, committees, or similar groups (whether or not they are interagency entities) which do not have a prior and specific statutory approval to receive financial support from more than one agency or instrumentality.

SEC. 611. Funds made available by this or any other Act to the Postal Service Fund (39 U.S.C. 2003) shall be available for employment of guards for all buildings and areas owned or occupied by the Postal Service and under the charge and control of the Postal Service, and such guards shall have, with respect to such property, the powers of special policemen provided by the first section of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318), and, as to property owned or occupied by the Postal Service, the Postmaster General may take the same actions as the Administrator of General Services may take under the provisions of sections 2 and 3 of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318a and 318b), attaching thereto penal consequences under the authority and within the limits provided in section 4 of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318c).

SEC. 612. None of the funds made available pursuant to the provisions of this Act shall be used to implement, administer, or enforce any regulation which has been disapproved pursuant to a resolution of disapproval duly adopted in accordance with the applicable law of the United States.

SEC. 613. (a) Notwithstanding any other provision of law, and except as otherwise provided in this section, no part of any of the funds appropriated for fiscal year 2004, by this or any other Act, may be used to pay any prevailing rate employee described in section 5342(a)(2)(A) of title 5, United States Code—

(1) during the period from the date of expiration of the limitation imposed by the comparable section for previous fiscal years until the normal effective date of the applicable wage survey adjustment that is to take effect in fiscal year 2004, in an amount that exceeds the rate payable for the applicable grade and step of the applicable wage schedule in accordance with such section; and

(2) during the period consisting of the remainder of fiscal year 2004, in an amount that exceeds, as a result of a wage survey adjustment, the rate payable under paragraph (1) by more than the sum of—

(A) the percentage adjustment taking effect in fiscal year 2004 under section 5303 of title 5, United States Code, in the rates of pay under the General Schedule; and

(B) the difference between the overall average percentage of the locality-based comparability payments taking effect in fiscal year 2004 under section 5304 of such title (whether by adjustment or otherwise), and the overall average percentage of such payments which was effective in the previous fiscal year under such section.

(b) Notwithstanding any other provision of law, no prevailing rate employee described in subparagraph (B) or (C) of section 5342(a)(2) of title 5, United States Code, and no employee covered by section 5348 of such title, may be paid during the periods for which subsection (a) is in effect at a rate that exceeds the rates that would be payable under subsection (a) were subsection (a) applicable to such employee.

(c) For the purposes of this section, the rates payable to an employee who is covered by this section and who is paid from a schedule not in existence on September 30, 2003, shall be determined under regulations prescribed by the Office of Personnel Management.

(d) Notwithstanding any other provision of law, rates of premium pay for employees subject to this section may not be changed from the rates in effect on September 30, 2003, except to the extent determined by the Office of Personnel Management to be consistent with the purpose of this section.

(e) This section shall apply with respect to pay for service performed after September 30, 2003.

(f) For the purpose of administering any provision of law (including any rule or regulation that provides premium pay, retirement, life insurance, or any other employee benefit) that requires any deduction or contribution, or that imposes any requirement or limitation on the basis of a rate of salary or basic pay, the rate of salary or basic pay payable after the application of this section shall be treated as the rate of salary or basic pay.

(g) Nothing in this section shall be considered to permit or require the payment to any employee covered by this section at a rate in excess of the rate that would be payable were this section not in effect.

(h) The Office of Personnel Management may provide for exceptions to the limitations imposed by this section if the Office determines that such exceptions are necessary to ensure the recruitment or retention of qualified employees.

SEC. 614. During the period in which the head of any department or agency, or any other officer or civilian employee of the Government appointed by the President of the United States, holds office, no funds may be obligated or expended in excess of $5,000 to furnish or redecorate the office of such department head, agency head, officer, or employee, or to purchase furniture or make improvements for any such office, unless advance notice of such furnishing or redecoration is expressly approved by the Committees on Appropriations. For the purposes of this section, the term "office" shall include the entire suite of offices assigned to the individual, as well as any other space used primarily by the individual or the use of which is directly controlled by the individual.

SEC. 615. Notwithstanding section 1346 of title 31, United States Code, or section 610 of this Act, funds made available for the current fiscal year by this or any other Act shall be available for the interagency funding of national security and emergency preparedness telecommunications initiatives which benefit multiple Federal departments, agencies, or entities, as provided by Executive Order No. 12472 (April 3, 1984).

SEC. 616. (a) None of the funds appropriated by this or any other Act may be obligated or expended by any Federal department, agency, or other instrumentality for the salaries or expenses of any employee appointed to a position of a confidential or policy-determining character excepted from the competitive service pursuant to section 3302 of title 5, United States Code, without a certification to the Office of Personnel Management from the head of the Federal department, agency, or other instrumentality employing the Schedule C appointee that the Schedule C position was not created solely or primarily in order to detail the employee to the White House.

(b) The provisions of this section shall not apply to Federal employees or members of the armed services detailed to or from—

(1) the Central Intelligence Agency;

(2) the National Security Agency;

(3) the Defense Intelligence Agency;

(4) the offices within the Department of Defense for the collection of specialized national foreign intelligence through reconnaissance programs;

(5) the Bureau of Intelligence and Research of the Department of State;

(6) any agency, office, or unit of the Army, Navy, Air Force, and Marine Corps, the Department of Homeland Security, the Federal Bureau of Investigation and the Drug Enforcement Administration of the Department of Justice, the Department of Transportation, the Department of the Treasury, and the Department of Energy performing intelligence functions; and

(7) the Director of Central Intelligence.

SEC. 617. No department, agency, or instrumentality of the United States receiving appropriated funds under this or any other Act for the current fiscal year shall obligate or expend any such funds, unless such department, agency, or instrumentality has in place, and will continue to administer in good faith, a written policy designed to ensure that all of its workplaces are free from discrimination and sexual harassment and that all of its workplaces are not in violation of title VII of the Civil Rights Act of 1964, as amended, the Age Discrimination in Employment Act of 1967, and the Rehabilitation Act of 1973.

SEC. 618. No part of any appropriation contained in this or any other Act shall be available for the payment of the salary of any officer or employee of the Federal Government, who—

(1) prohibits or prevents, or attempts or threatens to prohibit or prevent, any other officer or employee of the Federal Government from having any direct oral or written communication or contact with any Member, committee, or subcommittee of the Congress in connection with any matter pertaining to the employment of such other officer or employee or pertaining to the department or agency of such other officer or employee in any way, irrespective of whether such communication or contact is at the initiative of such other officer or employee or in response to the request or inquiry of such Member, committee, or subcommittee; or

(2) removes, suspends from duty without pay, demotes, reduces in rank, seniority, status, pay, or performance of efficiency rating, denies promotion to, relocates, reassigns, transfers, disciplines, or discriminates in regard to any employment right, entitlement, or benefit, or any term or condition of employment of, any other officer or employee of the Federal Government, or attempts or threatens to commit any of the foregoing actions with respect to such other officer or employee, by reason of any communication or contact of such other officer or employee with any Member, committee, or subcommittee of the Congress as described in paragraph (1).

SEC. 619. (a) None of the funds made available in this or any other Act may be obligated or expended for any employee training that—

(1) does not meet identified needs for knowledge, skills, and abilities bearing directly upon the performance of official duties;

(2) contains elements likely to induce high levels of emotional response or psychological stress in some participants;

(3) does not require prior employee notification of the content and methods to be used in the training and written end of course evaluation;

(4) contains any methods or content associated with religious or quasi-religious belief systems or "new age" belief systems as defined in Equal Employment Opportunity Commission Notice N–915.022, dated September 2, 1988; or

(5) is offensive to, or designed to change, participants' personal values or lifestyle outside the workplace.

(b) Nothing in this section shall prohibit, restrict, or otherwise preclude an agency from conducting training bearing directly upon the performance of official duties.

SEC. 620. No funds appropriated in this or any other Act may be used to implement or enforce the agreements in Standard Forms 312 and 4414 of the Government or any other nondisclosure policy, form, or agreement if such policy, form, or agreement does not contain the following provisions: "These restrictions are consistent with and do not supersede, conflict with, or otherwise alter the employee obligations, rights, or liabilities created by Executive Order No. 12958; section 7211 of title 5, United States Code (governing disclosures to Congress); section 1034 of title 10, United States Code, as amended by the Military Whistleblower Protection Act (governing disclosure to Congress by members of the military); section 2302(b)(8) of title 5, United States Code, as amended by the Whistleblower Protection Act (governing disclosures of illegality, waste, fraud, abuse or public health or safety threats); the Intelligence Identities Protection Act of 1982 (50 U.S.C. 421 et seq.) (governing disclosures that could expose confidential Government agents); and the statutes which protect against disclosure that may compromise the national security, including sections 641, 793, 794, 798, and 952 of title 18, United States Code, and section 4(b) of the Subversive Activities Act of 1950 (50 U.S.C. 783(b)). The definitions, requirements, obligations, rights, sanctions, and liabilities created by said Executive order and listed statutes are incorporated into this agreement and are controlling.": Provided, That notwithstanding the preceding paragraph, a nondisclosure policy form or agreement that is to be executed by a person connected with the conduct of an intelligence or intelligence-related activity, other than an employee or officer of the United States Government, may contain provisions appropriate to the particular activity for which such document is to be used. Such form or agreement shall, at a minimum, require that the person will not disclose any classified information received in the course of such activity unless specifically authorized to do so by the United States Government. Such nondisclosure forms shall also make it clear that they do not bar disclosures to Congress or to an authorized official of an executive agency or the Department of Justice that are essential to reporting a substantial violation of law.

SEC. 621. No part of any funds appropriated in this or any other Act shall be used by an agency of the executive branch, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, and for the preparation, distribution or use of any kit, pamphlet, booklet, publication, radio, television or film presentation designed to support or defeat legislation pending before the Congress, except in presentation to the Congress itself.

SEC. 622. None of the funds appropriated by this or any other Act may be used by an agency to provide a Federal employee's home address to any labor organization except when the employee has authorized such disclosure or when such disclosure has been ordered by a court of competent jurisdiction.

SEC. 623. None of the funds made available in this Act or any other Act may be used to provide any non-public information such as mailing or telephone lists to any person or any organization outside of the Federal Government without the approval of the Committees on Appropriations.

SEC. 624. No part of any appropriation contained in this or any other Act shall be used for publicity or propaganda purposes within the United States not heretofore authorized by the Congress.

SEC. 625. (a) In this section the term "agency"—

(1) means an Executive agency as defined under section 105 of title 5, United States Code;

(2) includes a military department as defined under section 102 of such title, the Postal Service, and the Postal Rate Commission; and

(3) shall not include the General Accounting Office.

(b) Unless authorized in accordance with law or regulations to use such time for other purposes, an employee of an agency shall use official time in an honest effort to perform official duties. An employee not under a leave system, including a Presidential appointee exempted under section 6301(2) of title 5, United States Code, has an obligation to expend an honest effort and a reasonable proportion of such employee's time in the performance of official duties.

SEC. 626. Notwithstanding 31 U.S.C. 1346 and section 610 of this Act, funds made available for the current fiscal year by this or any other Act to any department or agency, which is a member of the Joint Financial Management Improvement Program (JFMIP), shall be available to finance an appropriate share of JFMIP administrative costs, as determined by the JFMIP, but not to exceed a total of $800,000 including the salary of the Executive Director and staff support.

SEC. 627. Notwithstanding 31 U.S.C. 1346 and section 610 of this Act, the head of each Executive department and agency is hereby authorized to transfer to or reimburse the "Policy and Citizen Services" account, General Services Administration, with the approval of the Director of the Office of Management and Budget, funds made available for the current fiscal year by this or any other Act, including rebates from charge card and other contracts. These funds shall be administered by the Administrator of General Services to support Government-wide financial, information technology, procurement, and other management innovations, initiatives, and activities, as approved by the Director of the Office of Management and Budget, in consultation with the appropriate interagency groups designated by the Director (including the Chief Financial Officers Council and the Joint Financial Management Improvement Program for financial management initiatives, the Chief Information Officers Council for information technology initiatives, and the Procurement Executives Council for procurement initiatives). The total funds transferred or reimbursed shall not exceed $17,000,000. Such transfers or reimbursements may only be made 15 days following notification of the Committees on Appropriations by the Director of the Office of Management and Budget.

SEC. 628. None of the funds made available in this or any other Act may be used by the Office of Personnel Management or any other department or agency of the Federal Government to prohibit any agency from using appropriated funds as they see fit to independently contract with private companies to provide online employment applications and processing services.

SEC. 629. Notwithstanding any other provision of law, a woman may breastfeed her child at any location in a Federal building or on Federal property, if the woman and her child are otherwise authorized to be present at the location.

SEC. 630. Notwithstanding section 1346 of title 31, United States Code, or section 610 of this Act, funds made available for the current fiscal year by this or any other Act shall be available for the interagency funding of specific projects, workshops, studies, and similar efforts to carry out the purposes of the National Science and Technology Council (authorized by Executive Order No. 12881), which benefit multiple Federal departments, agencies, or entities: Provided, That the Office of Management and Budget shall provide a report describing the budget of and resources connected with the National Science and Technology Council to the Committees on Appropriations, the House Committee on Science; and the Senate Committee on Commerce, Science, and Transportation 90 days after enactment of this Act.

SEC. 631. Any request for proposals, solicitation, grant application, form, notification, press release, or other publications involving the distribution of Federal funds shall indicate the agency providing the funds, the Catalog of Federal Domestic Assistance Number, as applicable, and the amount provided. This provision shall apply to direct payments, formula funds, and grants received by a State receiving Federal funds.

SEC. 632. Subsection (f) of section 403 of Public Law 103–356 (31 U.S.C. 501 note) is amended by striking "October 1, 2003" and inserting "October 1, 2004".

SEC. 633. (a) PROHIBITION OF FEDERAL AGENCY MONITORING OF PERSONAL INFORMATION ON USE OF INTERNET.—None of the funds made available in this or any other Act may be used by any Federal agency—

(1) to collect, review, or create any aggregate list, derived from any means, that includes the collection of any personally identifiable information relating to an individual's access to or use of any Federal Government Internet site of the agency; or

(2) to enter into any agreement with a third party (including another government agency) to collect, review, or obtain any aggregate list, derived from any means, that includes the collection of any personally identifiable information relating to an individual's access to or use of any nongovernmental Internet site.

(b) EXCEPTIONS.—The limitations established in subsection (a) shall not apply to—

(1) any record of aggregate data that does not identify particular persons;

(2) any voluntary submission of personally identifiable information;

(3) any action taken for law enforcement, regulatory, or supervisory purposes, in accordance with applicable law; or

(4) any action described in subsection (a)(1) that is a system security action taken by the operator of an Internet site and is necessarily incident to the rendition of the Internet site services or to the protection of the rights or property of the provider of the Internet site.

(c) DEFINITIONS.—For the purposes of this section:

(1) The term "regulatory" means agency actions to implement, interpret or enforce authorities provided in law.

(2) The term "supervisory" means examinations of the agency's supervised institutions, including assessing safety and soundness, overall financial condition, management practices and policies and compliance with applicable standards as provided in law.

SEC. 634. (a) None of the funds appropriated by this Act may be used to enter into or renew a contract which includes a provision providing prescription drug coverage, except where the contract also includes a provision for contraceptive coverage.

(b) Nothing in this section shall apply to a contract with—

(1) any of the following religious plans:

(A) Personal Care's HMO; and

(B) OSF Health Plans, Inc.; and

(2) any existing or future plan, if the carrier for the plan objects to such coverage on the basis of religious beliefs.

(c) In implementing this section, any plan that enters into or renews a contract under this

section may not subject any individual to discrimination on the basis that the individual refuses to prescribe or otherwise provide for contraceptives because such activities would be contrary to the individual's religious beliefs or moral convictions.

(d) Nothing in this section shall be construed to require coverage of abortion or abortion-related services.

SEC. 635. The Congress of the United States recognizes the United States Anti-Doping Agency (USADA) as the official anti-doping agency for Olympic, Pan American, and Paralympic sport in the United States.

SEC. 636. Not later than 6 months after the date of enactment of this Act, the Inspector General of each applicable department or agency shall submit to the Committee on Appropriations a report detailing what policies and procedures are in place for each department or agency to give first priority to the location of new offices and other facilities in rural areas, as directed by the Rural Development Act of 1972.

SEC. 637. None of the funds made available under this or any other Act for fiscal year 2004 shall be expended for the purchase of a product or service offered by Federal Prison Industries, Inc. unless the agency making such purchase determines that such offered product or service provides the best value to the buying agency pursuant to governmentwide procurement regulations, issued pursuant to section 25(c)(1) of the Office of Federal Procurement Act (41 U.S.C. 421(c)(1)) that impose procedures, standards, and limitations of section 2410n of title 10, United States Code.

SEC. 638. Each Executive department and agency shall evaluate the creditworthiness of an individual before issuing the individual a government purchase charge card or government travel charge card. The department or agency may not issue a government purchase charge card or government travel charge card to an individual that either lacks a credit history or is found to have an unsatisfactory credit history as a result of this evaluation: Provided, That this restriction shall not preclude issuance of a restricted-use charge, debit, or stored value card made in accordance with agency procedures to (a) an individual with an unsatisfactory credit history where such card is used to pay travel expenses and the agency determines there is no suitable alternative payment mechanism available before issuing the card, or (b) an individual who lacks a credit history. Each Executive department and agency shall establish guidelines and procedures for disciplinary actions to be taken against agency personnel for improper, fraudulent, or abusive use of government charge cards, which shall include appropriate disciplinary actions for use of charge cards for purposes, and at establishments, that are inconsistent with the official business of the Department or agency or with applicable standards of conduct.

SEC. 639. Section 640(c) of the Treasury and General Government Appropriations Act, 2000 (Public Law 106–58; 2 U.S.C. 437g note 1), as amended by section 642 of the Treasury and General Government Appropriations Act, 2002 (Public Law 107–67), is amended by striking "December 31, 2003" and inserting "December 31, 2005".

SEC. 640. (a) The adjustment in rates of basic pay for employees under the statutory pay systems that takes effect in fiscal year 2004 under sections 5303 and 5304 of title 5, United States Code, shall be an increase of 4.1 percent, and this adjustment shall apply to civilian employees in the Department of Defense and the Department of Homeland Security and such adjustments shall be effective as of the first day of the first applicable pay period beginning on or after January 1, 2004.

(b) Notwithstanding section 613 of this Act, the adjustment in rates of basic pay for the statutory pay systems that take place in fiscal year 2004 under sections 5344 and 5348 of title 5, United States Code, shall be no less than the percentage in paragraph (a) as employees in the same location whose rates of basic pay are adjusted pursuant to the statutory pay systems under section 5303 and 5304 of title 5, United States Code. Prevailing rate employees at locations where there are no employees whose pay is increased pursuant to sections 5303 and 5304 of title 5 and prevailing rate employees described in section 5343(a)(5) of title 5 shall be considered to be located in the pay locality designated as "Rest of US" pursuant to section 5304 of title 5 for purposes of this paragraph.

(c) Funds used to carry out this section shall be paid from appropriations, which are made to each applicable department or agency for salaries and expenses for fiscal year 2004.

SEC. 641. Section 304(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended as follows:

(1) in clauses (a)(2)(A)(i) and (a)(4)(A)(ii) by striking the parenthetical "(or posted by registered or certified mail no later than the 15th day before)" and inserting in its place, "(or posted by any of the following: registered mail, certified mail, priority mail having a delivery confirmation, or express mail having a delivery confirmation, or delivered to an overnight delivery service with an on-line tracking system, if posted or delivered no later than the 15th day before)"; and

(2) by striking paragraph (a)(5) and inserting the following:

"(5) If a designation, report, or statement filed pursuant to this Act (other than under paragraph (2)(A)(i) or (4)(A)(ii) or subsection (g)(1)) is sent by registered mail, certified mail, priority mail having a delivery confirmation, or express mail having a delivery confirmation, the United States postmark shall be considered the date of filing the designation, report or statement. If a designation, report or statement filed pursuant to this Act (other than under paragraph (2)(A)(i) or (4)(A)(ii), or subsection (g)(1)) is sent by an overnight delivery service with an on-line tracking system, the date on the proof of delivery to the delivery service shall be considered the date of filing of the designation, report, or statement.".

SEC. 642. Notwithstanding any other provision of law, funds appropriated for official travel by Federal departments and agencies may be used by such departments and agencies, if consistent with Office of Management and Budget Circular A–126 regarding official travel for Government personnel, to participate in the fractional aircraft ownership pilot program.

SEC. 643. Notwithstanding any other provision of law, no executive branch agency shall purchase, construct, and/or lease any additional facilities, except within or contiguous to existing locations, to be used for the purpose of conducting Federal law enforcement training without the advance approval of the Committees on Appropriations, except that the Federal Law Enforcement Training Center is authorized to obtain the temporary use of additional facilities by lease, contract, or other agreement for training which cannot be accommodated in existing Center facilities.

SEC. 644. None of the funds provided in this Act shall be used to implement or enforce regulations for locality pay areas in fiscal year 2004 that are inconsistent with the recommendations of the Federal Salary Council adopted on October 7, 2003.

SEC. 645. (a) Not later than 180 days after the enactment of this Act, the head of each Federal agency shall submit a report to Congress on the amount of the acquisitions made by the agency from entities that manufacture the articles, materials, or supplies outside of the United States in that fiscal year.

(b) The report required by subsection (a) shall separately indicate—

(1) the dollar value of any articles, materials, or supplies purchased that were manufactured outside of the United States;

(2) an itemized list of all waivers granted with respect to such articles, materials, or supplies under the Buy American Act (41 U.S.C. 10a et seq.); and

(3) a summary of the total procurement funds spent on goods manufactured in the United States versus funds spent on goods manufactured outside of the United States.

(c) The head of each Federal agency submitting a report under subsection (a) shall make the report publicly available to the maximum extent practicable.

SEC. 646. Notwithstanding any other provision of law, none of the funds appropriated or made available under this Act or any other appropriations Act may be used to implement or enforce restrictions or limitations on the Coast Guard Congressional Fellowship Program, or to implement the proposed regulations of the Office of Personnel Management to add sections 300.311 through 300.316 to part 300 of title 5 of the Code of Federal Regulations, published in the Federal Register, volume 68, number 174, on September 9, 2003 (relating to the detail of executive branch employees to the legislative branch): Provided, That if such proposed regulations are final regulations on the date of enactment of this Act, none of the funds appropriated or made available under this Act may be used to implement, administer, or enforce such final regulations.

SEC. 647. (a) LIMITATION ON CONVERSION TO CONTRACTOR PERFORMANCE.—None of the funds appropriated by this Act shall be available to convert to contractor performance an activity or function of an executive agency, that on or after the date of enactment of this Act, is performed by more than ten federal employees unless—

(1) the conversion is based on the result of a public-private competition plan that includes a most efficient and cost effective organization plan developed by such activity or function; and

(2) the Competitive Sourcing Official considers, as part of the cost or price evaluation, whether over all performance periods stated in the solicitation of offers for performance of the activity or function, the cost of performance of the activity or function by a contractor would be less costly to the executive agency by an amount that equals or exceeds the lesser of—

(A) 10 percent of the most efficient organization's personnel-related costs for performance of that activity or function by Federal employees; or

(B) $10,000,000.

(b) Not later than 120 days following the enactment of this Act and not later than December 31 of each year thereafter, the head of each executive agency shall submit to Congress a report on the competitive sourcing activities on the list required under the Federal Activities Inventory Reform Act of 1998 (Public Law 105–270; 31 U.S.C. 501 note) that were performed for such executive agency during the previous fiscal year by Federal Government sources. The report shall include—

(1) the total number of competitions completed;

(2) the total number of competitions announced, together with a list of the activities covered by such competitions;

(3) the total number (expressed as a full-time employee equivalent number) of the Federal employees studied under completed competitions;

(4) the total number (expressed as a full-time employee equivalent number) of the Federal employees that are being studied under competitions announced but not completed;

(5) the incremental cost directly attributable to conducting the competitions identified under paragraphs (1) and (2), including costs attributable to paying outside consultants and contractors;

(6) an estimate of the total anticipated savings, or a quantifiable description of improvements in service or performance, derived from completed competitions;

(7) actual savings, or a quantifiable description of improvements in service or performance, derived from the implementation of competitions completed after May 29, 2003;

(8) the total projected number (expressed as a full-time employee equivalent number) of the Federal employees that are to be covered by competitions scheduled to be announced in the fiscal year covered by the next report required under this section; and

(9) a general description of how the competitive sourcing decisionmaking processes of the executive agency are aligned with the strategic workforce plan of that executive agency.

(c) The head of an executive agency may not be required, under Office of Management and Budget Circular A–76 or any other policy, directive, or regulation, to automatically limit to 5 years or less the performance period in a letter of obligation, or other agreement, issued to executive agency employees, if such a letter or other agreement was issued as the result of a public-private competition conducted in accordance with the circular.

(d) Hereafter, the head of an executive agency may expend funds appropriated or otherwise made available for any purpose to the executive agency under this or any other Act to monitor (in the administration of responsibilities under Office of Management and Budget Circular A–76 or any related policy, directive, or regulation) the performance of an activity or function of the executive agency that has previously been subjected to a public-private competition under such circular.

(e) An activity or function of an executive agency that is converted to contractor performance under Office of Management and Budget Circular A–76 may not be performed by the contractor at a location outside the United States except to the extent that such activity or function was previously performed by Federal Government employees outside the United States.

(f) In this section, the term "executive agency" has the meaning given such term in section 4 of the Office of Federal Procurement Policy Act (41 U.S.C. 403).

SEC. 648. Notwithstanding section 1346 of title 31, United States Code, and section 610 of this Act, the head of each executive department and agency shall transfer to or reimburse the Federal Aviation Administration, with the approval of the Director of the Office of Management and Budget, funds made available by this or any other Act for the purposes described below, and shall submit budget requests for such purposes. These funds shall be administered by the Federal Aviation Administration as approved by the Director of the Office of Management and Budget, in consultation with the appropriate interagency groups designated by the Director to ensure the operation of the Midway Atoll Airfield by the Federal Aviation Administration pursuant to an operational agreement with the Department of the Interior. The total funds transferred or reimbursed shall not exceed $6,000,000 and shall not be available for activities other than the operation of the airfield. The Director of the Office of Management and Budget shall notify the Committees on Appropriations of such transfers or reimbursements within 15 days of this Act. Such transfers or reimbursements shall begin within 30 days of enactment of this Act.

This division may be cited as the "Transportation, Treasury, and Independent Agencies Appropriations Act, 2004".

DIVISION G—DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 2004

AN ACT

Making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2004, and for other purposes.

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2004, and for other purposes, namely:

TITLE I—DEPARTMENT OF VETERANS AFFAIRS

VETERANS BENEFITS ADMINISTRATION

COMPENSATION AND PENSIONS

(INCLUDING TRANSFER OF FUNDS)

For the payment of compensation benefits to or on behalf of veterans and a pilot program for disability examinations as authorized by law (38 U.S.C. 107, chapters 11, 13, 18, 51, 53, 55, and 61); pension benefits to or on behalf of veterans as authorized by law (38 U.S.C. chapters 15, 51, 53, 55, and 61; 92 Stat. 2508); and burial benefits, emergency and other officers' retirement pay, adjusted-service credits and certificates, payment of premiums due on commercial life insurance policies guaranteed under the provisions of article IV of the Soldiers' and Sailors' Civil Relief Act of 1940 (50 U.S.C. App. 540 et seq.) and for other benefits as authorized by law (38 U.S.C. 107, 1312, 1977, and 2106, chapters 23, 51, 53, 55, and 61; 50 U.S.C. App. 540–548; 43 Stat. 122, 123; 45 Stat. 735; 76 Stat. 1198), $29,845,127,000, to remain available until expended: Provided, That not to exceed $17,056,000 of the amount appropriated under this heading shall be reimbursed to "General operating expenses" and "Medical services" for necessary expenses in implementing those provisions authorized in the Omnibus Budget Reconciliation Act of 1990, and in the Veterans' Benefits Act of 1992 (38 U.S.C. chapters 51, 53, and 55), the funding source for which is specifically provided as the "Compensation and pensions" appropriation: Provided further, That such sums as may be earned on an actual qualifying patient basis, shall be reimbursed to "Medical facilities revolving fund" to augment the funding of individual medical facilities for nursing home care provided to pensioners as authorized.

READJUSTMENT BENEFITS

For the payment of readjustment and rehabilitation benefits to or on behalf of veterans as authorized by law (38 U.S.C. chapters 21, 30, 31, 34, 35, 36, 39, 51, 53, 55, and 61), $2,529,734,000, to remain available until expended: Provided, That expenses for rehabilitation program services and assistance which the Secretary is authorized to provide under section 3104(a) of title 38, United States Code, other than under subsection (a)(1), (2), (5), and (11) of that section, shall be charged to this account.

VETERANS INSURANCE AND INDEMNITIES

For military and naval insurance, national service life insurance, servicemen's indemnities, service-disabled veterans insurance, and veterans mortgage life insurance as authorized by 38 U.S.C. chapter 19; 70 Stat. 887; 72 Stat. 487, $29,017,000, to remain available until expended.

VETERANS HOUSING BENEFIT PROGRAM FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct and guaranteed loans, such sums as may be necessary to carry out the program, as authorized by 38 U.S.C. chapter 37, as amended: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That during fiscal year 2004, within the resources available, not to exceed $300,000 in gross obligations for direct loans are authorized for specially adapted housing loans.

In addition, for administrative expenses to carry out the direct and guaranteed loan programs, $154,850,000, which may be transferred to and merged with the appropriation for "General operating expenses".

EDUCATION LOAN FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans, $1,000, as authorized by 38 U.S.C. 3698, as amended: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $3,400.

In addition, for administrative expenses necessary to carry out the direct loan program, $70,000, which may be transferred to and merged with the appropriation for "General operating expenses".

VOCATIONAL REHABILITATION LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans, $52,000, as authorized by 38 U.S.C. chapter 31, as amended: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That funds made available under this heading are available to subsidize gross obligations for the principal amount of direct loans not to exceed $3,938,000.

In addition, for administrative expenses necessary to carry out the direct loan program, $300,000, which may be transferred to and merged with the appropriation for "General operating expenses".

NATIVE AMERICAN VETERAN HOUSING LOAN PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For administrative expenses to carry out the direct loan program authorized by 38 U.S.C. chapter 37, subchapter V, as amended, $571,000, which may be transferred to and merged with the appropriation for "General operating expenses": Provided, That no new loans in excess of $50,000,000 may be made in fiscal year 2004.

GUARANTEED TRANSITIONAL HOUSING LOANS FOR HOMELESS VETERANS PROGRAM ACCOUNT

For the administrative expenses to carry out the guaranteed transitional housing loan program authorized by 38 U.S.C. chapter 37, subchapter VI, not to exceed $600,000 of the amounts appropriated by this Act for "General operating expenses" and "Medical services" may be expended.

VETERANS HEALTH ADMINISTRATION

MEDICAL SERVICES

For necessary expenses for furnishing, as authorized by law, inpatient and outpatient care and treatment to beneficiaries of the Department of Veterans Affairs and veterans described in paragraphs (1) through (8) of section 1705(a) of title 38, United States Code, including care and treatment in facilities not under the jurisdiction of the department and including medical supplies and equipment and salaries and expenses of health-care employees hired under title 38, United States Code, and aid to State homes as authorized by section 1741 of title 38, United States Code; $17,867,220,000, plus reimbursements: Provided, That of the funds made available under this heading, not to exceed $1,100,000,000 shall be available until September 30, 2005: Provided further, That, notwithstanding any other provision of law, the Secretary of Veterans Affairs shall establish a priority for treatment for veterans who are service-connected disabled, lower income, or have special needs: Provided further, That, notwithstanding any other provision of law, the Secretary of Veterans Affairs shall give priority funding for the provision of basic medical benefits to veterans in enrollment priority groups 1 through 6: Provided further, That of the funds made available under this heading, the Secretary may transfer up to $400,000,000 to "Construction, major projects" for purposes of implementing CARES subject to a determination by the Secretary that such funds will improve access and quality of veteran's health care needs: Provided further, That, notwithstanding any other provision of law, the Secretary of Veterans Affairs may authorize the dispensing of prescription drugs from Veterans Health Administration facilities to enrolled veterans with privately written prescriptions based on requirements established by the Secretary: Provided further, That the implementation of the program described in the previous proviso shall incur no additional cost to the Department of Veterans Affairs.

MEDICAL ADMINISTRATION

For necessary expenses in the administration of the medical, hospital, nursing home, domiciliary, construction, supply, and research activities, as authorized by law; administrative expenses in support of capital policy activities; information technology hardware and software; uniforms or allowances therefor, as authorized by sections 5901–5902 of title 5, United States Code; and administrative and legal expenses of the department for collecting and recovering amounts owed the department as authorized under chapter 17 of title 38, United States Code, and the Federal Medical Care Recovery Act (42 U.S.C. 2651 et seq.); $5,000,000,000, of which $150,000,000 shall be available until September 30, 2005, plus reimbursements.

MEDICAL FACILITIES

For necessary expenses for the maintenance and operation of hospitals, nursing homes, and domiciliary facilities and other necessary facilities for the Veterans Health Administration; for administrative expenses in support of planning, design, project management, real property acquisition and disposition, construction and renovation of any facility under the jurisdiction or for the use of the department; for oversight, engineering and architectural activities not charged to project costs; for repairing, altering, improving or providing facilities in the several hospitals and homes under the jurisdiction of the department, not otherwise provided for, either by contract or by the hire of temporary employees and purchase of materials; for leases of facilities; and for laundry and food services, $4,000,000,000, of which $150,000,000 shall be available until September 30, 2005.

MEDICAL AND PROSTHETIC RESEARCH

For necessary expenses in carrying out programs of medical and prosthetic research and development as authorized by chapter 73 of title 38, United States Code, to remain available until September 30, 2005, $408,000,000, plus reimbursements.

DEPARTMENTAL ADMINISTRATION

GENERAL OPERATING EXPENSES

For necessary operating expenses of the Department of Veterans Affairs, not otherwise provided for, including administrative expenses in support of department-wide capital planning, management and policy activities, uniforms or allowances therefor; not to exceed $25,000 for official reception and representation expenses; hire of passenger motor vehicles; and reimbursement of the General Services Administration for security guard services, and the Department of Defense for the cost of overseas employee mail, $1,283,272,000: Provided, That expenses for services and assistance authorized under 38 U.S.C. 3104(a)(1), (2), (5), and (11) that the Secretary determines are necessary to enable entitled veterans: (1) to the maximum extent feasible, to become employable and to obtain and maintain suitable employment; or (2) to achieve maximum independence in daily living, shall be charged to this account: Provided further, That the Veterans Benefits Administration shall be funded at not less than $1,005,000,000: Provided further, That of the funds made available under this heading, not to exceed $66,000,000 shall be available for obligation until September 30, 2005: Provided further, That from the funds made available under this heading, the Veterans Benefits Administration may purchase up to two passenger motor vehicles for use in operations of that Administration in Manila, Philippines.

NATIONAL CEMETERY ADMINISTRATION

For necessary expenses of the National Cemetery Administration for operations and maintenance, not otherwise provided for, including uniforms or allowances therefor; cemeterial expenses as authorized by law; purchase of one passenger motor vehicle for use in cemeterial operations; and hire of passenger motor vehicles, $144,203,000: Provided, That of the funds made available under this heading, not to exceed $7,200,000 shall be available until September 30, 2005.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $62,000,000, to remain available until September 30, 2005.

CONSTRUCTION, MAJOR PROJECTS

For constructing, altering, extending and improving any of the facilities including parking projects under the jurisdiction or for the use of the Department of Veterans Affairs, or for any of the purposes set forth in sections 316, 2404, 2406, 8102, 8103, 8106, 8108, 8109, 8110, and 8122 of title 38, United States Code, including planning, architectural and engineering services, maintenance or guarantee period services costs associated with equipment guarantees provided under the project, services of claims analysts, offsite utility and storm drainage system construction costs, and site acquisition, where the estimated cost of a project is more than the amount set forth in 38 U.S.C. 8104(a)(3)(A) or where funds for a project were made available in a previous major project appropriation, $272,690,000, to remain available until expended, of which $181,000,000 shall be for Capital Asset Realignment for Enhanced Services (CARES) activities; and of which $10,000,000 shall be to make reimbursements as provided in 41 U.S.C. 612 for claims paid for contract disputes: Provided, That except for advance planning activities, including needs assessments which may or may not lead to capital investments, and other capital asset management related activities, such as portfolio development and management activities, and investment strategy studies funded through the advance planning fund and the planning and design activities funded through the design fund and CARES funds, including needs assessments which may or may not lead to capital investments, none of the funds appropriated under this heading shall be used for any project which has not been approved by the Congress in the budgetary process: Provided further, That funds provided in this appropriation for fiscal year 2004, for each approved project (except those for CARES activities referenced above) shall be obligated: (1) by the awarding of a construction documents contract by September 30, 2004; and (2) by the awarding of a construction contract by September 30, 2005: Provided further, That the Secretary of Veterans Affairs shall promptly report in writing to the Committees on Appropriations any approved major construction project in which obligations are not incurred within the time limitations established above.

CONSTRUCTION, MINOR PROJECTS

For constructing, altering, extending, and improving any of the facilities including parking projects under the jurisdiction or for the use of the Department of Veterans Affairs, including planning and assessments of needs which may lead to capital investments, architectural and engineering services, maintenance or guarantee period services costs associated with equipment guarantees provided under the project, services of claims analysts, offsite utility and storm drainage system construction costs, and site acquisition, or for any of the purposes set forth in sections 316, 2404, 2406, 8102, 8103, 8106, 8108, 8109, 8110, 8122, and 8162 of title 38, United States Code, where the estimated cost of a project is equal to or less than the amount set forth in 38 U.S.C. 8104(a)(3)(A), $252,144,000, to remain available until expended, along with unobligated balances of previous "Construction, minor projects" appropriations which are hereby made available for any project where the estimated cost is equal to or less than the amount set forth in 38 U.S.C. 8104(a)(3)(A), of which $40,000,000 shall be for Capital Asset Realignment for Enhanced Services (CARES) activities: Provided, That from amounts appropriated under this heading, additional amounts may be used for CARES activities upon notification of and approval by the Committees on Appropriations: Provided further, That funds in this account shall be available for: (1) repairs to any of the nonmedical facilities under the jurisdiction or for the use of the department which are necessary because of loss or damage caused by any natural disaster or catastrophe; and (2) temporary measures necessary to prevent or to minimize further loss by such causes.

GRANTS FOR CONSTRUCTION OF STATE EXTENDED CARE FACILITIES

For grants to assist States to acquire or construct State nursing home and domiciliary facilities and to remodel, modify or alter existing hospital, nursing home and domiciliary facilities in State homes, for furnishing care to veterans as authorized by 38 U.S.C. 8131–8137, $102,100,000, to remain available until expended.

GRANTS FOR THE CONSTRUCTION OF STATE VETERANS CEMETERIES

For grants to aid States in establishing, expanding, or improving State veterans cemeteries as authorized by 38 U.S.C. 2408, $32,000,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS

(INCLUDING RESCISSION OF FUNDS)

SEC. 101. Any appropriation for fiscal year 2004 for "Compensation and pensions", "Readjustment benefits", and "Veterans insurance and indemnities" may be transferred to any other of the mentioned appropriations.

SEC. 102. Appropriations available to the Department of Veterans Affairs for fiscal year 2004 for salaries and expenses shall be available for services authorized by 5 U.S.C. 3109 hire of passenger motor vehicles; lease of a facility or land or both; and uniforms or allowances therefore, as authorized by 5 U.S.C. 5901–5902.

SEC. 103. No appropriations in this Act for the Department of Veterans Affairs (except the appropriations for "Construction, major projects", *"Construction, minor projects", and the "Parking revolving fund") shall be available for the purchase of any site for or toward the construction of any new hospital or home.*

SEC. 104. No appropriations in this Act for the Department of Veterans Affairs shall be available for hospitalization or examination of any persons (except beneficiaries entitled under the laws bestowing such benefits to veterans, and persons receiving such treatment under 5 U.S.C. 7901–7904 or 42 U.S.C. 5141–5204), unless reimbursement of cost is made to the "Medical services" account at such rates as may be fixed by the Secretary of Veterans Affairs.

SEC. 105. Appropriations available to the Department of Veterans Affairs for fiscal year 2004 for "Compensation and pensions", "Readjustment benefits", and "Veterans insurance and indemnities" shall be available for payment of prior year accrued obligations required to be recorded by law against the corresponding prior year accounts within the last quarter of fiscal year 2003.

SEC. 106. Appropriations accounts available to the Department of Veterans Affairs for fiscal year 2004 shall be available to pay prior year obligations of corresponding prior year appropriations accounts resulting from title X of the Competitive Equality Banking Act, Public Law 100–86, except that if such obligations are from trust fund accounts they shall be payable from "Compensation and pensions".

SEC. 107. Notwithstanding any other provision of law, during fiscal year 2004, the Secretary of Veterans Affairs shall, from the National Service Life Insurance Fund (38 U.S.C. 1920), the Veterans' Special Life Insurance Fund (38 U.S.C. 1923), and the United States Government Life Insurance Fund (38 U.S.C. 1955), reimburse the "General operating expenses" account for the cost of administration of the insurance programs financed through those accounts: Provided, That reimbursement shall be made only from the surplus earnings accumulated in an insurance program in fiscal year 2004 that are available for dividends in that program after claims have been paid and actuarially determined reserves have been set aside: Provided further, That if the cost of administration of an insurance program exceeds the amount of surplus earnings accumulated in that program, reimbursement shall be made only to the extent of such surplus earnings: Provided further, That the Secretary shall determine the cost of administration for fiscal year 2004 which is properly allocable to the provision of each insurance program and to the provision of any total disability income insurance included in such insurance program.

SEC. 108. Notwithstanding any other provision of law, the Department of Veterans Affairs shall continue the Franchise Fund pilot program authorized to be established by section 403 of Public Law 103–356 until October 1, 2004: Provided, That the Franchise Fund, established by title I of Public Law 104–204 to finance the operations of the Franchise Fund pilot program, shall continue until October 1, 2004.

SEC. 109. Amounts deducted from enhanced-use lease proceeds to reimburse an account for expenses incurred by that account during a prior fiscal year for providing enhanced-use lease services, may be obligated during the fiscal year in which the proceeds are received.

SEC. 110. Funds available in any Department of Veterans Affairs appropriation for fiscal year 2004 or funds for salaries and other administrative expenses shall also be available to reimburse the Office of Resolution Management and the Office of Employment Discrimination Complaint Adjudication for all services provided at rates which will recover actual costs but not exceed $29,318,000 for the Office of Resolution Management and $3,059,000 for the Office of Employment and Discrimination Complaint Adjudication: Provided, That payments may be made in advance for services to be furnished based on estimated costs: Provided further, That amounts received shall be credited to "General operating expenses" for use by the office that provided the service.

SEC. 111. No appropriations in this Act for the Department of Veterans Affairs shall be available to enter into any new lease of real property if the estimated annual rental is more than $300,000 unless the Secretary submits a report which the Committees on Appropriations of the Congress approve within 30 days following the date on which the report is received.

SEC. 112. No appropriations in this Act for the Department of Veterans Affairs shall be available for hospitalization or treatment of any person by reason of eligibility under section 1710(a)(3) of title 38, United States Code, unless that person has disclosed to the Secretary of Veterans Affairs, in such form as the Secretary may require—

(1) current, accurate third-party reimbursement information for purposes of section 1729 of such title; and

(2) annual income information for purposes of section 1722 of such title.

SEC. 113. Of the amounts provided in this Act, $25,000,000 shall be for information technology initiatives to support the enterprise architecture of the Department of Veterans Affairs.

SEC. 114. None of the funds in this Act may be used to implement sections 2 and 5 of Public Law 107–287.

SEC. 115. Receipts that would otherwise be credited to the Veterans Extended Care Revolving Fund, the Medical Facilities Revolving Fund, the Special Therapeutic and Rehabilitation Fund, the Nursing Home Revolving Fund, the Veterans Health Services Improvement Fund, and the Parking Revolving Fund shall be deposited into the Medical Care Collections Fund, and shall be transferred to "Medical services", to remain available until expended, to carry out the purposes of "Medical services".

SEC. 116. (a) The Secretary of Veterans Affairs shall conduct by contract a program of recovery audits for the fee basis and other medical services contracts with respect to payments for hospital care. Notwithstanding section 3302(b) of title 31, United States Code, amounts collected, by setoff or otherwise, as the result of such audits shall be available, without fiscal year limitation, for the purposes for which funds are appropriated under "Medical services" and the purposes of paying a contractor a percent of the amount collected as a result of an audit carried out by the contractor.

(b) All amounts so collected under subsection (a) with respect to a designated health care region (as that term is defined in section 1729A(d)(2) of title 38, United States Code) shall be allocated, net of payments to the contractor, to that region.

SEC. 117. Notwithstanding any other provision of law, at the discretion of the Secretary of Veterans Affairs, proceeds or revenues derived from enhanced-use leasing activities (including disposal) that are deposited into the Medical Care Collections Fund may be transferred and merged with "Construction, major projects" and "Construction, minor projects" accounts and be used for construction (including site acquisition and disposition), alterations and improvements of any medical facility under the jurisdiction or for the use of the Department of Veterans Affairs. Such sums as realized are in addition to the amount provided for in "Construction, major projects" and "Construction, minor projects".

SEC. 118. Amounts made available under "Medical services" are available—

(1) for furnishing recreational facilities, supplies, and equipment; and

(2) for funeral expenses, burial expenses, and other expenses incidental to funerals and burials for beneficiaries receiving care in the department.

SEC. 119. That such sums as may be deposited to the Medical Care Collections Fund pursuant to 38 U.S.C. 1729A may be transferred to "Medical services", to remain available until expended for the purposes of this account.

SEC. 120. Amounts made available for fiscal year 2004 under the "Medical services", "Medical administration", and "Medical facilities" accounts may be transferred between the accounts to the extent necessary to implement the restructuring of the Veterans Health Administration accounts after notice of the amount and purpose of the transfer is provided to the Committees on Appropriations of the Senate and House of Representatives and a period of 30 days has elapsed: Provided, That the limitation on transfers is 20 percent in fiscal year 2004.

SEC. 121. The Department of Veterans Affairs shall implement the Veterans Health Administration account structure described under this Act by no later than 90 days after the date of enactment of this Act and shall submit its fiscal year 2005 budget justifications using the identical structure provided under this Act.

SEC. 122. That of the unobligated balances remaining from prior year recoveries under the heading "Medical care", $270,000,000 are rescinded.

TITLE II—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

PUBLIC AND INDIAN HOUSING

HOUSING CERTIFICATE FUND

(INCLUDING TRANSFER AND RESCISSION OF FUNDS)

For activities and assistance under the United States Housing Act of 1937, as amended (42 U.S.C. 1437 et seq.) ("the Act" herein), not otherwise provided for, $19,371,481,762, and amounts that are recaptured in this account, to remain available until expended: Provided, That of the amounts made available under this heading, $15,171,481,762 and the aforementioned recaptures shall be available on October 1, 2003 and $4,200,000,000 shall be available on October 1, 2004: Provided further, That amounts made available under this heading are provided as follows:

(1) $17,635,130,745 for expiring or terminating section 8 project-based subsidy contracts (including section 8 moderate rehabilitation contracts), for amendments to section 8 project-based subsidy contracts, for contracts entered into pursuant to section 441 of the McKinney-Vento Homeless Assistance Act, for the renewal of section 8 contracts for units in projects that are subject to approved plans of action under the Emergency Low Income Housing Preservation Act of 1987 or the Low-Income Housing Preservation and Resident Homeownership Act of 1990, and for renewals of expiring section 8 tenant-based annual contributions contracts (including amendments and renewals of enhanced vouchers under any provision of law authorizing such assistance under section 8(t) of the Act (42 U.S.C. 1437f(t))): Provided, That notwithstanding any other provision of law, the Secretary shall renew expiring section 8 tenant-based annual contributions contracts for each public housing agency, (including for agencies participating in the Moving to Work demonstration, unit months representing section 8 tenant-based assistance funds committed by the public housing agency for specific purposes, other than reserves, that are authorized pursuant to any agreement and conditions entered into under such demonstration, and utilized in compliance with any applicable program obligation deadlines) based on the total number of unit months which were under lease as reported on the most recent end-of-year financial statement submitted

by the public housing agency to the Department, or as adjusted by such additional information submitted by the public housing agency to the Secretary as of August 1, 2003 (subject to verification), and by applying an inflation factor based on local or regional factors to the actual per unit cost: Provided further, That none of the funds made available in this paragraph may be used to support a total number of unit months under lease which exceeds a public housing agency's authorized level of units under contract;

(2) $136,846,017 for a central fund to be allocated by the Secretary for amendments to section 8 tenant-based annual contributions contracts for such purposes set forth in this paragraph: Provided, That subject to the following proviso, the Secretary may use amounts made available in such fund, as necessary, for an increase in the total number of unit months under lease as compared to the number of unit months under lease as of August 1, 2003, provided for by the annual contributions contract: Provided further, That if a public housing agency, at any point in time during their fiscal year, has obligated the amounts made available to such agency pursuant to paragraph (1) under this heading for the renewal of expiring section 8 tenant-based annual contributions contracts, and if such agency has expended fifty percent of the amounts available to such agency in its annual contributions contract reserve account, the Secretary may only make available amounts as are necessary from amounts available from such central fund to fund additional leased units under the preceding proviso within thirty days of a request from such agency: Provided further, That none of the funds made available in this paragraph may be used to support a total number of unit months under lease which exceeds a public housing agency's authorized level of units under contract: Provided further, That the Secretary shall provide quarterly reports to the Committees on Appropriations of the House and the Senate on the obligation of funds provided in this paragraph in accordance with the directions specified in the report accompanying this Act;

(3) $206,495,000 for section 8 rental assistance for relocation and replacement of housing units that are demolished or disposed of pursuant to the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (Public Law 104–134), conversion of section 23 projects to assistance under section 8, the family unification program under section 8(x) of the Act, relocation of witnesses in connection with efforts to combat crime in public and assisted housing pursuant to a request from a law enforcement or prosecution agency, enhanced vouchers under any provision of law authorizing such assistance under section 8(t) of the Act (42 U.S.C.1437f(t)), and tenant protection assistance, including replacement and relocation assistance;

(4) $48,000,000 for family self-sufficiency coordinators under section 23 of the Act;

(5) not to exceed $1,242,000,000 for administrative and other expenses of public housing agencies in administering the section 8 tenant-based rental assistance program, of which up to $50,000,000 shall be available to the Secretary to allocate to public housing agencies that need additional funds to administer their section 8 programs: Provided, That not to exceed $1,192,000,000 of the amount provided in this paragraph shall be allocated on a pro rata basis to public housing agencies based on the amount public housing agencies were eligible to receive in fiscal year 2003 without regard to the reduction required for excess administrative fee balances: Provided further, That, amounts under this paragraph shall be distributed according to the requirements of this paragraph and notwithstanding any other provision of law: Provided further, That none of the funds provided in this Act or any other Act may be used to supplement the amounts provided in this paragraph: Provided further, That all such administrative fee amounts provided under this paragraph shall be only for activities related to the provision of rental assistance under section 8, including related development activities;

(6) $100,000,000 for contract administrators for section 8 project-based assistance; and

(7) not less than $3,010,000 shall be transferred to the Working Capital Fund for the development of and modifications to information technology systems which serve programs or activities under "Public and Indian Housing": Provided, That the Secretary may transfer up to 15 percent of funds provided under paragraphs (1), (2) or (5), herein to paragraphs (1) or (2), if the Secretary determines that such action is necessary because the funding provided under one such paragraph otherwise would be depleted and as a result, the maximum utilization of section 8 tenant-based assistance with the funds appropriated for this purpose by this Act would not be feasible: Provided further, That prior to undertaking the transfer of funds in excess of 10 percent from any paragraph pursuant to the previous proviso, the Secretary shall notify the Chairman and Ranking Member of the Subcommittees on Veterans Affairs and Housing and Urban Development, and Independent Agencies of the Committees on Appropriations of the House of Representatives and the Senate and shall not transfer any such funds until 30 days after such notification: Provided further, That incremental vouchers previously made available under this heading for non-elderly disabled families shall, to the extent practicable, continue to be provided to non-elderly disabled families upon turnover: Provided further, That, hereafter, the Secretary shall require public housing agencies to submit accounting data for funds disbursed under this heading in this Act and prior Acts by source and purpose of such funds: Provided further, That $2,844,000,000 is rescinded from unobligated balances remaining from funds appropriated to the Department of Housing and Urban Development under this heading or the heading "Annual contributions for assisted housing" or any other heading for fiscal year 2003 and prior years, to be effected by the Secretary no later than September 30, 2004: Provided further, That any such balances governed by reallocation provisions under the statute authorizing the program for which the funds were originally appropriated shall be available for the rescission: Provided further, That any obligated balances of contract authority from fiscal year 1974 and prior that have been terminated shall be cancelled.

PUBLIC HOUSING CAPITAL FUND

(INCLUDING TRANSFER OF FUNDS)

For the Public Housing Capital Fund Program to carry out capital and management activities for public housing agencies, as authorized under section 9 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437g) (the "Act") $2,712,255,000, to remain available until September 30, 2007: Provided, That notwithstanding any other provision of law or regulation, during fiscal year 2004, the Secretary may not delegate to any Department official other than the Deputy Secretary and the Assistant Secretary for Public and Indian Housing any authority under paragraph (2) of section 9(j) regarding the extension of the time periods under such section: Provided further, That for purposes of such section 9(j), the term "obligate" means, with respect to amounts, that the amounts are subject to a binding agreement that will result in outlays, immediately or in the future: Provided further, That of the total amount provided under this heading, up to $50,000,000 shall be for carrying out activities under section 9(h) of such Act, of which $13,000,000 shall be for the provision of remediation services to public housing agencies identified as "troubled" under the Section 8 Management Assessment Program and for surveys used to calculate local Fair Market Rents and assess housing conditions in connection with rental assistance under section 8 of the Act: Provided further, That of the total amount provided under this heading, up to $500,000 shall be for lease adjustments to section 23 projects, and no less than $10,610,000 shall be transferred to the Working Capital Fund for the development of and modifications to information technology systems which serve programs or activities under "Public and Indian housing": Provided further, That no funds may be used under this heading for the purposes specified in section 9(k) of the United States Housing Act of 1937, as amended: Provided further, That of the total amount provided under this heading, up to $40,000,000 shall be available for the Secretary of Housing and Urban Development to make grants to public housing agencies for emergency capital needs resulting from emergencies and natural disasters in fiscal year 2004: Provided further, That of the total amount provided under this heading, $55,000,000 shall be for supportive services, service coordinators and congregate services as authorized by section 34 of the Act and the Native American Housing Assistance and Self-Determination Act of 1996: Provided further, That of the total amount provided under this heading, $15,000,000 shall be for Neighborhood Networks grants for activities authorized in section 9(d)(1)(E) of the United States Housing Act of 1937, as amended: Provided further, That notwithstanding any other provision of law, amounts made available in the previous proviso shall be awarded to public housing agencies on a competitive basis.

The first proviso under this heading in the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2003, is amended by striking "1998, 1999".

PUBLIC HOUSING OPERATING FUND

For 2004 payments to public housing agencies for the operation and management of public housing, as authorized by section 9(e) of the United States Housing Act of 1937, as amended (42 U.S.C. 1437g(e)), $3,600,000,000: Provided, That of the total amount provided under this heading, $10,000,000 shall be for programs, as determined appropriate by the Attorney General, which assist in the investigation, prosecution, and prevention of violent crimes and drug offenses in public and federally-assisted low-income housing, including Indian housing, which shall be administered by the Department of Justice through a reimbursable agreement with the Department of Housing and Urban Development: Provided further, That, in fiscal year 2004 and all fiscal years hereafter, no amounts under this heading in any appropriations Act may be used for payments to public housing agencies for the costs of operation and management of public housing for any year prior to the current year of such Act: Provided further, That no funds may be used under this heading for the purposes specified in section 9(k) of the United States Housing Act of 1937, as amended.

REVITALIZATION OF SEVERELY DISTRESSED PUBLIC HOUSING (HOPE VI)

For grants to public housing agencies for demolition, site revitalization, replacement housing, and tenant-based assistance grants to projects as authorized by section 24 of the United States Housing Act of 1937, as amended, $150,000,000, to remain available until September 30, 2005, of which the Secretary may use up to $4,000,000 for technical assistance and contract expertise, to be provided directly or indirectly by grants, contracts or cooperative agreements, including *training and cost of necessary travel for participants in such training, by or to officials and employees of the department and of public housing agencies and to residents: Provided, That none of such funds shall be used directly or indirectly by granting competitive advantage in awards to settle litigation or pay judgments, unless expressly permitted herein.*

NATIVE AMERICAN HOUSING BLOCK GRANTS

(INCLUDING TRANSFERS OF FUNDS)

For the Native American Housing Block Grants program, as authorized under title I of the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA) (25 U.S.C. 4111 et seq.), $654,100,000, to remain available until expended, of which $2,200,000 shall be contracted through the Secretary as technical assistance and capacity building to be used by the National American Indian Housing Council in support of the implementation of NAHASDA; of which $4,500,000 shall be to support the inspection of Indian housing units, contract expertise, training, and technical assistance in the training, oversight, and management of Indian housing and tenant-based assistance, including up to $300,000 for related travel; and of which no less than $2,720,000 shall be transferred to the Working Capital Fund for development of and modifications to information technology systems which serve programs or activities under "Public and Indian housing": Provided, That of the amount provided under this heading, $2,000,000 shall be made available for the cost of guaranteed notes and other obligations, as authorized by title VI of NAHASDA: Provided further, That such costs, including the costs of modifying such notes and other obligations, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That these funds are available to subsidize the total principal amount of any notes and other obligations, any part of which is to be guaranteed, not to exceed $16,658,000: Provided further, That for administrative expenses to carry out the guaranteed loan program, up to $150,000 from amounts in the first proviso, which shall be transferred to and merged with the appropriation for "Salaries and expenses", to be used only for the administrative costs of these guarantees.

INDIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of guaranteed loans, as authorized by section 184 of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-13a), $5,300,000, to remain available until expended: Provided, That such costs, including the costs of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $197,243,000.

In addition, for administrative expenses to carry out the guaranteed loan program, up to $250,000 from amounts in the first paragraph, which shall be transferred to and merged with the appropriation for "Salaries and expenses", to be used only for the administrative costs of these guarantees.

NATIVE HAWAIIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of guaranteed loans, as authorized by section 184A of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-13b), $1,035,000, to remain available until expended: Provided, That such costs, including the costs of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $39,712,000.

In addition, for administrative expenses to carry out the guaranteed loan program, up to $35,000 from amounts in the first paragraph, which shall be transferred to and merged with the appropriation for "Salaries and expenses", to be used only for the administrative costs of these guarantees.

COMMUNITY PLANNING AND DEVELOPMENT

HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS

For carrying out the Housing Opportunities for Persons with AIDS program, as authorized by the AIDS Housing Opportunity Act (42 U.S.C. 12901 et seq.), $296,500,000, to remain available until September 30, 2005: Provided, That the Secretary shall renew all expiring contracts for permanent supportive housing that were funded under section 854(c)(3) of such Act that meet all program requirements before awarding funds for new contracts and activities authorized under this section: Provided further, That the Secretary may use up to $2,500,000 of the funds under this heading for training, oversight, and technical assistance activities.

RURAL HOUSING AND ECONOMIC DEVELOPMENT

For the Office of Rural Housing and Economic Development in the Department of Housing and Urban Development, $25,000,000 to remain available until expended, which amount shall be competitively awarded by June 1, 2004, to Indian tribes, State housing finance agencies, State community and/or economic development agencies, local rural nonprofits and community development corporations to support innovative housing and economic development activities in rural areas.

EMPOWERMENT ZONES/ENTERPRISE COMMUNITIES

For grants in connection with a second round of empowerment zones and enterprise communities, $15,000,000, to remain available until September 30, 2005, for "Urban Empowerment Zones", as authorized in section 1391(g) of the Internal Revenue Code of 1986 (26 U.S.C. 1391(g)), including $1,000,000 for each empowerment zone for use in conjunction with economic development activities consistent with the strategic plan of each empowerment zone.

COMMUNITY DEVELOPMENT FUND

(INCLUDING TRANSFERS OF FUNDS)

For assistance to units of State and local government, and to other entities, for economic and community development activities, and for other purposes, $4,950,000,000, to remain available until September 30, 2006: Provided, That of the amount provided, $4,356,550,000 is for carrying out the community development block grant program under title I of the Housing and Community Development Act of 1974, as amended (the "Act" herein) (42 U.S.C. 5301 et seq.): Provided further, That unless explicitly provided for under this heading (except for planning grants provided in the third paragraph and amounts made available in the second paragraph), not to exceed 20 percent of any grant made with funds appropriated under this heading (other than a grant made available in this paragraph to the Housing Assistance Council or the National American Indian Housing Council, or a grant using funds under section 107(b)(3) of the Act) shall be expended for planning and management development and administration: Provided further, That $72,000,000 shall be for grants to Indian tribes notwithstanding section 106(a)(1) of such Act; $3,300,000 shall be for a grant to the Housing Assistance Council; $2,500,000 shall be for a grant to the National American Indian Housing Council; $5,000,000 shall be available as a grant to the National Housing Development Corporation, for operating expenses not to exceed $2,000,000 and for a program of affordable housing acquisition and rehabilitation; $5,000,000 shall be available as a grant to the National Council of La Raza for the HOPE Fund, of which $500,000 is for technical assistance and fund management, and $4,500,000 is for investments in the HOPE Fund and financing to affiliated organizations; $52,000,000 shall be for grants pursuant to section 107 of the Act, of which $9,500,000 shall be for the Native Hawaiian block grant authorized under title VIII of the Native American Housing Assistance and Self-Determination Act of 1996; no less than $4,900,000 shall be transferred to the Working Capital Fund for the development of and modification to information technology systems which serve programs or activities under "Community planning and development"; $27,000,000 shall be for grants pursuant to the Self Help Homeownership Opportunity Program; $34,750,000 shall be for capacity building, of which $30,000,000 shall be for Capacity Building for Community Development and Affordable Housing for LISC and the Enterprise Foundation for activities as authorized by section 4 of the HUD Demonstration Act of 1993 (42 U.S.C. 9816 note), as in effect immediately before June 12, 1997, with not less than $5,000,000 of the funding to be used in rural areas, including tribal areas, and of which $4,750,000 shall be for capacity building activities administered by Habitat for Humanity International; $65,000,000 shall be available for YouthBuild program activities authorized by subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act, as amended, and such activities shall be an eligible activity with respect to any funds made available under this heading: Provided, That local YouthBuild programs that demonstrate an ability to leverage private and nonprofit funding shall be given a priority for YouthBuild funding: Provided further, That no more than 10 percent of any grant award under the YouthBuild program may be used for administrative costs: Provided further, That of the amount made available for YouthBuild not less than $10,000,000 is for grants to establish YouthBuild programs in underserved and rural areas and $2,000,000 is to be made available for a grant to YouthBuild USA for capacity building for community development and affordable housing activities as specified in section 4 of the HUD Demonstration Act of 1993, as amended.

Of the amount made available under this heading, $44,000,000 shall be available for neighborhood initiatives that are utilized to improve the conditions of distressed and blighted areas and neighborhoods, to stimulate investment, economic diversification, and community revitalization in areas with population outmigration or a stagnating or declining economic base, or to determine whether housing benefits can be integrated more effectively with welfare reform initiatives: Provided, That amounts made available under this paragraph shall be provided in accordance with the terms and conditions specified in the joint explanatory statement of the managers accompanying this Act.

Of the amount made available under this heading, $278,000,000 shall be available for grants for the Economic Development Initiative (EDI) to finance a variety of targeted economic investments in accordance with the terms and conditions specified in the joint explanatory statement of the managers accompanying this Act: Provided, That none of the funds provided under this paragraph may be used for program operations.

The referenced statement of the managers under this heading in Public Law 107–73 is deemed to be amended with respect to the amount made available to the North Carolina Community Land Trust Initiative by striking "North Carolina Community Land Trust Initiative" and inserting "Orange Community Housing and Land Trust".

The referenced statement of the managers under this heading in Public Law 107–73 is deemed to be amended with respect to the amount made available to the Willacy County Boys and Girls Club in Willacy County, Texas by striking "Willacy County Boys and Girls Club in Willacy County, Texas" and inserting "Willacy County, Texas".

The referenced statement of the managers under this heading in title II of division K of the Consolidated Appropriations Resolution, 2003 (Public Law 108–7; H. Rept. 108–10) is deemed to be amended with respect to item number 17 by striking "for sidewalks, curbs, street lighting, outdoor furniture and façade improvements in the Mill Village neighborhood" and inserting "for the restoration and renovation of houses within the Lincoln or Dallas mill villages".

The referenced statement of the managers under this heading in Public Law 107–73 is deemed to be amended with respect to the amount made available to the Metropolitan Development Association in Syracuse, New York by inserting "and other economic development planning and revitalization activities" after the word "study".

The referenced statement of the managers under this heading in Public Law 107–73 is deemed to be amended with respect to the amount made available to the Staten Island Freedom Memorial Fund by striking "Staten Island Freedom Memorial Fund for the construction of a memorial in the Staten Island community of St. George, New York" and inserting "Staten Island Botanical Garden for construction and related activities for a healing garden".

The referenced statement of the managers under this heading in title II of division K of the Consolidated Appropriations Resolution, 2003 (Public Law 108–7; H. Rept. 108–10) is deemed to be amended with respect to item number 526 by striking "for an economic development study for the revitalization of Westchester" and inserting "for the reconstruction of renaissance plaza at Main and Mamaroneck in downtown White Plains".

The referenced statement of the managers under this heading in title II of division K of the Consolidated Appropriations Resolution, 2003 (Public Law 108–7; H. Rept. 108–10) is deemed to be amended with respect to item number 877 by striking "West Virginia High Technology Consortium Foundation, Inc. in Marion County, West Virginia for facilities construction for a high-tech park" and inserting "Glenville State College in Glenville, West Virginia for construction of a new campus community education center".

The referenced statement of the managers under this heading in title II of division K of the Consolidated Appropriations Resolution, 2003 (Public Law 108–7; H. Rept. 108–10) is deemed to be amended with respect to item number 126 by striking "for construction of" and inserting "for facilities improvements and build out for".

The referenced statement of the managers under this heading in title II of division K of the Consolidated Appropriations Resolution, 2003 (Public Law 108–7; H. Rept. 108–10) is deemed to be amended with respect to item number 721 by striking "training" and inserting "creation, small business development and quality of life improvements within the State of South Carolina".

The referenced statement of the managers under this heading in title II of division K of the Consolidated Appropriations Resolution, 2003 (Public Law 108–7; H. Rept. 108–10) is deemed to be amended with respect to item number 317 by striking "135,000" and inserting "151,000".

The referenced statement of the managers under this heading in title II of division K of the Consolidated Appropriations Resolution, 2003 (Public Law 108–7; H. Rept. 108–10) is deemed to be amended with respect to item number 324 by striking "225,000" and inserting "209,000".

The referenced statement of the managers under this heading in title II of division K of the Consolidated Appropriations Resolution, 2003 (Public Law 108–7; H. Rept. 108–10) is deemed to be amended with respect to item number 74 by striking "renovation" and inserting "design and construction".

The referenced statement of the managers under this heading in title II of division K of the Consolidated Appropriations Resolution, 2003 (Public Law 108–7; H. Rept. 108–10) is deemed to be amended with respect to item number 718 by striking "construction" and inserting "renovation".

The referenced statement of the managers under this heading in title II of division K of the Consolidated Appropriations Resolution, 2003 (Public Law 108–7; H. Rept. 108–10) is deemed to be amended with respect to item number 785 by striking "to the Town of Altavista, Virginia to assist with renovations of the shell building industrial site" and inserting "to the County of Campbell, Virginia for development of the Winston Tract Commercial Center industrial site".

The referenced statement of the managers under this heading in title II of division K of the Consolidated Appropriations Resolution, 2003 (Public Law 108–7; H. Rept. 108–10) is deemed to be amended with respect to item number 253 by striking "to the Salvation Army/Boys and Girls Club-Northfolk community center" and inserting "to the Salvation Army Boys and Girls Club in Louisville, Kentucky for the renovation of the Newburg community center".

The referenced statement of the managers under this heading in title II of division K of the Consolidated Appropriations Resolution, 2003 (Public Law 108–7; H. Rept. 108–10) is deemed to be amended with respect to item number 288 by striking "for building renovations" and inserting "for signage, street furniture, sidewalks and streetscape improvements".

The referenced statement of the managers under this heading in title II of division K of the Consolidated Appropriations Resolution, 2003 (Public Law 108–7; H. Rept. 108–10) is deemed to be amended with respect to item number 217 by striking "$135,000 to the Village of Olympia Fields, Illinois for construction of a hall, public library and upgraded commuter station" and inserting "$135,000 to the Village of Olympia Fields, Illinois, for sidewalks, street lighting, neighborhood redevelopment improvements, and building renovations".

The referenced statement of the managers under this heading in title II of division K of the Consolidated Appropriations Resolution, 2003 (Public Law 108–7; H. Rept. 108–10) is deemed to be amended with respect to item number 809 by striking "$90,000 to the Department of Vermont Veterans of Foreign Wars for the construction of the Green Block Veterans Memorial in Brandon, Vermont and the Windsor, Vermont War Memorial" and inserting "$90,000 to the Department of Buildings and General Services of the State of Vermont for the construction of the Brandon, Vermont Veterans Memorial and the Windsor, Vermont War Memorial".

The referenced statement of the managers under this heading in title II of division K of the Consolidated Appropriations Resolution, 2003 (Public Law 108–7; H. Rept. 108–10) is deemed to be amended with respect to item number 244 by striking "$900,000 to Purdue University in West Lafayette, Indiana for facilities construction for the Northwest Indiana Purdue Technology Center" and inserting "$900,000 to Purdue Research Foundation in West Lafayette, Indiana for facilities buildout for the Northwest Indiana Purdue Technology Center".

The referenced statement of the managers under this heading in Public Law 107–73 is deemed to be amended with respect to the amount made available to Connecticut Hospice, Inc. of Branford, Connecticut by striking "for construction of a new facility" and inserting "for facilities renovation and equipment upgrades".

The referenced statement of the managers under this heading in Public Law 107–73 is deemed to be amended with respect to a grant made available to the United Way community services facility in Anchorage, Alaska by striking "the United Way community services facility in Anchorage, Alaska to complete construction of asocial service facility to serve low-income people;" and inserting in lieu thereof "the Cook Inlet Tribal Council, Inc. in Anchorage, Alaska as a federal contribution for construction of asocial service facility to serve low income people;".

The referenced statement of the managers under this heading in title II of division K of the Consolidated Appropriations Resolution, 2003 (Public Law 108–7; H. Rept. 108–10) is deemed to be amended with respect to item number 137 by striking "Wilmington Housing Authority" and inserting "City of Wilmington".

URBAN DEVELOPMENT ACTION GRANTS

From balances of the Urban Development Action Grant Program, as authorized by title I of the Housing and Community Development Act of 1974, as amended, $30,000,000 are cancelled.

COMMUNITY DEVELOPMENT LOAN GUARANTEES PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of guaranteed loans, $6,325,000, to remain available until September 30, 2005, as authorized by section 108 of the Housing and Community Development Act of 1974, as amended: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $275,000,000, notwithstanding any aggregate limitation on outstanding obligations guaranteed in section 108(k) of the Housing and Community Development Act of 1974, as amended.

In addition, for administrative expenses to carry out the guaranteed loan program, $1,000,000 which shall be transferred to and merged with the appropriation for "Salaries and expenses".

BROWNFIELDS REDEVELOPMENT

For competitive economic development grants, as authorized by section 108(q) of the Housing and Community Development Act of 1974, as amended, for Brownfields redevelopment projects, $25,000,000, to remain available until September 30, 2005.

HOME INVESTMENT PARTNERSHIPS PROGRAM

(INCLUDING TRANSFER OF FUNDS)

For the HOME investment partnerships program, as authorized under title II of the Cranston-Gonzalez National Affordable Housing Act, as amended, $1,930,000,000, to remain available until September 30, 2006: Provided, That of the total amount provided in this paragraph, up to $40,000,000 shall be available for housing counseling under section 106 of the Housing and Urban Development Act of 1968 and no less than $2,100,000 shall be transferred to the Working Capital Fund for the development of and modifications to information technology systems which serve programs or activities under "Community planning and development".

In addition to amounts otherwise made available under this heading, $87,500,000, to remain available until September 30, 2006, for assistance to homebuyers as authorized under title II of the Cranston-Gonzalez National Affordable Housing Act, as amended: Provided, That the Secretary shall provide such assistance in accordance with a formula to be established by the

Secretary that considers, among other things, a participating jurisdiction's need for, and prior commitment to, assistance to homebuyers: Provided further, That should legislation be enacted prior to April 15, 2004, to authorize a new down-payment assistance program under the HOME Investment Partnership Act, the amounts provided under this paragraph shall be distributed for downpayment assistance in accordance with the terms and conditions set forth in such Act.

HOMELESS ASSISTANCE GRANTS

(INCLUDING TRANSFER OF FUNDS)

For the emergency shelter grants program as authorized under subtitle B of title IV of the McKinney-Vento Homeless Assistance Act, as amended; the supportive housing program as authorized under subtitle C of title IV of such Act; the section 8 moderate rehabilitation single room occupancy program as authorized under the United States Housing Act of 1937, as amended, to assist homeless individuals pursuant to section 441 of the McKinney-Vento Homeless Assistance Act; and the shelter plus care program as authorized under subtitle F of title IV of such Act, $1,267,000,000, of which $1,247,000,000 to remain available until September 30, 2006, and of which $20,000,000 to remain available until expended: Provided, That not less than 30 percent of funds made available, excluding amounts provided for renewals under the shelter plus care program, shall be used for permanent housing: Provided further, That all funds awarded for services shall be matched by 25 percent in funding by each grantee: Provided further, That the Secretary shall renew on an annual basis expiring contracts or amendments to contracts funded under the shelter plus care program if the program is determined to be needed under the applicable continuum of care and meets appropriate program requirements and financial standards, as determined by the Secretary: Provided further, That all awards of assistance under this heading shall be required to coordinate and integrate homeless programs with other mainstream health, social services, and employment programs for which homeless populations may be eligible, including Medicaid, State Children's Health Insurance Program, Temporary Assistance for Needy Families, Food Stamps, and services funding through the Mental Health and Substance Abuse Block Grant, Workforce Investment Act, and the Welfare-to-Work grant program: Provided further, That $12,000,000 of the funds appropriated under this heading shall be available for the national homeless data analysis project and technical assistance: Provided further, That no less than $2,580,000 of the funds appropriated under this heading shall be transferred to the Working Capital Fund for the development of and modifications to information technology systems which serve programs or activities under "Community planning and development".

HOUSING PROGRAMS

HOUSING FOR THE ELDERLY

(INCLUDING TRANSFER OF FUNDS)

For capital advances, including amendments to capital advance contracts, for housing for the elderly, as authorized by section 202 of the Housing Act of 1959, as amended, and for project rental assistance for the elderly under section 202(c)(2) of such Act, including amendments to contracts for such assistance and renewal of expiring contracts for such assistance for up to a 1-year term, and for supportive services associated with the housing, $778,320,000, plus recaptures and cancelled commitments, to remain available until September 30, 2006, of which amount $30,000,000 shall be for service coordinators and the continuation of existing congregate service grants for residents of assisted housing projects, and of which amount up to $25,000,000 shall be for grants under section 202b of the Housing Act of 1959 (12 U.S.C. 1701q–2) for conversion of eligible projects under such section to assisted living or related use and for emergency capital repairs as determined by the Secretary: Provided, That of the amount made available under this heading, $20,000,000 shall be available to the Secretary of Housing and Urban Development only for making competitive grants to private nonprofit organizations and consumer cooperatives for covering costs of architectural and engineering work, site control, and other planning relating to the development of supportive housing for the elderly that is eligible for assistance under section 202 of the Housing Act of 1959 (12 U.S.C. 1701q): Provided further, That no less than $470,000 shall be transferred to the Working Capital Fund for the development of and modifications to information technology systems which serve programs or activities under "Housing programs" or "Federal Housing Administration": Provided further, That the Secretary may waive the provisions of section 202 governing the terms and conditions of project rental assistance, except that the initial contract term for such assistance shall not exceed 5 years in duration: Provided further, That all balances outstanding, as of September 30, 2003, for capital advances, including amendments to capital advances, for housing for the elderly, as authorized by section 202, for project rental assistance for housing for the elderly, as authorized under section 202(c)(2) of such Act, including amendments to contracts shall be transferred to and merged with the amounts for those purposes under this heading.

HOUSING FOR PERSONS WITH DISABILITIES

(INCLUDING TRANSFER OF FUNDS)

For capital advance contracts, including amendments to capital advance contracts, for supportive housing for persons with disabilities, as authorized by section 811 of the Cranston-Gonzalez National Affordable Housing Act, for project rental assistance for supportive housing for persons with disabilities under section 811(d)(2) of such Act, including amendments to contracts for such assistance and renewal of expiring contracts for such assistance for up to a 1-year term, and for supportive services associated with the housing for persons with disabilities as authorized by section 811(b)(1) of such Act, and for tenant-based rental assistance contracts entered into pursuant to section 811 of such Act, $250,570,000, plus recaptures and cancelled commitments to remain available until September 30, 2006: Provided, That no less than $470,000 shall be transferred to the Working Capital Fund for the development of and modifications to information technology systems which serve programs or activities under "Housing programs" or "Federal Housing Administration": Provided further, That of the amount provided under this heading, other than amounts for renewal of expiring project-based or tenant-based rental assistance contracts, the Secretary may designate up to 25 percent for tenant-based rental assistance, as authorized by section 811 of such Act, (which assistance is five years in duration): Provided further, That the Secretary may waive the provisions of section 811 governing the terms and conditions of project rental assistance and tenant-based assistance, except that the initial contract term for such assistance shall not exceed five years in duration: Provided further, That all balances outstanding, as of September 30, 2003, for capital advances, including amendments to capital advances, for supportive housing for persons with disabilities, as authorized by section 811, for project rental assistance for supportive housing for persons with disabilities, as authorized under section 811(d)(2), including amendments to contracts for such assistance and renewal of expiring contracts for such assistance, and for supportive services associated with the housing for persons with disabilities as authorized by section 811(b)(1), shall be transferred to and merged with the amounts for these purposes under this heading.

FLEXIBLE SUBSIDY FUND

(TRANSFER OF FUNDS)

From the Rental Housing Assistance Fund, all uncommitted balances of excess rental charges as of September 30, 2003, and any collections made during fiscal year 2004, shall be transferred to the Flexible Subsidy Fund, as authorized by section 236(g) of the National Housing Act, as amended.

RENTAL HOUSING ASSISTANCE

(RESCISSION)

Up to $303,000,000 of recaptured section 236 budget authority resulting from prepayment of mortgages subsidized under section 236 of the National Housing Act (12 U.S.C. 1715z–1) shall be rescinded in fiscal year 2004: Provided, That the limitation otherwise applicable to the maximum payments that may be required in any fiscal year by all contracts entered into under section 236 is reduced in fiscal year 2004 by not more than $303,000,000 in uncommitted balances of authorizations of contract authority provided for this purpose in prior appropriations Acts.

MANUFACTURED HOUSING FEES TRUST FUND

For necessary expenses as authorized by the National Manufactured Housing Construction and Safety Standards Act of 1974, as amended (42 U.S.C. 5401 et seq.), up to $13,000,000 to remain available until expended, to be derived from the Manufactured Housing Fees Trust Fund: Provided, That not to exceed the total amount appropriated under this heading shall be available from the general fund of the Treasury to the extent necessary to incur obligations and make expenditures pending the receipt of collections to the Fund pursuant to section 620 of such Act: Provided further, That the amount made available under this heading from the general fund shall be reduced as such collections are received during fiscal year 2004 so as to result in a final fiscal year 2004 appropriation from the general fund estimated at not more than $0 and fees pursuant to such section 620 shall be modified as necessary to ensure such a final fiscal year 2004 appropriation.

FEDERAL HOUSING ADMINISTRATION

MUTUAL MORTGAGE INSURANCE PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

During fiscal year 2004, commitments to guarantee loans to carry out the purposes of section 203(b) of the National Housing Act, as amended, shall not exceed a loan principal of $185,000,000,000.

During fiscal year 2004, obligations to make direct loans to carry out the purposes of section 204(g) of the National Housing Act, as amended, shall not exceed $50,000,000: Provided, That the foregoing amount shall be for loans to nonprofit and governmental entities in connection with sales of single family real properties owned by the Secretary and formerly insured under the Mutual Mortgage Insurance Fund.

For administrative expenses necessary to carry out the guaranteed and direct loan program, $359,000,000, of which not to exceed $355,000,000 shall be transferred to the appropriation for "Salaries and expenses"; and not to exceed $4,000,000 shall be transferred to the appropriation for "Office of Inspector General". In addition, for administrative contract expenses, $85,000,000, of which no less than $20,744,000 shall be transferred to the Working Capital Fund for the development of and modifications to information technology systems which serve programs or activities under "Housing programs" or "Federal Housing Administration": Provided, That to the extent guaranteed *loan commitments exceed $65,500,000,000 on or before April 1, 2004, an additional $1,400 for administrative contract expenses shall be available for each $1,000,000 in additional guaranteed loan commitments (including a pro rata amount for any amount below $1,000,000), but in no case shall funds made available by this proviso exceed $30,000,000.*

GENERAL AND SPECIAL RISK PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For the cost of guaranteed loans, as authorized by sections 238 and 519 of the National Housing Act (12 U.S.C. 1715z–3 and 1735c), including the cost of loan guarantee modifications, as that term is defined in section 502 of the Congressional Budget Act of 1974, as amended, $15,000,000, to remain available until expended: Provided, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, of up to $25,000,000,000.

Gross obligations for the principal amount of direct loans, as authorized by sections 204(g), 207(l), 238, and 519(a) of the National Housing Act, shall not exceed $50,000,000, of which not to exceed $30,000,000 shall be for bridge financing in connection with the sale of multifamily real properties owned by the Secretary and formerly insured under such Act; and of which not to exceed $20,000,000 shall be for loans to nonprofit and governmental entities in connection with the sale of single-family real properties owned by the Secretary and formerly insured under such Act.

In addition, for administrative expenses necessary to carry out the guaranteed and direct loan programs, $229,000,000, of which $209,000,000 shall be transferred to the appropriation for "Salaries and expenses"; and of which $20,000,000 shall be transferred to the appropriation for "Office of Inspector General".

In addition, for administrative contract expenses necessary to carry out the guaranteed and direct loan programs, $93,780,000, of which no less than $16,946,000 shall be transferred to the Working Capital Fund for the development of and modifications to information technology systems which serve programs or activities under "Housing programs" or "Federal Housing Administration": Provided, That to the extent guaranteed loan commitments exceed $8,426,000,000 on or before April 1, 2004, an additional $1,980 for administrative contract expenses shall be available for each $1,000,000 in additional guaranteed loan commitments over $8,426,000,000 (including a pro rata amount for any increment below $1,000,000), but in no case shall funds made available by this proviso exceed $14,400,000.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

GUARANTEES OF MORTGAGE-BACKED SECURITIES LOAN GUARANTEE PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

New commitments to issue guarantees to carry out the purposes of section 306 of the National Housing Act, as amended (12 U.S.C. 1721(g)), shall not exceed $200,000,000,000, to remain available until September 30, 2005.

For administrative expenses necessary to carry out the guaranteed mortgage-backed securities program, $10,695,000, to be derived from the GNMA guarantees of mortgage-backed securities guaranteed loan receipt account, of which not to exceed $10,695,000, shall be transferred to the appropriation for "Salaries and expenses".

POLICY DEVELOPMENT AND RESEARCH

RESEARCH AND TECHNOLOGY

For contracts, grants, and necessary expenses of programs of research and studies relating to housing and urban problems, not otherwise provided for, as authorized by title V of the Housing and Urban Development Act of 1970, as amended (12 U.S.C. 1701z–1 et seq.), including carrying out the functions of the Secretary under section 1(a)(1)(i) of Reorganization Plan No. 2 of 1968, $47,000,000, to remain available until September 30, 2005: Provided, That of the total amount provided under this heading, $7,500,000 shall be for the Partnership for Advancing Technology in Housing (PATH) Initiative.

FAIR HOUSING AND EQUAL OPPORTUNITY

FAIR HOUSING ACTIVITIES

For contracts, grants, and other assistance, not otherwise provided for, as authorized by title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988, and section 561 of the Housing and Community Development Act of 1987, as amended, $48,000,000, to remain available until September 30, 2005, of which $20,250,000 shall be to carry out activities pursuant to such section 561: Provided, That no funds made available under this heading shall be used to lobby the executive or legislative branches of the Federal Government in connection with a specific contract, grant or loan.

OFFICE OF LEAD HAZARD CONTROL

LEAD HAZARD REDUCTION

For the Lead Hazard Reduction Program, as authorized by section 1011 of the Residential Lead-Based Paint Hazard Reduction Act of 1992, $175,000,000, to remain available until September 30, 2005, of which $10,000,000 shall be for the Healthy Homes Initiative, pursuant to sections 501 and 502 of the Housing and Urban Development Act of 1970 that shall include research, studies, testing, and demonstration efforts, including education and outreach concerning lead-based paint poisoning and other housing-related diseases and hazards: Provided, That of the total amount made available under this heading, $50,000,000 shall be made available on a competitive basis for areas with the highest lead paint abatement needs, as identified by the Secretary as having: (1) the highest number of occupied pre-1940 units of rental housing; and (2) a disproportionately high number of documented cases of lead-poisoned children: Provided further, That each grantee receiving funds under the previous proviso shall target those privately owned units and multifamily buildings that are occupied by low-income families as defined under section 3(b)(2) of the United States Housing Act of 1937: Provided further, That not less than 90 percent of the funds made available under this paragraph shall be used exclusively for abatement, inspections, risk assessments, temporary relocations and interim control of lead-based hazards as defined by 42 U.S.C. 4851: Provided further, That each recipient of funds provided under the first proviso shall make a matching contribution in an amount not less than 25 percent: Provided further, That each applicant shall submit a detailed plan and strategy that demonstrates adequate capacity that is acceptable to the Secretary to carry out the proposed use of funds pursuant to a Notice of Funding Availability.

MANAGEMENT AND ADMINISTRATION

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary administrative and non-administrative expenses of the Department of Housing and Urban Development, not otherwise provided for, including purchase of uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901–5902; hire of passenger motor vehicles; services as authorized by 5 U.S.C. 3109; and not to exceed $25,000 for official reception and representation expenses, $1,123,130,000, of which $564,000,000 shall be provided from the various funds of the Federal Housing Administration, $10,695,000 shall be provided from funds of the Government National Mortgage Association, $1,000,000 shall be provided from the "Community development loan guarantees program" account, $150,000 shall be provided by transfer from the "Native American housing block grants" account, $250,000 shall be provided by transfer from the "Indian housing loan guarantee fund program" account and $35,000 shall be transferred from the "Native Hawaiian housing loan guarantee fund" account: Provided, That funds made available under this heading shall only be allocated in the manner specified in the report accompanying this Act unless the Committees on Appropriations of both the House of Representatives and the Senate are notified of any changes in an operating plan or reprogramming: Provided further, That no official or employee of the Department shall be designated as an allotment holder unless the Office of the Chief Financial Officer (OCFO) has determined that such allotment holder has implemented an adequate system of funds control and has received training in funds control procedures and directives: Provided further, That the Chief Financial Officer shall establish positive control of and maintain adequate systems of accounting for appropriations and other available funds as required by 31 U.S.C. 1514: Provided further, That for purposes of funds control and determining whether a violation exists under the Anti-Deficiency Act (31 U.S.C. 1341 et seq.), the point of obligation shall be the executed agreement or contract, except with respect to insurance and guarantee programs, certain types of salaries and expenses funding, and incremental funding that is authorized under an executed agreement or contract, and shall be designated in the approved funds control plan: Provided further, That the Chief Financial Officer shall: (a) appoint qualified personnel to conduct investigations of potential or actual violations; (b) establish minimum training requirements and other qualifications for personnel that may be appointed to conduct investigations; (c) establish guidelines and timeframes for the conduct and completion of investigations; (d) prescribe the content, format and other requirements for the submission of final reports on violations; and (e) prescribe such additional policies and procedures as may be required for conducting investigations of, and administering, processing, and reporting on, potential and actual violations of the Anti-Deficiency Act and all other statutes and regulations governing the obligation and expenditure of funds made available in this or any other Act: Provided further, That the Secretary shall fill 7 out of 10 vacancies at the GS–14 and GS–15 levels until the total number of GS–14 and GS–15 positions in the Department has been reduced from the number of GS–14 and GS–15 positions on the date of enactment of Public Law 106–377 by 2½ percent.

The tenth proviso under this heading in the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2003, is amended by striking "the purpose of" and inserting "purposes of funds control and" and before the colon insert the following ", except with respect to insurance and guarantee programs, certain types of salaries and expenses funding, and incremental funding that is authorized under an executed agreement or contract".

WORKING CAPITAL FUND

For additional capital for the Working Capitol Fund (42 U.S.C. 3535) for the development of, modifications to, and infrastructure for Department-wide information technology systems, and for the continuing operation of both Department-wide and program-specific information systems, $235,000,000, to remain available until September 30, 2005: Provided, That any amounts transferred to this Fund under this Act shall remain available until expended.

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $101,000,000, of which $24,000,000 shall be provided from the various funds of the Federal Housing Administration: Provided, That the Inspector General shall have independent authority over all personnel issues within this office: Provided further, That no less than $300,000 shall be transferred to the Working Capital Fund for the development of and modifications to information technology systems for the Office of Inspector General.

CONSOLIDATED FEE FUND

(RESCISSION)

All unobligated balances remaining available from fees and charges under section 7(j) of the Department of Housing and Urban Development Act on October 1, 2003 are rescinded.

OFFICE OF FEDERAL HOUSING ENTERPRISE OVERSIGHT

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For carrying out the Federal Housing Enterprises Financial Safety and Soundness Act of 1992, including not to exceed $500 for official reception and representation expenses, $39,915,000, to remain available until expended, to be derived from the Federal Housing Enterprises Oversight Fund: Provided, That of the amount made available under this heading, $4,500,000 is for one-time costs to conduct special investigations of the federal housing enterprises and $3,000,000 is for costs associated with strengthening the examination and legal functions: Provided further, That the Secretary shall submit a spending plan for the amounts provided under this heading no later than January 15, 2004: Provided further, That not less than 60 percent of total amount made available under this heading shall be used only for examination, supervision, and capital oversight of the enterprises (as such term is defined in section 1303 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4502)) to ensure that the enterprises are operating in a financially safe and sound manner and complying with the capital requirements under Subtitle B of such Act: Provided further, That not to exceed the amount provided herein shall be available from the general fund of the Treasury to the extent necessary to incur obligations and make expenditures pending the receipt of collections to the Fund: Provided further, That the general fund amount shall be reduced as collections are received during the fiscal year so as to result in a final appropriation from the general fund estimated at not more than $0.

ADMINISTRATIVE PROVISIONS

SEC. 201. Fifty percent of the amounts of budget authority, or in lieu thereof 50 percent of the cash amounts associated with such budget authority, that are recaptured from projects described in section 1012(a) of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 (42 U.S.C. 1437 note) shall be rescinded, or in the case of cash, shall be remitted to the Treasury, and such amounts of budget authority or cash recaptured and not rescinded or remitted to the Treasury shall be used by State housing finance agencies or local governments or local housing agencies with projects approved by the Secretary of Housing and Urban Development for which settlement occurred after January 1, 1992, in accordance with such section. Notwithstanding the previous sentence, the Secretary may award up to 15 percent of the budget authority or cash recaptured and not rescinded or remitted to the Treasury to provide project owners with incentives to refinance their project at a lower interest rate.

SEC. 202. None of the amounts made available under this Act may be used during fiscal year 2004 to investigate or prosecute under the Fair Housing Act any otherwise lawful activity engaged in by one or more persons, including the filing or maintaining of a non-frivolous legal action, that is engaged in solely for the purpose of achieving or preventing action by a Government official or entity, or a court of competent jurisdiction.

SEC. 203. (a) Notwithstanding section 854(c)(1)(A) of the AIDS Housing Opportunity Act (42 U.S.C. 12903(c)(1)(A)), from any amounts made available under this title for fiscal year 2004 that are allocated under such section, the Secretary of Housing and Urban Development shall allocate and make a grant, in the amount determined under subsection (b), for any State that—

(1) received an allocation in a prior fiscal year under clause (ii) of such section; and

(2) is not otherwise eligible for an allocation for fiscal year 2004 under such clause (ii) because the areas in the State outside of the metropolitan statistical areas that qualify under clause (i) in fiscal year 2004 do not have the number of cases of acquired immunodeficiency syndrome (AIDS) required under such clause.

(b) The amount of the allocation and grant for any State described in subsection (a) shall be an amount based on the cumulative number of AIDS cases in the areas of that State that are outside of metropolitan statistical areas that qualify under clause (i) of such section 854(c)(1)(A) in fiscal year 2004, in proportion to AIDS cases among cities and States that qualify under clauses (i) and (ii) of such section and States deemed eligible under subsection (a).

SEC. 204. (a) During fiscal year 2004, in the provision of rental assistance under section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)) in connection with a program to demonstrate the economy and effectiveness of providing such assistance for use in assisted living facilities that is carried out in the counties of the State of Michigan specified in subsection (b) of this section, notwithstanding paragraphs (3) and (18)(B)(iii) of such section 8(o), a family residing in an assisted living facility in any such county, on behalf of which a public housing agency provides assistance pursuant to section 8(o)(18) of such Act, may be required, at the time the family initially receives such assistance, to pay rent in an amount exceeding 40 percent of the monthly adjusted income of the family by such a percentage or amount as the Secretary of Housing and Urban Development determines to be appropriate.

(b) The counties specified in this subsection are Oakland County, Macomb County, Wayne County, and Washtenaw County, in the State of Michigan.

SEC. 205. Except as explicitly provided in law, any grant, cooperative agreement or other assistance made pursuant to title II of this Act shall be made on a competitive basis and in accordance with section 102 of the Department of Housing and Urban Development Reform Act of 1989.

SEC. 206. Funds of the Department of Housing and Urban Development subject to the Government Corporation Control Act or section 402 of the Housing Act of 1950 shall be available, without regard to the limitations on administrative expenses, for legal services on a contract or fee basis, and for utilizing and making payment for services and facilities of the Federal National Mortgage Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Financing Bank, Federal Reserve banks or any member thereof, Federal Home Loan banks, and any insured bank within the meaning of the Federal Deposit Insurance Corporation Act, as amended (12 U.S.C. 1811–1831).

SEC. 207. Unless otherwise provided for in this Act or through a reprogramming of funds, no part of any appropriation for the Department of Housing and Urban Development shall be available for any program, project or activity in excess of amounts set forth in the budget estimates submitted to Congress.

SEC. 208. Corporations and agencies of the Department of Housing and Urban Development which are subject to the Government Corporation Control Act, as amended, are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accordance with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of such Act as may be necessary in carrying out the programs set forth in the budget for 2003 for such corporation or agency except as hereinafter provided: Provided, That collections of these corporations and agencies may be used for new loan or mortgage purchase commitments only to the extent expressly provided for in this Act (unless such loans are in support of other forms of assistance provided for in this or prior appropriations Acts), except that this proviso shall not apply to the mortgage insurance or guaranty operations of these corporations, or where loans or mortgage purchases are necessary to protect the financial interest of the United States Government.

SEC. 209. None of the funds provided in this title for technical assistance, training, or management improvements may be obligated or expended unless HUD provides to the Committees on Appropriations a description of each proposed activity and a detailed budget estimate of the costs associated with each program, project or activity as part of the Budget Justifications. For fiscal year 2004, HUD shall transmit this information to the Committees by January 15, 2004 for 30 days of review.

SEC. 210. A public housing agency or such other entity that administers Federal housing assistance in the states of Alaska, Iowa, and Mississippi shall not be required to include a resident of public housing or a recipient of assistance provided under section 8 of the United States Housing Act of 1937 on the board of directors or a similar governing board of such agency or entity as required under section (2)(b) of such Act. Each public housing agency or other entity that administers Federal housing assistance under section 8 in the states of Alaska, Iowa and Mississippi shall establish an advisory board of not less than 6 residents of public housing or recipients of section 8 assistance to provide advice and comment to the public housing agency or other administering entity on issues related to public housing and section 8. Such advisory board shall meet not less than quarterly.

SEC. 211. The Secretary of Housing and Urban Development shall provide quarterly reports to the House and Senate Committees on Appropriations regarding all uncommitted, unobligated, recaptured and excess funds in each program and activity within the jurisdiction of the Department and shall submit additional, updated budget information to these Committees upon request.

SEC. 212. Notwithstanding any other provision of law, in fiscal year 2004, in managing and disposing of any multifamily property that is owned or held by the Secretary and is occupied primarily by elderly or disabled families, the Secretary of Housing and Urban Development shall maintain any rental assistance payments under section 8 of the United States Housing Act of 1937 that are attached to any dwelling units in the property. To the extent the Secretary determines that such a multifamily property owned or held by the Secretary is not feasible for continued rental assistance payments *under such section 8, the Secretary may, in consultation with the tenants of that property, contract for project-based rental assistance payments with an owner or owners of other existing housing properties or provide other rental assistance.*

SEC. 213. The Secretary of Housing and Urban Development shall submit an annual report no later than August 30, 2004 and annually thereafter to the House and Senate Committees on Appropriations regarding the number of Federally assisted units under lease and the per unit cost of these units to the Department of Housing and Urban Development.

SEC. 214. (a) Notwithstanding any other provision of law, the amount allocated for fiscal year 2004 under section 854(c) of the AIDS Housing Opportunity Act (42 U.S.C. 12903(c)), to the City of Wilmington, Delaware, on behalf of the Wilmington, Delaware-Maryland-New Jersey Metropolitan Division (hereafter "metropolitan division") of the Philadelphia-Camden-Wilmington, PA-NJ-DE-MD Metropolitan Statistical Area, shall be adjusted by the Secretary of Housing and Urban Development by allocating to the State of New Jersey the proportion of the metropolitan area's or division's amount that is based on the number of cases of AIDS reported in the portion of the metropolitan area or division that is located in New Jersey. The State of New Jersey shall use amounts allocated to the State under this subsection to carry out eligible activities under section 855 of the AIDS Housing Opportunity Act (42 U.S.C. 12904) in the portion of the metropolitan division that is located in New Jersey.

(b) Notwithstanding any other provision of law, the Secretary of Housing and Urban Development shall allocate to Wake County, North Carolina, the amounts that otherwise would be allocated for fiscal year 2004 under section 854(c) of the AIDS Housing Opportunity Act (42 U.S.C. 12903(c)) to the City of Raleigh, North Carolina, on behalf of the Raleigh-Cary, North Carolina Metropolitan Statistical Area. Any amounts allocated to Wake County shall be used to carry out eligible activities under section 855 of such Act (42 U.S.C. 12904) within such metropolitan statistical area.

SEC. 215. Section 224 of the National Housing Act (12 U.S.C. 1735o) is amended by adding the following new sentence at the end of the first paragraph: "Notwithstanding the preceding sentence and the following paragraph, if an insurance claim is paid in cash for any mortgage that is insured under section 203 or 234 of this Act and is endorsed for mortgage insurance after the date of enactment of this sentence, the debenture interest rate for purposes of calculating such a claim shall be the monthly average yield, for the month in which the default on the mortgage occurred, on United States Treasury Securities adjusted to a constant maturity of ten years.".

SEC. 216. The McKinney-Vento Homeless Assistance Act (42 U.S.C. 11301 et seq.) is amended—

(1) in section 101(b), by striking "Interagency Council on the Homeless" and inserting "United States Interagency Council on Homelessness";

(2) in section 102(b)(1), by striking "an Interagency Council on the Homeless" and inserting "the United States Interagency Council on Homelessness";

(3) in the heading for title II, by striking "INTERAGENCY COUNCIL ON THE HOMELESS" and inserting "UNITED STATES INTERAGENCY COUNCIL ON HOMELESSNESS"; and

(4) in sections 201, 207(1), 501(c)(2)(a), and 501(d)(3), by striking "Interagency Council on the Homeless" and inserting "United States Interagency Council on Homelessness".

SEC. 217. (a) INFORMATION COMPARISONS FOR PUBLIC AND ASSISTED HOUSING PROGRAMS.—Section 453(j) of the Social Security Act (42 U.S.C. 653(j)) is amended by adding at the end the following new paragraph:

"(7) INFORMATION COMPARISONS FOR HOUSING ASSISTANCE PROGRAMS.—

"(A) FURNISHING OF INFORMATION BY HUD.—Subject to subparagraph (G), the Secretary of Housing and Urban Development shall furnish to the Secretary, on such periodic basis as determined by the Secretary of Housing and Urban Development in consultation with the Secretary, information in the custody of the Secretary of Housing and Urban Development for comparison with information in the National Directory of New Hires, in order to obtain information in such Directory with respect to individuals who are participating in any program under—

"(i) the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.);

"(ii) section 202 of the Housing Act of 1959 (12 U.S.C. 1701q);

"(iii) section 221(d)(3), 221(d)(5), or 236 of the National Housing Act (12 U.S.C. 1715l(d) and 1715z–1);

"(iv) section 811 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013); or

"(v) section 101 of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s).

"(B) REQUIREMENT TO SEEK MINIMUM INFORMATION.—The Secretary of Housing and Urban Development shall seek information pursuant to this section only to the extent necessary to verify the employment and income of individuals described in subparagraph (A).

"(C) DUTIES OF THE SECRETARY.—

"(i) INFORMATION DISCLOSURE.—The Secretary, in cooperation with the Secretary of Housing and Urban Development, shall compare information in the National Directory of New Hires with information provided by the Secretary of Housing and Urban Development with respect to individuals described in subparagraph (A), and shall disclose information in such Directory regarding such individuals to the Secretary of Housing and Urban Development, in accordance with this paragraph, for the purposes specified in this paragraph.

"(ii) CONDITION ON DISCLOSURE.—The Secretary shall make disclosures in accordance with clause (i) only to the extent that the Secretary determines that such disclosures do not interfere with the effective operation of the program under this part.

"(D) USE OF INFORMATION BY HUD.—The Secretary of Housing and Urban Development may use information resulting from a data match pursuant to this paragraph only—

"(i) for the purpose of verifying the employment and income of individuals described in subparagraph (A); and

"(ii) after removal of personal identifiers, to conduct analyses of the employment and income reporting of individuals described in subparagraph (A).

"(E) DISCLOSURE OF INFORMATION BY HUD.—

"(i) PURPOSE OF DISCLOSURE.—The Secretary of Housing and Urban Development may make a disclosure under this subparagraph only for the purpose of verifying the employment and income of individuals described in subparagraph (A).

"(ii) DISCLOSURES PERMITTED.—Subject to clause (iii), the Secretary of Housing and Urban Development may disclose information resulting from a data match pursuant to this paragraph only to a public housing agency, the Inspector General of the Department of Housing and Urban Development, and the Attorney General in connection with the administration of a program described in subparagraph (A). Information obtained by the Secretary of Housing and Urban Development pursuant to this paragraph shall not be made available under section 552 of title 5, United States Code.

"(iii) CONDITIONS ON DISCLOSURE.—Disclosures under this paragraph shall be—

"(I) made in accordance with data security and control policies established by the Secretary of Housing and Urban Development and approved by the Secretary;

"(II) subject to audit in a manner satisfactory to the Secretary; and

"(III) subject to the sanctions under subsection (l)(2).

"(iv) ADDITIONAL DISCLOSURES.—

"(I) DETERMINATION BY SECRETARIES.—The Secretary of Housing and Urban Development and the Secretary shall determine whether to permit disclosure of information under this paragraph to persons or entities described in subclause (II), based on an evaluation made by the Secretary of Housing and Urban Development (in consultation with and approved by the Secretary), of the costs and benefits of disclosures made under clause (ii) and the adequacy of measures used to safeguard the security and confidentiality of information so disclosed.

"(II) PERMITTED PERSONS OR ENTITIES.—If the Secretary of Housing and Urban Development and the Secretary determine pursuant to subclause (I) that disclosures to additional persons or entities shall be permitted, information under this paragraph may be disclosed by the Secretary of Housing and Urban Development to a private owner, a management agent, and a contract administrator in connection with the administration of a program described in subparagraph (A), subject to the conditions in clause (iii) and such additional conditions as agreed to by the Secretaries.

"(v) RESTRICTIONS ON REDISCLOSURE.—A person or entity to which information is disclosed under this subparagraph may use or disclose such information only as needed for verifying the employment and income of individuals described in subparagraph (A), subject to the conditions in clause (iii) and such additional conditions as agreed to by the Secretaries.

"(F) REIMBURSEMENT OF HHS COSTS.—The Secretary of Housing and Urban Development shall reimburse the Secretary, in accordance with subsection (k)(3), for the costs incurred by the Secretary in furnishing the information requested under this paragraph.

"(G) CONSENT.—The Secretary of Housing and Urban Development shall not seek, use, or disclose information under this paragraph relating to an individual without the prior written consent of such individual (or of a person legally authorized to consent on behalf of such individual).".

(b) CONSENT TO INFORMATION COMPARISON AND USE AS CONDITION OF HUD PROGRAM ELIGIBILITY.—As a condition of participating in any program authorized under—

(1) the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.);

(2) section 202 of the Housing Act of 1959 (12 U.S.C. 1701q);

(3) section 221(d)(3), 221(d)(5), or 236 of the National Housing Act (12 U.S.C. 1715l(d) and 1715z–1);

(4) section 811 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013); or

(5) section 101 of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s),

the Secretary of Housing and Urban Development may require consent by an individual (or by a person legally authorized to consent on behalf of such individual) for such Secretary to obtain, use, and disclose information with respect to such individual in accordance with section 453(j)(7) of the Social Security Act (42 U.S.C. 653(j)(7)).

SEC. 218. Notwithstanding any other provision of law, the State of Hawaii may elect by July 31, 2004 to distribute funds under section 106(d)(2) *of the Housing and Community Development Act of 1974, to units of general local government located in nonentitlement areas of that State. If the State of Hawaii fails to make such election, the Secretary shall for fiscal years 2005 and thereafter make grants to the units of general local government located in the State of Hawaii's nonentitlement areas (Hawaii, Kauai, and Maui counties). The Secretary of Housing and Urban Development shall allocate funds under section 106(d) of such Act to units of general local government located in nonentitlement areas within the State of Hawaii in accordance with a formula which bears the same ratio to the total amount available for the nonentitlement areas of the State as the weighted average of the ratios between (1) the population of that eligible unit of general local government and the population of all eligible units of general local government in the nonentitlement areas of the State; (2) the extent of poverty in that eligible unit of general local government and the extent of poverty in all of the eligible units of general local government in the nonentitlement areas of the State; and (3) the extent of housing overcrowding in that eligible unit of general local government and the extent of housing overcrowding in all of the eligible units of general local government in the nonentitlement areas of the State. In determining the weighted average of the ratios described in the previous sentence, the ratio described in clause (2) shall be counted twice and the ratios described in clauses (1) and (3) shall be counted once. Notwithstanding any other provision, grants made under this section shall be subject to the program requirements of section 104 of the Housing and Community Development Act of 1974 in the same manner as such requirements are made applicable to grants made under section 106(b) of the Housing and Community Development Act of 1974.*

SEC. 219. The Secretary of Housing and Urban Development shall issue a proposed rulemaking, in accordance with Title V, United States Code, not later than 90 days from the date of enactment of this Act that—

(1) addresses and expands, as necessary, the participation and certification requirements for the sale of HUD-owned multifamily housing projects and the foreclosure sale of any multifamily housing securing a mortgage held by the Secretary, including whether a potential purchaser is in substantial compliance with applicable state or local government housing statutes, regulations, ordinances and codes with regard to other properties owned by the purchaser; and

(2) requires any state, city, or municipality that exercises its right of first refusal for the purchase of a multifamily housing project under section 203 of the Housing and Community Development Amendments of 1978 (12 U.S.C. 1701z–11(i)) to ensure that potential purchasers of the project from the state, city, or municipality are subject to the same standards that they would otherwise be subject to if they had purchased the project directly from the Secretary, including whether a potential purchaser is in substantial compliance with applicable state or local government housing statutes, regulations, ordinances and codes with regard to other properties owned by the purchaser.

SEC. 220. Section 217 of Public Law 107–73 is amended by striking "the rehabilitation" and inserting in lieu thereof: "redevelopment, including demolition and new construction".

SEC. 221. Notwithstanding any other provision of law, funds appropriated for the housing for the elderly, as authorized by section 202 of the Housing Act of 1959, as amended, and for supportive housing for persons with disabilities, as authorized by section 811 of the Cranston-Gonzalez National Affordable Housing Act, shall be available for the cost of maintaining and disposing of such properties that are acquired or otherwise become the responsibility of the Department.

SEC. 222. The Secretary of Housing and Urban Development shall conduct negotiated rulemaking with representatives from interested parties for purposes of any changes to the formula governing the Public Housing Operating Fund. A final rule shall be issued no later than July 1, 2004.

SEC. 223. The Department of Housing and Urban Development shall submit the Department's fiscal year 2005 congressional budget justifications to the Committees on Appropriations of the House of Representatives and the Senate using the identical structure provided under this Act and only in accordance with the direction included in the joint explanatory statement of the managers accompanying this Act.

TITLE III—INDEPENDENT AGENCIES

AMERICAN BATTLE MONUMENTS COMMISSION

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, of the American Battle Monuments Commission, including the acquisition of land or interest in land in foreign countries; purchases and repair of uniforms for caretakers of national cemeteries and monuments outside of the United States and its territories and possessions; rent of office and garage space in foreign countries; purchase (one for replacement only) and hire of passenger motor vehicles; and insurance of official motor vehicles in foreign countries, when required by law of such countries, $41,300,000, to remain available until expended.

CHEMICAL SAFETY AND HAZARD INVESTIGATION BOARD

SALARIES AND EXPENSES

For necessary expenses in carrying out activities pursuant to section 112(r)(6) of the Clean Air Act, as amended, including hire of passenger vehicles, uniforms or allowances therefore, as authorized by 5 U.S.C. 5901–5902, and for services authorized by 5 U.S.C. 3109 but at rates for individuals not to exceed the per diem equivalent to the maximum rate payable for senior level positions under 5 U.S.C. 5376, $8,250,000: Provided, That the Chemical Safety and Hazard Investigation Board (Board) shall have not more than three career Senior Executive Service positions: Provided further, That notwithstanding any other provision of law, the individual appointed to the position of Inspector General of the Environmental Protection Agency (EPA) shall, by virtue of such appointment, also hold the position of Inspector General of the Board: Provided further, That notwithstanding any other provision of law, the Inspector General of the Board shall utilize personnel of the Office of Inspector General of EPA in performing the duties of the Inspector General of the Board, and shall not appoint any individuals to positions within the Board.

EMERGENCY FUND

For necessary expenses of the Chemical Safety and Hazard Investigation Board for accident investigations not otherwise provided for, $450,000, to remain available until expended.

DEPARTMENT OF THE TREASURY

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND PROGRAM ACCOUNT

To carry out the Community Development Banking and Financial Institutions Act of 1994, including services authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for ES–3, $61,000,000, to remain available until September 30, 2005, of which $4,000,000 shall be for financial assistance, technical assistance, training and outreach programs designed to benefit Native American, Native Hawaiian, and Alaskan Native communities and provided primarily through qualified community development lender organizations with experience and expertise in community development banking and lending in Indian country, Native American organizations, tribes and tribal organizations and other suitable providers, and up to $12,000,000 may be used for administrative expenses, including administration of the New Markets Tax Credit, up to $6,000,000 may be used for the cost of direct loans, and up to $250,000 may be used for administrative expenses to carry out the direct loan program: Provided, That the cost of direct loans, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $11,000,000.

CONSUMER PRODUCT SAFETY COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Consumer Product Safety Commission, including hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable under 5 U.S.C. 5376, purchase of nominal awards to recognize non-Federal officials' contributions to Commission activities, and not to exceed $500 for official reception and representation expenses, $60,000,000.

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

NATIONAL AND COMMUNITY SERVICE PROGRAMS OPERATING EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses for the Corporation for National and Community Service (the "Corporation") in carrying out programs, activities, and initiatives under the National and Community Service Act of 1990 (the "Act") (42 U.S.C. 12501 et seq.), $553,225,000, to remain available until September 30, 2005: Provided, That not more than $314,000,000 of the amount provided under this heading shall be available for grants under the National Service Trust Program authorized under subtitle C of title I of the Act (42 U.S.C. 12571 et seq.) (relating to activities of the AmeriCorps program), including grants to organizations operating projects under the AmeriCorps Education Awards Program (without regard to the requirements of sections 121(d) and (e), section 131(e), section 132, and sections 140(a), (d), and (e) of the Act): Provided further, That not less than $130,000,000 of the amount provided under this heading, to remain available without fiscal year limitation, shall be transferred to the National Service Trust for educational awards authorized under subtitle D of title I of the Act (42 U.S.C. 12601), of which up to $5,000,000 shall be available to support national service scholarships for high school students performing community service, and of which $10,000,000 shall be held in reserve as defined in Public Law 108–45: Provided further, That in addition to amounts otherwise provided to the National Service Trust under the second proviso, the Corporation may transfer funds from the amount provided under the first proviso, to the National Service Trust authorized under subtitle D of title I of the Act (42 U.S.C. 12601) upon determination that such transfer is necessary to support the activities of national service participants and after notice is transmitted to Congress: Provided further, That of the amount provided under this heading for grants under the National Service Trust program authorized under subtitle C of title I of the Act, not more than $55,000,000 may be used to administer, reimburse, or support any national service program authorized under section 121(d)(2) of such Act (42 U.S.C. 12581(d)(2)): Provided further, That not more than

$11,225,000 shall be available for quality and innovation activities authorized under subtitle H of title I of the Act (42 U.S.C. 12853 et seq.), of which $3,000,000 shall be available for challenge grants to non-profit organizations: Provided further, That notwithstanding subtitle H of title I of the Act (42 U.S.C. 12853), none of the funds provided under the previous proviso shall be used to support salaries and related expenses (including travel) attributable to Corporation employees: Provided further, That to the maximum extent feasible, funds appropriated under subtitle C of title I of the Act shall be provided in a manner that is consistent with the recommendations of peer review panels in order to ensure that priority is given to programs that demonstrate quality, innovation, replicability, and sustainability: Provided further, That not less than $25,000,000 of the funds made available under this heading shall be available for the Civilian Community Corps authorized under subtitle E of title I of the Act (42 U.S.C. 12611 et seq.): Provided further, That not more than $43,000,000 shall be available for school-based and community-based service-learning programs authorized under subtitle B of title I of the Act (42 U.S.C. 12521 et seq.): Provided further, That not more than $3,000,000 shall be available for audits and other evaluations authorized under section 179 of the Act (42 U.S.C. 12639): Provided further, That not more than $10,000,000 of the funds made available under this heading shall be made available for the Points of Light Foundation for activities authorized under title III of the Act (42 U.S.C. 12661 et seq.), of which not more than $2,500,000 may be used to support an endowment fund, the corpus of which shall remain intact and the interest income from which shall be used to support activities described in title III of the Act, provided that the Foundation may invest the corpus and income in federally insured bank savings accounts or comparable interest bearing accounts, certificates of deposit, money market funds, mutual funds, obligations of the United States, and other market instruments and securities but not in real estate investments: Provided further, That no funds shall be available for national service programs run by Federal agencies authorized under section 121(b) of such Act (42 U.S.C. 12571(b)): Provided further, That not more than $5,000,000 of the funds made available under this heading shall be made available to America's Promise—The Alliance for Youth, Inc.: Provided further, That to the maximum extent practicable, the Corporation shall increase significantly the level of matching funds and in-kind contributions provided by the private sector, and shall reduce the total Federal costs per participant in all programs.

SALARIES AND EXPENSES

For necessary expenses of administration as provided under section 501(a)(4) of the National and Community Service Act of 1990 (42 U.S.C. 12501 et seq.) including payment of salaries, authorized travel, hire of passenger motor vehicles, the rental of conference rooms in the District of Columbia, the employment of experts and consultants authorized under 5 U.S.C. 3109, and not to exceed $2,500 for official reception and representation expenses, $25,000,000.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $6,250,000, to remain available until September 30, 2005.

ADMINISTRATIVE PROVISIONS

Notwithstanding any other provision of law, the term "qualified student loan" with respect to national service education awards shall mean any loan determined by an institution of higher education to be necessary to cover a student's cost of attendance at such institution and made, insured, or guaranteed directly to a student by a State agency, in addition to other meanings under section 148(b)(7) of the National and Community Service Act.

Notwithstanding any other provision of law, funds made available under section 129(d)(5)(B) of the National and Community Service Act to assist entities in placing applicants who are individuals with disabilities may be provided to any entity that receives a grant under section 121 of the Act.

The Inspector General of the Corporation for National and Community Service shall conduct random audits of the grantees that administer activities under the AmeriCorps programs and shall levy sanctions in accordance with standard Inspector General audit resolution procedures which include, but are not limited to, debarment of any grantee (or successor in interest or any entity with substantially the same person or persons in control) that has been determined to have committed any substantial violations of the requirements of the AmeriCorps programs, including any grantee that has been determined to have violated the prohibition of using Federal funds to lobby the Congress: Provided, That the Inspector General shall obtain reimbursements in the amount of any misused funds from any grantee that has been determined to have committed any substantial violations of the requirements of the AmeriCorps programs.

For fiscal year 2004, the Corporation shall make any significant changes to program requirements or policy only through public notice and comment rulemaking. For fiscal year 2004, during any grant selection process, no officer or employee of the Corporation shall knowingly disclose any covered grant selection information regarding such selection, directly or indirectly, to any person other than an officer or employee of the Corporation that is authorized by the Corporation to receive such information.

U.S. COURT OF APPEALS FOR VETERANS CLAIMS

SALARIES AND EXPENSES

For necessary expenses for the operation of the United States Court of Appeals for Veterans Claims as authorized by 38 U.S.C. 7251–7298, $15,938,000 of which $1,175,000 shall be available for the purpose of providing financial assistance as described, and in accordance with the process and reporting procedures set forth, under this heading in Public Law 102–229.

DEPARTMENT OF DEFENSE—CIVIL

CEMETERIAL EXPENSES, ARMY

SALARIES AND EXPENSES

For necessary expenses, as authorized by law, for maintenance, operation, and improvement of Arlington National Cemetery and Soldiers' and Airmen's Home National Cemetery, including the purchase of one passenger motor vehicle for replacement only, and not to exceed $1,000 for official reception and representation expenses, $29,000,000, to remain available until expended.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

NATIONAL INSTITUTES OF HEALTH

NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

For necessary expenses for the National Institute of Environmental Health Sciences in carrying out activities set forth in section 311(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, and section 126(g) of the Superfund Amendments and Reauthorization Act of 1986, $78,774,000.

AGENCY FOR TOXIC SUBSTANCES AND DISEASE REGISTRY

TOXIC SUBSTANCES AND ENVIRONMENTAL PUBLIC HEALTH

For necessary expenses for the Agency for Toxic Substances and Disease Registry (ATSDR) in carrying out activities set forth in sections 104(i), 111(c)(4), and 111(c)(14) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended; section 118(f) of the Superfund Amendments and Reauthorization Act of 1986 (SARA), as amended; and section 3019 of the Solid Waste Disposal Act, as amended, $73,467,000, which may be derived to the extent funds are available from the Hazardous Substance Superfund Trust Fund pursuant to section 517(a) of SARA (26 U.S.C. 9507): Provided, That notwithstanding any other provision of law, in lieu of performing a health assessment under section 104(i)(6) of CERCLA, the Administrator of ATSDR may conduct other appropriate health studies, evaluations, or activities, including, without limitation, biomedical testing, clinical evaluations, medical monitoring, and referral to accredited health care providers: Provided further, That in performing any such health assessment or health study, evaluation, or activity, the Administrator of ATSDR shall not be bound by the deadlines in section 104(i)(6)(A) of CERCLA: Provided further, That none of the funds appropriated under this heading shall be available for ATSDR to issue in excess of 40 toxicological profiles pursuant to section 104(i) of CERCLA during fiscal year 2004, and existing profiles may be updated as necessary.

ENVIRONMENTAL PROTECTION AGENCY

SCIENCE AND TECHNOLOGY

For science and technology, including research and development activities, which shall include research and development activities under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended; necessary expenses for personnel and related costs and travel expenses, including uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable for senior level positions under 5 U.S.C. 5376; procurement of laboratory equipment and supplies; other operating expenses in support of research and development; construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $85,000 per project, $786,324,000, which shall remain available until September 30, 2005: Provided, That of the funds provided under this heading in Public Law 108–7, in reference to item number 9, the Administrator is authorized to make a grant of $436,000 to the City of San Bernardino, California.

ENVIRONMENTAL PROGRAMS AND MANAGEMENT

For environmental programs and management, including necessary expenses, not otherwise provided for, for personnel and related costs and travel expenses, including uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable for senior level positions under 5 U.S.C. 5376; hire of passenger motor vehicles; hire, maintenance, and operation of aircraft; purchase of reprints; library memberships in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members; construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $85,000 per project; and not to exceed $9,000 for official reception and representation expenses, $2,293,578,000, which shall remain available until September 30, 2005, including administrative costs of the brownfields program under the Small Business Liability Relief and Brownfields Revitalization Act of 2002.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of *the Inspector General Act of 1978, as amended, and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $85,000 per project, $37,558,000, to remain available until September 30, 2005.*

BUILDINGS AND FACILITIES

For construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities of, or for use by, the Environmental Protection Agency, $40,000,000, to remain available until expended.

HAZARDOUS SUBSTANCE SUPERFUND

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to carry out the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended, including sections 111(c)(3), (c)(5), (c)(6), and (e)(4) (42 U.S.C. 9611), and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $85,000 per project; $1,265,000,000, to remain available until expended, consisting of such sums as are available in the Trust Fund upon the date of enactment of this Act as authorized by section 517(a) of the Superfund Amendments and Reauthorization Act of 1986 (SARA) and up to $1,265,000,000 as a payment from general revenues to the Hazardous Substance Superfund for purposes as authorized by section 517(b) of SARA, as amended: Provided, That funds appropriated under this heading may be allocated to other Federal agencies in accordance with section 111(a) of CERCLA: Provided further, That of the funds appropriated under this heading, $13,214,000 shall be transferred to the "Office of Inspector General" appropriation to remain available until September 30, 2005, and $44,697,000 shall be transferred to the "Science and technology" appropriation to remain available until September 30, 2005.

LEAKING UNDERGROUND STORAGE TANK PROGRAM

For necessary expenses to carry out leaking underground storage tank cleanup activities authorized by section 205 of the Superfund Amendments and Reauthorization Act of 1986, and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $85,000 per project, $76,000,000, to remain available until expended.

OIL SPILL RESPONSE

For expenses necessary to carry out the Environmental Protection Agency's responsibilities under the Oil Pollution Act of 1990, $16,209,000, to be derived from the Oil Spill Liability trust fund, to remain available until expended.

STATE AND TRIBAL ASSISTANCE GRANTS

For environmental programs and infrastructure assistance, including capitalization grants for State revolving funds and performance partnership grants, $3,896,800,000, to remain available until expended, of which $1,350,000,000 shall be for making capitalization grants for the Clean Water State Revolving Funds under title VI of the Federal Water Pollution Control Act, as amended (the "Act"), of which up to $75,000,000 shall be available for loans, including interest free loans as authorized by 33 U.S.C. 1383(d)(1)(A), to municipal, inter-municipal, interstate, or State agencies or nonprofit entities for projects that provide treatment for or that minimize sewage or stormwater discharges using one or more approaches which include, but are not limited to, decentralized or distributed stormwater controls, decentralized wastewater treatment, low-impact development practices, conservation easements, stream buffers, or wetlands restoration; $850,000,000 shall be for capitalization grants for the Drinking Water State Revolving Funds under section 1452 of the Safe Drinking Water Act, as amended, except that, notwithstanding section 1452(n) of the Safe Drinking Water Act, as amended, none of the funds made available under this heading in this Act, or in previous appropriations Acts, shall be reserved by the Administrator for health effects studies on drinking water contaminants; $50,000,000 shall be for architectural, engineering, planning, design, construction and related activities in connection with the construction of high priority water and wastewater facilities in the area of the United States-Mexico Border, after consultation with the appropriate border commission; $43,000,000 shall be for grants to the State of Alaska to address drinking water and waste infrastructure needs of rural and Alaska Native Villages: Provided, That, of these funds (1) the State of Alaska shall provide a match of 25 percent, (2) no more than 5 percent of the funds may be used for administrative and overhead expenses, and (3) not later than October 1, 2004 and thereafter, a statewide priority list shall be established which shall remain in effect for at least 3 years for all water, sewer, waste disposal, and similar projects carried out by the State of Alaska that are funded under section 221 of the Federal Water Pollution Control Act (33 U.S.C. 1301) or the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) which shall allocate not less than 25 percent of the funds provided for projects in regional hub communities; $3,500,000 shall be for remediation of above ground leaking fuel tanks pursuant to Public Law 106–554; $325,000,000 shall be for making grants for the construction of drinking water, wastewater and storm water infrastructure and for water quality protection in accordance with the terms and conditions specified for such grants in the joint explanatory statement of the managers accompanying this Act, and, for purposes of these grants, each grantee shall contribute not less than 45 percent of the cost of the project unless the grantee is approved for a waiver by the Agency; $6,600,000 for grants for construction of alternative decentralized wastewater facilities under the National Decentralized Wastewater Demonstration program, in accordance with the terms and conditions specified in the joint explanatory statement of the managers accompanying this Act; $93,500,000 shall be to carry out section 104(k) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended, including grants, interagency agreements, and associated program support costs; and $1,175,200,000 shall be for grants, including associated program support costs, to States, federally recognized tribes, interstate agencies, tribal consortia, and air pollution control agencies for multi-media or single media pollution prevention, control and abatement and related activities, including activities pursuant to the provisions set forth under this heading in Public Law 104–134, and for making grants under section 103 of the Clean Air Act for particulate matter monitoring and data collection activities of which and subject to terms and conditions specified by the Administrator, of which $50,000,000 shall be for carrying out section 128 of CERCLA, as amended, and $20,000,000 shall be for Environmental Information Exchange Network grants, including associated program support costs: Provided further, That for fiscal year 2004, State authority under section 302(a) of Public Law 104–182 shall remain in effect: Provided further, That notwithstanding section 603(d)(7) of the Act, the limitation on the amounts in a State water pollution control revolving fund that may be used by a State to administer the fund shall not apply to amounts included as principal in loans made by such fund in fiscal year 2004 and prior years where such amounts represent costs of administering the fund to the extent that such amounts are or were deemed reasonable by the Administrator, accounted for separately from other assets in the fund, and used for eligible purposes of the fund, including administration: Provided further, That for fiscal year 2004, and notwithstanding section 518(f) of the Act, the Administrator is authorized to use the amounts appropriated for any fiscal year under section 319 of that Act to make grants to Indian tribes pursuant to sections 319(h) and 518(e) of that Act: Provided further, That for fiscal year 2004, notwithstanding the limitation on amounts in section 518(c) of the Act, up to a total of 1½ percent of the funds appropriated for State Revolving Funds under title VI of that Act may be reserved by the Administrator for grants under section 518(c) of such Act: Provided further, That no funds provided by this legislation to address the water, wastewater and other critical infrastructure needs of the colonias in the United States along the United States-Mexico border shall be made available to a county or municipal government unless that government has established an enforceable local ordinance, or other zoning rule, which prevents in that jurisdiction the development or construction of any additional colonia areas, or the development within an existing colonia the construction of any new home, business, or other structure which lacks water, wastewater, or other necessary infrastructure: Provided further, That the referenced statement of the managers under this heading in Public Law 106–377 is deemed to be amended by striking "wastewater" in reference to item number 219 and inserting "water": Provided further, That the referenced statement of the managers under this heading in Public Law 108–7 is deemed to be amended by striking "wastewater" in reference to item number 409 and inserting "water": Provided further, That the referenced statement of the managers under this heading in Public Law 108–7, item number 383, is deemed to be amended by adding after the word "overflow", "and water infrastructure": Provided further, That the referenced statement of the managers under this heading in Public Law 108–7, item number 255, is deemed to be amended by inserting "water and" after the words "Mississippi for": Provided further, That the referenced statement of the managers under this heading in Public Law 108–7, item number 256, is deemed to be amended by adding after the word "for", "water and": Provided further, That the referenced statement of the managers under this heading in Public Law 105–276, in reference to item number 19, is deemed to be amended by striking "Wolfe County", and inserting "the City of Campton": Provided further, That the referenced statement of the managers under this heading in Public Law 108–7, in reference to item number 364, is deemed to be amended by striking everything after "improvements": Provided further, That the referenced statement of the managers under this heading in Public Law 108–7, in reference to item number 191, is deemed to be amended by striking "wastewater", and inserting "water": Provided further, That the referenced statement of the managers under this heading in Public Law 108–7, in reference to item number 223, is deemed to be amended by adding, "and for other projects within Indian Head after the needs of Woodland Village are met.": Provided further, That the referenced statement of the managers under this heading in Public Law 106–377 is deemed to be amended in reference to item number 234, as amended, by striking everything after "234." and inserting, "$1,500,000 for the Town of Delbarton Wastewater Collection and Treatment Replacement/Upgrade Project.": Provided further, That the referenced statement of the managers under this heading in Public Law 108–7 is deemed to be amended by striking "wastewater" in reference to item number 469 and inserting "water": Provided further, That the referenced statement of the managers under this heading in Public Law 108–7 is deemed to be amended by striking "Fayette, Mississippi for *the Jefferson County" in reference to item number 263 and inserting "Jefferson County, Mississippi": Provided further, That notwithstanding any other provision of law, the Administrator of the Environmental Protection Agency shall certify grant amendments for grant number C34–0714–03.*

ADMINISTRATIVE PROVISIONS

For fiscal year 2004, notwithstanding 31 U.S.C. 6303(1) and 6305(1), the Administrator of the Environmental Protection Agency, in carrying out the Agency's function to implement directly Federal environmental programs required or authorized by law in the absence of an acceptable tribal program, may award cooperative agreements to federally-recognized Indian Tribes or Intertribal consortia, if authorized by their member Tribes, to assist the Administrator in implementing Federal environmental programs for Indian Tribes required or authorized by law, except that no such cooperative agreements may be awarded from funds designated for State financial assistance agreements.

The Administrator of the Environmental Protection Agency is authorized to collect and obligate pesticide registration service fees in accordance with section 33 of the Federal Insecticide, Fungicide, and Rodenticide Act (as added by subsection (f)(2) of the Pesticide Registration Improvement Act of 2003).

Notwithstanding CERCLA 104(k)(4)(B)(i)(IV), appropriated funds for fiscal year 2004 may be used to award grants or loans under section 104(k) of CERCLA to eligible entities that satisfy all of the elements set forth in CERCLA section 101(40) to qualify as a bona fide prospective purchaser except that the date of acquisition of the property was prior to the date of enactment of the Small Business Liability Relief and Brownfield Revitalization Act of 2001.

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF SCIENCE AND TECHNOLOGY POLICY

For necessary expenses of the Office of Science and Technology Policy, in carrying out the purposes of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6601 and 6671), hire of passenger motor vehicles, and services as authorized by 5 U.S.C. 3109, not to exceed $2,500 for official reception and representation expenses, and rental of conference rooms in the District of Columbia, $7,027,000.

COUNCIL ON ENVIRONMENTAL QUALITY AND OFFICE OF ENVIRONMENTAL QUALITY

For necessary expenses to continue functions assigned to the Council on Environmental Quality and Office of Environmental Quality pursuant to the National Environmental Policy Act of 1969, the Environmental Quality Improvement Act of 1970, and Reorganization Plan No. 1 of 1977, and not to exceed $750 for official reception and representation expenses, $3,238,000: Provided, That notwithstanding section 202 of the National Environmental Policy Act of 1970, the Council shall consist of one member, appointed by the President, by and with the advice and consent of the Senate, serving as chairman and exercising all powers, functions, and duties of the Council.

FEDERAL DEPOSIT INSURANCE CORPORATION

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $30,125,000, to be derived from the Bank Insurance Fund, the Savings Association Insurance Fund, and the FSLIC Resolution Fund.

GENERAL SERVICES ADMINISTRATION

FEDERAL CITIZEN INFORMATION CENTER FUND

For necessary expenses of the Federal Citizen Information Center, including services authorized by 5 U.S.C. 3109, $14,000,000, to be deposited into the Federal Citizen Information Center Fund: Provided, That the appropriations, revenues, and collections deposited into the Fund shall be available for necessary expenses of Federal Citizen Information Center activities in the aggregate amount not to exceed $21,000,000. Appropriations, revenues, and collections accruing to this Fund during fiscal year 2004 in excess of $21,000,000 shall remain in the Fund and shall not be available for expenditure except as authorized in appropriations Acts.

UNITED STATES INTERAGENCY COUNCIL ON HOMELESSNESS

OPERATING EXPENSES

For necessary expenses (including payment of salaries, authorized travel, hire of passenger motor vehicles, the rental of conference rooms in the District of Columbia, and the employment of experts and consultants under section 3109 of title 5, United States Code) of the Interagency Council on the Homeless in carrying out the functions pursuant to title II of the McKinney-Vento Homeless Assistance Act, as amended, $1,500,000.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

SPACE FLIGHT CAPABILITIES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses, not otherwise provided for, in the conduct and support of space flight capabilities research and development activities, including research, development, operations, support and services; maintenance; construction of facilities including repair, rehabilitation, revitalization and modification of facilities, construction of new facilities and additions to existing facilities, facility planning and design, and acquisition or condemnation of real property, as authorized by law; environmental compliance and restoration; space flight, spacecraft control and communications activities including operations, production, and services; program management; personnel and related costs, including uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–5902; travel expenses; purchase and hire of passenger motor vehicles; not to exceed $35,000 for official reception and representation expenses; and purchase, lease, charter, maintenance and operation of mission and administrative aircraft, $7,512,100,000, to remain available until September 30, 2005, of which $15,000,000 of amounts for the Space Shuttle Life Extension Program shall be for the development and independent assessment of concepts to increase Space Shuttle crew survivability for crew sizes of 4 to 7 astronauts, and of which amounts as determined by the Administrator for salaries and benefits; training, travel and awards; facility and related costs; information technology services; science, engineering, fabricating and testing services; and other administrative services may be transferred to "Science, aeronautics and exploration" in accordance with section 312(b) of the National Aeronautics and Space Act of 1958, as amended by Public Law 106–377.

SCIENCE, AERONAUTICS AND EXPLORATION

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses, not otherwise provided for, in the conduct and support of science, aeronautics and exploration research and development activities, including research, development, operations, support and services; maintenance; construction of facilities including repair, rehabilitation, revitalization, and modification of facilities, construction of new facilities and additions to existing facilities, facility planning and design, and restoration, and acquisition or condemnation of real property, as authorized by law; environmental compliance and restoration; space flight, spacecraft control and communications activities including operations, production, and services; program management; personnel and related costs, including uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–5902; travel expenses; purchase and hire of passenger motor vehicles; not to exceed $35,000 for official reception and representation expenses; and purchase, lease, charter, maintenance and operation of mission and administrative aircraft, $7,929,900,000, to remain available until September 30, 2005, of which amounts as determined by the Administrator for salaries and benefits; training, travel and awards; facility and related costs; information technology services; science, engineering, fabricating and testing services; and other administrative services may be transferred to "Space flight capabilities" in accordance with section 312(b) of the National Aeronautics and Space Act of 1958, as amended by Public Law 106–377.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $27,300,000.

ADMINISTRATIVE PROVISIONS

Notwithstanding the limitation on the availability of funds appropriated for "Science, aeronautics and exploration", or "Space flight capabilities" by this appropriations Act, when any activity has been initiated by the incurrence of obligations for construction of facilities or environmental compliance and restoration activities as authorized by law, such amount available for such activity shall remain available until expended. This provision does not apply to the amounts appropriated for institutional minor revitalization and construction of facilities, and institutional facility planning and design.

Notwithstanding the limitation on the availability of funds appropriated for "Science, aeronautics and exploration", or "Space flight capabilities" by this appropriations Act, the amounts appropriated for construction of facilities shall remain available until September 30, 2006.

From amounts made available in this Act for these activities, the Administration may transfer amounts between aeronautics of the "Science, aeronautics and exploration" account and crosscutting technologies of the "Space flight capabilities" account.

Funds for announced prizes otherwise authorized shall remain available, without fiscal year limitation, until the prize is claimed or the offer is withdrawn.

The unexpired balances of prior appropriations to NASA for activities for which funds are provided under this Act may be transferred to the new account established for the appropriation that provides such activity under this Act. Balances so transferred may be merged with funds in the newly established account and thereafter may be accounted for as one fund under the same terms and conditions.

NATIONAL CREDIT UNION ADMINISTRATION

CENTRAL LIQUIDITY FACILITY

During fiscal year 2004, gross obligations of the Central Liquidity Facility for the principal amount of new direct loans to member credit unions, as authorized by 12 U.S.C. 1795 et seq., shall not exceed $1,500,000,000: Provided, That administrative expenses of the Central Liquidity Facility in fiscal year 2004 shall not exceed $310,000.

COMMUNITY DEVELOPMENT REVOLVING LOAN FUND

For the Community Development Revolving Loan Fund program as authorized by 42 U.S.C. 9812, 9822 and 9910, $1,200,000 shall be available: Provided, That of this amount $200,000, together with amounts of principal and interest on loans repaid, is available until expended for loans to community development credit unions, and $1,000,000 is available until September 30, 2004 *for technical assistance to low-income and community development credit unions.*

NATIONAL SCIENCE FOUNDATION

RESEARCH AND RELATED ACTIVITIES

For necessary expenses in carrying out the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875), and the Act to establish a National Medal of Science (42 U.S.C. 1880–1881); services as authorized by 5 U.S.C. 3109; maintenance and operation of aircraft and purchase of flight services for research support; acquisition of aircraft; and authorized travel; $4,276,600,000, of which not to exceed $345,000,000 shall remain available until expended for Polar research and operations support, and for reimbursement to other Federal agencies for operational and science support and logistical and other related activities for the United States Antarctic program; the balance to remain available until September 30, 2005: Provided, That receipts for scientific support services and materials furnished by the National Research Centers and other National Science Foundation supported research facilities may be credited to this appropriation: Provided further, That to the extent that the amount appropriated is less than the total amount authorized to be appropriated for included program activities, all amounts, including floors and ceilings, specified in the authorizing Act for those program activities or their subactivities shall be reduced proportionally: Provided further, That $90,000,000 of the funds available under this heading shall be made available for a comprehensive research initiative on plant genomes for economically significant crops.

MAJOR RESEARCH EQUIPMENT AND FACILITIES CONSTRUCTION

For necessary expenses for the acquisition, construction, commissioning, and upgrading of major research equipment, facilities, and other such capital assets pursuant to the National Science Foundation Act of 1950, as amended, including authorized travel, $155,900,000, to remain available until expended.

EDUCATION AND HUMAN RESOURCES

For necessary expenses in carrying out science and engineering education and human resources programs and activities pursuant to the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875), including services as authorized by 5 U.S.C. 3109, authorized travel, and rental of conference rooms in the District of Columbia, $944,550,000, to remain available until September 30, 2005: Provided, That to the extent that the amount of this appropriation is less than the total amount authorized to be appropriated for included program activities, all amounts, including floors and ceilings, specified in the authorizing Act for those program activities or their subactivities shall be reduced proportionally.

SALARIES AND EXPENSES

For salaries and expenses necessary in carrying out the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875); services authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; not to exceed $9,000 for official reception and representation expenses; uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–5902; rental of conference rooms in the District of Columbia; and reimbursement of the General Services Administration for security guard services; $220,000,000: Provided, That contracts may be entered into under "Salaries and expenses" in fiscal year 2004 for maintenance and operation of facilities, and for other services, to be provided during the next fiscal year.

OFFICE OF THE NATIONAL SCIENCE BOARD

For necessary expenses (including payment of salaries, authorized travel, hire of passenger motor vehicles, the rental of conference rooms in the District of Columbia, and the employment of experts and consultants under section 3109 of title 5, United States Code) involved in carrying out section 4 of the National Science Foundation Act of 1950 (42 U.S.C. 1863) and Public Law 86–209 (42 U.S.C. 1880 et seq.), $3,900,000: Provided, That not more than $9,000 shall be available for official reception and representation expenses.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General as authorized by the Inspector General Act of 1978, as amended, $10,000,000, to remain available until September 30, 2005.

NEIGHBORHOOD REINVESTMENT CORPORATION

PAYMENT TO THE NEIGHBORHOOD REINVESTMENT CORPORATION

For payment to the Neighborhood Reinvestment Corporation for use in neighborhood reinvestment activities, as authorized by the Neighborhood Reinvestment Corporation Act (42 U.S.C. 8101–8107), $115,000,000, of which $5,000,000 shall be for a multi-family rental housing program.

ADMINISTRATIVE PROVISION

Section 605(a) of the Neighborhood Reinvestment Corporation Act (42 U.S.C. 8104) is amended by—

(1) striking out "compensation" and inserting "salary"; and striking out "highest rate provided for GS–18 of the General Schedule under section 5332 of title 5 United States Code"; and inserting "rate for level IV of the Executive Schedule"; and

(2) inserting after the end the following sentence: "The Corporation shall also apply the provisions of section 5307(a)(1), (b)(1) and (b)(2) of title 5, United States Code, governing limitations on certain pay as if its employees were Federal employees receiving payments under title 5.".

SELECTIVE SERVICE SYSTEM

SALARIES AND EXPENSES

For necessary expenses of the Selective Service System, including expenses of attendance at meetings and of training for uniformed personnel assigned to the Selective Service System, as authorized by 5 U.S.C. 4101–4118 for civilian employees; purchase of uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901–5902; hire of passenger motor vehicles; services as authorized by 5 U.S.C. 3109; and not to exceed $750 for official reception and representation expenses; $26,308,000: Provided, That during the current fiscal year, the President may exempt this appropriation from the provisions of 31 U.S.C. 1341, whenever the President deems such action to be necessary in the interest of national defense: Provided further, That none of the funds appropriated by this Act may be expended for or in connection with the induction of any person into the Armed Forces of the United States.

TITLE IV—GENERAL PROVISIONS

SEC. 401. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 402. No funds appropriated by this Act may be expended—

(1) pursuant to a certification of an officer or employee of the United States unless—

(A) such certification is accompanied by, or is part of, a voucher or abstract which describes the payee or payees and the items or services for which such expenditure is being made; or

(B) the expenditure of funds pursuant to such certification, and without such a voucher or abstract, is specifically authorized by law; and

(2) unless such expenditure is subject to audit by the General Accounting Officer or is specifically exempt by law from such audit.

SEC. 403. None of the funds provided in this Act to any department or agency may be obligated or expended for: (1) the transportation of any officer or employee of such department or agency between the domicile and the place of employment of the officer or employee, with the exception of an officer or employee authorized such transportation under 31 U.S.C. 1344 or 5 U.S.C. 7905 or (2) to provide a cook, chauffeur, or other personal servants to any officer or employee of such department or agency.

SEC. 404. None of the funds provided in this Act may be used for payment, through grants or contracts, to recipients that do not share in the cost of conducting research resulting from proposals not specifically solicited by the Government: Provided, That the extent of cost sharing by the recipient shall reflect the mutuality of interest of the grantee or contractor and the Government in the research.

SEC. 405. None of the funds provided in this Act may be used, directly or through grants, to pay or to provide reimbursement for payment of the salary of a consultant (whether retained by the Federal Government or a grantee) at more than the daily equivalent of the rate paid for level IV of the Executive Schedule, unless specifically authorized by law.

SEC. 406. None of the funds provided in this Act may be used to pay the expenses of, or otherwise compensate, non-Federal parties intervening in regulatory or adjudicatory proceedings. Nothing herein affects the authority of the Consumer Product Safety Commission pursuant to section 7 of the Consumer Product Safety Act (15 U.S.C. 2056 et seq.).

SEC. 407. Except as otherwise provided under existing law, or under an existing Executive order issued pursuant to an existing law, the obligation or expenditure of any appropriation under this Act for contracts for any consulting service shall be limited to contracts which are: (1) a matter of public record and available for public inspection; and (2) thereafter included in a publicly available list of all contracts entered into within 24 months prior to the date on which the list is made available to the public and of all contracts on which performance has not been completed by such date. The list required by the preceding sentence shall be updated quarterly and shall include a narrative description of the work to be performed under each such contract.

SEC. 408. None of the funds appropriated in this Act may be used to implement any cap on reimbursements to grantees for indirect costs, except as published in Office of Management and Budget Circular A–21.

SEC. 409. Such sums as may be necessary for fiscal year 2004 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

SEC. 410. (a) It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.

(b) In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

SEC. 411. None of the funds made available in this Act may be used for any program, project, or activity, when it is made known to the Federal entity or official to which the funds are made available that the program, project, or activity is not in compliance with any Federal law relating to risk assessment, the protection of private property rights, or unfunded mandates.

SEC. 412. Except in the case of entities that are funded solely with Federal funds or any natural persons that are funded under this Act, none of *the funds in this Act shall be used for the planning or execution of any program to pay the expenses of, or otherwise compensate, non-Federal parties to lobby or litigate in respect to adjudicatory proceedings funded in this Act. A chief executive officer of any entity receiving funds under this Act shall certify that none of these funds have been used to engage in the lobbying of the Federal Government or in litigation against the United States unless authorized under existing law.*

SEC. 413. No part of any funds appropriated in this Act shall be used by an agency of the executive branch, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, and for the preparation, distribution or use of any kit, pamphlet, booklet, publication, radio, television or film presentation designed to support or defeat legislation pending before the Congress, except in presentation to the Congress itself.

SEC. 414. All departments and agencies funded under this Act are encouraged, within the limits of the existing statutory authorities and funding, to expand their use of "E-Commerce" technologies and procedures in the conduct of their business practices and public service activities.

SEC. 415. None of the funds made available in this Act may be transferred to any department, agency, or instrumentality of the United States Government except pursuant to a transfer made by, or transfer authority provided in, this Act or any other appropriation Act.

SEC. 416. None of the funds provided in this Act to any department or agency shall be obligated or expended to procure passenger automobiles as defined in 15 U.S.C. 2001 with an EPA estimated miles per gallon average of less than 22 miles per gallon.

SEC. 417. Section 312 of the National Aeronautics and Space Administration Act of 1958, as amended, is further amended—

(1) by striking the second Sec. "312" and inserting "313";

(2) by inserting the title, "Full Cost Appropriations Account Structure", before Sec. 313;

(3) in subsection (a)—

(A) by striking "Human space flight" and inserting "Space flight capabilities";

(B) by striking "technology" and inserting "exploration"; and

(C) by striking "2002" and inserting "2004"; and

(4) by striking subsection (c), and inserting the following new subsection:

"(c) The unexpired balances of prior appropriations to the Administration for activities authorized under this Act may be transferred to the new account established for such activity in subsection (a). Balances so transferred may be merged with funds in the newly established account and thereafter may be accounted for as one fund under the same terms and conditions".

SEC. 418. None of the funds made available in this Act may be used to implement any policy prohibiting the Directors of the Veterans Integrated Service Networks from conducting outreach or marketing to enroll new veterans within their respective Networks.

SEC. 419. None of the funds provided in this Act may be expended to apply, in a numerical estimate of the benefits of an agency action prepared pursuant to Executive Order No. 12866 or section 312 of the Clean Air Act (42 U.S.C. 7612), monetary values for adult premature mortality that differ based on the age of the adult.

SEC. 420. It is the sense of Congress that no veteran should wait more than 30 days for an initial doctor's appointment.

SEC. 421. It is the sense of the Congress that human dosing studies of pesticides raises ethical and health questions.

SEC. 422. None of the funds made available to NASA in this Act may be used for voluntary separation incentive payments as provided for in subchapter II of chapter 35 of title 5, United States Code, unless the Administrator of NASA has first certified to Congress that such payments would not result in the loss of skills related to the safety of the Space Shuttle or the International Space Station or to the conduct of independent safety oversight in the National Aeronautics and Space Administration.

SEC. 423. Section 106(d) of the Housing and Community Development Act of 1974 (42 U.S.C. 5306(d)) is amended—

(1) in paragraph (3)(A), by striking "shall not exceed 2 percent" and inserting "shall not, subject to paragraph (6), exceed 3 percent";

(2) in paragraph (5), by striking "not to exceed 1 percent" and inserting "subject to paragraph (6), not to exceed 3 percent";

(3) by redesignating the second paragraph (5) and paragraph (6) as paragraphs (7) and (8), respectively; and

(4) by inserting after paragraph (5) the following:

"(6) Of the amounts received under paragraph (1), the State may deduct not more than an aggregate total of 3 percent of such amounts for—

"(A) administrative expenses under paragraph (3)(A); and

"(B) technical assistance under paragraph (5).".

SEC. 424. NATIONAL ACADEMY OF SCIENCES STUDY. The matter under the heading "ADMINISTRATIVE PROVISIONS" under the heading "ENVIRONMENTAL PROTECTION AGENCY" in title III of division K of the Consolidated Appropriations Resolution, 2003 (117 Stat. 513), is amended—

(1) in the first sentence of the fifth undesignated paragraph (beginning "As soon as"), by inserting before the period at the end the following: ", and the impact of the final rule entitled 'Prevention of Significant Deterioration (PSD) and Nonattainment New Source Review (NSR): Equipment Replacement Provision of the Routine Maintenance, Repair and Replacement Exclusion', amending parts 51 and 52 of title 40, Code of Federal Regulations, and published in electronic docket OAR-2002-0068 on August 27, 2003"; and

(2) in the sixth undesignated paragraph (beginning "The National Academy of Sciences"), by striking "March 3, 2004" and inserting "January 1, 2005".

SEC. 425. DESIGNATIONS OF AREAS FOR $PM_{2.5}$ *AND SUBMISSION OF IMPLEMENTATION PLANS FOR REGIONAL HAZE. (a) IN GENERAL.—Section 107(d) of the Clean Air Act (42 U.S.C. 7407(d)) is amended by adding at the end the following:*

"(6) DESIGNATIONS.—

"(A) SUBMISSION.—Notwithstanding any other provision of law, not later than February 15, 2004, the Governor of each State shall submit designations referred to in paragraph (1) for the July 1997 $PM_{2.5}$ *national ambient air quality standards for each area within the State, based on air quality monitoring data collected in accordance with any applicable Federal reference methods for the relevant areas.*

"(B) PROMULGATION.—Notwithstanding any other provision of law, not later than December 31, 2004, the Administrator shall, consistent with paragraph (1), promulgate the designations referred to in subparagraph (A) for each area of each State for the July 1997 $PM_{2.5}$ *national ambient air quality standards.*

"(7) IMPLEMENTATION PLAN FOR REGIONAL HAZE.—

"(A) IN GENERAL.—Notwithstanding any other provision of law, not later than 3 years after the date on which the Administrator promulgates the designations referred to in paragraph (6)(B) for a State, the State shall submit, for the entire State, the State implementation plan revisions to meet the requirements promulgated by the Administrator under section 169B(e)(1) (referred to in this paragraph as 'regional haze requirements').

"(B) NO PRECLUSION OF OTHER PROVISIONS.—Nothing in this paragraph precludes the implementation of the agreements and recommendations stemming from the Grand Canyon Visibility Transport Commission Report dated June 1996, including the submission of State implementation plan revisions by the States of Arizona, California, Colorado, Idaho, Nevada, New Mexico, Oregon, Utah, or Wyoming by December 31, 2003, for implementation of regional haze requirements applicable to those States.".

(b) RELATIONSHIP TO TRANSPORTATION EQUITY ACT FOR THE 21ST CENTURY.—Except as provided in paragraphs (6) and (7) of section 107(d) of the Clean Air Act (as added by subsection (a)), section 6101, subsections (a) and (b) of section 6102, and section 6103 of the Transportation Equity Act for the 21st Century (42 U.S.C. 7407 note; 112 Stat. 463), as in effect on the day before the date of enactment of this Act, shall remain in effect.

SEC. 426. (a) TREATMENT OF PIONEER HOMES IN ALASKA AS STATE HOME FOR VETERANS.—The Secretary of Veterans Affairs may—

(1) treat the Pioneer Homes in the State of Alaska collectively as a single State home for veterans for purposes of section 1741 of title 38, United States Code; and

(2) make per diem payments to the State of Alaska for care provided to veterans in the Pioneer Homes in accordance with the provisions of that section.

(b) TREATMENT NOTWITHSTANDING NON-VETERAN RESIDENCY.—The Secretary may treat the Pioneer Homes as a State home under subsection (a) notwithstanding the residency of non-veterans in one or more of the Pioneer Homes.

(c) PIONEER HOMES DEFINED.—In this section, the term "Pioneer Homes" means the six regional homes in the State of Alaska known as Pioneer Homes, which are located in the following:

(1) Anchorage, Alaska.
(2) Fairbanks, Alaska.
(3) Juneau, Alaska.
(4) Ketchikan, Alaska.
(5) Palmer, Alaska.
(6) Sitka, Alaska.

(d) LIMITATION.—The number of beds occupied by veterans collectively in the six Pioneer Homes listed under subsection (c) for which per diem would be paid under this authority shall not exceed the number of veterans in state beds that otherwise would be permitted in Alaska under the Department of Veterans Affairs state home regulations governing the number of beds per veteran population.

SEC. 427. Of the amounts available to the National Aeronautics and Space Administration, such sums as maybe necessary for the benefit of the families of the astronauts who died on board the Space Shuttle Columbia on February 1, 2003, are available under the terms of section 203(c)(13) of the National Aeronautics and Space Act of 1958, as amended, independent of the limitations established therein.

SEC. 428. REGULATION OF SMALL ENGINES. (a) In considering any request from California to authorize the state to adopt or enforce standards of other requirements relating to the control of emissions from new non-road spark-ignition engines smaller than 50 horsepower, the Administrator shall give appropriate consideration to safety factors (including the potential increased risk of burn or fire) associated with compliance with the California standard.

(b) Not later than December 1, 2004, the Administrator of the Environmental Protection Agency shall propose regulations under the Clean Air Act that shall contain standards to reduce emissions from new nonroad spark-ignition engines smaller than 50 horsepower. Not

later than December 31, 2005, the Administrator shall publish in the Federal Register final regulations containing such standards.

(c) No State or any political subdivision thereof may adopt or attempt to enforce any standard or other requirement applicable to spark ignition engines smaller than 50 horsepower.

(d) EXCEPTION FOR CALIFORNIA.—The prohibition in subsection (e) does not apply to or restrict in any way the authority granted to California under Section 209(e) of the Clean Air Act (42 U.S.C. 7543(e)).

(e) EXCEPTION FOR OTHER STATES.—The prohibition in subsection (c) does not apply to or restrict the authority of any state under Section 209(e)(2)(B) of the Clean Air Act (42 U.S.C. 7543(e)(2)(B)) to enforce standards or other requirements that were adopted by that state before September 1, 2003.

TITLE V—PESTICIDE PRODUCTS AND FEES

SEC. 501. PESTICIDE REGISTRATION.

(a) SHORT TITLE.—This section may be cited as the "Pesticide Registration Improvement Act of 2003".

(b) REGISTRATION REQUIREMENTS FOR ANTIMICROBIAL PESTICIDES.—Section 3(h) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136a(h)) is amended—

(1) in paragraph (2)(F), by striking "90 to 180 days" and inserting "120 days"; and

(2) in paragraph (3)—

(A) in subparagraph (D)(vi), by striking "240 days" and inserting "120 days"; and

(B) in subparagraph (F), by adding at the end the following:

"(iv) LIMITATION.—Notwithstanding clause (ii), the failure of the Administrator to notify an applicant for an amendment to a registration for an antimicrobial pesticide shall not be judicially reviewable in a Federal or State court if the amendment requires scientific review of data within—

"(I) the time period specified in subparagraph (D)(vi), in the absence of a final regulation under subparagraph (B); or

"(II) the time period specified in paragraph (2)(F), if adopted in a final regulation under subparagraph (B).".

(c) MAINTENANCE FEES.—

(1) AMOUNTS FOR REGISTRANTS.—Section 4(i)(5) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136a–1(i)(5)) is amended—

(A) in subparagraph (A)—

(i) by striking "(A) Subject" and inserting the following:

"(A) IN GENERAL.—Subject"; and

(ii) by striking "of—" and all that follows through "additional registration" and inserting "for each registration";

(B) in subparagraph (D)—

(i) by striking "(D) The" and inserting the following:

"(D) MAXIMUM AMOUNT OF FEES FOR REGISTRANTS.—The";

(ii) in clause (i), by striking "shall be $55,000; and" and inserting "shall be—

"(I) for fiscal year 2004, $84,000;

"(II) for each of fiscal years 2005 and 2006, $87,000;

"(III) for fiscal year 2007, $68,000; and

"(IV) for fiscal year 2008, $55,000; and"; and

(iii) in clause (ii), by striking "shall be $95,000." and inserting "shall be—

"(I) for fiscal year 2004, $145,000;

"(II) for each of fiscal years 2005 and 2006, $151,000;

"(III) for fiscal year 2007, $117,000; and

"(IV) for fiscal year 2008, $95,000."; and

(C) in subparagraph (E)—

(i) by striking "(E)(i) For" and inserting the following:

"(E) MAXIMUM AMOUNT OF FEES FOR SMALL BUSINESSES.—

"(i) IN GENERAL.—For";

(ii) by indenting the margins of subclauses (I) and (II) of clause (i) appropriately; and

(iii) in clause (i)—

(I) subclause (I), by striking "shall be $38,500; and" and inserting "shall be—

"(aa) for fiscal year 2004, $59,000;

"(bb) for each of fiscal years 2005 and 2006, $61,000;

"(cc) for fiscal year 2007, $48,000; and

"(dd) for fiscal year 2008, $38,500; and"; and

(II) in subclause (II), by striking "shall be $66,500." and inserting "shall be—

"(aa) for fiscal year 2004, $102,000;

"(bb) for each of fiscal years 2005 and 2006, $106,000;

"(cc) for fiscal year 2007, $82,000; and

"(dd) for fiscal year 2008, $66,500.".

(2) TOTAL AMOUNT OF FEES.—Section 4(i)(5)(C) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136(a)–1(i)(5)(C)) is amended—

(A) by striking "(C)(i) The" and inserting the following:

"(C) TOTAL AMOUNT OF FEES.—The"; and

(B) by striking "aggregate amount" and all that follows through clause (ii) and inserting "aggregate amount of—

"(i) for fiscal year 2004, $26,000,000;

"(ii) for fiscal year 2005, $27,000,000;

"(iii) for fiscal year 2006, $27,000,000;

"(iv) for fiscal year 2007, $21,000,000; and

"(v) for fiscal year 2008, $15,000,000.".

(3) DEFINITION OF SMALL BUSINESS.—Section 4(i)(5)(E)(ii) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136a–1(i)(5)(E)(ii)) is amended—

(A) by redesignating subclauses (I) and (II) as items (aa) and (bb), respectively, and indenting the margins appropriately;

(B) by striking "(ii) For purposes of" and inserting the following:

"(ii) DEFINITION OF SMALL BUSINESS.—

"(I) IN GENERAL.—In";

(C) in item (aa) (as so redesignated), by striking "150" and inserting "500";

(D) in item (bb) (as so redesignated), by striking "gross revenue from chemicals that did not exceed $40,000,000." and inserting "global gross revenue from pesticides that did not exceed $60,000,000."; and

(E) by adding at the end the following:

"(II) AFFILIATES.—

"(aa) IN GENERAL.—In the case of a business entity with 1 or more affiliates, the gross revenue limit under subclause (I)(bb) shall apply to the gross revenue for the entity and all of the affiliates of the entity, including parents and subsidiaries, if applicable.

"(bb) AFFILIATED PERSONS.—For the purpose of item (aa), persons are affiliates of each other if, directly or indirectly, either person controls or has the power to control the other person, or a third person controls or has the power to control both persons.

"(cc) INDICIA OF CONTROL.—For the purpose of item (aa), indicia of control include interlocking management or ownership, identity of interests among family members, shared facilities and equipment, and common use of employees.".

(4) EXTENSION OF AUTHORITY FOR COLLECTING MAINTENANCE FEES.—Section 4(i)(5)(H) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136a–1(i)(5)(H)) is amended by striking "2003" and inserting "2008".

(5) REREGISTRATION AND OTHER ACTIVITIES.—Section 4(g)(2) of the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. 136a–1(g)(2)) is amended—

(A) by striking subparagraph (A) and inserting the following:

"(A) IN GENERAL.—The Administrator shall make a determination as to eligibility for reregistration—

"(i) for all active ingredients subject to reregistration under this section for which tolerances or exemptions from tolerances are required under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.), not later than the last date for tolerance reassessment established under section 408(q)(1)(C) of that Act (21 U.S.C. 346a(q)(1)(C)); and

"(ii) for all other active ingredients subject to reregistration under this section, not later than October 3, 2008.";

(B) in subparagraph (B)—

(i) by striking "(B) Before" and inserting the following:

"(B) PRODUCT-SPECIFIC DATA.—

"(i) IN GENERAL.—Before";

(ii) by striking "The Administrator" and inserting the following:

"(ii) TIMING.—

"(I) IN GENERAL.—Subject to subclause (II), the Administrator"; and

(iii) by adding at the end the following:

"(II) EXTRAORDINARY CIRCUMSTANCES.—In the case of extraordinary circumstances, the Administrator may provide such a longer period, of not more than 2 additional years, for submission of data to the Administrator under this subparagraph."; and

(C) in subparagraph (D)—

(i) by striking "(D) If" and inserting the following:

"(D) DETERMINATION TO NOT REREGISTER.—

"(i) IN GENERAL.—If"; and

(ii) by adding at the end the following:

"(ii) TIMING FOR REGULATORY ACTION.—Regulatory action under clause (i) shall be completed as expeditiously as possible.".

(d) OTHER FEES.—

(1) IN GENERAL.—Section 4(i)(6) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136a–1(i)(6)) is amended—

(A) by striking "During" and inserting "Except as provided in section 33, during"; and

(B) by striking "2003" and inserting "2010".

(2) TOLERANCE FEES.—Notwithstanding section 408(m)(1) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 346a(m)(1)), during the period beginning on October 1, 2003, and ending on September 30, 2008, the Administrator of the Environmental Protection Agency shall not collect any tolerance fees under that section.

(e) EXPEDITED PROCESSING OF SIMILAR APPLICATIONS.—Section 4(k)(3) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136a–1(k)(3)) is amended—

(1) in the paragraph heading, by striking "EXPEDITED" and inserting "REVIEW OF INERT INGREDIENTS; EXPEDITED"; and

(2) in subparagraph (A)—

(A) by striking "1997" and all that follows through "of the maintenance fees" and inserting "2004 through 2006, approximately $3,300,000, and for each of fiscal years 2007 and 2008, between 1/8 and 1/7, of the maintenance fees";

(B) by redesignating clauses (i), (ii), and (iii) as subclauses (I), (II) and (III), respectively, and indenting appropriately; and

(C) by striking "resources to assure the expedited processing and review of any application that" and inserting "resources—

"(i) to review and evaluate new inert ingredients; and

"(ii) to ensure the expedited processing and review of any application that—".

(f) PESTICIDE REGISTRATION SERVICE FEES.—The Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136a et seq.) is amended—

(1) by redesignating sections 33 and 34 (7 U.S.C. 136x, 136y) as sections 34 and 35, respectively; and

(2) by inserting after section 32 (7 U.S.C. 136w–7) the following:

"SEC. 33. PESTICIDE REGISTRATION SERVICE FEES.

"(a) DEFINITION OF COSTS.—In this section, the term 'costs', when used with respect to review and decisionmaking pertaining to an application for which registration service fees are paid under this section, means—

"(1) costs to the extent that—

"(A) officers and employees provide direct support for the review and decisionmaking for covered pesticide applications, associated tolerances, and corresponding risk and benefits information and analyses;

"(B) persons and organizations under contract with the Administrator engage in the review of the applications, and corresponding risk and benefits information and assessments; and

"(C) advisory committees and other accredited persons or organizations, on the request of the Administrator, engage in the peer review of risk or benefits information associated with covered pesticide applications;

"(2) costs of management of information, and the acquisition, maintenance, and repair of computer and telecommunication resources (including software), used to support review of pesticide applications, associated tolerances, and corresponding risk and benefits information and analyses; and

"(3) costs of collecting registration service fees under subsections (b) and (c) and reporting, auditing, and accounting under this section.

"(b) FEES.—

"(1) IN GENERAL.—Effective beginning on the effective date of the Pesticide Registration Improvement Act of 2003, the Administrator shall assess and collect covered pesticide registration service fees in accordance with this section.

"(2) COVERED PESTICIDE REGISTRATION APPLICATIONS.—

"(A) IN GENERAL.—An application for the registration of a pesticide covered by this Act that is received by the Administrator on or after the effective date of the Pesticide Registration Improvement Act of 2003 shall be subject to a registration service fee under this section.

"(B) EXISTING APPLICATIONS.—

"(i) IN GENERAL.—Subject to clause (ii), an application for the registration of a pesticide that was submitted to the Administrator before the effective date of the Pesticide Registration Improvement Act of 2003 and is pending on that effective date shall be subject to a service fee under this section if the application is for the registration of a new active ingredient that is not listed in the Registration Division 2003 Work Plan of the Office of Pesticide Programs of the Environmental Protection Agency.

"(ii) TOLERANCE OR EXEMPTION FEES.—The amount of any fee otherwise payable for an application described in clause (i) under this section shall be reduced by the amount of any fees paid to support the related petition for a pesticide tolerance or exemption under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.).

"(C) DOCUMENTATION.—An application subject to a registration service fee under this section shall be submitted with documentation certifying—

"(i) payment of the registration service fee; or

"(ii) a request for a waiver from or reduction of the registration service fee.

"(3) SCHEDULE OF COVERED APPLICATIONS AND REGISTRATION SERVICE FEES.—

"(A) IN GENERAL.—Not later than 30 days after the effective date of the Pesticide Registration Improvement Act of 2003, the Administrator shall publish in the Federal Register a schedule of covered pesticide registration applications and corresponding registration service fees.

"(B) REPORT.—Subject to paragraph (6), the schedule shall be the same as the applicable schedule appearing in the Congressional Record on pages S11631 through S11633, dated September 17, 2003.

"(4) PENDING PESTICIDE REGISTRATION APPLICATIONS.—

"(A) IN GENERAL.—An applicant that submitted a registration application to the Administrator before the effective date of the Pesticide Registration Improvement Act of 2003, but that is not required to pay a registration service fee under paragraph (2)(B), may, on a voluntary basis, pay a registration service fee in accordance with paragraph (2)(B).

"(B) VOLUNTARY FEE.—The Administrator may not compel payment of a registration service fee for an application described in subparagraph (A).

"(C) DOCUMENTATION.—An application for which a voluntary registration service fee is paid under this paragraph shall be submitted with documentation certifying—

"(i) payment of the registration service fee; or

"(ii) a request for a waiver from or reduction of the registration service fee.

"(5) RESUBMISSION OF PESTICIDE REGISTRATION APPLICATIONS.—If a pesticide registration application is submitted by a person that paid the fee for the application under paragraph (2), is determined by the Administrator to be complete, and is not approved or is withdrawn (without a waiver or refund), the submission of the same pesticide registration application by the same person (or a licensee, assignee, or successor of the person) shall not be subject to a fee under paragraph (2).

"(6) FEE ADJUSTMENT.—Effective for a covered pesticide registration application received on or after October 1, 2005, the Administrator shall—

"(A) increase by 5 percent the service fee payable for the application under paragraph (3); and

"(B) publish in the Federal Register the revised registration service fee schedule.

"(7) WAIVERS AND REDUCTIONS.—

"(A) IN GENERAL.—An applicant for a covered pesticide registration may request the Administrator to waive or reduce the amount of a registration service fee payable under this section under the circumstances described in subparagraphs (D) through (G).

"(B) DOCUMENTATION.—

"(i) IN GENERAL.—A request for a waiver from or reduction of the registration service fee shall be accompanied by appropriate documentation demonstrating the basis for the waiver or reduction.

"(ii) CERTIFICATION.—The applicant shall provide to the Administrator a written certification, signed by a responsible officer, that the documentation submitted to support the waiver or reduction request is accurate.

"(iii) INACCURATE DOCUMENTATION.—An application shall be subject to the applicable registration service fee payable under paragraph (3) if, at any time, the Administrator determines that—

"(I) the documentation supporting the waiver or reduction request is not accurate; or

"(II) based on the documentation or any other information, the waiver or reduction should not have been granted or should not be granted.

"(C) DETERMINATION TO GRANT OR DENY REQUEST.—As soon as practicable, but not later than 60 days, after the date on which the Administrator receives a request for a waiver or reduction of a registration service fee under this paragraph, the Administrator shall—

"(i) determine whether to grant or deny the request; and

"(ii) notify the applicant of the determination.

"(D) MINOR USES.—

"(i) IN GENERAL.—The Administrator may waive or reduce a registration service fee for an application for minor uses for a pesticide.

"(ii) SUPPORTING DOCUMENTATION.—An applicant requesting a waiver under this subparagraph shall provide supporting documentation that demonstrates, to the satisfaction of the Administrator, that anticipated revenues from the uses that are the subject of the application would be insufficient to justify imposition of the full application fee.

"(E) IR–4 WAIVER.—The Administrator shall waive the registration service fee for an application if the Administrator determines that—

"(i) the application is solely associated with a tolerance petition submitted in connection with the Inter-Regional Project Number 4 (IR–4) as described in section 2 of Public Law 89–106 (7 U.S.C. 450i(e)); and

"(ii) the waiver is in the public interest.

"(F) SMALL BUSINESSES.—

"(i) IN GENERAL.—The Administrator shall waive 50 percent of the registration service fees payable by an entity for a covered pesticide registration application under this section if the entity is a small business (as defined in section 4(i)(5)(E)(ii)) at the time of application.

"(ii) WAIVER OF FEES.—The Administrator shall waive all of the registration service fees payable by an entity under this section if the entity—

"(I) is a small business (as defined in section 4(i)(5)(E)(ii)) at the time of application; and

"(II) has average annual global gross revenues described in section 4(i)(5)(E)(ii)(I)(bb) that does not exceed $10,000,000, at the time of application.

"(iii) FORMATION FOR WAIVER.—The Administrator shall not grant a waiver under this subparagraph if the Administrator determines that the entity submitting the application has been formed or manipulated primarily for the purpose of qualifying for the waiver.

"(iv) DOCUMENTATION.—An entity requesting a waiver under this subparagraph shall provide to the Administrator—

"(I) documentation demonstrating that the entity is a small business (as defined in section 4(i)(5)(E)(ii)) at the time of application; and

"(II) if the entity is requesting a waiver of all registration service fees payable under this section, documentation demonstrating that the entity has an average annual global gross revenues described in section 4(i)(5)(E)(ii)(I)(bb) that does not exceed $10,000,000, at the time of application.

"(G) FEDERAL AND STATE AGENCY EXEMPTIONS.—An agency of the Federal Government or a State government shall be exempt from covered registration service fees under this section.

"(8) REFUNDS.—

"(A) EARLY WITHDRAWALS.—If, during the first 60 days after the beginning of the applicable decision time review period under subsection (f)(3), a covered pesticide registration application is withdrawn by the applicant, the Administrator shall refund all but 10 percent of the total registration service fee payable under paragraph (3) for the application.

"(B) WITHDRAWALS AFTER THE FIRST 60 DAYS OF DECISION REVIEW TIME PERIOD.—

"(i) IN GENERAL.—If a covered pesticide registration application is withdrawn after the first 60 days of the applicable decision time review period, the Administrator shall determine what portion, if any, of the total registration service fee payable under paragraph (3) for the application may be refunded based on the proportion of the work completed at the time of withdrawal.

"(ii) TIMING.—The Administrator shall—

"(I) make the determination described in clause (i) not later than 90 days after the date the application is withdrawn; and

"(II) provide any refund as soon as practicable after the determination.

"(C) DISCRETIONARY REFUNDS.—

"(i) IN GENERAL.—In the case of a pesticide registration application that has been filed with the Administrator and has not been withdrawn

by the applicant, but for which the Administrator has not yet made a final determination, the Administrator may refund a portion of a covered registration service fee if the Administrator determines that the refund is justified.

"(ii) BASIS.—The Administrator may provide a refund for an application under this subparagraph—

"(I) on the basis that, in reviewing the application, the Administrator has considered data submitted in support of another pesticide registration application; or

"(II) on the basis that the Administrator completed portions of the review of the application before the effective date of this section.

"(D) CREDITED FEES.—In determining whether to grant a refund under this paragraph, the Administrator shall take into account any portion of the registration service fees credited under paragraph (2) or (4).

"(c) PESTICIDE REGISTRATION FUND.—

"(1) ESTABLISHMENT.—There is established in the Treasury of the United States a Pesticide Registration Fund to be used in carrying out this section (referred to in this section as the 'Fund'), consisting of—

"(A) such amounts as are deposited in the Fund under paragraph (2);

"(B) any interest earned on investment of amounts in the Fund under paragraph (4); and

"(C) any proceeds from the sale or redemption of investments held in the Fund.

"(2) DEPOSITS IN FUND.—Subject to paragraph (4), the Administrator shall deposit fees collected under this section in the Fund.

"(3) EXPENDITURES FROM FUND.—

"(A) IN GENERAL.—Subject to subparagraphs (B) and (C) and paragraph (4), the Administrator may make expenditures from the Fund—

"(i) to cover the costs associated with the review and decisionmaking pertaining to all applications for which registration service fees have been paid under this section; and

"(ii) to otherwise carry out this section.

"(B) WORKER PROTECTION.—For each of fiscal years 2004 through 2008, the Administrator shall use approximately $^{1}/_{17}$ of the amount in the Fund (but not more than $1,000,000, and not less than $750,000, for any fiscal year) to enhance current scientific and regulatory activities related to worker protection.

"(C) NEW INERT INGREDIENTS.—For each of fiscal years 2004 and 2005, the Administrator shall use approximately $^{1}/_{34}$ of the amount in the Fund (but not to exceed $500,000 for any fiscal year) for the review and evaluation of new inert ingredients.

"(4) COLLECTIONS AND APPROPRIATIONS ACTS.—The fees authorized by this section and amounts deposited in the Fund—

"(A) shall be collected and made available for obligation only to the extent provided in advance in appropriations Acts; and

"(B) shall be available without fiscal year limitation.

"(5) UNUSED FUNDS.—Amounts in the Fund not currently needed to carry out this section shall be—

"(A) maintained readily available or on deposit;

"(B) invested in obligations of the United States or guaranteed by the United States; or

"(C) invested in obligations, participations, or other instruments that are lawful investments for fiduciary, trust, or public funds.

"(d) ASSESSMENT OF FEES.—

"(1) DEFINITION OF COVERED FUNCTIONS.—In this subsection, the term 'covered functions' means functions of the Office of Pesticide Programs of the Environmental Protection Agency, as identified in key programs and projects of the final operating plan for the Environmental Protection Agency submitted as part of the budget process for fiscal year 2002, regardless of any subsequent transfer of 1 or more of the functions to another office or agency or the subsequent transfer of a new function to the Office of Pesticide Programs.

"(2) MINIMUM AMOUNT OF APPROPRIATIONS.—For fiscal years 2004, 2005, and 2006 only, registration service fees may not be assessed for a fiscal year under this section unless the amount of appropriations for salaries, contracts, and expenses for the functions (as in existence in fiscal year 2002) of the Office of Pesticide Programs of the Environmental Protection Agency for the fiscal year (excluding the amount of any fees appropriated for the fiscal year) are equal to or greater than the amount of appropriations for covered functions for fiscal year 2002 (excluding the amount of any fees appropriated for the fiscal year).

"(3) USE OF FEES.—Registration service fees authorized by this section shall be available, in the aggregate, only to defray increases in the costs associated with the review and decisionmaking for the review of pesticide registration applications and associated tolerances (including increases in the number of full-time equivalent positions in the Environmental Protection Agency engaged in those activities) over the costs for fiscal year 2002, excluding costs paid from fees appropriated for the fiscal year.

"(4) COMPLIANCE.—The requirements of paragraph (2) shall have been considered to have been met for any fiscal year if the amount of appropriations for salaries, contracts, and expenses for the functions (as in existence in fiscal year 2002) of the Office of Pesticide Programs of the Environmental Protection Agency for the fiscal year (excluding the amount of any fees appropriated for the fiscal year) is not more than 3 percent below the amount of appropriations for covered functions for fiscal year 2002 (excluding the amount of any fees appropriated for the fiscal year).

"(5) SUBSEQUENT AUTHORITY.—If the Administrator does not assess registration service fees under subsection (b) during any portion of a fiscal year as the result of paragraph (2) and is subsequently permitted to assess the fees under subsection (b) during the fiscal year, the Administrator shall assess and collect the fees, without any modification in rate, at any time during the fiscal year, notwithstanding any provisions of subsection (b) relating to the date fees are to be paid.

"(e) REFORMS TO REDUCE DECISION TIME REVIEW PERIODS.—To the maximum extent practicable consistent with the degrees of risk presented by pesticides and the type of review appropriate to evaluate risks, the Administrator shall identify and evaluate reforms to the pesticide registration process under this Act with the goal of reducing decision review periods in effect on the effective date of the Pesticide Registration Improvement Act of 2003 for pesticide registration actions for covered pesticide registration applications (including reduced risk applications).

"(f) DECISION TIME REVIEW PERIODS.—

"(1) IN GENERAL.—Not later than 30 days after the effective date of the Pesticide Registration Improvement Act of 2003, the Administrator shall publish in the Federal Register a schedule of decision review periods for covered pesticide registration actions and corresponding registration service fees under this Act.

"(2) REPORT.—The schedule shall be the same as the applicable schedule appearing in the Congressional Record on pages S11631 through S11633, dated September 17, 2003.

"(3) APPLICATIONS SUBJECT TO DECISION TIME REVIEW PERIODS.—The decision time review periods specified in paragraph (1) shall apply to—

"(A) covered pesticide registration applications subject to registration service fees under subsection (b)(2);

"(B) covered pesticide registration applications for which an applicant has voluntarily paid registration service fees under subsection (b)(4); and

"(C) covered pesticide registration applications listed in the Registration Division 2003 Work Plan of the Office of Pesticide Programs of the Environmental Protection Agency.

"(4) START OF DECISION TIME REVIEW PERIOD.—

"(A) IN GENERAL.—Except as provided in subparagraphs (C), (D), and (E), in the case of a pesticide registration application accompanied by the registration service fee required under this section, the decision time review period begins 21 days after the date on which the Administrator receives the covered pesticide registration application.

"(B) COMPLETENESS OF APPLICATION.—In conducting an initial screening of an application, the Administrator shall determine—

"(i) whether—

"(I) the applicable registration service fee has been paid; or

"(II) the application contains a waiver or refund request; and

"(ii) whether the application—

"(I) contains all necessary forms, data, draft labeling, and, documentation certifying payment of any registration service fee required under this section; or

"(II) establishes a basis for any requested waiver or reduction.

"(C) APPLICATIONS WITH WAIVER OR REDUCTION REQUESTS.—

"(i) IN GENERAL.—In the case of an application submitted with a request for a waiver or reduction of registration service fees under subsection (b)(7), the decision time review period shall be determined in accordance with this subparagraph.

"(ii) REQUEST GRANTED WITH NO ADDITIONAL FEES REQUIRED.—If the Administrator grants the waiver or reduction request and no additional fee is required, the decision time review period begins on the earlier of—

"(I) the date on which the Administrator grants the request; or

"(II) the date that is 60 days after the date of receipt of the application.

"(iii) REQUEST GRANTED WITH ADDITIONAL FEES REQUIRED.—If the Administrator grants the waiver or reduction request, in whole or in part, but an additional registration service fee is required, the decision time review period begins on the date on which the Administrator receives certification of payment of the applicable registration service fee.

"(iv) REQUEST DENIED.—If the Administrator denies the waiver or reduction request, the decision time review period begins on the date on which the Administrator receives certification of payment of the applicable registration service fee.

"(D) PENDING APPLICATIONS.—

"(i) IN GENERAL.—The start of the decision time review period for applications described in clause (ii) shall be the date on which the Administrator receives certification of payment of the applicable registration service fee.

"(ii) APPLICATIONS.—Clause (i) applies to—

"(I) covered pesticide registration applications for which voluntary fees have been paid under subsection (b)(4); and

"(II) covered pesticide registration applications received on or after the effective date of the Pesticide Registration Improvement Act of 2003 but submitted without the applicable registration service fee required under this section due to the inability of the Administrator to assess fees under subsection (d)(1).

"(E) 2003 WORK PLAN.—In the case of a covered pesticide registration application listed in the Registration Division 2003 Work Plan of the

Office of Pesticide Programs of the Environmental Protection Agency, the decision time review period begins on the date that is 30 days after the effective date of the Pesticide Registration Improvement Act of 2003.

"(5) EXTENSION OF DECISION TIME REVIEW PERIOD.—The Administrator and the applicant may mutually agree in writing to extend a decision time review period under this subsection.

"(g) JUDICIAL REVIEW.—

"(1) IN GENERAL.—Any applicant adversely affected by the failure of the Administrator to make a determination on the application of the applicant for registration of a new active ingredient or new use for which a registration service fee is paid under this section may obtain judicial review of the failure solely under this section.

"(2) SCOPE.—

"(A) IN GENERAL.—In an action brought under this subsection, the only issue on review is whether the Administrator failed to make a determination on the application specified in paragraph (1) by the end of the applicable decision time review period required under subsection (f) for the application.

"(B) OTHER ACTIONS.—No other action authorized or required under this section shall be judicially reviewable by a Federal or State court.

"(3) TIMING.—

"(A) IN GENERAL.—A person may not obtain judicial review of the failure of the Administrator to make a determination on the application specified in paragraph (1) before the expiration of the 2-year period that begins on the date on which the decision time review period for the application ends.

"(B) MEETING WITH ADMINISTRATOR.—To be eligible to seek judicial review under this subsection, a person seeking the review shall first request in writing, at least 120 days before filing the complaint for judicial review, a decision review meeting with the Administrator.

"(4) REMEDIES.—The Administrator may not be required or permitted to refund any portion of a registration service fee paid in response to a complaint that the Administrator has failed to make a determination on the covered pesticide registration application specified in paragraph (1) by the end of the applicable decision review period.

"(h) ACCOUNTING.—The Administrator shall—

"(1) provide an annual accounting of the registration service fees paid to the Administrator and disbursed from the Fund, by providing financial statements in accordance with—

"(A) the Chief Financial Officers Act of 1990 (Public Law 101–576; 104 Stat. 2838) and amendments made by that Act; and

"(B) the Government Management Reform Act of 1994 (Public Law 103–356; 108 Stat. 3410) and amendments made by that Act;

"(2) provide an accounting describing expenditures from the Fund authorized under subsection (c); and

"(3) provide an annual accounting describing collections and expenditures authorized under subsection (d).

"(i) AUDITING.—

"(1) FINANCIAL STATEMENTS OF AGENCIES.—For the purpose of section 3515(c) of title 31, United States Code, the Fund shall be considered a component of an executive agency.

"(2) COMPONENTS.—The annual audit required under sections 3515(b) and 3521 of that title of the financial statements of activities under this section shall include an analysis of—

"(A) the fees collected under subsection (b) and disbursed;

"(B) compliance with subsection (f);

"(C) the amount appropriated to meet the requirements of subsection (d)(1); and

"(D) the reasonableness of the allocation of the overhead allocation of costs associated with the review and decisionmaking pertaining to applications under this section.

"(3) INSPECTOR GENERAL.—The Inspector General of the Environmental Protection Agency shall—

"(A) conduct the annual audit required under this subsection; and

"(B) report the findings and recommendations of the audit to the Administrator and to the appropriate committees of Congress.

"(j) PERSONNEL LEVELS.—All full-time equivalent positions supported by fees authorized and collected under this section shall not be counted against the agency-wide personnel level goals of the Environmental Protection Agency.

"(k) REPORTS.—

"(1) IN GENERAL.—Not later than March 1, 2005, and each March 1 thereafter through March 1, 2009, the Administrator shall publish an annual report describing actions taken under this section.

"(2) CONTENTS.—The report shall include—

"(A) a review of the progress made in carrying out each requirement of subsections (e) and (f), including—

"(i) the number of applications reviewed, including the decision times for each application specified in subsection (f);

"(ii) the number of actions pending in each category of actions described in subsection (f)(3), as well as the number of inert ingredients;

"(iii) to the extent determined appropriate by the Administrator and consistent with the authorities of the Administrator and limitations on delegation of functions by the Administrator, recommendations for—

"(I) expanding the use of self-certification in all appropriate areas of the registration process;

"(II) providing for accreditation of outside reviewers and the use of outside reviewers to conduct the review of major portions of applications; and

"(III) reviewing the scope of use of the notification process to cover broader categories of registration actions; and

"(iv) the use of performance-based contracts, other contracts, and procurement to ensure that—

"(I) the goals of this Act for the timely review of applications for registration are met; and

"(II) the registration program is administered in the most productive and cost effective manner practicable;

"(B) a description of the staffing and resources relating to the costs associated with the review and decisionmaking pertaining to applications; and

"(C) a review of the progress in meeting the timeline requirements of section 4(g).

"(3) METHOD.—The Administrator shall publish a report required by this subsection by such method as the Administrator determines to be the most effective for efficiently disseminating the report, including publication of the report on the Internet site of the Environmental Protection Agency.

"(l) SAVINGS CLAUSE.—Nothing in this section affects any other duties, obligations, or authorities established by any other section of this Act, including the right to judicial review of duties, obligations, or authorities established by any other section of this Act.

"(m) TERMINATION OF EFFECTIVENESS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), the authority provided by this section terminates on September 30, 2008.

"(2) PHASE OUT.—

"(A) FISCAL YEAR 2009.—During fiscal year 2009, the requirement to pay and collect registration service fees applies, except that the level of registration service fees payable under this section shall be reduced 40 percent below the level in effect on September 30, 2008.

"(B) FISCAL YEAR 2010.—During fiscal year 2010, the requirement to pay and collect registration service fees applies, except that the level of registration service fees payable under this section shall be reduced 70 percent below the level in effect on September 30, 2008.

"(C) SEPTEMBER 30, 2010.—Effective September 30, 2010, the requirement to pay and collect registration service fees terminates.

"(D) DECISION REVIEW PERIODS.—

"(i) PENDING APPLICATIONS.—In the case of an application received under this section before September 30, 2008, the application shall be reviewed in accordance with subsection (f).

"(ii) NEW APPLICATIONS.—In the case of an application received under this section on or after September 30, 2008, subsection (f) shall not apply to the application.".

(g) CONFORMING AMENDMENTS.—The table of contents in section 1(b) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. prec. 136) is amended—

(1) by striking the item relating to section 4(k)(3) and inserting the following:

"(3) Review of inert ingredients; expedited processing of similar applications.";

and

(2) by striking the items relating to sections 30 and 31 and inserting the following:

"Sec. 30. Minimum requirements for training of maintenance applicators and service technicians.
"Sec. 31. Environmental Protection Agency minor use program.
"Sec. 32. Department of Agriculture minor use program.
"(a) In general.
"(b)(1) Minor use pesticide data.
"(2) Minor Use Pesticide Data Revolving Fund.
"Sec. 33. Pesticide registration service fees.
"(a) Definition of costs.
"(b) Fees.
"(1) In general.
"(2) Covered pesticide registration applications.
"(3) Schedule of covered applications and registration service fees.
"(4) Pending pesticide registration applications.
"(5) Resubmission of pesticide registration applications.
"(6) Fee adjustment.
"(7) Waivers and reductions.
"(8) Refunds.
"(c) Pesticide Registration Fund.
"(1) Establishment.
"(2) Transfers to Fund.
"(3) Expenditures from Fund.
"(4) Collections and appropriations Acts.
"(5) Unused funds.
"(d) Assessment of fees.
"(1) Definition of covered functions.
"(2) Minimum amount of appropriations.
"(3) Use of fees.
"(4) Compliance.
"(5) Subsequent authority.
"(e) Reforms to reduce decision time review periods.
"(f) Decision time review periods.
"(1) In general.
"(2) Report.
"(3) Applications subject to decision time review periods.
"(4) Start of decision time review period.
"(5) Extension of decision time review period.
"(g) Judicial review.
"(1) In general.
"(2) Scope.
"(3) Timing.
"(4) Remedies.
"(h) Accounting.
"(i) Auditing.
"(1) Financial statements of agencies.

"(2) Components.
"(3) Inspector General.
"(j) Personnel levels.
"(k) Reports.
"(1) In general.
"(2) Contents.
"(l) Savings clause.
"(m) Termination of effectiveness.
"(1) In general.
"(2) Phase out.
"Sec. 34. Severability.
"Sec. 35. Authorization for appropriations.".

(h) EFFECTIVE DATE.—Except as otherwise provided in this section and the amendments made by this section, this section and the amendments made by this section take effect on the date that is 60 days after the date of enactment of this Act.

This division may be cited as the "Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2004".

DIVISION H—MISCELLANEOUS APPROPRIATIONS AND OFFSETS

(INCLUDING RESCISSIONS OF FUNDS)

(INCLUDING TRANSFERS OF FUNDS)

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2004, and for other purposes, namely:

SEC. 101. Section 1241(a)(3) of the Food Security Act of 1985 (16 U.S.C. 3841(a)(3)) is amended by striking ", using" and all that follows through "2013".

SEC. 102. (a) Of the funds appropriated under the heading "Emergency Preparedness and Response, Disaster Relief" in chapter 2 of title I of Public Law 108–106, $225,000,000 are rescinded.

(b) In addition to amounts appropriated in Public Law 108–108 for "Forest Service, Wildland Fire Management" for hazardous fuels reduction, hazard mitigation, and rehabilitation activities of the Forest Service in southern California, $25,000,000, to remain available until expended.

(c) In addition to amounts appropriated in Public Law 108–108 for "Forest Service, State and Private Forestry" for hazard mitigation, fuels reduction, and forest health protection and mitigation activities on State and private lands in southern California, $25,000,000, to remain available until expended.

(d) In addition to amounts made available elsewhere in this Act for the "Department of Agriculture, Emergency Watershed Protection Program" to carry out additional activities in response to the recent wildfires in southern California, including the provision of technical and financial assistance to respond to the tree mortality emergency in Los Angeles, Riverside, San Diego and San Bernardino Counties, California, $150,000,000, to remain available until expended.

(e) For an additional amount for the tree assistance program in southern California under subtitle C of title X of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8201 et seq.), $12,500,000.

(f) For an additional amount for the emergency conservation program in southern California under title IV of the Agricultural Credit Act of 1978 (16 U.S.C. 2201 et seq.), $12,000,000.

(g) For an additional amount for the livestock indemnity program in southern California under the heading "COMMODITY CREDIT CORPORATION FUND" in chapter 1 of title I of the 1999 Emergency Supplemental Appropriations Act (Public Law 106–31; 113 Stat. 59), $500,000.

(h) The amounts provided or made available by this section are designated by the Congress as an emergency requirement pursuant to section 502 of H. Con. Res. 95 (108th Congress), the concurrent resolution on the budget for fiscal year 2004.

SEC. 103. In addition to amounts otherwise made available in this Act, for "Office of Justice Programs—State and Local Law Enforcement Assistance" for discretionary grants under the Edward Byrne Memorial State and Local Law Enforcement Assistance Programs for reimbursement to State and local law enforcement entities for security and related costs, including overtime, associated with the 2004 Presidential Candidate Nominating Conventions, $50,000,000, to remain available until September 30, 2005.

SEC. 104. (a) COMMISSION ON THE ABRAHAM LINCOLN STUDY ABROAD FELLOWSHIP PROGRAM.—There are appropriated, out of any money in the Treasury not otherwise appropriated, $500,000 to establish and fund a bipartisan Commission on the Abraham Lincoln Study Abroad Fellowship Program (in this section referred to as the "Commission").

(b) RECOMMENDATIONS AND DEVELOPMENT OF PROGRAM.—

(1) RECOMMENDATIONS.—The Commission shall recommend a program to greatly expand the opportunity for students at institutions of higher education in the United States to study abroad, with special emphasis on studying in developing nations.

(2) DEVELOPMENT OF PROGRAM.—The Secretary of State, the Secretary of Education, the Secretary of Commerce, and the Secretary of Defense, in consultation with the Commission, shall develop a program, described in paragraph (1), that assists a diverse group of students and meets the growing need of the United States to become more sensitive to the cultures of other countries.

(c) COMPOSITION.—

(1) IN GENERAL.—The Commission shall consist of 17 members to be appointed as follows:

(A) Three members shall be appointed by the Majority Leader of the Senate.

(B) Three members shall be appointed by the Minority Leader of the Senate.

(C) Three members shall be appointed by the Speaker of the House of Representatives.

(D) Three members shall be appointed by the Minority Leader of the House of Representatives.

(E) One member shall be appointed by the President from a list of candidates submitted by the Secretary of State.

(F) One member shall be appointed by the President from a list of candidates submitted by the Secretary of Defense.

(G) One member shall be appointed by the President from a list of candidates submitted by the Secretary of Education.

(H) One member shall be appointed by the President from a list of candidates submitted by the Secretary of Commerce.

(I) One member shall be appointed jointly by the individuals described in subparagraphs (A) through (D), and such member shall serve as Chair of the Commission.

(2) TYPES OF INDIVIDUALS.—The Commission may consist of members who are leaders in university exchange programs, leaders in foreign policy, and business leaders with experience in international trade.

(d) EXECUTIVE DIRECTOR AND STAFF.—

(1) APPOINTMENT OF EXECUTIVE DIRECTOR.—The Chair of the Commission may, without regard to the civil service laws and regulations, appoint and terminate an executive director of the Commission. The employment of an executive director shall be subject to confirmation by the Commission. The Chair of the Commission may fix the compensation of the executive director without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(2) STAFF.—The executive director may appoint not more than 3 individuals to assist the executive director in carrying out the duties of the executive director. The Chair of the Commission may fix the compensation of the individuals appointed by the executive director without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for such individuals may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(e) COMPENSATION.—Members of the Commission shall not receive compensation for the performance of services for the Commission, but shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(f) REPORT.—Not later than December 1, 2004, the Commission shall submit a report to the appropriate committee of Congress and the President on recommendations for a program to greatly expand the opportunity for students at institutions of higher education in the United States to study abroad.

(g) TERMINATION.—The Commission shall terminate not later than December 31, 2004.

SEC. 105. (a) None of the funds made available under this Act may be obligated or expended to implement any measures to reduce overfishing and promote rebuilding of fish stocks managed under the Management Plan other than such measures set out in the final rule.

(b) In this section:

(1) The term "final rule" means the final rule of the National Oceanic and Atmospheric Administration relating to the Magnuson-Stevens Fishery Conservation and Management Act Provisions; Fisheries of the Northeastern United States; Northeast (NE) Multispecies Fishery that was published on June 27, 2003 (68 Fed. Reg. 38234).

(2) The term "Management Plan" means the Northeast Multispecies Fishery Management Plan prepared pursuant to section 303 of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1853).

SEC. 106. In addition to amounts otherwise made available in this Act, for "Supreme Court of the United States, Care of the Building and Grounds", $16,000,000, to remain available until expended.

SEC. 107. For an additional amount under the heading "State and Local Law Enforcement Assistance, Office of Justice Programs", $2,250,000, of which $750,000 shall only be available for the University of Southern Mississippi Rural Law Enforcement Training Initiative, $750,000 shall only be available for the Mississippi University for Women Institutional Security Program, and $750,000 shall only be available for the City of Jackson, Mississippi, Public Safety Automated Technologies Program.

SEC. 108. Upon enactment of this Act, the Secretary of Defense shall make the following transfers of funds: Provided, That funds so transferred shall be merged with and shall be available for the same purpose and for the same time period as the appropriation to which transferred: Provided further, That the amounts shall be transferred between the following appropriations in the amounts specified:

From:

Under the heading, "Shipbuilding and Conversion, Navy, 1998/2007":

CVN Refuelings, $29,000,000;

Under the heading, "Shipbuilding and Conversion, Navy, 2003/2007":

Outfitting, post delivery, conversions, and first destination transportation, $8,000,000;

Under the heading, "Shipbuilding and Conversion, Navy, 2004/2008":

Outfitting, post delivery, conversions, and first destination transportation, $11,800,000;

CVN Refuelings (AP), $16,600,000;

Under the heading, "Research, Development, Test and Evaluation, Navy, 2004/2005", $9,200,000;

To:

Under the heading, "Shipbuilding and Conversion, Navy, 2004/2008":

NSSN (AP), $37,200,000;

NSSN, $11,800,000;

Under the heading, "Shipbuilding and Conversion, Navy, 2002/2006":

SSN Submarine Refuelings, $19,600,000; and

Under the heading, "Defense Health Program", $6,000,000.

SEC. 109. Effective immediately after the enactment of the National Defense Authorization Act for Fiscal Year 2004, section 724(d)(2) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 10 U.S.C. 1073 note) is amended—

(1) in subparagraph (A)—

(A) by redesignating clauses (i) and (ii) as clauses (ii) and (iii), respectively; and

(B) by inserting after "who—" the following new clause (i):

"(i) do not have other primary health insurance coverage (other than Medicare coverage) covering basic primary care and inpatient and outpatient services;"; and

(2) by striking subparagraph (B) and inserting the following:

"(B) For each fiscal year beginning after September 30, 2003, the number of covered beneficiaries newly enrolled by designated providers pursuant to clause (ii) of subparagraph (A) during such fiscal year may not exceed 10 percent of the total number of the covered beneficiaries who are newly enrolled under such subparagraph during such fiscal year.".

SEC. 110. Section 853 of the National Defense Authorization Act for Fiscal Year 2004 is amended—

(1) by redesignating subsection (c) as subsection (d);

(2) by inserting after subsection (b) the following new subsection (c):

"(c) CREDIT TOWARD CERTAIN SMALL BUSINESS CONTRACTING GOALS.—Department of Defense contracts entered into with eligible contractors under the demonstration project under this section, and subcontracts entered into with eligible contractors under such contracts, shall be credited toward the attainment of goals established under section 2323 of title 10, United States Code, and section 15(g)(1) of the Small Business Act (15 U.S.C. 644(g)(1)) regarding the extent of the participation of disadvantaged small business concerns in contracts of the Department of Defense and subcontracts under such contracts.".

SEC. 111. Section 8022 of the Department of Defense Appropriations Act, 2004, Public Law 108–87, shall not apply to a cost study of a multi-function activity for which the Department of Defense had solicited proposals as of the date of the enactment of that Act.

SEC. 112. Of the amounts made available to the Department of Defense under the heading "Defense Health Program" for "Procurement", $3,100,000 shall be made available to acquire Linear Accelerator Radiation Therapy equipment and associated operating software for Walter Reed Army Medical Center: Provided, That of the amounts available to the Department of Defense under the heading "Defense Health Program" for "Operation and Maintenance, In-House Care", $2,900,000 shall be made available for the Defense and Veterans Head Injury Program: Provided further, That these funds are in addition to funds provided in previous Acts.

SEC. 113. (a) The Secretary of Defense shall study issues related to the consolidation of the storage of mercury contained in the National Defense Stockpile under the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98 et seq.) and report to Congress on June 1, 2004, on the results of the study.

(b) A decision to consolidate the storage of mercury to a site that currently does not store mercury contained in the National Defense Stockpile under the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98 et seq.) shall occur no earlier than 180 days after the date of the report required in subsection (a).

SEC. 114. Notwithstanding any other provision of law, the Secretary of Defense may transfer up to $120,000,000 of funds available in the Iraq Freedom Fund to carry out the classified project described in the classified annex accompanying Public Law 107–206, and acquire such interests in real property as he deems necessary to carry out such project: Provided, That the Secretary may transfer such funds to other appropriation accounts of the Department, and the amounts so transferred shall be available for the same purposes and for the same time period as the appropriations to which transferred: Provided further, That this transfer authority is in addition to any other transfer authority available to the Department of Defense.

SEC. 115. Of the amounts provided in Public Laws 107–117, 107–248, and 108–87 under the heading "National Defense Sealift Fund" for construction of additional sealift capacity, $40,000,000 shall be made available for the construction of a Port of Philadelphia marine cargo terminal for high-speed military sealift and other military purposes.

SEC. 116. (a) DESIGNATION.—The Department of Veterans Affairs medical center in St. Petersburg, Florida, shall, after the end of the service of C. W. Bill Young as a Member of Congress be known as the "C. W. Bill Young Department of Veterans Affairs Medical Center".

(b) REFRENCES.—Any reference in any law, regulation, map, document, record, or other paper of the United States to such medical center referred to in subsection (a) shall be deemed to be a reference to the "C. W. Bill Young Department of Veterans Affairs Medical Center".

SEC. 117. Of the funds provided in Public Law 108–7, under the heading of "Department of Defense—Civil", "Department of the Army", "Corps of Engineers—Civil", "Construction, General", the Secretary of the Army, acting through the Chief of Engineers, is directed to proceed with the construction of the False Pass; Alaska, project, in accordance with the Report of the Chief of Engineers, dated December 29, 2000.

SEC. 118. The Secretary of the Army, acting through the Chief of Engineers, is hereby authorized and directed to design the Central Riverfront Park project on the Ohio Riverfront in Cincinnati, Ohio, as described in the Central Riverfront Park Master Plan performed by the City of Cincinnati, dated December 1999, and the Section 905(b) analysis, performed by the Louisville District of the Corps of Engineers, dated August 2002. The cost of project work undertaken by the non-Federal interests, including but not limited to prior and current planning and design, shall be credited toward the non-Federal share of design costs.

SEC. 119. The Secretary of the Army, acting through the Chief of Engineers, is directed to use any remaining available funds from funds appropriated in Public Law 101–101 for the Hamlet City Lake, North Carolina, project to provide assistance in carrying out any authorized water-related infrastructure projects in Richmond County, North Carolina.

SEC. 120. The Secretary of the Army, acting through the Chief of Engineers, is directed to snag and clear existing debris including trees in Deep River, near Lake Station, Indiana, under Section 208 of the Flood Control Act of 1954, as amended.

SEC. 121. Section 117, subsection (4), of the Energy and Water Development Appropriations Act, 2004, is amended to read as follows:

"(4) in subsection (h), by striking '2001—' and all that follows and inserting '2001—$100,000,000 for Rural Nevada, and $25,000,000 for each of Idaho, Montana, New Mexico, and rural Utah, to remain available until expended.'.".

SEC. 122. The Secretary of the Army, acting through the Chief of Engineers, is directed to use any remaining available funds from funds appropriated and made available in Public Law 103–316 for construction of the Savannah Harbor Deepening Project, Savannah, Georgia, for the Savannah Harbor Expansion Project, Savannah, Georgia.

SEC. 123. The Secretary of the Army, acting through the Chief of Engineers, is directed to proceed with the construction of the Columbia River Channel Improvements, Oregon and Washington, project in accordance with the Report of the Chief of Engineers, dated December 23, 1999, and the economic justification and environmental features stated therein, as amended by the Final Supplemental Environmental Impact Statement dated January 28, 2003.

SEC. 124. The Secretary of the Army, acting through the Chief of Engineers, is directed to use previously appropriated funds to proceed with design and initiate construction to complete the Stillwater, Minnesota, Levee and Flood Control project.

SEC. 125. Of the funds made available in the Energy and Water Development Appropriations Act, 2004, to the Western Area Power Administration, up to $166,100,000 collected by the Western Area Power Administration pursuant to the Flood Control Act of 1944 and the Reclamation Project Act of 1939 to recover purchase power and wheeling expenses shall be credited to the "Construction, Rehabilitation, Operation and Maintenance, Western Area Power Administration" account as offsetting collections.

SEC. 126. Of the funds provided for the development of the new molecular imaging probes in the statement of managers to accompany H.R. 2754, $5,000,000 shall be provided to the University of California, Los Angeles for the continued efforts for PET imaging, systems biology and nanotechnology.

SEC. 127. Funds appropriated in this, or any other Act hereafter, may not be obligated to pay, on behalf of the United States or a contractor or subcontractor of the United States, to post a bond or fulfill any other financial responsibility requirement relating to closure or post-closure care and monitoring of Sandia National Laboratories and properties held or managed by Sandia National Laboratories prior to implementation of closure or post-closure monitoring. The State of New Mexico or any other entity may not enforce against the United States or a contractor or subcontractor of the United States, in this year or any other fiscal year, a requirement to post bond or any other financial responsibility requirement relating to closure or post-closure care and monitoring of Sandia National Laboratories in New Mexico and properties held or managed by Sandia National Laboratories in New Mexico.

SEC. 128. TREATMENT OF CERTAIN WASTE MATERIALS. (a) IN GENERAL.—Notwithstanding any other provision of law, the federal commission with the authority to regulate the material designated as "11e.(2) by-product material" by section 312 of the Energy and Water Development Appropriations Act, 2004, or by section 634 of the Energy Policy Act of 2003, shall not allow or otherwise permit any facility to receive or dispose of such material if the facility is located in a state that has an application pending under section 274 of the Atomic Energy Act of 1954 (42 U.S.C. 2021) to regulate the 11e.(2) material covered under this section.

(b) SUNSET.—Subsection (a) ceases to be effective January 1, 2005.

SEC. 129. In the conference report accompanying H.R. 6, the Energy Policy Act, in Section 1512, subsection b strike "University of Mississippi and the University of Oklahoma" and insert in lieu thereof "Mississippi State University and Oklahoma State University".

SEC. 130. DEPARTMENT OF ENERGY, ENERGY PROGRAMS, SCIENCE. For an additional amount for "Science", $50,000,000, to remain available until expended, is provided for the Coralville, Iowa, project, which is to utilize alternative renewable energy sources.

SEC. 131. For an additional amount for the "Science" account of the Department of Energy in the Energy and Water Development Appropriations Act, 2004, there is appropriated $250,000, to remain available until expended, for Biological Sciences at DePaul University; $500,000, to remain available until expended; for the Cedars-Sinai Gene Therapy Research Program; and $500,000, to remain available until expended, for the Hartford Hospital Interventional Electrophysiology Project.

SEC. 132. For an additional amount for the "Energy Supply" account of the Department of Energy in the Energy and Water Development Appropriations Act, 2004, there is appropriated $750,000, to remain available until expended, for the Energy Center of Wisconsin Renewable Fuels Project; $500,000, to remain available until expended, for the Wind Energy Transmission Study; $250,000, to remain available until expended, for the White Pine County, Nevada, Public School System biomass conversion heating project; $250,000, to remain available until expended, for the Lead Animal Shelter Animal Campus renewable energy demonstration project; $3,000,000, to remain available until expended, for the establishment of a Hawaii Hydrogen Center for Development and Deployment of Distributed Energy Systems; and $250,000, to remain available until expended, for the Eastern Nevada Landscape Coalition for biomass restcration and science-based restoration.

SEC. 133. For an additional amount for the "Construction, General" account of the Energy and Water Development Appropriations Act, 2004, there is appropriated $13,750,000, to remain available until expended.

SEC. 134. For an additional amount for "Millennium Challenge Corporation", $350,000,000, to remain available until expended.

SEC. 135. Section 203(m) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5133(m)) is amended by striking "December 31, 2003" and inserting "December 31, 2004".

SEC. 136. (a) The National Flood Insurance Act of 1968 is amended—

(1) in section 1319 (42 U.S.C. 4026), by striking "December 31, 2003" and inserting "June 30, 2004.";

(2) in the first sentence of section 1309(a) (42 U.S.C. 4016(a)), by striking "December 31, 2003" and inserting "the date specified in section 1319";

(3) in section 1336(a) (42 U.S.C. 4056(a)), by striking "December 31, 2003" and inserting "on the date specified in section 1319"; and

(4) in section '1376(c) (42 U.S.C. 4127(c)), by striking "December 31, 2003" and inserting "the date specified in section 1319".

(b) The amendments made by this section shall be considered to have taken effect on December 31, 2003.

SEC. 137. (a) Section 441(c) of the Maritime Transportation Security Act of 2002 (Public Law 107–295) is amended—

(1) by striking "and that is not the subject of an action prior to June 20, 2002, alleging a breach of subsections (a) and (b) of section 10601 as in effect on such date,"; and

(2) by striking "such subsections" and inserting "subsections (a) and (b) of section 10601 of title 46, United States Code, as in effect prior to November 25, 2002".

(b) The amendments made by subsection (a) apply to all proceedings pending on or commenced after the date of enactment of this Act.

SEC. 138. Public Law 108–108 is amended under the heading "Bureau of Indian Affairs, Construction" by striking "25 U.S.C. 2005(a)" and inserting "25 U.S.C. 2005(b)" and by striking "25 U.S.C. 2505(f)" and inserting "25 U.S.C. 2504(f)".

SEC. 139. CONGAREE NATIONAL PARK BOUNDARY REVISION. (a) IN GENERAL.—Subsection (c) of the first section of Public Law 94–545 (90 Stat. 2517; 102 Stat. 2607) is amended by striking paragraph (6) and inserting the following:

"(6) EFFECT.—Nothing in this section—

"(A) affects the use of private land adjacent to the park;

"(B) preempts the authority of the State with respect to the regulation of hunting, fishing, boating, and wildlife management on private land or water outside the boundaries of the park;

"(C) shall negatively affect the economic development of the areas surrounding the park; or

"(D) affects the classification of the park under section 162 of the Clean Air Act (42 U.S.C. 7472).".

(b) DESIGNATION OF CONGAREE NATIONAL PARK WILDERNESS.—

(1) DESIGNATION.—The wilderness established by section 2(a) of the Congaree Swamp National Monument Expansion and Wilderness Act (102 Stat. 2606) and known as the "Congaree Swamp National Monument Wilderness" shall be known and designated as the "Congaree National Park Wilderness".

(2) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the wilderness referred to in paragraph (1) shall be deemed to be a reference to the Congaree National Park Wilderness.

SEC. 140. Section 123 of the Department of the Interior and Related Agencies Appropriations Act, 2004 (Public Law 108–108), is amended by striking "any other governmental land management entity" and inserting "any other land management entity".

SEC. 141. Effective as of November 18, 2003, section 9 of Public Law 100–692 (102 Stat. 4556; 16 U.S.C. 461 note.) is amended to read as follows:

"SEC. 9. TERMINATION OF COMMISSION.

The Commission shall terminate on November 18, 2007.".

SEC. 142. Title IV of Public Law 108–108 is amended in section 403(b)(4) by striking "75–5–703(10)(b)" and inserting in lieu thereof "75–5–703(10)(c)".

SEC. 143. Public Law 108–108 is amended under the heading "Indian Health Service, Indian Health Services" by deleting "(d) $2,000,000 for the Alaska Federation of Natives sobriety and wellness program for competitive merit-based grants:" and inserting "(d) $2,000,000 for RuralCap for alcohol treatment and related transitional housing for homeless chronic inebriates in Anchorage, AK:".

SEC. 144. Public Law 108–108 is hereby amended by adding at the end of section 344 the following:

"(c) EXEMPTIONS.—The requirements of this section shall not apply to amounts in this Act designated as emergency requirements pursuant to section 502 of H. Con. Res. 95 (108th Congress), the concurrent resolution on the budget for fiscal year 2004.

"(d) INDIAN LAND AND WATER CLAIM SETTLEMENTS.—Under the heading 'Bureau of Indian Affairs, Indian Land and Water Claim Settlements and Miscellaneous Payments to Indians', the across-the-board rescission in this section, and any subsequent across-the-board rescission for fiscal year 2004, shall apply only to the first dollar amount in the paragraph and the distribution of the rescission shall be at the discretion of the Secretary of the Interior who shall submit a report on such distribution and the rationale therefor to the House and Senate Committees on Appropriations.".

SEC. 145. THEODORE ROOSEVELT NATIONAL WILDLIFE REFUGE. (a) DEFINITIONS.—In this section:

(1) COUNTY.—The term "county" means each of the counties of Leflore, Holmes, Humphreys, Sharkey, Warren, and Washington in the State.

(2) REFUGE.—The term "Refuge" means the Theodore Roosevelt National Wildlife Refuge established under subsection (b).

(3) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

(4) STATE.—The term "State" means the State of Mississippi.

(b) ESTABLISHMENT.—The Secretary shall establish the Theodore Roosevelt National Wildlife Refuge, consisting of approximately 6,600 acres of land that—

(1) as of the date of enactment of this Act, is owned by the United States;

(2) was formerly in the inventory of the United States Department of Agriculture; and

(3) is located in the counties.

(c) MAP.—As soon as practicable after the date of enactment of this Act, the Secretary shall prepare a map depicting the boundaries of the Refuge.

(d) BOUNDARY REVISION.—The Secretary may revise the boundaries of the Refuge in the counties to—

(1) carry out the purposes of the Refuge; or

(2) facilitate the acquisition or donation of land.

(e) ACQUISITION OF LAND.—Notwithstanding any other provision of law, the Secretary may, for management purposes, exchange Refuge land for land acquired or donated for fee title that is located in the counties.

(f) EDUCATION CENTER.—The Secretary of the Army, acting through the Chief of Engineers, in consultation with the Secretary, shall design and construct a multiagency wildlife and environmental interpretive and education center at a location in the South Delta area of the State to be determined by a site selection and feasibility study conducted by the Secretary of the Army.

(g) DESIGNATION OF REFUGE COMPLEXES.—

(1) HOLT COLLIER NATIONAL WILDLIFE REFUGE.—

(A) DESIGNATION.—The refuge in the State known as the "Bogue Phalia Unit of the Yazoo National Wildlife Refuge" shall be known as the "Holt Collier National Wildlife Refuge".

(B) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the refuge referred to in subparagraph (A) shall be deemed to be a reference to the Holt Collier National Wildlife Refuge.

(2) THEODORE ROOSEVELT NATIONAL WILDLIFE REFUGE COMPLEX.—

(A) DESIGNATION.—The refuge complex in the State known as the "Central Mississippi National Wildlife Refuge Complex" shall be known as the "Theodore Roosevelt National Wildlife Refuge Complex".

(B) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the refuge complex referred to in subparagraph (A) shall be deemed to be a reference to the Theodore Roosevelt National Wildlife Refuge Complex.

(h) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated such sums as are necessary to carry out this section.

(2) EDUCATION CENTER.—There are authorized to be appropriated to carry out subsection (f) $6,000,000.

SEC. 146. For the purposes described in section 386 of the Energy Policy Act of 2003 there is authorized to be appropriated $1,000,000, except that upon that Act becoming law, section 386 is amended through this Act:

(1) in subsection (a) by inserting before the term "to issue" the phrase "or with an entity the Secretary determines is qualified to construct and operate a liquefied natural gas project to transport liquefied natural gas from Southcentral Alaska to West Coast states,";

(2) at the end of paragraph 386(b)(1) by striking the period and inserting in its place ", or after the Secretary certifies there exists a qualified entity to construct and operate a liquefied natural gas project to transport liquefied natural gas from Southcentral Alaska to West Coast States. In no case shall loan guarantees be issued for more than one qualified project.";

(3) at the end of paragraph 386(c)(2) by striking the period and inserting in its place ", except that the total amount of principal that may be guaranteed for a qualified liquefied natural gas project may not exceed a principal amount in which the cost of loan guarantees, as defined by section 502(5) of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a(5)), exceeds $2,000,000,000."; and

(4) at paragraph 386(g)(4):

(A) by inserting before the term "consisting" the new term "or system"; and

(B) by inserting between the term "plants" and the ")" the phrase "liquification plants and liquefied natural gas tankers for transportation of liquefied natural gas from Southcentral Alaska to the West Coast".

SEC. 147. PAYMENT OF EXPENSES AFTER THE DEATH OF CERTAIN FEDERAL EMPLOYEES IN THE STATE OF ALASKA. Section 1308 of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3198) is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following:

"(c) PAYMENT OF EXPENSES AFTER DEATH OF AN EMPLOYEE.—

"(1) DEFINITION OF IMMEDIATE FAMILY MEMBER.—In this subsection, the term "immediate family member" means a person related to a deceased employee that was a member of the household of the deceased employee at the time of death.

"(2) PAYMENTS.—If an employee appointed under the program established by subsection (a) dies in the performance of any assigned duties on or after October 1, 2002, the Secretary may—

"(A) pay or reimburse reasonable expenses, regardless of when those expenses are incurred, for the preparation and transportation of the remains of the deceased employee to a location in the State of Alaska which is selected by the surviving head of household of the deceased employee;

"(B) pay or reimburse reasonable expenses, regardless of when those expenses are incurred, for transporting immediate family members and the baggage and household goods of the deceased employee and immediate family members to a community in the State of Alaska which is selected by the surviving head of household of the deceased employee.".

SEC. 148. UNITED STATES OFFICE FOR NATIVE HAWAIIAN RELATIONS. (a) ESTABLISHMENT.—The sum of $100,000 is appropriated, to remain available until expended, for the establishment of the Office of Native Hawaiian Relations within the Office of the Secretary of the Interior.

(b) DUTIES.—The Office shall—

(1) effectuate and implement the special legal relationship between the Native Hawaiian people and the United States;

(2) continue the process of reconciliation with the Native Hawaiian people; and

(3) fully integrate the principle and practice of meaningful, regular, and appropriate consultation with the Native Hawaiian people by assuring timely notification of and prior consultation with the Native Hawaiian people before any federal agency takes any actions that may have the potential to significantly affect Native Hawaiian resources, rights, or lands.

SEC. 149. LEASE OF TRIBALLY-OWNED LAND BY ASSINIBOINE AND SIOUX TRIBES OF THE FORT PECK RESERVATION. The first section of the Act of August 9, 1955 (25 U.S.C. 415), is amended by adding at the end the following:

"(g) LEASE OF TRIBALLY-OWNED LAND BY ASSINIBOINE AND SIOUX TRIBES OF THE FORT PECK RESERVATION.—

"(1) IN GENERAL.—Notwithstanding subsection (a) and any regulations under part 162 of title 25, Code of Federal Regulations (or any successor regulation), subject to paragraph (2), the Assiniboine and Sioux Tribes of the Fort Peck Reservation may lease to the Northern Border Pipeline Company tribally-owned land on the Fort Peck Indian Reservation for 1 or more interstate gas pipelines.

"(2) CONDITIONS.—A lease entered into under paragraph (1)—

"(A) shall commence during fiscal year 2011 for an initial term of 25 years;

"(B) may be renewed for an additional term of 25 years; and

"(C) shall specify in the terms of the lease an annual rental rate—

"(i) which rate shall be increased by 3 percent per year on a cumulative basis for each 5-year period; and

"(ii) the adjustment of which in accordance with clause (i) shall be considered to satisfy any review requirement under part 162 of title 25, Code of Federal Regulations (or any successor regulation).".

SEC. 150. (a) SHORT TITLE. This Act may be cited as the "Fern Lake Conservation and Recreation Act".

(b) FINDINGS AND PURPOSES.—

(1) FINDINGS.—The Congress finds the following:

(A) Fern Lake and its surrounding watershed in Bell County, Kentucky, and Claiborne County, Tennessee, is within the potential boundaries of Cumberland Gap National Historical Park as originally authorized by the Act of June 11, 1940 (54 Stat. 262; 16 U.S.C. 261 et seq.).

(B) The acquisition of Fern Lake and its surrounding watershed and its inclusion in Cumberland Gap National Historical Park would protect the vista from Pinnacle Overlook, which is one of the park's most valuable scenic resources and most popular attractions, and enhance recreational opportunities at the park.

(C) Fern Lake is the water supply source for the city of Middlesboro, Kentucky, and environs.

(D) The 4,500-acre Fern Lake watershed is privately owned, and the 150-acre lake and part of the watershed are currently for sale, but the Secretary of the Interior is precluded by the first section of the Act of June 11, 1940 (16 U.S.C. 261), from using appropriated funds to acquire the lands.

(2) PURPOSES.—The purposes of the Act are—

(A) to authorize the Secretary of the Interior to use appropriated funds if necessary, in addition to other acquisition methods, to acquire from willing sellers Fern Lake and its surrounding watershed, in order to protect scenic and natural resources and enhance recreational opportunities at Cumberland Gap National Historical Park; and

(B) to allow the continued supply of water from Fern Lake to the city of Middlesboro, Kentucky, and environs.

(c) LAND ACQUISITION AND CONVEYANCE AUTHORITY, FERN LAKE, CUMBERLAND GAP NATIONAL HISTORICAL PARK.—

(1) DEFINITIONS.—In this section:

(A) FERN LAKE.—The term "Fern Lake" means Fern Lake located in Bell County, Kentucky, and Claiborne County, Tennessee.

(B) LAND.—The term "land" means land, water, interests in land, and any improvements on the land.

(C) PARK.—The term "park" means Cumberland Gap National Historical Park, as authorized and established by the Act of June 11, 1940 (54 Stat. 262; 16 U.S.C. 261 et seq.).

(D) SECRETARY.—The term "Secretary" means the Secretary of the Interior, acting through the Director of the National Park Service.

(2) ACQUISITION AUTHORIZED.—The Secretary may acquire for addition to the park lands consisting of approximately 4,500 acres and containing Fern Lake and its surrounding watershed, as generally depicted on the map entitled "Cumberland Gap National Historical Park, Fern Lake Watershed", numbered 380/80,004, and dated May 2001. The map shall be on file in the appropriate offices of the National Park Service.

(3) BOUNDARY ADJUSTMENT AND ADMINISTRATION.—Subject to paragraph (4), the Secretary shall revise the boundaries of the park to include the land acquired under paragraph (2). The Secretary shall administer the acquired lands as part of the park in accordance with the laws and regulations applicable to the park.

(4) CONVEYANCE OF FERN LAKE.—

(A) CONVEYANCE REQUIRED.—If the Secretary acquires Fern Lake, the Secretary shall convey, notwithstanding any other law and without consideration, to the city of Middlesboro, Kentucky, all right, title, and interest of the United States in and to Fern Lake, up to the normal operating elevation of 1,200.4 feet above sea level, along with the dam and all appurtenances associated with the withdrawal and delivery of water from Fern Lake.

(B) TERMS OF CONVEYANCE.—In executing the conveyance under subparagraph (4)(A), the Secretary may retain an easement for scenic and recreational purposes.

(C) REVERSIONARY INTEREST.—In the event Fern Lake is no longer used as a source of municipal water supply for the city of Middlesboro, Kentucky, and its environs, ownership of Fern Lake shall revert to the United States and it shall be managed by the Secretary as part of the park.

(5) CONSULTATION REQUIREMENTS.—In order to better manage lands acquired under this section in a manner that will facilitate the provision of water for municipal needs, as well as the establishment and promotion of new recreational opportunities at the park, the Secretary shall consult with—

(A) appropriate officials in the States of Kentucky, Tennessee, and Virginia, and political subdivisions of these States;

(B) organizations involved in promoting tourism in these States; and

(C) other interested parties.

SEC. 151. (a) The Attending Physician to Congress shall have the authority and responsibility for overseeing and coordinating the use of medical assets in response to a bioterrorism event and other medical contingencies or public health emergencies occurring within the Capitol Buildings or the U.S. Capitol Grounds. This shall include the authority to enact quarantine and to declare death. These actions will be carried out in close cooperation and communication with the Commissioner of Public Health, Chief Medical Examiner, and other Public Health Officials of the District of Columbia government.

(b) In this section—

(1) the term "Capitol Buildings" has the meaning given such term in section 5101 of title 40, United States Code; and

(2) the term "United States Capitol Grounds" has the meaning given such term in section 5102(a) of title 40, United States Code.

(c) Subsection (a) shall take effect on the date of the enactment of this Act and shall apply during any fiscal year occurring on or after such date.

Sec. 152. (a) Notwithstanding section 907(a) of Public Law 107–206 (116 Stat. 977) or section 1102 of the Legislative Branch Appropriations Act, 2004 (2 U.S.C. 1822(b)), the Architect of the Capitol, at any time after the date of the enactment of this Act and subject to the availability of appropriations, may enter into an agreement to acquire by lease any portion of the real property located at 499 South Capitol Street Southwest in the District of Columbia for the use of the United States Capitol Police.

(b) Any real property acquired by the Architect of the Capitol pursuant to subsection (a) shall be subject to the provisions of the Act entitled "An Act to define the area of the United States Capitol Grounds, to regulate the use thereof, and for other purposes", approved July 31, 1946.

Sec. 153. The United States Senate-China Interparliamentary Group. (a) Establishment and Meetings.—Not to exceed 12 Senators shall be appointed to meet annually with representatives of the National People's Congress of the People's Republic of China for discussion of common problems in the interest of relations between the United States and China. The Senators so appointed shall be referred to as the "United States group" of the United States Senate-China Interparliamentary Group.

(b) Appointment of Members.—The President pro tempore of the Senate shall appoint Senators under this section upon the recommendations of the majority and minority leaders of the Senate. The President pro tempore of the Senate shall designate 1 Senator as the Chair of the United States group.

(c) Funding.—There is authorized to be appropriated $100,000 for each fiscal year to assist in meeting the expenses of the United States group for each fiscal year for which an appropriation is made. Appropriations shall be disbursed on vouchers to be approved by the Chair of the United States group.

(d) Certification of Expenditures.—The certificate of the Chair of the United States group shall be final and conclusive upon the accounting officers in the auditing of the accounts of the United States group.

(e) Fiscal Year 2004 Funding.—There is authorized within the contingent fund of the Senate under the appropriation account "MISCELLANEOUS ITEMS" $75,000 for fiscal year 2004 to assist in meeting the official expenses of the United States Senate-China Interparliamentary Group including conference room expenses, hospitality expenses, and food and food-related expenses. Expenses shall be paid on vouchers to be approved by the Chair of the United States group. The Secretary of the Senate is authorized to advance such sums as necessary to carry out this subsection.

(f) Appropriations.—There are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2004, $100,000 for the United States Senate-China Interparlimentary Group.

(g) Effective Date.—

(1) In general.—Subsections (a) though (d) shall apply to fiscal year 2004, and each fiscal year thereafter.

(2) Fiscal year 2004.—Subsections (e) and (f) shall apply to fiscal year 2004.

Sec. 154. The United States Senate-Russia Interparliamentary Group. (a) Establishment and Meetings.—Not to exceed 12 Senators shall be appointed to meet annually with representatives of the Federation Council of Russia for discussion of common problems in the interest of relations between the United States and Russia. The Senators so appointed shall be referred to as the "United States group" of the United States Senate-Russia Interparliamentary Group.

(b) Appointment of Members.—The majority and minority leaders of the Senate shall appoint the Senators of the United States group. The majority leader of the Senate shall designate 1 Senator as the Chair of the United States group.

(c) Funding.—There is authorized to be appropriated $100,000 for each fiscal year to assist in meeting the expenses of the United States group for each fiscal year for which an appropriation is made. Appropriations shall be disbursed on vouchers to be approved by the Chair of the United States group.

(d) Certification of Expenditures.—The certificate of the Chair of the United States group shall be final and conclusive upon the accounting officers in the auditing of the accounts of the United States group.

(e) Fiscal Year 2004 Funding.—There is authorized within the contingent fund of the Senate under the appropriation account "MISCELLANEOUS ITEMS" $75,000 for fiscal year 2004 to assist in meeting the official expenses of the United States Senate-Russia Interparliamentary Group including conference room expenses, hospitality expenses, and food and food-related expenses. Expenses shall be paid on vouchers to be approved by the Chair of the United States group. The Secretary of the Senate is authorized to advance such sums as necessary to carry out this subsection.

(f) Appropriations.—There are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2004, $100,000 for the United States Senate-Russia Interparlimentary Group.

(g) Effective Date.—

(1) In general.—Subsections (a) though (d) shall apply to fiscal year 2004, and each fiscal year thereafter.

(2) Fiscal year 2004.—Subsections (e) and (f) shall apply to fiscal year 2004.

Sec. 155. Payment of Expenses of the Chaplain of the Senate From the Contingent Fund of the Senate. (a) In General.—For each fiscal year there is authorized to be expended from the contingent fund of the Senate an amount, not in excess of $50,000 for the Chaplain of the Senate. Payments under this section shall be made only for expenses actually incurred by the Chaplain of the Senate in carrying out his functions, and shall be made upon certification and documentation of the expenses involved, by the Chaplain claiming payment under this section and upon vouchers approved by the Chaplain and by the Committee on Rules and Administration. Funds authorized for expenditure under this section may be used to purchase food or food related items.

(b) Repeal of Revolving Fund.—

(1) Repeal.—Section 2 of the Legislative Branch Appropriations Act, 1996 (2 U.S.C. 61d–3) is repealed.

(2) Remaining funds.—Any funds in the Chaplain Expense Revolving Fund on the date of the repeal under this section shall be remitted to the general fund of the United States Treasury.

(c) Effective Date.—This section shall apply with respect to fiscal year 2004, and each fiscal year thereafter.

Sec. 156. (a) There is established in the House of Representatives a fund to be known as the "House of Representatives Revolving Fund", consisting of the following amounts:

(1) Amounts appropriated to the Fund.

(2) Amounts donated to the Fund.

(3) Interest on the balance of the Fund.

(b) Amounts in the Fund shall be expended at the direction of the Chief Administrative Officer of the House of Representatives, upon notification provided by the Chief Administrative Officer to the Committee on Appropriations of the House of Representatives, and shall remain available until expended.

(c) This section shall apply with respect to fiscal year 2004 and each succeeding fiscal year.

Sec. 157. Recomputation of Benefits Guaranteed in Connection With the Termination of the Republic Steel Retirement Plan. (a) In General.—The Pension Benefit Guaranty Corporation shall recompute the liability for monthly benefits guaranteed under section 4022 of the Employee Retirement Income Security Act of 1974 which are payable (without regard to this section) with respect to each participant and beneficiary under the Republic Steel Retirement Plan in connection with its termination on September 30, 1986.

(b) Adjustment of Guaranteed Benefit Amounts.—In recomputing the liability for monthly guaranteed benefits pursuant to subsection (a) with respect to each participant or beneficiary, the Corporation shall increase the amount of such liability (as determined without regard to this section) by—

(1) the amount of the liability for nonguaranteed benefits under the LTV Steel Supplemental Pension Plan, as in effect with respect to such participant or beneficiary on January 1, 2001, and

(2) the amount of the liability for nonguaranteed benefits payable through the trust established in connection with the Republic Steel Plan under section 4049 of the Employee Retirement Income Security Act of 1974, as in effect with respect to such participant or beneficiary on January 1, 2001.

(c) Certain Benefits Disregarded.—In making the recalculation under this section, the Corporation shall disregard—

(1) the amount of any benefits which were not paid during the period beginning with January 1, 2001, and ending with December 31, 2003, under the LTV Steel Supplemental Pension Plan or through the section 4049 trust referred to in subsection (b)(2),

(2) any liability for benefits under the LTV Steel Supplemental Pension Plan or through the section 4049 trust referred to in subsection (b)(2) that were included in the LTV Steel Salaried Defined Benefit Retirement Plan, as in effect on January 1, 1999,

(3) any liability for additional benefits that were included in the LTV Steel Supplemental Pension Plan to compensate for any liability of participants and beneficiaries under chapter 21 of the Internal Revenue Code of 1986 in connection with benefits payable under such Plan, and

(4) any liability under the LTV Steel Supplemental Pension Plan for temporary supplements.

(d) Timing and Application of Determinations.—Determinations of the increase in liability pursuant to subsection (b) shall be made as of December 31, 2003, using the mortality and interest assumptions otherwise applicable to plan terminations under title IV of the Employee Retirement Income Security Act of 1974 on such date. The recomputation under this section shall apply only with respect to benefits payable after such date.

Sec. 158. In addition to amounts appropriated or otherwise made available in other Acts, $9,692,000 is hereby appropriated to the Department of Defense Family Housing Improvement Fund, to remain available until expended, for family housing initiatives undertaken pursuant to the provisions of subchapter IV of chapter 169, title 10, United States Code: Provided, That *such funds shall be available to cover the costs, as defined in section 502(5) of the Congressional Budget Act of 1974, of direct loans or loan guarantees issued by the Department of Defense pursuant to the provisions of such subchapter: Provided further, That of the funds available in the "Foreign Currency Fluctuations, Construction, Defense" account, $9,692,000 are rescinded.*

SEC. 159. For an additional amount to carry out section 257 of the Help America Vote Act of 2002, $1,000,000,000, to remain available until expended: Provided, That no more than $^1/_{10}$ of 1 percent of funds available for requirements payments under section 257 of the Help America Vote Act of 2002 shall be allocated to any territory.

SEC. 160. (a) DESIGNATION.—The United States courthouse located at 333 Lomas Blvd N.W. in Albuquerque, New Mexico, shall be known and designated as the "Pete V. Domenici United States Courthouse".

(b) Any reference in law, map, regulation, document, paper, or other record of the United States to the United States courthouse referred to in subsection (a) shall be deemed to be a reference to the "Pete V. Domenici United States Courthouse".

SEC. 161. The Director of the Office of Management and Budget shall hereafter consult with Alaska Native corporations on the same basis as Indian tribes under Executive Order No. 13175.

SEC. 162. Notwithstanding any other provision of law, in addition to amounts provided in this or any other Act for fiscal year 2004, $50,000,000, to be derived from the Highway Trust Fund and to remain available until expended, of which $44,000,000 shall be for reconstruction of the Treasure Island Bridge in Treasure Island, Florida and of which $6,000,000 shall be for necessary road improvements and design of a plaza at the John F. Kennedy Center for the Performing Arts in Washington, D.C.

SEC. 163. Section 802(b)(1) of the Japanese Imperial Government Disclosure Act of 2000 (Public Law 106–567; 114 Stat. 2865) is amended by striking "3 years" and inserting "4 years".

SEC. 164. The funds made available for Alaska Natives under the heading "Native American Housing Block Grants" in title II of division G of this Act shall be allocated to the same Native Alaskan Indian housing block grant recipients that received the funds in fiscal year 2003.

SEC. 165. In addition to the amounts otherwise provided in this or any other Act for fiscal year 2004, for "Department of Housing and Urban Development, Community Development Fund", $10,000,000 to remain available until expended for a grant to the Anchorage Museum in Anchorage, Alaska for facilities construction.

SEC. 166. The Secretary of a military department may use the authority provided in section 2667(a) of title 10, United States Code, to lease military family housing in the National Capital Region (as defined in section 2674 of such title) to key and essential personnel for continuity of government purposes.

SEC. 167. Notwithstanding any other provision of law, in addition to amounts otherwise provided in this or any other Act for fiscal year 2004, $55,000,000 is appropriated, to be available until expended, to be distributed as follows: for Department of Energy, Energy Programs, "Energy Supply", $12,400,000 for expenses related to the purchase, construction, operation of facilities, and acquisition of plant and capital equipment for facilities that produce fuels from agricultural and animal wastes, to the Society for Energy and Environmental Research, a not-for-profit energy research and development institution, to administer the program; for Department of Transportation, Federal Aviation Administration, "Grants-in-aid for airports", $2,000,000 for the extension of a runway at Fort Worth Alliance Airport, Fort Worth, Texas; for Department of Transportation, Federal Highway Administration, $1,000,000, for Rock County Road, Janesville, Wisconsin; for Department of Transportation, Federal Highway Administration, $2,500,000, for improvements to I–75 in Lee County, Florida; for Department of Veterans Affairs, Departmental Administration, "Construction; major projects", $500,000 for the preliminary planning of a new ambulatory clinic at the Defense Supply Center, Columbus in Columbus, Ohio; for "Small Business Administration, Salaries and Expenses", $500,000, to be available for a grant to the University of Wisconsin-Green Bay to establish a paper science technology transfer center; for "Funds Appropriated to the President, Bilateral Economic Assistance, Independent States of the Former Soviet Union", $1,000,000, for the National Program of Action for the Protection of the Arctic Marine Environment; for "Army Corps of Engineers, Construction, General", $1,000,000 for the Stockton Metropolitan Flood Control Reimbursement, California, project; for "Army Corps of Engineers, Construction, General", $1,000,000 for the San Timoteo Creek element of the Santa Ana River Mainstem, California, project; for "Army Corps of Engineers, Construction, General", $2,000,000; for the Florida Keys Water Quality Improvements, Florida, project; for "Army Corps of Engineers, Construction, General", $1,500,000, for the Southern West Virginia Environmental Infrastructure, West Virginia, project; for "Department of Energy, Science", $2,000,000 for the Western Michigan University Nanotechnology Research and Computation Center; for Department of Energy, Energy Programs, "Energy Supply", $2,500,000 for the Enterprise Center in Chattanooga, Tennessee, for the Chattanooga Fuel Cell Demonstration Project; for "Environmental Protection Agency, State and tribal assistance grants", for grants to address drinking water and waste water infrastructure, $2,000,000 for the Wyoming Valley Sanitation Authority, Pennsylvania for combined sewer overflow infrastructure improvements; for "Environmental Protection Agency, State and tribal assistance grants", for grants to address drinking water and waste water infrastructure, $1,000,000 to the Saratoga Water Committee in Saratoga County, New York for construction of a drinking water transport pipeline; for "Centers for Disease Control and Prevention, Disease Control, Research, and Training", $1,000,000, for a grant to the Center for Emerging Biological Threats at Emory University, Atlanta, Georgia; for "Department of Education, Higher Education", $500,000, for a grant to Santa Clara University in Santa Clara, California for technology infrastructure upgrades, campus-wide network infrastructure enhancements and equipment; for "Department of Housing and Urban Development, Community Development Fund", $600,000, for a grant to Shelter from the Storm, Incorporated in Palm Desert, California for facilities renovations and improvements; for Department of Labor, Employment and Training Administration, $500,000, for the Labor Institute for Training, Inc., Indianapolis, Indiana; Department of Labor, Employment and Training Administration, $250,000, for the Institute for Labor Studies and Research, Cranston, RI, for Learning on the Roll; For Department of Health and Human Services, Health Resources and Services Administration, $200,000, for St. Luke's Episcopal Hospital, Houston, TX, facilities and equipment; For Department of Health and Human Services, Centers for Disease Control and Prevention, $200,000, for the University of Texas M.D. Anderson Cancer Center, Houston, TX, for a comprehensive cancer control program to address the needs of minority and medically underserved populations; For Department of Health and Human Services, Health Resources and Services Administration, $300,000, for the Long Island Cancer Center, State University of New York at Stony Brook, for facilities and equipment; For Department of Health and Human Services, Health Resources and Services Administration, $500,000 for the Iowa Health Foundation in Des Moines, Iowa for a demonstration project to improve dental care in underserved rural areas; For Department of Health and Human Services, Health Resources and Services Administration, $500,000, for the Cumberland Medical Center in Crossville, Tennessee for facilities and equipment; For Department of Health and Human Services, Centers for Disease Control and Prevention, $250,000 for the New Haven Public Schools in New Haven, Connecticut for the PE4LIFE program to promote and improve physical education, in cooperation with Yale University; For Department of Health and Human Services, Health Resources and Services Administration, $250,000, for Quinnipiac University in Hamden, Connecticut for health-related academic facilities and equipment; For Department of Health and Human Services, Health Resources and Services Administration, $365,000, for the University of Michigan Health Systems in Ann Arbor, Michigan for facilities and equipment; For Department of Health and Human Services, Administration on Aging, $500,000, for the Jewish Family & Children's Center of Greater Boston for Naturally Occurring Retirement Communities project; For Department of Health and Human Services, Centers for Disease Control and Prevention, $100,000, for the Marion County Health Department in Salem, Oregon for a project to improve collection, analysis and dissemination of data on infectious diseases; For Department of Health and Human Services, Health Resources and Services Administration, $400,000, for the Tillamook Lightwave in Tillamook, Oregon for a fiber optic link between Tillamook County Hospital and the Oregon Health Sciences University; For Department of Health and Human Services, Centers for Disease Control and Prevention, $300,000, for the Access Community Health Network in Chicago, Illinois for programs related to prevention and control of chronic diseases; For Department of Health and Human Services, Health Resources and Services Administration, $200,000, for the Northwestern Memorial Hospital in Chicago, Illinois for facilities and equipment; For Department of Health and Human Services, Health Resources and Services Administration, $200,000, for the Illinois Primary Health Care Association, for implementation of the Shared Integrated Management Information System; For Department of Health and Human Services, Health Resources and Services Administration, $250,000, for Family Resources Community Action in Woonsocket, Rhode Island for outreach and supportive services for persons with HIV/AIDS; For Department of Health and Human Services, Health Resources and Services Administration, $250,000, for St. Joseph Hospital/PeaceHealth in Bellingham, WA, on behalf of the Whatcom Community Health Improvement Consortium, to implement a model for improving care for patients with chronic diseases and increasing access and efficiency of services; For Department of Health and Human Services, Health Resources and Services Administration, $150,000, for the Children's Rehabilitation Center in White Plains, New York, for facilities and equipment; For Department of Health and Human Services, Health Resources and Services Administration, $60,000, for the Telfair Regional Hospital in McRae, Georgia for facilities and equipment; For Department of Health and Human Services, Health Resources and Services Administration, $65,000, for the Candler County Hospital in Metter, Georgia for facilities and equipment; For Department of Health and Human Services, Administration for Children and Families, $500,000 *for The Boys & Girls Club of Greater Kansas City, Kansas City, MO, for the Heathwood Youth and Families Community Center; For Department of Health and Human Services, Health Resources and Services Administration, $200,000, for the Boston Medical Center in Boston, Massachusetts for facilities and equipment; For Department of Health and Human Services, Health Resources and Services Administration, $500,000, for the University of North Dakota School of Medicine and Health Sciences, for its rural health program in preventive medicine and behavioral sciences; For Department of Health and Human Services, Health Resources and Services Administration, $900,000, for the California Hospital Medical Center in Los Angeles, California for facilities and equipment; For Department of Health and Human Services, Health Resources and Services Administration, $500,000, for the City of Abilene, Texas, Abilene-Taylor County Public Health District, for facilities and equipment; For Department of Health and Human Services, Health Resources and Services Administration, $400,000, for the Houston County Hospital, Crockett, TX, for facilities and equipment; for Department of Education, $200,000, for the University of Hawaii, West Oahu campus, HI, to produce the "Primal Quest" film documentary; for Department of Education, $500,000, for the Union Parish School District, Farmerville, LA, to implement an online assessment and interactive instructional program; for Department of Education, $200,000, for the Middle Country School District, NY, to establish a math, science and technology lab at Oxhead Road Elementary School in Centereach, NY; for Department of Education, $500,000, for the Florida Campus Compact, Tallahassee, FL, to enhance service-learning on college campuses throughout Florida; for Department of Education, $340,000, for Southern Connecticut State University, New Haven, CT, to expand nursing education recruitment, diversity and training programs, in collaboration with Gateway Community College; for Department of Education, $60,000, for Gateway Community College, New Haven, CT, to enhance educational media and technology; for Department of Education, $100,000, for Project Georgetown, Georgetown, TX, for an after-school program; for Department of Education, $200,000, for Communities in Schools-Bell-Coryell Counties, Inc., Killeen, TX, for educational services for at-risk youth; for Department of Education, $200,000, for Communities in Schools-Central Texas, Inc., Austin, TX, for educational services for at-risk youth; for Department of Education, $325,000; for Harrisburg Polytechnic Institute, Harrisburg, PA, for a K–16 curriculum, equipment, internships and enrichment activities for high school students; for Department of Education, $175,000, for Lehigh Carbon Community College, Tamaqua, PA, for equipment and technology upgrades, and for curricula; for Department of Education, $200,000, for Chicago State University, Chicago IL, to establish a school of pharmacy, including equipment; for Department of Education, $500,000, for Marywood University, Scranton, PA, to establish a Center for Assistive Technology; for Department of Education, $400,000, for the Boys & Girls Club of Pawtucket, RI, for academic and literacy, character education, career preparation, and enrichment activities for youth; for Department of Education, $250,000, for Whatcom Community College, Bellingham, WA, to establish a center for training in border security; for Department of Education, $400,000, for Westchester Community College, NY, for personnel, equipment and other programmatic expenses for The New Center; for Department of Education, $50,000, for the Marymount Institute for the Education of Women and Girls of Marymount College of Fordham University, Tarrytown, NY, for a mentoring project to enhance the academic and social development of Latina girls at Sleepy Hollow Middle School; for Department of Education, $500,000, for Northern Kentucky University, Highland Heights, KY, for the Urban Learning Center to expand access to postsecondary education; for Department of Education, $500,000, for Iron County School District, Cedar City, UT, for a student achievement management information system; for Department of Education, $200,000, for Western Maine Technical College, South Paris, ME, for education programs and marketing activities; for Department of Education, $275,000, for the YMCA of the Triangle Area, Raleigh, NC, for youth mentoring, character education and leadership activities; for Department of Education, $325,000, for Communities in Schools of Northeast Texas, Inc., Pflugerville, TX, for educational services for at-risk students; for the Institute of Museum and Library Services, $300,000, for The Hudson River Museum, Yonkers, NY, for the "Hudson River Access" science education project; for the Institute of Museum and Library Services, $375,000, for the Tubman African American Museum, Macon, GA for exhibits, education programs and outreach activities; for the Institute of Museum and Library Services, $300,000, for the Maine Discovery Museum, Bangor, ME, for exhibits and education programs; for the Institute of Museum and Library Services, $225,000, for the North Carolina State Museum of Natural Sciences, Raleigh, NC, to develop exhibits and education programs; for the Department of Housing and Urban Development, "Community Development Fund", Economic Development Initiative program, for carrying out targeted economic investments, $3,010,000, to be allocated in the amounts and under the terms and conditions specified on pages 33 through 60 of House Report 108–235 for projects numbered 35, 52, 60, 61, 174, 175, 177, 181, 195, 223, 250, 265, 297, 333, 408, 409, 410, 421, 438, 439, 441, 496, 509, 574, and 583; and for the Environmental Protection Agency, "State and Tribal Assistance Grants" to local communities for repair, replacement or upgrading of their drinking water, wastewater or storm water infrastructure or for water quality protection activities, $600,000, to be allocated under the terms and conditions specified on pages 111 through 127 of House Report 108–235 for projects numbered 121 and 226.*

Sec. 168 (a) Rescissions.—From unobligated balances of amounts made available in Public Law 107–38, and in Public Law 107–117, and in appropriations Acts for the Department of Defense, $1,800,000,000 is hereby rescinded: Provided, That the Director of the Office of Management and Budget, after consultation with the Committees on Appropriations of the House and Senate and the Secretary of Defense, shall determine the amounts to be rescinded from each account that is to be so reduced: Provided further, That the rescissions shall take effect no later than September 30, 2004: Provided further, That the Director of the Office of Management and Budget shall notify the Committees on Appropriations of the House and Senate 30 days prior to rescinding such amounts: Provided further, That such notification shall include the accounts, programs, projects and activities from which the funds will be rescinded: Provided further, That this section shall not apply to any amounts appropriated or otherwise made available by the seventh proviso under the heading "Emergency Response Fund" in Public Law 107–38.

(b) Across-the-Board Rescissions.—There is hereby rescinded an amount equal to 0.59 percent of—

(1) the budget authority provided (or obligation limitation imposed) for fiscal year 2004 for any discretionary account in divisions A through H of this Act and in any other fiscal year 2004 appropriation Act (except any fiscal year 2004 supplemental appropriation Act, the Department of Defense Appropriations Act, 2004, or the Military Construction Appropriations Act, 2004);

(2) the budget authority provided in any advance appropriation for fiscal year 2004 for any discretionary account in any prior fiscal year appropriation Act; and

(3) the contract authority provided in fiscal year 2004 for any program subject to limitation contained in any division or appropriation Act subject to paragraph (1).

(c) Proportionate Application.—Any rescission made by subsection (b) shall be applied proportionately—

(1) to each discretionary account and each item of budget authority described in such subsection; and

(2) within each such account and item, to each program, project, and activity (with programs, projects, and activities as delineated in the appropriation Act or accompanying reports for the relevant fiscal year covering such account or item, or for accounts and items not included in appropriation Acts, as delineated in the most recently submitted President's budget).

(d) OMB Report.—Within 30 days after the date of the enactment of this section the Director of the Office of Management and Budget shall submit to the Committees on Appropriations of the House of Representatives and the Senate a report specifying the account and amount of each rescission made pursuant to subsection (b).

This division may be cited as the "Miscellaneous Appropriations and Offsets Act, 2004".

And the Senate agree to the same.

Bill Young,
Ralph Regula,
Jerry Lewis,
Frank R. Wolf
(except for section 617 of Division B),
James T. Walsh,
Dave Hobson,
Henry Bonilla,
Jack Kingston,
Rodney P. Frelinghuysen,
George R. Nethercutt, Jr.,
Tom Latham,
Virgil Goode,
Ray LaHood,
John P. Murtha,
Managers on the Part of the House.

Ted Stevens,
Thad Cochran,
Arlen Specter,
Pete V. Domenici,
Christopher Bond,
Mitch McConnell,
Conrad Burns,
Richard C. Shelby,
Judd Gregg,
Robert F. Bennett,
Ben Nighthorse Campbell,
Larry Craig,
Kay Bailey Hutchison,
Mike DeWine,
Sam Brownback,
Daniel K. Inouye,
Tom Harkin,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2673) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2004, and for other purposes, submit the following joint statement to the House and Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

This conference agreement includes the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2004; the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 2004; the District of Columbia Appropriations Act, 2004; the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2004; the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2004; the Transportation, Treasury, and Independent Agencies Appropriations Act, 2004; the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2004; and the Miscellaneous Appropriations and Offsets Act, 2004.

DIVISION A—AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2004

CONGRESSIONAL DIRECTIVES

The statement of the managers remains silent on provisions that were in both the House and Senate bills that remain unchanged by this conference agreement, except as noted in this statement of the managers.

The conferees agree that executive branch wishes cannot substitute for Congress's own statements as to the best evidence of congressional intentions—that is, the official reports of the Congress. The conferees further point out that funds in this Act must be used for the purposes for which appropriated, as required by section 1301 of title 31 of the United States Code, which provides: "Appropriations shall be applied only to the objects for which the appropriations were made except as otherwise provided by law."

The House and Senate report language that is not changed by the conference is approved by the committee of conference. The statement of the managers, while repeating some report language for emphasis, does not intend to negate the language referred to above unless expressly provided herein.

In cases in which the House or the Senate have directed the submission of a report, such report is to be submitted to both the House and Senate Committees on Appropriations.

In instances where the conference report refers to "the Committees," it is the intent of the managers to mean the Committees on Appropriations of both House and Senate.

TITLE I—AGRICULTURAL PROGRAMS

PRODUCTION, PROCESSING, AND MARKETING

OFFICE OF THE SECRETARY

The conference agreement provides $5,092,000 for the Office of the Secretary instead of $3,468,000 as proposed by the House and $10,046,000 as proposed by the Senate.

The conferees note that the Congress included an authorization in the Farm Security and Rural Investment Act of 2002 (Section 10802) for a food biotechnology education program. This program is intended to provide the public with science-based evidence on the safety of foods produced with biotechnology for human consumption. The conferees direct the Secretary to provide the Committees with a defined plan within 30 days of enactment of this bill, detailing how the USDA intends to implement this food biotechnology education program and fulfill this statutory requirement.

The conferees agree that emergency preparedness related to field crops, farm animals and food processing and distribution is of critical importance, and that the agriculture and food sectors are part of the critical infrastructure requiring heightened attention and protection. Given the integral roles of state and local governments and the private sector in detecting, deterring and responding to acts of agro-terrorism, the conferees expect the Department of Agriculture and the Department of Homeland Security to coordinate efforts in assisting states, particularly by providing financial and technical support to initiatives oriented toward interstate cooperation in joint preparedness initiatives. The conferees are particularly interested in those states that have developed or are currently developing coordinated interstate initiatives.

The conferees note that as of September 30, 2003, $80,000,000 remains available to the Department from funds provided through the Emergency Response Fund (ERF), of which nearly $9,000,000 is available to the Secretary. Since these funds were provided, USDA has been one of the slowest Federal agencies to obligate its ERF funds. The conferees are aware of concerns about security, such as those raised by GAO and the USDA Inspector General in recent reports and in news reports regarding "table top" homeland security exercises. The conferees urge the Secretary to act promptly to address identified security needs and to advise the Committees on Appropriations of needs for which additional funds may be necessary. The conferees further direct the Secretary to advise the Committees promptly of the results of any future homeland security exercises.

The conferees are concerned about the possibility of bovine spongiform encephalopathy entering the United States through the importation of live cattle. The beef industry is the single largest industry in American agriculture, and an outbreak of BSE would be devastating to the industry, and to the public's perception of the safety of American food. Accordingly, the United States has never allowed the importation of live cattle from a country that has been found to have BSE. The conferees believe that the Secretary should not allow the importation of live cattle from any country known to have BSE unless that country complies with the animal health guidelines established by the World Organization for Animal Health. The conferees also expect the Secretary to continue to abide by international standards for the continued health and safety of the United States livestock industry.

The conferees are aware of current efforts to begin a study of the use of conservation cropping techniques in southeastern North Dakota, northeastern South Dakota and western Minnesota. The goal of this study would be to identify conservation rotations, cover crops, seeding techniques, and residue management practices that would make conservation tillage acceptable and profitable in these climate transition areas. The conferees encourage the Secretary to support efforts to begin this study, as appropriate.

The conferees are aware that USDA was authorized to develop a Delmarva Conservation Corridor Demonstration Program in the 2002 farm bill, but has not yet done so. This program allows USDA to target the benefits of watershed-based conservation programs to farmlands that local stakeholders have determined to be the most ecologically and economically important, with the goal of maximizing the ecological and working lands potential of the landscape. The conferees encourage the Secretary to support this program, and remind USDA that the intent of the 2002 farm bill provision was to allow the Secretary and the states flexibility in using the resources of existing agricultural conservation and forestry programs.

The conferees encourage NRCS, through the Conservation Technical Assistance Program, to work with the Thunder Basin Prairie Ecosystem Association and the U.S. Department of the Interior to continue work to develop a comprehensive and multispecies land management proposal for more than 260,000 acres of Federal and private lands within the Thunder Basin National Grasslands.

The conferees strongly encourage the Secretary to work to ensure that no chicken purchased for the School Lunch Program contains fluoroquinolones, including the initiation of a policy to not purchase chickens for these programs from companies that do not have a stated policy that they do not use fluoroquinolones in their chickens.

The conferees are aware that the Farm Service Agency has been given new responsibilities in carrying out portions of the Trade Adjustment Assistance program as authorized in the Trade Act of 2002. The conferees direct the Secretary, within 60 days of enactment of this Act, to provide the Committees on Appropriations an assessment of the staffing needs for each state office to carry out these new responsibilities.

The conferees are aware that the mission of USDA is to support agriculture and rural development in the U.S. and around the world, and this mission is supported by American tax dollars. Therefore, the conferees strongly encourage the Secretary to make every effort to ensure that purchases made by USDA are manufactured or produced in the United States.

The conferees have provided a total of $3,300,000 for cross-cutting trade negotiations and biotechnology resources. Of this amount, the conferees provide $1,000,000 in the APHIS account, $500,000 in the FAS account, and $150,000 in the GIPSA account for these activities. Further, the conferees provide $1,650,000 to the Office of the Secretary for these activities, and direct that these funds shall become available for obligation only after the Secretary has provided to the Committees a detailed explanation of proposed expenditures.

The conferees commend the Department on the success achieved with the Lamb Meat Adjustment Program. However, the conferees also recognize the ewe lamb expansion portion was curtailed as a result of the serious drought conditions throughout the United States. The conferees encourage the Department to continue this portion of the program for an additional year.

The conferees expect the Secretary to seek the approval of the Committees on Appropriations before implementing a merger or reduction of any administrative or information technology functions relating to the Farm Service Agency, Natural Resources Conservation Service, Rural Development, or any other agency of the Department.

The conferees are concerned that transfers of funds from APHIS and ARS to the Department of Homeland Security (DHS) may result in a shift in focus away from agriculture, and fully expect the Secretary of Agriculture to seek assurances from the Secretary of Homeland Security that these diagnostic and research activities at Plum Island will firmly remain tied to agricultural interests. The conferees direct the Secretary to report to the Committees on Appropriations by February 1, 2004, on the funding amounts and the agricultural diagnostic and research activities at Plum Island that have been agreed upon by USDA and DHS for fiscal year 2004.

The conferees concur with the language and reporting requirement contained in the Senate report regarding geographically disadvantaged farmers and ranchers. In preparing the report, the Department shall work with the Farm Service Agency and all other relevant departmental agencies.

The conferees are aware that applications for the Senior Farmers' Market Nutrition Program are increasing and exceed the annual $15,000,000 provided in the farm bill. The conferees urge the Secretary to take maximum advantage of additional resources available to supplement existing funding, in order to meet demand for the program.

In order to provide a safeguard against the further decline of the rice industry and wildlife habitat in Texas, and to provide information to the Congress in anticipation of and preparation for the 2007 farm bill, the conferees direct the Secretary of Agriculture to review the administration of section 1105(a)(1)(E) of Public Law 107–171 as it relates to the proper application and implementation of the conserving use requirements on rice base acreage in Texas. The Secretary shall review and evaluate the costs, benefits and effects of the conserving use requirements and actual plantings and production on rice producers, including tenant rice producers, the rice milling and processing industry, wildlife habitat, and the economies of rice farming areas in Texas, detailed by each of these affected interests and by the program variables involved.

The Secretary shall post on the USDA website and also provide to the Committee on Agriculture, Nutrition, and Forestry of the Senate and the Committee on Agriculture of the House of Representatives an annual report detailing the progress and findings by February 1, 2004 and not later than October 1 of 2005 through 2007.

The conferees are aware that Section 10502 of the Farm Security and Rural Investment Act of 2002 (P.L. 107–171) requires the Secretary to investigate the problem of non-ambulatory livestock, report the findings to Congress, and promulgate regulations to regulate the humane treatment, handling and disposition of these livestock if deemed necessary by the results of the study. The conferees are concerned that although the farm bill was signed into law on May 7, 2002, USDA did not publish a Notice of Request for Approval of an Information Collection in the Federal Register to begin collecting information for this study until October 28, 2003. The conferees direct the Secretary to work expeditiously to complete this study at the earliest possible time, and to provide copies of all interim reports as well as the final report to the Committees on Appropriations and the authorizing committees. Further, the Secretary is directed to provide to the Committees on Appropriations a preliminary report no later than March 1, 2004.

EXECUTIVE OPERATIONS

CHIEF ECONOMIST

The conference agreement provides $8,707,000 for the Office of the Chief Economist as proposed by the Senate instead of $8,716,000 as proposed by the House.

The conferees direct the Department to submit to the Committees on Appropriations the biofuels report requested by the House by February 1, 2004.

NATIONAL APPEALS DIVISION

The conference agreement provides $13,670,000 for the National Appeals Division as proposed by the House instead of $13,997,000 as proposed by the Senate.

OFFICE OF BUDGET AND PROGRAM ANALYSIS

The conference agreement provides $7,740,000 for the Office of Budget and Program Analysis instead of $7,749,000 as proposed by the House and $7,544,000 as proposed by the Senate.

HOMELAND SECURITY STAFF

The conference agreement provides $499,000 for Homeland Security staff instead of $910,000 as proposed by the Senate. The House did not provide funding for this account.

OFFICE OF THE CHIEF INFORMATION OFFICER

The conference agreement provides $15,493,000 for the Office of the Chief Information Officer instead of $14,993,000 as proposed by the House and $15,710,000 as proposed by the Senate.

COMMON COMPUTING ENVIRONMENT

The conference agreement provides $119,289,000 for Common Computing Environment instead of $100,999,000 as proposed by the House and $118,789,000 as proposed by the Senate.

The conferees are aware that the acquisition of geospatial data and Geographic Information System technologies is critical to the Department of Agriculture's plans to modernize its County Service Centers and install a common computing environment that optimizes information sharing, customer service, and staff efficiencies, and dramatically improves the Department's ability to track and react to natural disasters, plant and animal disease outbreaks and bioterrorism events. Within the funds provided in this Act, the conferees encourage the Department to provide the appropriate level of support for the acquisition of geospatial data and Geographic Information System technologies.

OFFICE OF THE CHIEF FINANCIAL OFFICER

The conference agreement provides $5,684,000 for the Office of the Chief Financial Officer instead of $5,785,000 as proposed by the House and $5,496,000 as proposed by the Senate.

WORKING CAPITAL FUND

The conferees are concerned about issues raised by the Department's recent report on remote mirroring technology and expect the fiscal year 2005 budget request to adequately address these needs identified in the report, including how the costs of the remote data capability should be assigned and paid for by non-USDA users of the NFC as requested in the fiscal year 2003 Act.

The conferees deem the study submitted on remote mirror imaging sufficient to meet the requirement set forth in the fiscal year 2003 Act for release of funds. The conferees direct that of the funds provided in the fiscal year 2003 Agriculture Appropriations Act, no less than $4,000,000 shall be spent for the immediate implementation of an interim solution to address data vulnerability for mission critical applications, including data storage hardware and software, data replication software, and synchronous replication of the identified mission critical data. The conferees direct that this interim solution be achieved within six months of enactment of this Act.

OFFICE OF THE ASSISTANT SECRETARY FOR CIVIL RIGHTS

The conference agreement provides $808,000 for the Office of the Assistant Secretary for Civil Rights as proposed by the House instead of $794,000 as proposed by the Senate.

OFFICE OF CIVIL RIGHTS

The conference agreement provides $17,450,000 for the Office of Civil Rights instead of $15,445,000 as proposed by the Senate. The House provided no funding for this account.

OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION

The conference agreement provides $673,000 for the Office of the Assistant Secretary for Administration as proposed by the Senate instead of $678,000 as proposed by the House.

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

The conference agreement provides $156,469,000 for agriculture buildings and facilities and rental payments instead of $156,091,000 as proposed by the House and $187,022,000 as proposed by the Senate.

HAZARDOUS MATERIALS MANAGEMENT

The conference agreement provides $15,611,000 for Hazardous Materials Management as proposed by the Senate instead of $15,713,000 as proposed by the House.

DEPARTMENTAL ADMINISTRATION

The conference agreement provides $23,031,000 for Departmental Administration as proposed by the Senate instead of $40,597,000 as proposed by the House.

OFFICE OF THE ASSISTANT SECRETARY FOR CONGRESSIONAL RELATIONS

The conference agreement provides $3,796,000 for the Office of the Assistant Secretary for Congressional Relations as proposed by the House instead of $3,825,000 as proposed by the Senate.

OFFICE OF COMMUNICATIONS

The conference agreement provides $9,228,000 for the Office of Communications as proposed by the Senate instead of $9,245,000 as proposed by the House.

The Committees directed the Office to provide them with copies of open source news material made available to USDA officials through the use of appropriated funds. The Office has not done so. Accordingly, the conferees direct the Office to begin doing so no later than 15 days after the date of enactment of this Act.

OFFICE OF THE INSPECTOR GENERAL

The conference agreement provides $77,281,000 for the Office of the Inspector General instead of $78,114,000 as proposed by the House and $75,781,000 as proposed by the Senate.

OFFICE OF THE GENERAL COUNSEL

The conference agreement provides $34,700,000 for the Office of the General Counsel as proposed by the House instead of $35,343,000 as proposed by the Senate.

The conferees note that the fiscal year 2004 funding level for the Office of the General Counsel does not provide funds to increase the number of Senior Executive Service employees of the Office. If the Office of the General Counsel determines the need to increase the number of SES employees in the Office, the General Counsel is directed to submit a reorganization plan to the Committees on Appropriations for approval.

OFFICE OF THE UNDER SECRETARY FOR RESEARCH, EDUCATION AND ECONOMICS

The conference agreement provides $596,000 for the Office of the Under Secretary for Research, Education and Economics as proposed by the Senate instead of $597,000 as proposed by the House.

The conferees are concerned that research budgets submitted by the Department reflect a continuing disregard for Congressional program priorities. For a number of years, there has been no adequate justification presented to the Committees to support proposed project terminations. As a result, such proposed terminations have been disapproved by Congress, only to be resubmitted in a budget proposal for a subsequent year. The conferees direct the Under Secretary to end the recycling of proposed terminations that have already been rejected by the Congress. Further, the conferees expect that any termination proposed in the fiscal year 2005 budget will include a detailed justification in the explanatory notes accompanying the budget request.

ECONOMIC RESEARCH SERVICE

The conference agreement provides $71,402,000 for the Economic Research Service as proposed by the House instead of $69,902,000 as proposed by the Senate.

The conferees encourage ERS to coordinate with the North Carolina Department of Agriculture and North Carolina State University to collect the economic data and do the statistical analysis necessary to study the impact that growth in the horticulture industry is having on that state's economy.

The conferees provide the requested increase of $1,000,000 for development of an expanded Security Analysis System for U.S. Agriculture (SAS-USA). This is a scenario-based decision system, which will aid in evaluating threats to the food system. Within the amount provided, the conferees encourage ERS to develop requirements for a system to use available agricultural data to circumvent an attack on the food supply chain.

NATIONAL AGRICULTURAL STATISTICS SERVICE

The conference agreement provides $128,922,000 for the National Agricultural Statistics Service as proposed by the Senate instead of $129,800,000 as proposed by the House.

The conferees provide $4,800,000 for Agricultural estimates. The conferees encourage NASS to consider conducting Monthly Hogs and Pigs Inventory reporting, and Barrow and Gilt Slaughter reporting. The conferees also expect that both the potato objective yield survey and the potato size and grade survey will be continued.

AGRICULTURAL RESEARCH SERVICE

SALARIES AND EXPENSES

The conference agreement provides $1,088,892,000 for the Agricultural Research Service, Salaries and Expenses, instead of $1,014,000,000 as proposed by the House and $1,045,533,000 as proposed by the Senate.

The conference agreement includes bill language proposed by the Senate regarding a land conveyance.

The conferees have agreed to increased funding for the following laboratories and areas of research:

Budgeted increases, as follows: Babesiosis (Pullman, WA), $270,000, (Kerrville, TX), $630,000; Maize (Albany, CA), $180,000; Genetic Markers, Genomics, New Bioinformatics Tools (Ithaca, NY), $270,000: Computer Networking Capabilities (Beltsville, MD), $225,000; Soybean and Other Vegetable Oils (Peoria, IL), $360,000; Turf and Forage Grasses (Corvalis, OR), $135,000; Pink Bollworm (Phoenix, AZ), $225,000; Resistant Pest (Wapato, WA), $144,000; Asian Longhorned Beetle Including Emerald Ash Borer (Newark, DE), $270,000; Livestock Disease (Ames, IA), $270,000; Poultry Disease (Athens, GA), $270,000; Forensic Databases of Animal Diseases Including Nucleic Acid (Clay Center, NE), $270,000; Arbovirus Threats (Laramie, WY), $270,000; Merek's Disease (East Lansing, MI), $270,000; Foot and Mouth Disease (Headquarters), $315,000; Newcastle Disease (Athens, GA), $270,000; Emerging Diseases Offshore (Headquarters), $225,000.

Further increases, as follows: Advanced Animal Vaccines (U CT/U MO), $270,000; Agricultural Law, NAL (Drake University), $18,000; Agriculture Genome Bioinformatics, Ames, IA (Bioinformatics Institute for Model Plant Species), $540,000; Air Quality Research, Logan, UT (Utah State), $900,000; Air Quality (PM–10), Pullman, WA, $225,000; Animal Waste Treatment, Florence, SC, $270,000; Appalachian Fruit Research Station, Kearneysville, WV, $180,000; Appalachian Horticulture Research, Poplarville, MS (U TN/TN State), $450,000; Appalachian Pasture-Based Beef Systems, Beaver, WV, $90,000; Aquaculture Feeds/Aquaculture Research, Aberdeen, ID (U of ID Hagerman Fish Culture Experiment Station), $270,000; Biomedical Materials in Plants, Beltsville, MD (Biotechnology Foundation), $248,000; Bovine Genetics, Beltsville, MD (U CT/U IL), $540,000; Broomweed Biological Controls, Albany, CA, $270,000; Canada Thistle, Fargo, ND, $270,000; Cereal Disease Research, St. Paul, MN, $45,000; Children's Nutrition Center, Little Rock, AR, $225,000; Chronic Diseases of Children, Houston, TX (Baylor U/Peanut Institute), $383,000; Citrus Waste Utilization, Winter Haven, FL (FL Dept of Citrus), $360,000; Conservation Tillage, Pendleton, OR, $225,000; Corn Germplasm, Ames, IA, $225,000; Cotton Pathology Research, Shafter, CA, $270,000; Cotton Quality, Clemson, SC, $270,000; Cropping Systems Research (U TN/West TN Ag Experiment Station), $630,000; Crop Production and Food Processing, Peoria, IL (Purdue U/U IL), $387,000; Dairy Forage (Madison, WI) $1,260,000; Delta Nutrition Intervention Initiative, Little Rock, AR (Southern U Center for Food Nutrition and Health Promotion), $270,000; Diet, Nutrition, and Obesity Research (Pennington Biomedical Research Center), $675,000; Ecology of Tamarix (Reno, NV), $900,000; Emissions from Livestock Wastewater (Florence, SC), $90,000; Endophyte Research, Booneville, AR (Univ. of AR/MO/OSU), $135,000; Feed Efficiency in Cattle (Clay Center, NE), $225,000; Fish Disease Research (Auburn, AL), $90,000; Flood Control Acoustic Technology, National Sedimentation Lab (Oxford, MS), $225,000; Food Fermentation Research (Raleigh, NC), $270,000; Food Safety and Engineering, Wyndmoor, PA (Purdue Univ), $90,000; Forage and Range Research (Logan, UT), $270,000; Formosan Subterranean Termite (New Orleans, LA), $315,000; Ft. Pierce Horticultural Research Laboratory (Ft. Pierce, FL), $450,000; Foundry Sand By-products Utilization (Ohio State/Purdue Univ), $162,000; Geisinger Rural Aging Study (PA), $135,000; Grand Forks Human Nutrition Lab, Grand Forks, ND (U of ND School of Medicine and Health Sciences), $270,000; Grape Genetics (Geneva, NY), $270,000; Grassland Soil and Water Research (Temple, TX), $225,000; Great Lakes Aquaculture Research (U of WI, $300,000), $540,000; Human Nutrition Research Center on Aging (Boston, MA), $225,000; Invasive Aphid Research (Stillwater, OK), $225,000; Invasive Aquatic Weeds (Ft. Lauderdale, FL), $135,000; Karnal Bunt, Manhattan, KS (Kansas State Univ), $90,000; Mid-West/Mid-South Irrigation, Columbia, MO (U of MO Delta Ctr., Portageville, MO), $45,000; Minor Use Pesticides (IR–4) (NJ, DE, Mid-Atlantic Region), $270,000; Monkeypox Research (Ames, IA), $900,000; National Cold Water Marine Aquaculture (Orono, ME), $270,000; Natural Products, Oxford, MS (National Center for Natural Products), $450,000; Northern Grains Insect Laboratory (Brookings, SD), $450,000; Northern Plains Agricultural Research Lab (Sidney, MT), $810,000; Northwest Hops/Hops Research (Corvallis, OR), $225,000; Nutritional Requirements Research/Children's Nutrition Research Center (Houston, TX), $450,000; Ogallala Aquifer (Bushland, TX), $855,000; Olive Fruitfly Research (Montpellier, France), $90,000; Ornamental and Horticulture Research (Pear Thrips) (Ithaca, NY) (Univ VT), $135,000; Paper Sludge Utilization (Coshocton, OH), $225,000; Peanut Research (Dawson, GA), $135,000; Phytoestrogen Research, SRRC (Tulane/Xavier/U of Toledo), $360,000; Pierce's Disease/Glassy-winged Sharpshooter (Davis, CA/Parlier, CA/Ft. Pierce, FL), $450,000; Plant Genetic Diversity and Gene Discovery Center, Logan, UT (Utah Ag Experiment Station), $675,000; Poisonous Plant Research Laboratory (Logan, UT), $1,080,000; Potato Research (Aberdeen, ID/Prosser, WA), $270,000; Potato Storage (Madison, WI), $270,000; Rainbow Trout, Aberdeen, ID (U of ID Hagerman Fish Culture Experiment Station), $653,000; Regional Molecular Genotyping (Raleigh, NC/Fargo, ND/Manhattan, KS/Pullman, WA), $720,000; Seafood Waste, Fairbanks, AK (U of AK), $180,000; Shellfish Ecology, Newport, OR (Hatfield Marine Science Center), $270,000; Small Fruits Research (Corvallis, OR), $225,000; Soil Drainage Research (Columbus, OH), $144,000; Soil Dynamics Research (Auburn, AL) $270,000; Sorghum Cold Tolerance (Lubbock, TX), $270,000; Sorghum Utilization (Manhattan, KS), $360,000; Source Water Protection Initiatives (Columbus, OH/W. Lafayette, IN), $360,000; South Central Agricultural Research Laboratory (Lane, OK), $270,000; Southeastern Fruit and Tree Nut Research (Byron, GA), $270,000; Sudden Oak Disease/Sudden Oak Disease Syndrome (Ft. Detrick, MD/Davis, CA), $450,000; Sugarbeet Research (Kimberly, ID), $36,000; Sugarcane Research (Houma, LA/New Orleans, LA), $270,000; Sugarcane Variety Research (Canal Point, FL), $360,000; Sustainable Grazing Livestock Systems/Forage-Livestock Systems, Lexington, KY (U of KY), $540,000; Sustainable Olive Production (Weslaco, TX), $270,000; Sustainable Viticulture Research (Davis, CA), $270,000; Tree Fruit Quality Research (Wenatchee, WA), $270,000; Trout Genome Mapping, Leetown, (WV Univ), $450,000; United States National Arboretum (Washington, D.C.), $810,000; U.S. Pacific Basin Ag Research Center, Hilo, HI (Univ HI Manoa/Univ HI Hilo), $360,000; U.S. Vegetable Lab, Staffing (Charleston, SC), $270,000; Vector-borne Diseases (Gainesville, FL), $225,000; Verticillium Wilt (Salinas, CA), $360,000; Waste Management Research, Bowling Green, KY (Western KY Univ), $450,000; Water Use Reduction/Producer Enhancement Research (Dawson, GA), $225,000; Weed Management Research (Beltsville, MD), $270,000; Western Grazinglands (Burns, OR/Reno, NV), $270,000; West Nile Virus, Gainesville, FL (CT Ag Exp Station), $225,000; Wheat Quality Research (Wooster, OH/Manhattan, KS/Pullman, WA), $675,000; and Wine Grape Foundation Block (Prosser, WA), $135,000.

The conference agreement continues the fiscal year 2003 level of funding for all research projects proposed to be terminated in the President's budget.

The conference agreement concurs with the Agricultural Research Service's proposal to reprogram existing resources into priority initiatives of emerging diseases, global climate change, biosecurity, and genomic sequencing.

The conference agreement provides $13,772,000 for increased costs associated with Federal employees salaries and benefits.

The conference agreement provides an additional $383,000 for the Children's Nutrition Research Center at Houston, TX, for a cooperative research project with Baylor College of Medicine and the Peanut Institute to examine ways to prevent the onset of chronic diseases and the growing problem of overweight children.

The conference agreement provides an additional $450,000 for increased investigation of the nutritional needs of pregnant and nursing women, and children.

The conference agreement provides an additional $225,000 for ongoing cooperative research between the Flint River Water Planning & Policy Center and the National Peanut Research Laboratory at Dawson, Georgia.

The conferees provide increased funding for the development of a wine grape foundation block of certified "clean" rootstock at Prosser, WA and direct ARS to ensure that this funding is not obligated toward other research.

BUILDINGS AND FACILITIES

The conference agreement provides $63,810,000 for the Agricultural Research Service, Buildings and Facilities, instead of $35,900,000 as proposed by the House and $46,000,000 as proposed by the Senate.

The following items reflect the conference agreement: Grape Genomics Research Center (Davis, California), $2,700,000; U.S. Agricultural Research Station (Salinas, California), $4,500,000; U.S. Pacific Basin Agricultural Research Center (Hilo, Hawaii), $4,860,000; National Center for Agricultural Utilization Research (Peoria, Illinois), $2,700,000; ARS Sugarcane Research Laboratory (Houma, Louisiana), $1,350,000; Northeast Marine Cold Water Aquaculture Research Center (Orono/Franklin, Maine), $2,700,000; Abraham Lincoln National Agricultural Library (Beltsville, Maryland), $900,000; Beltsville Agricultural Research Center (Beltsville, Maryland), $2,700,000; Jamie Whitten Delta States Research Center (Stoneville, Mississippi), $4,860,000; National Plant and Genetics Security Center (Columbia, Missouri), $2,430,000; Northern Plains Agricultural Research Laboratory (Sidney, Montana), $2,520,000; Center for Crop-based Health Genomics (Ithaca, New York), $3,870,000; Center for Grape Genetics (Geneva, New York), $2,430,000; Grazinglands Research Laboratory (Ft. Reno, Oklahoma), $2,160,000; U.S. Vegetable Laboratory (Charleston, South Carolina), $3,150,000; ARS Research Laboratory (Pullman, Washington), $3,960,000; Appalachian Fruit Laboratory (Kearneysville, West Virginia), $1,800,000; Nutrient Management Laboratory (Marshfield, Wisconsin), $3,690,000; and Upgrade Security at ARS Laboratories (Various Locations), $10,530,000.

The conferees note that there is widespread interest in additional construction and renovation of ARS facilities throughout the country. This is not surprising when considering the fact that many of the existing facilities are decades old. However, the conferees are concerned that there does not seem to be a master plan for addressing these needs. Rather, construction projects in several parts of the country have been described by various ARS officials as the agency's top priority.

The conferees believe that there should be a logical progression for determining what projects should be funded. Therefore, beginning with the fiscal year 2005 appropriations process, the Committees will not consider funding requests for projects for which a prospectus has not been completed and submitted to the Committees by March 1 of each year. Each prospectus shall, at a minimum, include the following information: the feasibility, requirements, and scope of the proposed project; details on building size, cost, associated facilities, scientific capacity, and other requirements; and details on existing and planned program and resource requirements. Further, the conferees are requesting the assistance of ARS in determining the merits and priority for these projects.

In order to begin this orderly review process, the conferees direct ARS to provide a prospectus for each of the following projects: Aberdeen/Billingsley Creek, Idaho; Animal Waste Management Research in Bowling Green, Kentucky; Forage-Animal Research Laboratory in Lexington, Kentucky; Laboratory and Office Facilities in Starkville, Mississippi; Animal Biosciences Facility at Montana State University; Red River Valley Agricultural Research Center in Fargo, North Dakota; Laboratory, Greenhouse, and Office Space at the University of Toledo; Dairy Forage Lab at Prairie du Sac and Madison, Wisconsin.

The conference agreement provides sufficient funding to complete all planning and design provided by the House and Senate, and construction phases as described in the Senate report.

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE

RESEARCH AND EDUCATION ACTIVITIES

The conference agreement provides $621,447,000 for research and education activities instead of $597,372,000 as proposed by the House and $617,575,000 as proposed by the Senate.

The following table reflects the conference agreement:

Cooperative Satate Research, Education, and Extension Service	
(Dollars in Thousands)	
	2004 Conference Action
Research and Education Activities	
Hatch Act	180,148
McIntire Stennis Cooperative Forestry	21,884
Evans-Allen Program	36,000
Special Research Grants:	
Advanced genetic technologies (KY)	604
Advanced spatial technologies (MS)	885
Aegilops cylindrica (WA, ID)	343
Agricultural diversification (HI)	114
Agricultural diversity/Red River Corridor (MN, ND)	547
Agriculture science (OH)	447
Agriculture water usage (GA)	262
Agroecology (MD)	357
Air quality (TX)	900
Alliance for food protection (NE,GA)	268
Alternative nutrient management (VT)	149
Alternative salmon products (AK)	568
Alternative uses for tobacco (MD)	322
Animal Disease Research (WY)	223
Animal science food safety consortium (AR, KS, IA)	1,453
Apple fireblight (MI, NY)	459
Aquaculture (AR)	208
Aquaculture (ID/WA)	693
Aquaculture (LA)	315
Aquaculture (MS)	524
Aquaculture (NC)	262
Aquaculture (VA)	180
Aquaculture product and marketing development (WV)	675
Armilliaria root rot (MI)	143
Asparagus technology and production (WA)	250
Babcock Institute (WI)	540
Beef technology transfer (MO)	263
Berry research (AK)	180
Biobased nanocomposite research (ND)	179
Biomass-based energy research (OK, MS)	1,029
Biotechnology (NC)	274
Biotechnology Test Production (IA)	179
Bovine Tuberculosis (MI)	311
Brucellosis vaccine (MT)	441
Center for Public Lands and Rural Economics (UT)	225
Center for rural studies (VT)	304
Chesapeake Bay agroecology (MD)	286
Childhood obesity and nutrition (VT)	134
Citrus Canker (FL)	450
Citrus Tristeza	648
Competitiveness of agricultural products (WA)	608
Computational agriculture (NY)	223
Cool season legume research (ID, WA, ND)	540
Cotton fiber quality (GA)	450
Council for Agriculture Science and Technology	135
Cranberry/blueberry (MA)	154
Cranberry/blueberry disease & breeding (NJ)	211
Crop integration and production (SD)	270
Crop diversification center (ND/MO)	357
Crop pathogens (NC)	179
Dairy and meat goat research (TX)	57
Dairy farm profitability (PA)	447
Delta rural revitalization (MS)	184

Cooperative Satate Research, Education, and Extension Service

(Dollars in Thousands)

	2004 Conference Action
Designing foods for health (TX)	1,350
Diaprepes/Root Weevil (FL)	402
Dietary Intervention (OH)	900
Drought mitigation (NE)	202
Drought management (UT)	675
Efficient irrigation (NM/TX)	1,350
Environmental biotechnology (RI)	536
Environmental research (NY)	353
Environmental risk factors/cancer (NY)	199
Environmentally safe products (VT)	750
Ethnobotany research (AK)	270
Exotic pest diseases (CA)	1,800
Expanded wheat pasture (OK)	277
Farm injuries and illnesses (NC)	248
Feed barley for rangeland cattle (MT)	745
Feed efficiency in cattle (FL)	223
Feedstock conversion (SD)	675
Fish and shellfish technologies (VA)	405
Food Chain Economic Analysis (IA)	360
Floriculture (HI)	357
Food and Agriculture Policy Research Institute (IA, MO)	1,373
Food Marketing Policy Center (CT)	585
Food quality (AK)	315
Food safety (AL)	1,006
Food safety (OK, ME)	559
Food safety (TX)	179
Food safety research consortium	805
Food safety risk assessment (ND)	1,385
Food security (WA)	402
Food Systems Research Group (WI)	495
Forages for advancing livestock production (KY)	388
Forestry (AR)	458
Functional genomics (UT)	1,350
Future Foods (IL)	450
Generic commodity promotions, research and evaluation (NY)	175
Genomics (MS)	644
Global change / Ultraviolet radiation	2,012
Grain Sorghum (KS)	125
Grapefruit juice/drug interaction (FL)	223
Grass seed cropping for sustainable agriculture (WA, OR, ID)	409
Grazing research (WI)	225
Greenhouse crop production (AK)	450
Hispanic leadership in agriculture (TX)	450
Hoop barns (IA)	293
Horn fly research (AL)	135
Human nutrition (IA)	659
Human nutrition (LA)	716
Human nutrition (NY)	550
Hydroponic tomato production (OH)	180
Illinois-Missouri Alliance for Biotechnology (IL / MO)	1,085
Improved dairy management practices (PA)	357
Improved early detection of crop diseases (NC)	174
Improved fruit practices (MI)	213
Increasing shelf life of agricultural commodities (ID)	711
Infectious disease research (CO)	671
Institute for biobased products and food science (MT)	536
Institute for Food Science & Engineering (AR)	1,093
Integrated production systems (OK)	208
Intelligent quality sensor for food safety (ND)	322
International arid lands consortium	585

Cooperative Satate Research, Education, and Extension Service (Dollars in Thousands)	2004 Conference Action
Iowa Biotechnology Consortium	1,800
Leopold Center hypoxia project	225
Livestock and Dairy Policy (NY, TX)	900
Livestock genome sequencing (IL)	675
Livestock waste (IA)	270
Lowbush blueberry research (ME)	237
Maple research (VT)	134
Meadow foam (OR)	264
Michigan Biotechnology Consortium	562
Midwest Advanced Food Manufacturing Alliance	429
Midwest agricultural products (IA)	581
Midwest poultry consortium (IA)	630
Milk safety (PA)	671
Minor use animal drugs	529
Molluscan shellfish (OR)	353
Montana Sheep Institute	500
Multi-commodity research (OR)	357
Multi-cropping strategies for aquaculture (HI)	111
National beef cattle genetic evaluation consortium (NY)	675
National Biological Impact Assessment	226
National Center for Soybean Technology (MO)	900
Nematode resistance genetic engineering (NM)	131
Nevada Arid Rangelands Initiative (NV)	470
New crop opportunities (AK)	450
New crop opportunities (KY)	663
Nursery, greenhouse, turf specialties (AL)	277
Oil resources from desert plants (NM)	202
Organic Cropping (WA)	225
Organic waste utilization (NM)	89
Oyster post harvest treatment (FL)	402
Ozone air quality (CA)	384
Pasture and forage research (UT)	225
Peach tree short life (SC)	234
Perennial wheat (WA)	134
Pest control alternatives (SC)	273
Phytophthora root rot (NM)	166
Pierce's disease (CA)	2,025
Plant biotechnology (IA)	223
Plant, drought, and disease resistance gene cataloging (NM)	221
Potato research	1,417
Precision agriculture (KY)	663
Preharvest food safety (KS)	186
Preservation and processing research (OK)	201
Protein utilization (IA)	675
Rangeland ecosystems (NM)	286
Regional barley gene mapping project	680
Regionalized implications of farm programs (MO, TX)	540
Rice agronomy (MO)	179
Ruminant nutrition (MT, ND, SD, WY)	450
Rural Development Centers (LA, ND)	158
Rural obesity (NY)	179
Rural policies institute (NE, IA, MO)	1,136
Russian wheat aphid (CO)	286
Seafood harvesting, processing and marketing (AK)	1,073
Seafood & aquaculture harvesting, processing & marketing (MS)	271
Seafood safety (MA)	380
Seed research (AK)	360
Seed technology (SD)	315
Small fruit research (OR, WA, ID)	357
Soil and environmental quality (DE)	116

Cooperative Satate Research, Education, and Extension Service

(Dollars in Thousands)

	2004 Conference Action
Southwest consortium for plant genetics and water resources	353
Soybean cyst nematode (MO)	620
Soybean research (IL)	760
STEEP III -- water quality in Northwest	599
Sudden oak death (CA)	89
Sustainable agriculture (CA)	447
Sustainable agriculture (MI)	389
Sustainable agriculture and natural resources (PA)	134
Sustainable beef supply (MT)	895
Sustainable engineered materials from renewable sources (VA)	536
Sustainable pest management for dryland wheat (MT)	404
Swine and other animal waste management (NC)	443
Synthetic gene technology (OH)	150
Tick borne disease prevention (RI)	89
Tillage, silviculture, waste management (LA)	380
Tri-state joint peanut research (AL)	536
Tropical aquaculture (FL)	214
Tropical and subtropical research/T-Star	9,000
Uniform farm management program (MN)	268
Value-added product development from ag resources (MT)	368
Virtual plant database enhancement project (MO)	675
Viticulture consortium (NY, CA, PA)	1,609
Water conservation, (KS)	71
Water use efficiency and water quality enhancements (GA)	450
Weed control (ND)	389
West Nile Virus (IL)	675
Wetland plants (LA)	536
Wheat genetic research (KS)	237
Wheat sawfly research (MT)	452
Wood utilization (OR, MS, NC, MN, ME, MI, ID, TN, AK, WA, WV)	6,106
Wool research (TX, MT, WY)	270
Subtotal, Special Research Grants	111,312
Improved pest control:	
Expert IPM Decision Support System	159
Integrated pest management	2,453
Minor crop pest management (IR-4)	9,606
Pest Management Alternatives	1,457
Subtotal, Improved pest control	13,675
National Research Initiative	165,000
Animal Health and Disease (Sec. 1433)	4,559
1994 Institutions research program	1,093
Joe Skeen Institute for Rangeland Restoration (NM,TX,MT)	900
Graduate fellowship grants	2,900
Institution challenge grants	4,888
Multicultural scholars program	992
Hispanic education partnership grants	4,673
Secondary/2-year Post-secondary	895
Capacity building grants (1890 institutions)	11,479
Payments to the 1994 Institutions	1,689
Alaska Native-serving & Native Hawaiian-serving educ. grants	3,150
Alternative crops:	
Canola	756
Hesperaloe and other natural products from desert plants	313
Aquaculture Centers (Sec. 1475)	4,024
Critical Agricultural Materials Act	1,118
Sustainable agriculture research and education (SARE)	12,295

Cooperative Satate Research, Education, and Extension Service (Dollars in Thousands)	2004 Conference Action
Federal Administration:	
Ag-based industrial lubricants (IA)	405
Agriculture development in the American Pacific	493
Agriculture Waste Utilization (WV)	621
Agriculture Water Policy (GA)	900
Alternative fuels characterization laboratory (ND)	270
Animal Waste Management (OK)	300
Aquaculture (OH)	855
Aquaculture (PA)	223
Biotechnology research (MS)	671
Botanical research (UT)	797
Center for Agricultural and Rural Development (IA)	604
Center for Food Industry Excellence (TX)	223
Center for innovative food technology (OH)	1,049
Center for North American Studies (TX)	900
Climate forecasting (FL)	3,150
Cotton research (TX)	2,250
Data Information System	2,459
Electronic Grants Administration System	1,956
Feed efficiency (WV)	144
Fruit/vegetable market analysis (AZ, MO)	304
Geographic information system	1,440
Germplasm development in forage grasses (OH)	89
Greenhouse nurseries (OH)	717
High value horticultural crops (VA)	450
Information Technology (GA)	223
Livestock marketing information center (CO)	176
Mariculture (NC)	322
Mississippi Valley State University	939
Monitoring agricultural sewage sludge application (OH)	1,080
Office of Extramural Programs	403
Pay costs and FERS	2,286
Pasteurization of shell eggs (MI)	1,100
Peer Panels	314
Phytoremediation plant research (OH)	572
PM-10 study (WA)	392
Precision Agriculture, Tenn. Valley Research Center (AL)	585
Produce pricing (AZ)	72
Rural Systems (MS)	313
Salmon quality standards (AK)	135
Shrimp aquaculture (AZ, HI, MS, MA, SC, LA, TX)	3,768
Sustainable Agricultural Development (OH)	180
Sustainable agricultural freshwater conservation (TX)	1,800
The Land Institute (KS)	90
Urban Silviculture (NY)	216
Vitis Gene Discovery (MO)	360
Water pollutants (WV)	540
Water Quality (ND)	388
Wetland Plants (WV)	180
Subtotal, Federal Administration	37,704
Subtotal, Research and Education Activities	621,447

The conference agreement provides $380,000 for Seafood Safety, of which fifty percent shall be provided through a cooperative agreement with the Center for Marine Phytoremediation Technologies at Northeastern University.

The conferees provide funding for alternative salmon products, of which 25 percent shall be for a cooperative agreement for salmon baby food development.

The conferees provide funding for the alliance for food protection, of which 90 percent shall be for a cooperative agreement with the University of Georgia for integrated fruit and vegetable research.

Within the amount provided for Agricultural Diversity, the conferees direct that $100,000 be used to fund activities of the Red River Valley Research Corridor Office.

NATIVE AMERICAN INSTITUTIONS ENDOWMENT FUND

The conference agreement provides $9,000,000 for the Native American Institutions Endowment Fund as proposed by both the House and Senate.

EXTENSION ACTIVITIES

The conference agreement provides $441,731,000 for extension activities instead of $439,742,000 as proposed by the House and $450,084,000 as proposed by the Senate.

The following table reflects the conference agreement:

Cooperative Satate Research, Education, and Extension Service (Dollars in Thousands)	2004 Conference Action
Extension Activities	
Smith-Lever Sections 3(b) & 3(c)	279,390
Smith-Lever Section 3(d):	
Farm safety	4,940
Food & nutrition education (EFNEP)	52,366
Indian reservation agents	1,785
Pest management	9,620
Sustainable agriculture research and development (SARE)	4,359
Youth at risk	7,583
Youth Farm Safety Education and Certification	446
1890 Colleges and Tuskegee	31,908
1890 facilities grants	15,000
Renewable Resources Extension Act	4,064
Rural health and safety education	2,345
Extension services at the 1994 institutions	2,946
Grants to Youth Serving Institutions	2,683
Subtotal	419,435
Federal Administration and special grants:	
Ag in the classroom	626
Agricultural and Entrepreneurship education (WI)	234
Alabama beef connection	338
Beef producers' improvement (AR)	175
Botanical Garden Initiative (IL)	214
Conservation Technology Transfer (WI)	450
Dairy Education (IA)	212
Dairy industry revitalization (WI)	338
Diabetes detection, prevention (WA, PA)	1,096
E-Commerce (MS)	336
Efficient Irrigation (NM/TX)	2,070
Entrepreneurial alternatives (PA)	223
Extension Specialist (MS)	134
Family farm industry network (OH)	1,247
Food Animal Residue Avoidance Database (FARAD)	716
Food preparation and marketing (AK)	270
Food product development (AK)	405
General Administration	5,499
Health Education Leadership (KY)	805
Income enhancement demonstration (OH)	215
Iowa Vitality Center	252
National Center for Agriculture Safety (IA)	225
National Wild Turkey Federation	225
Nursery production (RI)	223
Nutrition enhancement (WI)	900
Ohio-Israel Agriculture Initiative	540
Oquirrh Institute	270
Pilot technology transfer (OK, MS)	302
Pilot technology transfer (WI)	216
Potato Pest Management (WI)	360
Range improvement (NM)	219
Resilient communities (NY)	112
Rural business enhancement (WI)	180
Rural development (AK)	630
Rural development (NM)	353
Rural Technologies (HI, WI)	313
Urban horticulture (WI)	788
Urban market development (NY)	225
Web-based agriculture classes (MO)	180

Cooperative Satate Research, Education, and Extension Service (Dollars in Thousands)	2004 Conference Action
Wood biomass as an alternative farm product (NY)	180
Subtotal, Federal Administration	22,296
Total, Extension Activities	441,731

Within funds provided for the farm safety program, the conference agreement includes $4,140,000 for the AgrAbility project.

INTEGRATED ACTIVITIES

The conference agreement provides $50,493,000 for integrated activities instead of $62,942,000 as proposed by the House and $46,711,000 as proposed by the Senate.

The following table reflects the conference agreement:

Cooperative Satate Research, Education, and Extension Service (Dollars in Thousands)	2004 Conference Action
Integrated Activities	
Water Quality	11,598
Food Safety	13,384
Regional Pest Management Centers	4,052
Crops at Risk from FQPA Implementation	1,338
FQPA Risk Mitigation Program for Major Food Crop Systems	4,371
Methyl Bromide Transition Program	3,150
Organic Transition Program	1,900
Subtotal	39,793
International Science and Education Grants Program	900
Critical Issues Program	447
Regional Rural Development Centers Program	1,353
Subtotal	1,800
Homeland Security	8,000
Total, Integrated Activities	50,493

OUTREACH FOR SOCIALLY DISADVANTAGED FARMERS

The conference agreement provides $5,970,000 for Outreach for Socially Disadvantaged Farmers, instead of $8,470,000 as proposed by the House and $3,470,000 as proposed by the Senate.

OFFICE OF THE UNDER SECRETARY FOR MARKETING AND REGULATORY PROGRAMS

The conference agreement provides $725,000 for the Office of the Under Secretary for Marketing and Regulatory Programs as proposed by the House instead of $736,000 as proposed by the Senate.

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

SALARIES AND EXPENSES

The conference agreement provides $720,580,000 for the Animal and Plant Health Inspection Service (APHIS) instead of $725,502,000 as proposed by the House and $705,552,000 as proposed by the Senate.

The following table reflects the conference agreement:

Animal and Plant Health Inspection Service

[In Thousands of Dollars]

Pest and Disease Exclusion:	
Agricultural quarantine inspection	$25,601
Cattle ticks	6,534
Foreign animal diseases/FMD	8,737
Fruit fly exclusion and detection	57,059
Import-export inspection	11,140
Screwworm	30,480
Trade issues resolution management	12,546
Tropical bont tick	423
Total, Pest and Disease Exclusion	152,520
Plant and Animal Health Monitoring:	
Animal health monitoring & surveillance	95,913
Animal and plant health regulatory enforcement	9,211
Emergency management systems	9,625
Pest detection	24,527
Total, Plant & Animal Health Monitoring	139,276
Pest and Disease Management:	
Aquaculture	1,250
Biological control	9,270
Boll weevil	51,000
Brucellosis	10,303
Chronic wasting disease	18,632
Emerging plant pests	93,650
Golden nematode	792
Grasshopper and Mormon cricket	5,491
Gypsy moth	4,725
Imported fire ant	2,429
Johne's disease	18,800
Low pathogen avian influenza	1,000
Noxious weeds	1,999
Pink bollworm	2,031
Plum pox	3,471
Pseudorabies	4,316
Scrapie	15,700
Tuberculosis	14,925
Wildlife services operations	71,736
Witchweed	1,526
Total, Pest and Disease Management	333,046
Animal Care:	
Animal welfare	16,400
Horse protection	490
Total, Animal Care	16,890
Scientific and Technical Services:	
Biosecurity	2,000
Information technology infrastructure	4,214
Biotechnology regulatory services	5,434
Environmental compliance	2,598
Plant methods development labs	8,208
Veterinary biologics	15,235
Veterinary diagnostics	19,947
Wildlife services methods development	17,100
Total, Scientific and Technical Services	74,736
Contingency fund	4,112
Total, Salaries and Expenses	720,580

The conference agreement provides an increase of $800,000 for the Foreign Animal Diseases/FMD program of which $750,000 is for classical swine fever eradication efforts.

The conference agreement provides an increase of $1,795,000 for Import/Export activities of which $1,500,000 is for the animal tracking system, and to identify the pathway of exotic animal diseases.

The conference agreement provides an increase of $1,000,000 for crosscutting trade negotiations and biotechnology resources in the Trade Issues Resolution Management program.

The conference agreement provides $1,000,000 to continue a cooperative agreement with the Wisconsin Livestock Identification Consortium.

The conference agreement provides $300,000 to assist in creating a database of North Carolina's agricultural industry to enable a rapid response to acts of terrorism.

The conference agreement provides an increase of $200,000 for the New Mexico Rapid Syndrome Validation Program.

The conference agreement provides an increase of $75,000 to continue the cooperative agreement with Murray State University.

The conference agreement provides $750,000 toward an alkaline digester in the State of Kansas to destroy and dispose of transmissible spongiform encephalopathy infection and other diseases.

The conference agreement provides $200,000 to address bio-safety issues relating to antibiotic resistant strains of bacterial pathogens in the State of Vermont.

The conference agreement provides $200,000 for Iowa State University devoted to risk assessment, mitigation, and communication for genetically modified agricultural products.

The conference agreement provides an increase of $640,000 for the Emergency Management Systems program of which $280,000 is to increase the number of doses in the North American Foot and Mouth Disease Vaccine Bank, and $270,000 is to increase cooperative agreements with states.

The conference agreement provides an increase of $2,266,000 for Pest Detection programs of which $200,000 is to evaluate the utility of remote sensing (hyper spectral imaging and Light Detection Ranging) for the identification of ash trees, the early identification of emerald ash borer infestation, and the tracking and mapping of the diseased trees; $750,000 is for a cooperative agreement with the California County Pest Detection Augmentation Program; and $1,000,000 is to increase the domestic infrastructure for enhanced detection.

The conference agreement provides $18,632,000 for chronic wasting disease instead of $16,815,000 as proposed by the House and $20,000,000 as proposed by the Senate. The conference agreement provides that $1,750,000 is for the State of Wisconsin; $250,000 is for the State of Utah; and $250,000 is for the Conservation Medicine Center of Chicago.

The conferees expect the Secretary to continue to use the authority provided in this Act to transfer funds for the arrest and eradication of animal and plant pests and diseases that threaten American agriculture. The conference agreement adopts Senate bill language that prohibits funds from being spent to issue a final rule in Docket No. 02-06201 "Cost-Sharing for Animal and Plant Health Emergency Programs," and expects APHIS, in submitting apportionment requests for emergencies that threaten American agriculture, to disregard any arbitrarily imposed cost-share requirements for these funds.

The conference agreement provides an increase of $18,250,000 for Emerging Plant Pests of which $8,000,000 is for citrus canker eradication and control; $4,000,000 is for Asian long-horned beetle activities, of which $1,500,000 is for activities in the Chicago, Illinois area; $4,750,000 is for glassy-winged sharpshooter eradication and control; and $1,500,000 is for the Emerald Ash Borer Task Force for the removal of trees that have been affected by the emerald ash borer, with a priority for the removal of trees on public property or that threaten public safety.

The conferees are concerned that the continued presence of the emerald ash borer threatens the ash tree population in Michigan and other states, and direct the Secretary to provide to the Committees on Appropriations by March 1, 2004, a plan for addressing this problem.

The conferees are aware that the Asian long-horned beetle is extremely destructive and may spread to states where they do not yet exist. The conferees are also aware that this pest was recently found in Ontario, Canada, and are concerned this presents an additional threat to the introduction of the Asian long-horned beetle into Michigan and other states by way of commercial vehicles or other means. The conferees direct APHIS to do a comprehensive review of their procedures and regulations, and report to the Committees on Appropriations by January 1, 2004, on whether they are adequate to prevent the introduction of this or similar pests into the United States.

The conference agreement provides $5,491,000 for grasshopper and Mormon cricket suppression, of which no less than $1,000,000 shall be for suppression activities in Utah, and $150,000 for suppression activities in Nevada.

The conference agreement provides an increase of $100,000 for the Nez-Perce Biocontrol Center.

The conferees do not concur with the President's request to reduce funding in the wildlife services operations account to allow cooperators to assume a larger share of the costs associated with preventing wildlife damage, and protecting human health and safety.

The conference agreement provides an increase of $1,100,000 for a cooperative oral rabies vaccination program, and encourages the Secretary to use funds from the CCC, as necessary, for additional control activities in fiscal year 2004.

The conference agreement provides increases of $400,000 for hazing programs to manage the growth of cormorants in central New York watersheds; $75,000 to assist with the Nevada Division of Wildlife; $100,000 for beaver control in Kentucky; $200,000 for nonlethal geese control in New York; $175,000 for blackbird control in Kansas; and $125,000 for cormorant control in Michigan.

The conferees are aware of the Monkeypox outbreak in Wisconsin and other midwestern states. APHIS is working with the Centers for Disease Control to develop a comprehensive Federal response to the outbreak. The conferees urge APHIS to take all necessary steps to deal with the problem and direct it to provide the Committees with regular reports on the status of the situation.

The conference agreement provides $2,000,000 for the biosecurity program. The conferees have included language under the Office of the Secretary to ensure that veterinary diagnostic work at Plum Island, New York remains focused on agriculture. The conferees note that should APHIS encounter a shortfall in that veterinary diagnostic work, the funds in this line item may be used for that work, subject to reprogramming requirements in this Act.

The conference agreement provides an increase of $2,738,000 for Veterinary Diagnostics of which $1,000,000 is to enhance the laboratory network; $500,000 is to conduct anthrax diagnostics and related activities, and $750,000 is to update equipment needed to test certain animal samples in Colorado.

The conference agreement provides an increase of $2,225,000 for Wildlife Services Methods Development of which $1,300,000 is for the Predator Research Station in Utah; $100,000 is to enhance existing research efforts at the National Wildlife Research Center field station in Starkville, Mississippi; $200,000 is to expand the program at the Jack Berryman Institute for addressing wildlife damage management issues, and $400,000 is for the National Wildlife Research Station located in Texas.

The conferees are aware of the presence of chronic wasting disease in elk and deer in the state of New Mexico. The conferees encourage the Secretary to review the current situation and work with the state to establish, equip, and operate a state-run laboratory to conduct a rapid screening test for chronic wasting disease.

The conferees are aware of an outbreak of avian influenza in the state of Rhode Island. The conferees urge the Secretary to provide financial assistance to Rhode Island egg producers who have depopulated their flocks, as a result of this outbreak.

The conferees encourage the agency to support ongoing activities with the Wisconsin Department of Natural Resources animal nuisance program.

BUILDINGS AND FACILITIES

The conference agreement provides $4,996,000 for Animal and Plant Health Inspection Service Buildings and Facilities as proposed by both the House and Senate.

AGRICULTURAL MARKETING SERVICE

MARKETING SERVICES

The conference agreement provides $75,430,000 for the Agricultural Marketing Service instead of $75,953,000 as proposed by the House and $75,263,000 as proposed by the Senate.

The conference agreement includes language regarding plant variety protection, as proposed by the Senate.

The conferees note that some of the additional funds may be used to improve scientific technical support of the National Organic Standards Board.

The conference agreement includes $14,700,000 for the Pesticide Data Program and $6,209,000 for the Microbiological Data Program.

LIMITATION ON ADMINISTRATIVE EXPENSES

The conference agreement provides $62,577,000 for Limitation on Administration Expenses as proposed by both the House and Senate.

FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY (SECTION 32)

The conference agreement provides $15,392,000 for Funds for Strengthening Markets, Income, and Supply as proposed by both the House and Senate.

PAYMENTS TO STATES AND POSSESSIONS

The conference agreement appropriates $3,338,000 for Payments to States and Possessions as proposed by the Senate instead of $1,347,000 as proposed by the House.

The conferees direct that $2,000,000 be provided to the Wisconsin Department of Agriculture, Trade, and Consumer Protection for the creation of specialty markets. The conferees recognize the need to expand marketing opportunities for value-added products, and expect a report from the Wisconsin Department of Agriculture, Trade, and Consumer Protection, through the Agricultural Marketing Service, regarding short and long-term objectives and plans to meet this need by March 1, 2004.

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

SALARIES AND EXPENSES

The conference agreement provides $35,890,000 for the Grain Inspection, Packers and Stockyards Administration instead of $39,690,000 as proposed by the House and $35,638,000 as proposed by the Senate.

The conferees understand that the Secretary has undertaken a product verification protocols pilot, in conjunction with the Missouri, Illinois, and Iowa corn growers associations, to establish controls for regulated seed varieties and to augment grain marketing. The conference report provides $500,000 to continue this pilot program with the growers associations for development of production protocols.

The conferees are concerned about the management of the user fee program for grain export inspection and weighing services. The fee structure should fully fund the expenses of the program, as directed in the authorizing legislation. The funds appropriated by Congress for GIPSA's Salaries and Expenses account are meant to fund necessary personnel and operating expenses, and should not be used to fund deficiencies in the user fee account. In July 2003, the Secretary transferred $2,000,000 from the Salaries and Expenses account to the user fee account to avoid over-obligation in the user fee account. The unsustainable nature of the current fee structure is an ongoing problem. In a fiscal year 1998 supplemental, the fee account received an appropriation of $1,500,000 to avoid a violation of the Anti-Deficiency Act. The conferees are strongly opposed to the transfer of appropriated funds into user fee accounts, particularly in cases such as this in which the user fee funding shortfall is ongoing, predictable, and fixable. The conferees direct the Administration to immediately take all necessary steps to adopt and implement a fee structure that fully funds the services provided.

LIMITATION ON INSPECTION AND WEIGHING SERVICES EXPENSES

The conference agreement provides $42,463,000 as proposed by both the House and Senate.

OFFICE OF THE UNDER SECRETARY FOR FOOD SAFETY

The conference agreement provides $599,000 for the Office of the Under Secretary for Food Safety as proposed by the House instead of $611,000 as proposed by the Senate.

FOOD SAFETY AND INSPECTION SERVICE

The conference agreement provides $784,511,000 for the Food Safety and Inspection Service, instead of $785,261,000 as proposed by the House and $783,761,000 as proposed by the Senate.

The conference agreement includes bill language relating to enforcement of the Humane Methods of Slaughter Act, as proposed by the Senate.

The conferees provide increases of $4,250,000 for increased inspection staffing to accommodate industry growth; $5,650,000 to improve the scientific and surveillance skills of the workforce; $1,650,000 to establish a continuous baseline program for risk assessments and performance measurement; $4,460,000 to increase sampling for pathogens and to develop the laboratory capability to respond to chemical terrorism; $1,777,000 to increase the number of Equivalency Review trips and auditors to conduct the reviews; and $750,000 to design a mass media campaign aimed at improving the safe food handling habits of consumers at home.

The conference agreement provides the agency with $1,650,000 solely to outsource microbiological testing, as requested in the President's budget, with the goal of establishing a continuous baseline program for risk assessment and performance measurement. The conferees expect the Department to outsource baseline testing to private American Association for Laboratory Accreditation. International Standards Organization approved laboratories. The conferees direct the Department to report on the progress of this initiative within 60 days of enactment of this Act.

The conferees are concerned about the safety of imported meat. The amount of imported meat re-inspected by FSIS at our borders has dropped sharply in 2003. The conferees are also concerned that countries whose food safety systems have been deemed "equivalent" to ours (and whose producers are therefore allowed to export to the U.S.) may have serious weaknesses in their domestic food safety systems, but not be taken off the equivalency list.

The conferees request FSIS to report to the Committees by March 1, 2004, on the equivalence and reinspection processes. The report should address: how the agency determines that a country's meat inspection system is equivalent; whether this determination is subject to regular review and if so, how; what process FSIS uses for determining that a country is no longer equivalent; what public review of FSIS's equivalency determinations exists; why the amount of meat reinspected at the border has declined sharply; and how the agency's new automated import information system has impacted inspection operations at the border.

Food Safety and Inspection Service, funding by activity

[In thousands of dollars]

	Conference Recommendation
Food safety inspection:	
Federal	$701,823
State	49,858
International	18,398
Codex	2,637
Field Automation and Information Management	11,795
Total	784,511

OFFICE OF THE UNDER SECRETARY FOR FARM AND FOREIGN AGRICULTURAL SERVICES

The conference agreement provides $635,000 for the Office of the Under Secretary for Farm and Foreign Agricultural Services as proposed by the Senate instead of $636,000 as proposed by the House.

FARM SERVICE AGENCY

SALARIES AND EXPENSES

The conference agreement provides $988,768,000 for the Farm Service Agency as proposed by the Senate instead of $1,016,836,000 as proposed by the House.

STATE MEDIATION GRANTS

The conference agreement provides $3,974,000 for State Mediation Grants, as proposed by both the House and Senate.

DAIRY INDEMNITY PROGRAM

The conference agreement provides $100,000 for the Dairy Indemnity Program, as proposed by both the House and Senate.

AGRICULTURAL CREDIT INSURANCE FUND PROGRAM ACCOUNT

The following table reflects the conference agreement:

Farm Ownership Loans:	
Direct	($129,158,000)
Subsidy	28,518,000
Guaranteed	(950,000,000)
Subsidy	5,130,000
Farm Operating Loans:	
Direct	(617,503,000)
Subsidy	89,044,000
Unsubsidized Guaranteed	(1,200,000,000)
Subsidy	39,960,000
Subsidized guaranteed	(266,249,000)
Subsidy	34,000,000
Indian tribe land acquisition	(2,000,000)
Subsidy	0
Boll weevil eradication	(100,000,000)
Subsidy	0
ACIF expenses:	
Salaries and expenses (transfer to FSA)	283,020,000
Administrative expenses	7,948,000

RISK MANAGEMENT AGENCY

The conference agreement provides $71,422,000 for the Risk Management Agency as proposed by the Senate instead of $71,509,000 as proposed by the House.

The conferees are aware that certain additional states have been approved for participation in the Livestock Risk Protection Pilots for swine and other livestock categories, but that this expansion was limited to ten states. The conferees urge the Department to expand the program during fiscal year 2004 to the maximum extent possible, including the states of Missouri, North Dakota, Ohio, South Dakota, West Virginia, and Wisconsin.

FEDERAL CROP INSURANCE CORPORATION FUND

The conference agreement provides an appropriation of such sums as may be necessary for the Federal Crop Insurance Corporation Fund (estimated to be $3,368,000,000 in the President's fiscal year 2004 Budget Request), as proposed by both the House and Senate.

COMMODITY CREDIT CORPORATION FUND

REIMBURSEMENT FOR NET REALIZED LOSSES

The conference agreement provides an appropriation of such sums as may be necessary for Reimbursement for Net Realized Losses of the Commodity Credit Corporation (estimated to be $17,275,000,000 in the President's fiscal year 2004 Budget Request), as proposed by both the House and Senate.

HAZARDOUS WASTE MANAGEMENT

The conference agreement provides a limitation of $5,000,000 for Hazardous Waste Management, as proposed by both the House and Senate.

TITLE II—CONSERVATION PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT

The conference agreement provides $745,000 for the Office of the Under Secretary for Natural Resources and Environment as proposed by the House instead of $761,000 as proposed by the Senate.

NATURAL RESOURCES CONSERVATION SERVICE

CONSERVATION OPERATIONS

The conference agreement provides $853,004,000 for Conservation Operations instead of $850,004,000 as proposed by the House and $826,635,000 as proposed by the Senate.

The conference agreement includes Senate bill language that prohibits the discretionary funds in this account from being used to provide technical assistance for mandatory farm bill programs.

The conferees direct the Chief of the NRCS, in making the fiscal year 2004 Conservation Operations funding allocations to the states, to treat items under the heading 'Conservation Operations' in the Statement of Managers accompanying this conference report, as increases to the states' funding allocation. The conferees direct the NRCS to provide a report to the Committees on Appropriations, not later than 45 days after the enactment of this Act, that includes the following: fiscal year 2003 Conservation Operations allocation by state; fiscal year 2004 Conservation Operations allocation by state; fiscal year 2004 Congressional earmarks by state; and the total fiscal year 2004 Conservation Operations allocation by state.

The conference agreement provides $23,500,000 for the Grazing Lands Conservation Initiative. The conferees also provide an additional amount of $950,000 for Grazing Lands Conservation Initiative activities in the State of Wisconsin.

The conferees urge NRCS to make EQIP funding available for public land contracts to the maximum extent permitted under the law. In particular, the conferees are concerned that EQIP funding be made available for public land ranchers in states such as AZ, NM, ID, UT, OR, CA, CO, and WY to help meet regulatory demands and to relieve utilization pressure on private lands in those states.

The statement of managers remains silent on provisions that were in both the House directives as contained in H. Rept. 108–193, pp. 59–62 and the Senate directives as contained in Senate Rept. 108–107, pp. 95–101, that remain unchanged by this conference agreement, except as noted herein: Environmental, educational, and demonstration of conservation practices (AL)—$200,000; obtain and evaluate materials for cold region seeds of plants in conjunction w/Alaska Division of Agriculture—$315,000; Native Plant Materials (AK) (evaluating and developing)—$315,000; two staff positions in Palmer (AK)—$200,000; GIS-based mapping/hyperspectral imaging of agricultural lands—$400,000; Natural resource inventory development (AK)—$1,200,000; Cooperative agreement with soil and water conservation district (AK)—$1,500,000; planning and design of new storage facility at Plant Materials Center (AK)—$300,000; Southwest Strategy (AZ/NM)—$135,000; National Water Management Center (AR)—$2,475,000; Little Red River Irrigation Project—$398,000; Walnut Bayou (AR) Irrigation Project—$300,000; Study to determine logistics of transportation/coordination of excess nutrients (AR)—$200,000; Alameda County (CA) watershed surveys—$125,000; East Valley Conservation District/Santa Ana Watershed Authority (CA) Plant Removal—$1,000,000; Monterey Bay (CA) Sanctuary—$600,000; Cooperative agreement with Tufts University (CT) to improve conservation practices—$480,000; Expand cooperative efforts w/ Delaware State for plant materials—$290,000; Pilot projects for technology systems resulting in nutrient reduction (FL)—$5,000,000; Manatee (FL) Agriculture Reuse System—$2,000,000; Lake Okeechobee (FL) Watershed project planning—$270,000; Suwannee, Dixie, and Lafeyette Counties (FL) dairy and poultry waste treatment—$280,000; Cooperative agreement with Green Institute (FL)—$280,000; projects for nutrient reducing waste treatment systems (FL)—$720,000; Georgia Soil and Water Conservation Commission Cooperative Agreement—$3,600,000; Community nutrient management facilities (GA)—$350,000; PMC for Native Plants to clean up the Island of Kahoolawe (HI)—$108,000; Molokai (HI) Agriculture Community Committee—$250,000; Agricultural development/resource conservation—Molokai (HI)—$630,000; Idaho One Plan—$200,000; Conversion to sprinkler irrigation (ID)—$900,000; Basalt and ground water protection project—$250,000; Ecological site description project with Idaho Association of Conservation Districts—$400,000; Lower Payette (ID) ditch irrigation diversion project—$624,000; Trees Forever Program (IL)—$100,000; Iroquois River (IL) watershed—$436,000; Illinois River agricultural conservation project cooperative agreement with Ducks Unlimited—$238,000; Wildlife habitat education program cooperative agreement with National Wild Turkey Federation—$238,000; Hungry Canyon/Loess Hills Erosion Control/Western Iowa—$1,200,000; Trees Forever Program (IA)—$100,000; CEMSA w/Iowa Soybean Association—$363,000; Tipton Creek watershed (IA)—$120,000; Cooperative agreement with Northern Iowa University—$400,000; Innovative environmental technology program (IN)—$500,000; Soil erosion control cost-share program/soil survey program (KY)—$2,800,000; Cooperative agreement with Western Kentucky University—$400,000; Technical assistance to provide grants to Soil Conservation Districts (KY)—$880,000; Technical assistance for water project in Hardin County (KY)—$200,000; Dairy waste remediation-Lake Ponchartrain (LA) Basin—$290,000; False River (LA) sedimentation project—$150,000; Choupique Drainage canal improvements (LA)—$200,000; Porte de Luce watershed (LA)—$820,000; Cooperative agreement with Louisiana State University on effectiveness of agriculture and forestry—$273,000; Chesapeake Bay activities—$6,000,000; Conservation related to cranberry production (MA/WI)—$570,000; Weed It Now-Taconic Mountains (MA/NY/CT)—$200,000; Great Lakes pilot program for conservation—$500,000; Franklin County (MS) Lake technical assistance—$1,500,000; Mississippi Delta Water Resources Study—$700,000; Delta Conservation Demonstration Center, Washington County (MS)—$1,400,000; Soil erosion/Alcorn State (MS)—$175,000; Cattle and nutrient management in stream crossings (MS)—$900,000; Choctaw County (MS) feasibility study for surface impoundment—$210,000; Wildlife Management Institute (MS)—$5,813,000; Humphrey's County (MS) Hospital flood protection—$360,000; Drainage improvements, Hinds County (MS)—$250,000; Drainage improvements, Port Gibson (MS)—$294,000; Rankin County (MS) Richland Creek watershed—$294,000; Rankin County (MS) erosion control project—$200,000; Establish Upper White River Water Quality Project Office in southern Missouri—$380,000; Lake Tahoe Basin Soil Conservation Project (NV/CA)—$500,000; Lake Tahoe Basin area soil survey (NV/CA)—$180,000; Improved nutrient management/protection of water resources (NV)—$540,000; establish plant materials center in the vicinity of Fallon (NV)—$450,000; State conservation cost share program (NJ)—$900,000; Ciudad Soil and Water Conservation District (NM)—$50,000; Riparian restoration activities along Rio Grande and Pecos River (NM)—$480,000; Pastureland Management/Rotational Grazing (NY)—$500,000; Best management practices/Skaneateles and Owasco Watersheds (NY)—$250,000; Address non-point pollution in Onondaga Lake Watershed (NY)—$250,000; Beaver Swamp Brook project (NY) implementation/environmental restoration—$300,000; Phase II/Watershed Agriculture Council in Walton (NY)—$700,000; Pace University Land Use Law Center—$200,000; Sodus Bay (NY) watershed/Wayne County technical assistance—$250,000; New York State Agriculture and Environment Program—$750,000; Long Island Sound watershed initiative—$200,000; Erosion control/stabilization for Hudson River (NY) shoreline—$250,000; evaluation of manure management systems (NY)—$130,000; Technical assistance to livestock/poultry industry (NC) $400,000; West Cary (NC) Watershed and Farmland Protection Project—$300,000; Red River Flood Prevention/Energy and Environmental Research Center (ND)—$1,490,000; North Central Planning Council water utilization/Devil's Lake—$559,000; Maumee Watershed Hydrological Study and Flood Mitigation Plan (OH)—$1,000,000; Oregon Garden, Silverton (OR)—$325,000; Native grassland demo project in the vicinity of Tar Creek (OK)—$2,200,000; Pawtucket watershed (RI)—$450,000; GIS-based model to integrate commodity and conservation—$800,000; Study to characterize land use change while preserving natural resources in cooperation with Clemson University (SC)—$900,000; Bexar, Medina, Uvalde Counties irrigation in Edwards Aquifer (TX)—$500,000; Field office telecommunications pilot program/advanced soil survey methods (TX)—$2,110,000; Leon River restoration project (TX)—$196,000; Range vegetation pilot project, Ft. Hood (TX)—$500,000; Texas Water Resources Institute cooperative agreement for Tarrant County (TX)—$500,000; AFO/CAFO Pilot Project (UT)—$300,000; Dry Creek/Neff's Grove project (UT)—$1,100,000; Study to examine effects of vegetative manipulation on water yields with Utah State University—$500,000; Washington Fields (UT)—$750,000; Wellsville (UT) drainage improvement—$250,000; Reduce phosphorus loading into Lake Champlain (VT)—$290,000; Pilot farm viability program project (VT)—$167,000; Walla Walla (WA) watershed alliance—$500,000; Comprehensive irrigation district management plans cooperative agreement—$250,000; Design/implement natural stream restoration initiatives (WV)—$770,000; Soil survey geographic database in the Mid-Atlantic Highlands (WV)—$180,000; Poultry Litter Composting (WV)—$160,000; Potomac and Ohio River Basin Soil Nutrient Project (WV)—$300,000; Appalachian Small Farmer Outreach Program (WV)—$860,000; GIS Center of Excellence at West Virginia University—$4,337,000; Grazing Lands Initiative/Wisconsin Department of Agriculture—$950,000; Global Environment Mgmt. Education Center at Stevens Point (WI)—$2,000,000; Examine benefits of using vegetative buffers w/ Univ. of Wisconsin-Madison—$600,000; Conservation land internship program (WI)—$108,000; Soil survey mapping and digitization project (WI)—$415,000; Wisconsin Tribal Conservation Advisory Committee cooperative agreement—$275,000; Cooperative agreement with Sand County Foundation (WI)—$900,000; Cooperative agreement with the University of Wisconsin for the Conservation Technology Transfer Project—$300,000; Soil survey mapping project (WY)—$300,000; Audubon at Home Pilot Program—$500,000; Grazing Lands Conservation Initiative—$23,500,000; Great Lakes Basin Program for Soil & Erosion Sediment—$2,500,000; Watershed management demo program/NPPC—$600,000; National Fish and Wildlife Foundation Partnerships—$3,000,000; Source water protection project to States that show the greatest need—$2,750,000; Operation Oak to restore hardwoods in the south/cooperative agreement with National Wild Turkey Federation—$300,000; SNOTEL—$9,250,000; Plant Materials Centers—$11,500,000; On-Farm Management Systems Evaluation Network—$200,000; and pay cost—$15,678,000.

The conferees concur with the language and reporting requirement contained in the Senate report regarding the Natural Resource Inventory (NRI). The conferees expect the pilot activity to provide resource data meaningful to Alaska and integrated with or supplemental to the national NRI.

The conferees urge the Department to give consideration to the use of WHIP funding for projects that will utilize the benefits of Eelgrass habitats to marine ecosystems in places such as Narragansett Bay in the State of Rhode Island, and similar areas.

WATERSHED SURVEYS AND PLANNING

The conference agreement provides $10,562,000 for Watershed Surveys and Planning instead of $11,124,000 as proposed by the House and $10,000,000 as proposed by the Senate.

WATERSHED AND FLOOD PREVENTION OPERATIONS

The conference agreement provides $87,000,000 for Watershed and Flood Prevention Operations instead of $90,000,000 as proposed by the House and $55,000,000 as proposed by the Senate.

The conferees expect the Department to give consideration for financial and technical assistance to the following: Indian Creek watershed (PA); Town Creek (MS); Oaklimiter Watershed (MS); Tanana River (AK); installation of land treatment conservation measures, including plan supplements, in the Brandywine Creek and the Red-White Clay Creek Watersheds (PA); and McCarthy Creek Watershed (AK).

WATERSHED REHABILITATION PROGRAM

The conference agreement provides $29,805,000 for the Watershed Rehabilitation Program as proposed by the Senate instead of $40,000,000 as proposed by the House.

The conferees direct that funding be provided for rehabilitation of structures determined to be of high priority need in order to protect property and ensure public safety.

RESOURCE CONSERVATION AND DEVELOPMENT

The conference agreement provides $51,947,000 for Resource Conservation and Development instead of $52,894,000 as proposed by the House and $51,000,000 as proposed by the Senate.

TITLE III—RURAL DEVELOPMENT PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR RURAL DEVELOPMENT

The conference agreement provides $636,000 for the Office of the Under Secretary for Rural Development as proposed by the House instead of $651,000 as proposed by the Senate.

The conferees direct the Under Secretary to give consideration to the following projects or organizations requesting financial and/or technical assistance, and grants and/or loans made available under the Rural Development mission area: Community facility, Belmont County (OH); expansion of wastewater treatment plant facilities, Village of Ruidoso and Ruidoso Downs (NM); Jamerson rural (NV) small business project; Forest Enterprises Technology Center (WI); Menominee Mini-Mall Development project (WI); Mole Lake Water and Sewer project (WI); Strawberry/Movie Ranch project (UT); Meadow View Heights project (UT); Johnson Canyon (UT); Garden State Ethanol (NJ); Energy Photovoltaics, Inc., (NJ); Cleburne County (AR) community facility/water and waste project; Menominee Tribal Enterprises (WI); Cold Canyon Park (CA) forestry center; Wastewater pumping and treatment system improvements in St. John (VI); Wastewater pumping and treatment system improvements in St. Thomas (VI); Rehabilitation of six major wastewater pump stations in St. Thomas and St. Croix (VI); Rehabilitation and replacement of sanitary sewer infrastructure components in St. Croix (VI); technical assistance to the Government of the U.S. Virgin Islands in formulating a prioritized wastewater system maintenance-management system; Brunswick Community College turf grass and horticulture technology program (NC); and, sewer and water system improvements on the Red Cliff (WI) reservation.

The conferees expect the Secretary to approve these projects only when subject to established review procedures.

The conferees encourage the Department to continue support for the National Rural Development Partnership (NRDP) and its associated State Rural Development Councils (SRDCs). Additionally, the Department is encouraged to intensify its efforts to secure financial and other support for the NRDP and SRDCs from other Federal agencies with rural responsibilities.

RURAL COMMUNITY ADVANCEMENT PROGRAM

The conference agreement provides $757,425,000 for the Rural Community Advancement Program (RCAP) instead of

$701,006,000 as proposed by the House and $767,479,000 as proposed by the Senate.

The conference agreement provides $75,919,000 for community facilities; $605,006,000 for water and waste, of which $1,000,000 is for grants to nonprofit organizations to finance construction, refurbishing, and servicing of individually-owned household water well systems in rural areas, and of which $500,000 is for revolving funds for financing water and wastewater projects; and $76,500,000 is for rural business and cooperative development programs.

The conference agreement provides $24,000,000 for loans and grants to benefit Federally Recognized Native American Tribes.

The conference agreement provides $17,733,000 for technical assistance grants for rural water and waste systems.

The conference agreement provides $1,750,000 for grants to the Delta Regional Authority.

The conference agreement provides not less than $2,000,000 for grants to statewide private nonprofit public television systems.

The conference agreement provides $28,000,000 for rural and native villages in Alaska.

The conference agreement provides that of the funds for the circuit rider program, two additional full circuit rider contracts are for Alaska.

The conference agreement provides $22,000,000 for facilities in rural communities with extreme unemployment and severe economic depression.

The conference agreement provides $28,000,000 to be transferred to the Rural Utilities Service, High Energy Cost Grants Account.

The following table indicates the distribution of funding for the RCAP:

Community Facilities	$75,919,000
Business-Cooperative Development	76,500,000
Water and Waste	605,006,000
Total	757,425,000
Earmarks:	
Federally Recognized Native American Tribes	24,000,000
Rural Community Development Initiative	6,000,000
Technical Assistance for Rural Transportation	250,000
Delta Regional Authority	1,750,000
Colonias	25,000,000
Alaska Villages	28,000,000
Technical Assistance	17,733,000
Circuit Rider	13,000,000
EZ/EC and REAP	22,132,000
Economic Impact Initiative Grants	22,000,000
High Energy Cost Grants	28,000,000
RCAP	5,513,000
Nonprofit individually-owned water well grants	1,000,000
Water and Wastewater Revolving Funds	500,000
Native American Circuit Rider	750,000

RURAL DEVELOPMENT SALARIES AND EXPENSES

The conference agreement provides $141,869,000 for Rural Development Salaries and Expenses instead of $146,495,000 as proposed by the House and $140,922,000 as proposed by the Senate.

The conferees note that the funds provided in this Act may be used to ensure the timely relocation of the employees of the Rural Development and Farm Service Agency offices from the Abrams Federal Building on Market Street, in St. Louis, Missouri, to the new facility on Goodfellow Boulevard by December 31, 2004.

RURAL HOUSING SERVICE

RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT

The conference agreement provides a total subsidy of $232,347,000 for activities under the Rural Housing Insurance Fund Program Account instead of $232,426,000 as proposed by the House and $231,860,000 as proposed by the Senate.

The conference agreement provides for an estimated loan program level of $4,362,128,000 instead of $4,364,727,000 as proposed by the House and $4,352,813,000 as proposed by the Senate.

The conference agreement provides for a transfer of $443,302,000 to salaries and expenses instead of $447,151,000 as proposed by the House and $439,453,000 as proposed by the Senate.

The Rural Housing Service is encouraged to work with South County Housing Corporation in Monterey County, California, on the Salinas Road Swing Housing Project.

The following table indicates loan and subsidy levels provided in the conference agreement:

Rural Housing Insurance Fund Program Account:

Loan authorizations:	
Single family (sec. 502)	($1,366,462,000)
Unsubsidized guaranteed	(2,725,172,000)
Housing repair (sec. 504)	(35,004,000)
Rental housing (sec. 515)	(116,545,000)
Site loans (sec. 524)	(5,045,000)
Multi-family housing guarantees	(100,000,000)
Multi-family housing credit sales	(1,500,000)
Single family housing credit sales	(10,000,000)
Self-help housing land development	(2,400,000)
Total, Loan authorizations	(4,362,128,000)
Loan subsidies:	
Single family (sec. 502)	126,018,000
Unsubsidized guaranteed	39,903,000
Housing repair (sec. 504)	9,612,000
Rental housing (sec. 515)	50,126,000
Site loans (sec. 524)	—
Multi-family housing guarantees	5,950,000
Multi-family housing credit sales	663,000
Single family housing credit sales	—
Self-help housing land development	75,000
Total, Loan subsidies	232,347,000
RHIF administration expenses (transfer to RD)	443,302,000

RENTAL ASSISTANCE PROGRAM

The conference agreement provides $584,000,000 for the Rental Assistance Program instead of $731,000,000 as proposed by the House and $721,281,000 as proposed by the Senate.

The conferees strongly support the Section 521 rental assistance program which helps approximately 264,000 low and very-low income rural households by providing a subsidy to offset a portion of their rent. The conference agreement provides sufficient funding to meet the needs associated with program renewals and new construction in fiscal year 2004. However, the conferees are concerned that the past budget requests for the cost of rental assistance have been overstated and have resulted in substantial unliquidated balances. In recent years, appropriations provided for five-year rental assistance contracts have been sufficient to cover a period of, on average, six and one half years. The conference agreement changes the contract term from five to four years to better reflect the actual costs of existing contracts. The conferees support the continuation of multi-year contracts to provide stability to the multi-family program. Further, the conference agreement provides the Secretary with the authority to carry-over unexpended funds at the completion of the four-year contract period to address future program needs for certain purposes.

MUTUAL AND SELF-HELP HOUSING GRANTS

The conference agreement provides $34,000,000 for Mutual and Self-Help Housing Grants as proposed by the Senate instead of $34,772,000 as proposed by the House.

The conference agreement does not adopt Senate bill language regarding Demonstration Housing Grants.

RURAL HOUSING ASSISTANCE GRANTS

The conference agreement provides $46,222,000 for Rural Housing Assistance Grants as proposed by the Senate instead of $42,222,000 as proposed by the House.

The conferees provide $5,000,000 for a demonstration housing program for processing workers in the states of Alaska, Mississippi, Utah and Wisconsin. The conferees encourage the Secretary to administer this program through non-profits, governmental entities and community based organizations, including cooperatives and to fund grants up to 75 percent of the total development cost for each project awarded.

The Department should consider on-site tenant services in the selection criteria for projects awarded. The conferees encourage the Department to issue a notice of availability of funds within 60 days of enactment of this Act.

The conferees are concerned that only a few states benefited from the Supervisory and Technical Assistance Grant Program in the fiscal year 2003 allocation, and encourage the Secretary to consider an allocation process that will not discriminate against other states or regions of the nation. The conferees encourage the Secretary to limit funding to any state or territory to 10 percent of available funds, and to give priority to entities that have experience in homeownership education and/or reducing delinquencies and foreclosures. The conferees expect the Secretary to provide not less than $2,000,000 for the Supervisory and Technical Assistance account.

FARM LABOR PROGRAM ACCOUNT

The conference agreement provides $36,307,000 for the Farm Labor Program Account as proposed by the House instead of $33,015,000 as proposed by the Senate.

The conference agreement provides $18,300,000 for loan subsidies, and $18,007,000 for grants.

HISTORIC BARN PRESERVATION

The conference agreement does not include $2,000,000 for the Historic Barn Preservation account as proposed by the Senate.

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL DEVELOPMENT LOAN FUND PROGRAM ACCOUNT

The conference agreement provides a loan level of $40,000,000 with a subsidy of $17,308,000, the same as proposed by both the House and Senate.

The conference agreement provides for a transfer of $4,272,000 to the Rural Development salaries and expense account instead of $4,283,000 as proposed by the House and the Senate.

RURAL ECONOMIC DEVELOPMENT LOANS PROGRAM ACCOUNT

The conference agreement provides a loan level of $15,002,000 for the Rural Economic Development Loans Program Account with a subsidy of $2,792,000 as proposed by the Senate instead of a $16,120,000 loan level with a subsidy of $3,000,000 as proposed by the House.

RURAL COOPERATIVE DEVELOPMENT GRANTS

The conference agreement provides $24,000,000 for Rural Cooperative Development Grants instead of $13,000,000 as proposed by the House and $8,967,000 as proposed by the Senate.

The conference agreement does not include bill language that sets aside $500,000 for cooperative research agreements.

The conference agreement provides $15,000,000 for value-added agricultural product market development grants.

The conference agreement adopts language for cooperatives or associations of cooperatives, whose primary focus is to provide assistance to small, minority producers and whose governing board and/or membership is comprised of at least 75 percent minority.

RURAL EMPOWERMENT ZONES AND ENTERPRISE COMMUNITIES GRANTS

The conference agreement provides $12,667,000 for Rural Empowerment Zones and Enterprise Communities Grants instead of $10,967,000 as proposed by the House and $14,370,000 as proposed by the Senate.

The conference agreement includes bill language providing that $1,000,000 shall be for third round empowerment zones.

RENEWABLE ENERGY PROGRAM

The conference agreement provides $23,000,000 for the Renewable Energy Program as proposed by the House and the Senate.

The conference agreement includes bill language that provides for guaranteed loans for this account.

RURAL UTILITIES SERVICE

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LOANS PROGRAM ACCOUNT

The conference agreement provides a total subsidy of $185,000 for activities under the Rural Electrification and Telecommunications Loans Program Account. The conference agreement provides for an estimated loan program level of $5,605,000,000 as proposed by the Senate instead of $4,655,000,000 as proposed by the House.

The conference agreement adopts bill language that provides guaranteed underwriting loans.

The conference agreement adopts House language providing for a transfer of $37,853,000 to salaries and expenses instead of $38,166,000 as proposed by the House and $37,920,000 as proposed by the Senate.

The following table indicates loan and subsidy levels provided in the conference agreement:

Rural Electrification and Telecommunications Loans Program Account:

Loan authorizations:	
Electric:	
Direct, 5 percent	($240,000,000)
Direct, Muni	(1,000,000,000)
Direct, FFB	(2,000,000,000)
Direct, Treasury rate	(750,000,000)
Guaranteed	(100,000,000)
Guaranteed underwriting	(1,000,000,000)
Subtotal	(5,090,000,000)
Telecommunications:	
Direct, 5 percent	(145,000,000)
Direct, Treasury rate	(250,000,000)
Direct, FFB	(120,000,000)
Subtotal	(515,000,000)
Total, loan authorizations	(5,605,000,000)
Loan subsidies:	
Electric: Guaranteed	60,000
Telecommunications:	
Direct, Treasury rate	125,000
Total, loan subsidies	185,000
RETLP administrative expenses (transfer to RD)	37,853,000

RURAL TELEPHONE BANK PROGRAM ACCOUNT

The conference agreement provides $173,503,000 for the Rural Telephone Bank Program Account as proposed by the Senate. The House did not provide funding for this account.

The conference agreement provides for a transfer of $3,171,000 to salaries and expenses instead of $3,182,000 as proposed by the House and the Senate.

DISTANCE LEARNING, TELEMEDICINE AND BROADBAND PROGRAM

The conference agreement provides $61,116,000 for the Distance Learning, Telemedicine and Broadband Program instead of $42,116,000 as proposed by the House and $65,116,000 as proposed by the Senate.

The conference agreement provides for an estimated loan program level of $300,000,000 for distance learning and telemedicine and $602,000,000 for broadband telecommunications.

The conference agreement includes $39,000,000 for Distance Learning and Telemedicine grants.

The conference agreement includes $13,116,000 for Broadband loan subsidies, and $9,000,000 for grants.

The conference agreement includes bill language that the Broadband Loan program shall be for direct, Treasury rate loans.

The conference agreement adopts language defining rural areas as proposed by the Senate.

The conferees are aware of and encourage the Secretary to support the utilization of remote telemedicine services capable of transmitting medical information in both real-time and stored scenarios for diagnosis, medical monitoring, and emergency purposes. Furthermore, the conferees recognize the need for integration and interoperability of real-time remote mobile medical technology with other devices, systems, and services which together offer increased capabilities, functionality, and levels of care.

TITLE IV—DOMESTIC FOOD PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR FOOD, NUTRITION AND CONSUMER SERVICES

The conference agreement provides $599,000 for the Office of the Under Secretary for Food, Nutrition and Consumer Services, as proposed by the House, instead of $611,000 as proposed by the Senate.

FOOD AND NUTRITION SERVICE

CHILD NUTRITION PROGRAMS

The conference agreement provides $11,417,441,000 for Child Nutrition Programs, instead of $11,418,441,000, as proposed by both the House and Senate. The conference amount includes full funding of the request for program expenses, and $5,000,000 for a certification study, instead of $6,000,000 as requested.

Included in the total is an appropriated amount of $6,717,780,000 and a transfer from section 32 of $4,699,661,000.

The conference agreement includes a provision prohibiting use of funds for studies and evaluations, except as specifically provided.

The conferees provide $5,000,000 in one-time funding for a study of over and under certification errors and the effect those errors have on expenditures in the National School Lunch and School Breakfast Programs, and an assessment of the feasibility of using income data matching in those programs. The conferees are aware that this study will provide information necessary to make informed policy decisions regarding these programs, but direct the Department to work to ensure that neither the design nor implementation of the study will discourage participation in these programs by eligible children.

The conferees provide $10,025,000, the same level as fiscal year 2003 and the budget request, for the School Meals Initiative/Team Nutrition. The conferees believe it is important to support physical activity and healthy eating habits in children and strongly support the nutrition education activities carried out with these funds. The conferees encourage the Department to provide additional funding to support these efforts as appropriate to combat increased obesity and other health problems in children.

The conference agreement provides the following for Child Nutrition programs:

Total Obligational Authority

Child Nutrition Programs:	
School lunch program	$6,683,704,000
School breakfast program	1,797,923,000
Child and adult care food program	2,019,045,000
Summer food service program	308,653,000
Special milk program	15,270,000
State administrative expenses	140,240,000
Commodity procurement and computer support	431,309,000
School meals initiative/Team nutrition	10,025,000
Food safety education	1,000,000
Coordinated review effort	5,235,000
Program Pay Cost	37,000
Certification and data match study	5,000,000
Total	11,417,441,000

SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)

The conference agreement provides $4,639,232,000 for the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), as proposed by the Senate, instead of $4,588,310,000 as proposed by the House.

The conference agreement includes no less than $15,000,000 for a breastfeeding support initiative. In addition, the conference agreement provides up to $25,000,000 for investments in management information systems, and up to $4,000,000 for pilot projects to combat obesity in children, if the Secretary determines that those funds are not needed to maintain caseload. The conferees provide $23,000,000 for the Farmers' Market Nutrition Program, instead of $25,000,000 as proposed by the Senate, and no funding as proposed by the House. The House had funded this program at $20,000,000 under the Commodity Assistance Program account.

The conference agreement does not provide funds to increase the WIC contingency fund. The conferees note that $125,000,000 was provided for the WIC contingency fund in fiscal year 2003, and the entire amount remains available to the Secretary to fund program costs if necessary.

The conferees urge the Secretary to allow state and local WIC agencies the flexibility to use breastfeeding promotion and support methods and efforts that have yielded positive results, in the expenditure of funds provided for under Section 17 for the breastfeeding support initiative.

The conference agreement includes a provision prohibiting use of funds for studies and evaluations.

FOOD STAMP PROGRAM

The conference agreement provides $30,945,981,000 for the Food Stamp Program, instead of $27,745,981,000, as proposed by the House and $29,945,981,000 as proposed by the Senate. Included in this amount is a reserve of $3,000,000,000, instead of $2,000,000,000, as proposed in the budget request.

In addition to the $3,000,000,000 for the reserve, the conference agreement includes $26,403,176,000 for program expenses, $1,402,805,000 for grants to Puerto Rico and Samoa, and $140,000,000 for commodity purchase for The Emergency Food Assistance Program.

The conference agreement includes a provision allowing for purchase of bison meat, in an amount not to exceed $4,000,000, for the Food Distribution Program on Indian Reservations (FDPIR).

The conference agreement includes a provision prohibiting use of funds for studies and evaluations.

COMMODITY ASSISTANCE PROGRAM

The conference agreement provides $150,000,000 for the Commodity Assistance Program, instead of $166,072,000, as proposed by the House and $145,740,000 as proposed by the Senate.

Within that amount, the conference agreement provides $98,919,000 for the Commodity Supplemental Food Program, an increase of $3,928,000 over the request and the House and Senate levels.

The conferees have provided this increase to address the growing caseload in this program. USDA has indicated that, at the request level of $94,991,000, the total budgetary resources available for fiscal year 2004 for the program—including beginning inventory—would be sufficient to support participation of 520,642, and caseload of 536,744. The conferees expect the Department to make the full amount of those budgetary resources available to support participation and caseload. The intention of the conferees is to ensure at a minimum that the final caseload in September, 2003, can be maintained in 2004, while meeting the requirement to protect the caseload of states that joined the program in 2003.

The conferees provide $50,000,000 for administration—processing, storage, transport, and distribution—of The Emergency Food Assistance Program (TEFAP). The conference agreement includes a general provision that provides the Secretary with authority to transfer up to $10,000,000 from TEFAP commodity purchases to administration.

Within this account, the conferees provide $1,081,000 to the Food Donations Program for Pacific Island Assistance.

The conference agreement does not include funding for the Farmers' Market Nutrition Program in this account, as proposed by the House. Rather, $23,000,000 in funding for that program is provided in the account for The Special Supplemental Nutrition Program for Women, Infants, and Children (WIC).

The conference agreement includes language regarding new authorization for assistance to nuclear affected islands.

NUTRITION PROGRAMS ADMINISTRATION

The conference agreement provides $138,304,000 for Nutrition Programs Administration, as proposed by the Senate, instead of $140,512,000 as proposed by the House. Included in this amount is not less than $4,000,000 to improve integrity in the Food Stamp Program and Child Nutrition Program.

The conferees provide the same funding level as fiscal year 2003 for studies and evaluations in the Nutrition Programs Administration account.

The conference agreement does not include funding for the requested initiatives, as proposed by the House.

TITLE V—FOREIGN ASSISTANCE AND RELATED PROGRAMS

FOREIGN AGRICULTURAL SERVICE

SALARIES AND EXPENSES

The conference agreement provides $132,148,000 for the Foreign Agricultural Service, Salaries and Expenses instead of $133,924,000 as proposed by the House and $131,648,000 as proposed by the Senate.

The conferees direct the Secretary to distinguish between white (food grade) sorghum and yellow (feed grade) sorghum in food aid programs.

PUBLIC LAW 480 TITLE I AND TITLE II PROGRAM AND GRANT ACCOUNTS

The conference agreement provides $103,887,000 for Title I loan subsidies for a loan level of $132,000,000 as proposed by the House instead of $131,670,000 as proposed by the Senate.

The conference agreement provides $28,000,000 for Ocean Freight Differential as proposed by the House and the Senate.

The conference agreement provides $1,192,000,000 for Public Law 480 Title II as proposed by the House and the Senate.

The following table reflects the conference agreement for Public Law 480 program accounts:

Public Law 480

Title 1—Program account:	
Loan authorization, direct	($132,000,000)
Loan subsidies	103,887,000
Ocean freight differential	28,000,000
Title II—Commodities for disposition abroad:	
Program level	(1,192,000,000)
Appropriation	1,192,000,000
Salaries and expenses:	
Foreign Agricultural Service (transfer to FAS)	1,059,000
Farm Service Agency (transfer to FSA)	1,075,000

The conferees direct the administration not to place arbitrary limits on monetization under the Public Law 480, Title II, program. In food-deficit, import-reliant countries, monetization stimulates the economy and allows needed commodities to be provided in the marketplace. Food aid proposals should be approved based on the merits of the program plan to promote food security and improve people's lives, not on the level of monetization.

MCGOVERN-DOLE INTERNATIONAL FOOD FOR EDUCATION AND CHILD NUTRITION PROGRAM GRANTS

The conference agreement provides $50,000,000 for the McGovern-Dole International Food for Education and Child Nutrition Program instead of $56,874,000 as proposed by the House and $25,000,000 as proposed by the Senate.

Although Food for Progress funds may not be used for the McGovern-Dole program, the conferees support the goals of that program and encourage the Secretary to investigate use of other resources, such as 416(b), to carry out activities consistent with the goals of the McGovern-Dole program.

COMMODITY CREDIT CORPORATION EXPORT LOANS PROGRAM ACCOUNT

The conference agreement provides $4,152,000 for the Commodity Credit Corporation Export Loans Program Account as proposed by the Senate instead of $4,312,000 as proposed by the House.

TITLE VI—RELATED AGENCIES AND FOOD AND DRUG ADMINISTRATION

DEPARTMENT OF HEALTH AND HUMAN SERVICES

FOOD AND DRUG ADMINISTRATION

SALARIES AND EXPENSES

The conference agreement provides total appropriations, including Prescription Drug User Fee Act, Medical Device User Fee Act, and Animal Drug User Fee Act collections, of $1,673,441,000 for the salaries and expenses of the Food and Drug Administration, instead of $1,668,249,000, as proposed by the House and $1,663,228,000, as proposed by the Senate, and provides specific amounts by FDA activity as reflected in the following table.

FOOD AND DRUG ADMINISTRATION, SALARIES AND EXPENSES

[In thousands of dollars]

Program	Budget authority	Prescription drug user fees	Medical device user fees	Animal drug user fees	Total
Foods	413,112				413,112
Human Drugs	295,906	182,060			477,966
Biologics	123,539	38,271	7,619		169,429
Animal Drugs and Feeds	84,646			4,750	89,396
Medical Devices	192,278		17,142		209,420
Nat'l Center for Toxicological Research	39,887				39,887

FOOD AND DRUG ADMINISTRATION, SALARIES AND EXPENSES—Continued

[In thousands of dollars]

Program	Budget authority	Prescription drug user fees	Medical device user fees	Animal drug user fees	Total
Other Activities	90,725	20,848	3,788		115,361
Rent and Rent-related Activities	38,636		640		39,276
Rental Payments to GSA	108,233	8,646	2,465	250	119,594
Total Recommendation	1,386,962	249,825	31,654	5,000	1,673,441

The conference agreement also makes mammography user fees and export certification user fees available to the agency.

Within the total funding for the Food and Drug Administration, the following increases above the fiscal year 2003 level are provided: $20,500,000 for counterterrorism and food safety activities; $8,000,000 to reduce review times and increase the number of generic drugs on the market; $4,000,000 for activities to support the Best Pharmaceuticals for Children Act; $3,000,000 for activities related to patient safety; $650,000 to improve FDA's over the counter drug program; and $1,145,000 to continue implementation of the Unified Financial Management System. Amounts provided above the budget request include: $9,000,000 for increased medical device review; $600,000 for the Office of Women's Health; $692,000 for the CFSAN Adverse Events Reporting System; $150,000 for the Agricultural Products Food Safety Laboratory; and $500,000 for dietary supplements.

The conference agreement includes language allowing for the collection and use of authorized user fees, and does not allow user fees collected in excess of the limitation to be credited to the various accounts and to remain available until expended. The conference agreement also allows for fees assessed prior to fiscal year 2004 but credited during fiscal year 2004 to be added to the account. Language is included to release the requirement of Section 521 of P.L. 107–188.

The conference agreement includes $2,375,000 for relocation expenses related to the move of the Center for Drug Evaluation and Research offices to the consolidated White Oak campus. Carryover funds available in the Prescription Drug User Fee Account should fund the remaining amount needed for the relocation.

The conferees are aware that language to authorize the Animal Drug User Fee Act has been passed by the House and Senate, but has not yet been signed into law. Therefore, the conferees have included language in the bill required for FDA to collect these fees, but prohibit FDA to begin collection until the authorization has been signed into law.

The conference report provides funding of $21,607,000 for Bovine Spongiform Encephalopathy (BSE) prevention activities.

The conference agreement recommendation includes a total of $9,445,000 for the Unified Financial Management System (UFMS), an increase of $1,145,000. The conferees direct that, from this total amount, no less than $4,503,000 is to be invested in improvements to FDA's legacy systems and is not to be used for UFMS contracts or global UFMS costs.

The conferees provide $1,900,000 for the Agricultural Products Food Safety Laboratory, an increase of $150,000 over the fiscal year 2003 level, for FDA to continue its contract with New Mexico State University's Physical Sciences Laboratory to operate the Food Technology Evaluation Laboratory, which conducts evaluation and development of rapid screening methodologies, technologies, and instrumentation; and to provide technology deployment modeling and data analysis for food safety and product safety in order to facilitate FDA's regulations and responsibilities in food safety, product safety, homeland security, bioterrorism, and other initiatives.

The conferees direct that no less than $13,270,000 be available for grants and contracts awarded under section 5 of the Orphan Drug Act.

The conferees request that FDA report to the Committees on its oversight plan regarding the adequacy of current systems for the tracking of blood-derived products and patient notification of adverse events.

The conferees are pleased that the FDA has published a rule articulating a transition strategy for removing chlorofluorocarbon (CFC) propelled medicines from the U.S. market. The conferees are aware that several patient and physician organizations which represent those who suffer from asthma and chronic obstructive pulmonary disease submitted a Citizen Petition to the FDA requesting that it take measures to remove albuterol from the list of essential uses for CFCs. The conferees encourage the FDA to respond to the petition request in a timely manner and, if appropriate, expeditiously implement a transition strategy as alternative non-CFC products enter the U.S. market. The conferees request a report from the agency on its course of action regarding this issue, including plans to assure adequate access to necessary medications, within 90 days of enactment.

The conferees direct that no less than $53,750,000 of total funding appropriated for FDA be provided for the generic drugs program.

The conferees direct that none of the funds made available to the Food and Drug Administration in this Act be used for any assessments or charges by the Department of Health and Human Services (DHHS) unless identified in the FDA budget justification and provided in this Act, or approved by the Committees through the reprogramming process.

The conference agreement does not include language relating to human resources consolidation, as proposed by the House. The directive in the preceding paragraph includes that function, as well as all others subject to charges and assessments by DHHS.

The conference agreement includes no less than $250,000 for research and education activities with the Interstate Shellfish Sanitation Commission (ISSC) to focus on efforts relating to Vibrio vulnificus.

The conferees are concerned that FDA registration requirements for the licensed beverage industry under the Interim Final Rule published October 10, 2003, duplicate the requirements of registration at the Alcohol and Tobacco Tax and Trade Bureau (TTB) of the U.S. Department of the Treasury. The conferees direct FDA to report to the Committees within 60 days of enactment on the scope of duplication, a description of data required by FDA but not by TTB, the estimated cost of transferring TTB registration data into the FDA system, and the timeframe in which the transfer could be accomplished, to avoid duplication and unnecessary costs to the industry.

The conferees are concerned that different Federal agencies have published information on the level of methyl mercury exposure that is considered safe for humans, which may be confusing to consumers. The conferees understand that in the last nine months, FDA and the Environmental Protection Agency have been working together to develop a single joint advisory that will contain advice about all types of fish (commercial and locally caught). The conferees expect FDA to provide a copy of the resulting draft joint advisory to the Committees by January 2, 2004.

The conferees direct that no less than $250,000 be provided to process comments submitted in response to Docket No. 95N–0304 published in the Federal Register on March 5, 2003 (68 FR 10417) and related activities.

The conferees are aware that the Food and Drug Administration has issued a final rule regarding the labeling of dietary supplements containing ginseng (68 Fed. Reg. 167, August 28, 2003) and has indicated that the industry must be in compliance with this labeling rule. The conferees encourage FDA to ensure that this final rule is being fully enforced.

The conferees are aware that on May 6, 2003, the FDA issued a draft guidance document on current good manufacturing practices for the medical gas industry, and that numerous comments were received on this draft prior to the deadline for public comments. The conferees expect the Agency to give consideration to each of these comments, and to respond to each comment accordingly. The conferees also encourage the FDA to undertake a risk-based and cost-benefit analysis before finalizing this document.

The conferees direct that of the funding provided, no less than $10,900,000, an increase of $500,000 be made available for the regulation of dietary supplements.

BUILDINGS AND FACILITIES

The conference agreement includes $7,000,000 for the repair and improvement of existing buildings and facilities, instead of $6,000,000 as proposed by the House and $7,948,000 as proposed by the Senate.

INDEPENDENT AGENCIES

COMMODITY FUTURES TRADING COMMISSION

The conference agreement provides $90,435,000 for the Commodity Futures Trading Commission, instead of $88,435,000 as proposed by both the House and Senate.

FARM CREDIT ADMINISTRATION

LIMITATION ON ADMINISTRATIVE EXPENSES

The conference agreement includes a limitation of $40,900,000 on administrative expenses of the Farm Credit Administration (FCA), as proposed by both the House and Senate.

TITLE VII—GENERAL PROVISIONS

Section 710.—The conference agreement limits indirect costs for competitive grants awarded by the Cooperative State Research, Education, and Extension Service to 20 percent.

Section 722.—The conference agreement directs that no funding may be used to close or relocate a state RD office unless or until cost effectiveness and enhancement of program delivery have been determined.

Section 723.—The conference agreement provides $3,000,000 for Bill Emerson and Mickey Leland Hunger Fellowships.

Section 724.—The conference agreement allows balances, recoveries, and reimbursements that are available to carry out title III of P.L. 480 to be made available to carry out title II.

Section 725.—The conference agreement directs the Secretary to make commodity tonnage available, to the extent practicable, to assist foreign countries to mitigate the effects of the Human Immunodeficiency Virus and Acquired Immune Deficiency Syndrome.

Section 726.—The conference agreement includes language regarding the National Sheep Industry Improvement Center revolving fund.

Section 727.—The conference agreement directs the Natural Resources Conservation Service to provide financial and technical assistance for certain projects in Arkansas, Alaska, Illinois, Utah, and Kansas.

Section 728.—The conference agreement names certain locations that shall be considered to meet eligibility requirements for programs within the Rural Development mission area.

Section 729.—The conference agreement directs the Natural Resources Conservation Service to provide financial and technical assistance for certain projects in Illinois and Kentucky and sets limits for that funding.

Section 730.—The conference agreement includes language limiting transfers unless specifically provided for in an appropriation Act.

Section 731.—The conference agreement includes a limitation regarding Food and Drug Administration offices in St. Louis, Missouri.

Section 732.—The conference agreement allows unobligated balances within the Department of Agriculture to be used to reimburse the Office of the General Counsel for certain services provided.

Section 733.—The conference agreement allows 20 percent of funds for competitive research grants to be used to carry out a competitive grants program under certain terms and conditions.

Section 734.—The conference agreement includes language regarding dam rehabilitation.

Section 735.—The conference agreement directs the Natural Resources Conservation Service to provide financial and technical assistance for the Upper Tygart Valley Watershed Project, and authorizes the Service to provide 100 percent of engineering assistance and 75 percent of the installation costs.

Section 736.—The conference agreement includes language regarding the Rural Strategic Investment Program.

Section 737.—The conference agreement includes language regarding rural firefighters and emergency personnel grants.

Section 738.—The conference agreement includes language regarding studies done by the Agricultural Research Service.

Section 739.—The conference agreement allows the Agricultural Marketing Service and the Grain Inspection, Packers and Stockyards Administration to purchase interest-bearing investments without posting them as obligations if they are insured or collateralized.

Section 740.—The conference agreement provides up to $10,000,000 for costs associated with the distribution of commodities under the Food Stamp Act of 1977.

Section 741.—The conference agreement includes language regarding the Wetlands Reserve Program.

Section 742.—The conference agreement prohibits funds in excess of $20,000,000 that have been appropriated in fiscal year 2004 or prior years, as authorized under the Agricultural Trade Development and Assistance Act of 1954, to be used to reimburse the Commodity Credit Corporation for the release of eligible commodities under the Bill Emerson Humanitarian Trust Act.

Section 743.—The conference agreement includes language regarding the Environmental Quality Incentives Program.

Section 744.—The conference agreement directs the Natural Resources Conservation Service to provide financial and technical assistance to the Dry Creek project, Utah.

Section 745.—The conference agreement provides the Secretary of Agriculture with authority to authorize employees of the Department to carry and use firearms for personal protection while conducting field work in remote locations.

Section 746.—The conference report includes language regarding the renewable energy program.

Section 747.—The conference report includes language regarding the broadband telecommunications program.

Section 748.—The conference report includes language regarding value-added market development grants.

Section 749.—The conference report includes language regarding country-of-origin labeling.

Section 750.—The conference report includes a provision regarding rural electric subsidy costs.

Section 751.—The conference report includes a rescission of unobligated balances in the Alternative Agricultural Research and Commercialization Revolving Fund.

Section 752.—The conference report includes language regarding the Conservation Security Program.

Section 753.—The conference report includes language regarding the ground and surface water conservation program.

Section 754.—The conference report includes language regarding the Wildlife Habitat Incentive Program.

Section 755.—The conference report includes language regarding the Farmland Protection Program.

Section 756.—The conference report includes $15,000,000 in assistance for certain tree losses.

Section 757.—The conference report includes $1,500,000 for the Northern Great Plains Regional Authority and stipulates that the Federal cost share is 100 percent.

Section 758.—The conference report includes a directive on a reporting requirement related to trade development and assistance.

Section 759.—The conference agreement includes language regarding rural business investment subsidies.

Section 760.—The conference agreement includes language regarding travel card use.

The conferees are aware of the audit conducted by the USDA Office of the Inspector General (OIG) of the departmental travel card program, which uncovered problems such as fraud, abusive ATM usage, "bounced" check payments, and lack of specific travel card policies and penalties. USDA recently made efforts to limit abusive practices by attempting to reduce the number of credit card holders, issuing revised departmental regulations, and instituting a new system of alerts to catch abusive transactions.

The conferees commend the Secretary for moving forward to begin to address the problems with official credit and travel cards, and urge the Secretary to continue work on this problem. The conferees have retained the House-passed language as a reminder to the Department and will continue to monitor the Department's remedial activities. If it is necessary, the conferees will consider a statutory remedy during the fiscal year 2005 process.

Section 761.—The conference agreement includes a provision regarding cost-sharing requirements for animal and plant health emergency programs of the Animal and Plant Health Inspection Service.

Section 762.—The conference agreement authorizes use of USDA available discretionary funds for activities relating to discrimination complaints.

Section 763.—The conference agreement includes a provision regarding eligibility for housing assistance in Alaska.

Section 764.—The conference agreement provides $1,000,000 to the Denali Commission to address deficiencies in solid waste disposal sites.

Section 765.—The conference agreement directs that the cities of Vicksburg and Starkville, Mississippi, and Aberdeen, South Dakota, meet the requirements of a rural area as set in section 520 of the Housing Act until receipt of the decennial Census for 2010.

Section 766.—The conference agreement makes the cities of Berlin, New Hampshire, and Guymon, Shawnee, and Altus, Oklahoma, eligible for loans and grants provided through the Rural Community Advancement Program until receipt of the decennial Census for 2010.

Section 767.—The conference agreement includes language regarding competitive outsourcing.

Section 768.—The conference agreement amends the Housing Act of 1949 relating to adjusted income.

Section 769.—The conference agreement includes language relating to Agricultural Management Assistance. The conferees direct the Secretary to use not less than $3,000,000 of the funding available under this Section to the Risk Management Agency to fund additional crop insurance cost share assistance programs in states which have operated a state-funded crop insurance premium assistance program for crop years 2001, 2002.

Section 770.—The conference agreement includes a permanent limitation regarding sale or export of tobacco or tobacco products through the Foreign Agricultural Service.

Section 771.—The conference agreement includes a provision to maintain the benefit level for Food Stamp recipients in Alaska and Hawaii at the fiscal year 2003 level.

Section 772.—The conference agreement includes a provision defining "rural eligible community" in the Rural Electrification Act of 1936.

Section 773.—The conference agreement includes a provision relating to eligibility of rural areas in Hawaii for programs in the Rural Development Mission Area.

Section 774.—The conference agreement includes a provision relating to mortgage-backed securities.

Section 775.—The conference agreement includes a provision giving the Secretary of Agriculture the authority to allow Community Facility Program borrowers to enter into contracts with third parties for necessary services.

Section 776.—The conference agreement gives the Secretary of Agriculture the authority to enter into cooperative agreements to lease aircraft.

Section 777.—The conference agreement amends language in the Agricultural Assistance Act of 2003 regarding citrus canker assistance.

Section 778.—The conference agreement includes language regarding a Sun Grant Research Initiative.

Section 779.—The conference agreement includes language allowing use of unobligated balances in certain accounts within the Rural Utilities Service for the purposes of section 315 of the Rural Electrification Act of 1936.

Section 780.—The conference agreement includes language regarding price supports for nonfat dry milk and butter.

Section 781.—The conference agreement authorizes the Secretary to make funding and other assistance available through the emergency watershed protection program for damage to non-Federal lands due to fires initiated by the Federal Government, and waives cost sharing requirements.

Section 782.—The conference agreement authorizes the Secretary to waive requirements regarding small and emerging rural business under the Rural Business Enterprise Grant program for the Oakridge Oregon Industrial Park.

Section 783.—The conference agreement makes the Alaska Department of Community and Economic Development eligible for a water and waste disposal grant that funds not more than 75 percent of the cost of the project, and permits the grant to pass through to the local government.

Section 784.—Language is included regarding eligibility for the Conservation Reserve Program for land planted in hardwood trees, and previously enrolled in the program, to remain enrolled.

Section 785.—The conference agreement makes the city of Postville, Iowa, eligible for a water and waste disposal grant that funds not more than 75 percent of the cost of the project.

Section 786.—The conferees include a limitation on funding for the Natural Resources Conservation Service related to a reorganization of regional conservationists and/or regional offices.

Section 787.—The conference agreement includes a rescission from the unobligated balance of the field automation and information management project for the Food Safety and Inspection Service.

Section 788.—The conference agreement includes a citation change to make funds available for international science and education grants.

Section 789.—The conference report includes language regarding the authority of Great Falls, Montana, for certain loans.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 2004 recommended by the Committee of Conference, with comparisons to the fiscal year 2003 amount, the 2004 budget estimates, and the House and Senate bills for 2004 follows:

[In thousands of dollars]

New budget (obligational) authority, fiscal year 2003	$74,752,926
Budget estimates of new (obligational) authority fiscal year 2004	77,561,060
House bill, fiscal year 2004	77,386,274
Senate bill, fiscal year 2004	79,602,414
Conference agreement, fiscal year 2004	80,632,273
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 2003	+5,879,347
Budget estimates of new (obligational) authority, fiscal year 2004	+3,071,213
House bill, fiscal year 2004	+3,245,999
Senate bill, fiscal year 2004	+1,029,859

DIVISION B—COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS, 2004

TITLE I—DEPARTMENT OF JUSTICE

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

The conferees recommend a total of $106,687,000 for General Administration, Salaries and Expenses, instead of $106,664,000 as proposed by the House and $116,171,000 as proposed by the Senate.

The conferees note that during fiscal year 2003, the Justice Department announced a number of new initiatives without consulting Congress, including creation of the Terrorist Threat Integration Center, the Terrorist Screening Center, and the Anti-Terrorism Advisory Councils. These follow the proliferation of task forces, a massive and evolving reorganization of the Federal Bureau of Investigation, and various database initiatives in the previous fiscal year. No legislative proposals have been submitted to establish any of these entities; it is unclear what the long term funding needs associated with each of these will be; and most importantly, it is unclear what the overarching strategy is to reconcile each of these entities within the current structure of the Justice Department and blend them with other Federal law enforcement entities outside the Justice Department to ensure that law enforcement at all levels has the tools to effectively combat terrorism and protect citizens from traditional crimes. The conferees remain supportive of the Justice Department, and toward that end direct the Justice Department to submit with the fiscal year 2005 budget a rationalization of these various efforts with the goal of consolidating efforts to ensure that Federal law enforcement enhances its ability to prevent terrorist attacks and fight traditional crime.

The conference agreement adopts by reference House and Senate language providing an increase of $7,000,000 for the highest priority activities of the Chief Information Officer (CIO), as well as House language regarding a report on all existing and planned information technology sharing projects, and review and coordination of Justice Department information technology initiatives. The conferees will consider a reprogramming for information technology projects should additional funds be necessary. The conferees remain concerned with the proliferation of database initiatives and direct the Justice CIO to provide quarterly briefings. The conferees request the Justice CIO to submit a prioritized list of information technology projects to the Committees on Appropriations with the FY 2005 budget submission.

The conference agreement adopts by reference Senate language regarding funding for RFK building security needs. The conferees adopt by reference House language regarding corporate fraud and Native American gambling.

The conferees adopt by reference House language regarding the creation of a position to oversee Department of Justice activities with regard to civil rights. The conferees expect this position to be filled by a senior career official with specific knowledge and experience in civil rights. The conferees adopt by reference House language regarding posthumous award of Public Safety Officers Medal of Valor to the 414 public safety officers who perished on September 11, 2001. The conferees adopt by reference House language regarding a comprehensive review of all training programs for State and local law enforcement.

The conferees adopt by reference House and Senate language regarding the Justice Department's core financial management system and direct the Department to consider a cross-servicing arrangement with another Federal agency to provide these services rather than building a system of its own. A study of such a cross-servicing option and other options shall be submitted by March 1, 2004. The conferees will consider a reprogramming for these activities as necessary. The conferees adopt by reference House language regarding locks.

The conference agreement adopts by reference Senate language regarding quarterly briefings from the Office of Intelligence Policy and Review. The conferees do not adopt Senate report language regarding a study to consolidate Justice Department facilities out of the Washington, D.C. metropolitan area, but direct the Justice Department to submit a long-term plan for its facilities no later than June 15, 2004. The conferees do not include Senate language regarding transfer of the U.S. Marshals seized assets management program to General Administration.

The conferees direct the Justice Department to develop Memoranda of Understanding with the Department of Homeland Security and other appropriate Federal agencies regarding continued integration of fingerprint systems, automated booking capabilities, detention bed space needs, and transportation of prisoners.

The conference agreement modifies bill language proposed by both the House and the Senate regarding legislative affairs positions and workyears and associated funding levels.

JOINT AUTOMATED BOOKING SYSTEM

The conference agreement includes $19,176,000 for the continued operation of the Joint Automated Booking System (JABS), instead of $15,577,000 as proposed by the House and $23,176,000 as proposed by the Senate. The conference agreement adopts by reference Senate language regarding an increase of $3,200,000 for the deployment of JABS to the Bureau of Alcohol, Tobacco, Firearms and Explosives. The conferees direct the Justice Department to submit a proposal with the fiscal year 2005 budget to fund JABS out of the Assets Forfeiture Fund, if appropriate. The conferees adopt by reference House language regarding collaboration with other Federal law enforcement entities outside the Justice Department, and Senate language regarding a cost sharing fee proposal.

INTEGRATED AUTOMATED FINGERPRINT IDENTIFICATION SYSTEM

The conference agreement includes $5,100,000 for the planning, development, and deployment of an integrated fingerprint identification system. The House provided funding for these activities under the Identification Systems Integration account; the Senate did not fund this activity. The conferees adopt by reference House language regarding continued collaboration on integrating fingerprint systems. The Department is directed to consult with the Committees on Appropriations regarding the status of this program.

LEGAL ACTIVITIES OFFICE AUTOMATION

The conferees recommend $27,034,000 for Legal Activities Office Automation instead of $30,136,000 as proposed by the House and $66,240,000 as proposed by the Senate. The conference agreement adopts by reference House language regarding the Bureau of Prisons and the Office of Justice Programs, and Senate language regarding the U.S. Parole Commission. The conferees are willing to entertain a reprogramming from available balances should additional funds be necessary for continued deployment of this system. The conference agreement adopts by reference House language regarding costs and implementation milestones to complete convergence of these additional components onto the LAOA system. This report should include an expected final implementation date, and estimates for ongoing operations and maintenance costs for all components of the system.

NARROWBAND COMMUNICATIONS

The conference agreement includes $103,171,000 for Narrowband Communications as proposed by the House and the Senate. The conferees recognize that the Justice Wireless Management Office (WMO) has developed a plan to deploy interoperable radios to high priority locations as part of its overall plan to upgrade Federal law enforcement radio communications for the nation. The WMO may use available funding to augment state and local law enforcement interoperable radio communication systems as long as that equipment is necessary for the achievement of the overall WMO Federal radio interoperability plan. The conferees direct the WMO to consult with the Committees on Appropriations regarding this effort prior to obligating any funds. The conferees adopt by reference House language regarding funding that will be available to the Justice Department and direction to revise program requirements. The conferees also adopt by reference House language regarding submission of status reports as directed in Public Law 106–553, to include an operational plan for expenditure of funds. The conferees also direct the WMO to submit reports to the Committees on Appropriations regarding the ongoing pilots, deployment to high priority locations, and collaboration with other non-Justice Federal law enforcement agencies.

The conferees adopt by reference House language regarding emphasis on interoperable radios, and Project Safecom. The conferees do not include Senate language regarding a spending plan.

The conferees include House bill language regarding transfer of radio funds from Justice law enforcement accounts to this account.

COUNTERTERRORISM FUND

The conference agreement includes $1,000,000 for the Counterterrorism Fund as proposed by the House. The Senate did not fund this program. When combined with $20,000,000 in unobligated balances available in this account, a total of $21,000,000 will be available for obligation for fiscal year 2004 to cover unanticipated, extraordinary expenses as a result of a terrorist threat or incident.

ADMINISTRATIVE REVIEW AND APPEALS

The conference agreement includes $193,530,000 for Administrative Review and Appeals as proposed by the House instead of $194,111,000 as proposed by the Senate. The conferees adopt by reference Senate report language regarding submission of a report on the impacts of the Bureau of Immigration Appeals streamlining initiative on the Civil Division.

DETENTION TRUSTEE

The conference agreement includes $814,097,000 for the Detention Trustee instead of $810,125,000 as proposed by the House and instead of $849,876,000 as proposed by the Senate. The conferees adopt by reference House language regarding creation of a task force to better forecast detention needs; development of a Memorandum of Understanding with the Department of Homeland Security for their detention needs; and Senate language prioritizing extraditions. The conference agreement does not include Senate language regarding transfer of U.S. Marshals Service or Bureau of Prisons staff, or the Justice Prisoner and Alien Transportation System to the Detention Trustee. The conference agreement adopts by reference House and Senate language admonishing the Detention Trustee for attempting to address detention needs by contracting to construct a facility. The conferees underscore that any constructing, planning, supporting or contracting of new detention facilities is not an allowable use of funds provided under this account and directs the Detention Trustee to withdraw any solicitations for such activities.

OFFICE OF INSPECTOR GENERAL

The conference agreement includes $60,840,000 for the Office of Inspector General as proposed by the Senate instead of $56,245,000 as proposed by the House. The conferees adopt by reference House language regarding Department of Justice efforts to implement recommendations from the report on September 11th detainees.

UNITED STATES PAROLE COMMISSION

SALARIES AND EXPENSES

The conference agreement includes $10,609,000 for the United States Parole Commission as proposed by the House instead of $10,718,000 as proposed by the Senate. The conferees adopt by reference House language regarding a study required under Public Law 107–273. The conferees adopt by reference Senate language regarding a report on the number of personnel detailed from the Department of Justice to the Commission.

LEGAL ACTIVITIES

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

The conference agreement includes $620,533,000 for General Legal Activities as proposed by the House instead of $632,637,000 as proposed by the Senate. The distribution of funding provided is as follows:

General legal activities

[In thousands of dollars]

	2004 appropriation
Office of the Solicitor General	$7,973
Tax Division	77,141
Criminal Division	133,636
Civil Division	199,665
Environment and Natural Resources Division	76,556
Office of Legal Counsel	5,679
Civil Rights Division	110,000
Interpol USNCB	9,524
Office of Dispute Resolution	359
Total	$620,533

The conferees remind the legal divisions that changes to these funding levels are subject to section 605 requirements in this Act.

The conferees adopt by reference House language regarding submission of a report to the Committees on Appropriations regarding efforts of the Criminal Division to prosecute corporate corruption. The conferees note that the Congress provided the U.S. Attorneys with an increase of $13,000,000 in the fiscal year 2003 appropriations act to aggressively prosecute corporate corruption. If additional funding is needed for these activities, the Committees on Appropriations will consider a reprogramming.

The conferees adopt by reference House funding levels for the Civil Division, including an increase of $2,671,000 for needs associated with immigration-related litigation. The conferees adopt by reference Senate language regarding cooperation between the Bureau of Immigration Appeals (BIA) and the Civil Division.

The conferees note that the Congress provided the Civil Division with $15,000,000 in Public Law 108–106 for needs associated with processing claims filed with the Special Master. The conferees adopt by reference House language regarding the September 11th Victims Compensation Fund. The conferees adopt by reference the $1,000,000 increase proposed by the House and the Senate and House language regarding absorption of additional requirements for processing RECA claims. The conference agreement adopts by reference House language regarding the provision of additional resources to the Civil Division, if emergent circumstances warrant, through transfers of funds from other Department of Justice sources, subject to the requirements of section 605 of this Act. The conferees expect the Justice Department to submit a reprogramming for costs associated with continuing tobacco and other litigation activities, should funding be warranted. The conference agreement also includes a transfer of $3,060,000 from the Working Capital Fund to the Environment and Natural Resources Division for Tribal Trust Fund litigation.

The conferees adopt by reference House language regarding efforts to combat trafficking in persons and enhanced coordination with State and local law enforcement. The conference agreement adopts by reference House funding levels for Interpol and House language regarding submission of a report on Interpol accomplishments and coordination with State, local, and Federal law enforcement.

THE NATIONAL CHILDHOOD VACCINE INJURY ACT

The conference agreement includes a reimbursement of $4,028,000 for fiscal year 2004 from the Vaccine Injury Compensation Trust Fund to the Department of Justice, as proposed by the House and the Senate.

SALARIES AND EXPENSES, ANTITRUST DIVISION

The conference agreement includes $133,133,000 for the Antitrust Division, instead of $128,133,000 as provided by the House and $141,898,000 as provided by the Senate.

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS

The conference agreement includes $1,526,253,000 for the U.S. Attorneys as proposed by the House instead of $1,507,879,000 as proposed by the Senate. The conferees adopt by reference House language regarding cybercrime and intellectual property enforcement, and submission of a report regarding the number, type, and location of copyright prosecutions undertaken in the preceding year. The conferees adopt by reference House language regarding consolidation of the U.S. Attorneys Task Forces with the Joint Terrorism Task Forces.

Of the amounts made available to the U.S. Attorneys, $6,898,000 shall be available for

Project Seahawk instead of $10,000,000 as proposed by the Senate to address criminal activity that may compromise or impede the movement of intermodal traffic within the U.S. Project Seahawk shall continue to be coordinated under the U.S. Attorneys and include Federal, State, and local law enforcement. The House did not fund this activity. In addition to the amounts available in this account, an additional $15,000,000 is provided elsewhere in this title. The conferees do not adopt Senate language regarding expansion of this initiative.

The conferees adopt by reference Senate language including $1,500,000 for Operation Streetsweeper and $19,023,000 for legal education and distance learning at the National Advocacy Center. The conferees do not adopt Senate language regarding submission of a report on rates of prosecution, but instead direct the Justice Department to brief the Committees on Appropriations on this issue.

The conferees adopt by reference House and Senate language regarding cybercrime and intellectual property enforcement.

UNITED STATES TRUSTEE SYSTEM FUND

The conference agreement includes $166,157,000 as provided by the House instead of $170,168,000 as provided by the Senate. In addition, the Trustees may use unobligated balances from prior year appropriations to fund additional base and information technology costs, if necessary. The conferees support the requested information technology enhancement and expect the Trustees to fund the request to the maximum extent feasible. The conference agreement includes $1,000,000 for the Bankruptcy Training Center at the National Advocacy Center in support of the Trustees' continuing education program.

SALARIES AND EXPENSES, FOREIGN CLAIMS SETTLEMENT COMMISSION

The conference agreement includes $1,206,000 for the Foreign Claims Settlement Commission instead of $1,205,000 as proposed by the House and $1,207,000 as proposed by the Senate. The conferees adopt by reference House language regarding a report on the number of claims adjudicated on behalf of U.S. nationals against foreign governments.

SALARIES AND EXPENSES, UNITED STATES MARSHALS SERVICE

The conference agreement includes $719,777,000 for the U.S. Marshals Service (USMS), instead of $678,672,000 as provided by the House and $602,274,000 as provided by the Senate. The conference agreement includes funding for the Witness Security program as provided by the House. The conference agreement provides funding for the D.C. Superior Court and fugitive apprehension task forces under this heading as proposed by the Senate instead of under the Office of Justice Programs as proposed by the House. The conference agreement does not transfer funding for the Justice Prisoner and Alien Transportation System to the Office of Detention Trustee or transfer the seized assets management responsibilities to the Justice Management Division as proposed by the Senate but directs the Department of Justice to submit a report on the potential impact of such transfers to the Committees on Appropriations not later than March 15, 2004. The conference agreement provides funding for USMS construction under a separate heading, as proposed by the Senate. The conference agreement includes the base reductions and crosscutting efficiencies included in the budget request and the House report and the funding level provided in the House report for hand/leg cuffs and vehicles.

Courthouse Security Equipment.—The conference agreement includes $13,394,000 for courthouse security equipment to be allocated to the USMS's highest priority needs. The USMS is directed to report to the Committees on Appropriations within 30 days of enactment of this Act on the allocation of this funding. The conferees expect future budget requests to provide an appropriate level of funding to address the courthouse security equipment needs of the USMS.

Fugitive Apprehensions.—The conference agreement includes $11,476,000 for all costs related to the regional task forces located in New York City, Los Angeles, Chicago, and Atlanta. Of that amount, $2,000,000 shall be for a new regional task force in the District of Columbia metropolitan area and $300,000 shall be for a task force in Billings, Montana.

These regional fugitive task forces [RFTFs] are full time initiatives, not ad hoc activities and shall answer only to headquarters, not the districts, as is already the case with the New York City and Los Angeles task forces. The USMS is directed to report to the Committees on Appropriations not later than April 30, 2004, on the accomplishments recorded by the RFTFs and to make recommendations based on workload projections on whether and where additional RFTFs should be created.

The conferees are concerned with the apparent duplication of fugitive apprehension capabilities among Federal law enforcement agencies. The conferees direct that the Department of Justice submit a comprehensive report to the Committees on Appropriations within 45 days of enactment of this Act describing all Department of Justice fugitive apprehension activities and identifying opportunities to consolidate these activities under the one agency that is best trained and equipped for fugitive apprehension. The conferees hope to improve the Department's fugitive apprehension capabilities and more efficiently utilize Federal law enforcement resources.

In addition, the conference agreement includes $8,451,000 for all costs related to the electronic surveillance unit.

International fugitives.—The conference agreement includes $3,016,000 for all costs related to the USMS international offices in Jamaica, the Dominican Republic, and Mexico.

Special Operations Group.—The conference agreement includes $1,473,000 for training and equipment for the Special Operations Group. The USMS shall submit a spending plan for such funds to the Committees on Appropriations not later than January 15, 2004.

Protection of the Judicial Process.—The conference agreement includes $10,738,000 for 100 new positions to address shortfalls in the protection of the judicial process. These positions are to be allocated to those districts with the highest priority needs.

CONSTRUCTION

The conference agreement includes $14,066,000 for this account instead of no funding as proposed by the House and $25,964,000 as proposed by the Senate. These funds shall be allocated to the USMS's highest priority construction needs. The USMS is directed to report to the Committees on Appropriations within 30 days of enactment of this Act on the allocation of funding for this program. The conferees expect future budget requests to provide an appropriate level of funding to address the construction needs of the USMS.

FEES AND EXPENSES OF WITNESSES

The conference agreement includes $156,145,000 for Fees and Expenses of Witnesses as proposed by the House and the Senate. The conference agreement includes new bill language regarding additional funding for protected witness safesites.

SALARIES AND EXPENSES, COMMUNITY RELATIONS SERVICE

The conference agreement includes $9,526,000 for the Community Relations Service as proposed by both the House and the Senate. The conference agreement adopts by reference House and Senate language providing that the Attorney General may transfer, subject to section 605 reprogramming requirements, up to $1,000,000 to this program from balances available to the Department of Justice upon a determination that emergent circumstances warrant additional funding.

ASSETS FORFEITURE FUND

The conference agreement includes $21,759,000 for the Assets Forfeiture Fund as proposed by the House instead of $22,949,000 proposed by the Senate.

FEDERAL BUREAU OF INVESTIGATION

The conference agreement includes a total of $4,639,569,000 for the Federal Bureau of Investigation (FBI) as proposed by the House instead of $3,930,780,000 as proposed by the Senate. Of this amount, not less than $490,104,000 as proposed by both the House and the Senate shall be used for counterterrorism investigations, foreign counterintelligence, and other activities related to national security.

Strategic Growth.—Since the terrorist attacks on September 11th, 2001, the FBI has shifted its main focus from investigating crimes to preventing acts of terrorism. Inherent in this transformation is a greater emphasis on collection, management, and analysis of data and intelligence, and greater collaboration across all levels of law enforcement. The urgency to prevent acts of terrorism has required the infusion of substantial resources, with the FBI growing by over 50 percent in just three years. The conferees believe the FBI should thoughtfully absorb this massive infusion of personnel and capital through strategic long-term decisions, and therefore direct the FBI to submit a five year plan to the Committees on Appropriations not later than March 15, 2004, detailing the FBI's plan to succeed at its terrorism prevention and law enforcement responsibilities, including proposed agent and support personnel levels for each division. This review should also include long term capital improvement and infrastructure plans, training needs, and a review of current and future information technology programs to ensure that the FBI can better leverage technology.

SALARIES AND EXPENSES

The conference agreement includes $4,566,798,000 for the Federal Bureau of Investigation salaries and expenses account instead of $4,576,730,000 as proposed by the House and $3,885,989,000 as proposed by the Senate. The conferees adopt by reference House language on resource allocations within the FBI and bi-annual submission of the Time Utilization and Record Keeping report. The conferees adopt by reference House language regarding reprogramming requirements in section 605 of this Act.

FBI SALARIES AND EXPENSES

[Dollars in thousands]

Activity	POS	FTE	Amount
Criminal, Security and Other Investigations:			
Organized Crime Enterprises	3,145	2,995	$440,750
White Collar Crime	4,204	4,066	545,495
Other Field Programs	13,451	12,462	1,916,533
Subtotal, Criminal, Security and Other Investigations	20,800	19,523	2,902,778
Law Enforcement Support:			
Training and Recruitment	942	917	153,724
Forensic Services	749	725	179,623
Information Technology	396	383	252,578
Technical Field Support and Services	772	727	483,074
Criminal Justice Services	1,871	1,882	209,924
Subtotal, Law Enforcement Support	4,730	4,634	1,278,923
Program Direction and Administration	2,700	2,604	385,097
Total, Direct Appropriations	28,230	26,761	4,566,798

The conferees remind the FBI that any changes to this distribution are subject to the reprogramming requirements in section 605 of this Act.

Counterterrorism and Counterintelligence.—The conference agreement includes increases of $212,269,000, 1,665 positions and 831 workyears to enhance ongoing counterterrorism and counterintelligence activities. Of this amount, the conferees adopt by reference House and Senate increases of $6,548,000 for joint terrorism task forces; $14,603,000, 214 positions and 107 workyears for counterterrorism analytical support, and $28,046,000, 248 positions and 124 workyears for counterterrorism field investigations; and $29,985,000, 47 positions and 24 workyears for STAU operations. In addition, the conferees adopt by reference House funding increases of $31,391,000 for counterterrorism program management; $4,600,000 for communications applications; $33,087,000 for expansions in the Legal Attaché program; and House increases for counterintelligence and computer intrusion programs. The Committees on Appropriations are concerned that additional resources and staff provided for the Legal Attaché program are not being implemented as expeditiously as possible, and direct the FBI to consult with the Committees on Appropriations regarding this program. The conferees adopt by reference House and Senate language regarding a right-sizing review of the Legats. The conferees also provide language regarding increases in representational allowances.

Cyber Capabilities.—The conferees adopt by reference House language regarding a review by the Executive Assistant Director for Administration of information technology products and activities of the cyber division.

Hazardous Devices School.—The conferees are aware of the concerns of the FBI regarding the transfer of the Hazardous Devices School to the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF). The conferees point out that the vast majority of explosions (more than 95 percent) occurring in the United States are not related to terrorism and are usually investigated and prosecuted at the State and local level. However, the conferees are willing to accept a proposal from the Department of Justice to merge and rationalize overlap for explosives training between the ATF, the FBI, and other law enforcement entities in the Justice Department. Toward that end, the conferees direct the Justice Department to submit, as part of its fiscal year 2005 budget submission, a proposal to better blend and eliminate duplication of explosives training and other law enforcement programs at the Department of Justice.

Organized Crime Enterprises.—The conference agreement includes increases of $33,943,000 for criminal investigations and white collar crime investigations. Of this, the conferees adopt by reference House and Senate increases of $14,603,000, 214 positions and 107 workyears for criminal investigative analytical support, and increases of $10,000,000 for corporate fraud investigations and $10,000,000 for other priority criminal investigations as recommended by the House. The conferees adopt by reference House language regarding investigations that cross jurisdictions and House language regarding submission of a report on corporate corruption.

Training.—The conferees adopt by reference House and Senate increases of $14,027,000 for counterterrorism training, and the House increase of $5,000,000 for intelligence analysis training. The conferees adopt by reference House language regarding the College of Analytical Studies at Quantico, as well as the continuing education program for senior FBI agents and support staff and consultation with the Navy, as appropriate, regarding their advanced training programs. The conferees adopt by reference House language regarding concern about the language program. The FBI shall provide quarterly briefings to the Committees on Appropriations regarding the language program beginning March 2004. The conference agreement also includes an increase of $2,692,000 included by the House for nuclear DNA services, and increases of $1,000,000 for protocol training and $591,000 for the foreign convicted offender program as proposed by the Senate. The conferees adopt by reference House language regarding lapses in the FBI Laboratory DNA Analysis program, and direct the FBI to ensure that additional training and safeguards are implemented to ensure that analysis performed at the new lab is unquestionable.

Field Support for Information Management and Lead Management.—The conferees adopt by reference House increases of $4,977,000, 100 positions and 50 workyears for field clerical support, to be distributed to the highest priority locations.

FBI Reorganization.—The conference agreement adopts by reference House language regarding the FBI reorganization. The conferees adopt by reference House language regarding standardization and rationalization of FBI training programs.

The conferees also adopt by reference House and Senate language regarding a review of response capabilities.

Aviation assets.—The conferees are aware that the FBI aviation program has sought additional air assets. The conferees remind the FBI that it has previously been directed to provide a comprehensive needs assessment of the aviation program. The Committees on Appropriations will entertain funding increases for these programs in the context of a regular budget submission and priorities established by the Director, and pending an analysis of the existing aviation program.

The conferees adopt by reference House language regarding submission of an assessment of mobile command centers and the VITAL program.

Information Technology.—The Congress has provided the FBI with nearly $595,000,000 for Trilogy, some $216,000,000 more than the original cost estimate, to both speed implementation and enhance the overall capabilities of the program. The Committees on Appropriations are concerned that the basic software needed to operate the Virtual Case File is not ready to be deployed, causing another slip in schedule. The conferees stress the importance of deploying this program as expeditiously as possible, and direct the Trilogy Program Manager and Department of Justice CIO to continue to provide regular briefings on Trilogy in addition to providing the quarterly written reports. The conference agreement adopts by reference House and Senate funding increases of $92,736,000 for refreshment needs, operations and maintenance. The conferees also adopt by reference House language regarding submission of a review of the FBI's databases, with the goal of removing applications that have outlived their usefulness. The conferees adopt by reference House language regarding submission of a comprehensive information technology report, to include a complete list of all information technology projects; the stage of each project's development and deployment; base funding for each project, to include all sources of funding; and the outyear cost projections for each project, including recurring requirements for operations and maintenance. The conferees also adopt by reference House language regarding submission of a report on Operation Gateway.

Technical Field Support.—The conference agreement adopts by reference House and Senate funding increases of $9,542,000 for physical surveillance programs; $18,040,000 for computer assisted teams and the regional computer forensic labs; $14,984,000 for the crisis response unit; and $2,000,000 for the defensive programs unit. In addition, the conference agreement includes the following increases to properly recur funding for critical programs as proposed by the Senate: $2,680,000 for computer intrusion activities; $6,266,000 for aviation support; $10,000,000 for training; and $2,500,000 for mitochrondrial DNA programs.

Criminal Justice Information System (CJIS).—The conference agreement includes $357,000,000, including fee collections, for CJIS, and adopts Senate language prohibiting the diversion of the CJIS user fee for any purpose other than CJIS, its refreshment plan, or a subsequent modernization plan for the current facility.

Security Programs.—The conferees adopt by reference House and Senate funding levels of $5,050,000 for background investigations; $1,405,000 for the National Security Law Unit; and $6,419,000 to expand polygraph tests; and House funding levels of $6,888,000 for technical and physical security and $15,821,000 for police force and guard services. The conferees also include $10,000,000 for records management activities.

Trafficking.—The conferees adopt by reference House language regarding efforts to combat human trafficking.

FBI Tour.—The conferees adopt by reference House language regarding the FBI tour.

In addition to the amounts provided in this act, the conference agreement also approves of the following increases from funding provided to the FBI in Public Law 108–11:

FY 2003 Emergency Wartime Supplemental Appropriations Act, P.L. 108–11

Activity	*Conf*
Terrorist Screening Center	5,000
Rapid Deployment	850
HRT/SWAT/WMD response capabilities	6,127
Response Capabilities	32,717
CT Program Mgmt	14,192
CT Field Investigations	56,505
NSLU	5,035
Operational Field Expenses	18,999
Language Translation	40,000
Surveillance Support	13,774
IT/Sharing/LEO/TSSCI LAN	45,000
Communications Analysis/Doc Ex	20,293
Lab wiring	7,700
Tactical Operations and Collections	5,000
Terrorist financing	5,000
Cybercrime	5,000
Subtotal	281,192
TTIC	86,000
Total	367,192

FOREIGN TERRORIST TRACKING TASK FORCE/TERRORIST THREAT INTEGRATION CENTER

The conferees adopt House language providing $61,597,000 for the Foreign Terrorist Tracking Task Force (FTTTF). The conferees adopt by reference House language regarding the need to better coordinate information technology activities of the FTTTF with similar activities elsewhere in Justice, and House language regarding FTTTF technology initiatives and other activities. The conferees do not include Senate language shifting this activity outside of the Justice Department.

Terrorist Threat Integration Center.—The conference agreement includes new bill language formalizing the coordination between the FBI and the Terrorist Threat Integration Center (TTIC). The conferees adopt by reference House language regarding efforts to integrate intelligence analysis capabilities at the TTIC and the specifics of the relocation of the FBI's Counterterrorism Division to the joint facility.

CONSTRUCTION

The conference agreement includes $11,174,000 for FBI construction, instead of $1,242,000 as proposed by the House and $44,791,000 as proposed by the Senate. Of this amount, the conferees adopt by reference Senate funding levels for the Engineering Research Facility. This activity was not addressed by the House.

DRUG ENFORCEMENT ADMINISTRATION

The conference agreement includes a total of $2,157,792,000 for the Drug Enforcement Administration (DEA) as proposed by the House instead of $1,512,281,000 as proposed by the Senate. The conferees adopt by reference the transfer of the Interagency Crime and Drug Enforcement program as proposed by the House.

SALARIES AND EXPENSES

The conference agreement includes $1,601,327,000 for the DEA salaries and expenses account as proposed by the House instead of $1,512,281,000 as proposed by the Senate. The conferees adopt by reference House language regarding prior year recoveries, and direct the DEA to submit a reprogramming request within 45 days of enactment of this act to accommodate lab enhancements, information technology investments, and other one-time funding needs.

DEA SALARIES AND EXPENSES

[Dollars in thousands]

Activity	POS	FTE	Amount
Enforcement:			
Domestic Enforcement	2,728	2,561	$546,165
Foreign Cooperative Investigations	653	621	208,199
Drug and Chemical Conversions	190	177	23,507
State and Local Task Forces	1,619	1,527	240,808
Subtotal, Enforcement	5,190	4,886	1,018,679
Investigative Support:			
Intelligence	976	983	129,294
Laboratory Services	466	456	72,856
Training	99	98	24,903
Research, Engineering, and Technical Operations	596	591	122,266
Information Technology	126	122	138,976
Subtotal, Investigative Support	2.263	2,250	488,295
Management and Administration	905	882	94,353
Total, Direct Appropriations	8,358	8,018	1,601,327
Division Control Fee Account	793	789	118,561
Total, Budget Authority	9.151	8,807	1,719,888

The DEA is reminded that any changes to this distribution are subject to the reprogramming requirements in section 605 of this Act.

Additional Drug Enforcement Agents.—The conference agreement adopts by reference House funding levels of $46,274,000 above the request to support additional agents and support staff. The conference agreement adopts by reference House funding levels for the Mobile Enforcement Teams, Senate funding levels for the Regional Enforcement Teams and the Demand Reduction Program, and directs the DEA to consolidate Demand Reduction activities and the IDEA program into one coordinated demand reduction program. The conferees adopt by reference House language on cooperative agreements with State and local law enforcement. The conference agreement adopts by reference Senate language regarding a report on Mexican training programs and Senate language regarding funding for international training. The conferees direct the DEA to submit a report to the Committees on Appropriations regarding international training programs and interdiction efforts. This report should be developed in consultation with the Department of Defense, the State Department and other Federal agencies.

The conferees adopt by reference House language regarding submission of a report on source and transit countries.

OxyContin.—The conferees adopt by reference House language regarding legal drugs that are diverted for illegal use, particularly the prescription drug OxyContin. The conferees adopt by reference House language regarding development of a prescription drug monitoring program, and continued coordination with the Office of Justice Programs.

Methamphetamines.—The conferees adopt by reference House language regarding methamphetamines, and continued support of State, local, and Federal law enforcement programs.

Ecstasy.—The conferees adopt by reference House language regarding the illegal importation of ecstasy and other "club drugs."

DEA Training.—The conferees direct the DEA and the FBI to explore continued integration of analytical training programs given the nexus between drugs and terrorism.

Operation Containment.—The conferees amend House language regarding regular briefings for Operation Containment, and direct the DEA to provide quarterly updates to the Committees on Appropriations, with written reports to be submitted yearly with the first such report to be submitted May 1, 2004.

Drug Diversion Control Fee Account.—The conference agreement includes $118,561,000 for the DEA's Drug Diversion Control Program as proposed by the House instead of $91,499,000 as proposed by the Senate. The conferees adopt by reference House language regarding an increase of $6,882,000 to enhance the Internet Online Investigations Project, and development and deployment of a system to enable on-line transfers of prescriptions from doctors to pharmacies.

Additional Drug Investigative Positions.—The conferees adopt by reference House language regarding use of expected fee increases to support additional staff to address the diversion of controlled substances, particularly OxyContin. The conferees adopt by reference House language regarding deployment of additional positions to the highest priority locations.

The conference agreement includes Senate bill language regarding demand reduction activities.

INTERAGENCY DRUG ENFORCEMENT

The conference agreement adopts by reference House language consolidating under the DEA drug enforcement activities previously included under the Interagency Crime and Drug Enforcement account. The conferees include funding as proposed by the House for the continued participation of the Departments of Homeland Security and Treasury. The Senate did not propose funding for these non-Justice agencies. The conferees support law enforcement efforts to fight illegal drug activity, and therefore have provided funding for each agency involved in these task forces. However, the conferees do not expect to provide funding for non-Justice agencies in subsequent years.

The conference agreement includes $556,465,000 for the Interagency Drug Enforcement account as proposed by the House instead of $415,010,000 as proposed by the Senate.

REIMBURSEMENT BY AGENCY

[Dollars in thousands]

	POS	FTE	Amount
Law Enforcement:			
DEA	1,304	1,228	$168,539
FBI	806	780	114,700
INS	117	117	16,674
USMS	13	13	2,148
ATFE	54	54	11,483
IRS	494	476	73,301
Customs	270	270	31,154
Coast Guard			625
Drug Intelligence:			
DEA	50	38	6,392
FBI	184	159	21,521
Prosecution:			
U.S. Attorneys	965	886	100,699
Criminal Division	18	18	2,717
Tax Division	10	8	995
Administrative Office	14	14	5,517
Total	4,299	4,061	556,465

Drug Intelligence Fusion Center.—The conferees direct the DEA to transfer to this account existing balances previously provided to the DEA to develop the Drug Intelligence Fusion Center. The conferees expect that this multi-agency drug intelligence capability will be developed and managed within this account. The conference agreement adopts by reference House language regarding participating agencies, protocols for sharing information, and expected ongoing operations and maintenance funding costs. This report should include a justification of all information technology programs taking place at the Special Operations Division as well as recommendations for utilizing information platforms, such as the FBI's Operation Gateway. The conferees also adopt by reference House language regarding rationalization of drug intelligence collection and analysis entities. The conferees adopt by reference House language directing that the Department of Justice and FBI Chief Information Officers review this program to ensure maximum collaboration and exploitation of information.

Targeting Command and Control.—The conferees adopt by reference House language regarding efforts to refocus this program on the highest level national and international drug trafficking organizations. The recommendation includes an increase of $23,127,000, 151 positions and 76 FTE to expand investigations of these major command and control targets. In addition, $3,461,000 is provided to the U.S. Attorneys to ensure successful prosecution of targets.

The conference agreement adopts by reference House language regarding continued FBI involvement in drug investigations, and includes an increase of $8,000,000, 53 positions and 27 workyears above the request to maintain the FBI's participation. The conferees expect that these additional resources will enable the Federal government to aggressively pursue links between terrorists and drug organizations.

Financial Investigations.—The conferees adopt by reference House increases of $5,631,000, 37 positions and 19 FTE for money laundering activities, particularly offshore accounts that can be difficult to track, and House funding increases of $2,805,000 for U.S. Attorneys' participation.

Drug Intelligence.—The conferees adopt by reference House language regarding additional analytical support needed to ensure that information collected as part of multi-agency drug investigations is thoroughly referenced against other criminal databases and other ongoing investigations, particularly with regard to terrorist organizations, and adopts by reference House funding increases of $3,764,000 for the DEA and $7,528,000 for the FBI to increase analytical capacity. The conferees direct the DEA to consult with the Committees on Appropriations prior to distributing these resources, and expects that these resources will support efforts of the Special Operations Division and the Drug Intelligence Fusion Center.

BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND EXPLOSIVES

SALARIES AND EXPENSES

The conference agreement includes $836,087,000 for the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF), instead of $831,199,000 as proposed by the House, and $829,593,000 as proposed by the Senate.

The conference agreement adopts, by reference, the House language regarding the mission of the Bureau of Alcohol, Tobacco, Firearms and Explosives, the Gang Resistance Education and Training program under this heading, the Safe Explosives Act, and the Youth Crime Gun Interdiction Initiative.

The conference agreement includes $10,000,000 to implement the Safe Explosives Act and $4,000,000 to upgrade databases and systems, space alterations, and other costs related to creating the National Explosives Licensing Center [NELC] at the Bureau of Alcohol, Tobacco, Firearms and Explosives National Tracing Center.

The conference agreement adopts, by reference, language proposed by the Senate regarding the Safe Explosives Act, the National Explosives Licensing Center, and Overseas Offices.

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

The conference agreement includes $4,461,257,000 for the salaries and expenses of the Federal Prison System as proposed by the House, instead of $3,872,791,000 as proposed by the Senate. The conferees understand that this level of funding will be adequate to open the following prisons on time and continue operations at existing prisons, but direct the Justice Department to submit a reprogramming should additional resources be necessary. The conferees also note that base funding of $41,000,000 shall be provided for FCI Beckley, West Virginia and $41,600,000 shall be provided for FCI Glenville, West Virginia. The conferees include activation funding as follows:

Activations	
Victorville, CA USP	$35,562,000
Hazelton, WV USP	40,587,000
Forrest City, AR facility	33,807,000
Herlong/Sierra, CA medium camp	36,092,000
Williamsburg, SC FCI	33,123,000
Canaan, PA USP	35,552,000
Terre Haute, IN USP	8,439,000
Bennettsville, SC FCI	10,532,000
Yazoo, MS FCI	23,331,000
	$257,025,000

Contract Confinement.—The conferees adopt by reference House language regarding an increase of $12,900,000 for contracts to accommodate the increasing prison population. The conferees adopt by reference House and Senate language regarding use of excess State and private prison capacity to meet bedspace needs, if these facilities meet Bureau of Prison (BOP) standards. The conferees adopt by reference the House increase of $3,000,000 to support BOP's transitional drug treatment program and submission of a report about BOP drug treatment programs, and House language regarding use of visible eye-safe lasers for marksmanship training.

With funds provided in earlier appropriations acts, the National Institute of Corrections has provided training and technical support to correctional systems throughout the country to eliminate staff sexual misconduct with inmates, in providing training in investigating cases, and in training "trainers" in order that employees at every level will be better able to handle these cases. The conferees direct BOP to report to the Committees on Appropriations by March 31, 2004 on progress made in this area.

The conferees understand the Center for Disease Control and Prevention has recently recommended testing all prisoners with a history of injection drug use or other risk factors for the Hepatitis B and C viruses and that those showing signs of liver disease be assessed by hepatitis specialist to determine treatment. These recommendations reflect a concern that high rates of infection in the prison population lead to public health impacts as these prisoners are released back into the general population. The conferees request that the BPP report to the Committees on Appropriations within six months regarding progress in implementing its planned screening program, including the number of inmates screened and the treatment adopted.

The conference agreement does not include bill language proposed by the Senate designating specific amounts for decision units.

BUILDINGS AND FACILITIES

The conference agreement includes funding of $397,700,000 for construction, modernization, maintenance and repair of prison and detention facilities housing Federal prisoners instead of $202,840,000 as proposed by the House and $345,805,000 as proposed by the Senate. The conferees continue to expect that all current construction projects will proceed as planned.

New construction, modernization and repair	
Berlin, New Hampshire, FCI medium	$154,500,000
Mid Atlantic, West Virginia	40,300,000
Modernization and repair	202,900,000
	$397,700,000

FEDERAL PRISON INDUSTRIES, INCORPORATED

LIMITATION ON ADMINISTRATIVE EXPENSES, FEDERAL PRISON INDUSTRIES INCORPORATED

The conference agreement adopts House and Senate language regarding a limit on administrative expenses of $3,429,000 for Federal Prison Industries, Incorporated. The conferees adopt by reference House language regarding the Federal Prison Industries, Inc., program.

OFFICE OF JUSTICE PROGRAMS

The conference agreement provides $3,095,017,000 for State and local law enforcement grants instead of $3,491,261,000 as proposed by the House and $2,630,637,000 as proposed by the Senate. The amount provided is $763,785,000 above the Administration's request.

The conferees adopt by reference the House report language concerning the coordination of programs with other Federal agencies and requiring the Department to submit a report to the Committees on Appropriations by June 1, 2004, describing its efforts to coordinate programs. The conference agreement adopts by reference the House report language regarding training for local law enforcement officials on the penalties prescribed in the Federal law for trafficking in persons and requiring the Department to submit a spending plan for expanding this training.

JUSTICE ASSISTANCE

The conference agreement includes $190,125,000 for Justice Assistance. The conferees do not adopt the Administration's proposal to consolidate all Office of Justice Programs (OJP) activities under this heading. The table below displays the conference agreement compared to the request for programs funded under this heading and compared to the amounts provided in the House and Senate bills.

[$ in 000's]

Program	Enacted	Request	House	Senate	Conference
National Institute of Justice	59,490	73,301	59,000	50,000	48,000
Bureau of Justice Statistics	32,125	35,085	33,731	25,000	32,125
Nat. White Collar Crime	9,170	....	4,500	....	9,000
Regional Inf. Sharing Sys.	28,812	36,448	35,000	29,000	30,000
Management and Admin.*	37,753	119,638	40,000	....	35,000
Missing Children Program	32,633	30,669	36,900	32,500	36,000
Total	199,983	....	209,131	136,500	190,125

* Senate bill included M&A under a separate heading.

National Institute of Justice (NIJ).—The conference agreement provides $48,000,000 for the National Institute of Justice. The conference agreement provides $21,000,000 for the National Law Enforcement and Corrections Technology Centers and incorporates by reference the Senate language concerning the distribution of funding. The agreement also includes $17,000,000 for other Office of Science and Technology (OS&T) activities. Within this amount, NIJ shall continue to fund the Office of Law Enforcement Technology Commercialization, Inc., and the Center for Rural Law Enforcement Technology and Training at the fiscal year 2003 level. The conferees support NIJ's efforts to develop through-wall motion mapping.

The conference agreement includes $10,000,000 for discretionary activities of which not less than $6,000,000 shall be for social science research and evaluation.

Missing Children.—The conference agreement includes $36,000,000 for the Missing Children Program for the following purposes:

MISSING CHILDREN PROGRAM

Program ($000)	FY 03 enacted	FY 04 request	FY 04 House	FY 04 Senate	FY 04 conference
National Center for Missing and Exploited Children	12,419	12,419	14,000	17,000	15,000
Jimmy Ryce Law Enforcement Training Center	2,980	3,000	3,000	3,000	3,000
Internet Crimes Against Children Task Force	12,419	12,500	12,500	12,500	12,500
MEC Office	2,331	2,269	2,400	....	1,500
AMBER Alert Grants	2,484	2,500	5,000	....	4,000
Total	32,633	32,688	36,900	32,500	36,000

OJP shall utilize the AMBER program funds in accordance with the Prosecutorial Remedies and Other Tools to end the Exploitation of Children Today Act of 2003. Within the funding provided, the National Center for Missing and Exploited Children shall continue the successful CyberTipline program, continue the Police Technology Project (LOCATER), and expand the NetSmartz Workshop as described in the Senate report.

Regional Information Sharing System.—The conference agreement provides $30,000,000 for the Regional Information Sharing System (RISS). The conferees direct the Department to ensure that inter-state information sharing systems funded by OJP and COPS utilize the existing communications infrastructure and are compatible with RISS and LEO.

Management and Administration.—The conference agreement provides $35,000,000 for the management and administration of the OJP. The Conferees are disappointed that several reports requested in the fiscal year 2003 conference report have not been submitted. The Conferees expect better communications to be provided not only to Congress but to their grantees and subgrantees. The Conferees believe that improved communication is extremely important in improving service to State and local law enforcement agencies.

STATE AND LOCAL LAW ENFORCEMENT ASSISTANCE

The conference agreement provides a total appropriation of $1,297,684,000. The table below displays the funding provided in the conference agreement compared to the level of funds requested under the Justice Assistance heading for similar activities and compared to the levels provided in the House and Senate bills.

($'s in 000's)

	FY 03 enacted	FY 04 request	FY 04 House	FY 04 Senate	FY 04 conf.
Local Law Enforcement Block Grant	$397,400	....	$400,000	$150,000	$225,000
(Boys and Girls Club)	(79,480)	....	(80,000)	(80,000)	(80,000)
(USA Freedom Corps)	(2,981)	....	(5,000)	....	(2,981)
(National Institute of Justice)	(19,870)	....	(20,000)	....	(10,000)
State Criminal Alien Assistance	248,375	....	400,000	250,000	300,000
Cooperative Agreement Program	4,968	....	2,500	....	2,000
Indian Assistance	17,883	4,436	13,000	18,000	15,000
(Tribal Prison Construction)	(4,968)	....	....	....	(2,000)
(Indian Tribal Courts Program)	(7,948)	....	(8,000)	....	(8,000)
(Alcohol and Substance Abuse)	(4,967)	(4,436)	(5,000)	....	(5,000)
Edward Byrne Law Enf. Assistance	646,683	615,000	588,575	659,117	
(Formula Grants)	(496,750)	....	(500,000)	(500,000)	(500,000)
(Discretionary Grants)	(149,933)	....	(115,000)	(88,575)	(159,117)
USA Freedom Corps	....	14,669	....	....	....
Justice Assistance Grants	....	585,990	....	....	....
(Boys and Girls Club)	....	(60,000)	....	....	....
(Indian Tribal Courts Program)	....	(5,921)	....	....	....
(National Institute of Justice)	....	(19,956)	....	....	....
Violence Against Women Grants	387,629	373,487	....	406,000	....
Victims of Trafficking Grants	9,935	....	10,000	....	10,000
State Prison Drug Treatment	64,577	74,233	70,000	....	....
Drug Courts	44,708	64,360	55,000	43,500	38,500
Juvenile Crime Block Grant	188,765				
(Project ChildSafe)	(24,838)	....	....	....	....
Prescription Drug Monitoring	7,451	....	10,000	....	7,000
Prison Rape Prevention	12,915	....	60,000	....	37,175
Terrorism Prevention Training	14,902	....	....	....	....
Other Crime Control Programs:					
State and Local Training	....	3,907	1,000	....	1,000
Missing Alzheimer's Patients	892	....	892	500	892
Law Enforcement Family Support	1,487	....	1,487	1,000	....
Motor Vehicle Theft Prevention	1,292	....	....	1,500	....
Seniors Vs. Marketing Scams	1,982	....	1,982	2,000	2,000

($'s in 000's)

	FY 03 enacted	FY 04 request	FY 04 House	FY 04 Senate	FY 04 conf.
Prior Year Balances	(20,854)	(11,622)			
Total, State and Local Assistance	2,030,990		1,640,861	1,461,075	1,297,684

State Criminal Alien Assistance Program.—The conference agreement provides $300,000,000 for the State Criminal Alien Assistance Program instead of $400,000,000 as provided by the House and $250,000,000 as provided by the Senate. The Administration proposed eliminating this program. The conference agreement includes bill language directing funds to be disbursed only as a direct reimbursement for each States' documented costs for incarcerating undocumented criminal aliens.

Indian Country Grants.—The recommendation provides $15,000,000 for Indian Country grants. The conferees understand that the Comprehensive Indian Resources for Community Law Enforcement (CIRCLE) initiative is working well. The conferees urge the Department to consider ways to expand the CIRCLE project into other communities.

Edward Byrne Grants to States.—The conference agreement includes $659,117,000 for the Edward Byrne Memorial State and Local Law Enforcement Assistance Program, of which $159,117,000 is for discretionary grants and $500,000,000 is for formula grants.

Within the amount provided for Byrne formula grants, the conferees ask Governors and relevant State and local officials to review the following proposals and provide a grant if warranted: Arkansas Methamphetamine Lab Project, Criminal Justice Institute; Barron-Rusk County, Wisconsin Drug Task Force; Caddo Parish, Louisiana Methamphetamine Enforcement; COPS Methamphetamine Drug Hot Spots Program, Arkansas State Police; Drug Endangered Children rapid response team in Iowa; Arizona methamphetamine program; Law Enforcement Innovation Center at Knoxville, Tennessee; Drug Interdiction Team to seize illegal drugs transported into Iowa; Enhancing illegal drug trafficking investigations by State and local authorities in Iowa; Arizona violent crime scene response; Greenbook Project, Maryland; Iowa Drug-Free Workplace Education Project; Meth Safe housing pilot project, Iowa Office of Drug Control Policy; Methamphetamine enforcement efforts in Nevada; Methamphetamine Enforcement, State of Indiana; Methamphetamine Interdiction Program in Northwest Louisiana; Methamphetamine Montana Initiative; Methamphetamine Program for Washington State; Multnomah County, Oregon Children's Receiving Center; Nebraska Methamphetamine Drug Hot Spots Program; Idaho methamphetamine initiative; New York City Specially-Targeted Offenders Program; Oglala, South Dakota Youth Court/Court Systems; Oregon Meth Lab Surveillance and Seizure Program; Savannah, Georgia Impact Program; ShareHouse Methamphetamine Treatment Project in North Dakota; South Central and East Central Iowa Meth Lab Task Forces; Texas State University Advanced Law Enforcement Rapid Response Training Center; Chicago Project for Violence Prevention; Elderly Fraud Prevention Initiative in Iowa; Arkansas State Police's Methamphetamine Drug Hot Spots Program; and Methamphetamine Drug Program for Washington State.

Within the amounts provided for discretionary grants, OJP is expected to review the following proposals, provide grants if warranted, and report to the Committees on Appropriations regarding its intentions.

$5,000,000 for the National Crime Prevention Council;

$444,000 to the Southwest Montana Drug Task Force to deter the use, distribution, and manufacture of dangerous drugs;

$1,800,000 for a case management system for the Delaware State courts;

$500,000 to the Bernalillo County, NM, Metro Court Domestic Violence Pilot Project;

$2,000,000 for the Tools for Tolerance program in California;

$2,000,000 for continued support for the expansion of SEARCH Group, Inc. and the National Technical Assistance and Training Program to assist States, such as West Virginia and Alabama, to accelerate the automation of fingerprint identification process;

$150,000 for the University of North Dakota's Native Americans Into Law program to recruit and retain American Indian law students;

$550,000 for Turtle Mountain Community College for Project Peacemaker;

$1,146,000 for Child-Safe Personalized Weapons-Smart Gun, NJ;

$100,000 to the City of Custer, SD, for law enforcement equipment;

$100,000 to the South Dakota Association of County Commissioners for law enforcement communications equipment;

$1,000,000 for behavioral health research at the University of Connecticut for at-risk youth;

$650,000 for the National Center for Victims of Crime and INFOLINK;

$300,000 for Mujeres Latinas En Accion, IL, to expand its community-based program for domestic abuse and sexual assault victims;

$3,000,000 for a law enforcement information sharing program in CA;

$900,000 for the Iowa Jail Drug Treatment Pilot Project;

$500,000 to the University of South Carolina for the National Center for Prosecutorial Ethics;

$250,000 for the Children's Medical Assessment Center in South Carolina to extend forensic healthcare services to outlying rural areas, and to extend the tracking and medical case management programs to all law enforcement jurisdictions in the local Tri-County area;

$695,000 for the South Carolina Domestic Violence Reduction Initiative, of which: $150,000 is for Safe Passage which assists victims in Chester, Lancaster, and York Counties; $150,000 for Safer Harbor which assists victims in Greenville and Anderson Counties; $175,000 for Safe Homes which assists victims in Spartanburg; and $220,000 for the Cumbee Center to Assist Abused Persons, which assists victims in Aiken, Barnwell, Allendale, Edgefield, McCormick, and Saluda Counties;

$4,750,000 for the Executive Office of U.S. Attorneys to support the National District Attorneys Association's participation in legal education training at the National Advocacy Center;

$100,000 to the Medical University of South Carolina for an innovative and effective program which helps single head-of-household women with children reject a life of crime and drugs and build a self supporting lifestyle;

$150,000 for the City of La Crosse Community Policing Plan;

$300,000 for the Barron Rusk County, WI, Drug Task Force;

$1,100,000 for the Vermont Drug Task Force;

$250,000 for the University of Arkansas' program to reduce Family Violence through Workplace Interventions;

$2,200,000 for the Baltimore City, MD, Drug Enforcement and Eradication Program;

$300,000 to the Prince George's County, MD, Neighborhood Watch Program;

$250,000 to the Washington Public Building Mapping System;

$400,000 to Milton R. Abrahams Legal Clinic at Creighton University, NE;

$250,000 for the North Kingstown, RI, Police Department for equipment and related expenses;

$300,000 to the John Hope Settlement House in Providence, RI, for a family support center;

$200,000 for the Las Vegas, NV, Metropolitan Police Forces' Special Weapons and Tactics [SWAT] Team;

$200,000 for the UNLV Boyd School of Law;

$400,000 for Las Vegas, NV, for communications equipment;

$500,000 for the Community Action Neighborhood Empowerment Program in Erie County, NY;

$7,500,000 for the Southeast National Law Enforcement and Corrections Technology Center for the implementation of Project SEAHAWK. Funding is provided for the acquisition of communications equipment, computer software and hardware technology, and research and development needed to execute the project;

$850,000 for Nebraska Statewide Drug Enforcement and Lab equipment;

$1,100,000 for an alcohol interdiction program designed to investigate and prosecute bootlegging crimes as part of a statewide effort to reduce fetal alcohol syndrome in Alaska;

$250,000 for the Catholic Charities of Maine, Rapid Response Program;

$800,000 for the Haymarket Center's Rehabilitative Confinement Program;

$150,000 for the Alabama Criminal Justice Training Center;

$1,250,000 for Abilene, TX, for law enforcement technologies;

$400,000 to the Montana Food Bank Network/Montana Correctional Enterprises for cannery operations;

$100,000 for the Morgan County, KY, Sheriff's Department;

$2,000,000 to the Municipality of Anchorage, AK, for response to illegal drug and alcohol use for homeless veterans;

$500,000 for the Pittsburgh, PA, Police Bureau's Virtual Perimeter Video Surveillance system, which allows live monitoring of multiple locations by robotic cameras;

$100,000 to the Alabama Sentencing Commission for a simulation model of the Alabama sentenced offender population;

$210,000 for the Alaska DARE Coordinator;

$500,000 to establish the Belknap, NH, Regional Special Operations program;

$150,000 for the Nebraska Statewide Drug Treatment and Prevention program;

$1,000,000 for the New Mexico Administrative Office of the Courts to support Dependency Drug Courts in three judicial districts;

$750,000 for the Center on Domestic Violence at the University of Colorado in Denver;

$2,000,000 for Anchorage Sexual Response Assault Team to investigate and prosecute rapes;

$1,000,000 for the Davidson County, TN, Drug Court Program;

$400,000 for the Philadelphia, PA, Safe Streets Initiative;

$2,500,000 for the Missouri MOSMART Program;

$500,000 for the New Hampshire Phoenix House information technology upgrade project;

$1,500,000 for continuation of Operation Streetsweeper;

$250,000 for Partners for Downtown Progress in Alaska;

$1,000,000 for the Montana Public Safety Services Office for law enforcement equipment;

$122,000 for the Powder Springs Police Force in Cobb County, GA for new equipment;

$1,000,000 for the Alaska Native Justice center to develop recommendations in consultation with AFN, RuralCap, and AITC on rural justice and law enforcement;

$500,000 for technology upgrades for the New Hampshire Department of Motor Vehicles substation;

$300,000 for the Protection of Senior Citizens, Indianapolis, IN, Housing Authority;

$1,000,000 for the inclusion of the New Hampshire Department of Motor Vehicles in the public safety communications network;

$3,000,000 for the Innovative Partnerships for High Risk Youth demonstration project run by Public/Private Ventures;

$3,000,000 for the National Fatherhood Initiative;

$1,000,000 for the Strategic Medical Intelligence Initiative Partnership at the University of Pittsburgh Medical Center;

$750,000 for law enforcement equipment upgrades in Midwest City, OK;

$650,000 for the Alaska Public Safety Academy;

$750,000 for Fisk University's Security Enhancement Initiative, Nashville, TN;

$1,500,000 for the National Judicial College;

$1,100,000 for Security Enhancement Programs for the South Carolina Palmetto Expo Center;

$500,000 for equipment and supplies for the Ocean Springs, Mississippi Police Department;

$1,000,000 for the Western Forensic Science & Law Enforcement Training Center;

$750,000 for the Alaska Youth Community Policing Initiative;

$1,500,000 to An Achievable Dream in Virginia;

$500,000 for the Pennsylvania Commission on Crime and Delinquency for integrated justice data hubs;

$1,000,000 for the Cook County Cold Case Homicide Unit;

$1,200,000 for the Drug Abuse Resistance Education (DARE) program;

$20,000 for the City of Massillon, OH, Police Department for law enforcement technologies and to combat gang and drug-related activities;

$8,000,000 for Operation UNITE for a drug enforcement, treatment and education program;

$1,250,000 for the Rural Law Enforcement Technology and Training Center;

$500,000 for the Phoenix House Upstate New York Drug Treatment Alternative for offenders;

$750,000 for Excelsior College for law enforcement training programs;

$25,000 for Transylvania County, NC, Sheriff's Citizens Observer Patrol and Education Team;

$700,000 for the New Orleans, LA, Police Department for crime fighting initiatives;

$200,000 for the Orleans Parish, LA, District Attorney's Office for crime fighting initiatives;

$200,000 for the Louisiana State Police for equipment to assist in investigating crimes;

$200,000 for the Iberia Parish Sheriff's Department for equipment to assist in investigating crimes;

$200,000 for the Calcasieu Parish Sheriff's Department for equipment to assist in investigating crimes;

$200,000 for the Caddo Parish District Attorney's Office for equipment to assist in investigating crimes;

$200,000 for the Jefferson Parish District Attorney's Office for equipment to assist in investigating crimes;

$1,500,000 for the Washington Metropolitan Area Drug Enforcement Task Force (MATF);

$1,000,000 for the Northern Virginia multijurisdictional anti-gang task force;

$732,000 for the Virginia Attorney General's Office for a Computer Crime Unit ($115,000), a gang task force ($500,000), and the Triad program ($117,000);

$2,500,000 for Mothers Against Drunk Driving for education and victims assistance programs;

$500,000 for the Northern Virginia Criminal Justice Academy;

$250,000 for Gospel Rescue Ministries;

$1,000,000 for the Fuller Theological Seminary for a conflict resolution program;

$50,000 for the Virginia Commonwealth Attorneys Service Council for the TOP GUN program to partner law enforcement and prosecutors to combat violent crime throughout Virginia;

$1,540,000 for pre-release and post incarceration services programs for the Commonwealth of Virginia;

$750,000 for The Doe Fund's Ready, Willing & Able program;

$1,230,000 for court programs in the Commonwealth of Virginia to combat drug use and drug related crimes;

$660,000 for the Virginia Community Policing Institute;

$350,000 for the Northwest Virginia Regional Drug Task Force;

$500,000 for the Courtroom 21 program at William and Mary College;

$600,000 for the Protecting Children Against Sex Offenders in Fairfax County, VA;

$100,000 for the Virginia State Police to deal with gang violence in the City of Richmond;

$750,000 for a child abuse prevention program in Norfolk, VA;

$500,000 for the National Motor Vehicle Title Information System to reduce vehicle theft and fraud;

$500,000 for the Tarrent County, TX, District Attorney's Office for an Automated Fingerprint Identification System;

$2,000,000 for the Center for Court Innovation;

$110,000 for the Virtual Simulation Project for Clark State Community College's Police Academy in Springfield, OH;

$500,000 for a crime fighting initiative with the University of Central Oklahoma, the City of Edmond, OK and the Oklahoma State Bureau of Investigation;

$1,000,000 for the Oakland County, MI, Sheriff's Department for an Identification Based Information System (IBIS) including portable hand-held digital fingerprint and photo devices for patrol cars;

$350,000 for Iowa State University for specialized criminal justice research;

$350,000 for a Regional Law Enforcement Training Program at Iowa Central Community College in Fort Dodge, IA;

$500,000 for the Redlands, CA, Police Department for a crime mapping project;

$1,000,000 for the National Training and Information Center (NTIC);

$1,000,000 for the National Center for Justice and the Rule of Law at the University of Mississippi School of Law to sponsor research and produce educational seminars and training programs for judges, court personnel, prosecutors, police agents, and attorneys;

$3,000,000 for the National Clearinghouse for Science, Technology, and the Law at Stetson University College of Law;

$200,000 for the Pinellas County, FL, Sexual Predator Unit;

$2,000,000 for the National Forensics Science Technology Center;

$250,000 for a law enforcement initiative in Tampa Bay, FL;

$500,000 for the Florida Gulf Coast University for equipment and training for law enforcement efforts;

$500,000 for Kristen's Act;

$1,000,000 for the University of Houston to study in-car law enforcement technologies;

$250,000 for the DuPage County State's Attorney's Office for the Child Victim Witness Project for criminal investigators;

$500,000 for Kane County, IL, for a drug rehabilitation court;

$750,000 for the Columbus, OH, Police Department for an automated fingerprint identification system;

$300,000 for the Ascension Parish Sheriff's Office for a regional training center for cybercrime monitoring and enforcement activities and for law enforcement administration training;

$2,500,000 for National Institute of Justice's Cyber Science Laboratory in Rome, NY;

$100,000 for the Cathedral City, CA Police Department for an After-School Program;

$300,000 for the National Association of Town Watch's National Night Out crime prevention program;

$300,000 for the Savannah Impact Program for an offender re-entry program;

$250,000 for Orange County, CA, for a mobile regional gang enforcement team;

$300,000 for Orange County, CA, for an integrated law and justice program;

$300,000 for The Women's Center in Vienna, VA;

$200,000 for the City of Fairfax, VA, for law enforcement equipment;

$300,000 for Mercyhurst College in Erie, PA, for law enforcement training;

$200,000 for the City of Chesapeake, VA, Police Department for law enforcement expenses;

$300,000 for Gun Crimes Reduction Task Force in Ventura County, CA;

$300,000 for the Buchanan County, MO, Drug Strike Task Force;

$300,000 for the Rural Justice Institute at Alfred University;

$300,000 for the University of Notre Dame in collaboration with State University of New York (SUNY) Stony Brook for law enforcement technologies research;

$100,000 for the College of the Cannons in Santa Clarita Valley, CA for law enforcement training;

$200,000 for the Belmont Harrison Juvenile District for female inmate programs;

$750,000 for the San Joaquin Valley Rural Crime Prevention Program;

$300,000 for the Eddy County, NM, Detention Center for inmate programs to reduce recidivism;

$300,000 for the Regional Counter Drug Training Academy for law enforcement training;

$150,000 for York County, PA, for a court records improvement program;

$250,000 for the Stanislaus County, CA, Meth Gang Enforcement Project;

$200,000 for the City of Virginia Beach, VA, Sheriff's Department for law enforcement expenses;

$6,000,000 for the Police Athletic League;

$100,000 for the Men Ending Domestic Violence program in Swansea, IL;

$300,000 for Altoona, PA, for an offender reintegration program;

$300,000 for the Norwich, CT, Police Department for a program to investigate sexual predators on the Internet;

$100,000 for the Polaris Project;

$180,000 for the Check'em Out program in Hamilton Township, NJ;

$300,000 for the Houma, LA, Police Department for law enforcement expenses;

$150,000 for the Kern County, CA, District Attorney for equipment to assist in criminal gang investigations;

$250,000 for the Second Judicial District of New Mexico for a gun violence reduction program;

$250,000 for Greenbook;

$250,000 for the National Center for Rural Law Enforcement's Internet Project:

$250,000 for the Law Enforcement Memorial Act;

$250,000 for John Jay Criminal College and Lehman College of the City University of New York for law enforcement research;

$150,000 for the Midtown Community Justice Center in Milwaukee, WI, for restorative justice programs;

$1,500,000 for the City of Alexandria and the County of Arlington, VA to enhance law enforcement activities;

$250,000 for the Local Initiatives Support Corporation;

$600,000 for St. Louis County, MO, to enhance local law enforcement efforts;

$750,000 for the California Department of Justice for the San Francisco Bay area sexual assault screening program;

$1,500,000 for New York University for law enforcement research;

$50,000 for Sistas and Brothas United;

$400,000 for the Latino Pastoral Action Center;

$100,000 for "Servicing our Youth";

$100,000 for the Restorative Justice and Good Citizenship Initiative in Chicago, IL;

$100,000 for Solano County, CA, for enhanced law enforcement activities;

$250,000 for the Arkansas Law Enforcement Training Academy;

$300,000 for the Puerto Rican Legal Defense and Education Fund to conduct a study of the participation of Latinos in the federal criminal justice system;

$400,000 for "Sanctuary for Families" for programs in support of at-risk women and children:

$600,000 for the Urban Justice Center;

$1,000,000 for the National Corrections and Law Enforcement Training and Technology Center in Moundsville, WV;

$200,000 for the American Cities Foundation for a drug and alcohol demand reduction program;

$460,000 for the Philadelphia District Attorney's Office for criminal justice enhancements;

$250,000 for the New York Prosecutors Training Institute for enhancement of the Spectrum Justice and Prosecutors Case Management software systems;

$500,000 for "Urban Dreams" in Des Moines, IA, for programs in support of at-risk youths;

$400,000 for the Maine Rural Substance Abuse Partnership;

$500,000 for Midamerica Nazarene University's (MNU) Criminal Justice Program;

$500,000 for the National Children's Alliance Child Abuse Case Tracking, Reporting and Management System;

$200,000 for the College of Mount Saint Vincent for criminal justice research and development;

$250,000 for Phoenix House to enhance drug treatment options in New York City, NY;

$100,000 for the Municipality of Barceloneta, PR, to expand law enforcement efforts;

$500,000 for Touro College Jacob D. Fuchsberg Law Center for criminal justice research;

$200,000 for the Milwaukee County, WI, Community Justice Day Reporting Center to expand program activities;

$500,000 for YouthServe, a project of the "Builder for the Family and Youth," to develop programs in support of at-risk youths;

$150,000 for the Substance Abuse Referral and Prevention, Suicide Prevention and Mental Health Promotion Online Demonstration Project in New York, NY;

$900,000 for "The Fortune Society" for the Community Re-entry program;

$250,000 for Bexar County, TX, for the Jail Diversion Program Model;

$50,000 for the Greater Woodhaven Development Corporation to address quality of life crimes;

$500,000 for the North Las Vegas and Las Vegas, NV, Police Departments to enhance law enforcement efforts;

$150,000 for the "Home Again" Offender Re-Entry Project in Indianapolis, IN;

$100,000 for Provident Counseling's Domestic Violence Prevention Program;

$100,000 for the City of North Miami Beach, FL, for a law enforcement initiative;

$50,000 for the African Community Resource Center for professional counseling for victims of domestic violence;

$100,000 for the County of Santa Clara, CA, for the Financial Abuse Specialist Team;

$100,000 for PAX New York for the SPEAK UP Hotline;

$100,000 for the City of Pittsburgh, PA, Police Bureau to enhance the Witness Protection Program;

$100,000 for the San Jose, CA, Police Department for law enforcement enhancements;

$500,000 for the National Institute on State Policy on Trafficking of Women and Girls at the Center for Women Policy Studies;

$100,000 for the City of Seattle, WA, Precinct Liaison Program;

$100,000 for the White Earth Nation in White Earth, MN, for criminal justice enhancements;

$50,000 for the Southeast Law Enforcement Center;

$100,000 for the Warren Urban Minority Alcohol and Drug Abuse Outreach Program in Trumbull County, OH;

$100,000 for the Village of Leetonia, OH, for a school resource officer program;

$100,000 for NOVA Southeastern University's Community Resources, Partnerships & Solutions project;

$50,000 to Taylor County, WI, for the Restorative Justice Program;

$100,000 to the Bayfield, WI, Police Department for enhanced law enforcement activities;

$200,000 to the Marathon County, WI, Sheriff's Department for a methamphetamine response team;

$600,000 for the Alliance for Children and Families in Milwaukee, WI, for the Legal Intervention for Employment Expansion project.

Harold Rogers Prescription Drug Monitoring Program.—The conference agreement includes $7,000,000 to assist States in building or enhancing prescription drug monitoring systems, facilitating the exchange of information between States, and providing technical assistance and training on establishing and operating effective prescription drug monitoring programs.

Prison Rape Prevention and Prosecution.—The conference agreement provides $37,175,000 for implementation of the Prison Rape Elimination Act of 2003 (Public Law 108–79). The conference agreement provides up to $10,000,000 for the collection of statistics, data and research as authorized by section 4 of the Act; $5,000,000 is provided for the National Institute of Corrections for a national clearinghouse, training and education as authorized by section 5 of the Act; $20,000,000 is provided for grants to States to protect inmates and safeguard communities as authorized by section 6 of the Act. If the entire $10,000,000 provided for statistics, data and research is not utilized, the conferees expect these funds to be used to make additional grants to States. An additional $2,175,000 shall be transferred to the National Prison Rape Reduction Commission.

Victims of Trafficking.—The conference agreement includes $10,000,000 for victim services programs to assist victims of trafficking as authorized by the Victims of Trafficking and Violence Protection Act of 2000. The conferees expect the Office of Victims of Crime to work with the Office of Juvenile Justice and Delinquency Prevention on child exploitation issues.

Drug Courts.—The conference agreement provides $38,500,000 for the Drug Courts program. The conferees note that funding for drug courts is an eligible expense under the Local Law Enforcement Block Grant program, the Byrne program, and Juvenile Justice Programs.

Law Enforcement Family Support and Motor Vehicle Theft Prevention.—The conferees understand that sufficient funding is available in prior year unobligated balances to continue to fund these programs during fiscal year 2004.

WEED AND SEED PROGRAM FUND

The conference agreement includes $58,542,000 for the Weed and Seed program as provided by the Senate. The conference agreement adopts by reference the House report language requiring OJP to submit a report to the Committees on Appropriations on the coordination of the Weed and Seed program with Project Safe Neighborhoods, the Bureau of Alcohol, Tobacco, Firearms and Explosive's Youth Crime Gun Interdiction Initiative and other Department of Justice and Federal programs.

COMMUNITY ORIENTED POLICING SERVICES

The conference agreement includes $756,283,000 for Community Oriented Policing Services (COPS) programs instead of $682,933,000 as proposed by the House and $656,636,000 as proposed by the Senate. The conference agreement provides significant resources above the request to enhance the ability of the COPS office to accomplish their mission of advancing community policing practices. While the conferees appreciate the Administration's need to address its Federal counterterrorism responsibility, this need should not preclude the Administration from executing other law enforcement responsibilities such as local law enforcement programs aimed at ensuring community safety.

The table below displays the funding provided in the conference agreement compared to the level of funds requested under the COPS and Justice Assistance headings for similar activities and compared to the levels provided in the House and Senate bills.

[$ in 000's]

Program	Enacted	Request	House	Senate	Conference
Hiring	198,700	....	....	200,000	120,000
Training and Technical Assistance	20,528	20,662	20,662	(10,000)	(5,000)
Tribal Law Enforcement	34,773	30,000	30,000	20,000	25,000
Meth Hot Spots	56,761	20,000	60,000	....	54,050
COPS Technologies	188,719	50,000	100,000	83,960	158,407
Interoperable Communications	74,620	....	....	140,000	85,000
Safe Schools Program	15,111	....	....	17,000	4,600
Police Integrity Grants	16,853	16,963	17,000	5,000	10,000
Management and Administration	32,782	26,130	26,130	35,000	30,000
Prior Year Balances (Rescission)	....	(6,378)	....	....	....
Bullet-Proof Vests	25,279	24,143	25,000	25,000	25,000
Police Corps	14,903	28,315	28,315	15,000	15,000
Criminal Records Upgrade	39,740	56,924	56,924	....	30,000
DNA/Crime Lab Initiative	81,009	174,353	174,353	19,050	100,000
Paul Coverdell Forensic Science	[4,968]	....	5,000	15,000	10,000
DC Court and Fugitive Task Forces	....	....	41,105	....	....
Crime Identification Technology Act	68,626	....	....	36,626	24,226
Safe Schools Technologies	[16,890]	....	....	[10,000]	[5,000]
SW Border Prosecutor Program	39,740	48,063	40,000	15,000	30,000
Gun Violence Reduction Assistance	44,708	47,683	45,000	15,000	30,000
Offender Re-Entry	14,837	13,504	13,504	5,000	5,000
Project Sentry	9,935	....	....	10,000	....
Total	977,624		682,993	656,636	756,283

COPS Hiring Program.—The conference agreement includes $120,000,000 for the hiring of law enforcement officers, of which $60,000,000 shall be for school resource officers. From within available amounts, $5,000,000 is for training and technical assistance. The conference agreement adopts by reference the House report language concerning events of national or regional importance and directing COPS to submit a report to the Committees on Appropriations on "best practices" within 180 days of enactment of this Act.

Bulletproof Vests.—The conference agreement includes $25,000,000 for the Bulletproof Vests program. The conferees request that the Department of Justice conduct a study and submit a report to the Committees on Appropriations on the National Institute of Justice's (NIJ) voluntary testing protocols and minimum standards for body armor to determine the extent to which the efficiency of those voluntary testing protocols and minimum standards for body armor correlates with successful and improved law enforcement officer and public safety, and include any recommendations for improving the efficiency and safety of these voluntary testing protocols and minimum standards for body armor. The report must address, but is not limited to, the criteria used by the NIJ to establish voluntary standards of testing and evaluation to identify minimum performance standards for body armor critical to protecting officers from ballistic threats; when the NIJ last updated the minimum performance standards for body armor; the qualifications and factors used by the NIJ to determine the need to update minimum performance standards for body armor; why the NIJ testing protocols only rate body armor in the newest possible condition; and why the NIJ does not test the deterioration of body armor actually worn by officers in the field to determine if such materials and body armor constitutes to comply with the NIJ minimum performance standards during the warranty period of the body armor.

Police Corps.—The conference agreement includes $15,000,000 for the Police Corps program. The conferees are disappointed that the Police Corps program did not submit a fiscal year 2003 financial plan as requested in the fiscal year 2003 conference report. The conferees believe it is important for this program to standardize the funding provided for recruit training and require State matching funds for training costs. The conferees are also disappointed that the Police Corps program has not submitted the requested report describing OJP's efforts to incorporate terrorism prevention and response training into the Police Corps program and discussing the feasibility of establishing regional Police Corps training centers. The conferees expect this report to be submitted as soon as possible and the conference agreement again directs OJP to submit a Police Corps financial plan no later than 180 days after enactment of this Act.

Methamphetamine Enforcement and Clean-Up.—The conference agreement includes $54,050,000 for State and local law enforcement programs to combat methamphetamine production and distribution, to target drug "hot spots," and to remove and dispose of hazardous materials at clandestine methamphetamine labs.

Within the amount provided, the conference agreement includes $20,000,000 to reimburse the Drug Enforcement Administration (DEA) for assistance to State and local law enforcement for proper removal and disposal of hazardous materials at clandestine methamphetamine labs. The conference agreement provides $5,000,000 for training, technical assistance and grants to localities with highest priority needs. The conference agreement adopts by reference the House report language concerning coordination with other Federal agencies.

In addition, within the amount provided, the conferees expect the COPS Program Office, in consultation with DEA, to examine each of the following proposals, to provide grants if warranted, and to submit a report to the Committees on Appropriations on its intentions for each proposal:

$1,500,000 for the Arizona methamphetamine program;

$1,100,000 for the Five County Southeastern Utah Methamphetamine Project;

$700,000 for Methamphetamine Enforcement for the State of Indiana;

$1,050,000 for the Louisiana Methamphetamine Task Force;

$750,000 to Prairie View Prevention Services in Sioux Falls, SD, to continue methamphetamine use prevention programs in South Dakota, and to facilitate integration of prevention and treatment services for at-risk youth;

$1,500,000 to fund meth lab task forces in Iowa's south central and east central counties;

$300,000 for the Iowa Tank Lock Methamphetamine Initiative;

$4,500,000 for Hawaii County Comprehensive Methamphetamine Response;

$1,000,000 to continue the efforts of the Wisconsin Methamphetamine Initiative;

$50,000 for the St. Croix, WI, District Attorney's Office Initiative to Combat Methamphetamine;

$600,000 for Marion County, OR, Methamphetamine Lab Surveillance and Seizure Program;

$500,000 for the Virginia State Police to assist their efforts in combating methamphetamine;

$300,000 for DeKalb, Cherokee, and Marion Counties, AL, for initiatives to combat methamphetamine;

$3,000,000 for the California Department of Justice, Bureau of Narcotic Enforcement, for the California Methamphetamine Strategy (CALMS);

$2,000,000 for the Washington State law enforcement methamphetamine initiative;

$240,000 for the Southeast Missouri Drug Task Force;

$2,200,000 for the Regional Methamphetamine Training Center in Sioux City, IA;

$750,000 for methamphetamine enforcement and clean-up initiatives in Kansas for the Cowley County, Montgomery County, and Butler County Sheriffs' Departments;

$1,000,000 for the Methamphetamine Task Force in East Tennessee, to fight the spread of meth labs in this region, including $50,000 for a video conferencing program at the Hamilton County District Attorney's Office;

$200,000 for the Chilton County, AL, Sheriff's Department to combat production and distribution of methamphetamine;

$300,000 for the Henderson County, TN, Sheriff's Department to combat production and distribution of methamphetamine;

$500,000 for the Arkansas Methamphetamine Law Enforcement Initiative;

$300,000 for the Riverside County, CA, Sheriff's Department to combat production and distribution of methamphetamine;

$300,000 for the Franklin County, MO, Sheriff's Department for Operation CHEM;

$100,000 for the Daviess County, KY, Sheriff's Department to combat production and distribution of methamphetamine;

$400,000 for the Oklahoma Bureau of Narcotics and Dangerous Drug Control Clandestine Laboratory Enforcement Program;

$550,000 for the Kansas Bureau of Investigation to combat the production and distribution of methamphetamine;

$300,000 for the Nebraska State Patrol to combat the production and distribution of methamphetamine;

$300,000 for the Henderson, NV, Police Department for equipment and technologies to combat the production and distribution of methamphetamine;

$700,000 for the Pennyrile Narcotics Task Force in KY;

$70,000 for the Lawrence County, AL, Sheriff's Office to assist their efforts against methamphetamine and narcotics production and distribution;

$200,000 for Phoenix House for methamphetamine treatment programs in Los Angeles, CA;

$250,000 for the Lincoln County, OR, methamphetamine project;

$100,000 for the City of Columbia, SC, methamphetamine initiative;

$100,000 for the Buffalo Trace/Gateway Narcotics Task Force to support a multi-jurisdictional task force methamphetamine training program;

$750,000 for the Minot State University Rural Methamphetamine Education Demonstration Project;

$100,000 for the Choctaw Nation methamphetamine initiative;

$100,000 for the State of Hawaii, including Oahu, Maui County, and Kaua'i County, for methamphetamine initiatives.

COPS Interoperable Communications Technology Program.—The conferees recommend $85,000,000 for the COPS Interoperable Communications Technology Program, in consultation with the Office of Science and Technology (OS&T) within the NIJ, as well as the Bureau of Justice Assistance (BJA). This program shall utilize the expertise of all three organizations to create a grant program that is highly responsive to the immediate needs of the State and local law enforcement community and that takes full advantage of the expertise and lessons learned from OS&T's and BJA's research and development in the field of interoperable law enforcement communications, particularly project AGILE.

This program should address the critical need of law enforcement to improve cross-jurisdictional communication, intelligence and information sharing. Grants shall be exclusively available to law enforcement agencies. Consistent with the existing COPS grant programs, the COPS Interoperable Communications Technology Program should include a 25 percent local match requirement and be available to both rural and urban communities.

Grants shall be available for both voice and data communications systems. Grants for voice communications systems shall be available for system upgrades and technologies to make existing communication systems compatible. Grants shall also be available for data communications systems to enhance law enforcement's abilities to share intelligence and to integrate existing local law enforcement legacy databases.

The COPS Office shall ensure that all grant awards comply with existing standards adopted by the OS&T, BJA and OLES. Within the funding provided, $1,000,000 shall be transferred to OLES to continue the development of a comprehensive suite of minimum standards for law enforcement communications.

The conferees expect the COPS Office to work with State, local, and Federal agencies through the Global Justice Information Sharing Initiative to address the communications and intelligence needs of law enforcement.

The conferees direct the COPS office to develop and submit to the Committees on Appropriations, no later than 45 days after the enactment of this Act, proposed guidelines for the program.

Law Enforcement Technology Program.—The conference agreement includes $158,407,000 for the COPS Law Enforcement Technology Program. The conference agreement adopts by reference the House report language concerning standards.

Within the amounts provided under this account, grants should be provided for the following:

$2,000,000 for the Ohio Palmprint AFIS Program;

$500,000 for forensics, crime scene collection, and drug detection abilities upgrades at the Sandy City, UT, Crime Lab;

$500,000 for the Regional Crime Lab at Missouri Southern State College;

$1,000,000 for Sam Houston State University to develop the Texas Center for Forensic Sciences, with a primary focus in the area of digital forensic science;

$250,000 for Washoe County, NV, Sheriff's Department of Forensics and DNA Analysis;

$500,000 to establish a police science laboratory at Holyoke Community College, MA;

$1,000,000 for Texas Tech University's Institute for Forensic Sciences;

$3,000,000 to the Louisville, KY, Regional Computer Forensic Laboratory;

$1,000,000 to Allegheny County, PA, to improve its forensic laboratories;

$1,000,000 to the University of Alabama at Birmingham's Forensic Science Institute;

$800,000 for the Ohio Attorney General's Office Crime Laboratory System Improvement Project;

$500,000 for medical examiner upgrades for the Jefferson County, AL, Medical Examiner's Office;

$450,000 to Brown University in Providence, RI, for a nanotechnology study of DNA sequencing methods;

$3,300,000 for Marshall University's Forensic Science Program;

$1,500,000 to the South Carolina Law Enforcement Division for continued funding to support the growing State and local law enforcement needs in the only full service forensic laboratory in South Carolina;

$1,000,000 for the Honolulu, HI, Police Department's Crime Lab Improvements;

$500,000 for planning, design, and equipment for the State of Vermont Forensic Laboratory;

$400,000 for the Stamford, CT, Police Department for law enforcement technologies;

$600,000 for Spokane, WA, Intelligence/Information Sharing Computer Systems;

$2,000,000 for the UNH/Keene State College Public Safety Management System;

$1,000,000 for the computer-aided dispatch system for Sedgwick County, KS;

$400,000 for law enforcement communications equipment in Osceola, FL;

$400,000 for a Technical Interoperability Project, NY;

$175,000 to the Billings, MT, Police Department to enhance the mobile data technology to provide constant locations of all cars;

$700,000 for equipment upgrades, City of Gary, IN;

$500,000 for the City of Fairfield, CA, Police CAD/RMS Dispatch and Records Project;

$2,277,000 to the Southeastern Law Enforcement Technology Center to partner with SPAWAR System Center Charleston to advance research and development into software radio technology;

$475,000 for Salem County, NJ, for law enforcement communications equipment;

$250,000 to Brown County, SD, to integrate communications systems with law enforcement;

$250,000 to the South Dakota Police Chiefs' Association and South Dakota Sheriffs' Association for technology and equipment;

$250,000 for the Adams County, IL, Sheriff's Department to upgrade law enforcement and communication technologies and to modernize equipment;

$1,050,000 for police technology grants to be equally divided between the cities of Barre, St. Albans, and Springfield, VT;

$850,000 to the City of Greenville, SC, Police Department for communication system upgrades;

$900,000 to the Southeastern Law Enforcement Technology Center for the deployment of shot spotter technology;

$2,000,000 to the State of Alaska for training Village Public Safety Officers and small village police offices and acquisition of emergency response and search and rescue equipment for rural communities;

$350,000 to the Newberry County, SC, Sheriff's Department for the purchase of mobile data computers;

$350,000 to Abbeville, SC, Sheriff's Department for mobile data computers and in-car cameras;

$1,000,000 for a grant to the Southeastern Law Enforcement Technology Center's Coastal Plain Police Communications initiative for regional law enforcement communications equipment;

$300,000 for Spartanburg County, SC, for an advanced emergency communications system;

$300,000 to the Union County, SC, Sheriff's Department for mobile data computers and communications upgrades;

$300,000 to the Greenwood County, SC, Sheriff's Department for the purchase of mobile data computers and communications upgrades;

$1,000,000 to the South Carolina Law Enforcement Division to continue funding for equipment to support a Federal and State collaboration of investigators and forensics experts to solve high technology crimes through one center;

$350,000 to the Hampton County, SC, Sheriff's Department for the purchase of computers and surveillance equipment necessary to patrol high crime areas of the county;

$300,000 for the Jasper County, SC, Sheriff's Department for the purchase of mobile data computers and in-car cameras;

$2,500,000 to Berkeley, Charleston and Dorchester Counties, SC, for a shared information system for local law enforcement;

$20,000 to the Yemassee, SC, Police Department for the purchase of radios and in-car cameras;

$1,000,000 to the State of Wisconsin's Office of Justice Assistance to create an integrated data-sharing system linking the criminal justice system throughout the State;

$1,000,000 for Wayne County, MI, for communications equipment and to complete its Global Positioning System project;

$635,000 for the Arkansas Justice Xchange Project;

$900,000 for the Internet Project at the Criminal Justice Institute;

$2,100,000 for the Wireless Network and Mobile Data Terminal Program in the City of Jackson, TN;

$400,000 for the Colorado Sex Offender Registry;

$500,000 to procure and evaluate Voice Monitoring and Logging equipment with embedded TACSCAN capability at designated locations;

$50,000 for investigative capability of the Kansas Bureau of Investigation's Computer Crime Section;

$1,000,000 for the Enforcement Technology Program in the City of Macon, GA;

$350,000 for VeriTracks in Georgia;

$2,500,000 for the Harrison County, MS, Public Safety Automated Systems;

$2,500,000 for the Land Mobile Radio project in Alaska;

$750,000 for the Criminal Justice Information Integration Project, City of Minneapolis, MN;

$1,500,000 for Harris County, TX, to purchase and install new interoperable radio hardware and software to provide and further enhance interoperable radio communications for public safety and first responders in the region;

$1,000,000 for law enforcement training equipment, City of Council Bluffs, IA;

$500,000 for Fairbanks, AK, Criminal Justice Data Sharing;

$3,000,000 for the Consolidated Advanced Technologies for Law Enforcement (CAT lab) program at the University of New Hampshire;

$1,000,000 to the City of Allentown, PA, to develop computer mapping and weekly accountability sessions;

$125,000 for the Plymouth State College, NH, police department for technology upgrades;

$1,250,000 for the Records Interoperability Initiative through the Consolidated Advanced Technologies for Law Enforcement;

$3,000,000 for the J-ONE information system in New Hampshire;

$2,500,000 to the Kenai Peninsula, AK, Borough Emergency Operations Center;

$1,000,000 to the University of Kentucky's Law School Electronic Access Project;

$3,000,000 for technology and equipment for the New Hampshire Department of Safety Statewide Interagency Emergency Operations and Communications System Center;

$2,000,000 to provide digital radio equipment and technology to the New Hampshire Department of Safety;

$500,000 for the Matanuska Susitna, AK, Borough Emergency Response Radio Network;

$2,000,000 for the Oklahoma Department of Public Safety for law enforcement equipment;

$250,000 to the New Hampshire Police Standards and Training for technology and upgrades;

$1,000,000 for a replacement communications system for Buchanan County, Missouri, the City of St. Joseph, and Heartland Health Law Enforcement Communications System;

$2,000,000 for law enforcement technologies to be split evenly between the City of Tuscon, AZ, Police Department and the Cochise County, AZ, Police Department;

$3,000,000 for the Stark County, OH, Sheriff's Department for law enforcement technologies;

$2,000,000 for a Regional Law Enforcement Technologies Program in Kentucky;

$3,000,000 for the Simulated Prison Environment Crisis Aversion Tools for programs in Alabama, North Carolina and Pennsylvania;

$100,000 for the New Orleans Metropolitan Crime Commission;

$150,000 for the Rapides Parish, LA, Sheriff's Department for law enforcement technologies;

$250,000 for the Loudoun County, VA, Sheriff's Department for law enforcement technologies;

$62,000 for the Town of Herndon, VA, Police Department for information technology requirements;

$500,000 for the Key West, FL, Police Department for law enforcement technologies;

$50,000 for the Fauquier, VA, Sheriff's Department for a mobile data system;

$400,000 for the Fairfax County, VA, Police Department for law enforcement technologies;

$2,000,000 for the Virginia Department of Criminal Justice Services, for the Integrated Criminal Justice Information System;

$80,000 for Hanceville, Douglas, Arab, and Blount County, AL, Police Departments for law enforcement technologies;

$2,000,000 for technology enhancements for law enforcement agencies in Middle Rio Grande Border Region of Texas;

$2,000,000 for the Criminal Information Sharing Alliance Network;

$500,000 for the Florida Department of Corrections for a system to electronically monitor criminal probationers and link their location to crime events;

$1,000,000 for Carlsbad, CA, for the Automated Regional Justice Information System;

$2,000,000 for I-SAFE America;

$1,500,000 for the Morris County, NJ, Police Department for law enforcement technologies;

$290,000 for Southside Virginia law enforcement agencies for law enforcement technologies;

$750,000 for the Placer County, CA, Sheriff's Department for law enforcement technologies;

$500,000 for the Plumas County, CA, Sheriff's Department for law enforcement technologies;

$100,000 for the Pickaway County, OH, Sheriff's Department for law enforcement technologies;

$500,000 for the Great Cities University Coalition to improve criminal justice data systems;

$250,000 for the City of Moultrie, GA, Police Department for law enforcement equipment;

$500,000 for the Scott County, IL, Sheriff's Department and the City of Winchester, IL, Police Department for law enforcement technologies;

$750,000 for the East Valley Community Justice Center in CA;

$250,000 for the San Bernardino, CA, Police Department for mobile data terminals;

$17,000 for the Anchorage, KY, Police Department for law enforcement technologies;

$100,000 for the Audubon Park, KY, Police Department for mobile data terminals and in-car video cameras;

$25,000 for the Jeffersontown, KY, Police Department for in-car video cameras;

$750,000 for the Louisville, KY, Metro Police Department for mobile data terminals, in-car video cameras and other law enforcement equipment;

$500,000 for the Idaho State Police for mobile data computers;

$500,000 for the Onondaga County, NY, Sheriff's Office for crime fighting technologies including cameras and video equipment, and mobile data terminals;

$125,000 for the City of Syracuse, NY, Police Department for mobile data terminals;

$700,000 for the City of Clearwater, FL, Police Department for law enforcement technologies;

$700,000 for the Pinellas County, FL, Sheriff's Department for information technology equipment;

$700,000 for the City of Largo, FL, Police Department for laptop computers for patrol cars;

$1,000,000 for the Los Angeles County, CA, Sheriff's Department for law enforcement technologies;

$50,000 for the Wyoming and Livingston Counties, NY, Sheriffs' Departments for law enforcement technologies;

$590,000 for Greene County, MO, for law enforcement technologies including an integrated justice system, video equipment for courtrooms, and information technologies for law enforcement;

$350,000 for Carl Junction, MO, for law enforcement technologies;

$1,000,000 for Greater Harris County, TX, for in-car police technologies;

$523,000 for St. Charles, IL, Police Department for law enforcement technologies;

$150,000 for the Hernando County, FL, Sheriff's Office for law enforcement technologies;

$250,000 for the Hanover County, VA, Sheriff's Office for law enforcement technologies;

$125,000 for the Town of Culpeper, VA, Police Department and the Culpeper County VA, Sheriff's Office for law enforcement technologies;

$75,000 for the Louisa County, VA, Sheriff's Office for law enforcement technologies;

$50,000 for the Page County, VA, Sheriff's Office for law enforcement technologies;

$300,000 for the Lake County, IL, Integrated Criminal Justice Information System;

$250,000 for the York County, VA, Sheriff's Department for law enforcement technologies;

$250,000 for the Stafford County, VA, Sheriff's Department for law enforcement technologies;

$100,000 for the Chesterfield County, VA, Police Department for law enforcement technologies;

$200,000 for the City of Suffolk, VA, Police Department for law enforcement technologies;

$200,000 for the City of Chesapeake, VA, Police Department for law enforcement technologies;

$40,000 for the Northampton County, VA, Sheriff's Office for in-car video cameras;

$50,000 for the Accomack County, VA, Sheriff's Office for in-car video cameras;

$410,000 for the Virginia Beach Police Department for law enforcement technologies;

$100,000 for the St. Clair County, AL, Sheriff's Department for law enforcement technologies;

$100,000 for the Jefferson County, AL, Sheriff's Department for law enforcement technologies;

$3,000,000 for Law Enforcement On-Line;

$300,000 for the Frederick County, MD, Sheriff's Office for law enforcement technologies;

$3,000,000 for the Center for Criminal Justice Technology;

$250,000 for Prince William County, VA, for a regional booking system;

$100,000 for the Lincoln County, NC, Sheriff's Office for mobile data terminals;

$100,000 for the Rutherford County, NC, Sheriff's Office for laptop computers;

$100,000 for the Cleveland County, NC, to establish video arraignment capabilities;

$200,000 for the City of Murrieta, CA, Police Department for mobile data terminals;

$300,000 for the Saginaw Chippewa Tribal Police Force;

$80,000 for the City of Charles Town, WV, for an electronic booking, fingerprint, and live scan systems and mobile data terminals;

$500,000 for the Cincinnati, OH, Police Department for a records management system;

$200,000 for the Loudon County, TN, Police Department for mobile data terminals;

$180,000 for the City of Oviedo, FL, Police Department for law enforcement technologies;

$50,000 for the Hillsborough, NJ, Police Department for mobile data terminals;

$160,000 for the Clark County, KY, Sheriff's Department for law enforcement technologies;

$500,000 for the Cobb County, GA, Sheriff's Department for a multi-level law enforcement technology system;

$500,000 for a consolidated law enforcement network for Rockingham County, VA, and the City of Harrisonburg, VA;

$250,000 for Lumber River, NC, for law enforcement technologies;

$250,000 for the Cabarrus County, NC, Sheriff's Department for a records management system;

$250,000 for Cape Fear, NC, for mobile data terminals for law enforcement;

$200,000 for the Maitland, FL, Police Department for mobile data terminals;

$750,000 for the St. Clair, MI, Sheriff's Department for law enforcement technologies;

$200,000 for the City of Greenville, NC, Police Department for mobile data terminals;

$20,000 for the Madison Township, OH, Police Department for mobile data terminals;

$300,000 for the Sacramento County, CA, Sheriff's Department for IT infrastructure upgrades including the Sheriff's Information Management System;

$300,000 for the City of Lancaster, PA, Police Department for law enforcement technologies;

$250,000 for the County of Contra Costa, CA, for an integrated justice information system;

$235,000 for the Navajo Nation in Arizona for law enforcement technologies;

$235,000 for the San Carlos Tribe in Arizona for law enforcement technologies;

$40,000 for Yavapai County, AZ, for law enforcement technologies;

$300,000 for the City of West Palm Beach, FL, Police Department for law enforcement technologies;

$250,000 for the City of Gainesville, FL, Police Department and the Alachua County Sheriff's Office for a crime data and mapping system;

$250,000 for the Cities of Bayamon and Guaynabo, PR, for enhanced law enforcement and crime prevention capabilities;

$300,000 for the Manchester Township, NJ, Police Department for law enforcement technologies;

$137,000 for the Hamilton Township, NJ, Police Department for law enforcement technologies;

$300,000 for Kalamazoo County, MI, for an integrated justice management system;

$300,000 for Kankakee County, IL, for an integrated criminal justice system;

$500,000 for the Sandy City, UT, Police Department and Justice Court for law enforcement technology improvements;

$500,000 for the Calvert County, MD, Sheriff's Department for squad car mobile data terminals;

$1,000,000 for the Maryland State Police Department for a police vehicle technology system;

$750,000 for the City of San Francisco, CA, to implement the Justice Information Tracking System;

$1,000,000 for San Francisco, CA, Bay Area law enforcement technology systems;

$1,000,000 for the City of Bastrop, LA, for law enforcement technology enhancements;

$255,000 for the Suffolk County, NY, Police Department for law enforcement technology;

$500,000 for the City of Des Moines, IA, for law enforcement technology;

$40,000 for the Whitpain Township, PA, Police Department for law enforcement technologies;

$250,000 for the Philadelphia, PA, Police Department for law enforcement technologies;

$500,000 for Clackamas County, OR, for law enforcement technologies;

$250,000 for Luzerne County, PA, for law enforcement technologies;

$300,000 for the Cities of Sumas, Lynden, and Blaine, WA, for law enforcement technologies;

$750,000 for the Snohomish County, WA, Sheriff's Department for palm-imaging technology;

$500,000 for the City of Macon, GA, Police Department for law enforcement technologies;

$50,000 for the Town of Lexington, AL, Police Department for law enforcement technologies;

$600,000 for the Cumberland, RI, Police Department for technology upgrades;

$250,000 for the North Providence, RI, Police Department for law enforcement technologies;

$2,000,000 for the City of Minneapolis and Hennepin County, MN, for law enforcement technologies;

$500,000 for AMBERVIEW;

$500,000 for the Steganography Analysis and Research Center;

$750,000 for the Kitsap County, WA, Sheriff's Department for law enforcement technologies;

$300,000 for the Erie County, OH, Sheriff's Department for technology improvements;

$150,000 for the Lucas County, OH, Sheriff's Department for technology improvements;

$100,000 for the Town of Greenburgh, NY, Police Department for law enforcement technologies;

$125,000 for the Town of Haverstraw, NY, for a targeting technology project;

$30,000 for the Village of Rye Brook, NY, for law enforcement technology equipment;

$38,000 for the Village of Tuckahoe, NY, Police Department for law enforcement technology;

$280,000 for Westchester County, NY, for law enforcement equipment;

$420,000 for the Counties of Westchester and Rockland, NY, for law enforcement technologies;

$210,000 for California University of Pennsylvania for support of the Crime Mapping Center;

$500,000 for Somerset, Fayette, Greene and Washington Counties, PA, for law enforcement technologies;

$125,000 for the West Springfield, MA, Police Department for technology upgrades;

$350,000 for the Worcester County, MA, Sheriff's Office for technology upgrades;

$100,000 for the Pittsfield, MA, Police Department for technology upgrades;

$300,000 for the Lake County, IN, Sheriff's Deptment for law enforcement technologies;

$300,000 for the Porter County, IN, Sheriff's Office for law enforcement technologies;

$500,000 for the Arkansas State Police for law enforcement technologies;

$100,000 for Georgia State University to implement an Improved Crime Data system;

$500,000 for the Marion County, SC, Sheriff's Department to implement a records management system;

$500,000 for the Shelton, CT, Police Department for law enforcement technologies;

$100,000 for the Woodbridge, CT, Police Department for law enforcement technologies;

$250,000 for the City of Dallas, TX, for law enforcement technologies;

$500,000 for the University of Texas at Arlington to conduct law enforcement research;

$500,000 for Tompkins County, NY, for law enforcement technologies;

$150,000 for the Worcester Polytechnic Institute for the development of law enforcement technologies;

$250,000 for the Phoenix, AZ, Police Department for law enforcement technologies;

$250,000 for the Chapel Hill and Cary, NC, Police Departments to provide in-car video cameras and other law enforcement technologies;

$150,000 for Bergen County, NJ, for law enforcement technologies;

$250,000 for the City of Madison, WI, for law enforcement technology upgrades;

$200,000 for the City of Sun Prairie, WI, for law enforcement technologies;

$200,000 for Westchester County, NY, for a Criminal Justice Data Warehouse;

$100,000 for the Milwaukee County, WI, Sheriff's Department for upgrading their mobile data computer system;

$500,000 for Hudson County, NJ, for law enforcement technologies;

$150,000 for the City of Pomona, CA, for law enforcement technologies;

$300,000 for the El Paso, TX, Sheriff's Department for law enforcement technology upgrades;

$200,000 for the City of Lakewood, CA, Sheriff Station for technology improvements;

$50,000 for the City of Fullerton, CA, for law enforcement technologies;

$200,000 for the West Covina, CA, Police Department for law enforcement technology improvements;

$100,000 for the Henderson, NC, Police Department for law enforcement technologies;

$200,000 for the California Highway Patrol for law enforcement technology upgrades;

$100,000 for the City of Portland, OR, Police Department for law enforcement technologies;

$150,000 for the San Luis Obispo, CA, County Sheriff's Department for law enforcement equipment;

$100,000 for the Government of the Virgin Islands for law enforcement technologies;

$300,000 for the City of Detroit, MI, for law enforcement technologies;

$100,000 for the City of San Diego, CA, for law enforcement technologies;

$100,000 for the City and County of Denver, CO, for law enforcement technologies;

$150,000 for the City of Austin, TX, Police Department for technology improvements;

$100,000 for the Borough of Spotswood, NJ, for law enforcement technologies;

$45,000 for West Windsor Township, NJ, for law enforcement technologies;

$30,000 for the Grand Coteau, LA, Police Department for law enforcement technologies;

$50,000 for the Lafayette, LA, Police Department for law enforcement technologies;

$20,000 for the Sunset, LA, Police Department for law enforcement technologies;

$100,000 for Jefferson County, TX, for law enforcement technology upgrades;

$300,000 for Sacramento County, CA, for law enforcement technologies;

$100,000 for the Jackson County, MO, Sheriff's Department for law enforcement technologies;

$100,000 for the City of St. Paul, MN, Police Department for law enforcement technologies;

$100,000 for the City of Baltimore, MD, Police Department to install in-vehicle video cameras;

$200,000 for the Missouri Police Chiefs Association for law enforcement technology upgrades;

$50,000 for Nevada County, AR, for law enforcement technologies;

$100,000 for the Little Rock, AR, Police Department for law enforcement technologies;

$100,000 for Tega Cay, SC, for law enforcement technologies;

$250,000 for Charlevoix-Cheboygan-Emmett, MI, for law enforcement technologies;

$100,000 for the Jackson County, MS, Sheriff's Department for law enforcement technologies;

$100,000 for the City of Jackson, MS, for law enforcement technologies;

$100,000 for the Essex County, MA, Sheriff's Department for law enforcement technologies;

$100,000 for "A Child Is Missing" for telephony research to locate missing persons;

$100,000 for the City of Rockville, MD, for law enforcement technologies;

$100,000 for the University of Southern California Advanced Simulation Training for law enforcement research;

$100,000 for the Haverhill, MA, Police Department for law enforcement technologies for the Crime Analysis Unit;

$100,000 for the Minnesota Association of County Probation Officers for law enforcement technologies;

$100,000 for the City of Evanston, IL, for law enforcement technologies;

$100,000 for Sumner, Macon, Bedford, Robertson, Wilson, and Putnam (TN) Counties for law enforcement technologies;

$100,000 for the Long Beach, CA, Police Department for law enforcement technologies;

$100,000 for the City of Inglewood, CA, for law enforcement technologies;

$100,000 for the City of Santa Rosa, CA, for law enforcement technologies;

$100,000 for the State of North Carolina for law enforcement technologies;

$100,000 for the Milburn, NJ, Police Department for law enforcement technologies.

Crime Identification Technology Act.—The conference agreement includes $24,226,000 for the Crime Identification Technology Act program, of which $5,000,000 shall be available for the Safe Schools Technology program.

The Committee has provided $2,500,000 for the Alaska Criminal Justice Information System to integrate Federal, State and local criminal records along with social service and other records. It expects the system design to include the capability to provide background checks on potential child care workers for child care providers and families with the permission of the job applicant. The State should consult with the National Instant Check System for technical expertise. Within the overall amounts recommended, the conferees expect OJP to examine each of the following proposals, to provide grants if warranted, and to submit a report to the Committees on Appropriations on its intentions for each proposal:

$4,000,000 for West Virginia University's Forensic Identification Program;

$1,500,000 for the South Carolina Law Enforcement Division [SLED] to continue funding for necessary equipment for SLED's criminal justice information system; to convert existing databases and integrate systems for accurate and rapid processing of information to support identifications for criminal and civilian purposes;

$9,400,000 for the South Carolina Judicial Department to continue purchasing equipment for the integration of the case docket system into a state-of-the-art comprehensive database to be shared between the court system and law enforcement;

$500,000 for the Minnesota Department of Public Safety's CriMNet system;

$1,000,000 for the establishment of a forensic DNA analysis lab at North Dakota State University;

$170,000 for the Case Management/Central Docketing System in Kansas;

$600,000 for the Orem City, UT, Consolidated Records Management System; and $56,000 for the Kansas Telephone-Toll Analysis System.

DNA Initiative.—The conference agreement includes $100,000,000 for a DNA initiative of which $55,000,000 shall be for eliminating the casework backlog; $5,000,000 shall be for eliminating the offender backlog; $30,000,000 shall be for strengthening crime lab capacity; $5,000,000 shall be for training the criminal justice community; and $5,000,000 shall be for using DNA to identify missing persons.

Improving Forensic Capabilities.—In addition to funding provided for the DNA initiative, the conference agreement provides $10,000,000 for Paul Coverdell Forensic Sciences Improvement grants.

The National Institute of Justice [NIJ], in conjunction with its own Office of Science & Technology, the American Society of Crime Lab Directors, the American Academy of Forensic Sciences, the International Association for Identification, and the National Association of Medical Examiners, is directed to develop a plan which will address the needs of the crime lab and medical examiner community beyond the "DNA Initiative" and report back to the Committees on Appropriations no later than 180 days from the date of enactment of this Act. The report should address the following: (1) manpower and equipment needs; (2) continuing education policies; (3) professionalism and accreditation standards; and (4) the level of collaboration needed between Federal forensic science labs and State/local forensic science labs for the administration of justice.

Southwest Border Prosecutors.—The conference agreement includes $30,000,000 for the Southwest Border Prosecutors initiative. The conference agreement adopts by reference the House report language directing the Department to study whether a similar number of cases are being referred to local prosecutors from Federal arrests along the Northern border. The Department shall report its findings to the Committees on Appropriations within 90 days of enactment of this Act.

Safe Schools Initiative.—The conference agreement includes $4,600,000 for programs aimed at preventing violence in public schools, and to support the assignment of officers to work in collaboration with schools and community-based organizations to address the threat of terrorism, crime, disorder, gangs, and drug activities.

Within the amount provided, the COPS office should examine each of the following proposals, provide grants if warranted, and submit a report to the Committees on Appropriations on its intentions for each proposal:

$750,000 for Alaska's Community in Schools Mentoring Program;

$1,000,000 for the University of Montana to facilitate a statewide community-based curriculum development initiative that promotes responsible behavior and reduces youth violence in schools and communities;

$250,000 to the Sioux Falls School District, in Sioux Falls, SD, for the Department of Corrections to School Transition Project;

$250,000 for the Rock Island County, IL, Regional Office of Education to implement the Step Ahead Program;

$500,000 for the New England Amer-I-Can Program;

$150,000 for the Uhlich Children's Home, IL, to support its school-based violence prevention, mentoring, leadership, and training programs;

$1,500,000 to provide community-based, cost effective alternative programs for juveniles who are, have been or may be subject to compulsory care, supervision or incarceration in public or private institutions in several States including South Carolina;

$200,000 for the Merit School of Music's afterschool program.

VIOLENCE AGAINST WOMEN PREVENTION AND PROSECUTION PROGRAMS

The conference agreement includes $387,629,000 for violence against women prevention and prosecution programs as proposed by the House. The Senate bill provided funding for these programs under the State and Local Law Enforcement Assistance account. The following table outlines the funding provided in the conference agreement:

[In thousands of dollars]

Program	*Conference*
STOP Grants	$168,334
(National Institute of Justice—R&D)	(5,200)
(Safe Start Program)	(10,000)
(Bureau of Justice Statistics)	—
CASA (Special Advocates)	11,897
Training for Judicial Personnel	2,281
Grants for Televised Testimony	994
Grants to Encourage Arrest Policies	64,503
Rural Domestic Violence Assistance Grants	39,685
Training Programs	4,957
Stalking Database	2,981
Violence on College Campuses	9,935
Civil Legal Assistance	39,740
Elder Abuse Grant Program	4,968
Safe Haven Project	14,903
Transitional Housing	15,000
Educ. & Training for Disable Female Victims	7,451
Total	387,629

JUVENILE JUSTICE PROGRAMS

The conference agreement includes $352,700,000 for Juvenile Justice programs, instead of $462,282,000 as proposed by the House and $232,330,000 as proposed by the Senate. The conference agreement provides for the following programs:

Juvenile Justice Programs

[In thousands of dollars]

	Amount
Management/Administration	$3,600
Part B—Formula Grants	84,000
Part D—Research, Eval., Tech. Assist. & Training	2,500
Part E—Developing New Initiatives	79,600

	Amount
Title V—Incentive Grants	80,000
(Tribal Youth)	(10,000)
(Gang Prevention)	(20,000)
(Enforcing Underage Drinking Laws)	(25,000)
(Big Brothers and Big Sisters)	(6,000)
Project Sentry	15,000
Secure Our Schools Act	10,000
Victims of Child Abuse Act Programs	13,000
Juvenile Accountability Block Grant Program	60,000
Project ChildSafe	5,000
Total	352,700

State Formula Grants.—The conference agreement includes $84,000,000 for the Part B—State Formula grants. The conferees ask Governors and relevant State and local officials to review the following proposals and provide grants if warranted: A Child Is Missing Program in Rhode Island; After School Program, YMCA of Greater Indianapolis; Alabama Community Intensive Treatment Program; Azalea Road Park Program in North Carolina; Beating the Odds Program of Pennsylvania; Boys and Girls Home of Nebraska Juvenile Justice Programs; Words Can Heal Program of Colorado; New York City High Risk Neighborhood Delinquency Reduction Program; Disproportionate Minority Youth Confinement Pilot of Michigan; California Law Enforcement Internet Safety for Children; Champ Chicota Youth Mentoring Program in Louisiana; Children Who Witness Violence Program, Cleveland, Ohio; Children's Law Center of Maine; Community Empowerment Association's ‘Friend–2–Friend’ Mentoring Program of Pennsylvania; Community Juvenile Justice Center of Montana; Community Outreach to Low-Income Families, Main Street Counseling of Orange, New Jersey; Comprehensive Child Abuse Center of Virginia; Family First Foundation of Pennsylvania; Iowa YMCA Rural Youth Mentoring Initiative; Juvenile Justice Center at Suffolk University; Leadership Academy, Abbeville, Alabama; Life Directions Peer Mentoring Partnership of Oregon; Louisiana Youth Seminar; Marion County, Oregon Juvenile Co-Occurring Disorders Pilot Project; Maine KidsPeace Therapeutic Foster Care Offices; Milwaukee Summer Stars; Kansas Temporary Lodging for Children Program; Milwaukee Youth Empowerment Sites; North Carolina KidsPeace Therapeutic Foster Care; Nevada Gang Database; New Mexico Cooperative Extension After-School Program; Omaha Council Bluffs Metropolitan YMCA; Our Club Program, Pulaski County, Arkansas Council for Children and Youth Services; Program for At Risk Youth, Greater Miami Tennis Foundation; Project Youth Anti-Violence Education in Kansas; Relief Nursery Services to Children of Incarcerated Parents in Oregon; River Rangers After-School Program of Rhode Island; Safer Learning Center of Illinois; SPEAK UP Hotline in New York; STOP the Violence—Students Taking On Prevention of California; Teen Angels program in New Jersey; The Restitution Earned, Accountability Learned Program in Nevada; New York City Commercial Sexual Exploitation of Children Program; Tuscaloosa YMCA At-Risk Youth Program; University of Delaware's Center for Drug and Alcohol Studies; Urban League of Eastern Massachusetts After-School Program; Youth Shelter Project in Clatsop County, Oregon; and Youth, Prepared for Success, New Jersey Council of Urban Leagues.

Discretionary Grants.—The conference agreement includes $79,600,000 for part E programs. Within the amounts provided, OJP is expected to review the following proposals, provide grants if warranted, and report to the Committees on Appropriations on its intentions.

$423,000 for improvements to the Juvenile Justice Information System in the State of Hawaii;

$2,000,000 for the First Tee program;

$310,000 for the Tuscaloosa YMCA At-Risk Youth Program;

$2,000,000 for the Alaska Child Abuse Investigation Program;

$4,000,000 for the Eisenhower Foundation for the Youth Safe Haven program;

$1,000,000 for Missouri Juvenile Justice Information System;

$25,000 for the Capitol Area Boy Scouts;

$150,000 for the Leadership Academy, Abbeville, Alabama;

$600,000 for the Alaska Children's Trust;

$547,000 for the National Child Protection Development and Training Center at Winona State University;

$750,000 to the Alaska Mentoring Demonstration Project;

$375,000 for the YMCA of Albuquerque, NM, for after-school programs for at-risk children;

$600,000 for the Birmingham Educational Technology Center;

$3,000,000 for the Cal Ripken Sr. Foundation for youth prevention programs aimed at leadership, teamwork, and drug prevention;

$100,000 for the City of Wrangell, AK, Youth Court;

$750,000 for Court House, Inc. Youth Programs, CO;

$1,500,000 for the Crimes Against Children Research Center, NH;

$2,000,000 to expand and replicate the Girl Scouts' Beyond Bars and PAVE programs;

$1,500,000 for the Girls and Boys Town USA National Projects;

$5,000,000 for continuation and expansion of the Junior Achievement program;

$500,000 for the Juvenile and Offender Treatment and Prevention Project in Tulsa County, OK;

$400,000 for the juvenile fire setting prevention program;

$500,000 for LOVE Social Services in Fairbanks, AK;

$600,000 for Pennsylvania's Martin Luther King, Jr. Center for Non-Violence to continue its Life Skills program which enables students to work alongside business and industry mentors;

$1,900,000 for the National, Coordinated Law-Related Education program;

$300,000 for the Ohio Attorney General's Office Amber Alert/SORN Program;

$300,000 for the Open Door Youth Gang Alternative;

$250,000 to Opportunities Industrialization Centers of America [OIC] for a program that works with adjudicated youth and provides alternative sentencing and job skills;

$500,000 for the outdoor education and outreach program run by the Daniel Webster Council of the Boy Scouts of America;

$50,000 for operations at the Prevent Child Abuse New Hampshire program;

$150,000 for the Teen Shelter Project in Alabama;

$1,000,000 to Western Kentucky University Spotlight Youth;

$800,000 for the Youth Violence Prevention Research Project at the University of South Alabama;

$350,000 for the Rialto, CA, Police Activities League [PAL] Program;

$250,000 for prevention of the commercial sexual exploitation of children;

$300,000 for the Wynona Lipman Child Advocacy Center in Newark, NJ;

$200,000 for Covenant House New Jersey for its Rights of Passage Program;

$250,000 to the Oglala Sioux Tribe in Pine Ridge, SD, for the Flowering Tree program;

$250,000 to Our Home, Inc. in Huron South Dakota for programming and equipment at its Parkston, SD, juvenile group care facility;

$300,000 for the Los Angeles, CA, CLEAR Program;

$300,000 for the Iowa Child Advocacy Domestic Violence Initiative;

$2,000,000 for the South Carolina Truancy and Dropout Prevention Initiative;

$750,000 to the Low Country Children's Center in South Carolina for continued support for a collaborative effort among local organizations in Charleston that provide full services to children who have been abused;

$300,000 to the Vermont Children Forum;

$250,000 to Prevent Child Abuse Vermont to test its child abuse prevention model on a state-wide basis;

$245,000 to South Dakota Coalition for Children;

$75,000 for the Children's Treatment Program in the Sioux Falls Rape and Domestic Abuse Center;

$500,000 for the State of Wisconsin Office of Justice Assistance to create a program that provides services to children who witness adult domestic violence;

$900,000 to the Wisconsin Families and Schools Together [FAST] program;

$900,000 for the Wisconsin Safe and Sound Program based in Milwaukee, WI;

$300,000 for the Milwaukee Summer Stars;

$200,000 to the Rutland, VT, Area Prevention Coalition;

$300,000 for Project Return—Washington County, VT;

$150,000 for the City of Battle Creek, MI, to implement the Around the CLOCK program;

$100,000 to the Omaha Boys and Girls Club Gang Prevention Project;

$1,400,000 for the Las Vegas, NV, Family Development Foundation;

$1,750,000 for the National Council of Juvenile and Family Court Judges;

$100,000 for the Grant Sawyer Center for Justice Studies at the University of Nevada, Reno;

$250,000 for the Saginaw Youth Program;

$250,000 for the Multnomah County Oregon Children's Receiving Center;

$350,000 for the Recovery and Progress Drug Court: Breaking the Cycle of Juvenile Drug Abuse;

$600,000 for the Northwestern University's Juvenile Project;

$1,000,000 for World Vision for at-risk youth programs;

$2,000,000 for Parents Anonymous;

$624,000 for the Teens, Crime and Community program;

$250,000 for the Family, Career, and Community Leaders of America ‘Stop the Violence’ program;

$300,000 for Prevent Child Abuse America for the programs of the National Family Support Roundtable;

$40,000 for Partnership for Prevention for juvenile delinquency prevention programs;

$500,000 for Learning for Life;

$350,000 for the Virginia Attorney General's Office for Class Action and other educational programs in Virginia schools;

$3,000,000 for the Hamilton Fish National Institute on School and Community Violence;

$1,000,000 shall be for a national conference on domestic trafficking and prostitution. This conference, to be led by the Department of Justice, shall include participation from Federal, State and local prosecutors and law enforcement, as well as nongovernmental organizations and community leaders. Over the past several years, the conferees have provided a significant level of resources to the Department of State to combat international human trafficking. This national conference shall begin to address the problems of trafficking and prostitution within the United States;

$500,000 for the Farmington Children's Home for delinquency prevention programs;

$202,000 for the Comin' Up youth gang prevention program;

$250,000 for Detroit Rescue Mission Ministries for a youth corrections program;

$250,000 for a gambling addiction prevention program for at-risk youth in Peoria, IL;

$250,000 for the IMPACT/Night Light Program in San Bernardino County, CA, to team police officers with probation officers to reduce juvenile crime;

$750,000 for the Child Endangerment Response Coalition in Spokane, WA;

$100,000 for the Center for Women and Children, Inc. for a child abuse prevention program;

$250,000 for the Healing Tree Program for collaborative efforts with law enforcement to prevent child abuse;

$250,000 for the Best Friends Foundation for delinquency prevention programs;

$300,000 for the Community Prosecuting Attorney Service System—Safe School Initiative;

$500,000 for St. Petersburg, FL, for a delinquency prevention program;

$400,000 for the YMCA of Suncoast in Dunedin, FL, for an at-risk youth program;

$250,000 for the Pinellas County, FL, Police Athletic League;

$250,000 for the CASA program in St. Petersburg, FL;

$500,000 for the Florida Gulf Coast University Interagency Family Assessment Team program for at-risk youth;

$200,000 for the Will County, IL, Children's Advocacy Center;

$250,000 for the Gracious Promise Foundation for Project Incarceration Cycle Escape for Kids;

$500,000 for the ARISE Foundation;

$300,000 for an at-risk youth program in Harrison Township in Allegheny County, PA;

$100,000 for Laurinburg, NC, for a juvenile delinquency program;

$300,000 for the University of Connecticut for a juvenile delinquency prevention program;

$250,000 for the Residential Care Consortium for delinquency prevention programs;

$300,000 for the Yellowstone Boys and Girls Ranch for delinquency prevention programs;

$425,000 for Monroe County, NY, for a juvenile justice integration initiative;

$250,000 for the Casita Maria After-School Program and Day Camp for at-risk youth;

$200,000 for the Mary Mitchell Family and Youth Center to fund programs for at-risk youth;

$200,000 for Suffolk County, NY, for the District Attorney's anti-gang initiative;

$400,000 for the City of Florence, KY, for the SAFE Schools Model City program;

$500,000 for the Granite, UT, School District's COALITIONS Project for at-risk youth;

$500,000 for the Pine Tree Legal Center's Children's Law Project (CLP) for the State of Maine;

$200,000 for Girls Incorporated of Huntsville, AL, to work with at-risk youth;

$250,000 for the National Children's Advocacy Center;

$100,000 for the Northwest Alabama Children's Advocacy Center in Florence, AL;

$100,000 for the "The Teen Shelter" in Huntsville, AL, to work with at-risk youth;

$200,000 for "Philadelphia Safe & Sound" to expand its Youth Violence Reduction Partnership in Philadelphia, PA;

$250,000 for the Father's Day Rally Committee of Philadelphia, PA, to support youth violence interdiction programs;

$250,000 for Lucas County, OH, for the Community Mentoring Partnership for Juveniles;

$250,000 for the Appalachia Juvenile and Family Rural and Mining Crisis Program;

$150,000 for Fitchburg, MA, for the Montachusett Opportunity Council Program for At-Risk Youth;

$100,000 for Orange, MA, for the Quabbin Mediation Youth Violence Prevention Project;

$100,000 for the State of Indiana for the "No Workshops, No Jumpshots" Program;

$100,000 for the Big Brothers and Big Sisters of South Georgia for "Buddies in School";

$50,000 for Americus and Sumter County, GA, for the "Visions for Sumter" program;

$75,000 for the Urban League of Greater Columbus, GA, for the Chattahoochee Court Appointed Special Advocate Program;

$250,000 for Youth Crime Watch of America;

$500,000 for the City of Macon, GA, for services for first-time juvenile offenders and to address crime, gang, and drug problems;

$50,000 for Valdosta Technical College for "Roadmap to Success" to support at-risk youth;

$200,000 for the Overtown Youth Center in Miami, FL, for programs to support at-risk youth;

$250,000 for Chicago, IL, Public Schools for the "After-School Counts" and "After-School Matters" programs;

$150,000 for the Erikson Institute to develop the Clinical Assessment and Early Learning Center in Chicago, IL;

$100,000 for the Village of Riverdale, IL, for the Youth Intervention Program;

$300,000 for the "Operation Quality Time" program for at-risk youth in Phoenix, AZ;

$25,000 for Secaucus, NJ, to enhance school safety;

$35,000 for Palisades Park, NJ, to enhance school safety;

$100,000 for the City of Downey, CA, for an anti-gang program;

$500,000 for a demonstration project to examine racial disparities in local juvenile justice systems under Part D and Part E of the JJDPA;

$250,000 for Huntington Park, CA, for juvenile assistance activities at the Police Department Regional Youth Center;

$250,000 for the Los Angeles, CA, LA's BEST After School Enrichment Program;

$375,000 for Long Island University, Tilles Center for the Performing Arts for arts programs for at-risk children;

$50,000 for the Studio LAB in Los Angeles, CA, for the "Central City Gardens Initiative";

$100,000 for the Cypress Park Youth and Family Center in Los Angeles, CA, for programs for at-risk youths;

$100,000 for El Centro Del Pueblo youth programs;

$100,000 for A Place Called Home in Los Angeles, CA, for the expansion of the "Creative Expression" program;

$500,000 for Soundview Community in Action to expand and develop additional outreach programs for at-risk youth in the South Bronx;

$100,000 for the Long Island City/Vanderbilt YMCA's "Strong Sisters United" program;

$100,000 for Queens, NY, for a youth development program to help at-risk youth;

$314,000 to expand and enhance programming for at-risk youth in New York, NY;

$250,000 for the "Dispelling Problem Behaviors in Adjudicated Teens and At-Risk Youth" initiative in the Barrio of Corpus Christi, TX;

$300,000 for the Brooklyn Academy of Music for programs in support of at-risk youth;

$400,000 for the Brooklyn Public Library for "Library Cadet Program" in support of at-risk youth;

$50,000 for the Hacienda-La Puente, CA, Unified School District for the Seniors With Interests in New Generations Delinquency Prevention Program;

$250,000 for the City of Detroit, MI, for the Mayor's Time Public Safety and Public Service Academies in support of at-risk youth;

$250,000 for the University of North Carolina at Chapel Hill to implement a new "Career Start" model of middle school education to prevent juvenile delinquency;

$150,000 for the Caribbean American Steel Pan Education Center in New York for COMMUNITYSAFE;

$200,000 for El Puente's "Youth Leadership Center";

$150,000 for Providence Holy Cross Medical Center for programs to assist at-risk youth;

$100,000 for the Santa Barbara, CA, Police Department for the Police Activities League;

$150,000 for the Urban League of Eastern Massachusetts for programs for at-risk youth;

$200,000 for the Baltimore, MD, City Board of School Commissioners to develop alternative education centers for at-risk youth;

$100,000 for Lane County, OR, for the "Breaking the Cycle" program for juveniles;

$100,000 for the Gateway Foundation for programs in support of at-risk youth;

$100,000 for the National Institute for Law and Equity for a research project on at-risk juveniles;

$100,000 for the Institute for International Sport for projects to prevent youth crime;

$250,000 for the Southern Christian Leadership Conference for juvenile delinquency and mentoring programs;

$100,000 for the Suffolk University Law School for the Juvenile Justice Center;

$100,000 for Union County College for the "College for Teens" program for at-risk youth;

$100,000 for the Martin Luther King, Jr. Community Center in Houston, TX, for juvenile crime prevention programs;

$150,000 for the Northwest Regional Educational Laboratory for an after-school program for at-risk youth;

$100,000 for the Martin Luther King, Jr. Freedom Center in Oakland, CA, to promote conflict resolution and decrease youth violence;

$100,000 for the New Jersey Community Development Corporation for the Paterson Center for At-Risk Youth;

$200,000 for the Southern Vermont Recreation Center Foundation for at-risk youth crime prevention programs;

$100,000 for the Richmond, VA, Midnight Basketball League for their "No Workshops...No Jump Shots" program for at-risk youth;

$100,000 for the Humboldt County, CA, Gang Risk Intervention Program;

$250,000 for Los Angeles Community Law Enforcement and Recovery (CLEAR), Hollenbeck Division, for a multi-jurisdictional program to combat gangs and violence;

$100,000 for delinquency prevention and safe school programs in North Carolina;

$100,000 for Labor and Industry for Education (LIFE) in Hewlett, NY, to expand its after school and prevention programs for at-risk youth.

The conferees recognize Project CRAFT (Community, Restitution, and Apprenticeship-Focused Training), a program of the Home Builders Institute, the workforce development arm of the National Association of Home Builders, as a model intervention technique in the rehabilitation and reduced recidivism of adjudicated youth. The conferees encourage OJP to replicate Project CRAFT.

The conference agreement adopts by reference the House report language concerning "hazing" activities and submission of a report to the Committee on Appropriations within 180 days of enactment of this Act on the prevalence of such incidents and on the strategies that can be used by school and law enforcement officials to address these problems.

Enforcing the Underage Drinking Laws Program.—Within the funds provided in Title V, the conference agreement provides $25,000,000 for grants to assist States in enforcing underage drinking laws. Within the program for underage drinking, OJP shall make an award to the Alaska Federation of Natives to continue an Underage Drinking Prevention Program in rural Alaska including assessment and education, focusing on the children of alcoholics.

Gang Prevention.—The conference agreement includes $20,000,000 for OJP to administer a gang resistance and education program in conjunction with the Bureau of Alcohol, Tobacco, Firearms, and Explosives as described in the House report. OJP shall submit a financial plan to the Committees on Appropriations within 45 days of enactment of this Act to describe how this program will be administered.

Victims of Child Abuse Act.—The conference agreement includes $13,000,000 for the various programs authorized under the Victims of Child Abuse Act, of which not less than $9,000,000 shall be available for Child Advocacy Center.

Performance Data.—States and subgrantees shall collect and submit performance data for juvenile justice programs such as the Juvenile Accountability Block Grant program, as determined and approved by the ODJJP Administrator. Subgrantees shall provide annual performance measurement data in an Assessment Report to be designated by the State agency. Designated State agencies shall aggregate data provided by subgrants and submit such data to OJJDP in the Assessment Report, due June 30th of each fiscal year. Training and technical assistance on data collection and reporting will be made available to grantees and subgrantees.

PUBLIC SAFETY OFFICERS BENEFITS

The conference agreement includes $52,054,000 for this account, including $3,000,000 for disability benefits. The conferees fully fund the Department of Justice's latest estimate for this account.

General Provisions—Department of Justice

(INCLUDING RESCISSION)

The conference agreement includes the following general provisions for the Department of Justice:

Section 101 provides language, included in previous Appropriations Acts, which makes up to $45,000 of the funds appropriated to the Department of Justice available to the Attorney General for reception and representation expenses.

Section 102 provides language, included in Appropriations Acts for the last seven years and prior to 1994, which prohibits the use of funds to perform abortions in the Federal Prison System.

Section 103 provides language, included in previous Appropriations Acts, which prohibits use of the funds in this bill to require any person to perform, or facilitate the performance of, an abortion.

Section 104 provides language, included in previous Appropriations Acts, which states that nothing in the previous section removes the obligation of the Director of the Bureau of Prisons to provide escort services to female inmates who seek to obtain abortions outside a Federal facility.

Section 105 provides language, included in previous Appropriations Acts, which allows the Department of Justice to spend up to $10,000,000 for rewards for information regarding criminal acts and acts of terrorism against a United States person or property at levels not to exceed $2,000,000 per award.

Section 106 provides language similar to language included in previous Appropriations Acts, which allows the Department of Justice, subject to the Committee's reprogramming procedures, to transfer up to 5 percent between any appropriation, but limits to 10 percent the amount that can be transferred into any one appropriation.

Section 107 provides language to continue section 114 of Public Law 107–77 during fiscal year 2004.

Section 108 provides language previously included in General Administration authorizing the Attorney General to transfer property to a State or local agency for community-based programs.

Section 109 includes language providing authorization for Department of Justice programs until the effective date of a subsequent Justice authorization act.

Section 110 includes new language regarding ethical conduct.

Section 111 includes new language regarding additional funding for Project Seahawk.

Section 112 includes new language establishing a rural justice and law enforcement commission in Alaska.

Section 113 includes new language providing for an additional amount for San Juan, Puerto Rico.

Section 114 includes new language rescinding $100,000,000 from certain unobligated balances available to the Department of Justice.

TITLE II—DEPARTMENT OF COMMERCE AND RELATED AGENCIES

TRADE AND INFRASTRUCTURE DEVELOPMENT

RELATED AGENCIES

Office of the United States Trade Representative

SALARIES AND EXPENSES

The conference agreement includes $41,994,000 for the Office of the United States Trade Representative (USTR) for fiscal year 2004, as proposed by the House, instead of $36,994,000, as proposed by the Senate.

The conference agreement adopts, by reference, language proposed by the House regarding the United States trade deficit with other nations; complaints by American businesses; and the lack of responsiveness of the USTR to American small and medium-sized businesses; and the steps taken by the PRC Government in meeting its World Trade Organization obligations, no later than 14 days after the close of the first quarter of fiscal year 2004.

The conferees expect the USTR to make use of all available mechanisms, including the safeguards delineated under the Trade Act of 1974, including Sections 301 and 421, to address the disruptions resulting from trade with the PRC.

The conference agreement adopts, by reference, language proposed by the House regarding funding for negotiations with the PRC. In addition the conferees adopt, by reference, House language concerning representation funds, and language under the headings Inadequate Budget Requests, Free Trade Agreements and WTO Negotiations, Reporting Requirements, FTAA Permanent Secretariat, WTO Fund, and WTO Negotiations.

The conference agreement adopts, by reference, language proposed by the Senate under the heading of World Trade Organization.

The conferees understand that a number of Federal agencies are involved in monitoring and enforcing our trade agreements. The conferees agree that robust monitoring and enforcement efforts are critical and that such efforts must be well coordinated within the Executive Branch. Accordingly, the conferees direct the USTR, working with the Department of Commerce and other Federal agencies, to take steps to assure that monitoring and enforcement efforts are coordinated among the Federal agencies to maximize their effectiveness and are based on a strategy that focuses on priority areas of potential trade violations. USTR is directed to report back to the Committees on Appropriations on these steps within 120 days of the enactment of this Act.

International Trade Commission

SALARIES AND EXPENSES

The conference agreement includes $58,295,000 as proposed by the Senate for the International Trade Commission for fiscal year 2004, instead of $57,000,000, as proposed by the House.

The conference agreement adopts, by reference, Senate language regarding EDIS II, an electronic filing project and a certain report.

DEPARTMENT OF COMMERCE

International Trade Administration

OPERATIONS AND ADMINISTRATION

The conference agreement includes $395,123,000 in total resources for the programs of the International Trade Administration (ITA) for fiscal year 2004, of which $13,000,000 is to be derived from fee collections, as proposed by the House, instead of $375,053,000, of which $3,000,000 is to be derived from fee collections, as proposed by the Senate.

The conference agreement adopts by reference language in the House report regarding the mission of the ITA, the failure of ITA to meet its mission, and the May 22, 2003 public hearing on the efforts of the International Trade Administration, the Bureau of Customs, and the Office of the United States Trade Representative to support U.S. businesses.

The conferees understand the difficulties in attempting to balance the positive and the negative effects of a free trade agenda. The conferees are steadfast in their support of America's trade policy to create growth and raise living standards around the globe, and in return to increase the benefits to U.S. workers, farmers, consumers, and businesses. Yet, the U.S. Government must uphold its responsibility to enforce trade laws, particularly with China. If trading partners do not abide by the rules that are set in the global trading system, then U.S firms are not competing on a level playing field.

The United States Government has an obligation to ensure American companies are not forced to compete with foreign companies that are engaged in unfair trading practices, including receiving subsidies from their governments.

The conference agreement includes by reference House report language regarding the Trade Policy Body Review, Reports, Reorganization, Trade Promotion, American Trading Centers, Manufacturing and Services, Import Administration, Investigations/Operations, Office of China Compliance, Policy and Negotiations, New Shipper Review Process, Market Access and Compliance, Executive Direction/Administration, Human Rights Training, Trade Missions, International Standards, and Travel Expenditures.

The conferees direct the Secretary of Commerce to report back to the Committees on Appropriations, no later than January 20, 2004, on the trade and U.S. employment impact of the currency valuation of our trading partners including, China, Japan, Vietnam, South Korea, Taiwan, the Ukraine, and Indonesia.

The conferees expect the Secretary of Commerce, in consultation with the U.S.-China Economic and Security Commission to report back to the Committees no later than May 1, 2004. The conferees have extended the deadline further than the deadline proposed in the House report.

The conference agreement includes bill language designating the amounts available for each unit within ITA. The conferees remind ITA that any deviation from the funding distribution provided in the bill and report, including carryover balances, is subject to reprogramming procedures set forth in section 605 of this Act. In addition, ITA is directed to submit to the Committees on Appropriations, not later than 60 days after the enactment of this Act, a spending plan for all ITA units that incorporates any carryover balances from prior fiscal years.

The conference agreement includes $10,000,000 for the National Textile Center, $3,000,000 for the Textile/Clothing Technology Corporation, $1,000,000 for the Kansas Trade Center, and $500,000 for the International Trade Processing Center, as proposed by the Senate.

The conference agreement adopts, by reference, language as proposed by the Senate under the heading of World Trade Organization.

The conference agreement adopts, by reference, language regarding the Appalachian-Turkish Trade Project as proposed by the Senate.

The conference agreement adopts, by reference, language proposed in the House regarding an international competitiveness program and the Office of Textiles.

Of the amounts provided, $500,000 is for a comprehensive study of future domestic demand for steel.

BUREAU OF INDUSTRY AND SECURITY

OPERATIONS AND ADMINISTRATION

The conference agreement includes a total operating level of $68,203,000 for the operations and administration of the Bureau of Industry and Security (BIS), as proposed by the House, instead of $73,060,000, as proposed by the Senate.

The conference agreement adopts, by reference, House report language under the headings of Export Administration, Export Enforcement, and Management and Policy Coordination.

The conferees are aware of the invaluable expert technical capabilities of the seized computer evidence recovery specialists. However, due to the shortage of specialists within BIS, the conferees direct BIS to forge a closer relationship with the Federal Bureau of Investigation (FBI) in this area to take greater advantage of the FBI's technical expertise.

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

The conference agreement includes $288,115,000 for Economic Development Assistance (EDA) Programs. The conferees direct EDA to continue traditional programs to provide needed assistance to communities struggling with long-term economic dislocation, as well as sudden and severe economic dislocation. Of the amounts provided, $202,280,000 is for Public Works and Economic Development, $40,900,000 is for Economic Adjustment Assistance, $24,00,000 is for planning, $8,435,000 is for technical assistance, including university centers, $12,000,000 is for trade adjustment assistance, and $500,000 is for research.

The conference agreement adopts, by reference, proposed by the House regarding coal and timber industry downturns.

The conference agreement adopts, by reference, Senate language regarding the economic downturns including the timber, steel, and coal industries, United States-Canadian trade-related issues, communities in New England, the mid-Atlantic, Hawaii, and Alaska impacted by fisheries regulations, and communities in the southeast impacted by downturns due to the North American Free Trade Agreement, and a certain report.

SALARIES AND EXPENSES

The conference agreement includes $30,565,000 as proposed by both the Senate and the House.

The conference agreement adopts, by reference, House language regarding efforts to maximize the operating funding level, a special headquarters reserve fund, Indian lands, employees, and requirements for reorganization proposals.

MINORITY BUSINESS DEVELOPMENT AGENCY

MINORITY BUSINESS DEVELOPMENT

The conference agreement includes $28,859,000 for the Minority Business Development Agency for fiscal year 2004, instead of $29,000,000 as proposed by the House, and $28,718,000 as proposed by the Senate. The conference agreement adopts, by reference, House language regarding the Entrepreneurial Technology Apprenticeship Program.

The conference agreement adopts, by reference, Senate language regarding the Office of Native American Business Development.

ECONOMIC AND INFORMATION INFRASTRUCTURE

ECONOMIC AND STATISTICAL ANALYSIS

SALARIES AND EXPENSES

The conference agreement includes $75,000,000, as proposed by the House, instead of $84,756,000 as proposed by the Senate for the economic and statistical analysis programs of the Department of Commerce, including the Bureau of Economic Analysis (BEA), for fiscal year 2004.

The BEA has received programmatic increases over the past three years to ensure that policy makers have access to more accurate and timely economic data.

BUREAU OF THE CENSUS

The conference agreement includes a total operating level of $630,864,000 for the Bureau of the Census, instead of $661,961,000 as proposed by the House, and $550,878,000 as proposed by the Senate.

SALARIES AND EXPENSES

The conference agreement includes $194,811,000 for the salaries and expenses of the Bureau of the Census for fiscal year 2004, instead of $181,811,000 as proposed by the Senate, and $220,908,000 as proposed by the House.

The conference agreement adopts by reference House report regarding the highest priority core activities, reimbursement, the North American Industry Classification System (NAICS), key reports, and Advanced Technology.

PERIODIC CENSUSES AND PROGRAMS

The conference agreement includes a total of $436,053,000 for all periodic censuses and related programs in fiscal year 2004, as proposed by the House, instead of $369,067,000 as proposed by the Senate.

The conference agreement adopts language proposed by the House under the American Community Survey (ACS), Master Address File (MAF)/Topologically Integrated Geographic Encoding and Referencing (TIGER), and Subgroup Enumeration.

The conference agreement includes $107,090,000 for the re-engineered design process, of which $3,605,000 is for design strategy, $18,559,000 is for data collection design research, $16,969,000 is for questionnaire and content design, $3,900,000 is for address list updates, $22,287,000 is for software related to quality assurance and integration, and $41,770,000 is for test evaluation.

The conference agreement includes funding as proposed by the House for the non-decennial census periodic programs.

The conferees expect to be kept apprised on a monthly basis on the expenditure of these funds.

NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION

The conference agreement includes a total of $51,604,000 for the National Telecommunications and Information Administration (NTIA), instead of $32,544,000 as proposed by the House, and $85,542,000 as proposed by the Senate.

SALARIES AND EXPENSES

The conference agreement includes $14,604,000 for the Salaries and Expenses appropriation of the NTIA as proposed by the House, instead of $15,042,000 as proposed by the Senate.

The conference agreement adopts, by reference, language proposed by the House regarding electromagnetic spectrum and a report regarding the allocation of spectrum.

The conference agreement adopts, by reference, language proposed by the House regarding the maximization of the operating level and reimbursements.

The conference agreement adopts, by reference, language proposed by the Senate regarding a paperless system.

PUBLIC TELECOMMUNICATIONS FACILITIES, PLANNING AND CONSTRUCTION

The conference agreement includes $22,000,000, instead of $2,538,000 as proposed by the House, and $55,000,000 as proposed by the Senate.

The conference agreement adopts, by reference, language proposed by the House regarding public television stations, and language proposed by the Senate regarding digital broadcasting as it relates to rural areas.

INFORMATION INFRASTRUCTURE GRANTS

The conference agreement includes $15,000,000 for the Information Infrastructure

Grant program, instead of $15,402,000 as proposed in the House, and $15,500,000 as proposed by the Senate.

The conferees expect NTIA to give preference to applications relating to the expansion of commercial entities to enable local communities to attract commercial investment to spur growth of American jobs, especially in the areas of education, health care, and public information. The conferees expect NTIA to work with the Economic Development Administration to ensure resources are leveraged to result in the largest benefit to local communities suffering from economic downturns.

The conference agreement adopts, by reference, language proposed by the Senate regarding the eligibility of certain law enforcement entities for funding.

United States Patent and Trademark Office

SALARIES AND EXPENSES

The conference agreement includes $1,222,460,000 for the United States Patent and Trademark Office (USPTO) for fiscal year 2004, instead of $1,238,700,000 as proposed by the House, and $1,217,460,000 as proposed by the Senate.

The conference agreement includes language restricting certain travel payments. The conferees note that there is broad agreement that the patent process is in dire need of reform.

The conference agreement adopts, by reference, language proposed by both the House and Senate regarding the Administration's legislative fee proposal.

The conference agreement adopts, by reference, language proposed by the House regarding the National Inventor's Hall of Fame and Inventure Place and the International Intellectual Property Institute.

The conferees remind the PTO that any changes from the funding distribution provided in the bill and report including carryover balances are subject to the reprogramming procedures set forth in section 605 of this Act.

In addition, PTO is directed to submit to the Committees on Appropriations, not later than three months after the enactment of this Act, a spending plan, which incorporates any carryover balances from previous fiscal years and any increases to the patent or trademark fee structure.

The conferees adopt, by reference, language proposed by the House regarding intellectual property protections for American businesses in international negotiations and telework.

SCIENCE AND TECHNOLOGY

Technology Administration

SALARIES AND EXPENSES

The conference agreement includes $6,411,000 under this heading, instead of $7,822,000 as proposed by the House, and no funding as proposed by the Senate.

The conference agreement includes $450,000 for the National Medal of Technology Program under the heading "National Institute of Standards and Technology, Scientific and Technical Research and Services".

The conference agreement includes $600,000 for the Office of Space Commercialization and $500,000 for the Interagency Global Positioning System Executive Board Secretariat under the heading of "National Oceanic and Atmospheric Administration, Operations, Research, and Facilities".

The conference agreement provides $335,000 for the Technology Administration to conduct an assessment of the extent and implications of workforce globalization in knowledge-based industries such as life sciences, information technology, semi-conductors and financial services. The conferees expect the assessment to focus on U.S. firms' business strategies and practices, as well as the education and training programs in countries such as Japan, China, and India. The conferees expect monthly updates on the progress of this effort, and direct that a summary of findings be reported back to the Committees on Appropriations no later than six months from enactment of this Act.

National Institute of Standards and Technology

The conference agreement includes $628,102,000 for the National Institute of Standards and Technology (NIST) for fiscal year 2004, instead of $460,059,000 as proposed by the House, and $845,000,000 as proposed by the Senate.

SCIENTIFIC AND TECHNICAL RESEARCH AND SERVICES

The conference agreement includes $344,366,000 for the Scientific and Technical Research and Services (core programs) of the NIST, instead of $357,862,000 as proposed by the House, and $391,147,000 as proposed by the Senate.

The following is a breakdown of the amounts provided under this account by activity.

	Fiscal Year 2004 Recommendation ($ in 000)
Electronics & Electrical	$44,700
Manufacturing Engineering	21,800
Chemical	42,313
Physics	37,675
Building and Fire Research	21,542
Materials Science & Engineering	53,000
Computer & Applied Mathematics	49,478
Technology Assistance	15,000
Award Programs	5,655
Research Support	53,203
Total, STRS	344,366

Under the Electronics and Electrical heading, $3,000,000 is for the Office of Law Enforcement Standards, $1,200,000 is for the For Inspiration and Recognition of Science and Technology Program (FIRST), and $500,000 is for a joint project between FIRST and the Boston Museum of Science.

Under the Manufacturing heading, $800,000 is for a spreadsheet engineering initiative at the Tuck School of Business.

Under the Chemical Science and Technology heading, $1,600,000 is for the Hollings Marine Laboratory, and $400,000 for advanced measurements, standards, and data that health care providers and researchers need to improve health care quality.

Under the Physics heading, $725,000 is for the necessary critical back-up elements for the NIST time scale and time dissemination services, and $1,450,000 is for research to develop measurements and standards for nanotechnology-based products.

Under the Building and Fire heading, $3,000,000 is for costs relating to the World Trade Center investigation, $1,900,000 is to continue a certain wind demonstration project in Texas, and $600,000 is for a school safety and preparedness project at the National Infrastructure Institute.

Under the Award Program heading, $450,000 is for costs associated with the National Medal of Technology.

In addition, under the Research Support heading, $2,400,000 is to continue a certain telework project, $6,500,000 is to continue a certain critical infrastructure program, and $5,500,000 is for maintenance and operations costs at the Advanced Measurement Laboratory.

The agreement does not include an increase to the amount to be transferred to the working capital fund.

The conference agreement adopts, by reference, language included in past years, regarding the A–76 contracting process.

INDUSTRIAL TECHNOLOGY SERVICES

The conference agreement includes $218,782,000 for the Industrial Technology Services appropriation of the National Institute of Standards and Technology, instead of $39,607,000 as proposed by the House, and $369,223,000 as proposed by the Senate.

The conference agreement includes $179,175,000 for the Advanced Technology Program, instead of $259,600,000 as proposed by the Senate and no funding as proposed by the House. The conference agreement does not include a $50,000,000 new program as proposed by the Senate for ATP focused competitions on homeland security technologies. The conferees agree that a focused competition on homeland security technologies should be held out of the $60,700,000 provided for new awards.

The conference agreement includes $39,607,000 for Manufacturing Extension Partnership, the same amount as proposed by the House, instead of $106,000,000 as proposed by the Senate.

CONSTRUCTION OF RESEARCH FACILITIES

The conference agreement includes $64,954,000 for the construction and major renovations of the NIST campuses at Boulder, Colorado, and Gaithersburg, Maryland.

The Committee directs NIST to report to the Committees on Appropriations on the progress of these construction projects on a quarterly basis beginning with the second quarter of fiscal year 2004.

This account supports all NIST activities by providing state of the art facilities necessary to carry out the NIST mission.

The conference agreement provides sufficient funding to complete the new Advanced Measurement Laboratory in Gaithersburg, Maryland and the conferees expect occupancy by 2005.

The conference agreement adopts, by reference, language proposed by the Senate regarding a facilities improvement plan.

National Oceanic and Atmospheric Administration

The conference agreement does not include $20,743,000 for the International Fisheries Commissions under this heading, as proposed by the Senate, and provides funding for this purpose under Title IV of this Act. The conference agreement does not include $5,000,000 for a new litigation and settlement fund, as proposed by the Senate.

The conference agreement fulfills the agreement regarding conservation activities as included in the Title VII of the Interior and Related Agencies Appropriation Act of 2001.

OPERATIONS, RESEARCH, AND FACILITIES

(INCLUDING TRANSFER OF FUNDS)

The conference agreement includes total funding of $2,748,520,000, as proposed by the Senate, instead of $2,259,705,000 as proposed by the House. Of the amounts provided, $62,000,000 is from balances in the account entitled, "Promote and Develop Fishery Products and Research Pertaining to American Fisheries", instead of $79,251,000 as proposed by the House, and $52,000,000 as proposed by the Senate.

The conference agreement includes language to allow NOAA to retain gifts and contributions made under the Marine Sanctuary Program.

Language is also included in the bill specifying the total amount of direct obligations available for each of the NOAA line offices and other related activities funded through this account. The conference agreement includes language prohibiting administrative charges levied against certain activities assigned in the bill or the report accompanying this Act.

NOAA is directed to submit a spending plan to the Committees on Appropriations at a level of detail comparable to that of the tables included in this report. The plan shall be delivered not later than 60 days after the enactment of this Act.

The conferees expect NOAA to comply with reprogramming and transfer requirements under sections 204 and 605 of this Act.

The conference agreement adopts, by reference, the direction and reporting requirements included in language proposed by the Senate under the heading of Pacific Salmon Funding, including language relating to validation monitoring.

The following identifies the activities, subactivities, and projects funded in this appropriation:

NATIONAL OCEAN SERVICE

The conference agreement includes a total of $513,910,000 for activities of the National Ocean Service (NOS) for fiscal year 2004. The conference agreement adopts, by reference, language proposed by the House under the heading of Mapping and Charting.

The conference agreement adopts, by reference, language proposed by the House under the heading Long-Term Vessel Charter. The conference agreement provides an additional $2,500,000 for this purpose. The conferees expect to be kept apprised of any changes to the plan.

The conferees continue to support the implementation of the Physical Oceanographic Real-Time System program and the National Water Level Operation Network, including work in the Great Lakes.

The conference agreement includes funding to increase coastal ocean monitoring and prediction efforts for West Florida.

The conferees recognize and support the work of NOAA and the U.S. Coral Reef Task Force (CRTF) to protect and preserve coral reefs. Coral reefs are the most complex, species-rich and productive marine ecosystems. Reefs cover two percent of the ocean's floor, yet they support one-third of all marine fish species and tens of thousands of other marine species, providing essential fish habitat for endangered and threatened species, and harboring protected marine mammals and turtles. Coral reef fisheries yield 6 million metric tons of fish catch annually, with one-quarter of total worldwide fish production occurring in developing countries with coral reefs. NOAA and the CRTF are developing and implementing coordinated efforts to map and monitor U.S. coral reefs, research coral reef degradation, reduce and mitigate coral reef degradation from pollution and other causes, and carry out strategies to promote conservation and sustainable use of coral reefs internationally.

The conference agreement adopts, by reference, language proposed by the Senate under the headings of Budget Structure and Various. The conference agreement consolidates all NOAA coral reef funding under NOS. The conferees expect NOAA to prepare a spending plan for coral reef funding and deliver to the Committees on Appropriations, not later than January 15, 2004.

The conference agreement adopts, by reference, language proposed by the Senate under the heading of Coastal Ocean Science.

The conferees have provided a significant amount of funding during the past two years for the establishment of an integrated interagency ocean and coastal observing system. The conferees understand that NOAA has outlined a strategy for establishing a national network. The conferees expect regional entities to share the costs of the funding the establishment of an integrated interagency ocean and coastal observing system. Therefore, the conferees plan to require all participants receiving funding from the Federal government to contribute an equal share of funds in fiscal year 2005.

Of the amounts available under the Aquatic Resources Initiative, up to $750,000 is for Bluegrass Pride, Inc.

The conference agreement includes a new structure as proposed in the Senate bill for identifying and funding extramural research. The conferees direct NOAA to submit a spending plan within 30 days outlining the process for administering the program. The conferees do not intend for the new structure to restrict current participation by the external research community or by researchers identified with the National Centers for Coastal Ocean Science laboratories. The conferees do intend, however, that greater interaction and participation occur between the external research community and Federal researchers located at NOAA's laboratories.

NATIONAL OCEAN SERVICE ($000)	FY04 Conference
NOS Operations - Salaries & Expenses	151,251
Navigation Services:	
Mapping & Charting:	
Coastal Mapping	535
MS/LA Digital Coast	500
Shoreline Mapping	3,465
Chesapeake Bay	1,000
Aerial	1,000
Hydrographic Surveys:	
Address Survey Backlog/Contracts	21,300
EEZ Outer Continental Shelf Ocean Bottom Claims	2,226
Gulf of Alaska	2,500
North Pacific	1,000
North Pacific Maritime Boundary Line	1,000
Hydrographic Surveys	1,339
Vessel Lease/Time Charter	2,500
Joint Hydrographic Center	4,250
Joint Hydrographic Center - Bathymetric Research	3,200
Marine Modeling & Geospatial Technology	1,146
Electronic Navigational Charts	4,350
Nautical Charting	6,759
Navigational Services	1,885
Subtotal, Mapping and Charting	59,955
Geodesy:	
CA	1,000
WA	500
AL	1,989
LA	497
MS	500
NC	993
SC	497
WI	2,989
National Spatial Reference System	2,150
Subtotal, Geodesy	11,115
Tide & Current Data:	
Alaska Current & Tide Data	1,500
Upper Cook Inlet Tidal Research	497
Great Lakes NWLON	1,987

NATIONAL OCEAN SERVICE **($000)**	**FY04** **Conference**
Nat'l Water Level Observation Network (NWLON)	3,000
Physical Oceanographic Real-Time Sys (PORTS)	2,981
Subtotal, Tide & Current Data	9,965
Total, Navigation Services	81,035
Coastal Assessment Program:	
Aquatic Research Consortium--MS	2,500
Coastal Change Analysis	500
Alliance for Coastal Technologies (CBL/UMD)	2,500
CA Ctr. for Integrative Coastal Research (CI-CORE)	2,500
Carolina Coastal Ocean Obs & Prediction Sys (USC)	2,500
Center for Coastal Ocean Obs & Analysis (UNH)	2,500
Center for Integrated Marine Technologies (USoCal)	2,500
Coastal Observation Technology System (CSC)	2,200
Coastal Ocean Research & Monitoring Pgm (UNCW)	2,500
Gulf of Alaska Ecosystem Monitoring	750
Gulf of Maine Observing System	2,000
Long Island Sound Coastal Observing System	1,800
Southeastern Coastal Ocean Observing System	2,000
SoCal Coastal Ocean Observing System (Scripps)	2,000
Wallops Ocean Observation Project	2,000
Coastal Monitoring & Prediction--West coast FL	1,250
Coastal Rest. & Enhance. thru S&T (CREST)	500
Coastal Services Center	19,000
Coastal Storms	2,750
Coop Inst for Coastal & Estuarine Enviro Tech (CICEET)	6,550
National Coral Reef Program	23,850
Florida--National Coral Reef Institute	1,000
Hawaii Coral nitiative	1,250
Nature Conservancy of HI Marine Program	250
Puerto Rico DNER Coral Reef Initiative	500
JASON Education and Outreach	2,484
Lake Pontchartrain	1,987
National Fish and Wildlife Foundation - NFWF	1,490
Pacific Services Center	1,987
B-WET Hawaii	500
Subtotal, Coastal Assessment Program	96,098
Response and Restoration:	
Aquatic Resource Environmental Initiative- KY	4,968

NATIONAL OCEAN SERVICE **($000)**	**FY04** **Conference**
Center for Marine Spill Response Technology	2,000
Coastal Protection and Restoration Project	1,864
Damage Assessment Program	2,282
Edisto Beach Marsh Restoration	100
Hazardous Materials Response Program	1,619
Marine Deberis Removal - Alaska	500
Marine Debris Removal - South Carolina	175
Subtotal, Response and Restoration	13,508
Coastal Research:	
Monterey Bay Watershed	500
Prince William Sound Science Center (Now/Forecast)	500
South Florida Ecosystem	900
Woods Hole HAB	2,500
Subtotal, Coastal Research	4,400
National Centers for Coastal Ocean Science (NCCOS):	
Ctr for Coastal Environ'l Health & Biomoleclr Research	7,923
Extramural Research	3,857
LUCES & high salinity estuaries (Baruch)	2,000
Oxford, MD	3,000
Extramural Research	2,000
Center for Coastal Fisheries Habitat Research	1,148
Extramural Research	1,750
Center for Coastal Monitoring & Assessment	2,196
Extramural Research	2,000
Center for Sponsored Coastal Ocean Research	1,500
Marine Environment Health Research Lab (MERHL)	4,000
Subtotal, NCCOS	31,374
Coastal Ocean Science	
South Florida Ecosystem (monitoring)	1,192
Subtotal, Coastal Ocean Science	1,192
Coastal Management	
CZM Grants	68,518
Marine Protected Areas	3,974
National Estuarine Research Reserve System	16,294
Nonpoint Pollution Implementation Grants	9,936
Subtotal, Coastal Management	98,722
Marine Sanctuary Program	
Marine Sanctuary Continuing Activities	32,787

NATIONAL OCEAN SERVICE ($000)	FY04 Conference
Northwest Straits Citizens Advisory Commission	750
Subtotal, Marine Sanctuary Program	33,537
Payment to OMAO	2,793
GRAND TOTAL, NATIONAL OCEAN SERVICE - ORF	513,910

NATIONAL MARINE FISHERIES SERVICE

The conference agreement includes $639,990,000 for the operations of the National Marine Fisheries Service (NMFS).

The conference agreement adopts, by reference, language proposed by the House under the heading of Regulatory Streamlining.

The conference agreement adopts, by reference, language proposed by the Senate under the headings of Base Funding, Regional Office Financial Accountability, Fisheries Enforcement, Enforcement and Surveillance, International Conservation of Sea Turtles, Decline Pacific Marine Mammals, Enforcement of International Dolphin Agreement, Gulf/Atlantic Turtle Excluder Devices, Fisheries Research and Management, Seafood Inspections, and Ecosystem Management.

The conferees remain concerned regarding the seismic and erosion conditions near the Southwest Fisheries Science Center (SWSC). The conferees understand that economies of scale may be achieved by collocating the SWSC with other NOAA facilities in California. In 1997, the Department of Commerce Office of the Inspector General issued a report, which highlighted options for relocation of the SWSC. The Committee directs NOAA to issue a follow-on report on the best location for SWSC facilities by no later than June 30, 2004.

The conferees expect NMFS to allocate sufficient funds to achieve ten percent observer coverage in the New England groundfish fishery, and in the non-directed fishery to the extent practicable, by no later than May 1, 2004.

The conferees expect NOAA to continue to support the Center for Coastal Studies' efforts regarding right whale protection and expect the final funding allocation to be based on recommendations of the right whale program coordinator at the Center.

The conference agreement adopts, by reference, language proposed by the House under the headings of Chesapeake Bay, Habitat Conservation and Management, NMFS Facilities Maintenance, and Saltonstall-Kennedy.

The conferees recognize the value of NOAA presence and programs in Louisiana in serving the northern Gulf of Mexico region. The conferees expect a report to be submitted by the agency on the development and installation of a Coastal Services Center to be established in the state and to serve the Northern Gulf of Mexico Region.

The conferees understand that on February 21, 2003, the National Oceanic and Atmospheric Administration (NOAA) issued new regulations to increase the dimension of Turtle Excluder Device (TED) openings to protect endangered sea turtles. The Final Rule went into effect on April 15, 2003 in the South Atlantic and August 21, 2003, in the Gulf of Mexico. Industry representatives in Louisiana and South Texas have voiced concern about the impact of TEDs on shrimp catch and loss of income for the industry. Conservation groups and scientists, on the other hand, have expressed serious concern over the status of these turtle populations and have threatened litigation to ensure sea turtle protection. The conferees direct NOAA to work with the National Academy of Sciences on a multi-year, comprehensive in-water study designed to accurately measure shrimp fishery effort and the impacts of such effort on sea turtle mortality, including measuring turtle-shrimp trawl interaction in the inshore, nearshore and offshore waters of the Gulf of Mexico and similar geographical locations in the South Atlantic. The conferees expect observers to be placed on the commercial shrimp fishing vessels for the purposes of the study.

The study shall evaluate innovative technologies to increase shrimp retention in TEDs but also ensure the protection of endangered and threatened sea turtles. The National Academy of Sciences shall provide an interim report to the committee every six months summarizing preliminary findings.

The conference agreement includes language transferring funding to the Marine Mammal Commission.

The conference agreement adopts, by reference, language proposed by the Senate regarding the Gulf and South Atlantic Fisheries Development Foundation.

NATIONAL MARINE FISHERIES SERVICE	FY04 Conference
Marine Mammals & Sea Turtles:	
California Sea Lions/Protected Species Management (PSM)	750
Cook Inlet Beluga	150
Dolphins:	
Bottlenose Dolphin:	
Data Analysis	1,000
Research	2,000
Take Reduction Teams	1,000
Dolphin Encirclement	2,293
Dolphin/Yellowfin Tuna Research	248
Manatees - New College (MMP)	250
Marine Mammal Protection (MMP)/NMFS Activities	4,000
Marine Mammal Strandings:	
Alaska SeaLife Center	1,000
Charleston Health and Risk Assessment	800
Prescott Grant Program	4,000
Marine Mammals, Sea Turtles & Other Species/Endangered Species Act (ES	3,477
Marine Mammal Commission Studies (protection/predation)	1,207
Native Marine Mammals:	
Alaska Eskimo Whaling Commission	497
Participation of AEWC in International Whaling Commission Meeting	100
Alaska Harbour Seals	149
Aleut Pacific Marine Resources Observers	125
Beluga Whale Committee	225
Bristol Bay Native Association	50
National Fish & Wildlife Foundation (NFWF) Species Mgmt (PSM)	1,000
North Pacific Southern Resident Orca Population (PSM)	1,500
Right Whale Activities (ESA)	10,621
Cooperative State Plans	2,000
Sea Turtles:	
ESA	5,250
Hawaiian Sea Turtles	7,300
Rancho Nuevo Sea Turtles	350
Southeastern Sea Turtles	300
Seals:	
Harbor Seals:	
Alaska Native Harbor Seal Commission	400
NMFS Activities	1,600
SeaLife Center	1,000
State of Alaska	1,000
Hawaiian Monk Seals	825

NATIONAL MARINE FISHERIES SERVICE	FY04 Conference
Ice Seals (MMP)	248
Steller Sea Lions:	
Endangered Species Act	850
N. Pacific Universities MM Consortium (and Harbor Seal Research)	2,500
Recovery Plan:	
Alaska Fisheries Foundation	1,000
Alaska Sea Life Center	6,000
Fisheries Management (North Pacific Council)	2,000
NMFS Activities	3,761
State of Alaska	2,000
Univ of AK Gulf Apex Predator	1,000
Winter Food Limitation Research (Prince William Sound SC)	1,000
Subtotal, Marine Mammals & Sea Turtles	76,826
Fish:	
Alaska Fisheries Development Foundation	1,500
Alaska Fisheries Information Network (AKFIN)	3,200
Alaska Groundfish Monitoring:	
Bering Sea Fishermen's Association Community Development Quota	175
Crab Research NMFS	473
NMFS Activities	2,087
NMFS Field Fishery Monitoring	300
NMFS Rockfish Research	340
Winter Pollock Survey	800
Alaska Near Shore Fisheries State of Alaska	1,000
Alaskan Groundfish Surveys:	
Calibration Studies	240
NMFS Activities	441
American Fisheries Act:	
Implementation	3,525
National Standards 4 and 8 State of Alaska	499
NMFS Activities	2,174
Anadromous Fish Commission -- North Pacific	750
Anadromous Grants	2,100
Atlantic Billfish Research	2,500
Atlantic Herring and Mackerel	200
Bering Sea Pollock Research	945
Bluefin Tuna Tagging - Monterey	550
Bluefish/Striped Bass:	700
Chesapeake Bay	500
Long Island Sound	250
Rutgers	827

NATIONAL MARINE FISHERIES SERVICE	FY04 Conference
Charleston Bump	650
Billfish Tagging	500
Chesapeake Bay Multi-Species Management	500
Expand Stock Assessments - Improve Data Collection	19,014
California Oceanic Cooperative Fisheries Investigation (CalCOFI)	900
Narragansett Bay (Phase II)	1,000
Fish Statistics	14,000
Atlantic States Marine Fisheries Commission	2,000
Economics & Social Sciences Research	4,200
National Fisheries Information System	2,575
National Standard 8	1,000
Fisheries Development Program:	
Hawaiian Fisheries Development	750
Product Quality and Marketing:	
Gulf Shrimp	2,000
South Atlantic Shrimp	2,000
Product Quality and Safety/Seafood Inspection	8,685
Fisheries Management Programs	27,657
Gulf Fisheries Information Network (GULF FIN) Data Collection Effort	3,500
Gulf of Maine Groundfish Survey	567
Halibut Data Collection	447
Halibut/Sablefish	1,200
Hawaii Stock Management Plan (Oceanic Institute)	500
Highly Migratory Shark Fishery Research Program (Mote)	2,000
Interjurisdictional Fisheries Grants	2,590
Interstate Fish Commissions:	
3 Commissions	750
Atlantic Cooperative Management	7,250
Large Pelagics Research Program (UNH)	3,100
Marine Fisheries Initiative (MARFIN):	
NMFS Activities	2,500
Monkfish Trawl	600
New England Stock Depletion	1,000
Pacific Coast Fisheries Information Network (PACFIN) Catch Effort Data	3,000
Recreational Fishery Harvest Monitoring/Rec. Fisheries Info Ntwk (RECFIN	3,450
RECFIN - SC (inshore recreational species assessment/tagging)	500
Red Snapper Monitoring and Research	4,968
Reduce Fishing Impacts on Essential Fish Habitat (EFH)	500
Reducing Bycatch	3,800
Gulf/Atlantic Turtle Excluder Device (GSAFD)	1,200
Regional Councils	15,000

NATIONAL MARINE FISHERIES SERVICE	FY04 Conference
Salmon:	
Atlantic Salmon:	
ESA	2,203
Recovery Plan	397
Research	705
State of Maine Salmon Recovery (PSM)	1,200
Chinook Salmon:	
Management	150
Pacific Salmon Treaty - Chinook Salmon Agreement	1,844
State of Alaska	1,340
Yukon River Chinook Salmon:	
State of Alaska	700
Yukon River Drainage Fisheries Assoc	499
Pacific Salmon:	
Columbia River:	
Endangered Species Act - Columbia River BIOP implementation	1,590
Endangered Species Studies	299
Facilities	3,365
Hatcheries and Facilities	11,457
Hatcheries - Monitor, Evaluation and Reform	1,700
Pacific Salmon Treaty	5,612
Recovery (ESA)	32,453
Western Alaska Salmon Failure - Bering Sea Fisherman's Assoc.	1,000
Virginia Fisheries Trawl Survey	500
West Coast Groundfish	5,000
Subtotal, Fish	243,943
Crustaceans & Mollusks:	
Bering Sea Crab (State of Alaska)	900
Blue Crab Advanced Research Consortium	2,000
Chesapeake Bay Oyster Restoration	2,000
Horseshoe Crab Research (HCRC)	650
Lobster Sampling	150
Mobile Bay Oyster Recovery	1,000
Non-Native Oyster Chesapeake Bay Project - VA	2,000
Oyster Restoration (Chesapeake - VIMS)	2,000
Scallop Fishery Assessment (MFI)	2,000
Shrimp Pathogens: South Carolina	650
South Carolina Oyster Recovery	1,000
Subtotal, Crustaceans & Mollusks	14,350
Enforcement & Observers:	
Enforcement & Surveillance:	

NATIONAL MARINE FISHERIES SERVICE	FY04 Conference
Driftnet Act Implementation	1,375
Ghostnet - High Seas Driftnet Detection	250
NMFS Activities	1,800
Pacific Rim Fisheries	150
State Participation - AK/WA	200
Enforcement & Surveillance	24,648
Cooperative Agreements w/States	17,275
Vessel Monitoring System	4,000
Observers/Training:	
Atlantic Coast Observers	3,328
Hawaii Longline Observer Program	4,000
N. Pacific Marine Resources Observers	1,875
N. Pacific Observer Program	800
NE Groundfish Court-Ordered Observers	9,500
S. Atlantic/Gulf Shrimp Observers	800
West Coast Observers	5,000
Subtotal, Enforcement & Observers	75,001
Habitat Conservation & Restoration:	
Bay Watersheds Education and Training Program	2,500
Connecticut River Partnership	300
Fisheries Habit Restoration:	
Bronx River Restoration	1,000
Community-Based Restoration Grants	12,000
Pinellas County Environmental	1,500
Habitat Conservation	9,218
Instream Flow Pilot Program (UNH)	600
Narragansett Bay Marine Education Program (Save the Bay)	500
Refine EFH Designations	1,000
Subtotal, Habitat Conservation & Restoration	28,618
Other Activities Supporting Fisheries:	
Antarctic Research	1,540
Center for Marine Education and Research (MS)	3,000
Chesapeake Bay Studies	3,500
Climate Regimes & Ecosystem Productivity	1,500
Conservation & Recovery with States	994
Consortium for Fisheries & Wildlife Conflict Resolution (UNH/NEA/VIMS/	500
Cooperative Research:	
Cooperative Marine Education & Research	200
Cooperative Research - North Pacific Research Board	3,000
National Cooperative Research	2,750
NE Cooperative Research	3,750

NATIONAL MARINE FISHERIES SERVICE	FY04 Conference
NEC Cooperative Marine Education & Research	200
Northeast Consortium	5,000
SC Cooperative Research	2,000
SE Cooperative Research	3,250
West Coast Groundfish Cooperative Research	1,000
Ecosystem Management:	
Gulf of Mexico	500
Middle Atlantic	500
New England	500
South Atlantic	500
FMP Extended Jurisdiction, State of Alaska	1,200
Gulf of Alaska Coastal Communities Coalition	425
Hawaiian Community Development	500
Information Analysis and Dissemination	21,508
Joint Institute for Marine & Atmospheric Research (JIMAR), HI	2,500
Magnuson-Stevens Implementation off Alaska	7,250
Marine Environmental Research Institute	300
Marine Resources Monitoring, Assessment & Prediction Pgm (MarMap)	1,250
NAPA/NAS Management Review	200
National Environmental Policy Act (NEPA)	3,000
New England Multi-Species Survey (SMAST)	3,000
Science Consortium on Ocean Research (SCORE)--NH/WA	1,000
Southeast Area Monitoring & Assessment Program (SEAMAP)	1,750
South Carolina Taxonomic Center	500
Subtotal, Other Activities Supporting Fisheries	78,567
Salaries & Expenses	115,285
Pacific Islands Regional Office	5,000
NW Fisheries Science Center (West Coast Groundfish Team)	1,700
Subtotal, Overhead	121,985
Payment to OMAO	700
GRAND TOTAL, NATIONAL MARINE FISHERERIES SERVICE - ORF	639,990

OCEANIC AND ATMOSPHERIC RESEARCH

The conference agreement includes $400,813,000 for the Oceanic and Atmospheric Research (OAR) line office.

The conferees support NOAA's efforts to provide national and international leadership on critical environmental issues, and to address the environmental research and development needs of internal NOAA customers, States, industry, and other Federal agencies. The conferees expect OAR to prioritize research efforts that have true operational benefits to NOAA.

The conference agreement adopts, by reference, language proposed by the House and Senate regarding a review of research requirements and a certain laboratory plan, and language proposed by the Senate under the heading NISA Alaska.

The conference agreement includes $12,000,000 for the National Undersea Research Program, of which $6,000,000 is for research conducted though the east coast NURP centers and $6,000,000 is for the west coast NURP centers, including Hawaiian and Pacific Center and the West Coast and Polar Regions Center. The conferees expect fiscal year 2003 funding to be available for Aquarius, and ALVIN.

Of the amounts provided under the climate research heading, $2,500,000 is for the Analytical Center for Climate and Environmental Change to enhance existing capabilities.

The conference agreement includes $500,000 to expand efforts of the Cooperative Sensor Development Laboratory in cooperation with the Atlantic Oceanographic and Meteorological Laboratory and the Pacific Marine Environmental Laboratory.

The conference agreement includes $3,525,000 for ballast water demonstrations and technologies, of which $1,700,000 is for a collaborative ballast water treatment test bed platform for the purpose of determining the effectiveness of injecting ozone into ballast water to kill invasive aquatic species. NOAA is directed to prepare, for the Committees on Appropriations, a report, no later than ninety days after the enactment of this Act, showing the impact of ozone in eradicating invasive species and the presence of any toxic effluents in the treated ballast water. Further, of the amounts provided $1,825,000 is for ballast water demonstrations to mitigate concerns in the Chesapeake Bay and the Great Lakes.

The conference agreement includes $994,000 to provide for an autonomous underwater vehicle, selected based on Brooks Act qualifications, for survey services in the deep water of the central Gulf of Mexico.

NOAA RESEARCH	FY04 Conference
Climate Research:	
Laboratories & Joint Institutes	48,000
Subtotal, Laboratories & Joint Institutions	48,000
Climate & Global Change Program	66,900
Accelerating Climate Models - IRI	1,500
Aerosols-Climate Interaction	2,000
Subtotal, Climate & Global Change Program	70,400
Climate Observations & Services:	
ARGO-Related Costs	10,950
Baseline Operations	2,500
Carbon Cycle	6,800
Climate & Environmental Change	2,500
Climate Change Assessments	646
Climate Data & Info and CLASS	1,000
Climate Modeling Center (GFDL)	5,000
Climate Reference Network	3,000
Global Climate Atmospheric Observing System	3,974
Ocean Observations/Ocean Systems	10,022
Regional Assessments, Education and Outreach	3,732
Weather-Climate Connection	900
Subtotal, Climate Observations & Services	51,024
Climate Partnership Programs:	
Abrupt Climate Change Research (U of ME)	500
Arctic Research Initiative (SEARCH)	1,987
East Tennessee Ozone Study	300
Subtotal, Climate Partnership Programs	2,787
Total, Climate Research	172,211
Laboratories & Joint Institutes	39,097
U.S. Weather Research Program	5,314
Targeted Wind Sensing	2,000
Subtotal, U.S. Weather Research Program	7,314
Weather & Air Partnership Programs:	
AIRMAP	5,000
New England Air Quality Study	3,000
Remote Sensing Research (ISU/BCAL)	500
STORM	500

NOAA RESEARCH	FY04 Conference
Tornado Severe Storm Research (PAR Evaluation)	1,001
Subtotal, Weather & Air Partnership Programs	10,001
Total, Weather & Air Quality Research	56,412
Ocean, Coastal, and Great Lakes Research:	
Laboratories & Joint Institutes	20,398
Milfoil (NH)	590
Subtotal, Ocean, Coastal, and Great Lakes Research	20,988
National Sea Grant College Program Continuing Activities	54,410
Aquatic Nuisance Species/Zebra Mussel Research	2,981
Fish Extension	2,000
Gulf of Mexico Oyster Initiative	1,000
Marine Invasive Species Program (HI)	250
Oyster Disease Research	1,987
Subtotal, National Sea Grant College Program	62,628
National Undersea Research Program - Continuing Activities	12,000
National Institute for Undersea Science and Technology	5,000
Ocean Exploration	13,200
Submersible Microtechnology Research (LA)	994
NMNH East Wing (Oceans)	16,000
Ocean & Coastal Partnership Programs:	
Aquatic Ecosystems-Canaan Valley Institute	4,272
Arctic Research	1,703
Cooperative Institute for New England Mariculture and Fisheries	3,000
Cooperative Sensor Development Lab for Oceans & Climate	500
Great Lakes Toxicity	500
Gulf of Maine Habitat Restoration Initiative (GOM Council)	1,000
Institute for Science, Technology & Public Policy (Texas A&M)	1,000
Lake Champlain Research Consortium	250
National Invasive Species Act - Alaska	1,300
Ballast Water Demonstrations - Chesapeake Bay and Great Lakes	3,525
NOAA Marine Aquaculture Program	785
Pacific Tropical Ornamental Fish	500
Ocean Health Initiative	10,000
Subtotal, Ocean & Coastal Partnership Programs	28,335
Total, Ocean, Coastal, and Great Lakes Research	159,145
High Performance Information Technology	12,945
Payment to OMAO	100
GRAND TOTAL NOAA RESEARCH - ORF	400,813

NATIONAL WEATHER SERVICE

The conference agreement includes $729,685,000 for the operations of the National Weather Service.

The conference agreement adopts, by reference, language proposed by the Senate under the headings of Budget Structure, Network Integrity, NEXRAD Coverage, NOAA Profiler Network, and Phased Array Radar Engineering and Manufacturing.

The conference agreement transfers funding from the "Oceanic and Atmospheric Research" to this account for tsunami mitigation efforts.

The conference agreement includes funding for the operations of five Micronesian weather service offices located at Pohnpei, Yap, Chuuk, Koror, and Majuro, as proposed. The conferees understand that the Department of the Interior will no longer reimburse NOAA for the costs of the Compact of Free Association that expires in 2003.

The conference agreement includes funding for the Susquehanna River basin project and Delaware Basin efforts within funding for the Advanced Hydrological Prediction Services.

The conference agreement includes $100,000 for a transmitter for Kemmerer and Dubois, Wyoming.

NATIONAL WEATHER SERVICE	FY04 Conference
Aviation Weather Warnings & Forecasts	63,700
Central Forecast Guidance	39,102
Local Warnings and Forecasts	493,525
Adv. Weather Interactive Processing Sys (AWIPS)	37,570
Automated Surface Observing System (ASOS)	8,248
Gateway Back Up - Mt. Weather (recurring operations)	3,042
Next Generation Weather Radar (NEXRAD)	44,040
Subtotal, Salaries, Benefits, and Expenses	689,227
Advanced Hydrological Prediction Services	6,058
Air Quality Forecasting Pilot Program	3,000
Alaska Data Buoys	1,500
Facilities Physical Security	250
High Resolution Temperature Forecasting	4,200
Hurricane Mitigation Alliance (SUSF)	3,750
North Dakota Ag Weather Network	270
Mt. Washington Observatory	1,000
NC Flood Warning System	600
New England Weather Technology Initiative	500
NOAA Profiler Network	4,150
Pacific Island Compact	3,550
Phased Array Radar (PAR) Engineering/Manufacturing	20
Sustain Cooperative Observer Network	1,890
Tsunami Hazard Mitigation	4,300
Pacific Ocean Monitoring Buoy Augmentation	600
Tsunami Warning & Environ'l Obs for AK (TWEAK)	2,000
Weather Radio Transmitters Base	2,320
Subtotal, Programs	39,958
Payment to OMAO	500
GRAND TOTAL NATIONAL WEATHER SERVICE - ORF	729,685

NATIONAL ENVIRONMENTAL SATELLITE, DATA, AND INFORMATION SERVICE

The conference agreement includes $153,827,000 for the operational and research and development programs of the National Environmental Satellite, Data, and Information Service.

The conference agreement includes $500,000 for the Interagency Global Positioning System Executive Board Secretariat, and $600,000 for the Office of Space Commercialization. The conferees transfer these functions from the heading "Technology Administration", as proposed by the Senate.

The conference agreement adopts, by reference, language proposed by the Senate under the heading of Budget Structure.

The conference agreement includes $2,500,000 for a data storage facility in West Virginia.

NATIONAL ENVIRONMENTAL SATELLITE, DATA AND INFORMATION SERVICE	FY04 Conference
Environmental Satellite Observing Systems	
Product Processing and Distribution	23,618
Satellite Command and Control	35,218
Subtotal, Environmental Satellite Observing Systems	58,836
Product Development, Readiness & Application	
Global Wind Demonstration	4,000
Joint Center/Accelerate Use of Satellites	1,491
NESDIS Activities	19,000
Subtotal, Product Development, Readiness & Application	24,491
Commercial Remote Sensing Licensing & Enforcement	1,200
Interagency Global Positioning System Executive Board Secretariat	500
Office of Space Commercialization	600
Total, Satellite Systems	84,527
Archive, Access & Assessment	
KY	7,925
MD	4,925
Quality assurance/quality control (NC)	1,600
WV	7,925
GOES Active Archive	2,500
NESDIS Activities	25,577
Subtotal, Archive, Access & Assessment	50,452
Coastal Data Development	4,513
Regional Climate Centers	3,000
International Pacific Research Center (U of HI)	2,000
Environmental Data Systems Modernization	11,335
Total, NOAA's Data Centers & Information Services	69,300
Payment to OMAO	300
GRAND TOTAL NESDIS-ORF	153,827

PROGRAM SUPPORT

The conference agreement includes $310,295,000 for the Program Support line office.

The conference agreement includes language to prohibit NOAA funding to support the Department of Commerce's E-government initiative.

The conference agreement adopts, by reference, language proposed by the House under the heading of Office Relocations, Pribilof Island Cleanup, and Minority Serving Institutions.

The conference agreement adopts, by reference, language proposed by the Senate under the heading of Truth in Budgeting.

PROGRAM SUPPORT	FY04 Conference
Corporate Services:	
Commerce Administrative Management System (CAMS)	9,561
Educational Partnership Program/Minority Serving Institution	15,000
National Ocean Science Competition	1,500
Office of Acquisition & Grants	2,700
Grants On-Line	1,100
Office of the Chief Administrative Officer	14,255
Office of the Chief Financial Officer	10,689
Office of the Chief Information Officer	3,610
Office of Human Resources	2,360
Office of Program Analysis & Evaluation	1,553
Payment to the DoC Working Capital Fund	38,758
Payment to the NOAA Business Management Fund	57,162
Program Planning and Integration	2,000
Under Secretary and Associate Offices	17,524
General Counsel Legal Consultation Costs	7,500
Total, Corporate Services	185,272
Facilities	
Environmental Compliance	1,987
Pribilof Islands Cleanup	8,000
Total, Facilities	9,987
Marine Operations & Maintenance	
Marine Services:	
AGATE PASS (Coastal YTT) Operations	290
FAIRWEATHER Operations	2,500
HIIALAKAI (Vindicator) Operations	2,200
LITTLEHALES Operations	290
Marine Services (Fleet Operations):	13,857
Salaries & Expenses	60,260
NOAA Corps Pay Raise Differential	1,000
OSCAR DYSON Operations	750
Univ-Nat'l Oceanographic Lab Sys (UNOLS) (Days at Sea - West Coast)	2,000
Subtotal, Marine Services	83,147
Fleet Planning and Maintenance:	
AGATE PASS (Coastal YTT) Maintenance	250
FAIRWEATHER Maintenance	740
Fleet Planning and Maintenance	10,537
LITTLEHALES Maintenance	100
Salaries & Expenses	800

PROGRAM SUPPORT	FY04 Conference
Subtotal, Fleet Planning and Maintenance	12,427
Total, Marine Operations and Maintenance	95,574
Aviation Operations:	
Program	6,067
Salaries & Expenses	12,200
Total, Aircraft Services	18,267
Future Health Care Benefits for Current Officers	1,195
Total, Marine and Aviation Operations	115,036
GRAND TOTAL PROGRAM SUPPORT - ORF	310,295

PROCUREMENT, ACQUISITION AND CONSTRUCTION

The conference agreement includes $990,127,000 under this heading.

The conference agreement adopts, by reference, language proposed by the House under the headings of Marine Sanctuaries Construction, Construction, Geostationary Systems and Polar Orbiting Systems, and language proposed by the Senate under the headings Land Acquisition and Construction and Other NOS Facilities.

The conferees expect NOAA to submit a reprogramming, pursuant to section 605 of this Act, should a land acquisition project specifically identified in this report become no longer viable.

The following distribution reflects the activities funded within this account:

PROCUREMENT, ACQUISITION AND CONSTRUCTION	FY04 Conference
NOS:	
Coastal and Estuarine Land Conservation Program (CELCP):	
Buffalo Bend	700
East Hampton	1,000
Goleta	800
Kelly's Island	200
North Hempstead	500
Starvation Cove	600
Orange Beach (Robinson Island), AL	1,000
Elkhorn Slough/Moss Landing, CA	1,500
San Pablo Bay, CA	1,000
Sand Hill Bluff (Santa Cruz Co.), CA	2,000
South Orange Natural Community, CA	500
Mill River, CT	200
Salt Island Overlook (Westbrook), CT	300
Coastal Lands, HI	3,000
Camp Salmen, LA	700
Westwego, LA	1,600
Monomoy River (Harwich), MA	1,675
Chesapeake, Eastern Shore ("Glatfelter properties"), MD	6,000
Royal River (Yarmouth), ME	1,600
Saugatuck Dunes, MI	2,500
Mississippi Coastal Preserve System	2,000
Seacoast, NH	2,000
Barnegat Bay, NJ	2,000
Gunning Island, NJ	1,500
Bass Islands, OH	3,000
Grand River (Lake County), OH	1,000
Lake Erie Shoreline (Canal Basin), OH	3,000
Third Beach (Middletown), RI	750
Dragon's Run	1,000
Potomac Watershed/Above Washington	3,000
Bainbridge Island, WA	2,000
Maury Island, WA	2,000
Saxine Creek/Bibon Swamp (Bayfield County), WI	750
Subtotal, Coastal and Estuarine Land Conservation Program	51,375
Estuarine Land Acquistion & Construction:	
ACE Basin	4,500
Apalachicola NERR, FL	1,500

PROCUREMENT, ACQUISITION AND CONSTRUCTION	FY04 Conference
St. Jones River, DE	250
Blackbird Creek, DE	2,250
Guana Tolomato Matanzas Reserve	2,000
Jacques Cousteau NERR, NJ	3,000
Old Woman Creek NERR, OH	400
Subtotal, Estuarine Acquisition & Construction	13,900
Sec. 2 (FWCA) Coastal/Estuarine Land Acquisition:	
Bonneau Ferry, SC	16,750
Great Bay Partnership, NH	6,000
Subtotal, Sec. 2 (FWCA) Coastal/Estuarine Land Acquisition	22,750
Marine Sanctuaries Construction:	5,296
Maui Humpback Whale Sanctuary	2,200
Subtotal, Marine Sanctuary Construction	7,496
Other NOS Facilities:	
Fort Johnson Joint Laboratory (SCDNR) Modernization	2,000
Kasitsna Bay Laboratory	4,000
Conservation Institute	1,200
Marine Environmental Health Research Laboratory Expansion & Equip.	6,000
Subtotal, Other NOS Facilities	13,200
Total NOS - PAC	108,721
NMFS	
Systems Acquisition	
Computer Hardware & Software	3,492
Subtotal, NMFS Systems Acquisition	3,492
Construction:	
Aquatic Resource Program	5,000
Honolulu Lab	12,000
Pascagoula Laboratory - NMFS	2,000
Phase III - Galveston Laboratory Renovation - NMFS	2,000
Southeastern Regional Office - NMFS	1,600
Subtotal, NMFS Construction	22,600
Total, NMFS - PAC	26,092
OAR	
Systems Acquisition:	
Comprehensive Large Array Data Stewardship System	3,200
Research Supercomputing (CCRI)	10,000
Subtotal, OAR Systems Acquisition	13,200
Construction:	
Barrow Arctic Research Center (Phase I)	8,500

PROCUREMENT, ACQUISITION AND CONSTRUCTION	FY04 Conference
Subtotal, OAR Construction	8,500
Total, OAR - PAC	21,700
NWS:	
Systems Acquisition:	
Advanced Weather Interactive Processing System (AWIPS)	14,134
All Hazard National Warning Network - NOAA Weather Radio	5,500
Automated Surface Observing System (ASOS)	5,125
Next Generation Weather Radar (NEXRAD)	11,500
NWS Telecommunications Gateway (NWSTG) Legacy Replacement	2,870
Radiosonde Network Replacement	6,989
Weather and Climate Supercomputing	19,285
Weather and Climate Supercomputing - Backup	7,148
NOAA Science Center (NCEP)	10,400
WFO Construction	13,630
WFO Maintenance	7,390
Geostationary Systems	277,554
Polar Orbiting Systems	391,083
EOS & Advanced Polar Data	2,500
CIP Single Point of Failure	2,800
Coastal Remote Sensing - CSC	500
Subtotal, NESDIS Systems Acquisition	674,437
Construction:	
Suitland Facility	8,217
Subtotal, NESDIS Construction	8,217
Total, NESDIS - PAC	682,654
Program Support:	
AMNH	1,000
Maintenance - Backlog	5,000
Maintenance - Cyclical	2,550
Aircraft Upgrade & Replacement:	
G-IV Instrumentation Upgrades	4,600
Required Regulatory Upgrades to Aircraft	1,343
Turbo Commander Replacement	1,550
WP-3D Navigation Upgrade	1,645
Fisheries Research Vessel Replacement #3	17,000
Hiialakai (Vindicator) fit out	2,500
Ship Acquisition, Conversion, & Maint. (climate/hydro/fish/enf.)	4,101
Sonar for Long-Range Fisheries Research	5,700
Subtotal, OMAO Fleet Upgrade & Replacement	29,301

PROCUREMENT, ACQUISITION AND CONSTRUCTION	FY04 Conference
Total, Program Support - PAC	46,989
GRAND TOTAL PAC	990,127

PACIFIC COASTAL SALMON RECOVERY

The conference agreement includes $90,000,000, the same amount as proposed by both the House and the Senate, of which $5,000,000 is for the State of Idaho, $26,274,000 is for the State of Washington, $20,868,000 is for the State of Alaska, $13,133,000 is for the State of Oregon, $13,133,000 is for the State of California, $8,500,000 is for the Pacific coastal tribes, and $3,092,000 is for the Columbia River tribes.

Of the amounts provided to the State of Washington, $4,000,000 is for the Washington State Department of Natural Resources and other State and Federal agencies for purposes of implementing the State of Washington's Forest and Fish report, and $1,800,000 is for the purchase of mass marking equipment used at Federal hatcheries in Washington State to promote selective fisheries and protect threatened and endangered species.

Of the funds provided for the State of Alaska, $3,500,000 is for the Arctic Yukon-Kuskokwim Sustainable Salmon initiative; $1,000,000 is for the Cook Inlet Fishing Community Assistance Program; $500,000 is for the Yukon River Drainage Association; $3,368,000 is for Fairbanks hatchery facilities; $1,500,000 is for the City of Adak for marine related infrastructure; $250,000 is for the State of Alaska to participate in discussions regarding the Columbine River hydrosystem management and for fisheries revitalization; $100,000 is for the United Fishermen of Alaska's subsistence program; $3,500,000 is to restore salmon fisheries in Anchorage at Ship Creek, Chester Creek, and Campbell Creek including habitat restoration and facilities; $1,500,000 is to restore salmon runs in Resurrection Bay at the Alaska SeaLife Center; $1,000,000 is for scientific fisheries systems riverine sonar; $150,000 is for the Southeast Revitalization Association for its fleet stabilization program; $1,000,000 is to mitigate albatross-fish interactions; $2,000,000 is for the Kenai River; $1,000,000 is for the Russian River; $200,000 is to restore the Craig watershed; and $300,000 is for Chinook Salmon Research in Auke Bay.

Of the amounts provided to the State of Oregon, $1,100,000 is for conservation mass marking at the Columbia River Hatcheries.

FISHERIES FINANCE PROGRAM ACCOUNT

The conference agreement includes language to support up to $59,000,000 to finance fishing capacity reduction loan programs, of which $40,000,000 may be used for the United States distant water tuna fleet, and $19,000,000 may be used for the United States menhaden fishery. Further, the conference agreement includes language to support up to $5,000,000 for Individual Fishing Quota loans.

DEPARTMENTAL MANAGEMENT

SALARIES AND EXPENSES

The conference agreement includes $47,289,000 for costs related to managing the Department of Commerce. Of the amount provided, $900,000 is for costs related to the renovation of the Herbert C. Hoover building. The conference agreement includes designating $1,621,000 and 12 full-time equivalents for the legislative affairs function of the Department.

The conference agreement adopts, by reference, language proposed by the House under the heading of Office Relocations.

Office of Inspector General

The conference agreement includes $21,116,000 for the Inspector General for fiscal year 2004, the same amount as proposed by the Senate, instead of $22,000,000 as proposed by the House.

General Provisions—Department of Commerce

(INCLUDING RESCISSION)

The conference agreement includes the following general provisions for the Department of Commerce:

Section 201 of the bill making Department of Commerce funds available for advanced payments only upon certification of officials designated by the Secretary that such payments are considered to be in the public interest.

Section 202 making appropriations for the Department in the bill for Salaries and Expenses available for hire of passenger motor vehicles, and for services, uniforms and allowances as authorized by law.

Section 203 prohibiting any of the funds for NOAA being used to support hurricane reconnaissance aircraft and activities that are under the control of the United States Air Force or the United States Air Force Reserve.

Section 204 providing the authority to transfer funds between Department of Commerce appropriation accounts and requiring notification to the Committees of certain actions.

Section 205 providing that any costs incurred by the Department in response to funding reductions shall be absorbed within the total budgetary resources available to the Department and shall not be subject to the reprogramming limitations set forth in this Act.

Section 206 allowing the Department of Commerce franchise fund to retain earnings from services.

Section 207 designating funds for certain projects.

Section 208 designating amounts available in the "Promote and Develop Fishery Products and Research Pertaining to American Fisheries" fund and including language to provide authorities for a certain Board.

Section 209 providing authorities for the Economic Development Administration.

Section 210 authorizing the Secretary of Commerce to operate a marine laboratory.

Section 211 extending the Emergency Steel Loan Guarantee Act of 1999 and including language providing $2,000,000 to administer the program.

Section 212 providing additional funding for certain projects.

Section 213 providing the authority and amounts to administer a certain program regarding a lobster fishery.

Section 214 providing the authority and amounts to administer a certain program regarding a Bering Sea and Aleutian Islands non-pollock groundfish fishery.

Section 215 rescinding $100,000,000 from certain unobligated balances.

TITLE III—THE JUDICIARY

The conferees adopt by reference the House report language concerning the submission of a financial plan within 45 days after enactment of this Act. If shortfalls arise during the course of fiscal year 2004, the conferees expect the Judiciary to attempt to address these shortfalls through the reprogramming process, consistent with section 605 of this Act, before requesting supplemental appropriations.

Supreme Court of the United States

SALARIES AND EXPENSES

The conference agreement includes $55,360,000 for the salaries and expenses of the Supreme Court, as provided by the House, instead of $59,414,000 as provided by the Senate. The conferees are supportive of the funding increases and report language included in the Senate report concerning data systems, additional personnel, and the Metrocheck transit subsidy program. Within the funding level provided, the conferees ask the Court to fund these programs to the maximum extent possible based the Court's priorities. The Court's financial plan is expected to outline the Court's allocation of funding among these priorities. As described in the Senate report, the Court is also expected to report to the Committees on Appropriations on the savings associated with hiring systems accountants to replace contractors.

The conferees adopt by reference the House report language concerning minority hiring and diversity among law clerks.

CARE OF THE BUILDING AND GROUNDS

The conference agreement includes $10,591,000 for the Supreme Court "Care of the Building and Grounds" account, as provided by the House, instead of $4,658,000 as provided by the Senate. The conference agreement adopts by reference the House report language concerning the submission of a study, within 90 days of enactment of this Act, on the feasibility of establishing a visitor screening site outside of the Supreme Court building.

United States Court of Appeals for the Federal Circuit

SALARIES AND EXPENSES

The conference agreement includes $20,662,000 for the United States Court of Appeals for the Federal Circuit, as provided by the Senate, instead of $20,665,000 as provided by the House. The conference agreement provides no funding to establish a Deputy Circuit Executive, as described in the Senate report.

United States Court of International Trade

SALARIES AND EXPENSES

The conference agreement includes $14,068,000 for the U.S. Court of International Trade, as provided by the House, instead of $13,210,000 as provided by the Senate.

Courts of Appeals, District Courts, and Other Judicial Services

SALARIES AND EXPENSES

The conference agreement provides $3,994,176,000 for the salaries and expenses of the Courts of Appeals, District Courts and Other Judicial Services instead of $4,004,176,000 as provided by the House and $3,894,021,000 as provided by the Senate.

The conferees would like to see greater emphasis on automation in local courts. The conferees understand that the time required to hear Court cases can be reduced by as much as 15 percent through the use of technologies in the courtroom. The Conferees direct the Judiciary to continue to implement these new technologies in courtrooms.

The conferees adopt by reference the Senate report language requiring a report on the savings generated by the CM/ECF program and requiring a report on the Court Operations Support Center. The conferees adopt by reference the House report language concerning Electronic Public Access fees.

The conferees are concerned with the methodology used to prepare and the presentation of the Judiciary's information technology budget and long-range plan. The conferees expect the Administrative Office of the United States Courts (AO) to work with the Committees on Appropriations on the presentation of funding requests for this program. The conferees are concerned with the presentation of new initiatives in the O&M budget, and as well as the large amount of O&M funding required in proportion to the total information technology budget request.

The conferees understand that the Judiciary's staffing, operations and maintenance, and information technology resources are allocated to the courts according to formulas intended to equitably distribute resources based on the actual workload of each district. The conferees direct the Judiciary to update the formulas to improve their accuracy. The updates should incorporate changes in the courts' resource needs to reflect the implementation of technology enhancements such as the CM/ECF project and the unique situations that occur in districts with large geographic divisions. The conferees direct the Judiciary to report within 180 days of enactment of this Act on the Judiciary's efforts to update these formulas.

The Edwin L. Nelson Local Initiative Program.—The conferees have learned that many courts are developing significant IT solutions to meet local needs. The entire Judiciary receives great benefit from the development of automation initiatives at the local court level and the sharing of this technology with other courts will realize precious savings throughout the Judiciary. The conferees noted the inclusion of an Information Technology Grant program in the "Long Range Plan for Information Technology in the Federal Judiciary", specifically goal 7, initiative 1. The conferees fully support this program. However the conferees understand that even though funding was included in previous years' financial plans, no grants for this program have been awarded in fiscal years 2002 or 2003. To accelerate the pace of this program, the conferees direct that no less than $2,000,000 shall be made available for the Edwin L. Nelson Local Initiatives Program. These funds shall be used to establish and operate a National Clearing House, facilitate local court collaboration, expand training opportunities at the circuit level, and provide Information Technology Grants. The conferees direct the development and execution of this new Edwin L. Nelson Local Initiatives Program shall be coordinated with United States Judicial Conference Committee on Information Technology. The conferees direct the AO to report to the Committees on Appropriations, within 90 days of enactment of this Act, on the proposed process and structure to operate the Clearing House, evaluate initiatives, distribute grants, conduct training and execute the Local Initiatives Program, as approved by the Judicial Conference. In addition, the AO shall report the status of this program no later than April 1 and September 1, 2004. The status reports shall contain, at a minimum, an activity report from the Clearing House, a list of courts receiving grants including the purpose and amount of each grant and any training conducted.

VACCINE INJURY COMPENSATION TRUST FUND

The conference agreement provides $3,193,000 from the Vaccine Injury Compensation Trust Fund instead of $3,293,000 as provided by the House and the Senate.

DEFENDER SERVICES

The conference agreement includes $604,477,000 for the Federal Judiciary's Defender Services account, instead of $613,948,000 as provided by the House and $595,006,000 as provided by the Senate.

The conference agreement does not provide any increases in panel attorney hourly pay rates above the current rates. The conference agreement adopts by reference the House and Senate report language concerning future budget requests for panel attorney pay rate increases. Conferees expect the Judiciary to address these concerns before requesting panel attorney rate increases above the rate of inflation.

FEES OF JURORS AND COMMISSIONERS

The conference agreement includes $57,822,000 for Fees of Jurors and Commissioners, instead of $53,181,000 as provided by the House and Senate. The conferees understand the Judiciary's "First Day" statistics show that the percentage of petit jurors called that are not selected, serving or challenged on their first day has increased from 33 percent in fiscal year 1997 to 39 percent in fiscal year 2002. The conferees are concerned with the decline in juror utilization rates and the associated increase in costs. The conferees direct the Judicial Conference of the United States to report to the Committees on Appropriations within 180 days of enactment of this Act on (1) the reasons for the decline in juror utilization, (2) the impact the implementation of the Jury Modernization System has had on juror utilization, and (3) recommendations on how the Judiciary can improve the efficiency with which it calls petit jurors.

COURT SECURITY

The conference agreement includes $277,500,000 for the Federal Judiciary's Court Security account, instead of $288,941,000 as provided by the House and $266,058,000 as provided by the Senate.

The conferees adopt by reference the House report language requiring a monthly report on court security equipment and systems spending throughout fiscal year 2004. The Conferees are concerned about the delay in submitting the management study the United States Marshals Service (USMS) was directed to conduct in fiscal year 2003 and hope this study will provide recommendations to improve the administration of this program by the USMS and the Judiciary.

ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS

SALARIES AND EXPENSES

The conference agreement includes $66,000,000 for the Administrative Office of the United States Courts instead of $66,968,000 as provided by the House and $63,717,000 as provided by the Senate. The conferees adopt by reference the Senate report language concerning cyclical replacement of automation equipment and the Senate report language directing the AO to develop a comprehensive records management plan and inform the Committees on Appropriations of this plan as soon as possible. In addition, the conferees adopt by reference the Senate report language requiring the submission of semi-annual reports to the Committees on Appropriations on travel expenses associated with AO personnel by directorate.

FEDERAL JUDICIAL CENTER

SALARIES AND EXPENSES

The conference agreement includes $21,440,000 for salaries and expenses of the Federal Judicial Center as provided by the House, instead of $22,434,000 as provided by the Senate. The conferees laud the Center's education and training program and believe it can be a model for training programs in the Federal government.

JUDICIAL RETIREMENT FUNDS

PAYMENT TO JUDICIARY TRUST FUNDS

The conference agreement includes $29,000,000 for payment to various judicial retirement funds, as provided by the House and Senate.

UNITED STATES SENTENCING COMMISSION

SALARIES AND EXPENSES

The conference agreement includes $12,354,000 for the U.S. Sentencing Commission, instead of $12,746,000 as provided by the House and $12,011,000 as provided by the Senate.

GENERAL PROVISIONS—THE JUDICIARY

Section 301.—The conference agreement includes a provision included by both the House and Senate allowing appropriations to be used for services as authorized by 5 U.S.C. 3109.

Section 302.—The conference agreement includes a provision related to the transfer of funds.

Section 303.—The conference agreement includes a provision allowing up to $11,000 to be used for official representation expenses of the Judicial Conference of the United States.

TITLE IV—DEPARTMENT OF STATE AND RELATED AGENCY

In total, the conference agreement includes $8,264,072,000 for the Department of State and the Broadcasting Board of Governors. Of the total amount provided, $8,129,093,000 is derived from general purpose discretionary funds and $134,979,000 is scored as mandatory spending. This funding level includes significant program increases to improve diplomatic readiness and security. The conference agreement includes $1,508,101,000 to continue worldwide security activities, including the design and construction of replacement facilities for the most vulnerable overseas posts.

DEPARTMENT OF STATE

The conference agreement for the Department of State is intended to continue the Department's efforts to achieve diplomatic readiness, strengthen diplomatic and border security, and institute sweeping management reforms. In the past four fiscal years, the Congress has provided appropriations increases of over 44 percent for the Department's operating budget, including funding to support the hiring and training of more than 2,000 new employees.

The conference agreement includes a total of $7,706,639,000 for fiscal year 2004 for the Department of State. Of the total amount provided, $7,571,660,000 is derived from general purpose discretionary funds and $134,979,000 is scored as mandatory spending. The overall funding level for fiscal year 2004 represents an additional 8.9 percent increase to the operating budget, which will support up to 603 new positions. The conferees expect that this funding level will allow the Department to meet critical embassy security and staffing requirements, modernize its technology and equipment, and continue vigorous management reform initiatives to right-size America's overseas presence.

The conference agreement includes a total of $5,969,805,000 for the discretionary appropriation accounts under Administration of Foreign Affairs; $1,465,305,000 for International Organizations; $57,795,000 for International Commissions; and $78,755,000 for Other activities. The conferees' priorities for the Department of State are delineated in the following paragraphs.

ADMINISTRATION OF FOREIGN AFFAIRS

DIPLOMATIC AND CONSULAR PROGRAMS

The conference agreement includes $4,106,701,000 for the Diplomatic and Consular Programs account, instead of $4,099,961,000 as proposed by the House and $3,874,778,000 as proposed by the Senate. The conference agreement includes $646,701,000 to continue funding for worldwide security upgrades, $301,563,000 for public diplomacy programs, and $40,000,000 for worldwide OpenNet and classified connectivity infrastructure. The conference agreement represents an increase of $210,868,000 above the fiscal year 2003 appropriation.

The conference agreement includes a program increase of $72,572,000 to support the hiring and training of new foreign service and civil service employees, including foreign service positions dedicated to visa adjudication as described in both the House and Senate reports. The conferees are concerned that not all of the new full-time equivalents hired by the Department under the Diplomatic Readiness Initiative (DRI) are available for worldwide deployment. One of the primary objectives of the DRI was to allow the Department to address staffing shortages at U.S. diplomatic posts overseas. The Department shall submit a report to the Committees, no later than February 1, 2004, on the number of personnel hired under DRI that are not available for worldwide deployment and on the Department's plan for ensuring that personnel yet to be hired under DRI are available for worldwide deployment. To the greatest extent possible Foreign Service Officers hired during the third and final year of DRI should be available for worldwide deployment.

The conferees urge the Department to move forward expeditiously with its right-sizing plan. Right-sizing refers to the reconfiguration of overseas U.S. Government personnel to the number necessary to achieve U.S. foreign policy goals. The conferees recognize that, as the property manager for all U.S. Government properties overseas, the Department of State faces considerable pressure to accommodate ever-greater numbers of non-State Department personnel in its overseas facilities.

For any right-sizing framework to be effective, it must have two main components: (1) a process for determining, internally, the appropriate numbers of State Department personnel stationed overseas, and (2) an interagency process for determining the appropriate numbers of non-military U.S. government personnel stationed overseas. To this end, the conference agreement includes up to $2,000,000 for the Department to establish and operate an Office on Right-Sizing the United States Overseas Presence, and adopts, by reference, the language on this matter in the House report. The conferees expect this new Office, which shall report directly to the Undersecretary for Management, to lead the Department's effort to develop internal and interagency mechanisms to better coordinate, rationalize, and manage the deployment of U.S. government personnel overseas.

The conferees commend the Department for its recent steps to strengthen internal processes for determining staffing projections for overseas personnel needs. However, more needs to be done. The conferees are not aware of any right-sizing analysis in the past three years that has resulted in a proposed reduction to a country-wide staffing presence. The conferees are supportive of the concept of regionalization. Regionalization refers to the practice of basing certain administrative functions and personnel in regional centers, or "hubs", thereby creating efficiencies. The conferees note that the Department has made less than notable progress towards developing an interagency right-sizing process. The conferees urge the Department, with the Office of Management and Budget, to take the lead in establishing an interagency process for developing staffing projections for U.S. government facilities overseas. The conferees support the Department's cost-sharing plan which will encourage other Federal agencies to examine more closely whether the personnel they send overseas are truly mission-critical. The conferees remind the Department that this interagency process should not supercede the authority of the Chiefs of Mission (COM) to determine the composition of their posts, but rather to serve as a tool and support mechanism for the COM's. The post must remain at the center of the right-sizing process.

The conference agreement includes the requirements stipulated in the House report regarding a report on the impact of new staffing analysis requirements in the Mission Performance Planning process, and the direction to undertake a review and report on the size of the largest overseas missions using the mission performance plan and the right-sizing criteria developed by the General Accounting Office.

The conference agreement includes program increases as described in the House report for Trafficking in Persons, International Summits, International Religious Freedom, and re-establishing a United States Mission to the United Nations Educational, Scientific and Cultural Organization (UNESCO).

The conference agreement includes language specifying that $301,563,000 is available only for public diplomacy programs. The conference agreement continues support for special program initiatives in the Arab and Muslim world, which were significantly expanded in fiscal years 2002 and 2003.

The conferees are aware of the recently completed report of the Advisory Panel on Public Diplomacy, and the Department's response to the Panel's recommendations. The amounts provided for public diplomacy under this heading and under "Educational and Cultural Exchange Programs", including a reallocation of base funding toward the Arab and Muslim World, will allow the Department to pursue the Panel's recommendations. The conferees urge the Department to act expeditiously on several items proposed by the Panel, including the establishment of an office of policy, plans and resources within the Office of the Under Secretary; strengthening the authority of the Under Secretary for Public Diplomacy and Public Affairs and improving accountability for public diplomacy resources; improved interagency coordination; increased resources dedicated to program performance measurement and research; expansion of English language office, speaker and fellows programs; expansion of American studies programs including American Corners; and increased public diplomacy staff with better language skills. The conferees expect that significant resources from the Diplomatic Readiness Initiative will be allocated to increased Public Diplomacy staff resources and training.

The conference agreement includes, by reference, language in the Senate report regarding the refining of public diplomacy strategy, including the harmonization of mission and strategy with the Broadcasting Board of Governors, and the incorporation of public diplomacy into ongoing international assistance and volunteer programs.

The conference agreement includes $646,701,000 for worldwide security upgrades as proposed by the House, instead of $594,373,000 as proposed by the Senate. This conference agreement includes $542,998,000 to provide full year costs of maintaining base security activities at current levels. These activities include perimeter security upgrades, guard services, physical security equipment, armored vehicles, personnel, training and wireless communications. The conference agreement includes $7,952,000 for 85 additional security professional staff positions and $25,300,000 for completion of the initial multi-year plan to enhance perimeter security at 243 posts, and technical upgrades at annexes and other buildings not included in the original program. The conferees note that funds provided under this category may be used for protection and security costs in Kabul, Afghanistan. The conference agreement also includes up to $3,000,000 for State Department participation in the TOPOFF III national counterterrorism exercise and $5,000,000 for the Center for Antiterrorism and Security Training.

The conference agreement includes $736,013,000 for the Department's Border Security program, to be funded entirely though collection of Machine Readable Visa (MRV) fees. The fiscal year 2004 program level is an increase of $119,192,000, and includes a program increase of 125 new consular positions. The conference agreement does not include language proposed in the Senate bill regarding the automatic transfer of funding to the Border Security program in the event of MRV fee shortfalls. The Department received an appropriation of $109,500,000 in Public Law 108–106 to cover the estimated shortfall. However, the underlying problem—that a decline in visa fee revenue could disrupt the Border Security program—remains. The conferees direct the Department to submit a plan, no later than April 2, 2004, to ensure that visa fee revenue shortfalls do not disrupt the Department's critical border security operations in fiscal year 2004 or beyond. The conferees urge the Department to continue to work on an interagency basis to strengthen the visa process to make it an effective antiterrorism tool, while avoiding the creation of unnecessary barriers or delays to legitimate travel to the United States.

The conference agreement includes language designating $40,000,000 under this account for worldwide OpenNet and classified connectivity infrastructure. These costs were requested under the Capital Investment Fund. While that account was the appropriate one for funding the costs of developing and deploying these automation initiatives, the conferees agree that the costs of sustaining these systems, including hardware replacement and refreshment, are more appropriately funded under this heading.

The conference agreement includes, by reference, language in the House report on the Africa Policy Advisory Panel, the interagency task force to monitor the United Nations headquarters renovation project, minority hiring and recruiting, overseas schools, extradition, security of classified material, Tibet, the Bureau of Legislative Affairs, and U.S. presence in China. The conference agreement also includes, by reference, language in the Senate report on financial operations, foreign language proficiency, and international trade; and language and corresponding funding levels pertaining to the Arctic Council and the Bering Straits Commission.

The conferees expect the Department and the Bureau of International Organization Affairs to place top priority on international human rights protection and advocacy, and to submit a report to the Committees by December 15, 2003, presenting an international human rights agenda and work plan for the coming year. In addition, the conferees expect the Department to continue the effort begun last year to make funds available to each U.S. Embassy to translate into the official language of the host country the report for the host country from the "Country Reports on Human Rights Practices", the "Annual Report on International Religious Freedom", and the "Trafficking in Persons Report" within 30 days of issuance, and post those documents on the embassy website along with the English version. The Department shall notify the Committees by January 31, 2004, if there are any U.S. Embassies that do not comply with this requirement.

The conference agreement includes such funds as necessary for costs associated with fulfilling United States responsibilities with regard to participation in interparliamentary meetings, including North Atlantic Treaty Organization and Organization for Security and Cooperation in Europe meetings taking place during fiscal year 2004.

The conference agreement includes language, as in the previous fiscal year, providing that funds under this heading may be used for a United States Government interagency task force to examine, coordinate, and oversee United States participation in the United Nations headquarters renovation project.

The conference agreement includes up to $10,000,000 for continuing language education programs, as described in the Senate report.

The conference agreement also includes up to $500,000 for a cultural antiquities task force as described in the Senate report. The task force will coordinate with all relevant Federal law enforcement and cultural agencies to prevent further looting and promote preservation of Iraq's historically and culturally significant works. The conferees urge the Department to create a database as described in the Senate report. The conferees further urge the Department to make changes to visa policies as they pertain to persons found to have looted, damaged, or trafficked historically or culturally significant works. The Department shall submit a report to the Committees no later than April 15, 2004, on the Department's progress towards establishing the task force. This report should include recommendations concerning the database and changes in visa policy.

The conference agreement includes up to $2,000,000 for the Ambassador's Fund for Cultural Preservation, as described in the Senate report.

The conferees are concerned that the Department's policy of rotating Foreign Service Officers may hinder the work of the Bureau of Oceans and International Environmental and Scientific Affairs (OES). The successful negotiation of effective international agreements often takes place over an extended period of time and relies heavily on historical and institutional knowledge of the pertinent issues. The rotation of officers on a three year cycle may inhibit the development of such knowledge. The conferees direct the Department to report to the Committees no later than July 1, 2004, on the impact of such personnel policies on the United States' ability to negotiate effective international environmental treaties. From within the amount available to the OES Bureau, the conferees agree that up to $1,000,000 may be available for international health affairs.

The conferees remain concerned about the adequacy of the Department's efforts to counter the serious problem of international child abductions. The conferees direct that the Department use the authorities in existing law to prohibit the issuance of visas to international child abductors. The conferees also direct that, henceforward, the Department require that children over the age of one year and under the age of 14 be physically present at the time of application for a United States passport, or renewal thereof. The conference agreement includes up to $1,300,000 to promote international information sharing to combat child pornography as described in the Senate report.

The conferees direct the Department to undertake a general survey of foreign missions operating throughout the United States as part of a performance measurement of the work of the Office of Foreign Missions. The Department shall report to the Committees on the findings of this survey no later than October 1, 2004.

The conferees are aware of dissatisfaction with the Department's position regarding certain shipments of mahogany lumber from Brazil. It is the understanding of the conferees that the required export permits were obtained by the proprietor of these shipments from the Government of Brazil, in accordance with existing law. The conferees expect the Department to facilitate the resolution of this matter in a way that is equitable and consistent with U.S. law.

The conferees urge the Department, in consultation with the Department of Commerce, to ensure that U.S. conservation standards are applied to foreign fisheries that wish to import fish products to the U.S., consistent with Public Law 101-162. The conferees direct the Department to submit an enforcement plan to the Committees by April 1, 2004, as described in the House and Senate reports. The Secretary of State and the Secretary of Commerce shall establish standards and measures for bycatch reduction that are comparable to U.S. standards, as described in the Senate report.

As in previous years, the conferees expect that there will be additional savings available to the Department, including exchange rate gains and vacancies in funded positions. The Department will have the ability to propose that savings be used for needs not funded by the recommendation through the normal reprogramming process. The conferees are concerned about the Department's practice of resubmitting reprogramming requests that have previously been denied by the Committees on Appropriations. Reprogrammings should be resubmitted only if the circumstances surrounding the request or the request itself change substantially enough to warrant a reevaluation by the Committees.

CAPITAL INVESTMENT FUND

The conference agreement includes $80,000,000 for the Capital Investment Fund, instead of $142,000,000 as proposed by the House and $207,000,000 as proposed by the Senate. In addition, the conferees expect that $114,000,000 in expedited passport fees will be used to support the information technology modernization effort, for a total fiscal year 2004 spending availability of $194,000,000.

The entire amount available under this heading, including fees, will support investments in new information technologies to improve the efficiency of Department operations. Costs associated with ongoing information technology operations and maintenance, including $40,000,000 for equipment replacement requested under this account, are funded under the Diplomatic and Consular Programs account.

The conferees encourage the Department to allocate funding under this heading to the following high priority projects: the SMART messaging initiative; public key infrastructure; and up to $8,000,000 for the wide area network/thin client prototype.

OFFICE OF INSPECTOR GENERAL

The conference agreement includes $31,703,000 for the Office of Inspector General (OIG) as proposed by the Senate, instead of $29,777,000 as proposed by the House. The conference agreement includes language, as carried in previous years, waiving the requirement for a five-year post inspection cycle. The conference agreement does not include language in the Senate report on conducting risk and threat assessments.

EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS

The conference agreement includes a total of $320,000,000 under this heading, instead of $345,346,000 as proposed by the House and $255,292,000 as proposed by the Senate. The following chart displays the conference agreement on the distribution of funds by program or activity under this account, including an estimated $7,650,000 in prior year recoveries and unobligated balances:

	Amount (in thousands)
Academic Programs:	
Fulbright Students, Scholars, Teachers	$150,000
Graduate Fellowships/Junior Faculty Development	25,000
Foreign Study Grants for U.S. Undergraduates	1,600
Educational Advising and Student Services	3,500
English Language Programs	6,800
American Overseas Research Centers	2,700
South Pacific Exchanges	500
Tibet Exchanges	500
East Timor Exchanges	500
Disability Exchange Clearinghouse	500
Subtotal, Academic Programs	191,600
Professional and Cultural Programs:	
International Visitor Program	58,000
Citizen Exchange Program	22,000
Youth Exchanges/Excellence Awards	8,000
Congress-Bundestag Youth Exchange	3,000
Mike Mansfield Fellowship Program	1,800
Youth Science Leadership Institute of the Americas	100
Special Olympics	800
Africa Workforce Development Exchanges	400
Arctic Winter Games	100
George Mitchell Scholarship Program	500
PSC U.S.-Pakistan Educator Development	250
Institute for Representative Government	500
Irish Institute	350
Northern Forum	250
Winter Cities Conference	100
Seed Programs	500
Atlantic Corridor	250

	Amount (in thousands)
Interparliamentary Exchanges	150
Subtotal, Professional and Cultural Exchanges	97,050
Exchanges Support	39,000
Prior Year Balances Applied	(7,650)
Total, Exchange Programs	320,000

Deviations from this distribution of funds will be subject to the normal reprogramming procedures under section 605 of this Act.

The conference agreement adopts, by reference, language in the House report on the Congress-Bundestag Youth Exchange program; Fulbright exchanges with Tibet; the Leaders in Education Initiative; Traditional Public-Private Partnership grants; artistic and cultural exchanges; minimizing unnecessary barriers to legitimate travel of exchange program participants; the priority of enhanced support for engaging Arab and Muslim audiences through exchange programs; the allocation of funding under this heading for the Near East and South Asia regions; and the allocation of all resources under this account in accordance with worldwide policy priorities.

The conference agreement adopts, by reference, language in the Senate report regarding a program for Afghan women; the Fulbright program in Iraq; and a Council of American Overseas Research Centers program on diamond fingerprinting.

The conference agreement includes increased funding for exchanges with the countries of Eastern Europe and the former Soviet Union built into the base programs funded under this account. The conference agreement includes, by reference, language in the House report on funding levels for staff and administrative support. Funding in the preceding chart includes funding for the Future Leaders Exchange Program. No funding under this account shall be expended for programs that have foreign assistance or international development as the primary goal. The conference agreement does not include funding for programs, previously funded by transfers from other appropriations, which do not directly relate to international educational and cultural exchanges of persons. The amount provided for Graduate Fellowships is for all such programs worldwide.

The conferees recognize, in particular, the notable success of the Fulbright Educational Exchange Program. The conferees commend Fulbright for developing innovative initiatives, such as the Fulbright Legacy Fund.

Within funds identified in the above chart for "Seed Programs", the conferees expect the Department to consider supporting grants for an African career internship immersion program, a youth cultural festival exchange program, a program to promote religious tolerance and understanding through artistic and cultural exchanges, and the five programs listed in the Senate report under the heading "Seed Programs". Should additional funds become available during the course of the fiscal year, the conferees encourage the Department to provide additional funding to the Institute for Representative Government.

The conferees recognize, in particular, the notable success of the Fulbright Educational Exchange Program. The conferees commend Fulbright for developing innovative initiatives, such as the Fulbright Legacy Fund.

REPRESENTATION ALLOWANCES

The conference agreement includes $9,000,000 for representation allowances as proposed by the House, instead of $6,643,000 as proposed by the Senate. The conference agreement includes, by reference, language in the House report regarding the submission of a quarterly report on expenditures under this account.

PROTECTION OF FOREIGN MISSIONS AND OFFICIALS

The conference agreement includes $10,000,000 under this heading as proposed by both the House and the Senate. The conference agreement includes, by reference, language in the House report regarding the Department's treatment of reimbursement requests, and the submission of a report on budgeting for protection expenses in light of heightened security measures.

EMBASSY SECURITY, CONSTRUCTION, AND MAINTENANCE

The conference agreement includes a total appropriation of $1,391,400,000 for Embassy Security, Construction, and Maintenance. The conference agreement designates $861,400,000 as available only for priority worldwide security upgrades, acquisition, and construction, the full amount requested for such activities. The conference agreement includes $530,000,000 for base programs and non-security construction costs. The conference agreement includes full requested wage and price increases for the Department's Bureau of Overseas Buildings Operations (OBO), which will support 787 positions in fiscal year 2004. The conference agreement includes $20,000 for domestic and overseas representation, instead of $15,000 proposed by the House and $25,000 proposed by the Senate.

The conference agreement includes $861,400,000 for worldwide security upgrades, including $761,400,000 to continue the capital security program of constructing new secure replacement facilities for the Department's most vulnerable embassies and consulates. None of the funds made available under the Security Capital Construction program shall be used for facilities that are exclusively for the use of a non-State Department agency. Within the funds made available under this category, the conferees expect the Department to undertake new office building projects from among the highest priority facilities listed in the Long Range Overseas Buildings Plan. Projects funded under this account must follow a rigorous rightsizing methodology. The conferees expect that such rightsizing efforts will enable the Department to support ten new security capital embassy or consulate construction projects instead of seven as proposed in the budget request.

The conferees understand that the Department has evaluated options for a new embassy facility in Beirut, Lebanon. The conferees expect the Department to report to the Committees no later than 30 days after the enactment of this Act on the status of plans to construct such a facility, and to allocate funds provided under this heading, if appropriate.

The conference agreement includes, by reference, language in the House report regarding capital security cost sharing, compound security, security capital projects fully meeting existing security standards, immediate notification on serious security risks, reprogramming, and right-sizing. The conference agreement includes, by reference, language in the Senate report on a project at U.S. Embassy Mexico and asset management funds.

The conference agreement includes up to $15,000,000 to secure and protect soft targets, up to $8,000,000 for consular workspace improvements, and up to $20,000,000 for buyout of uneconomic leases, as described in the Senate report.

The conference agreement does not include funds requested under this heading for a new Embassy in Berlin, Germany, and instead proposes that this project be funded entirely from funds available in the assets management account. The conferees agree that the total amount to be provided from proceeds of sale for the Berlin project is $128,300,000, and that the facility will be sized to correspond with this project budget. The conference agreement includes, by reference, language in the House report regarding the disposal of property at posts that have had funding approved for the construction of a new secure compound.

The conferees direct the Department to provide a report no later than July 1, 2004, which justifies the continued need for a U.S. consulate in Rio de Janeiro, Brazil, which is located approximately 260 miles away from the U.S. Consulate in Sao Paulo, Brazil.

The conferees expect the Department to submit to the Committees any waiver or waivers signed by the Secretary of State in accordance with section 606(a)(2) and section 606(a)(3) of the Secure Embassy Construction and Counterterrorism Act of 1999 (Public Law 106–113) within five days of the Secretary's signature of such a waiver or waivers.

The conferees direct that the budget categories of "interiors and furnishings", "seismic programs", and "energy conservation" be funded at no less than fiscal year 2003 levels.

EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE

The conference agreement includes $1,000,000 under this heading as proposed by the House, instead of $1,000 as proposed by the Senate. The conference agreement anticipates that carryover balances from fiscal year 2003 will be available for obligation in fiscal year 2004. Within prior year unobligated balances, the conferees expect that at least $4,000,000 will be used for the cost of hosting the 2004 Summit of the Industrialized Nations.

REPATRIATION LOANS PROGRAM ACCOUNT

The conference agreement includes $612,000 for the subsidy cost of repatriation loans and $607,000 for administrative costs of the program as proposed by both the House and Senate.

PAYMENT TO THE AMERICAN INSTITUTE IN TAIWAN

The conference agreement includes $18,782,000 under this heading as proposed by the House, instead of $19,893,000 as proposed by the Senate. The conference agreement includes, by reference, language in the House report regarding the submission of a fiscal year 2004 spending plan, except that such plan shall be submitted by December 31, 2003.

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

The conference agreement includes $134,979,000 under this heading, as proposed by both the House and the Senate.

INTERNATIONAL ORGANIZATIONS

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

The conference agreement includes $1,010,463,000 under this heading as proposed by the House, instead of $921,888,000 as proposed by the Senate.

The conference agreement includes, by reference, language in the House report regarding offset of exchange rate losses, reprogramming to meet additional unanticipated costs of UNESCO membership, UNESCO reforms, reassessment of U.S. membership in certain international organizations, reform and budget discipline, the UN regular budget, and the Pan American Health Organization. The conference agreement includes, by reference, language from the Senate report regarding the provision of certain information to the Senate Committee on Appropriations regarding the Organization for Economic Cooperation and Development.

The conference agreement includes language requiring the Secretary to transmit the most recent biennial budget for the operations of the UN. The conference agreement includes language, as in fiscal year 2003, providing that funds within the Diplomatic and Consular programs account may be used for a United States Government interagency task force to examine, coordinate, and oversee United States participation in the United Nations headquarters renovation project. The conferees are concerned that the task force is not drawing upon the expertise of the Bureau of Overseas Buildings Operations (OBO) of the Department of State to the degree that it should be. The conferees direct the task force to coordinate its efforts with OBO and to consult with senior OBO officials in formulating its recommendations.

The conferees are aware of significant potential benefits that could result from U.S. participation in the International Coffee Organization (ICO). The Department may propose to use funds provided under this heading, through the regular reprogramming process under section 605 of this Act, for costs associated with rejoining ICO.

CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES

The conference agreement includes a total funding level of $550,200,000 for payments for Contributions for International Peacekeeping Activities as proposed by the House, instead of $482,649,000 as proposed by the Senate. The conference agreement includes $454,842,000 in new direct appropriations and $95,358,000 in prior year unobligated balances, and will provide for the full payment of anticipated fiscal year 2004 assessments for United Nations peacekeeping missions. The conference agreement includes language making ten percent of the amount provided available for two fiscal years.

The conference agreement includes, by reference, language in the House report regarding UN peacekeeping in the Western Sahara; UN peacekeeping reform; benchmarks for mission performance and termination; UN peacekeeping in the Democratic Republic of the Congo; and the Office of Internal Oversight Services. The conference agreement includes, by reference, language in the Senate report regarding peacekeeping reports. The allocation of funds under this account to specific missions shall be subject to the reprogramming requirements in section 605 of this Act.

The conferees support the work of the Special Court for Sierra Leone, and expect the United Nations Mission in Sierra Leone to provide support, as necessary, to the Court. The conferees urge the Department to work with the Court and other nations to ensure the expeditious prosecution of indicted persons.

The conferees direct the Department to provide a report to the Committees, no later than August 1, 2004, outlining the Department's views and strategies regarding United Nations peacekeeping missions that have been in existence for more than 10 years. The report shall include an assessment of the possibilities for near-term drawdowns or terminations, and detailed justifications for the continuation of such missions. The report shall also include recommendations for U.S. policies regarding such missions.

INTERNATIONAL COMMISSIONS

INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO

The conference agreement includes a total of $29,551,000 for the International Boundary and Water Commission, United States and Mexico (IBWC). The total amount provided includes $26,000,000 for Salaries and Expenses and $3,551,000 for Construction. The conference agreement includes language authorizing not to exceed $6,000 for representation expenses.

SALARIES AND EXPENSES

The conference agreement for the Salaries and Expenses account includes $26,000,000, instead of $25,668,000 as proposed by the House and $28,312,000 as proposed by the Senate. The conference agreement includes, by reference, language in the House report regarding the use of surplus operations and maintenance funding through reprogramming.

CONSTRUCTION

The conference agreement includes $3,551,000 in new direct appropriations under this heading, instead of $5,500,000 as proposed by the House and $8,201,000 as proposed by the Senate. The conferees agree that the Commission may use an additional $3,125,000 in prior year unobligated balances for fiscal year 2004 for a total spending level of $6,676,000.

The conference agreement spending levels for ongoing projects are: $2,306,000 for Boundary-wide construction; and $2,305,000 for Rio Grande construction. The conference agreement also includes $950,000 for compliance with the Surfriders consent decree. Any additional obligations under this heading within the total spending level cited above, including any new project starts, shall be subject to the reprogramming process described in section 605 of this Act.

The conference agreement assumes that the IBWC may carry out requested Western Boundary activities using prior year unobligated balances, and propose a distribution of such funds through the regular reprogramming process. The conferees encourage the IBWC to attempt, if possible, to achieve greater secondary treatment of Mexican sewage within current funding levels under this account. Any plan that assumes a significant increase in appropriations under this heading in future years is not feasible given resource restraints and competing priorities.

AMERICAN SECTIONS, INTERNATIONAL COMMISSIONS

The conference agreement includes a total of $8,944,000 under this heading as proposed by the House, instead of $10,942,000 as proposed by the Senate. This amount includes $1,261,000 for the International Boundary Commission, $5,550,000 for the International Joint Commission and $2,133,000 for the Border Environment Cooperation Commission. The conference agreement includes, by reference, language in the House report regarding funding for a study of the water regulation plan governing Lake Ontario and the St. Lawrence River.

INTERNATIONAL FISHERIES COMMISSIONS

The conference agreement includes $19,300,000 under this heading, instead of $16,989,000 as proposed by the House. The Senate proposed $20,043,000 for this purpose under the Department of Commerce. The conference agreement includes $2,250,000 for the Pacific Salmon Commission, $2,100,000 for the Inter-American Tropical Tuna Commission, $2,180,000 for the International Pacific Halibut Commission, and $12,248,000 for the Great Lakes Fishery Commission, of which not less than $700,000 is for lampricide in Lake Champlain. The conferees expect the Department to allocate the balance of funds in the conference agreement, and, through the regular reprogramming process, any additional funds that may become available, to priority commissions. In allocating the balance of funds, the conferees encourage the Department to particularly consider funding needs of the International Whaling Commission, the International Commission for the Conservation of Atlantic Tunas, the North Pacific Anadromous Fish Commission, the Inter-American Sea Turtle Convention Commission, and the North Pacific Marine Science Organization. The conferees are aware that the Department may propose to reprogram funds to meet the needs of the various fisheries commissions should funding become available.

The conferees expect the Department to take immediate action to evaluate and prioritize United States participation in, and funding for, international fisheries commissions. In a climate of limited resources the conferees continue to insist that the Department operate within appropriated amounts, prioritize as necessary among commissions according to policy goals, take steps as necessary to withdraw from lower priority commissions, and refrain from entering into new commitments.

OTHER

PAYMENT TO THE ASIA FOUNDATION

The conference agreement includes $13,000,000 under this heading, instead of $10,376,000 as proposed by the House and no funding as proposed by the Senate.

INTERNATIONAL CENTER FOR MIDDLE EASTERN-WESTERN DIALOGUE TRUST FUND

The conference agreement includes language creating a permanent trust fund for the International Center for Middle Eastern-Western Dialogue Trust (in Section 634). The purpose of this fund is to provide for the operations of the Center in Istanbul, Turkey, on an annual basis.

The conference agreement includes $7,000,000 under this heading to be deposited in the International Center for Muslim-Western Dialogue Trust (the Center) for the perpetual operations of the Center. The Center is located in the historic Palazzo Corpi, formerly the U.S. Consulate building in Istanbul, Turkey. The purpose of the Center is to develop programs of cooperative study, training, and research for students and scholars to exchange views and ideas. The Center shall develop regional-based dialogue groups on such topics as post-war Iraq and the empowerment of women in Iraq's government and leadership, among others. The conferees encourage non-profit organizations to play a continuing role in the administration of the Center and in the execution of its programs.

The conference agreement also includes $250,000 for a steering committee, chaired by the Council of American Overseas Research Centers (CAORC), to establish the Center. The CAORC may use the funds provided under this heading for steering committee meetings and planning workshops to be held in Istanbul, Turkey, and the United States.

The steering committee shall seek to achieve the following goals: identify potential partners in the U.S. and abroad; review all aspects of the structure of the Center and make recommendations concerning its governance, by-laws, internal organization, and modes of operation. In addition, CAORC shall be the coordinating liaison with concerned federal and private agencies, monitor progress and report to the Committees on Appropriations on an annual basis.

EISENHOWER EXCHANGE FELLOWSHIP PROGRAM

The conference agreement includes an appropriation for fiscal year 2004 of interest and earnings from the Eisenhower Exchange Fellowship Program Trust Fund, expected to total $500,000. The conference agreement includes, by reference, language in the House report regarding geographical priorities and the selection of fellows.

ISRAELI ARAB SCHOLARSHIP PROGRAM

The conference agreement includes an appropriation for fiscal year 2004 of interest and earnings of the Israeli Arab Scholarship Endowment Fund, expected to total $375,000.

EAST-WEST CENTER

The conference agreement includes $17,880,000 under this heading, instead of no funds as proposed by the House and $19,000,000 as proposed by the Senate. The conference agreement includes language waiving an authorization requirement for fiscal year 2003 appropriations under this heading.

NATIONAL ENDOWMENT FOR DEMOCRACY

The conference agreement includes $40,000,000 for the National Endowment for Democracy (NED), instead of $42,000,000 as proposed by the House and $36,000,000 as proposed by the Senate.

RELATED AGENCY

BROADCASTING BOARD OF GOVERNORS

INTERNATIONAL BROADCASTING OPERATIONS

The conference agreement includes $546,038,000 to carry out United States International Broadcasting Operations for fiscal year 2004. The conference agreement adopts, by reference, House language regarding communications with the Committees on Appropriations, and language under the headings of Arabic Television, Language Service Review and Research, Africa Broadcasting, and Anti-Jamming Efforts.

The conference agreement adopts, by reference, Senate language under the headings of Africa Broadcasting, Security of Worldwide Broadcasting Facilities, Middle East Television Network, and Jamming.

The conferees support efforts to devote more resources to regions of the world that have had exposure to U.S. broadcasting efforts, with particular attention to the Middle East and to Muslim populations around the globe. The conferees adopt the Broadcasting Board of Governors' (BBG) proposal regarding funding for language services in central and eastern European nations that have been invited to become new member states of the European Union or the North Atlantic Treaty Organization, and have received a Freedom House press freedom ranking equal to that of the United States. The conferees expect the BBG to continue to monitor the press freedoms in these countries, and throughout the world, and advise the Committees on Appropriations regarding any change to language service priorities.

BBG's proposal would reduce, but not eliminate, language services to the Ukraine and Armenia. The conferees understand the VOA Armenian programming would be merged with Radio Free Europe/Radio Liberty (RFE/RL) broadcasting efforts. The conferees understand the BBG would not eliminate broadcasting in Romanian or Croatian.

The conference agreement adopts BBG's proposal to double VOA radio broadcasts and increase television broadcasts to Indonesia.

The conferees continue to support RFE/RL programming efforts in Persian, Tajik, Uzbek, Turkmen, Arabic, Kazakh, Kyrgyz, and Azeri. The conferees commend RFE/RL for developing programming in Avar, Chechen, and Circassian, and for expanding broadcasting to the Northern Caucasus. The conferees recognize the continuing importance of broadcasting objective, uncensored information to the isolated minorities of the Northern Caucasus in their native languages.

The conferees continue to support Radio Free Asia's broadcasting efforts to China, Tibet, Burma, Vietnam, North Korea, Laos, and Cambodia and VOA's efforts in North Korea. The conference agreement includes funding to continue daily Uyghur broadcasts.

The conferees expect BBG to provide up to $1,000,000 to administer a pilot program using Internet technologies to overcome jamming of broadcasts to China.

The conference agreement adopts BBG's proposal to streamline and reduce costs of management and administration throughout the BBG, including the realignment of RFE/RL staff from headquarters to regional bureaus.

The conference agreement includes the realignment of the CFO office as proposed in a prior reprogramming notification to the Committees on Appropriations.

The conferees expect the BBG to provide a spending plan to the Committees on Appropriations in both the House and Senate by no later than February 14, 2004.

The conference agreement includes language providing for radio and television broadcasting to the Middle East under the Middle East Television Network.

The conference agreement includes funding for Office of Cuba Broadcasting (OCB) under this heading. The conferees commend the OCB for the successful completion of the conversion to digital audio and computer networking technologies. The conferees direct the BBG to pursue alternative means of transmission, including Internet transmission. The conferees expect BBG to provide up to $1,200,000 for this activity.

Further, the conference agreement does not include funding requested for the operating costs related to transmission stations that are not currently in operation.

The conferees understand the Administration has engaged the government of the Czech Republic regarding the relocation of the headquarters facility of the RFE/RL from St. Wenceslas Square in Prague, the Czech Republic, to a different location. The conferees further understand that, to date, the BBG and RFE/RL have not reached agreement with the Czech Republic on a suitable site within the Czech Republic for relocation. The conferees direct the Chairman of the BBG to submit no later than April 1, 2004, a relocation plan to the Committees on Appropriations. The plan shall include at least four possible sites, developed in consultation with the Director of the Department of State's Bureau of Overseas Buildings Operations. In determining the site options, the conferees direct the BBG to consider sites in other countries in the region in addition to the Czech Republic, and include a comparison of the long-term costs of operating in the different countries.

The BBG is directed to submit a spending plan for funds provided under this heading, in accordance with section 605 of this Act.

BROADCASTING CAPITAL IMPROVEMENTS

The conference agreement includes $11,395,000 for broadcasting capital improvements, as proposed by both the House and Senate.

The conference agreement adopts, by reference, House language regarding a certain transmitting station. The conferees expect the Board to keep the Committees on Appropriations in both the House and Senate informed on the status of its efforts to acquire additional transmission capabilities in the Middle East, including Egypt.

GENERAL PROVISIONS—DEPARTMENT OF STATE AND RELATED AGENCY

The conference agreement includes section 401, permitting the use of funds for allowances, differentials and transportation.

The conference agreement includes section 402 dealing with transfer authority.

The conference agreement includes section 403 prohibiting the use of funds by the Department of State or the Broadcasting Board of Governors to provide certain assistance to the Palestinian Broadcasting Corporation.

The conference agreement includes section 404 regarding the recording of place of birth on certain passport applications.

The conference agreement includes section 405 regarding certain State Department Basic Authorities.

The conference agreement includes section 406 regarding the denial of visas in certain instances. Nothing in this section shall be construed as cutting off the need to continue administrative processing of visa applications after 60 days.

The conference agreement includes section 407 waiving certain authorization requirements.

The conference agreement includes section 408 regarding the Senior Policy Operating Group on Trafficking in Persons. The conference agreement includes language clarifying the responsibilities of the Senior Policy Operating Group on Trafficking in Persons. The conferees understand that the Operating Group has been actively meeting and performing its designated functions since enactment of Section 406 of division B of Public Law 108–7. The conferees agree that all anti-trafficking policies, grants and grant policies shall be covered by the provisions of Section 406 of division B of Public Law 108–7. The conference agreement also includes language clarifying that the Senior Policy Operating Group and its chairman are the coordinating body (and official) accountable for federal anti-trafficking policies, grants and grant policies. The conferees are concerned by recent administrative efforts to subordinate and transfer the Operating Group's coordinating responsibilities. The language also makes clear that the coordinating responsibilities of the Operating Group are not intended to supercede the decision making authority of the constituent members of the Task Force to Monitor and Combat Trafficking in Persons, to whom Operating Group members continue to report. The Operating Group is, and was intended to serve as, the forum for interagency coordination of anti-trafficking policies, even as final decisions regarding any such policies are necessarily vested with the President and the senior officials who comprise the Task Force. The conferees agree that the Senior Operating Group and its chair have successfully performed the coordinating functions assigned to them.

The conference agreement includes section 409 regarding State Department provision of certain information to the Committees on Appropriations.

TITLE V—RELATED AGENCIES

ANTITRUST MODERNIZATION COMMISSION

SALARIES AND EXPENSES

The conference report includes $1,200,000 for the Antitrust Modernization Commission instead of $1,799,000 as provided by the House. The Senate did not fund this commission.

COMMISSION FOR THE PRESERVATION OF AMERICA'S HERITAGE ABROAD

SALARIES AND EXPENSES

The conference agreement includes $496,000 for the Commission for the Preservation of America's Heritage Abroad, instead of $499,000 as proposed by the House and $659,000 as proposed by the Senate. The conference agreement will allow the Commission to fund its administrative expenses through appropriated funds while relying on other sources of funding for actual purchase and restoration of property.

The conference agreement includes, by reference, language in the House Report under this heading.

The conferees encourage the Commission to undertake Phase II of its survey of sites abroad associated with the lives and deeds of foreign-born heroes of the American Revolution.

COMMISSION ON CIVIL RIGHTS

SALARIES AND EXPENSES

The conference agreement includes $9,096,000 for the salaries and expenses of the Commission on Civil Rights for fiscal year 2004, as proposed in both the House and Senate bills.

The conferees note that the Commission has achieved cost savings in fiscal year 2003 by holding its monthly meetings in Washington, DC, versus other locations around the country.

The conferees urge the Commission to continue to seek cost savings in this manner. In addition, the conferees encourage the Commission to address the recommendations made by the October 2003 General Accounting Office report, which suggested establishing greater controls over contracting activities and meeting financial statement preparation and audit requirements.

COMMISSION ON INTERNATIONAL RELIGIOUS FREEDOM

SALARIES AND EXPENSES

The conference agreement includes $3,000,000 for the Commission on International Religious Freedom, as proposed by the House, instead of $2,000,000 as proposed by the Senate.

The conference agreement includes, by reference, language in the House Report under this heading.

COMMISSION ON SECURITY AND COOPERATION IN EUROPE

SALARIES AND EXPENSES

The conference agreement includes $1,615,000 for the Commission on Security and Cooperation in Europe as proposed by the House and the Senate.

The conference agreement includes, by reference, language in the House Report under this heading.

CONGRESSIONAL-EXECUTIVE COMMISSION ON THE PEOPLE'S REPUBLIC OF CHINA

SALARIES AND EXPENSES

The conference agreement includes $1,800,000 for the Congressional-Executive Commission on the People's Republic of China, as proposed by the House, instead of $1,400,000, as proposed by the Senate. The conference agreement also includes new language making $300,000 available for the Political Prisoners Registry.

The conference agreement includes, by reference, language in the House Report under this heading.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

SALARIES AND EXPENSES

The conference agreement includes $328,400,000 for the salaries and expenses of the Equal Employment Opportunity Commission (EEOC) for fiscal year 2004, as proposed by the House, instead of $334,754,000 as proposed by the Senate.

The conferees recognize that the Chair and Commissioners have engaged EEOC stakeholders in a public forum in order to hear many different perspectives on the proposed restructuring effort. However, the conferees remain concerned about the impact this restructuring will have on the quality of service provided by the agency. The Committees on Appropriations should be kept apprised of any organizational changes, in accordance with the reprogramming requirements in Section 605 of the Act.

The conferees are aware of the many financial management initiatives the EEOC has successfully undertaken over the last year, and the conferees commend the Commission for these actions. The Commission is urged to continue these cost saving measures and the financial management discipline it has instituted. The conference agreement adopts, by reference, the language in the House report requiring quarterly reports on planned and actual spending and staffing levels. The conference agreement also includes, by reference, the language in the House report on Alternative Dispute Resolution programs.

FEDERAL COMMUNICATIONS COMMISSION

SALARIES AND EXPENSES

The conference agreement includes $273,958,000 for the salaries and expenses of the Federal Communications Commission (FCC) for fiscal year 2004, instead of $278,958,000 as provided by the House and $277,798,000 as provided by the Senate. Of the amounts provided, $272,958,000 is to be derived from offsetting fee collections, resulting in a net direct appropriation of $1,000,000.

The FCC performs four major functions: spectrum allocation, creating rules to promote fair competition and protect consumers where required by market conditions, authorization of service, and enforcement. The conferees direct the FCC to expend for enforcement in fiscal year 2004 an amount equal to or greater than the amount expended for enforcement in fiscal year 2003.

The conference agreement includes, by reference, language included in the House and Senate reports on broadcast television standards. The conference agreement includes, by reference, language in the Senate report regarding Universal Service Fund audits and wireless portability.

The conferees are pleased that the FCC is voluntarily examining the practice of Commissioners and staff receiving travel payments from entities it regulates in order to largely eliminate section 1353 travel. The FCC should inform the Committees on Appropriations of any resulting changes to the travel policy. The conference agreement includes a level of funding that is sufficient to accommodate mission-critical travel.

The conference agreement allows the FCC to spend up to $85,000,000 to administer the spectrum auctions program. In addition, all collections retained by the FCC in accordance with section 309(j)(8)(B) of the Communications Act of 1934 are subject to the requirements of section 605 of this Act.

FEDERAL TRADE COMMISSION

SALARIES AND EXPENSES

The conference agreement includes $186,041,000 for the Federal Trade Commission (FTC), instead of $183,041,000 as proposed by the House and $189,032,000 as proposed by the Senate. Of the amounts provided, $112,000,000 is derived from Hart-Scott-Rodino premerger filing fees, $23,100,000 is derived from Do-Not-Call fees, and $50,941,000 is derived from discretionary appropriations.

The conference agreement adopts by reference the House report language requiring GAO to study the implementation of the Do-Not-Call program and determine whether the Commission is achieving its goal of reducing by 80 percent the number of telemarketing calls received by registered consumers. To improve responsiveness to an individual's decision to enroll in the Do-Not-Call program, the conference report includes bill language requiring telemarketers who are subject to the Telemarketing Sales Rule to obtain from the Federal Trade Commission the list of telephone numbers on the Do-Not-Call registry once a month.

The conference agreement adopts by reference the House report language concerning violent video games. In addition, the conferees direct the Commission to make the toll free consumer complaint line (1–877–FTC-HELP) and the Commission's web-site available for consumer complaints on media violence. The Commission should make consumers aware that the complaint line and web-site are available for this purpose.

The conference agreement adopts by reference the Senate report language concerning child protection, the Internet, and commercial fleet card programs.

Federal Deposit Insurance Act.—In the Fiscal Year 2003 Conference Report, the conferees directed the General Accounting Office (GAO) to study the enforcement of section 43 of the Federal Deposit Insurance Act and make recommendations to the Committees on Appropriations on which Federal agency could most effectively enforce this provision. GAO Report 03–971 recommends that the Commission is the best among the Federal agencies considered to enforce the consumer protection activities of this provision. In addition, the report also concludes that the most apparent impact on consumers, from the lack of enforcement of section 43, may result from non-Federally insured credit unions not providing adequate disclosure that they are not Federally insured. Based on these recommendations, the conference agreement revises language included in the House and Senate bills requiring enforcement concerning disclosure and annual independent audits, but maintains the prohibition of enforcement of section 43(e) concerning the eligibility of Federal deposit insurance.

In the enforcement of section 43, the FTC is directed to consult with the Federal Deposit Insurance Corporation and the National Credit Union Administration when determining the manner and content of disclosure requirements, and to coordinate with State supervisors of non-Federally insured depository institutions to assist in enforcing these requirements.

HELP COMMISSION

SALARIES AND EXPENSES

The conference agreement includes $3,000,000 for necessary expenses of establishing the Helping to Enhance the Livelihood of People (HELP) Around the Globe Commission. The conference agreement also includes authorization language under title VI of this Act concerning the Commission and its activities.

LEGAL SERVICES CORPORATION

PAYMENT TO THE LEGAL SERVICES CORPORATION

The conference agreement includes $338,848,000 for the payment to the Legal Services Corporation, as proposed in both the House and Senate bills. The recommendation is $9,548,000 above the budget request. Of the amounts provided, the Legal Services Corporation will provide $2,500,000 in grants equitably distributed to the ten states most negatively affected by recent census-based reallocations.

ADMINISTRATIVE PROVISION

The conference agreement includes bill language to continue the terms and conditions included under this section in previous Appropriations Acts.

MARINE MAMMAL COMMISSION

SALARIES AND EXPENSES

The conference agreement includes $1,856,000 for the Marine Mammal Commission, as proposed by the House, instead of $3,063,000 as proposed by the Senate. An additional $1,207,000 is provided by transfer from the National Oceanic and Atmospheric Administration, Operations, Research, and Facilities account. The conference agreement includes, by reference, the language in the Senate report on the cost effectiveness of current protection programs and the effects of rogue killer whales on the most endangered marine mammals.

NATIONAL VETERANS BUSINESS DEVELOPMENT CORPORATION

The conference agreement includes $2,000,000 for the National Veterans Business Development Corporation as provided by the House and the Senate. The conferees note that the Corporation's authorizing legislation mandates that it institute a plan to raise private funds and become a self-sustaining corporation by the end of fiscal year 2004. The conferees encourage efforts by the Corporation to meet this goal.

SECURITIES AND EXCHANGE COMMISSION

SALARIES AND EXPENSES

The conference agreement includes $811,500,000 for the Securities and Exchange Commission, instead of $841,500,000 as provided by the House and Senate.

Staffing.—In fiscal year 2003, the Commission was provided with funding for 840 new positions to protect investors and implement the Sarbanes-Oxley Act. The fiscal year 2004 budget request assumed that the 840 new positions funded in fiscal year 2003 would be hired by the start of fiscal year 2004. The conferees understand the Commission has had difficulty hiring accountants and examiners but that Public Law 108–44 provides the Commission with greater flexibility in hiring these positions. The conferees understand that through November 1, 2004, the Commission has only been able to increase its staff by 309. As a result of lower than anticipated on-board staffing levels, the conference agreement has reduced the level of funding provided to the Commission by $30,000,000. The conferees direct the Commission to continue to work to fill all of the 840 new positions as quickly as possible and to provide the Committees on Appropriations with quarterly staffing reports.

The conference agreement adopts by reference the Senate report language concerning pay parity and enforcement. The conference agreement adopts by reference the Senate report language concerning data management and includes such sums as are necessary to fund these efforts. The conference agreement adopts by reference the Senate report language requiring a monthly report to the Senate Appropriations Committee listing the exercise of stock options by corporate officers and directors. The conference agreement adopts by reference the House report language requiring GAO to study the Commission's allocation of funding increases provided in fiscal years 2003 and 2004. The conference agreement adopts by reference all of the House report language concerning the establishment of an Office of Global Security Risk within the Division of Corporation Finance.

SMALL BUSINESS ADMINISTRATION

The conference agreement provides a total of $718,343,000 for the four appropriations accounts of the Small Business Administration (SBA). Detailed guidance for the four SBA appropriation accounts is contained in the following paragraphs.

SALARIES AND EXPENSES

The conference agreement includes $325,750,000 for the salaries and expenses account of the SBA instead of $326,592,000 as provided by the House and $332,413,000 as provided by the Senate. Of the amount provided under this heading, $185,000,000 is for operating expenses of the SBA. In addition, a total of $136,500,000 from other SBA accounts may be transferred to and merged with the salaries and expenses account for indirect operating costs. This amount consists of $128,000,000 from the Business Loans Program account and $8,500,000 from the Disaster Loans Program account for the administrative expenses related to those accounts.

The conference agreement includes the full amount requested for Low Documentation Processing Centers and expects the SBA to continue to help small businesses adapt to a paperless procurement environment.

The conferees adopt by reference the House report language concerning the submission of a long-range plan for the implementation of the loan monitoring system and the joint accounting and administrative systems project.

Non-Credit Programs.—The conference agreement includes the following for the non-credit programs of the SBA:

Regulatory Fairness Boards/National Ombudsman	$500,000
Advocacy Research	1,100,000
Veterans Programs	750,000
7(j) Technical Assistance Programs	2,000,000
Small Business Development Centers	89,000,000
SCORE	5,000,000
Women's Business Centers	12,500,000
Women's Business Council	750,000
Native American Outreach	2,000,000
Drug-free Workplace Program	1,000,000
Business Information Centers	400,000
Microloan Technical Assistance	15,000,000
PRIME Technical Assistance	5,000,000
SBIR Technical Assistance	250,000
SBIR—FAST	2,000,000
HUBZones	2,000,000
US Export Assistance	1,500,000
Total, non-credit programs	140,750,000

The SBA shall not reduce these non-credit programs to fund operating costs. Of the amounts provided for the Small Business Development Center (SBDC) program, $500,000 shall be available for the South Carolina Women's Business Center. In addition, SBA shall fund the SBDC defense transition program and the regulatory compliance simplification program at the fiscal year 2003 level. The conferees adopt by reference the House report language requiring SBA to submit a report to the Committees on Appropriations within 90 days of enactment of this Act describing the various programs offered by SBDCs to support American small businesses.

SBA is directed to report to the Committee prior to closing any Business Information Centers. The report should include a justification for closing the particular office and a detailed proposal as to how services will be provided to the affected community in the future.

The conferees adopt by reference the Senate report language concerning an electronic grant system. The conferees support the SBA's 8(a) business development program internet application program.

The conferees adopt by reference the Senate report language directing that disaster loans in Alaska continue to be managed by SBA and not be sold for processing.

Because of the unique legal status of Alaska Natives, Native Hawaiians, and residents living in the territories, the offices handling SBA programs on reservations often lack the knowledge and ability to make SBA programs work outside the continental United States. To address this failure, the conferees direct the SBA to assign a Senior Executive Service (SES) position to focus on these unique communities. The conferees expect this new SES position shall be accommodated within SBA's existing number of SES positions. Within 60 days of enactment of this Act, the conferees direct SBA to submit to the Committees on Appropriations a report outlining all SES positions within the SBA, including their titles and responsibilities, and a proposed reorganization of these positions to ensure the needs of Alaska Natives, Native Hawaiians, and residents living in the territories are being addressed.

OFFICE OF INSPECTOR GENERAL

The conference agreement includes $13,000,000 for the Office of Inspector General of the Small Business Administration as proposed by the House instead of $12,341,000 as provided by the Senate. The conference agreement includes language allowing $500,000 to be transferred to this account from the Disaster Loans Program for oversight costs related to that program.

BUSINESS LOANS PROGRAM ACCOUNT

The conference agreement includes $209,042,000 under this account, consisting of: $79,132,000 for the Business Loans Program account for subsidies for guaranteed business loans; $1,910,000 for subsidies for direct business loans; and $128,000,000 for administrative expenses related to business loan programs. The amount provided for administrative expenses may be transferred to and merged with the appropriation for SBA salaries and expenses to cover the common overhead expenses associated with business loans. In addition, the conference agreement includes a provision, also carried in previous years, which allows up to $45,000,000 to remain available for two fiscal years.

7(a) Business Loan Program.—The conference agreement includes $101,228,000 for the 7(a) program. This amount includes $79,132,000 in appropriations, $19,773,000 in prior year unobligated balances, and $2,455,000 in remaining balances from the DELTA 7(a) program. Section 633 of this Act makes the remaining balances available for the DELTA 7(a) program available for the general 7(a) program. The conferees understand that there is no longer a demand for the DELTA 7(a) programs.

The total level of funding provided will support a loan program level of $9,550,000,000, which is $250,000,000 above the requested program level and $612,000,000 above the level of 7(a) business loans provided in fiscal year 2003.

The conferees were disappointed to learn that the subsidy included in the Administration's budget request is inaccurate and that an additional $4,000,000 above the request is required to fund the Administration's requested program level. While the conferees have provided this increase to ensure sufficient funding is available to assist American small businesses, the conferees expect future budget requests to contain accurate subsidy rate calculations.

DISASTER LOANS PROGRAM ACCOUNT

The conference agreement includes $170,551,000 for the Disaster Loans Program Account for loan subsidies and associated administrative expenses instead of $190,250,000 as provided by the House and Senate. The conference agreement includes new budget authority of $56,188,000 for the subsidy costs of disaster loans and $114,363,000 for administrative expenses associated with carrying out the program.

The conference agreement provides for a total of $89,109,000 for disaster loans of which $56,188,000 is in new appropriations and $32,921,000 in prior year carryover balances, including $15,032,000 made available through Section 628 of this Act. This fully funds the Administration's requested disaster loans program level of $760,316,000. The conferees understand that at this time the Administration believes that the costs associated with Hurricane Isabel and the fires in California can be funded within the requested disaster loan program level.

Within the $114,363,000 provided for administrative expenses, $500,000 is available for the Office of Inspector General, $105,363,000 is available for direct administrative expenses of loan making and servicing, and $8,500,000 is available to be transferred to the Salaries and Expenses account for indirect costs of the program.

STATE JUSTICE INSTITUTE

SALARIES AND EXPENSES

The conference agreement provides $2,250,000 for the State Justice Institute (SJI), instead of $3,000,000 as proposed by the House and $5,000,000 as proposed by the Senate. The conferees encourage SJI to work with the Office of Justice Programs on issues involving State courts and encourages SJI to apply for funding under OJP grant programs that support State court programs.

UNITED STATES-CHINA ECONOMIC AND SECURITY REVIEW COMMISSION

SALARIES AND EXPENSES

The conference agreement includes $2,000,000 for the Commission, as proposed by the Senate. The House did not include funding for this Commission under this heading.

The conferees direct the Commission to consult with the Secretary of Commerce, as appropriate, to research and report back to the Committees on Appropriations regarding the following:

China's industrial policies, including "pillar" sectors, technology acquisitions through joint ventures, various forms of subsidization, and the short and long-term implications of the modernization of those industries for the U.S. economy, industry, and employees;

Exports from China's state enterprises, the types and amounts of subsidies provided, and the longer-term effects of such exports/subsidies on specific U.S. industries;

Various means to compensate losses of U.S. intellectual property holders created by China's inability to meet its WTO intellectual property commitments;

Shifts of research and development from the United States to China, the nature of the 134 major foreign research and development corporate complexes now identified by the People's Republic of China, the prospects for future European Union, Japanese, and United States research and development shifts to China, and the resulting implications to U.S capacities;

Items on the U.S.—China Advanced Technology Trade list cross-referenced to the items on the Department of Defense's Critical Technology List, and what part of total U.S. purchases of these items are imported from China;

An analysis of the extent of professional service outsourcing that now exists and is projected from the United States, and the ultimate location of that outsourcing, and quantifications of the longer-term consequences to affected U.S. professions, such as software engineering;

A survey of business groups on the extent to which U.S. manufacturers and their supply chains are relocating to China.

The conferees expect this report to be provided to the Committees on Appropriations no later than May 1, 2004.

TITLE VI—GENERAL PROVISIONS

The conference agreement includes the following General Provisions:

Sec 601.—The conference agreement includes section 601 regarding the use of appropriations for publicity and propaganda purposes.

Sec. 602.—The conference agreement includes section 602 regarding the availability of appropriations for obligation beyond the current fiscal year.

Sec. 603.—The conference agreement includes section 603 regarding the use of funds for consulting purposes.

Sec. 604.—The conference agreement includes section 604 providing that should any provision of the Act be held to be invalid, the remainder of the Act would not be affected.

Sec. 605.—The conference agreement includes section 605 regarding the policy by which funding available to the agencies funded under this Act may be reprogrammed for other purposes.

Sec. 606.—The conference agreement includes section 606 regarding the construction, repair, or modernization of National Oceanic and Atmospheric Administration vessels in overseas shipyards.

Sec. 607.—The conference agreement includes section 607 regarding the purchase of American made products.

Sec. 608.—The conference agreement includes section 608 prohibiting funds in the bill from being used to implement, administer, or enforce any guidelines of the Equal Employment Opportunity Commission (EEOC) similar to proposed guidelines covering harassment based on religion published by the EEOC in October 1993.

Sec. 609.—The conference agreement includes section 609 prohibiting the use of funds to implement a certain Memorandum of Agreement between the Federal Trade Commission and the Antitrust Division of the Department of Justice.

Sec. 610.—The conference agreement includes section 610 prohibiting the use of funds for any United Nations peacekeeping mission that involves U.S. Armed Forces under the command or operational control of a foreign national unless the President certifies that the involvement is in the national security interest.

Sec. 611.—The conference agreement includes section 611 that requires agencies to provide quarterly reports to the Committees on Appropriations regarding unobligated balances.

Sec. 612.—The conference agreement includes section 612 that prohibits use of funds to expand the U.S. diplomatic presence in Vietnam beyond the level in effect July 11, 1995, unless the President makes a certification that several conditions have been met regarding Vietnam's cooperation with the United States on POW/MIA issues.

Sec. 613.—The conference agreement includes section 613 requiring agencies and departments funded in this Act to absorb any necessary costs related to downsizing or consolidation within the amounts provided to the agency or department.

Sec. 614.—The conference agreement includes section 614 concerning funding under the Local Law Enforcement Block Grant program.

Sec. 615.—The conference agreement includes section 615 regarding the sale or export of tobacco or tobacco products.

Sec. 616.—The conference agreement includes section 616 extending the prohibition on the use of funds to issue a visa to any alien involved in extrajudicial and political killings in Haiti, including exemption and reporting requirements.

Sec. 617.—The conference agreement includes section 617 that prohibits a user fee from being charged for background checks conducted pursuant to the Brady Handgun Control Act of 1993, and prohibits implementation of a background check system which does not require or result in destruction of certain information.

Sec. 618.—The conference agreement includes section 618 regarding amounts available under the Crime Victims Fund.

Sec. 619.—The conference agreement includes section 619 prohibiting the use of Department of Justice funds for programs that discriminate against, denigrate, or otherwise undermine the religious beliefs of students participating in such programs.

Sec. 620.—The conference agreement includes section 620 prohibiting the use of funds appropriated or otherwise made available to the Departments of State and Justice to process visas for citizens of countries that the Attorney General has determined deny or delay accepting the return of deported citizens.

Sec. 621.—The conference agreement includes section 621 providing additional amounts for the Small Business Administration.

Sec. 622.—The conference agreement includes section 622 prohibiting the use of Department of Justice funds to transport a maximum or high security prisoner to any facility other than a facility certified by the Bureau of Prisons as appropriately secure to house such a prisoner.

Sec. 623.—The conference agreement includes section 623 that prohibits the use of appropriated funds to purchase certain audio-visual materials to be used by Federal prisoners for primarily recreational purposes.

Sec. 624.—The conference agreement includes section 624 regarding a position within the Small Business Administration.

Sec. 625.—The conference agreement includes section 625 regarding transfers of funds.

Sec. 626.—The conference agreement includes section 626 regarding the negotiation or reevaluation of international agreements.

Sec. 627.—The conference agreement includes section 627 regarding the implementation of telecommuting programs.

Sec. 628.—The conference agreement includes section 628 regarding the Small Business Administration Disaster Loans Program.

Sec. 629.—The conference agreement includes section 629 regarding the national ownership cap on television broadcast licenses.

Sec. 630.—The conference agreement includes section 630 regarding firearms tracing studies.

Sec. 631.—The conference agreement includes section 631 regarding a Small Business Administration loan program fee.

Sec. 632.—The conference agreement includes section 632 regarding Small Business Administration balances.

Sec. 633.—The conference agreement includes section 633 regarding a Middle East International Center.

Sec. 634.—The conference agreement includes section 634 regarding patents.

The conferees have included a provision prohibiting funds to process patents of human organisms. The conferees concur with the intent of this provision as expressed in the colloquy between the provision's sponsor in the House and the ranking minority member of the House Committee on Appropriations as occurred on July 22, 2003, with respect to any existing patents on stem cells.

Sec. 635.—The conference agreement includes section 635 regarding the United Nations Human Rights Commission.

Sec. 636.—The conference agreement includes section 636 regarding international child abduction.

Sec. 637.—The conference agreement includes section 637 regarding the HELP Commission.

Sec. 638.—The conference agreement includes section 638 regarding amount provided in this Act.

TITLE VII—RESCISSIONS

(Including Rescissions)

DEPARTMENT OF JUSTICE

General Administration

WORKING CAPITAL FUND

(RESCISSION)

The conference agreement includes a rescission of $67,326,000 from unobligated balances in this account, instead of $499,000 as proposed by the Senate. The House did not propose a rescission.

COUNTERTERRORISM FUND

(RESCISSION)

The conference agreement includes a rescission of $40,000,000 from prior year unobligated balances in this account instead of $50,000,000 as proposed by the Senate. The House did not propose a rescission. The conferees note that unobligated balances of $20,784,000 remain available for obligation in this account.

Legal Activities

ASSET FORFEITURE FUND

(RESCISSION)

The conference agreement includes a rescission of $61,608,000 from available balances in the Asset Forfeiture Fund Super Surplus.

Federal Prison System

BUILDINGS AND FACILITIES

(RESCISSION)

The conference agreement includes a rescission of $51,895,000 from prior year unobligated balances in this account originally made available for the FCI California prison construction project.

Office of Justice Programs

STATE AND LOCAL LAW ENFORCEMENT ASSISTANCE

(RESCISSION)

The conference agreement includes a rescission of $21,600,000 from unobligated balances under this heading including $2,500,000 from Drug Courts, $13,600,000 from State Prison Grants, $4,000,000 from State Prison Drug Treatment, and $1,500,000 from CCTV.

COMMUNITY ORIENTED POLICING SERVICES

(RESCISSION)

The conference agreement includes a rescission of $6,378,000 from the unobligated balances under this heading, as requested and as included in the House bill.

JUVENILE JUSTICE PROGRAMS

(RESCISSION)

The conference agreement includes a rescission of $15,900,000 from the unobligated balances under this heading for Part B formula grants.

DEPARTMENT OF COMMERCE AND RELATED AGENCIES

DEPARTMENT OF COMMERCE

International Trade Administration

OPERATIONS AND ADMINISTRATION

(RESCISSION)

The conference agreement includes a rescission of $40,000,000 from unobligated travel and tourism funds provided in Public Law 108–7.

National Oceanic and Atmospheric Administration

COASTAL AND OCEAN ACTIVITIES

(RESCISSION)

The conference agreement includes a rescission of $2,500,000 in unobligated land acquisition funds provided in Public Law 106–553 and designated for Winyah Bay.

TITLE VIII—ALASKAN FISHERIES

The conference agreement includes language regarding the management of Alaskan fisheries.

Conference Total—With Comparisons

The total new budget (obligational) authority for the fiscal year 2004 recommended by the Committee of Conference, with comparisons to the fiscal year 2003 amount, the 2004 budget estimates, and the House and Senate bills for 2004 follows:

[In thousands of dollars]

New budget (obligational) authority, fiscal year 2003	$40,530,029
Budget estimates of new (obligational) authority, fiscal year 2004	41,211,965
House bill, fiscal year 2004	41,230,679
Senate bill, fiscal year 2004	40,372,908
Conference agreement, fiscal year 2004	41,041,509
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 2003	+511,480
Budget estimates of new (obligational) authority, fiscal year 2004	−170.456
House bill, fiscal year 2004	−189,170
Senate bill, fiscal year 2004	+668,601

DIVISION C

District of Columbia Appropriations

In implementing this agreement, the Departments and agencies should comply with the language and instructions set forth in House Report 108–214 and Senate Report 108–142. The committee of conference approves the language and instructions set forth in these reports, which are not changed by the conference agreement.

In the case where the language and instructions specifically address the allocation of funds, the Departments and agencies are to follow the funding levels specified in the Congressional budget justifications accompanying the fiscal year 2004 budget or the underlying authorizing statute and should give full consideration to all items, including items allocating specific funding included in the House and Senate reports. With respect to the provisions in the House and Senate reports that specifically allocate funds, each has been reviewed and those that are jointly concurred in have been included in this joint statement.

A summary chart appears later in this statement showing the Federal appropriations by account and the allocation of District funds by agency or office under each appropriation, the fiscal year 2004 request, the House and Senate recommendations, and the conference allowance.

The District of Columbia Appropriations Act, 2004, put in place by this bill, incorporates the following agreements of the managers:

TITLE I—FEDERAL FUNDS

FEDERAL PAYMENT FOR RESIDENT TUITION SUPPORT

The conference agreement includes $17,000,000 for a Federal payment for resident tuition support as proposed by both the House and Senate. The agreement also includes language to require the Office of the Chief Financial Officer to provide a quarterly financial report to the Committees on Appropriations of the House of Representatives and Senate as proposed by the House. The Senate bill required the Resident Tuition Support Office and the Office of the Chief Financial Officer to provide such a report.

FEDERAL PAYMENT FOR EMERGENCY PLANNING AND SECURITY COSTS IN THE DISTRICT OF COLUMBIA

The conference agreement includes $11,000,000 for a Federal payment for emergency planning and security costs in the District of Columbia. This amount, together with funds carried over from fiscal year 2003, provides a total program level of $15,000,000 as proposed by both the House and Senate. The agreement makes a technical correction describing the use of these funds as proposed by the House.

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA COURTS

The conference agreement includes $167,765,000 for a Federal payment to the District of Columbia courts, instead of

$163,819,000 as proposed by the House and $172,104,000 as proposed by the Senate. Included in this amount is $3,946,000 above the President's request for fire and security system upgrades, Moultrie Courthouse renovation, and the Integrated Justice Information System. The Courts shall provide written notification of how this funding will be distributed to the Committees on Appropriations of the House of Representatives and Senate.

The agreement includes a provision as proposed by the Senate to allow the District of Columbia courts to reallocate not more than $1,000,000 of the funds provided under this heading among items and entities funded under this heading. The House bill allowed funds for the Court of Appeals, Superior Court, and Court System to be reallocated, but such reallocation may increase or decrease funding for such entity by no more than two percent.

The conferees understand the Courts have submitted plans to the National Capital Planning Commission for the restoration of the Old Courthouse for re-use by the District of Columbia Court of Appeals, but the Commission is holding up review of these plans pending an agreement with the Law Enforcement Museum on a design for the outdoor plaza area. The conferees expect the project will move forward as quickly as possible to permit efficient use of taxpayer dollars, and note that delaying the review and approval of the restoration plan could needlessly increase the cost of the project.

DEFENDER SERVICES IN DISTRICT OF COLUMBIA COURTS

The conference agreement includes $32,000,000 for Defender Services in District of Columbia courts as proposed by both the House and Senate.

The agreement includes language as proposed by the Senate to allow funds to be used for payments for counsel appointed in adoption proceedings under chapter 3 of title 16, D.C. Code. The House bill contained no similar provision.

The agreement includes modified Senate language to allow the courts to enter into contractual agreements to provide guardian ad litem representation, training, technical assistance, and/or other services to improve the quality of guardian ad litem representation. The House bill contained no similar provision. The Joint Committee on Judicial Administration of the District of Columbia shall monitor the guardian ad litem program and provide the necessary technical support to ensure superior representation of children and families.

The agreement also includes two provisions as proposed by the House to allow District of Columbia Court funds to be used for payments under this heading and to allow the Joint Committee on Judicial Administration to use District of Columbia Court funds to make payments described under this heading for obligations incurred during any fiscal year. The Senate bill contained no similar provisions.

FEDERAL PAYMENT TO THE COURT SERVICES AND OFFENDER SUPERVISION AGENCY FOR THE DISTRICT OF COLUMBIA

The conference agreement includes $168,435,000 for a Federal payment to the Court Services and Offender Supervision Agency for the District of Columbia, instead of $163,081,000 as proposed by the House and $173,396,000 as proposed by the Senate. Included in this amount is $1,910,000 above the President's request to reduce supervision caseload ratios for sex-offenders, mental health, and domestic violence cases to 25:1 by the end of fiscal year 2004. Current caseload ratios for these high-risk offenders are 36:1, 47:1, and 42:1 respectively.

The agreement includes language as proposed by the Senate to allow the Public Defender Service for the District of Columbia to transfer and hire motor vehicles. The House bill contained no similar provision. The agreement does not include Public Defender Service descriptive language as proposed by the Senate. The House bill contained no similar provision.

The agreement does not include a provision proposed by the Senate to allow the Director of the Court Services and Offender Supervision Agency the authority to accept appropriation reimbursements from the District government for space and services provided on a cost reimbursable basis. The House bill contained no similar provision.

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The conference agreement includes $30,000,000 for a Federal payment to the District of Columbia Water and Sewer Authority for the continued implementation of the Combined Sewer Overflow Long-Term Plan, instead of $35,000,000 as proposed by the House and $25,000,000 as proposed by the Senate.

FEDERAL PAYMENT FOR HOSPITAL BIOTERRORISM PREPAREDNESS IN THE DISTRICT OF COLUMBIA

The conference agreement includes $7,500,000 for a Federal payment to the District of Columbia Department of Health for hospital bioterrorism preparedness in the District of Columbia, instead of $10,000,000 as proposed by the Senate. The House bill contained no similar provision. Of this amount, $3,750,000 is for the expansion of quarantine facilities and the establishment of a decontamination facility at Children's National Medical Center and $3,750,000 is for construction of containment facilities at the Washington Hospital Center.

FEDERAL PAYMENT FOR THE ANACOSTIA WATERFRONT INITITIAVE

The conference agreement includes $5,000,000 for a Federal payment to the District of Columbia Department of Transportation for design and construction of a continuous pedestrian and bicycle trail system from the Potomac River to the District's border with Maryland, instead of $4,300,000 as proposed by the House and $6,000,000 as proposed by the Senate. The agreement also makes these funds available until September 30, 2005, as proposed by the House. The Senate bill made these funds available until expended. The conferees concur with language contained in the Senate report requiring the Comptroller General to conduct a study of National Park Service land in the District of Columbia.

FEDERAL PAYMENT TO THE CRIMINAL JUSTICE COORDINATING COUNCIL

The conference agreement includes $1,300,000 for a Federal payment to the Criminal Justice Coordinating Council as proposed by the House. The Senate bill contained no similar provision.

FEDERAL PAYMENT FOR CAPITAL DEVELOPMENT IN THE DISTRICT OF COLUMBIA

The conference agreement includes $8,150,000 for a Federal payment to the District of Columbia for capital development, instead of $8,000,000 as proposed by the House and $5,000,000 as proposed by the Senate. Included in this amount is $150,000 for renovations at Eastern Market. Also included in this amount is $8,000,000 for the Unified Communications Center as proposed by the House, instead of $5,000,000 as proposed by the Senate.

FEDERAL PAYMENT FOR PUBLIC SCHOOL FACILITIES

The conference agreement includes $4,500,000 for a Federal payment to the District of Columbia Public Schools for public school facilities. The Senate bill contained no similar provision. Of this amount, $500,000 is for a window repair and reglazing program and $4,000,000 is for a playground repair and replacement program.

FEDERAL PAYMENT FOR A FAMILY LITERACY PROGRAM

The conference agreement includes $2,000,000 for a Federal payment to the District of Columbia for a family literacy program as proposed by the House. The Senate bill contained no similar provision. The agreement also includes a provision as proposed by the House to require the District to provide a 100 percent match with local funds as a condition of receiving this payment. The Senate bill contained no similar provision.

FEDERAL PAYMENT FOR TRANSPORTATION ASSISTANCE

The conference agreement includes $3,500,000 for a Federal payment to the District of Columbia Department of Transportation for transportation assistance as proposed by the Senate. The House bill contained no similar provision. Of this amount, $500,000 is for a downtown circulator transit system and $3,000,000 is for the District's operating subsidy payment to the Washington Metropolitan Area Transit Authority.

FEDERAL PAYMENT FOR FOSTER CARE IMPROVEMENTS IN THE DISTRICT OF COLUMBIA

The conference agreement includes $14,000,000 for a Federal payment for foster care improvements in the District of Columbia as proposed by the Senate. The House bill contained no similar provision. Of this amount, $9,000,000 is for the District of Columbia Child and Family Services Agency, $3,900,000 is for the District of Columbia Department of Mental Health, and $1,100,000 is for the Washington Metropolitan Council of Governments.

FEDERAL PAYMENT TO THE OFFICE OF THE CHIEF FINANCIAL OFFICER OF THE DISTRICT OF COLUMBIA

The conference agreement includes $32,350,000 for a Federal payment to the Office of the Chief Financial Officer of the District of Columbia, instead of $10,000,000 as proposed by the House and $33,000,000 as proposed by the Senate. These funds are for programs and activities to support economic development and infrastructure in the District, and the health, education, and job training needs of District residents and are to be allocated as follows: $50,000 to the Educational Advancement Alliance for the Youth Civic Engagement and DC Exposure program; $75,000 to the Polaris Project for an outreach program to assist victims of trafficking; $100,000 for Anacostia Town Hall and Entertainment Center and the Washington Ballet for a collaborative effort to complete construction of a dance studio to serve low-income children; $100,000 to Asian American Leadership, Empowerment and Development for Youth and Families for educational and social programs; $100,000 to the Association for the Preservation of Historic Congressional Cemetery for the development of a comprehensive landscape plan, the removal of dead or dying trees, and the continued repair of the Public Vault; $100,000 to the Levine School of Music for the establishment of a DC Charter Schools Music Education program; $100,000 to the Latin American Youth Center for renovation of a residential home for teen girls; $100,000 to the National Child Research Center for the establishment of early childhood education programs; $100,000 to the Youth Leadership Foundation for character building programs for middle school students; $125,000 to the Shakespeare Theater for educational outreach programs in the District of Columbia public schools; $150,000 to the International Youth Service and Development Corps for the Washington, D.C. Mentoring Friends program and the People's House Hotline; $150,000 to KidBiz3000 for a reading comprehension, fluency and vocabulary program in District of Columbia schools; $150,000 to Kids Voting USA for the establishment of citizenship programs in the District of Columbia; $150,000 to the Les Aspin Center of Government for training and development of the Community Service and Outreach program; $150,000 to Safe Shores—The D.C. Children's Advocacy Center for outreach and services to child abuse victims in the District; $150,000 to Southeastern University for expansion of the E-Learning program; $200,000 to the Best Friends Foundation for a youth development program for District youth; $200,000 to the Court Appointed Special Advocates (CASA) of the District of Columbia for expansion of services to children in the Family Court; $200,000 to the Congressional Glaucoma Caucus to purchase and equip additional mobile vans to screen for and treat glaucoma; $200,000 to Everybody Wins! DC, Inc. for the Power Lunch mentoring and literacy program; $200,000 to Friends of Fort Dupont Ice Arena for capital improvements; $200,000 to the National Music Center and Museum Foundation Institute for Education and the Arts for a program to use the performing and visual arts as teaching and learning tools in District public schools; $200,000 to the District of Columbia Public Libraries to expand access to public computers and the Internet in neighborhoods where it is needed the most; $200,000 to the Three Doctors Foundation, Inc. for an educational and motivational lecture series to include District of Columbia high schools; $200,000 to Values First, Inc. for the continuation of a values infusion program in the District of Columbia public schools; $200,000 to Washington Center on Best Practices for assistance to and promotion of early college awareness programs; $250,000 to American Cities Foundation to convene policymakers and civic leaders in the District of Columbia to address urban challenges; $250,000 to the ARISE Foundation for a life-management skills program targeting high-risk youth in the District; $250,000 to the Capitol Hill Arts Workshop for capital improvements; $250,000 to the Caribbean American Mission for Education Research and Action to build linkages between Caribbean educational entities and District of Columbia and other regional higher education institutions; $250,000 to New Leaders for New Schools for the development of fellows partnerships with District public schools and public charter schools; $250,000 to the Phelps-Stokes Fund for the implementation of the Teacher's Laboratory and Workshop for District of Columbia Public School teachers; $300,000 to the DC Safe Kids Campaign to establish additional child safety seat fitting stations throughout low-income neighborhoods in the District of Columbia; $350,000 to Friends in Choice in Urban Schools for the development of new charter schools in the District; $350,000 to Soaring Towards Educational Enrichment via Equine Discovery, Inc. for an education and recreation program in the District; $400,000 to Catalyst for the establishment of the Benjamin Banneker Institute for Science and Technology; $400,000 to Community Youth Connection to provide clothing, shoes, eyeglasses, and services to low-income school-age children; $400,000 to the Eisenhower Foundation's Youth Safe Haven and Delancey Street Replication for services to reduce crime, drug use, and improve the lives of children in this neighborhood; $400,000 to Recording for the Blind and Dyslexic Services for teacher training in District of Columbia schools; $400,000 to initiate a Targeted Abstinence Program in the District of Columbia that will provide technical training and resource materials to promote effective intervention strategies; $400,000 to the Metropolitan Washington Council of Governments' District of Columbia Area Housing Trust Fund to increase funds available in a pool of resources to provide low-income housing in the District of Columbia; $450,000 to The House DC, Inc. for renovations; $500,000 to the Discovery Creek Children's Museum for the purchase of supplies for mobile school exhibits and to increase access to the museum's programs on the Chesapeake Bay and the Anacostia River; $500,000 for implementation of the Environmental Active Cap demonstration project on the Anacostia River; $500,000 to Gospel Rescue Ministries of Washington, DC for a residential program to help men and women recover from substance abuse, homelessness, and chronic unemployment; $500,000 to the National Capital Children's Museum for planning and design; $500,000 to the National Rehabilitation Hospital for capital improvements: $500,000 to Trident Systems Incorporated for deployment of the District Public Safety Situation Awareness system; $500,000 to the Second Chance Employment Service for capital equipment to expand services for women who have been victims of domestic violence; $500,000 to the Washington Opera for the Education and Community program to enhance classroom learning in District of Columbia Public Schools through music education and with the D.C. Arts Humanities Education Collaborative; $600,000 to Green Door for completion of a new facility to provide coordinated services for individuals with mental illness; $750,000 to the Center for Mental Health, Inc. to increase the number of families in the District served through its model of family-centered treatment; $750,000 to the Historical Society of Washington for the City Museum to develop educational programming and materials for District school children; $750,000 to the Institute for Educational Equity and Opportunity for educational programs; $750,000 to the National Center for Manufacturing Sciences for a partnership with the Excel Institute to develop a job training program for District residents; $750,000 to the Whitman-Walker Clinic for renovation of the Max Robinson Center; $850,000 to the Women's Center for the expansion of the Family Strengthening Program and Hispanic Outreach Service into the District of Columbia; $1,000,000 to Access Housing for renovation of the Southeast Veterans Service Center; $1,000,000 to Barracks Row Main Street, Inc. for the construction of two gateways; $1,000,000 to Shakespeare Theater for construction of a new downtown facility which will provide affordable access to the Arts; $1,050,000 to Voyager Expanded Learning for implementation of the Universal Literacy Program in District of Columbia schools; $1,200,000 to the National Trust for Historic Preservation for the restoration of the Lincoln Cottage and for the creation of interpretive programs and exhibits at the site; $1,500,000 to the Old Naval Hospital Foundation project for creation of a community center on Capitol Hill; $2,000,000 to St. Coletta of Greater Washington, Inc. for property acquisition and construction of a facility to provide services for mentally retarded and multiple-handicapped adolescents and adults in the District of Columbia; and $5,000,000 to Children's National Medical Center in the District of Columbia for expansion of a neo-natal care unit, pediatric intensive care unit, and cardiac intensive care unit.

The agreement includes $200,000 to the Office of the Chief Financial Officer (OCFO) for auditors, attorneys, accountants, and additional staff to review and audit all entities who are receiving funding under this heading. The conferees expect that the OCFO will report to the Committees on Appropriations of the House of Representatives and Senate on the financial status of these organizations and how they have used Federal funds provided under this heading. The conferees expect all entities receiving funds to provide proper access to records as is necessary for the OCFO to carry out these reviews.

The agreement includes a provision as proposed by the Senate to require each entity that receives funding under this heading to submit to the Committees on Appropriations of the House of Representatives and Senate, a report on the activities carried out with such funds no later than March 15, 2004. The House bill contained no similar provision.

FEDERAL PAYMENT FOR EMERGENCY PERSONNEL CROSS TRAINING

The conference agreement includes $500,000 for a Federal payment to the Emergency Management Agency for activities related to the cross training of police officers, firefighters, emergency medical technicians, and other emergency personnel. The agreement makes these funds contingent upon the submission of a detailed cross training plan for the District's public safety workforce. The House and Senate bills contained no similar provision.

FEDERAL PAYMENT FOR SCHOOL IMPROVEMENT

The conference agreement includes $40,000,000 for a Federal payment for a school improvement program in the District of Columbia, instead of $10,000,000 as proposed by the House and $27,000,000 as proposed by the Senate. Included in this amount is $13,000,000 for the District of Columbia Public Schools to improve public school education; $13,000,000 for the State Education Office to expand quality charter schools in the District of Columbia; and $14,000,000 for the Secretary of the Department of Education to provide opportunity scholarships for students in the District of Columbia.

The conferees expect that the $13,000,000 provided to the District of Columbia Public Schools for the improvement of public school education in the District of Columbia shall be used to strengthen leadership and instructional excellence through principal and teacher recruitment and retention, and to increase student achievement through supplemental services and public school choice.

The $13,000,000 provided to the State Education Office to expand charter schools in the District of Columbia shall be distributed as follows: $5,000,000 for the City Build Charter School Initiative; $6,000,000 for the Direct Loans Fund for Charter School Improvement, of which not more than five percent shall be for administrative expenses; and $2,000,000 as a one-time payment to the Charter School Facilities Fund.

The funding to develop the City Build Charter School Initiative will create five new charter schools in the District. The conferees support the concept that improving education is integral to securing neighborhoods and promoting urban development. The Mayor shall submit a plan to the Committees on Appropriations of the House of Representatives and Senate within thirty days of enactment, identifying the five potential City Build charter schools and detailing the city's plan for implementation of the Initiative.

In identifying the schools, the Mayor shall take into account how a new school would contribute to and encourage economic development in a specific neighborhood by: attracting business investment; stabilizing and increasing the population; and encouraging community collaboration. The conferees recommend that the Mayor hold a public meeting to consult with advocacy groups and community leaders on the location of the five City Build pilot schools. The Mayor shall notify Congress at regular intervals on the progress of the Initiative.

The $14,000,000 provided to the Secretary of the Department of Education is to provide opportunity scholarships to low-income students in the District of Columbia who are attending consistently under-performing public schools to choose to attend private schools within the District of Columbia. These scholarships will be for tuition, transportation, and fees at participating private schools within the District and cannot exceed $7,500 per student. If the funds provided are not sufficient to serve all the eligible applicants, scholarships will be awarded through random selection. The agreement intends that up to $1,000,000 of these funds may be used to administer and fund assessments for title III of this Act. The conferees expect the Secretary of Education to enter into a Memorandum of Understanding with the Mayor of the District of Columbia to select one or more grantees to administer the scholarship program through a competitive process.

The conferees expect that the Memorandum of Understanding between the Mayor and the Secretary will include, but not be limited to, the following components: (1) strong accountability measures and program performance evaluations; (2) specifications for a lottery system which will provide fair and unbiased acceptance of students into the scholarship program, and allow participating schools to consider a sibling preference; (3) joint oversight by the Mayor of the District of Columbia and the Secretary of Education of the program's operations; (4) the evaluation and methodology for the selection of participating schools which have met the District of Columbia's current licensure requirements; (5) the methodology for determining the tuition and fees of participating schools, including the actual cost; (6) the development of appropriate oversight and accountability measures; and (7) teacher quality criteria.

TITLE II—DISTRICT OF COLUMBIA FUNDS OPERATING EXPENSES

DIVISION OF EXPENSES

The conference agreement provides that operating expenses for the District of Columbia for fiscal year 2004 shall not exceed $6,326,138,000, of which $3,832,734,000 is from local funds, including $96,248,000 from funds identified in the fiscal year 2002 comprehensive annual financial report as the District's fund balance funds, $1,568,734,000 is from Federal grant funds, $910,904,000 is from other funds, and $13,766,000 is from private funds as proposed by both the House and Senate. In addition, the agreement includes $119,650,000 from funds previously appropriated in this Act as Federal payments, instead of $59,800,000 as proposed by the House and $109,500,000 as proposed by the Senate.

The agreement exempts sections 417 and 436 from the total appropriation provided under this heading. The House bill provided an exemption for section 417 and the Senate bill provided for the exemption of all provisions of this Act.

The agreement does not include an earmark for intra-District funds as proposed by the Senate. The House bill contained no similar provision.

GOVERNMENTAL DIRECTION AND SUPPORT

The conference agreement includes $284,415,000 for governmental direction and support, including $206,825,000 from local funds, $57,440,000 from Federal grant funds, and $20,150,000 from other funds as proposed by both the House and Senate. In addition, the agreement includes $46,450,000 from funds previously appropriated in this Act as Federal payments, instead of $10,000,000 as proposed by the House and $21,100,000 as proposed by the Senate. These Federal payment funds are allocated as follows:

Office of the Mayor.—$1,100,000 for foster care improvements, $2,000,000 for a family literacy program, and $11,000,000 for emergency planning and security costs.

Office of the Chief Financial Officer.—$32,350,000 to support economic development and infrastructure in the District, and the health, education, and job training needs of District residents.

The conferees are disappointed with the slow pace in which the District and the Board of Education are providing charter schools access to surplus public school facilities and space in underutilized schools. There are 28 surplus schools in the city's inventory that could be made available to charter schools. Likewise, student enrollment in public schools is down almost 15,000 freeing up space equivalent to 20 school buildings. Yet 23 charter schools do not have permanent homes and new charter schools are being established each year. The conferees believe the District should take this opportunity to provide strong leadership and foster a plan to develop and promote public schools and public charter schools, including the co-location of schools. The conferees direct the District government and the Board of Education to develop a task force to study what can be done to ensure the equitable and efficient use of public school buildings, both surplus and underutilized buildings. The conferees request a report no later than January 16, 2004 on the status of this task force.

ECONOMIC DEVELOPMENT AND REGULATION

The conference agreement includes $276,647,000 for economic development and support, including $53,336,000 from local funds, $91,077,000 from Federal grant funds, $132,109,000 from other funds, and $125,000 from private funds as proposed by both the House and Senate.

PUBLIC SAFETY AND JUSTICE

The conference agreement includes $745,958,000 for public safety and justice, including $716,715,000 from local funds, $10,290,000 from Federal grant funds, $18,944,000 from other funds, and $9,000 from private funds as proposed by both the House and Senate. In addition, the agreement includes $1,800,000 from funds previously appropriated in this Act as Federal payments, instead of $1,300,000 as proposed by the House. The Senate bill contained no similar provision. These Federal payment funds are allocated as follows:

Emergency Management Agency—$500,000 for emergency personnel cross training.

Criminal Justice Coordinating Council—$1,300,000 to support initiatives related to the coordination of Federal and local criminal justice resources in the District of Columbia.

PUBLIC EDUCATION SYSTEM

The conference agreement includes $1,157,841,000 for the public education system, including $962,941,000 from local funds, $156,708,000 from Federal grant funds, $27,074,000 from other funds, $4,302,000 from private funds, and not to exceed $6,816,000 from the Medicaid and Special Education Reform Fund as proposed by both the House and Senate. In addition, the agreement includes $47,500,000 from funds previously appropriated in this Act as Federal payments, instead of $21,500,000 as proposed by the House and $43,000,000 as proposed by the Senate. These Federal payment funds are allocated as follows:

District of Columbia Public Schools.—$4,500,000 for public school facilities and $13,000,000 for school improvement.

State Education Office.—$13,000,000 for school improvement and $17,000,000 for resident tuition support.

The conferees are disappointed with the slow pace in which the District and the Board of Education are providing charter schools access to surplus public school facilities and space in underutilized schools. There are 28 surplus schools in the city's inventory that could be made available to charter schools. Likewise, student enrollment in public schools is down almost 15,000 freeing up space equivalent to 20 school buildings. Yet 23 charter schools do not have permanent homes and new charter schools are being established each year. The conferees believe the District should take this opportunity to provide strong leadership and foster a plan to develop and promote public schools and public charter schools, including the co-location of schools. The conferees direct the District government and the Board of Education to develop a task force to study what can be done to ensure the equitable and efficient use of public school buildings, both surplus and underutilized buildings. The conferees request a report no later than January 16, 2004 on the status of this task force.

The Telecommunications Act of 1996 designated elementary and secondary schools and libraries as beneficiaries of universal service for telecommunications services. This specific support, in the form of discounts on telecommunications services, has become known as the education rate or E-rate. The conferees request a report no later than March 1, 2004 that shows, by fiscal year, the total amount of E-rate funding District of Columbia Public Schools received and a breakout of which schools received funding and how much they received. The report should also include further details of how each school spent its E-rate funding and a brief description of the impact this funding has had on integrating technology into its curriculum and programs.

District of Columbia Public Schools.—The allocation includes $870,135,000 for District of Columbia public schools, including $738,444,000 from local funds, $114,749,000 from Federal grant funds, $6,527,000 from other funds, $3,599,000 from private funds, and not to exceed $6,816,000 from the Medicaid and Special Education Reform Fund as proposed by both the House and Senate. In addition, the agreement includes $17,500,000 from funds previously appropriated in this Act as Federal payments, instead of $4,500,000 as proposed by the House. The Senate bill contained no similar provision.

State Education Office.—The allocation includes $38,752,000 for the State education office, including $9,959,000 from local funds, $28,617,000 from Federal grant funds, and $176,000 from other funds as proposed by both the House and Senate. In addition, the agreement includes $30,000,000 from funds previously appropriated in this Act as Federal payments, instead of $43,000,000 as proposed by the Senate. The House bill contained no similar provision.

District of Columbia Public Charter Schools.—The allocation includes $137,531,000 from local funds for District of Columbia public charter schools as proposed by both the House and Senate.

University of the District of Columbia.—The allocation includes $80,660,000 for the University of the District of Columbia, including $48,656,000 from local funds, $11,867,000 from Federal grant funds, $19,434,000 from other funds, and $703,000 from private funds as proposed by both the House and Senate.

District of Columbia Public Libraries.—The allocation includes $28,287,000 for District of Columbia public libraries, including $26,750,000 from local funds, $1,000,000 from Federal grant funds, and $537,000 from other funds as proposed by both the House and Senate. In addition, the agreement includes $200,000 from funds previously appropriated in this Act as Federal payments to the Office of the Chief Financial Officer to expand access to public computers and the Internet in neighborhoods where it is needed the most.

Commission on the Arts and Humanities.—The allocation includes $2,476,000 for the commission on the arts and humanities, including $1,601,000 from local funds, $475,000 from Federal grant funds, and $400,000 from other funds as proposed by both the House and Senate.

HUMAN SUPPORT SERVICES

(INCLUDING TRANSFER OF FUNDS)

The conference agreement includes $2,360,067,000 for human support services, including $1,030,223,000 from local funds, $1,247,945,000 from Federal grant funds, $24,330,000 from other funds, $9,330,000 from private funds, and $48,239,000 from the Medicaid and Special Education Reform Fund as proposed by both the House and Senate. In addition, the agreement includes $20,400,000 from funds previously appropriated in this Act as Federal payments, instead of $12,900,000 as proposed by the Senate. The House bill contained no similar provision. These Federal payment funds are allocated as follows:

Department of Mental Health.—$3,900,000 for foster care improvements.

Department of Health.—$7,500,000 for hospital bioterrorism preparedness.

Child and Family Services Agency.—$9,000,000 for foster care improvements.

PUBLIC WORKS

The conference agreement includes $327,046,000 for public works, including $308,028,000 from local funds, $5,274,000 from Federal grant funds, and $13,744,000 from other funds as proposed by both the House and Senate. In addition, the agreement includes $3,500,000 from funds previously appropriated in this Act as Federal payments as proposed by the Senate. The House bill contained no similar provision. These Federal payment funds are allocated as follows:

Department of Transportation.—$3,500,000 for transportation assistance.

CASH RESERVE

The conference agreement includes $50,000,000 from local funds for the cumulative cash reserve as proposed by both the House and Senate.

EMERGENCY AND CONTINGENCY RESERVE FUNDS

The conference agreement provides such amounts from local funds as are necessary to meet the balance requirements for the emergency reserve fund and the contingency reserve fund as proposed by both the House and Senate.

REPAYMENT OF LOANS AND INTEREST

The conference agreement includes $311,504,000 from local funds for repayment of loans and interest as proposed both the House and Senate.

PAYMENT OF INTEREST ON SHORT-TERM BORROWING

The conference agreement includes $3,000,000 from local funds for payment on short-term borrowing as proposed by both the House and Senate.

CERTIFICATES OF PARTICIPATION

The conference agreement includes $4,911,000 from local funds for certificates of participation as proposed by both the House and Senate.

SETTLEMENTS AND JUDGMENTS

The conference agreement includes $22,522,000 from local funds for settlements and judgments as proposed by both the House and Senate.

WILSON BUILDING

The conference agreement includes $3,704,000 from local funds for the Wilson building as proposed by both the House and Senate.

WORKFORCE INVESTMENTS

The conference agreement includes $22,308,000 from local funds for workforce investments as proposed by both the House and Senate.

NON-DEPARTMENTAL AGENCY

The conference agreement includes $19,639,000 for the non-Department agency, including $11,455,000 from local funds and $8,184,000 from other funds as proposed by both the House and Senate.

PAY-AS-YOU-GO CAPITAL

The conference agreement includes $11,267,000 from local funds for pay-as-you-go capital as proposed by both the House and Senate.

TAX INCREMENT FINANCING PROGRAM

The conference agreement includes $1,940,000 from local funds for a tax increment financing program as proposed by both the House and Senate.

MEDICAID DISALLOWANCE

The conference agreement includes $57,000,000 from local funds for making refunds associated with disallowed Medicaid funding as proposed by both the House and Senate.

ENTERPRISE AND OTHER FUNDS

WATER AND SEWER AUTHORITY

The conference agreement includes $259,095,000 from other funds for the water and sewer authority as proposed by both the House and Senate. The agreement also includes $229,807,000 from other funds for construction projects instead of $199,807,000 as proposed by both the House and Senate. In addition, the agreement includes $30,000,000 from funds previously appropriated in this Act as a Federal payment for the combined sewer overflow long-term plan, instead of $35,000,000 as proposed by the House and $25,000,000 as proposed by the Senate.

WASHINGTON AQUEDUCT

The conference agreement includes $55,553,000 from other funds for the Washington aqueduct as proposed by both the House and Senate.

STORMWATER PERMIT COMPLIANCE ENTERPRISE FUND

The conference agreement includes $3,501,000 from other funds for the stormwater permit compliance enterprise funds as proposed by both the House and Senate.

LOTTERY AND CHARITABLE GAMES ENTERPRISE FUND

The conference agreement includes $242,755,000 from other funds for the lottery and charitable games enterprise fund as proposed by both the House and Senate.

SPORTS AND ENTERTAINMENT COMMISSION

The conference agreement includes $13,979,000 from local funds for the sports and entertainment commission as proposed by both the House and Senate.

DISTRICT OF COLUMBIA RETIREMENT BOARD

The conference agreement includes $13,895,000 for the District of Columbia retirement board from other funds as proposed by both the House and Senate.

WASHINGTON CONVENTION CENTER ENTERPRISE FUND

The conference agreement includes $69,742,000 from other funds for the Washington convention center enterprise fund as proposed by both the House and Senate.

NATIONAL CAPITAL REVITALIZATION CORPORATION

The conference agreement includes $7,849,000 from other funds for the National capital revitalization corporation as proposed by both the House and Senate.

CAPITAL OUTLAY

(INCLUDING RESCISSIONS)

The conference agreement includes $1,004,796,000 for capital outlays, including $601,708,000 from local funds, $46,014,000 from Highway Trust funds, $38,311,000 from the Rights-of-way funds, $218,880,000 from Federal grant funds, and a rescission of $99,884,000 from local funds appropriated under this heading in prior years as proposed by both the House and Senate. In addition, the agreement includes $13,150,000 from funds previously appropriated in this Act as Federal payments, instead of $4,300,000 as proposed by the House and $11,000,000 as proposed by the Senate. These Federal payment funds are allocated as follows: $150,000 for renovations at Eastern Market; $5,000,000 for the Anacostia Waterfront Initiative; and $8,000,000 for the Unified Communications Center.

The conferees request that a report on the activities carried out with these funds be submitted to the Committees on Appropriations of the House of Representatives and Senate no later than March 15, 2004.

TITLE III—DC SCHOOL CHOICE INCENTIVE ACT OF 2003

The conference agreement includes language to establish a 5-year school choice program in the District of Columbia.

TITLE IV—GENERAL PROVISIONS

The conference agreement changes several section numbers for sequential purposes and makes technical revisions to several provisions.

The conference agreement retains Sec. 407(a) as proposed by the House to prohibit the use of any funds in the Act for publicity or propaganda purposes or implementation of any policy including boycott designed to support or defeat legislation pending before Congress or any State legislature. The Senate bill allowed the use of local funds for this purpose.

The conference agreement retains Sec. 407(b) and (c) as proposed by the House to allow the use of local funds to carry out lobbying activities on any matter except the promotion or support of any boycott, statehood for the District or voting representation in Congress. The Senate bill allowed the use of local funds for these purposes.

The conference agreement retains Sec. 417 as proposed by the House to establish criteria for the acceptance, obligation, and expenditure of Federal, private, and other grants by the District government. The Senate bill included a similar provision, but included different criteria.

The conference agreement includes Sec. 421 as proposed by the House to prohibit the use of any funds contained in this Act for needle exchange programs. The Senate bill allowed the use of local funds for such programs.

The conference agreement makes Sec. 429 permanent law as proposed by the House. The Senate bill contained no similar provision.

The conference agreement makes Sec. 431 permanent law as proposed by the House. The Senate bill contained no similar provision.

The conference agreement includes Sec. 432 as proposed by the Senate. The House bill contained a similar provision, but required that all savings be used to expand special education services within the District.

The conference agreement includes Sec. 434 to amend the Student Loan Marketing Association Reorganization Act of 1996 to clarify that annual administrative costs should be provided through the credit enhancement fund. The House and Senate bills contained no similar provision. The administrative fee cannot exceed 5 percent within any year, is non-cumulative, and is to be based on annual calculations. Any unobligated amounts at the close of the fiscal year shall revert back to the credit enhancement fund prior to the calculation of the following year's administrative cap. These funds will enable the Office of Charter School Financing and Support to expand its ability to conduct outreach to charter schools and provide technical assistance to attain appropriate facilities.

The conference agreement includes Sec. 435 as proposed by the Senate to provide for the appointment and compensation of counsel in adoption cases. The House bill contained no similar provision.

The conference agreement includes Sec. 436 which amends Senate Sec. 141 to allow the District to exceed its appropriation by not more than $15,000,000 from funds identified in comprehensive annual financial report as the fiscal year 2003 general fund surplus with prior approval from the Committees on Appropriations. The House bill contained no similar provision.

The conference agreement does not include a provision as proposed by the House to prohibit the use of funds in the Act to support the action of *District of Columbia, et al.*, v. *Beretta U.S.A. et al.* The Senate bill contained no similar provision.

The conference agreement does not include a provision as proposed by the Senate related to the District acceptance and use a gift or donation. The House bill contained no similar provision. This provision is permanent law.

The conference agreement does not include a provision as proposed by the Senate related to the procurement of goods or services. The House bill contained no similar provision.

The conference agreement does not include a provision as proposed by the Senate related to payments within the District of Columbia Courts. The House bill contained no similar provision. This provision is permanent law.

The conference agreement does not include a provision as proposed by the Senate related to the Crime Victims Compensation Fund. The House bill contained no similar provision. This provision is permanent law.

The conference agreement does not include a provision as proposed by the Senate related to other type funds. The House bill contained no similar provision.

DISTRICT OF COLUMBIA APPROPRIATIONS BILL - FY 2004 (H.R. 2765)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
TITLE I						
FEDERAL FUNDS						
Federal payment for Resident Tuition Support	16,889	17,000	17,000	17,000	17,000	+111
Federal payment for Emergency Planning and Security Costs in the District of Columbia	14,902	15,000	15,000	15,000	11,000	-3,902
Federal payment to the District of Columbia Courts	160,890	163,819	163,819	172,104	167,765	+6,875
Defender Services in District of Columbia Courts	16,989	32,000	32,000	32,000	32,000	+15,011
Unobligated Balance	(16,400)	---	---	---	---	(-16,400)
Defender Services program level	(33,389)	(32,000)	(32,000)	(32,000)	(32,000)	(-1,389)
Federal payment to the Court Services and Offender Supervision Agency for the District of Columbia	153,701	166,525	163,081	173,396	168,435	+14,734
Federal payment to the District of Columbia Water and Sewer Authority	49,675	15,000	35,000	25,000	30,000	-19,675
Federal payment for Hospital Bioterrorism Preparedness in the District of Columbia	9,935	---	---	10,000	7,500	-2,435
Federal payment for the Anacostia Waterfront Initiative /1	4,968	10,000	4,300	6,000	5,000	+32
Federal payment to the Criminal Justice Coordinating Council /2	---	1,300	1,300	---	1,300	+1,300
Federal payment for Capital Development in the District of Columbia	10,084	---	8,000	5,000	8,150	-1,934
Federal payment for Public School Facilities	---	---	4,500	---	4,500	+4,500
Federal payment for Childrens Hospital /2	---	---	---	10,000	---	---
Federal payment for St. Coletta /2	---	---	---	2,000	---	---
Federal payment for the Family Literacy Program	3,974	---	2,000	---	2,000	-1,974
Federal payment for Transportation Assistance	---	---	---	3,500	3,500	+3,500
Federal payment for Foster Care Improvements in the District of Columbia	---	---	---	14,000	14,000	+14,000
Federal Payment to the Office of the Chief Financial Officer of the District of Columbia	40,535	---	10,000	33,000	32,350	-8,185
Federal Payment for emergency personnel cross training	---	---	---	---	500	+500
Federal payment for School Improvement	---	---	10,000	27,000	40,000	+40,000
Federal payment to the District of Columbia Department of Transportation	993	---	---	---	---	-993
Federal payment for Waterfront Improvements	2,285	---	---	---	---	-2,285
Federal payment for Asbestos Remediation	993	---	---	---	---	-993
Federal payment to the Fire and Emergency Medical Services Department	1,987	---	---	---	---	-1,987
Federal payment for Special Education	2,981	---	---	---	---	-2,981
Federal payment to the District of Columbia for Public Charter School Facilities	16,889	---	---	---	---	-16,889
Total, Federal funds to the District of Columbia	508,670	420,644	466,000	545,000	545,000	+36,330

1/ Funds are for the Anacostia Riverwalk and Trail construction.

2/ $298,000, $4,967,000, and $1,987,000 respectively is included in FY2003 under Federal payment to the Chief Financial Officer of the District of Columbia.

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
DISTRICT OF COLUMBIA FUNDS						
Operating Expenses						
Governmental direction and support	(303,673)	(284,415)	(284,415)	(284,415)	(284,415)	(-19,258)
Economic development and regulation	(244,358)	(276,647)	(276,647)	(276,647)	(276,647)	(+32,289)
Public safety and justice	(622,531)	(745,958)	(745,958)	(745,958)	(745,958)	(+123,427)
Public education system	(1,206,169)	(1,157,841)	(1,157,841)	(1,157,841)	(1,157,841)	(-48,328)
Human support services	(2,451,818)	(2,360,067)	(2,360,067)	(2,360,067)	(2,360,067)	(-91,751)
Public Works	(320,357)	(327,046)	(327,046)	(327,046)	(327,046)	(+6,689)
Reserve	(70,000)	---	---	---	---	(-70,000)
Cash Reserve	---	(50,000)	(50,000)	(50,000)	(50,000)	(+50,000)
Repayment of Loans and Interest	(260,951)	(311,504)	(311,504)	(311,504)	(311,504)	(+50,553)
Repayment of General Fund Recovery Debt	(39,300)	---	---	---	---	(-39,300)
Payment of Interest on Short-Term Borrowing	(1,000)	(3,000)	(3,000)	(3,000)	(3,000)	(+2,000)
Certificates of Participation	(7,950)	(4,911)	(4,911)	(4,911)	(4,911)	(-3,039)
Settlements and Judgments	(22,822)	(22,522)	(22,522)	(22,522)	(22,522)	(-300)
Wilson Building	(4,194)	(3,704)	(3,704)	(3,704)	(3,704)	(-490)
Workforce Investments	(48,186)	(22,308)	(22,308)	(22,308)	(22,308)	(-25,878)
Non-Departmental Agency	(5,799)	(19,639)	(19,639)	(19,639)	(19,639)	(+13,840)
Pay-As-You-Go Capital	---	(11,267)	(11,267)	(11,267)	(11,267)	(+11,267)
Tax Increment Financing Program	---	(1,940)	(1,940)	(1,940)	(1,940)	(+1,940)
Medicaid Disallowance	---	(57,000)	(57,000)	(57,000)	(57,000)	(+57,000)
Emergency Planning and Security Costs	(15,000)	---	---	---	---	(-15,000)
Total, operating expenses, general fund	(5,624,108)	(5,659,769)	(5,659,769)	(5,659,769)	(5,659,769)	(+35,661)
Enterprise and Other Funds						

DISTRICT OF COLUMBIA APPROPRIATIONS BILL - FY 2004 (H R. 2765)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
Water and Sewer Authority	(253,743)	(259,095)	(259,095)	(259,095)	(259,095)	(+5,352)
Washington Aqueduct	(57,847)	(55,553)	(55,553)	(55,553)	(55,553)	(-2,294)
Stormwater Permit Compliance enterprise fund	(3,100)	(3,501)	(3,501)	(3,501)	(3,501)	(+401)
Lottery and Charitable Games enterprise fund	(232,881)	(242,755)	(242,755)	(242,755)	(242,755)	(+9,874)
Sports and Entertainment Commission	(20,510)	(13,979)	(13,979)	(13,979)	(13,979)	(-6,531)
District of Columbia Retirement Board	(13,388)	(13,895)	(13,895)	(13,895)	(13,895)	(+507)
Washington Convention Center enterprise fund	(78,700)	(69,742)	(69,742)	(69,742)	(69,742)	(-8,958)
National Capital Revitalization Corporation	(6,745)	(7,849)	(7,849)	(7,849)	(7,849)	(+1,104)
Total, Enterprise Funds	(666,914)	(666,369)	(666,369)	(666,369)	(666,369)	(-545)
Total, operating expenses	(6,291,022)	(6,326,138)	(6,326,138)	(6,326,138)	(6,326,138)	(+35,116)
Capital Outlay						
General fund	(670,520)	(904,913)	(904,913)	(904,913)	(904,913)	(+234,393)
Water and Sewer Fund	(342,458)	(199,807)	(199,807)	(199,807)	(229,807)	(-112,651)
Total, Capital Outlay	(1,012,978)	(1,104,720)	(1,104,720)	(1,104,720)	(1,134,720)	(+121,742)
Total, District of Columbia funds	(7,304,000)	(7,430,858)	(7,430,858)	(7,430,858)	(7,460,858)	(+156,858)
Grand total:						
Federal Funds to the District of Columbia	508,670	420,644	466,000	545,000	545,000	+36,330
District of Columbia funds	(7,304,000)	(7,430,858)	(7,430,858)	(7,430,858)	(7,460,858)	(+156,858)

Conference Total—With Comparisons

The total new budget (obligational) authority for the fiscal year 2004 recommended by the Committee of Conference, with comparisons to the fiscal year 2003 amount, the 2004 budget estimates, and the House and Senate bills for 2004 follows:

[In thousands of dollars]

New budget (obligational) authority, fiscal year 2003	$508,670
Budget estimates of new (obligational) authority, fiscal year 2004	420,644
House bill, fiscal year 2004	466,000
Senate bill, fiscal year 2004	545,000
Conference agreement, fiscal year 2004	545,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 2003	+36,330
Budget estimates of new (obligational) authority, fiscal year 2004	+124,356
House bill, fiscal year 2004	+79,000
Senate bill, fiscal year 2004	+0

DIVISION D—FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS, 2004

TITLE I—EXPORT AND INVESTMENT ASSISTANCE

Export-Import Bank of the United States

The managers note that in fiscal year 2004, there is no request by the President for a subsidy appropriation for the Export-Import Bank of the United States. While the conference agreement provides no funding for the subsidy appropriation, the managers expect that there will be no reduction in Export-Import Bank activity levels due to the extraordinarily high level of carryover balances in fiscal year 2004, which total approximately $575,000,000.

The conference report includes no appropriation for the tied-aid "war chest". The estimated $260,000,000 remaining "war chest" balance for tied-aid purposes may be used to support loans. The managers continue to expect that none of the funds appropriated by prior Acts for the tied-aid credits or grants may be used for any other purpose except through the regular notification procedures of the Committees on Appropriations.

The conference agreement appropriates $72,895,000 for administrative expenses for the Export-Import Bank, instead of $71,395,000 as proposed by the House and $74,395,000 as proposed by the Senate.

The conference agreement does not include a first-time appropriation for the Office of Inspector General. The Senate provided $1,000,000 for this office and the House did not address this matter. The managers note that the Export-Import Bank already has an audit committee and other regimes in place, including independent auditors that provide financial oversight to its operations.

Overseas Private Investment Corporation

The managers direct the President of OPIC to continue current policy and consult with the Committees on Appropriations before any future financing for non-governmental organizations or private and voluntary organizations is approved.

Trade and Development Agency

The managers commend the Trade and Development Agency (TDA) for its efforts to assist countries in improving their aviation safety and security systems, which has had a positive effect on enhancing United States trade for our aviation and aerospace industries. The managers recognize that setting aviation and safety standards worldwide is an important component for integrating a global system of trade. Accordingly, the managers recommend $1,500,000 for TDA to promote its work in this area by providing for the development of training materials to help prepare participating countries for International Civil Aviation Organization (ICAO) audits and to correct safety and security deficiencies.

TITLE II—BILATERAL ECONOMIC ASSISTANCE

United States Agency for International Development

CHILD SURVIVAL AND HEALTH PROGRAMS FUND

The conference agreement appropriates $1,835,000,000 for the Child Survival and Health Programs Fund instead of $2,235,830,000 as proposed by the House and $1,435,500,000 as proposed by the Senate. Significant funding for HIV/AIDS is in a new account, the "Global HIV/AIDS Initiative", and additional funding for HIV/AIDS, tuberculosis (TB), malaria, and other health issues is provided in Assistance for Eastern Europe and the Baltic States, Economic Support Fund, Assistance for the Independent States of the Former Soviet Union, and Foreign Military Financing accounts. The managers welcome the emergence of the Office of the Global AIDS Coordinator at the State Department, and specific direction for this office and its funding is included under the heading "Global HIV/AIDS Initiative".

The conference agreement includes the list of funding categories as proposed by the House which makes clear that funding for children orphaned or otherwise made vulnerable by HIV/AIDS should be considered separately from that for other orphans and vulnerable children. The managers also include $250,000 for the monitoring and oversight of child survival, maternal and family planning/reproductive health, and infectious disease programs, instead of $150,000 as contained in the Senate.

The conference agreement includes language allocating $1,835,000,000 among seven program categories in the Child Survival and Health Programs Fund: $330,000,000 for child survival and maternal health, including vaccine-preventable diseases such as polio; $28,000,000 for vulnerable children (not including children affected by HIV/AIDS); $516,500,000 for HIV/AIDS, including assistance for communities, including children orphaned by HIV/AIDS and otherwise affected by the disease; $185,000,000 for other infectious diseases, including TB and malaria; $375,500,000 for reproductive health/family planning; and $400,000,000 for the Global Fund to Fight AIDS, Tuberculosis and Malaria (Global ATM Fund). The managers expect that any change proposed subsequent to the allocation as directed in bill language will be subject to the requirements of section 515 this Act. A definition of program categories and their components can be found on pages 9 through 11 of House Report 107–142 and under the heading "Family Planning/Reproductive Health" on page 12 of Senate Report 107–58. The managers, for the first time in several years, include funding for UNICEF in "International Organizations and Programs" rather than in this account.

The managers commend the President for his commitment to combat HIV/AIDS, TB, and malaria. The conference agreement includes $1,646,000,000 to fight these three diseases, and anticipates that $754,00,000 is available in the Labor, Health and Human Services Appropriations Act. It is anticipated that a total of $2,400,000,000 is provided to fight HIV/AIDS, TB, and malaria in these two Acts.

Of the amounts in this Foreign Operations Appropriations Act, $516,500,00, $185,000,000, and $400,000,00 are for HIV/AIDS, TB, and malaria, and a United States contribution to the Global ATM Fund, respectively. An additional $491,000,000 is included in the Global HIV/AIDS Initiative account, and $53,500,000 is in Economic Support Fund, Foreign Military Financing, and regional accounts for Eastern Europe and the Baltic States and the Former Soviet Union.

Foreign Operations funding for HIV/AIDS, TB, and Malaria, fiscal year 2004

Child Survival and Health Programs Fund (CSH)	1,101,500,000
HIV/AIDS	(516,500,000)
Other Infectious Diseases (TB + malaria)	(185,000,000)
Global ATM Fund	(400,000,000)
Global HIV/AIDS Initiative	491,000,000
Other bilateral accounts, HIV/AIDS, TB, malaria	53,500,000
Total, HIB/AIDS, TB, malaria	1,646,000,000

The managers recognize that these three pandemics, especially HIV/AIDS and TB, are closely related, and that the response to them can not readily be separated. However, the managers have estimated how this $1,646,000,000 could be disaggregated by major infectious disease for tracking purposes. The managers also note that funding for "other infectious disease" should be allocated for activities besides fighting tuberculosis and malaria, such as disease surveillance. The TB and malaria estimates in this section should not be construed to indicate that these activities should not be undertaken.

The conference agreement provides not less than $1,283,500,00 for programs for the prevention and treatment of HIV/AIDS, and for care and support of those infected and affected by the disease. $756,500,000 is funded through the Child Survival and Health Programs Fund, including $240,000,000 as a conservative estimate of the amount form this Act that will be allocated for HIV/AIDS by the Global ATM Fund. An additional $491,000,000 is included in the Global HIV/AIDS Initiative account, and an estimated $36,000,00 is provided through other accounts, such as the Economic Support Fund, International Disaster Assistance, Foreign Military Financing, and regional accounts for Eastern Europe and the former Soviet Union. The estimate of $1,283,500,000 for HIV/AIDS does not include the United States share of HIV/AIDS assistance through the World Bank Group.

The managers provide most HIV/AIDS funding in two accounts, Child Survival and Health and a new account, the Global HIV/AIDS Initiative, similar to the structure of the Senate bill and the budget request. Instructions retained from the House bill and relevant to the Global HIV/AIDS Initiative are included under that heading. The managers intend that the $516,500,00 allocated for HIV/AIDS in the Child Survival and Health Programs Fund will be used to finance ongoing programs, and that the $491,000,000 in the Global HIV/AIDS Initiative account will be used for new and expanded programs in 15 focus countries.

The managers recognize that the epicenter of the HIV/AIDS epidemic is moving from Africa and the Caribbean toward Asia, Eastern

Europe, and the former Soviet Union. In order to help prevent these epidemics from exploding, the managers once again direct that funds form the Child Survival and Health Programs Fund be made available for HIV/AIDS progarms in Eastern Europe and the former Soviet Union. The conference report also includes funds under several bilateral accounts specifically to fight HIV/AIDS, TB, and malaria. The managers also encourage USAID, working in coordination with the Global AIDS Coordinator, to make make available funds from Child Survival and Health Programs Fund for HIV/AIDS program in "EST countries" other than those for which funds are specifically mandated in this Act.

The managers concur with the President's 2001 remarks at the announcement of the initial United States contribution to the proposed Global Fund to Fight AIDS, Tuberculosis and Malaria that a successful approach to fighting these diseases must incorporate bilateral and multilateral programs and approaches, and that the Global ATM Fund has a crucial role to play in marshalling and distributing international resources.

The conference agreement includes $400,000,000 for a contribution to the Global ATM Fund, as proposed by the House, rather than $250,000,000 as in the Senate bill or $100,000,000 as contained in the budget request. The managers note that, of the awards pledged thus far by the Global ATM Fund to recipient countries, approximately 60 percent are for HIV/AIDS interventions, 23 percent are for malaria interventions, and 17 percent are for TB or combined TB/AIDS interventions. The managers have used these percentages to estimate the portion of the United States contributions to the Global ATM Fund that is likely be attributed for each disease.

The managers intend that the United States contributions to the Global ATM Fund be used to leverage other donors' contributions. These conference agreement does not include a provision contained in the House bill limiting the United States contribution to the Global ATM Fund to not more than one-half of all contributions from other sources because a provision addressing the same matter is contained in section 202 of Public Law 108–25, the "United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003". The managers expect that the Global AIDS Coordinator will use the funds provided for a United States contribution to the Global ATM Fund to maximally leverage resources from other donors.

However, the managers also recognize that funding cycles for donors vary, and that the application of the above provision may cause a portion of funds allocated for a United States contribution to the Global ATM Fund to remain unspent. Therefore, the conference report also includes a "kick-out" clause, as proposed by both the House and the Senate, which would ensure that funds are used for bilateral HIV/AIDS programs if other donors are unable to fully match the intended United States contribution to the Global ATM Fund. This provision is addressed in section 595. The managers expect that the Global AIDS Coordinator will bear in mind the managers' support for the Global ATM Fund and will judiciously use the flexibility provided by this "kick-out" clause to ensure that funds are allocated to the most effective uses.

The conference agreement does not include a Senate provision regarding the percentage of the budget for prevention and treatment programs of the Global Fund to Fight AIDS, Tuberculosis and Malaria that is made available to support technical assistance to ensure the quality of such programs. However, the managers recognize the importance of technical assistance and note the extensive resources and experience of the United States Government in providing such assistance. The managers urge the Global AIDS Coordinator to seek to ensure that an appropriate percentage of resources are utilized for this purpose.

When funding through bilateral programs administered by USAID is considered in combination with the United States contribution to the Global ATM Fund, the conference agreement provides a total of $169,000,000 for TB assistance. Of this amount, $92,500,000 is funded through the "other infectious diseases" allocation in this amount, an estimated $8,500,000 from other bilateral accounts, and $68,000,000 through the contribution to the Global ATM Fund.

For malaria, the conference agreement provides a total of $193,500,000. Of this amount, it is expected that $92,000,000 of the contribution to the Global ATM Fund will fund malaria programs, $92,500,000 is funded through the "other infectious diseases" allocation in this amount, and an estimated $9,000,000 is provided from other bilateral accounts.

The managers expect USAID to allocate up to 10 percent of its funding for malaria programs to medicines and vaccine research and development, including $3,000,000 for the Medicines for Malaria Venture, and the same amount for the Malaria Vaccine Initiative.

The conference agreement includes bill language, proposed by the Senate, regarding the development of microbicides as a means of combating HIV/AIDS.

The conference agreement does not include up to $150,000,000 for mother and child HIV prevention as contained in the Senate bill. However, the managers expect that funds will be made available from the HIV/AIDS allocation in this account and from funds provided in the Global HIV/AIDS Initiative account.

The conference account provides not less than $26,000,000 for research on and testing of HIV/AIDS vaccines. These funds should be allocated by the Global AIDS Coordinator at the Department of State to the International AIDS Vaccine Initiative. The managers expect that $10,000,000 will be used for cooperative projects coordinated with the European Union's new 5-year program, the "AIDS Vaccine Integrated Project," and in cooperation with the Partnership for AIDS Vaccine Evaluation (PAVE) operating under the aegis of the Department of Health and Human Services.

The conference agreement also provides that not less than $26,000,000 should be made available as a United States contribution to UNAIDS, instead of $28,000,000 as proposed by the Senate. The House did not address this matter. The managers note the central role that UNAIDS plays in coordinating the work of eight U.N. agencies and the Global ATM Fund, and in providing technical support to countries as funding to combat HIV/AIDS rapidly increases.

The managers urge USAID to implement programs that address the combination of the HIV/AIDS and hunger, including programs to enhance nutrition among HIV/AIDS-affected households and communities and that strengthen the ability of HIV/AIDS-affected individuals and households to meet current and future needs. Particular attention needs to be given to dealing with orphans and other vulnerable children and to promoting overall agriculture development and food production, including through school and hospital gardens as appropriate.

The managers are aware of the efforts of Voices for Humanity and the other organizations cited on page 9 of Senate Report 108–106 and page 15 of House Report 108–222 to convey HIV/AIDS awareness, prevention, treatment and medical training among non-literate and oral communicating populations in developing countries. The managers expect that USAID and the Global AIDS Coordinator consider and, where feasible, fund pilot projects and other proposals submitted by such organizations.

The conference agreement does not include a Senate provision that funds shall be made available to the HIV/AIDS, Tuberculosis and Malaria Cluster of the World Health Organization (WHO). However, the managers recognize the central role WHO plays in fighting HIV/AIDS and other infectious diseases, and expect that funds will be made available to support this new initiative.

For health in West Africa, the conference agreement does not include section 699D of the Senate amendment providing $5,000,000 for the Carter Center's Guinea Worm Eradication Program. The managers note that the Carter Center recently released an action plan for guinea worm eradiction that target Ghana, Nigeria, and Sudan. The managers strongly support this program and expect that $5,000,000 will be a made available for this purpose. The managers also endorse the House report language on the West African Health Organization and on obstetric fistula and urge USAID to initiate programs in heavily effected areas, and to expand the programs of the International Medical Corps in Sierra Leone that address this problem.

The conference agreement allocates $375,500,000 for family planning/reproductive health within the Child Survival and Health Programs Fund, as proposed by the Senate, instead of $368,500,000 as proposed by the House.

The managers also direct USAID to continue to provide the Committees with a detailed annual report not later than March 31, 2004, on the programs, projects, and activities undertaken by the Child Survival and Health Programs Fund during fiscal year 2003.

Funds appropriated for the Child Survival and Health Programs Fund are appropriated for programs, projects and activities. Funds for administrative expenses to manage Fund activities are provided in a separate United States Agency for International Development Operating Expenses account, with three exceptions included in the conference agreement: authority for USAID's central and regional bureaus to use up to $250,000 from program funds for Operating Expense-funded personnel to better monitor and provide oversight of the Fund; in section 522, authority to use up to $13,500,000 to reimburse other government agencies and private institutions for professional services; and in section 525, authority to hire overseas personnel on a limited term basis.

Any proposed obligations for Global Development Alliance programs, projects or activities shall be subject to the regular notification procedures of the Committees on Appropriations, as shall any proposed transfers of Child Survival and Health Programs funds to any other agency, program, or account.

DEVELOPMENT ASSISTANCE

The conference agreement appropriates $1,385,000,000 for "Development Assistance" instead of $1,317,000,000 as proposed by the House and $1,423,000,000 as proposed by the Senate.

The managers have agreed to provide $235,000,000 for basic education, including adult literacy programs, under the development assistance account, instead of $250,000,000 as proposed by the House bill or $220,000,000 as proposed by the Senate amendment.

The conference agreement includes Senate language that provides $100,000,000 shall be made available for drinking water supply projects and related activities. The managers expect USAID to report no later than 90 days after enactment of this Act on funding and implementation of its water projects, including the number and location of wells drilled, and the cost per well.

The managers endorse language in Senate Report 108–106 regarding Water Conservation and, in particular, the recommendation for $1,500,000 for Water Missions International (WMI). The managers intend that this funding to WMI for hospitals in Honduras be in addition to water project funding previously planned for allocation in that country.

The managers are aware of the efforts of the Millennium Water Alliance to provide potable water to African communities that lack access to clean water, and recognize the importance of the Alliance's work. The managers recommend that, upon submission of suitable proposals to USAID, a significant part of the funds for potable water be provided to members of the Alliance to increase access to clean water and reduce rates of water-borne diseases and infant mortality in Africa.

The managers encourage USAID to allocate increased funding for agricultural development activities, and recommend that USAID allocate funding for these activities in sub-Saharan Africa more at the village level to include projects in small-scale irrigation, water and drainage, post-harvest storage, crop intensification, crop and livestock diversification, and rural infrastructure, such as the Special Programme for Food Security of the U.N. Food and Agriculture Organization.

The managers continue to support the work of private voluntary organizations in the economic growth sector, especially the Financial Services Volunteer Corps and the International Executive Service Corps. The managers direct USAID to provide such organizations with sufficient core funding and fair opportunity to compete for relevant contracts and awards in the economic growth sector.

The conference agreement includes language, similar to a Senate provision, which provides that not less than $10,000,000 should be made available for programs and activities in rural Mexico to promote microfinance, small business development, private property ownership in rural communities, energy and environmental conservation, and to support small farmers who have been affected by adverse economic conditions, subject to the regular notification procedures of the Committees on Appropriations. The managers remain concerned with reports of corruption of the legal process in connection with a property dispute involving American citizens in Oaxaca and the University of the Americas, and the wrongful issuance of arrest warrants and imprisonment of these individuals. While the managers are aware that the criminal charges have been dismissed, the arrest warrants remain outstanding and the property dispute is unresolved. The managers intend to follow this matter until it is resolved satisfactorily.

The managers are greatly concerned by continued reports of violence against women in Cuidad Juárez and Chihuahua, Mexico. The managers consider this a bi-national issue, as U.S. citizens are among the victims and among those accused of committing these acts. The managers urge the State Department to work with the Mexican government to set up a DNA database, under international auspices, which would enable the positive identification of the victims by collecting DNA samples from the victims and from the families of the disappeared women.

The managers support projects in Central America that provide safe, nutritious, and affordable food to pre-school and school aged populations. The managers are aware of a nutritional drink that has achieved results in reducing malnutrition among Guatemalan pre-school children, and encourage USAID to determine the feasibility of establishing a long-term child nutrition program targeted toward reducing severe malnutrition rates among Central American children.

The managers endorse the House language on the Cooperative Association of States for Scholarships, which calls upon USAID to fully implement and fund its new agreement with the Association.

The managers endorse the House language on the Women in Development office urging that the office be funded at $11,000,000, and direct that USAID report no later than 90 days after the enactment of this Act on activities planned for the office and measures to increase staffing in order to expand its relevance to USAID-wide operations.

With respect to Afghanistan, section 523 includes language similar to a Senate proposal, providing that not less then $2,000,000 should be made available for assistance for Afghans who suffer losses as a result of the military operations. The managers are aware that assistance for these victims has begun to be provided by USAID and the Department of Defense, in consultation with local Afghan communities, with funds previously appropriated. The managers believe that the capabilities of the Provincial Reconstruction Teams, which have access to remote, nonpermissive areas, should be utilized. The managers intend these funds to be used for medical and rehabilitation assistance, shelter and other infrastructure, and other appropriate assistance from this account.

Although the conference agreement does not contain Economic Support Fund assistance for Pakistan, it does contain funding for education and health programs in the Development Assistance account and Child Survival and Health programs Fund. Given the enormous challenges that face Pakistan in the education and health sectors, the managers strongly urge the Administration to structure its proposed 5-year USAID package to address those needs. The managers expect not less than $2,000,000 should be made available for programs and activities of the Pakistan Human Development Fund and not less than $1,000,000 for Amanut Society. The Senate included funding for these organizations under the heading "Economic Support Fund", but no funds are made available for Pakistan under that heading in this Act as $200,000,000 was appropriated in Public Law 108–106.

The managers direct that, of the funds for agriculture and rural development programs $25,000,000 be provided for USAID's Collaborative Research Support Programs (CRSPs), of which $2,000,000 should be used to establish a CRSP that is focused on water security.

The managers support the language of the House report directing that USAID fund dairy development programs at not less than $15,000,000 for fiscal year 2004. Of this amount at least $7,500,000 should be made available for new projects at missions supplementing their existing rural development programs with a dairy component. The new programs should focus primarily on dairy development, rather than as a component of other cultural programs. The managers have included this directive in fiscal year 2004 in part because of USAID's failure to meet directives of previous years.

The conference report includes language similar to a Senate provision which provides $155,000,000 for programs which directly protect biodiversity, including forests. The managers endorse language under the heading "Environment Programs" on page 17 in Senate Report 108–106 on these issues, including the importance of developing a regional strategy for biodiversity conservation in the Amazon Basin, amounts of assistance for Brazil in fiscal year 2004, and support for the Amazon Conservation Team. The conference agreement does not include Senate language relating to the use of Child Survival and Health and Development Assistance funds for integrated population-health-environment programs. However, the managers expect Child Survival and Health funds to be used to fund child survival, health, and family planning activities of integrated population-health-environment programs, including in areas where biodiversity and endangered species are threatened and Development Assistance funds should be used to fund environment, conservation, natural resource management, and sustainable agriculture activities in such integrated programs.

The managers support programs that conserve energy and promote efficient energy production and distribution in developing countries. The conference agreement provides in section 555 that $180,000,000 should be made available for these programs. The managers urge that energy technology program offices at USAID, the Export-Import Bank, the Overseas Private Investment Corporation, the Trade and Development Agency and other federal agencies involved in foreign assistance and export promotion activities that participate in the Clean Energy Technology Exports Initiative, contribute to this nine-agency effort.

The managers endorse language on page 15 of Senate Report 108–106 regarding, among other things, the importance of preserving the viability of leading micro-finance NGO networks so these organizations may increase the number of people they serve.

The managers direct that not less than $1,000,000 be made available for the United States Telecommunications Training Institute, a long-standing and successful program that provides communications and broadcasting training to professionals around the world. The Senate amendment included bill language mandating that such funds be made available for this purpose. The House bill did not address this matter.

The conference agreement provides that $19,000,000 should be made available for the American Schools and Hospitals Abroad program. The Senate amendment included bill language stating that $20,000,000 should be made available for this purpose.

The managers strongly support the fertilizer-related research and development being conducted by the International Fertilizer Development Center (IFDC) and urge USAID to make at least $4,000,000 available to IFDC, including not less than $2,300,000 for its core grant, as provided under the Senate amendment.

The conference agreement does not include language, as proposed by the Senate, providing up to $3,000,000 for the International Real Property Foundation. The managers direct USAID to provide funding to this organization.

The managers support the budget request for programs and activities conducted by USAID's Bureau of Democracy, Conflict and Humanitarian Assistance. The managers expect sufficient funding to be provided for democracy building activities that, if properly implemented, can serve as a bulwark against terrorism.

The managers endorse language in Senate Report 108–106 regarding Faith Based Organizations.

The managers note that a proposal by the University of South Dakota to develop international mental health programs was inadvertently omitted from the list of university proposals on pages 20 to 23 of the Senate report.

The managers continue to be supportive of efforts to form public-private partnerships, through the Global Development Alliance or other appropriate USAID mechanisms, to build and support schools and other educational institutions, which promote tolerant, secular educational curricula.

The conference agreement includes a general provision (section 586), similar to Senate language, which provides that not less than $35,000,000 in "Development Assistance" funds should be made available for Nicaragua, which is $4,000,000 above the amount requested. The managers commend President Bolanos for his efforts to combat the endemic corruption that has impeded Nicaragua's development. The managers recommend that these additional funds be used to assist subsistence farmers and to support judicial reform efforts.

The managers support the request for Development Assistance for Nepal, but are aware of the deteriorating climate for security and private investment. In particular, the Department of State is asked to continue to work with the Government of Nepal to promote broad-based economic development and to secure property rights for Nepalese and foreign-owned infrastructure, including private power generation facilities.

INTERNATIONAL DISASTER AND FAMINE ASSISTANCE

The conference agreement appropriates $255,500,000 for "International Disaster and Famine Assistance", instead of $315,500,000 as proposed by the House and $235,500,000 as proposed by the Senate.

Of this amount, $20,000,000 is made available specifically for assistance for famine prevention and relief, instead of $80,000,000 as proposed by the House and $100,000,000 as proposed by the Senate under a separate heading, "Famine Fund". The conference agreement requires consultation with the Committees on Appropriations prior to the commitment or obligation of these funds.

The remaining $235,500,000 is appropriated to USAID for traditional international disaster relief, rehabilitation, and reconstruction assistance, especially to mitigate the impact of unforeseen natural disasters.

DEVELOPMENT CREDIT AUTHORITY

(INCLUDING TRANSFER OF FUNDS)

The conference agreement includes authority for USAID to use funds made available by this Act for the cost of modifying loans guaranteed under this or prior Acts, as proposed by the Senate. The House bill did not address this matter. The conference agreement requires that the appropriate Committees be notified prior to the use of funds for loan restructuring.

OPERATING EXPENSES OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

Out of the $604,100,000 appropriated for Operating Expenses of the United States Agency for International Development, the conference agreement provided $25,000,000 to be available until September 30, 2005 instead of $30,000,000 as proposed by the House. In addition, contracts or agreements entered into with funds made available under this heading may entail commitments for the expenditure of such funds through September 30, 2005.

The managers have also included a new provision prohibiting the use of funds to open a new USAID overseas mission without prior written notification. In addition, several other provisions give the Agency greater flexibility in hiring personnel to meet expanding or unanticipated missions. The managers also support the intent of the language regarding USAIDLINK on page 30 of House Report 107–683, and expect that this activity will be carried out over the next two years.

The conference agreement includes language that would prohibit reducing the number of foreign service employees at each mission in Latin America expect as provided through notification to the Committees on Appropriations. The managers understand that the assistance and staffing levels for all Central American missions have been under pressure due to demands elsewhere in the world, but Guatemala, Honduras and Nicaragua are slated for substantial staffing reductions relative to other countries in this hemisphere. The managers do not believe that this strategy reflects the priorities of United States economic, trade, humanitarian and immigration policies with these countries. Guatemala specifically is struggling in a state of post-conflict polarization, and with the new January 2004 government, the managers strongly believe that reducing assistance and staffing would limit the ability of the United States to be responsive at this critical juncture in Guatemala's history.

CAPITAL INVESTMENT FUND

The conference agreement appropriates $82,200,000 for USAID's Capital Investment Fund, instead of $49,300,000 as proposed by the House or $100,000,000 as proposed by the Senate.

The conference agreement includes House language that authorizes the Administrator of USAID to assess fair and reasonable rental payments for the use of space by employees of other government agencies; provides that the rental payments shall be deposited into this account as offsetting collections; requires notification for the use of such offsetting collections, as well as for funds appropriated under this heading; and provides that the assignment of United States Government employees and contractors to space in buildings shall be subject to the concurrence of the Administrator of USAID.

The conference agreement includes $62,200,000 for new USAID buildings in Phnom Penh, Cambodia, Kampala, Uganda, and Conakry, Guinea or Bamako, Mali, as requested by the President. The managers note that in the past USAID has abruptly modified its prioritization of major overseas building projects and, therefore, request to be consulted immediately should this occur again. The managers strongly support the provisions of funds, when available, for a new USAID building in Yerevan, Armenia.

OTHER BILATERAL ECONOMIC ASSISTANCE

ECONOMIC SUPPORT FUND

(INCLUDING TRANSFER OF FUNDS)

The conference agreement appropriates $2,132,500,000 for the Economic Support Fund instead of $2,240,500,000 as proposed by the House and $2,415,000,000 as proposed by the Senate.

Funds in this account are allocated in the following table and, as stipulated in bill language, any change to these allocations is subject to the regular reprogramming procedures of the Committees on Appropriations

Economic Support Fund

[Budget authority in thousands of dollars]

	Conference agreement
Africa:	
Africa Regional	$12,000
Angola	3,500
Burundi	3,500
Democratic Republic of Congo	5,000
Ethiopia	5,000
Kenya	8,000
Nigeria	5,000
Regional Organizations	3,000
Safe Skies	5,000
Sierra Leone	5,000
South Africa	2,000
Sudan	10,000
Zimbabwe	3,000
Kimberley Process	1,500
NED democracy program	3,000
Subtotal—Africa	74,500
East Asia and the Pacific:	
ASEAN Regional	1,000
Burma	13,000
Cambodia	17,000
NED democracy programs	3,000
Tibet	4,000
East Timor	22,500
Indonesia	50,000
Mongolia	10,000
Philippines	17,750
Environmental Programs	1,750
Regional Women's Issues	2,000
South Pacific Fisheries	18,000
Subtotal—East Asia and Pacific	160,000
Europe:	
Cyprus	13,500
Irish Visa Program	3,500
Turkey	100,000
Subtotal—Europe	117,000
Near East:	
Egypt	575,000
Israel	480,000
Jordan	250,000
Lebanon	35,000
Middle East Partnership Initiative	90,000
Middle East Regional Cooperation	5,500
West Bank/Gaza	75,000
Yemen	11,500
NED Muslim democracy programs	3,500
Subtotal—Near East	1,525,500
South Asia:	
Afghanistan	75,000
Bangladesh	5,000
India	15,000
Nepal	5,000

	Conference agreement
South Asia Regional	2,000
Sri Lanka	12,000
Subtotal—South Asia	114,000
Western Hemisphere:	
Administration of Justice/ICITAP	5,000
Bolivia	8,000
Cuba	7,000
Dominican Republic	3,000
Ecuador	13,000
Guatemala	5,000
Mexico	11,500
Panama	3,000
Paraguay	3,000
Peru	8,000
Peru/Ecuador Peace	4,000
Third Border Initiative	4,000
Venezuela	500
Hemisphere Cooperation Program	10,000
Subtotal—Western Hemisphere	85,000
Global:	
Human Rights and Democracy Fund	34,500
OES Initiatives	4,000
Partnerships to Eliminate Sweatshops	2,000
Wheelchairs	5,000
Reconciliation Programs	8,000
Security and Sustainability Programs	3,000
Subtotal—Global	56,500
Total, ESF	2,132,500

The conference agreement provides $480,000,000 for Israel and language requiring disbursement of funds within 30 days of enactment of this Act. The conference agreement provides not less than $575,000,000 for Egypt as proposed by both the House and Senate, of which not less than $200,000,000 is for the Commodity Import Program assistance as proposed by the Senate.

The conference agreement also includes language that provides that not less than $250,000,000 should be made available for assistance for Jordan, as proposed by the House. The Senate language would have mandated this level of support.

The managers endorse the House report language regarding support for the International Arid Lands Consortium. The managers also direct that not less than $1,000,000 be made available from ESF funds or from "Development Assistance" for the Blaustein Institute for Desert Research to investigate the flow and transport of pollutants in groundwater.

The conference agreement provides that up to $1,000,000 of funds should be used to further legal reforms in the West Bank and Gaza, including judicial training on commercial disputes and ethics.

The conference agreement does not include funds for Pakistan under this heading. The Senate provided $200,000,000 for Pakistan, as requested by the President. The House included $67,000,000 for Pakistan, specifically for debt relief for Pakistan. The Senate did not address the matter of debt relief. Congress provides $200,000,000 in subsidy appropriations for Pakistan in P.L. 108-106, the Fiscal Year 2004 Emergency Supplemental for Defense and Reconstruction of Iraq and Afghanistan.

The conference agreement includes language similar to that proposed by the Senate providing that not less than $13,500,000 shall be available for assistance for Cyprus. The House bill provided that $12,000,000 should be made available, and the Senator bill provided $15,000,000 for Cyprus.

The conference agreement includes language similar to that in the Senate amendment that provides not less than $35,000,000 for assistance for Lebanon. In addition, funding provided in this account for the Central Government of Lebanon is subject to Congressional notification. The managers permit that $4,000,000 should be made available for American educational institutions in Lebanon from the bilateral assistance program.

The conference agreement does not include a Senate provision concerning the abduction of American children in Lebanon. However, the managers note that Lebanese officials have failed to enforce the custody and international pickup orders of Lebanon's civil courts despite repeated assurances. The managers condemn the Lebanese and Syrian authorities who have failed to uphold their laws and execute arrest warrants against parents who have abducted American children.

The conference agreement includes a general provision, similar to a Senate provision, which provides $8,000,000 for reconciliation programs and activities that bring together individuals of different ethnic, religious, and political backgrounds from areas of civil conflict and war. The managers note the bipartisan support for such activities that promote understanding and reconciliation particularly in the Middle East, and expect the State Department and USAID to establish an efficient and effective mechanism for evaluating and funding proposals for the use of these funds. The managers believe that the following organizations are among those deserving consideration and support: Seeds of Peace; the Jerusalem International YMCA, the Arava Institute for Environmental Studies, the International Crisis Group, the Middle East Children's Association, Partners for Democratic Change, and Interns for Peace.

The conference agreement provides $22,500,000 in "Economic Support Fund" assistance for East Timor (Timor-Leste) instead of $25,000,000 as proposed by the Senate and $13,500,000 (and $4,000,000 in Development Assistance) as proposed in the House. The managers recommend that funds be made available to, among other things, enhance economic programs to revitalize and for educational and vocational training especially for unemployed youth, promote good governance, meet basic human needs, and improve physical infrastructure. The conference agreement provides that of the funds for East Timor, $1,000,000 may be available for administrative expenses of the United States Agency for International Development.

The managers have included language, similar to the Senate bill, which provides $1,500,000 for technical assistance to implement the Kimberley Process Certification Scheme. The managers endorse the Senate report language on this issue and urge the Administration to request funds for this purpose in fiscal year 2005.

The managers have included a provision, similar to Senate language, regarding programs to develop justice and reconciliation mechanisms in Central Africa and expect the Administration to provide the amount of funding requested for these programs. The managers are concerned about human rights abuses in Central Africa, including rape committed on a massive scale in the eastern region of the Democratic Republic of the Congo. The managers urge the Administration to initiate programs aimed at ending the impunity that prevails in the region, preventing future abuses, and providing medical and counseling services to victims.

The conference agreement includes language in section 558 similar to a Senate provision which earmarks not less than $4,000,000 in "Economic Support Fund" assistance for Tibet through nongovernmental organizations located outside the People's Republic of China to support activities that preserve cultural traditions and promote sustainable development and environmental conservation in Tibetan communities in the Tibetan Autonomous Region and in Tibetan communities in China. The managers are aware that the migration of Han Chinese into these areas threatens the survival of Tibetan culture and that nongovernmental organizations are involved in small scale projects to empower Tibetan communities and preserve Tibetan culture, and address basic human needs. The managers support the unique role of The Bridge Fund, and expect not less than $1,700,000 to be provided for the Bridge Fund in fiscal year 2003 funds, and not less than $2,000,000 to be provided for The Bridge Fund in fiscal year 2004 funds. The managers intend that the balance of the funds will be made available on a fully competitive basis to organizations with a history of working with Tibetan communities.

The managers endorse language similar to that contained in the House report, that recommends $250,000 be made available through a nongovernmental organization, such as the National Endowment for Democracy, for the purpose of providing training and education of Tibetans in democracy activities, and monitoring the human rights situation in Tibet. The managers intend these funds to be made available through section 526(d) of this Act.

The conference agreement does not include a Senate provision earmarking $250,000 for the Commission to Investigate Illegal Groups and Clandestine Security Apparatus in Guatemala. However, the managers strongly support this effort to investigate those responsible for the political violence and organized criminal activity that continues to hamper Guatemala's development, and recommend that at least $250,000 be provided to the Commission in fiscal year 2004.

The managers are concerned with reports that the Government of Ecuador has failed to adequately safeguard foreign investments in that country. The managers direct the Secretary of State to report to the Committees on the extent of United States investments in Ecuador, and an analysis of the political, legal and economic challenges posed to such investments. The managers request the report to include recommendations for addressing and resolving these challenges.

The conference agreement provides that Economic Support Fund resources shall be made available for administrative costs of the United States Agency for International Development to implement regional programs in Asia and the Near East, including the Middle East Partnership Initiative, in addition to amounts otherwise available for such purposes.

The conference agreement provides that funds appropriated under the Economic Support Fund for a Middle East Financing Facility, Middle East Enterprise Fund, or any other similar entity in the Middle East shall be subject to the regular notification procedures of the Committees on Appropriations.

The conference agreement provides not less than $1,750,000 should be made available for East Asia and Pacific Environment Initiatives. The Senate bill provided $3,500,000 for this program and the House bill did not address this issue. The conferees have included $18,000,000 for the Treaty on Fisheries between the United States and the governments of certain Pacific Island states, popularly known as the south Pacific Regional Fisheries Treaty. The conferees endorse the discussion of this issue in the House report.

The managers provide $3,000,000 for the Foundation for Security and Sustainability.

Of the $4,000,000 included in the conference agreement for the initiatives of the State Department Bureau of Oceans and International Environmental and Scientific Affairs, $2,000,000 is for supporting a bilateral science and technology agreement with Pakistan for which Development Assistance funds were denied in fiscal year 2003.

The conference agreement provides language not in either the House or the Senate bill that allows transfers to the Economic Support Fund from funds appropriated in P.L. 108–106 for the Iraq Relief and Reconstruction Fund. The conferees have included language that allows up to $100,000,000 for transfer to support programs for Turkey, and $30,000,000 for transfer to support the Middle East Partnership Initiative.

INTERNATIONAL FUND FOR IRELAND

The conference agreement appropriates $18,500,000 instead of $19,600,000 as proposed by the House. The Senate did not address this matter.

The conferees encourage the International Fund for Ireland to continue progress for direct reconciliation assistance and programs, particularly in helping to develop a fully supported, accountable and modern police service that serves all communities.

GLOBAL HIV/AIDS INITIATIVE

The conference report includes $491,000,000 for the Global HIV/AIDS Initiative instead of $989,000,000 as proposed by the Senate or $450,000,000 as contained in the budget request. The House addressed this matter within the Child Survival and Health Programs fund and did not include funding for initiatives in a limited number of focus countries in a separate appropriations account.

The managers welcome the creation at the State Department of the Office of the Global AIDS Coordinator, and anticipate that the powers and responsibilities delegated to the Coordinator by this Act and Public Law 108–25 will enable the Coordinator to finally coalesce the HIV/AIDS programs run by disparate agencies into an effective, coordinated approach. The managers have not include language included by the Senate that would have allowed the Coordinator authority to reach into other appropriations accounts and transfer funds into this account. The transfer authorities in section 509 of the conference agreement enable the Coordinator to fulfill his mandate. Any reprogramming or transfers of funds into or out of the Global HIV/AIDS Initiative account is subject to the regular notification procedures of the Committees on Appropriations and section 634A of the Foreign Assistance Act.

The conference report does not include language contained in the House bill limiting the value of grants and contracts that may be let directly from the Coordinator's office at $50,000,000. The Coordinator has informed the Committees that his office will rely primarily upon the procurement and contracting capacity existent in United States agencies. The managers expect the Coordinator to consult with the Committees on Appropriations prior to exercising his contracting and grant-making authority to directly implement overseas programs.

The managers have included $8,000,000, as proposed by the Senate, for the administrative expenses of the Office of the Global AIDS Coordinator. The managers request the Global AIDS Coordinator, not later than 90 days following enactment of this Act, to submit to the Committees on Appropriations a report which details by object class the proposed uses of the Office's administrative expense allowance.

The conference agreement includes language, similar to Senate provisions, which provides up to $75,000,000 should be provided for the safe and appropriate use of injections and other forms of infection control and prevention, and for blood safety programs. With respect to the safe and appropriate use of injections and other forms of infection control and prevention, the managers intend these funds to be used for programs and activities including national assessments and planning; the provision of syringes with the reuse prevention and safety feature(s) that will effectively reduce exposure to contaminated syringes and needles, and safety disposal boxes; gloves, masks, and other supplies required to implement universal precautions; logistical support to ensure a reliable supply of and proper use of these items; public education on the safe and appropriate use of injections; training of health providers; post exposure prophylaxis programs for health and laboratory workers; and waste management.

With respect to blood safety programs, the managers intend these funds to be used for programs and activities including the establishment and support of national blood services; formulation/reform of national transfusion protocols to reduce the number of low priority transfusions; the provision of rapid HIV test kits; screening for other transfusion-transmitted infections; staff training, including in the appropriate clinical use of blood; the recruitment of voluntary, non-remunerated blood donors; and quality assurance programs.

The managers note that the United States Global Leadership Against HIV/AIDS, TB and Malaria Act of 2003 (P.L. 108–25) provides that in fiscal year 2004 it is the "sense of Congress" that 55 percent of all global HIV/AIDS funds should go for treatment, 20 percent for prevention, of which no less than 33 percent be reserved for "abstinence until marriage" programs, 15 percent for palliative care, and 10 percent for orphans and vulnerable children.

The managers continue to request a satisfactory explanation of how the Administration selected its Global HIV/AIDS Initiative focus countries, including selection criteria that takes into account the need to preemptively stem the tide of the disease in other parts of the world at high risk of developing full-blown pandemics. The conference agreement includes language urging the Global AIDS Coordinator to select one additional focus country not in Africa or the Caribbean region. The managers understand that the Global AIDS Coordinator will consult with the Committees as he selects this fifteenth country, and will keep them informed on the selection criteria as they are developed.

The leading indicator of success for the Global AIDS Initiative is treating 2 million people living with HIV/AIDS, preventing 7 million new infections, and providing care and support to 10 million of those infected and otherwise affected by the disease. One of the responsibilities of the Global AIDS Coordinator is to determine the proper allocation categories for programs and projects under his oversight in order to meet these objectives, but categorization may be difficult for some activities. The costs of mother and child transmission programs, for instance, are substantial. If these costs are included within the 20 percent target for prevention programs, funding for crucial behavioral change prevention programs may well be crowded out. The costs of mother and child transmission might also be considered part of the 55 percent target for treatment programs, since breaking the cycle of mother-to-child transmission often relies on the use of drug treatments.

The managers support the goals for HIV/AIDS antiretroviral treatment established through section 402 of Public Law 108–25, including that by the end of fiscal year 2004 at least 500,000 individuals with HIV/AIDS will be receiving antiretroviral treatment through United States assistance programs. The managers encourage the Global AIDS Coordinator to solicit and fund proposals for the delivery of antiretroviral treatment in targeted countries in an expeditious manner.

The managers recognize that United States funding in the fight against HIV/AIDS, tuberculosis, and malaria will not, in itself, roll back these pandemics. Sustaining the advances made by the Global HIV/AIDS Initiative and other programs will be a growing challenge as more people begin drug therapy. The managers encourage the Global AIDS Coordinator to consider pilot programs and innovative approaches, including public-private partnerships and faith based organizations, aimed at increasing sustainability and access to high-quality, affordable drugs while respecting intellectual property rights.

The managers request the Global AIDS Coordinator to submit a report to the Committees on Appropriations, the Senate Committee on Foreign Relations, and the House Committee on International Relations not later than 60 days after enactment describing (1) the estimated proportion of all global HIV/AIDS funding in fiscal year 2004 that will be spent on prevention activities, and the estimated amount in dollars; (2) the amount estimated to be spent on "abstinence until marriage" programs in fiscal year 2004; and (3) a description of the criteria for determining which programs are included under treatment; prevention, with the criteria for "abstinence until marriage" programs specifically outlined; palliative care; and orphans and vulnerable children.

The managers also request the Global AIDS Coordinator to submit brief reports to the Committees on Appropriations, the House Committee on International Relations, and the Senate Committee on Foreign Relations not later than 90 days following the enactment of this Act and updated every 90 days thereafter, describing the obligation and transfers between accounts during the previous quarter of all funds overseen by the Global AIDS Coordinator. The managers note the reports mandated by P.L. 108–25, and direct the Global AIDS Coordinator to also submit these reports to the Committees on Appropriations.

ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC STATES

The conference agreement appropriates $445,000,000 as proposed by the Senate, instead of $452,000,000 as proposed by the House.

Funds in this account are allocated in the following table and, as stipulated in bill language any change to these allocations is subject to the regular reprogramming procedures of the Committees on Appropriations:

Assistance for Eastern Europe and the Baltic States

[Budget authority in thousands of dollars]

	Conference agreement
Albania	$28,000
Bosnia-Herzegovina	45,000
Bulgaria	28,000
Croatia	25,000
Kosovo	79,000
Macedonia	39,000
Romania	28,000
Serbia	100,000
Montenegro	35,000
Total AEEB	445,000

The conference agreement contains language that provides that $2,000,000 should be made available to enhance safety at nuclear power plants. It is intended that this nuclear safety program will include the provision of full scope simulators.

The managers have provided $35,000,000 for assistance programs in Montenegro as recommended in the House report. The conference agreement includes language providing that not less than $12,000,000 of this amount shall be for economic development and environmental programs in Montenegro's coastal region. This language was not included in either the House or Senate bills, but is similar to direction contained in the House report.

The conference agreement includes Senate language providing not less than $1,000,000 should be made available for a program to promote greater understanding and interaction among youth in Albania, Kosovo, Montenegro, and Macedonia under this heading, and not "Economic Support Fund, as proposed by the Senate. This program also was discussed in the House report under the Assistance for Eastern Europe and Baltic States account. The managers expect the National Albanian American Council to conduct this program.

The managers strongly recommend that the Russian, Eurasian, and East European Research and Training Program (Title VIII) be funded at the 2003 level. The managers endorse the House report language on the East Central European Scholarship Program (ECESP) and recognize the Administration's continued support for the program. The managers further recognize that expansion of this program into Central Asia would benefit the people of this region.

The conference agreement includes not less than $53,500,000 for HIV/AIDS, tuberculosis, and malaria from this heading, Assistance for the Independent States of the Former Soviet Union, Economic Support Fund, and Foreign Military Financing, instead of $50,000,000 from these accounts, (except Foreign Military Financing) as contained in the Senate amendment. The managers are increasingly concerned about the increase of HIV/AIDS and tuberculosis, especially multi-drug resistant tuberculosis, in Eastern Europe, central Asia, and Russia.

ASSISTANCE FOR THE INDEPENDENT STATES OF THE FORMER SOVIET UNION

The conference agreement appropriates $587,000,000, instead of $576,000,000 as proposed by the House and $596,000,000 as proposed by the Senate.

The conference agreement includes not less than $57,000,000 for child survival, environmental and other health activities, and programs to reduce the incidence of HIV/AIDS, tuberculosis, and other infectious diseases, including not less than $15,000,000 for reproductive health/family planning.

The managers reiterate language in the Statement of the Managers from prior years with regard to other limitations on assistance, "that assistance to combat infectious diseases, . . . support for regional and municipal governments, and partnerships between United States hospitals, universities, judicial training institutions and environmental organizations and counterparts in Russia should not be affected by this section."

The conference agreement provides not less than $19,000,000 should be made available for nuclear reactor safety initiatives in Ukraine. The managers expect that of this amount, $14,000,000 shall be provided for simulator-related projects. The conference agreement also includes language similar to that proposed by the Senate providing not less than $1,500,000 for coal mine safety programs.

The conference agreement provides that $94,000,000 shall be made available for assistance for Russia, including $4,000,000, as proposed by the Senate, to promote freedom of the media and independent media in that country. This amount is $21,000,000 above the budget request.

The managers remain gravely concerned with the deterioration and systematic dismantling of democracy and the rule of law in the Russian Federation. The managers condemn the Russian Government's crackdown on the media and political opposition groups and individuals, and call upon senior Russian officials to immediately cease the harassment of American citizens involved in foreign assistance programs in Russia by that country's security services.

The managers expect the State Department to proactively and publicly engage the Russian Government to immediately terminate forced returns of displaced Chechens to Chechnya, provide additional assistance to those Chechens impacted by Russian efforts to force or coerce returns, and secure accountability for gross human rights violations committed by Russian forces against Chechen civilians. The managers request the State Department to consult with the Committees on this matter.

The managers expect a significant portion of these funds to be used to support democracy and rule of law programs in Russia.

The managers support the Russian American Judicial Partnership, the Russian American Rule of Law Consortium, and the American Bar Association's Central and East European Law Initiative, which are involved in activities to strengthen the rule of law and protect civil liberties, which are essential to democratic and economic development in Russia. The mangers also support efforts, such as those of the Institute for Sustainable Communities, to mitigate the effects of environmental pollution on human health in the Central Asian region.

The conference agreement includes language providing not less than $17,500,000 for the Russian Far East, instead of $20,000,000 as proposed by the Senate. The managers endorse language in Senate Report 108–106 regarding the Russia Far East.

The managers endorse Senate Report 108–106 language regarding orphans, and strongly support the work of Kidsave International and other organizations working in the Former Soviet Union.

The conference agreement provides $75,000,000 under the heading Assistance for the Independent States of the Former Soviet Union for assistance for Armenia, as proposed by the Senate. This amount is $25,500,000 above the budget request. The managers direct that $2,500,000 in Foreign Military Financing and not less than $900,000 in International Military Education and Training funds be provided to Armenia, as contained in the budget request. The managers support Senate report language on the use of military assistance to enhance communication capabilities.

The managers support the provision of assistance to the American University of Armenia (AUA), and recognize the important contribution of AUA to the development of Armenia's future leaders.

The managers endorse House report language regarding proposals to establish and develop in Armenia a central diagnostic laboratory for the Caucasus region to address health and food safety.

The managers continue to follow political developments in the region, particularly efforts to secure a peaceful resolution to the Nagorno-Karabakh conflict. The managers endorse confidence-building measures among all parties to the conflict.

The managers have not included a specific amount for Georgia in the conference agreement, but continue to closely follow political developments in Georgia. The managers are troubled by recent events, including political turmoil following flawed elections earlier this month. The managers condemn all acts of violence and intimidation against the opposition and encourage all parties to engage in dialogue to resolve the current political crisis.

The managers note that corruption and the absence of political will to implement much needed reforms hinder the political, economic, and legal development of Georgia. The managers expect the State Department to continue to press the Government of Georgia to be far more transparent and accountable.

The managers appreciate the threats to Georgia and the region from terrorists in the Pankisi Gorge, and encourage the State Department to continue to fund those programs and activities that further the national security interests of both the United States and Georgia.

The managers expect to be consulted by the Department of State prior to any obligation of funds, should that country's political situation continue to deteriorate and funding priorities change.

The conference agreement does not include Senate language expressing concern with the flawed October presidential elections in Azerbaijan but retains language in section 592 requiring the Secretary of State to report to Congress on the ongoing investigation into the murder of United States democracy worker John Alvis.

The managers condemn the manipulation of the electoral process by Azeri officials and deplore the post-election crackdown on demonstrators that killed at least one individual and injured more than 300. The managers note that Azerbaijan has yet to hold national polls that meet internationally recognized standards of free and fair elections.

The managers expect the State Department, the Federal Bureau of Investigation and the Azeri Government to reinvigorate efforts to investigate and prosecute those responsible for the murder of John Alvis in December, 2000.

The managers are concerned with reports that the Government of Moldova has failed to adequately safeguard foreign investments in that country. The managers request the Secretary of State to report to the Committees not later than 180 days after enactment of this Act on the extent and status of United States direct foreign investment in Moldova, and an analysis of the political, legal and economic challenges to such investments, particularly with regard to a cognac factory.

INDEPENDENT AGENCIES

INTER-AMERICAN FOUNDATION

The conference agreement appropriates $16,334,000 as proposed by the Senate, instead of $15,185,000 as proposed by the House.

AFRICAN DEVELOPMENT FOUNDATION

The conference agreement appropriates $18,689,000 as proposed by the Senate, instead of $17,689,000 as proposed by the House.

PEACE CORPS

The conference agreement provides $310,000,000 as proposed by the Senate instead of $314,000,000 as proposed by the House. Under the heading Global HIV/AIDS Initiative, the conference agreement provides a permissive transfer of $15,000,000 to the Peace Corps for HIV/AIDS activities, instead of $20,000,000 as proposed by the Senate. The House did not address this matter.

The managers have included House language permanently waiving the so-called "five-year rule" of employment in the case of employees whose appointment involves the safety of Peace Corps volunteers, such as regional safety security officers and employees within the Office of Inspector General.

The managers continue to support expansion of the Peace Corps, however, the managers are concerned about recent attacks on volunteers, especially on female volunteers. The managers recommend that the Peace Corps continue consulting with the Committees on Appropriations to examine the current security issues to ensure that increasing the number of volunteers occurs simultaneously with better security and emergency procedures.

MILLENNIUM CHALLENGE CORPORATION

The conference agreement includes $650,000,000 for the Millennium Challenge Corporation (MCC) instead of $800,000,000 as proposed by the House and 1,000,000,000 as proposed by the Senate.

The managers strongly support this initiative and provide the maximum level of funding possible to the MCC within the constraints of the budget allocation, which is $1,653,729,000 below the President's request.

The managers believe that additional assistance is critical to support development on a global basis. Title VI, the Millennium Challenge Act of 2003 is included to provide such assistance in a manner that promotes economic growth and the elimination of extreme poverty and strengthens good governance, economic freedom, and investments in people.

The managers reserve the right to amend this language in the fiscal year 2005 Act.

The managers appreciate the input and efforts of the House International Relations Committee and the Senate Foreign Relations Committee in drafting the authorizing language contained in this Act.

The managers note that funding provided for the MCC in title II is subject to section 515, "Notification Requirements". The managers direct the Corporation to consult within 30 days on the modalities for implementing section 515 in a manner acceptable to the Committees on Appropriations.

DEPARTMENT OF STATE

INTERNATIONAL NARCOTICS CONTROL AND LAW ENFORCEMENT

The conference agreement appropriates $241,700,000 for International Narcotics Control and Law Enforcement as proposed by the House, instead of $284,550,000 as proposed by the Senate. The managers note that the conference report does not include funding for Afghanistan since $50,000,000 was provided above the request in P.L. 108–106 for Afghanistan.

The managers note that the following amounts were provided specifically for counternarcotics and law enforcement in Afghanistan: $243,000,000 in the 2004 emergency supplemental (includes $73,000,000 for the Department of Defense); $25,000,000 in the 2003 emergency supplemental; and $80,000,000 in the 2002 emergency supplemental. Even given these significant levels of funding, the United Nations reports that Afghan farmers are replanting poppy at greater rates each year since the fall of the Taliban. The managers strongly support the United States participation in attacking the Afghan drug problem, which generates funds for terrorists and extremists not only in Afghanistan but also throughout the region. Concurrently, the mangers are concerned that while 90 percent of the heroin exported from Afghanistan is destined for Europe, the majority of funds to counter this crop are from the United States. Therefore, the managers direct the Department of State to provide a report to the Committees on Appropriations not later than 45 days after enactment of this Act that outlines the objectives of this program, including participation by the Department of Defense; a detailed analysis of the purposes for which fiscal year 2004 appropriated funds are to be used and a detailed accounting of how fiscal year 2002 and 2003 appropriated funds have been used; and the levels of actual or estimated funding over the 2001–2004 period by other donors listed by amount and by country.

The conference agreement provides that $12,000,000 should be made available for anti-trafficking in persons programs. The Senate amendment provided $20,000,000 for this purpose, and the House did not address this matter.

The conference agreement provides that $7,105,000 should be made available for the International Law Enforcement Academy in Roswell, New Mexico, of which $2,105,000 should be made available for the construction and completion of a new facility. The managers note this one-time language is intended to fully resolve this outstanding matter. The House did not address this matter.

The conference report does not include Senate language that provides $5,000,000 to combat piracy of United States intellectual property. However, the managers support this initiative and expect the State Department to provide $2,500,000 for this purpose. The State Department, in close consultation with the United States Trade Representative, the Department of Commerce, and the Committees on Appropriations, should formulate a detailed strategy for the use of these funds before they are obligated. The managers also urge the State Department to utilize the expertise of other agencies of the federal government when implementing these programs.

The conference agreement makes available $26,117,000 for administrative expenses instead of $24,180,000 as proposed by the House and $25,117,000 as proposed by the Senate. The managers have provided $1,000,000 in additional administrative expenses to allow and encourage the Department of State to provide office space to the Bureau of International Narcotics Control and Law Enforcement in the Harry S. Truman Building (Main State) to bring together all of the Bureau's program offices.

ANDEAN COUNTERDRUG INITIATIVE

The conference agreement appropriates $ 731,000,000 for the Andean Counterdrug Initiative as proposed by the House instead of $660,000,000 as proposed by the Senate. The managers emphasize that there are other funds for Andean nations in this Act.

The conference agreement provides that not less than $257,000,000 shall be made available for alternative development and institution building activities by USAID, the Department of Justice, and the Department of State and that $229,500,000 shall be directly apportioned to USAID. The managers note that funds for the Bureau of Population, Refugee, and Migration are included in the $257,000,000 earmark and expect the entire amount requested be provided for programs to assist refugees and displaced persons.

Again in fiscal year 2004, the managers have extended the availability of funds provided for assistance for Colombia to support a unified campaign against narcotics trafficking, against activities by organizations designated as terrorist organizations, and to take actions to protect health and human welfare. This provision is identical to that in the House bill and Senate amendment. The managers are supportive of the Colombian Government in its attempts to provide security for the Colombian people and have continued these expanded authorities in recognition that the narcotics industry is linked to the terrorist groups, including the paramilitary organizations, in Colombia. The managers expect counternarcotics, alternative development, and judicial reform to remain the principal focus of United States policy in Colombia. The managers reiterate that the expanded authority is not a signal from the managers for the United States to become more deeply involved in assisting the Colombian Armed Forces in fighting the terrorist groups, especially not at the expense of the counternarcotics programs, but to provide the means for more effective intelligence gathering and fusion, and to provide the flexibility to the Department of State when the distinction between counternarcotics and counterterrorism are not clear cut.

The conference report does not include certain earmarks for organizations and programs that protect human rights in Colombia, as proposed by the Senate. However, the conference agreement provides that not less than $13,000,000 should be made available for such organizations and programs. The managers intend these funds to be allocated as follows: not less than $2,500,000 for protecting human rights defenders in Colombia; not less than $2,500,000 for the United Nations Office of the High Commissioner for Human Rights in Colombia; not less than $6,500,000 for the Colombian Attorney General's Human Rights Unit; and not less than $1,500,000 for the human rights unit of the Colombian Procuraduria.

The managers remain concerned about the annual cost to the United States of operating and maintaining the fleet of helicopters used by the Colombian military for counternarcotics and counterterrorism purposes. While these helicopters are a key tool in the fight against coca and poppy, the managers believe the Department of State should begin to turn over the maintenance costs to the Colombian government. In fiscal year 2004, over one-quarter of all assistance to Colombia is devoted to these costs, and the managers believe that other important programs in Colombia need to be prioritized through the allocation of United States assistance. Therefore, the managers expect to see the start of this transition reflected in the fiscal year 2005 budget request, and if it is not, the managers expect this matter to be addressed in the fiscal year 2005 appropriations process.

The conference agreement continues current caps on the number of United States military personnel and United States civilian contractors in Colombia, as well as the current prohibition on participation by such persons in combat operations in connection with assistance made available by this Act.

The conference agreement again includes existing conditions on the aerial spraying of herbicide, similar to the Senate amendment, to ensure that any use of such chemicals is consistent with the Colombian Environmental Management Plan, with Environmental Protection Agency regulations, and to ensure that chemicals used in the aerial fumigation of coca do not pose unreasonable health or safety risks to humans or the environment. Additionally, not more than 20 percent of funds made available for the purchase of chemicals used in aerial spraying are available for obligation until the Secretary of State, in consultation with the Administrator of the Environmental Protection Agency, certifies to the Committees on Appropriations that a number of conditions and concerns regarding the safety of spraying are addressed. This is similar to current law and the Senate amendment. The House did not address this matter.

The conference agreement does not include a Senate prohibition on aerial fumigation in Colombia's national parks. The managers are concerned with reports that coca growers are moving into Colombia's national parks and reserves, cutting trees and causing other environmental damage. The managers support efforts to address this problem, but agree that aerial fumigation in the parks and reserves should be used as a last resort. Other alternatives should be pursued, including manual eradication, training and equipping police to protect the parks, and relocating families that have moved into these areas. Accordingly, the conference agreement includes language that before aerial fumigation is conducted, the Secretary of State must determine that it is in accordance with Colombian law and that there are no practicable alternatives to reduce drug cultivation in these areas. The managers request to be consulted prior to any such determination.

The conference agreement provides that not less than $2,500,000 should be made available for continued assistance for the Colombian National Park Service. This language is identical to the provision in the Senate amendment. The House did not address this matter.

The managers endorse the House report language on the Naval Postgraduate School and United States contractors in Colombia.

The conference agreement includes the House language prohibiting funds for the resumption of flights in support of a Peruvian air interdiction program until a system of enhanced safeguards are in place. The Senate did not address this matter.

The conference agreement includes language similar to a Senate provision, which provides that assistance should be made available to the Bolivian military and police subject to a determination and report by the Secretary of State that the Bolivian military and police are respecting human rights and cooperating with investigations and prosecutions of alleged violations of human rights. The managers note that despite repeated assurances by successive Bolivian governments that human rights cases would be properly investigated and the individuals responsible appropriately punished, little has been done and impunity remains the norm for members of Bolivian security forces who commit violations. The managers urge the Secretary to give higher priority to these justice issues.

The conference report includes changes to two reports for Plan Colombia from the fiscal year 2000 emergency supplemental. This issue is addressed in the general provisions.

The conference agreement makes available $16,285,000 for administrative expenses of the Department of State as proposed by the Senate instead of $15,680,000 as proposed by the House.

MIGRATION AND REFUGEE ASSISTANCE

The conference agreement makes available $21,000,000, for administrative expenses as proposed by the Senate instead of $18,500,000 as proposed by the House. The managers expect the additional administrative funds to be used for refugee admissions and emergency situations.

The conference agreement also includes Senate language providing not less than $50,000,000 for refugees from the former Soviet Union and Eastern Europe and other refugees resettling in Israel. The House addressed this matter in its report.

The conference agreement does not include Senate language providing that funds be made available for international organizations for assistance for refugees from North Korea. The managers strongly support the provision of funds for such purposes, and expect the State Department to provide sufficient assistance to safeguard the human rights and dignity of North Korean refugees.

The conference agreement does not include Senate language providing that funds should be made available for assistance for persons in Thailand from Burma. The managers remain deeply concerned with the plight of these individuals and are troubled by reports that Thai authorities are harassing Burmese in Thailand and hindering the provision of assistance to such needy persons. The managers address this issue in the general provisions of this Act.

The conference agreement does not include Senate language that limits assistance to the central Government of Nepal until the Secretary of State certifies that the Nepalese authorities are cooperating with the United Nations High Commissioner for Refugees and other international organizations on issues concerning the protection of refugees from Tibet. The managers endorse language in Senate Report 108–106 on this issue, and expect the Government of Nepal to cease this deplorable behavior and to cooperate fully with international organizations to ensure the safety of Tibetan refugees. If the Government of Nepal continues to forcibly repatriate Tibetan refugees, the managers will consider an appropriate response.

The managers note that recent GAO findings show the State Department has taken actions to implement Section 301(c) of the Foreign Assistance Act to improve monitoring of the United Nations Relief and Works Agency (UNRWA) by requiring that they take all possible measures to assure that U.S. funds do not benefit terrorists and those receiving military training from guerilla groups. However, UNRWA's implementation of these procedures is constrained by many factors including safety of its staff and legitimate and necessary Israeli securtiy procedures.

The managers urge UNRWA to implement the State Department's recommendations to:

Issue explicit guidelines to staff to report compromises of UNRWA staff or facilities;

Sever connections with Gaza Youth Activity Centers because of ties to Palestinian radicals

Make the Operations Support Officer program a permanent part of UNRWA's monitoring program by including it in the regular budget, and

Continue to make all efforts to meet Israeli authorities.

The managers strongly urge the State Department to provide necessary funding to enable UNRWA to make the Operations Support Officer Program permanent.

The managers direct the Secretary of State to submit a report to the Committees on Appropriations by no later than June 20, 2004 describing steps taken to ensure the implementation of these recommendations.

Language included in the House bill regarding organizations adopting the Sexual Exploitation and Abuse Code of Conduct is addressed in section 594. The Senate addressed this matter in the general provisions.

UNITED STATES EMERGENCY MIGRATION AND REFUGEE ASSISTANCE FUND

The conference agreement appropriates $30,000,000 for the United States Emergency Migration and Refugee Assistance Fund (ERMA), instead of $15,831,000 as proposed by the House and $40,000,000 as proposed by the Senate.

The conference agreement includes language from the Senate amendment that provides the funds notwithstanding section 2(c)(2) of the Migration and Refugee Assistance Act of 1962. Section 2(c)(2) would limit appropriated funds to this fund if, when added, would cause the balance of the fund to exceed $100,000,000.

NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND RELATED PROGRAMS

The conference agreement appropriates $353,500,000 for Nonproliferation, Anti-terrorism, Demining and Related Programs, instead of $385,200,000 as proposed by the Senate and $335,200,000 as proposed by the House.

Funds in this account are allocated in the following table and, as stipulated in bill language any change to these allocations is subject to the regular reprogramming procedures of the Committees on Appropriations:

NonProliferation, Anti-Terrorism, Demining and Related Programs

[Budget authority in thousands of dollars]

	Conference Agreement
Nonproliferation and Disarmament Fund	$30,000
Export Control and Border Security assistance	36,000
Science Centers	50,500
International Atomic Energy Agency—Voluntary Contribution	53,000
CTBT/International Monitoring System	19,000
Anti-terrorism Assistance	97,000
Terrorist Interdiction Program	5,000
Humanitarian Demining ...	50,000
International Trust Fund for Demining	10,000
Small Arms/Light Weapons Destruction	3,000
NADR Total	353,500

The conference agreement contains language similar to that included in the Senate amendment that authorizes not to exceed $250,000 for the support of public-private partnerships for mine action by grant, cooperative agreement, or contract. The managers direct that the State Department provide a financial plan for the use of these funds to the Committees on Appropriations prior to the use of this authority. The House bill did not address this matter.

The managers endorse the Senate report language regarding demining and the House and Senate report language regarding the Anti-terrorism Assistance program. With respect to Anti-terrorism Assistance, the managers note that an additional $10,400,000 was provided for this program in the Emergency Supplemental Appropriations Act for Defense and the Reconstruction of Iraq and Afghanistan (P.L. 108–106). The conferees strongly support the anti-terrorism program and the conference level of $97,000,000 represents an increase of 48 percent above the level provided in fiscal year 2003.

The managers recognize the central role of financing in the operation of terrorist organizations such as Al Qaeda and commend the Administration for initial actions taken in the wake of the terrorist attacks on September 11, 2001 to block the flow of money to these organizations. Given the wide range of formal and informal financial mechanisms to secure funding and to move it around the globe, the managers acknowledge the need for an increasingly forceful approach to this problem.

The managers note the importance of an interagency effort by the Terrorist Financial Working Group to curb the funding to terrorist organizations such as Al Qaeda. The effort by the Departments of State, Treasury, and Justice, working with other agencies, is a key element in the fight against international terrorism.

The managers direct the Department of State, in consultation with the Department of the Treasury, to provide a report on the spending of funds provided for counter-terrorist financing in fiscal years 2001, 2002, and 2003, and a list of planned spending in 2004. In addition, the report shall contain a list of countries the Administration considers to be the major source and/or transit points for terror financing, a list of the interagency priority countries with which federal agencies are currently working and the activities taking place in those countries, and a list of other countries the interagency working group has identified as needing such assistance in the future and the types of activities that will be required in those countries. The report shall be provided no later than 120 days after enactment of this Act and the list of countries may be classified if the Secretary of State determines that this is necessary.

DEPARTMENT OF THE TREASURY

INTERNATIONAL AFFAIRS TECHNICAL ASSISTANCE

The conference agreement provides $19,000,000 for the International Affairs Technical Assistance program of the Department of the Treasury as proposed by the House instead of $12,000,000 as proposed by the Senate.

The managers support the efforts of the Department of the Treasury, International Affairs Technical Assistance, to assist nations in their efforts to reduce financial crimes and corruption by strengthening those governmental systems. The Department of the Treasury has been providing technical assistance for over a decade to nations facing economic disruption due to systemic weaknesses, post conflict crises, terrorist influences, or criminal practices. The managers urge the Department of the Treasury to continue its current technical assistance program and to strengthen its law enforcement program with additional resident and intermittent advisors. The managers further direct the Department of the Treasury to manage its technical assistance program in accordance with its own policies and to report to the Committees on Appropriations on the status of its efforts.

The conference agreement provides an additional $5,000,000 above the President's request, and the managers direct the additional funds be used for terrorist financing activities and to expand programs providing economic advisors to assist countries in sub-Saharan Africa.

The managers endorse the language of the House report with respect to the International Affairs Technical Assistance program.

DEBT RESTRUCTURING

The conference agreement provides $95,000,000 for Debt Restructuring, the same level as proposed by the House bill instead of $195,000,000 in the Senate amendment. The managers expect the funds to be allocated as follows: $20,000,000 for the Tropical Forest Conservation Act Programs and $75,000,000 for the first of two contributions to the Heavily Indebted Poor Countries Trust Fund.

Prior to obligating any funds for the HIPC Trust fund, the managers direct the Department of the Treasury to submit in writing to the Committees on Appropriations: a list of donors to the HIPC Trust Fund, each donor's pledge and actual contribution, the date of contributions, detailed disbursement data of the Fund including the level of funds transferred to each financial institution and the date of transfer, the current and expected future balance of the HIPC Trust Fund, an explanation of the current HIPC Trust Fund shortfall of funds, and an estimate of future United States contributions to the HIPC Trust Fund beyond fiscal year 2005.

The conference report does not include funds for bilateral debt relief for the Democratic Republic of Congo (DROC). Given the greater humanitarian and emergency needs in the DROC, the conference agreement has dedicated funding to the Development Assistance, Child Survival and Health Programs Fund, International Disaster Assistance, Office of Transition Initiatives, and the Economic Support Fund in the expectation that this assistance will address and benefit more immediately the most pressing needs in DROC and Africa.

TITLE III—MILITARY ASSISTANCE

INTERNATIONAL MILITARY EDUCATION AND TRAINING

The conference agreement provides $91,700,000 for the International Military Education and Training program as proposed by the Senate instead of $91,100,000 as proposed by the House.

The conference agreement provides that funding for Algeria and Cambodia shall be subject to the regular notification procedures of the Committees on Appropriations. The House bill did not include these nations, but both the House bill and the Senate amendment provided that funding for Nigeria and Guatemala is subject to notification.

As evidenced by the conference agreement, the managers continue to strongly support the International Military Education and Training (IMET) program.

The managers endorse the Senate report language concerning performance evaluation procedures of the IMET program. The managers believe that more needs to be done to improve output measures for the IMET program. The managers believe that simply counting the number of trainees is not sufficient to measure the IMET program and its results. The managers expect not later than 90 days after enactment of this Act, that the Secretary of State, after consultation with the Secretary of Defense, shall report to the Committees on Appropriations on other factors that will be used to measure and evaluate the success of the IMET program.

The managers endorse Senate report language on the Informational Program. In section 554, the managers have agreed to the provision in the House bill that requires the Secretaries of Defense and State to submit the annual foreign military training report required by section 656 of the Foreign Assistance Act to the Committees on Appropriations. This provision eliminates the requirement for separate reports to be prepared and transmitted to Congress.

FOREIGN MILITARY FINANCING PROGRAM
(INCLUDING TRANSFER OF FUNDS)

The conference agreement appropriates $4,294,000,000 instead of $4,314,000,000 as proposed by the House and $4,384,000,000 as proposed by the Senate.

The managers have included language providing $2,160,000,000 for Israel and $1,300,000,000 for Egypt as proposed in both the House and Senate bills. The conference agreement includes language similar to that proposed in the Senate bill which provides that $206,000,000 should be made available for assistance for Jordan.

The managers note that in a previous continuing resolution, P.L. 108–84, the Congress authorized a $550,000,000 Foreign Military Financing loan to the Czech Republic for the acquisition, logistics and training support of U.S. F–16 aircraft. The Administration request stated that this action would have no budgetary impact, but the Congressional Budget Office did not concur and estimated the subsidy cost of this assistance under section 502 of the Budget Act to be $20,000,000. As this cost must be accommodated within the budget allocation for this bill, the managers have made the necessary reductions to absorb this credit subsidy within the amounts provided under this heading.

The conference agreement includes $50,000,000 for FMF assistance for Afghanistan. The conference agreement includes $20,000,000 for the Philippines as proposed by the Senate. The conference agreement includes $2,000,000 in FMF assistance for counter-terrorism efforts by Uganda as proposed by the House.

The managers have not included the earmark of $27,000,000 for assistance to Poland as proposed by the Senate. The managers strongly support expansion of United States foreign military assistance to Poland, and increased assistance for all nations that are contributing coalition forces in Iraq. The managers expect the Administration to propose increased FMF support for nations such as Poland, Bulgaria, Latvia and Lithuania in the fiscal year 2005 budget request.

The managers note that in its efforts to obtain Article 98 agreements, the State Department inadvertently allowed the signature of the Former Yugoslav Republic of Macedonia as simply "Macedonia." In the future the Department should adhere to current policy using the formal name for this Balkan nation.

The managers have included language similar to that in the Senate bill allowing transfer of $17,000,000 to the "Andean Counterdrug Initiative" account for aircraft and related assistance for the Colombian National Police. The managers have included language proposed by the Senate that prohibits the use of funds for activities relating to the clearance of unexploded ordnance from United States Armed Forces testing or training exercises, except on San Jose Island, Republic of Panama, where such activities already are underway.

PEACEKEEPING OPERATIONS

The conference agreement appropriates $74,900,000 for "Peacekeeping Operations" (PKO) instead of $84,900,000 as proposed by the Senate and $85,000,000 as proposed by the House.

The managers have fully funded every program in this account, except for a request for additional financial support for the Afghan National Army. While recognizing the importance of this initiative, the managers believe that this request can be fulfilled by using PKO funds provided in prior Emergency Supplemental Appropriations Acts for Iraq and Afghanistan (P.L. 108–106 and P.L. 108–11).

TITLE IV—MULTILATERAL ECONOMIC ASSISTANCE

INTERNATIONAL FINANCIAL INSTITUTIONS

GLOBAL ENVIRONMENT FACILITY

The conference agreement appropriates $139,240,000 for the Global Environment Facility (GEF) instead of $107,500,000 as proposed by the House and $170,997,000 as proposed by the Senate. The managers intend that $107,500,000 of this amount is for the scheduled United States contribution to the third replenishment of the GEF, and $31,740,000 for past payments due.

CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION

The conference agreement appropriates $913,200,000 for the International Development Association (IDA), the concessional lending facility of the World Bank, instead of $850,000,000 as proposed by the House and $976,825,000 as proposed by the Senate. The managers intend that the appropriation be made available to fully provide for the first scheduled payment under the United States commitment to the thirteenth replenishment of IDA and to provide $63,200,000 of the $100,000,000 incentive contribution.

The Secretary of the Treasury certified on April 12, 2003 that the World Bank had met the conditions, specifically the setting up of performance benchmarks for World Bank programs, which would have allowed for an additional contribution of $100,000,000. However, the Committees on Appropriations were not consulted regarding this commitment of an additional $100,000,000 in appropriated funds. Therefore, the managers have included language that would require an independent audit to determine if the World Bank is meeting its performance targets in the spring of 2004 before the Secretary of the Treasury can further commit appropriated funds to the IDA–13 agreement. If an independent audit is not conducted, the managers do not plan to include any incentive contribution in fiscal year 2005.

CONTRIBUTION TO THE MULTILATERAL INVESTMENT GUARANTEE AGENCY

The conference agreement appropriates $1,124,000 for paid-in capital for the Multilateral Investment Guarantee Agency (MIGA), the amount provided in the Senate amendment, instead of $4,001,672 as proposed by the House bill. The managers intend for the appropriation to be provided for past payments due by the United States to MIGA. Approval for a subscription to the appropriate amount of callable capital is also included in the conference agreement.

CONTRIBUTION TO THE INTER-AMERICAN INVESTMENT CORPORATION

The conference agreement includes no appropriation for past payments due to the Inter-American Investment Corporation, as proposed by the House. The Senate proposed funding at a level of $898,000.

The managers endorse House report language regarding the Inter-American Development Bank.

CONTRIBUTION TO THE ENTERPRISE FOR THE AMERICAS MULTILATERAL INVESTMENT FUND

The conference agreement appropriates $25,000,000 for past due payments by the United States to the Multilateral Investment Fund as proposed by the House, instead of $30,614,000 as proposed by the Senate.

CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND

The conference agreement provides $144,421,000 for the United States contribution to the Asian Development Fund, instead of $151,921,405 as proposed by the House and $136,921,000 as proposed by the Senate. The managers intend that the appropriation be made available to fully provide for the $103,000,000 scheduled payment under the United States commitment to the seventh replenishment of the Asian Development Fund and $41,421,000 for past payments due.

The managers endorse House report language regarding the Asian Development Bank.

CONTRIBUTION TO THE AFRICAN DEVELOPMENT BANK

The conference agreement appropriates $5,104,930 for the African Development Bank as proposed by the House instead of $5,105,000 as proposed by the Senate.

CONTRIBUTION TO THE AFRICAN DEVELOPMENT FUND

The conference agreement appropriates $112,725,000 for the African Development Fund instead of $107,370,856 as proposed by the House and $118,081,000 as proposed by the Senate.

CONTRIBUTION TO THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

The conference agreement provides $35,431,111 for the European Bank for Reconstruction and Development as proposed by the House instead of $35,431,100 as proposed by the Senate.

INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

The conference agreement includes $15,004,042 for a United States contribution to the International Fund for Agricultural Development (IFAD), as provided by the House. The Senate amendment provided $15,004,000. While IFAD is the seventh largest multilateral contributor to the enhanced Heavily Indebted Poor Countries initiative (HIPC), it, however, still does not have access to the core resources of the companion HIPC Trust Fund. Currently, IFAD has to absorb 87 percent of the cost for participating in HIPC, while other multilateral development banks with full access absorb much smaller percentages. The managers urge the Administration to work with other donors so IFAD will gain access to the core resources of the HIPC Trust Fund.

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

The conference agreement provides $321,650,000 for voluntary contributions to International Organizations and Programs instead of $194,550,000 as proposed by the House and $322,550,000 as proposed by the Senate. The conference agreement provides $120,000,000 for a contribution to UNICEF under this heading, as proposed by the Senate. The House provided these funds under the heading "Child Survival and Health Activities".

The managers continue to support the work of the World Food Program (WFP) and have provided $6,000,000 for a voluntary contribution under section 534 of this Act similar to the Senate amendment. The House included a $6,000,000 contribution to the WFP under this heading.

The managers have included $750,000 for a voluntary contribution for the United Nations Human Settlements Program (UNHABITAT), which works to improve the lives of slum dwellers around the world. The managers note that in prior fiscal years the Administration has supported the work of UNHABITAT and reprogrammed funds to this organization. The managers recognize the Administration's efforts on this issue and urge that funds are requested for UNHABITAT in fiscal year 2005.

The managers are concerned that in fiscal year 2003, the Department of State disproportionately applied the 0.65 percent across-the-board cut mandated by P.L. 108–7 instead of reducing every program in this account by the same amount. As a result, certain organizations and programs under this heading bore the brunt of the rescission while others were not reduced. The conference agreement does not contain Senate earmarks under this heading, but the managers intend that the State Department will allocate funds according to the chart below. Should any across the board rescission be mandated that impacts this Act, such rescission is to be applied equitably for each organization and program indicated in the chart.

The managers have provided $2,500,000 for the United Nations High Commissioner for Human Rights, to support its activities including human rights training for peacekeepers, activities to address trafficking in persons, monitoring and field activities.

Funds in this account are allocated in the following table and, as stipulated in bill language any change to these allocations is subject to the regular reprogramming procedures of the Committees on Appropriations;

[$ in thousands]

UN High Commissioner, Human Rights	$2,500
UN Fund for Tech. Cooperation in Human Rights	1,500
UN Voluntary Fund for Victims of Torture	5,500
OAS Fund for Strengthening Democracy	3,000
UNDP	102,000
UNIFEM	1,000
UNICEF	120,000
OAS Development Assistance	5,500
OAS Special Mission in Haiti	5,000
WTO	1,000
ICAO Aviation Programs	1,000
UNEP	11,000
World Food Program	*0
Montreal Protocol	21,000
International Conservation Programs (CITES/ITTO/IUCN/Ramsar/CCD)	6,400
IPCC/UNFCCC	5,600
International Contributions for Scientific Educational & Cultural Activities	1,900
World Meteorological Organization	2,000
UN Center for Human Settlements	750
Reserve to be allocated	25,000
Total	321,650

*$6,000,000 provided under section 534.

TITLE V—GENERAL PROVISIONS

(NOTE: If House and Senate language is identical except for a different section number or minor technical differences, the section is not discussed in the Statement of Managers.)

Sec. 502. Private and Voluntary Organizations

The conference agreement includes language identical to that included in the House bill that requires receiving development assistance to obtain more than 20 percent of its total annual funding from other sources. The section does not include Senate language requiring that funds must be made available to PVOs in title II at the level they were provided in fiscal year 1995.

Sec. 506. Prohibition on Taxation of United States Assistance

The conference agreement contains a provision prohibiting taxation of United States assistance that is a modification of a similar provision contained in section 579 of the fiscal year 2003 foreign operations appropriations Act. The managers intend that section 579 be applied in accordance with the changes made to that section by this Act. In addition, in order not to create an undue reporting burden on contractors, grantees and other entities implementing that section, and in recognition that the reimbursement process is often not completed by the time it is necessary to determine what amounts are to be withheld, the managers agree that in determining amounts to be withheld agencies may use estimates and statistical sampling to determine the amount of assessed taxes and the amount of reimbursements that will be paid over a reasonable period of time. The Senate did not address this matter.

Sec. 507. Prohibition Against Direct Funding for Certain Countries

The conference agreement includes language similar to that included in the House bill regarding prohibiting assistance to certain countries, but does not include Senate language adding Sudan to the list of countries.

The conference agreement includes language clarifying terminology in P.L. 106–570 regarding Sudan as proposed by the Senate, but it is included in section 534, "Special Authorities". The House did not address this matter.

Sec. 509. Transfers

The conference report includes House language on this matter. The new provisions of this section would prohibit transfers to any department, agency, or instrumentality of the United States unless specifically authorized in this Act, except for certain transfers authorized by provisions of the Foreign Assistance Act. The Senate did not address this matter.

Sec. 515. Notification Requirements

The conference agreement reflects a technical change to include "Global HIV/AIDS Initiative" and "Millennium Challenge Corporation" to the list of accounts that are subject to notification pursuant to this section. The House bill had similar language, and the Senate did not address these matters.

Sec. 517. Independent States of the Former Soviet Union

The conference agreement includes language similar to that proposed in the House bill regarding Enterprise Funds. The provision does not include Senate language regarding the ability to deposit funds in an interest bearing account and the spending of such interest. This language is in permanent law and does not need to be included.

Sec. 520. Special Notification Requirements

The conference agreement adds "Cambodia" to the list of countries subject to special notification procedures of this section as proposed by the Senate but deletes "Colombia" as proposed by the House. This section does not delete "Serbia" and "Pakistan" as recommended by the House.

Sec. 522. Child Survival and Health Activities

The conference agreement authorizes USAID to use up to $13,500,000 from the "Child Survival and Health Programs Fund" and $3,500,000 from "Development Assistance" for technical experts from other government agencies, universities, and other institutions.

The conference agreement includes language notwithstanding any other provision of law, except for those provisions under "Child Survival and Health Programs" and P.L. 108–25 (the "United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003"), for funds appropriated by titles II and III of this Act for bilateral child survival or disease programs.

The conference agreement also deletes authority allowing funds from titles II and III (in the House bill) or title III (in the Senate bill) to be used for activities authorized under section 301 of the Foreign Assistance Act. This authority is no longer needed, since funding for UNICEF has been moved to the International Organizations and Programs section.

The conference agreement provides that not less than $432,000,000 shall be made available for reproductive health/family planning activities from funds appropriated by this Act.

Sec. 523. Afghanistan

The conference agreement provides that not less than $405,000,000 of the funds appropriated by titles II and III shall be made available for humanitarian and reconstruction assistance for Afghanistan. The House and Senate proposed a level of not less than $600,000,000. With the enactment of the fiscal year 2004 emergency supplemental (P.L. 108–106), an additional $1,200,000,000 has been provided for Afghanistan in fiscal year 2004.

The managers intend that funds provided under this section be allocated as follows:

[$ in thousands]

Child Survival and Health Programs Fund	$21,000
Development Assistance	150,000
International Disaster Assistance	35,000
Economic Support Fund	75,000
Migration and Refugee Assistance	72,000
Foreign Military Financing	50,000
Other	2,000
Total	405,000

The managers intend that not less than $2,000,000 be provided for a reforestation program in Afghanistan, not less than $2,000,000 for the Afghan Judicial Reform Commission, not less than $5,000,000 for the Afghan women's programs, and not less than $2,000,000 for assistance for Afghans that suffer losses from military operations.

The managers urge the Department of State and USAID in Afghanistan to work together to ensure that United States and international officials, contractors, and grantees are more adequately protected from insurgent attacks as they manage and implement reconstruction projects. In particular, the Embassy is requested to use the authorities and funds made available for Afghanistan in this Act and in P.L. 108–106 to equitably allocate diplomatic security and contract security so that USAID and other assistance managers can more safely oversee and assess programs outside of Kabul.

The managers welcome the new mandate to expand the presence of the International Security Assistance Force (ISAF) outside Kabul. However, without additional resources and military personnel, ISAF expansion may not effectively contribute to creating a security environment for political development and reconstruction in Afghanistan, particularly in the south and southeast. The managers urge the Administration to provide resources to support ISAF expansion and to seek additional NATO partners in this effort.

The managers also urge the Administration to work with NATO partners to reconcile ISAF expansion with any plans to create additional Provincial Reconstruction Teams (PRTs). The managers support the PRTs and believe their primary focus should continue to be enhancing security throughout Afghanistan.

The managers note that women in Afghanistan continue to struggle to achieve the most basic rights despite the efforts of the new government. The managers urge that women be carefully integrated into activities related to development and reconstruction, and also believe that there should be a specific focus on strengthening women-led institutions and organizations.

Therefore the managers provide $5,000,000 for programs aimed at addressing the needs of Afghan women through training and equipment to improve the capacity of women-led Afghan nongovernmental organizations, and to support the activities of such organizations. The managers urge USAID to establish a contracting mechanism for the disbursal and monitoring of small grants to women-led nongovernmental organizations to accomplish this goal.

Sec. 525. USAID Overseas Program

The conference agreement includes language proposed by the House that provides funds in this and subsequent appropriations Acts to carry out Part I of the Foreign Assistance Act may be used to employ individuals overseas on a limited appointment basis, and limits the number of employees hired under this provision to not more than 85. The Senate did not address this matter.

Sec. 526. Democracy Programs

The conference agreement includes $13,500,000 for democracy, human rights and rule of law programs in the People's Republic of China and Hong Kong, instead of $35,000,000 as proposed by the Senate, and provides that funds appropriated under the heading "Economic Support Fund" should be made available for assistance for Taiwan for the purposes of furthering political and legal reforms, subject to a matching requirement.

The conference agreement includes $11,500,000 for programs and activities to foster democracy, human rights, civic education, women's development, press freedom, and the rule of law in countries with a significant Muslim population, and where such programs and activities would be important to United States efforts to respond to, deter, or prevent acts of international terrorism. The Senate proposed $25,000,000 for these activities; the House did not address this matter. The conference agreement provides $3,000,000 of such funds shall be made available for programs and activities that provide professional training for journalists. The conference agreement includes language similar to a Senate proposal, which provides that "Economic Support Fund" assistance shall be made available to support civil society organizations working for democracy in Egypt. The managers intend that not less than $1,000,000 be made available for such organizations, including the Ibn Khaldun Center for Development, and that these funds are to be in addition to other amounts made available for Egypt in the Act.

The managers provide that not to exceed $1,500,000 of such funds may be used for making grants to educational, humanitarian and nongovernmental organizations and individuals inside Iran to support the advancement of democracy and human rights in Iran. The managers expect the Bureau for Democracy and Human Rights to provide $1,000,000 for such activities, the National Endowment for Democracy to provide $500,000, and to consult with the Committees on Appropriations prior to obligating any funds for these programs.

The conference agreement provides not less than $3,000,000 shall be made available for programs and activities of the National Endowment for Democracy to foster democracy, human rights, civic education, women's development, press freedom, and the rule of law in countries in sub-Saharan Africa.

The conference agreement provides a total of $17,500,000 for activities of the Bureau of Democracy, Human Rights and Labor, Department of State under this section, and not less than $34,500,000 from funds made available by this Act. The agreement provides a total of $9,500,000 for activities of the National Endowment for Democracy under this section.

The managers expect that funds made available under this section will be made available to the Alliance for Reform and Democracy in Asia.

The managers endorse language in Senate Report 108–106 regarding democracy programs, and direct USAID to consult with the Committees prior to making any changes in the framework or operation of its Consortium for Elections Political Process Strengthening (CEPPS) funding mechanism. The managers endorse the reporting requirement contained in the Senate report on anticipated contributions to the CEPPS funding mechanism from all accounts.

Sec. 528. Debt for Development

The conference agreement includes House language on this matter. The Senate amendment would have authorized the use of appropriated funds for endowments. The managers are concerned about the desire of the Administration to create endowments without the consent of the Committees on Appropriations, therefore the managers expect that any endowments proposed by the Administration in fiscal year 2005 will be proposed in the President's budget request for fiscal year 2005.

The conference agreement does not include Senate language expanding the authorities of the provision to allow non-governmental organizations to deposit any funds made available in this Act or in prior Acts into interest bearing accounts. The House did not address this matter.

Sec. 531. Burma

The conference agreement includes a modified version of the Senate's provision on the use of the Economic Support Fund in Burma and along the Burma-Thailand border, and, in addition, a House provision, similar to language in prior year Acts, regarding independent media activities promoting democracy inside Burma.

The managers continue to strongly support the struggle for freedom in Burma, and call for the immediate and unconditional release of Burmese democracy leader Daw Aung San Suu Kyi and all other prisoners of conscience. The managers expect the State Department to use every opportunity to press regional neighbors and the community of democracies to support political reconciliation in Burma that includes the full consultation and participation of the National League for Democracy and ethnic nationalities.

The managers are concerned with reports of growing military ties between Burma and North Korea, and the purchase of weapons from North Korea through shipments of heroin. The managers request that, not later than 90 days after enactment of this Act, the Secretary of State report to the Committees on the nature and extent of military ties between these two rogue nations.

The conference agreement provides $13,000,000 to support democracy programs in Burma, along the Burma-Thailand border, for activities of Burmese student groups and other organizations located outside Burma, and for the purpose of supporting the provision of humanitarian assistance to displaced Burmese along Burma's borders. The agreement provides that $5,000,000 shall be allocated to the United States Agency for International Development for humanitarian assistance for displaced Burmese and host communities in Thailand, and that $500,000 should be made available to support newspapers, publications, and other media activities promoting democracy inside Burma. The managers request to be consulted prior to the provision of any assistance to Irrawaddy Publishing Group.

The managers again expect that $1,000,000 will be provided to support efforts to combat HIV/AIDS inside of Burma, and that not less than $1,000,000 will be provided to support efforts to limit malaria and infectious diseases among Burmese along the Burma-Thailand border. These funds are to be made available under the heading Child Survival and Health Programs Fund in this Act, and are in addition to the amounts provided under this section.

The conference agreement includes a reporting requirement by the Secretary of State, in consultation with the Administrator of USAID, describing the estimated amount and rate of disbursement of fiscal year 2002 and 2003 funding for HIV/AIDS programs and activities in Burma, the amount of funds expended by the State Peace and Development Council (SPDC) on HIV/AIDS programs and activities in calendar years 2001, 2002, and 2003, and the extent to which international nongovernmental organizations are able to conduct HIV/AIDS programs throughout Burma, including the ability of expatriate staff to freely travel through the country and to conduct programmatic oversight independent of SPDC handling and monitoring.

Sec. 534. Special Authorities

The conference agreement includes House language providing certain authority for assistance for Lebanon and Montenegro and Pakistan, assistance to victims of war, displaced Burmese, and assistance to combat trafficking.

The managers have continued current authority for certain bureaus and offices in USAID to hire personal service contractors, expanded existing authority for USAID to provide support for administrative costs of a program to provide information regarding available donated space on commercial ships to organizations shipping humanitarian assistance, and provides for expanded authorities under section 660(b)(6) of the Foreign Assistance Act of 1961.

The conference agreement includes Senate language giving authority notwithstanding any other provision of law for the National Endowment for Democracy as proposed by the House and Senate.

The conference report also includes language that provides $6,000,000 for the World Food Program from USAID's Bureau for Democracy, Conflict, and Humanitarian Assistance as proposed by the Senate. The House provided these funds under the heading "International Organizations and Programs".

Sec. 539. Ceilings and Earmarks

The conference agreement includes House language that allows for funds provided in this Act to be made available notwithstanding earmarks in any other Act, similar to language proposed in the Senate.

Sec. 544. Withholding of Assistance for Parking Fines Owed by Foreign Countries

The conference agreement allows 110 percent of the total amount of unpaid parking fines determined to be owed by foreign countries to the District of Columbia and New York City, New York, to be withheld from obligation for assistance to such country, as proposed by the Senate. The language is similar to that proposed by the House.

The managers are concerned that nations receiving foreign assistance under this Act owe at least $16,600,000 to the City of New York in unpaid parking tickets and penalties. Noting the longstanding efforts of the City to work with the State Department to collect these outstanding balances, the managers have included language to enhance the penalties associated with this provision. This is similar to Senate language.

The managers urge the State Department to work cooperatively with the City of New York and the District of Columbia to find a workable solution to collect the unpaid balances from 1997 to 2002 that satisfies all sides and resolves the situation once and for all.

Sec. 546. War Crimes Tribunals Drawdown

The conference agreement includes House and Senate language authorizing up to $30,000,000 in drawdowns of commodities or services for war crimes tribunals. The conference agreement includes Senate language adding the Special Court for Sierra Leone to the list of tribunals exempted from notification. The House did not address this matter.

Sec. 550. Restrictions on Voluntary Contributions to United Nations Agencies

The conference agreement includes language in the House bill prohibiting voluntary contributions to the United Nations if the United Nations implements or imposes any taxation on people in the United States. The Senate did not address this matter.

Sec. 552. Limitation on Assistance to the Palestinian Authority

The conference report includes language similar to the House bill that prohibits funding to the Palestinian Authority to carry our chapter 4 of part II of the Foreign Assistance Act and includes a waiver if the President certifies in writing to the Speaker of the House and the President Pro Tempore of the Senate that waiving such a provision is important to the national security interests of the United States. The conference report includes Senate language requiring a report on, among other issues, a description of how the funds will be spent and the accounting provisions used to monitor their expenditure, should the waiver be exercised. The House did not address this matter.

Sec. 554. Foreign Military Training Report

The conference agreement includes House language requiring the Secretaries of Defense and State to submit the annual foreign military training report required by section 656 of the Foreign Assistance Act to the Committees on Appropriations by the date specified in that section. The Senate amendment would have continued the requirement of a similar but separate report to the Committees on Appropriations.

Sec. 555. Environment Programs

The conference report includes language similar to a Senate provision for programs that protect biodiversity and energy conservation, energy efficiency and clean energy programs, in developing countries. This matter is addressed under the heading "Development Assistance".

Sec. 556. Regional Programs for East Asia and the Pacific

The conference agreement includes language similar to that proposed by the Senate requiring that funds appropriated under the heading "Economic Support Fund" that are requested for "Regional Democracy" assistance for the State Department's Bureau of East Asia and the Pacific shall be made available for the Human Rights and Democracy Fund of the State Department's Bureau of Democracy, Human Rights, and Labor.

Sec. 557. Zimbabwe

The conference agreement is the same as current law and is identical to the Senate amendment. The House did not address this matter.

Sec. 558. Tibet

The conference agreement includes language similar to a Senate provision regarding Tibet, but the matter is addressed under the heading "Economic Support Fund".

Sec. 559. Authorization Requirement

The conference agreement includes language that provides that funds appropriated by this Act may be obligated and expended notwithstanding section 10 of Public Law 91–672 and section 15 of the State Department Basic Authorities Act of 1956, similar to language provided in the Senate amendment.

Sec. 560. Nigeria

The conference agreement includes a provision identical to current law and the Senate amendment that restricts the use of IMET and FMF for Nigeria until a Presidential certification regarding actions taken against whom there is credible evidence of gross violations of human rights in Benue State in October 2001, and the Government of Nigeria and the Nigerian Armed Forces are taking effective measures to bring such individuals to justice. The conference agreement includes a Presidential waiver. The House did not address this matter.

Sec. 561. Cambodia

The conference agreement includes language similar to the Senate provision continuing restrictions on assistance to the central Government of Cambodia, with a few exceptions, and provides up to $4,000,000 for assistance for democracy programs in that country. The managers endorse the budget request for Cambodia, but recommend $17,000,000, instead of $15,000,000, in assistance under the heading "Economic Support Fund".

The managers permit IMET assistance to Cambodia should the Secretary of State provide a list of those individuals credibly alleged to be responsible for gross human rights violations in Cambodia, including, among other tragic events, the 1997 grenade attack against the Khmer Nation Party that killed and injured scores of Cambodians and American democracy worker Ron Abney. The managers expect a broad range of official and nongovernmental organizations to be consulted in creating this list. The managers also request the Federal Bureau of Investigation to renew efforts to investigate this act of terrorism.

The conference agreement prohibits the use of funds in this Act to support any Khmer Rouge tribunal established by the Government of Cambodia. The managers strongly support justice for genocide and crimes against humanity committed by the Pol Pot regime, but remain concerned that the proposed tribunal—in its current formation—is open to manipulation and interference by the Cambodian People's Party and falls short of meeting international standards of justice. The managers expect sufficient funding to be provided to the Documentation Center of Cambodia.

The managers remain concerned with the political situation in Cambodia, and commend the Alliance of Democrats for their commitment to democracy and the rule of law. The managers recommend that the State Department continue to publicly support the legal rights of the Alliance to negotiate a new Cambodian government and to press the Government of Cambodia for justice for crimes and human rights abuses committed with impunity, including the murder of former parliamentarian Om Radsady earlier this year.

The managers recommend sufficient funding be provided to Global Witness, the only effective watchdog organization on Cambodia deforestation issues.

Section 562. Palestinian Statehood

The conference agreement includes language similar to that proposed by the House that prohibits funding to support a Palestinian state unless the Secretary of State makes certain determinations. The Senate had similar language.

Section 563. Colombia

The conference agreement includes a modified version of the Senate language on conditioning funds for Colombian Armed Forces through a two-time human rights certification process. Additionally, these funds are made available only upon notification to the Committees on Appropriations, and the conference report includes language requiring the Department of State to consult with the human rights non-governmental organizations every 90 days instead of prior to the certification. The House addressed this matter but only required a one-time certification.

Sec. 567. Contributions to United Nations Population Fund

The conference report provides $34,000,000 for the United Nations Population Fund (UNFPA), which is subject to the "Kemp-Kasten" provision. Of this amount, $25,000,000 is to be made available from the "International Organizations and Programs" account and the balance from the "Child Survival and Health Programs Fund". The managers are aware that UNFPA has stated its opposition to the Chinese Government's one child policy and its social compensation fee. The managers condemn all forms of coercion in China's family planning policy and practice. The managers request the Department of State to report to the Committees not later than July 15, 2004, on the steps it and UNFPA have taken to urge the Government of China to end its birth limitation policy, including the social compensation fee, and the results of those efforts, nationally, and particularly in the counties in which UNFPA operates.

Sec. 568. Central Asia

The conference agreement includes language similar to that included in the Senate amendment that conditions the assistance to the Governments of Uzbekistan and Kazakhstan. The House did not address this matter.

Sec. 569. Discrimination Against Minority Religious Faiths in the Russian Federation

The conference agreement includes language similar to that in the Senate bill and the fiscal year 2002 Act that withholds funds for the Government of the Russian Federation until the President certifies that the Russian Central Government is not acting to discriminate against minority religious faiths. The House did not address this matter.

Sec. 572. Funding for Serbia

The conference agreement contains language similar to that proposed by the Senate, except that the provisions of this section affect assistance for Serbia after March 31, 2004. In addition, language is included that specifies Radko Mladic as an indictee whose surrender and transfer, if practicable, would signify cooperation with the International Criminal Tribunal for the former Yugoslavia. The House bill included current law only.

Sec. 573. Community-Based Police Assistance

The conference agreement includes language similar to the House language authorizing use of certain USAID-administered funds in title II of this Act for support for civilian police in Jamaica and El Salvador, notwithstanding section 660 of the Foreign Assistance Act, and any funds for this purpose are subject to notification. The Senate bill included a general, world-wide waiver of this authority.

Sec. 576. Disaster Surge Capacity

The conference report includes language proposed by the House that allows funds in this Act to carry out part I of the FAA to be used to pay for détailees to or employees of USAID who carry out programs to address disasters, or programs under the heading "Transition Initiatives".

Sec. 577. IFAD Authorization

The conference report includes language proposed by the House that authorizes $45,000,000 without fiscal year limitation for payment by Treasury for the International Fund for Agricultural Development. The Senate did not address this matter.

Sec. 578. Philippine Education and Health Infrastructure

The conference agreement includes language as proposed by the House bill that requires that $600,000 of funds under the heading "Economic Support Fund" provided in P.L. 108–11 shall be available only for upgrading education and health infrastructure in the Sulu Archipelago.

Sec. 579. Basic Education

The conference agreement includes language similar to that proposed by the House that provides not less than $326,500,000 for basic education from title II and requires the Secretary of State shall submit a report not less than 120 days after enactment of this Act laying out the strategy for the use of basic education funds. The Senate did not address this matter.

Sec. 580. Participation in the Thirteenth Replenishment of the Resources of the International Development Association

The conference report includes language identical to that proposed by the House that would authorize a further United States contribution to IDA, including making the contribution subject to prior appropriations. The Senate did not address this matter.

Sec. 581. Administrative Provisions Related to the Multilateral Development Institutions

The conference report includes language similar to section 578 of the House bill and section 679 of the Senate amendment, regarding transparency and accountability at the multilateral development institutions. The managers are concerned that these institutions are not moving fast enough to strengthen oversight of internal controls and procedures, protect whistle blowers from retaliation, and broaden public access to information about lending proposals, strategies and policies. The conference agreement provides that the Secretary of the Treasury should instruct the U.S. Executive Director at each of these institutions to inform the institution of a number of important policy goals, and to use the voice and vote of the United States to achieve these goals before June 30, 2005. The Secretary is to report on progress not later than September 1, 2004, and six months thereafter.

Sec. 582. Participation in the Seventh Replenishment of the Resources of the Asian Development Fund

The conference report includes language identical to that proposed by the House that would authorize a further United States contribution to the Asian Development Fund, including making the contribution subject to prior appropriations. The Senate did not address this matter.

Sec. 583. Participation in the Ninth Replenishment of the Resources of the African Development Fund

The conference report includes language identical to that proposed by the House that would authorize a further United States contribution to African Development Fund, including making the contribution subject to prior appropriations. The Senate did not address this matter.

Sec. 584. Overseas Private Investment Corporation and Export-Import Bank Restrictions

The conference agreement includes a provision identical to the Senate amendment and current law that prohibits the use of funds by OPIC and the Export-Import Bank to finance investments in connection with a project involving diamonds in a country that is not implementing the requirements developed by the Kimberley Process, or is not undertaking other measures that the Secretary of State determines to contribute to the elimination of the trade in conflict diamonds.

Sec. 585. Reconciliation Programs

The conference agreement includes language similar to that proposed by the Senate that would provide $8,000,000 from within the Economic Support Fund account for conflict resolution programs and activities. The House did not address this matter.

Sec. 586. Nicaragua

The conference agreement includes a general provision, similar to Senate language, which provides that not less than $35,000,000 in Child Survival and "Development Assistance" funds should be made available for Nicaragua, which is $4,000,000 above the amount requested. The House addressed this matter in the report.

Sec. 587. Disability Access

The conference report includes language similar to the Senate bill that requires the Administrator of USAID to develop and implement standards for access for people with disabilities for construction projects funded by USAID. The House did not address this matter.

Sec. 588. Trade Capacity Building

The conference agreement includes language providing not less than $503,000,000 for trade capacity building assistance from the Trade and Development Agency, Development Assistance, Transition Initiatives, ESF, International Affairs Technical Assistance, and International Organizations and Programs accounts. The House had similar language, and the Senate did not address this matter.

Sec. 589. War Crimes in Africa

The conference agreement includes a modified Senate provision that would make assistance available to the central government of a country in which individuals indicted by the International Criminal Tribunal for Rwanda (ICTR) and the Special Court for Sierra Leone (SCSL) are credibly alleged to be living, if the Secretary of State certifies that such government is cooperating with ICTR and SCSL. The provision contains a national security waiver. The managers believe that peace and reconciliation efforts in West and Central Africa will be severely undermined if those most responsible for genocide in Rwanda and the atrocities in Sierra Leone are not brought to justice.

The managers commend the democratically-elected Government of Nigeria for reaching an agreement with the Government of Liberia which helped to give the international community an important opportunity to provide desperately needed relief to that nation. Nigeria is a key ally in the region and the managers have recognized its role in this provision. However, the managers also note that efforts to address the humanitarian crisis and rebuild Liberia, as well as other parts of West Africa, will be severely limited if individuals indicted by SCSL are not handed over to the Court. The managers note that the United Nations Special Representative for Liberia, senior members of the Nigerian military, and important Nigerian civic organizations have called for the transfer of indicted war criminals to SCSL.

The managers have also included language in this provision to provide $5,000,000 to the SCSL from unobligated balances of fiscal year 2003 "Economic Support Fund" (ESF) assistance. This language is similar to a Senate provision under the ESF heading, which would have provided $2,500,000 to the SCSL in fiscal year 2004. The managers have included this provision because a Congressional directive in P.L. 108–7 to provide these funds was ignored by the State Department. The managers continue to strongly support SCSL. The managers endorse the Senate report language on this issue.

The managers continue to be concerned with the situation in Ivory Coast, where there are serious questions concerning the peace process and the country is in danger of becoming permanently divided between the rebel-controlled territory in the north and the government-controlled south. The managers note, however, that elections are currently expected to occur in 2005, the number of armed combatants remains relatively low, and damage to the economic infrastructure is light, and, therefore, believe that the situation could turn around if there is a breakthrough in the peace process. The managers request the State Department to consult with the Committees on the situation in Ivory Coast, concerning a range of issues including the progress of the peace process, the possibility of a United Nations peacekeeping mission, and section 508 sanctions.

Sec. 590. Report on Admission of Refugees

The conference agreement provides language similar to the Senate bill that advises the Secretary of State to use private voluntary organizations with the relevant expertise in the processing, identification, and referral of refugees and advises the Secretary of State to develop a system for accepting referrals from local private, voluntary organizations, and outlines categories of special consideration for admission. The provision also mandates a report, not later than 120 days after enactment, on the progress made to implement this section. The House did not address this matter.

Sec. 591. Post Differentials and Danger Pay Allowances

The conference report includes language that amends sections 5925 (a) and 5928 of title 5, USC, to increase post differentials and danger pay allowances for USAID employees, subject to the provision of similar pay allowances to the employees of the Department of State. The pay increase would be available immediately for personnel deployed to Afghanistan and Iraq. The House did not address this matter.

Sec. 592. Report on Azerbaijan

The conference report includes language similar to that proposed by the Senate that requires the Secretary of State to submit a report to the appropriate congressional committees on the investigation of the murder of United States democracy worker John Alvis. The House did not address this matter.

Sec. 593. Designation of the Global Fund to Fight AIDS, Tuberculosis and Malaria under the International Organizations Immunities Act

The conference agreement includes a provision that amends the International Organizations Immunities Act by adding a new section that extends the provisions of the Act to the Global Fund the same as they are extended to a public international organization in which the United States participates pursuant to any treaty or under the authority of any Act authorizing participation. This provision is identical to the Senate bill, and the House did not address this matter.

Sec. 594. Code of Conduct

The conference agreement includes a new section, "Code of Conduct" that prohibits refugee and humanitarian assistance funding under the headings "Migration and Refugee Assistance" and "Transition Initiatives" to an organization that has not adopted a code of conduct consistent with the Inter-Agency Standing Committee Task Force on Protection From Sexual Exploitation and Abuse in Humanitarian Crises six core principles. Additionally the provision advises the Secretary of State and the Administrator of USAID to incorporate policies and programs to identify the needs of, and threats to, women and children at the various stages of a humanitarian emergency. The provision is similar to the Senate bill. The House addressed this matter under the heading "Migration and Refugee Assistance".

Sec. 595. Assistance for HIV/AIDS

The conference agreement contains Senate language amending Public Law 108–25, the

"U.S. Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003" in order to set the baseline for calculating contributions from other donors to the Global Fund to Fight AIDS, Tuberculosis, and Malaria (Global ATM Fund) at 2004, for the purposes of calculating matching contributions, and to allow funds withheld due to certain provisions of Public Law 108–25 to be used for HIV/AIDS, tuberculosis, and malaria programs.

The managers have exempted the Global Fund to Fight AIDS, Tuberculosis, and Malaria, the World Health Organization, the International AIDS Vaccine Fund, and United Nations agencies, from section 301(f) of United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003. The managers intend that for purposes of this provision, the World Health Organization includes its six regional offices: The Americas (PAHO); South-East Asia (SEARO); Africa (AFRO); Eastern Mediterranean (EMRO); Europe (Euro); and Western Pacific (WPRO).

Sec. 596. Technical Correction Relating to the Enhanced HIPC Initiative

The conference agreement includes a Senate provision that makes a technical correction relating to the enhanced HIPC initiative. The House did not address this matter.

Sec. 597. Indonesia

The conference agreement includes language, similar to a Senate provision, which provides that International Military Education and Training (IMET) assistance may be made available for Indonesia if the Secretary of State determines and reports that the Indonesian Government and Armed Forces (TNI) are cooperating with the FBI's investigation of the August 31, 2002, murders of two American citizens and one Indonesian citizen in Timika, Indonesia. The managers are aware that, in the past, the TNI has not adequately cooperated with the FBI or with other investigations of this crime. However, the managers note that, during President Bush's trip to Indonesia in October 2003, the President and Indonesian President Megawati Sukarnoputri jointly "reaffirmed their shared commitment to find the murderers and bring them to justice." The managers intend that, prior to the Secretary making a determination, the TNI will have unequivocally demonstrated its commitment to cooperate with the FBI. The managers note that expanded IMET assistance is already available for Indonesia without restriction, which may include English language training.

The managers endorse language in Senate Report 108–106 regarding Indonesia.

The managers remain troubled by the situation in Aceh and the ongoing conflict that has killed, injured and displaced thousands of innocent civilians. The managers note that the Indonesian Government has extended martial law for an additional six months, but continue to believe that this conflict will only be resolved through a political process.

The managers strongly support democracy and political party building programs in Indonesia, and recognize that these efforts are long-term endeavors. The managers expect sufficient funding to be provided for democracy and political party building activities, and request that USAID consult with the Committees on the development of its 5-year strategy document for that archipelago.

Sec. 598. Religious Freedom Report

The conference report includes language similar to that proposed by the Senate providing that the assessment and description of violations of religious freedom contained in the report required by section 102(b)(1)(B) of the International Religious Freedom Act of 1998 (22 U.S.C. 6412 (b)(1)(B)) shall include a description of persecution targeted at religions, including acts of anti-Semitism, by individuals or organizations designated as terrorist organizations by the Secretary of State under section 219 of the Immigration and Nationality Act, as amended. The House did not address this matter.

Sec. 599A. Delivery of Assistance by Air

The conference report includes language similar to that proposed by the Senate that the Secretary of State and the Administrator of USAID are directed to provide charter air service in regions where scheduled air service is grossly inadequate. The House did not address this matter.

Sec. 599B. Modification on Reporting Requirements

The conference report includes a modification of reporting requirements in existing law including: sections (f) of P.L. 106–246 (the Emergency Supplemental Act, 2000) to change the monthly reporting requirement on Plan Colombia into a quarterly report, and by specifying that this report should be submitted to "the appropriate congressional committees", not "Congress"; section 3204(e) of P.L. 106–246 to specify that this report should be submitted to "the appropriate congressional committees", not "Congress"; and deletes the requirement for a report from GAO pursuant to subsection (a) of section 803 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2001, Appendix A of Public Law 106–429 (as enacted by section 101(a) of such Public Law). The House partly addressed this matter under the heading "Andean Counterdrug Initiative", and the Senate addressed it in a general provision.

Sec. 599C. CPA Detailees

The conference agreement includes a provision requiring the Office of Personnel Management to provide a report of the number of individuals detailed from each executive agency to the Coalition Provisional Authority in Iraq on the date of enactment of this Act no later than February 1, 2004. The report shall identify by agency the number of non-reimbursable and reimbursable detailees and shall be updated on a quarterly basis until May, 2005.

PROVISIONS NOT ADOPTED BY THE MANAGERS

The conference report does not include section 555 of the House bill regarding "Korean Peninsula Energy Development Organization". The Senate did not include this provision.

The conference report does not include section 562 of the House bill regarding "Procurement and Financial Management Reform". The Senate did not include this provision.

The conference report does not include section 571 of the House bill and section 680 of the Senate bill regarding "Cuba".

The conference report does not include section 572 of the House bill regarding "Competition in Contracting". This issue was addressed in P.L. 108–106, the Fiscal Year 2004 Emergency Supplemental Appropriations Act for Defense and for the Reconstruction of Iraq and Afghanistan. The Senate amendment did not address this matter.

The conference report does not include section 581 of the House bill regarding "Efforts by North Korea Relating to the Proliferation of Nuclear Weapons". The Senate amendment did not address this matter.

The conference report does not include section 582 of the House bill regarding the Foreign Intelligence Surveillance Act of 1978. The Senate amendment did not address this matter.

The conference agreement does not include section 601 of the Senate amendment regarding "Obligations During the Last Month of Availability." The House did not address this matter.

The conference agreement does not include section 606 of the Senate amendment regarding "Prohibition on Financing Nuclear Goods." The House did not address this matter. Although no longer carried in the Act, the managers do not expect any funds in this Act from being used to finance the export of nuclear equipment, fuel or technology. If funds are used for such purposes, the managers expect these funds to be subject to the regular notification procedures of the Committees on Appropriations.

The conference agreement does not include section 610 of the Senate amendment regarding "Deobligation/Reobligation Authority." The House did not address this matter.

The conference report does not include section 662 of the Senate amendment regarding "Enterprise Funds in the Middle East Region". The House did not address this matter. The managers include a proviso under the heading "Economic Support Fund" requiring that a Middle East Financing Facility or Enterprise Fund shall be subject to the regular notification procedures of the Committees on Appropriations. The managers expect that, should such a Facility or Fund be established, the Secretary of State shall certify and report to the Committees on Appropriations prior to the obligation of any funds that: (1) all appropriate steps have been taken to ensure that assistance is not provided to any individual or entity that the management of the Facility or Fund has reason to believe advocates, plans, sponsors, or engages in, or has engaged in, terrorist activities; (2) the Facility or Fund furthers United States commercial interests in the region; and (3) the Facility or Fund is managed in a fiscally responsible manner.

The conference agreement does not include Senate section 683 regarding "American Churchwomen and Other Citizens in El Salvador and Guatemala" relating to the December 2, 1980 murders of four American churchwomen in El Salvador, and the May 5, 2001 murder of Sister Barbara Ann Ford and the murders of other American citizens in Guatemala, listed in the Senate report, since December 1999. The managers are aware that in a memorandum dated April 4, 2003, the U.S. Attorney General ordered the heads of all departments and agencies to report in writing on whether such government entity possesses information relevant to these murders, and, if so, to set forth a written plan for expeditious review of the information for possible release to the victims' families. Each plan is to include an estimate of the date by which the review and possible release of information is expected to be completed. The managers direct the Attorney General to provide to the Committees on Appropriations, not later than 60 days after enactment, copies of the written plans for each such government entity and a description of progress made in implementing such plans. The House did not address this matter.

The conference agreement does not include Senate section 686 requiring the Secretary of State to report on the status of the Administration's strategy to address the international coffee crisis. The managers are troubled that this strategy has been delayed for several months and expect it to be released in the near future. The managers note the serious impact that the coffee crisis is having on many nations that receive U.S. foreign assistance and endorse the Senate report language on this issue. The House did not address this matter.

The conference agreement does not include Senate section 687 prohibiting assistance to the central Government of Venezuela if the Secretary of State certifies that the central Government of Venezuela is assisting, harboring or providing sanctuary for Colombian terrorist organizations. The managers request the Secretary of State to provide to the Committees, in a classified form if necessary, not later than 90 days after the enactment of this Act, (1) a description of specific actions taken by the Government of Venezuela to cooperate with the Government of Colombia on counter drug matters, and (2) a description of the extent to which, if any, the Government of Venezuela has supported or assisted groups designated as terrorist organizations in Colombia.

The conference agreement does not include section 689 of the Senate amendment that provides that funds appropriated by this Act that are available for the central Government of Thailand may be made available if the Secretary of State determines and reports to the Committees that, among other actions, the Thai Government supports the advancement of democracy in Burma and is not hampering the delivery of humanitarian assistance to people in Thailand who have fled Burma. The managers provide $5,000,000 to USAID to address the plight of Burmese in Thailand. The managers remain concerned by Thailand's continued engagement with the repressive Burmese junta, including recent pledges to set aside differences to promote economic cooperation. The managers view such actions as contrary to furthering the struggle of democracy inside Burma.

The conference agreement does not include Senate section 692 regarding "Prohibition on Funding to Countries That Trade in Certain Weapons with North Korea". The House bill did not address this matter.

The conference agreement does not include section 693 as proposed by the Senate regarding religious tolerance in Malaysia. However, the managers remain deeply concerned that the inaccurate and anti-Semitic comments of the former Malaysian Prime Minister may fuel religious intolerance throughout the region and provide credibility to the hateful messages of religious extremists in Malaysia, Indonesia and elsewhere. The managers understand that the views of the former Prime Minister, who retired on October 31, 2003 do not reflect those of all Malaysians, including the country's new leadership. The House bill did not address this matter.

The conference agreement does not include Senate section 699A regarding a "Report on Sierra Leone". The House did not address this matter. The managers intend that the Administrator of USAID submit a report to the Committees on Appropriations, no later than 6 months after enactment, on the feasibility of establishing a United States mission in Sierra Leone.

The conference agreement does not include Senate section 699B regarding a "Report on Somalia". However, the managers expect that not later than 6 months after enactment the Secretary of State will submit a report to the Committees on Appropriations, describing a strategy for engaging with competent and responsible authorities and organizations within Somalia, including those in Somaliland, to strengthen local capacity and establish incentives for communities to seek stability. The report is also to include a multi-year strategy for: increasing access to basic education and health care services; supporting efforts to establish systems for effective regulation and monitoring of Somali hawala or informal banking establishments; and supporting initiatives to rehabilitate the livestock export sector in Somalia. The House did not address this matter.

The conference agreement does not include Senate section 699D regarding a "Guinea Worm Eradication Program". This matter is addressed under the heading "Child Survival and Health Programs Fund". The House did not address this matter.

While the conference agreement does not include Senate section 699E expressing the sense of Congress on certain issues relating to Iran, the managers support this language and remain gravely concerned with the Government of Iran's authoritarian and repressive rule, its development of nuclear weapons and their delivery systems, and support for terrorists and other undesirable elements that may undermine reconstruction efforts in Iraq. The House did not address this matter.

The conference agreement does not include Senate section 699G that earmarked $7,000,000 in "Transition Initiatives" funds for democracy-building efforts in Cuba. However, the managers recommend $7,000,000 under "Economic Support Fund" for democracy-building efforts for Cuba supported by USAID including through published and informational material, assistance to victims of political repression and their families, support for democratic and human rights groups in Cuba, and support for independent international human rights monitors in Cuba. The conferees expect that, to the maximum extent possible, organizations implementing these programs for Cuba will be selected on a competitive basis.

The conference report does not include Senate section 699H concerning the development of justice and reconciliation mechanisms in Central Africa. This issue is addressed under the "Economic Support Fund" heading.

The conference agreement does not include section 699I of the Senate amendment calling for the Global AIDS Coordinator to make publicly available prices paid to purchase HIV/AIDS pharmaceuticals, antiviral therapies, diagnostic and monitoring tests, and other appropriate medicines, including medicines to treat opportunistic infections, for the treatment of people with HIV/AIDS and the prevention of mother-to-child transmission of HIV/AIDS in developing countries, through the use of funds appropriated under this Act and, to the extent available, by the World Health Organization and the Global Fund to Fight AIDS, Tuberculosis, and Malaria. However, the managers direct the AIDS Coordinator to make this information publicly available, including through posting on Internet web sites maintained by the Coordinator, beginning not later than 60 days after enactment of the Act.

The conference agreement does not include section 699K of the Senate amendment adding an additional $289,000,000 to the Global AIDS Initiative account. Additional funding for HIV/AIDS, tuberculosis and malaria is contained under the heading "Child Survival and Health Programs Fund" and "Global HIV/AIDS Initiative".

The conference agreement does not include section 699L of the Senate amendment regarding "International Military Training Assistance For Indonesia". This matter is addressed in section 597 of the conference report. The House did not address this matter.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 2004 recommended by the Committee of Conference, with comparisons to the fiscal year 2003 amount, the 2004 budget estimates, and the House and Senate bills for 2004 follow:

[In thousands of dollars]

New budget (obligational) authority, fiscal year 2003	$23,718,563
Budget estimates of new (obligational) authority, fiscal year 2004	18,932,588
House bill, fiscal year 2004	17,163,255
Senate bill, fiscal year 2004	18,425,859
Conference agreement, fiscal year 2004	17,258,859
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 2003	−6,459,704
Budget estimates of new (obligational) authority, fiscal year 2004	−1,673,729
House bill, fiscal year 2004	+95,604
Senate bill, fiscal year 2004	−1,167,000

DIVISION E—DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2004

In implementing this agreement, the Departments and agencies should be guided by the language and instructions set forth in House Report 108–188 and Senate Report 108–81 accompanying the bill, H.R. 2660.

In the cases where the language and instructions in either report specifically adress the allocation of funds, each has been reviewed by the conferees and those that are jointly concurred in have been endorsed in this joint statement.

The conferees direct that the Departments and agencies funded through this Division make a written request to the chairmen of the Committees prior to the reprogramming of funds in excess of 10 percent, or $500,000, whichever is less, between programs, activities, or elements unless an alternate amount for the agency in question is specified elsewhere in Division E of this Statement. The conferees further agree that a reprogramming request is required for actions involving less than the above-mentioned amounts if such actions would have the effect of changing an agency's funding requirements in future years or if the action can be construed to be the initiation of a new program.

The conferees reiterate that the Committees be notified regarding reorganization of offices, programs, or activities prior to the planned implementation of such reorganizations.

Finally, the conferees request that statements on the effect of this appropriation Act be submitted to the Committees within 60 days of enactment of this Act.

The Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2004, put in place by this resolution, incorporates the following agreements of the managers:

TITLE I—DEPARTMENT OF LABOR

EMPLOYMENT AND TRAINING ADMINISTRATION

TRAINING AND EMPLOYMENT SERVICES

The conference agreement includes $5,160,654,000 for training and employment services instead of $5,077,039,000 as proposed by the House and $5,140,588,000 as proposed by the Senate. Of the amount appropriated, $2,463,000,000 is an advance appropriation for fiscal year 2004, as proposed by the House and the Senate.

The conference agreement includes $1,456,760,000 for the Dislocated Worker program as proposed by the Senate instead of $1,461,760,000 as proposed by the House. The conferees override the formula that provides that 80 percent of the funds provided will be used for State formula grants and 20 percent for National Emergency Grants, providing $1,180,152,000 for the States and $276,608,000 for the National Reserve.

The conference agreement includes bill language giving the Secretary of Labor authority to use dislocated worker national reserve funds to provide assistance to a State for statewide or local use in order to address cases where there have been worker dislocations across multiple sectors or across multiple local areas. The conferees urge the Secretary, when determining competitive awards under this authority, to give favorable consideration to the applications of assistance to States that have sustained worker dislocation in such a manner and can demonstrate the capacity to respond effectively in a coordinated fashion across multiple sectors or local areas.

The conference agreement includes $55,000,000 for Native Americans as proposed by the House instead of $55,636,000 as proposed by the Senate.

The conference agreement includes $77,330,000 for activities authorized under Section 167 of the Workforce Investment Act, reflected in two separate line items on the table accompanying the Conference Report: 'Migrant and Seasonal Farmworkers' and 'National Activities/Other'. Under the Migrant and Seasonal Farmworkers line item, the agreement provides $76,823,000. The conference agreement includes bill language directing that $4,610,000 of this amount be used for migrant and seasonal farmworker housing grants; the conference agreement includes language further directing that not less than 70 percent of this amount be used for permanent housing grants.

Within the National Activities/Other line item, the conference agreement includes $507,000 to be used for Section 167 training, technical assistance and related activities, including continuing funding for migrant rest center activities at the current level.

The conference agreement includes $1,546,216,000 for Job Corps. Within the total, $1,416,000,000 is provided for continuing operations of the program and $130,216,000 is for renovation and construction of Job Corps centers.

The conferees recognize that New Hampshire is one of only two States in the Nation without a Job Corps Center and that it desires to open a center in the State. The conferees intend to begin providing funding for at least one new Job Corps Center in fiscal year 2005 and expect the Department of Labor to give priority consideration to applications from States currently without a Job Corps Center. Further, the conferees direct the Department of Labor to provide technical assistance to the State of New Hampshire to identify one or more sites that would be suitable for consideration for future expansion of Job Corps.

The conferees also note that the Job Corps network currently includes at least 5 existing satellite centers. The conferees are aware of entities in Iowa and other States working with local Job Corps sites to replicate this model. The conferees believe this is a low-cost option to expand the existing network and urge the Secretary to assist in the planning of new satellite centers. The Secretary shall issue a report no later than August 31, 2004 identifying the barriers experienced by the existing Centers and a comprehensive plan for expanding the satellite concept.

The conferees commend Job Corps for its recent efforts to increase opportunities for participants to earn a high school diploma through the establishment of its High School Diploma Initiative (HSDI). While Job Corps' success rate to date is encouraging, significant obstacles at the State and local levels make it extremely difficult for the program to ensure that all participants, regardless of center location, have access to the opportunity to obtain a high school diploma. The conferees urge the Department of Labor, in consultation with the Department of Education, States, and local educational agencies to examine obstacles to Job Corps' participants' ability to earn and receive high school diplomas from a local educational agency.

As expressed in the 2003 statement of the managers, the conferees remain concerned with the lack of information provided regarding the performance and operation of the Workforce Investment Act. Further, the conferees remain concerned that States and local workforce investment areas lack the technology to comply with the basic performance reporting and operational requirements of WIA. Therefore, the conferees recommend that the Secretary provide States and local workforce investment areas funding to develop technology and determine its benefit to the WIA system.

The conferees take note of the recent plant closure announcements in Lorain, Ohio and direct the Secretary of Labor to give favorable consideration to the application to continue and expand support for job training, workforce and economic development initiatives implemented and delivered by Lorain County Community College at the same commitment level established in the original agreement entered into in 2000.

The conferees are impressed with the Labor Department's partnership with the Council for Adult and Experiential Learning to creatively address the Nation's shortage of nurses. The Employment and Training Administration pilot program will allow CAEL and health care partners in five cities to increase the number of Certified Nurses Aides, Licensed Practical Nurses and Registered Nurses.

With respect to the projects listed below for pilots and demonstrations, the conferees encourage the Department to ensure that these projects are coordinated with local Workforce Investment Boards. The conferees also encourage the Department to ensure that project performance is adequately documented and evaluated. The conference agreement includes the following amounts for the following projects and activities:

American Federation for the Blind for the Technology and Employment Center in Huntington, West Virginia	$1,000,000
American Indian Science and Engineering Society to provide the Rural Computer Utilization Training Program to indigenous populations in Hawaii	50,000
Antelope Valley Community College District, Lancaster, California, to provide upgrade training for new hires, incumbent and dislocated aerospace workers	100,000
Aurora Hispanic Chamber of Commerce and Waubonsee Community College, Aurora, Illinois, for Core Four Business Planning course for business training for existing business owners to expand and entrepreneurial training for new businesses	175,000
Bay Area Community Health Partnership, Green Bay, WI for nurse training programs	350,000
Blackhawk Technical College, in Janesville, WI, to provide job training and upgrade workers' manufacturing skills	300,000
Boro Park Jewish Community Council, Brooklyn, NY, to develop a Comprehensive Employment Program	100,000
Building and Supporting Entrepreneurship of Southeast Lancaster, Lancaster, PA (BASE, Inc.) to expand educational and employment services training to out-of-school, adjudicated youth	100,000
California State University, Chico, for plastic molding machines in the Engineering School Plastics Laboratory in order to provide students with technological training to prepare them for careers in California	$500,000
Career Academy, Louisville, KY for youth education and workforce development programming	170,000
Central Alabama Community College, Alexander City, AL, Entrepreneurial Center, to assist displaced workers by providing specialized training and other needed resources to foster the growth of business	200,000
Central Iowa Employment & Training Consortium for a resource center for disabled and disadvantaged individuals	600,000
City of Jackson, TN, Disability Training Program	200,000
City of Jackson, MS, for Jackson Transition Job Project for the Homeless	120,000
City of Sacramento, CA, Sacramento Housing and Redevelopment Agency to provide a summer youth employment program	100,000
City of Suffolk, Virginia, for a feasibility study of establishing Suffolk Workforce Development Center	250,000

Closing The Gap, Lansing, MI, for technology enhancements	105,000
Collegiate Consortium for Workforce and Economic Development, Philadelphia, PA, for workforce development and training	250,000
Columbus State Community College, Columbus, OH, for the creation of an Integrated Systems Technology training program	400,000
Community College of Allegheny County, Pittsburgh, Pennsylvania, to address unemployment and underemployment demands for heath care professionals	150,000
Covenant House Pennsylvania, Philadelphia, PA	75,000
Delaware Valley Industrial Resource Center, Philadelphia, PA to perform a pilot project that will provide job training for small manufacturers and report its lessons for national implementation	100,000
Delta Council, MS, Delta Center for Career and Workforce Education	500,000
Des Moines Area Community College, IA, to continue the establishment of a Career Technology Center	200,000
Experience Works, Beaverton, Oregon, for the Rural Revitalization Through Technology Initiative	25,000
Ferris State University, Big Rapids, Michigan, to update equipment, staffing and to expand nationwide outreach for recruiting, articulation and continuing education	300,000
Florida Institute of Technology, Melbourne, FL, for the development of a program to assist small businesses in competing for government contracts	1,550,000
Gadsden State Community College Gadsden, AL, for the Workforce Development Program in Calhoun County	200,000
Gateway Technical College, Kenosha, WI	500,000
Hawaii Community Foundation for the Samoan/Asian Pacific Job Training Program	500,000
Heartbeats to the City, Inc., Canton, OH, for urban youth training	28,000
Hispanic/Latino Center Inc., Pittsburgh, PA to provide workplace readiness and job skill training targeted to Hispanic workers, so that they can access job opportunities in Southwestern Pennsylvania	50,000
House of Healing, Erie, PA to provide rehabilitation work training and employment	25,000
Idaho Women Work!, to implement the Recruiting for the Information Technology Age (RITA) initiative in Idaho	100,000
Institute for Cultural Partnerships, Harrisburg, PA to provide for a "New Americans" Regional Center, which will include employment and legal assistance for immigrants	25,000
Institute of Retraining of Dislocated Workers, Southwestern Oregon Community College, Coos Bay, OR, to augment college programs in providing training and retraining to the unemployed, but especially older dislocated workers	25,000
InterTribal Bison Cooperative in Rapid City, South Dakota for member training	100,000
Iowa Central Community College, Fort Dodge, IA, for vocational training	250,000
Iowa Valley Community College District, Marshalltown, Iowa, for a community outreach and training center	100,000
Jewish Healthcare Foundation, Pittsburgh, PA to develop and share the best practices in health workforce recruitment, development, and retention	100,000
Jobs for America's Graduates, Alexandria, VA for a school-to-career program	1,000,000
La Casa de Esperanza, Inc, Waukesha, WI for weatherization training	165,000
Lake County, IL for a summer youth employment program	200,000
Lawrence County Economic Development Office, PA to provide for the development of a vocational center to train employees for jobs in high technology manufacturing industries	50,000
Lawson State Community College, Infrastructure and Technology Enhancements IT Training and Placement Center to expand training services for students and adult education applicants	100,000
Life Steps Foundation, Inc., Arroyo Grande, CA, for establishment of the Life Steps Foundation Rural Computer Utilization and Job Skills Training Program	250,000
Links to Individuals For Empowerment, Philadelphia, PA to assist ex-offenders as they transition back into society with employment training skills	100,000
Louisiana National Guard Military Department, New Orleans, Louisiana, for the Military Educational Training Enhancement Fund/Job Challenge Program	72,000
Maine Manufacturing Extention Project, Augusta, ME: For the Rapid Mobilization of New England Manufacturing Supply Chain, to provide training to the manufacturing workforce	400,000
Martha's Village and Kitchen, Indio, California, for operational expenses	250,000
Maui Community College for the Remote Rural Hawaii Job Program	1,500,000
Maui Economic Development Board for the Maui High Technical program to get women into the technology fields	300,000
Maui Economic Development Board for the Rural Computer Utilization Training Program	300,000
Medina Works, Medina, OH, for a Building Trades Initiative-Wayne Ashland, Medina	450,000
Medina Works, Medina, OH, for healthcare professionals workforce development	220,000
Metropolitan Career Center, Philadelphia, PA to provide job readiness training for low-income and unemployed men and women	50,000
Millinocket Area Growth and Investment Council (MAGIC), East Millinocket, ME: Project would survey area alumni to determine factors related to out-migration in rural areas throughout the state of Maine	200,000
Mississippi State University, for Robotics and Automated Systems for Nursery Industry	500,000
National Center for Manufacturing Sciences, Ann Arbor, MI	400,000
National Restaurant Association Educational Foundation, for the ProStart Institute Program	150,000
New Mexico Retail Association, Albuquerque, New Mexico to improve opportunities for students and out of school youth to successfully transition to postsecondary education and/or training careers	220,000
Northern Great Plains Incorporated for a workforce study and coordination related to the Red River Valley Research Corridor	50,000

Northwest Pennsylvania Industrial Resource Center, Erie, PA to develop a skills standards-based assessment and certification system, which will include workforce training and development, that meets the needs of the Pennsylvania manufacturing community	100,000
Nueva Esperanza CareerLink Center, Philadelphia, PA to provide information on job training and literacy classes, assistance with resume preparation, skill and aptitude assessment, and job vacancy announcements	100,000
Oklahoma Military Department, Oklahoma National Guard Youth Programs Division for the Thunderbird Trades Academy	100,000
Opportunities Industrialization Centers International, Philadelphia, PA to provide technical assistance and resources to its national affiliates to increase their capacity to provide training to unemployed and underemployed in the hospitality sector	225,000
Opportunity, Inc., Highland Park, IL for the Handicapable employees program	100,000
People's Emergency Center, Philadelphia, PA to provide workforce preparation and training to homeless mothers to foster economic, emotional, and family stability in their lives	100,000
Peoria NEXT initiative for training in bioscience and biotechnology industries, IL	200,000
Philadelphia Area Immigration Resource Center, Philadelphia, PA to provide employment and legal assistance for immigrants in Southeastern Pennsylvania	75,000
Philadelphia Housing Authority to provide workforce training at the Philadelphia Housing Authorities' Workforce Development Center to prepare residents for careers in the building trades	50,000
Philadelphia Industrial Development Center to support job training and workforce development in the manufacturing sectors within Philadelphia	50,000
Potter County Educational Council, Coudersport, PA, for Opportunity Knocks program to assist single parents, teen parents, and homemakers in acquiring skills needed to enter the workforce ...	100,000
Pride Industries, Rosedale, California, to create long-term jobs for persons with disabilities and other barriers to employment	250,000
Private Industry Council of Westmoreland, Greensburg, PA, to use a computer-based assessment system to assist job seekers, including Welfare to Work clients	50,000
Project One, Louisville, KY, for employment program	25,000
Reading-Berks Emergency Shelter, Reading, PA, to provide job readiness skills to employ individuals	50,000
Reinvestment Fund, Philadelphia, PA, to expand its workforce pilot program	250,000
Residential Care Consortium, Easton, PA, to help troubled teens transition into society by providing housing, education and counseling	550,000
Riverside Center for Innovation, Pittsburgh, PA, for programs which are helping small businesses and start-ups in Allegheny County	100,000
San Diego Workforce Partnership, San Diego, California, to enhance the Workforce Partnership's English as a Second Language programs	125,000
Seattle STRIVE to provide job readiness skills to hard-to-employ individuals	100,000
Second Chance Employment Services, Washington, DC, for a demonstration program to help at-risk women and victims of abuse obtain long term jobs	150,000
Sephardic Bikur Holim Career and Employment Training in Brooklyn, NY	100,000
Shelton State Community College, Electronic and Technical Training, to continue advanced training program and to provide for procurement of software and curriculum development to meet growing industry needs in Alabama	100,000
Southern Star Development Corporation, Louisville, KY	20,000
SUNY College of Environmental Science and Forestry, Syracuse, NY, for technical education and job training component of the SPARE program ...	100,000
The Joblinks program for continuation costs	500,000
Tides Center of Western Pennsylvania, for Keys2Work Program	150,000
Tioga County Development Corporation, Wellsboro, PA, to assist employers in certification training program for their workforce in a variety of production and operations procedures	150,000
Transit Technology Career Ladder Partnership, Silver Spring, MD, to provide for a joint labor-management initiative developed by the Community Transportation Development Center focusing on bus mechanics, rail car mechanics, and underground power systems	100,000
Tri-State University in Angola, IN, for the Center for Technology and On-Line Resources	50,000
United Way of Dane County, Madison, WI, for computer training at the Vera Court Neighborhood Center	35,000
University of Alabama in Huntsville to establish the necessary infrastructure for a Southeast Automotive Transportation Lean Manufacturing Initiative to support the expanding automotive industry in Alabama	200,000
Uuniversity of Dayton for the Shared Corporate University and manufacturer's Business Utility programs for e-learning and e-training packages	300,000
University of Hawaii at Maui for training and education opportunities for Hawaiians living in rural areas	1,800,000
University of Idaho to continue and expand the Alternative Careers for Idaho Farmers (ACIF), to help those dislocated from agriculture to make the difficult shift to an alternative career	850,000
University of Northern Iowa Immigration Services for Iowa Communities	259,000
University of the Pacific Stockton CA, for operating funds for a Business Forecasting Center	500,000
University of Toledo for the Center for Capacity-Building in Construction for Disadvantaged Business Enterprises and Workers program to increase the supply of historically disadvantaged segments of the Northeast Ohio workforce	300,000
Vermont Child Care Industry and Careers Council for a Childcare Apprenticeship Project	300,000

Vermont Technical College in Randolph, VT, to develop workforce investment strategies that best fit the business needs of the state	600,000
Washington Workforce Association for the In-Demand Scholars program	400,000
Wisconsin Network for Women and Work, Janesville, WI, for Information Technology training	100,000
Women Work—RITA (Recruiting for the Information Technology Age), PA for workforce training and development for women in the information technology sector	50,000
Work, Achievement, Values, and Education, Washington, DC, to provide workforce training programs for those that face a life of chronic unemployment	50,000
Workforce Investment Board for Aroostook and Washington Counties, Caribou, ME, for career training via the Northern Maine Healthcare Sector Group Training Project	250,000
Wrightco Technologies, Claysburg, PA, for programs in technical training school	200,000
YWCA of Bucks County, Trevose, Pennsylvania, to continue the Employment Training Program	100,000
YWCA of Madison, Inc., Madison, WI, for a Certified Nursing Assistant training program for low-income individuals.	30,000

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

The conference agreement appropriates $441,253,000 for Community Service Employment for Older Americans, instead of $440,200,000 as proposed by the House and $442,306,000 as proposed by the Senate.

FEDERAL UNEMPLOYMENT AND BENEFITS ALLOWANCES

The conference agreement includes a technical correction to both House and Senate Trade Act language to clarify that amounts needed to pay benefits under the Alternative Trade Adjustment Assistance program are included in the appropriation. The conference agreement includes $7,000,000 for the State of Alaska for training of displaced workers who can no longer earn a living in industries adversely affected by foreign trade.

STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICES OPERATIONS

The conference agreement appropriates $3,609,381,000 for State Unemployment Insurance and Employment Service Operations, instead of $3,615,381,000 as proposed by the House and $3,620,552,000 as proposed by the Senate.

The conferees expect the Department of Labor to continue to allocate fiscal year 2004 funds for the Workforce Information Core Products and Services through formula grants to the States.

The conferees urge the Department of Labor to study the impact of using alternate criteria for the allotment of grants to States for the administration of Federal and State unemployment compensation laws. The criteria used in this study shall include the relative proportion of unemployed individuals in each State and the relative proportion of the total civilian labor force in each State. The Department shall be prepared to submit the results of this study to the Congress at the fiscal year 2005 budget hearings. The conferees are requesting this study in order to assess the need for a new formula so that States are not penalized for keeping administrative costs at a minimum through the use of technology and other innovations.

PROGRAM ADMINISTRATION

The conference agreement appropriates $175,644,000 for Program Administration, instead of $172,327,000 as proposed by the House and $178,961,000 as proposed by the Senate. The detailed table at the end of this joint statement reflects the activity distribution agreed to by the conferees.

EMPLOYEE BENEFITS SECURITY ADMINISTRATION

The conference agreement appropriates $124,962,000 for the Employee Benefits Security Administration, instead of $128,605,000 as proposed by the House and $121,316,000 as proposed by the Senate. The detailed table at the end of this joint statement reflects the activity distribution agreed to by the conferees.

EMPLOYMENT STANDARDS ADMINISTRATION

SALARIES AND EXPENSES

The conference agreement appropriates $394,908,000 for the Employment Standards Administration, salaries and expenses, instead of $397,753,000 as proposed by the House and $392,061,000 as proposed by the Senate. The detailed table at the end of this joint statement reflects the activity distribution agreed to by the conferees.

On October 3, 2003, the Department of Labor published a final rule on union reporting and disclosure under the Labor Management Reporting and Disclosure Act (LMRDA). The conferees are concerned that the Department has not yet produced the electronic LM-2 software that it will require unions to use and has not yet produced to unions the software necessary for unions to export data from their newly revised accounting and record-keeping systems to the new electronic LM-2 forms. The conferees therefore urge that the Department make available this software as expeditiously as possible to determine whether this software, together with union accounting and record-keeping systems, will actually work as is intended and designed.

OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION

SALARIES AND EXPENSES

The conference agreement includes $460,786,000 for the Occupational Safety and Health Administration instead of $450,008,000 as proposed by the House bill and $463,324,000 as proposed by the Senate. The detailed table at the end of this joint statement reflects the activity distribution agreed to by the conferees.

Within the total, $3,200,000 is to be used to extend funding for Institutional Competency training grants provided that the grantee has demonstrated satisfactory performance.

MINE SAFETY AND HEALTH ADMINISTRATION

SALARIES AND EXPENSES

The conference agreement includes $270,826,000 for the Mine Safety and Health Administration instead of $266,767,000 as proposed by the House bill and $270,711,000 as proposed by the Senate. The detailed table at the end of this joint statement reflects the activity distribution agreed to by the conferees.

Within the total, the conference agreement includes $2,000,000 to be available for mine rescue and recovery activities on a non-contingency basis as proposed by the Senate.

The conferees are concerned about recent GAO findings that raise serious questions about the quality of enforcement of the Mine Act by MSHA. Specifically, the conferees are concerned that MSHA is experiencing staffing and informational systems problems that hinder its ability to fulfill its inspection and investigation obligations. The conferees expect MSHA to develop an agency-wide human capital plan to address current and future inspector shortages, including recruiting and training needs. The conferees also expect the agency to develop a comprehensive plan to address information technology needs regarding injury rates, accident investigations, and timely inspections, including the collection of contractor data.

The conference agreement includes the following amounts for the following projects and activities:

National Technology Transfer Center for a coal slurry impoundment pilot project in Southern West Virginia	$1,000,000
Stolar Research Corporation to further develop and demonstrate electromagnetic wave detection technology associated with drill string radar to prevent mine flooding incidents	100,000

BUREAU OF LABOR STATISTICS

SALARIES AND EXPENSES

The conference agreement includes $522,198,000 for the Bureau of Labor Statistics instead of $512,262,000 as provided by the House bill and $520,223,000 by the Senate. The detailed table at the end of this joint statement reflects the activity distribution agreed to by the conferees.

Within the total for the Employment and Unemployment Statistics activity, $5,000,000 is for the Mass Layoff Statistics program. Similar language was included in the Senate bill.

OFFICE OF DISABILITY EMPLOYMENT POLICY

SALARIES AND EXPENSES

The conferees have included $2,500,000 within the Office of Disability Employment Policy to continue the telework efforts already initiated by ODEP. This can include expansion of pilot programs already underway and/or initiation of new telework pilots. ODEP should proceed in an expeditious manner to create telework positions in cooperation with Federal and State agencies. Priority should be given to strategies judged likely to yield the largest numbers of telework positions for people with disabilities.

The conferees have included sufficient funds to continue the structured internship program for undergraduate college students with disabilities.

DEPARTMENTAL MANAGEMENT

SALARIES AND EXPENSES

The conference agreement includes $352,830,000 for Departmental Management, salaries and expenses, instead of $253,018,000 as proposed by the House bill and $351,609,000 as proposed by the Senate. The detailed table at the end of this joint statement reflects the activity distribution agreed to by the conferees.

The conference agreement includes $110,650,000 for the Bureau of International Labor Affairs (ILAB). Within the total provided, $82,000,000 is to assist developing countries with the elimination of child labor. Of this amount, $45,000,000 is for the International Labor Organization's International Programme for the Elimination of Child Labor. In addition, $37,000,000 is provided for bilateral assistance, made available through September 30, 2004, to improve access to basic education in international areas with a high rate of abusive and exploitative child labor. The conference agreement further includes $2,500,000 for bilateral and multilateral technical assistance, to be used to promote the International Labor Organization's Declaration of Fundamental Principles and Rights at Work. Given the increasing focus on the social impact of globalization, the U.S. Government has an interest in assisting nations who want to develop and/or implement core labor standards, including the right of free association. The conference agreement includes $5,000,000 for ILAB to build its own permanent capacity to monitor and report regularly and in-depth to the Congress on the extent to which foreign countries with trade and investment agreements with the United States respect internationally-recognized worker rights and effectively promote core labor standards. The conference agreement also includes $11,000,000 for Federal administration and other ILAB programs.

The conference agreement includes $10,000,000 for the purpose of assisting the International Labor Organization in implementing a program to confront HIV/AIDS in the workplace. The primary purpose of this program shall be to promote workplace policies which combat HIV-related stigma and discrimination, and promote prevention on the basis of tripartite partnerships among workers, employers and governments around the world. The conferees direct that the Secretary shall designate a full-time coordinator to oversee these efforts and coordinate with the various agencies conducting international HIV/AIDS programs. The conferees further direct that the Secretary submit a report to the Committees by August 31, 2004 detailing the challenges faced and progress made in implementing anti-discrimination policies in each of the countries that are engaged by this effort.

The conference agreement includes the following amount for the following project:

International Center on Child Labor and Education	$150,000

The conferees strongly support the Buy American Act, which was enacted in 1933 to ensure that the Federal government supports domestic companies and domestic workers by buying American-made goods. The Act includes a number of waiver provisions that allow Federal agencies to buy foreign goods in some circumstances, but there is little disclosure or accountability in the waiver process. The conferees, therefore, direct the Secretary to issue a report not later than 60 days after the last day of fiscal year 2004 on the amount of acquisitions made by the Department during such fiscal year of articles, materials, or supplies that were manufactured outside the United States. Such report shall separately indicate the dollar value of any articles, materials, or supplies purchased by the department that were manufactured outside the United States, an itemized list of all waivers under the Buy American Act (41 U.S.C. 10a et seq.) that were granted with respect to such articles, materials, or supplies, and a summary of total procurement funds spent on goods manufactured in the United States versus funds spent on goods manufactured outside of the United States.

VETERANS EMPLOYMENT AND TRAINING

The detailed table at the end of this joint statement reflects the activity distribution agreed to by the conferees. Within the total, the conferees have provided $162,415,000 for State administration as proposed by the House instead of breaking this funding between Disabled Veterans Outreach and Local Veterans Employment as proposed by the Senate.

WORKING CAPITAL FUND

The conference agreement includes $13,850,000 for the Working Capital Fund, instead of $18,000,000 as proposed by the House bill and $9,700,000 as proposed by the Senate.

GENERAL PROVISIONS

EXECUTIVE ORDER 13126

The conference agreement includes a provision proposed by the Senate that none of the funds appropriated in this Act shall be obligated or expended for the procurement of goods produced by forced or indentured child labor. The House bill contained no similar provision.

DENALI COMMISSION

The conference agreement includes a provision proposed by the Senate that authorizes to be appropriated such sums as may be necessary to the Denali Commission to conduct job training where Denali Commission projects will be constructed. The House bill contained no similar provision.

WELFARE-TO-WORK

The conference agreement modifies a provision proposed by the Senate that rescinds funds appropriated for fiscal year 1999 for the welfare-to-work program. The conference agreement rescinds any amounts allotted to the States from funds appropriated for fiscal year 1999 for the Welfare-to-Work program that are unexpended as of the date of enactment of the section, except for certain close out costs. Unexpended funds would consist of funds allotted to the States that are unobligated by the States, or obligated by the States, but not expended. Only funds to pay for goods and services that have already been provided as of the date of enactment are generally considered expended. Grantees would be required to terminate any agreements providing for the provision of goods and services beginning after the date of enactment unless alternative funding sources are identified.

Since this rescission would accelerate the termination of the Welfare-to-Work grants to the States that are all due to expire during fiscal year 2004, the provision does not rescind funds that the Secretary of Labor determines are necessary for the States to carry out administrative activities relating to closeout. Such costs could include such items as penalties for early termination of leases, and personnel costs relating to the final reporting and closeout of grant activities. Authority is also provided in this provision for the Secretary of Labor to take necessary actions to facilitate the orderly and equitable closeout of the State grants, notwithstanding the programmatic requirements of the Welfare-to-Work program.

The conferees expect the Employment and Training Administration to assist States in establishing a transition process to help the remaining welfare-to-work participants easily and seamlessly assimilate into Workforce Investment Act programs that allow them to continue to receive assistance.

OVERTIME REGULATION

The conference agreement deletes without prejudice language proposed by the Senate that none of the funds appropriated in this Act shall be used to promulgate or implement any regulation that exempts employees from the Fair Labor Standards Act of 1938. The House did not include this provision.

ETA OFFICE CLOSINGS

The conference agreement deletes without prejudice language proposed by the Senate that the Secretary shall cease closing ETA regional offices. The House bill contained no similar provision.

The conferees remain concerned about the Department's regional office reorganization. The conferees, therefore, urge the Department to maintain the current office structure of the Employment and Training Administration Offices.

PERSONAL DUST MONITORS

The conference agreement includes language proposed by the Senate that the Secretary shall re-propose a rule on respirable coal dust following the successful demonstration of personal dust monitors. The House bill contained no similar provision.

HAMILTON COUNTY ONE STOP CENTER

The conference agreement includes a provision transferring all federal interest in a State of Ohio Employment Services Office to Hamilton County, Ohio.

NEW ENTRANTS

The conference agreement includes a provision to permit youth, ages 14 through 17, who by statute or judicial order are exempt from compulsory school attendance beyond the eighth grade, to work inside or outside places of business where machinery is used to process wood products. The youth would be permitted to perform activities such as sweeping, stacking wood, and writing orders. Safety provisions include prohibiting the youth from operating machinery, and requiring the use of eye and body protections.

TITLE II—DEPARTMENT OF HEALTH AND HUMAN SERVICES

HEALTH RESOURCES AND SERVICES ADMINISTRATION

HEALTH RESOURCES AND SERVICES

The conference agreement includes $6,727,937,000 for health resources and services, of which $6,698,437,000 is provided as budget authority and $29,500,000 is made available from the Public Health Service policy evaluation set-aside, instead of $6,252,256,000 as proposed by the House and $5,964,824,000 as proposed by the Senate.

The conference agreement includes two technical bill language citations for sections 510 and 711 of the Social Security Act. Section 510 had not been included in the House bill; section 711 had not been included in the Senate bill.

The conference agreement includes bill language that was not included in either House or Senate bill providing $367,563,000 for construction and renovation (including equipment) of health care and other facilities, abstinence education, related services and other health-related activities. These funds are to be used for the following projects:

10/33 Ambulance Service, Ltd., Spring Valley, IL	$75,000
19th Judicial District Drug Court, Baton Rouge, LA, for the Earl K. Long Hospital	72,000

Aberdeen Area Tribal Chairmen's Health Board in Rapid City, South Dakota for Northern Plains Healthy Start	400,000
Achievement Centers for Children, Cleveland, OH	200,000
Adirondack Medical Center, Saranac Lake, NY	200,000
Advanced Technology Institute, North Charleston, SC	200,000
Akron Children's Hospital, Akron, OH for equipment	970,000
Alaska Family Practice Residency Program	500,000
Albert Einstein Healthcare Network (AEHN), Philadelphia, PA for Construction, renovation, and equipment	1,000,000
Aliquippa Community Hospital, Aliquippa, PA for construction	500,000
All Children's Hospital, Inc., St. Petersburg, FL	1,000,000
Alleghany Memorial Hospital, Sparta, NC	125,000
Allegheny General Hospital, Cardiovascular Institute, Pittsburgh, PA for construction, renovation, and equipment	1,000,000
Allegheny Singer Research Institute, Center for Genomic Sciences, Pittsburgh, PA for construction, renovation, and equipment	1,000,000
Allen Memorial Hospital, Moab, UT for construction	100,000
Altoona Area School District, Altoona, PA, for construction of a wellness center	150,000
American Museum of Natural History, New York, NY	500,000
American Red Cross, Frederick County Chapter, Walkersville, MD	400,000
Appalachian Pain Foundation, Charleston, WV, for equipment and curriculum development	129,000
Appalachian Regional Healthcare, Lexington, KY for healthcare services in rural areas	250,000
Arnold Palmer Hospital for Children and Women, Orlando, FL	550,000
Asante Health System to implement an integrated technology system and demonstrate its impact on rural health delivery	75,000
Ashland Community Hospice, Ashland, KY for construction, renovation, and equipment	400,000
Association for Individual Development, Aurora, IL	3,200,000
Association for Utah Community Health, Salt Lake City, UT to link rural, frontier and urban medically underserved sites for telemedicine	200,000
Association of Utah Community Health, Salt Lake City, UT for equipment	1,000,000
Atlantic City Medical Center, City Division, Atlantic City, NJ	500,000
Atlantic Health Systems/Morristown Memorial Hospital, Florham Park, NJ	500,000
Baptist Coosa Valley Hospital, Sylacauga, AL	500,000
Baptist Medical Center Walker, Jasper, AL, to establish a Thoracic Surgery program	150,000
Barnes-Jewish St. Peters Hospital, St. Peters, MO	200,000
Barry University, Miami, FL, for the Institute for Community Health and Minority Medicine	650,000
Bassett Heathcare, Cooperstown, NY	616,000
Bay Area Medical Center Foundation, Marinette, WI	750,000
Bay Clinic Community Health Center, Hawaii to establish a mental health link for women	50,000
BayCare Health System, Clearwater, FL, for a demonstration project to develop an electronic medication and clinical services ordering system for physicians	1,000,000
Baylor College of Medicine, Houston, TX	750,000
Bear Lake Memorial Hospital, Montpelier, ID	400,000
Best Friends Foundation, Washington, DC for abstinence education activities	50,000
Bethune Cookman College, Daytona Beach, FL	500,000
Big Horn County Memorial Hospital, Hardin, MT for construction and renovation	400,000
Boone County Government Center, Columbia, MO, for construction of a healthcare facility	250,000
Boston College, Chestnut Hill, MA, for renovations to Higgins Hall medical research facilities	275,000
Bowling Green—Warren County Primary Care Center, Bowling Green, KY for construction and equipment of a new primary care facility	400,000
Boys Town National Research Hospital, National Center for Pediatric Hearing Evaluation Research and Dissemination in Omaha, Nebraska	1,000,000
Brazos Valley Family Medical Center, Bryan, TX	100,000
Briar Cliff University, Sioux City, IA	50,000
Broadlawns Medical Center in Des Moines, Iowa to renovate the emergency room	1,000,000
Brookville Hospital, Brookville, PA	100,000
Cabot Westside Clinic, Kansas City, MO for construction	500,000
Caldwell County Free Clinic, Murray, Kentucky, to expand primary care services to working poor families	250,000
Camillus House, Inc., Miami, FL	167,000
Cancer Network of West Central Ohio, Lima, OH	1,250,000
Canonsburg General Hospital, Canonsburg, PA	300,000
Cape Cod Hospital, Hyannis, MA, for pediatric center renovation and expansion	100,000
Capitol City Family Health Center, Inc., Baton Rouge, LA	71,000
Cardinal Stritch University, Milwaukee, WI to renovate Bonaventure Hall to expand nursing education programs	400,000
Carilion Health System, Roanoke, VA	520,000
Caritas St. Elizabeth's Medical Center, Boston, MA, for constructon of new emergency department facilities	450,000
Carnegie Mellon University, Pittsburgh, PA for equipment	1,000,000
Carolinas Medical Center, Trauma Intensive Care Unit, Charlotte, NC	980,000
Carondelet Foundation of Arizona, Tucson, AZ for the Carondelet St. Mary's Hospital	800,000
Case Western Reserve University, Cleveland, OH, for a Center for Structural Biology	750,000
Case Western Reserve University, Cleveland, OH, for Netwellness	500,000
Case Western Reserve, Cleveland, OH, for Regenerative Medicine	500,000
Cass Medical Center, Pleasant Hill, MO for construction	150,000
Catholic Social Services, The Bridge, Wilkes Barre, PA for abstinence education and related services	46,000
Center for Emergency Preparedness, SUNY Upstate Medical University, Syracuse, NY	1,000,000
Center for Innovation in Behavioral Health at Alliant International University, San Diego, CA	400,000
Center for the Disabled, Albany, NY, for a center in Saratoga Springs	200,000
CentraCare Health Foundation, St. Cloud, MN for a nurse training program	500,000
Central New York Ear, Nose & Throat Consultants, Syracuse, NY	35,000
CentraState Health Care System, Freehold, NJ	800,000
Centre Volunteers in Medicine, State College, PA to provide primary health care to the uninsured of Centre County	125,000
Charles Cole Memorial Hospital, Coudersport, PA	100,000

Charles Drew Health Center, Inc., Omaha, NE	100,000
Cherry Street Health Services, Grand Rapids, MI	230,000
Chester County Health Department, Chester County Government Services Center, West Chester, PA for abstinence education and related services	41,000
Chicago Medical School, Northern Chicago, IL	250,000
Child & Family Services, Capital Area's Angel House Project, Lansing, MI	197,000
Child Neurology Society, Saint Paul, MN to encourage health professionals to enter the practice of child neurology	25,000
Children's Health Fund of Mississippi to provide health care (both in a stationary clinic and a mobile van clinic) to underprivileged children in a rural, underserved area of the Mississippi Delta	400,000
Children's Hospital and Health Center, San Diego, CA	425,000
Children's Hospital Central California, Madera, CA	200,000
Children's Hospital Medical Center, Akron, OH	1,500,000
Children's Hospital of Philadelphia, Philadelphia, PA for equipment	500,000
Children's Hospital of Pittsburgh, Pittsburgh, PA for construction, renovation, and equipment	500,000
Children's Hospital of the King's Daughters Health System, Inc., Norfolk, VA	400,000
Children's Hospital, Columbus, OH	250,000
Children's Medical Research Institute, Pediatric Diabetes Research Program, Oklahoma City, OK	450,000
Children's Memorial Hospital and Children's Memorial Institute for Education and Research, Chicago, IL for construction, renovation, and equipment	125,000
Children's Memorial Hospital and Children's Memorial Institute for Education and Research, Chicago, IL, for a new wing	925,000
Children's Specialized Hospital, Hamilton, NJ	75,000
Children's Specialized Hospital, Mountainside, NJ	1,000,000
Children's Specialized Hospital, Mountainside, NJ, for outpatient clinic of the Children's Specialized Hospital in Fanwood, NJ	100,000
Chippewa Valley Technical College in Eau Claire, Wisconsin to renovate and expand the Health Education Center	350,000
Cincinnati Children's Hospital, Cincinnati, OH for equipment	640,000
City of Chester, Bureau of Health, SABER Project, Chester, PA for abstinence education and related services	105,000
City of El Paso, Texas, Border Health Medical Complex for construction, renovation, and equipment	250,000
City of Homestead, Florida, for the William F. "Bill" Dickinson Senior Center	375,000
City of Milwaukee Health Department, Milwaukee, WI for a pilot program providing health care services to at-risk children in day care	580,000
Clackamas County Public Health Division, Oregon City, OR, for construction and equipment	50,000
Clark State Community College, Springfield, OH	550,000
Clearwater Valley Hospital and Clinics, Inc., Orofino, ID for equipment	500,000
Cleveland Clinic Foundation, Cleveland, OH, for Minority Men's Health Center	1,000,000
Cleveland Clinic Foundation, Cleveland, OH, for Heart Center project	2,000,000
Clinton Memorial Hospital Regional Hospital, Wilmington, OH	700,000
Colby Community College, Colby, KS	250,000
Cold Spring Harbor Laboratory in New York for a Women's Cancer Genomics Center	1,000,000
Colorado State University, Fort Collins, CO	1,850,000
Commun-I-Care, Columbia, SC, to support a program that distributes prescription drugs to low income, uninsured South Carolinians	500,000
Community College of Southern Nevada, Las Vegas, NV to construct a new health sciences building	500,000
Community Free Clinic of Decatur-Morgan County, Inc., Decatur, AL	50,000
Community Health Access Project, Mansfield, OH, to expand their program to assist pregnant woman	176,000
Community Health Centers in Iowa	600,000
Community Health Centers of Colorado, Denver, CO for renovation and construction	500,000
Community Health Centers of Jefferson Parish, River Ridge, LA	100,000
Community Health Centers of Pinellas, Inc., St. Petersburg, FL	1,250,000
Community HealthCare Association of the Dakotas in Sioux Falls, South Dakota to integrate information systems of CHCs and FQHCs in the Dakotas	250,000
Community Medical Center Healthcare System, Scranton, PA for equipment	250,000
Community Memorial Hospital in Staunton, IL for construction and equipment	150,000
Community Nurses, Inc., St Marys, PA, for a telehealth project in six communities	100,000
Community Prevention Partnership of Berks County, Nurse Family Partnership Program, Reading, PA for a program to aid in healthy outcomes for pregnant low-income mothers	150,000
OCondell Medical Center, Libertyville, IL	200,000
Conemaugh Health System, Johnstown, PA for equipment	400,000
Cook Inlet Tribal Council, Inc. for construction of health care facilities for Alaska natives in the Anchorage area	4,000,000
Cooley Community Hospital, Grand Coulee, WA	250,000
Cooper Green Hospital, Birmingham, AL for equipment	200,000
Copper Queen Community Hospital, Bisbee, AZ	1,000,000
Corry Memorial Hospital, Corry, PA for equipment	200,000
County Commission of Raleigh County, West Virginia to complete the Educational Mall facility in Beckley, WV	4,000,000
Coushatta Tribe of Louisiana, Jefferson Davis Parish, Louisiana for a tribal wellness center	850,000
Crouse Hospital, Syracuse, NY	400,000
Crozer Keystone Health System, Upland, PA for ChesPenn Health Services to provide medical services to the most impoverished and medically needy	100,000
Cumberland University, Lebanon, TN for construction, renovation, and equipment	175,000
Cuyahoga Community College, Cleveland, OH	300,000
Dana-Farber Cancer Institute, Boston, MA, for the design and construction of a clinical care and research facility	575,000
Dartmouth-Hitchcock Medical Center, Lebanon, NH, for construction and equipment	1,000,000
Dauphin County Department of Human Services, Dauphin County, PA to provide mobile health clinics in Dauphin County	100,000
Deaconess Billings Clinic, Northwest Area Center for Studies on Aging, Billings, MT for a program to manage chronic illness in the rural aging population	750,000

Delaware Valley Community Health, Inc., Philadelphia, PA for construction, renovation, and equipment at the Maria de los Santos Community Health Center	100,000
Delta Dental Plan of South Dakota in Pierre, SD for equipment for a dental care mobile van	200,000
Delta Health Center, Mound Bayou, MS for construction, renovation, and equipment at the community health center in Greenville, MS	115,000
Delta State University, Cleveland, MS for the Delta Health Alliance, a multi-university partnership to address delta health problems	1,800,000
Detroit-Wayne County Health Authority of Michigan to assess regional healthcare best practices initiatives	500,000
Diakon Lutheran Social Ministries, Mechanicsburg, PA for abstinence education and related services	136,000
Diakon Lutheran Social Ministries, Topton, PA for abstinence education and related services	95,000
Domestic Violence Project, Inc., Canton, OH	390,000
Door of Hope, Madisonville, KY for abstinence education and related services	100,000
Dr. Arenia C. Mallory Community Health Center, Inc., Lexington, MS for rural women's health services	400,000
DuBois Regional Medical Center, DuBois, PA	300,000
East Tennessee Children's Hospital, Knoxville, TN	200,000
East Tennessee State University James H.Quillen College of Medicine, Johnson City, TN	500,000
Eastern Connecticut Health Network, Manchester, CT	300,000
Eastern Oregon University Rural Frontier Delivery Program for continuation and expansion of a program that provides educational sources and training for nurses who live and work in rural communities	100,000
Eastern Shore Rural Health System, Inc., Nassawadox, VA	350,000
Ed Roberts Campus in Berkeley, CA for a clinic and rehabilitation center for people with disabilities	500,000
Edgemoor Hospital, Santee, CA	500,000
Elliot Hospital, Manchester, NH	1,000,000
Englewood High School, Chicago IL, for a clinic	1,500,000
Ephrata Community Hospital, Ephrata, PA	300,000
Erie County Medical Center, Buffalo, NY for construction, renovation, and equipment	500,000
Excelsior Springs Medical Center Outpatient and Wellness Clinic, Excelsior Springs, MO	769,000
Fairbanks Community Clinic, Fairbanks, AK	650,000
Fairbanks Memorial Hospital, Fairbanks, AK for construction and equipment	1,200,000
Fairview Health System, Minneapolis, MN for an electronic medical record system	100,000
Family Health Council, Inc., Seneca, PA	100,000
Florida A&M University for a Center for Community Health	800,000
Florida Cancer Research Cooperative, University of South Florida, Tampa, FL	500,000
Florida Emergency Medicine Foundation, Orange County, FL	100,000
Florida Hospital College of Health Sciences, Orlando, FL	100,000
Forbes Regional Hospital, Monroeville, PA	500,000
Foundation for eHealth Initiative, Washington, DC	3,000,000
Fox Chase Cancer Center and The University of Maryland Greenebaum Cancer Center for the American Russian Cancer Alliance to establish a long term collaborative program for research, clinical activities and education	650,000
Fox Chase Cancer Center, Philadelphia, PA for construction, renovation, and equipment	750,000
Franklin and Marshall College, Lancaster, PA for construction, renovation, and equipment	400,000
Franklin County Memorial Hospital, Meadville, MS	250,000
Free Clinic of Doylestown, PA	200,000
Free Clinic of Owensboro, Owensboro, KY for healthcare services in rural areas	100,000
Free Clinics of Iowa in Des Moines to support a network of free clinics	100,000
Gateway Healthcare, Inc, Pawtucket, RI for construction, renovation, and equipment	100,000
Geer Woods, Inc., Canaan, CT	700,000
Geisinger Health System, Danville, PA, for the catheterization lab at the Geisinger Wyoming Valley Heart Hospital	500,000
Geisinger Health System, Danville, PA, to construct the Center for Health Research	1,000,000
George Mason University Krasnow Institute, Fairfax, VA	225,000
George Washington Carver Community Center, Project A.C.E., Norristown, PA for abstinence education and related services	86,000
Georgia Infirmary, Inc., Savannah, GA	50,000
Georgia Southern University, Statesboro, GA, for rural nursing and nursing education outreach programs	275,000
Georgia State University, Atlanta GA	150,000
Gilda's Club Northern New Jersey, Hackensack, NJ	500,000
Glens Falls Hospital, Glens Falls, NY	600,000
Good Samaritan Health Systems, Kearney, NE for the Mid-Nebraska Telemedicine Network	350,000
Good Samaritan Hospital, Cardiac Catheterization Laboratory, Lebanon, PA for construction, renovation, and equipment	250,000
Good Shepherd Hospital, Allentown, PA for construction, renovation, and equipment	250,000
Goodwin Community Health Center, Brunswick, GA, for the Coastal Medical Access Project	300,000
Graduate Education and Applied Research Foundation in Sioux Falls, South Dakota to construct the Center for Graduate Education and Applied Research	2,000,000
Great Mines Health Center, Potosi, MO to expand health services in the community	250,000
Green River Medical Center, Green River, UT for construction, renovation, and equipment	50,000
Greenville Hospital System, Greenville, SC to improve critical care in rural areas through e-ICU/Telemedicine technology	500,000
Grossmont Hospital Foundation, La Mesa, CA	750,000
Guidance Center, project RAPPORT, Ridgway, PA for abstinence education and related services	74,000
Gulf Coast Jewish Family Services, Inc., Clearwater, FL	500,000
H. Lee Moffitt Cancer Center & Research Institute, Tampa, FL	3,000,000
Hackensack University Medical Center, Hackensack, NJ	100,000
Hackettstown Community Hospital, Hackettstown, NJ	200,000
Hand County Memorial Hospital in Miller, South Dakota for renovation and equipment	50,000
Harris Regional Hospital, Sylva, NC	250,000
Hawaii Primary Care Association to educate community health centers in utilizing telehealth equipment	400,000

Heart Beat, Millerstown, PA for abstinence education and related services	51,000
Helping Hands Health Clinic, Elkton, KY for healthcare services in rural areas	100,000
Hi-Desert Medical Center, Joshua Tree, CA	750,000
Hillcrest Health System, Tulsa, OK for inner city clinic	570,000
Hillsdale Community Health Center, Hillsdale, MI	58,000
Holmes County Board of Supervisors for construction of the Robert G. Clark Health Complex, Lexington, MS	400,000
Holy Cross Hospital, Ft. Lauderdale, FL	300,000
Holy Name Hospital in Teaneck, NJ for an Emergency Room	300,000
Holy Redeemer Health System, Philadelphia, PA for construction, renovation, and equipment	100,000
Hope Hospice for Southwest Florida, Ft. Myers, FL	600,000
Hopewell Therapeutic Farm Community, Mesopotamia, OH	390,000
Horn Memorial Hospital, Ida Grove, IA	200,000
Hospice and Palliative Care, Inc., New Hartford, NY	40,000
Hudson Headwaters Health Network, Glen Falls, NY	200,000
Hunterdon County Medical Center, Flemington, NJ	300,000
Huntsville Hospital, Huntsville, AL	400,000
Hutcheson Medical Center, Inc., Ringgold, GA	500,000
Idaho Commission on Nursing and Nursing Education, Idaho Falls, ID, to initiate the Nursing Leadership and Workforce Network project	250,000
Idaho State University, Pocatello, ID for the Idaho Telehealth Integrated Care Center	1,500,000
Inland NW Health System in Spokane, WA, to provide online telepharmacy services to rural hospitals and clinics	750,000
Inova Health System, Falls Church, VA, for the Claude Moore Health Education Center	450,000
Institute for Cancer Prevention in New York, NY for facility improvements and equipment	3,000,000
Integris Baptist Regional Health Center, Women's Center, Miami, OK for construction and equipment	400,000
INTEGRIS Canadian Valley Regional Hospital, Yukon, OK	600,000
INTEGRIS Health, Oklahoma City, OK for the Rural Oklahoma Telemedicine Expansion program	75,000
Iowa Caregivers Association for training and support of certified nurse assistants	100,000
Iowa Department of Public Health to continue the Center for Healthcare Workforce Shortages	775,000
J. Joseph Moakley Medical Services Building, Boston Medical Center, Boston, Massachusetts	800,000
Jackson Health System, Miami, FL, for the Center for Patient Safety	125,000
Jackson State University, Jackson, MS to develop a Southern Institute for mental health research and training	1,000,000
James Whitcombe Riley Hospital for Children, Indianapolis, IN	200,000
Jefferson Comprehensive Health Center, Fayette, MS for construction and equipment	115,000
Joel Pomerene Hospital, Millersburg, OH	750,000
Jordan Valley Community Health Center, Springfield, MO	315,000
Jordan Valley Community Health Center, Springfield, MO to expand health services in the community	200,000
Kansas State University, Manhattan, KS, for equipment	500,000
Kauai Community Health Center in Hawaii to set up a satellite clinic	50,000
Kaweah Delta Health Care District, Visalia, CA	500,000
Kent County Visiting Nurses Association (VNA Care New England), Warwick, RI, to provide laptop computers for home health nurses	100,000
Kentucky Communities Economic Opportunity Council, Inc., Barbourville, KY	225,000
Keystone Central School District, Central Mountain Middle School East, Mill Hall, PA for abstinence education and related services	79,000
Keystone Economic Development Corporation, Johnstown, PA for abstinence education and related services	88,000
Keystone Health Center, Chambersburg, PA	100,000
KidsPeace Children's Hospital, Orefield, PA	300,000
KidsPeace of Georgia, Orefield, PA	500,000
Klamath Health Partnership, Klamath Falls, OR for construction, renovation, and equipment	50,000
Knox Community Hospital, Mt. Vernon, OH	800,000
Knox County Senior Citizen's Home Assistance Service Broadway Center, Knoxville, TN	200,000
Kuakini Hospital Research Facility for renovation and expansion	50,000
L.V.C.P.T.P., St. Luke's Health Network, CHOICE program, Bethlehem, PA for abstinence education and related services	92,000
La Crosse Medical Health Science Consortium, La Crosse, WI to expand the Virtual Health Center program to additional counties in Wisconsin	275,000
Lackawanna College, Scranton, PA, for construction, renovation and equipment	350,000
Lackawanna Trail School District, Factoryville, PA for abstinence education and related services	74,000
Lake Erie College of Osteopathic Medicine, Erie, PA	434,000
Lake Erie Research Institute, Inc., Girard, PA for equipment	25,000
Lancaster General Women & Babies Hospital, Lancaster, PA for equipment	250,000
Landmark Medical Center, Woonsocket, RI for construction, renovation, equipment	600,000
Lane County Public Health Facilities will use the funds to expand and enhance its public health facilities to better respond to public health crises including acts of bioterrorism	75,000
Langlade Memorial Hospital in Antigo, Wisconsin for a four-county dental project	300,000
Langston University, Langston, OK	300,000
Lapeer Regional Hospital, Lapeer, MI	15,000
LaSalle University, Philadelphia PA for abstinence education and related services	112,000
Lawrence General Hospital, Lawrence, MA, for emergency and surgical department expansion	100,000
Le Bonheur Children's Medical Center, Memphis, TN for a pediatric mobile unit—CHAMPS	1,200,000
Lehigh Valley Hospital, Allentown, PA for construction, renovation, and equipment	750,000
Life Enrichment Center, Shelby, NC, for Kings Mountain Center	50,000
Life with Cancer-Inova Fairfax Hospital, Falls Church, VA	500,000
Little Flower Free Clinic, Hazard, KY for healthcare services in rural areas	100,000
Lodi Community Hospital, Lodi, OH	2,000,000
Louisiana State University Health Sciences Center in Shreveport to expand its clinical initiatives that focus on the Brain Institute of the South	500,000

Louisiana State University Health Sciences Center, Baton Rouge, LA, for a Diabetes Foot Program	72,000
Louisiana State University Health Sciences Center, New Orleans, LA, to continue and expand the development of the Center for Acadiana Genetics and Hereditary Health Care	600,000
Louisiana State University Health Sciences Center, Shreveport, LA, for the Emergency Care Center	250,000
Lourdes Hospital, Paducah, KY for emergency department renovations and equipment	500,000
Loyola University Medical Center, Maywood, IL for construction and equipment	100,000
Lycoming County Crippled Children's Society, Inc., Williamsport, PA	50,000
Womens Madison County Memorial Hospital, Madison, FL	250,000
Magee Women's Hospital of Pittsburgh, PA for construction, renovation, and equipment	1,000,000
Malone College, Canton, OH	1,000,000
Marceline Economic Development Committee, Marceline, MO to expand health services in the community	200,000
Marcus Institute, Atlanta, GA	750,000
Margaretville Memorial Hospital, Margaretville, NY	200,000
Maria de los Santos Community Health Center, Philadelphia, PA for construction, renovation and equipment	100,000
Marianjoy Rehabilitation Hospital, Wheaton, IL	1,000,000
Mario Lemieux Foundation, Pittsburgh, PA for construction, renovation, equipment of hospital emergency rooms for children	200,000
Marion Regional Medical Center-Hamilton Hospital, Hamilton, AL	300,000
Marquette University School of Dentistry, Milwaukee, WI to provide dental care in underserved rural communities through mobile dental clinics	350,000
Marshall University in West Virginia	11,500,000
Mary Bird Perkins Cancer Center, Baton Rouge, LA	71,000
Masonic Medical Research Laboratory, Utica, NY	800,000
Maui Community Health Center to expand the community health center	350,000
McAuley Clinic, Owensboro, KY for health services in rural areas	100,000
Medical College of Georgia, Cancer Research Center, Augusta, GA	1,275,000
Medical College of Wisconsin, Milwaukee, WI	1,500,000
Medical University of South Carolina Oncology Center in Charleston, SC for-facility improvements and equipment	4,000,000
Medina Health Ministry, Medina, OH	34,000
Medina Works, Medina, OH	130,000
Meeting Street National Center of Excellence, South Providence, RI	100,000
Memorial Health University Medical Center, Savannah, GA	1,300,000
Memorial Hermann Healthcare System, Houston, TX	2,000,000
Memorial Hospital, Inc., Towanda, PA	200,000
Memorial Medical Center Foundation in Las Cruces, New Mexico for a mobile health clinic for the New Mexico Children's Health Project	150,000
Memorial Medical Center, Springfield, IL	550,000
Memphis Biotech Foundation, Memphis, TN for construction, renovation, and equipment	4,000,000
Mercy Foundation, Midwest Rural Telemedicine Consortium, Des Moines, IA	650,000
Mercy Health Foundation, Durango, CO for equipment	50,000
Mercy Health Partners, Scranton, PA to provide computerized access to clinical information at the point of care, and to implement a computerized physician order entry system that will make medication and other medical orders more accessible	150,000
Mercy Hospital of Pittsburgh, Pittsburgh, PA for abstinence education and related services	111,000
Mercy Hospital, Cadillac, MI	225,000
Mercy Medical Center, Canton, OH	1,000,000
Mercy Medical Center, Des Moines, IA	800,000
Mercy Medical Center, Renal Dialysis, Durango, CO for construction and equipment	500,000
Mercy Medical Center, Springfield, MA, for upgrades to intensive and critical care units and procurement of medical equipment	425,000
Methodist Hospital, Houston, TX	750,000
Methodist Hospital, Henderson, KY for healthcare services for underserved children	100,000
Miami Children's Hospital, Miami, FL, for the Pediatric Brain Tumor and Neurological Disease Institute	167,000
Michigan Research Institute, Ann Arbor, MI, for research and development of medical technologies	400,000
Middle Tennessee State University, Murfreesboro, TN for construction, renovation, and equipment	1,000,000
MidMichigan Medical Center-Midland, MI	100,000
Midtown Community Health Center, Weber County, UT for construction, renovation, and equipment	150,000
Midwestern University, Chicago College of Pharmacy, Downers Grove, IL	200,000
Miller's Children's Hospital, Long Beach, CA	250,000
Milwaukee Area Technical College, Milwaukee, WI for construction and equipment purchases for two satellite campus nurse training program	200,000
Mississippi Band of Choctaw Indians, Choctaw, MS for planning, construction, and renovation of the Mississippi Band of Choctaw's Health Care Center	600,000
Mississippi Blood Services, Jackson, MS for equipment	65,000
Mississippi Primary Health Care Association, Jackson, MS to develop partnerships among rural health care providers to plan for and improve rural health care infrastructure	140,000
Missouri Baptist Hospital, Sullivan, MO for renovation and equipment	31,000
Mobile Health Command, Toledo, OH to purchase and equip a specialized emergency health vehicle	100,000
Modoc Indian Health Project, Alturas, CA, for the Modoc Medical Center and Surprise Valley District Hospital	200,000
Mon Valley Hospital, Monongahela, PA for construction, renovation, and equipment	250,000
Montefiore Medical Center, Clinical Information System, Bronx, NY for equipment	100,000
Moorefield Wellness Project, Petersburg, WV, for health care assistance to Viral population	129,000
Moran Eye Center, Salt Lake City, UT for construction, renovation and equipment	150,000
Morehouse School of Medicine, Atlanta, GA for construction and renovation	75,000
Moses Taylor Hospital in Scranton, PA for construction, renovation, and equipment	300,000

Motion Picture and Television Fund (MPTF), Washington, D.C. for construction, renovation and equipment of a health care complex with emphasis on geriatric research	900,000
Mount Sinai Medical Center, New York, NY for equipment	100,000
Mountain Area Hospice, Asheville, NC	750,000
Mountaineer Community Health and Senior Center, Berkeley Springs, WV	175,000
Mountaintop Area Medical Center, Snow Shoe, PA	150,000
Mt. San Jacinto College, Menifee Valley Campus, Menifee, CA	100,000
Multi Dimensional Imaging, Inc., Newport Beach, CA for equipment	500,000
Murphy Medical Center, Inc., Murphy, NC	1,000,000
National Jewish Medical and Research Center, Denver, CO	800,000
National Nursing Centers Consortium, Philadelphia, PA to conduct a demonstration project to standardize services in nurse managed health and wellness centers	100,000
Navajo Health Foundation/Sage Memorial Hospital, Ganado, AZ	500,000
Nazareth Hospital, Center for Stroke Treatment and Prevention, Philadelphia, PA for construction, renovation, and equipment	250,000
Neighborhood United Against Drugs, Philadelphia, PA for abstinence education and related services	136,000
Nesbitt Memorial Medical Center, Kingston, PA to fund the Behavioral Health Services D/B/A Family Enhancement Center that would provide registered nurses and an administrator	50,000
Neumann College, Aston, PA, for construction, renovation, and equipment	50,000
Nevada Cancer Institute, Las Vegas, NV for construction, renovation, and equipment	350,000
Nevada Rural Health Partners, Reno, NV, in consultation with NV Institute of Research & Technology, to expand and improve rural telemedicine	500,000
New Brighton School District, New Brighton, PA for abstinence education and related services	23,000
New York Academy of Medicine, New York, NY for construction, renovation, and equipment	100,000
New York College of Medicine, New York, New York for construction, renovation, and equipment	100,000
New York University Medical Center for construction of a vaccine lab	100,000
Niagara Falls Memorial Hospital to construct an Emergency and Cardiac Center	100,000
North Idaho Rural Health Consortium (NIRHC) for a distance healthcare access program	650,000
North Philadelphia Health System, Philadelphia, PA for equipment	100,000
Northeast Health, Rockland, ME for construction, renovation, and equipment	150,000
Northeast Mississippi Health Care, Inc., Byhalia, MS	240,000
Northeast Wisconsin Technical College, Green Bay, WI for equipment for new dental lab	200,000
Northeastern Ohio Universities College of Medicine (NEOUCOM), Rootstown, OH	500,000
Northern Duchess Hospital, Rhineback, NY, for building renovations	400,000
Northern Illinois University Center for the Study of Family Violence and Sexual Assault, DeKalb, IL	750,000
Northern Illinois University, Family Health Wellness & Literacy Center, DeKalb, IL	3,000,000
Northern Illinois University, NIU Institute for Neutron Therapy at Fermi Lab, DeKalb, IL	900,000
Northwest College, Mark and Huldah Buntain School of Nursing, Kirkland, WA	250,000
Northwest Pennsylvania Optical Clinic, Erie, PA to establish clinics and train volunteer staff to provide eyeglasses to poor and indigent individuals	50,000
Northwestern Memorial Hospital, Chicago, IL	350,000
Northwestern University, Center for Genomics and Molecular Medicine, Evanston, IL	725,000
Norton Healthcare for Kosair Children's Hospital, Louisville, KY	700,000
Norwalk Health System, Norwalk, CT	200,000
Nueva Esperanza, Philadelphia, PA for abstinence education and related services	72,000
Nursing Institute of West Central Ohio, Wright State University, Dayton, OH	525,000
Nye County, Nevada, Ambulances for emergency health care in rural areas	100,000
Oakwood Healthcare System, Dearborn, MI	500,000
Ochoco Community Clinic, Prineville, OR, for construction and equipment	50,000
Office of the Advocate for Patients of Puerto Rico, to acquire mobile offices and telecommunications equipment	400,000
Ohio Board of Regents, Columbus, OH to connect Ohio's children's hospitals and select community hospitals with Ohio's academic medical centers via the Third Frontier Network	3,400,000
Ohio State University, College of Medicine & Public Health, Columbus, OH	1,350,000
Ohio State University, Ohio Agricultural Research and Development Center, Wooster, OH	1,000,000
Ohio Super Computing Center (OSC), Columbus, OH	350,000
Ohio University, Athens, OH	250,000
Oklahoma Medical Research Foundation, Oklahoma City, Oklahoma, for the Native American Genetics Initiative	500,000
Oklahoma State University Rural Health Policy and Research Center, Stillwater, OK	280,000
Oregon Community Health Information Network, Portland, OR, for construction, renovation, and equipment at Community Health Centers	50,000
Orthopaedic Hospital of Los Angeles	1,000,000
OSF Saint James-John W. Albrecht Medical Center, Pontiac, IL	350,000
Palliative Care Center and Hospice of the North Shore, Evanston, IL	300,000
Paradise Valley Hospital, National City, CA	100,000
Partners for Healthier Tomorrows, Ephrata, PA for abstinence education and related services	50,000
Partners in Family and Community Development, Athens, PA for abstinence education and related services	72,000
Penn State, Milton S. Hershey Medical Center, Division of Gastroenterology & Hepatology, Hershey, PA for renovation and equipment	975,000
Penn State, Milton S. Hershey Medical Center Division of Gastroenterology and Hepatology for gastroparesis	25,000
Pennsylvania College of Optometry, Elkins Park, PA to provide equipment and program costs associated with developing a network of satellite optometric centers to meet the eye and vision care needs of urban under underserved and high-risk populations	100,000

Pennsylvania Home Care Association, Lemoyne, PA to investigate the impact of telehealth on the overall cost of patient health care	250,000
Peoples Health Center, Inc., Lincoln NE	700,000
People's Health Centers, Inc. St. Louis, MO for construction, renovation, and equipment	400,000
Perseus House, Inc., Erie, PA for abstinence education and related services	50,000
Philadelphia College of Osteopathic Medicine (PCO M), Philadelphia, PA to provide health outreach to the residents of Sullivan County and rural medicine education	350,000
Philipsburg Hospital, Philipsburg, PA	250,000
Phoebe Putney Memorial Hospital, Albany, GA for construction	75,000
Pike Market Medical Center in Seattle, WA, to enable the necessary tenant improvements required to serve numerous patients	500,000
Pines of Peace, Inc., Ontario, NY	15,000
Placer County, Auburn, CA	750,000
Plumas County Seniors Nutrition Program, Plumas, CA	250,000
Policy Institute for Integrative Medicine, Philadelphia, PA for equipment	50,000
Polk County 911 Dispatch Center, Bolivar, MO	250,000
Polk County, FL	500,000
Pondera Medical Center, Conrad, MT for construction, renovation, and equipment	500,000
Port Huron Hospital, Port Huron, MI	400,000
Portneuf Medical Center, Pocatello, ID, for Center for Cardiac and Vascular Services	700,000
Potter County Human Services, Roulette, PA for abstinence education and related services	50,000
Prentiss Regional Hospital, Prentiss, MS	200,000
Presbyterian Home, New Hartford, NY	200,000
Presbyterian Medical Services, Carlsbad, NM	1,500,000
Preventive Medicine Research Institute, Sausalito, CA	150,000
Prince George's County Community Health Center, to create community based health clinics in targeted communities	200,000
Proctor Hospital, Peoria IL	550,000
Project Reality, Glenview, IL for abstinence education and related services	50,000
Provena Health Systems, Mokena, IL	2,170,000
Provena Mercy Center, Aurora, IL	4,000,000
Providence Community Health Centers, Providence, RI for construction, renovation, and equipment	100,000
Public/Private Ventures, Philadelphia, PA for Nurse-Family Partnership sites in Reading, Luzerne and Erie	150,000
Rainbow Babies & Children's Hospital, Cleveland, OH for equipment	900,000
Rape and Victim Assistance Center of Schuykill County, Pottsville, PA for abstinence education and related services	71,000
Real Commitment, Gettysburg, PA for abstinence education and related services	82,000
Red Wing Medical Center, Red Wing, MN	600,000
Regional Health Care Clinic Inc., Sedalia, MO to expand health services in the community	300,000
Rice University, Houston, TX	1,250,000
River Hospital, Alexandria Bay, NY	300,000
Riverside Community College District, Riverside, CA	134,000
Rocking Horse Children's Health Center, Springfield, OH for construction	450,000
Rosebud Sioux Tribe in Rosebud, South Dakota for rural ambulance service operations	250,000
Rural Health Association, La Grande Urgent Care/Family Practice Clinic, Grande, OR for construction and equipment	50,000
Rural Wisconsin Health Cooperative, Sauk City, WI to expand telehealth activities for clinics and hospitals in rural Wisconsin	115,000
Rush University Medical Center, Chicago, IL	300,000
Rush-Copley Medical Center, Aurora, IL	1,000,000
Rutgers University Genetics Building	1,000,000
Sacred Heart Hospital, Allentown, PA for construction, renovation, and equipment	750,000
Sacred Heart Medical Center Foundation, Spokane, WA	500,000
Saginaw Chippewa Tribe of Michigan for the Victims of Crime program	750,000
Saint Elizabeth Health Center, Youngstown, OH for construction, renovation, and equipment	400,000
Saint Francis Hospital, Poughkeepsie, NY	350,000
Saint Joseph Medical Center, Reading, PA for construction, renovation, and equipment	750,000
Samuel U. Rodgers Community Health Center, Kansas City, MO for construction, renovation and equipment	500,000
San Joaquin Community Hospital, Bakersfield, CA	250,000
San Miguel County, Public Health Building, Las Vegas, NM for construction	750,000
San Ysidro Health Center in California	335,000
Sarah D. Culbertson Memorial Hospital in Rushville, IL	200,000
School District of Lancaster, Project IMPACT, Lancaster, PA for abstinence education and related services	101,000
School District of Philadelphia, Philadelphia, PA for abstinence education and related services	102,000
Sciperio, Stillwater, OK	100,000
Scottsdale Healthcare Trauma Center, Scottsdale, AZ	500,000
Seton Hall University, Life Science and Technology Center, South Orange, NJ	150,000
Shamokin Area Community Hospital, Coal Township, PA	300,000
Shands Jacksonville Hospital, Jacksonville, FL	1,000,000
Shepherd's Maternity House Inc., East Stroudsburg, PA for abstinence education and related services	50,000
Sickle Cell Association of Kentuckiana, University of Louisville, Louisville, KY	20,000
Silver Ring Thing, Sewickley, PA for abstinence education and related services	400,000
Sinai Hospital, Baltimore, MD, renovate the hospital maternity facility	200,000
Somerset Medical Center, Somerville, NJ, for cancer center	500,000
Somerset Medical Center, Somerville, NJ, for emergency department	500,000
South Shore Hospital, South Weymouth, MA for emergency department expansion and renovations	150,000
Southeast Community College, Cumberland, KY	750,000
Southern Illinois University, School of Medicine, Springfield, IL	150,000
Springfield Regional Medical Center, Springfield, OH	475,000
St. Alphonsus Regional Medical Center, Boise ID for the St. Benedicte's Family Medical Center, Jerome, ID	500,000
St. Anthony Hospital, Oklahoma City, OK, for construction, renovation, equipment	75,000
St. Anthony's Health Care Foundation, St. Petersburg, FL	2,500,000
St. Anthony's Medical Center, St. Louis, MO	350,000
St. Clair County Senior Citizens Center, Ragland, AL	75,000

St. James-Santee Family Health Center, Inc., McClellanville, SC	200,000
St. Joseph College of Nursing & Allied Health, University of St. Francis, Joliet, IL	150,000
St. Joseph Hospital, Nashua, NH	1,500,000
St. Joseph Regional Health Network, Reading, PA	200,000
St. Jude Children's Research Hospital, Memphis, TN for equipment	400,000
St. Louis University, Biodefense Research Facility, St. Louis, MO for construction, renovation, and equipment	800,000
St. Luke Community Clinic, Front Royal, VA	100,000
St. Luke's Cornwall Hospital, Newburgh, NY	150,000
St. Luke's Hospital, Allentown, PA for construction, renovation, and equipment	800,000
St. Luke's Hospital, Houston, TX for equipment	750,000
St. Luke's Regional Medical Center, Ltd., Boise, ID	250,000
St. Mary Medical Center in California for minority cancer early detection and treatment program	100,000
St. Mary-Corwin Medical Center, Pueblo, CO for equipment	200,000
St. Mary's Hospital in Connecticut for renovation of emergency room facilities	300,000
St. Mary's Medical Center in Huntington, West Virginia, to expand public access to automated external defibrillators in Cabell, Lincoln and Wayne counties	360,000
St. Mary's Medical Center of Campbell County, TN for construction, renovation, and equipment	500,000
St. Nicholas Family Free Clinic, Paducah, KY for healthcare services in rural areas	100,000
St. Petersburg College, St. Petersburg, FL, for dental, prosthetics and orthotics programs	2,000,000
St. Vincent Healthcare Foundation, Billings, MT for construction and equipment	500,000
STAT MedEvac, West Mifflan, PA	1,000,000
Staywell Healthcare, Inc., Waterbury, CT	200,000
StemCyte Research Institute, Arcadia, CA	1,000,000
Stewart-Marchman Center, Inc., Bunnell, FL	100,000
Stoughton Hospital Foundation in Stoughton, Wisconsin for defibrillators	30,000
Summa Health System, Akron, OH	950,000
Susquehanna Health System, Williamsport, PA for upgrades to the clinical medical record system	500,000
Targeted Abstinence Project—McCap, Kansas City, KS for abstinence education and related services	200,000
Tehachapi Hospital, Tehachapi Valley Healthcare District, Tehachapi, CA	500,000
Tennessee Technological University School of Nursing, Cookeville, TN for construction, renovation, and equipment	500,000
Texas A & M University, College Station, TX for the Rural Community Health Institute	250,000
Texas Southern University, College of Pharmacy and Health Sciences, Houston, TX, for the establishment of a health professions program	100,000
Texas Tech University Health Sciences Center, Lubbock, TX, to establish a Center for education, research and clinical services in cardiovascular disease and stroke	375,000
The Children's Health Fund, New York, New York, to improve access to health care for underserved children in Pennsylvania	200,000
Thomas Jefferson University Hospital, Philadelphia, PA	1,000,000
Titusville Area Hospital, Titusville, PA, for HealthWorks Bradford	200,000
To Our Children's Future with Health, Inc., Philadelphia, PA for abstinence on education and related services	109,000
Toledo Children's Hospital, Toledo, OH for equipment	364,000
Town of Bassfield, MS for construction and equipment of a dental clinic	110,000
Translational Genomics Research Institute, Phoenix, AZ	1,400,000
Transylvania Community Hospital, Brevard, NC	1,000,000
Tri County Women's Network, New Carlisle, OH	200,000
Tuscarora Intermediate Unit, McVeytown, PA for abstinence education and related services	84,000
Tyler Memorial Hospital, Tunkhannock, PA	400,000
Underwood and Lee Clinic, Louisville, KY	9,000
United Medical Center, Cheyenne, WY	250,000
University at Buffalo, State University of New York, Buffalo, NY	1,000,000
University of Akron, Medina County University Center, Akron, OH	750,000
University of Alabama at Birmingham, for construction of the Interdisciplinary Biomedical Sciences Research Building	12,500,000
University of Alaska at Anchorage for recruitment and retention of Alaska Natives in nursing	425,000
University of Alaska at Fairbanks for the development of research and evaluation agendas for health care delivery in Alaska	1,000,000
University of Alaska Fairbanks INPSYCH program to train Alaska Natives for careers in psychology	400,000
University of California, Irvine Health System, Orange, CA	450,000
University of California, Irvine, Irvine, CA	400,000
University of California, San Diego Medical Center, San Diego, CA	150,000
University of Charleston in Charleston, WV for a School of Pharmacy facility	4,300,000
University of Chicago Hospitals, Chicago, Illinois for construction, renovation, and equipment	125,000
University of Cincinnati Medical Center, Cincinnati, OH	1,875,000
University of Florida Dental Network for Distance Learning and Tele-Dentistry, Gainesville, FL	1,500,000
University of Hawaii at Hilo for the School of Pharmacy Program	700,000
University of Illinois, College of Medicine, Rockford, IL	400,000
University of Kansas Medical Research Institute, Kansas City, KS for equipment	100,000
University of Kansas, Lawrence, KS, Biomedical Sciences Resource Group, or equipment	2,000,000
University of Kansas, Lawrence, KS, for equipment	500,000
University of Kentucky, Lexington, KY, for equipment	1,000,000
University of Louisville, Research Foundation, Louisville, KY, Center for Cancer Nursing Education and Research	300,000
University of Louisville, Science and Technology Research Center, Louisville, KY for construction and equipment	6,100,000
University of Massachusetts Memorial Hospital for the Picture Archiving and Communication System	850,000
University of Massachusetts, Amherst, MA, for the construction of an integrative life sciences facility	300,000
University of Minnesota, Minneapolis, MN	700,000
University of Mississippi Medical Center, Biomedical Imaging Institute, Jackson, MS for construction and equipment	4,000,000

University of Mississippi Medical Center, Jackson, MS	3,000,000
University of Mississippi, Oxford, MS for planning and construction	1,810,000
University of Missouri-Kansas City, Cardiovascular Proteomics Center, Kansas City, MO for construction, renovation, and equipment	1,700,000
University of Nebraska Medical Center, Great Plains Oral Health program to recruit, train, and retain oral health providers	250,000
University of Nevada-Las Vegas School of Dental Medicine for the purchase of dental equipment	1,000,000
University of Nevada-Las Vegas, to construct biotechnology training labs	300,000
University of Nevada-Reno, for a biomedical imaging laboratory at the University of Nevada School of Medicine in Reno	1,000,000
University of New Mexico, Albuquerque, NM for construction, renovation, and equipment	4,300,000
University of North Dakota School of Medicine and Health Sciences to continue rural health research at the Center for Rural Health and Medicine in Grand Forks, ND	1,000,000
University of North Dakota, School of Medicine and Health Sciences	1,000,000
University of Northern Colorado, Rocky Mountain Cancer Rehabilitation Institute, Greeley, CO for construction and equipment	100,000
University of Oklahoma Health Sciences Center, Oklahoma City, OK, for a biomedical research center	300,000
University of Oklahoma-Tulsa, Tulsa, OK	350,000
University of Oklahoma-Tulsa, Tulsa, OK for construction and equipment of a Research and Medical Clinic	500,000
University of Pennsylvania School of Dental Medicine, Philadelphia, PA for its minority outreach oral health initiative	200,000
University of Pennsylvania, Philadelphia, PA for construction, renovation, equipment	1,000,000
University of Pittsburgh at Bradford, Bradford, PA	200,000
University of Pittsburgh Medical Center, Pittsburgh, PA, for Northwest Hospital	100,000
University of Pittsburgh, Pittsburgh, PA for construction, renovation, and equipment	1,000,000
University of Rochester Medical Center, Rochester, NY	1,000,000
University of South Alabama, Mobile, AL for the Gulf Coast Cancer Center and Research Institute	3,500,000
University of South Alabama, Mobile, AL for the Office of Emerging Health Technologies to provide telemedicine services to rural areas in Alabama	150,000
University of South Alabama, Mobile, AL for the Southwest Alabama Network for Education and Telemedicine	175,000
University of South Carolina Spartanburg Health Education Center, Spartanburg, SC	200,000
University of South Dakota School of Medicine in Vermillion, SD for construction	900,000
University of South Florida Center for Biological Defense, Tampa, FL	2,500,000
University of South Florida Health Science Center, Tampa, FL	1,000,000
University of South Florida, Sarasota/Manatee Campus, Sarasota, FL, for the Center for Advanced Health Practices and Policy Formation	700,000
University of Tennessee Graduate School of Computational Engineering, Chattanooga, Tennessee, for SimCenter project to perform simulations to study ocean/atmospheric issues associated with global climate	1,000,000
University of Tennessee Health System, Knoxville, TN	100,000
University of Tennessee High Risk Newborn Services Center, Knoxville, TN for construction, renovation, and equipment	750,000
University of Texas at Austin for equipment	400,000
University of Texas Health Science Center, San Antonio, TX for equipment	500,000
University of Texas M.D. Anderson Cancer Center, Houston, TX	2,000,000
University of Texas Medical Branch, Galveston, TX for equipment	400,000
University of Texas Southwestern Medical Center at Dallas, Dallas, TX, for multiple sclerosis training center	950,000
University of Texas, Southwestern Medical Center at Dallas, Center for Brain Cognition and Behavior for equipment	500,000
University of Texas, Southwestern Medical Center at Dallas, for the Comprehensive Stroke Center	700,000
University of Utah Telemedicine Outreach Program to develop a comprehensive suite of teleheath services in Utah and Intermountain West	500,000
University of Vermont in Burlington, VT for a pediatric telemedicine project	150,000
University of Vermont in Burlington, VT to continue and expand the Office of Nursing Workforce program	400,000
University of Virginia Office for Telemedicine, University of Virginia Health System, Charlottesville, VA	180,000
University of Washington to construct a life-sciences building	1,000,000
Urban Family Council, Philadelphia, PA for abstinence education and related services	126,000
Ursuline Sisters HIV/AIDS Ministry, Youngstown, OH, to expand their health care and counseling services	50,000
Valley Healthcare System, Inc., Columbus, GA	500,000
Van Andel Research Institute, Grand Rapids, MI for a good manufacturing practices facility	470,000
Vanderbilt Children's Hospital, Nashville, TN for construction, renovation, and equipment	200,000
Venango Economic Development Corporation, Oil City, PA	400,000
Vermont Technical Colleges, Chittenden, VT, to facilitate the retention and transfer of a dental hygienist training program from the University of Vermont	750,000
ViaHealth of Wayne-Newark-Wayne Community Hospital, Newark, NY	200,000
Victim Resource Center Inc., Franklin, PA for abstinence education and related services	41,000
Victory Memorial Hospital, Brooklyn, NY	100,000
Virginia Center for Health Outreach, Harrisonburg, VA	590,000
Visiting Nurse Association of Fox Valley, Aurora, IL	550,000
Vitality Center Community Service Agency in Elko, NV for the construction of a new facility to combine all programs and services under one roof	250,000
Waianae Coast Comprehensive Health Center for leadership training activities	50,000
Waimanalo Community Health Center to expand screening to allow for a unique focus on American Samoan health care needs	200,000

Wake Forest University School of Medicine, Winston-Salem, NC	250,000
Walsh University, Canton, OH, for a Community Wellness Education Center	500,000
Walsh University, Canton, OH, for a Natural Sciences and Bioinfomatics Center	500,000
Washington College, Chestertown, MD	500,000
Washington Health Foundation, Seattle, WA	100,000
Washington Hospital Teen Outreach, Academy for Adolescent Health, Washington, PA for abstinence education and related services	136,000
Wayne Memorial Hospital, Honesdale, PA	300,000
Wenatchee Valley Clinic in Washington State for equipment	250,000
Wenatchee Valley Medical Center, Wenatchee, WA	500,000
Wesley College, Dover, DE	200,000
West Penn Allegheny Health System, Pittsburgh, PA	250,000
West Virginia University for a Clinical Teaching Center at the Charleston Area Medical Center	5,000,000
Western Kentucky University, Bowling Green, KY, for the Mobile Health Screening Program	500,000
Western Kentucky University, Bowling Green, KY, Hispanic Resource Center for health outreach services to the area's Hispanic population	700,000
Western Michigan University, College of Health and Human Services, Kalamazoo, MI, to deploy wireless technology in health care	500,000
Wills Eye Hospital, Philadelphia, PA to provide eye care to underserved populations	1,000,000
Windham Community Memorial Hospital, Willimantic, CT	200,000
Wistar Institute, Philadelphia, PA for construction, renovation, and equipment	50,000
Womankind, Cleveland, OH, to expand prenatal care	50,000
Woman's Hospital, Baton Rouge, LA, for the Women's Outreach, Educational and Wellness Initiative	100,000
Women's Care Center of Erie County, Inc., Abstinence Advantage Program, Erie, PA for abstinence education and related services	136,000
World Impact's Good Samaritan Clinic, Wichita, KS	300,000
Wyoming Dental Association, Laramie, WY to implement comprehensive programs of recruitment and retention of dental professionals	360,000
Wyoming State Department of Health, Office of Telehealth, Cheyenne, WY to create the Wyoming Network for Telehealth (WyNETTE), improving the quality and accessibility of healthcare for people living in Wyoming's rural areas	1,540,000
Wyoming Valley Health Care System, Wilkes-Barre, PA	550,000
Xavier University of Louisiana, New Orleans, LA	250,000
Yeshiva University, Albert Einstein College of Medicine, Bronx, NY	500,000
YMCA of Western Stark County, Ohio	1,000,000
YMCA, Elkins, WV	67,000
York County Human Life Services, Inc. York, PA for abstinence education and related services	50,000
York Health Corporation, York, PA, to expand services of the Nurse-Family Partnership program	50,000

The conference agreement includes bill language identifying $250,000 for facilities renovation at the Gillis Long Hansen's Disease Center as proposed by the Senate rather than $248,000 as proposed by the House.

The conference agreement includes $4,850,000 for malpractice insurance for volunteer physicians who practice at free clinics as authorized by section 224(o) of the Public Health Service Act instead of $10,000,000 as proposed by the Senate. The House did not provide funding for this program.

The conference agreement includes bill language providing $10,000,000 to remain available until expended to establish a National Cord Blood Stem Cell Bank Program within HRSA, which will provide funds to a network of cord blood banks with two specific aims: (1) building an inventory of the highest quality cord blood units for use as unrelated donor grafts for patients who lack human leukocyte antigen (HLA)-matched sibling donors and (2) ensuring an integrated system through which physicians and patients are able to locate a suitably matched cord blood unit or adult volunteer bone marrow donor via a single, electronic access point. The conferees intend that this program be administered by HRSA.

Because this is a new and developing field, the conferees direct HRSA to use $1,000,000 of the funds provided for the cord blood bank to contract with the Institute of Medicine (IOM) to commission a study which shall be completed within twelve months of enactment of this Act. The study should recommend an optimal structure for the cord blood program and address pertinent issues to maximize the potential of this technology, including collection, storage, standards setting, information sharing, distribution, reimbursement, research and outcome measures. The IOM should receive input from experts including: (a) transplant physicians with expertise in the use of cord blood for unrelated marrow transplantation; (b) experts in the analysis of clinical outcomes after bone marrow and cord blood stem cell transplantations; (c) experts on HLA typing for transplantation, especially experts with experience in unrelated cord blood transplantation; (d) experts in medical database development and management and web-based information technology; (e) obstetricians familiar with programs for cord blood donation for public use; (f) experts in cord blood banking; (g) representatives of existing Federally-funded and other active cord blood and bone marrow registries; (h) representatives of the Food and Drug Administration (FDA); (i) experts in the accreditation of facilities for cord blood stem cell preparation and transplantation; and (j) representatives of the National Institutes of Health NHLBI Cord Blood Transplantation Study. The conferees expect that no additional monies will be expended until the IOM report is completed and that by the end of fiscal year 2005, HRSA will implement the program following the IOM recommendations. The Secretary shall notify the Appropriations Committees of both Houses of Congress at least fifteen days prior to the release of funds for this program.

The conferees understand that cord blood is part of a continuum of transplantation treatment and support further research in cord blood transplantation. A portion of the cord blood units collected using these funds should be available for the performance of pre-clinical and clinical research focusing on cord blood stem cell biology and the use of umbilical cord blood stem cells for human transplantation and cellular therapies. The conferees recognize the importance of Federal oversight to protect public health and safety, and expect that funds will be directed to cord blood banks that comply with all FDA requirements and have obtained any necessary licenses. The conferees intend that this program should be available to currently established cord blood banks with active collection programs operating under an approved IND from the FDA.

The conference agreement includes bill language identifying $39,740,000 for the rural hospital flexibility grants program as provided by both the House and Senate. Within the total provided, $15,000,000 is for the Small Rural Hospital Improvement Grant program.

The conference agreement includes bill language identifying $280,000,000 for family planning instead of $273,350,000 as proposed by the House and $283,350,000 as proposed by the Senate.

The conferees have included bill language identifying $25,000,000 for existing community health centers for economic stabilization and to offset the rising cost of current services. The conferees expect HRSA to use this funding to increase basic support for existing health centers based on performance-related criteria. The House and Senate reports included a similar directive.

To address the problem of rising expenditures for prescription drugs, the conferees recognize that, increasingly, use is being made of the Public Health Service drug discount program by its grantees, their patients, and third-party payers, such as State Medicaid plans. Congress has funded an increase in the number of community health centers and other safety net health care providers. However, the process for quarterly updating of the list of providers certified for the drug discount program acts as an unnecessary administrative barrier to more immediate access to the lower drug prices. Therefore, the conferees direct the Public Health Service to adopt procedures for immediate access to the drug discounts for qualified entities that are specified in section 340B of the Public Health Service Act.

The conferees remain concerned that the effort to restructure HRSA programs and grants management may be having a negative effect on the stability of many HRSA grantees. Specifically, the restructuring of HRSA's project officer system has proven to be detrimental to new grantees, that often need immediate, high quality technical assistance to successfully deliver care in their communities and meet complex program requirements. The conferees expect HRSA to work with all stakeholders to improve the availability of accurate information and policy clarifications from HRSA. The conferees also expect HRSA to improve the timeliness of award notices and the notices of the availability of new funds.

The conferees recently learned that, due to certain requirements under Section 330 of the Public Health Service Act, a number of school-based health centers that had previously received funding under the community health centers program are now ineligible for such funding. Recognizing the contribution that these entities have made in their respective communities, the conferees strongly urge HRSA to make these previously funded programs eligible for funding in fiscal year 2004. The conferees further urge HRSA to develop recommendations for overcoming this problem in the future.

The conference agreement provides $12,000,000 for Native Hawaiian health care activities within the consolidated health centers program instead of $15,000,000 as provided by the Senate. The House did not identify specific funding for Native Hawaiian activities.

The conference agreement includes $2,056,956,000 for Ryan White AIDS programs, of which $2,031,956,000 is provided as budget authority and $25,000,000 is provided from program evaluation funding under section 241 of the Public Health Service Act to carry out Ryan White Special Projects of National Significance. The House had provided $2,023,599,000, while the Senate provided $2,041,599,000, of which $25,000,000 was from program evaluation funding. The agreement includes bill language identifying $753,317,000 for the Ryan White Title II State AIDS drug assistance programs as proposed by the House instead of $739,000,000 as proposed by the Senate.

Within the total for Ryan White AIDS programs, no less than the amount provided in fiscal year 2003 is included for AIDS activities that are targeted to address the growing HIV/AIDS epidemic and its disproportionate impact upon communities of color, including African Americans, Latinos, Native Americans, Asian Americans, Native Hawaiians, and Pacific Islanders.

The conferees are concerned by the increasing prevalence of hepatitis C–HIV co-infection. Co-infection of the hepatitis C virus (HCV) in HIV infected patients has become the leading cause of AIDS mortality in some parts of the country. The death rate is higher and life expectancy shorter for co-infection patients than for patients who have only HIV. To address this growing problem, the conferees urge HRSA to encourage State ADAPs to offer co-infected patients access to approved hepatitis C treatments as their resources allow, to ensure that the Ryan White critical care funded programs (including Title III & IV clinics) provide opportunities for training care givers and clinicians to treat co-infected patients, and to ensure that AETCs address the need for physician education on HCV/HIV co-infection.

The conferees recognize that it is essential for the Title IV program to maximize funds going for services to women, children, families and youth and to place an appropriate limit on administrative expenses. The conferees agree with HRSA that, due to the time constraints related to the approaching application deadline, it is not possible to institute this limitation in fiscal year 2004 for grants that would be awarded in August 2004. In addition, the conferees have concerns with the quality of the data that have been collected for calculating the proposed cap. In the Notice regarding the proposal that was placed in the Federal Register on August 12, 2003, the definition of "administrative expenses" was undetermined; however, data were given regarding the administrative expenses of the various Title IV grantees. These data may or may not have included indirect costs. As a result of the lack of a precise definition, the grantees may have provided incorrect information regarding their administrative expenses. The conferees agree that these data must be accurate to determine a fair limitation on administrative expenses that ensures that the Title IV grantees remain viable and able to provide services for women, children, youth, and families infected with HIV. Since the earliest that this limitation may be put into effect is fiscal year 2005 for grants that will be awarded in August 2005, the conferees strongly urge HRSA to re-collect data regarding administrative expenses with a precise definition to ensure accuracy and comparability.

The conferees concur in the Senate report language regarding 90 percent of total title IV funding being provided to grantees and primarily to support maintenance of existing care services. The conferees also concur in the Senate report language intending that HRSA use a significant portion of the remaining funds to expand comprehensive services for youth. The conferees also concur in Senate language regarding peer-based technical assistance and a national consumer and provider education center.

The conference agreement includes bill language designating $121,130,000 of the funds provided for the maternal and child health block grant for special projects of regional and national significance (SPRANS). The House bill provided $117,831,000 for this activity while the Senate bill earmarked $116,381,000 for this purpose. It is intended that $4,000,000 of the SPRANS amount will be used to continue the sickle cell newborn screening program and its locally based outreach and counseling efforts. In addition, $5,000,000 of the SPRANS amount will be used to continue the oral health demonstration programs and activities in the States. The conference agreement also includes within the SPRANS set-aside $1,600,000 for mental health programs and activities in the States as outlined in the Senate report, $3,000,000 to begin an epilepsy demonstration, and $2,000,000 for newborn and child screening for heritable disorders as authorized in Title XXVI of the Children's Health Act of 2000. The heritable disorders program is designed to strengthen States' newborn screening programs and improve States' ability to develop, evaluate, and acquire innovative testing technologies, and establish and improve programs to provide screening, counseling, testing and special services for newborns and children at risk for heritable disorders.

The conference agreement includes $74,988,000 for abstinence education programs instead of $65,000,000 as proposed by the House and $73,044,000 as proposed by the Senate. The conference agreement includes $4,500,000 in program evaluation funds for the abstinence education program and $70,488,000 in budget authority. The program evaluation funds are to be used for evaluation of adolescent pregnancy prevention programs. Because the program evaluation funds are provided in addition to the budget authority for the abstinence education program, the conference agreement strikes language in both the House and Senate bills permitting the budget authority to be used for evaluation and setting a limit of 3.5 percent of the total provided for such purposes. The conferees concur in language included in the House report regarding technical assistance and capacity building and language included in the Senate report about grantees with project periods expiring in fiscal year 2003.

The conference agreement includes $500,000 for rural emergency service training and equipment assistance instead of $1,000,000 as proposed by the Senate. The specific bill language providing the funding has been deleted and the funding included in the table at the end of the statement of managers.

The conference agreement includes $11,000,000 for rural and community access to rural devices. This includes $10,000,000 for the rural program under section 413 of the Public Health Service Act and $1,000,000 for the new community access demonstration under section 313.

The conference agreement includes $438,748,000 for health professions instead of $391,203,000 as proposed by the House. The Senate provided $423,765,000 for a consolidated health professions line as well as $50,000,000 for nurse training.

The conferees concur in the House report language allocating fiscal year 2003 level funding for graduate psychology education and geropsychology and $19,000,000 for geriatric education centers, $7,000,000 for geriatric training, and $6,000,000 for geriatric academic career awards. The conferees concur in Senate report language allocating at least $5,500,000 for the pediatric dental program and providing continued funding for the chiropractic-medical school demonstration grant program.

The conference agreement provides $142,763,000 for nurse training programs within the health professions training total. In using the increase in funding provided above the fiscal year 2003 level under Nurse Education, Practice, and Retention Grants, the conferees expect HRSA to give preference in funding to internship and residency programs, career ladder programs, and enhancing patient care delivery systems. The conferees intend that a portion of the funding provided for loan repayment and scholarships be used for scholarships in exchange for two years of service at health care facilities with critical shortages of nurses.

The conferees continue to be concerned about the health care needs of those in the Mississippi River Delta region. The conferees provide $6,800,000 for rural health outreach to continue the ongoing initiative in eight States. These grants provide funding and technical assistance to help underserved rural communities identify and better address their health care needs and to help small rural hospitals improve their financial and operational performance. The conferees further recommend that HRSA consult with the Delta Regional Authority and the Delta Health Alliance, given their ongoing relationships with communities in the Delta.

The conferees concur with the Senate report language regarding frontier extended stay clinics.

The conferees support the Student Resident Experiences and Rotations in Community Health (SEARCH) program within the National Health Service Corps and intend that HRSA continue this program in fiscal year 2004.

The conference agreement includes $35,000,000 for the Denali Commission instead of $40,000,000 as proposed by the Senate. The House did not include funding for the Commission. The conference agreement includes a general provision, section 222, amending the Denali Commission Act of 1998 to clarify that the Commission has authority to use the interagency transfer mechanism rather than grants to receive the funding provided in this Act. The conferees concur in language in the Senate report indicating that the Denali Commission should allocate funds to a mix of service facilities. Within the funds provided, $2,500,000 is provided to acquire medical equipment for rural clinics and hospitals, such as an x-ray machine for Seldovia, AK, and $5,000,000 shall be used for upgrade and construction of shelters for victims of domestic violence.

The conferees concur in language in the Senate report identifying $3,000,000 within traumatic brain injury funding for protection and advocacy services.

The conference agreement includes $104,317,000 for the community access program as proposed by the House. The Senate did not provide funding for this program. The conferees encourage HRSA, through the Community Access Program, to establish demonstration projects between community health centers and minority health professions schools for the purpose of health status disparities research and data collection. Such demonstration projects were authorized in the Health Care Safety Net Amendments of 2002.

The conference agreement includes $150,000,000 for program management instead of $155,974,000 as provided by the House and $146,686,000 as provided by the Senate.

The conferees expect HRSA to use no more than one percent of the funds allocated for projects for agency administrative expenses.

The Ricky Ray Hemophilia Relief Act of 1998 established the Ricky Ray Hemophilia Relief Fund to provide compassionate payments to certain individuals affected by HIV transmission via contaminated blood products. The fund terminated by law on November 12, 2003. The conferees are aware of approximately 28 cases that may still be adjudicated. The conferees understand that HRSA has made budgetary arrangements in anticipation of potential additional payments. The conferees expect HRSA to report to the House and Senate Appropriations Committees on the status of these potential payments by February 1, 2004.

VACCINE INJURY COMPENSATION PROGRAM TRUST FUND

The conference agreement includes $3,222,000 for the administrative costs associated with the Vaccine Injury Compensation Program instead of $3,472,000 as proposed by the House and $2,972,000 as proposed by the Senate.

CENTERS FOR DISEASE CONTROL AND PREVENTION

DISEASE CONTROL, RESEARCH, AND TRAINING

The conference agreement includes $4,545,472,000 for disease control, research, and training at the Centers for Disease Control and Prevention (CDC), instead of $4,588,671,000 as proposed by the House and $4,494,496,000 as proposed by the Senate. In addition, $212,134,000 is made available under Section 241 of the Public Health Service Act, the same as proposed by the Senate. The House bill proposed that $13,226,000 be derived under Section 241 authority.

The conference agreement includes language proposed by the Senate inserting the word "purchase" before the phrase, "hire, maintenance, and operation of aircraft." The House proposed no similar language.

The conference agreement includes bill language earmarking $262,000,000 for equipment, construction, and renovation of facilities, instead of $260,000,000 as proposed by the Senate. The House proposed $206,000,000 for this activity. Within this total, $250,000,000 is for continuation of CDC's Facilities in Atlanta and $9,600,000 is for the second year costs of replacing CDC's infectious disease laboratory in Fort Collins, Colorado and $2,400,000 is to begin replacement of CDC's facilities in Cincinnati, Ohio. The conferees continue to support the implementation of CDC's Buildings and Facilities Master Plan and are pleased with the progress made to date.

The conferees expect the CDC to utilize a portion of the funds provided for buildings and facilities to continue and expand security improvements to ensure critical information reliability for response to critical events, as well as to conduct increasingly varied public health missions.

The conference agreement includes bill language to allow the Centers for Disease Control and Prevention (CDC) to enter into a single contract or related contracts for the full scope of development and construction of facilities as proposed by both the House and the Senate. The conference agreement also includes bill language to allow funds appropriated to the CDC to be used to enter into a long-term ground lease for construction on non-Federal land, in order to replace their laboratory in the Fort Collins, Colorado area as proposed by both the House and Senate.

The conference agreement includes bill language to earmark $293,569,000 for international HIV/AIDS, with $150,000,000 earmarked for the International Mother and Child HIV Prevention Initiative, the same as proposed by the Senate. The House proposed $242,569,000 for international HIV/AIDS, with $100,000,000 earmarked for the International Mother and Child HIV Prevention Initiative.

The conference agreement includes bill language as proposed by the Senate designating that the following amounts shall be available under section 241 (Public Health Service Act evaluation set-aside) for the specified activities:

$127,634,000—National Center for Health Statistics Surveys

$14,000,000—National Immunization Surveys

$28,600,000—Information Systems Standards Development and Architecture and Applications-based Research Used at Local Public Health Levels

$41,900,000—Research Tools and Approaches within the National Occupational Research Agenda

The House bill provided that $13,226,000 be derived from section 241 for National Center for Health Statistics surveys.

Birth Defects

The conference agreement includes $113,513,000 for birth defects, developmental disabilities, disability and health instead of $106,339,000 as proposed by the House and $110,639,000 as proposed by the Senate.

Within the total, the following amounts are provided for the specified activities above the comparable amount for fiscal year 2003:

$5,244,000 to expand autism surveillance and education activities;

$1,000,000 to expand research activities conducted by the regional Centers for Birth Defects Research and Prevention;

$250,000 to expand activities related to Fetal Alcohol Syndrome;

$1,000,000 to expand the National Spina Bifida program;

$1,500,000 to establish a public health education and research program concerning Tourette syndrome;

$1,500,000 to expand surveillance and epidemiological efforts of Duchenne and Becker muscular dystrophy;

$750,000 to expand support for the Special Olympics Healthy Athletes Initiative;

$2,500,000 to expand the work of the Paralysis Resource Center;

$1,000,000 to expand disability prevention activities;

$300,000 to expand the newborn infant screening program;

$250,000 to expand Limb Loss activities;

$500,000 to establish a craniofacial malformation program; and

$274,000 to expand the work of the Attention Deficit Resource Centers.

The conference agreement includes $3,000,000 above the fiscal year 2003 level for the support and expansion of CDC's State autism surveillance program. In addition, $2,244,000 is provided to establish a national awareness and education program that will widely disseminate information regarding autism identification and diagnosis to both families and health care providers as authorized by Sec. 103 of the Children's Health Act of 2000. This program should be administered and piloted in partnership with voluntary organizations already working in the autism community.

The conferees concur that the status report on autism data collection requested by both the House and Senate is due by March 1, 2004.

The conference agreement includes $1,500,000 to establish a public health and research program in partnership with a national voluntary health association dedicated to assist parents and families of children with Tourette Syndrome as proposed by both the House and Senate.

The conferees continue to support strongly the partnership between CDC and the Christopher and Dana Reeve Paralysis Resource Center and intend that within the increase provided: $500,000 be used to fund up to three applied research projects to translate clinical rehabilitation treadmill therapy to community-based settings and to train health care professionals to deliver this intervention; and $2,000,000 be used to expand the work of the Resource Center.

The conferees commend CDC for its partnership with CHADD in developing an AD/HD Resource Center and has provided an increase of $274,000 above fiscal year 2003 to expand the Resource Center in an effort to respond to the overwhelming demand for information and support services. The conferees intend that the full amount of the increase be awarded to the Resource Center.

The conferees commend CDC for its partnership with Amputee Coalition of America on the National Limb Loss Information Center. The conferees intend that the full amount of the increase provided be awarded to the Information Center.

The conference agreement includes $500,000 for craniofacial malformation activities. The conferees concur with language in the Senate report regarding the establishment of a craniofacial malformation and development registry and the creation of a plan for an information clearinghouse for parents and physicians.

The conference agreement includes sufficient funds above the request for CDC to initiate in fiscal year 2004 epidemiological and population-based studies on individuals with Down syndrome as outlined in the House and Senate reports.

Chronic Disease Prevention and Health Promotion

The conference agreement includes $859,065,000 for chronic disease prevention and health promotion instead of $862,011,000 as proposed by the House and $801,844,000 as proposed by the Senate. Programs within this account are funded at the following levels:

Heart Disease and Stroke ..	$46,000,000
Cancer Prevention and Control	315,631,000
Diabetes	67,342,000
Arthritis and Other Chronic Diseases	24,501,000
Tobacco	100,100,000
Nutrition/Physical Activity	45,000,000
Community Health Promotion	24,064,000
School Health	62,835,000
Safe Motherhood/Infant Health	54,252,000
Oral Health	12,510,000
Prevention Centers	26,830,000
VERB (Youth Media) Campaign	36,000,000
Steps to a Healthier U.S. ...	44,000,000

Within the amounts provided for Cancer Prevention and Control $210,929,000 is for the Breast and Cervical Cancer Screening Program; $50,000,000 is for Cancer Registries; $15,000,000 is for Colorectal Cancer; $12,000,000 is for Comprehensive Cancer; $4,950,000 is for Ovarian Cancer; $15,555,000 is for Prostate Cancer; $5,000,000 is for the Geraldine Ferraro Cancer Education Program; and $2,197,000 is for Skin Cancer.

The conferees applaud the ongoing work at CDC, in conjunction with the Lance Armstrong Foundation, to develop a National Cancer Survivorship Action Plan. The conferees also urge the CDC to develop a cancer survivorship resource center focused on the post-treatment needs and long-term survivorship/quality of life issues.

The conferees are aware that survival rates of the most lethal cancers, including lung, esophageal, liver, and pancreatic cancer, remain at or below 15 percent. Further, the conferees understand that the University of Kentucky, Markey Cancer Center, has begun a three-year effort to establish a state-of-the-art early detection and outreach program for a rural, medically underserved population with links to best treatment practices, clinical trials, and relevant translational research. Upon its completion, the conferees request that the Secretary, through the Director of the CDC, assess both the design and findings of this project, and report to the House and Senate Appropriations Committees on the project's outcomes and any recommendations to increase the survival rates of lethal cancers.

Within the amounts available for Arthritis and Other Chronic Diseases, the agreement provides an increase over fiscal year 2003 of $250,000 for the expansion of State-based arthritis programs and collaborations with the relevant voluntary health organizations and of $750,000 to enhance epilepsy efforts, in partnership with a national non-profit organization that works on behalf of children and adults affected by seizures. In addition, $1,000,000 is available within Arthritis and Other Chronic Diseases to continue support for the National Lupus Patient Registry.

The conferees encourage the CDC to develop a partnership with a national voluntary health association dedicated to assisting persons with Interstitial Cystitis (IC) and undertake initiatives to expand public and professional education efforts concerning IC and enhance the understanding of IC through epidemiological studies.

Within amounts provided for Community Health Promotion, $8,100,000 is provided to support and expand the Behavioral Risk Factor Surveillance Systems, $2,982,000 is provided for continuing and expanding a model project that is testing and evaluating the efficacy of glaucoma screening using mobile units, $2,887,000 is for the national vision screening and education program, and $1,800,000 is for the Mind-Body Medical Institute in Boston, Massachusetts to continue practice-based assessments, identification, and study of promising and heavily-used mind/body practices.

The conferees concur with language included in the Senate report regarding the Sudden Infant Death Syndrome (SIDS) death scene protocol and have provided $300,000 to support projects to demonstrate the protocol's effectiveness from within funds available under Safe Motherhood and Infant Health.

The conference agreement includes $36,000,000 for the VERB (Youth Media) campaign. The conferees intend that the funds provided for fiscal year 2004 be used to augment the media buy for phase 3 of the campaign and encourage the CDC to use these enhanced resources to leverage additional in-kind contributions.

The conferees encourage the CDC to develop partnerships with national organizations to enhance the reach and impact of the STEPS program by coordinating and delivering program models to additional communities across America, including in rural and disadvantaged communities. Potential partners should have experience directly providing youth-development programs, long-standing dedication to promoting lifelong health, and a commitment to serving all ages, incomes, and abilities.

Within the amount for Nutrition and Physical Activity, the conference agreement includes $1,000,000 to support a comprehensive review of the effects of food marketing on children's diet and health, including the characteristics of effective marketing of foods to children to promote healthy food choices. The conferees request that upon completion of the review, a report detailing the review's findings be submitted to the appropriate Committees of jurisdiction of the Congress.

Environmental Health

The conference agreement includes $184,629,000 for environmental health instead of $184,829,000 as proposed by the House and $184,329,000 as proposed by the Senate.

Within the total provided: $38,518,000 is for the environmental health laboratory; $66,728,000 is for environmental health activities (including $2,200,000 to continue the physician education and public awareness program for primary immune deficiency disease as implemented by the Jeffrey Modell Foundation, and $27,900,000 to continue the health-tracking network); $37,386,000 is for asthma; and $41,997,000 is for childhood lead poisoning.

The conferees support the continuation of CDC's work responding to, and preventing adverse health effects of complex humanitarian emergencies around the world and commend CDC for supporting organizations that apply public health strategies to mitigate the impact of conflict on civilian populations in Iraq and elsewhere.

Epidemic Services

The conference agreement includes $92,494,000 for epidemic services and response, instead of $82,494,000 as proposed by the House and $127,494,000 as proposed by the Senate.

The conference agreement includes $15,000,000 above the comparable level for fiscal year 2003 for the Director to expand global disease detection capabilities. The conferees are aware that approximately thirty previously unheard of infectious diseases were discovered in the last thirty years. The conferees intend that the increased funds provided for global disease detection be allocated in the manner determined by the Director of CDC to enhance the capability to detect and track global outbreaks of disease.

The conferees commend CDC for its partnership with the Landmine Survivor Network and have provided funds within Epidemic Services to support the Network at not less than the fiscal year 2003 level.

Health Statistics

The conference agreement includes $127,634,000 for Health Statistics, to be derived from amounts made available under Section 241 of the Public Health Service Act, the same as proposed by the Senate. The House proposed $125,899,000 for Health Statistics, of which $13,226,000 was to be derived from amounts made available under Section 241 of the Public Health Service Act.

HIV/AIDS, STD and TB Prevention

The conference agreement includes $1,299,388,000 for HIV/AIDS, STD and TB prevention instead of $1,247,388,000 as proposed by the House and $1,301,388,000 as proposed by the Senate.

Included in this amount is $993,189,000 for HIV/AIDS activities, of which $293,569,000 is for global HIV/AIDS activities; $169,072,000 for STD activities; and $137,127,000 for TB activities. Within the funds provided for global HIV/AIDS, $150,000,000 is for the International Mother and Child HIV Prevention Initiative.

Within the total for HIV/AIDS, $104,000,000 is provided to continue CDC's support of activities that are targeted to address the growing HIV/AIDS epidemic and its disparate impact on communities of color, including African Americans, Latinos, Native Americans, Asian Americans, Native Hawaiians, and Pacific Islanders. The conferees intend that CDC follow the report accompanying the Labor, HHS and Education and Related Agencies Appropriations Act, 2002 regarding the disbursement of these funds, including continuing support for the Directly Funded Minority Community Based Organization Program.

The conferees urge the Director to continue and to strengthen CDC support of community-based organizations and faith-based organizations in their efforts to provide culturally and linguistically appropriate primary and secondary HIV prevention programs. The conferees are aware of recent concerns regarding instability in the recompetition process and encourage the CDC to provide directly funded community and faith based organizations with technical assistance and capacity building support in order to promote effective and sustainable programs.

Within the total for STD activities, $500,000 is for CDC to carry out a competitive grant program to strengthen local capacity on Indian reservations to screen for and treat sexually transmitted diseases and to educate local populations about such diseases and their consequences, as well as how transmission of such diseases can be prevented.

The conferees urge CDC to utilize $1,000,000 of the increase provided for Tuberculosis (TB) prevention to partner with a private foundation uniquely qualified to test new TB vaccines and that has implemented a large-scale community-based TB vaccine field trial. CDC should utilize its cooperative agreement mechanisms to ensure that the agency has the opportunity to provide technical assistance and guidance to this important partnership, especially with regard to epidemiology.

The conferees request that the Director prepare a plan to comprehensively address blood safety and injection safety in Africa under the Global AIDS program, to be completed and submitted to the Committees on Appropriations of the House and Senate no later than 120 days after enactment of this Act. The plan should ensure that all injections occur in a safe manner, through provision of an adequate supply of safe injection equipment, preferably non-reusable syringes, provider education, and waste management, and to foster "appropriate use" of injections in order to reduce the number of unnecessary injections administered. Similarly, the plan should reflect an emphasis on both increasing the blood supply through donor recruitment and ensuring its safety through proper screening of donors and donated blood as well as the development or improvement of a robust national blood service. In addition, provision should be made for provider education and other measures necessary to ensure the appropriate use of donated blood and to discourage unnecessary or inappropriate uses.

Immunization

The conference agreement includes a discretionary program level total of $633,385,000 for immunization, instead of $650,586,000 as proposed by the House and $641,686,000 as proposed by the Senate. In addition, $14,000,000 is for national immunization surveys to be derived from section 241 evaluation set-aside funds, the same as proposed by the Senate. The House bill included no similar provision.

The conferees note that the National Vaccine Program Office, formerly housed within CDC, will be transferred to the Office of the Secretary. Accordingly, the appropriation for immunization has been reduced and the $7,301,000 requested to support that office is appropriated within the Office of the Secretary, General Departmental Management account.

In addition, the Vaccines for Children (VFC) program funded through the Medicaid program is expected to provide $980,196,000 in vaccine purchases and distribution support in fiscal year 2004, for a total immunization program level of $1,627,581,000.

Included in the amount provided is $495,464,000 for the section 317 program, and $151,921,000 for global immunization activities. Within the total available for global immunization, $106,400,000 is for global polio eradication activities, and $45,521,000 for other global activities, including the global measles program.

The conferees are aware of sensitivities about research involving the safety of childhood vaccines. CDC's Vaccine Safety Datalink Data Sharing Program allows external researchers to assess vaccine safety by analyzing data from managed care organizations. The conferees believe that it is essential that these data be available in a way that allows for independent review while at the same time protects confidentiality and complies with regulations for the protection of human subjects involved in research. The conferees urge that CDC continue to assure access to these data and appropriately preserve final datasets for vaccine safety studies and datasets created by CDC for external researchers through the Vaccine Safety Datalink Data Sharing Program.

Infectious Diseases

The conference agreement includes $372,503,000 for infectious diseases instead of $382,226,000 as proposed by the House and $372,760,000 as proposed by the Senate.

Within the total provided, $9,000,000 above fiscal year 2003 is provided for areas of highest scientific and programmatic priority for preparing and responding to present and emerging infectious disease threats.

Within the total provided, $2,000,000 above fiscal year 2003 is to augment CDC's resources for supporting States in developing and implementing effective surveillance, prevention, and mosquito control to effectively combat West Nile Virus and support research on the biology of the disease.

Within the total provided, $911,000 above fiscal year 2003 is to expand research, prevention and control activities on malaria and to continue CDC's Global Malaria Initiative.

Within the total provided, $1,000,000 above fiscal year 2003 is to expand and improve surveillance, research, and prevention activities on prion disease. The conferees intend that a significant portion of the increase be used to expand support for the National Prion Disease Pathology Surveillance Center to augment the national autopsy network for prion disease surveillance.

Within the total, $2,200,000 is provided to continue the thalassemia blood safety surveillance program.

The conferees are deeply concerned by the largest known outbreak of Hepatitis A in the Nation, which has been developing in western Pennsylvania over the last few weeks. The conferees understand that a CDC field investigation team is in Beaver Falls, Pennsylvania working with State and local health officials to determine the source of the outbreak and limit the spread of the disease. The conferees commend the CDC's response, and expect the CDC to continue and expand these efforts to contain this specific outbreak and to prevent future occurrences.

The conferees are pleased that CDC has branched into new areas of Chronic Fatigue Syndrome (CFS) research and medical education in the four-year period in which the $12,900,000 is being restored to the CFS program. The conferees expect that the payback period will be extended through fiscal year 2005.

Injury Control

The conference agreement includes $154,632,000 for injury control, instead of $152,414,000 as proposed by the House and $152,409,000 as proposed by the Senate.

Within the total provided, $3,750,000 is to extend implementation of the National Violent Death Reporting System, $8,700,000 is for child maltreatment prevention activities, and $5,224,000 is for the Traumatic Brain Injury prevention program. In addition, sufficient funds are included to continue support for all existing Injury Control Research Centers.

Occupational Safety and Health

The conference agreement provides $236,985,000 for occupational safety and health, instead of $273,385,000 as proposed by the House and $240,485,000 as proposed by the Senate. In addition, $41,900,000 is available to carry out Research Tools and Approaches activities within the National Occupational Research Agenda (NORA) to be derived from section 241 evaluation set-aside funds as proposed by the Senate. This brings the comparable program level to $278,885,000. The House bill had no similar provision.

Within the total provided, $19,700,000 is for the Education and Research Centers and $26,000,000 above the request is for research activities in support of implementation of NORA.

Also within the total provided, $3,500,000 above the fiscal year 2003 level is provided for the National Personal Protective Technologies Laboratory. The conferees intend that the funds be used in the manner outlined in the Senate report.

The conference agreement also includes sufficient funds to continue the farm health and safety initiative, the construction safety and health program, and to purchase personal dosimetry monitors as outlined in the House report.

Public Health Improvement

The conference agreement includes $143,082,000 for public health improvement instead of $144,530,000 as proposed by the House and $106,789,000 as proposed by the Senate. In addition, $28,600,000 is available to carry out information systems standards development and architecture and applications-based research used at local public health levels to be derived from section 241 evaluation set-aside funds, as proposed by the Senate. The House bill included no similar provision.

The conference agreement includes $15,000,000 within Public Health Improvement to expand public health research that is determined by the Director as having high scientific and programmatic priority.

Funds requested within public health improvement for development and implementation of a nationwide environmental health-tracking network have been provided for within the CDC's environmental health activities program.

The conference agreement includes $500,000 to continue the Comprehensive Assessment of Rural Health in Iowa (CARHI), in conjunction with the Iowa Department of Public Health.

The conferees include the following amounts for the following projects and activities in fiscal year 2004:

Allergy/Asthma Foundation of Alaska and The Alaska Lung Association for programs aimed at preventing youth smoking	250,000
American Trauma Society, Upper Marlboro, MD to develop trauma response curriculum	100,000
American Vitiligo Research Foundation, Clearwater, FL, for public and health professional education regarding Vitiligo	250,000
BioAdvance, Philadelphia, PA to strengthen bioinformatics training activities	100,000
Black Hills State University in Spearfish, South Dakota for the West River Task Force on Fetal Alcohol Syndrome/Effect	200,000
Burlington Community College, Pemberton, NJ, for equipment for high-tech simulation training of handling chemical and biological hazards	800,000

Center for Disaster Epidemiology & Preparedness, Department of Epidemiology and Public Health, University of Miami School of Medicine, Miami, FL, to establish a Specialty Center for Public Health Preparedness focused on Hispanic Training on Disasters	166,000
Center for Mind Body Medicine, Washington, DC, to train health and mental health professionals in treating war and terrorism related trauma in the U.S. and abroad	100,000
Chester County Hospital, West Chester, PA to establish home monitoring systems for patients with congestive heart failure	250,000
City of Waterloo, Iowa, for expansion of Fire PALS, a school-based injury prevention program	150,000
Clarion University, Clarion, PA for a smoking cessation and prevention campaign	50,000
Community College Foundation, Sacramento, CA, for the ePassport foster child health and education data tracking program	2,000,000
Community Health Centers in Hawaii for Childhood Rural Asthma Project	150,000
Community Lead Education and Reduction Program (CLEARCorps), Minneapolis, Minnesota to provide intervention training to detect the signs of childhood lead poisoning and perform remediation of affected homes	100,000
Delaware Valley Hepatitis Treatment, Research, and Education Center (HepTREC), Melrose Park, PA to enhance awareness, train support groups, and fund programs for patients	75,000
Delta State University, Cleveland, MS for the Delta Health Alliance Agri-Medicine Initiative	500,000
DuPage County Health Department, Wheaton, Illinois, for security enhancements	300,000
East Harlem Asthma Working Group for salaries and treatment methods, focusing on teaching kids and families how to cope with asthma	100,000
East Tennessee State University, Division of Health Sciences, Johnson City, TN, for the Appalachian Cancer Demonstration Project	375,000
Federation of American Scientists, Washington, DC, for a biopreparedness demonstration project involving the use of interactive simulation for training	100,000
Friends of the Congressional Glaucoma Caucus, Whitestone, New York, for demonstration project in Southwest Texas to conduct screening for Glaucoma	500,000
Georgia Rural Water Association, Georgia Environmental Training and Education Authority for Small Community Water Fluoridation	50,000
Gertrude Barber Center, Erie, PA, for autism intervention & education	150,000
Greater Cleveland Asthma Outreach, Cleveland; OH, to expand asthma-related programs	150,000
Gwynedd-Mercy College School of Education, Gwynedd Valley, PA for the Prevention Education for Applied Creativity against Emerging Threats program	75,000
Haymarket Center, Chicago, Illinois, for a project to integrate chronic disease management with substance abuse treatment	500,000
Health Care Improvement Foundation, PA for a public health/bioterronsm disaster communications project	100,000
Health Choice Network, Miami, FL for the Jessie Trice Cancer prevention project	350,000
Heidelberg College, Tiffin, Ohio, for equipment and staffing at the Water Quality Laboratory	350,000
Hult Health Education Center, Peoria, Illinois, for teacher training, technology equipment and curriculum development for a data collection program to integrate schools and community health resources	75,000
I Care Foundation, Bethesda, MD, for epidemiological studies related to Autism	50,000
Illinois State University, Normal, IL, for a Physical Education Obesity Prevention and Lifestyle Enhancement (PEOPLE) program	165,000
Inner Harmony Foundation, Clarks Summit, PA for implementation of the New Beginnings Integrative Cancer Care Program	250,000
Institute for Cancer Prevention in New York, NY to identify populations that have a decreased risk in developing cancer and Alzheimer's Disease, design mechanism-based strategies to prevent cancer and Alzheimer's Disease in the general population	3,000,000
Iowa Department of Education to provide free fruits and vegetables to schoolchildren	1,000,000
Iowa Health Foundation to continue a pilot program on chronic disease management	400,000
Iowa State University, Ames, IA for the Center for the Study of Violence to identify factors that contribute to the development of violence-prone individuals	166,000
Iowa State University, Ames, IA for the Center for Food Security and Public Health	1,000,000
Iron Disorders Institute in association with Penn State University, College of Medicine, Hershey, PA to establish a Center for the Study of Biometals	100,000
James Whitcombe Riley Hospital for Children, Indianapolis, IN, for continuation of autism programs at the Christian Sarkine Autism Treatment Center	500,000
Kent State University, Kent, OH, for The Northeast Ohio Alliance for Biopreparedness	750,000
Kids Health, Inc., Atlanta, GA, for an obesity prevention initiative	350,000
Kirkwood Community College in Cedar Rapids, IA for the National Mass Fatalities Institute	500,000
Lance Armstrong Foundation to perform services and programs in consultation with Families in Search of the Truth in Fallon, NV	100,000
Lance Armstrong Foundation, Austin, TX for the National Cancer Survivorship Resources Center	300,000
Lapeer Regional Hospital, Lapeer, MI, for an Asthma Intervention and Management Program	25,000
Lawton and Rhea Chiles Center for Healthy Mothers and Babies, University of South Florida, Tampa, FL, for the National Friendly Access Program	500,000
Lifestyle Advantage, Pittsburgh, PA for the Lifestyle Modification Program	150,000
Louisiana State University Health Sciences Center in New Orleans and Shreveport and the Tulane Health Sciences Center for a statewide, targeted effort for the detection and prevention of cancer	500,000
Main Line Health, Bryn Mawr, PA to create a computer system that will provide a standardized dosage mechanism that cross-checks for errors, allergies, and potential drug interaction	200,000

Marion Downs Hearing Center, Denver, CO for the creation of an international hearing center to provide services, resources, education and research to support the needs of individuals who are deaf and hard of hearing	3,000,000
Mecklenburg County, North Carolina, for Charlotte ALERT bioterrorism surveillance activities	300,000
Medical Institute for Sexual Health (MISH), Austin, TX, for the development of curricula for medical students and primary care residents related to sexual health	400,000
Mississippi Department of Education to provide free fruits and vegetables to schoolchildren	1,000,000
Monterey Institute, Center for Nonproliferation Studies, Monterey, CA, for enhancing bioterrorism preparedness	1,000,000
Montgomery County, PA for a pilot program to provide communications interoperability for fire, police, and EMS in the event of a bioterrorism event	150,000
Northeast Regional Cancer Institute, Scranton, PA to address the root cause of higher incidence of colorectal cancer in northeastern PA	100,000
Northern Arizona University, Flagstaff, AZ, for the Center for Bioterrorism Forensics and Genomic Research	300,000
Oral Vaccine Institute in Las Vegas, NV for the development of innovative vaccine delivery alternatives	900,000
Osteopathic Medical Center of Texas, Fort Worth, TX, for the study of the use of hyperbaric oxygen therapy for people with cerebral palsy and other disabling conditions	600,000
Partnership for Food Safety, Washington, DC, for The Fight BAC! campaign to reduce the incidents of foodborne illnesses	500,000
Pennsylvania Breast Cancer Coalition, Ephrata, PA for the development of a Pennsylvania health care insurance resource guide	25,000
Pennsylvania Tourette Syndrome Association Inc., Gettysburg, PA, to provide education, information services, and workshops regarding Tourette Syndrome	50,000
Pinnacle Health System, Harrisburg, PA to develop and implement Pinnacle Health System's "Safe Care Delivery System," to use innovative technologies in an effort to reduce medical errors	250,000
Pueblo Community Diabetes Project, Pueblo, CO, for a diabetes prevention initiative	150,000
Saint Vincent Health Center, Erie, PA for a cardiac disease management program	15,000
Save a Life Foundation, Schiller Park, IL, for training	1,175,000
Sister to Sister—Everyone Has a Heart Foundation to increase women's awareness of heart disease, Washington, DC	400,000
Slippery Rock University, Slippery Rock, PA, for the Center on Disability and Health to promote and encourage regular physical activity	161,000
South Dakota State University College of Pharmacy in Brookings, SD to support pharmacist immunization training	60,000
Spinal Muscular Atrophy Foundation, New York, NY for a spinal muscular atrophy initiative	100,000
State of Alaska Department of Health and Social Services Obesity Prevention and Control program	500,000
Texas Children's Hospital, Houston, Texas, for a Childhood Obesity Project	350,000
Thaddeus Stevens College of Technology, Lancaster, PA, for improved first responder communications	25,000
University of Findlay Center for Terrorism Preparedness, Findlay, OH	250,000
University of Georgia Center for Leadership in Education and Applied Research in Mass Destruction Defense (CLEARMADD) to train public health professionals	225,000
University of Kentucky Research Foundation, Lexington, KY, to establish a state-of-the-art early detection and outreach program for a rural population with high incidences and low survivability of lethal cancers, including lung, esophageal, pancreatic, and liver cancer	1,000,000
University of Kentucky, Lexington, KY, Center for Improving Medication Related Healthcare Outcomes to identify medication errors	1,000,000
University of Louisville Research Foundation, Louisville KY, for the Center for Oral Health and Systemic Disease	700,000
University of Louisville, Cardiovascular Innovation Institute, Louisville, KY, for a Cardiac Regeneration Program	1,500,000
University of Louisville, Center for the Deterrence of Bioterrorism and Biowarfare, Louisville, KY, to educate public health officials in detecting and responding to biological attacks	1,500,000
University of Nebraska Medical Center, National Biosecurity Center for Rural Health, Omaha, NE, to develop and expand an electronic system to address the threat of bioterrorism	1,000,000
University of North Texas Health Science Center at Forth Worth, TX, for diabetes prevention and control	1,500,000
University of Northern Iowa, Youth Fitness and Obesity Institute, Cedar Falls, IA for an evaluation of preschool health programs	525,000
University of Oklahoma, Norman, OK for the Center for Chemical, Biological, Radiological and Nuclear (CBRN) Countermeasures	400,000
University of Pittsburgh Medical Center, Pittsburgh, PA for the Strategic Medical Intelligence Initiative	150,000
University of Pittsburgh, Center for Sports Medicine, Pittsburgh, PA, to determine the prevalence of knee injuries in female athletes	100,000
University of South Alabama, Mobile, AL for the Alabama Birth Defects Monitoring and Prevention Center	250,000
University of South Alabama, Mobile, AL for the Diabetic Lower Extremity Amputation Prevention Program	400,000
University of Tennessee, Department of Nutrition, Knoxville, TN, for the Tennessee on the Move initiative	500,000
Visiting Nurse Association Healthcare Partners of Ohio, Cleveland, OH, for the VNA—Healthy Town program	500,000
Washington and Jefferson College, Washington, PA for Lyme disease prevention efforts	100,000
Wayne County Michigan, Detroit, Michigan, for an infant mortality prevention, education and outreach project	200,000

Office of the Director

The conference agreement includes $59,707,000 for the activities of the Office of the Director, the same as proposed by the Senate. The House proposed $49,707,000 for the Office of the Director.

The conferees understand that CDC has elevated its Office of Genomics and Disease Prevention to the Office of the CDC Director and encourage CDC to continue its work to integrate genomics across public health research and practice.

The conferees understand the urgent need to contact, inform, and mobilize physicians during public health emergencies. The conferees encourage the CDC to form partnerships with entities and organizations that have databases of physician contact information to facilitate rapid communication of public health alerts.

The conferees urge CDC to continue its efforts to address the unique needs of Native Hawaiians on dialysis in a culturally sensitive manner.

The conferees are aware of potential cost savings that may result from improved information technology, administrative, and management processes and practices. The conferees intend that any savings accrued in fiscal year 2004 as a result of these improvements must come only from internal operational savings of the agency, and may be refocused only into other intramural activities or extramural Public Health Research activities related to the purposes for which those funds were originally appropriated.

NATIONAL INSTITUTES OF HEALTH

NATIONAL CANCER INSTITUTE

The conference agreement includes $4,770,519,000 for the National Cancer Institute as proposed by both the House and the Senate.

To increase the likelihood of a cure for every child with cancer, the conferees urge NCI to increase its support of translational research to accelerate the pace of pediatric cancer clinical trials. The existing NCI-supported national infrastructure of a clinical trials network should be the dominant component of this accelerated effort.

The conferees encourage the Director of NCI to establish a task force to explore the continuing unique needs of the peoples of Hawaii and the Pacific Basin region.

The conferees concur with language in the House report regarding the importance of the collaboration between NCI and CDC regarding tobacco harm reduction. In addition, the conferees urge the NCI to examine what additional scientific research is needed to determine the relative risks of different tobacco products.

NATIONAL HEART, LUNG AND BLOOD INSTITUTE

The conference agreement includes $2,897,145,000 for the National Heart, Lung and Blood Institute instead of $2,897,595,000 as proposed by the Senate and $2,867,995,000 as proposed by the House.

The conferees encourage NHLBI, in collaboration with the Office of Rare Diseases, to develop standards of care for pulmonary and cardiac complications associated with Duchenne muscular dystrophy.

The conferees urge NHLBI to develop a set of treatment guidelines for von Willebrand disease and further urge the Institute to work with medical associations and experts in the field when developing such guidelines.

NATIONAL INSTITUTE OF DENTAL AND CRANIOFACIAL RESEARCH

The conference agreement includes $385,796,000 for the National Institute of Dental and Craniofacial Research instead of $386,396,000 as proposed by the Senate and $382,396,000 as proposed by the House.

NATIONAL INSTITUTE OF DIABETES AND DIGESTIVE AND KIDNEY DISEASES

The conference agreement includes $1,682,457,000 for the National Institute of Diabetes and Digestive and Kidney Diseases instead of $1,683,007,000 as proposed by the Senate and $1,670,007,000 as proposed by the House. An amount of $150,000,000 is also available to the Institute through a permanent appropriation for juvenile diabetes.

The conferees recognize the research supported by the NIDDK digestive diseases branch that is dedicated to the treatment of functional gastrointestinal disorders, which include irritable bowel syndrome. In addition to this important research, the conferees encourage the digestive diseases branch to support and fund basic, translational and clinical research dedicated to developing effective diagnostic tests and innovative treatments for gastrointestinal motility disorders involving enteric neuromuscular dysfunction including, but not limited to, chronic intestinal pseudo-obstruction, gastroparesis, and colonic inertia.

The conferees were pleased to learn of the recent discovery that an existing drug, already used on humans to treat irregular fluid retention has also been found to retard cyst production and disease progression in polycystic kidney disease. The conferees urge NIDDK to conduct clinical trials to follow up on these recent breakthroughs.

Branched chain ketoaciduria is a rare inherited disorder that prevents the proper metabolism of the three branched-chain amino acids found in all protein, and can lead to mental retardation, physical disabilities and death. The conferees are aware of modeling research currently being performed on mice, with the goal of finding a permanent cure for the disease. The conferees encourage NIDDK to provide support for this type of research and other branched chain ketoaciduria-related research.

The conferees applaud NIDDK for their efforts to combat childhood obesity and encourage them to consider particular use of the CDC's Prevention Research Centers as a mechanism through which to award competitive grants for this initiative.

NATIONAL INSTITUTE OF NEUROLOGICAL DISORDERS AND STROKE

The conference agreement includes $1,510,776,000 for the National Institute of Neurological Disorders and Stroke instead of $1,468,926,000 as proposed by the House and $1,510,926,000 as proposed by the Senate.

The conferees urge NINDS to increase its overall investment in multiple sclerosis (MS) research. Special emphasis on imaging, biological markers and clinical trials for new therapeutics should be areas of high priority. The conferees are pleased to note the development of a joint symposium on MS genetics sponsored by NINDS and the National MS Society, and encourage the Institute to take a more active role at the NIH in furthering MS genetics research by developing collaborative strategies with the National Human Genome Research Institute and other relevant NIH institutes. The conferees request that NIH report back to Congress no later than September 30, 2004 with progress in its efforts to expand its commitment to multiple sclerosis. The conferees also are pleased to note a major success in past years in the creation of a joint collaborative research program in "gender and immunity" between the National Institute on Allergy and Infectious Diseases (NIAID) and a major voluntary association for the disease, in which NINDS participates. The conferees encourage NINDS to seek similar collaborative activities related to MS.

The conferees urge NINDS, in collaboration with the National Institute on Arthritis and Musculoskeletal and Skin Diseases and the National Institute of Child Health and Human Development, to accelerate clinical trials to improve treatment for patients with Duchenne muscular dystrophy. The conferees encourage NINDS to actively seek and assess clinical trial proposals and to expedite the review process for clinical research in Duchenne muscular dystrophy. The conferees strongly encourage the funding of three additional centers of excellence by the end of fiscal year 2004.

Stroke is the second leading cause of death among women worldwide and kills more than twice as many women as do breast cancer and AIDS combined. Recognizing that women are the single largest group at risk for death from stroke, the conferees believe that special attention should be focused on better understanding the gender differences with specific attention to stroke related to pregnancy; the use of oral contraceptives; and the impact of postmenopausal hormone replacement therapy on stroke risk. The conferees further urge NIH to increase research into new therapies for stroke in women as well as ways of enhancing the vascular health of all Americans, including (1) a clinical trial of carotid endarterectomy and angioplasty/stenting in women, (2) observational research on differences in the way men and women present with stroke symptoms, and (3) studies of differences in how men and women respond to FDA-approved antiplatelet agents for recurrent stroke prevention.

The conferees strongly support NIH's initiatives toward advancing the organization of stroke care and the identification of stroke treatment and research centers that would provide rapid, early, continuous 24-hour treatment to stroke victims, including the use of the clot-buster t-PA, when appropriate.

NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES

The conference agreement includes $4,335,155,000 for the National Institute of Allergy and Infectious Diseases instead of $4,335,255,000 as proposed by both the House and the Senate.

The conference agreement includes bill language permitting the transfer of $150,000,000 to International Assistance Programs, Global Fund to Fight HIV/AIDS, Malaria, and Tuberculosis as proposed by the Senate instead of $100,000,000 as proposed by the House.

The conferees encourage NIAID to enhance its research efforts to identify the cause of eosinophilic-myalgia syndrome and to characterize better the pathophysiological events of this disease. The conferees support the Institute's efforts to support a workshop in 2004 to evaluate the current state of knowledge on EMS. The conferees anticipate that the workshop will identify new scientific opportunities related to the pathogenesis of EMS and improved diagnosis, treatment and prevention strategies.

The conferees are concerned about the pace of research in the area of chronic fatigue and immune dysfunction syndrome. The conferees encourage NIAID, in collaboration with NINDS and NIMH, to increase its research portfolio in the areas of CFIDS. The conferees further request that the NIH report to the Committees on Appropriations by

March 1, 2004, on the number of grants specifically devoted to CFIDS research, over the past five years.

NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES

The conference agreement includes $1,916,333,000 for the National Institute of General Medical Sciences instead of $1,923,133,000 as proposed by the House and $1,917,033,000 as proposed by the Senate.

NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT

The conference agreement includes $1,250,585,000 for the National Institute of Child Health and Human Development instead of $1,245,371,000 as proposed by the House and $1,251,185,000 as proposed by the Senate.

The conferees urge NICHD to continue its cooperation and participation in the Duchenne Muscular Dystrophy programs of the National Institute on Arthritis and Musculoskeletal and Skin Diseases and NINDS. The conferees commend NICHD for its involvement in the Paul Wellstone Centers of Excellence programs for Muscular Dystrophy, and urge its ongoing commitment to assist the funding of clinical trials proposals and expedite the review process for clinical research in Duchenne Muscular Dystrophy, in addition to its investment in new Centers of Excellence.

NATIONAL EYE INSTITUTE

The conference agreement includes $657,199,000 for the National Eye Institute as proposed by the Senate instead of $648,299,000 as proposed by the House.

The conferees commend the NIH Director's initiative to advance translational clinical research through the joint efforts of the various Institutes, often in partnership with private organizations focused on clinical research and patient participation. The conferees are aware of a proposal for a national conference on translational clinical research for orphan eye diseases. The Director of the NEI is encouraged to consider providing support for this important effort.

NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

The conference agreement includes $636,974,000 for the National Institute of Environmental Health Sciences instead of $630,774,000 as proposed by the House and $637,074,000 as proposed by the Senate.

The conferees recognize the complex environmental exposures faced by the residents of rural areas. NIEHS is urged to address rural environmental concerns through its environmental health sciences core centers program.

The conferees encourage NIEHS to continue its support for critical research required to fill data gaps in environmental health, with special concern for children's health, including the effects of mixtures of chemicals on developing nervous systems; accurate exposure levels for environmental chemicals; and the development of predictive models of chemical effects on developing systems. The conferees encourage the NIEHS to collaborate with the CDC on research focused on environmental chemical mixtures and computational modeling.

NATIONAL INSTITUTE ON AGING

The conference agreement includes $1,031,311,000 for the National Institute on Aging instead of $994,411,000 as proposed by the House and $1,031,411,000 as proposed by the Senate.

NATIONAL INSTITUTE OF ARTHRITIS AND MUSCULOSKELETAL AND SKIN DISEASES

The conference agreement includes $504,300,000 for the National Institute of Arthritis and Musculoskeletal and Skin Diseases instead of $502,778,000 as proposed by the House and $505,000,000 as proposed by the Senate.

The conferees urge NIAMS, in collaboration with NINDS and NICHD, to accelerate clinical trials to improve treatment for patients with Duchenne muscular dystrophy. The conferees encourage NIAMS to actively seek and assess clinical trial proposals and to expedite the review process for clinical research in Duchenne muscular dystrophy. The conferees encourage the funding for three additional centers of excellence by the end of fiscal year 2004.

The conferees commend NIAMS for conducting a workshop on the "Burden of Skin Diseases." The workshop participants found that there was a lack of specific data on this topic and recommended that general and skin disease-specific measures of the burden of skin disease be developed in order to generate data on the incidence, prevalence, economic burden, quality of life, disability, and handicaps attributable to these diseases. The conferees request that NIAMS provide a detailed action plan of Institute activities to effectively implement the recommendations of the workshop participants.

NATIONAL INSTITUTE ON DEAFNESS AND OTHER COMMUNICATION DISORDERS

The conference agreement includes $384,477,000 for the National Institute on Deafness and Other Communication Disorders instead of $380,377,000 as proposed by the House and $384,577,000 as proposed by the Senate.

NATIONAL INSTITUTE OF NURSING RESEARCH

The conference agreement includes $135,555,000 for the National Institute of Nursing Research instead of $134,579,000 as proposed by the House and $135,579,000 as proposed by the Senate.

NATIONAL INSTITUTE ON ALCOHOL ABUSE AND ALCOHOLISM

The conference agreement includes $431,471,000 for the National Institute on Alcohol Abuse and Alcoholism instead of $430,121,000 as proposed by the House and $431,521,000 as proposed by the Senate.

NATIONAL INSTITUTE ON DRUG ABUSE

The conference agreement includes $997,414,000 for the National Institute on Drug Abuse instead of $995,614,000 as proposed by the House and $997,614,000 as proposed by the Senate.

NATIONAL INSTITUTE OF MENTAL HEALTH

The conference agreement includes $1,390,714,000 for the National Institute of Mental Health instead of $1,382,114,000 as proposed by the House and $1,391,114,000 as proposed by the Senate.

NATIONAL HUMAN GENOME RESEARCH INSTITUTE

The conference agreement includes $482,222,000 for the National Human Genome Research Institute instead of $478,072,000 as proposed by the House and $482,372,000 as proposed by the Senate.

NATIONAL INSTITUTE OF BIOMEDICAL IMAGING AND BIOENGINEERING

The conference agreement includes $288,900,000 for the National Institute of Biomedical Imaging and Bioengineering instead of $282,109,000 as proposed by the House and $289,300,000 as proposed by the Senate.

NATIONAL CENTER FOR RESEARCH RESOURCES

The conference agreement includes $1,186,183,000 for the National Center for Research Resources instead of $1,053,926,000 as proposed by the House and $1,186,483,000 as proposed by the Senate.

The conference agreement includes bill language to earmark $119,220,000 for extramural facilities construction grants as proposed by the Senate. The House did not provide funding for extramural facilities construction.

Within the total provided for NCRR, the conference agreement includes $215,000,000 for the Institutional Development Awards (IDeA) program and $320,000,000 for the General Clinical Research Centers as proposed by the Senate.

The conferees are pleased with reports of the ongoing successes of the Science Education Partnerships Award (SEPA) program. The NCRR is urged to continue soliciting and funding additional SEPA grant applications from science centers and other eligible entities.

NATIONAL CENTER FOR COMPLEMENTARY AND ALTERNATIVE MEDICINE

The conference agreement includes $117,752,000 for the National Center for Complementary and Alternative Medicine instead of $116,202,000 as proposed by the House and $117,902,000 as proposed by the Senate.

NATIONAL CENTER ON MINORITY HEALTH AND HEALTH DISPARITIES

The conference agreement includes $192,724,000 for the National Center on Minority Health and Health Disparities as proposed by the House instead of $192,824,000 as proposed by the Senate.

JOHN E. FOGARTY INTERNATIONAL CENTER

The conference agreement includes $65,800,000 for the John E. Fogarty International Center instead of $64,266,000 as proposed by the House and $65,900,000 as proposed by the Senate.

NATIONAL LIBRARY OF MEDICINE

The conference agreement provides $319,835,000 for the National Library of Medicine, of which $311,635,000 is from budget authority and $8,200,000 is from amounts available under section 241 of the Public Health Service Act to carry out the National Information Center on Health Services Research and Health Care Technology. The House had provided $316,040,000, entirely from budget authority, and the Senate had provided $320,035,000, of which $311,835,000 was from budget authority and $8,200,000 was from section 241 authority.

OFFICE OF THE DIRECTOR

(INCLUDING TRANSFER OF FUNDS)

The conference agreement includes $329,707,000 for the Office of the Director instead of $317,983,000 as proposed by the House and $323,483,000 as proposed by the Senate.

The conference agreement includes bill language identifying $7,500,000 for the purposes identified in general provision 221.

The conference agreement provides $500,000 for the Foundation for the National Institutes of Health as proposed by the House instead of $497,000 as proposed by the Senate.

The conferees concur with the guidance in the Senate report regarding limits for NIH reprogramming requests.

The conferees concur in the House report language indicating that the proposal to multi-year fund some or all NIH grants is not approved.

The conferees recognize that breakthroughs in the physical sciences underpin many of the remarkable advances in the life sciences that have been achieved during the last century. Increasingly, the boundaries between the life sciences and the physical sciences are being blurred, as capacities and talents bridging the disciplines are essential for modern experimentation and discovery. Accordingly, the conferees believe that a major effort must be undertaken to promote the advancement of research at the interface between the life sciences and the physical sciences. This interface occurs in many agencies including NIH, NSF, Office of Science, Department of Energy, DARPA, NASA, NOAA, and others. The conferees commend NIH for its plans to evaluate, as part of the NIH Roadmap process, what steps need to be taken to encourage progress in the physical sciences that will provide support and underpinning for future advances in the life sciences and to convene a conference to discuss this issue with other Federal agencies.

The conferees commend NIH for recently awarding nine five-year grants to expand research on autoimmune disease and to increase the number of autoimmunity centers of excellence. This coordinated approach, under the NIH Autoimmune Diseases Coordinating Committee, involves the full spectrum of NIH Institutes. It marks a promising start in implementing the recommendations of the NIH Autoimmune Diseases Research Plan.

The Committee encourages the Office of Rare Diseases to work in association with NINDS in studying Niemann-Pick Type C, a rare metabolic disorder in which harmful quantities of cholesterol and other fatty substances accumulate in the spleen, liver, lungs, bone marrow and most often in the brain.

The conferees urge NIH to support the efforts of universities, medical schools, scientific societies and other groups that are working to develop and implement a system for voluntary, peer-driven accreditation of organizations throughout the country which are engaged in research involving human subjects.

The conferees encourage the Office of Dietary Supplements and NCCAM to review and consider funding research to elucidate the mechanisms of action of the B vitamins and antioxidant phytochemicals in berries so that work in animal models can be extended to human studies. Research with animals has shown that diets containing berry fruits (such as blueberries) as well as B vitamins can forestall and perhaps reverse many of the neurological changes that are associated with age-related neurodegenerative conditions such as Parkinson's and Alzheimer's disease.

BUILDINGS AND FACILITIES

The conference agreement includes $89,500,000 for buildings and facilities as proposed by the Senate instead of $80,000,000 as proposed by the House.

The conference agreement includes language granting full scope authority for the contracting of construction of the first and second phases of the John E. Porter Neurosciences Building as proposed by the Senate. The House did not have a similar provision.

Due to extensive community concerns about the proposed construction of a BSL–3 lab on NIH's main Bethesda, MD campus, the conferees expect NIH to: (1) submit a report to the Senate and House Appropriations Committees within 60 days of enactment of this Act detailing the reasons why NIH believes the lab should not be built at Fort Detrick, MD; (2) provide the community with detailed information regarding ongoing risk assessments and proposed safety policies to protect NIH employees and the local community; and (3) provide a mechanism for ongoing involvement between NIH and the local community to provide information about lab safety, research, and activities.

SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION

SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES

The conference agreement includes $3,370,813,000 for substance abuse and mental health services, of which $3,253,763,000 is provided through budget authority and $117,050,000 is provided through the evaluation set-aside. The House bill had proposed $3,345,000,000 for SAMHSA, of which $16,000,000 was from the evaluation set-aside and the Senate proposed $3,274,590,000, of which $117,050,000 was from the evaluation set-aside. The conference agreement includes bill language establishing a limitation of five percent of the block grant appropriation for funding of data collection activities as proposed by the Senate.

Within the total provided, the conference agreement includes funding at no less than the fiscal year 2003 level for activities throughout SAMHSA that are targeted to address the growing HIV/AIDS epidemic and its disparate impact on communities of color.

The conference agreement includes bill language identifying $14,985,000 for projects in the amounts specified in the statement of the managers on the conference report.

CENTER FOR MENTAL HEALTH SERVICES

The conference agreement includes $242,379,000 for programs of regional and national significance instead of $237,000,000 as proposed by the House and $237,667,000 as proposed by the Senate.

Within the total provided, the conference agreement provides $95,000,000 for counseling services for school-aged youth as proposed by the Senate. As proposed by the Senate, $3,000,000 is provided to support the National Suicide Prevention Resource Center, and continued support is provided for the Suicide Prevention Hotline program at the fiscal year 2003 level.

Within the total provided, $30,000,000 is provided under section 582 of the Public Health Service Act to support grants to local mental health providers for the purposes of developing knowledge of best practices and providing mental health services to children and youth suffering from post-traumatic stress disorder as a result of having witnessed or experienced a traumatic event.

The conference agreement includes $2,500,000 for a nationwide, three-year public service campaign to reduce the stigma of mental illness. The conferees expect SAMHSA to work in partnership with a private, non-profit agency that is the leading producer of public service advertisements (PSAs) and is able to use the services of volunteer advertising agencies and donated media.

The conferees are concerned about the problem of chronic homelessness across the Nation. Within the total for mental health programs of regional and national significance, the conference agreement provides funds at no less than the fiscal year 2003 level for programs addressing homelessness.

The conference agreement provides $2,000,000 to continue the current level of funding for the consumer and consumer-supporter national technical assistance centers as proposed by the Senate. The conferees direct CMHS to support multi-year grants to fund five such national technical assistance centers.

The conference agreement provides $5,000,000 to continue the elderly treatment and outreach program.

As proposed by the House, the conference agreement provides $7,000,000 for the jail diversion program.

The conferees include the following amounts for the following projects and activities in fiscal year 2004:

AgriWellness, Inc. in Harlan, Iowa, for the Sowing the Seeds of Hope rural mental health project	$160,000
Alfred University, Alfred, NY for the Lea R. Powell Institute for Children and Families: Improving Access to High Quality Mental Health Services in Underserved, Isolated Rural Areas	500,000
American Red Cross, Lower Bucks County Chapter, Levittown, PA for the Homeless Services Program	200,000
Bellefaire Jewish Children's Bureau, Cleveland, OH for the Social Advocates for Youth (SAY) project	500,000
Boone Community Family Center, Philadelphia, PA to develop and implement adolescent suicide prevention pilot program in Philadelphia schools ..	50,000
Cheyenne River Sioux Tribe in Eagle Butte, South Dakota for mental health services	225,000
CONTACT of Mercer County, Trenton, NJ	35,000
Dauphine County department of Human Services, Dauphin County, PA for the Mental Health Court Program to help the Dauphin County courts and prisons work with individuals with mental health and substance abuse problems	100,000
Deschutes County, Oregon, to develop a program providing mental health services for rural communities	100,000
Family Communications Inc. in Pittsburgh, PA, for an antiviolence program entitled the National Project Managing Anger, Promoting Safety	100,000
Institute for the Study and Practice of Nonviolence of Providence, RI for the Streetworkers Program to reduce youth crime, violence and drug abuse	50,000
Jewish Association for Residential Care, Farmington Hills, MI	150,000
KidPeace, Orefield, PA to diagnose children with mental health problems	100,000
Lawrence Hall Youth Services in Chicago, Illinois for mental health and related support services	50,000
Mental Health Center of Dane County, Inc., Madison, WI to provide culturally appropriate mental health services to the Hmong community	100,000

Noah's Ark—A Safe Place, Inc., for mental and emotional counseling for young men in several Pennsylvania counties ...	150,000
Northwestern Academy, Lafayette Hill, PA for equipment and personnel to provide for a program to diagnose and treat delinquent, mentally ill adolescents through the delivery of comprehensive psychological and psychiatric services	100,000
Oklahoma Department of Mental Health and Substance Abuse Services, Oklahoma City, for the Substance Abuse and Mental Health Cross Training Initiative	50,000
Potter County Human Services, Roulette, PA for a Youth Community Awareness program that will provide community outreach and assistance to address the rising number of teen suicides in Potter County	75,000
See Forever Foundation, Washington, DC to provide the mental health services needed by the students of the Maya Angelou Public Charter School	400,000
Temple University, Center for Social Policy and Community Development, Philadelphia, PA to develop and implement a two-pronged Adolescent Suicide Prevention Pilot Program	1,000,000
Ventura County Probation Agency, Ventura, CA for the Emotionally Challenged Juvenile Offender Intervention Program	500,000
Western Psychiatric Institute and Clinic, Pittsburgh, PA for Computerized Decision Support for Chronic Care Management of Psychiatric Disorders	250,000
Women's Crisis Center, Covington, KY, to provide rape counseling, community outreach and related mental health programs	100,000

The conference agreement includes $437,140,000 for the mental health block grant, which includes $21,850,000 from the evaluation set-aside as proposed by the Senate, instead of $435,000,000 as proposed by the House. The House proposed funding to SAMHSA through direct appropriation rather than using the evaluation set-aside.

The conference agreement includes $103,026,000 for children's mental health grants rather than $108,000,000 as proposed by the House and $98,052,000 as proposed by the Senate.

The conference agreement provides $50,055,000 for grants to States for the homeless (PATH) as proposed by the House rather than $47,073,000 as proposed by the Senate.

The conference agreement includes $34,825,000 for protection and advocacy instead of $33,870,000 as proposed by the House and $35,779,000 as proposed by the Senate.

CENTER FOR SUBSTANCE ABUSE TREATMENT

The conference agreement includes $421,975,000 for programs of regional and national significance instead of $417,278,000 as proposed by the House and $327,071,000 as proposed by the Senate.

Within funds provided, $100,000,000 is for the new drug and alcohol treatment voucher initiative as proposed by the House. The Senate did not include funding for this program. The conferees applaud the Administration for proposing this initiative, the Access to Recovery program, which will provide much-needed funds to increase capacity and expand access to alcohol and drug treatment. The conferees expect that the new voucher program will support evidenced-based practice and will provide medically appropriate treatment for individuals needing care. To this end, the conferees expect that States and providers receiving funds under this program will use assessment and placement criteria developed by national experts, such as the American Society of Addiction Medicine. The conferees support the Administration's goal of opening new pathways to treatment. At the same time however, the conferees direct that all providers participating in the Access to Recovery program should be held accountable to the same standards of care, performance, licensure and certification requirements as other licensed or certified drug and alcohol programs in their respective States. The conferees direct SAMHSA to report to the House and Senate Committees on Appropriations 30 days after Access to Recovery funds are distributed regarding the States that applied for and received grants, the amount awarded to each State, and the services each State will provide with these funds. Furthermore, no funds shall be expended under this Act for the implementation of the Access to Recovery voucher program other than those funds specifically provided for by the conferees.

The conference agreement provides $10,000,000 for treatment programs for pregnant, postpartum and residential women and their children as proposed by the Senate.

The conferees are concerned about the problem of chronic homelessness across the Nation. Within the total for substance abuse treatment programs of regional and national significance, the conference agreement provides funds at no less than the fiscal year 2003 level for programs addressing homelessness.

The conference agreement provides $33,901,000 for targeting specific treatment approaches for adolescents and young adults. The conferees are aware that there are becoming fewer treatment options for teens and young adults and provide this funding to address that specific treatment gap.

Included in the conference agreement is $35,000,000 for targeted capacity expansion for general populations, as proposed by the Senate.

The conferees have not included funds for the Screening, Brief Intervention, Referral and Treatment (SBIRT) program and direct that none of the funds provided in this Act for existing programs shall be reduced below fiscal year 2003 levels to fund the SBIRT program.

The conferees include the following amounts for the following projects and activities in fiscal year 2004:

19th Judicial District Drug Court, Baton Rouge, LA, to implement a 28-Bed Residential Program at the Earl K. Long Hospital	$71,000
Akeela, Inc. Re-Entry Program, Anchorage, AK to increase retention at Akeela House by re-establishing a cultural component to the treatment environment, and to enhance transition of inmates from prison-based treatment programs back into the community	200,000
Alaska Christian College, Soldotna, AK for operations of residential substance abuse program for adolescents	150,000
Baltimore City, to expand drug treatment services	1,000,000
Behavior Management Systems in Rapid City, South Dakota for substance abuse treatment ..	250,000
Cedar Valley Friends of the Family, Inc., Waverly, IA	100,000
Center for the Study of Addiction at Texas Tech University, Lubbock, TX	250,000
City of Wrangell, AK for its Avenues Program to provide comprehensive substance abuse treatment services for the community	100,000
Community Services for Children, Allentown, PA to remediate and reverse the impact of drug use by pregnant mothers on their newborn infants	50,000
Cook Inlet Council on Alcohol and Drug Abuse, Kenai, AK for treatment of women and children with substance abuse problems	200,000
Doe Fund, Inc., Philadelphia, PA to provide substance abuse treatment services	100,000
Fairbanks Community Initiative for Chronic Inebriates, Fairbanks, AK to operate community programs to provide treatment and services to chronic inebriates	700,000
Healing Place, Louisville, KY	113,000
Institute for Research, Education, and Training In Addictions (IRETA), Pittsburgh, PA to implement and complete several major model projects concerning alcohol and drug use	200,000
Iowa Office of Drug Control Policy, Des Moines, to develop Drug Endangered Children rapid response teams that will intervene on behalf of children exposed to methamphetamine as a result of residing in a home-based clandestine drug laboratory	146,000
Municipality of Anchorage for comprehensive substance abuse treatment services, focusing on transitional populations	500,000

Pinon Hills Residential Treatment Center in Valarde, New Mexico	150,000
Ramsey County ACE Program, Minnesota to provide staffing for a research-based early intervention program for children under 10 at high risk for serious, violent and chronic juvenile delinquency	50,000
Recovery Options for Addictive Disorders (ROADS), Fort Worth, TX for outpatient treatment services and to continue the ROADS project	400,000
Second Chance Program, La Mesa, CA, for a substance abuse rehabilitation demonstration transition Program in the New Mexico State prison system	350,000
University of South Florida, Louis de la Parte Florida Mental Health Institute, Tampa, FL for the National Implementation Research Network	500,000
Vinland National Center, Loretto, MN to provide chemical dependency treatment services for individuals with co-occurring disorders	200,000
Wayne County, MI for the Anti-addiction Treatment Project to pilot a treatment protocol that blocks the craving for heroin	350,000
Yankton Sioux Tribe in Marty, South Dakota for substance abuse treatment at Canku Teca	200,000

The conference agreement includes $1,789,235,000 for the Substance Abuse Prevention and Treatment Block Grant, of which $1,710,035,000 is budget authority and $79,200,000 is provided through the PHS evaluation funding tap. The House bill had proposed $1,774,538,000 and the Senate proposed $1,803,932,000, of which $79,200,000 was derived through the evaluation tap. The conference agreement includes bill language establishing a limitation of five percent of the block grant appropriation for funding of data collection activities as proposed by the Senate.

CENTER FOR SUBSTANCE ABUSE PREVENTION

The conference agreement includes $199,763,000 for programs of regional and national significance instead of $198,000,000 as proposed by the House and $194,306,000 as proposed by the Senate.

The conference agreement provides $5,000,000 to continue and expand the program funded for the last two years regarding ecstasy and other club drugs as proposed by the Senate.

Included in the conference agreement is $10,000,000 for Fetal Alcohol Syndrome/Fetal Alcohol Effect (FAS/FAE) prevention and treatment programs, with an emphasis on teenage mothers as proposed by the Senate.

The conferees include the following amounts for the following projects and activities in fiscal year 2004:

Abraham Hall Emergency Youth Shelter, Paducah, KY	$75,000
Centre County, PA, to implement, in coordination with Clinton County, educational programming targeting the prevention of drug use by students	200,000
Clinton County Communities That Care, Lock Haven, PA, for a program that helps families cope with drug and behavioral problems	100,000
Coalition for a Safe and Drug Free St. Petersburg, Inc., St. Petersburg, FL	500,000
Community Health Center on the Big Island of Hawaii for Youth Anti-Drug Program	250,000
Corporate Alliance for Drug Education, Bala Cynwyd, PA for an elementary school-based prevention program to teach children to reject substance abuse and violence while helping them to identify positive alternatives to harmful situations	250,000
District Attorney of the 24th Judicial District of Louisiana, Gretna, LA for Jefferson Parish SE Louisiana Drug Prevention and Education Program	300,000
Drug Free Pennsylvania, Inc., Harrisburg, PA, for a media literacy project to prevent drug use by students	25,000
DuPage County, Psychological Services, Wheaton, IL for the DuPage Prevention Partnership ti initiate treatment, intervention and prevention services targeted at reducing substance abuse, violence, juvenile and community crime county-wide	260,000
Lea County, New Mexico for substance abuse counseling and treatment of detention center residents	350,000
National Association of Alcoholism and Drug Abuse Counselors, Alexandria, VA, to recruit, retain, and train alcohol and other drug treatment professionals in Ohio	100,000
Security on Campus, Inc., King of Prussia, PA, to distribute educational materials to high schools in Pennsylvania aimed at informing students of the high risks of underage and binge drinking	25,000
Stone Soup Group, Anchorage, AK to expand services to FAS/FAE children and their families	200,000
University of Cincinnati, College of Education, Center for Prevention Studies, Cincinnati, OH for Ohio Bridgebuilders	500,000
University of South Dakota School of Medicine Center for Disabilities in Sioux Falls, SD to continue the work of the Consortium of Fetal Alcohol Syndrome	475,000

PROGRAM MANAGEMENT

The conference agreement includes $92,415,000 for program management, of which $16,000,000 is provided through the evaluation set-aside. The House bill had proposed $91,259,000 and the Senate bill had proposed $93,570,000.

AGENCY FOR HEALTHCARE RESEARCH AND QUALITY

HEALTHCARE RESEARCH AND QUALITY

The conference agreement includes $303,695,000 as proposed by both the House and Senate. The agreement provides all these funds through the policy evaluation set-aside.

The conference agreement provides $79,500,000 for reducing medical errors instead of $75,000,000 as proposed by the House and $84,000,000 as proposed by the Senate. The agreement includes modified House bill language identifying $12,000,000 for the conduct of research on the comparative clinical effectiveness, cost-effectiveness and safety of drugs and devices. The conferees understand that the agency will use grants, contracts and other funding mechanisms to support the Administration's patient safety hospital information technology initiative.

The conferees concur with the Senate report language urging AHRQ to support evidence-based research focused on the relationship between metabolic genes and drug efficacy and safety.

The conferees concur in the House report language regarding public-private sector partnerships in the adoption and use of standards and technology to support quality and safety.

The conferees believe health services research can address the real and growing threats to the quality of care and patient safety created by an inadequate supply of nurses. The conferees encourage AHRQ to continue to support research that further promotes patient safety by understanding linkages to the work environment, retention of nurses, the impact of an aging nurse workforce, and outcomes of care. This research should include the development of data needed to conduct the research and should be undertaken in collaboration with the Division of Nursing within HRSA, the National Institute of Nursing Research, and other relevant agencies.

CENTERS FOR MEDICARE AND MEDICAID SERVICES

GRANTS TO STATES FOR MEDICAID

The conference agreement provides $130,892,197,000 for Medicaid grants as proposed by the House instead of $124,892,197,000 as proposed by the Senate. These funds meet the requirements of the temporary increase in the Federal match rate provided in Public Law 108–27.

The conferees have been made aware of concerns from the City of San Juan, Puerto Rico related to the disbursement of Federal Medicaid funds to its municipal health care system. The conferees direct CMS to expand and update its study of the issues related to the current disbursement system of Federal Medicaid to providers in the City of San Juan, so as to ensure that eligible beneficiaries have access to Medicaid-covered health care services. Such a study should examine any existing barriers to care and the adequacy of the provider network, as well as any lack of capacity that may exist as a result of the current system. CMS is further directed to report the findings of this study back to the Committee on Appropriations no less than six months after the enactment of this Act.

PROGRAM MANAGEMENT

The conference agreement includes $2,664,994,000 for program management instead of $2,698,025,000 as proposed by the House and $2,707,603,000 as proposed by the Senate. An additional appropriation of $720,000,000 has been provided for the Medicare Integrity Program through the Health Insurance Portability and Accountability Act of 1996.

The conference agreement includes $78,791,000 for research, demonstration, and evaluation instead of $27,918,000 as proposed by the House and $67,400,000 as proposed by the Senate. Within the total provided, the conference agreement provides $40,000,000 for Real Choice Systems Change Grants to States and $6,000,000 is provided for a national demonstration to address workforce shortages of community service direct care workers. These two provisions were included in the Senate bill but not the House bill. The conferees concur in Senate report language regarding program management techniques for long-term care systems. The conferees are pleased with the demonstration project at participating sites licensed by the Program for Reversing Heart Disease and encourage its continuation. The conferees further urge CMS to continue with the demonstration project being conducted at the Mind Body Institute of Boston, Massachusetts. The conferees urge CMS to continue its research activities targeted towards ensuring culturally sensitive health care for American Samoans.

The agreement includes bill language for the following projects and activities for fiscal year 2004:

Advocate Health Care in Oak Brook, IL for health education programs and services to the deaf and hard-of-hearing	$100,000
AIDS Healthcare Foundation in Los Angeles for a demonstration of residential and outpatient treatment facilities	1,750,000
Berwick Hospital Center, Berwick, PA for stabilizing the workforce for patient care	250,000
Bloomsburg Hospital, Bloomsburg, PA for stabilizing the workforce for patient care	163,000
Cheyenne River Sioux Tribe in Eagle Butte, South Dakota to establish a nursing home	275,000
Community Medical Center, Scranton, PA for stabilizing the workforce for patient care	778,000
Cook County (IL) Bureau of Health Services to improve the management of vulnerable patients with poorly controlled diabetes	150,000
Divine Providence Hospital, Williamsport, PA for stabilizing the workforce for patient care	178,000
Geisinger Wyoming Valley Medical Center, Wilkes-Barre, PA for stabilizing the workforce for patient care	267,000
Hazleton General Hospital, Hazleton, PA for stabilizing the workforce for patient care	237,000
Hope Worldwide, Philadelphia, PA to maintain clinical care for recovering drug and alcohol addicts	25,000
Illinois Primary Health Care Association for the Shared Integrated Management Information System, Springfield, IL	825,000
James S. Taylor Memorial Home, Louisville, KY	250,000
Jefferson Area Board for Aging, Charlottesville, VA, for the Nursing Assistant Institute	100,000
Jersey Shore Hospital, Jersey Shore, PA for stabilizing the workforce for patient care	85,000
Marian Community Hospital, Carbondale, PA for stabilizing the workforce for patient care	179,000
Medical Care for Children Partnership, Fairfax, Va to provide outreach to increase access to medical and dental care for children	200,000
Mercy Health Partners, Scranton, PA for stabilizing the workforce for patient care	393,000
Mercy Hospital, Wilkes-Barre, PA for stabilizing the workforce for patient care	571,000
Mid-Valley Hospital, Peckville, PA for stabilizing the workforce for patient care	63,000
Moses Taylor Hospital, Scranton, PA for stabilizing the workforce for patient care	510,000
Muncy Valley Hospital, Muncy, PA for stabilizing the workforce for patient care	109,000
Muskegon Community Health Project, Muskegon, MI, for the Access Health program	225,000
North Penn Visiting Nurse Association, Lansdale, PA to provide low-cost or free health care to children who do not have health insurance	75,000
Patient Advocate Foundation, Newport News, VA to provide direct intervention assistance to patients throughout U.S. who are experiencing difficulty in accessing quality health care services	122,000
Rhode Island Hospital—Medical Simulation Center of Providence, RI for the creation of a transportable simulation-based training curriculum and validated human performance measurement system	100,000
Saint Joseph Medical Center, Hazleton, PA for stabilizing the workforce for patient care	256,000
Santa Clara County, CA for its Children's Health Initiative program to provide outreach and enrollment assistance for families under 300% of federal poverty level	100,000
Sharon Regional Health System, Sharon, PA for stabilizing the workforce for patient care	664,000
Sickle Cell Medical Treatment & Education Center, St. Louis Children's Hospital, St. Louis, MO, to improve the academic achievement of children with Sickle Cell Disease with specific cognitive rehabilitation	25,000
Tyler Memorial Hospital, Tunkhannock, PA for stabilizing the workforce for patient care	111,000
United Community Hospital, Grove City, PA for stabilizing the workforce for patient care	174,000
UPMC Horizon, Farrell, PA for stabilizing the workforce for patient care	503,000
Williamsport Hospital & Medical Center, Williamsport, PA for stabilizing the workforce for patient care	613,000
Wyoming Valley Health Care System, Wilkes-Barre, PA for stabilizing the workforce for patient care	965,000

The conference agreement includes bill language identifying $30,000,000 for the CMS revitalization plan as proposed by the Senate instead of $65,000,000 as proposed by the House.

The conference agreement does not include language that was in the House bill identifying $129,000,000 for processing Medicare appeals. Funding is included to support the Social Security Administration's costs of Medicare hearings workloads.

The conference agreement includes $1,722,889,000 for Medicare operations instead of $1,776,889,000 as proposed by both the House and the Senate. The conference agreement does not include the $98,000,000 reduction to Medicare operations included in general provision 217 of the House bill. The conference agreement includes bill language proposed by the Senate making up to an additional $18,000,000 available to CMS for Medicare claims processing if unit costs of claims exceed particular thresholds. The House bill did not contain similar language.

The conferees are concerned that the proposed Medicare "75% Rule" classifying inpatient rehabilitation facilities (IRFs) would have severe consequences for access to inpatient services. The conferees concur with the Medicare Payment Advisory Commission

(MedPAC) finding that further analysis should be conducted to identify which criteria are clinically appropriate for inclusion in the calculation of the rule used to determine eligibility for reimbursement under the IRF prospective payment system. The conferees direct CMS to contract with the Institute of Medicine to issue a report, in consultation with a panel of independent experts in the field of physical medicine and rehabilitation, to establish clinically appropriate standards for medical necessity and clinically appropriate qualification criteria for IRFs. During the study period, the conferees expect the Secretary to delay implementation of the 75% rule, delay implementation of local medical review policies concerning medical necessity, and not accept new IRF applications until the report is finished.

The conferees are concerned that CMS has not updated since 1992 the relative values code for the provision of portable services, such as X-rays, despite the statutory requirement to update these codes every five years. This failure may be contributing to the utilization of more costly care settings. The conferees urge the Secretary, within 90 days of enactment of this Act, to review the relative values code for portable X-ray providers and to update this code utilizing existing data.

The conferees are aware that a final rule to revise the 2004 Medicare Fee Schedule for payment to physicians was issued on November 7, 2003. The rule will change payment for physicians managing dialysis patients to reflect the varying number of visits performed each month to an end-stage renal disease (ESRD) patient. Yet, there appears to be no published evidence that visiting dialysis patients more frequently than once per month correlate with improved outcomes. Moreover, the conferees are concerned that this change in payment methodology may have serious implications for ESRD patients who reside in rural communities. The conferees understand that it is equally plausible that the quality of an individual visit is more critical to ensuring optimal outcomes than is the frequency of visits. Therefore, the conferees expect CMS to consult with the General Accounting Office, the Relative Value Update Committee, and clinical nephrology societies, as well as relevant provider and patient organizations, to evaluate and develop an alternative payment reform that facilitates enhanced physician/dialysis patient interaction and outcomes.

ADMINISTRATION FOR CHILDREN AND FAMILIES

Payments to States for Child Support Enforcement and Family Support Programs

The conference agreement provides $3,292,970,000 for payments to States for child support enforcement and family support programs. The House bill had proposed $3,292,970,000 and the Senate bill had proposed $3,292,270,000.

Low-Income Home Energy Assistance

The conference agreement provides $1,900,000,000 for low-income home energy assistance rather than $1,800,000,000 as proposed by the House and $2,000,000,000 as proposed by the Senate. Of the amount provided $1,800,000,000 is provided for formula grants to States. The House bill had proposed $1,700,000,000 for State formula grants and the Senate bill proposed $2,000,000,000. Within the funds available, $27,500,000 is included for the leveraging incentive fund as proposed by the Senate.

The conference agreement includes $100,000,000 as proposed by the House for the contingency fund to meet the additional home energy assistance needs arising from a natural disaster or other emergency. The Senate bill did not include funds for the contingency fund. The conferees expect the Secretary to consider the factors identified in the statute when making decisions about the release of funds. The conferees are aware that the Secretary formally notifies the authorizing committees in advance of issuing grants from LIHEAP contingency funds, pursuant to Section 2604(e) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8623(e)). The conferees request that the House and Senate Committees on Appropriations receive copies of such notifications in advance of issuing grants. The conferees urge the Department to provide regular information on significant, unanticipated changes in home heating and cooling costs and to receive quarterly reports on significant variances in regional weather data and fuel prices to the Committees on Appropriations and the appropriate authorizing committees. Such reports should be provided within 30 days of the end of any fiscal quarter in which LIHEAP contingency funds remain available for obligation. In addition, the conferees request for any quarter in which there is a release of funds to receive a detailed explanation of the factors used to determine the distribution of funds among States.

The conferees are aware that one of the criteria for release of emergency funds is a significant increase in disconnections. The precursor to disconnection is a household in arrearage. The conferees believe that helping families prior to disconnection would prevent safety and health concerns surrounding a household without energy services. For that reason, the conferees urge the Secretary to monitor arrearage trends nationwide and consider a significant increase in arrearage rates as part of the disconnection criteria.

Refugee and Entrant Assistance

The conference agreement includes $450,276,000 for the refugee and entrant assistance programs rather than $461,853,000 as proposed by the House and $428,056,000 as proposed by the Senate.

The conference agreement includes $170,000,000 for the transitional and medical services programs rather than $200,193,000 as proposed by the House and $180,000,000 as proposed by the Senate.

The conferees recognize the positive outcomes achieved for individuals served through the matching grant fund program. Therefore, the conferees encourage the Office of Refugee Resettlement (ORR) to ensure that the matching grant program is not disproportionately affected by the funding reductions proposed due to lower admissions to the United States. The conferees request, as part of the fiscal year 2005 Congressional budget justification, that the ORR provide a detailed breakdown on the plan for allocating funding under the transitional and medical services program.

The conference agreement provides $9,968,000 for both the victims of trafficking program and the victims of torture program. The House bill had included $10,000,000 for each program and the Senate bill had proposed $9,935,000 for each program.

The conference agreement provides $153,121,000 for social services, the same level as proposed in the House bill. The Senate had proposed $140,000,000 for this program. Within funds provided, the conference agreement includes $19,000,000 for increased support to communities with large concentrations of Cuban and Haitian refugees of varying ages whose cultural differences make assimilation especially difficult justifying a more intense level and longer duration of Federal assistance for healthcare and education.

The conference agreement includes $4,820,000 for preventive health rather than $4,835,000 as proposed by the House and $4,804,000 as proposed by the Senate.

The conference agreement includes $49,316,000 for targeted assistance. The House bill had proposed $49,477,000 and the Senate had proposed $49,155,000 for this program.

The conference agreement provides $53,083,000 for the unaccompanied alien children program rather than $34,227,000 as proposed by both the House and Senate. These additional funds will enable the Office of Refugee Resettlement to meet its obligations under the Homeland Security Act, which transferred the administration of this program from the former Immigration and Naturalization Service. The conferees intend that funding provided above the budget request be used to continue making progress toward providing appropriate facilities for the care of children; improving medical services that address the needs of such children; and enhancing the legal representation for those involved in this program.

The conferees recognize the importance of continued educational support to schools with a significant proportion of refugee children, consistent with previous support to schools heavily impacted by large concentrations of refugees, and urge the Office of Refugee Resettlement to support these efforts should funding become available in the social services or other programs.

Payments to States for the Child Care and Development Block Grant

The conference agreement includes $2,099,729,000 for the child care and development block grant, the same level as both the House and Senate bills. Included in the bill is $9,864,000 within the total funds provided, for child care research, demonstration, and evaluation activities as proposed by the House. The Senate bill had included $10,000,000 for these activities.

Social Services Block Grant

The conference agreement provides $1,700,000,000 for the social services block grant, the same level as proposed in both the House and Senate bills. The conference agreement provides 10 percent transfer authority between the social services block grant and the temporary assistance for needy families program (TANF). The House bill had proposed 5.5 percent transferability. The Senate did not include a similar provision.

Children and Families Services Programs

The conference agreement includes $8,822,097,000 for children and families services programs, of which $6,000,000 is provided through the evaluation set-aside. The House proposed $8,614,670,000 for these programs and the Senate proposed $8,788,457,000, of which $6,000,000 was from the evaluation set-aside.

Head Start

The conference agreement includes $6,815,570,000 for Head Start, the same as both the House and Senate bills. The agreement includes $1,400,000,000 in advance funding, the same level as proposed by both the House and Senate.

The conferees are aware that approximately one-third of Head Start programs are affiliated with public school systems and often combine or coordinate the transportation of Head Start, preschool, and K–12 students. In addition, many center-based Head Start programs coordinate with local transit authorities to provide supervised transportation to Head Start children whose parents work non-traditional hours or whose geographical distance from the parent's place of employment creates a barrier to Head Start participation. Differences between Head Start transportation regulations, promulgated by the U.S. Department of Health and Human Services, and those promulgated by State and local authorities, may have the unintended consequence of reducing transportation services for Head Start students, and in turn, decrease transportation options for children. These differences may leave Head Start children without transportation or relying on parents to provide transportation in their vehicles.

The conferees recognize that children's safety is the most important consideration and that many students participating in Head Start programs need access to safe and reliable transportation provided by public schools or local transit systems. For this reason, the conferees direct the U.S. Department of Health and Human Services to offer a waiver option to local educational agency-contracted Head Start programs that provide integrated transportation to Head Start students. In cases where public schools or local transit authorities provide Head Start services, local educational agencies should have the option to comply with transportation standards for preschool students mandated by the State or local educational agencies, transit agencies, State Departments of Transportation or the U.S. Department of Health and Human Services.

Consolidated Runaway and Homeless Youth Program

The conference agreement includes $89,978,000 for the consolidated runaway and homeless youth program, the same level as proposed by the Senate, rather than $88,043,000 as proposed by the House. Within the funds provided, $40,505,000 is available for the transitional living program (TLP) and $49,473,000 is for basic centers as proposed by the Senate.

Prevention Grants To Reduce Abuse of Runaway Youth

The conference agreement includes $15,399,000 for prevention grants to reduce abuse of runaway youth as proposed by the Senate. The House bill had proposed $14,999,000 for these grants.

Child abuse

The conference agreement includes $34,623,000 for child abuse discretionary programs instead of $26,301,000 as proposed by the House and $28,401,000 as proposed by the Senate. Within the funds provided for child abuse prevention programs, the agreement includes the following items:

AGAPE of Central Alabama, Inc., Montgomery, Alabama, for their work with children in need	$70,000
Alaska Native Health Board and the State of Alaska to develop and implement statewide child abuse prevention and treatment plan for Alaska children and parents	500,000
Blair County Children and Youth Services, Blair County, Pennsylvania, to develop a Family Intervention Program to keep families together	150,000
Blount County Health Care Authority, Oneonta, AL, for services through a service mall	250,000
Boys and Girls Home of Nebraska, Inc., Lincoln, NE for child abuse prevention services and counseling services	250,000
Catholic Community Services, Juneau, AK to operate Family Resource Center for child abuse prevention and treatment	400,000
Child Advocacy Center, Inc., Springfield, Missouri, for equipment upgrades and other operational expenses	100,000
Childhelp USA, Fairfax, Virginia, to reduce the incidence and severity of child abuse and enhance the ability to investigate reports and meet the needs of victims of child abuse	250,000
Children's Center of Southwest Missouri, Inc., Joplin, Missouri, for equipment upgrades and other operational expenses	100,000
Children's Center of the Ozarks, Inc., Monett, Missouri, for equipment upgrades and other operational expenses	50,000
Children's Home and Aid Society of Illinois, Chicago, IL for the Child Abuse Prevention Project in Carpentersville, IL	163,000
Children's Rights Council, Hyattsville, MD for Safe Haven programs in Stark County, Ohio	64,000
Cook Inlet Tribal Council to provide child welfare services for Alaska Native Children who are abused or neglected and their parents in the Anchorage area, including supervised visitation center and a father involvement program	900,000
Cornerstones for Care, Kansas City, MO to expand services and programming that benefit victims of child abuse	500,000
Geauga Family First Council, Chardon, OH for the Family Stability Program	145,000
Healthy Families/Better Beginnings for a home visitation program for State of Alaska and regional Native non-profit organizations	2,000,000
Jackson County Children's Services Coalition, Gautier, MS, to prevent child abuse and neglect in at-risk homes	25,000
Lutheran Settlement House, Philadelphia, PA for the expansion of LSH's Bilingual Domestic Violence Project (BDVP) expansion to include children who have witnessed or have been victims of abuse	75,000
Municipality of Anchorage, in consultation with Cook Inlet Tribal Council and Anchorage Women's Commission, to develop comprehensive domestic violence initiative for Municipality of Anchorage	1,000,000
Northern Virginia Family Service, Oakton, VA, for the Healthy Families Fairfax Program	200,000
Oregon Association of Relief Nurseries, Eugene, OR, to expand services to children who are at risk for child abuse or neglect	80,000
Stop It Now, Philadelphia, PA for outreach to the community to prevent child abuse	100,000
Synergy Services, Inc., Parksville, Missouri, Children's Therapeutic Center and Domestic Violence Services	150,000
The Futures Institute for Sustainable Development for a child abuse prevention and treatment program	300,000
West River Foundation, Sturgis, SD, to establish early childhood development programs in small communities	500,000

Abandoned Infants Assistance

The conference agreement provides $12,126,000 for the abandoned infants assistance program, the same level as proposed by the Senate. The House bill had proposed $12,086,000 for this program.

Child Welfare Services

The conference agreement provides $291,037,000 for child welfare services rather than $291,986,000 as proposed by the House and $290,088,000 as proposed by the Senate.

Child Welfare Training

The conference agreement includes $7,460,000 for child welfare training rather than $7,470,000 as proposed by the House and $7,449,000 as proposed by the Senate.

Adoption Opportunities

The conference agreement includes $27,285,000 for the adoption opportunities program rather than $27,343,000 as proposed by the House and $27,227,000 as proposed by the Senate.

Adoption Incentives

The conference agreement provides $35,000,000 for the adoption incentive program for bonuses for adoptions completed prior to the end of fiscal year 2004, $27,500,000 of which is unused fiscal year 2003 funds, instead of $43,000,000 as proposed by the House and $42,720,000 as proposed by the Senate. The conference agreement includes bill language, which allows funds appropriated for bonus payments in Public Law 108-7 and available for obligation through September 30, 2004 to be used to make bonus payments for adoptions completed before September 30,

2004. The conferees note that the number of adoptions from the public foster care system has increased significantly over the past several years, rising from 27,761 in fiscal year 1997 to 50,179 in fiscal year 2002. As a result of this increase and based on the most recent estimates, fewer resources will be needed in fiscal year 2004 to make bonus payments to States for the full amount for which they are eligible under this program.

Adoption Awareness

The conference agreement includes $12,864,000 for the adoption awareness program rather than $12,906,000 as proposed by the House and $12,822,000 as proposed by the Senate.

Compassion Capital Fund

The conference agreement includes $48,000,000 for the compassion capital fund, instead of $50,000,000 as proposed by the House and $34,772,000 as proposed by the Senate.

Social Services and Income Maintenance Research

The conference agreement includes $18,767,000 for social services and income maintenance research, of which $6,000,000 is provided through the evaluation set-aside. The House had proposed $5,982,000 for this program and the Senate proposed $31,812,000, of which $6,000,000 was from the evaluation set-aside.

The conferees note that efforts undertaken through the State information technology consortium have led to greatly improved systems communications and compliance in both the TANF and child support enforcement (CSE) programs. For TANF, the conferees have provided $2,000,000 to permit States to utilize uniquely designed web-based technology to improve benefit delivery and fulfill new Federal reporting requirements. For CSE, the conferees have provided $3,000,000 to continue the consortium's efforts to improve data exchange between CSE and the courts in ways that will significantly reduce the time lag between court orders and enforcement/collections activities.

The conferees are concerned that children continue to be left unaccounted for and underserved within State child welfare systems. Protecting the Nation's most vulnerable populations, especially youth in State protective care, should receive significant attention. The conferees are aware of a project being developed by Rx for Reading that would provide a model for a case management tool housing all of the health and education records of children in the care of the counties of the State of California, including those in foster care and residential facilities, in a web browser-based database. The conferees understand that this database could replace a number of stand alone, antiquated databases and automate manual record keeping, which would enable caregivers, foster families, educators, doctors and case workers to easily access and update information relating to their services and functions through secure portals.

The conferees also provide sufficient funding for the following:

Alaska Children's Services of Anchorage for operations of programs to serve needs of at risk, low income youth in Anchorage	$300,000
Buckeye Ranch, Grove City, OH, for the Applied Violence and Prevention Research program	350,000
Children's Village in Pine Ridge, South Dakota for foster care services	200,000
ChildServ, Chicago, IL for family services at the Lake County Family Service Center	200,000
City of Gadsden, Family Success Center, AL, to provide equipment for the development of a one-stop area for social services with the focus on helping families help themselves	100,000
Corporate Foundation for Children, Montgomery, AL to assist historically underserved organizations to increase the number and capacity of community-based organizations across the state to serve needy families and individuals in their own communities	350,000
Eckerd Youth Alternatives, Clearwater, Florida, for the Road to Independence—A Continuum of Foster Care Pilot Demonstration	1,500,000
Family and Youth Development Foundation Inc., Louisville, KY	20,000
Fathers' Support Center, St. Louis, MO, to provide non-custodial fathers with personal development, communication and relationship building skilis	100,000
First Gethsemane Center for Family Development, Louisville, KY	50,000
Freedom House Inc., Princeton, IL, for technology to create an Adult and a Children's Learning Center	50,000
Gomlei Chasodim Inc., Lakewood, NJ	75,000
Hope Home in Kennewick, WA, to develop a curriculum and train foster parents of teen parents and their children	50,000
Horizons Initiative, Boston, MA, for mentoring, educational, and social development programs for homeless youth	150,000
Jewish Community Centers of Northeastern Ohio, Canton, OH for human services programs for children and families	250,000
Kentucky Sheriffs' Boys Range Trust, Gilbertsville, KY	75,000
LINK, Sterling, VA, to help meet the growing demands for service	100,000
Lutheran Community Services in Burien, WA, to equip a child care center for families in need	200,000
Middlecreek Area Community Center, Beaver Springs, PA, for technology equipment and upgrades for community-based programs and implementation of Youth-at-Risk initiatives	300,000
Network for Child Safety, Columbus, OH, to provide leadership training for professionals to improve the child welfare system	200,000
New Alternatives for Children Inc, New York, NY for support of programs serving children and their families focusing on health and social services	350,000
ProJeCt of Easton, Inc., Easton, PA to assist with local food pantry; and to provide intensive case management to individuals and families experiencing emergency situations	50,000
United Way of Anchorage, AK to support shelters for victims of domestic violence	250,000
University of Notre Dame, Notre Dame, Indiana, Center for Children and Families for Parent Education about Marital Conflict and "Adventures in Parenting" projects	700,000
Washington State Department of Health to implement the Bright Futures program to promote early childhood education and good health	500,000
WeatherWise USA, Pittsburgh, PA, for a demonstration program designed to improve the financial security of low income households	200,000
YouthCare's Orion Center in Seattle, WA, to equip a center providing many services at one site to homeless and high-risk youth	200,000

Community-Based Resource Centers

The conference agreement includes $33,403,000 for the community-based resource centers as proposed by the House rather than $33,412,000 as proposed by the Senate.

Developmental Disabilities

For developmental disabilities programs, the conference agreement includes $73,515,000 for State Councils as proposed by the Senate instead of $71,500,000 as proposed by the House. The conference agreement includes $38,644,000 for protection and advocacy services as proposed by the Senate instead of $36,500,000 as proposed by the House. The agreement also includes $11,642,000 for special projects as proposed by the Senate instead of $12,500,000 as proposed by the House. Within the funds for special projects, $4,000,000 is available to expand activities for the Family Support Program. For university-affiliated programs, the agreement includes $26,962,000 as proposed by the Senate instead of $25,000,000 as proposed by the House.

The conference agreement includes $15,000,000 for the disabled voter services programs. Within the funds provided, $10,000,000 shall be for payments to States to promote disabled voter access as proposed by the Senate rather than $13,000,000 as proposed by the House and $5,000,000 shall be for payments to States for disabled voter protection and advocacy, the same level as proposed by the Senate. The House had proposed $2,000,000 for protection and advocacy.

The conferees are aware that funding for protection and advocacy services under section 291 of the Help America Vote Act currently is not being made available to protection and advocacy services that specifically address the Native American community. Native Americans with disabilities experience unique challenges in exercising the right to vote. For that reason, the conferees intend that organizations providing protection and advocacy services to Native Americans as defined in the Developmental Disabilities Assistance and Bill of Rights Act should also be deemed an eligible entity under the Help America Vote Act.

Native American Programs

The conference agreement includes $45,457,000 for Native American programs as proposed by the Senate, instead of $45,119,000 as proposed by the House.

Community Services

The conference agreement includes $645,762,000 for the community services block grant as proposed by the Senate instead of $494,964,000 as proposed by the House.

The conference agreement also includes $32,546,000 for economic development as proposed by the Senate, instead of $32,436,000 as proposed by the House. Within the total, $5,464,000 is provided for the job creation demonstration authorized by the Family Support Act.

The conference agreement provides $24,870,000 for the individual development account initiative rather than $24,912,000 as proposed by the House and $24,828,000 as proposed by the Senate.

The conference agreement includes $7,227,000 for rural community facilities instead of $7,250,000 as proposed by the House and $7,203,000 as proposed by the Senate.

The conference agreement provides $18,000,000 for the National youth sports program as proposed by the House. The Senate did not propose funding for this program.

The conference agreement includes $7,281,000 for community food and nutrition as proposed by the Senate. The House did not propose funding for this program.

Early Learning Fund

For the early learning fund, the conference agreement includes $33,779,000 as proposed by the Senate. The House did not include funding for this program.

Mentoring Children of Prisoners

The conference agreement includes $50,000,000 for Mentoring Children of Prisoners instead of $25,000,000 as proposed by the House and $9,935,000 as proposed by the Senate.

Independent Living Training Vouchers

The conference agreement includes $45,000,000 for Independent Living Training Vouchers as proposed by the House instead of $41,727,000 as proposed by the Senate.

PROMOTING SAFE AND STABLE FAMILIES

The conference agreement includes $100,000,000 for the discretionary grant program of promoting safe and stable families as proposed by the House rather than $99,350,000 as proposed by the Senate.

ADMINISTRATION ON AGING

AGING SERVICES PROGRAMS

The conference agreement includes $1,381,689,000 for aging services programs instead of $1,377,421,000 as proposed by the House and $1,361,193,000 as proposed by the Senate. Within the total, $5,500,000 is available for medication management, screening, and education activities as proposed by the Senate. The House had proposed $5,000,000 for these activities.

The conference agreement includes $356,000,000 for supportive centers, instead of $357,000,000 as proposed by the House and $355,673,000 as proposed by the Senate.

The conference agreement includes $19,559,000 for protection of vulnerable Americans activities, as proposed by the Senate, instead of $18,559,000 as proposed by the House. Within the funds provided $14,361,000 is provided for ombudsman services and $5,198,000 is for the prevention of elder abuse program.

The conference agreement provides $160,000,000 for the caregivers programs. Of the total provided, $153,645,000 is for family caregivers rather than $162,000,000 as proposed by the House and $149,025,000 as proposed by the Senate and $6,355,000 is provided for Native American caregivers support rather than $6,500,000 as proposed by the House and $6,209,000 as proposed by the Senate.

The conference agreement includes $718,704,000 for nutrition programs rather than $720,655,000 as proposed by the House and $716,964,000 as proposed by the Senate. Within the total, $388,646,000 is provided for congregate meals rather than $390,000,000 as proposed by the House and $387,292,000 as proposed by the Senate and $149,073,000 is provided for the nutrition services incentives program rather than $149,670,000 as proposed by the House and $148,697,000 as proposed by the Senate.

The conference agreement provides $26,612,000 for grants for Native Americans rather than $25,729,000 as proposed by the House and $27,495,000 as proposed by the Senate.

The conference agreement includes $33,223,000 for aging research, training and demonstrations instead of $30,837,000 as proposed by the House and $17,843,000 as proposed by the Senate. The conferees continue to support funding at no less than last year's level for national programs scheduled to be refunded in fiscal year 2004 that address a variety of issues, including elder abuse, native American issues and legal services.

Within the funding provided, the conference agreement includes $3,000,000 for social research into Alzheimer's disease care options, best practices and other Alzheimer's research priorities that include research into cause, cure and care, as well as respite care, assisted living, the impact of intervention by social service agencies on victims, and related needs. The agreement provides that this research utilize and give discretion to Area Agencies on Aging and their non-profit divisions in municipalities with aged populations (over the age of 60) of over 1,000,000, with preference given to the largest population. The conferees recommend that unique partnerships to affect this research be considered for the selected Area Agency on Aging.

Given the enormous demands on Alzheimer's family caregivers, the conferees have included $1,000,000 to support the continuation of an Alzheimer's family contact center for round-the-clock help to Alzheimer's families in crisis.

The conferees expect the Administration on Aging to continue to fund the National program of statewide senior legal services hotlines (also called legal help lines) at their current levels and ideally to provide an increase in the number of States served by these legal hotlines.

The conferees also include the following amounts under aging research, training, and demonstrations:

Adult Care Center of the Northern Shenandoah Valley, Inc., Winchester, VA, to study the use of complementary and alternative medicine for persons with Alzheimer's disease and related disorders	100,000
Aging In Place Initiative, Denver, CO, for the development of a program to address an increasing number of senior citizens living independently and to provide for a collaborative community effort for community-based providers	200,000
College Misericordia, Dallas, PA	200,000
College of Science and Public Policy at Boise State University, ID, for a Center for the Study of Aging project	250,000
College of William & Mary, Williamsburg, VA, Center for Excellence in Aging and Geriatric Health to implement a pilot program to help promote the health and independence of older adults	400,000
Copper Ridge Institute, Sykesville, MD	100,000
Day Kimball Hospital, Putnam, CT, for the Center for Excellence in Rural Geriatric Services	600,000
Florida Atlantic University, Boca Raton, FL, for the Clinical Intervention Day Center	125,000
Greater Miami Jewish Federation, Inc., Miami, FL, for services to seniors living independently in Naturally Occurring Retirement Communities	250,000
Hardy County Committee on Aging, Moorefield, WV, for wellness programs	75,000
Hearth and Home Senior Adult Day Care Center, Manassas, VA, for program support for an innovative approach to full and part-time senior adult care	245,000
Iowa Department of Elder Affairs Seamless System to continue the integration of senior programs. In administering this award, the AoA and CMS should continue to provide the technical assistance and related support necessary to develop and implement programs	1,000,000
Jewish Community Centers of Northeastern Ohio, Canton, OH, for human services programs for seniors	250,000

Jewish Family and Children's Service of Greater Philadelphia, Philadelphia, PA, to develop and test models of coordinated social services delivery to persons living in Naturally Occurring Retirement Communities (NORC) in the Philadelphia area	200,000
Jewish Family and Children's Service of Southern Arizona, Inc., Tucson, AZ, for services to Naturally Occurring Retirement Community seniors	200,000
Jewish Family and Children's Service, Sarasota, FL, for supportive services to Naturally Occurring Retirement Communities' residents	225,000
Jewish Family and Children's Services of Greater Boston, Boston, MA, for a naturally occurring retirement community program designed to serve the health needs of the elderly	200,000
Jewish Family Service of Buffalo and Erie County New York, Buffalo, NY, for programs for seniors in Naturally Occurring Retirement Communities	100,000
Jewish Family Service of Richmond, Richmond, VA, for a demonstration project to expand their services into Naturally Occurring Retirement Communities	200,000
Jewish Family Service of Rochester, Inc., Rochester, NY, for service delivery to seniors living in Naturally Occurring Retirement Communities	100,000
Jewish Family Service of Tidewater, Norfolk, VA, for a demonstration project to expand their services into Naturally Occurring Retirement Communities	175,000
Jewish Family Service, Seattle, WA, for programs for seniors in Naturally Occurring Retirement Communities	150,000
Jewish Federation of Atlantic and Cape May Counties, Northfield, NJ	125,000
Jewish Federation of Greater Albuquerque, NM, for a Naturally Occurring Retirement Communities demonstration project	300,000
Jewish Federation of Greater Atlanta for a Naturally Occurring Retirement Communities (NORC) demonstration	75,000
Jewish Federation of Greater Indianapolis, for a Naturally Occurring Retirement Communities (NORC) demonstration	845,000
Jewish Federation of Metropolitan Chicago, IL, for services to seniors who live in Naturally Occurring Retirement Community housing	100,000
Jewish Federation of Ocean County, Lakewood, NJ	250,000
Jewish Seniors Agency of Providence, RI, for a Naturally Occurring Retirement Communities (NORC) demonstration	50,000
La Pine Senior Center Project, Bend, OR, for services to seniors in Deschutes County	100,000
Lapeer Regional Hospital, Lapeer, MI, for the Geriatric Assessment program	60,000
LIFESPAN of Greater Rochester for a Coordinated Response to Elder Abuse	100,000
Madison Area Continuing Care Consortium, LLC in Madison, WI, for a Naturally Occurring Retirement Community demonstration project	350,000
Maine Hospice Council, Augusta, ME, to organize alternative delivery systems for palliative and end-of-life care	250,000
Meals on Wheels Association of America, Alexandria, VA, for Bridging the Gap in Senior Meals Services demonstration project	1,600,000
National Indian Council on Aging to increase training to improve elder access to social services in Washington State	750,000
New Courtland Elder Services, Philadelphia, PA, to demonstrate whether the presence of advanced practice nurses can improve the quality of care received by nursing home residents	100,000
Olde Kensington Redevelopment Inc., North Philadelphia Senior Development Project, Philadelphia, PA, to maximize senior capacity for self-sufficiency and independent community residency by developing a technology based program that will foster the volunteer spirit	100,000
Pennsylvania Occupational Therapy Association Inc., Philadelphia, PA, for developing a national model for supporting Alzheimer's patients and their caregivers	75,000
Stetson University College of Law, Gulfport, FL, for Combating Health Care and Consumer Fraud Through Elder Education	1,000,000
UJA Federation of Bergen County and North Hudson, River Edge, NJ, for service delivery to seniors living in Naturally Occurring Retirement Communities	200,000
United Jewish Communities of Metro West, NJ, for Naturally Occurring Retirement Communities (NORCs)	200,000
United Jewish Federation, Pittsburgh, PA, to launch a program to assist the elderly in Naturally Occurring Retirement Communities (NORC)	250,000
University of Indianapolis, Indianapolis, IN, to expand the Center for Aging and Community which helps seniors cope with chronic conditions of aging	155,000

The conference agreement includes $13,373,000 for aging network support activities as proposed by the Senate rather than $2,379,000 as proposed in the House bill. The conferees have funded programs in this activity that were previously funded in the aging, research and training account as proposed by the Senate. The House bill had retained the traditional program distribution.

The conference agreement includes $11,956,000 for the Alzheimer's disease demonstrations instead of $11,500,000 as proposed by the House and $12,412,000 as proposed by the Senate.

For program administration, the conference agreement includes $17,501,000 as proposed by the House rather than $17,869,000 as proposed by the Senate.

OFFICE OF THE SECRETARY

GENERAL DEPARTMENTAL MANAGEMENT

The conference agreement includes $357,358,000 for general departmental management instead of $343,284,000 as proposed by the House and $344,808,000 as proposed by the Senate, along with $5,851,000 from Medicare trust funds. In addition, $21,552,000 in program evaluation funding is provided. Funds provided include $7,301,000 for the National Vaccine Program Office to comport with the Department's recent move of this office to the Office of the Secretary from the Centers for Disease Control and Prevention.

The conferees include the amounts within the Office of the Secretary for the following projects and activities in fiscal year 2004 listed below:

Ad Council of New York, NY, in consultation with the industry, advocates and other interested parties, for an underage drinking public service campaign directed at parents	$800,000
Community Transportation Association for TA to human services transportation providers on ADA requirements	1,000,000

Palmer College on Chiropractice, Consortial Center for Chiropractic Research in Davenport, Iowa, and the Policy Institute for Integrative Medicine in Philadelphia, PA for a best practices initiative on lower back pain	100,000

The conference agreement includes bill language earmarking $11,885,000 under the adolescent family life program for activities specified under section 2003(b)(2) of the Public Health Service Act as proposed by the Senate instead of $11,185,000 as proposed by the House.

The conference agreement includes bill language identifying $49,838,000 for minority AIDS prevention and treatment activities instead of $49,675,000 as proposed by the House and $50,000,000 as proposed by the Senate.

The conference agreement includes bill language identifying $15,000,000 for the information technology security and innovation fund as proposed by the Senate instead of $18,400,000 as proposed by the House.

The conference agreement does not include bill language proposed by the Senate that would earmark $3,000,000 within the General Departmental Management account to carry out programs to address dental workforce needs of designated health professional shortage areas.

The conferees strongly support the Buy American Act, which was enacted in 1933 to ensure that the Federal government supports domestic companies and domestic workers by buying American-made goods. The Act includes a number of waiver provisions that allow Federal agencies to buy foreign goods in some circumstances, but there is little disclosure or accountability in the waiver process. The conferees direct the Secretary to issue a report not later than 60 days after the end of fiscal year 2004 on the amount of acquisitions made by the Department during such fiscal year of articles, materials, or supplies that were manufactured outside the United States. Such report shall separately indicate the dollar value of any articles, materials, or supplies purchased by the Department that were manufactured outside the United States, an itemized list of all waivers under the Buy American Act (41 U.S.C. 10a et seq.) that were granted with respect to such articles, materials, or supplies, and a summary of total procurement funds spent on goods manufactured in the United States versus funds spent on goods manufactured outside of the United States. The conference agreement does not include the bill language related to this report that was proposed by the Senate.

The conference agreement provides $1,000,000 to reduce SIDS disparity rates and provide risk reduction education to African American and American Indian populations in the United States. The Senate bill included language making up to $2,000,000 available for this purpose. The House bill did not include a similar provision.

The conferees intend that, of the funding provided to the Office of Minority Health, no less than the fiscal year 2003 funding level be allocated to a culturally competent and linguistically appropriate public health response to the HIV/AIDS epidemic.

The conferees include the amounts for the following Office of Minority Health projects and activities in fiscal year 2004 listed below:

AIDS Foundation of Chicago to expand prevention programs	$125,000
Blue Ridge Hospice, Winchester, VA, for grief and loss outreach efforts	350,000
Comprehensive Cancer Center of the Ohio State University, Columbus, OH, for the Center for Health Disparities	250,000
Esther's Pantry of Metropolitan Community Church of Portland to provide food and supplies for people living with AIDS	25,000
Jaisohn Center, Philadelphia, PA, to provide comprehensive health promotion and prevention programs to the Korean-American older adult community	100,000
Maryland Center at Bowie State University, to develop and disseminate HIV and diabetes prevention to minority seniors	150,000
National Donor Awareness Foundation, New Orleans, LA, for Minority Organ Donation Initiative	100,000
St. Francis Medical Center, Trenton, NJ	250,000
University Medical Center of Southern Nevada (UMC) & Clark County Health District (CCHD) Multi-Cultural Services Program	450,000
University of Pittsburgh Medical Center, Pittsburgh, PA, for their Minority Women's Health Initiative to provide health services, including diagnosis, treatment, and maintenance to African American women with chronic heart disease	850,000
University of Texas Health Science Center at San Antonio, TX, to evaluate system of disease management within a diverse population of asthma patients	2,500,000
University of Texas San Antonio Health Science Center, San Antonio, TX, to address how diet and nutrition, in combination with genetic, social and other factors, affect the health of Hispanic Americans	$1,000,000

The conferees concur in the requirement in the Senate bill for an Institute of Medicine (IoM) study on mammography standards. The conferees have provided $500,000 to carry out the IoM study as described in the Senate bill. The IoM study should include an evaluation of interpretive skills assessments as a possible tool to improve physician interpretation of mammograms (after consultation with those who have expertise in interactive skills assessments) and how the annual medical outcomes audit required under Mammography Quality Standards Act regulations could be used to improve mammography quality and interpretation.

The conference report does not include within the General Departmental Management account $3,000,000 for the Public Health Service Commissioned Corps transformation and modernization effort as proposed by the Senate. Instead, these funds are provided in the Public Health and Social Services Emergency Fund.

The conferees have included $500,000 for a study by the Institute of Medicine focusing on the state of emergency care in the United States. The study should examine the different roles of emergency departments as emergency care provider, safety net provider, portal of entry provider and disaster response provider, along with an identification of the impediments to successfully performing those roles. The study should also examine workforce issues, including residency training and problems in obtaining emergency physicians in rural areas, information technology and systems issues that relate to speeding access and treatment to emergency patients while improving patient safety, and the development of a research agenda needed to provide the information necessary to ensure that the American people have access to the emergency medical services they require in the future.

The conferees direct that the effects statements required for the General Departmental Management account include a level of detail that identifies the funding for each Office in the Office of the Secretary, such as the Office of the Assistant Secretary for Administration and Management.

The conferees concur in the Senate report language regarding the collection of racial, ethnic and primary health-related data; the embryo adoption awareness campaign; and new and continuing projects in the adolescent family life program.

The conference agreement modifies House report language to direct the Secretary to request that Title X grantees voluntarily provide the following information regarding abortions: the number of Title X-funded sites that also provide abortions with non-Federal funds. The Secretary's request shall be limited to the above question with no additional information regarding the identity of the clinics or the patients receiving abortions. The conferees direct that when the Secretary requests the information, the letter of request should contain a statement making it clear that the grantees' responses shall be voluntary and without consequence, or threat of consequence, to non-responsiveness. The conferees further direct that the records documenting this information shall be retained by the grantee, and shall not be provided to the Secretary nor any other Federal, State, or local official or entity. The conferees expect the Secretary to provide a report to the House and Senate appropriations committees four months after enactment of this Act summarizing the volunteered information.

The conferees are concerned about underage drinking and the need to take immediate steps to better coordinate Federal efforts combating this problem facing our Nation. The conferees are aware of recommendations that the Secretary of Health and Human Services (HHS) establish an interagency committee on the prevention of underage drinking and issue an annual report summarizing all Federal agency activities concerning this issue, including key surveillance data and progress being made in reducing underage drinking. The conferees direct the Secretary to take immediate steps to implement these recommendations. In addition, the conferees direct the Secretary, in coordination with agencies such as SAMHSA and NIAAA, to prepare a plan for combating underage drinking, including the projected costs and next steps to be taken, and report progress on such a plan 90 days after enactment of this Act.

The conferees support the Administration's goals of ending chronic homelessness and creating 150,000 units of permanent supportive housing. However, the conferees believe these goals were not properly reflected in the Department's budget request. The Administration is instructed to include as part of its fiscal year 2005 budget request a description of new and continuing resources that are being applied to create and sustain permanent supportive housing for people experiencing chronic homelessness and a description of the resources necessary to achieve the goal of ending chronic homelessness.

Within the amount provided, sufficient funds are included to publish and widely disseminate the U.S. Surgeon General's report on osteoporosis and related bone diseases. In an effort to heighten public awareness of this report, the Surgeon General is encouraged to work with voluntary health organizations dedicated to promoting lifelong bone health.

The conferees urge the Department to begin a study on comprehensive pharmacy services. in light of changes in technology, distance and distributive learning models, the aging of the populations and the Department's study on the severe pharmacist shortage, to analyze how these factors may influence the nature of pharmaceutical education and interventions in healthcare.

The conferees direct that specific information requests from the chairmen and ranking members of the Subcommittees on Labor, Health and Human Services, and Education, and Related Agencies, on scientific research or any other matter, shall be transmitted to the Committees on Appropriations in a prompt professional manner and within the time frame specified in the request. The conferees further direct that scientific information requested by the Committees on Appropriations and prepared by government researchers and scientists be transmitted to the Committees on Appropriations, uncensored and without delay.

By January 1, 2005, the Secretary shall develop policy recommendations and issue a report to Congress by which vision rehabilitation services would be provided by vision rehabilitation professionals in an appropriate setting, including the patient's home environs, acting under a qualified physician's general supervision. The report may include adopting a national credentialing measure, or other steps deemed necessary by the Secretary, that would ensure patient quality of care. In developing the recommendations, the Secretary should consult with the National Vision Rehabilitation Cooperative, the Association for Education and Rehabilitation of the Blind, the Academy for Certification of Vision Rehabilitation and Education Professionals, the American Academy of Ophthalmology, and the American Optometric Association and other interested organizations.

Policy Research

The conference agreement provides $20,750,000 for policy research from program evaluation funding. The House bill provided $20,483,000, of which $2,483,000 was Federal funds and $18,000,000 was program evaluation funding. The Senate bill provided $23,499,000, entirely from program evaluation funding.

Public Health and Social Services Emergency Fund

The conference agreement includes $1,776,846,000 for the Public Health and Social Services Emergency Fund (PHSSEF) to enhance Federal, State, and local preparedness to counter potential biological, disease, chemical, and radiological threats to civilian populations, the same as proposed by the House. The Senate proposed $1,856,040,000 for the Fund.

The agreement continues bill language applicable in prior fiscal years to allow the Secretary to transfer amounts specified in the account between categories subject to normal reprogramming procedures.

The conference agreement continues language, applicable during fiscal year 2003, exempting from any personnel ceiling applicable to the Agency, Service, or the Department of Health and Human Services both civilian and Commissioned Officers detailed to States, municipalities or other organizations under authority of Section 214 of the Public Health Service Act for purposes related to homeland security during their period of detail or assignment.

Within the amount provided: $1,116,156,000 is for the Centers for Disease Control and Prevention; $545,870,000 is for the Health Resources and Services Administration; and $64,820,000 is for the Office of the Secretary.

The conferees note that funds requested within this account for Poison Control, and Emergency Medical Services for Children are provided within the Health Resources and Services Administration. This brings the comparable total for the Public Health and Social Services Emergency Fund to $1,820,700,000.

Within the amounts available to the Centers for Disease Control and Prevention (CDC): $940,000,000 is for State and Local Preparedness, $158,116,000 is for Upgrading CDC Capacity; and $18,040,000 is for the fourth year of a collaborative research program on anthrax vaccine.

Within the amounts available for State and Local Preparedness, the conference agreement includes $847,456,000 for State Cooperative Agreements, $29,838,000 for Public Health Preparedness Centers and $5,500,000 for Centers for Advanced Local Public Health Practice.

Funds available for Public Health Preparedness Centers shall be used to establish collaborative programs with State and local public health agencies, enhance practice-based training of students, and to increase participation of public health practitioners in the Centers education and training activities.

The conferees concur with language in the Senate report concerning the needs of local health departments and encourage both the Director and the Secretary to ensure that funds appropriated for State and local public health preparedness are spent in a manner with which local public health officials concur. Furthermore, it is expected that local public health agencies will continue to be full partners in developing State preparedness plans.

The conferees note that the Health Alert Network now falls under the umbrella of the Public Health Information Network under development by the CDC. The conferees encourage CDC to provide adequate funding to improve public health capacity for electronic communication and data exchange at the local level in a manner consistent with the Public Health Information Network and with which local public health officials concur. This will enable enhanced local capacity that has resulted from HAN funding to continue.

The conference agreement includes $2,000,000 to continue to discover, develop, and transition anti-infective agents to combat emerging diseases from within amounts available for Upgrading CDC Capacity.

The conferees encourage CDC to conduct a demonstration project with World Medical Leaders to disseminate news, information, and alerts to physicians who are on the front lines in the effort to recognize biological, chemical, and radiological events.

Within the funds available to the Health Resources and Services Administration (HRSA) is $518,000,000 for Hospital Preparedness and $27,870,000 to provide incentives for curricular reform in health professions schools and the delivery of continuing education to those already in practice.

The conferees recognize the importance of training in biopreparedness and response for emergency physicians and encourage HRSA to support the development of a national bioterrorism response course for practicing emergency physicians. The conferees further encourage HRSA to work with the relevant professional associations through which emergency physicians receive their continuing education credits.

The agreement includes $3,000,000 within funds provided to the Office of the Secretary to continue activities related to the transformation and modernization of the Public Health Service Commissioned Corps.

The conferees recognize the need for development of a comprehensive national strategy to address the Nation's medical response capabilities given the growing threat of biological, chemical, radiation or explosive weapons attacks in the United States. The conferees are aware that the University of Pittsburgh Medical Center (UPMC) is pursuing a comprehensive, integrated strategy for dealing with threats throughout the region. The conferees urge the Department to study the preparedness efforts of institutions such as UPMC, the effectiveness of these programs, and the feasibility of replicating this type of initiative nationwide.

The conferees are aware that a new technology, known as nanometal enhanced fluorescence (NanoMEF), offers promise for providing a rapid, ultra sensitive, method for the detection of bio-organisms, such as anthrax and smallpox. The conferees encourage the Director to review this promising technology and consider supporting its development from within the funds provided.

In addition to the funds for terrorism preparedness and response, the conference agreement includes $50,000,000 for activities to ensure year-round production capacity of influenza vaccine, the same as proposed by the House. The Senate proposed $100,000,000 for the same activities.

General Provisions

EVALUATION TAP AUTHORITY

The conference agreement includes a provision as proposed by the Senate to allow for a 2.2 percent evaluation tap pursuant to section 241 of the Public Health Service Act. This tap is to be applied to programs authorized under the Public Health Service Act. The House bill contained a provision to allow for a 1.25 percent evaluation tap.

ONE PERCENT TRANSFER AUTHORITY

The conference agreement includes language permitting the Secretary of HHS to transfer up to one percent of discretionary funds between appropriations, with up to an additional 2 percent subject to approval by the Appropriations Committees. The language permits the transfer of funds appropriated for HHS in this Act as proposed by the House. The Senate bill proposed the transfer of funds under this or any other Act.

REFUGEE STATUS OF CERTAIN PERSECUTED GROUPS

The conference agreement includes a provision proposed by the Senate to extend the refugee status for persecuted religious groups. The House bill contained no similar provision. The conferees intend to fully protect religious minority refugee applicants from Iran, including the current caseload of Iranian Christians, Jews, Bahai, Mandeans and Zoroastrians. Therefore, the administration should implement the provisions of section 213 of the conference report with respect to new applications, as well as to review previously denied applications for refugee applicants who have remained outside of Iran without a viable solution after being denied refugee status.

SYNAR

The conference agreement includes a provision directing States to maintain expenditures in fiscal year 2004 for tobacco prevention programs and for compliance activities at the same level as in fiscal year 2003 as proposed by the Senate.

CDC INTERNATIONAL AUTHORITIES

The conference agreement includes a general provision relating to authorities for the Centers for Disease Control and Prevention to carry out international health activities as proposed by the Senate. The House proposed similar language in two separate provisos.

CMS PROGRAM MANAGEMENT

The conference agreement does not include a general provision proposed by the House reducing the amounts provided to CMS. The Senate bill contained no similar provision.

CDC MANAGEMENT/IT SAVINGS

The conference agreement does not include a general provision proposed by the House reducing the amounts provided to CDC for management and information technology. The Senate bill contained no similar provision.

PARKINSON'S DISEASE RESEARCH CENTERS

The conference agreement includes a general provision proposed by the Senate that overrides section 409B(c) of the Public Health Service Act, which limits the number of Parkinson's disease research centers that may be supported by the National Institutes of Health. The agreement includes language making this provision permanent so that the language does not need to be repeated each fiscal year.

HHS HUMAN RESOURCES CONSOLIDATION PLAN

The conference agreement does not include a general provision proposed by the Senate prohibiting the use of funds for the HHS human resources consolidation plan. The House bill contained no similar provision. The conferees direct the Secretary to provide the House and Senate Appropriations Committees a report identifying the benchmarks HHS is using to measure the speed and cost of its human resources transactions, comparing those benchmarks as of October 1, 2003 to fiscal year 2004 Department performance on a semi-annual basis. The conferees are disappointed that such benchmarks have not been provided to the Committees, despite commitments from the Assistant Secretary for Administration and Management to do so before the consolidation took effect. The conferees expect data in the report that would indicate the average and median length of time to post positions, the average and median length of time to complete hiring, the percentage of applicants accepting the position when offered, the number of transactions assigned per human resource FTE, and the estimated cost per transaction.

CONCIERGE CARE

The conference agreement deletes without prejudice bill language proposed by the Senate regarding a study of concierge care. However, the conferees concur in the direction from the Senate reflected in the bill language to the General Accounting Office to conduct a study on concierge care and to report to Congress their findings and recommendations no later than eighteen months after enactment of this Act. The House bill did not include a similar provision.

PEDIATRIC RESEARCH INITIATIVE

The conference agreement deletes without prejudice the general provision proposed by the Senate requiring the National Institutes of Health to report on its pediatric research initiative. The conferees concur in the direction from the Senate reflected in the bill language to produce the report no later than January 2004. The House did not include a similar provision.

POISON CONTROL CENTERS

The conference agreement deletes without prejudice a general provision proposed by the Senate providing an additional $1,500,000 for poison control centers. The conference agreement incorporates this funding into the regular appropriation provided for Health Resources and Services Administration. The House bill contained no similar provision.

AOA OMBUDSMAN PROGRAM

The conference agreement deletes without prejudice a general provision proposed by the Senate providing an additional $1,000,000 for the AoA ombudsman program. The conference agreement instead incorporates this funding into the regular appropriation provided for AoA. The House bill contained no similar provision.

NURSE REINVESTMENT ACT FUNDING

The conference agreement deletes without prejudice a general provision proposed by the Senate providing an additional $50,000,000 for activities authorized under the Nurse Reinvestment Act. The conference agreement includes funding for the nurse training program in the regular appropriation provided for the Health Resources and Services Administration. The House bill contained no similar provision.

PRODUCTS AND INVENTIONS FROM FEDERAL FUNDS

The conference agreement includes a general provision proposed by the Senate requiring the Director of NIH to report to Congress no later than 90 days after enactment of this Act, on the role of NIH in promoting the affordability of inventions and products developed from Federal funds. The House bill did not include this provision.

MAMMOGRAPHY STANDARDS

The conference agreement deletes without prejudice a general provision proposed by the Senate providing an additional $500,000 for the IOM to conduct studies concerning mammography standards. The conference agreement incorporates this funding and associated report language into the Office of the Secretary. The House bill contained no similar provision.

STD PREVALENCE AMONG NATIVE AMERICANS

The conference agreement deletes without prejudice a general provision proposed by the Senate earmarking $1,000,000 from within funds available to the CDC to carry out a competitive grant program regarding STD prevalence among Native American Populations. The conference agreement incorporates similar language within the Statement of the Managers under the heading for the Centers for Disease Control and Prevention. The House bill contained no similar provision.

NEWBORN AND CHILD SCREENING

The conference agreement deletes without prejudice a general provision proposed by the Senate providing $2,000,000 to carry out newborn and child screening of heritable disorders. The conference agreement incorporates this funding into the Maternal and Child Health Block Grant within the Health Resources and Services Administration. The House bill contained no similar provision.

SUMMER HEALTH CAREER PROGRAMS

The conference agreement does not include a general provision proposed by the Senate authorizing a new summer health career program for middle and high school students. The House bill contained no similar provision.

BLOOD AND INJECTION SAFETY IN AFRICA

The conference agreement deletes without prejudice a general provision proposed by the Senate requiring the Director of the Centers for Disease Control and Prevention to report to Congress on a plan to address blood and injection safety in Africa. The conference agreement includes a similar requirement within the Statement of the Managers under the heading for the Centers for Disease Control and Prevention. The House bill contained no similar provision.

HANSEN'S DISEASE STUDY

The conference agreement deletes without prejudice a general provision proposed by the Senate requiring a report concerning Hansen's disease. The conferees concur in the direction from the Senate reflected in the bill language to produce the report. The House bill contained no similar provision.

CHILD ABUSE PREVENTION AND TREATMENT ACT FUNDS

The conference agreement does not include a general provision proposed by the Senate providing additional funds for CAPTA programs. The House bill contained no similar provision.

SIDS DISPARITY RATES

The conference agreement deletes without prejudice a general provision proposed by the Senate providing $2,000,000 for the Office of Minority Health to carry out a demonstration project to reduce sudden infant death (SIDS) disparity rates among high-risk populations. Funding for this initiative has been provided within the appropriation for the Office of the Secretary. The House did not include a similar provision.

COMMUNITY ACCESS TO EMERGENCY DEVICES

The conference agreement deletes without prejudice a general provision proposed by the Senate providing an additional $2,000,000 for community access to emergency devices. The conference agreement incorporates funding for this program into the Health Resources and Services Administration. The House bill contained no similar provision.

EMERGENCY DEVICES FOR RURAL AREAS

The conference agreement deletes without prejudice a general provision proposed by the Senate providing an additional $2,000,000 for emergency devices for rural areas. The conference agreement instead incorporates funding for this program into the Health Resources and Services Administration. The House bill contained no similar provision.

COUNCIL ON GRADUATE MEDICAL EDUCATION

The conference agreement includes a general provision proposed by the Senate allowing for the continued operation of the Council on Graduate Medical Education. The House bill contained no similar provision.

MUSCULAR DYSTROPHY COOPERATIVE RESEARCH CENTERS

The conference agreement includes a general provision proposed by the Senate designating the National Institutes of Health Muscular Dystrophy Centers as the Senator Paul D. Wellstone Muscular Dystrophy Cooperative Research Centers. The House did not include a similar provision.

MOTHER-TO-CHILD HIV TRANSMISSION PREVENTION

The conference agreement deletes without prejudice a general provision appropriating an additional $60,000,000 for mother-to-child HIV transmission prevention activities, and an additional $1,000,000 for non mother-to-child activities, supported by the Centers for Disease Control and Prevention (CDC). Funding for these activities are provided within the appropriation for the CDC. The House bill contained no similar provision.

NIH ROADMAP INITIATIVE

The conference agreement includes language proposed by the Senate authorizing the Director of NIH to enter into agreements to carry out research in support of the NIH roadmap initiative. The House bill did not include such a provision. This provision has been included to assess the merits of this funding approach and to demonstrate whether this funding mechanism would accelerate the research agenda. The conferees direct the Director of the NIH to enter into these agreements solely on the basis of scientific merit, opportunity for medical breakthroughs and urgency of need. It is the conferees intent that these funds be obligated solely at the discretion of the Director of NIH. The conferees understand that all awards would be subject to a competitive process. The language in this Title appropriating funds for the Office of the Director of NIH includes a limitation of $7,500,000 which may be used under the authority created in this general provision.

DENALI COMMISSION

The conference agreement includes language amending the Denali Commission Act of 1998 to clarify that the Commission has authority to use the interagency transfer mechanism rather than grants to receive the funding provided in this Act. The House and Senate bills did not contain this provision.

TITLE III—DEPARTMENT OF EDUCATION

EDUCATION FOR THE DISADVANTAGED

The conference agreement includes $14,528,522,000 for Education for the Disadvantaged instead of $14,507,000,000 as proposed by the House and $14,107,356,000 as proposed by the Senate.

For Grants to Local Educational Agencies (LEAs) the agreement provides $12,412,000,000. Both the House and the Senate proposed $12,350,000,000 for this program. The conference agreement includes $7,107,283,000 for basic grants and $1,365,031,000 for concentration grants. The agreement also includes $1,969,843,000 for targeted grants, and $1,969,843,000 for education finance incentive grants. Concentration grants, targeted grants, and incentive grants are all provided on an advance-funded basis.

The House proposed $7,172,971,000 for basic grants, $1,365,031,000 for concentration grants, $3,018,499,000 for targeted grants and $793,499,000 for education finance incentive grants. The Senate bill proposed $7,107,282,000 for basic grants, $1,365,031,000 for concentration grants, $1,670,239,000 for targeted grants, and $2,207,448,000 for education finance incentive grants.

The conference agreement also includes language proposed by the Senate which specifies that the Secretary of Education shall obtain annually updated census poverty data for the purpose of distributing title I funds. The conference agreement does not include language proposed by the Senate directing the Secretary to use data available on July 1, 2003 to calculate grants for fiscal year 2004 under title I, notwithstanding any other provision of law.

The conference agreement includes $248,375,000 for the Even Start program instead of $250,000,000 as proposed by the House and $175,000,000 as proposed by the Senate. The conferees commend the Office of Student Achievement and School Accountability for their efforts to coordinate and integrate existing Federal, State, and local literacy resources, including those provided under the Head Start program, Title I programs, and Adult Education programs, to strengthen and expand family literacy services. The conferees are aware that the 2003 report, "State Administration of the Even Start Family Literacy Program: Structure, Process and Practices", prepared by the U.S. Department of Education, calls for "Federal leadership to promote collection of core program and participant data that are comparable across States." The conferees also note that the report indicates "States differed greatly in every aspect of Even Start performance indicators that were submitted in June 2001, including the measures used, performance standards set, and subgroups to which the measurements and standards are to be applied," and recommends areas where "further development is needed to enable successful implementation of the [Performance Indicators] system."

The conferees believe that the development of program performance indicators is critical to the Even Start program, however the conferees also understand that much of this development must take place at the State level. Therefore, the conferees urge the Department of Education to work with State coordinators of the Even Start Family Literacy Program and national organizations representing family literacy programs in developing these indicators. The conferees are aware that similar efforts are underway in the adult education, Head Start, and elementary and secondary education programs and suggest that the frameworks and indicators developed under these programs could be adapted to the Even Start progam as well. The conferees also believe that the performance indicators should be consistent with the findings of the ongoing Even Start evaluation being conducted by the Institute for Education Sciences, as required by Title I (B) Sec. 1239 to "improve the performance and effectiveness" of adults and children participating in Even Start Family Literacy programs. The conferees look forward to receiving information in the 2005 Congressional Budget Justification about the Department's plans (including a timeline for implementation) for collecting this information.

The conference agreement also includes $1,030,000,000 for Reading First State Grants instead of $1,050,000,000 as proposed by the House and $1,000,000,000 as proposed by the Senate. It also includes $95,000,000 for Early Reading First instead of $100,000,000 as proposed by the House and $85,000,000 as proposed by the Senate.

The conference agreement also includes $19,960,000 for Literacy through School Libraries instead of $27,500,000 as proposed by the House and $12,419,000 as proposed by the Senate.

The conference agreement includes $395,913,000 for the migrant education program as proposed by the Senate instead of $396,000,000 as proposed by the House. The conference agreement also includes $19,000,000 for high school equivalency program instead of $24,000,000 as proposed by the House and $16,000,000 as proposed by the Senate and $15,750,000 for college assistance migrant program instead of $16,000,000 as proposed by the House and $15,500,000 as proposed by the Senate.

The agreement also includes $48,682,000 for neglected and delinquent youth as proposed by the Senate instead of $49,000,000 as proposed by the House.

The conference agreement includes $235,000,000 for comprehensive school reform as proposed by the House. The Senate bill did not include funds for this activity.

The conference agreement also includes $8,842,000 for evaluation as proposed by the Senate instead of $9,500,000 as proposed by the House.

IMPACT AID

The conference agreement includes $1,236,824,000 for the Impact Aid programs instead of $1,238,324,000 as proposed by the House and $1,193,226,000 as proposed by the Senate. Within this amount, $1,070,000,000 is provided for basic support payments instead of $1,073,000,000 as proposed by the House and $1,030,292,000 as proposed by the Senate and $62,000,000 is provided for payments for Federal property as proposed by the House instead of $59,610,000 as proposed by the Senate. The conference agreement includes $46,208,000 for construction programs instead of $44,708,000 as proposed by both the House and the Senate. The agreement also includes the following:

Delta Greely School District, Delta Junction, AK, for school renovation	$1,000,000
Fairbanks North Star Borough, Fairbanks, AK, for relocation of the district's kitchen facilities	500,000

SCHOOL IMPROVEMENT PROGRAMS

The conference agreement includes $5,834,208,000 for School Improvement Programs instead of $5,797,637,000 as proposed by the House and $5,731,453,000 as proposed by the Senate. The agreement provides $4,399,208,000 in fiscal year 2004 and $1,435,000,000 in fiscal year 2005 funding for this account.

The conference agreement includes $2,945,825,000 for State grants for improving teacher quality instead of $2,930,825,000 as proposed by the House and $2,850,000,000 as proposed by the Senate. Of this amount, $1,435,000,000 is provided as a fiscal year 2005 advance instead of $1,150,000,000 as proposed by both the House and the Senate.

The conference agreement also includes $150,000,000 for math and science partnerships as proposed by the House instead of $100,344,000 as proposed by the Senate.

The conference agreement includes $300,000,000 for the education block grant instead of $335,000,000 as proposed by the House and $345,000,000 as proposed by the Senate. The agreement also includes $1,005,000,000 for the 21st Century Community Learning Centers program instead of $1,000,000,000 as proposed by both the House and the Senate. The agreement also includes $391,600,000 for State assessments instead of $390,000,000 as proposed by both the House and the Senate. The agreement also includes $16,644,000 for the foreign language assistance program instead of $17,144,000 as proposed by the Senate. The House did not propose funding for this program.

The conference agreement includes $33,500,000 for the Education of Native Hawaiians instead of $36,000,000 as proposed by the Senate and $18,300,000 as proposed by the House. The agreement also includes language notwithstanding any other provision of law to allow funds under this program to be used for construction, renovation and modernization of any elementary school, secondary school, or structure related to an elementary school or secondary school run by the Department of Education of the State of Hawaii that serves a predominantly Native Hawaiian student body as proposed by the Senate. The House bill did not contain this provision. The conferees direct that no less than $1,000,000 shall be made available for early childhood activities, no less than $1,000,000 shall be made available to the Hawaii Department of Education for school construction/renovation activities, and $300,000 shall be made available for the University of Hawaii law school's Native Hawaiian legal center.

The conference agreement includes $33,500,000 for the Alaska Native Educational Equity program instead of $36,000,000 as proposed by the Senate and $14,200,000 as proposed by the House. The agreement also includes language notwithstanding any other provision of law to allow funds under this program to be used for construction as proposed by the Senate. The House bill did not contain this provision.

The conference agreement includes $168,827,000 for rural education programs, instead of $170,000,000 as proposed by the House and $167,653,000 as proposed by the Senate.

INNOVATION AND IMPROVEMENT

The conference agreement includes $1,106,811,000 for programs in the Innovation and Improvement account, instead of $807,959,000 as proposed by the House and $782,133,000 as proposed by the Senate.

The conference agreement includes $15,000,000 for Troops to Teachers, instead of $20,000,000 as proposed by the House. The Senate did not propose funding for this program. The conference agreement also includes $45,564,000 for the transition to teaching program, instead of $49,400,000 as proposed by the House and $41,727,000 as proposed by the Senate.

The conference agreement includes $18,000,000 for the National Writing Project instead of $16,890,000 as proposed by the House and $18,890,000 as proposed by the Senate. The conferees intend that, from the increase provided over the fiscal year 2003 level, $500,000 shall be used to support a pilot program on the integration of technology training in the national writing project program.

The conference agreement includes $120,000,000 for the Teaching of Traditional American History as proposed by the Senate instead of $50,000,000 as proposed by the House. The conferees direct the Department to continue its current policy of awarding 3-year grants.

The conference agreement includes $18,500,000 for advanced credentialing activities instead of $16,500,000 as proposed by the House and $9,935,000 as proposed by the Senate. Within this amount, the conferees intend that $10,000,000 be used to complete the fifth year of a five-year grant to the National Board for Professional Teaching Standards (NBPTS) and $7,000,000 be used to continue a grant to the National Council on Teacher Quality. The conference agreement also includes $1,500,000 to conduct an evaluation of the outcomes of teachers who achieved NBPTS certification versus teachers who did not complete certification and teachers who did not participate in or apply for the program. The conferees direct the Assistant Secretary for the Institute for Education Sciences to contract with the National Academies of Science (NAS) to perform an independent, scientific study using the strongest practical methodology to evaluate the impact of board certification, including an assessment of whether the NBPTS certification model is a cost effective method of improving teacher quality and the extent to which certification makes a difference in student academic achievement. In carrying out this study, the NAS should commission the collection of new data and conduct appropriate, rigorous analyses of such data. The conferees also expect that a similar scientific evaluation will be conducted on the outcomes of the work of the National Council on Teacher Quality (NCTQ) when available data will permit such an assessment and therefore urge NCTQ to begin to incorporate evaluation elements into the program now.

The conference agreement includes $37,500,000 for credit enhancement for charter schools instead of $75,000,000 as proposed by the House. The Senate bill did not include funding for this activity.

The conference agreement includes $26,916,000 to support voluntary public school choice programs instead of $25,831,000 as proposed by the House and $28,000,000 as proposed by the Senate.

Fund for the Improvement of Education (FIE)

The conference agreement includes $430,463,000 for the Fund for the Improvement of Education.

Within the total for FIE, the conference agreement includes funding for the following activities in the following amounts:

Reading Is Fundamental ...	$25,334,000
Star Schools	20,483,000
Ready to Teach	14,406,000
Exchanges with Historic Whaling and Trading Partners	8,500,000
Arts in Education	35,279,000
Parental Assistance Information Centers	42,224,000
Excellence in Economics Education Act	1,500,000
Women's Educational Equity	2,980,000
ED Pubs	1,900,901
Helping Your Child Learn publications	400,000
Recognition programs	808,000
Teacher Quality initiatives	8,500,000
CSRD grants	74,513,000
CSRD clearinghouse	1,639,099
Facilities clearinghouse	700,000
Peer Review	25,000
Reach Out and Read	4,000,000

The conferees intend that the $74,513,000 for comprehensive school reform grants to local educational agencies shall support grants to States for continuing and new subgrants to local educational agencies for comprehensive school reform activities in both title 1 and non-title 1 eligible schools. The bill includes language specifying that these funds shall be allocated and expended in the same manner as in fiscal year 2003 and provides the funds on a forward funding basis.

As noted above, the conference agreement includes $700,000 for the National Institute of Building Sciences to continue operation of the National Clearinghouse for Educational Facilities, the Nation's sole source for comprehensive information about school planning, design, financing, construction and maintenance. The conferees expect that the Department will provide an additional $300,000 for this purpose to address issues related to school safety and healthy school buildings, as described in the administration's budget request for Safe and Drug-Free Schools and Communities National Programs.

For Arts in Education, the conferees intend that within this total, $7,250,000 is for VSA Arts and $6,225,000 is for the John F. Kennedy Center for the Performing Arts. In addition, $4,000,000 is for cultural partnerships, $7,500,000 is for model professional development programs for music, drama, dance and visual arts educators and $304,000 is for evaluation activities. The remaining $10,000,000 is available to continue model arts programs.

The conferees have included additional funds in this line item for the Secretary to support programs and projects that address national priorities in K–12 education.

The conferees direct the Department to implement the Act consistent with their intent, as reflected above, and request an implementation plan to be submitted to the House and Senate Committees on Appropriations within 30 days of enactment of the Department of Education Appropriations Act, 2004. To the extent that the Department wishes to reprogram funds in order to address other activities or alter the allocation of funds for activities listed in the chart above, the conferees expect the Department to follow the guidance provided in this statement of the managers.

Within the total for FIE, the following amounts are also provided:

100 Black Men of Louisville, Louisville, KY for Project MALE	$12,000
10th District Gang Task Force, Herndon, VA, for program development and implementation for at-risk and gang prevention after-school programs	280,000
Academy of Music, Lynchburg, VA, to support an arts education program for area students	100,000
Academy of Natural Sciences, Philadelphia, PA, for educational programming associated with the Lewis and Clark expedition	150,000
AFI Silver Theater and Cultural Center, MD for a technology-based mentoring program for at-risk youth	250,000
After the Bell Program, Soldotna, AK, for after school programs	100,000
Alaska Department of Education, Juneau, AK, for remedial education programs to help low-performing students meet testing requirements	2,000,000

Alaska Education Services, Anchorage, AK, for East Anchorage Youth in Peril Program to provide after school and summer programs for at risk youth	475,000
Alaska Hospitality Alliance, Anchorage, AK, for a vocational training program	100,000
Alaska Humanities Forum, Anchorage, AK, to bring authors to rural and remote school districts to promote literacy, reading, and writing skills through the Authors in Schools program	50,000
Allegheny Conference on Community Development, Pittsburgh, PA, in collaboration with War for Empire, Inc., for educational programs and activities associated with the 250th anniversary of the French and Indian War	350,000
American Foundation for Negro Affairs (AFNA) National Education and Research Fund, Philadelphia, PA, to raise the achievement level of minority students and increase minority access to higher education	650,000
American Humane Animal Welfare Education Program, Denver, CO, to support a model animal health and welfare educational program for elementary and secondary education students	50,000
American Red Cross of Southeastern Pennsylvania, Philadelphia, PA, for educational programming	25,000
American Society of Educators, Philadelphia, PA, to develop and disseminate materials on the use of instructional technologies	50,000
American Theater Arts for Youth, Inc., Philadelphia, PA, for an arts in education program	75,000
American Theater Arts for Youth, Philadelphia, PA for youth arts programs in San Diego County, CA	50,000
American Theater Arts for Youth, Philadelphia, PA for youth arts programs in Washington State	50,000
American Theater Arts for Youth, Philadelphia, PA, for elementary school students in Idaho	100,000
American Theater Arts for Youth, Philadelphia, PA, for the Mississippi Arts in Education Program	150,000
Americana Community Center, Inc., Louisville, KY for an after school program and computer classes	52,000
An Achievable Dream, Newport News, VA, for curriculum development and a college preparation program	250,000
Anchorage Museum of History and Art and Alaska Humanities Forum, Anchorage, AK, to develop curriculum on Alaskan culture and art for Alaska schools	200,000
Anchorage School District, Anchorage, AK, for an English Language Instruction program for limited English proficiency students	500,000
Anchorage School District, Anchorage, AK, in conjunction with the Fairbanks North Star School District, for a technology-based system for standards-based instruction	500,000
Annie Malone Children and Family Service Center, St. Louis, MO, to expand an early education program and services and to include the Parents as Teachers Program	750,000
Artspace Projects, Inc., Minneapolis, MN, for the Artspace Projects Distance Education Initiative, which may include the acquisition of technology	100,000
Atlantic City Schools, Atlantic City, NJ for English as a second language curriculum	125,000
Audubon Pennsylvania, Audubon, PA, to support educational programming that focuses on the art and writings of John Audubon	100,000
Augusta Public Schools USD #402, Augusta, KS, for staff development and implementation of technology curriculum	250,000
Bakersfield Music Theatre, Bakersfield, CA, for the STARS School of Fine Arts	100,000
Beaufort County School District, Hilton Head Island, SC for the development and implementation of a model program in technology and literacy for K–12 education teachers	200,000
Bellevue School District, Washington, for implementation of an English as a Second Language training program	250,000
Bethesda Children's Home, Meadville, PA, to integrate a vocational and technical component into the educational curriculum	50,000
Big Brothers Big sisters of Greater Pittsburgh, Inc., Pittsburgh, PA, for a mentoring initiative for children of incarcerated parents	150,000
Big Brothers/Big Sisters of Anchorage, Fairbanks, and Southeast Alaska, in partnership with Alaska Department of Education, the Boys and Girls Club and Cook Inlet Tribal Council for a comprehensive mentoring program for at-risk children	300,000
Bossier Parish School Board, Benton, LA, for technology enhancements	100,000
Boston Symphony Orchestra, Boston, MA, for youth musical training and educational programs	400,000
Boys and Girls Club of Philadelphia, Philadelphia, PA, to develop a school-based mentoring program	50,000
Boys and Girls Clubs of America, Atlanta, GA, for computer training for at-risk youth	2,000,000
Boys and Girls Clubs of Indian River County, Vero Beach, FL	100,000
Boys and Girls Harbor, Inc., New York, NY, for a financial literacy project at the Germantown Settlement Charter School in Philadelphia, PA	25,000
Bozeman Public School District, Bozeman, MT, for a pilot, standards-based learning program for elementary, middle, and high school students	650,000
Bradford High School, Bradford, PA, to improve the metalworking program	100,000
Bucks County Quality Child Care Coalition for Early Care and Education, Doylestown, PA, to improve the quality of early childhood education programs	50,000
Burns Telecommunications Center at Montana State University-Bozeman, Bozeman, MT, to support the coalition for establishing a National Teacher Enhancement Network for access to high quality online professional development for science teachers	250,000
CableLife Community Enrichment Corporation, Louisville, KY, for after school programs	50,000
Cabrini Mission Foundation, New York, NY, for technology, math and science resources	50,000
Caddo Parish School Board, Shreveport, LA, for technology enhancements	100,000
Calcasieu Parish School Board, Lake Charles, LA, for technology enhancements	100,000

Caldwell County Education Consortium, Lenoir, NC, for teacher training program	250,000
Canaan Community Development Corporation, Louisville, KY, for after school programs	50,000
Canton City Schools, Canton, OH, for the Genesis math project	250,000
Canton School District in Canton, SD, for a community education program	50,000
Canton Symphony Orchestra, Canton, OH, for orchestra education	400,000
Carnegie Science Institute, Pittsburgh, PA, for education programs for teachers and students as part of the Pittsburgh International Science and Technology Festival	50,000
Carthage Technical Center, Carthage, MO, for equipment	250,000
Centennial School District, PA, for a payment under subpart 20 of part D of title V of the ESEA, without regard to the requirements of that subpart	450,000
Center for Educational Services, Auburn, ME, to establish the Schools and Technology for Assessment and Reflection (STAR) program	300,000
Center for Houston's Future, Houston, TX, for early education programs	150,000
Center for Integrative Medicine at Inner Harmony, PC, Clarks Summit, PA, to develop a pilot program to assist children in coping with stress	200,000
Center for the Improvement of Teacher Education and Schooling (CITES), Brigham Young University-Public School Partnership, Provo, UT, for public school reading instruction for intermediate and secondary grades	300,000
Central Pennsylvania Youth Ballet, Carlisle, PA, for an arts in education program	25,000
Central Valley School District 356 in Greenacres, WA, to purchase and implement the PLATO system to improve student achievement	500,000
Centre County AVTS, Pleasant Gap, PA, for technology equipment	100,000
Chambers County Board of Education, Lafayette, AL, for the School District Internet Access Project	50,000
Champions of Caring, Villanova, PA, to support a recognition program for high school students serving their communities	100,000
Charter School Development Corporation in Las Vegas, NV, to focus on technology and college preparation	800,000
Charter School Institute, Philadelphia, PA, for the Shipyard Charter School to develop curriculum and acquire equipment for apprentice programs	50,000
Chemeketa Community College, Salem, OR, for a high school equivalency program	30,000
Chesapeake Bay Foundation, Annapolis, MD, in collaboration with the Living Classrooms Foundation, Baltimore, MD, to provide field and computer programs about the Chesapeake Bay	350,000
Chesapeake Bay Foundation, Annapolis, MD, for environmental education programs in Pennsylvania	50,000
Cincinnati Zoo and Botanical Garden, Cincinnati, OH, for fiber optic data transmission system equipment	100,000
City of Baker School Board, Baker, LA, for technology enhancements	50,000
City of Providence, RI, on behalf of the Providence Public Schools, for an assessment of the school system, and development and implementation of a school improvement plan	150,000
City of San Bernardino, CA Superintendent of Schools to expand the Schools-to-Careers initiatives	350,000
City of San Jose, CA, Office of Early Care and Education Services to enhance training in the Smart Start program	400,000
City of Stockton, Stockton, CA, for the Stockton After School Program	500,000
City Year Inc., Philadelphia, PA, for the High School Heroes program to reduce truancy and drop-out rates	225,000
Clark County Public Education Foundation in Las Vegas, NV, to support development of educational and technical activities	100,000
Clark County School District, Las Vegas, NV, to provide support for academic enrichment activities	75,000
Clark County School District, Las Vegas, NV, "Success Through English Program" (STEP) to provide intensive English Language instruction and testing services	150,000
Clark County School District, Las Vegas, NV, for intensive math and reading intervention programs, including equipment costs	100,000
Clark County School District, Las Vegas, NV, for teacher quality improvements	1,500,000
Clemson University, Clemson, SC, for Call Me Mister program	250,000
Cleveland Avenue YMCA, Montgomery, AL, to support an after school program serving at-risk youth	50,000
Cleveland Botanical Garden, Cleveland, OH, for One by One Thousand Outreach project	250,000
Cleveland Independent School District, Cleveland, OH, to further implement the Voyager Universal Literacy Program, the Voyager Passport Program and other Voyager Expanded Learning programs designed to improve student literacy	150,000
Cleveland Institute of Music, Cleveland, OH, for distance learning	500,000
Coahoma Community College, Clarksdale, MS, to support improved student achievement and teacher quality through the Student-Teacher Enhancement Program	50,000
Cobbs Creek Community Environmental Education Center, Inc., Philadelphia, PA, to support environmental research conducted at the center by select high school students	100,000
Coconino County School District, Arizona, for teacher quality improvements	500,000
College of Staten Island, Staten Island, NY, for a Teacher Education and Enrichment Program	400,000
College Summit, Inc., Washington, DC, for increasing college enrollment rate of low income youth	3,000,000
Communities in Schools of Virginia, Richmond, VA, to continue to help children achieve academic success, and to expand its program to more communities	150,000
Communities in Schools, Alexandria, VA, for national program activities to coordinate community resources to help youth stay in school	800,000
Community Economic Empowerment Corporation, Louisville, KY, for after school programs	50,000
Community Foundation in Decatur, IL, to support science programs and related academic activities for local high school students	100,000
Community Foundation of Louisville, Louisville, KY, for Lac Viet reading programs	50,000

Community of Agile Partners in Education/Pennsylvania Educational Telecommunications Exchange Network (CAPE/PETE), Bethlehem, PA, for distance learning programs	300,000
Conservatory for the Performing Arts Charter School, St. Paul, MN, for development and support of educational programs	25,000
Constitutional Foundation, Philadelphia, PA, to develop educational programming on the history of the Constitution	50,000
Continuation and expansion of the Iowa Communications Network statewide fiber optic demonstration	1,000,000
County of Charleston, Charleston, SC, for a Charleston Media Technology Park project	200,000
County of Venango, Franklin, PA, to promote environmental and heritage education	50,000
Danville Independent Schools, Danville, KY, for Danville Kids' University	150,000
Dauphin County, PA, for a Truancy and Delinquency Reduction Program	50,000
Delaware Valley Earth Force, Wyncote, PA, for environmental education programs	37,500
Delta Greely School District, Delta Junction, AK, to develop interactive online courses and provide distance education services (via the Internet) to small schools in rural Alaska	750,000
Deming Public Schools, Deming, NM, to support the alternative high school program, district improvement plan and technology enhancement program	680,000
DePaul School, Louisville, KY, for educational instructional materials	50,000
Discovery Center of Science and Technology, Bethlehem, PA, for educational programs and exhibits that will demonstrate best practices for teaching science	200,000
East Baton Rouge Parish School Board, Baton Rouge, Louisiana, for technology enhancements	100,000
Eastern. National, Fort Washington, PA, for education programs	50,000
Ed & Ruth Lehman YMCA, Longmont, CO, to support afterschool programs	15,000
Educare of Omaha, Inc., NE to promote school readiness among low-income children	750,000
Education Leaders Council, Washington, DC, for the Following Leaders project	10,000,000
Educational Service District #101, Spokane, WA for distance learning	300,000
El Dorado Public Schools, El Dorado, KS, to extend Project Connect	250,000
Encore Series, Inc., Philadelphia, PA, for the Jazz in the Schools music education program	100,000
Endeavor Academy, Titusville, FL, for professional development workshops to K–12 teachers in math, science, technology and reading	200,000
Entrepreneurship Florida, Tampa, FL, for teacher training, student curriculum/text material, administrative costs	100,000
Fairbanks North Star Borough School District, Fairbanks, AK, for the 4 R Children's program	300,000
Fairfax County Public Schools, Fairfax, Virginia, for a delinquency prevention program for students with behavioral and emotional needs	200,000
Fairfax County Public Schools, Fairfax, Virginia, to initiate a course in Emergency Medical Services for Falls Church High School to respond to future security and safety incidents	100,000
Fairfax Education Foundation, Fairfax, Virginia, to implement a web-based communications portal, Partnerships to Advance Learning	250,000
Family First Foundation, Erie, PA, for alternative education programs for at-risk youth	75,000
Family Life Center, Inc., Louisville, KY for after school programs	50,000
Family Services of Northeast Wisconsin, Green Bay, WI, to expand afterschool programming for minority and at-risk youth	125,000
Father Maloney's Boy's Haven, Louisville, KY for education programs	50,000
Field Kindley High School, Coffeyville, KS, for startup costs for implementing a Health Careers program	250,000
First Book, Washington, DC, to establish a First Book Rural Initiative in Idaho	$450,000
First Tee, St. Augustine, FL for a character education program	1,000,000
Fisher's Peak YMCA, Trinidad, CO, for afterschool programs and a summer camping program	15,000
Flagship After School Program in Missoula County, MT, for after school and summer school programs	100,000
Florida Orchestra, Tampa, Florida, for a demonstration program	250,000
Florida State University, Tallahassee, Florida, for a Florida reading, math and science initiative	1,500,000
For Us Northwest, Portland, OR, for a mentoring program for children affected by HIV/AIDS	25,000
Fort Worth Independent School District, Fort Worth, TX, for the ISD Imagination Station project	500,000
Foundation for the Improvement of Mathematics and Science Education, CA for student assessment, teacher training, and curriculum development	100,000
Foundation for the Improvement of Mathematics and Science Education, San Diego, CA, to implement the Blueprint for Student Success project in the San Diego City Schools	800,000
Fox Valley Family YMCA, Plano, Illinois, for the Teen Action Agenda Program	230,000
Franklin Technology Center, Joplin, MO, for equipment	250,000
Freedoms Foundation at Valley Forge, PA, to support civic education programs for students	100,000
Futures For Children, Albuquerque, NM, to support programs that help American Indian youth stay in school	1,100,000
Galena School District, Galena, AK, for a distance education program	500,000
Galena School District, Galena, AK, to develop an assets-building program for transitioning of Rural Alaska Students in boarding school environments	600,000
Galilee Community Development Corporation, Louisville, KY for academic tutoring and enrichment	30,000
Gettysburg College, Gettysburg, PA, for the development of an arts in education program to serve K–12 students	50,000
Gibson Technical Center, Reeds Spring, MO, for equipment	250,000
Girl Scouts of the USA, Washington DC for a science and math program	500,000
Give Every Child A Chance, Manteca, CA, to provide tutoring services to children in grades K–12	500,000

Grand Valley State University, Allendale, MI, for a Teacher Academy program to address the unique needs of and demand for teachers in urban districts	50,000
Grant Joint Union High School District, Sacramento, California, for Maritime Technology Training Program	53,000
Great Lakes Science Center, Cleveland, OH, to develop educational program to promote literacy in math, science, and technology	350,000
Great Projects Film Company, Inc., Washington, DC, to produce "Educating America," a documentary about the challenges facing our public schools	50,000
Greater Cleveland Growth Association, Cleveland, OH for curriculum development for an advanced manufacturing and engineering technology academy	250,000
Green Tree School, Philadelphia, PA, for an educational-based, after school program for students with serious emotional disturbances	50,000
Hartman Home Transitional Living Program, Wilkes-Barre, PA, to support the development of critical life skills for at-risk youth	$50,000
Heartland Regional Community Foundation, St. Joseph, MO, to create a regional youth development program for 12–15 year olds	125,000
Hillsborough Community College, Tampa, FL, for the Information Technology, Innovative Teaching, and Instructional Technology (IT–3) program to develop and implement a technology training program for K–12 teachers	$500,000
Hollidaysburg Area School District, Hollidaysburg, PA for an interactive instructional system	$100,000
Holton High School, Holton, KS, for equipment and technology infrastructure	150,000
Houston Independent School District, Houston, Texas, for River Oaks Elementary to set up an International Baccalaureate program	50,000
Humphreys County School District, MS, for curriculum and library resource improvement	25,000
Huntingdon College, Montgomery, AL, for training K–12 teachers in the use of education technology	200,000
Hurley School District in Hurley, Wisconsin for after school programs	250,000
I Can Learn, New Orleans, LA for technology programs	3,500,000
Idaho Falls School District 91, Idaho Falls, Idaho, to implement an English as a Second Language instructional program	400,000
Illinois Coalition of Challenger Learning Centers, Bloomington and Woodstock, Illinois, for science education programs	500,000
Illinois Math and Science Academy for 21st Century Information Fluency Project	500,000
Illinois State Board of Education, Springfield, IL for North Chicago SD #187 for school improvement to low-performing high schools and middle schools	90,000
Illinois State Board of Education, Springfield, IL for the Flora School District career and technical education	125,000
Illinois State Board of Education, Springfield, IL for the Robinson High School computing program	165,000
Illinois State Board of Education, Springfield, IL for Waukegan CUSD #60 for school improvement to low-performing high schools and middle schools	90,000
Illinois State Board of Education, Springfield, IL for Wheeling CCSD #21 for math achievement in the middle grades	70,000
Illinois State Board of Education, Springfield, Illinois, for Aurora West SD 129, to assist in implementing Career Academies at West Senior High School	250,000
Illinois State Board of Education, Springfield, Illinois, for Carpentersville CUSD 300 for school improvement interventions in their low-performing high schools and middle schools	300,000
Illinois State Board of Education, Springfield, Illinois, for Elgin U 46 to strengthen and expand the instruction related to the Illinois Learning Standards in Career and Technical Education	250,000
Illinois State Board of Education, Springfield, Illinois, for Illinois Virtual High School Project	50,000
Illinois State Board of Education, Springfield, Illinois, for the Taft School District 90 to improve student achievement through technology-based and resource-based instruction	150,000
Illinois State Board of Education, Springfield, Illinois, to establish an early learning program in Plainfield CCSD 202	150,000
Independence USD 446, Independence, KS, for teacher training and technology curriculum development	250,000
Indian River Community College, Fort Pierce, FL, for teacher education and training	100,000
Institute for Advanced Learning and Research, Danville, VA, for technology training for educators and students	600,000
Institute for Education and the Arts of the National Music Center and Museum Foundation, Washington, DC for a music education demonstration	500,000
Institute for Student Achievement, Lake Success, NY, for educational programs for at-risk students	750,000
Institute for Student Achievement, Lake Success, NY, for programmatic costs at Annandale High School in Virginia	225,000
Institute for Student Achievement, Lake Success, NY, for programmatic costs at Glen Cove High School in New York.	140,000
Institute of HeartMath, Boulder Creek, CA for a national demonstration on student standardized testing	1,000,000
Intermediate Unit 17 Technology Improvement Project, Williamsport, PA, to support school districts and enhance their access to information technology	200,000
International Music Products Association, Carlsbad, California, to provide students in San Diego County with music education	125,000
Iowa Association of School Boards, Des Moines, IA for the Lighthouse for School Reform project	500,000
Iowa Department of Education to continue and expand a demonstration program for additional bilingual and English as a Second Language training	1,000,000
Iowa Department of Education to continue the Iowa School Construction Demonstration Project	7,000,000
Iowa State Education Association, Des Moines, IA, for an initiative to educate students on the role of international trade in the U.S. economy	155,000

Iron County Schools, Cedar City, UT, to support the development of the Student Achievement Management (SAM) information system	100,000
Isaac Stern Education Legacy in New York, NY, to integrate distance learning and educational technology with music education programs	150,000
JASON Foundation for Education to extend science education and teacher professional development programs to schools in South Carolina	500,000
Jefferson County Public School District, Golden, Colorado, for an English Language Development Program	500,000
Jefferson County-DuBois AVTS, Reynoldsville, PA, to improve the technical education capacity of the school	250,000
Junior Achievement of Kentuckiana, Inc., Louisville, KY, for economic education	40,000
Junior Achievement of Southwest Pennsylvania, Inc., Warrendale, PA, to implement Exhange City, a nationally recognized, innovative learning program, in Pittsburgh	100,000
Kathleen Elementary School, Lakeland, Florida, for technology enhancements	30,000
Kids Voting South Dakota in Pierre, SD to expand programming in tribal schools	60,000
KIPP Foundation, San Francisco, CA for KIPP School Leadership Program	4,000,000
KNME, Albuquerque, NM, to support the American Indian Literacy program	750,000
Knowledge Works, Cincinnati, OH for Ohio High School Transformation Initiative	1,000,000
L.E.A.D.E.R.S program, Rochester Hills, Michigan for character education programs	150,000
LA's BEST After School Enrichment Program in Los Angeles, CA	400,000
Lafayette Parish School Board, Lafayette, Louisiana, for technology enhancements	100,000
Lafourche Parish School Board, Thibodaux, Louisiana, for technology enhancements	100,000
Lake Erie-Allegheny Earth Force, Erie, PA, for environmental education programs	37,500
Lansing Public Schools, Lansing, MI, to implement the Help One Student to Succeed Reading Centered School program	198,000
Last Frontier Council of the Boy Scouts of America, Oklahoma City, OK for the Learning for Life program	200,000
Lenawee Agricultural Learning Center, Adrian, MI, for fiber optic connection and equipment	92,000
Letcher County Board of Education, Whitesburg, Kentucky, for technology equipment	300,000
Liberty Memorial Association, Kansas City, MO, to develop education programs for students	50,000
Lindsey Wilson College, Columbia, Kentucky, for Math and Sciences Career Development Center	350,000
Line Mountain School District, Trevorton, PA, to develop a pilot project designed to offer specialized curriculum and vocational training related to careers in volunteer firefighting to high school students in Pennsylvania	50,000
Livingston Parish Technology and Literacy Center, Denham Springs, Louisiana, for educational programs	71,000
Loess Hills Area Education Agency in Iowa for a demonstration in early childhood education	750,000
Logan City School District, Logan, UT, for support of the Early Reading Assistance Project	100,000
Long Island Philharmonic Orchestra, Melville, New York, for music educational programs	250,000
Look Up To Cleveland, Cleveland, Ohio, to encourage the development of Cleveland's young leaders	75,000
Los Angeles County Office of Education, Downey, California, for the Early Advantage Initiative project	500,000
Louisiana Department of Education for TAP, a multi-tiered, teacher staffing model that provide teachers with new career growth paths, increased salary flexibility and ongoing professional development	200,000
Lycoming County Career Consortium, Williamsport, Pennsylvania, to improve the technical education capacity of the consortium	100,000
Marketplace for Kids for an entrepreneurial education program in North Dakota	300,000
Marywood University, Scranton, PA, for technology and curriculum development for the Center for Assistive Technology laboratories to provide training to K–12 educators on teaching practices	300,000
Maui Economic Development Board for Girls into Science Program	300,000
Medaille College, Buffalo, New York, for literacy program at the Western New York Center for Literacy and Learning	50,000
Messiah College, Grantham, PA, to support initiatives to improve educational opportunities for children in grades K–12	200,000
MicroSociety, Philadelphia, PA, to further develop and disseminate a whole school model of reform	200,000
Midlands Youth Foundation, Chicago, IL, for the Beat the Streets Program	150,000
Military Heritage Foundation, Carlisle Barracks, PA, for the United States Army Heritage and Education Center for education materials and programs on military and social history	100,000
Milton S. Eisenhower Foundation to continue a demonstration on full-service schools in Iowa	500,000
Milton S. Eisenhower Foundation to support a full-service community school in the Tukwila school district in Washington State	250,000
Milton S. Eisenhower Foundation, Washington, DC, to replicate the full-service community school program in Pennsylvania	300,000
Minnesota Historical Society, St. Paul, MN, in collaboration with the University of Minnesota, for improving academic achievement through history education	25,000
Mira Loma High School, Sacramento, California, for the International Baccalaureate Program	25,000
Mississippi Broadcasting Networks, Jackson, MS, for public radio broadcast of student writing through the Rural Voices initiative	100,000
Monett R–1 School District, Monett, MO, for support of the Southwest Area Career Center, including acquisition of equipment and technology	500,000
Monroe City School District, Monroe, Louisiana, for technology enhancements	50,000

Moore College of Art and Design, Philadelphia, PA, for equipment and the expansion of the Young Artists Workshop, an arts education program offered to underprivileged students from the Philadelphia School District	50,000
Motivational Productions, Garden Ridge, TX, to establish a violence/drug prevention and character education program	250,000
Mountain Arts Center, Prestonsburg, Kentucky, to expand its music and arts program	225,000
Mountain Laurel Center, Bushkill, PA, for equipment and program development related to the Mountain Laurel Institute	200,000
Musical Arts Association, Cleveland, OH for education outreach programs projects	500,000
Naperville Community Unit School District 203, Naperville, Illinois, for a P.E. 4LIFE Institute to train more physical education teachers throughout the state on proven methods of innovative physical education programs	200,000
National Aviary, Pittsburgh, PA, for technology for the Flite-Zone immersive classroom and expansion of nature education programs	100,000
National Council of La Raza, Washington, D.C., to develop assessment guidelines for limited English proficient students and to expand professional development academies	500,000
National Foundation for Teaching Entrepreneurship to Handicapped and Disadvantaged Youth in partnership with Seattle Public Schools to provide financial literacy and entrepreneurship education to low-income and minority, youth	100,000
National Foundation for Teaching Entrepreneurship to Handicapped and Disadvantaged Youth, Inc., Pittsburgh, PA, to provide financial literacy and entrepreneurship education to low-income and minority youth in Philadelphia and Pittsburgh	100,000
National History Day for a history competition in Iowa	100,000
National Maritime Heritage Foundation, Washington, DC, for the Spirit of Enterprise Maritime Heritage Education Program	75,000
National Science Center Foundation, Augusta, GA for educational technology and other purposes	1,000,000
National Student Partnerships, Washington, DC, for National Service Program training activities to improve and evaluate methods of expansion for national training programs	100,000
National Ten-Point Leadership Foundation, Boston, MA, for math and science programs for at-risk youth	225,000
New Avenues for Youth, Portland, OR, for educational services to homeless youth	30,000
New Orleans Outreach to expand the programming and administration of their school based volunteer program	200,000
New School University, New York, NY, for a pilot program to provide supplementary services and support to at-risk, low-income high school students	250,000
New York University, Child Study Center, NY, for the "Parent Corps" initiative	100,000
New Zion Community Development Foundation, Inc., Louisville, Kentucky, for after school programs	50,000
North Carolina Electronics and Information Technologies Association, Raleigh, North Carolina, for its School Technology Demonstration Project	250,000
North Central Regional Education Laboratory, Naperville, IL for a center to help states implement the No Child Left Behind Legislation	200,000
North Rockland Central School District for an Early Childhood Center in Rockland County, NY	50,000
North Slope Borough School District, Barrow, AK, for an early childhood education program	300,000
Northern Illinois University, College of Liberal Arts and Sciences, DeKalb, IL, for student support, including stipends, equipment and computers for a paleontology research project	100,000
Ohio Board of Regents, Columbus, OH, for a science education network	1,700,000
Ohio Department of Education for Teacher Preparation Demonstration—Charter College and Apprenticeship Model	800,000
Oil City Area School District, Oil City, PA, to establish a technology laboratory	100,000
Oklahoma State Department of Education, Oklahoma City, Oklahoma, to sustain and expand their handheld computer program	150,000
On line Louisiana, New Orleans, LA, for an on-line project	200,000
Opera Company of Philadelphia, Philadelphia, PA, for the Sounds of Learning arts education program	50,000
Oregon Partnership, Portland, OR, for a program to close the achievement gap for Hispanic students	125,000
Ouachita Parish School Board, Monroe, Louisiana, for technology enhancements	50,000
PACE Juvenile Justice Center in Des Moines, Iowa, to establish the Director's Council of Des Moines to coordinate youth services	300,000
Pacific Islands Educational Center in American Samoa, to support the use and application of basic English and math skills	400,000
Panhandle Area Educational Consortium, Chipley, Florida, to establish a reading teacher program	500,000
Parent Institute for Quality Education in San Diego, CA, to provide a parent training program	100,000
Parents as Teachers National Center, St. Louis, MO, to revise the Born to Learn Curriculum	400,000
Parents, Inc., Anchorage, AK, for expansion of Parents Inc. programs and activities in Alaska	500,000
Parks Unlimited, Inc., Franklin, PA, for environmental education programs	50,000
Partners in Economic Progress in Des Moines, IA, for a mentoring and education support program for disadvantaged children	400,000
Partnership for Children, Kansas City, MO, for structured before and after school educational programs	1,000,000
Peace Center, Inc., Louisville, KY, for after school programs	20,000
Pennsylvania Academy of Fine Arts, Philadelphia, PA, for support of an after-school arts program	25,000
Pennsylvania Academy of Music, Lancaster, PA, to develop and conduct a performance-based, classical music education program	50,000
Pennsylvania Ballet Association, Philadelphia, PA, for outreach and education programs	100,000

People for People, Inc., Philadelphia, PA, for programs at the Parent Information Resource Center	100,000
Philadelphia Department of Recreation, Philadelphia, PA, for a mentoring initiative as part of the Camp William Penn program	50,000
Philadelphia Foundation, Philadelphia, PA, for a Sports and Entertainment Career Expo to expose high school students to career opportunities in the sports industry	50,000
Philadelphia Health Management Corporation, Philadelphia, PA, in collaboration with the National Center for Learning Disabilities, to conduct early childhood literacy training and program development activities as part of the Get Ready to Read! Initiative	100,000
Philadelphia Martin Luther King, Jr. Association for Nonviolence Inc., Philadelphia, PA, for its College for Teens program	50,000
Philadelphia Mural Arts Advocates, Philadelphia, PA, for an after-school art education program	25,000
Philadelphia Orchestra, Philadelphia, PA, for educational programs	175,000
Philadelphia Safe and Sound, Philadelphia, PA, to offer comprehensive youth development activities, including after-school programming, as part of a full community school approach	100,000
Philadelphia Zoo, Philadelphia, PA, for the Zoo School Education program and the Junior Zoo Apprentice New Ventures program	250,000
Phipps Conservatory and Botanical Gardens, Pittsburgh, PA, to provide educational programs for students visiting the gardens	200,000
Pinal County School District, Arizona, for teacher quality improvements	500,000
Pittsburgh Technology Council, Pittsburgh, PA, for technology upgrades and expansion of the Technology Literacy Initiative to train K-12 teachers and students in the use of computers	100,000
Pittsburgh Voyager, Pittsburgh, PA, for math and science education programming for students	250,000
Plymouth Community & Renewal Center, Louisville, KY for summer day camp and managing adolescent problems	20,000
Point Hope Daycare Center, Point Hope, AK, to train teachers and improve programs for young children	50,000
Presbyterian Community Center, Louisville, KY for youth development education	100,000
Presque Isle State Park, Erie, PA, for curriculum development and environmental education programs	25,000
Prince William County Public Schools, Manassas, Virginia, for Middle School Reading and Math Remediation Program	200,000
Prince William County Public Schools, Manassas, Virginia, for Bilingual Literacy Extended Kindergarten Program	200,000
Project 2000, Washington, DC, for after school programs to provide academic and mentoring services to inner city youth	125,000
Project GRAD-USA Inc., Houston, TX, for continued support and expansion of the program focusing on school reform	20,000,000
Project H.O.M.E., Philadelphia, PA, for an after-school program	100,000
Project Rainbow, Philadelphia, PA, to provide early childhood services and after-school programs	250,000
Provo City Public Schools, Provo, Utah, to develop, purchase and implement an English language instructional program for training and certifying ESL teachers	300,000
Public/Private Ventures, Philadelphia, PA, for the Youth Education for Tomorrow Center, as part of an after-school, literacy initiative	50,000
Rabbit Run Community Arts Association, Madison, OH, for educational programs	90,000
Rapides Parish School Board, Alexandria, Louisiana, for technology enhancements	100,000
ReadNet Foundation, New York, NY, for a web-based educational program	300,000
Recognizing Achievement-Rewarding Excellence Foundation, Troy, MI, for an award and education program and student leadership services	225,000
Regent University, Virginia Beach, Virginia, for character education programs in Chesapeake and Suffolk School systems	350,000
Research for Better Schools, Philadelphia, PA, to provide research-based technical assistance to school districts to assist in implementing math and science goals	50,000
Richmond Public School System, Richmond, Virginia, for technology upgrades	62,000
Rio Rancho Public Schools in New Mexico, for the Consortium of Teacher Excellence	100,000
Riverside County Office of Education, Riverside, CA, for the Riverside County Achievement Team Program	133,000
Robert Morris College to expand its College Excel program that provides college academic and career skills to high school seniors and juniors	750,000
Rock School, Philadelphia, PA, to support dance education and a school outreach program	150,000
Salvation Army Boys and Girls Clubs, Louisville, KY, for Project Learn and Family Learning Centers	200,000
San Bernardino City Unified School District, San Bernardino CA, for vocational training program	750,000
San Bernardino City Unified School District, San Bernardino, CA, for developing English skills for English learners	500,000
San Bernardino County Superintendent of Schools, San Bernardino, California, for a Virtual High Tech High Program	500,000
San Juan Unified School District, Carmichael, CA, for Focus on Literacy project	326,000
San Juan Unified School District, Carmichael, CA, for Mira Loma High School Arcade Creek environmental education program	96,000
San Pasqual Academy, Escondido, California, for information technology infrastructure	125,000
School District of La Crosse, La Crosse, WI, for after school programs	250,000
School District of Palm Beach County, Florida, to further a demonstration family literacy education program	125,000
School District of Palm Beach County, West Palm Beach, Florida, to expand curriculum and professional staff development	200,000
School District of Philadelphia, Philadelphia, PA, to reduce school violence by utilizing community partnerships	250,000

Schoolcraft College, Livonia, Michigan, for its Pipeline to Science and Math Program	250,000
Scotland County School District, Laurinburg, North Carolina, to implement a HOSTS Reading Centered School Program	70,000
Scranton Cultural Center, Scranton, PA, for educational programs	200,000
Seattle Public Schools in partnership with Community Training and Assistance Center to provide technical assistance in educating and involving parents in school improvement	200,000
Seneca Highlands AVTS, Port Allegany, PA, for technology equipment	100,000
Settlement Music School, Philadelphia, PA, to support a community arts program for students in the City of Chester	100,000
Shawnee Gardens Tenants Association, Inc., Louisville, KY, for after school programs	35,000
Sioux City Community School District in Sioux City, IA, to continue and expand the implementation of testing software in Iowa	500,000
Smethport Area School District, Smethport, PA, for technology upgrades	100,000
Sobriety High, St. Paul, MN, for training, curriculum development and program management	400,000
Somerset Community College, Somerset, Kentucky, to develop an enhanced Next Generation Project to help teachers teach the importance of financial literacy among youth	400,000
South Carolina Educational Television, Columbia, SC, to continue the Bridges Demonstration Project to develop educational curriculum compatible with digital broadcasting	300,000
Southern Methodist University, Dallas, TX, for the Dallas Early Childhood Reading Initiative	500,000
Southwest Area Career Center, Monett, MO, for equipment	250,000
Springfield Regional Arts Council, Springfield, MO, for arts education	45,000
Spring-Ford Area School District, Collegeville, PA, to assess students and provide intervention services for students identified in need of academic improvement	75,000
St. Labre Native American Professional Development Center, Sheridan, WY, to expand a program to train teachers serving Native American students in an early literacy learning and math framework	500,000
Stage One: The Louisville Children's Theatre, Louisville, KY for education projects	50,000
Stark County Educational Service Center, Canton, OH for Leadership Skills for NCLB project	500,000
STARS Club Education Program, Jeffersonville, IN, for after school and Saturday programs	40,000
State of Alaska, Juneau, AK, for the Right Start extended-day kindergarten program	1,000,000
State of Mississippi, Department of Education, Jackson, MS, for the Mississippi Math Initiative to improve math scores of elementary and high school students	500,000
Summerbridge Louisville, Louisville, KY for summer tutoring	20,000
Sun Area Career and Technology Center, New Berlin, PA	100,000
Teach for America, New York, NY	2,000,000
Temple Community Development Corporation, Louisville, Kentucky for the Children Against Negativity (CAN) program	50,000
Terrebonne Parish School Board, Houma, Louisiana, for technology enhancements	100,000
The ART of Leadership Foundation, Birmingham, MI, for curriculum development and training	175,000
The Desert Research Institute, Las Vegas, NV, for an outdoor program used to teach K–12 students about the environment of the Mojave Desert	100,000
The Landmark School, Prides Crossing, MA, for a collaborative program with Advocacy Research designed to detect, track, and treat childhood dyslexia and other language-based learning disabilities	150,000
The Math Forum, Philadelphia, PA, in conjunction with Drexel University, to support student learning via an interactive Math website	100,000
The National Association of Music Education (MENC), Reston, VA, to develop and disseminate information on model music education programs	50,000
The National Civil War Museum, Harrisburg, PA, for the infrastructure technology components for student outreach and distance learning	100,000
Thelonious Monk Institute of Jazz, Washington, DC, for development of its National Jazz Curriculum and teacher training workshops	75,000
Think Together, Santa Ana, California, to assist low-income students with homework, tutoring, and mentoring	400,000
Tides Foundation, San Francisco, CA, for the McKelvey entrepreneurial college scholarships to rural, low income Pennsylvania high school graduates	300,000
To provide assistance to low-performing schools, of which $18,200,000 shall be for a grant to the Commonwealth of Pennsylvania Department of Education to provide assistance, through subgrants, to low-performing school districts that are slated for potential take-over and/or on the Education Empowerment List as prescribed by Pennsylvania State Law; and of which $1,800,000 shall be for a grant to Lock Haven University for the Philadelphia School District/Lock Haven Professional Development Partnership for professional development and related services. The Commonwealth initiative is intended to improve the management and operations of the school districts; assist with curriculum development; provide after-school, summer and weekend programs; offer teacher and principal professional development and promote the acquisition and effective use of instructional technology and equipment	20,000,000
Today Foundation, Dallas, TX, for the expansion of the Imagination Station literacy program to deliver reading curriculum over the internet using animation	50,000
Together! in Olympia, WA, to support after school programs for at-risk youth	50,000
Town of Cumberland, RI, to provide after school programming for latch key and at risk children	50,000
U.S. Dream Academy, Inc., Columbia, MD, to expand after school programs for at-risk children with a family history of incarceration	75,000

Unified School District #260, Derby, KS, to develop a central point for data warehousing in the district	250,000
United Neighborhood Centers of Milwaukee, Milwaukee, WI for early childhood education and after school and summer programs	240,000
United Sports Foundation, Downingtown, PA, for computers and program support for an after school program	50,000
United Way of Metropolitan Atlanta, Atlanta, GA, for the SPARK initiative and Get Ready to Read!	150,000
University of Alabama, Tuscaloosa, AL, in conjunction with the Zelpha Well's Cultural Education Center, for music education programs for economically disadvantaged children	75,000
University of Alaska at Fairbanks for Alaska System for Early Education Development (SEED) program to expand early childhood services and to train Early Head Start teachers with AAS degrees for positions in rural Alaska	1,500,000
University of Alaska Museum, Fairbanks, AK, for educational programs in support of the Summer Arts Festival	150,000
University of Alaska, Fairbanks, AK, in collaboration with the Alaska Department of Education, for the Alaska Center for Excellence in Schools at the University of Alaska to assist Alaska's low-performing schools	1,000,000
University of Arkansas, Fayetteville, Arkansas, for the National Office for Rural Measurement and Evaluation System to improve the instructional practices and learning possibilities of children from grades 3–8	225,000
University of Iowa Belin Blank Center for Gifted Education to continue the AP Online Academy	1,500,000
University of Iowa Belin-Blank Center, Iowa City, IA, for the Iowa Israel: Partners in Excellence program to enhance math and science opportunities for rural Iowa students	259,000
University of North Florida, Institute of Education, Jacksonville, Florida, for School Readiness HUBS Project	500,000
University of Northern Iowa to continue the 2+2 teacher education demonstration program	600,000
University of Southern Mississippi, Hattiesburg, MS, for the Frances A. Karnes Center for Gifted Studies to support summer gifted and leadership programs and research	125,000
University of West Georgia, Carrollton, Georgia, for technology upgrade, personnel and equipment for the Advanced Academy of Georgia	200,000
Urban League of Lancaster County Inc., Lancaster, PA, for Teen Elect	25,000
US Dream Academy, Columbia, MD, for expanding mentoring and educational services for children of prisoners and children falling behind in school	450,000
USD 373 Newton Public Schools, Newton, KS, to help incorporate technology professional development in the schools	250,000
Utah State Office of Education, Salt Lake City, UT, to improve qualifications for teachers who teach multiple subjects in rural areas	1,000,000
Utah State Office of Education, Salt Lake City, UT, to improve reading in rural schools	650,000
Valley Youth House, Allentown, PA, for after-school programming for K–12 students	50,000
Venango County AVTS, Oil City, PA, for technology equipment	100,000
Villa Maria Education Center, Villa Maria, PA, to provide after-school programs for at-risk girls	50,000
Virginia Biosciences Development Center, Richmond, VA, for the Innovative Model for Cognitive Learning program to develop a pilot project improving children's cognitive skills	150,000
Virginia Bio-Technology Research Park, Richmond, Virginia, for pilot program to increase students capacity and interest to learn by improving cognitive skills	250,000
Voyager Expanding Learning, Dallas, Texas, to implement a Voyager Universal Literacy System demonstration project in the 6th Congressional District of Texas	250,000
Voyager Expanded Learning, Dallas, Texas, to implement a Voyager Universal Literacy System for kindergarten and first grade children in the 7th Congressional District of Ohio	200,000
Voyager Expanded Learning, Dallas, Texas, to implement a Voyager Universal Literacy System in the 26th Congressional District of Texas	250,000
Voyager Expanded Learning, Dallas, TX, to implement the Voyager Universal Literacy System in public schools in the 18th Congressional District of Ohio	100,000
Walla Walla Public Schools in Walla Walla, WA for English as a second language curriculum	400,000
Walnut Street Theater, Philadelphia, PA, for its Educational and Outreach program for K–12 schools	50,000
War for Empire, Inc., Pittsburgh, PA, to develop new programming focused on media and teacher/student outreach and curriculum development	185,000
Washoe County School District, Reno, NV, to provide intensive English language instruction to students who are non-native speakers of English	200,000
Wayne Art Center, Wayne, PA, to provide teacher training and workshops for students	50,000
Weber School District, Ogden, UT, for the development of the Classroom Observation Robotic Interface (CORI), a professional development program for teachers	500,000
West Philadelphia YMCA, Philadelphia, PA, for educational and recreational programming to serve at-risk youth	200,000
WestEd Eisenhower Regional Consortium for Science and Mathematics, San Francisco, California, to demonstrate and provide independent evaluation and review of the 24 Challenge and Jumping Levels Math Programs	150,000
WestEd Eisenhower Regional Consortium for Science and Mathematics, Tucson, AZ, to implement the 24 Challenge and Jumping Levels program, in Pennsylvania	50,000
Western Reserve Historical Society, Cleveland, OH, for education programs	200,000
Westmoreland Conservation District, Greensburg, PA, for education programs	100,000
Wildlands Conservancy of Eastern Pennsylvania, Emmaus, PA, for the expansion of hands-on environmental science learning programs	25,000
Wilderness Center, Wilmot, OH, for educational programs	32,000

William Penn School District, Lansdowne, PA, to provide professional development to K–12 teachers and to deliver educational curriculum to students, as well as assess progress, using computer-based software and hardware	100,000
Wisconsin Cooperative Educational Service Agency #3, Fennimore, WI, for alternative education programs at Learning Academies	150,000
WITF Inc., Harrisburg, PA, to develop an educational curriculum for the online Teach PA History initiative	50,000
Wolf Trap Foundation for the Performing Arts, Vienna, VA, for developing performing arts and education programs	200,000
Working in the Schools in Chicago to expand tutoring and mentoring programs in the Chicago Public Schools	225,000
WQED Multimedia Pittsburgh, Pittsburgh, PA, to develop a music-based, animated television program and curriculum to assist students	100,000
WQLN Educational Services, Erie, PA, to expand the F.A.M.I.L.I.E.S. Turn onto Literacy program	25,000
Yavapai County School District, AZ, for teacher quality improvements	500,000
Yazoo City Schools, Yazoo City, MS, for curriculum and library resource improvement	25,000
Yazoo County Schools, Yazoo City, MS, for curriculum and library resource improvement	25,000
YMCA of Anchorage, AK, for after school activities for at-risk teens	250,000
YMCA of Boulder Valley, Boulder, CO, for the Breakthrough Arts Program	22,500
YMCA of Easton, Easton, PA, for after-school programming for K–12 students	50,000
YMCA of Harrisburg, Harrisburg, PA, to provide mentoring services for minority youth	50,000
YMCA of McKeesport, McKeesport, PA, to support the Teen LEAD program serving at-risk, inner city teens	50,000
YMCA of Metropolitan Denver, Denver, CO, to develop a strong teens agenda	37,500
YMCA of Pennsylvania, Harrisburg, PA, for its Youth in Government program	50,000
YMCA of Pittsburgh, Pittsburgh, PA, to offer introductory computer classes to students as part of an after school initiative	50,000
YMCA of Pueblo, Pueblo, CO, for support of a youth leadership program	15,000
YMCA of the Pikes Peak Region, Colorado Springs, CO, to strengthen academic achievement and character development	30,000
YMCA of the Rockies, Estes Park, CO, for a leadership training program	15,000
Youth Alive, Inc., Louisville, KY, for after school programs	50,000
Youth Development Center, Inc., Winchester, VA, for program development for at-risk and gang prevention after school programs	350,000
Yukon Flats School District, Fort Yukon, AK, for development and application of a vocational education program	250,000
YWCA of Anchorage, AK, for after school enrichment programs serving at-risk Anchorage schoolchildren and their mothers	250,000
Zachary Community School Board, Zachary, LA, for technology enhancements	50,000

Other programs

The conference agreement includes $23,000,000 for the Ready to Learn program instead of $22,000,000 as proposed by the House and $24,000,000 as proposed by the Senate.

The conference agreement includes $5,000,000 for dropout prevention programs as proposed by the Senate. The House did not propose funding for this program. The conference agreement includes $1,490,000 for the Close Up program as proposed by the House. The Senate bill did not propose funding for this program.

The conference agreement includes $23,674,000 for advanced placement fees instead of $23,347,000 as proposed by the House and $24,000,000 as proposed by the Senate.

SAFE SCHOOLS AND CITIZENSHIP EDUCATION

The conference agreement includes $862,813,000 for programs in safe schools and citizenship education account, instead of $825,068,000 as proposed by the House and $818,547,000 as proposed by the Senate.

The conference agreement includes $445,483,000 for State grants instead of $468,949,000 as proposed by the House and $422,017,000 as proposed by the Senate.

The agreement also includes $154,680,000 for national programs instead of $160,180,000 as proposed by the House and $155,180,000 as proposed by the Senate. The conference agreement includes funding for the following activities:

School Safety Initiatives	$30,000,000
Planning/Needs Assessment/Data for State Grants	6,000,000
Safe Schools/Healthy Students	95,000,000
Drug Testing Initiative	2,000,000
Postsecondary Ed Drug and Violence Prevention	5,000,000
Impact Evaluation	2,000,000
Information and materials	1,420,000
Data collection and analysis	2,000,000
Other joint projects with Federal agencies	1,000,000
Other program improvement activities	1,000,000
National Recognition Program	850,000
National Clearinghouse for Educational Facilities	300,000
National Coordinator Initiative	8,110,000

The conferees also understand that a minimum of $9,000,000 remains available under the Project SERV program to provide for education-related services to school districts in which the learning environment has been disrupted due to a violent or traumatic crisis.

The conferees direct the Department to implement the Act consistent with their intent, as reflected in the table above, and request an implementation plan to be submitted to the House and Senate Committees on Appropriations within 30 days of enactment of the Department of Education Appropriations Act, 2004. To the extent that the Department wishes to reprogram funds in order to address other activities or alter the allocation of funds for activities listed in the chart above, the conferees expect the Department to follow the guidance provided in this statement of the managers.

The conference agreement includes $300,000 for the continued operation of the National Clearinghouse for Educational Facilities, the Nation's sole source for comprehensive information about school planning, design, financing, construction and maintenance. These funds will be used to address issues related to school safety and healthy school buildings, as described in the administration's budget request. The conference agreement also includes $700,000 for the Clearinghouse through the Fund for the Improvement of Education.

The conference agreement includes bill language requiring the Department to spend $850,000 for the National Recognition Awards program under the guidelines described in section 120(f) of Public Law 105–244.

The conference agreement includes $30,000,000 for grants to reduce alcohol abuse as proposed by the Senate. The House did not propose separate funding for this.

The conference agreement includes $50,000,000 for mentoring programs as proposed by the House instead of $28,700,000 as proposed by the Senate. The conference agreement includes $34,000,000 for elementary and secondary school counseling as proposed by the Senate instead of $32,289,000 as proposed by the House.

The conference agreement includes $70,000,000 for physical education programs as proposed by the Senate instead of $60,000,000 as proposed by the House. The funds should be used for the purpose identified in the No Child Left Behind Act, which states: "The purpose of this subpart is to award grants and contracts to initiate, expand, and improve physical education programs for all kindergarten through 12th grade students." The conferees are aware that this Act also requires the Secretary to report to Congress describing the programs funded under this subpart, documenting the success of such programs in improving physical fitness, and making recommendations for the continuation and improvement of such programs. The conferees would like this data to inform the fiscal year 2005 budget process and therefore direct the Secretary to provide this report to Congress no later than May 3, 2004.

The conference agreement includes $28,812,000 for the Civic Education program to support both the We the People programs and the Cooperative Education Exchange, as proposed by the House and Senate bills. The conferees intend that $16,890,000 will be provided to the nonprofit Center for Civic Education to support the We the People programs. Within the total for the We the People program, the conferees intend that $2,980,000 be reserved to continue the comprehensive program to improve public knowledge, understanding, and support of American democratic institutions which is a cooperative project among the Center for Civic Education, the Center on Congress at Indiana University, and the Trust for Representative Democracy at the National Conference of State Legislatures, and that $1,490,000 be used for continuation of the school violence prevention demonstration program, including $500,000 for the Native American initiative.

The conference agreement also includes $11,922,000 for the Cooperative Education Exchange program. Within this amount, the conferees intend that $4,470,750 is for the Center for Civic Education and $4,470,750 for the National Council on Economic Education, while the remaining $2,980,500 should be used to continue the existing grants funded under the authorizing statute for civics and government education, and for economic education.

The agreement also includes $25,000,000 for State Grants for Incarcerated Youth as proposed by the Senate. The House did not provide funding for this activity.

ENGLISH LANGUAGE ACQUISITION

The conference agreement includes $685,258,000 for English Language Acquisition programs instead of $685,515,000 as proposed by the House and $669,000,000 as proposed by the Senate. The conference agreement includes language allowing the Secretary to transfer funding not needed to continue discretionary activities under antecedent programs to the formula program line. The conference agreement includes bill language which allows the Secretary to calculate fiscal year 2004 State allotments using Census data utilized in making fiscal year 2003 State allotments and the most recent data reported by States for the number of immigrant children and youth. It is the intent of the conferees that data from the previous year only be used for determining allocations for fiscal year 2004 and that data from the American Community Survey will be available for determining the fiscal year 2005 and subsequent years, allocations, as required by the No Child Left Behind Act.

The No Child Left Behind Act (NCLB) calls for school districts to significantly accelerate English learners' progress towards achieving the Act's goals that 100 percent of all students reach proficient status or higher by 2013–2014. The conferees are concerned that for areas such as those in California, where the concentration of English language learners is high, this will be a challenge. The conferees are also aware that a number of regional educational offices have collaborated in an effort to ensure that the goals and requirements of the No Child Left Behind Act's English proficiency provisions will be met. The conferees strongly encourage the Department to provide support for regional educational initiatives that accelerate the academic progress of English language learners and recognize that local educational agencies with heavy concentrations of English learners are particularly challenged in meeting these requirements, with agencies in some cases having to double their instructional efforts to close the academic gap.

SPECIAL EDUCATION

The conference agreement includes $11,307,072,000 for Special Education instead of $11,049,790,000 as proposed by the House and $12,227,464,000 as proposed by the Senate. The agreement provides $5,894,072,000 in fiscal year 2004 and $5,413,000,000 in fiscal year 2005 funding for this account.

Included in these funds is $10,129,398,000 for Grants to States part B instead of $9,874,398,000 as proposed by the House and $11,058,533,000 as proposed by the Senate. The conferees are concerned that the participation of students with disabilities in vocational educational programs has led to confusion regarding who is responsible for providing services and who is responsible for paying for these services. The conferees want to remind States and school districts that they have an obligation to ensure that the services outlined in a child's individualized education plan are provided in a timely manner, regardless of where the services are provided.

The conference agreement includes $51,364,000 for State Program Improvement as proposed by the House instead of $44,000,000 as proposed by the Senate.

The conference agreement includes $78,589,000 for research and innovation instead of $77,210,000 as proposed by both the House and the Senate. Within the amounts provided for Special Education Research and Innovation, the conference agreement includes funding for the following:

Best Buddies International, Inc. in Miami, FL to enhance the lives of people with mental retardation by opportunities for one-to-one friendships and integrated employment	$1,000,000
Best Buddies Pennsylvania, Philadelphia, PA, for the expansion of mentoring programs for individuals with disabilities	25,000
Center for Development and Learning, Covington, LA, for literacy initiative	100,000
City of Rocklin, Rocklin, CA, for expansion of programs for learning disabled and physically disabled preschool children	150,000
Daeman College, Amherst, NY, for a special after school enrichment program for students with learning disabilities	630,000
Eagle Mount, Billings, MT, for Ensuring Success for Youth with Disabilities program	59,000
Florida School for Deaf and Blind, St. Augustine, Florida, for the Virtual Reality Based Education and Training Program	100,000
Hill Top Preparatory School, Rosemont, PA, for the use of ReadSpeak Action Caption technology as a literacy tool for students with learning disabilities	50,000
Hoffman Homes for Youth, Gettysburg, PA, for a Therapeutic Horsemanship Center	175,000
International Center on Deafness and the Arts, Northbrook, IL, for a teacher extension training program	100,000
Learning Disabilities Association of America, Pittsburgh, PA, to expand parent and teacher training programs and to increase resources available regarding learning disabilities	25,000
Leg Up Farm, York, PA, to provide comprehensive therapy and rehabilitation for children	175,000
Lehigh University, Bethlehem, PA, for research to improve the lives of disabled individuals at the Center for Promoting Healthy Development for Individuals with Disabilities	100,000
McComb School District, Mississippi, for an Early Childhood Coalition Project	150,000
Ohio School for the Deaf, Columbus, OH to install and support a virtual reality based education and training for the deaf program	500,000
Spokane School District, WA for educational technology to serve deaf and hard of hearing students	200,000
Spurwink Institute, Portland, ME, for the Center for Learning and Technology to provide assistive technology for students with learning disabilities	250,000
The Wisconsin Council on Developmental Disabilities, Madison, WI for a pilot project to help teens with disabilities plan for the transition out of the educational system to adult life	275,000
U.S. Disabled Athletes Fund, Atlanta, GA, for Blaze Sports Clubs in Georgia	75,000
University of Kentucky, Lexington, KY, Center for Instructional Technology and Learning to help special education teachers integrate technology into curriculum	1,000,000
University of Northern Colorado National Center on Low-Incidence Disabilities, Greeley, CO, for support to local schools, educational professionals, families of infants, children, and youth with low-incidence disabilities	525,000
University of Northern Iowa, Cedar Falls, IA, for WeBCATT: The National Institute of Technology for Inclusive Education project	350,000

University of Southern Mississippi, Hattiesburg, MS for the Center for Literacy and Assessment	650,000
Wheelchair Foundation, Danville, CA, to train teachers on how to integrate children with physical disabilities into the classroom	50,000
Winchester Parks and Recreation Department, Winchester, VA, for playground equipment to assist disabled children	90,000
Workplace Technology Foundation, King of Prussia, PA to provide training to special education students to increase employability upon graduation	75,000

The conference agreement includes $53,133,000 for technical assistance as proposed by the Senate instead of $53,481,000 as proposed by the House. The agreement also includes $39,361,000 for technology and media services as proposed by the Senate instead of $38,110,000 as proposed by the House. The agreement includes $11,400,000 for Recordings for the Blind and Dyslexic.

The agreement also includes $1,500,000 for Public Telecommunications Information and Training Dissemination as proposed by the Senate. The House did not contain funds for this activity.

REHABILITATION SERVICES AND DISABILITY RESEARCH

The conference agreement includes $3,013,305,000 for Rehabilitation Services and Disability Research instead of $2,999,165,000 as proposed by the House and $3,004,360,000 as proposed by the Senate.

The conferees are disturbed by the Department's actions with respect to funds appropriated in last year's bill, which were to be used to improve the quality of applied orthotic and prosthetic research. The conferees understand that the Department made a decision to allow these funds to lapse, instead of obligating them for the specific purpose for which Congress intended them to be used. The Department's actions violated the clear, statutory intent of the Congress. The conferees note that these actions follow the Department's decision to ignore language in the Statement of the Managers accompanying the fiscal year 2002 appropriations bill which provided $1,000,000 for this same purpose. The conference agreement again includes $1,000,000 to continue the orthotic and prosthetic initiative that the Congress established in fiscal year 2002. The conferees intend that $1,000,000 included in the conference agreement shall be awarded to the American Academy of Orthotists and Prosthetists (AAOP) for activities that further the purposes of the grant received by the Academy for the period beginning October 1, 2003. These funds are in addition to the original $993,500 grant received by the AAOP on October 1, 2003.

The agreement also includes $23,930,000 for demonstration and training programs instead of $20,895,000 as proposed by both the House and the Senate. Within the amounts provided for vocational rehabilitation demonstration and training programs, the conference agreement includes funding for the following activities:

Alaska Center for Independent Living, Anchorage, AK, for a Personal Assistance Services project to bring services to more remote rural communities	$200,000
Association of Retarded Citizens (ARC) of Madison County, AL, Lowe Mental Retardation Day Program Facility for equipment and program support	100,000
Cerebral Palsy Research Foundation of Kansas, Wichita, KS, to continue helping people with disabilities obtain self-sufficient employment	350,000
City of Henderson, NV, for Inclusion Recreation Program	500,000
Crawford County Life Enrichment Achievement Progress (LEAP), Inc., Crawford, PA, to create a workshop open to the community that would demonstrate what life is like for those with disabilities	10,000
Enable America, Inc., Tampa, FL, for civic/citizenship demonstration project for disabled adults	1,000,000
Lakeshore Foundation, Birmingham, AL, to develop a fitness and health promotion program for the disabled	200,000
National Federation for the Blind, Baltimore, MD, for text recognition machines	150,000
National Industries for the Blind, Alexandria, VA, to develop a business leadership and management skills training program for individuals who are blind	250,000
National Organization on Disability, Washington, DC, for the emergency preparedness initiative	1,000,000
National University, La Jolla, CA, for the Institute for Persons Who Are Hard of Hearing or Deaf	625,000
Opportunity Village Association for Retarded Citizens, Las Vegas, NV, to create the second phase of a school-to-work program for students with severe disabilities	200,000
Southeast Alaska Independent Living (SAIL), Juneau, AK, for a joint recreation and employment project with the Tlingit and Haida Tribe of Alaska	200,000
Special Olympics of Iowa for technology upgrades	100,000
Wisconsin Coalition for Independent Living Centers, Madison, WI, to expand assistive technology services to people with disabilities seeking employment	150,000

The conference agreement includes $22,151,000 for Independent Living State Grants as proposed by the Senate instead of $22,296,000 as proposed by the House. The agreement also includes $74,000,000 for Independent Living Centers instead of $75,000,000 as proposed by the House and $69,545,000 as proposed by the Senate. The agreement also includes $32,000,000 for services for older blind individuals as proposed by the House instead of $27,818,000 as proposed by the Senate.

The conference agreement includes $107,285,000 for the National Institute on Disability and Rehabilitation Research instead of $110,000,000 as proposed by the House and $109,285,000 as proposed by the Senate.

The conference agreement includes $26,097,000 for assistive technology instead of $11,132,000 as proposed by the House and $26,824,000 as proposed by the Senate. The agreement also includes language allowing States which have received assistive technology extension grants in the past and are scheduled to be phased out of the program to continue to receive an award in fiscal year 2004 at the fiscal year 2003 level. This language is provided to allow time for the authorizing committees of jurisdiction to review the program in the context of reauthorizing the Assistive Technology Act. The conferees are aware that this program was originally designed to be "seed money" to develop assistive technology activities at the State level. The authorizing statute specifies that the State grant portion of the program would sunset after ten years, giving States time to develop their own programs in this area. The conferees note that more than $36,000,000 was awarded for grants under title III of the Assistive Technology Act, which will support authorized activities through at least fiscal year 2004 for all grantees. This conference agreement does not include additional funds for such activities, but the conferees intend to examine the performance outcomes achieved under this program and evaluate additional funding needed to continue authorized activities in the fiscal year 2005 budget process. The conferees support the goal of this program, which is to maximize the independence and participation in society by individuals with disabilities through the establishment or expansion of programs that fund alternatives to the traditional payment options of public assistance and self-financing so that individuals with disabilities can acquire assistive technology devices and services.

SPECIAL INSTITUTIONS FOR PERSONS WITH DISABILITIES

AMERICAN PRINTING HOUSE FOR THE BLIND

The conference agreement does not include language proposed by the Senate regarding acquisition of equipment. The House bill contained no similar language.

NATIONAL TECHNICAL INSTITUTE FOR THE DEAF

The conference agreement includes $53,800,000 for the National Technical Institute for the Deaf as proposed by the Senate instead of $53,867,000 as proposed by the House.

GALLAUDET UNIVERSITY

The conference agreement includes $100,800,000 for Gallaudet University as proposed by the Senate instead of $100,600,000 as proposed by the House.

VOCATIONAL AND ADULT EDUCATION

The conference agreement includes $2,121,690,000 for Vocational and Adult Education instead of $2,101,430,000 as proposed by the House and $2,101,490,000 as proposed by the Senate. The agreement provides $1,330,690,000 in fiscal year 2004 and $791,000,000 in fiscal year 2005 funding for this account.

The conference agreement includes $1,202,100,000 for Vocational Education basic State grants instead of $1,200,000,000 as proposed by the House and $1,192,200,000 as proposed by the Senate.

The conference agreement includes $7,228,000 for Tribally Controlled Postsecondary Vocational Institutions instead of $7,500,000 as proposed by the Senate and $6,955,000 as proposed by the House. The agreement also includes language proposed by the Senate notwithstanding any other provision of law or any regulation that the Secretary of Education shall not require the use of a restricted indirect cost rate for grants issued pursuant to the tribally controlled postsecondary vocational and technical institutions program. The House did not contain this provision.

The conference agreement includes $4,968,000 for the tech-prep education demonstration authorized under section 207 of the Perkins Act as proposed by the Senate. The agreement also includes $9,438,000 to continue the occupational and employment information program as proposed by the Senate. The House did not include funding for these activities.

The conference agreement includes $577,781,000 for adult education State grants instead of $584,300,000 as proposed by the House and $571,262,000 as proposed by the Senate. The agreement also includes $9,223,000 for adult education national leadership activities and $6,732,000 for the National Institute for Literacy as proposed by the Senate. The House proposed funding for these activities at $9,438,000 and $6,517,000, respectively.

The conference agreement also includes $175,000,000 for the smaller learning communities program as proposed by the House instead of $160,947,000 as proposed by the Senate. As in past years, the conference agreement provides the funds on a forward funding basis and specifies that these funds shall be used only for activities related to the redesign of large high schools enrolling 1,000 or more students.

The conference agreement includes $10,000,000 for community technology centers instead of $20,000,000 as proposed by the Senate. The House did not propose funding for this activity.

STUDENT FINANCIAL ASSISTANCE

The conference agreement includes $14,090,430,000 for Student Financial Assistance instead of $14,247,432,000 as proposed by the House and $14,174,115,000 as proposed by the Senate.

The agreement provides a program level of $12,077,998,000 for Pell Grants instead of $12,250,000,000 as proposed by the House and $12,176,683,000 as proposed by the Senate.

The conferees continue to be concerned about issues within the consolidation loan program. The conferees are aware that some borrowers would like to see the current law changed to allow for consolidation with any lender or holder, regardless of how many lenders with whom the borrower has loans. The conferees are concerned that without change to the current law governing consolidation loans, some borrowers may not be permitted to consolidate their loans with any lender they choose. The leaders of the authorizing committees have expressed a desire to address this and other issues during the reauthorization of the Higher Education Act so as to address the Consolidation Loan Program as a whole. The conferees strongly urge those committees to take action quickly to ensure borrowers have the best options available to them in order to manage their student loan obligations.

The conferees are aware that section 428H(d)(2) of the Higher Education Act permits the Secretary to increase unsubsidized loan limits, beyond those limits expressly contained in the Act, in cases where he determines that a higher amount is warranted in order to carry out the purpose of the Federal Family Education Loan Program (FFELP) with respect to students engaged in specialized training requiring exceptionally high costs of education. The conferees are also aware that in exercising this discretion, the Secretary has provided increased loan limits for students in numerous graduate and professional medical programs but has not done so for the comparable program of doctor of naturopathic medicine (ND). The conferees direct the Secretary to examine the borrowing needs of graduate naturopathic medical students to determine whether they should be given additional borrowing opportunities under the FFELP.

STUDENT AID ADMINISTRATION

The conference agreement includes $118,010,000 for student aid administration instead of $120,010,000 as proposed by the House and $104,703,000 as proposed by the Senate.

HIGHER EDUCATION

The conference agreement includes $2,094,511,000 for Higher Education instead of $1,974,036,000 as proposed by the House and $1,969,982,000 as proposed by the Senate.

Aid for Institutional Development

The conference agreement includes $94,551,000 for Hispanic Serving Institutions as proposed by the Senate instead of $93,551,000 as proposed by the House. The conference agreement also includes $11,000,000 for Alaska and Native Hawaiian Institutions as proposed by the Senate instead of $8,180,000 as proposed by the House.

The conference agreement includes $23,425,000 for strengthening tribal colleges and universities, instead of $22,850,000 as proposed by the House and $24,000,000 as proposed by the Senate. The conferees agree that the funds provided are to be used to support continuation of existing basic grants and new planning or implementation grant awards. The remaining funds shall be available for grants for renovation and construction of facilities to help address urgently needed facilities repair and expansion.

International Education and Foreign Language Studies

The conference agreement includes $89,740,000 for the domestic activities of the international education and foreign languages studies programs instead of $93,240,000 as proposed by the House and $86,240,000 as proposed by the Senate.

Fund for the Improvement of Postsecondary Education

The conference agreement includes $155,311,000 for the Fund for the Improvement of Postsecondary Education instead of $34,138,000 as proposed by the House and $32,201,000 as proposed by the Senate. Within the amounts provided for the Fund for the Improvement of Postsecondary Education, the conference agreement includes funding for the following:

AIB College of Business, Des Moines, IA, to continue a program of recruiting and training students in captioning and court reporting	$400,000
Alabama College System Microelectronics Consortium, Andalusia, AL, for the advanced electronics technology project, including the acquisition of technology and equipment	250,000
Alaska Christian College, Soldontna, AK, for scholarships, recruitment, literacy programs and salaries to support Native student learning	400,000
Alaska Pacific University, Anchorage, AK, to support training of Alaska Natives as teachers through the Rural Alaska Native Adult Program	300,000
Allegheny College, Meadville, PA, for civic education activities	25,000
Alverno College in Milwaukee, Wisconsin for the development of a collaborative abilities-based Master's program in Nursing Education	160,000
American Academy of Liberal Education, Washington, DC, to develop a national model for the study of American democracy at colleges and universities	100,000
Appalachian State University, Boone, North Carolina, for the Appalachian State College Awareness Program	75,000
Arkansas Tech University, Russellville, Arkansas, for an Emergency Administration and Management Degree Program	500,000
Ashland University, Ashland, OH for lab equipment	500,000
Association of Jesuit Colleges and Universities to establish the Center for On-Line Bioethics Education	250,000
Ball State University, Muncie, IN, for support of the Digital Middletown Project, including the acquisition of technology	600,000
Bennett College, Greensboro, NC, for professional development activities for teachers supported through the Curriculum Instructional Materials Center	1,000,000
Bevill State Community College, Sumiton, Alabama, for technology upgrade and equipment	300,000
Brescia University, Owensboro, KY, for technology and teacher training	400,000
Brevard Community College, Cocoa, FL, for instructional equipment to support a Distributed Learning Center	300,000

Bryant College of Smithfield, RI, for program development, including acquisition of equipment and technology, and services related to the Community Communication and Education Center	200,000
Buffalo State College, Buffalo, New York, for expansion of the Center for Excellence in Urban and Rural Education	100,000
Bushnell Center for the Performing Arts in Connecticut for the PARTNERS Program	50,000
Cabrini College, Radnor, PA, for equipment and educational programming for the Center for Science, Education and Technology	200,000
California Institute of Arts, Valencia, California, for an integrated media program	200,000
California State Polytechnic University, Pomona, CA, for a Digital Media Program	750,000
California State University, San Marcos, California, for nursing programs to meet the needs of state and county in healthcare	350,000
California State University, Stanislaus, Turlock, CA, for Allied Health Care Professional Initiative	167,000
Campbellsville University, Campbellsville, KY, for an Associate Degree in Nursing program	300,000
Catawba Valley Community College, Hickory, North Carolina, for the Higher Education Center Project	250,000
Centenary College, Hackettstown, New Jersey, to expand IT infrastructure	200,000
Central Florida Community College, Ocala, FL	496,000
Chamber Foundation, Greater Columbus Chamber of Commerce, Columbus, OH, for the College Access and Work-based Connection program	350,000
Chattanooga State Technical Community College, Chattanooga, TN, for Tennessee Valley Workforce Aging Management Program initiative	500,000
Cheyney University, Cheyney, PA, to develop educational programming for the Center for Teacher Preparation	100,000
City of Lancaster, Lancaster, CA, for equipment for the Lancaster University Center	400,000
City of Moultrie, GA, for technology upgrades in support of distance learning projects undertaken by Moultrie Technical College	25,000
City University, Bellevue, Washington, for technology infrastructure	300,000
Clark State Community College, Springfield, Ohio, to implement a degree program for teachers' aides in Title I classrooms	100,000
Clatsop Community College, Astoria, OR, for acquisition of computers and technology equipment	50,000
Cleveland Institute of Art, Cleveland, OH for technology	300,000
Cleveland State University, Cleveland, OH for a transition from laboratory to the classroom project	300,000
Cleveland State University, Cleveland, OH for scholarships, equipment and curriculum development in transportation safety	250,000
Cleveland State University, Cleveland, OH to continue the collaboration between Cleveland State and the University of Rijeka in Croatia for the Unger Croatia Center for Local Government Leadship	100,000
Clinton School of Public Service at the University of Arkansas for curriculum development	1,000,000
College of Charleston Science Center, Charleston, South Carolina, for equipment and for the Center for Teacher Leadership	100,000
College of New Jersey, Ewing, NJ for forensic science program	225,000
College of Southern Idaho, Twin Falls, ID, to continue implementing and enhancing distance learning programs	300,000
College of Wooster, Wooster, OH for information and instructional technology upgrade	975,000
Columbia College, Chicago, IL for student scholarships in the College of Film and Video	250,000
Columbia Gorge Community College, The Dalles, OR, for a nurse training program	500,000
Community College of Allegheny County, Pittsburgh, PA, for equipment and educational programs to train court reporters	200,000
Community College of Beaver County, Beaver Falls, PA, for educational programs, including the acquisition of technology	100,000
Community College of Southern Nevada, Las Vegas, NV, for engineering and media technologies programs	350,000
Concurrent Technologies Corporation, Largo, Florida, for Community College/Vocational Industry Cluster HUBS initiative	1,000,000
Crowder College, Neosho, MO, for equipment	250,000
Cumberland College, Williamsburg, Kentucky, for technology and equipment	600,000
Daniel Webster College, Nashua, NH, to acquire technology and equipment	1,000,000
Darton College, Albany, GA, for the rural technology network	200,000
Daytona Beach Community College, Daytona Beach, Florida, for instructional equipment and technology infrastructure of the Advanced Technology Center	100,000
Defiance College, Defiance, Ohio, for Information Technology Initiative	350,000
Delaware County Industrial Development Authority, Media, PA, for faculty and students of academic institutions to collaborate with industry on research and development as part of their engineering programs	100,000
Delta State University, Cleveland, MS, for the Delta Education Initiative	1,000,000
DeSales University, Center Valley, PA, for computer wiring and technology upgrades related to training K-12 teachers and students	100,000
Duquesne University, Pittsburgh, PA, for program support at the supercomputing center, with a focus on biotechnology, nanotechnology and environmental sciences	100,000
East Stroudsburg University, East Stroudsburg, PA, for technological infrastructure related to the Center for Research and Economic Development	200,000
Eckerd College, St. Petersburg, Florida, to upgrade educational computing and technology	1,000,000
Edinboro University of Pennsylvania, Edinboro, PA, to develop curriculum and education programs for the Precision Manufacturing Institute	100,000
Educational Resources Group, Pennsylvania State System of Higher Education, Harrisburg, PA, for online education programs	100,000

Eisenhower Fellowships, Philadelphia, PA, for the Philadelphia International Leadership, which may include support of access to foreign educational and internship programs	100,000
Embry-Riddle Aeronautical University, Prescott, AZ for archive of aviation materials	1,000,000
Emerson College in Boston for the Tufte Performance and Production Center Initiative	500,000
Emmanuel College, Boston, MA, for the procurement of educational and clinical research equipment	475,000
Empire State College, Saratoga Springs, NY for an emergency management degree program	100,000
Fayetteville Technical Community College, Fayetteville, North Carolina, for technology-training program for teachers	250,000
Fisk University, Nashville, TN, for the Technology Infrastructure Initiative, which may include the acquisition of technology	250,000
Fort Lewis College, Durango, CO, for curriculum materials and acquisition of computers in support of the Southwest Studies Institute	50,000
Fort Lewis College, Durango, CO, for technology upgrades and equipment	50,000
Frank Phillips College, Borger, TX, for education technology	250,000
Gadsden State Community College, Gadsden, AL, for curriculum development for the Alabama Institute for Nursing Education and Emergency Preparedness	400,000
Gadsden State Community College, Gadsden, Alabama, for technology infrastructure development for the Emergency Medical Services (EMS)	250,000
George Meany Center for Labor Studies—the National Labor College for curriculum development	900,000
Georgia College and State University, Milledgeville, GA, for the Paul Coverdell Institute and Archives	100,000
Glendale Community College for K–12 Science Teacher Training at the Cimmarusti Science Center	100,000
Gonzaga University, Spokane, WA, for the inland northwest natural resources research center	350,000
Govergence, Inc., Ponca City, OK, for curriculum development, computers and salary	50,000
Harcum College, Bryn Mawr, PA, for laboratory and clinic equipment	500,000
Harrisburg University of Science and Technology, Harrisburg, PA, for laboratory equipment and technology and math and science curriculum development	100,000
Hepatitis B Foundation, Doylestown, PA, for education programs to prepare post-secondary students for careers in biomedical research, public health and biotechnology	200,000
Hilbert College, Hamburg, NY, for curriculum development, equipment and training	250,000
Hillsborough Community College, Plant City Campus, Florida, for veterinarian technician training program	250,000
Hinds Community College, Raymond, MS, for a pilot program to provide English as a Second Language to adults	200,000
Hiram College, Hiram, OH, for a comprehensive environmental education center	500,000
Hobart and Williams Smith Colleges, Geneva, New York, for equipment	250,000
Holy Family University, Philadelphia, PA, for teacher training and teacher certification programs	50,000
Holyoke Community College, Holyoke, MA, for Business and Technology Center educational equipment and programs	350,000
Hood River Integrated Technology Center, Hood River, OR, for an integrated technology center	50,000
Housatonic Community College, Bridgeport, Connecticut, for the urban multicultural access and success program	150,000
Houston Community College System, Houston, Texas, for the Accelerated Nursing Proficiency Center	50,000
Husson College, Bangor, ME, for support of the Occupational Therapy Program	50,000
Hutchison Community College, Hutchinson, Kansas, for equipment and technology acquisition	250,000
Idaho State University, Pocatello, Idaho, for a Masters degree program in Dental Hygiene	400,000
Illinois State University, Normal, IL, to support curriculum development, mentoring and recruitment programs to bring registered nurses into long term care	300,000
Indiana University of Pennsylvania, Indiana, PA, for the Computing Services Center to train K–12 teachers and for the National Institute for Corrections Education to provide professional development for corrections education teachers	50,000
Indiana University-Purdue University, Ft. Wayne, Indiana, for collaboration with WFWA PBS–39	150,000
Institute of Gerontology/Ruby Gerontology Center, California State University, Fullerton, Fullerton, CA, to upgrade the technological infrastructure and distance education capabilities	500,000
Iowa Central Community College, Fort Dodge, IA, for the ICN distance learning pilot program	250,000
Iowa Hospital Education and Research Foundation for a scholarship program	50,000
Iowa Student Aid Commission to continue a program of loan forgiveness for teachers	500,000
Jackson State University, Jackson, MS, for the Project Urban Mississippi, Teachers, Technology, Research and Reading project	300,000
James A. Rhodes State College, Lima, Ohio, for technology and equipment	250,000
Jamestown Community College, Jamestown, NY, for access for rural students	50,000
Johnson and Wales University, Charlotte, North Carolina, for initial development, on site start-up and staff recruitment costs for the establishment of a new campus in downtown Charlotte	200,000
Kansas Technology Center, Pittsburgh State University, Pittsburgh, KS, for technology infrastructure improvements	500,000
Kennebec Valley Community College, Fairfield, ME, to develop a healthcare career training initiative designed to increase the number of skilled workers in the areas of Nursing and Radiology	300,000
Kent State University, Kent, OH, for GED Scholars project	500,000
Kent State University, Kent, OH, for Institute for Library and Informational Literacy Education project	750,000

Keystone College, LaPlume, PA, for instructional technology for the Education Curriculum Laboratory to strengthen early childhood education programming	100,000
Kishwaukee College, Malta, IL, for computer systems	250,000
Knoxville College, Knoxville, TN, for acquisition of equipment and computer upgrades in support of improved student learning	200,000
La Salle University, Philadelphia, PA, for program and tuition support that will advance math and science instruction for teachers	250,000
La Sierra University, Riverside, CA, for the purchase of scientific educational equipment	133,000
Lander University, Greenwood, South Carolina, for a Montessori project	250,000
Langston University, Langston, OK for a Thurgood Marshall Scholarship endowment	100,000
Le-Moyne Owen College, Memphis, TN, to enhance and improve a computer network infrastructure	200,000
Lewis-Clark State College, Lewiston, ID, to establish an American Indian Students in the Leadership of Education (AISLE) Program	450,000
Lincoln University, Lincoln University, PA, for campus-wide technology upgrades and wiring	100,000
Long Island University for literacy education in Westbury, New York	500,000
Lorain County Community College, Elyria, OH, for course development, instructional and operational technology support, technological upgrades, and distance learning capacity	500,000
Louisiana State University Center, Baton Rouge, LA, for a Latin American Commercial Law Program and a Biotechnology and Medicine project	550,000
Lourdes College, Sylvania, OH, to improve science education	100,000
Luther College, Decorah, IA for lab equipment	300,000
Macon State University, Macon, GA, for educational programs in information technology	50,000
Maricopa County Community College District, Phoenix, AZ, for the National Center for Teacher Preparation and Education to address the national teacher shortage and for the Hispanic Bilingual Nursing Fellow program	300,000
Maryland Association of Community Colleges to improve instruction in Information Technology for nursing and allied health training programs	1,000,000
Mercer University, Macon GA for a critical personnel development program	200,000
Mercyhurst College, Erie, PA, for an intelligence-related academic program that will identify and propagate intelligence best practices and create generic intelligence education courses	300,000
Mesa State College, Grand Junction, Colorado, for the Western Colorado Rural Teacher Initiative	150,000
Miami University, Oxford, Ohio, for technology upgrades and equipment for the McGuffey School of Education	650,000
Michigan Jewish Institute, Oak Park, MI for cooperative computing program	500,000
Michigan Virtual University/Michigan Virtual High School, Lansing Michigan, continued development of the virtual Mathematics, Science and Technology Academy	100,000
Midstate College in Peoria, Illinois, for captioning training program	75,000
Millersville University, Millersville, PA, for curriculum development for environmental education, occupational safety and health education programs	100,000
Minnesota State University, College of Allied Health & Nursing, Mankato, MN, for development and implementation of a curriculum related to allied health professions	100,000
Mississippi University for Women, Columbus, MS, for the Center for Creative Learning	980,000
Mississippi Valley State University, Itta Bena, MS, for curriculum development	500,000
Missouri Southern State College, Joplin, Missouri, for computers and equipment for distance learning courses	321,000
Mitchell Technical Institute in Mitchell, South Dakota for technology center equipment	480,000
Montana State University-Billings College of Technology, Billings, MT, for health care degree and certificate training programs	441,000
Montana State University-Billings College of Technology, Billings, MT, to develop and initiate a power plant operator training degree program	750,000
Montgomery County Community College, Blue Bell, PA, for equipment and technology acquisition in support of the Advanced Center for Technology	75,000
Moravian College, Bethlehem, PA, for computer wiring and technology upgrades related to training K–12 teachers and students	100,000
Morehead State University, Institute for Regional Analysis and Public Policy, Morehead, Kentucky, for the development of a program, including student scholarships, to study the implementation and effects of homeland security policy at the state and local levels of government	500,000
Morgan County Ohio, McConnelsville, OH, for a feasibility study on community college services	100,000
Mote Marine Laboratory, Sarasota, Florida, for curriculum and technology enhancements	975,000
Mount Marty College in Yankton, South Dakota for forensic science lab equipment	150,000
Mount Union College, Alliance, OH for the Center for Public Service, including student scholarships	1,000,000
Mt. Hood Community College, Gresham, OR, for a nurse training program	50,000
Muhlenberg College, Allentown, PA, to develop a program for advanced discovery in the exploration of the physical and life sciences at the secondary and post-secondary grade levels	100,000
National Articulation and Transfer Network, San Francisco, CA to facilitate the enrollment and completion of postsecondary education by minority students	100,000
National Association for Equal Opportunity in Higher Education, Silver Spring, MD, for an initiative to increase minority access to higher education and to assist historically black colleges and universities in the acquisition and use of technology	100,000
National Center on Rural Early Childhood Learning Initiatives, Mississippi State University to collect current research and lead new research in the unique learning problems and conditions of rural preschoolers	2,200,000
Nevada State College, Henderson, NV, for a visual media and computing laboratory	200,000

Nevada State College, Henderson, NV, to establish an accelerated nursing baccalaureate degree program	500,000
New College of Florida, Sarasota, FL, for Merging Arts and Sciences project	150,000
Nicholls State University, Thibodaux, LA, for an Advanced Technology Center	200,000
North Florida Community College, Madison, Florida, for a Registered Nursing Program	250,000
Northern Essex Community College, Lawrence, MA, for technology training center equipment and technology infrastructure	200,000
Northern Illinois University in DeKalb, IL, for acquisition of equipment and program support of the Vibration and Acoustics Center	100,000
Northern Illinois University, DeKalb, Illinois, for equipment, personnel and salaries	500,000
Northwest Shoals Community College, Phil Campbell, Alabama, for technology upgrades	50,000
Northwestern College, Orange City, IA, for equipment	50,000
Northwestern State University, Natchitoches, Louisiana, for technology upgrade and replacement	250,000
Norwalk Community College, Norwalk, CT for Nursing Center of Excellence	150,000
Oakland Community College, Auburn Hills, MI for emergency first responder training	150,000
Oklahoma Regents of Higher Education, Oklahoma City, OK, to support Ponca City's internet Hub project	50,000
Oregon, Health Sciences University, Portland, OR, for the Nanobio Technology Program	300,000
Oregon Institute of Technology, Klamath Falls, OR, for the Center for Health Professions	50,000
Ozarks Technical Community College, Springfield, MO, for equipment	250,000
Palmer Chiropractic College in Florida	400,000
Pennsylvania State University, University Park, PA, for the Penn State Washington Internship Program	25,000
Pennsylvania State University, University Park, PA, for the Pennsylvania Rural Leadership Program	125,000
Perseverance Theatre, Douglas, AK to provide an educational program for Juneau School District students and the University of Alaska—Southeast in the theater arts	50,000
Philadelphia College of Osteopathic Medicine (PCOM), Philadelphia, PA for a Comprehensive Clinical Teaching and Assessment Center	100,000
Philadelphia University, Philadelphia, PA, to acquire and update campus wide technology and wiring	600,000
Pierce College, Philadelphia, PA, technology upgrades and course development for the Pierce Online Four-Year Distance Learning initiative	200,000
Pittsburgh Digital Greenhouse, Pittsburgh, PA, to facilitate work between research universities	250,000
Pittsburgh Life Sciences Greenhouse, Pittsburgh, PA, to better link research to technology	100,000
Point Park College, Pittsburgh, PA, for support of a biotechnology internship program and for equipment associated with science laboratories	100,000
Project Women, Louisville, KY, to support postsecondary educational opportunities for single mothers in poverty, through financial, educational, social, and other support programs	400,000
Regional Learning Alliance, Marshall Township, PA, to acquire instructional technology and to develop programming as part of a life-long education services initiative for Pittsburgh regional industry and community residents	200,000
Rhodes College, Memphis, TN, for the Rhodes College Learning Corridor project to expand an educational outreach and partnership program between the University and the Shelby County public school system	500,000
Rhodes State College, Lima, OH, for wiring, computer hardware and other infrastructure needs related to an information technology initiative	250,000
Robotics Foundry, Pittsburgh, Pennsylvania, for curriculum development	150,000
Saint Leo University, Saint Leo, FL, for Corporate to Classroom Transition	300,000
Saint Leo University, Saint Leo, Florida, for distance learning and video conferencing education	500,000
Salt Lake Community College, Salt Lake City, UT, to continue to develop the technology infrastructure for Smart Classrooms	200,000
Santa Clarita Community College District, California, for equipment	400,000
Savannah State University, Savannah, GA for environmental sciences and mass communications programs	200,000
Savannah State University, Savannah, Georgia, to improve the attainment of degrees	50,000
Schoolcraft College, Livonia, Michigan, for student support systems, equipment, faculty development and curriculum	350,000
Seminole State College, Seminole, OK, for equipment acquisition in support of a technology center	300,000
Seminole State College, Seminole, Oklahoma, for the Fast Track program at the School of Nursing for student support, scholarships and other services and assistance	50,000
Seton Hill University, Greensburg, PA, for a series of training workshops to develop and implement Seton Hill's National Education Center for Women in Business	150,000
Sheldon-Jackson College, Sitka, AK, for teacher training and training of human services professionals	500,000
Shenandoah University, Winchester, VA, to expand and enhance the programming of the John O. Marsh Institute for Government and Public Policy	250,000
Shepherd Community and Technical College, Martinsburg, West Virginia, for equipment for the Shepherd CTC paramedic program	100,000
Shippensburg University, Shippensburg, PA, for educational programs at the Center for Land Use, which may include technical, educational and research assistance to municipal officials in surrounding areas	100,000
Southeast Missouri State University River Campus, Cape Girardeau, MO, for technology equipment	1,500,000
Southeast Missouri State University, Cape Girardeau, MO, for its Bachelor of Science in Nursing program for registered nurses in the Bootheel Region of Missouri	250,000

Southeast Missouri State University, Cape Girardeau, MO, for the Polycom Program, which utilizes technology to prepare rural Missouri students for teaching careers	98,000
SouthEastern Pennsylvania Consortium for Higher Education, PA, for the Institute for Mathematics and Science to provide professional development to K–12 teachers	750,000
Southern Methodist University, Dallas, TX, for the Institute for Engineering Education	550,000
Southern New Hampshire University, Manchester, NH, to support distance education and technological enhancements in classrooms	500,000
Southern Oregon University AuCoin Institute for Ecological, Economic, and Civic Studies will serve as an educational training resource for federal employees and students to prepare them to intermediate effectively between private property owners and policy makers	75,000
Southwest Texas State University, San Marcos, Texas, for the Round Rock Higher Education Center	500,000
Spellman College, Atlanta, GA, for the Teacher as Leader Educational Initiative	50,000
St. Petersburg College, St. Petersburg, Florida, for Project Eagle I	1,500,000
St. Petersburg College, St. Petersburg, Florida, to establish the Center for Teaching Transformation	500,000
Stark State College of Technology, Canton, OH for health technology programs and equipment upgrade	235,000
Stark State College of Technology, Canton, OH, for equipment	500,000
State University of New York (SUNY) at Geneseo, Geneseo, NY, to establish the Geneseo Cluster Computing Facility	150,000
State University of New York, College at Oneonta, New York, for a literacy teaching center	160,000
State University of NY at Albany to train students for their work on New Energy New York Consortium's Capital Region project	50,000
Stephen F. Austin University, Nacogdoches, TX, in collaboration with the City of Nacogdoches to support a Center for Biotechnology	100,000
Stonehill College, Easton, MA, for Center for Non-Profit Management educational programs and equipment	275,000
Strom Thurmond Institute, Clemson University, Clemson, SC, for the Campbell Leadership Project	100,000
Syracuse University in New York to establish the Daniel Patrick Moynihan Global Affairs Institute, including support for an endowment	5,000,000
Talladega College, Talladega, AL, for systems technology, curriculum and distance learning development	100,000
Temple University, Philadelphia, PA, to develop and disseminate best practices for teacher recruitment and retention programs	200,000
Texas Southern University, Houston, TX, for the minority engineering program within the College of Science and Technology	300,000
Texas State University System, Austin, TX, for a teacher certification initiative	250,000
Texas State University, San Marcos, TX, to support a higher education center	200,000
Texas Tech University, Hill Country Campus, to expand and continue the Expanding Opportunities in Math and Science Education Initiative	250,000
Texas Tech University, Lubbock, TX, for the Geriatric Education and Training Academy	200,000
Thiel College, Greenville, PA, for campus-wide technology infrastructure upgrades	200,000
Thomas Edison State College, Trenton, NJ for distance learning technology infrastructure	40,000
Trident Technical College, Charleston, South Carolina, to equip the hospitality, tourism and culinary arts program	1,000,000
Trocaire College, Buffalo, NY for the nursing program	50,000
Troy State University, Montgomery, AL, for the Virtual University of the Armed Forces and Others	500,000
Truckee Meadows Community College, Reno, NV, for a pilot program to respond to the shortage of nurses	750,000
Tuskegee University, Tuskegee, AL, for the development of an Aviation Science and Aero-Technology Program	50,000
Union County College, Cranford, New Jersey, for Technology for Tomorrow initiative	100,000
United Negro College Fund Special Programs Foundation, Fairfax, VA, for a capacity building project benefiting historically black colleges and universities, including instrumentation acquisition and professional development for faculty	100,000
University Center, Greenville, South Carolina, for equipment	200,000
University of Akron, Akron, OH for the "Exercise in Hard Choices"	500,000
University of Alabama, Tuscaloosa, AL, for applied research at the Tuscaloosa Culverhouse Center for Information Technology	250,000
University of Alabama, Tuscaloosa, AL, for the Tuscaloosa Science Education Technology Initiative	400,000
University of Alaska Anchorage, Anchorage, AK, to develop the Leadership Institute and associated programs	100,000
University of Alaska, Fairbanks, AK, in conjunction with the Alaska Department of Education and the State of Alaska, for the Alaska Digital Archives and Digital Library and to digitize their information resources	250,000
University of Alaska, Fairbanks, AK, to develop and deliver distance learning courses in areas of high demand health care careers	250,000
University of Arizona Health Science Center, Tucson, AZ, for the combined family practice residency/integrative medicine fellowship training program	200,000
University of Arkansas for Medical Sciences to develop the Mid America Genetics Distance Education Consortium	1,300,000
University of Arkansas, School of Social Work, Fayetteville, Arkansas, for the School of Social Work Research Center	225,000
University of Central Florida, Orlando, FL for the Lou Frey Institute of Politics	250,000
University of Cincinnati, Cincinnati, OH for Ohio Partnership for Accountability—The Impact of Teacher Education	300,000
University of Colorado, Boulder, CO, for the Institute for Micro/Nano Technology for Engineering and Life Sciences for equipment and technical administrative support	600,000
University of Delaware, Newark, Delaware, for Child Care, Training and Applied Research Center	500,000

University of Dubuque in Dubuque, Iowa for the establishment of a nursing education program	500,000
University of Florida, Gainesville, Florida, for equipment for the Norman Hall project	100,000
University of Hawaii at Hilo for the Applied Rural Science Program ..	50,000
University of Idaho, Boise Campus, for the Advanced Computing and Modeling Laboratory to support expansion and further development of educational technology programs	800,000
University of Illinois at Springfield, Springfield, IL for teacher training in mathematics	250,000
University of Louisiana at Monroe to expand its early childhood programs for children in the Twin Cities	375,000
University of Louisville, Louisville, KY, Metropolitan Workforce Education Research Center for further development of a successful education and business partnership model	285,000
University of Memphis, Memphis, TN, for the Benjamin L. Hooks Institute for Social Change, including support for an endowment	500,000
University of Mississippi, University, MS, for a forensic chemistry program and equipment	580,000
University of Montana-Helena, College of Technology for equipment acquisition and program development	100,000
University of Montana-Missoula, School of Law for upgrades to the technology infrastructure and equipment acquisition	1,000,000
University of Montevallo Ebenezer Swamp Wetland Interpretive Research Center, Montevallo, AL for monitoring and laboratory equipment	400,000
University of Nevada-Reno, to establish a Latino Institute for Advocacy in Education, Research and Policy	300,000
University of Nevada, Las Vegas for the Nevada Test Site Oral History Project	250,000
University of Nevada-Las Vegas, College of Health Sciences, Las Vegas, NV, for equipment and curriculum development associated with the development of a Center for Excellence in Women's Health	300,000
University of New Orleans, New Orleans, Louisiana, for student scholarships related to the Maritime Safety Program	250,000
University of North Texas and Paul Quinn College, Denton, TX, for a Science and Math (SAM) Teacher Academy	250,000
University of North Texas, Denton, TX, for the Laboratory Experience and Development of Early Researchers	300,000
University of Oklahoma Health Sciences Center, Oklahoma City, Oklahoma, for a Bioinformatics program	200,000
University of Oregon, Eugene, OR, for the School of Music	50,000
University of Redlands, Redlands, CA for technology enhancement	250,000
University of Scranton, Scranton, PA, for an education program, utilizing technology, that also demonstrates a web-based model for dissemination of information to faith- and community-based organizations	100,000
University of South Carolina, Columbia, SC, for equipment and technology for the Multidisciplinary Science Center	1,200,000
University of South Carolina, Columbia, SC, for the Strom Thurmond Fitness and Wellness Center	5,000,000
University of South Florida, Tampa, Florida, for a "Globalization Research Network	750,000
University of Southern Maine, Portland, ME, to acquire and upgrade laboratory equipment	650,000
University of Southern Mississippi, National Center for Excellence in Economic Development and Entrepreneurship for purposes including equipment, technology infrastructure, and telecommunications systems in support of the center's programs	4,000,000
University of St. Thomas Interprofessional Clinic for Counseling and Legal Services, St. Paul, MN ...	75,000
University of Texas at Austin, Texas Engineering and Technical Consortium, Austin, TX, for technical research and degree programs	3,000,000
University of Texas at Brownsville for the Student Leadership Retention Program	100,000
University of the Pacific/McGeorge School of Law, Sacramento, California, for the Feather River Facility	250,000
University of Tulsa, Tulsa, OK, for the New Nursing Faculty Initiative	50,000
University of Virginia's Center for Governmental Studies, Charlottesville, VA, for the Youth Leadership Initiative	1,300,000
University of West Alabama, Livingston, AL, for acquisition of technology and equipment in support of a comprehensive upgrade of the technological environment for all students, faculty, and professional staff	300,000
University of Wisconsin—Milwaukee School of Nursing, Milwaukee, WI for clinical nursing faculty	220,000
University of Wyoming, Laramie, Wyoming, for Student Information System (SIS) Replacement project for technological infrastructure improvements	200,000
Urban College of Boston in Massachusetts to support higher education programs serving low-income and minority students	900,000
Utah Valley State College, Orem, UT, to expand support services for single parent students	200,000
Utah Valley State College, Orem, UT, to support the Center for the Advancement of Leadership	150,000
Utah Valley State College, Orem, Utah, for Turning Point program	200,000
Valencia Community College, Orlando, FL for nurse education	375,000
Vanguard University of Southern California, Costa Mesa, CA, for computers, equipment, and staffing	250,000
Virginia Tech University, Blacksburg, Va, for Virginia Tech Learning Technologies to prepare at-risk high school students to pursue advanced education related to science, technology, engineering, or mathematics	400,000
Wahpeton State School of Science and North Dakota State University to recruit, retain and train pharmacy technicians	800,000
Wallace Community College, Dothan, Alabama, for the 21st Century Electronic Classroom project	500,000
Wenatchee Valley College Foundation in Washington State to support their nursing education program	250,000
Wesleyan College, Macon, GA, for the Willet Memorial Library and Learning Center Initiative	50,000

West Chester University, West Chester, PA, for technology infrastructure upgrades	150,000
Western Governors University in Salt Lake City, Utah for workforce development in South Dakota via distance education	200,000
Western Iowa Tech Community College, Sioux City, IA for equipment	200,000
Western Kentucky University, Bowling Green, KY, Center for Engineering and Biological Sciences for equipment	1,165,000
Western Kentucky University, Bowling Green, KY, for the nursing faculty accelerated development program	400,000
Western Nevada Community College, Carson City, NV, for the Jack C. Davis Observatory to acquire technology and offer related educational programming	50,000
Western New England College, Springfield, MA, for virtual classroom educational equipment and program development	200,000
Westminster College, Fulton, MO, for staff and curriculum development for the Center for Leadership and Service	750,000
Wheeling Jesuit University in West Virginia for the Math and Science Education Initiative	3,600,000
Widener University, Chester, PA, for operations and technology improvements for the Institute for Graduate Clinical Psychology	1,974,000
Wilson College, Chambersburg, PA, for development of a public policy College, Chambersburg, institute to address the needs of single mothers	100,000
Wisconsin Association of Independent Colleges and Universities, Madison, WI, for the WAICU Collaboration Project	800,000
Wittenberg University, Springfield, Ohio, for the Springfield Alliance for Minority Teacher Recruitment and Preparation Program	200,000
Wright State University, Dayton, OH, for the Information Technology Research Institute	250,000
Wright State University, Dayton, OH, to provide funding for a Nursing Institute of West Central Ohio	200,000
York College of Pennsylvania, York, PA for technology upgrades for the Schmidt Library	100,000

Other Programs

The conference agreement includes $837,500,000 for TRIO instead of $835,000,000 as proposed by the House and $840,000,000 as proposed by the Senate.

With regard to the GEAR UP program, the conferees concur in the administration's request to provide a sixth and final year award to grantees first funded in 1999, while continuing all other funded projects. The conferees also have provided funds above the fiscal year 2003 level and the budget request for the Department to fund a new grant competition under the GEAR UP program. The conferees believe that grants should not be "front-loaded", but instead should be awarded on an annual basis from the fiscal year 2004 and subsequent appropriations during the period of the grant, contingent upon grantee performance. The conferees note that grants were awarded using this approach during the first several years of the program. The conferees expect the Department to consult with them prior to the announcement of any new grant competition.

The agreement also includes $41,000,000 for Byrd Honors Scholarships as proposed by the Senate instead of $40,734,000 as proposed by the House.

The conference agreement also includes $89,415,000 for Teacher Quality Enhancement Grants as proposed by the Senate instead of $90,000,000 as proposed by the House. The conference agreement includes $16,194,000 for the child care access program as proposed by the Senate instead of $15,000,000 as proposed by the House.

The conference agreement does not include funding for Thurgood Marshall Scholarships as proposed by the Senate instead of $4,968,000 as proposed by the House. The agreement also includes $994,000 for Olympic Scholarships as proposed by the House. The Senate bill did not provide funding for this program.

HOWARD UNIVERSITY

The conference agreement includes $240,180,000 for Howard University instead of $242,770,000 as proposed by the House and $238,440,000 as proposed by the Senate.

INSTITUTE OF EDUCATION SCIENCES

The conference agreement includes $478,717,000 for Education Research, Statistics and Improvement instead of $500,599,000 as proposed by the House and $532,956,000 as proposed by the Senate.

The conferees provide $166,500,000 for research instead of $185,000,000 as proposed by the House and $144,090,000 as proposed by the Senate. The conferees have provided at least $24,362,000 for the National Research and Development Centers program in recognition of the need for the Department of Education to implement the Education Sciences Reform Act of 2002. The funding is sufficient to provide continued funding for current centers' awards as requested by the administration and an additional $5,000,000 to begin awarding new research and development centers in fiscal year 2004 in accordance with the requirements of section 133(c) of Public Law 107–279. The conferees expect the Department to implement the law by addressing the topics required in the statute, with particular attention to rural education.

The conferees strongly support the premise that developing, identifying and implementing scientifically based research is critical to the success of the No Child Left Behind Act and to the increased effectiveness generally of education programs and interventions. In particular, the conferees believe that a greater focus must be placed on the use of randomized controlled trials, longitudinal studies, and other research that meets the standards set by the National Research Council. The development of an enhanced research infrastructure will help build a base of research-proven interventions that can be used by educational institutions to help improve the educational outcomes of our Nation's student population. The conferees note that there is a lack of scientifically based education research, such as randomized research trials.

The conferees direct the Assistant Secretary for the Institute of Education Sciences to contract with the National Research Council (NRC) of the National Academies of Science to undertake a study of teacher preparation programs in the United States. The conferees expect this study to synthesize data and research on the academic preparation and educational characteristics of candidates in pre-service, graduate, and alternative certification programs; the specific content and experiences that are provided to candidates for degrees and alternative certification in education; the consistency of the required course work and experiences in reading and mathematics across teacher preparation programs; and the degree to which the content and experiences are based on converging scientific evidence. If the NRC determines that there is insufficient information and research from which to generate a useful synthesis, it may engage in data collection, either by directly contracting with one or more organizations to design and implement surveys and other data collection activities, or by working collaboratively through the National Center for Education Statistics of the Institute of Education Sciences of the U.S. Department of Education, and/or the National Institute of Child Health and Human Development of the U.S. Department of Health and Human Services to enable data collections to support the work of the NRC.

The NRC also should develop a model for collecting information on the content knowledge, pedagogical competence and effectiveness of graduates from teacher education programs and teachers trained in alternative certification programs, and review the needs of schools for high quality teachers, as called for in the No Child Left Behind Act. The conferees expect this work to be conducted for K–12 teachers with a focus on reading, mathematics, and science instruction.

The conferees strongly urge the Department to launch a competition for new comprehensive centers, in accordance with title II, sections 203 and 205, of the Education Sciences Reform Act of 2002, as soon as possible. The competition cannot be held until the 10 regional advisory committees described in section 206 conduct needs assessments. Therefore, the conferees urge the Department to ensure that the committees complete their work by September 1, 2004.

The conference agreement does not include funding for statewide data systems as proposed by the House. The Senate bill included $80,000,000 for this activity.

The conference agreement also includes $92,208,000 for statistics instead of $95,000,000 as proposed by the House and $89,415,000 as proposed by the Senate.

The agreement includes $90,235,000 for National Assessment activities as proposed by the Senate instead of $90,825,000 as proposed by the House. The agreement also includes $5,090,000 for the National Assessment Governing Board as proposed by the House instead of $4,532,000 as proposed by the Senate.

DEPARTMENTAL MANAGEMENT

The conference agreement includes $425,000,000 for Departmental program administration instead of $434,494,000 as proposed by the House and $349,730,000 as proposed by the Senate. The agreement also includes $89,275,000 for the Office for Civil

Rights, instead of $91,275,000 as proposed by the House and $77,884,000 as proposed by the Senate. The agreement also includes $47,137,000 for the Office of the Inspector General instead of $48,137,000 as proposed by the House and $37,661,000 as proposed by the Senate.

The conferees strongly support the Buy American Act, which was enacted in 1933 to ensure that the Federal government supports domestic companies and domestic workers by buying American-made goods. The Act includes a number of waiver provisions that allow Federal agencies to buy foreign goods in some circumstances, but there is little disclosure or accountability in the waiver process. The conferees, therefore, direct the Secretary to issue a report not later than 60 days after the last day of fiscal year 2004 on the amount of acquisitions made by the Department during such fiscal year of articles, materials, or supplies that were manufactured outside the United States. Such report shall separately indicate the dollar value of any articles, materials, or supplies purchased by the department that were manufactured outside the United States, an itemized list of all waivers under the Buy American Act (41 U.S.C. 10a et seq.) that were granted with respect to such articles, materials, or supplies, and a summary of total procurement funds spent on goods manufactured in the United States versus funds spent on goods manufactured outside of the United States.

The conferees are concerned that Federal tax dollars not be spent to compete with private-sector businesses. The conferees expect the Department to be prepared to answer questions regarding this issue during the fiscal year 2005 budget hearings.

GENERAL PROVISIONS

ADVANCE ADJUSTMENT

The conference agreement does not include language proposed by the Senate adjusting the amount of education funding advanced in the fiscal year 2003 appropriations bill. The House bill included similar language as a title V general provision.

FEDERAL NEED ANALYSIS

The conference agreement modifies language proposed by the Senate prohibiting the Department of Education from implementing annual updates to the tax tables used in Federal Need Analysis Methodology. The House bill contained no similar provision.

IDEA

The conference agreement does not include a provision proposed by the Senate regarding funding for IDEA, offset by an extension in customs user fees. The House bill contained no similar provision. Funding for this program is provided elsewhere in title III of this bill.

ECONOMIC EDUCATION

The conference agreement does not include a provision proposed by the Senate relating to funding for economic education programs. The House bill contained no similar provision. Funding for this program is provided elsewhere in title III of this bill.

UNDERGROUND RAILROAD

The conference agreement does not include a provision proposed by the Senate relating to funding for the Underground Railroad program. The House bill contained no similar provision. Funding for this program is provided elsewhere in title III of this bill.

STATEWIDE DATA SYSTEMS

The conference agreement does not include a provision proposed by the Senate relating to funding for section 208 of the Education Science Reform Act of 2002 (statewide data collection systems), offset by a reduction to management and administration accounts at the Department of Education. The House bill contained no similar provision.

DROPOUT PREVENTION

The conference agreement does not include a provision proposed by the Senate regarding funding for dropout prevention programs. The House bill contained no similar provision. Funding for this program is provided elsewhere in title III of this bill.

DANIEL PATRICK MOYNIHAN INSTITUTE

The conference agreement does not include a provision proposed by the Senate authorizing an endowment for the Daniel Patrick Moynihan Global Affairs Institute. The House bill contained no similar provision.

MIGRANT EDUCATION

The conference agreement does not include a provision proposed by the Senate relating to funding for migrant education programs. The House bill contained no similar provision. Funding for these programs is included elsewhere in title III of this bill.

STUDY OF NEED ANALYSIS FORMULA

The conference agreement includes a provision directing the Advisory Committee on Student Financial Assistance to conduct a thorough study of the feasibility of simplifying the need analysis methodology for all Federal student financial assistance programs and the process of applying for such assistance. The provision includes a postponement of any tax table updates pending this report. Neither the House nor the Senate bills contained this provision.

IMPACT AID

The conference agreement includes a provision relating to the timely filing of an Impact Aid application from a school district. Neither the House nor the Senate bills contained this provision.

TITLE IV—RELATED AGENCIES

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

DOMESTIC VOLUNTEER SERVICE PROGRAMS, OPERATING EXPENSES

The conference agreement includes $356,443,000 for the Domestic Volunteer Service programs instead of $352,836,000 as proposed by the House and $355,187,000 as proposed by the Senate.

Volunteers in Service to America (VISTA)

The conference agreement includes $94,287,000 for VISTA as proposed by the Senate instead of $93,674,000 as proposed by the House.

Volunteers in Homeland Security

The conference agreement includes $9,935,000 for Volunteers in Homeland Security as proposed by the Senate instead of $5,000,000 as proposed by the House.

National Senior Volunteer Corps

The conference agreement includes $46,260,000 for the Senior Companion Program (SCP) as proposed by the House instead of $46,563,000 as proposed by the Senate. The agreement also includes $58,501,000 for the Retired Senior Volunteer Program (RSVP) as proposed by the House instead of $58,884,000 as proposed by the Senate.

Funds appropriated for fiscal year 2004 may not be used to implement or support service collaboration agreements or any other changes in the administration and/or governance of national service programs prior to passage of a bill by the authorizing committees of jurisdiction specifying such changes. The conference agreement does not include funding for senior demonstration activities. Both the House and the Senate funded this program at $397,000.

Program Administration

The conference agreement includes $36,685,000 for program administration instead of $38,229,000 as proposed by the House and $34,346,000 as proposed by the Senate. The conferees have included funds to provide training and technical assistance to local projects in performance measurement as envisioned by the Government Performance and Results Act. The conferees are aware of concerns relating to performance measurements, and therefore direct the Corporation to continue to gather feedback for the Senior Corps national associations in order to develop the most appropriate and useful criteria.

The conferees are aware of the Corporation's recent decision to make the director of the Iowa State office responsible for administration of the Nebraska State office as well. Over the past two years, the Senate Committee on Appropriations has clearly indicated its concern over such proposed consolidations, but the Committee was nonetheless informed that the consolidation was necessary due to budgetary constraints. The conferees are aware that employee bonuses in the Corporation's headquarters have more than doubled during the year this consolidation took place. In fact, the increase in bonuses was almost triple the amount needed to prevent this consolidation. The conferees are concerned that grantees and constituents in Iowa and Nebraska may receive a lowered level of service because of the distance and time involved in managing two State offices. For this reason, the conferees have included sufficient funding to maintain a separate State director in the Nebraska State office.

CORPORATION FOR PUBLIC BROADCASTING

The conference agreement provides $400,000,000 in funding for fiscal year 2006, as proposed by the Senate instead of $330,000,000 as proposed by the House.

The conferees strongly urge the CPB to allocate a minimum of $100,000 in a Community Service Base Grant to each of the 14 public radio stations around the Nation that provide the sole source of radio news and information in their communities. The additional funds would permit these stations to extend their broadcast hours and improve service to their listeners. Recipients of these grants should not be denied eligibility for any other CPB grant programs.

The conference agreement also includes $50,000,000 for digital conversion instead of $55,000,000 as proposed by the Senate. The House had proposed providing authority for CPB to utilize previously appropriated funds for this purpose.

The conference agreement also includes $10,000,000 as the first installment of a three-year project to replace the satellite interconnection system. This amount is the same as the Senate. The House had proposed providing authority for CPB to utilize previously appropriated funds for this purpose.

INSTITUTE OF MUSEUM AND LIBRARY SERVICES

The conference agreement provides $262,596,000 for the Institute of Museum and Library Services instead of $238,126,000 as proposed by the House and $243,889,000 as proposed by the Senate.

Within the total for the Institute, the conference agreement includes funding for the following activities in the following amounts.

Program	*[dollars in thousands]*
Museums for America/Assessment	$16,889
Conservation Project Support/Assessment	3,619
National Leadership Grants for Museums	6,932
State Grants	161,788
Native American Library Services	(3,225)
National Leadership Grants for Libraries	11,330
21st Century Librarian Initiative	20,000
Administration	10,450

The conference agreement also specifies funding for the following:

Alabama School of Math and Science at the University of Alabama for technology upgrades and library resources	$125,000
Alaska Moving Image Preservation Association, Anchorage, AK to digitize files/photos/videos of Alaskan history	50,000
Alex Haley House Museum, Henning, TN for care and preservation of collection	25,000
Allen County Historical Society, Lima, OH, for the "Move Our Past Forward" project to expand and develop exhibits for their Children's Discovery Museum Center	500,000
Allentown Art Museum, Allentown, PA, for educational programming for school districts	75,000
Alutiiq Museum, Kodiak, AK to support programs to teach students and adults how to develop traditional Native arts	100,000
American Village Citizenship Trust, Montevallo, AL for a national initiative for teaching American history and civics	200,000
Arab Community Center for Economic and Social Services (ACCESS), Dearborn, MI, for exhibits and museum programs	100,000
Ashland Community Arts Center, Ashland, OH, for Arts in Downtown project	100,000
Athenaeum of Philadelphia, Philadelphia, PA, to preserve library materials and access to information in the form of digital images on the Internet	75,000
Beth Medrash Govoha, Lakewood, NJ, for equipment and exhibits for the Holocaust Library	500,000
Bishop Museum in Hawaii for activities to preserve the culture of Native Hawaiians	400,000
Bishop Museum in Hawaii to develop Native Hawaiian cultural projects in collaboration with the Peabody Museum of Massachusetts and an Alaskan museum	400,000
Burpee Museum of Natural History, Rockford, IL, for community outreach and educational activities	900,000
Campbell Center for Historic Preservation Studies, Mount Carroll, IL, for community outreach and program planning	100,000
Chaldean Community Culture Center, West Bloomfield, MI, for programs that promote Chaldean language, history, culture and teacher training	200,000
Chapman University, Orange, California, for technological infrastructure	250,000
Chartiers Valley Partnership, Inc., Carnegie, PA, for technological and educational programs at the Andrew Carnegie Free Library	250,000
Children's Museum at La Habra, California, for a Hands On English Program	113,000
Children's Museum of History, Natural History, Science and Technology, Utica, New York, for technology improvements, staffing and training	144,000
Cincinnati Museum Center at Union Terminal, Cincinnati, Ohio, to develop and implement an integrated curriculum that will utilize its resources in art, science, and history when visiting the museum	400,000
City of Hemet, California, for Hemet Public Library, for library materials and technological equipment	150,000
City of Whittier, California, for the Whittier Public Library Children's Area and History Room	387,000
Cleveland Health Museum, Cleveland, OH, for exhibits	250,000
College of Physicians of Philadelphia, Philadelphia, PA, to preserve medical library and art collection	100,000
Davenport Music History Museum in Davenport, IA	400,000
Delaware County Historical Society, Media, PA, for educational programs highlighting historical themes and sites relating to Delaware County	75,000
East Stroudsburg University, East Stroudsburg, PA to preserve and develop exhibits for their Vintage Radio Programs and Jazz Museum	75,000
Elmwood Zoo, Norristown, PA for student education programs	100,000
Erie County, Erie, PA, for technology upgrades for the Erie County Library	75,000
Fender Museum of the Arts Foundation, Corona, CA, for the Kids Rock Free educational program	100,000
Fine Arts Museums of San Francisco for the De Young Museum's Art Education Program	200,000
Florida Holocaust Museum, St. Petersburg, Florida, for school outreach program	1,500,000
Florida International Museum, St. Petersburg, Florida, for professional activities	750,000
Folger Library, Washington, DC for exhibits, operations, and public programs including education and outreach	1,600,000
Forsyth County Public Library, Winston-Salem, North Carolina, for salaries, supplies, personnel and materials	50,000
Gault Family Learning Center, Wooster, OH, for PALS/Parenting Resource Center/Growing Together	50,000
General George S. Patton Jr National Museum of Cavalry and Armor, Ft. Knox, KY	250,000
George C. Marshall Foundation in Lexington, Virginia, for exhibit design and development and collection preservation	500,000
Grout Museum, Waterloo, IA, for exhibits and design of the Sullivan Brothers Veterans Museum and Research Center	500,000
Heritage Harbor Museum of Providence, RI for exhibit design and development relating Rhode Island and American history	200,000
Hernando County Library System, Florida, for technology improvements at West Hernando Branch Library, Brooksville Main Library, Spring Hill Library, and East Hernando Branch Library	150,000
Hesperia Community Library, Hesperia, CA	250,000
Historical Society of Western Pennsylvania, Pittsburgh, PA, for exhibit and curriculum development for the Western Pennsylvania Sports Museum at the Senator John Heinz Pittsburgh Regional History Center	200,000
Historical Society of Western Pennsylvania, Pittsburgh, PA for exhibit design and development for the Meadowcraft Museum of Rural Life	150,000
Idaho State University, Pocatello, Idaho, for a Virtual Idaho Museum of Natural History project	250,000

Imaginarium Science Center, Anchorage, AK to develop science exhibits and distance delivery modules	50,000
International Museum of Women to develop exhibits on the history of women's lives worldwide	100,000
International Storytelling Center, Jonesborough, TN	100,000
James Ford Bell Museum of Natural History, Minneapolis, MN, to produce detailed exhibit design and development	100,000
Kishacoquillas Valley Historical Society, Allensville, PA for care and preservation of collection	100,000
Lafayette College, Easton, PA for technology updates to the Skillman Library	100,000
Madera County Resource Management Agency, Madera, CA	166,000
Magic House, Kirkwood, MO for the development and design of interactive exhibits and software to be used within The Magic Library to support family literacy	21,000
Mary Meuser Memorial Library, Easton, PA for library upgrades	100,000
Metropolitan Museum of Art, New York, in conjunction with the Fairbanks Museum of Art and the Anchorage Museum of History and Art, for costs of mounting the exhibit and for costs associated with bringing the exhibit to Alaska	250,000
Michigan Space and Science Center, Jackson, MI, for development of the strategic plan, operational costs and personnel	350,000
Mississippi Department of Archives and History, Jackson, MS, to complete the preservation and restoration of the Eudora Welty House	450,000
Mobile Museum of Art, Mobile, AL for equipment and supplies, and for exhibit design and development	75,000
Morehouse College Library, Atlanta, GA for historical preservation of documents and records	100,000
Mother Bethel Foundation, Philadelphia, PA for care and preservation of collection at' the Richard Allen Museum	100,000
Museum of Aviation Foundation Inc, Warner Robins, GA	225,000
Museum of Broadcast Communications, Chicago, IL for educational programming	250,000
Museum of Science in Boston, MA, for technology upgrades and equipment for the National Center for Technology Literacy	1,000,000
Mystic Seaport, the Museum of America and the Sea, Mystic, Connecticut to support collections	100,000
National Canal Museum, Easton, PA, for educational programming and exhibits on the use of transportation and industrial technology along the Lehigh Canal	50,000
National Center for American Revolution, Wayne, PA, for exhibit design and curriculum development for the Museum of the American Revolution at Valley Forge National Historic Park	400,000
National Center for the Study of Civil Rights and African-American Culture, Alabama State University, Montgomery, AL, for support of events leading into the 50th anniversary of the Montgomery Bus Boycott	50,000
National Civil Rights Museum in Memphis for exhibit design and development, and for educational programs	500,000
National Distance Running Hall of Fame, Utica, New York, for display cases and to establish new interactive displays	16,000
National Liberty Museum, Philadelphia, PA for a teacher training program to assist educators in addressing violence in schools	500,000
National Mississippi River Museum and Aquarium in Dubuque, IA for exhibits	650,000
National Museum of American Jewish History, Philadelphia, PA for online educational programming and technology modernization	200,000
National Museum of Women in the Arts, Washington, D.C.	1,000,000
Native American Cultural and Educational Authority, Oklahoma City, Oklahoma, for the Oklahoma Native American Culture Center and Museum, to be expended only upon meeting the matching requirements in Title III, section 301(b)(2)(B) of P.L. 107–331	1,000,000
Negro Leagues Baseball Museum, Kansas City, MO, for exhibits for the Double Play Action Center	300,000
New York Botanical Garden's Virtual Herbarium imaging project in Bronx, New York	400,000
New York Hall of Science to develop, expand, and display science-related educational materials	900,000
Niagara County Historical Society, Lockport, NY, to create a state-of-the art interpretive museum	420,000
Northwest Museum of Arts and Culture, Spokane, WA for the Star Nations Program project	50,000
O. Winston Link Museum, Roanoke, Virginia, for displays and digitization	210,000
Piper's Opera House Programs, Inc., Virginia City, NV for exhibit design and development, educational programming, and technology modernization	150,000
Pittsburgh Children's Museum, Pittsburgh, PA, to expand arts and after-school programs for at-risk children	100,000
Placer County Library, Auburn, CA, to enhance library collection through the purchase of library materials	50,000
Plano Community Library District, Plano, Illinois, for expenses related to the library	977,000
Please Touch Museum, Philadelphia, PA, to develop educational programs focusing on hands-on learning experiences	725,000
Plumas County Library, Quincy, CA, for library materials	100,000
Putnam County Commissioners, Winfield, West Virginia, for technology for the public library system in Putnam County	25,000
Rock and Roll Hall of Fame and Museum, Cleveland, OH for the Rockin' the Schools education program	200,000
Saint Tikhon's Theological Seminary, South Canaan, PA, for care and preservation of Russian artifacts	50,000
San Bernardino County, San Bernardino, CA, for the San Bernardino County Museum	250,000
Serra Cooperative Library System, San Diego, California, to provide Live Homework Help Project to help students with expert tutors for real-time online instructions	100,000
Simon Wiesenthal Center's Los Angeles Museum for Tolerance, Los Angeles, CA, for the Tools for Tolerance for Educators program to provide teacher training in diversity, tolerance and cooperation	100,000
Southern New Hampshire Services, Inc., Manchester, New Hampshire, for exhibit acquisition for SEE Science Center	25,000
Speed Art Museum, Louisville, KY	400,000

Standing Bear Museum and Learning Center, Ponca City, OK	100,000
State Historical Society of Iowa in Des Moines, Iowa for the development of exhibits for the World Food Prize	1,000,000
Taft Museum of Art, Cincinnati, OH for educational programming and exhibits	200,000
Tennessee State University African American History Museum, Nashville, TN to enhance the library facilities which will include new exhibits, expanded archives, and research programs	1,000,000
The Arts Guild of Old Forge, Old Forge, New York, for the new exhibits spaces and educational programs	24,000
Tifton-Tift County Public Library, Tifton-Tift, GA	50,000
Tillamook County Library, Tillamook, OR for design and development of exhibits and educational programs	60,000
Town of Greece, Rochester, NY, for the Greece Public Library Security program	100,000
Tuskegee Multicultural Center, Tuskegee, AL, to provide for technology enhancements and installation of exhibits	50,000
University of Idaho for digital archiving and preservation of historically significant American music and facilitating its access to students and scholars nationwide	400,000
Vietnam Archives Center at Texas Tech University, Lubbock, Texas, for technology infrastructure	500,000
Virginia Historical society, Richmond, VA, to assist with educational programmatic development and for cataloging and archiving of business history records	250,000
Virginia Living Museum for the expansion of its educational programs in its capital campaign project	100,000
Westminster College Library, New Wilmington, PA for technology upgrades and computers and community programming	100,000
WWII Victory Memorial Museum, Auburn, Indiana, for interpretive dioramas, education, research library and visual documentary	600,000
Zimmer Children's Museum, Los Angeles, CA to expand the youTHink education program	100,000

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

The conference agreement provides $1,000,000 for the National Commission on Libraries and Information Science as proposed by the House and the Senate.

NATIONAL COUNCIL ON DISABILITY

The conference agreement includes $3,039,000 for the National Council on Disability instead of $2,830,000 as proposed by the House and $3,339,000 as proposed by the Senate.

The conferees direct the Council to develop and submit to the Committees on Appropriations of the House and Senate an operating plan detailing the activities the Council plans for fiscal year 2004. The conferees request that the plan detail the programs, projects, and activities proposed to be undertaken during this fiscal year and/or planned to be supported in fiscal year 2005, including those outlined within object class 25. The conferees request that the Council submit the plan within 30 days of enactment of this Act.

NATIONAL LABOR RELATIONS BOARD

The conference agreement provides $244,073,000 for the National Labor Relations Board instead of $239,429,000 as proposed by the House and $246,073,000 as proposed by the Senate.

OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

The conference agreement provides $9,863,000 for the Occupational Safety and Health Review Commission instead of $10,115,000 as proposed by the House and $9,610,000 as proposed by the Senate.

RAILROAD RETIREMENT BOARD LIMITATION ON ADMINISTRATION

The conference agreement includes $101,300,000 for the Railroad Retirement Board Limitation on Administration Expenses as proposed by the House instead of $99,350,000 as proposed by Senate.

The conferees understand that the Railroad Retirement Board has an obligation under the Railroad Retirement and Survivors' Improvement Act of 2001 to enter into an arrangement with a nongovernmental financial institution to serve as disbursing agent for benefits payable under the Railroad Retirement Act. The conferees understand that implementation of this requirement is a time consuming process and that the Board may need up to a year to complete this requirement.

RAILROAD RETIREMENT BOARD OFFICE OF INSPECTOR GENERAL

The conference agreement includes a limitation on transfers from the railroad trust funds of $6,600,000 for administrative expenses of the Office of Inspector General as proposed the House instead of $6,322,000 as proposed by the Senate.

The conferees do not include language proposed by the Senate that allows the Office of the Inspector General to conduct audits, investigations, and reviews of the Medicare programs.

SOCIAL SECURITY ADMINISTRATION SUPPLEMENTAL SECURITY INCOME PROGRAM

The conference agreement includes $26,349,300,000 for the Supplemental Security Income Program instead of $26,341,300,000 as proposed by the House and $26,410,000,000 as proposed by the Senate. Within the funds provided, the conference agreement includes $8,000,000 as proposed by the Senate for outreach efforts and assistance to homeless persons and other underserved populations. Also within the total, $2,973,300,000 is included for the administrative costs of the program as proposed by the House. The Senate included $3,034,000,000 for administrative costs.

LIMITATION ON ADMINISTRATIVE EXPENSES

The conference agreement includes $8,361,800,000 for the limitation on administrative expenses as proposed by the House rather than $8,530,000,000 as proposed by the Senate. Within the total, $15,000 is provided for the Social Security Commissioner's official reception and representation expenses as proposed by the House. The Senate had proposed $20,000 for these expenses.

The conference agreement does not include a provision as proposed by the Senate that delays $107,000,000 in obligations until September 30, 2004. The House bill did not contain a similar provision.

OFFICE OF THE INSPECTOR GENERAL

The conference agreement includes $88,200,000 for the office of the inspector general as proposed by the House rather than $82,460,000 as proposed by the Senate.

UNITED STATES INSTITUTE OF PEACE

The conference agreement provides $17,200,000 for the United States Institute of Peace the same level as proposed by both the House and Senate.

The conferees direct the Institute to increase direct support for programs to improve textbooks, materials and other means of educational reform to teach Middle Eastern youth about nonviolent approaches to resolving intergenerational cycles of conflict and hatred, and ways that these cycles can be broken. The conferees direct the Institute to report to the Committees on Appropriations, by March 1, 2004, on their efforts in this area.

TITLE V—GENERAL PROVISIONS

ADJUSTMENT OF ADVANCES

The conference agreement does not include language adjusting the amount of education funding advanced in the fiscal year 2003 appropriations bill as proposed by the House. The Senate bill contained a similar provision in title III.

LIMITATION ON LIBRARIES

The conference agreement includes a limitation on the ability of a library to access library funding provided under this Act unless the library is in compliance with the Children's Internet Protections Act, as proposed by the House. The Senate bill contained no similar provision.

LIMITATION ON SCHOOLS

The conference agreement includes a limitation on the ability of an elementary or secondary school to access technology funding provided under this Act unless the school is in compliance with the Children's Internet Protections Act, as proposed by the House. The Senate bill contained no similar provision.

ACROSS-THE-BOARD SALARIES AND EXPENSES REDUCTION

The conference agreement includes a modified provision proposed by the Senate to reduce salaries and expenses of the Departments of Labor, Health and Human Services, and Education. The House bill contained no similar provision.

ADDITIONAL FUNDING FOR VOLUNTEER PROGRAMS

The conference agreement does not include a provision proposed by the Senate to provide additional funding for volunteers in homeland security under the Corporation for National and Community Service. The House bill contained no similar provision. Funding for this program is included in title IV of this bill.

CONFERENCE AGREEMENT

The following table displays the amounts agreed to for each program, project or activity with appropriate comparisons:

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

						Conference vs.				
	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	FY 2003 Comparable	FY 2004 House	FY 2004 Senate		
TITLE I - DEPARTMENT OF LABOR										
EMPLOYMENT AND TRAINING ADMINISTRATION										
TRAINING AND EMPLOYMENT SERVICES										
Grants to States:										
Adult Training, current year	186,778	188,000	188,000	188,000	188,000	+1,222	---	---	D	FF
Advance from prior year	(707,372)	(712,000)	(712,000)	(712,000)	(712,000)	(+4,628)	---	---	NA	
FY 2005	712,000	712,000	712,000	712,000	712,000	---	---	---	D	
Adult Training	898,778	900,000	900,000	900,000	900,000	+1,222	---	---		
Youth Training	994,459	1,000,965	1,000,965	1,000,965	1,000,965	+6,506	---	---	D	FF
Dislocated Worker Assistance, current year	307,152	258,432	307,152	332,152	332,152	+25,000	+25,000	---	D	FF
Advance from prior year	(842,488)	(848,000)	(848,000)	(848,000)	(848,000)	(+5,512)	---	---	NA	
FY 2005	848,000	848,000	848,000	848,000	848,000	---	---	---	D	
Dislocated Worker Assistance	1,155,152	1,106,432	1,155,152	1,180,152	1,180,152	+25,000	+25,000	---		
Federally Administered Programs:										
Dislocated Worker Assistance National Reserve:										
Current year	93,993	64,608	93,993	64,608	64,608	-29,385	-29,385	---	D	FF
Advance from prior year	(210,622)	(212,000)	(212,000)	(212,000)	(212,000)	(+1,378)	---	---	NA	
FY 2005	212,000	212,000	212,000	212,000	212,000	---	---	---	D	
Dislocated Worker Assistance Nat'l Reserve	305,993	276,608	305,993	276,608	276,608	-29,385	-29,385	---		
Total, Dislocated Worker Assistance	1,461,145	1,383,040	1,461,145	1,456,760	1,456,760	-4,385	-4,385	---		
Native Americans	55,636	55,000	55,000	55,636	55,000	-636	---	-636	D	FF
Migrant and Seasonal Farmworkers	76,823	---	59,600	76,823	76,823	---	+17,223	---	D	FF

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

						Conference vs.				
	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	FY 2003 Comparable	FY 2004 House	FY 2004 Senate		
Job Corps:										
Operations	794,800	844,667	820,000	830,000	825,000	+30,200	+5,000	-5,000	D	FF
Advance from prior year	(587,158)	(591,000)	(591,000)	(591,000)	(591,000)	(+3,842)	---	---	NA	
FY 2005	591,000	591,000	591,000	591,000	591,000	---	---	---	D	
Construction and Renovation	27,371	30,216	30,216	20,216	30,216	+2,845	---	+10,000	D	FF
Advance from prior year	(99,350)	(100,000)	(100,000)	(100,000)	(100,000)	(+650)	---	---	NA	
FY 2005	100,000	100,000	100,000	100,000	100,000	---	---	---	D	
Subtotal, Job Corps, program level	1,513,171	1,565,883	1,541,216	1,541,216	1,546,216	+33,045	+5,000	+5,000		
National Activities:										
Pilots, Demonstrations and Research	75,855	35,000	46,615	35,000	57,344	-18,511	+10,729	+22,344	D	FF
Responsible Reintegration of Youthful Offender	54,642	---	---	54,642	50,000	-4,642	+50,000	-4,642	D	FF
Evaluation	9,039	9,098	9,098	9,039	9,039	---	-59	---	D	FF
Youth Opportunity Grants	44,211	---	---	---	---	-44,211	---	---	D	FF
Denali Commission	---	---	---	7,000	5,000	+5,000	+5,000	-2,000	D	FF
Other	16,409	3,000	3,400	3,507	3,507	-11,902	+107	---	D	FF
Subtotal, National activities	199,156	47,098	59,113	109,188	124,890	-74,266	+65,777	+15,702		
Subtotal, Federal activities	2,150,779	1,944,589	2,020,922	2,059,471	2,079,537	-71,242	+58,615	+20,066		
Current Year	1,247,779	1,041,589	1,117,922	1,156,471	1,176,537	-71,242	+58,615	+20,066		
FY 2005	903,000	903,000	903,000	903,000	903,000	---	---	---		
Total, Workforce Investment Act	5,199,168	4,951,986	5,077,039	5,140,588	5,160,654	-38,514	+83,615	+20,066		
Current Year	2,736,168	2,488,986	2,614,039	2,677,588	2,697,654	-38,514	+83,615	+20,066		
FY 2005	2,463,000	2,463,000	2,463,000	2,463,000	2,463,000	---	---	---		
Women in Apprenticeship	993	---	---	---	---	-993	---	---	D	
Subtotal, National activities, TES	200,149	47,098	59,113	109,188	124,890	-75,259	+65,777	+15,702		

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate		
Total, Training and Employment Services	5,200,161	4,951,986	5,077,039	5,140,588	5,160,654	-39,507	+83,615	+20,066		
Current Year	(2,737,161)	(2,488,986)	(2,614,039)	(2,677,588)	(2,697,654)	(-39,507)	(+83,615)	(+20,066)		
FY 2005	(2,463,000)	(2,463,000)	(2,463,000)	(2,463,000)	(2,463,000)	---	---	---		
COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS	442,306	440,200	440,200	442,306	441,253	-1,053	+1,053	-1,053	D	FF
FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES	972,200	1,338,200	1,338,200	1,338,200	1,338,200	+366,000	---	---	M	
STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS										
Unemployment Compensation:										
State Operations	2,624,318	2,640,002	2,624,318	2,634,924	2,624,318	---	---	-10,606	TF	
National Activities	9,935	10,500	9,935	10,500	9,935	---	---	-565	TF	
Subtotal, Unemployment Compensation	2,634,253	2,650,502	2,634,253	2,645,424	2,634,253	---	---	-11,171		
Employment Service:										
Allotments to States:										
Federal Funds	23,300	23,452	23,300	23,300	23,300	---	---	---	D	
Trust Funds	768,257	773,283	768,257	768,257	768,257	---	---	---	TF	
Subtotal	791,557	796,735	791,557	791,557	791,557	---	---	---		
ES National Activities	50,351	78,546	70,351	64,351	64,351	+14,000	-6,000	---	TF	
Subtotal, Employment Service	841,908	875,281	861,908	855,908	855,908	+14,000	-6,000	---		
Federal Funds	23,300	23,452	23,300	23,300	23,300	---	---	---		
Trust Funds	818,608	851,829	838,608	832,608	832,608	+14,000	-6,000	---		

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate		
One-Stop Career Centers/Labor Market Information......	99,350	101,000	99,350	99,350	99,350	---	---	---	D	
Work Incentives Grants...............................	19,870	20,000	19,870	19,870	19,870	---	---	---	D	F
Total, State Unemployment & Employment Srvcs	3,595,381	3,646,783	3,615,381	3,620,552	3,609,381	+14,000	-6,000	-11,171		
Federal Funds...........................	142,520	144,452	142,520	142,520	142,520	---	---	---		
Trust Funds.............................	3,452,861	3,502,331	3,472,861	3,478,032	3,466,861	+14,000	-6,000	-11,171		
ADVANCES TO THE UI AND OTHER TRUST FUNDS 1/..........	463,000	467,000	467,000	467,000	467,000	+4,000	---	---	M	
PROGRAM ADMINISTRATION										
Adult Employment and Training........................	42,326	38,700	38,700	38,700	38,700	-3,626	---	---	D	
Trust Funds......................................	4,243	6,854	6,854	6,854	6,854	+2,611	---	---	TF	
Youth Employment and Training........................	38,691	39,333	39,333	39,333	39,333	+642	---	---	D	
Employment Security..................................	6,009	5,997	5,997	5,997	5,997	-12	---	---	D	
Trust Funds......................................	47,596	58,634	47,596	54,230	48,913	+1,317	+1,317	-5,317	TF	
Apprenticeship Services..............................	20,699	20,932	20,932	20,932	20,932	+233	---	---	D	
Executive Direction..................................	8,230	8,469	8,469	8,469	8,469	+239	---	---	D	
Trust Funds......................................	2,037	2,053	2,053	2,053	2,053	+16	---	---	TF	
Welfare to Work......................................	4,660	2,393	2,393	2,393	2,393	-2,287	---	---	D	
Total, Program Administration..................	174,511	183,365	172,327	178,961	173,644	-867	+1,317	-5,317		
Federal Funds...............................	120,635	115,824	115,824	115,824	115,824	-4,811	---	---		
Trust Funds.................................	53,876	67,541	56,503	63,137	57,820	+3,944	+1,317	-5,317		
Total, Employment and Training Administration...	10,847,559	11,027,534	11,110,147	11,187,607	11,190,132	+342,573	+79,985	+2,525		
Federal Funds...............................	7,340,822	7,457,662	7,580,783	7,646,438	7,665,451	+324,629	+84,668	+19,013		
Current Year.............................	(4,877,822)	(4,994,662)	(5,117,783)	(5,183,438)	(5,202,451)	(+324,629)	(+84,668)	(+19,013)		
FY 2005..................................	(2,463,000)	(2,463,000)	(2,463,000)	(2,463,000)	(2,463,000)	---	---	---		
Trust Funds.................................	3,506,737	3,569,872	3,529,364	3,541,169	3,524,681	+17,944	-4,683	-16,488		

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate	
EMPLOYEE BENEFITS SECURITY ADMINISTRATION									
Enforcement and Compliance	91,526	106,679	106,679	100,000	103,340	+11,814	-3,339	+3,340	D
Policy, Regulation and Public Service	20,441	17,385	17,385	17,000	17,193	-3,248	-192	+193	D
Program Oversight	4,316	4,541	4,541	4,316	4,429	+113	-112	+113	D
Total, EBSA	116,283	128,605	128,605	121,316	124,962	+8,679	-3,643	+3,646	
PENSION BENEFIT GUARANTY CORPORATION									
Program Adm. subject to limitation (TF)	12,965	16,553	16,553	16,553	16,553	+3,588	---	---	TF
Termination services not subject to limitation (NA)	(179,844)	(212,219)	(212,219)	(212,219)	(212,219)	(+32,375)	---	---	NA
Total, PBGC	12,965	16,553	16,553	16,553	16,553	+3,588	---	---	
Total, PBGC (Program level)	(192,809)	(228,772)	(228,772)	(228,772)	(228,772)	(+35,963)	---	---	
EMPLOYMENT STANDARDS ADMINISTRATION									
SALARIES AND EXPENSES									
Enforcement of Wage and Hour Standards	155,867	161,294	161,294	161,294	161,294	+5,427	---	---	D
Office of Labor-Management Standards	34,279	40,631	40,631	37,119	38,875	+4,596	-1,756	+1,756	D
Federal Contractor EEO Standards Enforcement	78,033	80,043	80,043	80,043	80,043	+2,010	---	---	D
Federal Programs for Workers' Compensation	96,692	98,161	98,161	96,692	97,427	+735	-734	+735	D
Trust Funds	2,016	2,056	2,056	2,016	2,036	+20	-20	+20	TF
Program Direction and Support	14,226	15,568	15,568	14,897	15,233	+1,007	-335	+336	D
Total, ESA salaries and expenses	381,113	397,753	397,753	392,061	394,908	+13,795	-2,845	+2,847	
Federal Funds	379,097	395,697	395,697	390,045	392,872	+13,775	-2,825	+2,827	
Trust Funds	2,016	2,056	2,056	2,016	2,036	+20	-20	+20	
SPECIAL BENEFITS									
Federal employees compensation benefits	160,000	160,000	160,000	160,000	160,000	---	---	---	M

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate	
Longshore and harbor workers' benefits................	3,000	3,000	3,000	3,000	3,000	---	---	---	M
Total, Special Benefits..........................	163,000	163,000	163,000	163,000	163,000	---	---	---	
SPECIAL BENEFITS FOR DISABLED COAL MINERS 2/									
Benefit payments.....................................	402,089	390,848	390,848	390,848	390,848	-11,241	---	---	M
Administration.......................................	6,088	6,152	6,152	6,152	6,152	+64	---	---	M
Subtotal, Black Lung, FY 2004 program level.....	408,177	397,000	397,000	397,000	397,000	-11,177	---	---	
Less funds advanced in prior year............	-108,000	-97,000	-97,000	-97,000	-97,000	+11,000	---	---	M
Total, Black Lung, current request, FY04....	300,177	300,000	300,000	300,000	300,000	-177	---	---	
New advances, 1st quarter FY 2005...........	97,000	88,000	88,000	88,000	88,000	-9,000	---	---	M
Total, Special Benefits for Disabled Coal Miners	397,177	388,000	388,000	388,000	388,000	-9,177	---	---	
ENERGY EMPLOYEES OCCUPATIONAL ILLNESS COMPENSATION FUND									
Program Benefits.....................................	(758,000)	(385,000)	(385,000)	(385,000)	(385,000)	(-373,000)	---	---	NA
Administrative Expenses..............................	104,867	55,074	55,074	55,074	55,074	-49,793	---	---	M
Total, Energy Emp Occupational Illness Comp Fund	104,867	55,074	55,074	55,074	55,074	-49,793	---	---	
BLACK LUNG DISABILITY TRUST FUND									
Benefit payments and interest on advances............	979,371	986,901	986,901	986,901	986,901	+7,530	---	---	M
Employment Standards Adm. S&E........................	31,987	32,004	32,004	32,004	32,004	+17	---	---	M
Departmental Management S&E..........................	22,952	23,401	23,401	23,401	23,401	+449	---	---	M
Departmental Management, Inspector General...........	334	338	338	338	338	+4	---	---	M
Subtotal, Black Lung Disablty..................	1,034,644	1,042,644	1,042,644	1,042,644	1,042,644	+8,000	---	---	

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate	
Treasury Adm. Costs	356	356	356	356	356	---	---	---	N
Total, Black Lung Disability Trust Fund	1,035,000	1,043,000	1,043,000	1,043,000	1,043,000	+8,000	---	---	
Total, Employment Standards Administration	2,081,157	2,046,827	2,046,827	2,041,135	2,043,982	-37,175	-2,845	+2,847	
Federal Funds	2,079,141	2,044,771	2,044,771	2,039,119	2,041,946	-37,195	-2,825	+2,827	
Current year	(1,982,141)	(1,956,771)	(1,956,771)	(1,951,119)	(1,953,946)	(-28,195)	(-2,825)	(+2,827)	
FY 2005	(97,000)	(88,000)	(88,000)	(88,000)	(88,000)	(-9,000)	---	---	
Trust Funds	2,016	2,056	2,056	2,016	2,036	+20	-20	+20	
OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION									
SALARIES AND EXPENSES									
Safety and Health Standards	16,014	14,497	14,497	16,494	16,014	---	+1,517	-480	D
Federal Enforcement	162,973	165,281	165,281	167,862	167,000	+4,027	+1,719	-862	D
State Programs	90,547	91,747	91,747	93,263	92,505	+1,958	+758	-758	D
Technical Support	20,102	21,721	21,721	21,721	21,721	+1,619	---	---	D
Compliance Assistance:									
Federal Assistance	61,321	67,447	67,447	67,447	67,447	+6,126	---	---	D
State Consultation Grants	53,204	52,521	52,521	53,204	52,521	-683	---	-683	D
Training Grants	11,102	4,000	4,000	11,175	11,102	---	+7,102	-73	D
Subtotal, Compliance Assistance	125,627	123,968	123,968	131,826	131,070	+5,443	+7,102	-756	D
Safety and Health Statistics	25,894	22,369	22,369	22,369	22,369	-3,525	---	---	D
Executive Direction and Administration	9,153	10,425	10,425	9,789	10,107	+954	-318	+318	D
Total, OSHA	450,310	450,008	450,008	463,324	460,786	+10,476	+10,778	-2,538	

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate	
MINE SAFETY AND HEALTH ADMINISTRATION									
SALARIES AND EXPENSES									
Coal Enforcement	118,877	113,424	113,424	117,396	116,396	-2,481	+2,972	-1,000	D
Metal/Non-Metal Enforcement	63,495	66,377	66,377	66,377	66,377	+2,882	---	---	D
Standards Development	2,363	2,301	2,301	2,379	2,340	-23	+39	-39	D
Assessments	4,854	4,125	4,125	4,264	4,195	-659	+70	-69	D
Educational Policy and Development	27,733	30,536	30,536	30,536	30,536	+2,803	---	---	D
Technical Support	28,489	24,691	24,691	24,691	24,691	-3,798	---	---	D
Program evaluation and information resources (PEIR)	---	14,168	14,168	13,923	14,046	+14,046	-122	+123	D
Program Administration	17,210	11,145	11,145	11,145	12,245	-4,965	+1,100	+1,100	D
Mine Mapping	9,935	---	---	---	---	-9,935	---	---	D
Total, Mine Safety and Health Administration	272,956	266,767	266,767	270,711	270,828	-2,130	+4,059	+115	
BUREAU OF LABOR STATISTICS									
SALARIES AND EXPENSES									
Employment and Unemployment Statistics	147,330	149,605	149,605	161,515	161,515	+14,185	+11,910	---	D
Labor Market Information (Trust Funds)	71,561	75,110	75,110	75,110	75,110	+3,549	---	---	TF
Prices and Cost of Living	159,671	167,602	167,602	167,602	167,602	+7,931	---	---	D
Compensation and Working Conditions	75,925	80,169	80,169	76,285	78,227	+2,302	-1,942	+1,942	D
Productivity and Technology	9,860	10,404	10,404	10,339	10,372	+512	-32	+33	D
Executive Direction and Staff Services	27,886	29,372	29,372	29,372	29,372	+1,486	---	---	D
Total, Bureau of Labor Statistics	492,233	512,262	512,262	520,223	522,198	+29,965	+9,936	+1,975	
Federal Funds	420,672	437,152	437,152	445,113	447,088	+26,416	+9,936	+1,975	
Trust Funds	71,561	75,110	75,110	75,110	75,110	+3,549	---	---	

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate	
OFFICE OF DISABILITY EMPLOYMENT POLICY									
Office of Disability Employment Policy	47,178	47,333	47,333	47,333	47,333	+155	---	---	D
DEPARTMENTAL MANAGEMENT									
SALARIES AND EXPENSES									
Executive Direction	26,296	28,260	28,260	26,296	27,278	+982	-982	+982	D
Departmental IT Crosscut	54,642	48,565	48,565	48,565	48,565	-6,077	---	---	D
Departmental Management Crosscut	---	23,500	---	10,000	5,000	+5,000	+5,000	-5,000	D
Legal Services	77,175	81,975	81,975	80,000	80,988	+3,813	-987	+988	D
Trust Funds	308	317	317	314	316	+8	-1	+2	TF
International Labor Affairs	147,053	12,270	12,270	108,000	110,650	-36,403	+98,380	+2,650	D
Administration and Management	33,673	32,391	34,391	32,391	33,391	-282	-1,000	+1,000	D
Adjudication	25,306	26,315	26,315	25,800	26,058	+752	-257	+258	D
Women's Bureau	9,608	8,626	9,608	8,926	9,267	-341	-341	+341	D
Civil Rights Activities	5,930	6,158	6,158	6,158	6,158	+228	---	---	D
Chief Financial Officer	7,850	5,159	5,159	5,159	5,159	-2,691	---	---	D
Total, Salaries and expenses	387,841	273,536	253,018	351,609	352,830	-35,011	+99,812	+1,221	
Federal Funds	387,533	273,219	252,701	351,295	352,514	-35,019	+99,813	+1,219	
Trust Funds	308	317	317	314	316	+8	-1	+2	

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate		
VETERANS EMPLOYMENT AND TRAINING										
State Administration:										
Grants	---	162,415	162,415	---	162,415	+162,415	---	+162,415	TF	
Disabled Veterans Outreach Program	82,078	---	---	83,481	---	-82,078	---	-83,481	TF	
Local Veterans Employment Program	77,744	---	---	78,934	---	-77,744	---	-78,934	TF	
Subtotal, State Administration	159,822	162,415	162,415	162,415	162,415	+2,593	---	---		
Federal Administration	27,489	29,028	29,028	29,028	29,028	+1,539	---	---	TF	
National Veterans Training Institute	---	2,000	2,000	2,000	2,000	+2,000	---	---	TF	
Homeless Veterans Program	18,131	19,000	19,000	19,000	19,000	+869	---	---	D	
Veterans Workforce Investment Programs	7,377	7,550	7,550	7,550	7,550	+173	---	---	D	FF
Total, Veterans Employment and Training	212,819	219,993	219,993	219,993	219,993	+7,174	---	---		
Federal Funds	25,508	26,550	26,550	26,550	26,550	+1,042	---	---		
Trust Funds	187,311	193,443	193,443	193,443	193,443	+6,132	---	---		
OFFICE OF THE INSPECTOR GENERAL										
Program Activities	56,291	60,896	60,896	59,291	60,094	+3,803	-802	+803	D	
Trust Funds	5,561	5,899	5,899	5,561	5,730	+169	-169	+169	TF	
Total, Office of the Inspector General	61,852	66,795	66,795	64,852	65,824	+3,972	-971	+972		
Federal funds	56,291	60,896	60,896	59,291	60,094	+3,803	-802	+803		
Trust funds	5,561	5,899	5,899	5,561	5,730	+169	-169	+169		
Total, Departmental Management	662,512	560,324	539,806	636,454	638,647	-23,865	+98,841	+2,193		
Federal Funds	469,332	360,665	340,147	437,136	439,158	-30,174	+99,011	+2,022		
Trust Funds	193,180	199,659	199,659	199,318	199,489	+6,309	-170	+171		

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate
WORKING CAPITAL FUND								
Working capital fund	---	20,000	18,000	9,700	13,850	+13,850	-4,150	+4,150
Total, Title I, Department of Labor	14,983,153	15,076,213	15,136,308	15,314,356	15,329,269	+346,116	+192,961	+14,913
Federal Funds	11,196,694	11,212,963	11,313,566	11,480,190	11,511,400	+314,706	+197,834	+31,210
Current Year	(8,636,694)	(8,661,963)	(8,762,566)	(8,929,190)	(8,960,400)	(+323,706)	(+197,834)	(+31,210)
FY 2005	(2,560,000)	(2,551,000)	(2,551,000)	(2,551,000)	(2,551,000)	(-9,000)	---	---
Trust Funds	3,786,459	3,863,250	3,822,742	3,834,166	3,817,869	+31,410	-4,873	-16,297

Title I Footnotes:
1/ Two year availability.
2/ Transferred from SSA to DOL (P.L. 107-275)

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate	
TITLE II - DEPARTMENT OF HEALTH AND HUMAN SERVICES									
HEALTH RESOURCES AND SERVICES ADMINISTRATION									
HEALTH RESOURCES AND SERVICES									
Community health centers	1,504,806	1,627,164	1,627,164	1,627,164	1,627,164	+122,358	---	---	D
Free Clinics Medical Malpractice	---	---	---	10,000	4,850	+4,850	+4,850	-5,150	D
National Health Service Corps:									
Field placements	45,948	45,305	45,948	45,948	45,948	---	---	---	D
Recruitment	125,140	167,542	125,140	125,140	125,140	---	---	---	D
Subtotal, National Health Service Corps	171,088	212,847	171,088	171,088	171,088	---	---	---	
Health Professions									
Training for Diversity:									
Centers of excellence	34,088	---	29,718	---	34,088	---	+4,370	+34,088	D
Health careers opportunity program	36,152	---	31,548	---	36,152	---	+4,604	+36,152	D
Faculty loan repayment	1,321	---	1,171	---	1,321	---	+150	+1,321	D
Scholarships for disadvantaged students	47,795	9,900	42,374	---	47,795	---	+5,421	+47,795	D
Subtotal, Training for Diversity	119,356	9,900	104,811	---	119,356	---	+14,545	+119,356	
Training in Primary Care Medicine and Dentistry	92,432	---	79,249	---	82,249	-10,183	+3,000	+82,249	D
Interdisciplinary Community-Based Linkages:									
Area health education centers	33,141	---	29,382	---	29,382	-3,759	---	+29,382	D
Health education and training centers	4,371	---	3,875	---	3,875	-496	---	+3,875	D
Allied health and other disciplines	11,922	---	11,922	---	11,922	---	---	+11,922	D

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate	
Geriatric programs	27,818	---	32,000	---	32,000	+4,182	---	+32,000	D
Quentin N. Burdick pgm for rural training	6,954	---	6,165	---	6,165	-789	---	+6,165	D
Subtotal, Interdisciplinary Comm. Linkages	84,206	---	83,344	---	83,344	-862	---	+83,344	
Health Professions Workforce Info & Analysis	819	1,000	726	---	726	-93	---	+726	D
Public Health Workforce Development:									
Public health, preventive med. & dental pgms	10,405	---	9,225	---	9,225	-1,180	---	+9,225	D
Health administration programs	1,222	---	1,085	---	1,085	-137	---	+1,085	D
Subtotal, Public Health Workforce Development	11,627	---	10,310	---	10,310	-1,317	---	+10,310	
Nursing Programs:									
Advanced Education Nursing	50,174	26,548	50,174	---	59,000	+8,826	+8,826	+59,000	D
Nurse education, practice, and retention	26,824	24,202	26,824	---	31,963	+5,139	+5,139	+31,963	D
Nursing workforce diversity	9,935	20,564	9,935	---	16,500	+6,565	+6,565	+16,500	D
Loan repayment and scholarship program	19,870	26,900	19,870	---	26,900	+7,030	+7,030	+26,900	D
Comprehensive geriatric education	2,980	---	2,980	---	3,500	+520	+520	+3,500	D
Nursing faculty loan program	2,980	---	2,980	---	4,900	+1,920	+1,920	+4,900	D
Nursing Workforce Investment Act	---	---	---	50,000	---	---	---	-50,000	D
Subtotal, Nursing programs	112,763	98,214	112,763	50,000	142,763	+30,000	+30,000	+92,763	
Consolidated Health Professions	---	---	---	423,765	---	---	---	-423,765	D
Subtotal, Health Professions	421,203	109,114	391,203	473,765	438,748	+17,545	+47,545	-35,017	

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate	
Other HRSA Programs:									
Hansen's Disease Services	18,024	17,570	17,570	17,570	17,570	-454	---	---	D
Maternal & Child Health Block Grant	730,715	750,831	732,965	731,565	734,265	+3,550	+1,300	+2,700	D
Heritable disorders newborn screening	---	---	---	2,000	---	---	---	-2,000	D
Abstinence Education	54,642	73,044	65,000	73,044	70,488	+15,846	+5,488	-2,556	D
Evaluation Tap Funding	---	---	---	---	(4,500)	(+4,500)	(+4,500)	(+4,500)	NA
Healthy Start	98,346	98,729	98,346	98,346	98,346	---	---	---	D
Universal Newborn Hearing	9,935	---	9,935	9,935	9,935	---	---	---	D
Organ Transplantation	24,828	24,924	24,828	24,828	24,828	---	---	---	D
Cord Blood Stem Cell Bank	---	---	---	10,000	10,000	+10,000	+10,000	---	D
Bone Marrow Program	21,891	22,013	22,891	21,891	22,891	+1,000	---	+1,000	D
Rural outreach grants	57,660	37,752	57,410	39,850	39,850	-17,810	-17,560	---	D
Rural Health Research	10,630	5,984	8,000	9,935	8,968	-1,662	+968	-967	D
Telehealth	27,686	5,594	27,686	3,973	3,973	-23,713	-23,713	---	D
Rural Hospital Flexibility Grants	39,740	29,921	39,740	39,740	39,740	---	---	---	D
Rural and community access to emergency devices	---	---	---	---	11,000	+11,000	+11,000	+11,000	D
Rural Access to Emergency Devices	12,419	2,009	12,419	10,000	---	-12,419	-12,419	-10,000	D
Community access to emergency devices	---	---	---	2,000	---	---	---	-2,000	D
Rural EMS	---	---	---	1,000	500	+500	+500	-500	D
State Offices of Rural Health	8,445	3,990	4,000	8,445	8,445	---	+4,445	---	D
Denali Commission	27,321	---	---	40,000	35,000	+7,679	+35,000	-5,000	D
Emergency medical services for children	19,373	---	19,373	20,000	20,000	+627	+627	---	D
Poison control	22,354	---	22,354	23,854	23,854	+1,500	+1,500	---	D
Traumatic Brain Injury	9,438	7,479	9,438	9,438	9,438	---	---	---	D

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate	
Black lung clinics	5,961	6,000	5,961	6,000	6,000	+39	+39	---	D
Trauma Care	3,476	---	3,476	3,476	3,476	---	---	---	D
Payment to Hawaii, treatment of Hansen's	2,032	2,045	2,032	2,045	2,045	+13	+13	---	D
Other HRSA programs - Current Year	1,204,916	1,087,885	1,183,424	1,208,935	1,200,612	-4,304	+17,188	-8,323	
Ryan White AIDS Programs:									
Emergency Assistance	618,693	618,881	618,693	618,693	618,693	---	---	---	D
Comprehensive Care Programs	1,053,393	1,077,027	1,091,344	1,077,027	1,092,384	+38,991	+1,040	+15,357	D
AIDS Drug Assistance Program (ADAP) (NA)	(714,326)	(739,000)	(753,317)	(739,000)	(753,317)	(+38,991)	---	(+14,317)	NA
Early Intervention Program	198,374	193,981	193,981	198,374	198,374	---	+4,393	---	D
Pediatric HIV/AIDS	73,551	70,917	70,917	73,551	73,551	---	+2,634	---	D
AIDS Dental Services	13,405	13,484	13,405	13,405	13,405	---	---	---	D
Education and Training Centers	35,549	35,259	35,259	35,549	35,549	---	+290	---	D
Subtotal, Ryan White AIDS programs	1,992,965	2,009,549	2,023,599	2,016,599	2,031,956	+38,991	+8,357	+15,357	
Evaluation Tap Funding (NA)	(25,000)	---	---	(25,000)	(25,000)	---	(+25,000)	---	
Subtotal, Ryan White AIDs program level	2,017,965	2,009,549	2,023,599	2,041,599	2,056,956	+38,991	+33,357	+15,357	
Family Planning	273,350	264,808	273,350	283,350	280,000	+6,650	+6,650	-3,350	D
Children's Hospitals Graduate Medical Education 1/	290,102	199,258	305,000	---	305,000	+14,898	---	+305,000	D
Health Care and Other Facilities	294,300	---	---	---	367,563	+73,263	+367,563	+367,563	D
Buildings and Facilities 2/	248	250	248	250	250	+2	+2	---	D
Radiation Exposure Compensation Act	1,987	4,006	1,987	1,987	1,987	---	---	---	D

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate	
National Practitioner Data Bank	19,500	17,000	19,500	17,000	17,000	-2,500	-2,500	---	D
User Fees	-19,500	-17,000	-19,500	-17,000	-17,000	+2,500	+2,500	---	D
Health Care Integrity and Protection Data Bank	5,600	4,000	5,600	4,000	4,000	-1,600	-1,600	---	D
User Fees	-5,600	-4,000	-5,600	-4,000	-4,000	+1,600	+1,600	---	D
Community Access Program	104,317	---	104,317	---	104,317	---	---	+104,317	D
State Planning Grants for Health Care Access	14,902	---	14,902	---	14,902	---	---	+14,902	D
Program Management	156,374	151,115	155,974	146,686	150,000	-6,374	-5,974	+3,314	D
Total, Health resources and services	6,430,558	5,665,996	6,252,256	5,939,824	6,698,437	+267,879	+446,181	+758,613	
Total, Health resources & services program level	(6,455,558)	(5,665,996)	(6,252,256)	(5,964,824)	(6,727,937)	(+272,379)	(+475,681)	(+763,113)	
Evaluation tap funding	(25,000)	---	---	(25,000)	(29,500)	(+4,500)	(+29,500)	(+4,500)	
HEALTH EDUCATION ASSISTANCE LOANS (HEAL) PROGRAM:									
Liquidating account	(7,000)	(4,000)	(7,000)	(4,000)	(4,000)	(-3,000)	(-3,000)	---	NA
Program management	3,889	3,389	3,389	3,389	3,389	-500	---	---	D
Total, HEAL	3,889	3,389	3,389	3,389	3,389	-500	---	---	
VACCINE INJURY COMPENSATION PROGRAM TRUST FUND:									
Post-FY 1988 claims	85,918	66,000	66,000	66,000	66,000	-19,918	---	---	M
HRSA administration	2,972	2,991	3,472	2,972	3,222	+250	-250	+250	D
Total, Vaccine Injury Compensation Trust Fund	88,890	68,991	69,472	68,972	69,222	-19,668	-250	+250	
Total, Health Resources and Services Admin.	6,523,337	5,738,376	6,325,117	6,012,185	6,771,048	+247,711	+445,931	+758,863	
Total, HRSA program level	(6,555,337)	(5,742,376)	(6,332,117)	(6,041,185)	(6,804,548)	(+249,211)	(+472,431)	(+763,383)	
CENTERS FOR DISEASE CONTROL									
Birth Defects/Developmental Disabilities/Disability and Health	98,040	87,462	106,339	110,639	113,513	+15,473	+7,174	+2,874	D

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate	
Chronic Disease Prevention and Health Promotion	789,972	834,047	862,011	801,844	859,065	+69,093	-2,946	+57,221	D
Environmental Health	182,829	150,227	184,829	184,329	184,629	+1,800	-200	+300	D
Epidemic Services and Response	77,494	76,158	82,494	127,494	92,494	+15,000	+10,000	-35,000	D
Health Statistics	---	72,639	112,673	---	---	---	-112,673	---	D
Evaluation Tap Funding	(125,899)	(51,982)	(13,226)	(127,634)	(127,634)	(+1,735)	(+114,408)	---	NA
Subtotal, Program level	125,899	124,621	125,899	127,634	127,634	+1,735	+1,735	---	
HIV/AIDS, STD and TB Prevention	1,186,388	1,281,176	1,247,388	1,301,388	1,299,388	+113,000	+52,000	-2,000	D
Immunization	636,586	620,506	650,586	641,686	633,385	-3,201	-17,201	-8,301	D
Evaluation Tap Funding	(14,000)	---	---	(14,000)	(14,000)	---	(+14,000)	---	NA
Subtotal, Program level	650,586	620,506	650,586	655,686	647,385	-3,201	-3,201	-8,301	
Infectious Disease Control	359,225	331,640	382,226	372,760	372,503	+13,278	-9,723	-257	D
Injury Prevention and Control	148,414	144,796	152,414	152,409	154,632	+6,218	+2,218	+2,223	D
Occupational Safety and Health 3/	231,485	246,329	273,385	240,485	236,985	+5,500	-36,400	-3,500	D
Evaluation Tap Funding	(41,900)	---	---	(41,900)	(41,900)	---	(+41,900)	---	NA
Subtotal, Program level	273,385	246,329	273,385	282,385	278,885	+5,500	+5,500	-3,500	
Preventive Health and Health Services Block Grant	134,089	134,966	134,089	134,966	134,089	---	---	-877	D
Public Health Improvement	124,434	113,677	144,530	106,789	143,082	+18,648	-1,448	+36,293	D
Evaluation Tap Funding	(28,600)	---	---	(28,600)	(28,600)	---	(+28,600)	---	NA
Subtotal, Program level	153,034	113,677	144,530	135,389	171,682	+18,648	+27,152	+36,293	
Buildings and Facilities	266,258	114,000	206,000	260,000	262,000	-4,258	+56,000	+2,000	D

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate	
Office of the Director	49,426	59,707	49,707	59,707	59,707	+10,281	+10,000	---	D
Total, Centers for Disease Control	4,284,840	4,267,330	4,588,671	4,494,496	4,545,472	+260,832	-43,199	+50,976	
Evaluation Tap Funding (NA)	(210,399)	(51,982)	(13,226)	(212,134)	(212,134)	(+1,735)	(+198,908)	---	
Total, Centers for Disease Control program level	(4,495,039)	(4,319,312)	(4,601,897)	(4,706,630)	(4,757,606)	(+262,567)	(+155,709)	(+50,976)	
NATIONAL INSTITUTES OF HEALTH									
National Cancer Institute	4,592,348	4,770,519	4,770,519	4,770,519	4,770,519	+178,171	---	---	D
National Heart, Lung, and Blood Institute	2,793,733	2,867,995	2,867,995	2,897,595	2,897,145	+103,412	+29,150	-450	D
National Institute of Dental & Craniofacial Research	371,636	382,396	382,396	386,396	385,796	+14,160	+3,400	-600	D
National Institute of Diabetes and Digestive and Kidney Diseases	1,622,730	1,670,007	1,670,007	1,683,007	1,682,457	+59,727	+12,450	-550	D
Juvenile diabetes	(100,000)	(150,000)	(150,000)	(150,000)	(150,000)	(+50,000)	---	---	
Subtotal, NIDDK	1,722,730	1,820,007	1,820,007	1,833,007	1,832,457	+109,727	+12,450	-550	D
National Institute of Neurological Disorders & Stroke	1,456,476	1,468,926	1,468,926	1,510,926	1,510,776	+54,300	+41,850	-150	D
National Institute of Allergy and Infectious Diseases	3,606,139	4,235,255	4,235,255	4,185,255	4,185,155	+579,016	-50,100	-100	D
Global HIV/AIDS Fund Transfer	100,000	100,000	100,000	150,000	150,000	+50,000	+50,000	---	D
Subtotal, NIAID	3,706,139	4,335,255	4,335,255	4,335,255	4,335,155	+629,016	-100	-100	D
National Institute of General Medical Sciences	1,847,000	1,923,133	1,923,133	1,917,033	1,916,333	+69,333	-6,800	-700	D
National Institute of Child Health & Human Development	1,205,927	1,245,371	1,245,371	1,251,185	1,250,585	+44,658	+5,214	-600	D
National Eye Institute	633,148	648,299	648,299	657,199	657,199	+24,051	+8,900	---	D
National Institute of Environmental Health Sciences	614,239	630,774	630,774	637,074	636,974	+22,735	+6,200	-100	D
National Institute on Aging	993,598	994,411	994,411	1,031,411	1,031,311	+37,713	+36,900	-100	D
National Institute of Arthritis and Musculoskeletal and Skin Diseases	486,143	502,778	502,778	505,000	504,300	+18,157	+1,522	-700	D

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate	
National Institute on Deafness and Other Communication Disorders	370,382	380,377	380,377	384,577	384,477	+14,095	+4,100	-100	D
National Institute of Nursing Research	130,584	134,579	134,579	135,579	135,555	+4,971	+976	-24	D
National Institute on Alcohol Abuse and Alcoholism	416,051	430,121	430,121	431,521	431,471	+15,420	+1,350	-50	D
National Institute on Drug Abuse	961,721	995,614	995,614	997,614	997,414	+35,693	+1,800	-200	D
National Institute of Mental Health	1,341,014	1,382,114	1,382,114	1,391,114	1,390,714	+49,700	+8,600	-400	D
National Human Genome Research Institute	464,995	478,072	478,072	482,372	482,222	+17,227	+4,150	-150	D
National Institute of Biomedical Imaging and Bioengineering	278,279	282,109	282,109	289,300	288,900	+10,621	+6,791	-400	D
National Center for Research Resources	1,138,821	1,053,926	1,053,926	1,186,483	1,186,183	+47,362	+132,257	-300	D
National Center for Complementary and Alternative Medicine	113,407	116,202	116,202	117,902	117,752	+4,345	+1,550	-150	D
National Center on Minority Health and Health Disparities	185,714	192,724	192,724	192,824	192,724	+7,010	---	-100	D
John E. Fogarty International Center	63,465	64,266	64,266	65,900	65,800	+2,335	+1,534	-100	D
National Library of Medicine	300,135	316,040	316,040	311,835	311,635	+11,500	-4,405	-200	D
Evaluation Tap Funding	(8,200)	---	---	(8,200)	(8,200)	---	(+8,200)	---	NA
Subtotal, NLM	308,335	316,040	316,040	320,035	319,835	+11,500	+3,795	-200	
Office of the Director	266,232	317,983	317,983	323,483	329,707	+63,475	+11,724	+6,224	D
Buildings and Facilities	628,687	80,000	80,000	89,500	89,500	-539,187	+9,500	---	D
Total, N.I.H. appropriations	26,982,604	27,663,991	27,663,991	27,982,604	27,982,604	+1,000,000	+318,613	---	
Global HIV/AIDS Fund Transfer	-100,000	-100,000	-100,000	-150,000	-150,000	-50,000	-50,000	---	NA
Evaluation Tap Funding	(8,200)	---	---	(8,200)	(8,200)	---	(+8,200)	---	NA
Total, N.I.H., Program Level	(26,890,804)	(27,563,991)	(27,563,991)	(27,840,804)	(27,840,804)	(+950,000)	(+276,813)	---	NA

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate	
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES									
Mental Health:									
Programs of Regional and National Significance....	244,443	211,757	237,000	237,667	242,379	-2,064	+5,379	+4,712	D
Mental Health Performance Partnership............	437,140	433,000	435,000	415,290	415,290	-21,850	-19,710	---	D
Evaluation Tap Funding	---	---	---	(21,850)	(21,850)	(+21,850)	(+21,850)	---	NA
Children's Mental Health.........................	98,052	106,694	108,000	98,052	103,026	+4,974	-4,974	+4,974	D
Grants to States for the Homeless (PATH)..........	43,073	50,055	50,055	47,073	50,055	+6,982	---	+2,982	D
Protection and Advocacy...	33,779	32,500	33,870	35,779	34,825	+1,046	+955	-954	D
Subtotal, Mental Health........................	856,487	834,006	863,925	833,861	845,575	-10,912	-18,350	+11,714	
Substance Abuse Treatment:									
Programs of Regional and National Significance....	317,278	556,816	417,278	327,071	421,975	+104,697	+4,697	+94,904	D
Substance Abuse Performance Partnership...........	1,691,732	1,785,000	1,774,538	1,724,732	1,710,035	+18,303	-64,503	-14,697	D
Evaluation Tap Funding	(62,200)	---	---	(79,200)	(79,200)	(+17,000)	(+79,200)	---	NA
Subtotal, Substance Abuse Treatment............	2,009,010	2,341,816	2,191,816	2,051,803	2,132,010	+123,000	-59,806	+80,207	
Subtotal, Program level....................	2,071,210	2,341,816	2,191,816	2,131,003	2,211,210	+140,000	+19,394	+80,207	
Substance Abuse Prevention:									
Programs of Regional and National Significance....	197,111	148,186	198,000	194,306	199,763	+2,652	+1,763	+5,457	D
Program Management and Buildings and Facilities.......	73,983	69,307	75,259	77,570	76,415	+2,432	+1,156	-1,155	D
Evaluation Tap funding (NA)......................	(12,000)	(16,000)	(16,000)	(16,000)	(16,000)	(+4,000)	---	---	NA
Subtotal, Program level.........................	85,983	85,307	91,259	93,570	92,415	+6,432	+1,156	-1,155	

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate	
St. Elizabeths	949	---	---	---	---	-949	---	---	D
Total, Substance Abuse and Mental Health	3,137,540	3,393,315	3,329,000	3,157,540	3,253,763	+116,223	-75,237	+96,223	D
Evaluation Tap funding	(74,200)	(16,000)	(16,000)	(117,050)	(117,050)	(+42,850)	(+101,050)	---	
Total, SAMHS program level	(3,211,740)	(3,409,315)	(3,345,000)	(3,274,590)	(3,370,813)	(+159,073)	(+25,813)	(+96,223)	
AGENCY FOR HEALTHCARE RESEARCH AND QUALITY									
Research on Health Costs, Quality, and Outcomes: Federal Funds	---	---	---	---	---	---	---	---	D
Evaluation Tap funding (NA)	(247,695)	(221,000)	(245,695)	(245,695)	(245,695)	(-2,000)	---	---	NA
Health Coverage Data Improvement (CPS)	---	(10,000)	---	---	---	---	---	---	NA
Reducing medical errors (non-add)	(55,000)	(84,000)	(75,000)	(84,000)	(79,500)	(+24,500)	(+4,500)	(-4,500)	NA
Subtotal including Evaluation Tap funds	(247,695)	(221,000)	(245,695)	(245,695)	(245,695)	(-2,000)	---	---	
Health Insurance and Expenditure Surveys: Evaluation Tap funding (NA)	(53,300)	(55,300)	(55,300)	(55,300)	(55,300)	(+2,000)	---	---	NA
Program Support	---	---	---	---	---	---	---	---	D
Evaluation Tap funding (NA)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)	---	---	---	NA
Total, AHRQ	(303,695)	(279,000)	(303,695)	(303,695)	(303,695)	---	---	---	
Federal Funds	---	---	---	---	---	---	---	---	
Evaluation Tap funding (NA)	(303,695)	(279,000)	(303,695)	(303,695)	(303,695)	---	---	---	
Total, Public Health Service appropriation	40,928,121	41,063,012	41,906,779	41,646,825	42,552,887	+1,624,766	+646,108	+906,062	
Total, Public Health Service program level	(41,456,615)	(41,313,994)	(42,146,700)	(42,166,904)	(43,077,466)	(+1,620,851)	(+930,766)	(+910,562)	
CENTER FOR MEDICARE AND MEDICAID SERVICES GRANTS TO STATES FOR MEDICAID									
Medicaid current law benefits	148,726,168	166,706,067	172,706,067	166,706,067	172,706,067	+23,979,899	---	+6,000,000	M
State and local administration	9,142,049	9,067,320	9,067,320	9,067,320	9,067,320	-74,729	---	---	M

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate	
Vaccines for Children	823,938	980,196	980,196	980,196	980,196	+156,258	---	---	M
Subtotal, Medicaid program level	158,692,155	176,753,583	182,753,583	176,753,583	182,753,583	+24,081,428	---	+6,000,000	
Less funds advanced in prior year	-46,601,937	-51,861,386	-51,861,386	-51,861,386	-51,861,386	-5,259,449	---	---	M
Total, Grants to States for medicaid	112,090,218	124,892,197	130,892,197	124,892,197	130,892,197	+18,801,979	---	+6,000,000	
New advance, 1st quarter	51,861,386	58,416,275	58,416,275	58,416,275	58,416,275	+6,554,889	---	---	M
PAYMENTS TO HEALTH CARE TRUST FUNDS									
Supplemental medical insurance	80,905,000	94,518,000	94,518,000	94,518,000	94,518,000	+13,613,000	---	---	M
Hospital insurance for the uninsured	225,000	197,000	197,000	197,000	197,000	-28,000	---	---	M
Federal uninsured payment	168,000	168,000	168,000	168,000	168,000	---	---	---	M
Program management	164,700	201,100	201,100	201,100	201,100	+36,400	---	---	M
Total, Payments to Trust Funds, current law	81,462,700	95,084,100	95,084,100	95,084,100	95,084,100	+13,621,400	---	---	
PROGRAM MANAGEMENT									
Research, Demonstration, Evaluation: Regular Program	73,712	83,400	27,918	67,400	78,791	+5,079	+50,873	+11,391	TF
Medicare Operations	1,666,680	1,776,889	1,776,889	1,776,889	1,722,889	+56,209	-54,000	-54,000	TF
H.R. 3103 funding (NA)	(720,000)	(720,000)	(720,000)	(720,000)	(720,000)	---	---	---	NA
Subtotal, Medicare Operations program level	(2,386,680)	(2,496,889)	(2,496,889)	(2,496,889)	(2,442,889)	(+56,209)	(-54,000)	(-54,000)	

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate	
Revitalization plan	---	65,000	65,000	30,000	30,000	+30,000	-35,000	---	TF
State Survey and Certification	252,743	247,647	247,647	252,743	252,743	---	+5,096	---	TF
Federal Administration	571,756	580,571	580,571	580,571	580,571	+8,815	---	---	TF
Total, Program management, Limitation on new BA.	2,564,891	2,733,507	2,698,025	2,707,603	2,664,994	+100,103	-33,031	-42,609	TF
Total, Program management, program level	(3,284,891)	(3,453,507)	(3,418,025)	(3,427,603)	(3,384,994)	(+100,103)	(-33,031)	(-42,609)	
Total, Center for Medicare and Medicaid Services	247,979,195	281,126,079	287,090,597	281,100,175	287,057,566	+39,078,371	-33,031	+5,957,391	
Federal funds	245,414,304	278,392,572	284,392,572	278,392,572	284,392,572	+38,978,268	---	+6,000,000	
Current year	(193,552,918)	(219,976,297)	(225,976,297)	(219,976,297)	(225,976,297)	(+32,423,379)	---	(+6,000,000)	
New advance, 1st quarter, FY 2005	(51,861,386)	(58,416,275)	(58,416,275)	(58,416,275)	(58,416,275)	(+6,554,889)	---	---	
Trust Funds	2,564,891	2,733,507	2,698,025	2,707,603	2,664,994	+100,103	-33,031	-42,609	
ADMINISTRATION FOR CHILDREN AND FAMILIES FAMILY SUPPORT PAYMENTS TO STATES									
Payments to territories	23,000	23,000	23,000	23,000	23,000	---	---	---	M
Repatriation	1,000	1,000	1,000	1,000	1,000	---	---	---	M
Subtotal, Welfare payments	24,000	24,000	24,000	24,000	24,000	---	---	---	
Child Support Enforcement:									
State and local administration	3,541,800	4,035,270	4,035,270	4,084,270	4,084,270	+542,470	+49,000	---	M
Federal incentive payments	461,000	454,000	454,000	454,000	454,000	-7,000	---	---	M
Hold Harmless payments	---	---	---	---	---	---	---	---	M
Access and visitation	10,000	12,000	12,000	10,000	10,000	---	-2,000	---	M
Subtotal, Child Support Enforcement	4,012,800	4,501,270	4,501,270	4,548,270	4,548,270	+535,470	+47,000	---	
Total, Payments, FY 2004 program level	4,036,800	4,525,270	4,525,270	4,572,270	4,572,270	+535,470	+47,000	---	
Less funds advanced in previous years	-1,100,000	-1,100,000	-1,100,000	-1,100,000	-1,100,000	---	---	---	M

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate	
Total, Payments, current request	2,936,800	3,425,270	3,425,270	3,472,270	3,472,270	+535,470	+47,000	---	
Plus New advance, 1st quarter, FY 2005	1,100,000	1,200,000	1,200,000	1,200,000	1,200,000	+100,000	---	---	M
Total, Payments	4,036,800	4,625,270	4,625,270	4,672,270	4,672,270	+635,470	+47,000	---	
LOW INCOME HOME ENERGY ASSISTANCE									
Formula grants	1,688,950	1,700,000	1,700,000	2,000,000	1,800,000	+111,050	+100,000	-200,000	D
Emergency allocation:									
Contingent non-emergency funding	---	300,000	100,000	---	100,000	+100,000	---	+100,000	D
Contingent emergency funding	---	---	---	---	---	---	---	---	O
Total, Low income home energy assistance	1,688,950	2,000,000	1,800,000	2,000,000	1,900,000	+211,050	+100,000	-100,000	
REFUGEE AND ENTRANT ASSISTANCE									
Transitional and Medical Services	219,853	200,193	200,193	180,000	170,000	-49,853	-30,193	-10,000	D
Victims of Trafficking	9,935	10,000	10,000	9,935	9,968	+33	-32	+33	D
Social Services	150,139	153,121	153,121	140,000	153,121	+2,982	---	+13,121	D
Preventive Health	4,804	4,835	4,835	4,804	4,820	+16	-15	+16	D
Targeted Assistance	49,155	49,477	49,477	49,155	49,316	+161	-161	+161	D
Unaccompanied minors	34,227	34,000	34,227	34,227	53,083	+18,856	+18,856	+18,856	D
Victims of Torture	9,935	10,000	10,000	9,935	9,968	+33	-32	+33	D
Total, Refugee and entrant assistance	478,048	461,626	461,853	428,056	450,276	-27,772	-11,577	+22,220	

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs.			
						FY 2003 Comparable	FY 2004 House	FY 2004 Senate	
CHILD CARE AND DEVELOPMENT BLOCK GRANT................	2,086,344	2,099,729	2,099,729	2,099,729	2,099,729	+13,385	---	---	D
SOCIAL SERVICES BLOCK GRANT (TITLE XX)...............	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000	---	---	---	M
CHILDREN AND FAMILIES SERVICES PROGRAMS									
Programs for Children, Youth and Families: Head Start, current funded........................	5,267,533	5,415,570	5,415,570	5,415,570	5,415,570	+148,037	---	---	D
Advance from prior year.......................	(1,400,000)	(1,400,000)	(1,400,000)	(1,400,000)	(1,400,000)	---	---	---	NA
FY 2005.......................................	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	---	---	---	D
Subtotal, Head Start, program level.........	6,667,533	6,815,570	6,815,570	6,815,570	6,815,570	+148,037	---	---	
Consolidated Runaway, Homeless Youth Prog.........	89,978	88,043	88,043	89,978	89,978	---	+1,935	---	D
Maternity Group Homes.............................	---	10,000	---	---	---	---	---	---	D
Prevention grants to reduce abuse of runaway youth	15,399	14,999	14,999	15,399	15,399	---	+400	---	D
Child Abuse State Grants.........................	21,870	22,013	22,013	22,013	22,013	+143	---	---	D
Child Abuse Discretionary Activities.......	33,845	26,301	26,301	28,401	34,623	+778	+8,322	+6,222	D
Abandoned Infants Assistance......................	12,126	12,086	12,086	12,126	12,126	---	+40	---	D
Child Welfare Services...........................	290,088	291,986	291,986	290,088	291,037	+949	-949	+949	D
Child Welfare Training...........................	7,449	7,470	7,470	7,449	7,460	+11	-10	+11	D
Adoption Opportunities...........................	27,227	27,343	27,343	27,227	27,285	+58	-58	+58	D
Adoption Incentive (no cap adjustment)...........	42,720	43,000	43,000	42,720	7,500	-35,220	-35,500	-35,220	D
Adoption Awareness...............................	12,822	12,906	12,906	12,822	12,864	+42	-42	+42	D
Compassion Capital Fund..........................	34,772	100,000	50,000	34,772	48,000	+13,228	-2,000	+13,228	D

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate	
Social Services and Income Maintenance Research	28,749	5,982	5,982	25,812	12,767	-15,982	+6,785	-13,045	D
Evaluation tap funding	(6,000)	---	---	(6,000)	(6,000)	---	(+6,000)	---	
Subtotal, Program level	34,749	5,982	5,982	31,812	18,767	-15,982	+12,785	-13,045	
Community Based Resource Centers	33,200	33,403	33,403	33,412	33,403	+203	---	-9	D
Developmental Disabilities Program:									
State Councils	71,135	69,800	71,500	73,515	73,515	+2,380	+2,015	---	D
Protection and Advocacy	38,263	35,000	36,500	38,644	38,644	+2,381	+2,144	---	D
Disabled voter services	15,000	---	15,000	15,000	15,000	---	---	---	
Developmental Disabilities Special Projects	12,403	11,642	12,500	11,642	11,642	-761	-858	---	D
Developmental Disabilities University Affiliated	24,962	24,000	25,000	26,962	26,962	+2,000	+1,962	---	D
Subtotal, Developmental disabilities	159,763	140,442	160,500	165,763	165,763	+6,000	+5,263	---	
Native American Programs	45,457	45,119	45,119	45,457	45,457	---	+338	---	D
Community Services:									
Grants to States for Community Services	645,762	494,964	494,964	645,762	645,762	---	+150,798	---	D
Community Initiative Program:									
Economic Development	32,546	32,436	32,436	32,546	32,546	---	+110	---	D
Individual Development Account Initiative	24,828	24,912	24,912	24,828	24,870	+42	-42	+42	D
Rural Community Facilities	7,203	---	7,250	7,203	7,227	+24	-23	+24	D
Subtotal, Community Initiative Program	64,577	57,348	64,598	64,577	64,643	+66	+45	+66	
National Youth Sports	16,889	---	18,000	---	18,000	+1,111	---	+18,000	H
Community Food and Nutrition	7,281	---	---	7,281	7,281	---	+7,281	---	D
Subtotal, Community Services	734,509	552,312	577,562	717,620	735,686	+1,177	+158,124	+18,066	
Domestic Violence Hotline	2,562	3,000	3,000	3,000	3,000	+438	---	---	D

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate	
Battered Women's Shelters	126,403	124,423	126,403	126,403	126,403	---	---	---	D
Early Learning Fund	33,779	---	---	33,779	33,779	---	+33,779	---	D
Faith-Based Center	1,490	1,400	1,400	1,400	1,400	-90	---	---	D
Mentoring Children of Prisoners	9,935	50,000	25,000	9,935	50,000	+40,065	+25,000	+40,065	D
Independent Living Training Vouchers	41,727	60,000	45,000	41,727	45,000	+3,273	---	+3,273	D
Promoting Responsible Fatherhood	---	20,000	---	---	---	---	---	---	D
Program Direction	171,873	179,584	179,584	179,584	179,584	+7,711	---	---	D
Total, Children and Families Services Programs	8,645,276	8,687,382	8,614,670	8,782,457	8,816,097	+170,821	+201,427	+33,640	
Current Year	(7,245,276)	(7,287,382)	(7,214,670)	(7,382,457)	(7,416,097)	(+170,821)	(+201,427)	(+33,640)	
FY 2005	(1,400,000)	(1,400,000)	(1,400,000)	(1,400,000)	(1,400,000)	---	---	---	
Evaluation Tap funding	(6,000)	---	---	(6,000)	(6,000)	---	(+6,000)	---	
PROMOTING SAFE AND STABLE FAMILIES	305,000	305,000	305,000	305,000	305,000	---	---	---	M
Discretionary Funds	99,350	199,978	100,000	99,350	100,000	+650	---	+650	D
PAYMENTS TO STATES FOR FOSTER CARE AND ADOPTION									
Foster Care	4,884,500	4,974,200	4,974,200	4,974,200	4,974,200	+89,700	---	---	M
Adoption Assistance	1,584,500	1,699,700	1,699,700	1,699,700	1,699,700	+115,200	---	---	M
Independent living	140,000	140,000	140,000	140,000	140,000	---	---	---	M
Total, Payments to States	6,609,000	6,813,900	6,813,900	6,813,900	6,813,900	+204,900	---	---	
Less Advances from Prior Year	-1,754,000	-1,745,600	-1,745,600	-1,745,600	-1,745,600	+8,400	---	---	M
Total, payments, current request	4,855,000	5,068,300	5,068,300	5,068,300	5,068,300	+213,300	---	---	
New Advance, 1st quarter	1,745,600	1,767,700	1,767,700	1,767,700	1,767,700	+22,100	---	---	M

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate	
Total, Administration for Children & Families	25,640,368	26,914,985	26,542,522	26,922,862	26,879,372	+1,239,004	+336,850	-43,490	
Current year	(21,394,768)	(22,547,285)	(22,174,822)	(22,555,162)	(22,511,672)	(+1,116,904)	(+336,850)	(-43,490)	
FY 2005	(4,245,600)	(4,367,700)	(4,367,700)	(4,367,700)	(4,367,700)	(+122,100)	---	---	
ADMINISTRATION ON AGING									
Grants to States:									
Supportive Services and Centers	355,673	357,000	357,000	355,673	356,000	+327	-1,000	+327	D
Preventive Health	21,919	21,562	21,919	21,919	21,919	---	---	---	D
Title VII	18,559	17,661	18,559	19,559	19,559	+1,000	+1,000	---	D
Family Caregivers	149,025	141,500	162,000	149,025	153,645	+4,620	-8,355	+4,620	D
Native American Caregivers Support	6,209	---	6,500	6,209	6,355	+146	-145	+146	D
Subtotal, Caregivers	155,234	141,500	168,500	155,234	160,000	+4,766	-8,500	+4,766	
Nutrition:									
Congregate Meals	384,592	390,000	390,000	387,292	388,646	+4,054	-1,354	+1,354	D
Home Delivered Meals	180,985	178,500	180,985	180,985	180,985	---	---	---	D
Nutrition Services Incentive Program	148,697	149,670	149,670	148,697	149,073	+376	-597	+376	D
Subtotal, Nutrition	714,274	718,170	720,655	716,974	718,704	+4,430	-1,951	+1,730	
Subtotal, Grants to States	1,265,659	1,255,913	1,286,633	1,269,359	1,276,182	+10,523	-10,451	+6,823	
Grants to Native Americans	27,495	25,729	25,729	27,495	26,612	-883	+883	-883	D
Aging Research, Training and Special Projects	40,258	27,837	30,837	17,843	33,223	-7,035	+2,386	+15,380	D
Aging Network Support Activities	2,364	2,379	2,379	13,373	13,373	+11,009	+10,994	---	D
Alzheimer's Initiative	13,412	11,500	11,500	12,412	11,956	-1,456	+456	-456	D

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate	
White House Conference on Aging	---	2,842	2,842	2,842	2,842	+2,842	---	---	D
Program Administration	17,869	17,501	17,501	17,869	17,501	-368	---	-368	D
Total, Administration on Aging	1,367,057	1,343,701	1,377,421	1,361,193	1,381,689	+14,632	+4,268	+20,496	
OFFICE OF THE SECRETARY									
GENERAL DEPARTMENTAL MANAGEMENT:									
Federal Funds	159,811	172,541	167,300	168,106	176,404	+16,593	+9,104	+8,298	D
Trust Funds	5,813	5,851	5,813	5,851	5,851	+38	+38	---	TF
Subtotal	(165,624)	(178,392)	(173,113)	(173,957)	(182,255)	(+16,631)	(+9,142)	(+8,298)	
Evaluation tap funding (ASPE) (NA)	(21,552)	(21,552)	(21,552)	(21,552)	(21,552)	---	---	---	NA
Adolescent Family Life (Title XX)	30,922	31,241	30,922	31,241	31,241	+319	+319	---	D
Minority health	56,224	47,010	48,329	50,740	55,685	-539	+7,356	+4,945	D
Office of women's health	28,658	28,908	28,658	29,721	29,190	+532	+532	-531	D
Minority HIV/AIDS	49,675	50,000	49,675	50,000	49,838	+163	+163	-162	D
IT Security and Innovation Fund	19,870	18,400	18,400	15,000	15,000	-4,870	-3,400	---	D
Total, General Departmental Management	350,973	353,951	349,097	350,659	363,209	+12,236	+14,112	+12,550	
Federal Funds	345,160	348,100	343,284	344,808	357,358	+12,198	+14,074	+12,550	
Trust Funds	5,813	5,851	5,813	5,851	5,851	+38	+38	---	
OFFICE OF THE INSPECTOR GENERAL:									
Federal Funds	36,808	39,497	39,497	39,497	39,497	+2,689	---	---	D
HIPAA funding (NA)	(160,000)	(160,000)	(160,000)	(160,000)	(160,000)	---	---	---	NA
Total, Inspector General program level	(196,808)	(199,497)	(199,497)	(199,497)	(199,497)	(+2,689)	---	---	

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate	
OFFICE FOR CIVIL RIGHTS:									
Federal Funds	30,131	30,936	30,936	30,936	30,936	+805	---	---	D
Trust Funds	3,292	3,314	3,314	3,314	3,314	+22	---	---	TF
Total, Office for Civil Rights	33,423	34,250	34,250	34,250	34,250	+827	---	---	
POLICY RESEARCH:									
Federal Funds	2,483	2,499	2,483	---	---	-2,483	-2,483	---	D
Evaluation Tap funding (NA)	(18,000)	(21,000)	(18,000)	(23,499)	(20,750)	(+2,750)	(+2,750)	(-2,749)	NA
Total, Policy Research	20,483	23,499	20,483	23,499	20,750	+267	+267	-2,749	
MEDICAL BENEFITS FOR COMMISSIONED OFFICERS									
Retirement payments	218,984	234,000	234,000	234,000	234,000	+15,016	---	---	M
Survivors benefits	14,102	15,001	15,001	15,001	15,001	+899	---	---	M
Dependents' medical care	76,931	54,391	80,867	80,867	80,867	+3,936	---	---	M
Total, Medical benefits for Com Officers (indef)	310,017	303,392	329,868	329,868	329,868	+19,851	---	---	
Comm. Corps Medicare Elig. Healthcare Accrual	---	12,973	---	---	---	---	---	---	D
Total, Medical benefits for comm. officers	310,017	316,365	329,868	329,868	329,868	+19,851	---	---	

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate	
PUBLIC HEALTH AND SOCIAL SERVICE EMERGENCY FUND									
HRSA Homeland security activities	584,451	618,173	545,870	578,064	545,870	-38,581	---	-32,194	D
CDC Homeland security activities	1,235,424	1,116,156	1,116,156	1,116,156	1,116,156	-119,268	---	---	D
AHRQ Homeland security activities	4,967	---	---	---	---	-4,967	---	---	D
Office of the Secretary Homeland sercurity activities	62,405	61,820	64,820	61,820	64,820	+2,415	---	+3,000	D
Other PHSSEF Homeland security activities	---	100,000	50,000	100,000	50,000	+50,000	---	-50,000	D
Total, PHSSEF	1,887,247	1,896,149	1,776,846	1,856,040	1,776,846	-110,401	---	-79,194	
Total, Office of the Secretary	2,620,951	2,642,711	2,532,041	2,610,314	2,543,670	-77,281	+11,629	-66,644	
Federal Funds	2,611,846	2,633,546	2,522,914	2,601,149	2,534,505	-77,341	+11,591	-66,644	
Trust Funds	9,105	9,165	9,127	9,165	9,165	+60	+38	---	
Total, Title II, Dept of Health & Human Services	318,535,692	353,090,488	359,449,360	353,641,369	360,415,184	+41,879,492	+965,824	+6,773,815	
Federal Funds	315,961,696	350,347,816	356,742,208	350,924,601	357,741,025	+41,779,329	+998,817	+6,816,424	
Current year	(259,854,710)	(287,563,841)	(293,958,233)	(288,140,626)	(294,957,050)	(+35,102,340)	(+998,817)	(+6,816,424)	
FY 2005	(56,106,986)	(62,783,975)	(62,783,975)	(62,783,975)	(62,783,975)	(+6,676,989)	---	---	
Trust Funds	2,573,996	2,742,672	2,707,152	2,716,768	2,674,159	+100,163	-32,993	-42,609	

Title II Footnotes:
1/ Senate displays Children's GME as part of Consolidated Health Professions.
2/ Total provided in Senate bill is $2,000 less due to a bill language discrepancy.
3/ Includes Mine Safety and Health.

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate		
TITLE III - DEPARTMENT OF EDUCATION										
EDUCATION FOR THE DISADVANTAGED										
Grants to Local Educational Agencies (LEAs)										
Basic Grants										
Advance from prior year 1/	(4,011,272)	(4,255,272)	(2,011,272)	(2,011,272)	(2,011,272)	(-2,000,000)	---	---	NA	
Forward funded	2,848,533	5,158,199	5,158,199	5,158,199	5,220,199	+2,371,666	+62,000	+62,000	D	FF
Current funded	3,477	3,500	3,500	3,500	3,500	+23	---	---	D	
Subtotal, Basic grants current year approp.	2,852,010	5,161,699	5,161,699	5,161,699	5,223,699	+2,371,689	+62,000	+62,000	D	
Subtotal, Basic grants total funds available	(6,863,282)	(9,416,971)	(7,172,971)	(7,172,971)	(7,234,971)	(+371,689)	(+62,000)	(+62,000)		
Basic Grants FY 2005 Advance	4,255,272	2,011,272	2,011,272	1,945,583	1,883,584	-2,371,688	-127,688	-61,999	D	
Subtotal, Basic grants, program level	7,107,282	7,172,971	7,172,971	7,107,282	7,107,283	+1	-65,688	+1		
Concentration Grants										
Advance from prior year	(1,365,031)	(1,365,031)	(1,365,031)	(1,365,031)	(1,365,031)	---	---	---	NA	
FY 2005 Advance	1,365,031	1,365,031	1,365,031	1,365,031	1,365,031	---	---	---	D	
Subtotal, Concentration Grants program level	1,365,031	1,365,031	1,365,031	1,365,031	1,365,031	---	---	---		
Targeted Grants										
Advance from prior year	(1,018,499)	(1,670,239)	(1,670,239)	(1,670,239)	(1,670,239)	(+651,740)	---	---	NA	
FY 2005 Advance	1,670,239	3,018,499	3,018,499	1,670,239	1,969,843	+299,604	-1,048,656	+299,604	D	
Subtotal, Targeted Grants program level	1,670,239	3,018,499	3,018,499	1,670,239	1,969,843	+299,604	-1,048,656	+299,604		

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate		
Education Finance Incentive Grants										
Advance from prior year	(793,499)	(1,541,759)	(1,541,759)	(1,541,759)	(1,541,759)	(+748,260)	---	---	NA	
FY 2005 Advance	1,541,759	793,499	793,499	2,207,448	1,969,843	+428,084	+1,176,344	-237,605	D	
Subtotal, Education Finance Incentive Grants	1,541,759	793,499	793,499	2,207,448	1,969,843	+428,084	+1,176,344	-237,605		
Subtotal, Grants to LEAs, program level	11,684,311	12,350,000	12,350,000	12,350,000	12,412,000	+727,689	+62,000	+62,000		
Even Start	248,375	175,000	250,000	175,000	248,375	---	-1,625	+73,375	D	FF
Reading First:										
State Grants (forward funded)	798,500	855,000	855,000	805,000	835,000	+36,500	-20,000	+30,000	D	FF
Advance from prior year	(195,000)	(195,000)	(195,000)	(195,000)	(195,000)	---	---	---	NA	
FY 2005 Advance	195,000	195,000	195,000	195,000	195,000	---	---	---	D	
Subtotal, Reading First State Grants	993,500	1,050,000	1,050,000	1,000,000	1,030,000	+36,500	-20,000	+30,000		
Early Reading First	74,512	100,000	100,000	85,000	95,000	+20,488	-5,000	+10,000	D	
Literacy through School Libraries	12,419	27,500	27,500	12,419	19,960	+7,541	-7,540	+7,541	D	
State Agency Programs:										
Migrant	395,413	396,000	396,000	395,913	395,913	+500	-87	---	D	FF
Neglected and Delinquent/High Risk Youth	48,682	48,000	49,000	48,682	48,682	---	-318	---	D	FF
Subtotal, State Agency programs	444,095	444,000	445,000	444,595	444,595	+500	-405	---		
Evaluation	8,842	9,500	9,500	8,842	8,842	---	-858	---	D	
Comprehensive School Reform Demonstration	233,473	---	235,000	---	235,000	+1,527	---	+235,000	D	FF

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate		
Migrant Education:										
High School Equivalency Program	23,347	13,000	24,000	16,000	19,000	-4,347	-5,000	+3,000	D	
College Assistance Migrant Program	15,399	15,000	16,000	15,500	15,750	+351	-250	+250	D	
Subtotal, Migrant Education	38,746	28,000	40,000	31,500	34,750	-3,996	-5,250	+3,250		
Total, Education for the disadvantaged	13,738,273	14,184,000	14,507,000	14,107,356	14,528,522	+790,249	+21,522	+421,166		
Current Year	(4,710,972)	(6,800,699)	(7,123,699)	(6,724,055)	(7,145,221)	(+2,434,249)	(+21,522)	(+421,166)		
FY 2005	(9,027,301)	(7,383,301)	(7,383,301)	(7,383,301)	(7,383,301)	(-1,644,000)	---	---		
Subtotal, forward funded	(4,572,976)	(6,632,199)	(6,943,199)	(6,582,794)	(6,983,169)	(+2,410,193)	(+39,970)	(+400,375)		
IMPACT AID										
Basic Support Payments	1,025,292	867,500	1,073,000	1,030,292	1,070,000	+44,708	-3,000	+39,708	D	
Payments for Children with Disabilities	50,668	40,000	50,668	50,668	50,668	---	---	---	D	
Facilities Maintenance (Sec. 8008)	7,948	8,000	7,948	7,948	7,948	---	---	---	D	
Construction (Sec. 8007)	44,708	45,000	44,708	44,708	46,208	+1,500	+1,500	+1,500	D	
Payments for Federal Property (Sec. 8002)	59,610	55,000	62,000	59,610	62,000	+2,390	---	+2,390	D	
Total, Impact aid	1,188,226	1,015,500	1,238,324	1,193,226	1,236,824	+48,598	-1,500	+43,598		
SCHOOL IMPROVEMENT PROGRAMS										
State Grants for Improving Teacher Quality	1,780,825	1,700,000	1,780,825	1,700,000	1,510,825	-270,000	-270,000	-189,175	D	FF
Advance from prior year	(1,150,000)	(1,150,000)	(1,150,000)	(1,150,000)	(1,150,000)	---	---	---	NA	
FY 2005	1,150,000	1,150,000	1,150,000	1,150,000	1,435,000	+285,000	+285,000	+285,000	D	
Subtotal, State Grants for Improving Teacher Quality, program level	2,930,825	2,850,000	2,930,825	2,850,000	2,945,825	+15,000	+15,000	+95,825		
Early Childhood Educator Professional Development	14,902	15,000	14,902	14,902	14,902	---	---	---	D	
Mathematics and Science Partnerships	100,344	12,500	150,000	100,344	150,000	+49,656	---	+49,656	D	FF

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

						Conference vs.				
	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	FY 2003 Comparable	FY 2004 House	FY 2004 Senate		
State Grants for Innovative Education (Education Block Grant)	97,498	100,000	50,000	60,000	300,000	+202,502	+250,000	+240,000	D	FF
Advance from prior year	(285,000)	(285,000)	(285,000)	(285,000)	(285,000)	---	---	---	NA	
FY 2005	285,000	285,000	285,000	285,000	---	-285,000	-285,000	-285,000	D	
Subtotal, Education Block Grant, program level	382,498	385,000	335,000	345,000	300,000	-82,498	-35,000	-45,000		
Educational Technology:										
Educational Technology State Grants	695,947	700,500	695,947	695,947	695,947	---	---	---	D	FF
Preparing Tomorrow's Teachers to Use Technology	62,094	---	---	---	---	-62,094	---	---	D	
Subtotal, Educational Technology	758,041	700,500	695,947	695,947	695,947	-62,094	---	---		
21st Century Community Learning Centers	993,500	600,000	1,000,000	1,000,000	1,005,000	+11,500	+5,000	+5,000	D	FF
State Assessments/Enhanced Assessment Instruments.	384,484	390,000	390,000	390,000	391,600	+7,116	+1,600	+1,600	D	FF
Javits gifted talented education	11,177	---	11,177	11,177	11,177	---	---	---	D	
Foreign language assistance	16,144	---	---	17,144	16,644	+500	+16,644	-500	D	
Education for Homeless Children & Youth	54,642	50,000	60,000	60,000	60,000	+5,358	---	---	D	FF
Training and Advisory Services (Civil Rights)	7,286	7,334	7,286	7,286	7,286	---	---	---	D	
Education for Native Hawaiians	30,798	18,300	18,300	36,000	33,500	+2,702	+15,200	-2,500	D	
Alaska Native Education Equity	30,798	14,200	14,200	36,000	33,500	+2,702	+19,300	-2,500	D	
Rural Education	167,653	---	170,000	167,653	168,827	+1,174	-1,173	+1,174	D	FF
Total, School improvement programs	5,883,092	5,042,834	5,797,637	5,731,453	5,834,208	-48,884	+36,571	+102,755		
Current Year	(4,448,092)	(3,607,834)	(4,362,637)	(4,296,453)	(4,399,208)	(-48,884)	(+36,571)	(+102,755)		
FY 2005	(1,435,000)	(1,435,000)	(1,435,000)	(1,435,000)	(1,435,000)	---	---	---		
Subtotal, forward funded	(4,274,893)	(3,553,000)	(4,296,772)	(4,173,944)	(4,282,199)	(+7,306)	(-14,573)	(+108,255)		
INDIAN EDUCATION										
Grants to Local Educational Agencies	96,502	97,133	96,502	96,502	96,502	---	---	---	D	

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate	
Federal Programs:									
Special Programs for Indian Children	19,870	20,000	19,870	19,870	19,870	---	---	---	D
National Activities	5,201	5,235	5,201	5,201	5,201	---	---	---	D
Subtotal, Federal Programs	25,071	25,235	25,071	25,071	25,071	---	---	---	
Total, Indian Education	121,573	122,368	121,573	121,573	121,573	---	---	---	
INOVATION AND IMPROVEMENT									
Troops-to-Teachers	28,812	25,000	20,000	---	15,000	-13,812	-5,000	+15,000	D
Transition to Teaching	41,727	49,400	49,400	41,727	45,564	+3,837	-3,836	+3,837	D
National Writing Project	16,890	---	16,890	18,890	18,000	+1,110	+1,110	-890	D
Teaching of Traditional American History	99,350	100,000	50,000	120,000	120,000	+20,650	+70,000	---	D
School Leadership	12,419	---	12,419	12,419	12,419	---	---	---	D
Advanced Credentialing	9,935	---	16,500	9,935	18,500	+8,565	+2,000	+8,565	D
Charter Schools Grants	198,700	220,000	220,000	220,000	220,000	+21,300	---	---	D
Credit Enhancement for Charter School Facilities	24,838	100,000	75,000	---	37,500	+12,662	-37,500	+37,500	D
Voluntary Public School Choice	25,831	25,000	25,831	28,000	26,916	+1,085	+1,085	-1,084	D
Magnet Schools Assistance	109,285	110,000	109,285	109,285	109,285	---	---	---	D
Choice Incentive Fund	---	75,000	---	---	---	---	---	---	D
Fund for the Improvement of Education (FIE):									D
Current funded	398,133	59,000	91,284	168,877	355,950	-42,183	+264,666	+187,073	D
Forward funded	74,513	---	74,513	---	74,513	---	---	+74,513	D FF
Subtotal, FIE	472,646	59,000	165,797	168,877	430,463	-42,183	+264,666	+261,586	

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate		
Ready to Learn	22,850	22,000	22,000	24,000	23,000	+150	+1,000	-1,000	D	
Dropout Prevention Programs	10,929	---	---	5,000	5,000	-5,929	+5,000	---	D	
Ellender Fellowships/Close Up	1,490	---	1,490	---	1,490	---	---	+1,490	D	
Advanced Placement Fees	23,347	22,000	23,347	24,000	23,674	+327	+327	-326	D	
Total, Innovation and Improvement	1,099,049	807,400	807,959	782,133	1,106,811	+7,762	+298,852	+324,678		
Subtotal, forward funded	(74,513)	---	(74,513)	---	(74,513)	---	---	(+74,513)		
SAFE SCHOOLS AND CITIZENSHIP EDUCATION										
Safe and Drug Free Schools and Communities:										
State Grants, current funded	138,949	92,017	138,949	422,017	445,483	+306,534	+306,534	+23,466	D	FF
Advance from prior year	(330,000)	(330,000)	(330,000)	(330,000)	(330,000)	---	---	---	NA	
FY 2005	330,000	330,000	330,000	---	---	-330,000	-330,000	---	D	
State Grants, program level	468,949	422,017	468,949	422,017	445,483	-23,466	-23,466	+23,466		
National Programs	155,180	172,233	160,180	155,180	154,680	-500	-5,500	-500	D	
Community Service for Expelled or Susp'd Students	49,675	---	---	---	---	-49,675	---	---	D	FF
Alcohol Abuse Reduction	24,838	---	---	30,000	30,000	+5,162	+30,000	---	D	
Mentoring Programs	17,386	100,000	50,000	28,700	50,000	+32,614	---	+21,300	D	
Character education	24,838	25,000	24,838	24,838	24,838	---	---	---	D	
Elementary and Secondary School Counseling	32,289	---	32,289	34,000	34,000	+1,711	+1,711	---	D	
Carol E. White Physical Education for Progress	59,610	---	60,000	70,000	70,000	+10,390	+10,000	---	D	
Civic Education	28,812	27,000	28,812	28,812	28,812	---	---	---	D	

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate		
State Grants for Incarcerated Youth Offenders	23,348	---	---	25,000	25,000	+1,652	+25,000	---	D	FF
Physical Education Initiative	---	10,000	---	---	---	---	---	---	D	
Total, Safe Schools and Citizenship Education	884,925	756,250	825,068	818,547	862,813	-22,112	+37,745	+44,266		
Current Year	(554,925)	(426,250)	(495,068)	(818,547)	(862,813)	(+307,888)	(+367,745)	(+44,266)		
FY 2005	(330,000)	(330,000)	(330,000)	---	---	(-330,000)	(-330,000)	---		
Subtotal, forward funded	(211,972)	(92,017)	(138,949)	(447,017)	(470,483)	(+258,511)	(+331,534)	(+23,466)		
ENGLISH LANGUAGE ACQUISITION										
Current funded	194,726	665,000	124,972	127,741	124,957	-69,769	-15	-2,784	D	
Forward funded	490,789	---	560,543	541,259	560,301	+69,512	-242	+19,042	D	FF
Total, English Language Acquisition	685,515	665,000	685,515	669,000	685,258	-257	-257	+16,258		
SPECIAL EDUCATION										
State Grants:										
Grants to States Part B advance funded	5,672,000	5,072,000	5,072,000	5,402,000	5,413,000	-259,000	+341,000	+11,000	D	
Part B advance from prior year	(5,072,000)	(5,672,000)	(5,672,000)	(5,672,000)	(5,672,000)	(+600,000)	---	---	NA	
Grants to States Part B current year	3,202,398	4,456,533	4,802,398	5,656,533	4,716,398	+1,514,000	-86,000	-940,135	D	FF
Subtotal, Grants to States, program level	8,874,398	9,528,533	9,874,398	11,058,533	10,129,398	+1,255,000	+255,000	-929,135		
Preschool Grants	387,465	390,000	390,000	390,000	390,000	+2,535	---	---	D	FF
Grants for Infants and Families	434,159	447,000	447,000	447,000	447,000	+12,841	---	---	D	FF
Subtotal, State grants, program level	9,696,022	10,365,533	10,711,398	11,895,533	10,966,398	+1,270,376	+255,000	-929,135		

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

						Conference vs.				
	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	FY 2003 Comparable	FY 2004 House	FY 2004 Senate		
IDEA National Activities (current funded):										
State Program Improvement Grants	51,364	44,000	51,364	44,000	51,364	---	---	+7,364	D	FF
Research and Innovation	76,710	78,380	77,210	77,210	78,589	+1,879	+1,379	+1,379	D	
Technical Assistance and Dissemination	53,133	53,481	53,481	53,133	53,133	---	-348	---	D	
Personnel Preparation	91,899	90,000	91,899	91,899	91,899	---	---	---	D	
Parent Information Centers	26,328	26,000	26,328	26,328	26,328	---	---	---	D	
Technology and Media Services	37,961	32,710	38,110	39,361	39,361	+1,400	+1,251	---	D	
Subtotal, IDEA special programs	337,395	324,571	338,392	331,931	340,674	+3,279	+2,282	+8,743		
Total, Special education	10,033,417	10,690,104	11,049,790	12,227,464	11,307,072	+1,273,655	+257,282	-920,392		
Current Year	(4,361,417)	(5,618,104)	(5,977,790)	(6,825,464)	(5,894,072)	(+1,532,655)	(-83,718)	(-931,392)		
FY 2005	(5,672,000)	(5,072,000)	(5,072,000)	(5,402,000)	(5,413,000)	(-259,000)	(+341,000)	(+11,000)		
Subtotal, Forward funded	(4,075,386)	(5,337,533)	(5,690,762)	(6,537,533)	(5,604,762)	(+1,529,376)	(-86,000)	(-932,771)		
REHABILITATION SERVICES AND DISABILITY RESEARCH										
Vocational Rehabilitation State Grants	2,533,492	2,584,162	2,584,162	2,584,162	2,584,162	+50,670	---	---	M	
Vocational Rehabilitation Incentive Grants	---	84,490	---	---	---	---	---	---	D	
Client Assistance State grants	12,068	11,897	12,068	12,068	12,068	---	---	---	D	
Training	39,371	42,629	39,371	39,371	39,371	---	---	---	D	
Demonstration and training programs	21,395	24,492	20,895	20,895	23,930	+2,535	+3,035	+3,035	D	
Migrant and seasonal farmworkers	2,335	---	2,335	2,335	2,335	---	---	---	D	
Recreational programs	2,579	---	2,579	2,579	2,579	---	---	---	D	
Protection and advocacy of individual rights (PAIR)	16,890	17,880	16,890	16,890	16,890	---	---	---	D	
Projects with industry	21,928	---	21,928	21,928	21,928	---	---	---	D	
Supported employment State grants	37,904	---	37,904	37,904	37,904	---	---	---	D	

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

						Conference vs.			
	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	FY 2003 Comparable	FY 2004 House	FY 2004 Senate	
Independent living:									
State grants	22,151	22,296	22,296	22,151	22,151	---	-145	---	D
Centers	69,545	69,500	75,000	69,545	74,000	+4,455	-1,000	+4,455	D
Services for older blind individuals	27,818	25,000	32,000	27,818	32,000	+4,182	---	+4,182	D
Subtotal, Independent living	119,514	116,796	129,296	119,514	128,151	+8,637	-1,145	+8,637	
Program Improvement	894	850	894	894	894	---	---	---	D
Evaluation	994	1,000	994	994	994	---	---	---	D
Helen Keller National Center for Deaf/Blind	8,660	8,717	8,717	8,717	8,717	+57	---	---	D
National Inst. Disability and Rehab. Research (NIDRR)	109,285	110,000	110,000	109,285	107,285	-2,000	-2,715	-2,000	D
Assistive Technology	26,824	---	11,132	26,824	26,097	-727	+14,965	-727	D
Subtotal, discretionary programs	420,841	418,751	415,003	420,198	429,143	+8,502	+14,140	+8,945	
Total, Rehabilitation services	2,954,133	3,002,913	2,999,165	3,004,360	3,013,305	+59,172	+14,140	+8,945	
SPECIAL INSTITUTIONS FOR PERSONS WITH DISABILITIES									
AMERICAN PRINTING HOUSE FOR THE BLIND	15,399	14,000	16,500	16,500	16,500	+1,101	---	---	D
NATIONAL TECHNICAL INSTITUTE FOR THE DEAF (NTID):									
Operations	52,109	49,414	53,500	53,433	53,433	+1,324	-67	---	D
Endowment	---	1,000	---	---	---	---	---	---	D
Construction	1,590	367	367	367	367	-1,223	---	---	D
Total, NTID	53,699	50,781	53,867	53,800	53,800	+101	-67	---	

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

						Conference vs.				
	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	FY 2003 Comparable	FY 2004 House	FY 2004 Senate		
GALLAUDET UNIVERSITY										
Operations	97,798	93,446	100,600	100,800	100,800	+3,002	+200	---	D	
Endowment	---	1,000	---	---	---	---	---	---	D	
Total, Gallaudet University	97,798	94,446	100,600	100,800	100,800	+3,002	+200	---		
Total, Special Institutions for Persons with Disabilities	166,896	159,227	170,967	171,100	171,100	+4,204	+133	---		
VOCATIONAL AND ADULT EDUCATION										
Vocational Education:										
Basic State Grants/Secondary & Technical Education State Grants, current funded 2/	401,200	209,000	409,000	401,200	411,100	+9,900	+2,100	+9,900	D	FF
Advance from prior year	(791,000)	(791,000)	(791,000)	(791,000)	(791,000)	---	---	---	NA	
FY 2005	791,000	791,000	791,000	791,000	791,000	---	---	---	D	
Subtotal, Basic State Grants, program level	1,192,200	1,000,000	1,200,000	1,192,200	1,202,100	+9,900	+2,100	+9,900		
Tech-Prep Education State Grants	107,298	---	107,298	107,298	107,298	---	---	---	D	FF
National Programs	11,922	---	11,922	11,922	11,922	---	---	---	D	FF
Tech-Prep Education Demonstration	4,968	---	---	4,968	4,968	---	+4,968	---	D	FF
Tribally Controlled Postsec Voc/Tech Institutions	6,955	6,500	6,955	7,500	7,228	+273	+273	-272	D	
Occupational and Employment Information Program	9,438	---	---	9,438	9,438	---	+9,438	---	D	FF
Subtotal, Vocational Education	1,332,781	1,006,500	1,326,175	1,333,326	1,342,954	+10,173	+16,779	+9,628		
Adult Education:										
State Grants/Adult basic and literacy education: State Grants, current funded 2/	571,262	584,300	584,300	571,262	577,781	+6,519	-6,519	+6,519	D	FF

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate		
National Programs										
National Leadership Activities	9,438	---	9,438	9,223	9,223	-215	-215	---	D	FF
National Institute for Literacy	6,517	6,732	6,517	6,732	6,732	+215	+215	---	D	FF
Subtotal, National programs	15,955	6,732	15,955	15,955	15,955	---	---	---		
Subtotal, Adult education	587,217	591,032	600,255	587,217	593,736	+6,519	-6,519	+6,519		
Smaller Learning Communities, current funded	8,047	---	8,750	8,047	8,750	+703	---	+703	D	
Smaller Learning Communities, forward funded	152,900	---	166,250	152,900	166,250	+13,350	---	+13,350	D	FF
Community Technology Centers	32,264	---	---	20,000	10,000	-22,264	+10,000	-10,000	D	
Total, Vocational and adult education	2,113,209	1,597,532	2,101,430	2,101,490	2,121,690	+8,481	+20,260	+20,200		
Current Year	(1,322,209)	(806,532)	(1,310,430)	(1,310,490)	(1,330,690)	(+8,481)	(+20,260)	(+20,200)		
FY 2005	(791,000)	(791,000)	(791,000)	(791,000)	(791,000)	---	---	---		
Subtotal, forward funded	(1,274,943)	(800,032)	(1,294,725)	(1,274,943)	(1,304,712)	(+29,769)	(+9,987)	(+29,769)		
STUDENT FINANCIAL ASSISTANCE										
Pell Grants -- maximum grant (NA)	(4,050)	(4,000)	(4,050)	(4,050)	(4,050)	---	---	---	NA	
Pell Grants -- Regular Program	11,364,646	12,715,000	12,250,000	12,176,683	12,077,998	+713,352	-172,002	-98,685	D	
Federal Supplemental Educational Opportunity Grants	760,028	725,000	760,028	760,028	775,028	+15,000	+15,000	+15,000	D	
Federal Work Study	1,004,428	1,011,000	1,004,428	1,004,428	1,004,428	---	---	---	D	
Federal Perkins Loans:										
Capital Contributions	99,350	---	99,350	99,350	99,350	---	---	---	D	
Loan Cancellations	67,061	67,500	67,061	67,061	67,061	---	---	---	D	
Subtotal, Federal Perkins loans	166,411	67,500	166,411	166,411	166,411	---	---	---		

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate	
LEAP program	66,565	---	66,565	66,565	66,565	---	---	---	D
Loan Forgiveness for Child Care	994	---	---	---	---	-994	---	---	D
Total, Student Financial Assistance	13,363,072	14,518,500	14,247,432	14,174,115	14,090,430	+727,358	-157,002	-83,685	
STUDENT AID ADMINISTRATION									
Administrative Costs	104,703	947,010	120,010	104,703	118,010	+13,307	-2,000	+13,307	D
Fed Direct Student Loan Reclassification (Leg prop)	---	-795,000	---	---	---	---	---	---	D
HIGHER EDUCATION									
Aid for Institutional Development:									
Strengthening Institutions	81,467	76,275	81,467	81,467	81,467	---	---	---	D
Hispanic Serving Institutions	92,396	93,551	93,551	94,551	94,551	+2,155	+1,000	---	D
Strengthening Historically Black Colleges (HBCUs)	214,015	224,086	224,086	224,086	224,086	+10,071	---	---	D
Strengthening historically black graduate insts	53,415	53,302	53,415	53,415	53,415	---	---	---	D
Strengthening Alaska & Hawaiian-Serving Insts	8,180	4,048	8,180	11,000	11,000	+2,820	+2,820	---	D
Strengthening Tribal Colleges	22,850	19,037	22,850	24,000	23,425	+575	+575	-575	D
Subtotal, Aid for Institutional development	472,323	470,299	483,549	488,519	487,944	+15,621	+4,395	-575	
International Education and Foreign Language:									
Domestic Programs	93,240	88,000	93,240	86,240	89,740	-3,500	-3,500	+3,500	D
Overseas Programs	12,916	13,000	12,916	12,916	12,916	---	---	---	D
Institute for International Public Policy	1,639	1,500	1,639	1,639	1,639	---	---	---	D
Subtotal, International Education & Foreign Lang	107,795	102,500	107,795	100,795	104,295	-3,500	-3,500	+3,500	
Fund for the Improvement of Postsec. Ed. (FIPSE)	171,064	39,138	34,138	32,201	155,311	-15,753	+121,173	+123,110	D

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate	
Minority Science and Engineering Improvement..........	8,942	8,500	8,942	8,942	8,942	---	---	---	D
Interest Subsidy Grants..............................	2,980	2,000	2,000	2,000	2,000	-980	---	---	D
Federal TRIO Programs................................	827,089	802,500	835,000	840,000	837,500	+10,411	+2,500	-2,500	D
GEAR UP..	293,082	285,000	300,000	300,000	300,000	+6,918	---	---	D
Byrd Honors Scholarships.............................	40,734	41,001	40,734	41,000	41,000	+266	+266	---	D
Javits Fellowships...................................	9,935	10,000	9,935	9,935	9,935	---	---	---	D
Graduate Assistance in Areas of National Need.........	30,798	31,000	30,798	30,798	30,798	---	---	---	D
Teacher Quality Enhancement Grants...................	89,415	90,000	90,000	89,415	89,415	---	-585	---	D
Child Care Access Means Parents in School.	16,194	15,000	15,000	16,194	16,194	---	+1,194	---	D
Demonstration in Disabilities / Higher Education......	6,954	---	6,954	6,954	6,954	---	---	---	D
Underground Railroad Program.........................	2,235	---	2,235	2,235	2,235	---	---	---	D
GPRA data/HEA program evaluation.....................	994	1,000	994	994	994	---	---	---	D
Thurgood Marshall Scholarships.......................	4,968	---	4,968	---	---	-4,968	-4,968	---	D
B.J. Stupak Olympic Scholarships.....................	994	---	994	---	994	---	---	+994	D
Total, Higher education..............................	2,086,496	1,897,938	1,974,036	1,969,982	2,084,511	+8,015	+120,475	+124,529	
NATIONAL SECURITY EDUCATION TRUST FUND 3/.............	---	8,000	---	---	---	---	---	---	
HOWARD UNIVERSITY									
Academic Program.....................................	204,690	207,100	208,170	204,690	206,430	+1,740	-1,740	+1,740	D
Endowment Program....................................	3,573	---	3,600	3,573	3,573	---	-27	---	D
Howard University Hospital...........................	30,177	30,374	31,000	30,177	30,177	---	-823	---	D
Total, Howard University.............................	238,440	237,474	242,770	238,440	240,180	+1,740	-2,590	+1,740	

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate	
College Housing and Academic Facilities Loans Program: (CHAFL)	757	774	774	774	774	+17	---	---	D
HBCU Capital Financing Program -- Federal Adm.	207	210	210	210	210	+3	---	---	D
INSTITUTE OF EDUCATION SCIENCES									
Research and Statistics:									
Research	139,090	185,000	185,000	144,090	166,500	+27,410	-18,500	+22,410	D
Statewide data systems	---	---	---	80,000	---	---	---	-80,000	D
Regional Educational Laboratories	67,061	---	67,061	67,061	67,061	---	---	---	D
Statistics	89,415	95,000	95,000	89,415	92,208	+2,793	-2,792	+2,793	D
Assessment:									
National Assessment	90,235	90,825	90,825	90,235	90,235	---	-590	---	D
National Assessment Governing Board	4,532	5,090	5,090	4,532	5,090	+558	---	+558	D
Subtotal, Assessment	94,767	95,915	95,915	94,767	95,325	+558	-590	+558	
Subtotal, Research and statistics	390,333	375,915	442,976	475,333	421,094	+30,761	-21,882	-54,239	
Multi-year Grants and Contracts	57,623	---	57,623	57,623	57,623	---	---	---	D
Total, IES	447,956	375,915	500,599	532,956	478,717	+30,761	-21,882	-54,239	

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate	
DEPARTMENTAL MANAGEMENT									
PROGRAM ADMINISTRATION	409,863	434,494	434,494	349,730	425,000	+15,137	-9,494	+75,270	D
OFFICE FOR CIVIL RIGHTS	85,715	91,275	91,275	77,884	89,275	+3,560	-2,000	+11,391	D
OFFICE OF THE INSPECTOR GENERAL	40,734	48,137	48,137	37,661	47,137	+6,403	-1,000	+9,476	D
Total, Departmental management	536,312	573,906	573,906	465,275	561,412	+25,100	-12,494	+96,137	
Total: Elementary and Secondary Education Act programs	23,793,864	22,593,352	24,158,076	23,604,235	24,581,009	+767,145	+402,933	+956,774	
Total, Title III, Department of Education	55,646,251	55,807,855	57,964,165	58,414,157	58,573,420	+2,927,169	+609,255	+159,263	
Current Year	(38,390,950)	(40,796,554)	(42,952,864)	(43,402,856)	(43,551,119)	(+5,160,169)	(+598,255)	(+148,283)	
FY 2005	(17,255,301)	(15,011,301)	(15,011,301)	(15,011,301)	(15,022,301)	(-2,233,000)	(+11,000)	(+11,000)	

Title III Footnotes:
1/ Reclassification of advance appropriations.
2/ FY 2004 request assumes passage of proposed legislation renaming these State grant programs.
3/ In fiscal years 2003 and 2004, $8 million provided for this program in Defense Appropriations Acts.

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate	
TITLE IV - RELATED AGENCIES ARMED FORCES RETIREMENT HOME									
Operations and Maintenance	61,839	63,296	63,296	63,296	63,296	+1,457	---	---	D
Capital Program	5,732	1,983	1,983	1,983	1,983	-3,749	---	---	D
Total, AFRH	67,571	65,279	65,279	65,279	65,279	-2,292	---	---	
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE 1/									
Volunteers in Service to America (VISTA)	93,674	94,287	93,674	94,287	94,287	+613	+613	---	D
Volunteers in Homeland Security	9,935	20,000	5,000	9,935	9,935	---	+4,935	---	D
National Senior Volunteer Corps:									
Foster Grandparents Program	110,775	106,700	110,775	110,775	110,775	---	---	---	D
Senior Companion Program	46,260	46,563	46,260	46,563	46,260	---	---	-303	D
Retired Senior Volunteer Program	58,501	58,884	58,501	58,884	58,501	---	---	-383	D
Senior Demonstration Program	397	---	397	397	---	-397	-397	-397	D
Subtotal, Senior Volunteers	215,933	212,147	215,933	216,619	215,536	-397	-397	-1,083	
Program Administration	34,346	38,229	38,229	34,346	36,685	+2,339	-1,544	+2,339	D
Total, Domestic Volunteer Service Programs	353,888	364,663	352,836	355,187	356,443	+2,555	+3,607	+1,256	
CORPORATION FOR PUBLIC BROADCASTING:									
FY 2006 (current) with FY 2005 comparable	390,000	---	330,000	400,000	400,000	+10,000	+70,000	---	D
FY 2005 advance with FY 2004 comparable (NA)	(380,000)	(390,000)	(390,000)	(390,000)	(390,000)	(+10,000)	---	---	NA
FY 2004 advance with FY 2003 comparable (NA)	(362,627)	(380,000)	(380,000)	(380,000)	(380,000)	(+17,373)	---	---	NA
Digitalization program, current funded	48,427	---	---	55,000	50,000	+1,573	+50,000	-5,000	D
Funds provided in P.L. 107-116	---	(80,000)	(80,000)	---	---	---	(-80,000)	---	

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate	
Interconnection, current funded	---	---	---	10,000	10,000	+10,000	+10,000	---	D
Funds provided in P.L. 107-116	---	(20,000)	(20,000)	---	---	---	(-20,000)	---	
Subtotal, FY 2004 appropriation	48,427	---	---	65,000	60,000	+11,573	+60,000	-5,000	
Subtotal, FY 2004 comparable	(48,427)	(100,000)	(100,000)	(65,000)	(60,000)	(+11,573)	(-40,000)	(-5,000)	
FEDERAL MEDIATION AND CONCILIATION SERVICE	41,156	42,885	43,385	43,385	43,385	+2,229	---	---	D
FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION	7,131	7,774	7,774	7,774	7,774	+643	---	---	D
INSTITUTE OF MUSEUM AND LIBRARY SERVICES	243,889	242,024	238,126	243,889	262,596	+18,707	+24,470	+18,707	D
MEDICARE PAYMENT ADVISORY COMMISSION	8,529	9,300	9,000	9,000	9,300	+771	+300	+300	TF
NATIONAL COMMISSION ON LIBRARIES AND INFO SCIENCE	1,003	1,000	1,000	1,000	1,000	-3	---	---	D
NATIONAL COUNCIL ON DISABILITY	2,839	2,830	2,830	3,339	3,039	+200	+209	-300	D
NATIONAL LABOR RELATIONS BOARD	237,429	243,073	239,429	246,073	244,073	+6,644	+4,644	-2,000	D
NATIONAL MEDIATION BOARD	11,241	11,421	11,421	11,421	11,421	+180	---	---	D
OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION	9,610	10,115	10,115	9,610	9,863	+253	-252	+253	D
RAILROAD RETIREMENT BOARD									
Dual Benefits Payments Account	131,142	127,000	119,000	127,000	119,000	-12,142	---	-8,000	D
Less Income Tax Receipts on Dual Benefits	-7,948	-8,000	-8,000	-8,000	-8,000	-52	---	---	D
Subtotal, Dual Benefits	123,194	119,000	111,000	119,000	111,000	-12,194	---	-8,000	
Federal Payment to the RR Retirement Account	150	150	150	150	150	---	---	---	M
Limitation on Administration	99,350	99,820	101,300	99,350	101,300	+1,950	---	+1,950	TF
Inspector General	6,322	6,600	6,600	6,322	6,600	+278	---	+278	TF

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate	
SOCIAL SECURITY ADMINISTRATION									
Payments to Social Security Trust Funds	20,400	21,658	21,658	21,658	21,658	+1,258	---	---	M
SUPPLEMENTAL SECURITY INCOME									
Federal benefit payments	31,795,664	34,198,000	34,198,000	34,198,000	34,198,000	+2,402,336	---	---	M
Beneficiary services	45,728	100,000	100,000	100,000	100,000	+54,272	---	---	M
Research and demonstration	38,000	30,000	30,000	38,000	38,000	---	+8,000	---	M
Administration	2,825,000	3,034,000	2,973,300	3,034,000	2,973,300	+148,300	---	-60,700	D
Subtotal, SSI program level	34,704,392	37,362,000	37,301,300	37,370,000	37,309,300	+2,604,908	+8,000	-60,700	
Less funds advanced in prior year	-10,790,000	-11,080,000	-11,080,000	-11,080,000	-11,080,000	-290,000	---	---	M
Subtotal, regular SSI current year	23,914,392	26,282,000	26,221,300	26,290,000	26,229,300	+2,314,908	+8,000	-60,700	
Plus User Fee Activities	111,000	120,000	120,000	120,000	120,000	+9,000	---	---	D
Total, SSI, current request	24,025,392	26,402,000	26,341,300	26,410,000	26,349,300	+2,323,908	+8,000	-60,700	
New advance, 1st quarter, FY 2005	11,080,000	12,590,000	12,590,000	12,590,000	12,590,000	+1,510,000	---	---	M
Total, SSI program	35,105,392	38,992,000	38,931,300	39,000,000	38,939,300	+3,833,908	+8,000	-60,700	
LIMITATION ON ADMINISTRATIVE EXPENSES									
OASDI Trust Funds	3,736,783	4,192,200	4,108,300	4,192,200	4,108,300	+371,517	---	-83,900	TF
HI/SMI Trust Funds	1,210,554	1,182,000	1,158,400	1,182,000	1,158,400	-52,154	---	-23,600	TF
Social Security Advisory Board	1,800	1,800	1,800	1,800	1,800	---	---	---	TF
SSI	2,825,000	3,034,000	2,973,300	3,034,000	2,973,300	+148,300	---	-60,700	TF
Subtotal, regular LAE	7,774,137	8,410,000	8,241,800	8,410,000	8,241,800	+467,663	---	-168,200	

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

						Conference vs.			
	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	FY 2003 Comparable	FY 2004 House	FY 2004 Senate	
User Fee Activities (SSI)	111,000	120,000	120,000	120,000	120,000	+9,000	---	---	TF
Total, Limitation on Administrative Expenses	7,885,137	8,530,000	8,361,800	8,530,000	8,361,800	+476,663	---	-168,200	
OFFICE OF INSPECTOR GENERAL									
Federal Funds	20,863	25,000	24,500	20,863	24,500	+3,637	---	+3,637	D
Trust Funds	61,597	65,000	63,700	61,597	63,700	+2,103	---	+2,103	TF
Total, Office of Inspector General	82,460	90,000	88,200	82,460	88,200	+5,740	---	+5,740	
Adjustment: Trust fund transfers from general revenues	-2,936,000	-3,154,000	-3,093,300	-3,154,000	-3,093,300	-157,300	---	+60,700	TF
Total, Social Security Administration	40,157,389	44,479,658	44,309,658	44,460,118	44,317,658	+4,160,269	+8,000	-162,460	
Federal funds	35,146,655	39,038,658	38,977,458	39,042,521	38,985,458	+3,838,803	+8,000	-57,063	
Current year	(24,066,655)	(26,448,658)	(26,387,458)	(26,452,521)	(26,395,458)	(+2,328,803)	(+8,000)	(-57,063)	
New advances, 1st quarter	(11,080,000)	(12,590,000)	(12,590,000)	(12,590,000)	(12,590,000)	(+1,510,000)	---	---	
Trust funds	5,010,734	5,441,000	5,332,200	5,437,597	5,332,200	+321,466	---	-105,397	
UNITED STATES INSTITUTE OF PEACE	16,256	17,200	17,200	17,200	17,200	+944	---	---	D
Total, Title IV, Related Agencies	41,825,374	45,722,792	45,857,103	46,183,097	46,028,081	+4,202,707	+170,978	-155,016	
Federal Funds	36,700,439	40,166,072	40,408,003	40,630,828	40,578,681	+3,878,242	+170,678	-52,147	
Current Year	(25,230,439)	(27,576,072)	(27,488,003)	(27,640,828)	(27,588,681)	(+2,358,242)	(+100,678)	(-52,147)	
FY 2005 Advance	(11,080,000)	(12,590,000)	(12,590,000)	(12,590,000)	(12,590,000)	(+1,510,000)	---	---	
FY 2006 Advance	(390,000)	---	(330,000)	(400,000)	(400,000)	(+10,000)	(+70,000)	---	
Trust Funds	5,124,935	5,556,720	5,449,100	5,552,269	5,449,400	+324,465	+300	-102,869	

Title IV Footnotes:

1/ Appropriations for Americorps are provided in the VA-HUD bill.

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate
SUMMARY								
Federal Funds	419,505,080	457,534,706	466,427,942	461,449,776	468,404,526	+48,899,446	+1,976,584	+6,954,750
Current year	(332,112,793)	(364,598,430)	(373,161,866)	(368,113,500)	(375,057,250)	(+42,944,457)	(+1,895,584)	(+6,943,750)
2005 advance	(87,002,287)	(92,936,276)	(92,936,276)	(92,936,276)	(92,947,276)	(+5,944,989)	(+11,000)	(+11,000)
2006 advance	(390,000)	---	(330,000)	(400,000)	(400,000)	(+10,000)	(+70,000)	---
Trust Funds	11,465,390	12,162,642	11,978,994	12,103,203	11,941,428	+456,038	-37,566	-161,775
Grand Total	430,990,470	469,697,348	478,406,936	473,552,979	480,345,954	+49,355,484	+1,939,018	+6,792,975

LABOR-HEALTH and HUMAN SERVICES-EDUCATION AND RELATED AGENCIES
(Amounts in thousands)

	FY 2003 Comparable	FY 2004 Request	House	Senate	Conference	Conference vs. FY 2003 Comparable	Conference vs. FY 2004 House	Conference vs. FY 2004 Senate
BUDGET ENFORCEMENT ACT RECAP								
Mandatory, total in bill	296,311,317	334,126,478	340,152,954	334,207,954	340,207,954	+43,896,637	+55,000	+6,000,000
Less advances for subsequent years	-65,883,986	-74,061,975	-74,061,975	-74,061,975	-74,061,975	-8,177,989	---	---
Plus advances provided in prior years	60,353,937	65,883,986	65,883,986	65,883,986	65,883,986	+5,530,049	---	---
Total, mandatory, current year	290,781,268	325,948,489	331,974,965	326,029,965	332,029,965	+41,248,697	+55,000	+6,000,000
Discretionary, total in bill	134,679,153	135,570,870	138,253,982	139,345,025	140,138,000	+5,458,847	+1,884,018	+792,975
Less advances for subsequent years	-21,508,301	-18,874,301	-19,204,301	-19,274,301	-19,285,301	+2,223,000	-81,000	-11,000
Plus advances provided in prior years	19,220,918	21,498,301	19,254,301	19,254,301	19,254,301	+33,383	---	---
Scorekeeping adjustments:								
SSA User Fee Collection	-111,000	-120,000	-120,000	-120,000	-120,000	-9,000	---	---
Repatriation, change in statutory cap	5,000	---	---	---	---	-5,000	---	---
AWIU contingency	70,000	---	---	---	---	-70,000	---	---
Adjustment-OMB Mandatory scoring in Voc Rehab.	---	-84,490	---	---	---	---	---	---
CMS User Fees	---	---	-98,000	---	---	---	+98,000	---
CDC Management/IT Savings	---	---	-49,982	---	---	---	+49,982	---
Railroad retirement	---	---	---	-8,000	---	---	---	+8,000
Welfare to Work rescission	---	---	---	-210,833	-176,000	-176,000	-176,000	+34,833
CPB FY 2003 S&E adjustment	182	---	---	---	---	-182	---	---
Customs user fees	---	---	---	-1,317,000	---	---	---	+1,317,000
Across the board admin. expenses reduction	---	---	---	-113,190	-50,000	-50,000	-50,000	+63,190
Total, discretionary	132,355,952	137,990,380	138,036,000	137,556,002	139,761,000	+7,405,048	+1,725,000	+2,204,998
Adjustment to balance with 2003 enacted	-70,000	---	---	---	---	+70,000	---	---
Total, discretionary (FY 2003 enacted)	132,285,952	137,990,380	138,036,000	137,556,002	139,761,000	+7,475,048	+1,725,000	+2,204,998
Grand total, current year (incl FY 2003 comparable)	423,137,220	463,938,869	470,010,965	463,585,967	471,790,965	+48,653,745	+1,780,000	+8,204,998
Grand total, current year (incl FY 2003 enacted)	423,067,220	463,938,869	470,010,965	463,585,967	471,790,965	+48,723,745	+1,780,000	+8,204,998

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 2004 recommended by the Committee of Conference, with comparisons to the fiscal year 2003 amount, the 2004 budget estimates, and the House and Senate bills for 2004 follow:

[In thousands of dollars]

New budget (obligational) authority, fiscal year 2003	$430,990,470
Budget estimates of new (obligational) authority, fiscal year 2004	469,697,348
House bill, fiscal year 2004	478,406,936
Senate bill, fiscal year 2004	473,552,979
Conference agreement, fiscal year 2004	480,345,954
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 2003	+49,355,484
Budget estimates of new (obligational) authority, fiscal year 2004	+10,648,606
House bill, fiscal year 2004	+1,939,018
Senate bill, fiscal year 2004	+6,792,975

DIVISION F—DEPARTMENTS OF TRANSPORTATION AND TREASURY, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 2004

CONGRESSIONAL DIRECTIVES

The conferees agree that Executive Branch propensities cannot substitute for Congress's own statements concerning the best evidence of Congressional intentions; that is, the official reports of the Congress. The committee of conference approves report language included by the House (House Report 108–243) or the Senate (Senate Report 108–146) that is not changed by the conference. The statement of the managers, while repeating some report language for emphasis, is not intended to negate the language referred to above unless expressly provided herein.

TITLE I—DEPARTMENT OF TRANSPORTATION

OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

The conference agreement provides $80,903,000 for the salaries and expenses of the office of the secretary instead of $94,077,000 as proposed by the House and $91,276,000 as proposed by the Senate. Bill language is included that specifies amounts by office, consistent with actions in prior years, and limits transfers among each office to no more than 5 percent. The bill language specifies that any transfer greater than 5 percent shall be submitted for approval to the House and Senate Committees on Appropriations. Bill language, as proposed by both the House and the Senate, allows the Department to spend up to $60,000 for official reception and representation activities, and credits to the appropriation up to $2,500,000 in user fee receipts.

The following table summarizes the appropriation for each office:

Immediate office of the Secretary	$2,210,000
Immediate office of the Deputy Secretary	700,000
Office of the General Counsel	15,403,000
Under Secretary of Transportation for Policy	12,312,000
Office of the Assistant Secretary for Budget and Programs	8,536,000
Office of the Assistant Secretary for Governmental Affairs	2,300,000
Office of the Assistant Secretary for Administration	24,612,000
Office of Public Affairs	1,915,000
Executive Secretariat	1,447,000
Board of Contract Appeals	700,000
Office of Small and Disadvantaged Business Utilization	1,268,000
Office of the Chief Information Officer	7,500,000
Office of Intelligence and Security	2,000,000

Implementation of Air Transportation Safety and System Stabilization Act for cargo carriers.—The conferees expect that the Department would administer funds made available under title I of the Air Transportation Safety and System Stabilization Act without discrimination among directly competitive air carriers and note that comparable percentages of the notional maximum amount of compensation payable under section 103(b)(2) of that Act provides a credible check on the Department's allocation decisions. Further, the conferees expect that the Secretary will defer any final determination on disputed claims until the Comptroller General's review is completed, and would refer any remaining disputed claims to an administrative law judge upon an affected claimant's request. In addition, the Department is directed to provide the report requested by the Senate.

Congressional justification materials.—The conferees direct the office of the secretary to submit its congressional justification materials in support of the individual offices of the offices of the secretary at the same level of detail provided in the congressional justifications presented in fiscal year 2003, and to submit annual Congressional budget justifications for each modal administration to the House and Senate Committees on Appropriations on the date on which the President's budget is delivered officially to Congress.

Office of Intelligence and Security.—The conferees acknowledge the mission of this office has changed significantly since enactment of the Aviation and Transportation Security Act. Consequently, the conferees direct the Secretary to submit, not later than March 1, 2004, a report to the House and Senate Committees on Appropriations describing in detail the organization, mission, and responsibilities of this office, as well as a five year projection of staffing and budget resources.

Outstanding reports.—The conference agreement continues the longstanding policy expressed in the Senate report directing the Office of the Assistant Secretary for Budget and Programs to report quarterly on the status of all outstanding Congressional reports and reporting requirements, including the degree of delinquency of Congressionally requested reports and an estimated date for delivery. The conferees note that not only are many reports themselves late, but in fiscal year 2003, the quarterly compilation described herein was itself only submitted in one of four quarters required. The conferees will work with the office of the secretary to ensure that this situation improves in the coming year.

Cyber threat intelligence.—The conferees recognize the importance of utilizing proactive cyber threat intelligence to protect the critical infrastructure assets of the department. The conferees encourage the department to deploy a performance-based cyber threat intelligence service that contains the aggregation of known technical vulnerabilities, original technical vulnerability research, geopolitical cyber threat analysis, malicious code research and predictive cyber threat analysis. The conferees also recognize that many serious cyber attacks originate from non-English-speaking regions of the world. As such, the cyber threat intelligence services described above must include a demonstrated ability to collect cyber threat intelligence in multiple languages, including Arabic.

Grant notifications to Congress.—The conferees agree that the report, directed by the Senate, submitting options for providing grant notifications in electronic format should be submitted to the House and Senate Committees on Appropriations not later than December 31, 2003.

OFFICE OF CIVIL RIGHTS

The conference agreement provides $8,569,000 for the office of civil rights as proposed by the House and the Senate.

TRANSPORTATION PLANNING, RESEARCH, AND DEVELOPMENT

The conference agreement provides $20,864,000 for transportation planning, research, and development instead of $8,336,000 as proposed by the House and $15,836,000 as proposed by the Senate. Adjustments to the budget request are as follows:

	Conference agreement
Aviation and international policy studies	−$2,472,000
Circumpolar infrastructure task force, Artic Council and Northern Forum, AK	1,000,000
Center for Integrated Transportation & Traffic Systems, AZ	600,000
Center for Spatial Technologies, MS	700,000
Integrated data query sharing system for maritime domain awareness, WA	1,100,000
Regional Interstate Commerce and Transportation Policy Harmonization Project, SD	250,000
UA Transportation Hybrid Electric Vehicle & Fuel Cell Research Program, AL	1,250,000
WestStart Vehicular Flywheel Project, WA	1,000,000
Worcester Polytechnic University Center for Human Impact Protection System, MA	350,000
Interstate digital image exchange project	2,000,000
Northern Illinois University Transportation Fuel Cell Research, Illinois	750,000
Data Exchange Technology Demonstration, NH	500,000
PVTA Hydrogen Battery and Electric Bus Program, MA	1,000,000
NC State University Center for Transportation and the Environment, NC	1,000,000
National Transit Institute, Rutgers Univ.—TELLUM Project, NJ	500,000
San Francisco Muni Alternative Fuels New Technology Consortium, CA	500,000

Interstate digital image exchange project and online verification of birth records.—The conference agreement provides $2,000,000 to expand the interstate digital image exchange and for pilot projects to conduct online verification of birth and death records nationwide. Amounts shall be made available by contract or by grant to the American Association of Motor Vehicle Administrators, states, or other appropriate entities the Secretary deems necessary.

WORKING CAPITAL FUND

The conference agreement includes a limitation of $116,715,000 for working capital fund activities as proposed by the House and the Senate. The conferees further agree to a general provision proposed by the Senate reducing funds for this account.

MINORITY BUSINESS RESOURCE CENTER PROGRAM

The conference agreement provides an appropriation of $900,000 for the minority business resource center program and limits loans under the program to $18,367,000, as proposed by both the House and the Senate.

MINORITY BUSINESS OUTREACH

The conference agreement provides $3,000,000 for minority business outreach as proposed by the House and the Senate.

PAYMENTS TO AIR CARRIERS

(AIRPORT AND AIRWAY TRUST FUND)

The conference agreement provides $52,000,000 for payments to air carriers, to be derived from the airport and airway trust fund, as proposed by the Senate. The House proposed $63,000,000 from the airport and airway trust fund under the Federal Aviation Administration. In addition to these funds, the program will receive $50,000,000 in mandatory spending pursuant to the Federal Aviation Authorization Act of 1996, resulting in a program budget of $102,000,000. Funding is to be derived from the airport and airway trust fund and is available until expended, as proposed by both the House and Senate.

Cost-sharing pilot program.—The conference agreement includes language proposed by the Senate prohibiting the implementation of a mandatory cost-sharing pilot program.

FEDERAL AVIATION ADMINISTRATION

OPERATIONS

The conference agreement includes $7,530,925,000 for operations of the Federal Aviation Administration, instead of $7,532,000,000 proposed by the House and $7,535,648,000 proposed by the Senate. Of the total amount provided, $4,500,000,000 is to be derived from the airport and airway trust fund instead of $4,043,000,000 proposed by the House and $6,000,000,000 proposed by the Senate. Funds are distributed in the bill by budget activity, as proposed by the Senate.

Contract tower cost-sharing.—The bill specifies $6,500,000 for continuation of the contract tower cost-sharing program as proposed by the Senate instead of $7,500,000 as proposed by the House.

Rule implementing exemption process for mandatory retirement.—The conference agreement includes language proposed by the House requiring the Secretary of Transportation to issue, not later than March 1, 2004, final regulations establishing an exemption process for individual air traffic controllers to delay mandatory retirement until not later than age 61. The Senate bill included no similar provision.

Level of operational air traffic control supervisors.—The conference agreement includes language proposed by the House specifying that $4,000,000 of funds under this heading are available only to raise the level of operational air traffic control supervisors to 1,726. The Senate bill included no similar provision.

Memoranda of understanding.—The conference agreement modifies language proposed by the House related to the implementation of memoranda of understanding or memoranda of agreement between FAA and its bargaining units. The modification would prohibit funds from continuing to implement an existing MOU or MOA if such documents are not filed in a central registry after January 1, 2004.

Administration of government credit cards.—The agreement includes language proposed by the House related to FAA management of government credit cards. The Senate bill included no similar provision.

The following table compares the conference agreement to the President's budget and the levels proposed in the House and Senate bills by budget activity:

	House bill	Senate bill	Conference agreement
Air Traffic Services	$6,096,800,0001	$6,096,800,000	$6,096,800,000
Adjustments to the budget estimate:			
Delete additional controller staffing	−14,095,000		−14,095,000
Controller in charge payments	−1,250,000		−1,250,000
First line supervisory staffing	4,000,000		4,000,000
Contract tower cost-sharing	7,500,000	6,500,000	6,500,000
NAS handoff	−16,231,000		−16,231,000
Medallion program		4,000,000	3,000,000
Unspecified		−60,000,000	−25,000,00
Amount recommended	6,076,724,000	6,047,300,000	6,053,724,000
Aviation Regulation and Certification	873,374,000	873,374,000	873,374,000
Adjustments to the budget estimate:			
Alien species action plan	−3,000,000		0
Medallion program	−1,500,000		0
Transfer of staffing from Office of Policy	1,321,000		0
Transfer from F&E CFMSS and ASIS	1,120,000		1,120,000
Drug and alcohol compliance testing	−810,000		−810,000
Non-precision GPS approaches		5,000,000	3,000,000
Unspecified		−5,000,000	0
System approach for safety oversight			3,000,000
ASKME project			1,000,000
Amount recommended	870,505,000	873,374,000	880,684,000
Research and Acquisitions	218,481,000	218,481,000	218,481,000
Adjustments to the budget estimate: Amount recommended	218,481,000	218,481,000	218,481,000
Commercial Space Transportation	12,601,000	12,601,000	12,601,000
Adjustments to the budget estimate: Reduction on staffing	−825,000		−825,000
Amount recommended	11,776,000	12,601,000	11,776,000
Financial Services	49,783,000	49,783,000	49,783,000
Adjustments to the budget estimate: Amount recommended	49,783,000	49,783,000	49,783,000
Human Resource Management	82,029,000	82,029,000	82,029,000
Adjustments to the budget estimate:			
Organizational development staff	−375,000		0
Additional reduction to assumed base	−6,287,000	−5,000,000	−5,500,000
Amount recommended	75,357,000	77,029,000	76,529,000
Regions and Centers	84,749,000	84,749,000	84,749,000
Adjustments to the budget estimate: Restore base reduction	3,000,000		2,000 000
Amount recommended	87,749,000	84,749,000	86,749,000
Staff Offices	143,150,000	143,150,000	143,150,000
Adjustments to the budget estimate:			
International program—staffing reduction	−1,000,000		0
Transfer of Policy staff to AVR	−1,321,000		0
Office of Public Affairs staffing	−200,000		−200,000
Office of Civil Rights	−200,000		−200,000
Unallocated		−500,000	−500,000
Amount recommended	140,429,000	142,650,000	142,250,000

	House bill	Senate bill	Conference agreement
Information Services	29,681,000	29,681,000	29,681,000
Adjustments to the budget estimate: Amount recommended	29,681,000	29,681,000	29,681,000
Accountwide Adjustments:			
Official time savings	−6,500,000	....	−6,500,000
Janitorial and guard services	−2,504,000	....	−2,504,000
TASC costs	−6,275,000	....	−2,000,000
Cash awards	−3,228,000	....	−3,228,000
Civil aviation security positions	−500,000	....	−500,000
Improved mgmt of govt. credit cards	−500,000	....	0
Travel	−8,988,000	....	−4,000,000
Amount recommended	−28,495,000	....	−18,732,000
Total recommended	7,532,000,000	7,535,648,000	7,530,925,000

Deployable flight incident recorders.—The conferees are aware of technology that makes flight data recorders, cockpit voice recorders, and emergency locator transmitters more survivable and recoverable, such as through systems integrating these devices into one unit combined with crash sensors, allowing them to eject automatically from an aircraft upon impact and thus delivering them safely away from the impact site. The conferees encourage the FAA to investigate and consider implementing regulations that incorporate such systems into the commercial air traffic fleet.

Commercial space launch regulations.—For over four decades, the U.S. Air Force has supervised commercial space launch operations at Cape Canaveral Air Force Station and other federal ranges, resulting in an impeccable safety record. The conferees have been advised that the FAA is considering commercial space launch regulations, and are concerned that the FAA not introduce new regulations that are unnecessary, duplicative, or which introduce undue costs relative to existing Air Force regulations on this industry.

Non-precision GPS approaches.—The conference agreement provides an additional $3,000,000 to continue work to develop and publish an increased number of non-precision instrument approaches for airports that are not part 139 certified.

International Summit on Aviation Safety and Security.—The conferees acknowledge the success of the International Summit on Aviation Safety and Security established by the George Washington University, and urge the FAA to continue funding as long as the agency believes that it enhances aviation safety and security.

Administration of potential shortfall due to essential air service transfer.—The conferees agree that the FAA Administrator has the flexibility to propose the use of funds in either the "Operations" or "Facilities and equipment" appropriations to address any shortfalls in essential air service funding for which FAA resources are required under existing law. The Administrator is directed to advise the House and Senate Committees on Appropriations on the appropriations and programs from which these funds would be drawn.

FACILITIES AND EQUIPMENT (AIRPORT AND AIRWAY TRUST FUND)

The conference agreement includes $2,910,000,000 for "Facilities and equipment", instead of $2,900,000,000 as proposed by the House and $2,916,000,000 as proposed by the Senate. Of the total amount available, $420,841,200 is available for one year, and $2,489,158,800 is available for three years. The bill specifies that, of the total funding provided, $3,000,000 is for audit services to be performed by the Defense Contract Audit Agency, instead of $7,000,000 as proposed by the House; and $25,000,000 is for the Houston area air traffic system, instead of $20,000,000 as proposed by the House. The conference agreement does not include the $100,000,000 proposed by the Senate for transfer to the "Grants-in-aid for airports" program. Funds for this program are provided in their entirety under "Grants-in-aid for airports".

The following table provides a breakdown of the House and Senate bills and the conference agreement by program: a25no7.446

Item	FY 2004 estimate	House	Senate	Conference agreement
Category 1: Improve Aviation Safety	$273,900,000	$274,180,000	$266,800,000	$280,780,000
Terminal Business Unit	137,600,000	135,600,000	112,500,000	122,100,000
Aviation Weather Services Improvements	13,200,000	13,200,000	22,200,000	22,200,000
Low Level Windshear Alert System (LLWAS)—Upgrade	3,900,000	3,900,000	2,700,000	2,700,000
Aviation Safety Analysis System (ASAS)	13,900,000	12,100,000	6,900,000	6,900,000
Integrated Flight Quality Assurance (IFQA)	2,100,000	0	500,000	0
Safe Flight 21	30,300,000	30,300,000	30,300,000	30,300,000
Advanced Technology Development and Prototyping	42,800,000	52,600,000	76,600,000	70,100,000
Aircraft Related Equipment Program	13,700,000	12,580,000	9,200,000	12,580,000
National Aviation Safety Data Analysis Center (NASDAC)	1,900,000	1,900,000	1,900,000	1,900,000
Louisville, KY technology demonstration	0	8,000,000	0	8,000,000
Volcano Monitoring	0	0	4,000,000	4,000,000
System Approach for Safety Oversight	12,000,000	3,000,000	0	0
Aviation Safety Knowledge Management Environment	2,500,000	1,000,000	0	0
Category 2: Improve Efficiency of the Air Traffic Control System	934,128,300	926,773,300	1,010,003,300	1,005,895,000
Terminal Business Unit	458,128,300	0	479,978,300	0
Standard Terminal Automation System Replacement	0	119,800,000	....	119,800,000
ARTS/DBRITE Sustainment	0	30,000,000	....	25,000,000
Terminal Interim Remote Tower Displays	0	2,500,000	....	2,500,000
Tower Datalink Services (TDLS)	0	2,500,000	0	2,500,000
ATCBI–6	0	20,000,000	....	20,000,000
ATC En Route Radar Facilities Improvements	0	2,700,000	....	2,700,000
Terminal ATC Facilities Replacement	0	151,245,000	....	158,245,000
ATC'TRACON Facilities Improvement	0	38,478,300	....	42,000,000
Terminal Digital Radar (ASR–11)	0	80,000,000	....	75,000,000
ASR–9 SLEP	0	21,950,000	....	23,000,000
Terminal Applied Engineering	0	3,400,000	....	4,000,000
Precision Runway Monitors	0	8,000,000	....	8,000,000
Houston Area Air Traffic System	0	20,000,000	....	25,000,000
PCS Moves	0	200,000	....	200,000
New York Integrated Control Complex	0	2,000,000	....	5,000,000
ARSR–4 Automated Technical Documentation	0	0	0	3,000,000
Aeronautical Data Link (ADL) Applications	23,150,000	6,550,000	13,000,000	10,000,000
Free Flight Phase 2	113,100,000	100,000,000	105,100,000	100,000,000
Air Traffic Management (ATM)	13,000,000	13,000,000	37,500,000	37,500,000
Free Flight Phase 1	37,400,000	27,000,000	37,400,000	32,000,000
Automated Surface Observing System (ASOS)	11,800,000	11,800,000	11,800,000	11,800,000
Next Generation VHF Air/Ground Communications System (NEXCOM)	85,850,000	85,850,000	85,850,000	85,850,000
En route Automation Program	173,900,000	165,000,000	223,575,000	200,000,000
Weather and Radar Processor (WARP)	8,500,000	8,500,000	8,500,000	8,500,000
ATOMS Local Area/Wide Area Network	1,100,000	1,100,000	1,100,000	1,100,000
NAS Management Automation Program (NASMAP)	1,200,000	1,200,000	1,200,000	1,200,000
IDS—Flight Service Stations	2,000,000	2,000,000	0	0
IDS—Terminal Facilities	5,000,000	2,000,000	5,000,000	2,000,000
Category 3: Increase Capacity of the NAS	328,500,000	369,623,800	390,935,000	396,190,000

Item	FY 2004 estimate	House	Senate	Conference agreement
Navigation and Landing Aids	222,700,000	0	278,835,000	0
Local Area Augmentation System		28,100,000		34,400,000
Wide Area Augmentation System		117,923,800		100,000,000
VOR/DME		8,600,000		8,600,000
Approach Lighting System Improvement Program (ALSIP)		19,200,000		48,975,000
Instrument Landing System (ILS) Establishment		36,000,000		48,615,000
Runway Visual Range		7,000,000		7,000,000
DME Sustainment		4,000,000		4,000,000
NDB Sustainment		1,100,000		1,100,000
Visual Navaids (PAPI/REIL)		5,000,000		5,000,000
VASI Replace With PAPI		5,900,000		5,900,000
Navigation and Landing Aids Service Life Extension Pgm		0		0
Loran-C		25,000,000		22,500,000
Transponder Landing System (TLS)		6,000,000	6,300,000	6,300,000
Oceanic Automation System	69,000,000	69,000,000	69,000,000	67,000,000
Voice Switching and Control System (VSCS)	32,800,000	32,800,000	32,800,000	32,800,000
Instrument Approach Procedures Automation	4,000,000	4,000,000	4,000,000	4,000,000
Category 4: Improve Reliability of the NAS	472,710,000	456,240,000	268,210,000	359,440,000
Guam Center Radar Approach Control (CERAP)—Relocate	2,600,000	2,600,000	2,600,000	2,600,000
Terminal Voice Switch Replacement/Enhance TVS	12,000,000	14,200,000	18,500,000	16,000,000
Airport Cable Loop Systems—Sustained Support	5,000,000	5,000,000	6,500,000	6,500,000
En Route Automation Program	173,800,000	163,800,000	0	107,000,000
ARTCC Building Improvements/Plant Improvements	34,200,000	34,200,000	34,200,000	28,000,000
Air Traffic Management (ATM)	29,000,000	22,000,000	0	0
Critical Telecommunication Support	1,500,000	1,500,000	1,500,000	1,500,000
FAA Telecommunications Infrastructure (FTI)	51,200,000	51,200,000	51,200,000	51,200,000
Air/Ground Communications Infrastructure	24,100,000	24,100,000	24,100,000	24,100,000
Voice Recorder Replacement Program (VRRP)	3,300,000	3,300,000	3,300,000	3,300,000
NAS Infrastructure Management System (NIMS)	22,100,000	22,100,000	22,100,000	22,100,000
Flight Service Station (FSS) Modernization	5,800,000	5,800,000	5,800,000	5,800,000
FSAS Operational and Supportability Implementation System (OASIS)	19,710,000	19,710,000	19,710,000	19,710,000
Weather Message Switching Center Replacement	1,500,000	1,500,000	1,500,000	1,500,000
Flight Service Station Swtich Modernization	5,400,000	5,400,000	5,400,000	2,000,000
Alaskan NAS Interfacility Communications System (ANICS)	900,000	900,000	900,000	900,000
Electrical Power Systems—Sustain/Support	51,000,000	51,000,000	45,000,000	45,000,000
NAS Recovery Communications (RCOM)	12,000,000	12,000,000	11,600,000	9,400,000
Aeronautical Center Infrastructure Modernization	13,000,000	13,000,000	11,700,000	13,000,000
Frequency and Spectrum Engineering	3,600,00	1,930,000	2,600,000	1,930,000
NAS Interference, Detection, Location and Mitigation	1,000,000	1,000,000	0	0
Category 5: Improve the Efficiency of Mission Support	458,221,700	452,341,700	444,571,700	446,853,800
NAS Improvement of System Support Laboratory	2,700,000	2,700,000	0	0
Technical Center Facilities	14,000,000	11,000,000	3,300,000	13,000,000
Technical Center Building and Plant Support	3,500,000	3,500,000	3,500,000	3,500,000
En Route Communications and Control Facilities Improvements	1,203,390	1,203,390	1,203,390	1,203,390
DOD/FAA Facilities Transfer	1,200,000	1,200,000	3,250,000	3,250,000
Terminal Communications—Improve	1,012,000	1,012,000	112,000	112,000
Flight Service Facilities Improvement	1,276,890	1,276,890	476,890	476,890
Navigation and Landing Aids—Improve	5,929,420	5,929,420	5,929,420	5,929,420
FAA Buildings and Equipment	11,200,000	11,200,000	11,200,000	11,200,000
Air Navigational Aids and ATC Facilities (Local Projects)	2,200,000	2,200,000	2,200,000	2,200,000
Computer Aided Eng and Graphics (CAEG) Modernization	2,000,000	2,000,000	1,000,000	1,000,000
Information Technology Integration	1,600,000	0	1,600,00	0
NAS Aeronautical Info Management Enterprise System	10,300,000	10,300,000	10,300,000	10,300,000
Logistics Support Systems and Facilities (LSSF)	5,000,000	5,000,000	5,000,000	5,000,000
Test Equipment—Maintenance Support For Replacement	4,000,000	4,000,000	4,000,000	4,000,000
Facility Security Risk Management	41,600,000	30,000,000	36,900,000	30,000,000
Information Security	11,500,000	8,000,000	11,500,000	8,000,000
Distance Learning	1,400,000	1,400,000	1,400,000	1,400,000
National Airspace System (NAS) Training Facilities	4,200,000	4,200,000	4,200,000	4,200,000
System Engineering and Development Support	28,300,000	28,300,000	25,300,000	25,300,000
Program Support Leases	41,100,000	41,100,000	41,100,000	41,100,000
Logistics Support Services (LSS)	7,900,000	7,900,000	7,900,000	7,900,000
Mike Monroney Aeronautical Center—Leases	14,600,000	14,600,000	14,600,000	14,600,000
In-Plant NAS Contract Support Services	2,800,000	9,800,000	0	0
DCAA Audits	0	0	0	3,000,000
Transition Engineering Support	39,800,000	39,800,000	35,000,000	35,000,000
FAA Corporate Systems Architecture	1,000,000	1,000,000	0	0
Technical Support Services Contract (TSSC)	47,600,000	47,600,000	46,700,000	42,562,400
Resource Tracking Program (RTP)	3,600,000	3,600,000	3,600,000	3,600,000
Center for Advanced Aviation System Development	90,800,00	84,620,000	82,000,000	84,620,000
Operational Evolution Plan	2,000,000	0	26,000,000	21,000,000
NAS Facilities OSHA and Environmental Standards Compliance	28,300,000	28,300,000	28,300,000	28,300,000
Fuel Storage Tank Replacement and Monitoring	5,600,000	5,600,000	7,500,000	5,600,000
Hazardous Materials Management	19,000,000	19,000,000	19,000,000	19,000,000
Research Aircraft Replacement	0	15,000,000	0	10,000,000
Category 6: PCB&T Only	448,540,000	420,841,200	435,480,000	420,841,200
Personnel and Related Expenses	448,540,000	420,841,200	435,480,000	420,841,200
Category 7: Accountwide Adjustments	0	0	100,000,000	0
Airports Grants	0	0	100,000,000	0
Totals	2,916,000,000	2,900,000,000	2,916,000,000	2,910,000,000

Terminal air traffic control facilities replacement.—The conference agreement provides $158,245,000 for this program. Funds shall be distributed as follows:

Location	*Conference agreement*
Atlanta, GA	4,159,900
Cleveland, OH	4,000,000
Morristown, NJ	1,300,000
Dayton, OH	4,000,000
Wilkes Barre, PA	920,000
Oshkosh, WI	385,000
Toledo, OH	975,000
Abilene, TX	1,760,000
Cahokia, IL	625,000
Memphis, TN	5,000,000
Baltimore, MD	600,000
Deer Valley, AZ	5,658,300
Oakland, CA	21,636,600
Manchester, NH	8,300,000
St. Louis, MO (Tracon)	1,195,500
Addison Field, Dallas, TX	2,005,000
Reno, NV	2,000,000
Seattle, WA	2,000,000
Seattle, WA (Tracon)	5,280,000
Fort Wayne, IN	1,220,000
Newark, NJ	500,000
Port Columbus, OH	700,000
Billings, MT	3,000,000
Savannah, GA	1,000,000
Newburgh, NY	1,500,000
Richmond, VA	1,000,000
Vero Beach, FL	750,000
Everett, WA	2,000,000
Roanoke, VA	1,500,000
Merrimack, NH (Tracon)	3,217,700
Phoenix, AZ	3,027,000

Location	*Conference agreement*
Warrenton, VA	4,110,000
Dulles International, Chantilly, VA	4,500,000
Topeka, KS	1,500,000
Newport News, VA	2,000,000
Battle Creek, MI	1,000,000
Mathis, CA	4,300,000
Huntsville International	8,000,000
Front Range Airport, CO	2,920,000
McCarran International, NV	4,000,000
Cherry Capital Airport, MI	4,000,000
Spokane International, WA	8,000,000
Boise Airport, ID	4,000,000
Phoenix Sky Harbor, AZ	2,000,000
Tulsa International Airport, OK	2,500,000
Kalamazoo/Battle Creek Intl, MI	2,500,000
Palm Beach International, FL	1,600,000
Provo, UT	1,000,000
Missoula, MT	3,000,000
Las Cruces, NM	1,100,000
Traverse City, MI	2,000,000
Long Island, NY	1,000,000
John C. Stennis, Pascagoula, MS	2,000,000
Total	158,245,000

Precision runway monitors.—The conferees expect the FAA to proceed with the acquisition, installation, and operation of a precision runway monitor at Cleveland Hopkins International Airport. The City of Cleveland has devoted significant time and effort to facilitate the acquisition of a PRM system to complement runway improvements at the airport. Because the PRM is a key component of the overall modernization effort, the conferees expect FAA to proceed expeditiously with this project to ensure the PRM is operational when the new runway opens in the year 2004.

Advanced technology development and prototyping.—The conference agreement includes $70,100,000 for advanced technology development and prototyping instead of $52,600,000 as proposed by the House and $76,600,000 as proposed by the Senate. The following table compares the conference agreement to the House and Senate bills by budget activity:

	House bill	Senate bill	Conference agreement
Runway incursion	$8,200,000	$8,200,000	$8,200,000
Aviation system capacity improvement	6,500,000	6,500,000	6,500,000
Separation standards	2,500,000	2,500,000	2,500,000
Airspace management laboratory	7,000,000	0	0
GA/vertical flight technology	1,400,000	1,400,000	1,400,000
Operational concept validation	2,700,000	2,700,000	2,700,000
Software engineering	1,500,000	0	0
NAS requirements development	3,000,000	3,000,000	3,000,000
Domestic RVSM	1,900,000	1,900,000	1,900,000
Safer skies	3,400,000	3,400,000	3,400,000
Lithium technologies to mitigate ASR	1,000,000	0	1,000,000
Wind/weather research, Juneau, AK	0	6,000,000	6,000,000
Phased array radar technology	3,000,000	0	3,000,000
Airport research	7,500,000	15,000,000	12,000,000
Fogeye	0	0	2,000,000
Required navigation performance (RNP)	2,000,000	0	0
NAS safety assessment	1,000,000	1,000,000	1,000,000
Automated airborne flight alert system		3,500,000	3,000,000
Cabin air quality research		8,500,000	8,500,000
Pulsed fast neutron analysis (PFNA)		7,500,000	4,000,000
Unspecified		5,500,000	0
Total	52,600,000	76,600,000	70,100,000

Airport research.—Of the $12,000,000 provided, $4,000,000 is for the airfield improvement program under section 905 of Public Law 106–181 and to expand the program to include asphalt; and $1,500,000 is to continue evaluation of the runway obstruction warning system at Gulfport-Biloxi Airport, MS, as proposed by the Senate.

Automated airborne flight alert system.—The conference agreement provides $3,000,000 for the Automated Airborne Flight Alert System (AAFAS). The AAFAS program is a demonstration of a prototype rapid response capability to transmit flight data from commercial-type aircraft using data management and communications equipment already installed on most modern aircraft through software modernization. The conferees agree that the funding is a continuation of previous AAFAS work presently underway.

Pulsed fast neutron analysis.—The conferees agree to provide $4,000,000 for a demonstration of pulsed fast neutron analysis technology at George W. Bush Intercontinental Airport in Houston, Texas, instead of $7,500,000 proposed by the Senate. The conferees direct FAA to provide a status report on this demonstration to the House and Senate Committees on Appropriations no later than July 1, 2004.

Standard terminal automation replacement system (STARS).—In a recent audit, the Inspector General has raised several concerns over the deployment strategy for the STARS system, and has recommended that the FAA perform detailed life cycle cost analyses justifying the costs and benefits of replacing the common ARTS sites with STARS. While the conferees support the STARS program, it is not clear at this time whether the most cost-effective strategy would result in an all-STARS deployment, or one where common ARTS and STARS are both maintained in the national airspace system. The conferees direct the agency not to obligate the government contractually during fiscal year 2004 to actions which would involve replacement of common ARTS systems or ARTS color displays until the Inspector General reviews and validates the life cycle cost studies and other relevant analyses provided to FAA's Joint Resources Council to justify and re-baseline the program. However, this does not prohibit the agency from including such activities in contract options that the agency could exercise after full review and approval is received. The conferees are neutral on the issue of STARS deployment, and await the FAA's detailed analyses and the Inspector General's review.

En route automation.—The conferees provide $307,700,000 for en route automation, a reduction of $40,000,000 below the budget estimate. The conferees agree that this program requires close scrutiny, including the IG review directed by the Senate.

Approach lighting system improvement program.—The conference agreement for this program shall be distributed as follows:

Location	Item	Conference agreement
Items included in budget		$14,200,000
Max Westheimer Airport, OK	Install MALSR with REIL and ILS	800,000
Gary/Chicago Airport, IN	Replace naviad; upgrade RVR; centerline lighting	1,200,000
Baton Rouge Metro, LA	Category II runway lighting	1,000,000
North Las Vegas and Henderson Executive, NV	REILs	500,000
Lambert St. Louis Intl, MO	Navaids; ASDE–X; ATCT; PRM; ALSF–2 relocate	2,000,000
Hartsfield International, GA	Install ALSF–2 on runway 26R and 27L	2,000,000
Cincinnati International, OH	Navaids for new north-south runway, 17/35	2,000,000
Wichita Mid-Continent, KS	Instrument approach lighting, runway 19L	500,000
Colonel James Jabara Airport, KS	Instrument approach lighting	600,000
Various nationwide	National procurement of MALSR systems	5,000,000
Alaska statewide-rural lighting phase III	Airfield lighting	8,000,000
Bessmer Regional, AL	Lights and navigation aids	250,000
Cleveland Hopkins International, OH	Precision approach path indicators (PAPI)	175,000
False Pass, AK	Navigational lighting	2,000,000
Green County Regional, GA	MALSR	250,000
Hartsfield International, GA	ALSF–2 approach lighting system (5th runway)	2,000,000
Rhode Island Airport Corporation	REIL and PAPI	2,500,000
Seattle-Tacoma International, WA	Approach lighting for runway 16	4,000,000
Total		48,975,000

Instrument landing system establishment.—The conference agreement for this program shall be distributed as follows:

Location	Item	Conference agreement
Items in President's budget	Various nationwide	$20,700,000
Reduction to President's budget	Various nationwide	– 2,700,000
Gadsden Airport, AL	Purchase and install ILS	2,000,000
McCook Municipal, NE	Purchase and install ILS	910,000
Leesburg Executive, VA	Purchase and install ILS/glideslope	1,000,000
Baxter County Regional, AR	Purchase and install ILS	1,000,000
Logan Airport, UT	Purchase and install ILS with MALSR	1,750,000

Location	Item	Conference agreement
Lee Gilmer Memorial, GA	Purchase and install ILS	1,000,000
Eugene Airport, OR	Install category I ILS with ALS, PAPI, REILs	750,000
Harnett County Airport, NC	Purchase and install ILS	700,000
Eagle River Union A/P, WI	Install localizer, ALS, and DME	625,000
Anson County Airport, NC	ILS and AWOS	1,500,000
Freeman Municipal Airport, IN	Glidescope and AWOS	355,000
Bishop Airport, CA	Purchase and install ILS	800,000
Stevens Point Municipal, WI	Install ILS, DME, glideslope, localizer, MALSR and outer marker	1,500,000
Cleveland Hopkins Intl, OH	Purchase and install ILS on runway 10; 2 PAPIs	1,500,000
Big Sandy Airport, KY	Purchase and install ILS	300,000
Williamsburg/Whitley Cty, KY	Purchase and install ILS	1,000,000
Baraboo-Wisconsin Dells, WI	Unspecified	375,000
Baton Rouge Municipal, LA	Unspecified	500,000
Cincinnati/N. Kentucky Intl, OH	Unspecified	1,500,000
Craig SPB, AK	Unspecified	2,000,000
Eagle County Regional, CO	Unspecified	2,000,000
North Little Rock Municipal, AR	Unspecified	1,200,000
Eastern Iowa, IA	Unspecified	1,500,000
O'Hare International, Chicago, IL	Unspecified	1,500,000
Olive Branch, MS	Unspecified	850,000
Sumter Municipal, SC	Unspecified	1,500,000
Western Nebraska Regional/William B. Helig Field, NE	Unspecified	1,000,000
Total		48,615,000

Oceanic automation system.—The conferees agree to an IG audit of this program, as proposed by the Senate, but direct the IG to compare FAA's pursuit of oceanic automation capabilities not only to the experience of NavCanada, but to Airservices Australia and other major oceanic ATC service providers.

New York integrated control complex.—The conferees agree to provide $5,000,000 for continued analysis of a New York integrated control complex as proposed by the Senate instead of $2,000,000 proposed by the House. While the conferees support further analysis of this potential consolidation, such project should not receive higher funding or schedule priority than the Houston area air traffic system, which preceded it in time and is projected to provide significant benefit to air traffic in that region. Given future budget constraints, it is likely that the agency will have to phase consolidation projects, no matter how meritorious. First funding priority should be given to the Houston project, which is already underway.

Determination of operations versus capital budgeting.—The House and Senate Committees have noted several instances this year of activities budgeted in the capital appropriation that appear to be ongoing operating expenses. In many cases, these expenses have been either denied or transferred to the operations budget. While the conferees understand there is significant pressure on FAA's operating budget, those pressures should be addressed by controlling or avoiding the expenses directly, rather than by transferring them to another account. To gain further insight into this issue, the conferees direct the U.S. General Accounting Office to conduct an audit of FAA's policies for determining when an expense should be budgeted in the operating budget or the capital budget. This should include a detailed look at policies and practices for budgeting personnel compensation, benefits, travel, and related expenses in the capital budget. In addition, the conferees request the GAO to compare these policies to those of the Department of Defense and other civilian agencies with large acquisition budgets. This report should be submitted to the House and Senate Committees on Appropriations by April 15, 2004.

Free flight phase one.—The conferees believe that some of the activities presented under this program appear to be for sustaining engineering or similar operating expenses. The conferees encourage FAA to include those expenses in the agency's operating budget in future budget requests.

Global communication, navigation, and surveillance systems initiative.—The conference agreement includes $20,000,000 for the global communication, navigation, and surveillance systems (GCNSS) initiative. The conferees direct the FAA to submit a report on this initiative to the House and Senate Committees on Appropriations no later than March 31, 2004. The report should detail the status of planned fiscal year 2004 activities for the program as well as the anticipated future funding requirements for this initiative.

VOR/DME.—The conferees agree that, of the funds provided for VOR/DME, the following allocations shall be made, as proposed by the House: Sarasota/Bradenton International Airport, FL (relocate VORTAC, including land acquisition), $4,500,000; John F. Kennedy Memorial Airport, WI (install VOR and DME), $400,000; and Rice Lake Regional Airport, WI (install VOR and DME), $400,000.

Facilities at the FAA Technical Center.—The conferees request the FAA Administrator to submit a report to the House and Senate Committees on Appropriations, no later than February 15, 2004, concerning the status of civil aviation security research and development facilities at the FAA Technical Center. The report should address any facilities or space formally transferred to the Department of Homeland Security as well as cost savings attributable to such transfer. The responsibilities for civil aviation security were largely transferred to DHS in 2001. Although the FAA had several security-related facilities at the FAA Technical Center, it is not yet clear from budget documentation whether appropriate facilities costs and support costs have been adjusted to reflect the transfer of this mission.

Facility security risk management.—The conferees are not clear why this program has such a large unobligated balance, given the agency's internal reprogramming of funds to accelerate these projects in late 2001 and supplemental funding provided in the same year. The FAA is directed to provide a report, no later than January 15, 2004, to the House and Senate Committees on Appropriations explaining the cause of the unobligated balance and the agency's plan to eliminate it. Considering this backlog, the conference agreement provides $30,000,000 as proposed by the House instead of $36,900,000 as proposed by the Senate.

DCAA audits.—The conferees share the concern of the House that FAA should not be curtailing Defense Contract Audit Agency (DCAA) audits when ongoing programs still suffer major cost overruns and billing disputes. When this responsibility was transferred to individual modes from the Office of Inspector General a few years ago, the IG warned that agencies should not be allowed to reduce or eliminate those audits. Unfortunately, due to lax management the agency has done just that. The conferees re-emphasize to FAA that these valuable audits should be increased and used on most, if not all, major acquisition programs of the agency. The conference agreement includes $3,000,000 solely for this purpose.

FACILITIES AND EQUIPMENT

(AIRPORT AND AIRWAY TRUST FUND)

(RESCISSION)

The conference agreement includes a rescission of unobligated balances from "Facilities and equipment" of $30,000,000. The Secretary is directed to advise the House and Senate Committees on Appropriations on the distribution of this rescission prior to its implementation.

RESEARCH, ENGINEERING, AND DEVELOPMENT

(AIRPORT AND AIRWAY TRUST FUND)

The conference agreement provides $119,439,000 for research, engineering, and development instead of $108,000,000 as proposed by the House and $118,939,000 as proposed by the Senate. The following table compares the conference agreement to the budget estimate and the House and Senate bills by budget activity:

Program	House bill	Senate bill	Conference agreement
Improve Aviation Safety:			
Reduce commercial aviation fatalities:			
Fire research and safety	$8,458,000	$8,725,000	$9,725,000
Propulsion and fuel systems	802,000	4,802,000	4,802,000
Advanced materials/structural safety	1,244,000	5,244,000	5,744,000
Flight safety/atmospheric hazards	3,217,000	4,217,000	3,217,000
Aging aircraft	18,336,000	17,036,000	17,036,000
Aircraft catastrophic failure prevention	762,000	762,000	762,000

Program	House bill	Senate bill	Conference agreement
Flightdeck safety/systems integration	6,782,000	6,782,000	6,782,000
Reduce general aviation fatalities:			
Propulsion and fuel systems	344,000	1,344,000	1,844,000
Advanced materials/structural safety	1,522,000	1,522,000	1,522,000
Flight safety/atmospheric hazards	1,378,000	1,378,000	1,378,000
Aging aircraft	3,584,000	3,584,000	3,584,000
Flightdeck safety/systems integration	1,612,000	1,612,000	1,612,000
Aviation System Safety:			
Aviation safety risk analysis	6,926,000	7,898,000	7,898,000
ATC/AF human factors	8,899,000	8,899,000	8,899,000
Aeromedical research	6,382,000	9,382,000	8,882,000
Weather research	20,852,000	20,852,000	20,852,000
Improve Efficiency of the ATC System: Weather research efficiency	5,000,000	3,000,000	3,000,000
Reduce Environmental Impacts: Environment and energy	7,975,000	7,975,000	7,975,000
Improve Mission Efficiency:			
System planning and resource mgmt	500,000	500,000	500,000
Technical laboratory facilities	3,425,000	3,425,000	3,425,000
Total	108,000,000	118,939,000	119,439,000

REDUCE COMMERCIAL AVIATION FATALITIES

Fire research and safety.—Of the funds provided for fire research and safety, $1,000,000 is for an advanced cargo monitoring system, and $1,000,000 is for advanced reticulated polyurethane safety foam.

Propulsion and fuel systems.—Of the funds provided for propulsion and fuel systems, $3,000,000 is to study molecular markers designed to detect the adulteration or dilution of jet fuel and $1,000,000 is for the Specialty Metals Processing Consortium.

Advanced materials/structural safety.—Of the funds provided for advanced materials/structural safety, $4,000,000 is for the National Institute for Aviation Research and $500,000 is for the FAA Center for Excellence for Applied Research and Training in the Use of Advanced Materials in Transport Aircraft.

REDUCE GENERAL AVIATION FATALITIES

Propulsion and fuel systems.—Of the funds provided for propulsion and fuel systems, $1,000,000 is for ethanol fuel research as proposed by the Senate, and $500,000 is for continued research into technologies for modifications to existing general aviation piston engines to enable their safe operation using lower octane unleaded fuel.

AVIATION SYSTEM SAFETY

Aeromedical research.—Within the amount provided for aeromedical research, the conference agreement includes $2,500,000 for the studies and analysis called for in the National Research Council's study on the impact of cabin air quality on crew and passenger health.

GRANTS-IN-AID FOR AIRPORTS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(LIMITATION ON OBLIGATIONS)

(AIRPORT AND AIRWAY TRUST FUND)

The conference agreement includes a liquidating cash appropriation of $3,400,000,000, as proposed by the Senate. The House had no similar appropriation.

Obligation limitation.—The conferees agree to an obligation limitation of $3,400,000,000 for the "Grants-in-aid for airports" program as proposed by the Senate. The House bill contained no similar limitation.

Administration.—The conference agreement includes a limitation on administrative expenses of $66,254,000 instead of $66,638,000 as proposed by the Senate. The conference agreement distributes funding as follows:

Activity	*Amount*
FY03 base amount	$63,207,000
Mandatory adjustments	2,907,000
Discretionary adjustments:	
Airport financial reporting system	−500,000
PFC program analysis	−300,000
Environmental streamlining	225,000
Airport data system modification	400,000
Wildlife hazard mitigation	315,000
Total	66,254,000

Small community air service development pilot program.—The bill includes $20,000,000 under the obligation limitation to continue the small community air service development pilot program, as proposed by the Senate. The House had no similar funding. This is consistent with actions taken in fiscal years 2002 and 2003.

Installation of bulk explosive detection systems.—The bill includes a provision proposed by the Senate prohibiting funds for the replacement of baggage conveyor systems, reconfiguration of terminal baggage areas, or other airport improvements necessary to install bulk explosive detection systems. Funding responsibility for these activities has now transferred to the Department of Homeland Security.

San Diego Airport.—The conferees remain concerned over the Air Transportation Action Plan (ATAP) site selection process being conducted by the San Diego County Regional Airport Authority. The authority has selected sites for review without considering whether the potential sites are even available. Of particular concern, most of the selected sites are important active military installations which are unavailable for civilian use.

Priority consideration for letters of intent.—The conferees agree that FAA should give priority consideration to letter or intent applications for improvement projects at Gary/Chicago Airport and Birmingham International Airport during fiscal year 2004.

High priority projects.—Of the funds covered by the obligation limitation in this bill, the conferees direct FAA to provide not less than the following funding levels, out of available resources, for the following projects in the corresponding amounts. The conferees agree that state apportionment funds may be construed as discretionary funds for the purposes of implementing this provision. To the maximum extent possible, the administrator should work to ensure that airport sponsors for these projects first use available entitlement funds to finance the projects. However, the FAA should not require sponsors to apply carryover entitlements to discretionary projects funded in the coming year, but only those entitlements applicable to the fiscal year 2004 obligation limitation. The conferees further direct that the specific funding allocated above shall not diminish or prejudice the application of a specific airport or geographic region to receive other AIP discretionary grants or multiyear letters of intent.

Airports to receive priority consideration for grant funding.—The conferees agree that Slidell Airport, LA and Paulding County Airport, GA are to be given priority consideration for discretionary grant funding by the FAA during fiscal year 2004.

Airport	Project description	Conference agreement
A. L. Mangham, Jr. Regional Airport, TX	Various improvements	$2,000,000
Abbeville Regional Airport, AL	Runway Extension	1,000,000
Abilene Regional, TX	Various improvements	2,000,000
Alaska statewide airports	Runway and related improvements	3,000,000
Albany International, NY	Runway extension	750,000
Altus/Quartz Mountain Regional, OK	Infrastructure improvements	500,000
Andrews Municipal Airport, SC	Pavement reconstruction	1,000,000
Andrews Murphy Airport, NC	Various improvements	1,521,900
Anoka County-Blaine Airport, MN	Runway Extension	2,000,000
Arnold Palmer Regional, PA	Extend runway 5–25	2,500,000
Atka Airport, AK	Runway Extension	1,500,000
Augusta Regional Airport at Bush Field, GA	Terminal Construction, Runway Rehabilitation, Various improvements	2,500,000
Austin Straubel International Airport, WI	Various improvements	2,500,000
Bastrop-Morehouse Memorial Aviation Park, LA	Various improvements	800,000
Baton Rouge Metropolitan, LA	Noise mitigation; various improvements	2,100,000
Bert Mooney Airport, MT	Airport Improvements	750,000
Bessemer Airport, AL	Runway improvements, security improvements, and other improvements	1,500,000
Birmingham International Airport, AL	Land Acquisition, Runway Extension	2,000,000
Bowman Field, KY	Apron & Taxiway Reconstruction	1,500,000
Bremerton National Airport, WA	Runway & Taxiway Lengthening & Strengthening	4,000,000
Brunswick County Airport, NC	Runway and taxiway improvements	500,000
Burlington-Alamance, NC	Runway extension	1,000,000

Airport	Project description	Conference agreement
Cape May Airport, NC	Drainage system rehabilitation; obstruction study/removal	1,080,000
Central Nebraska Regional Airport, NE	Rehabilitate Runway 17–35 and Connecting Taxiway	2,000,000
Central Wisconsin Airport, WI	Primary air carrier runway/parallel taxiway reconstruction	6,000,000
Chattanooga Metropolitan, TN	Rehabilitate runway 15/33	3,500,000
Chickasha Municipal, OK	Planning/justification for runway extension	100,000
Chippewa County International, MI	New terminal	1,000,000
Cincinnati Lunken Airport, OH	Apron construction	250,000
Clarion County Airport, PA	Runway expansion	1,500,000
Cold Bay Airport, AK	Terminal Facilities	1,000,000
Concord Regional Airport, NC	Runway Extension	2,750,000
Connellsville Airport, PA	Runway expansion	850,00
Council Bluffs Municipal Airport, IA	Runway expansion	2,000,000
Dane County Regional Airport-Truax Field, WI	Runway 14 Safety Area Construction	4,000,000
Dekalb Taylor Municipal, IL	MALSR; easements; glidseloope; land acquision for RPZ	4,555,000
Denton Municipal Airport, TX	Airport Improvements	2,000,000
Detroit Metropolitan Wayne County Airport, MI	Various improvements	3,500,000
Double Eagle II Airport, NM	Runway 17–35 Reconstruction	2,000,000
Egegik Airport, AK	Runway Improvements	1,500,000
Elton Hensley Memorial Airport, MO	New Runway	2,900,000
Erie-Ottawa Regional Airport, OH	Various improvements	1,500,000
Fairbanks International, AK	Terminal redevelopment	1,000,000
Fairfield County Airport, SC	Runway extension	440,000
False Pass Airport, AK	Various Improvements	1,500,000
Fort Dodge Airport, IA	Extension of runway 12/30	734,000
Gallatin Field Airport, MT	Various Improvements	1,000,000
Galveston Scholes International, TX	Taxiway Improvement	2,500,000
General Mitchell International, WI	Taxiway construction, taxiway rehab, and apron rehab	2,400,000
Glacier Park International Airport, Kalispell, MT	Various Improvements	750,000
Goshen Municipal, IN	ALP update, land and road relocation	1,000,000
Greene County Regional Airport, GA	Runway lengthening and improvement	1,000,000
Gulfport-Biloxi Regional Airport, MS	General Aviation & Cargo Development	2,850,000
Guntersville Municipal, AL	Various Improvements	500,000
Halifax-Northampton Regional, NC	Airport construction	1,000,000
Hammonton Airport, NC	Security fencing; construction of new apron; EA	585,000
Hancock International, NY	Various improvements, including acquisition of jetways	750,000
Harnett County Airport, NC	Phase 2 runway and taxiway extension	1,000,000
Hector International Airport, ND	Runway Reconstruction	6,000,000
Helena Regional Airport, MT	Terminal Remodeling & Expansion Project	1,000,000
Hickory Regional Airport, NC	Runway lighting and apron pavement overlay	1,000,000
Houma Terrebone Airport, LA	Upgrade runway	3,000,000
Indiana County-Jimmy Stewart Airport, PA	Runway extension	810,000
Jackson International Airport, MS	Terminal, Apron & Taxiway Replacement, and other improvements	1,500,000
Juneau Harbor Seaplane Base, AK	Snow Removal Equipment	1,000,000
Kay Larkin Municipal, FL	Update airport layout plan, perform environmental analysis	750,000
Ketchikan International Airport, AK	Various Improvements	500,000
Killeen/Fort Hood Joint Use Airport, TX	Safety improvements	2,750,000
Kodiak Airport, AK	Terminal Improvements	1,000,000
La Crosse Municipal, WI	Taxiways	2,400,000
Lafayette Regional, LA	Taxiway and runway improvements	750,000
Lampson Airport, CA	Wastewater collection system	750,000
Lawrence Municipal, KS	Various improvements	1,000,000
Lehigh Valley International Airport, PA	Various Improvements	1,000,000
Long Island Islip MacArthur Airport, NY	Various improvements	1,000,000
Louis Armstrong New Orleans International Airport, LA	Airfield Safety Improvement Program, Various improvements	3,000,000
Louisville International, KY	Extension of west runway; upgrade runway safety area	2,000,000
Mahlon Sweet Field, OR	Parallel Runway construction and other improvements	2,250,000
Marion-Crittenden County Airport, KY	Runway Paving	800,000
Maryville Memorial Airport, MO	Terminal Facility, Various improvements	500,000
McKinney Municipal Airport, TX	Runway & Taxiway Rehabilitation	4,000,000
McMinn County Airport, TN	Lengthen/widen runway; extend taxiway; land acquisition	2,000,000
Meadows Field, CA	Apron, taxiway improvements	5,000,000
Midway Airport, IL	Various improvements	4,000,000
Minneapolis-St. Paul International, MN	Pavement rehabilitation and de-icing pad	2,500,000
Missoula International Airport, MT	Land Acquisition	4,000,000
Mobile Downtown Airport (BFM), AL	Rehabilitate Ramp and other improvements	1,000,000
Montgomery Regional (Dannelly Field) Airport, AL	Terminal Expansion & Renovation	2,000,000
Monticello Airport, KY	Parallel taxiway extension	650,000
Mt. Pleasant Municipal, MI	Planning for upgrades	150,000
Nashville International Airport, TN	Taxiway Widening, Airfield Reconstruction	2,225,000
New Castle County Airport, DE	Rehabilitation of Runway 1–19 & Taxiway M	2,000,000
Niagara Falls International, NY	Apron expansion and taxiway	1,000,000
North Pickens Airport, AL	Land Acquisition, RSA Improvements, Runway Overlay	500,000
Northwest Arkansas Regional, AR	Construction of cargo apron and taxiway	2,500,000
Oakland County International, MI	Design of crosswind runway; upgrade lighting; noise program	3,000,000
Ohio University, OH	Airport Improvements	1,000,000
Orlando Sanford International Airport, FL	9R/27L Runway Extension	500,000
Owensboro-Daviess County Airport, KY	Various Improvements to Terminal, Parking & Runway Areas	1,000,000
Paragould Municipal, AR	Master plan and parallel taxiway	1,000,000
Paulding County Airport, GA	Runway construction	1,000,000
Pellston Regional Airport, Emmet County, MI	New Passenger Terminal Building	1,000,000
Philadelphia International, PA	Various improvements	2,250,000
Phoenix Sky Harbor International, AZ	Noise mitigation program	2,500,000
Pittsburgh International Airport, PA	Runway and taxiway improvements and terminal building modifications	2,000,000
Plattsburgh International Airport, NY	Redevelopment and Capital Improvements	2,500,000
Port Authority of New York & New Jersey, NJ	School soundproofing	1,000,000
Pryor Field Regional, AL	Various improvements	3,000,000
Redlands Municipal, CA	Security enhancements: lighting, cameras, intrusion sensors	200,000
Reno/Stead Airport, NV	Runway Reconstruction, Taxilane Construction, Overlay	2,000,000
Rhode Island Airport Corporation	Various Improvements	1,000,000
Richard B. Russell Airport, GA	Environmental assessment for runway extension	200,000
Romeoville Lewis University Airport, IL	Runway construction, including ILS and land acquisition	2,500,000
Rowan County Airport, KY	Runway extension to 5,500 feet	3,000,000
San Bernardino International, CA	Runway improvements	500,000
Sand Point Airport, AK	Terminal Improvements	1,000,000
Santa Teresa Airport, NM	Extension of runway and taxiway	2,000,000
Seattle-Tacoma International Airport, WA	Various Improvements	5,000,000
Seward Airport, AK	Master plan phase 2	125,000
Slidell Airport, LA	Various improvements	1,000,000
Somerset Airport, KY	Design/build passenger terminal; construct maint hanger	3,500,000
Southern California Logistics Airport, CA	Engine rune up runway infrastructure improvements	1,000,000
Spirit of St. Louis Airport, MO	Taxiways	1,500,000
Springfield Branson Regional, MO	Midfield terminal design; ramps and access taxiways	4,000,000
Springfield Municipal, OH	Land acquisition	150,000
St. Paul Island Airport, AK	Runway Paving	1,000,000
St. Petersburg/Clearwater International, FL	Runway extension	3,240,000
Statesville Municipal, NC	Extension of runway 10/28; ILS installation	1,500,000
Stockton Airport,CA	Air Cargo Center	500,000
Sugar Land Regional, TX	Construct apron and taxiway	3,600,000
Troy Municipal Airport, AL	Runway & Taxiway Extension, Apron Improvements	1,000,000

Airport	Project description	Conference agreement
Tulsa International, OK	Various improvements	5,000,000
Tunica Airport, MS	Airfield construction and expansion	1,000,000
Twentynine Palms Airport, CA	Runway parking skirt renovation	250,000
Twin County Airport, VA	Runway and lighting rehabilitation	900,000
Unalaska Airport, AK	Terminal Facility	1,000,000
Upshur County Airport, WV	Runway extension and apron construction	660,000
Virginia Highlands Airport, VA	Apron, taxiways and road construction	750,000
Walnut Ridge Regional, AR	Various improvements	250,000
Wayne County Airport, OH	Various improvements	3,000,000
West Virginia Statewide	Various Improvements	8,000,000
Wichita Mid-Continent, KS	Construct taxiway L, taxiway R, and a compass route	2,000,000
Williams Gateway Airport, AZ	Runway Construction, Taxiway Repair	2,250,000
Willmar Municipal, MN	Runway improvements, lighting, and fencing	1,000,000
Wilmington International, NC	Runway and drainage improvements	1,000,000
Wright Army Airfield, GA	Runway rehabilitation	1,950,000
Yucca Valley Airport District, CA	Floor control protection along north side of runway	400,000

Alaska statewide airport improvement program.—The conferees are aware of plans for a floatplane airport to be located in the Matanuska Susitna Borough. Within the funds provided to the State of Alaska for various airport improvements, the managers expect $2,000,000 to be made available for this facility once it has received the necessary approvals.

AVIATION INSURANCE REVOLVING FUND

The conference agreement deletes language proposed by the Senate authorizing funds for aviation insurance activities under 49 U.S.C. 443 ("war risk insurance"). This authorization is no longer needed for the orderly execution of the program.

General Provisions—Federal Aviation Administration

The conference agreement includes a provision proposed by the House prohibiting funds for engineering work related to an additional runway at Louis Armstrong New Orleans International Airport in Louisiana.

The conference agreement includes a provision proposed by the House prohibiting funds for FAA to mandate without-cost space, utilities, or other items in airport sponsor-owned buildings. The Senate had a nearly identical provision with a technical difference in wording.

The conference agreement includes a provision proposed by the House prohibiting funds to change weight restrictions or prior permission rules at Teterboro Airport in New Jersey. The Senate bill contained a nearly identical provision under section 534.

The conference agreement includes a provision proposed by the Senate authorizing the FAA Administrator to accept funds from an airport sponsor, subject to certain conditions, for environmental reviews related to a project to add critical airport capacity.

The conference agreement deletes language proposed by the Senate requiring FAA to give priority consideration to airport improvement projects at Paulding County, Georgia.

The conference agreement includes a provision proposed by the Senate prohibiting funds to establish a pilot program where essential air service communities would be required to cost-share in the program.

The conference agreement deletes a provision proposed by the Senate authorizing FAA to give priority consideration to a letter of intent for extension of the main runway at the Gary/Chicago Airport, and requiring the Administrator to consider the application within 90 days of receiving it from the airport sponsor.

The conference agreement deletes a provision proposed by the Senate expressing the sense of the Senate that the Secretary of Transportation must consider the impact of aircraft noise on northern Delaware as part of the capacity enhancement program at Philadelphia International Airport.

The conference agreement deletes a provision proposed by the Senate specifiying that, of funds provided for FAA "Facilities and equipment", $2,000,000 is for air traffic control facilities at the John C. Stennis International Airport in Mississippi. Funding for this project has been provided under "Facilities and equipment".

FEDERAL HIGHWAY ADMINISTRATION

Limitation on Administrative Expenses

The conference agreement limits administrative expenses of the Federal Highway Administration (FHWA) to $337,604,000 instead of $359,458,000 as proposed by the House and $337,834,000 as proposed by the Senate.

The conference agreement provides that $7,000,000 shall be made available under section 104(a)(1)(A) of title 23, U.S.C. to carry out environmental streamlining activities.

The conferees recommend the following adjustments to the budget request by program and activity:

Employee development	−$4,606,000
Employee multidisciplinary development program	+4,606,000
Information technology	−500,000
Additional staff	−646,000
FECA administrative costs	−84,000

Employee multidisciplinary development program.—Instead of providing $4,606,000 for the employee development program, the conference agreement provides these funds for the employee multidisciplinary development program, as directed in the House report. The conference agreement directs FHWA to provide a report to the House and Senate Committees on Appropriations by March 15, 2004 on this new program. The report should include the goal of the program, what activities it will support, how many employees are expected to participate, how employees are selected for the program, and how it is different from the employee development program funding in prior years.

Information technology planning.—The conference agreement provides $20,869,000 for information technology equipment, security, and support, instead of $21,369,000 as provided by the House and $20,369,000 as provided by the Senate. Consistent with the Senate, the conference agreement directs FHWA to develop a comprehensive plan to ensure that IT security and equipment upgrades are compatible and that any equipment acquisition is flexible and upgradeable. This report is to be transmitted to the House and Senate Committees on Appropriations by February 15, 2004.

Federal staff to oversee large projects.—The conference agreement provides $646,000 for six full time equivalents to help oversee FHWA major projects. The House did not include funding for this purpose, and the Senate proposed $1,292,000 for twelve full time equivalents.

FECA costs.—The conference agreement does not provide funds for workers compensation administrative costs, as proposed by the House.

Federal-Aid Highways

The conference agreement limits obligations for the federal-aid highways program to $33,843,000,000, as proposed by the Senate, instead of $33,385,000,000 as proposed by the House.

Intelligent Bridge Systems.—As proposed by the House, the conference agreement directs FHWA to provide a report to the House and Senate Committees on Appropriations on intelligent bridge systems no later than March 1, 2004.

Public lands.—The conference agreement includes language directing that funds allocated to FHWA's public lands discretionary program be derived from that program and not from funds allocated to the National Park Service's regions, as proposed by both the House and the Senate. In addition, the conferees direct that these funds not come from funds allocated to the Fish and Wildlife Service's regions, as proposed by the House.

I–66 westbound widening from Rosslyn Tunnel to Dulles Connector, Virginia.—The conference agreement provides that as of June 1, 2004, unobligated funds for the I–66 westbound widening from Rosslyn tunnel to Dulles Connector under the National Corridor Planning and Border Development Program shall be available to the Route 7 Widening project in Fairfax County, Virginia.

Miller Creek Bridge project.—The conference agreement directs FHWA to apply remaining funds provided in P.L. 107–87 for the environmental clearance process for the Miller Creek Bridge Project in Montana to final design, right of way acquisition, construction and construction engineering activities.

Alaskan Way Viaduct, Washington.—The conference agreement includes Senate language encouraging FHWA to work with state and local officials to determine the amount of emergency relief funds that should be committed to the Alaskan Way Viaduct project.

I–80 Colfax Narrows project.—The conference agreement includes $2,000,000 for the rehabilitation and reconstruction of a portion of the Interstate highway connecting eastern California and western Nevada in Placer County, CA. The states have been advancing the project and this funding will move the multi-year project into the next stage of development. The funds will be provided to the project by agreement with Nevada to improve the safety and reduce congestion on this section of Interstate highway.

U.S. Highway 67/167, North Little Rock, Arkansas.—The conferees recognize the potential for economic development in the North Hills area of North Little Rock. In order to alleviate congestion problems that would hinder that development, the conferees direct the Federal Highway Administration to work with the Arkansas Highway and Transportation Department and the City of North Little Rock to develop a plan for southbound access from U.S. Highway 67/167 near the intersection of Interstate 30 and Interstate 40 in North Little Rock, AR no later than March 1, 2004.

LIMITATION ON TRANSPORTATION RESEARCH

The conferees provide a general limitation on transportation research of $462,500,000, as proposed by both the House and the Senate.

SURFACE TRANSPORTATION RESEARCH

Within the funds provided for surface transportation research, the conference agreement includes $103,000,000 for highway research and development for the following activities:

Environmental, planning, real estate	$16,000,000
Research and technology program support	9,000,000
International research	400,000
Structures	14,000,000
Safety	11,500,000
Operations	13,000,000
Asset management	2,750,000
Pavements research	16,000,000
Long term pavement project (LTPP)	10,000,000
Advance research	600,000
Policy research	9,000,000
R&T strategic planning and performance measures	750,000

Environmental, planning, and real estate.—The conference agreement provides $16,000,000 for environmental, planning, and real estate research. Within the funds provided for this research activity, the FHWA is encouraged to provide $1,000,000 for the completion of the dust and persistent particulate abatement research in Kotzebue, Alaska, $250,000 for the Sacramento Region Blueprint, and $250,000 for the Central California Ozone Study.

Research and technology.—The conference agreement provides $9,000,000 for research and technology program support. Within the funds provided for this activity, the FHWA is encouraged to provide $750,000 for the University of Illinois Transportation Center, $750,000 for the Center on Coastal Transportation Research at the University of South Alabama, and $750,000 for the electromagnetic transportation research project at the University of Vermont to continue research into advanced ground penetrating radar systems.

International research.—The conferees have provided $400,000 for international research activities. Further, FHWA is directed by the conferees to consult the House and Senate Appropriations Committees before any international agreements are consummated that are likely to require financial support.

Structures.—The conference agreement provides $14,000,000 for structures research. Within the funds provided for structures research, the conferees encourage FHWA to provide $750,000 for the deployment of lithium technologies to prevent and mitigate alkali silica reactivity, $1,000,000 for the New York City Bridge Corrosion Monitoring Project, $250,000 for a demonstration project to evaluate the use of battery-powered cathodic protection to extend the life of concrete bridges located in extreme cold weather conditions, $1,000,000 to the Constructed Facilities Center at West Virginia University for the rapid deployment and durability of bridge structures constructed with advanced composite materials, $250,000 for the University of Delaware's Center for Innovative Bridge Engineering, $1,500,000 for the Infrastructure Renewal Research project at Washington State University, and $500,000 to support non-destructive structural evaluation technology at the New Mexico State University's Bridge Research Center.

Safety.—The conference agreement provides $11,500,000 for safety research. Within the funds provided for this activity, the conferees encourage FHWA to provide $250,000 to conduct a waterborne road marking evaluation at the Pennsylvania State University to understand the safety and environmental impacts of several pavement marking systems, and $500,000 to Washington State Department of Transportation for pilot projects to test Level-2 Warning/Positive protection gates for highway railroad grade crossings.

Operations and asset management.—The conference agreement provides $13,000,000 for operations and $2,750,000 for asset management. Within the funds provided for these activities, the conferees encourage FHWA to provide $750,000 for the National Steel Bridge Alliance, $200,000 for the Northwestern University Highways 2008, $100,000 for Wisconsin's critical vulnerability assessment and countermeasure plan, $750,000 for the University of Idaho's National Institute for Advanced Transportation Technology, working with the Northwest Transportation Training and Education Alliance, to develop and deliver training and education for transportation professionals in Idaho, Oregon and Washington, and $2,000,000 for the Oklahoma Transportation Center to conduct research addressing freight flows throughout Oklahoma.

The conference agreement does not provide funds for statistical analysis of the National Quality Initiative under any FHWA research program, as proposed by the House. Such analysis shall be performed by the Bureau of Transportation Statistics.

Pavements.—The conference agreement provides $16,000,000 for pavements research. Within the funds provided for this activity, the conferees encourage FHWA to provide $350,000 to Florida Atlantic University for the material integrity project, $1,500,000 for the National Center for Asphalt Technology at Auburn University, Alabama, $1,000,000 for the Center for Portland Cement Concrete Pavement Technology at Iowa State University, $500,000 to continue evaluating GSB-88 emulsified binder treatment application, and $250,000 to support the Institute for Aggregates Research at Michigan Technological University.

Policy.—The conference agreement provides $9,000,000 for policy research. Within the funds provided for this activity, FHWA is encouraged to provide $300,000 to Boston University Infrastructure Investment Research Initiative, $300,000 to the City College of San Francisco Transportation Academy, and $500,000 to the University of Kentucky Academy for Community Transportation Innovation for innovation of transportation facilities into rural communities.

Within the funds provided, the conferees encourage FHWA to conduct a high performance/low emission asphalt test project in consultation with the National Center for Asphalt Technology as proposed by the Senate.

INTELLIGENT TRANSPORTATION SYSTEMS

The conference agreement provides a limitation on Intelligent Transportation Systems of $232,000,000. Funds are available for the following activities:

Research and development	$52,000,000
Operational tests	12,000,000
Evaluations	7,000,000
Architecture and standards	18,000,000
Integrations	11,500,000
Program support	11,500,000
Subtotal	110,000,000
ITS Deployment incentive program	122,000,00
Total	232,000,000

Joint Program Office.—In the early 1990s, the appropriations committees expressed strong support for the formulation of a Joint Program Office (JPO) within the DOT to oversee the federal role in the National Intelligent Transportation system (ITS) effort. This office, which is located within the Federal Highway Administration, now provides overall program direction and budget coordination among the multiple DOT offices conducting ITS activities. The success of the federal investment in ITS has been due partly to the effective functioning of the JPO. For example, the JPO's close association with FHWA's research, headquarters staff, and regional offices has ensured a unified approach to providing training, implementing and testing standards, and adhering to a national systems architecture. The conferees maintain that the JPO's positive working relationship with the FMCSA and FTA has facilitated progress in advancement of technologies and the deployment of activities.

The appropriation for ITS provided by the conferees is predicated on the continuation of the JPO conducting the functions identified previously. Maximum efficiencies are most likely to be obtained by retaining the current administrative structure of the JPO within the FHWA with a reporting function to the Deputy Secretary. If there is any change in the administrative structure or responsibilities of the JPO, the Secretary is directed to inform the House and Senate Committees on Appropriations and to justify in detail such changes.

Intelligent transportation systems deployment projects.—Within the funds available for intelligent transportation systems deployment, the conference agreement provides that not less than the following sums shall be available for intelligent transportation projects in these specified areas:

Project	*Amount*
City of Huntsville, Alabama, ITS	$4,500,000
511 Traveler Information Program in North Carolina	400,000
Advanced Ticket Collection and Passenger Information Systems, New Jersey	750,000
Advanced Traffic Analysis Center, North Dakota	200,000
Advanced Transportation Management Systems (ATMS), Montgomery County, Maryland	500,000
Alameda Corridor-East Gateway to America Project Phase II, Los Angeles, CA	1,200,000
Alexandria ITS Real-Time Transit Enhancement Pilot Project	410,000
Altarum Restricted Use Technology Study	1,750,000
Altoona, Pennsylvania, ITS	800,000
Amber Alert Multi-Regional Strategic Plan	400,000
ATR Transportation Technology/CVISN, New Mexico	175,000

Project	*Amount*
Auburn, Auburn Way South ITS, Washington ..	1,600,000
Bay County Area Wide Traffic Signal System	750,000
Cargo Watch Logistics Information System, New York	2,500,000
Carson Passenger Information System	300,000
CCTA Intelligent Transportation Systems, Vermont	300,000
City of Baltimore, Maryland Traffic Congestion Management	200,000
City of Boston Intelligent Transportation Systems, Massachusetts	1,000,000
City of New Rochelle, NY Traffic Signal Replacement Program	500,000
City of Santa Rosa: Intelligent Transportation System	300,000
Clark County Transit, VAST ITS, Washington ..	1,600,000
Computerization of traffic signals in Ashtabula, OH	14,000
Corona City-wide automated traffic management system	1,000,000
DelTrac Statewide Integration, Delaware	1,000,000
Demonstration project to deploy Geospatial Emergency & Response System (GEARS) for transportation	150,000
Detroit Metro Airport ITS	350,000
DuPage County Signal Interconnection Project	300,000
Elk Grove Traffic Operations Center	960,000
Fairfax County Route 1 Traffic Synchronization ITS Pilot Project	500,000
FAST Las Vegas (ITS-Phase 2)—Construction ..	300,000
Fiber Optic Signal Interconnect System, Tuscon, Arizona	3,500,000
George Washington University, Virginia Campus	500,000
Germantown Parkway ITS Project, Tennessee	3,000,000
GMU ITS Research, Virginia	500,000
Great Lakes ITS, Michigan	3,000,000
Greater Philadelphia Chamber of Commerce ITS System, Pennsylvania	1,500,000
Harbor Boulevard Intelligent Transportation	800,000
Hawthorne Street Public Access Improvements, New Bedford, MA	150,000
Hillsborough Area Regional Transit: Bus Tracking, Communication and Security, Florida	750,000
Houma, Louisiana	1,250,000
Houston ITS	1,500,000
I–70 Incident Management Plan Implementation, Colorado	2,500,000
1–87 Highway Speed E-Z Pass at the Woodbury Toll Barrier	1,750,000
1–87 Smart Corridor	1,000,000
I–90 Phase 2 Connector ITS Testbed—Town of North Greenbush—Rensselaer County, NY	200,000
Illinois Statewide ITS	3,000,000
Implementation of Wisconsin DOT's Fiber Optics Network	1,000,000
Integration and Implementation of DYNASMART-X, RHODES and CLAIRE in Houston, TX	500,000
Intelligent Transportation System (Kansas City metro area)	200,000
Intelligent Transportation Systems—Phases II and III, Ohio	700,000
Intelligent Transportation Systems Deployment Project, Inglewood, CA ...	500,000
Intelligent Transportation Systems, City of Wichita Transit Authority	750,000
Intelligent Transportation Systems, Statewide and Commerical Vehicle Information Systems Network, Maryland	750,000
Intelligent Transportation Systems, Washington, DC Region	500,000
Intersection Signalization Project for the City of Virginia Beach, Virginia	500,000
Iowa Transportation Systems	750,000
ITS Baton Rouge, LA	1,250,000
ITS Expansion in Davis and Utah Counties, Utah	1,250,000
ITS Logistics and Systems Management for the Gateway Cities	250,000
ITS Technologies, San Antonio, Texas	200,000
ITS, Cache Valley, Utah	1,000,000
Jacksonville Transportation Authority, Intelligent Transportation Initiative—Regional Planning, Florida	750,000
King County, County-wide Signal Program, Washington	1,500,000
Lincoln, Nebraska StarTran Automatic Vehicle Locator System	1,000,000
Los Angeles MTA Regional Universal Fare System ...	500,000
Macomb County ITS Integration, Michigan	600,000
Maine Statewide ITS	1,000,000
Market Street Signilazation Improvements	100,000
MARTA Automated Fare Collection/Smart Card System, Georgia	700,000
Metrolina Transportation Management Center	1,750,000
Mid-America Surface Transportation Water Research Institute, North Dakota	500,000
Minnesota Guidestar	1,250,000
Missouri Statewide Rural ITS	4,000,000
Mobile Data Computer Network Phase II (MDCN), Wisconsin	2,200,000
Monrce County ATMS ITS Deployment Project	800,000
Montachusett Area Regional Transit (MART) AVLS, MA	240,000
Multi Region Advanced Traveler Information System (ATIS) for the IH–20 Corridor—Phase 1 in Texas	550,000
Nebraska Statewide Intelligent Transportation System Deployment	1,000,000
New York State Thruway Authority Traffic Operation Package for 1–95 and 1–87	1,676,000
North Bergen, New Jersey Traffic Signalization Replacement	1,000,000
Oklahoma Statewide ITS ..	4,000,000
Palm Tran, Palm Beach County, FL—Automated Vehicle Location and Mobile Data Terminals ..	1,000,000
Portland State University Intelligent Transportation Research Initiative	400,000
Program of Projects, Washington	2,000,000
Project Hoosier SAFE–T ...	2,000,000
Real Time Transit Passenger Information System for the Prince George's County Dept. of Public Works, Maryland	1,000,000
Regional Intelligent Transportation System, Springfield, Missouri	2,000,000
Regional ITS Architeture and Deployment Plan for the Eagle Pass Region and Integrate with Laredo	300,000
Roosevelt Boulevard ITS Enhancement Pilot Program	750,000
Rural Freeway Management System Implementation for the IH–20 Corridor in the Tyler Region—Phase 1	200,000
Sacramento Area Council of Governments—ITS Projects, California	1,175,000
San Diego Joint Transportation Operations Center	400,000
Seacoast Intelligent Transportation System Congestion Relief Project	1,000,000
Seattle City Center ITS, Washington	2,500,00
Shreveport Intelligent Transportation System, Louisiana	1,000,000
South Carolina DOT Inroads Intelligent Transportation System	3,500,000
Spotswood Township, NJ; Expand and improve traffic flow with road improvements	250,000
SR 924 ITS Integration Project	1,000,000
SR112 ITS Integration Project	300,000
Statewide AVL Initiative, Nebraska	300,000
Swatara Township, Pennsylvania—Traffic Signalization Improvements	100,000
TalTran ITS Smartbus Program, Florida	1,750,000
Texas Medical Center EMS Early Warning Transportation System	1,000,000
Texas Statewide ITS Deployment and Integration, City of Lubbock	400,000
Texas Statewide ITS Deployment and Integration, Port of Galveston ...	400,000

Project	Amount
Town of Cary Computerized Traffic Signal Project, North Carolina	800,000
Traffic Signal Controllers & Cabinets, District of Columbia	400,000
TRANSCOM Regional Architecture & TRANSMIT project, NJ, NY, & CT	500,000
Transportation Research Center (TRC) for Freight, Trade, Security, and Economic Strength, Georgia	500,000
Tukwila, Signalization Interconnect and Intelligent Transportation, Washington	1,400,000
Twin Cities, Minnesota Redundant Communications Pilot	1,000,000
Tysons Transportation Association—ITS	250,000
University of Kentucky Transportation Center	1,000,000
Ventura County Intelligent Transportation System	1,000,000
West Baton Rouge Parish Joint Operations Emergency Communications Center	800,000
Wisconsin CVISN Level One Deployment	800,000
Wyoming Statewide ITS Initiative	4,000,000

FERRY BOATS AND FERRY TERMINAL FACILITIES

Within the funds available for ferry boats and ferry terminal facilities, funds are to be available for the following projects and activities:

Project	Amount
Akutan Ferry Planning and Design, Alaska	$1,000,000
Canal Corridor Association—Port of LaSalle Project, Illinois	400,000
Capital Cost of Contracting for Water Bus Service, Florida,	500,000
City of Palatka Ferry Service, Florida	650,000
Coffman Cove/Wrangell/Petersburg Ferries and Ferry Facilities, Alaska	2,000,000
Erie-Western Pennsylvania Port Authority Ferry Vessel Acquisition	800,000
Ferry service from Rockaway Peninsula to Manhattan (Jamaica Bay Transportation Hub), New York	500,000
Fire Island Ferry Terminal, Saltaire, New York	450,000
Fort Morgan-Dauphin Island Ferry, Alabama	2,500,000
Governor Curtis Ferry Boat Replacement, Maine	400,000
Hatteras Ferry Project, North Carolina	500,000
High Speed Ferry Terminal, Bridgeport, Connecticut	750,000
Ocean Gateway Development, Maine	500,000
Oyster Point Ferry Vessel, San Francisco, California	1,000,000
Passenger Ferry, Port of Corpus Christi, Texas	500,000
Pittsburgh Water Taxi, Pennsylvania	500,000
S–236 Claggett Road/Lewis & Clark Ferry Boat Facilities on Missouri River, Montana	800,000
Southworth and Vashon Terminal Improvements, Washington	1,000,000
Stamford High Speed Ferry, Stamford, Connecticut	500,000
Staten Island Ferry Kennedy Class Replacement Program, New York	1,950,000
Swans Island Ferry Terminal Improvements, Swans Island, Maine	500,000
Winthrop, Massachusetts Ferry	300,000
TEA–21 Set-asides (Alaska, Washington, New Jersey)	20,000,000

NATIONAL CORRIDOR PLANNING AND BORDER DEVELOPMENT PROGRAM

Within the funds available for the national corridor planning and border development program, funds are to be available for the following projects and activities:

Project	Amount
146th Street 1–69 Access Project, Hamilton County, Indiana	$1,000,000
172nd Street/I–5 Interchange and Bridge Expansion, Washington	3,000,000
34th Street Corridor completion, Minnesota	1,000,000
Aiken Road Bridge, Kentucky	1,000,000
Alameda Corridor-East Gateway to America Project Phase II, Los Angeles, California	2,000,000
Anacostia Crossings and Freeway Study, Maryland	750,000
Anniston East Bypass, Alabama	3,000,000
Arch-Sperry Road Improvements, California	250,000
Arctic Winter Games Transportation Improvements, Alaska	1,000,000
Auburn Ravine Bridge—City of Lincoln, California	250,000
Bayfield County bridge projects, Wisconsin	410,000
California, State Route 75 (City of Coronado) Tunnel Project Report and Environmental Document, California	500,000
Cameron Street Bridge, Shamokin/Coal Townships, Northumberland County, Pennsylvania	1,000,000
Canal Road Intermodal Connector, Harrison County, Mississippi	1,000,000
City of Forsyth Frontage Road, Illinois	200,000
City of Seminole, US 377 upgrades and creation of a spur, Oklahoma	2,000,000
Coalfields Expressway, Virginia	500,000
Columbus, Mississippi Highway 45 Bypass	750,000
Construct Madison Street Interchange 1–29 in Sioux Falls, South Dakota	5,000,000
Corridor V construction along SR–6, Mississippi	1,000,000
Donna-Rio Bravo International Border Crossing, Texas	800,000
Elk Grove Sheldon 99 Interchange, California	300,000
Falls to Falls Corridor, Minnesota	1,000,000
Flintlock Road Overpass, City of Liberty, Missouri	1,000,000
Ft. Wainwright Alternative Access & Chena River Crossing, Alaska	5,700,000
Garden Parkway Bypass (US 321/74), North Carolina	2,000,000
Georgia S.R. 316 Improvements—Gwinnett County, Georgia	100,000
Highway 101 Implementation Plan, California	600,000
Highway 22/Cordon Road interchange—Environmental Impact Study, Oregon	500,000
Highway 431 Modification, Alabama	1,200,000
Highway 71, Alma to Greenwood, Arkansas	1,450,000
Highway 71: Louisiana State Line, DeQueen, Arkansas	850,000
I–5 Interregional Arterials Improvement Project, California	700,000
I–565 to Memorial Parkway, Huntsville, Alabama	5,000,000
1–65 and County Road 24 Interchange, Limestone County, Alabama	1,000,000
1–66 westbound widening from Rosslyn Tunnel to Dulles Connector, Virginia	1,000,000
1–675 Corridor Improvements, Ohio	500,000
1–69 Indianapolis to Evansville	1,000,000
I–73 Corridor Project	250,000
I–75/Austin Road Interchange, Ohio	650,000
Interchange/overpass at highway K–7 and 55th St. and Johnson Dr. in Shawnee, Kansas	1,000,000
Intercounty Connector (ICC), Maryland	500,000
Interstate 5 Riverfront Reconnection, California	500,000
Jasper Airport Road, Jasper, Alabama	1,000,000
Jim Thorpe Bridge Renovation Project, Pennsylvania	500,000
Kauffman Ave Roadway Improvements, Greene County, Ohio	500,000
KY750 from US 23 to KY 3105 in Raceland, Greenup County, Kentucky	300,000
LA 1 Port Fourchan to US 90	2,000,000
LA 18 from Avondale to US 90, Jefferson Parish, Louisiana	350,000
LA 37/US 190, Central Thruway Connector, Louisiana	1,000,000
LA Hwy 820 Improvements, Lincoln Parish, Louisiana	1,500,000
Loop 201 Expansion Project, Texas	750,000
Missisquoi Bay Bridge, Vermont	4,000,000
Murchison Road, Cumberland County, North Carolina	500,000

Project	Amount
Murray Business Loop, Kentucky	1,000,000
New Haven Road Corridor Study, Connecticut	90,000
North Coast Interstate 5, California	500,000
Northern Tier Expressway (NTE), New York	100,000
North-South Highway TCL–MSL Corridor, Alabama	1,000,000
Pittston Connector Project, Pennsylvania	300,000
Planning for New Route over Cape Fear River, North Carolina	125,000
Ports-to-Plains highway rehabilitation between Del Rio and Eagle Pass, Texas	1,100,000
Ranchero Road/Cajon Branchline Grade Separation, California	500,000
Route 104/Dominion Boulevard, Virginia	3,000,000
Route 106 Underpass Rehabilitation, Mansfield, Massachusetts	750,000
Route 12, Veterans Memorial Corridor, Auburn, Massachusetts	1,250,000
Route 168 Corridor Improvements, Camden and Gloucester Counties, New Jersey	250,000
Route 24/140 Interchange, Taunton, Massachusetts	1,000,000
Route 403 Relocation, Rhode Island	800,000
Route 590 Reconstruction project, Irondequoit, New York	2,500,000
Route 79 Improvements, Fall River, Massachusetts	1,350,000
Rutherford Avenue, Boston, Massachusetts	1,500,000
Santa Fe/C–470, Colorado	4,000,000
SH 158 widening in Sterling County, Texas	800,000
Shelby County CR 500 E Safety Upgrade, Indiana	100,000
SR694, Pinellas Park, Florida	2,000,000
St. Clair Avenue in East Liverpool, Ohio	500,000
State Highway 133 Widening, Colquitt County, Georgia	4,000,000
Ten Mile at Middlebelt Road Intersection Safety, Michigan	200,000
Tennessee 4th's US 412 Corridor, Tennessee	1,750,000
Tennessee's I40 in Roane County	500,000
TH241, St. Michael, MN	300,000
The Hendricks County North-South Corridor Highway	850,000
The Rock Island Parkway Project, Arkansas	675,000
Tienken Road Bridge over the Paint Creek, Rochester Hills, Michigan	750,000
Town of Marana Twin Peaks Corridor, Arizona	800,000
Trenton Channel Bridge Replacement, Wayne County, Michigan	400,000
U.S. Route 33 Corridor Improvements at Winchester-Cemetary Road, Ohio	1,000,000
U.S. Route 33 Road Improvements (Pendelton County, West Virginia)	500,000
U.S. Route 422 Improvement Project, Pennsylvania	500,000
University Boulevard Interchange Project, Pennsylvania	1,000,000
Upgrade US158 to a multilane facility between I–85 and I–95, North Carolina	400,000
US 113, Maryland	1,500,000
US 60, Osage County, Pawhuska to Vinita, Oklahoma	2,000,000
US 67 improvements, Missouri	5,000,000
US 83 Anzalduas Connection Road and Structures to New International Bridge, Texas	500,000
US 87 Bypass around Big Spring, Texas	300,000
US Highway 10 Interchange—City of Ramsey, MN	200,000
US Highway 218 in Keokuk, Iowa	750,000
US Market Street Bridge, Lycoming County, Pennsylvania	1,000,000
US11, Orleans and St. Tammany Parishes, Louisiana	500,000
US–231/I–10 Freeway Connector, Alabama	8,000,000
US–395 North Spokane Corridor, Washington	1,000,000
USH 53 Bypass (Eau Claire, Wisconsin)	2,000,000
Walden Point Road, Alaska	2,000,000
West Virginia Route 10	10,000,000
Winfield Way Extension, Canton, Ohio	500,000
Yakima Grade Separations, Washington	1,000,000

TRANSPORTATION AND COMMUNITY AND SYSTEM PRESERVATION PROGRAM

Within the funds made available for the transportation and community and system preservation program, funds are to be distributed to the following projects and activities:

Project	Amount
Bellingham, Coast Millennium Trail—South Bay Taylor Dock Project, Washington	$500,000
Big Lake to Wasilla Pedestrian Trails, Alaska	500,000
Briarcliff Manor Union Free School District, New York traffic light	150,000
Central Avenue Parking Facility and Pedestrian Improvements, Florida	500,000
Civic center streetscape improvement, New York	500,000
Clarksville Square, Clarksville, Texas	250,000
Colchester, Vermont	1,000,000
Connection of the Alabama Chief Ladiga Trail and the Georgia Silver Comet Trail, Alabama	100,000
Downtown Revitalization Project, Somerset, Kentucky	1,750,000
Henderson County Port Authority Project, Kentucky	1,000,000
High line project, New York City, New York	500,000
Highway 79 Corridor/Greenway Project, Alabama	750,000
Hobbs Industrial Air Park Roads, New Mexico	100,000
Homewood, Illinois railroad station/platform acquisition and improvement	200,000
Hot Springs Bike Trail, Arkansas	80,000
Independence Creek Hiking/Biking Road Access, Kansas	250,000
Kincaid Park Trail Connection, Alaska	900,000
Lewisburg Comprehensive Transportation Plan, Lewisburg, West Virginia	85,000
Manhattan, Kansas Fourth Street Corridor	200,000
Marathon County—Mountain Bay Trail, Wisconsin	225,000
Marion County Alabama Safety, Efficiency, and Trade Highway Improvement Program	800,000
Miller Farm Bridge, Pennsylvania	500,000
Newberg-Dundee Transportation Improvement Project, Oregon	500,000
Niobrara Scenic River Corridor Roads, Nebraska	1,000,000
North Dakota 23 Lake Sakakawea Crossing—Linear Library, Truss Monument	250,000
North/South Road, Oahu, Phase I, Hawaii	1,000,000
Owensboro Waterfront Development Project, Kentucky	2,000,000
Puna Makai Alternate Road Study, Island of Hawaii	200,000
Regional Plan Association Willimasburg/Navy Yard/Vinegar Hill Corridor Access, New York	200,000
Riverfront Battle Property Trail, Georgia	250,000
Riverwalk, Warren, Ohio	500,000
Road construction for industial park for City of Vinita, Oklahoma	100,000
Rockford Road, Ardmore, Oklahoma	700,000
Route 152 Safety Improvements, Santa Clara County, California	250,000
Route 29 Recreational Bike and Pedestrian Path, Mercer, New Jersey	1,000,000
Scranton Nay Aug Park Enhancement Project, Pennsylvania	400,000
Streetscape Initiative, Phase II, Northwest Moultrie, Georgia	500,000
Study of Highway 35/county M Bypass of Downtown Osceola, Wisconsin	200,000
Talcottville Transportation Improvement Project, Connecticut	500,000
Town of Clayton Downtown Revitalization, Clayton, Alabama	500,000
Trinity River Visions Neighborhood Linkage, Texas	500,000
U.S. 49 from Florence, Mississippi to I–20	800,000

Project	Amount
Uptown Crossings Vine Street Improvement Project, Ohio	1,000,000
US–222 Kutztown Bypass, Pennsylvania	500,000
US30 Bypass—PA10 to US30 Business	500,000
Village of Glencoe, Illinois, Green Bay Trail—North Branch Trail Connection	200,000
Walden Woods Corridor Overpass Study, Massachusetts	200,000
Weston Streetscape Renewal, West Virginia	200,000
Woodward Avenue Livable Community Project, Michigan	210,000

Bridge Discretionary Program

Within the funds available for the bridge discretionary program, including the bridge set-aside, funds are to be available for the following projects and activities:

Project	Amount
9th Street Bridge, NE over New York Avenue, District of Columbia	$500,000
Blackford Bridge Project, Kentucky	250,000
Bridge Replacement on Arkabutla—Coldwater Road, Mississippi	800,000
Broadway Bridge/I–25 Interchange Complex, Colorado	8,000,000
Canvas Bridge, Nicholas County, West Virginia	8,000,000
Carlsbad, New Mexico, Railroad Overpass	1,500,000
Christina River Bridge Seismic Retrofit, Delaware	1,000,000
Coal Creek Parkway, Washington	1,000,000
Construction of the Cooper River Bridge Replacement Project, South Carolina	1,250,000
CR 309 Georgetown Bridge, Putnam County, Florida	500,000
Ferry Street Bridge, New Haven, Connecticut	2,000,000
First Street Bridge, Roanoke, Virginia	500,000
Funny River Bridge Crossing, Alaska	5,000,000
Golden Gate Bridge Seismic Retrofit	4,500,000
Greene County, Missouri Demonstration Bridge	400,000
Greenspot Bridge, Highland, California	500,000
Hagatna River, Flood Mitigation Bridge Improvement Project, Guam	400,000
Highway 19 Bridge Replacement, Missouri	6,000,000
Highway 21/Rincon Truck Bypass, Georgia	4,000,000
Historic Woodrow Wilson Bridge Restoration Project, Rankin Co., Mississippi	2,500,000
I–195 Washington Bridge (East Bound), Rhode Island	4,000,000
I–35 Trinity River Bridge, Texas	925,000
I–710 Corridor/Gerald Desmond Bridge Gateway Program (Desmond Bridge Replacement), California	800,000
I–95 New Haven Q-Bridge, Approach Work (Contract C), Connecticut	750,000
IH–35E Chambers Creek Bridges, Texas	1,500,000
Indian River Inlet Bridge Replacement, Delaware	4,075,000
Interstate 74 Bridge Corridor Project, Iowa	1,250,000
Kapahi Bridge, Island of Kauai	350,000
Lake Pontchartrain Causeway Bridge, Louisiana	3,000,000
Leeville Bridge, Lafourche Parish, Louisiana	1,500,000
Longfellow Bridge, Boston and Cambridge, Massachusetts	2,250,000
Martin Luther King Jr. Bridge Aprons, Toledo, Ohio	1,600,000
Missouri River Bridge, Rulo Nebraska	1,000,000
North Avenue Bridge, Chicago, Illinois	5,000,000
Replacement of existing I–75 Brent Spence Bridge over Ohio River between Covington and Cincinnati, Kentucky	2,000,000
Route 52 Causeway Replacement and Somers Point Circle Elimination, New Jersey	1,250,000
Russell Street Viaduct Replacement, Baltimore, Maryland	4,000,000
Sauvie Island Bridge Replacement, Oregon	400,000
SR 520/SR 25 Flyover Bridge, Glynn County, Georgia	2,500,000
Tamiami Bridge Replacement, Florida	1,500,000
U.S. 220-Business Bridge Replacement, Virginia	2,000,000
U.S. 34 Missouri River Bridge in Mills County, Iowa	1,500,000
US–169 viaduct between Kansas Avenue and I–70, Kansas City, Kansas	2,000,000
US–2, Dover Bridge, Bonner County, Idaho	1,250,000
US20 Bridge Repair, Oregon	600,000
Vernon Atlantic Boulevard Bridge Expansion Project, California	400,000
Waldo-Hancock Suspension Bridge in Prospect and Verona, Maine	4,000,000

Federal Lands

Within the funds available for the federal lands program, funds are to be available for the following projects and activities:

Project	Amount
Access roads to Beale Air Force Base, California	$750,000
Adams National Historic Park Transportation and Access, Massachusetts	465,000
Apache County Road, 5020, Arizona	752,000
Apache County South Fork Bridge, Arizona	275,000
Atwater Federal Penitentiary Access Road, California	1,000,000
BIA Route 35 resurfacing: State like to Montezuma Creek, Utah	1,000,000
Big South Fork, Scenic Railway Track Restoration in McCreary County, Kentucky	400,000
Blackstone River Bikeway, Rhode Island	1,500,000
Blackwater Wildlife Refuge roads and visitor center, Maryland	400,000
Brown's Park, Utah	1,000,000
Calaveras Wagon Trail Expressway Realignment, California	350,000
Calumet Trail, Prairie Duneland Trail and Marquette Trail Link, Indiana	307,000
Chickasaw Museum and Cultural Center Planning and Development, Mississippi	500,000
Chignik Road Improvements, Alaska	2,100,000
Choctaw Roads, Mississippi	1,425,000
City of Henderson Lake Las Vegas/Lake Mead Interchange, Nevada	2,000,000
City of Rocks Back Country Byway, Stage 2, Idaho	3,000,000
Colville Confederated Tribe—Inchelium/Gifford Bridge Feasibility Study, Washington	120,000
County Road, Preston North and South, Nebraska	650,000
Craig Road Overpass, Nevada	3,000,000
Cross Base Highway, Washington	750,000
Foothills Parkway, Great Smoky Mountains National Park, Tennessee	900,000
Fort Yates Business Loop Street Improvement, North Dakota	550,000
George Washington Memorial Parkway Safety Improvements, Virginia	600,000
Glacier Creek/Nome Bypass, Alaska	3,000,000
Glorieta Battlefield NM 50 realignment, New Mexico	375,000
Hal Rogers Parkway, Kentucky	1,000,000
Hansen Dam Recreation Area Parking Enhancements, Pacoima, California	325,000
Hawaii Statewide Federal Lands Improvements	4,000,000
Highway 62 Traffic and pedestrian safety improvement, in Yucca Valley, California	500,000
Hoover Dam Bypass Bridge, Arizona	7,000,000
Iditarod Historic National Trail Project, Alaska	500,000
IH20—Dyess AFB Access Project, Texas	1,368,000
Interstate Bridge Crossing between Bullhead City, Arizona and Laughlin, Nevada	500,000
Lake Tahoe EIP, Nevada	1,200,000
Lewis and Clark Legacy Trail, North Dakota	400,000
Lowell Riverwalk Phase 11 Design, Massachusetts	800,000
Lower Etwha Klallam Tribe—Access Road, Washington	2,300,000

Project	Amount
Marin Parklands/Muir Woods Visitor Access, California	1,100,000
McCarthy Creek Tram, Alaska	200,000
Military Cutoff Road (SR 1409) Improvements in New Hanover County, North Carolina	400,000
Mill Creek Road (Mendocino County), California	400,000
Moosalamoo Region, Green Mountain National Forest, Vermont	150,000
Navajo Archeological Study, Utah State Route 262 between Montezuma Creek and Aneth, Utah	1,250,000
Needles Highway Realignment and Safety Improvements, California	3,000,000
Ohiki Road Bank Stabilization and Engineering, Hanalei, Island of Kauai	50,000
Ohio State Route 2/Ottawa National Wildlife Refuge	500,000
Presidio Trails and Bikeways, Golden Gate National Recreation Area, California	1,000,000
Public Lands Highways Project, Cedar Creek bridge construction at Wilson Lake, Russell County, Kansas	300,000
Red Cliff Arch Bridge, Colorado	3,000,000
Regional Tourism and Transportation Center, New York	1,250,000
Rehabilitation of the Henry Drive Bridge #001 over the Union Pacific Railroad tracks at Fort Riley, Kansas	808,000
Rossie Coats Road, Kemper County, Mississippi	150,000
Russell Cave National Monument Road, Jackson County, Alabama	500,000
Saginaw Chippewa Transportation Improvement Project, Michigan	1,200,000
Salmon Falls Creek Bridge	500,000
Seminoe Dam Road, Wyoming	3,500,000
Shotgun Cove Road, Alaska	2,000,000
Six County Fort Peck Road Access Project, Montana	1,500,000
Skokomish Tribe Roadway Improvements, Washington	1,300,000
Snake Road (BIA Route 1281) Improvement, Florida	1,000,000
Southeast Alaska Seatrails	500,000
State Highway 149, Colorado	400,000
Stoughton Pond Road, Weathersfield, Vermont	100,000
Sturgeon Lake Road Overpass, Minnesota	2,000,000
Summit Valley Road, San Bernardino County, California	500,000
Tank Destroyer Blvd, Ft. Hood, Texas	1,000,000
Taylor Hill Road US Secondary Montana 234	1,420,000
Timucuan Preserve Bike Trail, Florida	1,000,000
US Highway 491 (666) on the Navajo Nation, New Mexico	1,000,000
US 93 Evaro to Polson Wildlife Crossings, Montana	1,000,000
USMC Heritage Center Access, Virginia	650,000
Western Canalway, Suffolk and Moody Street Reach, Massachusetts	400,000
Western Maryland Low Impact Welcome Center at Byron Overlook, Maryland	800,000
Wolf Trap National Park Pedestrian Crossing, Virginia	750,000

SCENIC BYWAYS

Within the funds available for the scenic byways program, funds are to be available for the following projects and activities:

Project	Amount
Amherst County Greenway, Virginia	$1,000,000
City of Espanola El Camino Real Scenic Byway alignment, New Mexico	60,000
Enhancements to Route 6A Scenic Byway, Cape and Islands Rural Roads Initiative, Massachusetts	800,000
Flagler County Scenic and Historic A1A, Florida	890,000
Idaho National Scenic Byways	75,000
Kentucky Scenic Byways	1,000,000
Mason Creek Greenway, Virginia	1,000,000
New York State Scenic Byways Statewide project	2,000,000
Pioneer Historic Byway Interpretive Site Development, Idaho	100,000
Snoqualmie Point View Park, Washington	600,000
US 78 Bamberg Scenic Highway Project, South Carolina	4,000,000
Welcome Center off SR 410, Washington	1,285,000
Woodward Avenue—Developing the Byway Story, Michigan	440,000

INTERSTATE MAINTENANCE DISCRETIONARY

Within the funds available for the interstate maintenance discretionary program, funds are to be available for the following projects and activities:

Project	Amount
Cawtawba Avenue Interchange (I–77) Improvement, North Carolina	750,000
Central Sarasota Parkway Interchange at I–75, Sarasota, Florida	500,000
City of Wheat Ridge, Colorado, I–70 and State Highway 58 Interchange Reconstruction, Colorado	800,000
Conceptual Development & Preliminary Design improvements to the intersections of Interstate 59, Mississippi	265,000
Coors/Interstate 40 Interchange Reconstruction, New Mexico	1,000,000
Ellensburg Interchange I-90, Milepost 108.31, Washington	1,500,000
Four interchanges at I–435 and I–35 in Johnson County, Kansas	1,000,000
I–12 Sound Barriers, Slidell, Louisiana	750,000
I–15 Reconstruction: 10800 South to 600 North, Utah	6,000,000
I–182, Queensgate to SR 240, Richland, Washington	2,000,000
I–20 Downing Pines Interchange, Louisiana	1,000,000
I–210 and Highway 14 Interchange, Lake Charles, Louisiana	800,000
I–25, US 36, I–270 Interchange, Colorado	450,000
I–25/Tramway Interchange, Albuquerque, New Mexico	1,500,000
I–285 Noise Walls, Henderson Mill to Chamblee Tucker Road, Georgia	500,000
I–285 Noise Walls, I–20 to Bouldercrest Road, Georgia	480,000
I–295/Meadowville Interchange, Virginia	1,500,000
I–35 East/I–635 interchange, Texas	925,000
I–35/127th Street Overpass, Olathe, Kansas	3,000,000
I–40 and I–55 ramps, Memphis, Tennessee	1,000,000
I–405 Corridor Improvements, Washington	2,000,000
I–44 Rogers Lane Interchange, Lawton, Oklahoma	1,000,000
I–476 Reconstruction and Widening Project, Pennsylvania	830,000
I–49 South, Louisiana	3,000,000
I–5 Rush Road to Maytown Widening, Lewis County, Washington	2,000,000
I–5 Vancouver Interchange Improvements, Washington	1,000,000
I–5, Lynnwood City Center Exit, Washington	1,000,000
I–5/Ortege Highway Interchange Construction, California	800,000
I–676 Martin Luther King Boulevard, Camden County, New Jersey	1,000,000
I–69/SR 304 Paving, Mississippi	5,925,000
I–695 Baltimore Beltway N/E Inner Loop, Maryland	750,000
I–70 Improvement Project: Frederick, Maryland	4,025,000
I–75/Aviation Blvd Atlanta, Georgia	800,000
I–76, Fort Morgan, Colorado to Brush, Colorado	200,000
I–77/Lauby Road exit, Ohio	1,000,000
I–80 Truck Climbing Lane, Keystone to Robb Drive, Nevada	500,000
I–80/Iowa 945 interchange, Polk County	3,000,000
I–84, Glenns Ferry to King Hill, Idahc	2,000,000
I–84/Route 2 East Hartford Connecticut, operational improvements (flyover access)	750,000
I–85 Coweta County Noise Barriers, Georgia	750,000
I–90, Spokane to Idaho State Line, Washington	2,000,000
I–96/Latson Road Interchange, Michigan	750,000
IH35/SH45 interchange at Round Rock, Texas	200,000

Project	Amount
Interstate 10 Cypress Avenue Overcrossing, California	800,000
Interstate 295/Route 38 Interchange Improvements, New Jersey	750,000
Interstate 430/630: Interchange Modification, Arkansas	800,000
Interstate 44 and US 65 Interchange, Missouri	1,000,000
Interstate 80 (I–80) Colfax Narrows Project, Nevada	2,000,000
Interstate 80–Exits 298–299 Renovation Project, Pennsylvania	750,000
Isleta Boulevard Improvement Project	500,000
Kelly USA: New Luke Road, Texas	200,000
Laval Road Interchange Upgrades at I–5, California	800,000
Louisville—Southern Indiana Ohio River Bridges project, Indiana	3,250,000
Madison I–565 Interchange at County Line Road, Alabama	1,000,000
Montgomery County, Ohio—Interstate 75, Ohio	2,000,000
New York State Thruway Authority, Westchester County, Byram Bridge Rehabilitation	800,000
Noise Walls on I–20 from Fulton Industrial Boulevard to H. E. Holmes, Fulton County, Georgia	500,000
Northbound I–675 Sound Barrier, Ohio	1,000,000
Ohio River Bridges, Kentucky	6,550,000
Pavement and Bridge Rehabilitation on I–85, North Carolina	800,000
Pennsylvania Turnpike—Interstate 95 Interchange Project	2,000,000
Phase II, I–44 Modification (Widen Eastbound I–44 Bridge at Meramec River), Missouri	200,000
Rancho Cucamonga I–15 & Base Line Road Interchange Improvements, California	800,000
Reconstruct Exit 60—I–90 in Rapid City, South Dakota	5,100,000
Valley Mall Boulevard Interchange and South Union Gap Interchange, Washington	500,000
Valleydale Road at I–65, AL	5,000,000
Waltham, Massachusetts I–95/Rt 20 Interchange	1,700,000
Widening Interstate 35 East between FM 2181 and Lake Lewisville, Denton County, Texas	200,000

BUREAU OF TRANSPORTATION STATISTICS

The conferees provide $31,000,000 for the Bureau of Transportation Statistics under the FHWA appropriation. However, the conferees continue to be concerned about staffing increases since 1993, the year BTS was established. Therefore, the conference agreement limits BTS full time positions to 136.

FEDERAL-AID HIGHWAYS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

The conference agreement provides a liquidating cash appropriation of $34,000,000,000 for the federal-aid highways program as proposed by both the House and the Senate.

FEDERAL-AID HIGHWAYS

MISCELLANEOUS HIGHWAY AND HIGHWAY SAFETY PROGRAMS

(HIGHWAY TRUST FUND)

The conference agreement provides contract authority from the Highway Trust Fund (other than the Mass Transit Account) for the Pennsylvania Avenue project in Washington, D.C., and for Amber Alert grants. In addition, contract authority is provided for the Federal Motor Carrier Safety Administration's new entrant program, southern border enforcement activities, northern border truck inspections, and commercial driver's license program improvement grants; and the National Highway Traffic Safety Administration's operations and research program. This funding shall be subject to the Federal-aid obligation limitation.

FEDERAL-AID HIGHWAYS

(HIGHWAY TRUST FUND)

(RESCISSION)

The conference agreement includes a rescission of $207,000,000 of funds in The unobligated contract authority balances from the five core highway programs—Surface Transportation Program, Interstate Maintenance, National Highway System, Congestion Mitigation/Air Quality Improvement program, and the Bridge program.

APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM

The conference agreement provides $125,000,000 for the Appalachian Development Highway System (ADHS), instead of $150,000,000 as proposed by the Senate. The House did not provide funding for this purpose. A total of $40,000,000 shall be allocated in accordance with the ADHS most recent cost-to complete study and the remaining $75,000,000 shall be allocated as follows: $20,000,000 for Kentucky Corridors; $3,000,000 for Tennessee Corridor S; $2,000,000 for Corridor V, Mississippi; $20,000,000 for West Virginia Corridor H; and $30,000,000 for Alabama Corridor X.

GENERAL PROVISIONS—FEDERAL HIGHWAY ADMINISTRATION

The conference agreement includes a provision (Sec. 110) that modifies the distribution of Federal-aid highway obligation limitation proposed by the Senate.

The conference agreement includes a provision (Sec. 111), as proposed by the House, that designates U.S. 78 from Memphis, Tennessee, to Corridor X near Fulton, Mississippi extending to Birmingham, Alabama, as a High Priority Corridor and a future interstate.

The conference agreement includes a provision (Sec. 112) that modifies a House provision amending section 1692 of the Transportation Equity Act of the 21st Century (TEA–21) to allow changes to projects in New York, Louisiana, Michigan, Kentucky, Illinois and South Carolina.

The conference agreement includes a provision (Sec. 113) that allows funds received by the Bureau of Transportation Statistics from the sale of data products to be credited to the Federal-aid Highways account, as proposed by both the House and Senate.

The conference agreement includes a provision (Sec. 114) that amends TEA–21 to allow ITS funds already appropriated to the state of Wisconsin to be used for the installation in the areas of Wausau and Superior.

The conference agreement includes a provision (Sec. 115) that provides additional amounts from within the Federal-aid obligation limitation for the following surface transportation projects:

Project	Amount
10th Street South Phase II, St. Cloud, Minnesota	$200,000
135th Street Widening and US 69 Northbound Ramp, Kansas	2,750,000
168th and State Streets Intersection improvements	200,000
3–Bridge Corridor Project, Skagit County, Washington	800,000
40th Street Corridor project, City of Tampa	750,000
40th Street Corridor project, City of Tampa	500,000
51–43 Connector Canton, Mississippi	1,000,000
60/67 Interchange-Butler County, Missouri	3,000,000
7th Street Widening Project, Harrisburg, Pennsylvania	500,000
95th Dan Ryan Transit Station	1,000,000
Adrien's Landing, Hartford, Connecticut	5,000,000
Alaskan Way Viaduct & Seawall, Seattle, Washington	1,000,000
Albany Georgia Intermodal Facility	1,000,000
Albuquerque, New Mexico-University Boulevard Extension	250,000
American Samoa Ferry Boat System	300,000
Amesbury, Massachusetts bus facility upgrade	1,100,000
Anacostia Riverwalk and Trail Construction, District of Columbia	400,000
Annie Glidden Road, DeKalb, Illinois	500,000
Applied Sciences Building, Alabama	30,000,000
Area Wide Traffic Signal Synchronization System, Phase III	1,500,000
Arkwright Connector, South Carolina	1,000,000
Arlington County Jefferson Davis Highway (Rt 1) Improvements	500,000
Arlington County South Glebe Road improvements	800,000
Aroostook County North-South Highways, Maine	3,550,000
Atlantic Avenue Extension, Jamaica, Queens, New York	1,250,000
Attleboro Intermodal Transportation Center, Attleboro, Massachusetts	2,200,000
Augusta Rail Relocation Project, George	2,000,000
Austin Metropolitan Area Bicycle Routes	400,000
Badger Creek Crossing, Fall River Lake, Greenwood County, Kansas	100,000
Barlett Access Intersection Safety Improvements, Alaska	500,000

Project	*Amount*
Battlefield Parkway expansion from Kincaid Boulevard to Route 7, Virginia	6,000,000
Beacon Falls Depot Street Bridge, Connecticut	1,000,000
Beacon Falls-Seymour, Connector Roadway	750,000
Beale Street Landing/Docking Facility—City of Memphis, Tennessee	1,000,000
Bear Creek Greenway, Oregon	2,000,000
Beargrass Creek Bridges	500,000
Beckley VA Medical Center Access Road, West Virginia	1,000,000
Bedford, New Hampshire Route 101 Corridor Safety Improvement Project	1,000,000
Belford Road, Holly, Michigan	800,000
Bergen Intramodal Stations and park-n-ride Capital Improvements, New Jersey	2,250,000
Berkshire/Franklin Mohawk Trail Scenic Byway, Massachusetts	1,000,000
Berlin G. Meyers Parkway Extension, South Carolina	1,000,000
BIA Route 27 Reconstruction, Pine Ridge Indian Reservation, South Dakota	3,000,000
Billings Bypass Development: Design and ROW, Montana	2,000,000
Birmingham Northern Beltline, Alabama	2,000,000
Bismark Fixed Route Bus System, Fargo/Moorhead Transit Maintenance Facility, Valley City Garage, North Dakota	2,650,000
Blue Water Port Huron Intermodal Facility Project, Michigan	2,000,000
BNSF Track Relocation Project, Everett, Washington	500,000
Bobby Jones Expressway (GA)/Palmetto Parkway (SC) extension in South Carolina	4,000,000
Boston Harbor Islands National Park Area Universal Access, Massachusetts	2,250,000
Boulder Ave Bridge project, Highland, California	1,000,000
Bowman Road and Johnnie Dodds Boulevard, Highway 17, Mount Pleasant, South Carolina	3,000,000
Bremerton Pedestrian/BTC Access Improvement project, Washington	2,500,000
Bridge Replacement Project, Mound Branch and Pawpaw Creek Bridges on K–99 in Elk County, Kansas	1,000,000
Broken Arrow 101st street corridor from State Highway 51 to Town Center, Oklahoma	250,000
Broken Bow rail spur, Oklahoma	750,000
Bronx HUB Streetscape Improvement & Pedestrianization	1,000,000
Bronx River—Concrete Plant Link of the Bronx Greenway	700,000
Buffalo Outer Harbor Project, New York	5,000,000
Business Route I–44 (Chestnut Expressway) and National Avenue Intersection Improvement, Missouri	750,000
Butler County Industrial Infrastructure Development—City of Greenville, Alabama	750,000
Bypass Road in Nome, Alaska	2,000,000
Byram-Clinton/Norrell Corridor, Mississippi	3,000,000
C Street Railroad bypass, Alaska	2,000,000
Cactus Avenue, I–15 Interchange Project	200,000
California University of Pennsylvania Shuttle System (CUPSS), Pennsylvania	2,000,000
CalTrain Train Tracking Information System	500,000
Capacity Enhancement of South Shore Commuter Rail Service	1,000,000
Capacity expansion on I–35 in Olathe, Kansas, from 159th St. to 175th St.	3,000,000
Cape Fear River Planning Project, North Carolina	750,000
Capital Metro North Operating Facility	1,000,000
Caraway Bridge Overpass, Arkansas	1,000,000
Center City Project, Columbus, Ohio	3,000,000
Central Florida Regional Transportation Authority: North Orange/South Seminole ITS Enhanced Circulator	2,071,000
Central Kentucky Line Rail Service Preservation Project	500,000
Central Susquehanna Valley Transportation U.S. 15, Pennsylvania	2,000,000
Chattanooga (CARTA) ITS, Tennessee	2,500,000
Chehalis, I–5 Exit 79 Interchange Bridge, Washington	3,000,000
Chenega Road System, Alaska	850,000
Cheyenne Corridor Safety Improvement Project in Pocatello, Idaho	1,500,000
Chocorua Village Transportation Improvement Project	500,000
Cities of Beverly and Salem Intermodal, MA	1,100,000
City of Arvada, Colorado, Wadsworth Blvd/SH 121/Grandview Grade Separation	500,000
City of Asheville Traffic Signal System Upgrades	2,000,000
City of Aurora, Colorado I–225 and Colfax Avenue Interchange reconstruction	2,500,000
City of Austin East 7th Street	1,000,000
City of Bayfield, Highway 13 Emergency Culvert Repairs	640,000
City of Beloit, Gateway Boulevard Project, Wisconsin	500,000
City of Boston—Harbor Islands NRA Long Island Pier Reconstruction, Massachusetts	300,000
City of Charles Town—Gateway Revitalization Project, West Virginia	350,000
City of Columbus, Ohio, Morse Road corridor improvement program phase I	500,000
City of Covina Metrolink Pedestrian Bridge	500,000
City of Crowley's Historic Parkerson Avenue Redevelopment project, Louisiana	1,000,000
City of Elkhart Hively Avenue underpass, Indiana	100,000
City of Fort Worth Corridor Redevelopment Program	2,000,000
City of Gardena Street and Highway Improvements	500,000
City of Kennesaw, Georgia, Pedestrian Underpass	1,500,000
City of Lakewood, Colorado, US 6 and SH 121 Interchange Reconstruction	500,000
City of Las Vegas Pedestrian Connections	500,000
City of Lufkin—Intermodal Transit Terminal/Parking Facility	1,000,000
City of Madison State Street Revitalization	750,000
City of Madison, Wisconsin East Washington Avenue Reconstruction	2,000,000
City of Orangeburg Railroad Relocation Project	2,000,000
City of Oxford, Mississippi bike path	800,000
City of Revere, Massachusetts Intermodal Transit Improvements	2,200,000
City of St. Petersburg, Florida, bike path	500,000
City of Waco Bus Facility Project	1,500,000
City of Westbrook, Maine, Improvements to Route 25, Wayside Drive and William Clark Drive	1,000,000
City of Wewoka, Oklahoma	250,000
Cleveland Avenue, Lake Township, Ohio	1,000,000
Collins Road (Iowa Highway 100) and 1st Avenue (Business Highway 151) in Cedar Rapids, Iowa	750,000
Colonial National Historic Park, Jamestown 400th Anniversary Transportation Improvements, Virginia	7,000,000
Coltsville Corridor Redevelopment Project, Connecticut	1,000,000
Commerce City, Colorado, East 104th Avenue and US 85 Intersection Improvements	500,000
Commodore Barry Bridge ramps to Chester, Pennsylvania	1,000,000
Construction of rail overpass in Claremore, Oklahoma	500,000
Construction of the Bishopville Bypass in Lee County, South Carolina	500,000

Project	*Amount*
Construction of US 17 and Bowman Road Interchange in Town of Mount Pleasant, South Carolina	250,000
Convocation Center Roadway	2,000,000
Copperas Cove Reliever Route, Texas	1,000,000
Corporal Roger Sneeden Drive Overpass, Boone, Iowa	40,000
County State Aid Highway 21 Project, Minnesota	750,000
CR 578 Widening from Mariner Boulevard to Suncoast Parkway, Florida	1,250,000
Craig Road Improvements, Alaska	1,000,000
Crocker/Stearns, widening and construction, North Olmstead, Ohio	800,000
CSAH 42: Segment 8 Implementation Plan Project	250,000
Cumberland Head Connector Road, Clinton, New York	1,000,000
Cyberport, Arizona	2,750,000
Dagget Road, Port of Stockton, California	100,000
Decatur Beltline Expansion, Decatur, Alabama	2,000,000
Delaware Avenue Streetscape Program in the Village of Kenmore, NY	600,000
Delaware Commuter Rail Improvement Project	1,500,000
Delaware River Port Authority—Ben Franklin Bridge, Pennsylvania	5,000,000
Deming, New Mexico I–10 Frontage Road Extension	1,800,000
Derita Road Improvements Project, Concord, North Carolina	1,250,000
Des Moines Riverwalk, Des Moines, Iowa	1.000,000
Detroit Center City Loop	750,000
Donlin Creek Road, Alaska	10.000,000
Double Eagle II Airport (Paseo del Volcan) Interchange and Roadway Rehabilitation, New Mexico	2,000,000
Downtown Butler Cityscape Project	150,000
Downtown Rail Trolley, Corpus Christi, Texas	500,000
Dynamic Changeable Message Signs—Urban Interstate System, Iowa	1,000,000
East Bay Incident & Emergency Management System	200,000
East Central Bus Coalition Bus Procurement, Florida	3,000,000
East Flagstaff Traffic Interchange, Arizona	1,000,000
Eufaula Broad Street Restoration Project, Alabama	500,000
Exit 18 Connector Road, Warren County, New York	300,000
Extend 4-Lane Highway from Maverick Junction to Nebraska in Fall River County, South Dakota	250,000
Fairfield/Vacaville Intermodal Transit Station	800,000
Fairmont Gateway Connector System	5.600,000
Fairmont Pedestrian Bridge	200,000
Fall River Drainage Bridge Replacement, Harper County, Kansas	1,500,000
False Pass, Alaska causeway and road to the terminus of the south arm breakwater project	3,000,000
Farish Street Historic District Improvements, Mississippi	500,000
FAST Corridor, Washington	3,000,000
Fayette Downtown Revitalization, Alabama	700,000
Feasibility Study and Work Plan for International Trade Processing Center, Wichita, Kansas	1,000,000
Feasibility study for Routes 495/195 Interchange, Wareham, Massachusetts	500,000
Fairbanks Transit bus replacement, Alaska	3,000,000
Fishers Island Ferry District New London Terminal Expansion and Upgrade, Connecticut	750,000:
Five laning of Kickapoo, Shawnee Oklahoma	1,200,000
Five Points Improvement Project, Huntsville, Alabama	500,000
Fleming County maintenance garage	275,000
Florida Beach Walk Initative, Clearwater, FL	500,000
Florida High Speed Rail Corridor Project	4,000,000
FM 66 Ellis County from IH–35 in Waxahachie to FM 157 at Maypearl, Texas	750,000
Forest Park/Atlanta State Farmers Market Transportation Study, Georgia	400,000
Forsyth Downtown Streetscape Project, Georgia	750,000
Fort Worth Urban Villages and Commercial Corridors	500,000
Franklin County Connecticut River Scenic Byway, MA	1,000,000
Frazer Township Interchange, Pennsylvania	500,000
Frederick Douglass Bridge, Washington, DC	7,000,000
Freight Rail Transportation Corridor and Urban Mobility Program, Harris County, Texas	1,000,000
Frontage Road, I–20 Vicksburg, Mississippi	2,500,000
Gallagher Intermodal Transportation Center Project	1,800,000
Galveston Railroad Bridge Replacement, Texas	500,000
Gateways for Maine's National Scenic Byways	1,000,000
Genesee & Wyoming, South Buffalo, New York, track rehabilitation	500,000
Georgia Veterans Memorial Park, Rockdale County, Georgia	500,000
Gill-Montague Bridge, Massachusetts	5,000,000
Gilmerton Bridge, Virginia	4,000,000
Girdwood Project, Alaska	1,000,000
Glacier National Park Going to the Sun Road, Montana	8,000,000
Glenwood Avenue Overpass, Ohio	1,000,000
Grade Separation Interchange at Burlington Avenue and the new Hoosier Hartland Highway in Logansport, Indiana	1,000,000
Grand Avenue Railroad relocation, Illinois	500,000
Grand Canyon Greenway Project, Arizona	250,000
Grandview Triangle Improvements, Missouri	1,000,000
Granite Street and Bridge Widening Project, New Hampshire	7,000,000
Great Miami River Recreational Trail, Miami and Warren Counties, Ohio	342,500
Great River Road in Mercer County, Illinois	250,000
Greenville, Mississippi, I-69 Connector EIS, Route Location, Feasibility Study	1,000,000
Greenwood Railroad Relocation, Mississippi	1,500,000
Haleyville Bypass, Alabama	6,500,000
Hamilton County Riverway, Indiana	500,000
Harlem River Promenade, New York	500,000
Harlingen: Railroad Relocation	800,000
Harrisburg Transportation Center	1,200,000
HART Bus Facility—Ybor Station Intermodal Facility	500,000
Hartford New Britian Busway, Connecticut	6,000,000
Henry Drive Bridge #801—Fort Riley, Kansas	5,000,000
Highway 19 Expansion, Mississippi	2,000,000
Highway 22 Improvements Edwards-Canton	2,000,000
Highway 226: Highway 67 to Highway 63 Jonesboro, Arkansas	1,500,000
Highway 29/Highway 51 Wausau, Wisconsin	4,000,000
Highway 412: Baxter County Line to Eastern Sharp County Line, Arkansas	1,000,000
Highway 60 and Highway 65 Interchange Replacement	1,250,000
Highway 74 Monroe Bypass	2,600,000
Highway 92 study in Warren County, Iowa	460,000
Hillsborough County I–4 Crosstown Connector, Florida	2,000,000
Historic Street Improvements, New Bedford, Massachusetts	300,000
Hobson Intermodal facility in Middleport, Ohio	200,000
Hollywood Drive Expansion Project—City of Jackson, Tennessee	600,000
Holyoke Canalwalk, Massachusetts	1,200,000
Holyoke Multimodal Transportation Center, MA	2,000,000
Hoover Dam Bypass-Boulder Extension (US 93/US 95, Wagon Wheel Pass), Nevada	6,000,000
Hopkins County, Texas Intermodal Center	750,000

Project	Amount
Houston Greater Partnership Quality of Life Initiative, Texas	500,000
Houston, Texas Main Street Corridor Revitalization Project	500,000
Houston-Galveston Regional Congestion Study, Texas	750,000
Hudson Crossing, Bi-County Education Park	250,000
Huntsville federal building, Alabama	3,600,000
Hydaburg Road Improvements, Alaska	2,000,000
I–20 widening in Caddo (Texas line, Shreveport)	500,000
I–15 North, Davis County, Utah	2,000,000
I–15, Utah/Salt Lake County Line to SR–92	2,300,000
I–195 Relocation, Rhode Island	2,000,000
I–20 Widening and Safety Improvements, Alabama	3,500,000
I–205, Oregon	1,000,000
I–215 and Barton Road Interchange, Grand Terrace, California	500,000
I–270 at Dorsett & I–70 interchange improvements, Missouri	5,000,000
I–275 to AA Highway Connector, Kentucky	1,500,000
I–40 Crosstown Expressway	27,000,000
I–44 exit ramp in Luther area, Oklahoma	2,000,000
I–44 widening and construction Arkansas River east to Yale Avenue in Tulsa, Oklahoma	6,000,000
I–49 North, Louisiana	3,000,000
I–5 Second Street Bridge, Mount Vernon, Washington	3,000,000
I–5 Transportation and Trade partnership project, Southwest Washington	3,000,000
I–5, 116th Street NE Interchange Improvements, Snohomish, Washington	2,000,000
I–540 and Perry Road Interchange, Rogers, Arkansas	3,000,000
I–55, Church Road to Tennessee State Line, DeSoto County, Mississippi	2,000,000
I–64 and Pocahontas Parkway Connector	1,200,000
I–65 Cloverland Bridges, Montgomery, AL	1,000,000
I–65 Industrial Park Access Improvements, Atmore, Alabama	500,000
I–66 Pike County, KY	2,000,000
I–66 Somerset to London, KY	2,000,000
I–66/Route 29 Gainsville Interchange, Virginia	1,750,000
I–69 Connector, Arkansas	750,000
I–69, Louisiana	2,000,000
I–69, Texas	7,400,000
I–73, South Carolina	2,250,000
I–75 in Rockcastle County, Kentucky (Milepoint 64.5 to Milepoint 69.0), 4.5 Miles	1,500,000
I–75, Enterprise South Connector Road, Chattanooga, Tennessee	1,000,000
I–75, Whitley County, Kentucky erosion mitigation	500,000
I–79/Parkway West Missing Ramps and Widening Project, Pennsylvania	1,000,000
I–80 Bridges Cedar River Bridges, Iowa	3,000,000
1–80 Waukee/West Des Moines Interchange	3,000,000
I–81 Corridor and I–690 Interchange Improvement Project in Syracuse, New York	2,000,000
1–87 exit 11A new interchange, New York	2,000,000
I–880/Coleman Avenue Interchange Reconstruction	1,000,000
I–95 at CR 23, Georgia	750,000
I–95/SR1 Interchange Turnpike Improvements, Delaware	1,000,000
I–96 at Beck Rd. and Wixom Rd. interchange reconstruction, Michigan	2,500,000
IH 30 from FM 989 (Kings Highway) to US 59/171 (Stateline Avenue) in Texarkana, Texas	2,500,000
IH–30 Interchange Improvement Project, Texas	2,000,000
IH35 Texas	6,000,000
Illinois Route 38 at Union Pacific Railroad Grade Separation	250,000
Improve access to the Pennsylvania Correctional Institute near Brownsville, Pennsylvania	3,000,000
Improvements to I–70/Route 63 Interchange—Columbia, Missouri	1,000,000
Improvements to I–75 in Lee County, Florida	1,500,000
Indianapolis Stadium Drive District, Indiana	2,000,000
Industrial Park Access Road Winfield, Alabama	500,000
Industrial Road Improvements, Seminole, Oklahoma	500,000
Intermodal Transload Facility, Quincy, Washington	2,000,000
Intermodal Transportation for Corridor from Atlanta to Chattanooga, Tennessee	2,000,000
Interstate 10/Tippecanoe Interchange, California	3,000,000
Interstate 15 Managed Lanes, California	1,000,000
Interstate 5–Sorrento Valley Road and Genesee Avenue Interchange Project	1,500,000
Interstate 80, Northwest 27th St. to West of 1–180, Nebraska	1,500,000
Interstate 90 joint port-of-entry near Sheridan	1,000,000
Interstate 94/43/794 (Marquette Interchange), Milwaukee, Wisconsin	6,000,000
Interstate–75 Interchange at Pines Boulevard (SR 820)	1,000,000
InterTech Science Park Transportation-Improvements Initiative	500,000
Iowa City Near North Side Transportation Center, Iowa	2,100,000
Island Transit Operations and Maintenance Facility	1,800,000
ITS—City of East Peoria	200,000
ITS—174 in Peoria, IL	750,000
Jacksonville Water Taxi Stations, Florida	750,000
Jefferson Road Connector (Kanawha County, West Virginia)	1,000,000
Jimmy Carter Blvd pedestrian safety, Gwinnett County, Georgia	400,000
Johnsonburg By-pass	300,000
Johnsontown Road, Kentucky	1,000,000
Jonesboro Transportation and Drainage Planning, Arkansas	1,000,000
Kaskaskia Regional Port District, access roads	220,000
Kenai Fjords National Park Resurrection Bay Trail and Parking Improvements, Seward, Alaska	2,300,000
Kennedy Center Potomac River Pedestrian and Bike Path	5,000,000
Kentucky TriModal Transpark	5,250,000
Keystone Drive and Related Improvements, Alaska	1,500,000
King County Metro park and Ride of First Hill, Seattle, Washington	3,626,000
King County, South Park Bridge, Washington	2,000,000
Knik Arm Bridge Causeway, Alaska	6,000,000
KY 115 and KY 911 Interchange, Kentucky	1,500,000
L.L. Tisdale Parkway/Increase Loop, Oklahoma	250,000
LA 1148 to US 77 Alternate Access Improvement Project, Iberville Parish, LA	500,000
LA 143–US 165 Connector & Ouachita River Bridge, Louisiana	1,250,000
LA Highway 28, Louisiana	2,000,000
La Mesa-Nisqualli Road/I–15 Interchange Project	250,000
Lafayette Street Extension/Pennsylvania Turnpike Electronic Toll Interchange	750,000
Lake County, Tennessee, State Route 21, from Log Mile 7.0, to Obion County Line	1,000,000
Lake Martin Regional Industrial Park Access Rd., Kellyton, Alabama	500,000
Lake Stanley Draper Road Improvements, Oklahoma	300,000
Lane Transit District Bus Facilities	750,000
Laredo Signal Integration Project	1,750,000
Lawrence Gateway Quadrant Area Reuse Plan, Lawrence, Massachusetts	500,000
Lawrence, Kansas, Transit System maintenance facility	400,000
Lechmere Station Relocation and Intermodal Expansion, Boston, Massachusetts	1,000,000
Lewis & Clark 511 Coalition, Montana	1,000,000
Lewis and Clark Expressway, Jackson County, Missouri	1,000,000

Project	Amount
Lewis and Clark Historic Park at Kaw Point, Wyandotte County, Kansas	425,000
Lexington Bridge Project, Cowlitz County, Washington	1,500,000
Lincoln Boulevard Improvement Project, California	1,000,000
Lincoln bypass-SR65/Ferrari Interchange Construction, California	2,000,000
Logan Square Access and Safety Improvements, Philadelphia, Pennsylvania	800,000
Lombardy Street Renovation between Route 1 and Admiral Street (Richmond, VA)	750,000
Lone Tree Way Undercrossing of Union Pacific Railroad, Brentwood, CA	250,000
Long Meadow Parkway Fox River Bridge Crossing, Bolz Road, Illinois	3,000,000
Loop 304 Expansion and Improvement, Crockett, Texas	1,000,000
Los Angeles City College Red Line Pedestrian Connector	800,000
Lucille Street and Mack Drive Improvements, Wasill, Alaska	1,000,000
Ludlum Trail, Miami-Dade County, Florida	500,000
Lyndale Avenue Bridge, Minnesota	3,000,000
M&B Railroad Bridge 46.3 Repair, Alabama	1,000,000
Mahoning and Trumbell Counties—State Route 46, Ohio	2,500,000
Manhan Rail Trail Coleman Road Extension and Mitigation Project	750,000
Manhattan-West Gallatin River Trail, Montana	300,000
Marine Maintenance Facility Phase I, Manns Harbor, North Carolina	1,000,000
Marinette County, Wisconsin 1,250,000	500,000
Market Street Bridge, Pennsylvania	250,000
Market Street, South Burlington, Vermont	1,000,000
Martin Luther King, Jr. Pkwy in Des Moines, IA	2,000,000
Matanuska-Susitna Roads Improvement, Alaska	3,000,000
McCaslin Boulevard/U.S. 36 Interchange Construction, Colorado	3,000,000
MD 4 Suitland Parkway Interchange	4,000,000
MD 404, Phase II, Maryland	1,000,000
MD 70 Bridge over Weems Creek, Maryland	300,000
Meridian Bridge Replacement, Yankton, South Dakota	2,000,000
Mesa del Sol, Albuquerque, New Mexico	1,500,000
Milwaukee Avenue Rehabilitation, Illinois	200,000
Miniature Transportation Safety Training Village in the Town of Brookhaven, New York	1,000,000
Monterey Bay Sanctuary Scenic Trail	400,000
Montgomery County ITS Phase II	1,000,000
Montgomery County/U.S. 35 Widening, Ohio	1,500,000
Montgomery Outer Loop, Alabama	2,000,000
Monticello/White County 6th Street West Shafer Drive	800,000
Moorefield, West Virginia Streetscape	200,000
Morgantown Intermodal Facilities	2,250,000
Morse Road Improvements, Phase I, Indianola Avenue to Karl Road, Ohio	1,000,000
Mukilteo Multimodal Terminal, Washington	2,000,000
Municipal Transit Operators Coalition, California	1,000,000
Mystic Seaport's Riverfront Access Project	100,000
Nashville, Tennessee, East Corridor Commuter Rail project	1,000,000
Navajo Route 16	200,000
NE 10th Overlake Hospital Transportation Efficiency and Development Study, Washington	1,000,000
NE 23rd Street between Lincoln and I–35, Oklahoma City	500,000
NEHLA Connector Road and Infrastructure Update	500,000
Neuse River Greenways Construction, Raleigh, NC	500,000
New Jersey Route 31 Highway/Congestion Mitigation Study	150,000
New Jersey Route 57/CR Route 519 Intersection Improvements	1,300,000
NH DOT—Londonderry South Road Advance, Mitigation/Wetland Creation	500,000
Niagara Falls International Rail Station & Intermodal Transportation Center, New York	2,500,000
Noise Barriers, Columbia County, Georgia	200,000
Nonconnnah Road, Tennessee	2,000,000
Norfolk, Virginia light rail transit	1,000,000
North Delaware River East Coast Greenway Trail Project, Pennsylvania	750,000
North Las Vegas Intermodal Transit Hub	1,000,000
North Pole Roads Lighting, Alaska	950,000
North Sinatra Avenue Drive, Hoboken, New Jersey	500,000
North Slope Borough Road Improvements, Alaska	3,000,000
North South Connector Highway, between SR119 and SR 30 in Chatham and Effingham Counties	250,000
Northern Bypass of Somerset, Kentucky in Pulaski County	3,000,000
Northern Corridor, St. George, Utah	1,000,000
NW Quadrant Project in the City of St. Anthony, Minnesota	750,000
Ohio and Erie Canal towpath trail, Ohio	1,000,000
Oklahoma County I–40 ITS	3,000,000
Oneonta, Alabama Downtown Revitalization	500,000
Orchard Lane and Factory Road, Greene County, Ohio	1,000,000
Osceloa, Wisconsin installation of culverts under Hwy. 35 and repair of eroded highway beds	400,000
Otay Mesa/State Route 905, California	3,000,000
Park Drive Street Reconstruction	500,000
Park Lane Road Improvements, Altus, Oklahoma	2,800,000
Paseo de Volcán, Rio Rancho, New Mexico	4,000,000
Paulsboro Brownfield Development Overpass to I–295 project, New Jersey	1,000,000
PCDC Bus-stop Related Facility Enhancements	750,000
Pedestrian Walkway over US Highway 601 at South Carolina State University and Claflin University	400,000
Pedestrian/Bicycle Linkage & Scenic Overlook Restoration, Grant, Alabama	25,000
Pembroke Road Overpass at I–75, Florida	1,000,000
Pembroke Road Overpass Bridge at Interstate–75	1,000,000
Pennsylvania Mon Fayette Expressway and Southern Beltway Project, Pennsylvania	2,000,000
Pennsylvania State Route 30/981 upgrade	500,000
Pennsylvania Turnpike Commission—High Priority Corridor #31	5,000,000
Phalen Boulevard, Minnesota	2,000,000
Phase 2 South Palm Canyon Realignment and Ancillary Access Improvements, California	1,000,000
Phase II, Minnesota Valley Regional Rail Authority	2,000,000
Pineda Causeway Interchange at I–95, Florida	1,100,000
Pinellas County, Florida Roosevelt Connector Project	7,000,000
Pioneer Valley Transit Authority (PVTA) ITS, MA	3,000,000
Pittsburg, Kansas Port Authority for the Kansas & Oklahoma Railroad	2,000,000
Planning, location, environmental work and PE for four lane US highway 20 Corridor through Woodbury, Ida and Sac Counties, Iowa	1,550,000
Plough Boulevard Interchange (at Winchester Road)—Memphis, Tennessee	2,000,000
Pogue Airport Access Road, Oklahoma	2,000,000
Pookela Road, Hawaii	4,000,000
Popps Ferry Road Bridge, Mississippi	2,000,000
Port of Albany Security Improvements, New York	500,000
Port of Anchorage Intermodal Facility, Alaska	1,500,000
Port of Ketchikan Ferry Facility, Alaska	1,000,000

Project	Amount
Port of Pasco, Ainsworth Avenue Realignment—Sacagawea Heritage, Washington	3,000,000
Port of Rochester Transportation Security/Intelligent Transportation, (ITS) Project	1,250,000
Puerto Rico Port Authority Ferry Program	500,000
Queens Plaza Roadway rebuilding project, Long Island City, New York	750,000
Rahway River Corridor Greenway Bicycle and pedestrian Path	270,000
Reconstruct Allen Road, Bennett County, South Dakota	2,000,000
Reconstruction of Cowan Road from 23rd Street to the Muncie By-Pass, Indiana	2,000,000
Redesign of Highway 527 Spur connecting US59 to downtown Houston, Texas	1,000,000
Reflective Crack Relief Interlayer, US 59, Texas	3,000,000
Regional Expansion of City CarShare pilot program	500,000
Regional Traveler Information Center at the University of Massachusetts, Amherst	400,000
Removal of the Old Jamestown Bridge in Rhode Island	5,000,000
Reno Public Plaza—Rail Access Corridor Enhancement (ReTRAC)	500,000
Reno-Stead Railroad Spur, Nevada	1,000,000
Replace Meridan Bridge at Yankton, South Dakota	1,000,000
Replacement of Bridges between cities of Ben and Ontario, Oregon	250,000
Right of way Project on IH 35, from FM 2063 in Hewitt to South Loop 340/State Hwy 6 Interchange, Texas	1,000,000
RIPTA ITS Program Phase II, Rhode Island	1,500,000
Riverfront Redevelopment and Park Area, City of North Augusta, South Carolina	2,000,000
Riverwalk, Montgomery, Alabama	1,000,000
Road at Fish Trap Lake, Pike County, Kentucky	500,000
Rock Creek Bridge Replacement, Harper County, Kansas	1,600,000
Rock Island County, Illinois Milan Beltway Construction	500,000
Rockland County and City of Yonkers, New York Ferry Service	1,250,000
Rosemead Boulevard/Highway 19 Rehabilitation North to South City limits, Pico Rivera, California	300,000
Route 189 and St Pauls Avenue Bridge, Hudson County, New Jersey	2,000,000
Route 11, Connecticut	3,000,000
Route 116 Ashfield, Conway, Massachusetts	2,500,000
Route 12 Corridor, New York	3,000,000
Route 130 Renaissance Boulevard to Adams Lane Intersection Improvements, Middlesex County, New Jersey	800,000
Route 15/186 Interchange Phase II, New York	2,500,000
Route 17 Congestion Improvements from Route 3 to Linwood Avenue, Bergen County, New Jersey	1,000,000
Route 17 Improvements from Route 3 to Linwood Avenue, Bergen Co, New Jersey	1,000,000
Route 17 Safety Improvements from Route 50 to I–66, Virginia	200,000
Route 17/Essex St. Bridge Replacement, Bergen County, New Jersey	2,500,000
Route 2 Safety Improvements, Athol, Philipston, Orange, Massachusetts	2,500,000
Route 29 Scenic Byway, Hunterdon County, NJ	300,000
Route 50 traffic calming in Loudoun and Fauquier Counties, Virginia	1,000,000
Route 501 Corridor Coalition	100,000
Route 66, Village of Chatham, New York	1,500,000
Route 7 between Leesburge and Tysons Corner, Virginia ITS	500,000
Route 8, Berkshire County, Massachusetts	1,250,000
Route 9W Alpine/Tenafly, Bergen County, New Jersey	750,000
Routes 23 and 94—Linwood Avenue to Wallkill Avenue Intersection, Sussex Co., NJ	500,000
Ruffner Mountain Nature Preserve, Alabama	700,000
Rural Highway Information System, KY	2,000,000
Rural Road Safety enhancement program, Monterey, County, California	500,000
S–323 Alzada-Ekalaka, Montana	3,500,000
Saddle Road Improvement, Hawaii	4,000,000
Safford, 8th Avenue Bridge, Arizona	1,000,000
Saginaw Transit Multimodal Downtown Transit Facility, Michigan	1,000,000
Sakonnet River Bridge Replacement, Rhode Island	1,500,000
Salem Area Transit-South Salem Transit Center	750,000
Salem Bridge, Oregon, environmental impact study	400,000
San Francisco Muni Third Street Project	2,500,000
San Francisco Muni Transportation Communications System	1,500,000
San Juan Boulevard, Bellingham, Washington	1,225,000
San Luis II Access Road, Arizona	1,050,000
Santa Clarita Cross Valley Connector, California	3,000,000
Santa Monica College 11th Street Parking Structure	1,000,000
Saratoga County—Copeland Covered Bridge	38,000
Satsop Road Access Improvements, Grays Harbor, Washington	375,000
Sauk Trail Reconstruction Improvements, Park Forest, Illinois	330,000
Sauk Village Industrial Park Access Road	600,000
Savannah Water Ferry Project, Georgia	1,000,000
Scott City Missouri Access Ramp	250,000
Seattle 5th Avenue NE Transpiration System and Streetscape improvements	300,000
Seattle, Elliot Avenue & BNSF Crossing Path Improvements, Washington	1,000,000
Seldovia-Homer-Jakolof Bay Halibut Cove Ferry Planning and design, Alaska	2,000,000
Seward Road Improvements, Alaska	2,000,000
SH288 Grade Separation at County Road 51, Brazoria County, Texas	1,000,000
Sheridan Road, Evanston, Illinois	800,000
Ship Creek Improvements, Alaska	1,000,000
Sierra College Boulevard/I–80 Interchange, California	1,000,000
Sitka Road Improvements, Alaska	1,500,000
Somerset SW Bypass US 27 South to Nunn Parkway West of Somerset, Kentucky	1,500,000
South La Brea Avenue and Imperial Highway Realignment Project	500,000
South Lake Union Circulation System, Seattle, Washington	3,000,000
South Nissan Interchange, Mississippi	4,000,000
South Orient economic rehabilitation project, Texas	4,000,000
South Orient Railroad rehabilitation	1,500,000
South Perry Street Bridge	300,000
Southern Beltway (I–215) Widening and Interchange Project, Nevada	5,000,000
Southworth Terminal Redevelopment/Vashon Terminal Preservation, Washington	500,000
Spokane, University District Transportation Safety Enhancement Project, Washington	1,000,000
Springfield Greenway Extension, Tennessee	100,000
SR 1/US 27 widening, Heard County, Georgia	2,500,000
SR 196 Widening, Liberty County, Georgia	1,000,000
SR 31, All Weather Roadway Construction and Widening, Pend Oreille County, Washington	1,600,000
SR 509/SR518 Interchange/Intersection Redevelopment (Burien), Washington	2,000,000
SR 79/West Bay Bridge Improvements, Panama City, Florida	3,000,000
SR 79/West Bay Bridge Improvements, Panama City, Florida	1,000,000

Project	Amount
SR 874 ITS Integration Project	1,000,000
SR–56/I–5 Northbound Widening, California	1,000,000
St. Charles, Illinois, Fox River Crossing at Red Gate Corridor	2,000,000
St. George Transit O&M Facility	500,000
St. George's ferry and ferry facilities, New York	1,000,000
St. Leo Univerisity Transportation Safety & Community Access Project	2,500,000
St. Mary's Road Paving Project	100,000
State Highway 133 Widening, Colquitt County, Georgia	1,250,000
State Highway 29 (Interstate 94—Chippewa Falls, Wisconsin)	2,000,000
State Highway 332 at Brazos River, Brazoria County, Texas	6,000,000
State Street Corridor Improvement Plan	1,000,000
Stourbridge Rail Excursion Line, Pennsylvania	83,000
Streetscape/Roadway Improvements to the Chester City (PA) Waterfront	350,000
Suffolk Bike Trails, Virginia	150,000
SUNY Tockland University Center—Shuttle Service	280,000
Susquehanna Road/Limekin Road/Norfork Southern Bridge project, Pennsylvania	1,000,000
Swift Rail Siding Project, Blaine, Washington	3,000,000
TARTA/Toledo Bus Fueling Facilities Improvements	1,500,000
Taylor Dock Project, Bellingham, Washington	677,000
Teaneck, New Jersey Pedestrian Overpass	500,000
Tennessee State Route 28/US 127	1,000,000
Thackerville, Oklahoma I–35 Interchange	1,000,000
The City of Lithonia Streetscape Project	400,000
The French Creek Parkway, Pennsylvania	200,000
The Montachusett Area Regional Transit (MART) Regional Transit Facility	2,000,000
The Sunrise Corridor, Oregon	500,000
The US Highway 17–92 Widening Project, from Poinciana Boulevard to Ham Brown Road	500,000
Thomas Cole National Historic Site, New York	50,000
Toledo Downtown Waterfront Redevelopment	750,000
Topeka Boulevard Bridge, Kansas	8,500,000
Towboat Display and Classroom Project, Oklahoma	250,000
Town Center/Old Town Enhancement Project for the City of Yorba Linda, California	3,100,000
Town of Dublin, New Hampshire Traffic Calming Project	300,000
Traffic Calming for the City of Riviera Beach, Florida	500,000
Trans-Hudson Midtown Corridor Project, New Jersey	3,500,000
Transportation Improvement Project, Desert Hot Springs, California	1,925,000
Treasure Island Bridge	6,000,000
Trevillian Way, Kentucky	400,000
Tri-County Automated System Project, University of Southern Mississippi	1,000,000
Truck Inspection pull-off on Route 9 in Loudoun County, Virginia	100,000
Trunk Highway 610/10, Minnesota	3,750,000
Tupelo Rail Relocation	500,000
Turquoise Trail Project (BIA Route 4), Arizona	1,250,000
Tuscaloosa Downtown Revitalization Project, Alabama	5,000,000
U.S Highway 52, County State Aid Highway 24 Interchange	500,000
U.S. 101 Bikeway System, California	250,000
U.S. 218/Main Street Reconstruction—Phase II, Iowa	2,000,000
U.S. 31 South Bend to Indianapolis Freeway project	2,000,000
U.S. 319 Expansion	1,000,000
U.S. 412 Mountain Home to Hwy. 101, Arkansas	4,000,000
U.S. 51, Christian/Shelby Counties, Illinois	2,000,000
U.S. 54 (Kellogg), from I–35 to K–96, Wichita, Kansas	1,000,000
U.S. 95 Laughlin to Searchlight (Phase 3), Nevada	8,000,000
U.S. Highway 276 Project Study	200,000
U.S. Highway 54, Kansas	3,000,000
U.S. Route 35 in Mason and Putnam Counties, West Virginia	5,977,500
UAB Center for Injury Sciences, Birmingham, Alabama	2,000,000
Umatilla Intermodal Facility	1,000,000
Union Station Regional Intermodal Transportation Center	800,000
University of Alaska Transportation Research Center	2,000,000
University of Delaware Intermodal Transportation Facility, Delaware	1,000,000
University of Oklahoma Intelligent Bridge Systems Research	3,000,000
University of Southern Maine Pedestrain Access	725,000
Upgrade of the Interstate 95 and SC–327 Interchange in South Carolina	1,400,000
US 12 Widening, Wallula Junction to Walla Walla, Washington	3,000,000
US 20 Webster County Widen to four lanes, Iowa	1,500,000
US 25 Widening, Burke County, Georgia	1,000,000
US 278 Corridor, South Carolina	1,000,000
US 278 from Sulligent, AL to Guin, Alabama	2,000,000
US 287 South to IH 45, Ennis, Texas	1,500,000
US 30/67 (Section II), Clinton, Iowa	1,000,000
US 36, Wadsworth, State Highway 128 Interchange	800,000
US 431 Widening and Reconstruction, Tennessee	500,000
US 50 Phase I highway and water quality improvement project, California	2,000,000
US 93 Kalispell Bypass Project, Montana	3,500,000
US Highway 212/County Road 134 Intersection, Minnesota	700,000
US Highway 212/County Road 134 Intersection, Minnesota	750,000
US Highway 6 improvements, Coralville, Iowa	1,000,000
US Highway 84, Evergreen, AI to Monroeville, Alabama	250,000
US–12 Burbank to Walla Walla, Washington	1,000,000
US–27 North of Somerset	2,000,000
US–95 Worley to Mica, Idaho	7,000,000
USH 151 Dickeyville-Dodgeville, Wisconsin	2,000,000
VA Route 28 Widening	2,000,000
Vallejo Station Intermodal Center, California	1,250,000
Valles Caldera National Preserve, New Mexico	1,200,000
Vancouver State Route 14 pedestrian Bridge, Washington	500,000
Vermont Covered Bridges	2,000,000
Village of Medina, New York Pass-Through Project	750,000
Village of Owego riverwalk, New York	600,000
Village of Schuylerville, New York	750,000
Washington Street Improvements, Haymarket, VA	500,000
Welcome Center US 90, Ohr-Okeefe Museum	1,750,000
West Grand Ave. (from North Western to N. California Ave.)	800,000
West Laredo Multimodal Trade Corridor, Texas	2,400,000
Westfield Multimodal Transportation Center, MA	1,700,000
Weston Avenue Streetscape, Wisconsin	1,650,000
White Pond Drive, Akron, Ohio	750,000
WI—Highway 2 Ashland, Wisconsin	2,000,000
WI—Highway 53 Chetek, Wisconsin	2,000,000
Widen and Improve Q Street, Nebraska	1,000,000
Widen from 2 to 5 lanes, Gratiot Avenue from 24½ Mile Road to 26 Mile Road.	500,000
Widen NC 210 in Cumberland County, North Carolina	500,000
Widen Route 47 from Kreutzer Road to Reed Road, Huntley, Illinois	1,000,000
Widening and creation of sidewalks at Floyd Road and Veterans Memorial Highway in Cobb County, Georgia	1,600,000
Widening Interstate 35 East between FM2181 and Lake Lewisville, Denton County, Texas	500,000

Project	*Amount*
Williamsport/Pile Bay Road, Kenai, Alaska	3,000,000
Winner Creek Trail Improvements, Alaska	1,000,000
Wood/Sandusky/Lucas Counties—U.S. Route 20, Ohio	5,000,000
Woodland Avenue Bridge, Ohio	1,000,000
WV Route 9	11,000,000
Yakataga River Bridge in Alaska	3,000,000

The conference agreement includes a provision (Sec. 116) that allows ITS funds already appropriated for use in specified locations within Wisconsin to be spent in additional locations within the State.

The conference agreement includes a provision (Sec. 117) that directs the Secretary to enter into an agreement with Nevada and/or Arizona to provide a funding method for the Hoover Dam Bypass Bridge, as proposed by both the House and Senate.

The conference agreement includes a provision (Sec. 118) that allows funds provided for a specific project in the Intermodal Surface Transportation Efficiency Act of 1991 to be used on a project in Detroit, Michigan.

The conference agreement includes a provision (Sec. 119) that reprograms a project in Conference Report 106–940 for a project in Detroit, Michigan.

The conference agreement includes a provision (Sec. 120) that reprograms a project in Conference Report 107–308 for a project in Detroit, Michigan.

The conference agreement includes a provision (Sec. 121) that provides unexpended amounts for a project in Public Law 108–7 to specified areas in Kansas.

The conference agreement includes a provision (Sec. 122) that relates to surface transportation projects.

The conference agreement includes a provision (Sec. 123) that amends section 14501 of title 40, United States Code.

The conference agreement includes a provision (Sec. 124) that modifies a Senate provision that directs the Secretary of Transportation to amend the Manual on Uniform Traffic Control Devices to include a provision regarding locating licensed 24-hour pharmacy services and placement of logo panels on the Federal-aid highway system.

The conference agreement includes a provision (Sec. 125) that allows specified costs associated with a project in San Diego, California to be eligible for Federal funding.

The conference agreement includes a provision (Sec. 126) that amends a provision in Public Law 108–7 relating to a project in Kentucky.

The conference agreement includes a provision (Sec. 127) that amends a project in Public Law 108–7.

QThe conference agreement includes a provision (Sec. 128) that amends a provision in Public Law 106–346 relating to a project in Kansas.

The conference agreement includes a provision (Sec. 129) that amends a provision in section 375 of division I of the Consolidated Appropriations Resolution, 2003, relating to a project in Pennsylvania.

FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION

Motor Carrier Safety

Limitation on Administrative Expenses

(HIGHWAY TRUST FUND)

The conference agreement includes $176,070,000 for administrative expenses of the Federal Motor Carrier Safety Administration (FMCSA) under the FMCSA limitation on administrative expenses (LAE) account. The House and Senate bills proposed $92,712,176 and $292,972,233, respectively for both administrative expenses plus five grant programs. The conference agreement provides funding for these grant programs under a miscellaneous appropriations within the Federal Highway Administration appropriation, and provides funding under FMCSA's LAE in the following manner:

Safety is good business	$250,000
Crash data improvements	5,000,000
Conditional carrier review	2,000,000
Households goods enforcement	920,000
Hotline	375,000
Research and technology	7,000,000
Regulatory development	9,500,000
Information management	11,843,000
Administrative Infrastructure	7,000,000

Safety is good business program.—The conference agreement provides $250,000 for the safety is good business program, consistent with the House. The Senate proposed $500,000. The conference agreement retains language contained in the House report that FMCSA should first use this funding to develop a goal and initiatives that are directly related to that goal.

Conditional carrier review.—The conference agreement provides $2,000,000 for conditional carrier reviews as proposed by the Senate. The House report provided $1,334,000.

Household goods enforcement.—The conference agreement provides $920,000 for the household goods enforcement program, instead of $896,000 as proposed by the House and $1,370,000 as proposed by the Senate. This level provides adequate funding for the seven requested positions at half-year levels.

Research and technology.—The conference agreement provides $7,000,000 for motor carrier safety research and technology, consistent with both the House and Senate proposals. The conference retains language directing FMCSA to submit a 5-year research and development strategic plan to the House and Senate Committees on Appropriations no later than June 15, 2004, as proposed by the Senate.

Regulatory development.—The conference agreement provides $9,500,000 for regulatory development instead of $11,000,000 proposed by the House and $8,000,000 proposed by the Senate.

Information management.—The conference agreement provides a total program level of $11,843,000 for information management, an increase of $2,500,000 from the fiscal year 2003 level. The House bill proposed $13,500,000 and the Senate bill proposed $10,398,000.

Administrative infrastructure.—The conference agreement provides $7,000,000 for administrative infrastructure instead of $4,423,000 as proposed by the House and $10,423,000 as proposed by the Senate.

Share the road safely program.—Consistent with the Senate, the conference agreement does not provide funding for the share the road safely program. Funding for this program is provided under the National Highway Traffic Safety Administration appropriation. The House proposed $500,000 for this program.

PATRIOT ACT (CDL background checks).—The conference agreement, consistent with both the House and the Senate, does not provide funding for CDL background checks as this responsibility has been transferred to the Department of Homeland Security.

State grants.—In addition to the $176,070,000 provided under the limitation on administrative expenses, the conference agreement includes a total of $111,500,000 for Federal Motor Carrier Safety Administration programs under the Federal Highway Administration miscellaneous appropriation from the Highway Trust Fund (other than the mass transit account). Both the House and Senate bills proposed funding these programs from within FMCSA's limitation on administrative expenses. The conference agreement provides the funds in the following manner:

Program	*Conference*
New entrant program—State grants[1]	$8,000,000
New entrant program—Federal portion[1]	3,500,000
Southern border inspection facilities	47,000,000
Commercial driver's license improvement grants	21,000,000
Southern border operations grants	23,000,000
Northern border truck inspection grants	9,000,000

[1] This reflects a portion of the total $28,500,000 provided for the new entrant program. Of this amount, $25,000,000 is provided for grants to states, and $3,500,000 is for Federal responsibilities associated with the program.

New entrant program.—The conference agreement provides a total of $28,500,000 for the new entrant program. The conference reiterates the decision contained in both the House and Senate reports that the majority of funding for this program is in the form of state grants, and therefore retains only $3,500,000 for oversight and other Federal responsibilities. The House proposed $2,200,000 for the Federal portion of this program and the Senate proposed $4,456,000. In addition, $8,000,000 in state grants is provided under the Federal Highway Administration miscellaneous appropriations, and an additional $17,000,000 is provided for state grants under the Motor Carrier Safety Assistance Program. The conference retains language directing FMCSA to submit a new entrant program implementation plan to the House and Senate Committees on Appropriations no later than 90 days after enactment of this Act.

Hazardous materials permitting program.—The conference agreement provides $1,050,000 for the hazardous materials permitting program, instead of $1,135,000 provided by the House and $2,000,000 provided by the Senate. This amount is adequate to fund the 13 requested positions at half-year levels.

Commercial drivers license program.—Consistent with both the House and Senate, the conference agreement provides $21,000,000 for the commercial driver's license improvement grants program. The conference agreement retains the House language that encourages FMCSA to continue working with the American Association of Motor Vehicle Administrators, the Commercial Vehicle Safety Alliance, lead MCSAP agencies and licensing agencies to improve all aspects of the CDL program. In addition, FMCSA should consider sponsoring another pilot project involving law enforcement and driver licensing agencies to explore new and innovative ways to ensure that drivers who have been convicted of a disqualifying offense do not operate during the period of suspension or revocation. Finally, FMCSA should continue to support the judicial and prosecutorial outreach effort.

Southern border inspection facilities.—Consistent with the Senate bill, the conference agreement provides $47,000,000 to construct truck inspection facilities at the Southern border. The House bill contained no similar appropriation.

Southern border operations grants.—Consistent with both the House and Senate bills, the conference agreement provides $23,000,000 for southern border operations grants.

Northern border inspection grants.—Consistent with both the House and Senate bills, the conference agreement provides $9,000,000 in northern border truck inspections grants.

Border enforcement.—The conference agreement provides $121,908,000 in border funding, of which $47,000,000 is for infrastructure improvements, $32,000,000 is for state operations grants, and $42,908,000 is for personnel and enforcement operations. The conference agreement retains language proposed by the Senate directing FMCSA to establish a process to effectively enforce and monitor Mexican motor carriers and report to the House and Senate Committees on Appropriations within one year after the date of enactment of this Act.

National Motor Carrier Safety Program

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

The conference agreement provides a liquidating cash appropriation of $190,000,000 for the national motor carrier safety program as proposed by both the House and the Senate.

(LIMITATION ON OBLIGATIONS)

The conference agreement includes a limitation on obligations of $190,000,000 for motor carrier safety grants as proposed by both the House and the Senate.

The conference agreement provides funding for the national motor carrier safety program as follows:

	Amount
Motor carrier safety assistance program	$170,000,000
Basic motor carrier safety grants	(130,329,000)
Performance based incentive grant program	(11,105,000)
High-priority activities	(8,593,000)
New entrant grants[1]	(17,000,000)
State training and administration	(2,063,000)
Crash causation (Sec. 225(f) MCSIA)	(1,000,000)
Information systems and strategic safety initiatives	(20,000,000)
Data analysis and information systems	(14,000,000)
Implementation of PRISM	(5,000,000)
Driver programs	(1,000,000)

[1] Does not include $8,000,000 provided under FHWA's miscellaneous appropriation and $3,500,000 provided under FMCSA's LAE.

Solid Waste Shippers.—From funds provided for the high priority initiative program, the conference agreement directs FMCSA to evaluate the effectiveness of the Final Rule on cargo securement for containing solid waste (including sewage sludge and combustion ash), both in container and flat bed surface transport. The analysis shall include safety, economic, and environmental considerations, and shall be provided to the House and Senate Committees on Appropriations by October 15, 2004.

Hazmat tracking system.—As proposed by the Senate, the conference agreement directs $2,000,000 from funds provided for the high priority initiative program for an expanded satellite-based, mobile communications system to monitor and track hazardous material and high-value cargo in uncovered areas of the United States.

Operation Respond.—As proposed by the Senate, the conference agreement provides $1,000,000 from funds provided for the high priority initiative program, to design, build and demonstrate the benefits of a seamless hazardous materials incident detection, management, and response system, including the expansion of the Operation Respond network. The conferees urge that these funds be used to establish a national first responders emergency services network and to accelerate deployment of Operation Respond software.

New Hampshire study.—As proposed by the House, the conference agreement provides $250,000 from funds provided for the high priority initiative program, to the New Hampshire Department of Transportation to conduct a study to evaluate the safety, economic and infrastructure impacts of a weight limit exemption on Interstates 89 and 93.

Surge Brakes.—The Federal Motor Carrier Safety Administration (FMCSA) prohibits surge brakes for use in interstate commerce. Since private vehicles are not subject to this prohibition, it causes administrative enforcement and safety problems for rental businesses and their consumers. The conference agreement directs FMCSA to determine, within 90 days of enactment of this Act, if it should initiate a rulemaking to consider permitting the use of surge brakes on small and medium trailers used in interstate commerce.

General Provisions—Federal Motor Carrier Safety Administration

The conference agreement includes a provision (Section 130) subjecting funds appropriated in this Act to the terms and conditions of section 350 of Public Law 107–87, including that the Secretary submit a report on Mexico-domiciled motor carriers. This provision was proposed by both the House and Senate.

The conference agreement includes a provision (Section 131) prohibiting the use of funds in this Act to implement or enforce any provision of the Final Rule issued on April 16, 2003 as it applies to operators of utility service vehicles and as it applies to motion picture and television production drivers working at a site within 100 air mile radius of the reporting location.

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

Operations and Research

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

The conference agreement provides $150,545,000 from the highway trust fund for highway and traffic safety activities, instead of $134,178,000 as proposed by the House and $148,102,000 as proposed by the Senate.

The agreement includes a provision carried since fiscal year 1996 that prohibits NHTSA from obligating or expending funds to plan, finalize, or implement any rulemakings that would add requirements pertaining to tire grading standards that are not related to safety performance. This provision was contained in both the House and Senate bills.

The following table summarizes the conference agreement for operations and research by budget activity:

Salaries and benefits	$69,050,000
Travel	1,324,000
Operating expenses	22,836,000
Contract programs:	
Safety performance (rulemaking)	10,773,000
Safety assurance (enforcement)	17,028,000
Highway safety programs	49,272,000
Research and analysis	67,903,000
General administration	665,000
Grant administration reimbursements	−16,306,000
Total	222,545,000

OPERATING EXPENSES

Workforce planning and development.—The conference agreement provides no funding for workforce planning and development, as proposed by both the House and Senate.

Training and technical assistance to the states.—The conferees encourage NHTSA to conduct a comprehensive review of the agency's training programs, including an evaluation of other models and different media for improving the professional capabilities of State grantees, as proposed by the Senate. In addition, the conferees direct NHTSA to develop and implement two new State training courses, as proposed by the Senate, and $200,000 is provided for this purpose. One training course should be designed to strengthen the ability of State highway safety offices to analyze data and identify State and local behavioral highway safety programs. The second course should provide hands-on experience for State highway safety offices on how to conduct evaluations or reviews of program performance.

Regulatory activities.—The conferees direct NHTSA to update their self-imposed regulatory activities plan by December 1, 2003, as proposed by the House. NHTSA should include public comments that have been received, as well as new data and research results. This plan should be submitted through correspondence to the House and Senate Committees on Appropriations and posted on NHTSA's website.

HIGHWAY SAFETY PROGRAMS

Budget justification.—Within the fiscal year 2005 budget request, NHTSA is directed to include information on expenditures on impaired driving, motorcycle, and national occupant protection programs from fiscal year 2003 and estimated plans for fiscal year 2004, as proposed by the House. This information should also describe which activities are based on proven research and implementation strategies.

Impaired driving.—The conferees direct NHTSA to submit a report to the House and Senate Committees on Appropriations, no later than 90 days after the enactment of this Act, detailing strategies and activities that will be utilized in fiscal year 2004 with regard to targeting specific populations in impaired driving efforts, as proposed by the Senate.

In addition, the conferees direct NHTSA to explore whether there is a more fitting theme for the impaired driving program than "You Drink and Drive. You Lose," and to report findings and recommendations to the House and Senate Appropriations Committees in a letter by January 30, 2004, as proposed by the Senate.

Occupant protection.—Within the amount provided for occupant protection programs, the conference agreement provides $3,000,000 for outreach initiatives to increase seat belt use, as proposed by the Senate.

Within the amount provided for national impaired driving programs, the conference agreement provides $4,500,000 for impaired driving activities, as proposed by the Senate:

Judicial/prosecutorial initiative	$1,500,000
Repeat offender tracking model	2,000,000

Target population outreach	1,000,000

The conferees direct NHTSA to refrain from obligating funds provided in fiscal year 2003 (Public Law 108–7) for judicial and prosecutorial awareness until the required report is submitted to the House and Senate Committees on Appropriations, as proposed by the Senate.

Traffic law enforcement.—The conferees strongly support NHTSA's law enforcement liaison (LEL) program, believing that high-visibility enforcement of highway traffic safety programs is integral to improving the safety on the nation's roads. The LEL function is largely responsible for the implementation of specific enforcement programs and mobilizations relating to the highly successful Click It or Ticket program as well as the You Drink and Drive. You Lose initiative. Both of these programs must have an enforcement component to ensure their success, and the LELs interact with the law enforcement community to promote the enforcement components of these programs. In fiscal year 2003, NHTSA spent approximately $561,000 to fund LEL programs in eight of the ten regions. The conferees encourage NHTSA to increase this support in fiscal year 2004 and to strive to expand the presence of this program to all ten regions.

Emergency medical services.—Within the amount provided for emergency medical services, the conference agreement provides $1,000,000 for training EMS personnel in delivering pre-hospital care to patients with traumatic brain injuries, as proposed by the Senate. An additional $1,000,000 is also provided for research at the USA Center for the Study of Rural Vehicular Trauma, as proposed by the Senate.

Records and licensing.—Within the amount provided for records and licensing, the conference agreement provides $1,000,000 for a digital watermarking technology pilot program to easily determine the authenticity of State-issued IDs, as proposed by the Senate, and $1,000,000 for the interstate digital image exchange project and online verification of birth records program.

Highway safety research.—Within the amount provided for highway safety research, the conference agreement provides $750,000, for transportation safety research at Florida Agricultural and Mechanical University. The objective of FAMU's research will be to reduce the severity of traffic injuries among the youth and adults between the ages of 0–34 and will focus on aggressive driving, road rage, speed control, occupant protection and alcohol impaired driving countermeasures. The conferees encourage NHTSA to work with FAMU to identify a suitable research project that will focus on an area that will advance highway safety.

Share the road safely.—The conference agreement provides $500,000 for the share the road safely program, to be administered by NHTSA, as proposed by the Senate. NHTSA is encouraged to work with FMCSA and State highway safety representatives to determine the best avenues for educating both the motoring public and commercial motor vehicle drivers, including incorporating such information in driver education courses.

RESEARCH AND ANALYSIS

Crash causation study.—The conference agreement provides $7,000,000 for the crash causation study, as proposed by the Senate.

Motorcycle injury prevention.—There was a continuous decline in motorcycle crash fatalities from the mid-1980's through 1997. Since 1997 however, motorcycle fatalities have increased annually. The conferees urge NHTSA to focus on strategies to reduce the alarming numbers of motorcyclists killed and injured in alcohol-related crashes each year.

Within the amount provided for crashworthiness research, the conference agreement provides $40,000 for the New Hampshire Department of Safety to conduct a study to evaluate the speed and safety threshold for preventing and analyzing motorcycle injuries, as proposed by the House. The New Hampshire Department of Safety is encouraged to work with the Honda Inova Fairfax Hospital CIREN Center in Fairfax, Virginia, which specializes in analyzing motorcycle injuries.

Crashworthiness research.—Within the amount provided for crashworthiness research, the conference agreement provides $2,000,000 for brain and spinal cord injury research at the Southern Consortium for Injury Biomechanics, $1,000,000 for a joint research initiative between Vermont's College of Medicine (UVM), Texas A&M University and Fletcher Allen Health Care, $300,000 for the University of Massachusetts, Amherst Risk Prone Driving research, $300,000 for South Carolina DOT research and development for ball bearing packages with intelligent safety aids for vehicles, and $1,500,000 for the George Washington University National Crash Analysis Center for advanced crashworthiness research.

National tire efficiency.—Within the amount provided for research and analysis, the conference agreement provides $500,000 for the Secretary of Transportation, through the National Academy of Sciences, to develop and perform a national tire fuel efficiency study and literature review to consider the relationship that low rolling resistance replacement tires designed for use on passenger cars and light trucks have on fuel consumption and tire wear life. The study shall address the potential of securing technically feasible and cost-effective fuel savings from low rolling resistance replacement tires that do not adversely affect tire safety, including the impacts on performance and durability or adversely impact tire tread life and scrap tire disposal, and that does fully consider the average American "drive cycle". The study shall further address the cost to the consumer including the additional cost of replacement tires and any potential fuel savings. The report shall be submitted to the House and Senate Committees on Appropriations, the House Energy and Commerce Committee, and the Senate Commerce, Science, and Transportation Committee not later than January 1, 2006.

SAFETY PERFORMANCE

Fuel economy standards.—The conference agreement provides $1,000,000 for the fuel economy standards program and directs NHTSA to reevaluate the agency's goals with regard to fuel economy and produce an updated performance structure, as proposed by the House.

GENERAL ADMINISTRATION

Harmonization of vehicle safety standards.—The conference agreement provides $100,000 for the harmonization of vehicle safety standards, due to budget constraints.

OPERATIONS AND RESEARCH

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

The conference agreement provides $72,000,000 from the highway trust fund to carry out provisions of 23 U.S.C. 403, as proposed by both the House and the Senate.

NATIONAL DRIVER REGISTER

(HIGHWAY TRUST FUND)

The conference agreement provides $3,600,000 for the National Driver Register, as proposed by both the House and the Senate.

HIGHWAY TRAFFIC SAFETY GRANTS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

The conference agreement limits obligations for highway traffic safety grants to $225,000,000, as proposed by both the House and the Senate. The bill includes separate obligation limitations with the following funding allocations:

State and community grants	$165,000,000
Occupant protection incentive grants	20,000,000
Alcohol incentive grants	40,000,000

State highway safety program administration.—The GAO recently released a report regarding the oversight of State Highway Safety Programs (GAO–03–474). This report included the recommendation that NHTSA should provide more guidance to regional offices regarding when it is appropriate to use management reviews and improvement plans to assist states with their highway safety programs. The Senate had reiterated this recommendation in the fiscal year 2004 report and directed NHTSA to undertake steps necessary to implement this guidance. However, the House had included language in the fiscal year 2004 report directing NHTSA to begin to approve each state's highway safety plan, if they received Section 402 funding, as the agency did prior to 1998.

Therefore, the conferees direct NHTSA to examine the agency's policies with regard to the state grant programs, and submit a report to the House and Senate Committees on Appropriations, which should include current agency policies for providing guidance to states on how best to craft respective highway safety plans and an analysis of oversight review responsibilities NHTSA currently has with regard to these plans, as proposed by the House. In addition, the report should include the steps that NHTSA would undertake if, in reviewing a state's plan, the agency had a conflict with the way in which states planned to obligate Federal grant funds. The report should include a detailed spectrum of annual examples, since fiscal year 2000, for which States used Section 402 funds, including items that NHTSA considers exemplary and items NHTSA may consider frivolous.

NHTSA is also directed to develop a clear policy on management review of state highway safety plans, including when a state improvement plan should be required, as proposed by the Senate. This should be included in the report.

Funding of $50,000 in operating expenses has been provided to undertake this study, and a copy must be provided to the House and Senate Committees on Appropriations by February 20, 2004.

Highway public safety mobilizations.—The conferees are concerned that the current timing of the national seat belt and impaired driving mobilizations in May and July does not allow ample time for either NHTSA or State and local law enforcement agencies to adequately plan for these intensive efforts. The conferees believe it is important that NHTSA and the States have adequate time to properly plan and prepare for each of these mobilizations in order to have the maximum impact on saving lives and preventing injuries. To that end, the conferees direct NHTSA to work with State and local authorities and the safety community to establish a comprehensive plan and date certain for future national impaired driving mobilizations. Much like the nation has embraced May as the "Click It or Ticket" month, the conferees expect that this coordinated effort will allow NHTSA to establish an annual date for carrying out an effective impaired driving mobilization to be accompanied by national paid advertising. The conferees direct NHTSA to report to the House and Senate Committees on Appropriations 90 days after the date of enactment of this Act on the agency's implementation plans and to keep the Committees informed throughout the fiscal year as to the progress of these efforts.

The conferees are also aware that NHTSA is currently evaluating the effectiveness of a safety mobilization effort in Tennessee that combines both the seat belt and impaired driving messages. The conferees are interested in the results of this combined effort to determine whether a similar effort should be conducted at the national level as part of the 2004 mobilization schedule. NHTSA is directed to report to the House and Senate Committees on Appropriations by February 16, 2004 with the findings of the Tennessee effort as well as any other State mobilizations that may combine seat belt and impaired driving messages.

General Provisions—National Highway Traffic Safety Administration

The conference agreement includes a provision (Section 140) allowing states to use funds provided under section 402 of title 23, U.S.C., to produce and place highway safety public service messages. The provision provides that any state that uses funds for such purposes must submit a report to the Secretary, who in turn is directed to submit them to the House and Senate Committees on Appropriations. The provision allocates $10,000,000 for national paid media to support national safety belt mobilizations under Section 157 and $20,000,000 under Section 163 to include: $2,750,000 to support State impaired driving mobilization enforcement efforts, $14,000,000 for paid media to support national law enforcement mobilizations on impaired driving, and $250,000 for continued evaluation of alcohol-impaired driving messages. In addition, $3,000,000 from the Section 163 program should be dedicated to an impaired driving demonstration program.

The conference agreement includes a provision (Section 141) prohibiting NHTSA from transferring funds to the Federal Motor Carrier Safety Administration for the share the road safely program.

The conference agreement includes a provision (Section 142) authorizing the Secretary, for fiscal year 2004, to use funds necessary to carry out section 157 of title 23, United States Code.

The conference agreement includes a provision (Section 143) authorizing the Secretary, for fiscal year 2004, to use funds necessary to carry out section 163 of title 23, United States Code.

The conference agreement deleted a provision in the House bill regarding truck trailer manufacturing regulations.

FEDERAL RAILROAD ADMINISTRATION

Safety and Operations

The conference agreement provides $130,825,000 for safety and operations as proposed by the Senate instead of $130,922,000 as proposed by the House. Within this total, the conferees have funded 25 new full-time equivalents. The conference agreement includes language that permits $11,712,000 of the total funding to remain available until expended as proposed by both the House and the Senate.

Workforce planning.—Consistent with the Senate report, the conference agreement deletes $350,000 for workforce planning.

Personnel.—Consistent with the House report, the conference agreement deletes $78,000 for one full time equivalent for Title VI enforcement. Instead, the conference agreement provides $78,000 for a financial analyst to support the new oversight responsibilities placed on the Department. This analyst will help manage activities designed to track Amtrak's financial performance, to support the Secretary's representatives in dealing with the greater number of issues of substance coming before the board, and to monitor the financial aspects of the grants, including the capital, operating, and North East Corridor grants.

Grade crossing safety action plan update.—As directed by the Senate, the Secretary of Transportation shall submit a highway-railway grade crossing safety action plan update, coordinated among FRA, FHWA, FMCSA, NHTSA and the ITS Joint Program Office, with the fiscal year 2005 budget justification.

Railroad Research and Development

The conference agreement provides $34,025,000 for railroad research and development instead of $28,225,000 as proposed by the House and $34,225,000 as proposed by the Senate.

Nationwide Differential Global Positioning System (NDGPS).—The conference agreement provides $5,800,000 for NDGPS. The House did not fund this project and the Senate provided $6,000,000.

Marshall University/University of Nebraska.—The conference agreement includes $2,000,000 to support Marshall University and the University of Nebraska to conduct safety studies in rail equipment, human factors, track, and rail safety related issues.

West Virginia University (WVU).—The conference agreement provides a total of $250,000 for structural integrity research utilizing glass fiber reinforced polymers on railroad ties at WVU's Constructed Facilities Center.

Railroad Rehabilitation and Improvement Program

The conference agreement includes a provision, proposed by both the House and the Senate, specifying that no new direct loans or loan guarantee commitments shall be made using federal funds for the payment of any credit premium amounts during fiscal year 2004. No federal appropriation is required since a non-federal infrastructure partner may contribute the subsidy amount required by the Credit Reform Act of 1990 in the form of a credit risk premium. Once received, statutorily established investigation charges are immediately available for appraisals and necessary determinations and findings.

The conference agreement includes a provision, proposed by the Senate, mandating that no payment of principal or interest shall be collected during fiscal year 2004 for the direct loan made to the National Railroad Passenger Corporation.

Next Generation High-Speed Rail

The conference agreement provides $37,400,000 for the next generation high-speed rail program instead of $28,250,000 as proposed by the House and $29,350,000 as proposed by the Senate. The following table summarizes the conference agreement by budgetary activity:

Program	*Amount*
Train control systems	$10,000,000
North American joint PTC project	(9,000,000)
Train control-TTC	(1,000,000)
Non-electric locomotives	9,900,000
Advanced locomotive propulsion system	(3,000,000)
Prototype non-electric locomotive	(1,900,000)
Diesel multiple units compliance and demonstration	(5,000,000)
Grade crossing and innovative technologies	9,000,000
Mitigating hazards	(2,000,000)
Low-cost technologies	(1,000,000)
North Carolina pedestrian crossing safety pilot: Clayton grade separation	(800,000)
Springfield, Missouri grade reconfiguration study	(800,000)
Anchorage C Street corridor grade Crossing	(1,000,000)
Tupelo Rail study	(1,500,000)
New Orleans Union Passenger Terminal	(1,000,000)
KBS railroad Hazard elimination, Kankakee, IL	(400,000)
Ohio statewide highway-rail crossing barrier gates	(500,000)
Track and structures	1,000,000
Corridor planning	2,500,000
Gulf Coast corridor	(1,500,000)
Southeast corridor	(750,000)
Midwest regional rail planning and engineering study	(250,000)
Maglev	5,000,000
Washington to Baltimore maglev deployment	(1,000,000)
California-Nevada Interstate maglev project	(1,000,000)
Pittsburgh-Greensburgh, Pennsylvania maglev deployment project	(2,000,000)
Southern California maglev	(1,000,000)
Total	37,400,000

Train control systems.—The conferees note that several new and ongoing pilot projects are important to demonstrating the operational and safety benefits of wider deployment of train control system technologies on freight railroads. The conferees encourage the FRA to utilize a portion of its appropriations to further the development and testing of safety overlay train control technologies that work in conjunction with existing methods of operation and signal and control systems to protect against the consequences of human and technology failures.

Diesel multiple units.—The conference agreement provides $5,000,000 to validate the compliance of diesel multiple units with existing passenger car safety standards and to make a grant to up to two public bodies for the purpose of initiating a demonstration in daily revenue service of a compliant DMU during calendar years 2003 and 2004. Federal funding shall only be made available if funds are matched on a dollar-for-dollar basis from non-federal sources and shall only be used for activities related to establishing the compliance of the DMU design with passenger safety standards and for the acquisition of DMUs (through a conventional competitive procurement process) and service facilities necessary for revenue service demonstration. All other expenses, including the cost of passenger facilities and any net operating expenses are not eligible for funding under this appropriation. In making the grant award decision, FRA shall consider among its criteria: the extent that the award would develop or facilitate the domestic rail passenger car manufacturing industry and the extent that it is compatible with DMU technology acquired pursuant to the fiscal year 2003 appropriation. Nothing shall preclude FRA from making funds available to the recipient of the fiscal year 2003 award.

California corridor.—Funds made available for high-speed rail in California should supplement, not replace, state funding for this same program.

Northern New England high speed rail corridor.—The conference agreement directs the Secretary to include the train routes from Boston, Massachusetts via Worcester and Springfield, Massachusetts to Albany, New York and from Springfield, Massachusetts via Hartford, Connecticut to New Haven, Connecticut as part of the existing Northern New England High Speed Rail Corridor.

Magnetic levitation.—In order to assist in the evaluation of the potential of magnetic levitation to achieve traffic congestion relief and determine its appropriate role in our nation's transportation system, the conferees direct FRA to provide the House and Senate Committees on Appropriations a report comparing the cost and benefits of magnetic levitation to other modes of travel. This report should be undertaken while moving forward on submitted projects.

Rail-highway crossing hazard eliminations.—A total of $5,250,000 is made available for the elimination of rail-highway crossing hazards. A limited number of rail corridors are eligible for these funds. Of these set-aside funds, the following allocations were made:

Assembly Street, Whaley Street and Rosewood Drive, Columbia, South Carolina	1,050,000
Tulsa, OK sealed corridor quiet zone	1,575,000
Hamilton Boulevard over CSX rail line near US 90, Mobile, Alabama	1,250,000
Washington State high speed rail corridor grade crossing project	1,000,000
Wisconsin Railway-Highway crossing hazard elimination project	375,000
Total	5,250,000

ALASKA RAILROAD REHABILITATION

The conference agreement provides $25,000,000 for the Alaska Railroad, as proposed by the Senate. The House bill contained no similar appropriation.

GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION (AMTRAK)

The conference agreement provides $1,225,000,000 for the Secretary of Transportation to make quarterly grants to Amtrak, instead of $900,000,000 as proposed by the House and $1,346,000,000 as proposed by the Senate. Of these funds, $760,000,000 is provided for operating subsidy grants and $465,000,000 is provided for capital grants. Flexibility of the Secretary to allocate funds to either operating or capital subsidies is not included, as proposed by the Senate.

DOT oversight.—The conference agreement directs the Secretary to approve funding for all train routes for operating losses and capital expenditures, including advance purchase orders, after receiving and approving a grant request accompanied by detailed financial information, revenue projections, and capital expenditure projection justification, as proposed by the Senate.

The conferees direct the Secretary to ensure that Amtrak continues to meet all debt principal and interest payments in fiscal year 2004, as proposed by the House and Senate. The Secretary is also directed to ensure that any funds provided to Amtrak be spent in a prudent manner, on projects where positive results can be seen, that maximize operational efficiencies, that promote those lines that have the highest ridership and that have cost sharing agreements in place. Amtrak shall not be permitted to begin any new projects unless the project can be fully funded with the fiscal year 2004 appropriation and Amtrak generated revenues, unless such projects are critical for safety or infrastructure repairs, as proposed by the House.

The conference agreement directs the Secretary to vouch for the accuracy of financial information Amtrak provides to Congress, in the form of a signed letter to the House and Senate Committees on Appropriations, that accompanies the transmittal of the quarterly grant documents to the Committees and continues to meet the specified criteria, as proposed by the House. The conference agreement also prohibits the Secretary from obligating or expending any funds until Amtrak agrees to continue abiding by certain provisions agreed to under the direct loan agreement signed on June 28, 2002.

Continuation of commuter rail services.—The conference agreement includes a provision (Section 150) authorizing the Surface Transportation Board to continue commuter rail service if Amtrak should cease operations, as proposed by the House. Within the funds provided, the conference agreement directs the Secretary to reserve $60,000,000 to fund costs incurred if directed service orders are issued by the Surface Transportation Board. At the Secretary's discretion and based on the financial stability of Amtrak, the Secretary may make the reserved funds available to Amtrak through appropriate grants during the fourth quarter, to the extent that no directed service orders have been issued or are expected to be issued.

In addition, the Federal Railroad Administration, in coordination with the Surface Transportation Board, shall submit a report to the House and Senate Committees on Appropriations, the House Committee on Transportation and Infrastructure and the Senate Committee on Commerce, Science, and Transportation regarding contingency plans the Department has in place in the event that Amtrak should cease operations and an emergency commuter service order must be carried out. This report is due no later than 90 days from enactment of this Act.

Annual business plan.—The conference agreement includes language, modified from the House and Senate bills, directing Amtrak to submit to the Secretary of Transportation, the House and Senate Committees on Appropriations, the House Committee on Transportation and Infrastructure and the Senate Committee on Commerce, Science and Transportation a comprehensive business plan approved by the Board of Directors for operating subsidies and capital projects, including advance purchase orders, to be funded in fiscal year 2004. The plan must include targets for ridership, revenues, and capital and operating expenses, as applicable, and a separate accounting of such targets for the Northeast Corridor; commuter service; long-distance Amtrak service; state-supported service; each intercity train route; including Autotrain; and commercial activities including contract operations and mail and express. For capital expenditures, the plan must include a description of the work to be funded, with cost estimates and a timetable for completion. The plan must be submitted within 60 days of enactment of this Act, in both paper and electronic formats, and must be posted on Amtrak's website.

The conference agreement directs that no funding may be used for projects or expenses not approved by the Secretary or included on Amtrak's business plan, as proposed by the House and Senate. Any variations to the base operating and capital plans, including advance purchase orders, must be submitted to the House and Senate Committees on Appropriations, according to the Department's reprogramming guidelines.

The conference agreement continues bill language requiring Amtrak to continue to submit monthly supplemental reports regarding the business plan, which should describe work completed, any changes to the business plan, and justification for such changes, as proposed by the House and Senate. These reports should be submitted in an electronic format and posted on Amtrak's website. The reports shall continue to be submitted to the Secretary and the House and Senate Committees on Appropriations and must be submitted every month, within 30 days following the last business day of the previous month.

State-assisted intercity rail service.—The conference agreement also includes a provision (Section 151) that directs the Secretary to develop and implement a fair competitive bid procedure by January 1, 2004, to assist states in introducing carefully managed competition to demonstrate whether this could provide higher quality rail service at reasonable prices, as proposed by the House. The Secretary must administer the process, monitor its progress, and make monthly reports to the House and Senate Committees on Appropriations. The Secretary may reprogram up to $2,500,000 from Amtrak operating grant funds to assist in costs of implementing this process. From this amount, the Secretary may make grants available to the states for any purpose consistent with achieving the goals of the process. The Secretary must also evaluate the fair competitive bid procedures and report to the House and Senate Appropriations Committees, the House Transportation and Infrastructure Committee and the Senate Committee on Commerce, Science and Transportation by July 1, 2004. In addition, within 30 days of enactment of this Act, the Secretary shall report to these same Committees on options for insurance pooling to provide states and operators with the lowest possible insurance costs.

Military and Veterans Discount Program.—The conferees are dismayed to learn that Amtrak management is giving consideration to terminating its discount program for the nation's veterans, members of the National Guard and Reserve, and active duty military members. At a time when so many military members are risking their lives on a daily basis, the conferees are greatly disappointed that Amtrak would consider terminating this discount program, especially since travelers that utilize the discount must travel under specified restrictions during off-peak travel times. The conferees expect Amtrak to continue this discount program and believe that the amount of funding provided in this Act for Amtrak is sufficient to avoid any necessity to terminate this well-deserved benefit for our nation's veterans and military members.

GENERAL PROVISIONS—FEDERAL RAILROAD ADMINISTRATION

The conference agreement includes a provision (Section 150) authorizing the Surface Transportation Board to continue commuter rail service if Amtrak should cease operations.

The conference agreement includes a provision (Section 151) requiring the Secretary of Transportation, working with affected states, to develop and implement a fair competitive bid procedure to assist states in introducing carefully managed competition to demonstrate whether competition may provide higher quality rail service at reasonable prices.

FEDERAL TRANSIT ADMINISTRATION

ADMINISTRATIVE EXPENSES

The conference agreement provides $75,500,000 for administrative expenses of the Federal Transit Administration, instead of the $72,500,000 as proposed by the House and $73,000,000 as proposed by the Senate. Within this total, the conference agreement appropriates $15,100,000 from the general fund. The general fund appropriation shall be available until expended.

The conference agreement specifies the appropriations for each of the FTA offices in bill language, as proposed by both the House and Senate. In addition, the Administrator is authorized to transfer funding between offices, but transfers totaling more than three percent must be approved by both the House and Senate Committees on Appropriations.

The conference agreement includes a provision, contained in both bills, that would reimburse the Department of Transportation's Inspector General $2,000,000 for costs associated with audits and investigations of transit-related issues. The conference agreement also includes a provision that specifies the amount of funding available for the National transit database to be not less than $2,200,000 for fiscal year 2004.

Administrative expenses.—Salaries and benefits have been provided for all current onboard FTE at the Federal Transit Administration. The request for an additional 10 FTE has been denied, consistent with the Senate proposal. FTA has grown unencumbered for some time, increasing by 18% in ten years, and the conferees are troubled that FTA continues to seek new employees every year in double-digit quantities. Many items within the central account have been kept at levels consistent with fiscal year 2003, as increases of over 50% were requested in some instances, such as transportation and training.

In addition, this year FTA has submitted letters to the Committees with important attachments missing; has approved a reprogramming—and advised a Member of Congress of such action—without requesting such change from the Committees on Appropriations; and has been reluctant to provide information in a responsive manner. The conferees will not tolerate the continuation of these kinds of errors and demand that FTA develop better procedures for improved internal coordination.

Budget justifications.—The conferees direct FTA to submit its fiscal year 2005 congressional budget justification for administrative expenses by office, as proposed by the House and Senate, with material detailing salaries and expenses, staffing increases, and programmatic initiatives of each office.

Grants management.—The conferees are concerned with the increasing number of projects that are not obligated in a three-year period that consequently become available for reallocation. At the same time, the House and Senate Committees on Appropriations have heard a litany of complaints from project sponsors of the lack of cooperation and assistance from FTA during the grant application process and the amendment process for full funding grant agreements. While the conferees expect aggressive oversight from the agency, they will not condone intimidation or dilatory bureaucratic obstacles that needlessly delay the obligations of discretionary projects. FTA should set new goals for the timing of grant obligations for each discretionary category and strive to meet those goals.

In the event that FTA receives a request from a Member of Congress regarding a reprogramming of funding for transit projects in their district or state, FTA shall direct the Member of Congress to the House and Senate Committees on Appropriations to establish a resolution. The Committees shall review the matter and notify FTA of the resolution.

Project and financial management oversight activities.—The conferees direct FTA to submit to the House and Senate Committees on Appropriations quarterly FMO and PMOC reports for each project with a full funding grant agreement.

Full funding grant agreements (FFGAs).—TEA–21, as amended, requires that the FTA notify the House and Senate Committees on Appropriations as well as the House Committee on Transportation and Infrastructure and the Senate Committee on Banking sixty days before executing a full funding grant agreement. In its notification to the House and Senate Committees on Appropriations, the conferees direct the FTA to include therein the following: (1) a copy of the proposed full funding grant agreement; (2) the total and annual federal appropriations required for that project; (3) yearly and total federal appropriations that can be reasonably planned or anticipated for future FFGAs for each fiscal year through 2004; (4) a detailed analysis of annual commitments for current and anticipated FFGAs against the program authorization; (5) an evaluation of whether the alternatives analysis made by the applicant fully assessed all viable alternatives; and (6) a financial analysis of the project's cost and sponsor's ability to finance the project, which shall be conducted by an independent examiner and which shall include an assessment of the capital cost estimate and the finance plan; the source and security of all public- and private-sector financial instruments; the project's operating plan, which enumerates the project's future revenue and ridership forecasts; and a listing of all planned contingencies and possible risks associated with the project.

The conferees also direct FTA to inform the House and Senate Committees on Appropriations thirty days before approving scope changes in any full funding grant agreement, as proposed by the House. Correspondence relating to scope changes shall include any budget revisions or program changes that materially alter the project as originally stipulated in the full funding grant agreement, and shall include any proposed change in rail car procurements.

The conferees have not included language, proposed by the House, directing FTA to report to the House and Senate Committees on Appropriations before any project in the new starts process is given approval by FTA to advance to preliminary engineering or final design. The conferees would encourage FTA to ensure that the Committees are aware of project development and progression, but do not require official correspondence.

New starts report.—The conferees were satisfied with the timely submission of FTA's fiscal year 2004 annual report on new starts projects. TEA–21 required this report to be submitted in conjunction with the budget, yet year after year, this report was submitted months late. Without a timely submission of this information, the conferees cannot make well-informed decisions about new starts projects. To ensure that this report continues to be submitted on time, the conference agreement includes bill language that requires FTA to submit its annual new starts report with the initial submission of the President's budget request. An untimely submission of this crucial report will result in penalties to FTA's administrative expenses account.

Charter service activities.—The conferees direct FTA to revisit Part 604 of Title 49 of the United States Code to ensure that the statute continues to meet its purpose of ensuring that federally funded equipment and facilities should not be used to compete unfairly with private charter operators, as proposed by the House. A report shall be submitted to the House and Senate Committees on Appropriations no later then December 31, 2003, on FTA's efforts.

Buy America enforcement.—The conferees direct the Office of Inspector General to review FTA's most recent interpretations of manufactured components and subcomponents as well as the use of temporary exemptions regarding domestic content under the Buy America statute, as proposed by the Senate. A report shall be submitted to the House and Senate Committees on Appropriations no later than March 1, 2004.

Transit agency advertising.—The conferees are concerned that transit agencies accepting Federal grant funds may be providing their advertising space to organizations that encourage the public to break the law. For example, the conferees note with displeasure that public service advertising space in Washington, DC's Metropolitan Area Transit Authority rail stations and buses has been used to advocate changing the nation's laws regarding marijuana usage. WMATA has provided $46,250 worth of space to these types of ads; therefore, as a warning to other transit agencies, the conferees have deleted funding totaling $92,500 from projects and activities for WMATA in this bill.

While the conferees applaud the efforts of many transit agencies to prevent ads that promote marijuana use, the conferees remain concerned that the opportunity exists nationwide for transit properties to run similar advertising. Therefore, the conference agreement includes a provision (Section 177) that prohibits Federal transit grantees from obligating or expending funds that would otherwise be available in the Act, if the grantee is involved directly or indirectly with any activity, including displaying or permitting to be displayed advertisements on its land, equipment, or in its facilities, that promote the legalization or medical use of substances listed in schedule I of section 202 of the Controlled Substance Act.

FORMULA GRANTS

(INCLUDING TRANSFER OF FUNDS)

The conference agreement provides a total program level of $3,839,000,000 for formula grants of the Federal Transit Administration, as proposed by both the House and Senate. Within this total, the conference agreement appropriates $767,800,000 from the general fund. The general fund appropriation shall be available until expended. The FTA oversight takedown shall not exceed the amount authorized in current law.

The conference agreement provides that funding made available under the clean fuels formula grant program under this heading shall be transferred to and merged with funding provided for the replacement, rehabilitation, and purchase of buses and related equipment and the construction of bus-related facilities under "Federal Transit Administration, capital investment grants".

UNIVERSITY TRANSPORTATION RESEARCH

The conference agreement provides a total of $6,000,000 for the university transportation research program as proposed by both the House and the Senate. Of this amount, $1,200,000 is from the general fund and shall be available until expended.

TRANSIT PLANNING AND RESEARCH

The conference agreement provides a total of $126,000,000 for transit planning and research. Within the total, the conference agreement appropriates $25,200,000 from the general fund. The general fund appropriation shall be available until expended.

Within the funds appropriated for transit planning and research, $5,250,000 is provided for rural transportation assistance; $4,000,000 is provided for the National Transit Institute; $8,250,000 is provided for the transit cooperative research program; $60,385,600 is provided for metropolitan planning; $12,614,400 is provided for state planning; and $35,500,000 is provided for the national planning and research program.

National planning and research.—Within the funding provided for national planning and research, the Federal Transit Administration shall make available the following amounts for the programs and activities listed below:

Project ACTION (TEA–21)	$3,000,000
Advanced Transportation Technology Institute, Tennessee	1,000,000
CALSTART/Weststart Bus Rapid Transit; Clean Mobility and Transit Enhancements	2,125,000
Center for Composite Manufacturing, Alabama	1,000,000
Center for Intermodal Transportation, Florida A&M University	750,000
Community Transportation Association of America's National Joblinks Program	1,000,000
Fischer-Tropsch clean diesel technology demonstration, Oklahoma	1,000,000
Hennepin County Community Works. Minnesota	1,200,000
Interior Air Quality Industrial Engine Control Demonstration, Bristol, Virginia	850,000
JSU Bus Technology Research Center	1,000,000
Natonal Bio-Terrorism Civilian Medical Response Center, Pennsylvania	1,000,000
NDSU Transit Center for small urban areas, North Dakota	400,000
North Carolina State University Center for Transportation and the Environment	100,000
NYU-Wagner Rudin Center Americas Mega City Project, New York	75,000
Oklahoma Transportation Center	1,500,000
State University System of Florida Intermodal Transportation Safety Initiative	7,000,000
Transit Technology Center Ladder Partnership Training Program	500,000
Vashon Island Passenger-Only Ferry Initiative, Washington	1,000,000
WVU exhaust emissions testing, West Virginia	1,400,000

TRUST FUND SHARE OF EXPENSES

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

The conference agreement provides $5,847,200,000 in liquidating cash for the trust fund share of transit expenses.

CAPITAL INVESTMENT GRANTS

(INCLUDING TRANSFERS OF FUNDS)

The conference agreement provides a total program level of $3,137,500,000 to remain available until expended for capital investment grants. Within the total, the conference agreement appropriates $627,500,000 from the general fund.

Within the total program level, $1,206,506,000 is provided for fixed guideway modernization; $607,200,000 is provided for the replacement, rehabilitation, and purchase of buses and related equipment and the construction of bus-related facilities; and $1,323,794,000 is provided for new fixed guideway systems.

Three year availability of section 5309 discretionary funds.—The conferees direct FTA to reprogram funds from recoveries and previous appropriations that remain available after three years and are available for reallocation to only those new starts and bus and bus facilities projects that are identified. The FTA shall notify the House and Senate Committees on Appropriations 15 days prior to any such proposed reallocation. Therefore, the conferees direct FTA to reallocate funds provided in the fiscal year 2001 Department of Transportation and Related Agencies Appropriations Act or previous Acts for the following bus and bus facilities projects, which shall supplement funding for bus and bus facility projects listed in this report:

Woburn, buses and bus facilities, MA

Elizabeth Ferry Project, NJ

Greenport and Sag Harbor, ferries and vans, NY

Westchester and Duchess counties, vans, NY

Phoenixville, transit related improvements, PA

The conferees direct FTA to reallocate funds provided in the fiscal year 2001 Department of Transportation and Related Agencies Appropriations Act or previous Acts for the following new starts projects:

Boston-South Boston Piers Transitway Project

Massachusetts North Shore Corridor Project

FTA restrictions on funding for non-FFGA new start projects.—The conferees strongly support language proposed by the Senate that rejects an FTA reinterpretation of Sections 5309(e)(6), (7), and (8) of Title 49, U.S.C. Through this reinterpretation, FTA is withholding the release of appropriated funds for new starts projects that have received more than $25,000,000 in Federal funding prior to receiving a full funding grant agreement. The conference agreement includes a general provision that rejects the FTA analysis that once a project exceeds $25,000,000 it is subject to FTA review and evaluation and therefore FTA must approve it for advancement, while withholding appropriated funds. Further, there is no limit of $25,000,000 on alternatives analysis, preliminary engineering, or final design, and a project seeking more than that amount for such activities does not need an early systems work agreement, as FTA has interpreted to be required under subsection (g)(1). The conferees direct FTA to expeditiously release previously appropriated funds for all new starts projects identified in this and prior appropriations Acts that remain unobligated and have not been reallocated by the Congress, upon request of the grantee and the satisfaction of statutory requirements.

Pooled procurement pilot project.—The conference agreement includes a general provision establishing a pooled procurement pilot program for bus procurements (Section 166), as proposed by the Senate. FTA shall disseminate the benefits of voluntary buyer collaboration to transit systems and review upcoming and current procurements to determine suitable candidates for selection as pilot projects. Additionally, the FTA is directed to evaluate the process employed and the results achieved by each pool and report the findings to the House and Senate Committees on Appropriations no later than 60 days after the award of a contract.

BUS AND BUS FACILITIES

Bus and bus facilities.—The conference agreement provides $607,200,000, together with $50,000,000 transferred from "Federal Transit Administration, formula grants" and $20,000,000 transferred from "Federal Transit Administration, job access and reverse commute grants" and merged with funding under this heading, for the replacement, rehabilitation and purchase of buses and related equipment and the construction of bus-related facilities. No funding is made available to carry out the clean fuels program in this Act. In addition, funds made available for bus and bus facilities are to be supplemented with funds from reallocated projects included in the fiscal year 2001 Appropriations Act.

Funds provided for buses and bus facilities are distributed as follows:

AC Transit Expansion Buses, California	$1,000,000
Access Enhancements to Sierra Madre Villa Gold Line Station, California	600,000
Adams County Transit Authority (ACTA) buses and bus facilities, Pennsylvania	20,000
Alabama A&M University Transit Loop, Alabama	1,500,000
Alabama Area Agencies on Aging Senior Van Replacement	1,000,000
Alabama State Docks Intermodal Facility	9,500,000
Alameda Point Areil Transit Project, California	500,000
Alaska Mobility Coalition Bus Replacement	500,000
Alexandria After School Bus program, Virginia	75,000
Allegan County Transportation Services, Michigan	1,000,000
Allentown Intermodal Facility, Pennsylvania	2,500,000
Alternative Fuel Replacement Buses for Sun Tran, Arizona	500,000
Ames Maintenance Facility improvement, Iowa	1,000,000

AMTRAN Buses and Transit System Improvements, Pennsylvania	200,000
Anaheim Resort Transit (ART), California	500,000
Anchorage Ship Creek Intermodal Facility, Alaska	2,000,000
Ann Arbor Fuel Cell Bus Project, Michigan	2,000,000
Ann Arbor Transit Authority Transit Center, Michigan	750,000
Antelope Valley Transit Authority Operations and Maintenance Facility, California	1,250,000
Arctic Winter Games buses and bus facilities, Alaska	1,500,000
Area Transit Authority buses and bus equipment, Pennsylvania	2,500,000
Arkansas Statewide buses and bus facilities	4,750,000
Asheville Transit System Fleet Replacement, North Carolina	300,000
Athens Clarke County Park Ride Project, Georgia	2,750,000
Audubon Area Community Services, Kentucky	100,000
Austin Capital Metro buses and bus facilities, Texas	3,000,000
Baldwin Park Downtown/Metrolink Parking Improvements, California	250,000
Baltimore Center Plaza, Maryland	600,000
Barry County Transit replacement maintenance equipment, Michigan	20,000
BARTA Fixed Route Bus and Paratransit Vehicle Replacement, Pennsylvania	2,600,000
BARTA Transit Facilities, Pennsylvania	650,000
Bay Area Metropolitan Transportation Authority New and Replacement Buses, Michigan	250,000
Bay Area Transportation Authority Downtown Transfer Center Construction and Bus Purchase, Grand Traverse County, Michigan	1,000,000
Beaver County Transit Authority replacement buses and equipment, Pennsylvania	250,000
Belding bus replacement and communication equipment, Michigan	40,000
Berkshire Regional Transit Authority (BRTA) Buses and Fare Boxes, Massachusetts	765,000
Berrien County Public Transportation, Michigan	80,000
Billings Downtown Bus Transfer Facility, Montana	1,500,000
Birmingham Downtown Intermodal Facility phase II, Alabama	3,500,000
Bloomington Transit, Bloomington, Indiana	720,000
Brattleboro Multimodal, Vermont	2,000,000
Brazos County Bus Replacement Program, Texas	200,000
Bridgeport Intermodal Transport Center, Connecticut	4,000,000
Brockton Intermodal Transportation Centre, Massachusetts	1,000,000
Burbank Empire Area Transit Center, California	750,000
Burlington Transit Facilities, Vermont	2,500,000
Bus Rapid Transit Project, Virginia Street, Reno, Nevada	1,000,000
Bus Replacement, Brockton Area Transit Authority, Massachusetts	2,000,000
Butler Multi-Modal Transit Center, Pennsylvania	1,000,000
Cadillac/Wexford Transit Authority buses, Michigan	75,000
Cadillac/Wexford Transit Authority Intermodal Facility, Michigan	600,000
Calexico Transit System, California	300,000
Cambria County Transit buses and facilities, Pennsylvania	900,000
Capital Area Transit Buses, Pennsylvania	1,600,000
Capital District Transportation Authority (CDTA), Rensselaer Intermodal Station, New York	250,000
Capital Metro Hybrid Electric Buses, Texas	500,000
CATA, Lansing, Michigan	1,000,000
Central New York Regional Transportation Authority	2,300,000
Central Ohio Transit Authority Facility	450,000
Central Oklahoma Transportation and Parking Authority	1,820,000
Centre Area Transit Authority, Advanced Public Transportation Systems Initiative, Pennsylvania	600,000
Cerone Operating Complex Improvements, California	500,000
Cerritos Circulator Buses, California	300,000
Chapel Hill Bus Maintenance Facility, North Carolina	1,000,000
Charlotte Area Transit System Transit Maintenance and Operations Center, North Carolina	5,000,000
Chatham Area Transit Authority buses and bus facilities, Georgia	6,000,000
Cherry Street Multi-Modal Facility, Terre Haute, Indiana	1,900,000
Cheyenne River Sioux Tribe public buses and bus facilities, South Dakota	2,250,000
Church Street Transportation Center, Williamsport, Lycoming County, Pennsylvania	250,000
Citrus County Enhancement Project for the Transportation Disadvantaged, Florida	125,000
City Bus, Williamsport Bureau of Transportation, Lycoming County, Pennsylvania	1,000,000
City of Canby Transit Center, Oregon	150,000
City of Columbia Transit Replacement, Missouri	100,000
City of Corvallis Bus Replacement, Oregon	250,000
City of Greenville Multimodal Transportation Center Improvements, South Carolina	200,000
City of Macon Alternative Fuel Vehicle Purchase, Georgia	300,000
City of Wichita Transit Authority System Upgrades, Kansas	250,000
CityLink van and technology replacement, Abiline, Texas	500,000
Clallam Transit Buses, Washington	250,000
Clare County Transit Corporation Replacement Buses, Michigan	100,000
Claremont Intermodal Transit Village Expansion Project, California	1,250,000
Clark County Transit, Bus Replacement Project, Washington	3,000,000
Clean Fleet Bus Purchase and Facilities, Virginia	1,000,000
Clinton Transit Bus Purchase, Michigan	40,000
Clinton Transit Office, Missouri	250,000
Coast Transit Authority, Mississippi	500,000
Coconino County buses and bus facilities, Arizona	1,400,000
Coffman-Cove Inner Island Ferry/Bus Terminal, Alaska	1,500,000
Collegian Busway Improvements, California	200,000
Colorado Transit Coalition buses and bus facilities, Colorado	14,000,000
Community Transit Bus and Van Replacement, Washington	1,000,000
Connecticut Statewide buses and bus facilities	3,000,000
Construction of new Intermodal Terminals in Downtown Reno and Sparks, Nevada	6,000,000
Coralville Intermodal Facility, Iowa	500,000
Corona Transit Center, California	700,000
Corpus Christi buses and bus facilities, Texas	2,000,000
County Connection L.L.C., Midland County, Michigan	75,000
Cranberry Isles Intermodal Transportation Facility, Maine	250,000
Cummings Research Park Commercial Center Intermodal Facility, Alabama	2,000,000
Curtis Ferry, Maine	750,000
Danville Hub-Gilcher Transit Facility/Parking Structure, Kentucky	1,750,000
Danville Trolley Buses, Virginia	175,000
Daviess County Parking Garage and Intra-County Transit Facility, Kentucky	2,000,000
Davis Intermodal Facility, California	200,000

Dekalb County BRT Improvements, Georgia	1,500,000
Delaware Statewide bus and bus facilities	1,000,000
Detroit Bus Replacement, Michigan	2,500,000
Detroit Downtown Transit Center, Michigan	7,000,000
Detroit Timed Transfer Center Phase II, Michigan	1,000,000
Downtown Transit Center, Nashville, Tennessee	2,000,000
Durham Multimodal Transportation Facility, North Carolina	1,500,000
East Haddam Mobility Improvement Project, Connecticut	3,000,000
East Side Transit Center, Cleveland, Ohio	1,000,000
Eastern Contra Costa County Park and Ride Lots, California	600,000
Ed Roberts Campus transit center, California	400,000
Edmonds Crossing Multimodal Transportation Terminal, Washington	2,000,000
El Garces Intermodal Station, Needles, California	1,900,000
El Paso Sun Metro Bus Replacement, Texas	1,000,000
Endless Mountain Transportation Authority, Bradford County, Pennsylvania	10,000
Erie Metropolitan Transit Authority Bus Acquisition, Pennsylvania	100,000
Escondido Bus Maintenance Facility, California	500,000
Eureka Intermodal Depot, California	250,000
Everett Transit, Bus Replacement, Washington	1,000,000
Fairfax County, Richmond Highway Transit Improvements, Virginia	700,000
Farmington buses and bus facilities, New Mexico	100,000
Fayette County Intermodal Transit Facility, Pennsylvania	400,000
Flagler Senior Services Transit Coaches, Florida	125,000
Flint buses and bus facilities, Michigan	2,500,000
Florida International University/University of Miami University Transportation Center, Florida	400,000
Foothill Transit Oriented Neighborhood Program, California	2,500,000
Fort Edward Intermodal Station Interior Restoration/Rehabilitation Project, New York	300,000
Fort Lauderdale Tri-County Transit Authority fare collection system, Florida	800,000
Fort Smith Transit Facility, Arkansas	750,000
Fort Wayne Citilink Bus Purchase, Indiana	400,000
Franklin Regional Transit Authority (FRTA) Bus, Massachusetts	150,000
Fresno FAX Buses, Equipment, and Facilities, California	1,200,000
Ft. Worth Transportation Authority Fleet Modernization and Bus Transfer Centers, Texas	1,500,000
Fulton County Transit Authority, Kentucky	150,000
Galveston Maintenance Facility Renovations, Texas	800,000
Georgia Statewide buses and bus facilities, Albany & Rome	1,000,000
Girdwood Transportation Center, Alaska	1,000,000
Golden Empire Transit Traffic Signal Priority, California	250,000
Grand Rapids Metropolitan Area multimodal surface transportation center, Michigan	1,550,000
Grant Transit Authority, Bus Facility, Washington	500,000
Grapevine Bus Purchase, Texas	160,000
Grays Harbor Transportation Authority Capital Improvement, Washington	75,000
Great Falls Transit Authority Bus Replacement and Facility Improvement, Montana	300,000
Greater Dayton Regional Transit Authority, Ohio	750,000
Greater New Haven Transit District Fuel Cell and Electric Bus Funding, Connecticut	1,500,000
Greater Ouachita Port and Intermodal Facility, Louisiana	1,250,000
GRTA buses and bus facilities, Georgia	5,000,000
Hamilton Clean Fuels Bus Facility, Georgia	1,000,000
Hampton Roads Transit Southside Bus Facility, Virginia	2,000,000
Harbor Transit Bus Replacement, Michigan	200,000,
Harrisburg CorridorONE, Pennsylvania	2,000,000
Harrisburg Intermodal Airport Multi-Modal Transportation Facility, Pennsylvania	1,000,000
Harrison County multimodal facilities and shuttle service, Mississippi	1,000,000
Harrison Intermodal Project, New Jersey	750,000
HART Bus Purchase, Florida	500,000
Hartford Downtown Circulator, Connecticut	1,375,000
Hattiesburg Intermodal Facility, Mississippi	3,000,000
Hawaii Statewide Rural Bus Program	4,000,000
Hazleton Intermodal Public Transit Center, Pennsylvania	1,750,000
Helena Transit Facility, Montana	500,000
Hemet Transit Center/Bus Facility, California	312,000
Henderson Area Rapid Transit Authority, Kentucky	15,000
High Point Project Terminals, North Carolina	800,000
Holland Macatawa Area Express (MAX), Michigan	600,000
Honolulu Bus and Paratransit Replacement Program, Hawaii	10,000,000
Honolulu Middle Street Intermodal Center, Hawaii	3,000,000
Howard Boulevard Intermodal Park & Ride, New Jersey	2,200,000
Hunt County Committee on Aging Transportation Facility, Texas	400,000
Hunterdon County Intermodel Stations and Park & Rides, New Jersey	400,000
Huntsville Airport Phase III Intermodal Facility, Alabama	3,500,000
Idaho Transit Coalition buses and bus facilities	4,000,000
Illinois Statewide buses and bus facilities	7,000,000
Indiana County Transit Authority/Bus Facility Expansion and Renovation, Pennsylvania	400,000
Indiana University Bloomington, Indiana	800,000
Indianapolis Downtown Transit Center, Indiana	3,500,000
Intelligent Transportation System for ITP The Rapid, Michigan	600,000
Intercity Transit Bus Expansion and Replacement, Washington	1,000,000
Intermodal Facility, JIA, Mississippi	2,000,000
Intermodal Transit Facility for ULM, Louisiana	1,000,000
Intermodal Transportation Hub Project, North Carolina	150,000
Interstate 15 Managed Lanes BRT Capital Purchase, California	1,000,000
Iowa Statewide buses and bus facilities	6,600,000
Isabella County Transportation Commission Vehicle Replacement, Michigan	250,000
Jacksonville Transportation Authority, Bus and Bus Facilities, Florida	1,000,000
Jacobi Transportation Facility, New York	800,000
Jamaica Intermodal Facilities, Queens, New York	400,000
Jasper Bus Replacement, Alabama	40,000
JATRAN vehicles for disabled and elderly, Mississippi	250,000
Jefferson City Transit System, Missouri	300,000
Jefferson Transit bus purchase, Washington	200,000
Jefferson Transit Facilities, Washington	1,000,000
Johnson County Nolte Transit Center, Kansas	250,000
Johnson County Transit Equipment and Transit Coach Improvement, Kansas	100,000
Kalamazoo County Human Services Care-A-Van, Michigan	75,000
Kansas City Area Transit Authority buses and bus facilities, Kansas	1,700,000

Kansas Statewide buses and bus facilities	3,000,000
KCATA buses and bus facilities, Kansas	3,000,000
Kearney RYDE Transit, Nebraska	1,000,000
Kent State University Intermodal Facility, Ohio	375,000
Kentucky Transportation Cabinet/Community Action Groups	400,000
Key West bus and bus facilities, Florida	1,100,000
Kibios Area Transit System (KATS) maintenance facility and vehicles, Oklahoma	650,000
King County Metro Clean Air Buses, Washington	5,000,000
Kitsap Transit Bus Replacement, Washington	1,000,000
Knoxville Electric Transit Intermodal Center, Tennessee	2,000,000
Lake Erie Transit Bus Storage Facility and Maintenance Facility Expansion, Michigan	1,000,000
Lakeland Area Mass Transit District Citrus Connection, Florida	550,000
Lane Transit District, BRT Phase II, Coburg Road Phase III, Oregon	2,000,000
Lansing Fixed Route Bus Replacement, ADA Para transit Small Bus Replacement, Maintenance, Administration and Storage Facility Renovation and Expansion, CATA/MSU Bus Way, Rural Small Bus Replacement, Michigan	1,500,000
Laredo Bus Facility, Texas	850,000
Las Cruces buses and bus facilities, New Mexico	375,000
Lebanon County Transit Authority, buses and bus related facilities, Pennsylvania	450,000
Lee County LeeTran Bus Replacement, Florida	200,000
Leesburg Train Depot Renovation and Restoration, Georgia	300,000
LETS Bus Replacement, Michigan	90,000
Levy County Improvement Project for the Transportation Disadvantaged, Florida	200,000
Liberty County COA Bus Facility, Montana	50,000
Lincoln County Transportation, Bus Garage Facility, Oregon	200,000
Lincoln Park Museum Trolleys, Illinois	600,000
Link Transit Vehicle Replacement, Wenatchee, Washington	800,000
Livingston County Transportation Center, New York	400,000
Long Beach Transit buses and bus facilities, California	1,000,000
Lorain Port Authority Lighthouse Shuttle and Black River Water Taxi Project, Ohio	200,000
Los Angeles County Circulator Buses, California	400,000
Los Angeles MTA buses, California	4,000,000
Louisiana Statewide buses and bus facilities	5,500,000
Lowcountry Regional Transit Authority, South Carolina	300,000
Lowell Regional Transit Authority Gallagher Intermodal Transportation Center, Massachusetts	1,000,000
Lubbock/Citibus Buses, Texas	1,500,000
Ludinton Mass Transportation Authority Bus Facility, Michigan	250,000
Macon and Athens Multimodal Station, Georgia	1,600,000
Macon Multi-Modal Terminal Station, Georgia	1,500,000
Main Street project for downtown Buffalo, New York	650,000
Main Street Station Multimodal Transportation Center, Virginia	1,500,000
Maine Statewide buses and bus facilities	1,250,000
Mammoth Lakes Bus Purchase, California	800,000
Manistee County Transportation, Inc. Replacement Buses, Michigan	30,000
Marquette County, Phase II—Transit Administrative, Operations, Maintenance & Storage Facility, Michigan	1,000,000
MARTA Automated Fare Collection/Smart Card System, Georgia	4,000,000
MARTA Buses, Georgia	6,000,000
Maryland Statewide buses and bus facility	7,500,000
Mason County Transportation Authority Capital Improvements, Washington	200,000
Mecosta Osceola County Area Transit Vehicle Replacement, Michigan	200,000
Medical University of South Carolina Intermodal Facility, South Carolina	4,000,000
Memphis International Airport Intermodal Facility, Tennessee	2,750,000
Mesa Operating Facility, Arizona	2,000,000
Metro Area Transit (MAT) buses and bus facilities, Omaha, Nebraska	2,000,000
Metro Transit buses and bus facilities, Minnesota	4,400,000
Metro Transit Turn Around at Taylor Landing Park, Washington	40,000
Miami Dade County System Enhancements, Florida	1,000,000
Miami-Dade County buses, Florida	1,000,000
Michigan Statewide buses and bus facilities	1,000,000
Mid County Transit Authority Kittanning, Pennsylvania	400,000
Mid Mon Valley Transit Authority, Charleroi, Pennsylvania	600,000
Minnesota District 8 Transit Vehicles and Transit Bus Facilities	800,000
Minnesota Transit buses and bus facilities, Minnesota	1,672,000
Missouri Bus & Paratransit Vehicles—Rolling Stock	800,000
Missouri Statewide buses and bus facilities	8,000,000
Mobile Waterfront Terminal and Maritime Center of the Gulf, Alabama	4,500,000
Modesto Bus Facility, California	1,000,000
Montachusett Area Regional Transit (MART) buses and bus facilities, Massachusetts	2,000,000
Montclair State University Campus and Community Bus System, New Jersey	700,000
Monterey-Salinas Transit Buses, California	1,500,000
Montgomery Buses, New York	40,000
Morris County Intermodal Facilities and Park & Rides, New Jersey	3,000,000
Mountain Line Bus Replacement and Facility Improvements, Montana	200,000
MTA/Long Island Bus clean fuel cell bus purchase, New York	1,000,000
Mukilteo Lane Park and Ride, Washington	1,000,000
Multi-Modal Transportation Facility and Transit System at Oklahoma State University, Oklahoma	2,250,000
Muncie Transit System, Indiana	700,000
Myrtle Avenue Business Improvement District's Myrtle/Wyckoff/Palmetto Transit Hub Enhancement, New York	500,000
Myrtle Beach Regional Multimodal Transit Center, South Carolina	200,000
Nacogdoches Vehicle Replacement, Texas	800,000
Nashville replacement of aged buses, Tennessee	500,000
Nassau County, Hub Enhancements, New York	1,200,000
Nebraska Statewide Rural Automatic Vehicle Locating & Comms. System	750,000
Nevada Rural Transit Vehicles and Facilities	500,000
New Castle Transit Authority replacement buses, Pennsylvania	100,000
New Hampshire Statewide buses and bus facilities	4,500,000
Newark Penn Station Intermodal Improvements, New Jersey	3,000,000
Newton Rapid Transit Handicap Access Improvements, Massachusetts	309,000
Niagra Frontier Transportation Authority Metro buses and bus facilities, New York	1,600,000
Normal Multimodal Transportation Center and public facilities, Illinois	750,000
Norman buses and bus facilities, Oklahoma	3,000,000
North Bend Park and Ride, Washington	600,000
North Carolina Statewide buses and bus facilities	6,250,000

North Charleston Regional Intermodal Transportation Center, South Carolina	1,250,000
North Dakota Statewide buses and bus facilities	3,000,000
North Florida and West Coast Bus Procurement, Florida	4,000,000
North Side Transfer Center Brownsville Urban System (BUS), Texas	350,000
Northern Michigan buses and bus facilities	500,000
Northern Oklahoma Regional Multimodal Transportation System	2,500,000
Northwest Corridor Busway, Minnesota	3,000,000
Northwest Shoals Community College Transportation Modernization, Alabama	450,000
NW 7th Avenue Transit HUB Improvements, Florida	1,000,000
OATS buses and bus facilities, Missouri	1,500,000
Oats Transportation Service of Southwest Missouri	70,000
Ohio Statewide buses and bus facilities	5,000,000
Oklahoma City Buses, Oklahoma	2,250,000
Oklahoma Department of Transportation Transit Programs Division	6,250,000
Old Bridge Intermodal Stations and Park & Rides, New Jersey	500,000
Omnitrans—Paratransit Vehicles, California	300,000
Oneont Bus Replacement, New York	200,000
Orange Beach Senior Activity Center buses, Alabama	100,000
Orange County Transit Center Improvements, California	325,000
Orange County Bus Rapid Transit, California	2,250,000
Orange County Bus Replacement, New York	1,250,000
Orange County Fare Collection System, California	1,000,000
Orange County Inter-County Express Bus Service, California	1,100,000
Over the Road Bus Accessibility, Intercity Bus Accessibility Consortium, New York	3,000,000
Paducah Area Transit Authority, Kentucky	40,000
Palm Beach County and Broward County Regional Buses, Florida	1,000,000
Palm Beach Gardens Mass Transit Bus Shelters, Florida	20,000
Palmdale Intermodal Facility Parking Lot Expansion, California	300,000
Palo Alto Intermodal Transit Center, California	750,000
Paoli Transportation Center, Pennsylvania	500,000
Peoria Bus Purchase, Illinois	300,000
Perry County Intermodal Facility, Kentucky	2,000,000
Phoenix/Glendale West Valley Operating Facility, Arizona	5,000,000
Phoenix/Regional Heavy Maintenance Facility, Arizona	1,000,000
Piedmont Authority for Regional Transportation (PART) multimodal transportation center, North Carolina	1,100,000
Pierce Transit Maintenance and Operations facility, Washington	1,000,000
Pioneer Valley Transit Authority (PVTA) buses, Massachusetts	2,500,000
Pittsburgh Water Taxi, Pennsylvania	1,000,000
Pittsfield Intermodal Transportation Center, Massachusetts	615,000
Port Authority of Allegheny County Buses, Pennsylvania	2,750,000
Port Authority of Allegheny County Clean Fuel Buses, Pennsylvania	2,280,000
Port McKenzie Intermodal Facility, Alaska	1,000,000
Port of Anchorage Intermodal Facility, Alaska	3,000,000
Portland Bayside Parking Garage/Intermodal Facility, Maine	250,000
Potomac and Rappahannock Transportation Commission, Virginia	500,000
Public Transportation Management, Tyler/Longview, Texas	350,000
Puerto Rico Metropolitan Bus Authority Replacement	500,000
Pulse Point Joint Development and Safety Improvements, Norwalk, Connecticut	500,000
Putnam County Transit Coaches for Ride Solutions, Florida	1,200,000
Ray County Transportation vehicle replacement, Missouri	80,000
Red Cross Wheels, Kentucky	80,000
Redondo Beach Catalina Transit Terminal, California	800,000
Regional Transit Project for Quitman, Clay, Randolph and Stewart Counties, Georgia	500,000
Reseda Boulevard Bus Rapid Transit Project Capital Improvement, California	250,000
Richmond Highway Public Transportation Initiative, Virginia	3,000,000
RIPTA Buses and Vans, Rhode Island	4,000,000
RIPTA Facilities Upgrade, Rhode Island	400,000
Riverside Transit Agency, Automatic Traveler Information System (ATIS), California	75,000
Riverside Transit Agency, Bus Rapid Transit Investment, California	500,000
Riverside Transit Agency, Transit Center, California	1,000,000
Rochester Central Bus Terminal, New York	5,500,000
Rock Island County Mass Transit District (Metrolink) transit facility, Illinois	500,000
Rome Intermodal Station Restoration, New York	1,250,000
Ronstadt Transit Center Modifications, Arizona	3,000,000
Roseville Multitransit Center, California	500,000
RTC Central City Intermodal Transportation Terminal, Las Vegas, Nevada	500,000
Sacramento Regional Bus Expansion, Enhancement, and Coordination Program, City of Auburn, California	100,000
Sacramento Regional Bus Expansion, Enhancement, and Coordination Program, City of Lincoln, California	500,000
Sacramento Regional Transit District, Bus Maintenance Facility, California	500,000
Salem Area Transit, Bus Replacement, Oregon	600,000
San Antonio VIA Metropolitan Transit buses and bus facilities, Texas	5,000,000
San Fernando Local Transit System, California	300,000
San Francisco Muni buses and bus facilities, California	4,000,000
San Joaquin RTD buses and bus facilities, California	250,000
San Mateo County Transit District Zero-Emission buses, California	900,000
Sanilac County bus facility, Michigan	100,000
Santa Barbara Metropolitan Transit District Electric Bus Investment, California	300,000
Santa Clara Valley Transportation Authority Zero-Emission Buses, California	300,000
Sawmill Creek Intermodal Facility, Alaska	2,000,000
Schlow Library Bus Depot, State College, Pennsylvania	800,000
Schuylkill Transportation System, buses and bus facilities, Pennsylvania	1,000,000
Senior Services of Northern Kentucky buses and bus facilities, Kentucky	250,000
SEPTA Bucks County Intermodal Facility Improvements, Pennsylvania	3,500,000
SEPTA Hybrid Buses, Pennsylvania	800,000
SEPTA Norristown Intermodal Facility, Pennsylvania	3,000,000
Shiawassee Transportation Center and replacement buses, Michigan	40,000
Shreveport Intermodal Bus Facility, Louisiana	700,000
Small Urban and Rural Transit Center, North Dakota	400,000

Smithtown Senior Citizen Center Bus Replacement, New York	200,000
Snohomish County Community Transit Park and Ride Lot Expansion Program, Washington	2,000,000
Somerset County Transportation System Maintenance Facility, Pennsylvania	160,000
Sonoma County Transit CNG Buses, California	500,000
Sound Transit Regional Express Transit Hubs, Washington	2,000,000
South Amboy Regional Intermodal Transportation Initiative, New Jersey	1,000,000
South Bend TRANSPO Bus Facilities, Indiana	1,000,000
South Carolina Statewide Transit Facilities Construction Project	1,000,000
South Carolina Statewide Transit Vehicles	4,000,000
South Clackamas Transit, Molalla, Oregon	100,000
South Dakota Statewide buses and bus facilities	2,000,000
South East Texas Transit Facility Improvements and Bus Replacements	250,000
South San Fernando Valley Park and Ride facility expansion, California	300,000
Southeast Arkansas Area Agencies on Aging buses and bus facilities, Arkansas	320,000
Southeast Missouri Bus Service Capital Improvements	1,500,000
Southern and Eastern Kentucky buses and bus facilities	1,550,000
Southern Maryland Commuter Bus Initiative	4,500,000
Southern Minnesota Transit Facilities	30,000
Southern Minnesota Transit Vehicles	375,000
Southwest Missouri State University Transfer Facility, Missouri	2,500,000
Sparks and Reno Bus and Bus Facilities, Nevada	150,000
Spring Valley Multi-Modal Center, California	600,000
Springfield Bus Purchase, Illinois	300,000
Springfield Station, Oregon	4,000,000
Springfield Union Station Intermodal facility redevelopment, Massachusetts	4,500,000
St. Augustine Intermodal Transportation and Parking Facility, Florida	550,000
St. Bernard Parish Intermodal Facilities, Louisiana	500,000
St. Cloud Buses, Minnesota	100,000
St. George Ferry Terminal Reconstruction, New York	2,250,000
St. Johns County Council on Aging Administrative Facility, Florida	200,000
St. Johns County Council on Aging Passenger Amenities, Florida	40,000
St. Johns County Council on Aging Transit Coaches, Florida	350,000
St. Joseph County Transit, Michigan	35,000
St. Louis Downtown Shuttle/Trolley Equipment, Missouri	250,000
St. Louis METRO buses and bus facilities, Missouri	1,250,000
St. Tammany Park and Ride, Louisiana	400,000
Suburban Mobility Authority for Regional Transportation (SMART) buses and bus facilities, Michigan	4,500,000
Suffolk County Transit Buses, New York	1,900,000
SunLine Transit Agency Clean Fuels Mall Facility and Hydrogen Infrastructure Expansion, California	450,000
TalTran buses and bus facilities	700,000
TalTran Intermodal Facility, Florida	500,000
Temecula Transit Center, California	800,000
Tempe Downtown Transit Center, Arizona	500,000
Tempe/Scottsdale East Valley Facilities, Arizona	4,000,000
Tennessee Statewide buses and bus facilities	6,500,000
Terminal Station Multi-Modal Roof Rehabilitation, Georgia	338,000
The Banks Intermodal Facility, Cincinnati, Ohio	3,500,000
The District-Bryan Intermodal Transit Terminal/Parking Facility & Pedestrian Improvements, Texas	400,000
The Woodlands Capital Costs, Texas	350,000
The Woodlands Park and Ride Expansion, Texas	275,000
Tillamook County Transit, Maintenance Facility, Oregon	200,000
Tompkins County Bus Facilities, New York	400,000
Topeka Transit buses and bus facilities, Kansas	500,000
Transit Authority of Northern Kentucky Bus Replacement, Kentucky	2,000,000
Transit Authority of River City buses and bus facilities, Kentucky	2,500,000
Transit Authority of Warren County Intermodal Bus Facility, Pennsylvania	1,500,000
Transit First Implementation, Chula Vista, California	400,000
Transportation Authority of the River City (TARC) bus/trolley replacement, Kentucky	2,500,000
Transportation Authority of the River City (TARC) expansion facility, Kentucky	800,000
Trenton Intermodal Station, New Jersey	750,000
Tri-Met Regional Bus Replacement, Oregon	650,000
Troy State University Bus Shuttle Program, Troy, Alabama	1,500,000
Truckee Replacement Buses, California	75,000
Tucson Alternative Fuel Replacement Buses, Arizona	3,600,000
Tulsa Transit Bus Replacement Program, Oklahoma	4,500,000
Tulsa Transit Paratransit Buses, Oklahoma	750,000
UCHRA Capital Improvements, Tennessee	600,000
Ulster County Area Transit Buses, New York	40,000
UNI Multimodal Project, Iowa	3,500,000
Unified Government of Kansas City bus replacement, Kansas	350,000
Union County Union/Snyder Transportation Alliance (USTA), Pennsylvania	500,000
Union Depot Multi-modal Transportation Hub, Minnesota	750,000
Union Station Renovations, Utica, New York	750,000
University of Delaware Fuel Cell Bus Project, Delaware	1,750,000
UTA Transit ITS, Upgrades, Utah	250,000
Utah Statewide buses and bus facilities	6,000,000
Utah Statewide Intermodal Centers	4,000,000
VanBuren Public Transit, Michigan	18,000
Ventura County CNG Fueling Station and Facility Pavement Replacement, California	400,000
Vermont Alternative Fuel Station and Buses, Vermont	500,000
Vermont, Bus Upgrades	800,000
Village of Pleasantville, Handicapped Ramp, New York	48,000
Village of Pleasantville, Memorial Plaza, New York	200,000
Virgin Islands Transit (VITRAN) Buses	500,000
Visalia Bus Operations and Maintenance Facility, California	1,000,000
VOTRAN Public Transit System Buses, Florida	750,000
Washington State Small Bus System Program of Projects	3,799,000
West Palm Beach Trolley Buses, Florida	800,000
West Side Transit Facility Albuquerque Transit Department, New Mexico	2,000,000
West Virginia Statewide buses and bus facilities	4,000,000
Westchester County Bee Line Bus Replacement, New York	2,750,000
Western Gateway Transportation Center Intermodal Facility, Schenectady, New York	400,000
Western Kentucky University Bus Shuttle System, Kentucky	2,500,000
Westmoreland County Transit Authority (WCTA) Bus Replacement, Pennsylvania	900,000

Whitehall Inter-Modal Terminal of the Staten Island Ferry Reconstruction, New York	800,000
Wilsonville Park and Ride, Oregon	300,000
Winston-Salem Union Station, North Carolina	1,300,000
Winter Haven Transit Terminal, Florida	350,000
Wisconsin, Statewide buses and bus facilities	15,000,000
WMATA Bus Fleet, Washington, DC	750,000
WMATA Buses, Maryland ..	600,000
Wright Stop Plaza, Dayton, Ohio	1,500,000
Wyandanch Intermodal Transit Facility, New York	400,000
Wyoming Statewide buses and bus facilities	2,000,000
York County Transit Authority (YCTA) buses and bus facilities, Pennsylvania	100,000
Zanesville Bus System Improvements, Ohio	20,000

San Dieguito Transportation Cooperative, California.—Amounts made available from fiscal year 2002 for the San Dieguito Transportation Cooperative, California, shall instead be distributed to the North County Transit District, California, for initial design and planning for a new intermodal center, as proposed by the House.

Cambria County, Pennsylvania.—Amounts made available from fiscal year 2003 for the Cambria County operations and maintenance facility, Pennsylvania, shall be distributed to the Johnstown Inclined Plane visitor's center, Pennsylvania, as proposed by the House.

Hollister-Gilroy Caltrain Extension Project, California.—Amounts made available from fiscal year 2001 for the Hollister-Gilroy Caltrain Extension Project, California, shall be distributed to the Caltrain San Francisco-San Jose-Gilroy service to Pajoar, Castroville, and Salinas in Monterey County, California, as proposed by the House.

Somerset County, Pennsylvania.—Amounts made available from fiscal year 2002 for the Somerset County Transportation System buses, Pennsylvania, shall be distributed to Somerset County Accessible Raised Roof Vans ($90,000) and to Somerset County bus and bus facilities ($146,000), Pennsylvania, as proposed by the House.

Community Medical Centers, California.—Amounts made available from fiscal year 2001 for the Community Medical Centers Intermodal Facility, Fresno, California, shall be available for the City of Fresno for the same project, as proposed by the House. The availability of funds is extended for one year.

Illinois statewide buses.—The conference agreement provides $7,000,000 to the Illinois Department of Transportation (IDOT) for bus and bus facilities grants. The conferees expect IDOT to provide at least $3,500,000 for downtown Illinois replacement of buses in Bloomington, Champaign-Urbana, Decatur, Madison County, Peoria, Quincy, RIDES, River Valley, Rockford, Rock Island, South Central Illinois MTD, and Springfield. Further, the conferees expect IDOT to provide appropriate funds for bus facilities in Bloomington, Galesburg, Rock Island, and Metro Link's bus maintenance facility in St. Clair County.

Washington statewide small transit systems, bus and bus facilities.—The conference agreement provides $3,799,000 to the Washington State Department of Transportation (WSDOT) for bus and bus facilities grants. The conferees expect WSDOT to fund the following projects: (1) $688,000 Clallam Transit; (2) $103,000 Columbia County Public Transportation (CCPT); (3) $144,000 Grays Harbor Transportation Authority; (4) $1,094,000 Island Transit; (5) $416,000 Jefferson Transit; (6) $480,000 Mason County Transportation Authority; (7) $88,000 Pullman Transit; (8) $108,000 Twin Transit; and (9) $708,000 Valley Transit, as proposed by the Senate.

Civil Rights Trail Trolleys.—Amounts made available in fiscal year 2001 for the Montgomery Civil Rights Trail Trolleys shall instead be distributed to the City of Montgomery's Rosa Parks bus project, as proposed by the Senate. The availability of funds is extended for one year.

Vermont buses.—Amounts made available in fiscal year 2001 for Central Vermont Transit Authority Wheels Transportation Services shall be distributed to the Vermont Agency of Transportation, as proposed by the Senate. The availability of funds is extended for one year.

Reno, Nevada, bus projects.—Amounts made available for Bus Rapid Transit, South Virginia Street—Reno ($1,950,000, fiscal year 2003) and Reno Suburban transit coaches ($500,000, fiscal year 2002) shall be made available for Reno/Sparks intermodal transportation terminals, as proposed by the Senate.

Falls Church Bus Rapid Transit terminus, Virginia.—Funds made available for Falls Church Bus Rapid Transit terminus, Virginia, for fiscal year 2001 shall be made available to the City of Falls Church to purchase three 30-foot buses to provide shuttle service from temporary parking lots during the construction of a parking garage at the West Falls Church Metrorail station. Once the garage is completed, the buses will be used to provide feeder service to the West Falls Church Metrorail station. The availability of funds is extended for one year.

Eastchester, Metro North Facilities, New York.—Amounts made available in fiscal year 2001 for Eastchester, Metro North Facilities, New York shall instead be distributed to the Bronx Zoo Intermodal Transportation Facility, New York. The availability of funds is extended for one year.

Westbrook, Intermodal Facility, Maine.—Amounts made available in fiscal year 2003 for Westbrook, Intermodal Facility, Maine shall instead be distributed to State of Maine, Statewide Buses.

NEW STARTS

New starts.—The conference agreement provides $1,323,794,000, for new fixed guideway systems. In addition, funds made available for new starts are to be supplemented with $4,514,482 from reallocated projects included in the fiscal year 2000 and 2001 Appropriations Acts under "Federal Transit Administration, job access and reverse commute grants".

Alternatives analysis review.—The conferees are concerned that sufficient weight and review are not being given to the earliest stage of new starts projects, namely the alternatives analysis undertaken by local communities. Therefore, the conferees direct FTA to ensure that alternative modes and/or alignments analyzed as part of the metropolitan planning process fully support the selection of projects forwarded to FTA for proposed new starts funding. Specifically, the alternatives analysis made by applicants must fully weigh viable alternatives and ensure that quantitative measures are used in choosing the locally preferred alternative. The conferees direct FTA to report to the House and Senate Committees on Appropriations on how the agency will undertake this direction, as well as recommendations, that include statutory changes if necessary, for improving the alternatives analysis process to improve planning at the onset. The report is due by March 1, 2004.

Ratings for new starts criteria.—The conferees are also concerned that FTA may have changed their new starts ratings criteria, specifically the new "time savings per rider" measure, hastily. Therefore, the conferees direct FTA to revisit the issue of the abolition of the "cost-per-new-rider" measure. FTA shall report to the House and Senate Committees on Appropriations on the justification for the elimination of that rating, as well as the reasoning for the new "time savings per rider" implementation.

Within this report, FTA should also detail other characteristics that may be useful in evaluating new start projects, particularly traffic congestion relief. FTA should include suggestions for how these criteria could be quantitatively measured and rated in the annual new starts report. This report shall be submitted to the House and Senate Committees on Appropriations by February 16, 2004.

The conference agreement provides for the following distribution of funding for new fixed guideway systems:

Atlanta, Georgia, Northwest Corridor BRT	$2,149,413
Baltimore, Maryland, Central Light Rail Double Track Project	40,000,000
BART San Francisco Airport (SFO), California, Extension Project	100,000,000
Birmingham—Transit Corridor, Alabama	3,500,000
Boston, Massachusetts, Silver Line Phase III	2,000,000
Charlotte, North Carolina, South Corridor Light Rail Project	12,000,000
Chicago, Illinois, Metra Commuter Rail Expansions and Extensions	52,000,000
Chicago, Illinois, Ravenswood Reconstruction	10,000,000
Chicago, Illinois, Transit Authority, Douglas Branch Reconstruction ..	85,000,000
Cleveland, Ohio, Euclid Corridor Transportation Project	11,000,000
Dallas, Texas, North Central Light Rail Extension	30,161,283
Denver, Colorado, Southeast Corridor LRT (T-REX)	80,000,000
East Side Access Project, New York, Phase I	75,000,000
Ft. Lauderdale, Florida, Tri-Rail Commuter Project	18,410,000
Hawaii and Alaska Ferry Boats	10,296,000
Houston Advanced Metro Transit Plan, Texas	8,000,000
Integrated Intermodal project, Rhode Island	3,000,000
Kenosha-Racine-Milwaukee Commuter Rail Extension, Wisconsin	3,250,000
Las Vegas, Nevada, Resort Corridor Fixed Guideway, MOS	20,000,000
Little Rock, Arkansas, River Rail Streetcar Project	3,000,000

Maine Marine Highway	1,550,000
Memphis, Tennessee, Medical Center Rail Extension	9,247,588
Minneapolis, Minnesota, Hiawatha Corridor Light Rail Transit (LRT)	74,980,000
Minneapolis, Minnesota, Northstar Corridor Rail Project	5,750,000
New Orleans, Louisiana, Canal Street Streetcar Project	23,291,373
New York, Second Avenue Subway	2,000,000
Newark, New Jersey, Rail Link (NERL) MOS1	22,566,022
Northern Oklahoma Regional Multimodal Transportation System	3,000,000
Northern, New Jersey, Hudson-Bergen Light Rail (MOS2)	100,000,000
Phase II, LA to Pasadena Metro Gold Line Light Rail Project	4,000,000
Philadelphia, Pennsylvania, Schuylkill Valley Metro	14,000,000
Phoenix, Arizona, Central Phoenix/East Valley Light Rail Transit Project	13,000,000
Pittsburgh, Pennsylvania, North Shore Connector	10,000,000
Pittsburgh, Pennsylvania, Stage II Light Rail Transit Reconstruction	32,243,442
Portland, Oregon, Interstate MAX Light Rail Extension	77,500,000
Raleigh, North Carolina, Triangle Transit Authority Regional Rail Project	5,500,000
Regional Commuter Rail (Weber County to Salt Lake City), Utah	9,000,000
Salt Lake City, Utah, Medical Center LRT Extension	30,663,361
San Diego, California, Mission Valley East Light Rail Transit Extension	65,000,000
San Diego, California, Oceanside-Escondido Rail Project	48,000,000
San Francisco, California Muni Third Street Light Rail Project	9,000,000
San Jose, California, Silicon Valley Rapid Transit Corridor	2,000,000
Scranton, Pennsylvania, NY City Rail Service	2,500,000
Seattle, Washington, South Transit Central Link Initial Segment	75,000,000
South Shore Commuter Rail Service capacity enhancement, Indiana	1,000,000
Stamford, Connecticut, Urban Transitway & Intermodal Transportation Center Improvements	4,000,000
Tren Urbano Rapid Transit System, San Juan, Puerto Rico	20,000,000
VRE Parking Improvements, Virginia	3,000,000
Washington, DC/VA Dulles Corridor Rapid Transit Project	20,000,000
Washington, DC/MD, Largo Extension	65,000,000
Western North Carolina Rail Passenger Service	1,000,000
Wilmington, Delaware, Train Station Improvements	1,500,000
Wilsonville to Beaverton, Oregon, Commuter Rail	3,250,000
Yarmouth to Auburn Line, Maine	1,000,000

VRE Parking Improvements, Virginia.—The conference agreement includes $3,000,000 for VRE Parking Improvements in Virginia. The conferees direct that of the funds provided, not less than $1,250,000 shall be for improvements to the Manassas Old Town VRE Parking Center, Virginia.

Utah program of projects.—The conference agreement includes a provision (Section 171) that amends the Federal Transit Act of 1998 (Public Law 105–178; 112 Stat. 338) by creating section 3042, which provides for the coordinated development and governmental funding for Utah transportation projects. Subsection (a) directs FTA and FHWA to work with the Utah Transit Authority and the Utah Department of Transportation to coordinate preconstruction and construction of the regional commuter rail project and the northern segment of I–15 reconstruction located in the Wasatch Front corridor extending from Brigham City to Payson, Utah. Subsection (b) defines a program of related projects for purposes of determining and allocating the governmental and nongovernmental share of project costs. This subsection permits federal funds that may remain after completion of the Medical Center Extension to be allocated to a vehicle and storage track extending from the Delta Center; permits use of the value of the purchase of the regional commuter rail right-of-way from Brigham City to Payson, Utah, to be used for the nongovernmental share of the Weber County to Salt Lake City segment; permits the purchase and rehabilitation of rail vehicles with non-governmental funds for use on one project to be counted toward the nongovernmental share of another project; and permits crediting non-matched funding for the northern segment of I–15 reconstruction to the non-governmental share of the regional commuter rail project.

Job Access and Reverse Commute Grants

(INCLUDING TRANSFERS OF FUNDS)

The conference agreement includes a total program level of $125,000,000 for job access and reverse commute grants, as proposed by the Senate. Within this total, $25,000,000 is derived from the general fund. Within the funds provided, $20,000,000 is transferred and merged with funding under "Federal Transit Administration, capital investment grants". The conference agreement includes a provision that provides that up to $300,000 of the funds appropriated under this heading may be used for technical assistance, technical support, and performance reviews of the job access and reverse commute grants program, as proposed by the Senate.

Funds appropriated for the job access and reverse commute grants program are to be distributed as follows:

AC Transit CALWorks Welfare to Work, California	$1,499,000
Access to Healthcare for Children—Children's Health Fund, Tennessee	375,000
ADA Mobility Planning, Wichita, Kansas	365,000
Akron Metro Regional Transit Authority Job Access and Reverse Commute Program, Ohio	300,000
Alabama Disabilities Advocacy Program (ADA) Rural Transportation Services, Alabama	500,000
Bay Area Transit, Virginia	200,000
Bedford Ride, Virginia	60,000
Bowling Green Housing Authority Reverse Access Commute, Kentucky	300,000
Broome County Transit, New York	100,000
Capital District Transportation Authority JARC, New York	500,000
Central New York Regional Transportation Authority JARC	400,000
Central Ohio Transit Authority JARC, Ohio	500,000
Chatham Area Transit Job Access Reverse Commute (JARC), Georgia	1,000,000
Chautauqua County Job Access/Reverse Commute Project, New York	100,000
Cheyenne River Sioux Tribe Public Bus System, South Dakota	250,000
Chittenden County Transportation Authority JARC Program, Vermont	250,000
City of Hornell Job Access & Reverse Commute Program, New York	100,000
City of Irwindale Senior Transportation Services, California	65,000
City of Poughkeepsie Underserved Population Bus Service, New York	100,000
CityLink public transportation services, Texas	100,000
Community Transportation Association of America's National Joblinks Program	2,500,000
Connecticut Statewide JARC	3,250,000
Corpus Christi Welfare to Work Project, Texas	376,000
Craig Transit Service JARC Program, Alaska	50,000
Delaware Statewide Welfare to Work	750,000
Detroit Job Access Reverse Commute, Michigan	1,600,000
Easter Seals West Alabama JARC Program, Alabama	1,000,000
El Paso Sun Metro Job Access, Texas	775,000
Essex County Job Access/Reverse Commute Project, New York	100,000
Flint Transit Job Access-Reverse Commute Program, Michigan	750,000
Fort Smith Transit Job Access/Reverse Commute Program, Arkansas	200,000
Franklin County Job Access/Reverse Commute Project, New York	200,000
Galveston Job Access Reverse Commute Program, Texas	475,000
Georgetown, Washington, DC—Metro Connection	1,000,000
Grand Rapids/Kent County JARC, Michigan	1,200,000
Greater Cleveland Regional Transit Authority JARC Program, Ohio	750,000
Guaranteed Ride Home, Santa Clarita, California	400,000

Holyoke Community Access to Employment and Adult Education, Massachusetts	75,000
I–405 Congestion Relief Project, Washington	2,000,000
Illinois Statewide JARC	200,000
IndyGo IndyFlex Job Access and Reverse Commute Program, Indiana	750,000
Iowa Statewide JARC	1,000,000
Jackson-Josephine JARC, Oregon	200,000
Jacksonville Transportation Authority, Community Transportation Coordinator Program, Florida	3,000,000
JARC MidAmerica Regional Council, Johnson County, Kansas	500,000
Jefferson County Job Access and Reverse Commute Projects, Alabama	3,000,000
Kansas City Job Access Partnership, Missouri	500,000
Key West, Florida, Job Access and Reverse Commute	500,000
Knox County Community Action Committee Transportation Program, Tennessee	400,000
Knoxville Area Transit Job Access Service, Tennessee	550,000
Lake Tahoe Public Transit Services JARC Project, Nevada	100,000
Link Transit JARC Program, Wenatchee, Washington	500,000
Lubbock Citibus Job Access Reverse Commute, Texas	230,000
Maine Statewide JARC	494,000
Maricopa Association of Governments Job Access/Reverse Commute Grant Projects, Arizona	1,750,000
Maryland Statewide JARC	4,000,000
MASCOT Matanuska-Susitna Valley JARC Project, Alaska	200,000
Mendocino Transit Authority Job Access Reverse Commute, California	100,000
Metro Link San Bernadino Platform Extension, California	1,000,000
Metropolitan Access to Job Initiative, Fargo, North Dakota, and Moorhead, Minnesota	100,000
Metropolitan Council Job Access, Minnesota	500,000
Missouri Statewide JARC	4,000,000
Mobility Coalition, Alaska	500,000
Monroe County Job Access and Reverse Commute Program, Tennessee	100,000
MTA Long Island Bus Job Access and Reverse Commute Project, New York	250,000
Nevada Statewide small urban and rural Job Access and Reverse Commute	400,000
New Jersey Community Development Corporation Transportation Opportunity Center, Paterson, New Jersey	300,000
New Jersey Statewide JARC	4,750,000
New Mexico Statewide JARC	600,000
New York Statewide JARC	1,000,000
Niles/Trumbull Transit, Ohio	200,000
North Country County Consortium, New York	5,000,000
North Oakland Transportation Authority, Michigan	150,000
North Pole Transit System JARC Program, Alaska	75,000
Oklahoma Statewide JARC	6,000,000
Oneida/Herkimer County Job Access/Reverse Commute Project, New York	100,000
Operation Ride DuPage, DuPage County, Illinois	500,000
Orange County JARC, New York	100,000
Pioneer Valley Access to Jobs and Reverse Commute Program, Massachusetts	455,000
Port Authority of Allegheny County JARC, Pennsylvania	3,644,000
Portland Region Jobs Access-Reverse Commute, Oregon	500,000
Ray Graham Association for People With Disabilities, Illinois	125,000
Rhode Island Statewide JARC	1,412,000
Rochester-Genesee Regional Transportation Authority JARC, New York	750,000
Sacramento Region Job Access and Reverse Commute Project, California	1,500,000
Salem Area Transit JARC, Oregon	400,000
San Antonio VIA Metropolitan Transit Authority JARC, Texas	550,000
SEPTA JARC Program, Pennsylvania	4,500,000
Seward Transit Service JARC Program, Alaska	200,000
Sitka Community RIDE, Alaska	600,000
South East Texas Transit Facility Improvements and Bus Replacements	300,000
Tennessee Statewide JARC	5,750,000
Texas Colonias JARC Initiative	2,400,000
Toledo Job Access/Reverse Commute, Ohio	350,000
Tompkins Consolidated Area Transit, New York	75,000
Topeka Metropolitan Transit Authority JARC, Kansas	700,000
Ulster County Area Transit Rural Feeder Service, New York	50,000
Unified Government of Wyandotte County JARC, Kansas	1,375,000
Vanpooling Enhancement and Expansion Project, Washington	750,000
Vehicle Trip Reduction Incentives, Washington	1,000,000
Virginia Beach Paratransit Services, Virginia	200,000
Virginia Regional Transportation Association	200,000
Virginia Statewide Ways to Work	1,000,000
VoxLinx Voice-Enabled Transit Trip Planner, Maryland	1,300,000
Washington Metropolitan Area Transit Authority JARC	1,000,000
Washington State Transit car-sharing job access	500,000
Ways to Work, California	1,000,000
Ways to Work, Tarrant County, Texas	300,000
West Memphis Transit Service, Arkansas	250,000
West Virginia Statewide JARC	1,000,000
Wisconsin Statewide JARC	2,600,000
Worcester Regional Transit Authority JARC Projects, Massachusetts	150,000

GENERAL PROVISIONS—FEDERAL TRANSIT ADMINISTRATION

The conference agreement includes a provision (Section 160) exempting previously made transit obligations from limitations on obligations.

The conference agreement includes a provision (Section 161) allowing funds for discretionary grants of the Federal Transit Administration for specific projects, except for fixed guideway modernization projects, not obligated by September 30, 2005, and other recoveries, to be used for other projects under 49 U.S.C. 5309, as proposed by both the House and Senate.

The conference agreement includes a provision (Section 162) allowing transit funds appropriated before October 2, 2002, that remain available for expenditure to be transferred, as proposed by both the House and Senate.

The conference agreement deletes a provision included in the House bill prohibiting funds for a light rail system in Houston, Texas.

The conference agreement includes a provision (Section 163) permitting funds made available to Alaska or Hawaii for ferryboats, ferry terminals, and ferry passenger service, and limits to $3,000,000 the amount available to the state of Hawaii to initiate and operate passenger ferryboat service demonstration projects to test the viability of different intra-island and inter-island ferry boat rates and technology, as proposed by the Senate.

The conference agreement includes a provision (Section 164) allowing the Roaring Fork Transportation Authority, Colorado, to expend previously appropriated funds on the Roaring Fork Valley Bus Rapid Transit project, as proposed by both the House and Senate.

The conference agreement includes a provision (Section 165) allowing unobligated previously appropriated new starts funds to be spent notwithstanding any other provision of law, as proposed by the Senate.

The conference agreement includes a provision (Section 166) establishing a pooled procurement pilot program for bus procurements, as proposed by the Senate.

The conference agreement includes a provision (Section 167) allowing previously appropriated new starts funds for Yosemite, California, to be obligated for buses or bus facilities, as proposed by the Senate.

The conference agreement includes a provision (Section 168) modifying the calculation of the non-New Starts share of funding for the San Francisco Muni Third Street Light Rail Project, as proposed by both the House and Senate, and states that if the new calculation is still a "not recommended rating", funds provided may not be obligated, as proposed by the House.

The conference agreement includes a provision (Section 169) allowing previously appropriated new start funds for Cleveland

Berea Red Line to be used for the Euclid Corridor Transportation Project, as proposed by the Senate.

The conference agreement includes a provision (Section 170) allowing job access and reverse commute funds designated to the Community Transportation Association of America (CTAA) in the conference report accompanying the fiscal year 2003 Department of Transportation Appropriations Act to be available to CTAA for authorized JARC projects or activities implemented in the United States.

The conference agreement includes a provision (Section 171) amending the Federal Transit Act of 1998 (Public Law 105–178; 112 Stat. 338) providing for the coordinated development and governmental funding for Utah transportation projects.

The conference agreement includes a provision (Section 172) modifying the Federal share for the Charleston Area Regional Transportation Authority under 49 U.S.C. 5307, as proposed by the Senate.

The conference agreement includes a provision (Section 173) allowing the Pennsylvania Cumberland/Dauphin County Corridor I to be an eligible recipient for activities under 49 U.S.C. 5307 and 5309, as proposed by the Senate.

The conference agreement includes a provision (Section 174) providing funding for the Memphis Medical Center light rail extension project, as proposed by the Senate.

The conference agreement includes a provision (Section 175) allowing the Memphis-Shelby International Airport intermodal facility to be eligible under "Federal Transit Administration, bus and bus facilities", as proposed by the Senate.

The conference agreement includes a provision (Section 176) allowing specific funds made available under the heading "Federal Transit Administration, Formula Grants" for fiscal year 2004 to be available to a transit provider that operates 25 or fewer vehicles in an urbanized area with a population of at least 200,000 to finance the transit operating costs of equipment and facilities for services to elderly and persons with disabilities, not to exceed $10,000,000 annually.

The conference agreement includes a provision (Section 177) prohibiting Federal transit grantees from obligating or expending funds that would otherwise be available in the Act, if the grantee is involved directly or indirectly with any activity, including displaying or permitting to be displayed advertisements on its land, equipment, or in its facilities, that promotes the legalization or medical use of substances listed in schedule I of section 202 of the Controlled Substance Act.

SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION

OPERATIONS AND MAINTENANCE

(HARBOR MAINTENANCE TRUST FUND)

The conference agreement includes $14,400,000 for the Operations and Maintenance of the Saint Lawrence Seaway Development Corporation as proposed by the Senate.

Capital Improvements.—The conferees are concerned about the material condition of the U.S. Seaway lock infrastructure, which is nearly 50 years old. Given the single-lock configuration of the system, the conferees are concerned about the potential impact of diminished structural integrity of the U.S. locks upon system availability. The conferees direct the Corporation to examine the capital improvement needs of the Corporation including the need for replacing concrete at the locks. The Corporation is encouraged to develop a long-term capital improvement plan and present this to the House and Senate Committees on Appropriations along with the officially submitted budget justification for fiscal year 2005.

MARITIME ADMINISTRATION

MARITIME SECURITY PROGRAM

The conference agreement includes $98,700,000 for the Maritime Security Program as proposed by the House and Senate.

OPERATIONS AND TRAINING

The conference agreement includes $106,997,000 for MARAD's Operations and Training account, instead of $105,879,000 as proposed by the House and $106,000,000 as proposed by the Senate. The conference agreement allocates the funds for Operations and Training as follows:

Activity	Administration request	Conference agreement[1]
U.S. Merchant Marine Academy:		
Salary and benefits	$20,981	$23,600
Midshipmen program	6,274	6,274
Instructional program	3,431	3,431
Program direction and administration	2,931	2,931
Maintenance, repair, & operating requirements	6,298	6,298
Capital improvements	13,000	13,500
Subtotal, USMMA	52,915	56,034
State Maritime Schools:		
Student incentive payments	1,200	1,200
Direct schoolship payments	1,200	1,200
Schoolship maintenance and repair	7,063	8,063
Subtotal, State Maritime Academies	9,463	10,463
MARAD Operations:		
Base operations	37,425	36,000
Strategic ports evaluation and provision	0	500
Enterprise architecture & IT security upgrades	4,597	3,000
Marine security professional training	0	1,000
Subtotal, MARAD Operations	42,022	40,500
Subtotal, Operations and Training	104,400	106,997

Base Ops Breakout.—The conferees direct MARAD to comprehensively delineate the antecedent line item elements, along with their associated, requested funding levels, that encompass Base Operations within future, officially submitted budget justifications to the House and Senate Committees on Appropriations.

USMMA Salaries and Benefits.—Of the total provided for this purpose, the conferees direct MARAD to devote at least $1,600,000 to be used to alleviate some of the vacant, personnel positions that are essential to the core mission of the Academy.

USMMA Capital Improvements.—The conferees direct MARAD to submit an updated addendum to the ten-year capital improvement plan for the United States Merchant Marine Academy no later than ninety days after enactment of this Act that adjusts the original cost projections as per the revised scope of work remaining to be completed.

SMS Schoolship M&R.—The conferees encourage MARAD to follow the distribution of funds for Schoolship Maintenance and Repair as delineated within the fiscal year 2004 budget justification.

Maritime Security Professional Training.—In support of Section 109 of the Maritime Transportation Security Act, the conference agreement includes a one-time appropriation of $1,000,000 to initiate maritime security training for any federal, state, local, and private law enforcement or security personnel as proposed by the House. The conferees expect MARAD to coordinate with the state maritime academies, the U.S. Merchant Marine Academy, and the Appalachian Transportation Institute in the facilitation of this training. Furthermore, the conferees encourage MARAD to seek assistance from the Department of Homeland Security in the implementation of this training.

Intermodal Efficiency.—The conferees direct MARAD to report to the House and Senate Committees on Appropriations, no later than 90 days after enactment of this Act, on the performance of the intermodal system with respect to the efficiency of the most congested ports. Within this report, particular emphasis should be placed on summarizing the performance of the 14 strategic commercial ports during the military force build-up for Operation Iraqi Freedom and on identifying the most glaring deficiencies of the intermodal system as a whole. This report is to contain a thorough comparison of the most congested ports in terms of operational efficiency; identification of significant intermodal obstacles associated with each port; and a summary of future actions MARAD plans to take to address and improve the throughput of cargo in America's ports. The conferees expect MARAD to work with industry groups as well as the scientific community in the completion of this study.

Additional Required Reports.—The conferees direct MARAD to submit all reports as directed in the House report no later than 45 days after enactment of this Act.

SHIP DISPOSAL

The conference agreement includes $16,211,000 for the disposal of obsolete vessels of the National Defense Reserve Fleet, instead of the $14,000,000 proposed by the House and $18,422,000 as proposed by the Senate.

MARITIME GUARANTEED LOAN PROGRAM

The conference agreement includes $4,498,000 for administration expenses of the Maritime Guaranteed Loan Program (Title XI) as proposed by the Senate. The conferees note MARAD's cooperation with the Department of Transportation's Inspector General (DOTIG) on the implementation of managerial reforms of the Title XI program and are encouraged by the progress towards certification of the maritime loan guarantee process, as specified in P.L. 108–11.

SHIP CONSTRUCTION

(RESCISSION)

The conference agreement includes a rescission of unobligated balances totaling $4,107,056 from the dormant ship construction account.

GENERAL PROVISIONS—MARITIME ADMINISTRATION

The conference agreement includes a provision (Section 180) authorizing MARAD to furnish utilities and services and make necessary repairs in connection with any lease, contract, or occupancy involving Government property under control of MARAD, and allow payments received to be credited to the Treasury.

The conference agreement includes a provision (Section 181) prohibiting obligations to be incurred during the current fiscal year from the construction fund established by the Merchant Marine Act, 1936.

RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION

RESEARCH AND SPECIAL PROGRAMS

The conference agreement provides $46,441,000 for research and special programs, instead of $47,018,000 as proposed by the House and $42,516,000 as proposed by the Senate. Within this total, $2,510,000 is available until September 30, 2006, instead of $2,427,000 as proposed by the House and $3,473,000 as proposed by the Senate.

The conference agreement permits up to $1,200,000 in fees to be collected and deposited in the general fund of the Treasury as offsetting receipts. Also, the conference agreement includes language that permits funds received from states, counties, municipalities, other public authorities and private sources for expenses incurred for training, reports publication and dissemination, and travel expenses incurred in the performance of hazardous materials exemptions and approval functions. The House and Senate proposed both of these provisions.

Prior year funding decisions.—In House Joint Resolution 2 (Public Law 108–7), the Transportation and Related Agencies Appropriations Act for fiscal year 2003, the Congress denied certain funding in RSPA's budget request for the reason that there were decreases that the Congress had taken in previous Acts and RSPA was requesting that the Congress restore that funding. RSPA has again undertaken this type of budgeting in the fiscal year 2004 request. The conferees are strongly dismayed at this trend, and direct RSPA and the Department of Transportation Office of Budget and Policy to cease these types of requests immediately.

Further, the conferees direct RSPA to implement appropriate accounting procedures and budgetary tools to ensure proper accounting and integrity of appropriated funds, as proposed by the Senate. A report is due to the House and Senate Committees on Appropriations ninety days after enactment of this Act, detailing the measures that will be taken to address these shortfalls and a timeline for implementation.

OFFICE OF HAZARDOUS MATERIALS

The conference agreement provides $23,675,000 for the office of hazardous materials, instead of $23,558,000 as proposed by the House and $22,814,000 as proposed by the Senate. The following adjustments are made to the budget estimate:

Reduce funding for requested hazmat positions and associated administrative costs	−$494,000
Reduce funding to review and analyze transportation regulations governing SNF and HLW	−500,000
Reduce funding for restoration of fiscal year 2003 across-the-board cut	−149,000

New positions.—The conference agreement provides seven new positions for the office of hazardous materials: one SNF/HLW engineer, one SNF/HLW inspector, one SNF/HLW lawyer, and four restoration positions in the wake of September 11th.

OFFICE OF RESEARCH AND TECHNOLOGY

The conference agreement provides $2,507,000 for the office of research and technology, instead of $2,193,000 as proposed by the House and $2,394,000 as proposed by the Senate. The following adjustments are made to the budget estimate:

Reduce funding for requested positions and associated administrative costs	−$48,000
Reduce funding for hazardous materials and hydrogen fuel research	−200,000
Reduce funding for restoration of fiscal year 2003 across-the-board cut	−18,000

New positions.—The conference agreement provides one new hydrogen fuel engineer position for the office of research and technology.

Hydrogen fuels research.—Before new staff is hired, the office of research and technology shall perform an assessment on the safety and technology status of the infrastructure supporting hydrogen fuels transportation. The report shall include an analysis of what steps RSPA is taking to work with the Department of Energy to ensure that all research related to hydrogen fuels is complementary in order to maximize investment. The report should be submitted to the House and Senate Committees on Appropriations no later than February 1, 2004, and $50,000 is provided for necessary research.

OFFICE OF EMERGENCY TRANSPORTATION

The conference agreement provides $2,720,000 for the office of emergency transportation, instead of $2,463,000 as proposed by the House and $2,802,000 as proposed by the Senate. The following adjustments are made to the budget estimate:

Reduce funding for requested positions and associated administrative costs	−$514,000
Reduce funding for emergency transportation regional equipment and training	−250,000
Reduce funding for restoration of fiscal year 2003 across-the-board cut	−13,000

New positions.—The conference agreement provides seven new positions for the office of emergency transportation: five crisis management center positions and two full-time regional RETCOs. In addition, the conferees encourage RSPA to utilize flexibility to ensure that the regional emergency response teams are adequately equipped, as proposed by the Senate.

OFFICE OF PROGRAM MANAGEMENT

The conference agreement provides $17,539,000 for the office of program management, instead of $18,858,000 as proposed by the House and $14,506,000 as proposed by the Senate. The following adjustments are made to the budget estimate:

Reduce funding for requested positions and associated administrative costs	−$434,000
Reduce funding for infrastructure technology modernization	−859,000
Reduce funding for restoration of fiscal year 2003 across-the-board cut and TASC cut	−320,000

New positions.—The conference agreement provides five new positions for the office of program management; one contracting specialist, one database manager, two IT staff, and one support service specialist.

Infrastructure technology modernization.—Due to budget constraints, the conference agreement reduces funding for RSPA's IT upgrade by $859,000. The conferees direct RSPA to keep the House and Senate Committees on Appropriations informed of these extensive upgrades through biannual correspondence, due in February and August, as proposed by the House.

PIPELINE SAFETY

(PIPELINE SAFETY FUND)

(OIL SPILL LIABILITY TRUST FUND)

The conference agreement provides a total of $66,305,000 for the pipeline safety program, instead of $64,054,000 as proposed by the House and $67,612,000 as proposed by the Senate. Within this total, $21,828,000 is available until September 30, 2006, instead of $21,786,000 as proposed by the House and $22,710,000 as proposed by the Senate.

Of this total, the conference agreement specifies that $13,000,000 shall be derived from the Oil Spill Liability Trust Fund and $53,305,000 from the Pipeline Safety Fund. The House bill allocated $9,000,000 from the Oil Spill Liability Trust Fund and $55,054,000 from the Pipeline Safety Trust Fund. The Senate bill provided $17,183,000 from the Oil Spill Liability Trust Fund and $50,429,000 from the Pipeline Safety Fund. The following adjustments are made to the budget estimate:

Deny decreased funding for one-call grants	+$1,000,000
Reduce funding for requested positions and associated administrative costs	−1,342,000
Reduce funding for restoration of fiscal year 2003 across-the-board cut	−581,000

New positions.—The conference agreement provides twelve new positions for the office of pipeline safety: four natural gas IMP inspectors, two State program manager liaisons, four FERC inspectors, and two Alaska regulations specialists.

State one-call grants.—The conferees deny a proposed decrease in one call grants, as proposed by the House and Senate, and have restored $1,000,000. The conferees feel strongly that these grants are an important tool in reducing the number of pipeline incidents.

Pipeline safety fund and oil spill liability trust fund.—The conferees direct the Office of Pipeline Safety to allocate oversight activities between the hazardous liquid and gas pipelines and to factor the Oil Spill Liability Trust Fund into the allocation formula that determines the hazardous liquid pipeline user fee assessment to accurately reflect the amount and type of oversight activities being conducted by the office consistent with the Trust Fund. The fiscal year 2005 budget justification should adequately address this issue.

EMERGENCY PREPAREDNESS GRANTS

(EMERGENCY PREPAREDNESS FUND)

The conference agreement provides $200,000 for emergency preparedness grants as proposed by both the House and the Senate. The conference agreement includes a limitation on obligations of $14,300,000, consistent with both the House and Senate proposals.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

The conference agreement includes $56,000,000 for the Office of Inspector General.

SURFACE TRANSPORTATION BOARD

SALARIES AND EXPENSES

The conference agreement provides a funding level of $19,521,000 for the Surface Transportation Board to fund salaries and expenses from a direct appropriation, as proposed by both the House and Senate. The conference agreement includes language as proposed by both the House and the Senate that allows the Board to offset $1,050,000 of its appropriation from fees collected during the fiscal year, for a total program level of $18,521,000.

Union Pacific/Southern Pacific merger.—On December 12, 1997, the Board granted a joint request of Union Pacific Railroad Company and the City of Wichita and Sedgwick County, KS (Wichita/Sedgwick) to toll the 18-

month mitigation study pending in Finance Docket No. 32760. The decision indicated that at such time as the parties reach an agreement or discontinue negotiations, the Board would take appropriate action.

By petition filed June 26, 1998, Wichita/Sedgwick and UP/SP indicated that they had entered into an agreement, and jointly petitioned the Board to impose the agreement as a condition of the Board's approval of the UP/SP merger. By decision dated July 8, 1998, the Board agreed and imposed the agreement as a condition to the UP/SP merger. The terms of the negotiated agreement remain in effect. If UP/SP or any of its divisions or subsidiaries materially changes or is unable to achieve the assumptions on which the Board based its final environmental mitigation measures, then the Board should reopen Finance Docket 32760 if requested by interested parties, and prescribe additional mitigation properly reflecting these changes if shown to be appropriate.

TITLE II—DEPARTMENT OF THE TREASURY

DEPARTMENTAL OFFICES

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

The conference agreement provides $176,109,000 for departmental offices of the Treasury Department instead of $175,809,000 proposed by the House and $174,809,000 proposed by the Senate. A table comparing the House bill, Senate bill, and conference agreement follows:

	House bill	Senate bill	Conference agreement
President estimate:	$166,875,000	$166,875,000	$166,875,000
Adjustments to the estimate:			
FY03 reductions not reflected in base:			
FECA costs	−27,000	−27,000	−27,000
Savings from prior year Congressional priorities	−2,854,000	0	−2,854,000
Business strategy adjustment	−599,000	0	0
Unanticipated administrative cost increases	6,399,000	5,800,000	6,100,000
Office of International Affairs	2,730,000	2,727,000	2,730,000
Office of Terrorist Financing & Financial Crimes	2,285,000	2,285,000	2,285,000
Certificate-based internet security initiatives	1,000,000	0	1,000,000
Delete funding for Asian Dev Bank Conf & TPI	0	−2,851,000	
Total	175,809,000	174,809,000	176,109,000

A table comparing the conference agreement, by office, to the budget estimate follows:

	Budget estimate	Conference agreement
Economic Policy	$4,145,000	$4,145,000
International Affairs	25,151,000	27,881,000
Tax Policy	13,955,000	13,955,000
Domestic Finance	9,448,000	9,448,000
Terrorist Financing and Financial Crimes	0	2,285,000
Foreign Asset Control	21,855,000	21,855,000
Management and CFO Programs	14,275,000	14,275,000
Executive Direction	17,168,000	17,168,000
Treasury-Wide Financial Statement Audits	3,393,000	3,393,000
Administration	57,485,000	61,704,000
Total	166,875,000	176,109,000

Office of Foreign Assets Control.—The conference agreement specifies not less than 120 full-time equivalent (FTE) staff-years for this office, as proposed by the Senate.

Reports on travel.—Modifying a proposal of the House, the conferees agree that quarterly reports are to be submitted providing details on the international travel of departmental employees.

Staffing in certain offices.—The conferees agree that the department is limited to 19 FTE in the Office of International Affairs, as proposed by the Senate, and 14 FTE for the Executive Office of Terrorist Financing and Financial Crimes, as proposed by the House.

Marketing of the new $20 currency note.—The conferees acknowledge that some expenditure was necessary to market the new $20 currency note to the public and to private businesses both in the United States and abroad. However, the amount spent by the Bureau of Engraving and Printing (BEP) for this purpose was excessive, and far greater than similar efforts in the past. Although BEP is self-financed through a revolving fund, this does not absolve the bureau from being cost-efficient in all of its operations. The conferees direct BEP to submit to the House and Senate Committees on Appropriations, not later than December 31, 2003, a report showing the baseline amount of funds returned to the Treasury from their recurring operations at the end of fiscal year 2003. The conferees further direct BEP to manage its operations in a manner so that, by the end of fiscal year 2005, that baseline amount has been increased by $14,000,000. The Appropriations Committees will monitor this situation annually to help ensure those targets are reached.

CyberShield.—The conferees are aware of efforts to develop a public/private partnership which will develop best practices in real-time detection and the creation of response centers to protect existing financial services sectors from next generation cyber attacks. The conferees encourage the Department of the Treasury to work closely with the Department of Homeland Security to support this important initiative.

DEPARTMENT-WIDE SYSTEMS AND CAPITAL INVESTMENT PROGRAMS

(INCLUDING TRANSFER OF FUNDS)

The conference agreement provides $36,400,000 for department-wide systems and capital investment programs, instead of $36,653,000 as proposed by the House and $36,928,000 as proposed by the Senate. The bill includes language proposed by the Senate restricting any of these funds for programs of the Internal Revenue Service, which has its own capital appropriation. The reduction from the budget estimate of $528,000 is to be allocated against the HR Connect program.

HR connect.—Including the $25,461,000 in this bill for fiscal year 2004, the HR connect project will have received over $140,000,000 in appropriations since its beginning in fiscal year 1998. Although the conferees remain committed to this project, given its significant cost and scope, as well as recent downsizing at the Treasury Department affecting program requirements, the conferees direct the Secretary of the Treasury to provide to the House and Senate Appropriations Committees, within six months of enactment of this Act, a status report on the project. The report should include, but not be limited to, the following: (1) the original scope of this effort and any changes to those initial requirements since the beginning of the project in 1998; (2) accomplishments to date on the development and implementation of new systems and software, and the success in deploying those new systems across Treasury bureaus; (3) the impact that these new systems have had on overall human resource management processes of the Department; (4) the savings, if any, that have resulted from the implementation of HR connect throughout the department thus far; and (5) the additional funding necessary beyond fiscal year 2004 to complete the project.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

The conference agreement includes $13,000,000 for salaries and expenses of the office of inspector general, instead of $12,792,000 proposed by the House and $12,687,000 proposed by the Senate.

Study on expanded use of blanks.—The conferees agree to the study, proposed by the House, on the potential and cost-effectiveness of expanded use of pre-made "blanks" by the U.S. Mint in the production of circulating coins. However, instead of using the U.S. General Accounting Office to complete this study, as proposed by the House, the conferees agree that the study should be performed by the Treasury Office of Inspector General, and additional funding has been included for this purpose. The report should be submitted to the House and Senate Committees on Appropriations, and appropriate legislative committees, not later than April 1, 2004.

Treasury Building and, Annex repair and restoration project.—The conferees note that since the first full year of funding for this project in fiscal year 1998, $178,000,000 has been appropriated for the project. This is in addition to the $28,000,000 appropriated in fiscal year 1997 to undertake immediate repairs resulting from fire damage to the Treasury Building in 1996. As part of the conferees' ongoing oversight of major capital projects, the conferees direct the Treasury Inspector General to conduct an audit of all Treasury Building renovation and restoration contracts since fiscal year 1998. Such audit shall include, but need not be limited to: (1) compliance with all applicable procurement laws, rules, and regulations, and the Architectural Barriers Act of 1968, as amended; (2) a review of the scope, requirements, and cost reasonableness of the project, as well as the process for managing change orders to the original scope and design; and (3) the effectiveness, efficiency, and economy of contractor operations. The audit shall be completed and submitted to the House and Senate Committees on Appropriations within eight months of enactment of this Act. Additional funding is provided in this appropriation for completion of this audit.

Treasury Inspector General for Tax Administration

SALARIES AND EXPENSES

The conference agreement provides $128,034,000 as proposed by both the House and the Senate.

Air Transportation Stabilization Program

The conference agreement provides $2,538,000 as proposed by both the House and the Senate.

Treasury Building and Annex Repair and Restoration

The conference agreement provides $25,000,000 as proposed by both the House and the Senate. The bill prohibits the obligation of $7,000,000 for this program until completion of the Inspector General audit described under "Treasury Office of Inspector General, salaries and expenses" or until approval in writing by the House and Senate Committees on Appropriations.

Financial Crimes Enforcement Network

SALARIES AND EXPENSES

The conference agreement provides $57,571,000 as proposed by both the House and the Senate.

Financial Management Service

SALARIES AND EXPENSES

The conference agreement provides $228,558,000 as proposed by both the House and the Senate.

Alcohol and Tobacco Tax and Trade Bureau

SALARIES AND EXPENSES

The conference agreement provides $80,000,000 as proposed by both the House and the Senate.

United States Mint

UNITED STATES MINT PUBLIC ENTERPRISE FUND

The conference agreement limits liabilities and obligations from the Public Enterprise Fund to $40,652,000 as proposed by both the House and the Senate. As previously discussed, bill language proposed by the House relating to a General Accounting Office study of pre-made "blanks" has been dropped in lieu of a study by the Office of Inspector General.

Bureau of the Public Debt

ADMINISTERING THE PUBLIC DEBT

The conference agreement provides $173,652,000 as proposed by both the House and the Senate.

Internal Revenue Service

PROCESSING, ASSISTANCE, AND MANAGEMENT

The conference agreement provides $4,033,000,000 instead of $4,037,834,000 as proposed by the House and $4,048,238,000 as proposed by the Senate. The conferees agree that the reductions should encompass the proposed new initiatives for fiscal year 2004. The bill specifies that up to $4,100,000 is available for tax counseling for the elderly instead of $4,250,000 as proposed by the House and $3,950,000 as proposed by the Senate. Further, the bill provides up to $7,500,000 for low-income taxpayer clinic grants instead of $8,000,000 as proposed by the House and $7,000,000 as proposed by the Senate.

Report on certain accelerated depreciation benefits in Oklahoma.—The conferees direct the IRS to provide a report to the House and Senate Committees on Appropriations, not later than 90 days following enactment of this Act, providing the status and the total dollars of accelerated depreciation available by special statute for investments on former Indian land in Oklahoma, including the extent to which such accelerated depreciation benefits are being used.

TAX LAW ENFORCEMENT

The conference agreement provides $4,196,000,000 instead of $4,221,408,000 as proposed by the House and $4,172,808,000 as proposed by the Senate.

INFORMATION SYSTEMS

The conference agreement provides $1,590,962,000 as proposed by the Senate instead of $1,628,739,000 as proposed by the House. Of the total amount provided, $200,000,000 is available for obligation for two years as proposed by the Senate, instead of $165,000,000 as proposed by the House. The balance of the appropriation is available until expended. The conferees agree that, within the overall reduction, the IRS is to make the specific reductions included in the House report.

BUSINESS SYSTEMS MODERNIZATION

The conference agreement provides $390,000,000 instead of $429,000,000 proposed by both the House and the Senate. The reduction is due to budget constraints.

HEALTH INSURANCE TAX CREDIT ADMINISTRATION

The conference agreement provides $35,000,000 as proposed by both the House and the Senate.

General Provisions—Internal Revenue Service

The conference agreement includes provisions under this heading, as proposed by the Senate. The House had proposed such provisions under a comprehensive heading for the Department of the Treasury.

The bill includes a provision (sec. 201) proposed by both the House and Senate allowing the service to transfer funding among appropriations made to the IRS in this Act, limited to five percent and subject to advance approval of the House and Senate Committees on Appropriations.

The bill includes a provision (sec. 202) proposed by both the House and Senate requiring the IRS to maintain a training program focusing on certain areas of customer service.

The bill includes a provision (sec. 203) proposed by both the House and Senate requiring the safeguard of taxpayer information.

The bill includes a provision (sec. 204) proposed by both the House and Senate requiring the IRS to make the improvement of the 1–800 help line a top priority in the allocation of staffing and other resources.

The bill includes a provision (sec. 205) modifying a provision of the Senate relating to cash pension regulations. The provision accepts Senate language prohibiting the issuance of regulations on cash balance pension plans, and requires the Treasury Department to submit legislation to the Congress within 180 days to provide transition relief for older and longer-service employees affected by conversions of traditional pension plans to cash balance plans. The House had a similar provision under title seven of the bill, which is not included in the conference agreement.

The bill includes a provision (sec. 206) proposed by the Senate requiring a study compiling statistics on the earned income tax credit certification program, to be submitted in interim form by July 30, 2004 and in final form by June 30, 2005. The House bill included no similar provision.

General Provisions—Department of the Treasury

The bill includes a provision (sec. 210) proposed by both the House and Senate allowing appropriations to be used for certain specified expenses such as uniforms, motor vehicle insurance, and health insurance for employees serving in foreign countries.

The bill includes a provision (sec. 211) proposed by both the House and Senate allowing the transfer of up to 2 percent of appropriations made to the Department of the Treasury among offices within the department.

The bill includes a provision (sec. 212) proposed by both the House and Senate allowing the transfer of up to 2 percent of appropriations made to the IRS to the Treasury Inspector General for Tax Administration.

The bill includes a provision (sec. 213) proposed by the Senate requiring that the purchase of law enforcement vehicles by any Treasury bureau be consistent with department-wide vehicle management principles. The House bill contained no similar provision.

The bill includes a provision (sec. 214) proposed by both the House and Senate prohibiting funds to redesign the $1 Federal Reserve note.

The bill includes a provision (sec. 215) proposed by both the House and Senate allowing the transfer of funds from "Salaries and expenses, financial management service" to the debt services account to cover the costs of debt collection.

The bill includes a provision (sec. 216) proposed by the Senate extending the pay demonstration project at the Alcohol Tax and Trade Bureau from five years to six years, which will result in the program being extended through fiscal year 2004.

The bill includes a provision (sec. 217) proposed by both the House and Senate prohibiting funds of the U. S. Mint from being used to construct or operate a museum unless approved by the Congress.

The bill includes a provision (sec. 218) proposed by the House relating to the reimbursement of financial institutions for services directed or required by the Secretary of the Treasury. The Senate proposed a similar provision that was identical in substance.

TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT

Compensation of the President

The conference agreement provides $450,000 for compensation of the President as proposed by both the House and Senate. The bill includes a general provision codifying in statutory law the substance of provisions carried in appropriations Acts since 1981. The modification of 3 U.S.C. 102 stipulates that the President's expense allowance shall not be included as gross income, and any unused portion shall revert to the Treasury. This is identical to current law as carried in annual appropriations Acts, and will obviate the need to carry this provision each year in the appropriations process.

White House Office

SALARIES AND EXPENSES

The conference agreement provides $69,168,000 instead of $66,057,000 as proposed by the House and $61,937,000 as proposed by the Senate. Of the funding provided, $7,231,000 is for the Office of Homeland Security. The restriction on the obligation of funds in the House report relating to a report on funding for renovation and furnishings is not necessary, as the report has been submitted. The reduction of $1,100,000 reflects elimination of the President's Critical Infrastructure Advisory Board since submission of the budget, as proposed by the House.

EXECUTIVE RESIDENCE AT THE WHITE HOUSE OFFICE

OPERATING EXPENSES

The conference agreement provides $12,501,000 as proposed by both the House and the Senate.

REIMBURSABLE EXPENSES

The agreement includes bill language on reimbursements as proposed by both the House and the Senate and identical to language carried in fiscal year 2003.

WHITE HOUSE REPAIR AND RESTORATION

The conference agreement provides $4,225,000 as proposed by both the House and the Senate.

COUNCIL OF ECONOMIC ADVISORS

SALARIES AND EXPENSES

The conference agreement provides $4,502,000 as proposed by the Senate instead of $4,000,000 as proposed by the House.

OFFICE OF POLICY DEVELOPMENT

SALARIES AND EXPENSES

The conference agreement provides $4,109,000 as proposed by both the House and the Senate.

NATIONAL SECURITY COUNCIL

SALARIES AND EXPENSES

The conference agreement provides $10,551,000 as proposed by the Senate instead of $9,000,000 as proposed by the House.

HOMELAND SECURITY COUNCIL

SALARIES AND EXPENSES

The bill deletes the separate appropriation for this council proposed by the Senate. Instead, the conference agreement provides funding under "White House Office", as proposed by the House but at a modified level.

OFFICE OF ADMINISTRATION

SALARIES AND EXPENSES

The conference agreement provides $82,826,000 as proposed by the House instead of $77,164,000 as proposed by the Senate. The agreement reflects reductions proposed by the House for information technology services (-$1,500,000) and security services for the Office of Science and Technology Policy (-$1,096,000) as well as a transfer back to this account for the core enterprise pilot program (+$8,258,000). The conferees encourage the Administration to include all EOP funds for the core enterprise pilot program under this appropriation in the fiscal year 2005 budget request. The bill specifies that, of the total funding provided, $20,578,000 is for capital investment plan activities as proposed by the Senate instead of $17,470,000 as proposed by the House.

OFFICE OF MANAGEMENT AND BUDGET

SALARIES AND EXPENSES

The conference agreement provides $67,159,000 instead of $62,272,000 as proposed by the House and $75,417,000 as proposed by the Senate.

Reception and representation expenses.—The bill includes $3,000 as proposed by the Senate instead of $1,500 as proposed by the House.

Office of Information and Regulatory Affairs.—The conferees direct that $1,000,000 of the total funding provided in this appropriation be withheld from obligation until resolution of existing programmatic concerns by House conferees are addressed and the House and Senate Committees on Appropriations approve of such obligation.

Implementation of the Federal Data Quality Act.—The conferees are concerned that agencies are not complying fully with the requirements of the Federal Data Quality Act (FDQA). The conferees agree that data endorsed by the Federal Government should be of the highest quality, and that the public should have the opportunity to review the data disseminated by the Federal Government for its accuracy and have available to it a streamlined procedure for correcting inaccuracies. The Administrator of the Office of Information and Regulatory Affairs (OIRA) is directed to submit a report to the House and Senate Committees on Appropriations by June 1, 2004 on whether agencies have been properly responsive to public requests for correction of information pursuant to the FDQA, and suggest changes that should be made to the FDQA or OMB guidelines to improve the accuracy and transparency of agency science.

OFFICE OF NATIONAL DRUG CONTROL POLICY

SALARIES AND EXPENSES

The conferees agree to provide $27,996,500 as proposed by the Senate instead of $28,790,000 as proposed by the House. Of this amount, $1,500,000 is provided as a grant to the National Alliance for Model State Drug Laws, as proposed by the House and Senate.

COUNTERDRUG TECHNOLOGY ASSESSMENT CENTER

(INCLUDING TRANSFER OF FUNDS)

The conferees agree to provide $42,000,000 as proposed by the Senate instead of $40,000,000 as proposed by the House. Of this amount, the conferees agree to provide $24,000,000 for the technology transfer program as proposed by the Senate, instead of $22,000,000 as proposed by the House. The conferees direct ONDCP to report to the Committees on Appropriations, no later than December 31, 2003, on CTAC funding allocations, specifically providing a detailed spending plan for both the research and development program and the technology transfer program for fiscal years 2001–2003. In addition, the conferees direct the chief scientist to notify the Committees on Appropriations on how fiscal year 2004 funds will be spent, as well as to provide biannual reports on priority counterdrug enforcement research and development requirements and the status of projects funded by CTAC. Finally, the conferees direct ONDCP to include in the fiscal year 2005 budget request a specific accounting of the total number of grant applications received and the number awarded in the previous fiscal year.

FEDERAL DRUG CONTROL PROGRAMS

HIGH INTENSITY DRUG TRAFFICKING AREAS PROGRAM

(INCLUDING TRANSFER OF FUNDS)

The conferees agree to provide $226,350,000 as proposed by the House and Senate. The conferees agree to provide that HIDTAs designated as of September 30, 2003 shall be funded at no less than the fiscal year 2003 initial allocation levels. The conferees provide that no funds in excess of the fiscal year 2004 budget request shall be obligated without prior approval of the Committees on Appropriations. Approval for the expenditure of these funds must be sought according to reprogramming guidelines.

OTHER FEDERAL DRUG CONTROL PROGRAMS

(INCLUDING TRANSFER OF FUNDS)

The conferees agree to provide $229,000,000 instead of $230,000,000 as proposed by the House and $174,000,000 as proposed by the Senate. The conferees agree to provide $145,000,000 for the National Youth Anti-Drug Media Campaign. In addition, the conferees agree to provide $70,000,000 for Drug-Free Communities Support, of which $1,000,000 is provided as a directed grant to the Community Anti-Drug Coalitions of America; $7,200,000 for the US Anti-Doping Agency; $3,000,000 for the Counterdrug Intelligence Executive Secretariat; $1,000,000 for the National Drug Court Institute; $2,000,000 for Performance Measures Development; and $800,000 for United States dues to the World Anti-Doping Agency.

NATIONAL YOUTH ANTI-DRUG MEDIA CAMPAIGN

While the conferees are encouraged by data released by the Partnership for a Drug-Free America showing welcome trends in the incidence of youth drug use, the conferees wish to reemphasize the need to demonstrate that such trends can be linked to the Media Campaign itself. The conferees therefore direct ONDCP to submit to the Committees on Appropriations an evaluation plan for the Media Campaign covering fiscal years 2004–2008 no later than 120 days after enactment of this Act. In addition, the conferees direct ONDCP to provide to the Committees on Appropriations a detailed report regarding the type and content of all advertising, its timing and placement in media markets, and the matches provided for all advertising. In order to ensure that a sufficient amount will be spent on advertising, the conferees agree to provide that no less than 78 percent of the funds provided shall be spent on the purchase of advertising time and space.

US ANTI-DOPING AGENCY

The conferees agree to provide $7,200,000 as proposed by the Senate instead of $1,500,000 as proposed by the House. The conferees direct the US Anti-Doping Agency to provide to the Committees on Appropriations a prior year expenditure report as well as a detailed spending plan for fiscal year 2004 funds. Each report should include a section reporting USADA's efforts to secure funding from sources other than the Federal government. These reports should be provided no later than 120 days after enactment of this Act.

UNANTICIPATED NEEDS

The conference agreement provides $1,000,000 as proposed by both the House and the Senate.

SPECIAL ASSISTANCE TO THE PRESIDENT AND THE OFFICIAL RESIDENCE OF THE VICE PRESIDENT

SALARIES AND EXPENSES

The conference agreement provides $4,461,000 as proposed by both the House and the Senate. The appropriation has been placed at the end of the title as proposed by the House.

OPERATING EXPENSES

(INCLUDING TRANSFER OF FUNDS)

The conference agreement provides $331,000 as proposed by both the House and the Senate. The appropriation has been placed at the end of the title as proposed by the House.

GENERAL PROVISION—EXECUTIVE OFFICE OF THE PRESIDENT

The bill includes a provision (sec. 301) stating that the President's expense allowance shall not be included as gross income of the President and specifying that unused portions of that allowance shall revert to the Treasury.

TITLE IV—INDEPENDENT AGENCIES

ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

SALARIES AND EXPENSES

The conference agreement includes $5,401,000 as proposed by the House and Senate.

NATIONAL TRANSPORTATION SAFETY BOARD

SALARIES AND EXPENSES

The conferees agree to provide $73,499,000, instead of $76,679,000 as proposed by the House and $72,170,000 as proposed by the Senate. The conferees direct NTSB to make certain improvements in its annual budget justification, particularly by expanding and improving the presentation of the resource requirements section. This section should clearly indicate the absolute level of funds and FTE for each program activity, as well as the increases or reductions in funding and FTE sought for the fiscal year of the budget request. The document should also include a more detailed narrative section justifying NTSB's proposals.

EMERGENCY FUND

The conferees agree to provide $600,000 as proposed by the House and Senate.

COMMITTEE FOR PURCHASE FROM PEOPLE WHO ARE BLIND OR SEVERELY DISABLED

SALARIES AND EXPENSES

The conferees agree to provide $4,725,000 as proposed by the House and Senate.

FEDERAL ELECTION COMMISSION

SALARIES AND EXPENSES

The conferees agree to provide $51,240,000 instead of $50,440,000 as proposed by both the House and Senate. The additional $800,000 is to support the Office of Election Administration, which was not included in the President's budget request in anticipation of the establishment of the Election Assistance Commission. Due to delay in the establishment of the EAC, the conferees agree to provide OEA with funding, on the condition that any unobligated balances be transferred to the EAC upon its establishment. Of the total amount, the conferees also agree to provide that no less than $6,389,900 shall be available for internal automated data processing systems, as proposed by the House.

ELECTION ASSISTANCE COMMISSION

SALARIES AND EXPENSES

The conferees agree to provide $1,200,000, instead of $5,000,000 as proposed by the House and no funding as proposed by the Senate. The conferees agree to provide the amount as a separate appropriation as proposed by the House.

ELECTION REFORM PROGRAMS

(INCLUDING TRANSFER OF FUNDS)

The conferees agree to provide $500,000,000 for Election Reform Programs, instead of $1,500,000,000 as proposed by the Senate and $495,000,000 as proposed by the House. Consistent with language proposed by the House, the conferees agree to provide that the General Services Administration will have the authority to administer available funds, including the funds appropriated in this Act, until the establishment of the Election Assistance Commission. The conferees agree to provide that no more than $100,000 shall be available to GSA for administrative expenses. Within the amount provided, the conferees also agree to provide $750,000 for the Help America Vote Foundation, $750,000 for the Help America Vote College Program, and $200,000 for the National Student/Parent Mock Election, all of which are authorized by the Help America Vote Act.

FEDERAL LABOR RELATIONS AUTHORITY

SALARIES AND EXPENSES

The conferees agree to provide $29,611,000 as proposed by the House and Senate.

FEDERAL MARITIME COMMISSION

SALARIES AND EXPENSES

The conference agreement includes $18,471,000 as proposed by the House and the Senate.

Information Technology.—The Conferees direct the Commission to submit a report to the House and Senate Committees on Appropriations no later than 45 days after enactment of this Act, summarizing the Commission's current information technology improvement initiatives and long-term technology improvement plan.

GENERAL SERVICES ADMINISTRATION

REAL PROPERTY ACTIVITIES

FEDERAL BUILDINGS FUND

LIMITATIONS ON AVAILABILITY OF REVENUE

(INCLUDING TRANSFERS OF FUNDS)

The conference agreement provides total obligational availability of $7,216,464,000 from the federal buildings fund in fiscal year 2004. This includes limitations on obligations of $6,758,208,000 and an appropriation from the general fund of $446,000,000.

CONSTRUCTION

The conference agreement provides $708,268,000 for construction instead of $406,168,000 as proposed by the House and $659,668,000 as proposed by the Senate. The following table compares the budget estimate, House bill, Senate bill, and conference agreement by project:

[In thousands of dollars]

	Budget estimate	House bill	Senate bill	Conference agreement
Border Stations:				
Jackman, ME	$7,712	$7,712	$7,712	$7,712
Champlain, NY	35,031	31,031	31,031	31,031
Detroit, MI	25,387	25,387	25,387	25,387
Blaine, WA	9,812	9,812	9,812	9,812
Del Rio, TX	23,966	23,966	23,966	23,966
Eagle Pass, TX	31,980	31,980	31,980	31,980
San Diego, CA	34,211	34,211	34,211	34,211
McAllen, TX	17,938	17,938	17,938	17,938
Subtotal	186,037	182,037	182,037	182,037
Courthouses:				
Anniston, AL	0	0	4,400	4,400
Los Angeles, CA	0	0	50,000	50,000
Orlando, FL	0	0	7,200	7,200
Charlotte, NC	0	0	8,500	8,500
Toledo, OH	0	0	6,500	6,500
Harrisburg, PA	0	0	26,000	26,000
Greenville, SC	0	0	11,000	11,000
San Antonio, TX	0	0	8,000	8,000
Richmond, VA	0	0	83,000	83,000
Subtotal	0	0	204,600	204,600
Other:				
Census Bldg, Suitland, MD	146,451	146,451	146,451	146,451
FBI Bldg, Houston, TX	58,080	58,080	58,080	58,080
Non-prospectus construction	10,000	9,000	10,000	9,000
Federal (Tuttle) Bldg, Atlanta, GA	0	10,600	0	10,600
Federal Bldg, Tuscaloosa, AL	0	0	7,500	7,500
Denver Federal Center, CO	0	0	6,000	6,000
FDA Consolidation, MD	0	0	45,000	42,000
DOT headquarters, DC	(45,000)	(45,000)	0	42,000
Subtotal	214,531	224,131	273,031	321,631
Total, GSA construction	400,568	406,168	659,668	708,268

FDA Consolidation at White Oak, Montgomery County, MD.—The conferees deem the $42,000,000 appropriated for FDA Consolidation at White Oak sufficient for the design and construction of the engineering physics lab and office building for FDA's Center for Devices and Radiological Health (CDRH). If this sum is insufficient, the conferees expect GSA to submit a reprogramming request to the Committees on Appropriations for funds sufficient to design and construct the engineering physics lab and office building for CDRH.

REPAIRS AND ALTERATIONS

The conference agreement provides $991,300,000 for repairs and alterations instead of $1,010,454,000 as proposed by the House and $1,000,939,000 as proposed by the Senate. The bill specifies the following funds for certain projects which were proposed in either the House or Senate bills:

Project	*Amount*
Terre Haute Post Office, IN	$4,600,000
Bellingham Federal Building, WA	2,610,000
Tuttle Annex, Atlanta, GA	6,725,000

Bellingham, WA federal building.—The conference agreement includes language proposed by the Senate transferring funds for the Bellingham federal building to the City of Bellingham, subject to disposal of the building to the city.

Eisenhower Executive Building.—The conference agreement does not include language, proposed by the House, withholding funds until a report is submitted on the use of non-federal funding for renovation efforts for the Eisenhower office building. The report has been submitted, making the provision unnecessary.

INSTALLMENT ACQUISITION PAYMENTS

The conference agreement provides $169,745,000 for installment acquisition payments as proposed by both the House and the Senate.

RENTAL OF SPACE

The conference agreement provides $3,280,187,000 instead of $3,278,187,000 as proposed by the Senate and $3,308,187,000 as proposed by the House.

BUILDING OPERATIONS

The conference agreement provides $1,608,708,000 as proposed by both the House and the Senate.

GENERAL ACTIVITIES

GOVERNMENT-WIDE POLICY

The conference agreement provides $56,383,000 as proposed by the House instead of $61,781,000 as proposed by the Senate.

e-travel.—The conferees agree that GSA has been responsive to the House's concerns that the e-travel initiative should not involve mandatory participation by Federal agencies. Furthermore, the conferees agree that, in its management of e-travel prime contractors, GSA should seek to preserve that portion of the federal travel agent business that is currently served by small businesses and local entrepreneurs.

OPERATING EXPENSES

The conference agreement provides $88,110,000 instead of $79,110,000 as proposed by the House and $85,083,000 as proposed by the Senate. Within the funds provided, the conferees direct GSA to make the following distributions:

Project	*Amount*
Web Wise Kids	$600,000
Exhibitions on the enslaved north, NY Historical Society	250,000
Public service recognition week	100,000
Center for Jewish History archival preservation project, New York, NY	328,000
B&O Railroad Museum emergency restoration, Baltimore, MD	372,000
Balls Ferry Historic Park, Wilkinson County, GA	1,000,000
Saenger Restoration Project, AL	500,000
Homeless school access project, Washington DOT, WA	1,000,000
Hurricane Isabel repairs, NDRF, Fort Eustis, VA	1,850,000
Alaska statehood celebration	450,000
2003 Women's World Cup Tournament	1,800,000
Ruffner Mountain Educational Facility, AL	300,000
Rural government outreach initiative	75,000
Hawaii statehood celebration	225,000
Upper Great Plains Native American Telehealth program	100,000
Iowa communications network	50,000

Public service recognition week.—The conferees recognize that public service recognition week, a program of the Public Employees Roundtable, has educated America about the value of the career workforce, which carries out the daily operations of government. This program, which has existed for over 10 years, plays an important role in educating our nation's youth by providing them with timely information about their government. The conferees urge GSA to support the mission of the Public Employees Roundtable, and provides $100,000 in administrative and logistical assistance to public service recognition week activities, the same level as provided for fiscal year 2003.

OFFICE OF INSPECTOR GENERAL

The conference agreement provides $39,169,000 as proposed by both the House and the Senate.

ELECTRONIC GOVERNMENT FUND

(INCLUDING TRANSFER OF FUNDS)

The conference agreement provides $3,000,000 instead of $1,000,000 as proposed by the House and $5,000,000 as proposed by the Senate. The conferees agree that none of these funds should be used for performance awards.

ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

(INCLUDING TRANSFER OF FUNDS)

The conference agreement provides $3,393,000 as proposed by both the House and the Senate.

GENERAL PROVISIONS—GENERAL SERVICES ADMINISTRATION

The bill includes a provision (sec. 401) as proposed by both the House and the Senate related to the crediting of proper appropriations for GSA expenses.

The bill includes a provision (sec. 402) as proposed by both the House and the Senate allowing GSA funds to be used for motor vehicle rental expenses.

The bill includes a provision (sec. 403) as proposed by both the House and the Senate requiring transfer of federal building funds among various activities only to the extent necessary to meet program requirements and subject to prior approval of the House and Senate Committees on Appropriations.

The bill includes a provision (sec. 404) as proposed by both the House and the Senate mandating any fiscal year 2005 budget request for courthouse construction reflect the priorities of the Judicial Conference of the United States, meet design guide standards, and be accompanied by a courtroom utilization study.

The bill includes a provision (sec. 405) as proposed by both the House and the Senate requiring federal agencies to pay rental rates established by GSA in order to receive certain building support services such as cleaning and security enhancements.

The bill includes a provision (sec. 406) as proposed by both the House and the Senate related to federal buildings fund savings from the implementation of pilot information technology projects.

The bill includes a provision (sec. 407) as proposed by both the House and the Senate allowing savings from construction projects to be used to settle claims of less than $250,000 in other construction projects, subject to prior notification to the House and Senate Committees on Appropriations.

The bill deletes a provision proposed by the House related to implementation of the e-travel service. The Senate bill included no similar provision.

The bill includes a provision (sec. 408) as proposed by the Senate directing GSA to acquire property in Portsmouth, NH for a federal office building to replace the McIntyre Federal Building, and authorizing GSA to give the McIntyre Building to the City of Portsmouth under certain conditions. The House bill included no similar provision.

The bill includes a provision (sec. 409) proposed by the House allowing GSA to make certain election reform payments, if necessary, prior to appointment of the Election Assistance Commission. The Senate bill included no similar provision.

The bill includes a provision (sec. 410) proposed by the House prohibiting funds to establish a Quick Response Team Processing Center in Chattanooga, TN. The Senate bill included no similar provision.

The bill includes a provision (sec. 411) facilitating the completion of a land conveyance in San Joaquin County, California.

MERIT SYSTEMS PROTECTION BOARD

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

The conferees agree to provide $32,877,000 as proposed by the House and Senate. The conferees also agree to provide $2,626,000 as a limitation on administrative expenses to be transferred from the appropriate trust fund, rather than providing the amount as a direct appropriation as requested by the President.

MORRIS K. UDALL FOUNDATION

MORRIS K. UDALL TRUST FUND

The conference agreement provides $1,996,000 as proposed by the Senate instead of $1,300,000 as proposed by the House. The bill modifies a provision proposed by the House relating to a financial audit of the program. The modification allows up to $50,000 for this purpose instead of $100,000. The agreement allows 60 percent of funds to be provided to the Native Nations Institute as proposed by the Senate instead of 70 percent as proposed by the House.

ENVIRONMENTAL DISPUTE RESOLUTION FUND

The conference agreement provides $1,309,000 as proposed by the Senate instead of $1,300,000 as proposed by the House.

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

OPERATING EXPENSES

The conference agreement provides $256,700,000 instead of $255,191,000 as proposed by the House and $258,191,000 as proposed by the Senate. The bill includes $600,000 regarding the records of the Freedmen's Bureau as proposed by the House instead of no funding as proposed by the Senate.

Working group pursuant to the Japanese Imperial Government Disclosure Act.—The conference report includes language extending working group activities under the Japanese Imperial Government Disclosure Act for one additional year. The conferees believe that no further extensions should be granted. All remaining activities of the Interagency Working Group are to be completed within the additional 12 months allotted.

ELECTRONIC RECORDS ARCHIVE

The conference agreement provides $35,914,000 as proposed by the House instead of no funds as proposed by the Senate.

REPAIRS AND RESTORATION

The conference agreement provides $13,708,000 instead of $6,458,000 as proposed by the House and $13,483,000 as proposed by the Senate. The bill specifies that $500,000 is provided for a Military Personnel Records Center requirements study, $2,250,000 is for a new regional archives and records facility in Anchorage, Alaska, and $5,000,000 is for repair and restoration of the plaza surrounding the Lyndon Baines Johnson Presidential Library in Austin, Texas. Each of these projects were in either the House or Senate bills.

Nixon Presidential records.—The bill includes a provision allowing the transfer of Nixon Administration Presidential records and materials outside the Washington, D. C. metropolitan area, subject to the control of the Archivist and consistent with current laws governing the transfer and storage of Presidential records.

NATIONAL HISTORICAL PUBLICATIONS AND RECORDS COMMISSION—GRANTS PROGRAM

The conference agreement provides $10,000,000 as proposed by the House instead of $5,000,000 as proposed by the Senate.

OFFICE OF GOVERNMENT ETHICS

SALARIES AND EXPENSES

The conferees agree to provide $10,738,000 as proposed by the House and Senate.

OFFICE OF PERSONNEL MANAGEMENT

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

The conferees agree to provide $119,498,000 as proposed by the House instead of $118,748,000 as proposed by the Senate. Of this amount, the conferees agree to provide $750,000 for continuation of the retirement readiness project. The conferees also agree to provide $135,914,000 as a limitation on administrative expenses to be transferred from the appropriate trust funds, as proposed by the Senate, rather than $126,854,000 as proposed by the House.

FRANKLIN/HAMPSHIRE/HAMPDEN COUNTIES, MASSACHUSETTS

The conferees are aware that the Federal Salary Council has recommended that Franklin, Hampshire and Hampden counties, Massachusetts, be included into the Hartford Locality Pay Area. The conferees are concerned about the difficulties some Federal agencies have documented in retaining and attracting Federal employees in the Connecticut River Valley. Accordingly, the conferees direct OPM to consider the implementation of the Federal Salary Council's recommendation to include Franklin, Hampshire and Hampden counties into the Hartford Locality Pay Area.

OFFICE OF INSPECTOR GENERAL

The conferees agree to provide $1,498,000 as proposed by the House and Senate.

HUMAN CAPITAL PERFORMANCE FUND

The conferees agree to provide $1,000,000, instead of $2,500,000 as proposed by the House and no funds as proposed by the Senate.

OFFICE OF SPECIAL COUNSEL

SALARIES AND EXPENSES

The conferees agree to provide $13,504,000 as proposed by the House and Senate.

UNITED STATES POSTAL SERVICE

PAYMENT TO THE POSTAL SERVICE FUND

The conferees agree to provide $65,521,000, as proposed by the House and Senate. Of this amount $36,521,000 is provided as an advance appropriation for free mail for the blind and overseas voters. The conferees include $29,000,000 for prior year reimbursement shortfalls.

POSTAL FACILITY CONSTRUCTION

The conferees are aware that the Postal Service has had a freeze on construction of new postal facilities since 2001. The conferees are also aware that some areas are in desperate need of a new facility, and that some facilities are in dire need of renovation. The conferees direct the Postal Service to evaluate these needs and report within 90 days of the enactment of this Act on localities that require a new postal facility, the current conditions of post offices in need of renovation, and when a new facility or replacement will be built.

TINTON FALLS, NEW JERSEY

The conferees are concerned about the postal needs of the citizens of Tinton Falls, New Jersey. Although Tinton Falls was placed among the top priority postal construction projects in line to receive funding in 1996, funding constraints stopped all construction of new facilities for several years. The conferees recommend that the Postal Service carefully consider the significant need for a new facility in Tinton Falls, and direct the Postal Service to report to the Committees on Appropriations on this matter no later than 90 days after the enactment of this Act.

UNITED STATES TAX COURT

SALARIES AND EXPENSES

The conferees agree to provide $40,187,000 as proposed by the House and Senate.

WHITE HOUSE COMMISSION ON THE NATIONAL MOMENT OF REMEMBRANCE

The conferees agree to provide $250,000 as proposed by the House and Senate.

TITLE V—GENERAL PROVISIONS

THIS ACT

(INCLUDING TRANSFERS OF FUNDS)

Section 501 allows funds to be used for aircraft; motor vehicles; liability insurance; uniforms; or allowances, as authorized by law.

Section 502 requires pay raises to be funded within appropriated levels.

Section 503 limits appropriations for services authorized by 5 U.S.C. 3109 to the rate for an Executive Level IV.

Section 504 continues the provision prohibiting funds in this Act for salaries and expenses of more than 106 political and Presidential appointees in the Department of Transportation, and prohibits political and Presidential personnel to be assigned on temporary detail outside the Department of Transportation.

Section 505 prohibits pay and other expenses for non-Federal parties in regulatory or adjudicatory proceedings funded in this Act.

Section 506 prohibits obligations beyond the current fiscal year and prohibits transfers of funds unless expressly so provided.

Section 507 limits consulting service expenditures in procurement contracts to those of public record.

Section 508 prohibits funds for the implementation of section 404 of title 23, USC.

Section 509 continues the provision prohibiting recipients of funds made available in this Act to release personal information, including a social security number, medical or disability information, and photographs from a driver's license or motor vehicle record without express consent of the person to whom such information pertains; and prohibits the Secretary from withholding funds provided in this Act for any grantee if a state is in noncompliance with this provision.

Section 510 allows funds received by the Federal Highway Administration, Federal Transit Administration, and the Federal Railroad Administration from States, counties, municipalities, other public authorities, and private sources for expenses incurred for training to be credited to each agency's respective accounts.

Section 511 authorizes the Secretary of Transportation to allow issuers of any preferred stock to redeem or repurchase preferred stock sold to the Department of Transportation.

Section 512 continues the provision prohibiting funds in this Act unless the Secretary of Transportation notifies the House and Senate Committees on Appropriations not less than three full business days before any discretionary grant award, letter of intent, or full funding grant agreement totaling $1,000,000 or more is announced by the department or its modal administration.

Section 513 defines the city of Norman, Oklahoma, as part of the Oklahoma City Transportation Management Area.

Section 514 prohibits funds for the Office of the Secretary of Transportation to approve assessments or reimbursable agreements pertaining to funds appropriated to the modal administrations in this Act, unless such assessments or agreements have completed the normal reprogramming process for Congressional notification.

Section 515 prohibits funds in this Act to be transferred without express authority.

Section 516 allows funds received from certain sources to be credited to appropriations using fair and equitable criteria.

Section 517 reduces the Transportation Working Capital Fund by $17,816,000.

Section 518 includes a new provision allowing that amounts from improper payments to a third party contractor that are lawfully recovered by the Department of Transportation shall be available to cover expenses incurred in recovery of such payments.

Section 519 authorizes the transfer of unexpended sums from "Office of the Secretary, Salaries and expenses" to "Minority Business Outreach."

Section 520 is a limitation involving section 307 of the Tariff Act of 1930.

Section 521 modifies a Senate provision regarding stadium overflights.

Section 522 concerns the employment rights of Federal employees who return to their civilian jobs after assignment with the Armed Forces.

Section 523 requires entities receiving funds to comply with the "Buy America Act".

Section 524 is a sense of the Congress regarding the purchase of American-made equipment and products and requires the Secretary of the Treasury to provide a notice describing to all recipients of Federal assistance.

Section 525 regards the ineligibility of persons found guilty of violating "Made in America" labeling provisions from receiving funds.

Section 526 provides that fifty percent of unobligated balances may remain available for certain purposes.

Section 527 restricts the use of funds for the White House to request official background reports without the written consent of the subject individual.

Section 528 exempts contracts under FEHBP from certain cost accounting standards.

Section 529 regards travel by the Office of Personnel Management (OPM) with respect to non-foreign area cost of living allowances and allows OPM to accept and utilize, without regard to any restriction on unanticipated travel expenses imposed in an Appropriations Act, funds made available pursuant to court approval.

Section 530 prohibits the use of funds by any person or entity convicted of violating the Buy American Act.

Section 531 prohibits FEHBP funds from being used to cover an abortion.

Section 532 disallows the previous section if the life of the mother is at risk or in the case of rape or incest.

Section 533 outlines the guidelines for the reprogramming of funds in the Act.

Section 534 limits funding for traffic signs in a language other than English.

Section 535 exempts from certain procurement limitations commercially available information technology.

Section 536 provides a sense of the House of Representatives that empowerment zones within cities should have the necessary flexibility to expand to include relevant communities so that empowerment zone benefits are equitably distributed.

Section 537 provides a sense of the House of Representatives that all census tracts contained in an empowerment zone, either fully or partially, should be equitably accorded the same benefits.

Section 538 prohibits the use of funds for a proposed rule by Treasury relating to the determination that real estate brokerage is a financial activity.

Section 539 provides a sense of Congress that the Department of Transportation should consider programs to reimburse certain airports for financial losses due to Government actions subsequent to the terrorist actions of September 11, 2001.

Section 540 provides a sense of the House of Representatives that public private partnerships could help eliminate some cost drivers on certain highway and transit projects.

Section 541 extends the Breast Cancer Stamp authorization (39 USC 414 (h)) until 2005.

Section 542 restricts funds regarding rules and regulations concerning travel agent service fees.

Section 543 allows the transfer of Nixon Administration Presidential records and materials outside the Washington, D. C. metropolitan area, subject to the control of the Archivist and consistent with current laws governing the transfer and storage of Presidential records.

Section 544 amends the Oklahoma City National Memorial Act of 1997.

Section 545 redesignates unobligated funds from Public Law 102–240 and Public Law 105–178 to carry out existing bridge and ferry projects.

Section 546 amends Section 345(6), Division I, Public Law 108–7.

Section 547 makes certain projects and activities eligible to receive fiscal year 2004 grants.

TITLE VI—GENERAL PROVISIONS DEPARTMENTS, AGENCIES, AND CORPORATIONS

Section 601 authorizes agencies to pay costs of travel to the United States for the immediate families of Federal employees assigned to foreign duty in the event of a death or a life threatening illness of the employee.

Section 602 requires agencies to administer a policy designed to ensure that all of its workplaces are free from the illegal use of controlled substances.

Section 603 regards price limitations on vehicles to be purchased by the Federal Government.

Section 604 allows funds made available to agencies for travel, to also be used for quarters allowances and cost-of-living allowances.

Section 605 prohibits the government, with certain specified exceptions, from employing non-U.S. citizens whose posts of duty would be in the continental U.S.

Section 606 ensures that agencies will have authority to pay GSA bills for space renovation and other services.

Section 607 allows agencies to finance the costs of recycling and waste prevention programs with proceeds from the sale of materials recovered through such programs.

Section 608 provides that funds may be used to pay rent and other service costs in the District of Columbia.

Section 609 prohibits payments to persons filling positions for which they have been nominated after the Senate has voted not to approve the nomination.

Section 610 prohibits interagency financing of groups absent prior statutory approval.

Section 611 authorizes the Postal Service to employ guards and give them the same special police powers as other Federal guards.

Section 612 prohibits the use of funds for enforcing regulations disapproved in accordance with the applicable law of the U.S.

Section 613 limits the pay increases of certain prevailing rate employees.

Section 614 limits the amount of funds that can be used for redecoration of offices under certain circumstances.

Section 615 allows for interagency funding of national security and emergency telecommunications initiatives.

Section 616 requires agencies, with exceptions, to certify that a Schedule C appointment was not created solely or primarily to detail the employee to the White House.

Section 617 requires agencies to administer a policy designed to ensure that all workplaces are free from discrimination and sexual harassment.

Section 618 prohibits the payment of any employee who prohibits, threatens or prevents another employee from communicating with Congress.

Section 619 prohibits Federal training not directly related to the performance of official duties.

Section 620 prohibits the expenditure of funds for implementation of agreements in nondisclosure policies unless certain provisions are included.

Section 621 prohibits propaganda, publicity and lobbying by executive agency personnel in support or defeat of legislative initiatives.

Section 622 prohibits any Federal agency from disclosing an employee's home address to any labor organization, absent employee authorization or court order.

Section 623 prohibits funds from being used to provide non-public information such as mailing or telephone lists to any person or organization outside the government without the approval of the Committees on Appropriations.

Section 624 prohibits the use of funds for propaganda and publicity purposes not authorized by Congress.

Section 625 directs agency employees to use official time in an honest effort to perform official duties.

Section 626 authorizes the use of funds to finance an appropriate share of the Joint Financial Management Improvement Program.

Section 627 authorizes agencies to transfer funds to GSA to finance an appropriate share of the Joint Financial Management Improvement Program, et al.

Section 628 prohibits the use of funds to limit the options of federal agencies in selecting the online employment information service of their choice.

Section 629 permits breast-feeding in a Federal building or on Federal property if the woman and child are authorized to be there.

Section 630 permits interagency funding of the National Science and Technology Council and provides for a report on the budget and resources of the National Science and Technology Council.

Section 631 requires documents involving the distribution of Federal funds to indicate the agency providing the funds and the amount provided.

Section 632 extends the authorization for franchise fund pilots for one year in order to allow the Administration to evaluate their results and make a decision regarding permanent authority.

Section 633 prohibits the use of funds to monitor personal information relating to the use of Federal Internet sites to collect, review, or create any aggregate list that includes personally identifiable information relating to access to or use of any federal Internet site of such agency.

Section 634 requires health plans participating in the FEHBP to provide contraceptive coverage and provides exemptions to certain religious plans.

Section 635 provides recognition of the U.S. Anti-Doping Agency as the official anti-doping agency.

Section 636 requires a report by the Inspector Generals detailing policies and procedures for implementing portions of the Rural Development Act, 1972.

Section 637 prohibits funds made available in this or any other Act from being used to purchase goods or services from Federal Prison Industries, Inc., unless such goods or services provide the best value.

Section 638 requires each agency to evaluate the creditworthiness of an individual before issuing the individual a specific charge card.

Section 639 allows the extension of the Federal Election Commission's administrative fine program for two years.

Section 640 requires that the adjustment in rates of basic pay for the statutory pay systems that takes effect in fiscal year 2004 shall be an increase of 4.1 percent.

Section 641 allows for the timely filing of reports with the Federal Election Commission using overnight delivery, priority, or express mail.

Section 642 allows funds appropriated for official travel to participate in the fractional aircraft ownership pilot program.

Section 643 restricts the ability of federal agencies to construct or lease federal law enforcement training facilities except with Congressional approval.

Section 644 prohibits the use of funds to implement or enforce regulations for locality pay areas that are inconsistent with Federal Salary Council recommendations.

Section 645 requires a report from each Federal agency on acquisitions from entities that manufacture the articles, materials, or supplies outside of the United States.

Section 646 prohibits OPM from using any funds to implement the proposed regulations relating to the detail of executive branch employees to the legislative branch, with technical modifications.

Section 647 prohibits the use of funds to convert an activity or function of an Executive agency to contractor performance, with certain exceptions.

Section 648 provides for the funding of airport operations at Midway Atoll Airfield.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 2004 recommended by the Committee of Conference, with comparisons to the fiscal year 2003 amount, the

2004 budget estimates, and the House and Senate bills for 2004 follow:

[In thousands of dollars]

New budget (obligational) authority, fiscal year 2003	$44,637,545
Budget estimates of new (obligational) authority, fiscal year 2004	45,507,343
House bill, fiscal year 2004	45,553,216
Senate bill, fiscal year 2004	46,276,508
Conference agreement, fiscal year 2004	45,267,993
Conference agreement compared with	
New budget (obligational) authority, fiscal year 2003	+630,448
Budget estimates of new (obligational) authority, fiscal year 2004	−239,350
House bill, fiscal year 2004	−285,223
Senate bill, fiscal year 2004	−1,008,515

DIVISION G—DEPARTMENTS OF VETERANS AFFAIRS, HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS

The language and allocations set forth in House Report 108–235 and Senate Report 108–143 should be complied with unless specifically addressed to the contrary in the conference report and statement of the managers. Report language included by the House which is not changed by the report of the Senate or the conference and Senate report language which is not changed by the conference is approved by the committee of the conference. The statement of the managers, while repeating some report language for emphasis, does not intend to negate the language referred to above unless expressly provided herein. In cases where the House or Senate have directed the submission of a report, such report is to be submitted to both House and Senate Committees on Appropriations.

OPERATING PLAN AND REPROGRAMMING PROCEDURES

The conferees continue to have a particular interest in being informed of reprogrammings which, although they may not change either the total amount available in an account or any of the purposes for which the appropriation is legally available, represent a significant departure from budget plans presented to the Committees in an agency's budget justifications, the basis of this appropriations Act.

Consequently, the conferees direct the departments, agencies, boards, commissions, corporations and offices funded at or in excess of $100,000,000 in this bill, to consult with the Committees on Appropriations in both the House and Senate prior to each change from the approved budget levels in excess of $500,000 between programs, activities, object classifications or elements unless otherwise provided for in the statement of the managers accompanying this Act. For agencies, boards, commissions, corporations and offices funded at less than $100,000,000 in this bill, the reprogramming threshold shall be $250,000 between programs, activities, object classifications or elements unless otherwise provided for in the statement of the managers accompanying this Act. Additionally, the conferees expect the Committees on Appropriations to be promptly notified of all reprogramming actions which involve less than the above-mentioned amounts. If such actions would have the effect of significantly changing an agency's funding requirements in future years, or if programs or projects specifically cited in the statement of the managers or accompanying reports of the House and Senate are affected by the reprogramming, the reprogramming must be approved by the Committees on Appropriations regardless of the amount proposed to be moved. Furthermore, the conferees direct that the Committees on Appropriations be consulted regarding reorganizations of offices, programs, and activities prior to the planned implementation of such reorganizations.

The conferees also direct that the Departments of Veterans Affairs and Housing and Urban Development, as well as the Corporation for National and Community Service, the Environmental Protection Agency, the National Aeronautics and Space Administration, the National Science Foundation, the Consumer Product Safety Commission, and the Chemical Safety and Hazard Investigation Board shall submit operating plans, signed by the respective secretary, administrator, or agency head, for review by the Committees on Appropriations of both the House and Senate within 60 days of enactment of this Act. Other agencies within this Act should continue to submit operating plans consistent with prior year policy, or as directed in this statement of the managers.

The conferees reiterate language proposed by the House regarding the Committees' longstanding position that while the Committees reserve the right to call upon all offices in the departments, agencies, boards, and commissions, access to the budget offices is essential.

TITLE I—DEPARTMENT OF VETERANS AFFAIRS

In addition to the directives above, the conferees direct that no changes may be made to any account or objective, except as approved by the Committees, if it is construed to be policy or change in policy. It is the intent of the conferees that all carryover funds in the various appropriations accounts are subject to the normal reprogramming requirements outlined above. The Department is directed to notify the Committees on Appropriations should the loan limitation of any program administered by the Department be met or exceeded.

VETERANS BENEFITS ADMINISTRATION

COMPENSATION AND PENSIONS

(INCLUDING TRANSFER OF FUNDS)

Appropriates $29,845,127,000 for compensation and pensions as proposed by both the House and the Senate, of which not more than $17,056,000 is to be transferred to general operating expenses and medical services.

READJUSTMENT BENEFITS

Appropriates $2,529,734,000 for readjustment benefits as proposed by both the House and the Senate.

VETERANS INSURANCE AND INDEMNITIES

Appropriates $29,017,000 for veterans insurance and indemnities as proposed by both the House and the Senate.

VETERANS HOUSING BENEFIT PROGRAM FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

Appropriates such sums as may be necessary for costs associated with direct and guaranteed loans from the veterans housing benefit program fund program account as proposed by both the House and the Senate, plus $154,850,000 to be transferred to and merged with general operating expenses.

EDUCATION LOAN FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

Appropriates $1,000 for the costs of direct loans from the education loan fund program account as proposed by both the House and the Senate, plus $70,000 to be transferred to and merged with general operating expenses.

VOCATIONAL REHABILITATION LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

Appropriates $52,000 for the costs of direct loans from the vocational rehabilitation loans program account as proposed by both the House and the Senate, plus $300,000 to be transferred to and merged with general operating expenses.

NATIVE AMERICAN VETERAN HOUSING LOAN PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

Appropriates $571,000 for administrative expenses of the native American housing loan program account to be transferred to and merged with general operating expenses as proposed by both the House and the Senate. Provides a loan limitation of $50,000,000 for the program instead of $40,000,000 as proposed by the House. The Senate did not provide a loan limitation for this program.

GUARANTEED TRANSITIONAL HOUSING LOANS FOR HOMELESS VETERANS PROGRAM ACCOUNT

Provides up to $600,000 of the funds available in medical services and general operating expenses to carry out the guaranteed transitional housing loans for homeless veterans program instead of $350,000 as proposed by the House and $750,000 as proposed by the Senate. Retains the reporting requirement regarding the status of the loan program as proposed by the Senate. The conferees are concerned that this program simply does not meet the needs of the organizations for which it is intended.

VETERANS HEALTH ADMINISTRATION

The conferees have agreed to provide total resources of $28,569,220,000 to fund the various operating programs of the Veterans Health Administration (VHA), an increase of $1,570,000,000 over the appropriation request level. None of the funds are contingent upon an emergency declaration. Further, the conferees have agreed to fund VHA through a new account structure comprised of four accounts: medical services, medical administration, medical facilities, and medical and prosthetic research. The conferees have taken this action to provide better oversight and receive a more accurate accounting of funds.

MEDICAL SERVICES

Provides $17,867,220,000 to finance medical services for all veterans and beneficiaries in VA, State, and contract medical facilities.

Deletes bill language proposed by the House and the Senate delaying the availability of funds.

Retains bill language making $1,100,000,000 available until September 30, 2005, as proposed by the Senate.

Retains bill language providing the Secretary with the authority to establish a priority system for veterans seeking medical care as proposed by the Senate. The House included similar authority as an administrative provision.

Retains bill language proposed by the Senate allowing the Secretary to give priority to medical services for priority 1–6 veterans. The House instead proposed a separate account for priority 1–6 veterans.

Retains bill language allowing the transfer of up to $400,000,000 to the construction, major projects account for the purposes of implementing Capital Asset Realignment for Enhanced Services (CARES) recommendations as proposed by the Senate. The conferees direct the VA to notify the Committees on Appropriations prior to the transfer of funds for this purpose as stated in Senate Report 108–143.

Modifies bill language proposed by the Senate allowing the Secretary to fill privately written prescriptions from VA facilities for designated veterans. The conferees agree that such benefit should not result in additional cost to the VA. The House did not include a similar provision. The conferees direct the Secretary to collect and independently verify data on the costs and benefits of this new drug benefit and submit a report to the Committees on Appropriations by March 2, 2004, detailing the number of veterans who would utilize such benefit, as well as costs or savings to the VA.

Moves bill language proposed by the Senate in medical care directing the Secretary to conduct a recovery audit program. Instead, the conference agreement includes the provision under administrative provisions as proposed by the House.

Moves bill language proposed by the Senate transferring the balances from the medical care collections fund into medical care for the purposes of that account. Instead, the conference agreement includes a similar provision as a separate section under administrative provisions.

Reiterates report language included in House Report 108–235 directing the establishment of two Mental Illness Research, Education and Clinic Centers.

Reiterates language included in Senate Report 108–143 directing VA to collaborate fully with the Department of Defense in the VET-HEAL program.

The conferees encourage the VA to continue developing collaborative agreements with medical schools at Historically Black Colleges and Universities and minority serving institutions in the areas of research, residency programs and the delivery of health care services.

The conferees strongly encourage the Department to pursue aggressively new technologies available for diagnosing colorectal cancer which are less invasive, less expensive and provide equal or better patient evaluations than older methods.

The conferees urge the Department to provide by April 2, 2004, information on VA compliance rates with VHA Directive 2003–017, the treatment of Acute Myocardial Infarction (AMI), and an evaluation of FDA-approved technologies which could assist doctors in meeting the goals of that directive.

MEDICAL ADMINISTRATION

Appropriates $5,000,000,000 for the expenses of the headquarters offices of the Veterans Health Administration as well as the costs of Veterans Integrated Service Network (VISN) offices and facility directors, all information technology hardware and software, legal services, billing and coding activities, procurement, and related activities.

Includes language allowing $150,000,000 of the funds to be available until September 30, 2005.

The conferees agree that the Department must continue research oversight activities at a level not less than directed in the fiscal year 2003 appropriations Act. Further, the conferees reiterate the language contained in House Report 108–235 regarding the reporting and consulting requirements of the oversight board.

The conferees are concerned that the realignment recommendations of the CARES Commission may lead to a reduction in long-term care, domiciliary care, and mental health services. The VA is expected to expedite the strategic planning process for these services. Based on the Secretary's statements the conferees urge that no closures or reduction in long-term care, domiciliary care, and mental health services will take place until the full analysis is completed. The VA should submit updates on their progress in this effort to the Committees on Appropriations.

The conferees encourage the VA to consider all travel issues, such as road conditions, number of lanes on access highways, and seasonal changes in and other factors relating to the weather, in any analysis on the future needs of veterans health care. Further, the CARES Commission should give as much attention to solving the special needs of veterans who live in rural areas as it does to providing for the health care needs of veterans living in more highly populated areas and include in its recommendations investments and initiatives to achieve the Department's accessibility standard for primary health care in rural and highly-rural health care markets.

The conferees recognize the benefits of and the need to have CARES-related hearings within 30 miles of all facilities facing closure or a significant realignment of services, as well as the need for veterans participation at these hearings. The VA is encouraged to hold hearings in all affected communities following the Secretary's final recommendation.

Finally, the conferees direct the Secretary, prior to implementing any facility closure as recommended in the final CARES plan, to develop recommendations for future use of such facilities (including, but not limited to, enhanced-use lease opportunities and clinics) and submit a report to the House and Senate Committees on Appropriations on the recommendations for each facility.

To ensure improved security, greater control, and unified manageability of information technology systems, the conferees direct the VA to consolidate critical applications including all business/corporate applications, messaging, office automation, and relevant medical systems applications at no more than six sites nationwide for the purpose of providing business continuity capabilities between each site to ensure continuity of operations of mission critical VA activities.

MEDICAL FACILITIES

Appropriates $4,000,000,000 for the operation, maintenance and security of VHA's capital infrastructure. Included under this heading are provisions for the costs associated with utilities, engineering, capital planning, leases, laundry and food services, groundskeeping, garbage, housekeeping, facility repair, and property disposition and acquisition. None of the funds for the land and structures object classifications are subject to delay.

Inserts new language allowing $150,000,000 of the funds to be available until September 30, 2005.

The conferees direct the Secretary of Veterans Affairs to make the North Chicago VA Medical Center available to the Navy to the maximum extent feasible, including the modification of its surgical suites. The conferees also direct the Secretary to finalize, in consultation with the Secretary of the Navy, site selection for a new joint Navy/VA ambulatory care center to serve both veterans and active duty naval personnel in this community. The conferees urge the Secretary to study the placement of the clinic adjacent to the North Chicago VA Medical Center. The Secretary shall report to the Committees on Appropriations on the site selection and progress on the surgical suite and urgent care modifications by July 30, 2004.

The conferees are aware of a pending enhanced-use lease agreement between the Department of Veterans Affairs and the City of Fort Thomas, Kentucky for twelve residential buildings. The conferees direct the Secretary, prior to executing the enhanced use lease agreement, to offer to transfer one of the residential properties to the U.S. Army Corps of Engineers to be used as the residence for the Commander of the Great Lakes and Ohio River Division, if the Secretary determines it is cost-beneficial to the Department. As a condition of the transfer, the U.S. Army Corps of Engineers will assume responsibility and costs for all utilities and all related access issues of the transferred property, and property compliance with City historic preservation codes and any residential association regulations. Further, the U.S. Army Corps of Engineers will grant an access easement to recognize the existing alley that is used for vehicular access to the adjacent properties.

MEDICAL AND PROSTHETIC RESEARCH

Appropriates $408,000,000 for medical and prosthetic research as proposed the House instead of $413,000,000 as proposed by the Senate. The conferees direct the continued partnership with the National Technology Transfer Center at the current level of effort.

DEPARTMENTAL ADMINISTRATION

GENERAL OPERATING EXPENSES

Appropriates $1,283,272,000 for general operating expenses as proposed by both the House and Senate.

Provides not less than $1,005,000,000 for the Veterans Benefits Administration (VBA) as proposed by the House instead of $1,004,704,000 as proposed by the Senate.

Provides two-year availability for $66,000,000 as proposed by the House instead of $64,000,000 as proposed by the Senate.

Deletes the travel limitation proposed by the House. The Senate did not include a travel limitation.

The conferees direct VA to proceed with information technology initiatives supporting the Department's enterprise architecture and continuity of operations capabilities and direct that not less than $25,000,000 be allocated for these activities Department-wide.

The conferees encourage the Department to undertake the conversion of paper claims at the VBA to a digital format consistent with the paperless claim initiative.

NATIONAL CEMETERY ADMINISTRATION

Appropriates $144,203,000 for the National Cemetery Administration as proposed by the Senate instead of $144,223,000 as proposed by the House. Provides two-year obligation authority for $7,200,000 of the appropriated funds as proposed by the Senate instead of one-year availability for all funds as proposed by the House.

The conferees strongly urge the Department to continue efforts at the Johnson's Island Cemetery in Sandusky, Ohio to determine if veterans are interned under a roadway bordering the cemetery and report back to the Committees on Appropriations of their findings.

OFFICE OF INSPECTOR GENERAL

Appropriates $62,000,000 for the Office of Inspector General instead of $62,250,000 as proposed by the Senate and $61,750,000 as proposed by the House.

CONSTRUCTION, MAJOR PROJECTS

Appropriates $272,690,000 for construction, major projects as proposed by the Senate instead of $274,690,000 as proposed by the House. The conferees have included bill language proposed by the Senate which defines a major construction project as one where the estimated cost is more than the amount set forth in 38 U.S.C. 8104(a)(3)(A), instead of a definite dollar amount as proposed by the House. The conferees are aware that the authorizing committees of jurisdiction have legislation pending which would raise the current $4,000,000 project threshold and have referenced the appropriate citation in lieu of a dollar amount in anticipation of new legislation.

The conference agreement includes $181,000,000 to support construction projects supporting recommendations of the CARES plan, instead of $173,000,000 as proposed by the House and $183,000,000 as proposed by the Senate. Additional recommendations of the conferees are as follows:

Description	House Report 108–235	Senate Report 108–143	Conference Agreement
CARES	$173,000,000	$183,000,000	$181,000,000
VHA Advance Planning Fund	$25,000,000	$15,000,000	$15,000,000
VHA Asbestos	$5,000,000	$5,000,000	$5,000,000
VHA Claims	$2,000,000	$2,000,000	$2,000,000
VHA Judgment	$10,000,000	$10,000,000	$10,000,000
VHA Hazardous Waste	$1,000,000	$1,000,000	$1,000,000
VBA	$271,000	$271,000	$271,000
NCA Phase I Development: Detroit, MI	$8,700,000	$8,700,000	$8,700,000
NCA Expansion: Ft. Snelling, MN	$24,800,000	$24,800,000	$24,800,000
NCA Expansion: Barrancas, FL	$12,000,000	$12,000,000	$12,000,000
NCA Design Funds	$6,000,000	$6,000,000	$6,000,000
NCA Advance Planning Fund	$4,919,000	$2,919,000	$4,919,000
Staff Offices	$2,000,000	$2,000,000	$2,000,000

The conferees direct continued efforts and planning to co-locate the Denver VA Medical Center with the University of Colorado Hospital and a Department of Defense medical facility at the Fitzsimmons campus.

The conference agreement does not include specific planning funds for a clinic at the Defense Supply Center due to a lack of authorization, but the conferees encourage the Secretary of Veterans Affairs to continue working with the Secretary of Defense to identify a suitable construction site in anticipation of future project authorization.

The conferees direct the Secretary of Veterans Affairs to continue the current development of a cemetery annex on property transferred from the Miramar Naval Air Station.

The conferees reiterate language included in Senate Report 108–143 and House Report 108–235 regarding the disposal of the Lakeside VA Medical Center, full funding for implementation of the CARES recommendations, public-private partnerships for new facility construction, a requirement that the Department submit a comprehensive CARES plan, and the requirement that all construction be consistent with CARES or the national cemetery studies.

CONSTRUCTION, MINOR PROJECTS

Appropriates $252,144,000 for construction, minor projects as proposed by both the House and the Senate. The conferees have included bill language proposed by the Senate which defines a minor construction project as one where the estimated cost is equal to or less than the amount set forth in 38 U.S.C. 8104(a)(3)(A), instead of a definite dollar amount as proposed by the House. The conferees are aware that the authorizing committees of jurisdiction have legislation pending which would raise the current $4,000,000 project threshold and have referenced the appropriate citation in lieu of a dollar amount in anticipation of new legislation.

The conference agreement provides up to $40,000,000, instead of $35,000,000 as proposed by the House and $42,000,000 as proposed by the Senate, for construction projects implementing CARES recommendations, to be available upon notification of and approval by the Committees on Appropriations.

The conferees strongly urge the Department to allocate a greater percentage of its construction budget for quality and safety improvements to research facilities.

The conferees reiterate language contained in House Report 108–235 regarding the requirement that all VA construction be consistent with CARES or the national cemetery studies, project approval by a central VA capital review board, and Deputy Secretary approval for any group of projects where the total costs exceed the major/minor construction threshold.

The conferees direct the Department to proceed with the planned acquisition and development of a parking lot at the St. Louis VA Medical Center, John J. Cochran Division, using appropriations previously provided for in construction, minor projects. The Department is encouraged to explore the possibility of an enhanced-use lease partnership to establish a structured parking facility on the site.

PARKING REVOLVING FUND

The conference agreement does not include the House proposal for a separate parking revolving fund account. Rather, the conferees have agreed to the administrative provision proposed by the Senate which deposits receipts from the parking revolving fund into the medical are collections fund for medical services. Authority for construction or alteration of a parking facility is now included under the construction, major projects and construction, minor projects accounts.

GRANTS FOR CONSTRUCTION OF STATE EXTENDED CARE FACILITIES

Appropriates $102,100,000 for grants for construction of state extended care facilities as proposed by both the House and the Senate.

The conferees encourage the Department to work with the State of New Jersey as that state applies for a grant.

GRANTS FOR CONSTRUCTION OF STATE VETERANS CEMETERIES

Appropriates $32,000,000 for grants for construction of state veterans cemeteries as proposed by both the House and the Senate.

ADMINISTRATIVE PROVISIONS

(INCLUDING RESCISSION OF FUNDS)

Retains the first twelve administrative provisions which were carried in both the House and Senate bills, and which have been carried in previous years.

Retains the provision proposed by the Senate allowing the Department to reimburse the Office of Resolution Management up to $29,318,000 and the Office of Employment Discrimination Complaint Adjudication up to $3,059,000 from fiscal year 2004 salary and expenses accounts.

Retains the provision proposed by the House providing $25,000,000 of VA's total information technology budget for enterprise architecture activities under the Office of the Chief Information Officer.

Retains the provision proposed by the Senate regarding implementation of Public Law 107–287 by prohibiting funds for implementation of section 2 and section 5.

Deletes the provision proposed by the House allowing the Secretary to establish a priority system for veterans seeking medical services. The conference agreement instead includes in medical services a similar provision proposed by the Senate in medical care.

Retains the provision proposed by the Senate merging various receipt accounts of the Department of Veterans Affairs into the Medical Care Collections Fund.

Retains the provision proposed by the House directing the Secretary to conduct a recovery audit program.

Retains the provision proposed by the Senate allowing the Secretary to transfer enhanced-use lease revenue from the Medical Care Collections Fund to the construction accounts.

Retains the provision proposed by the House allowing the Secretary to furnish recreation services and pay funeral expenses. The Senate proposed an almost identical provision under medical care.

Modifies the provision transferring all balances in the medical care collections fund to medical services. Both the House and Senate included provisions transferring the receipts from the medical care collections fund to medical accounts in different parts of the bill.

Modifies language proposed by the House allowing the transfer of funds between Veterans Health Administration accounts.

Deletes without prejudice language proposed by the House renaming the Houston VAMC. The conferees defer to the jurisdiction of the relevant authorizing committees.

Deletes the provision proposed by the House directing the Secretary to report on sharing agreements with the Department of Defense. Report language is instead included under the medical facilities account.

Inserts a provision directing VA to implement the revised VHA account structure within 90 days of enactment and to submit the fiscal year 2005 budget justification using the account structure included in this Act.

Inserts a provision rescinding $270,000,000 of prior year funds from medical care. This funding is re-appropriated to medical services. The Senate proposed an identical provision under medical care.

TITLE II—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

The conferees restate the reprogramming requirements with respect to amounts approved for each appropriations account within this title. The Department must limit the reprogramming of funds between the programs, projects, and activities within each account to not more than $500,000 without prior approval of the Committees on Appropriations. Unless otherwise identified in this statement of managers or committee reports, the most detailed allocation of funds presented in the budget justifications shall be considered to be approved, with any deviation from such approved allocation subject to the normal reprogramming requirements outlined above. Further, it is the intent of the conferees that all carryover funds in the various accounts, including recaptures and deobligations, are subject to the normal reprogramming requirements outlined above. Further, no changes may be made to any program, project, or activity if it is construed to be policy or a change in policy, without prior approval of the Committees. Finally, the conferees expect to be notified regarding reorganizations of offices, programs or activities prior to the planned implementation of such reorganizations, as well as be notified, on a monthly basis, of all ongoing litigation, including any negotiations or discussions, planned or ongoing, regarding a consent decree between the Department and any other entity.

PUBLIC AND INDIAN HOUSING

HOUSING CERTIFICATE FUND

(INCLUDING TRANSFER AND RESCISSION OF FUNDS)

Appropriates $19,371,481,762 instead of $18,580,606,000 as proposed by the House and $18,433,606,000 as proposed by the Senate. This amount is $2,259,868,941 over the amounts provided in fiscal year 2003 and represents a 13.2 percent increase. The conference agreement does not include language proposed by the Senate to require the Secretary to make available other funds should funds provided be insufficient.

In lieu of any direction included in the House and Senate reports, unless otherwise provided for below, the Department is directed to use the guidance set forth below in administering the programs under this account in fiscal year 2004.

The conference agreement includes language to allocate funds among the various activities as follows:

Renewals.—The conference agreement provides a total of $17,635,130,745 for renewals of section 8 vouchers, section 8 project-based assistance, and moderate rehabilitation contracts, instead of $16,445,578,000 as proposed by the House and $16,202,616,000 as proposed by the Senate. The amount provided represents a $2,467,419,924, or 16 percent, increase over the fiscal year 2003 level for renewals.

Pursuant to the budget request, the conference agreement assumes funding for project-based section 8 contract amendment needs in fiscal year 2004 will be met through recaptures.

The conferees are concerned about the spiraling increase in the cost of providing assistance under the voucher program. The conferees are aware that the national average cost per voucher has increased at a rate of more than double the average increase in the private rental market in each of the last two years, including a 10 percent increase in 2002 and an additional estimated 9 percent increase in 2003. At the same time, the rental housing market has softened. The conferees are aware that the Secretary has the administrative authority to control the rapidly rising costs of renewing expiring annual contributions contracts (ACC), including the budget based practice of renewing expiring ACCs, and expect the Secretary to utilize these tools.

Because of the alarming increases to the cost of rents under the section 8 tenant-based program the conferees direct HUD to report to the House and Senate Committees on Appropriations by July 31, 2004, on the underlying reasons for these annual increases in the average costs of section 8 rents. While the conferees support efforts by PHAs to increase their utilization of vouchers to serve additional families, PHAs must manage their programs in a prudent manner to maximize the number of families served. Therefore, the report needs to (1) identify all the laws, regulations and policies that currently govern the setting of voucher rents; (2) review the implementation of these laws, regulations and policies by public housing agencies and HUD in areas where the voucher rents appear to be inconsistent with the cost of comparable housing in the unsubsidized rental housing market; (3) the costs associated with such laws, regulations and policies; and (4) recommendations to maximize the delivery of assistance under the section 8 program.

Language proposed by the Senate is not included to limit the contract terms for renewals under the Emergency Low Income Housing Preservation Act of 1987 (ELIHPRA) and the Low Income Housing Preservation and Resident Homeownership Act of 1990 (LIHPRA). The House did not propose a similar provision. To the extent that the renewal of such contracts is in the best interest of the Federal government, the Department may enter into contract terms consistent with other project-based programs. However, the conferees direct that funding for such renewals be limited to a one-year term as required in the annual appropriations Act.

Language is included, modified from language proposed by the House and Senate, to renew expiring section 8 tenant-based annual contributions contracts for each public housing agency based on the total number of unit months reported under lease by the PHA on its most recent end-of-year financial statement or as adjusted by such additional information submitted by the PHA as of August 1, 2003, and by applying an inflation factor based on local or regional inflation factors to the actual per unit cost.

Language is included as proposed by the House prohibiting funds from being used to support a total number of unit months under lease which exceeds a PHA's authorized level of units under contract, instead of language proposed by the Senate authorizing funds to be used to fund over-leased units under certain conditions.

The conferees direct the Department to allow maximum flexibility under the law in order to allow PHAs to be temporarily over-issued and/or over-leased due to efforts to reach full leasing. While PHAs may become temporarily over-leased, they may not, at any time, exceed their total unit month allocation (12 months times total number of authorized vouchers) for its fiscal year.

If a PHA over-issues and over-leases vouchers to such an extent that it exceeds its total unit month allocation for its fiscal year, the Department shall take any appropriate action to ensure that funding for such over-leasing does not occur, including the recapture or withholding of funds. In addition, the Department may take whatever administrative actions are available to it to reprimand or sanction PHAs that have over-issued or over-leased in a manner that displays a negligent or intentional disregard for the limits on voucher renewals and leasing set by the Congress.

The conferees understand that during 2003 some PHAs over-issued and over-leased vouchers to a level that exceeds their maximum total unit month allocation. The conferees expect such PHAs to take all actions necessary to stay within their fiscal year 2004 total unit month allocation and direct the Department to ensure compliance with such limitation. In the interim, such PHAs may use balances derived from funds provided prior to fiscal year 2003 that remain in their administrative fee reserves and program reserves, if necessary, to ensure that currently housed families may continue to use their section 8 vouchers. However, in no case shall funds derived from fiscal year 2003 appropriations or funds provided in this Act be used for such purpose.

Central Reserve Fund.—$136,846,017 for a central reserve fund instead of $568,503,000 as proposed by the House and $461,329,000 as proposed by the Senate. Modified language is included to allow the Secretary to use the Central Fund, as necessary, for additional units not under lease on August 1, 2003, but not to exceed the authorized contracted level. Language proposed by the House and Senate is not included to allow the Central Fund to also be used for increased per unit costs as such costs have been reflected in the amount provided for renewals.

Language is included as proposed by the House prohibiting funds made available in the central fund from being used to support a total number of units under lease in excess of a PHA's authorized level of units. The Senate proposed language to require the Secretary to make available funds for additional units under lease to maintain a PHA's authorized voucher level throughout the year, including turnover and reissued vouchers is not included. In addition, language proposed by the Senate requiring the Secretary to make available other funds should the amount provided be insufficient to maintain such a level is not included.

Language proposed by the Senate is not included authorizing the Secretary to use up to $36,000,000 from the central fund for incremental vouchers for non-elderly and disabled families impacted by elderly-only designations in public housing. The House did not include similar language.

Modified language is included, similar to language proposed by the House, requiring the Secretary to submit quarterly reports to the Committees on Appropriations on the obligation of funds provided in the central fund. Such report shall include the following: the amounts made available from the central fund provided for additional units not under lease as of August 1, 2003, delineated by PHA, and the total balance remaining in the fund. The first such report is due no later than May 1, 2004.

Tenant Protection.—$206,495,000 for rental subsidies for tenant protection activities to replace project-based section 8 assistance with section 8 vouchers, for conversion of section 202 and section 23 projects to section 8 assistance, for the family reunification program and for the witness protection program, as proposed by the House instead of $252,203,000 as proposed by the Senate.

Family Self Sufficiency Coordinators.—$48,000,000 for service coordinator staff in each public housing agency as proposed by the House, instead of $72,000,000 as proposed by the Senate.

Administrative Costs—Section 8 Voucher Program.—Not to exceed $1,242,000,000 for PHA administrative costs and other expenses, instead of $1,209,020,000 as proposed by the House and $1,339,448,400 as proposed by the Senate.

In lieu of language proposed by the Senate to allocate funds pursuant to the formula specified in section 8(q) of the United States Housing Act of 1937 and language proposed by the House giving the Secretary the flexibility to determine the allocation of funds, the conference agreement includes new language as described below.

Of this amount, not to exceed $1,192,000,000 shall be allocated on a pro rata basis to PHAs based on the amount of funding they were eligible to receive in 2003 or would have been eligible to receive notwithstanding the reductions due to excess administrative fee balances pursuant to the fiscal year 2003 Act. In addition, up to $50,000,000 is available to be allocated at the Secretary's discretion to PHAs that need additional funds to administer their section 8 programs in fiscal year 2004. New language is also included requiring that these funds be distributed as provided for in this Act notwithstanding any other provision of law.

Language is included as proposed by the House prohibiting any funds provided under this, or any other Act, from being used to supplement the amounts designated in this account for administrative expenses. The Senate did not include similar language.

Modified language is included similar to language proposed by the House limiting the use of section 8 administrative reserves to activities related to the provision of section 8 rental assistance, including related development activities. The Senate did not include similar language.

Language proposed by the House is not included to require the Secretary to recapture certain unspent administrative fees. The Senate did not include similar language.

The conferees are concerned that neither HUD nor the public housing agencies complied fully with requirements in the FY 2003 appropriations Act that reduced the payment of section 8 administrative fees to public housing agencies based on the amount of funds in their administrative fee accounts as of January 31, 2003. The conferees understand that the amounts PHAs disclosed to HUD to comply with the requirements of the Act were far less than expected. Therefore, the conferees direct GAO to review compliance with the provisions of the Act. GAO is expected to report on these issues no later than April 10, 2004, to the House and Senate Committees on Appropriations.

Administrative Costs—Project-Based Section 8 Program.—$100,000,000 for contractors to administer the project-based section 8 program, the same amount proposed by the House and Senate.

Working Capital Fund.—Not less than $3,010,000 for transfer to the Working Capital Fund for the development of and modifications to information technology systems as proposed by both the House and the Senate.

The conference agreement does not include a provision proposed by the Senate bill to designate up to $3,000,000 for an outside audit of the funds included for the various programs covered by the Housing Certificate Fund. The House did not include a similar provision. Instead, the conferees direct GAO to conduct an audit of this account, including a review of how funds are accounted for and allocated by program and activity. The report should identify the sources and uses for section 8 funds obligated by the Department in fiscal years 2002 and 2003. In particular, GAO should review HUD's method of accounting for all programs and activities covered by this account as well as how public housing agencies maintain and account for their use of these funds for each program and activity (including the use of section 8 reserves and how public housing agencies track expenditures). The final report on the findings in the audit is due to the House and Senate Committees on Appropriations no later than July 15, 2004, and is directed to include recommendations to improve the quality and timeliness of information as to the actual costs of each program and activity and the amount of any carryover or unused funds.

The conferees direct the Department to provide a report to the Committees on Appropriations no later than April 1, 2004, on the status of implementation of the Public and Indian Housing Information Center (PIC).

Language is included as proposed by the House allowing the Secretary to transfer up to 15 percent of the funds provided for renewals, the central fund and administrative fees to supplement amounts provided for renewals and the central fund under certain circumstances and in accordance with certain procedures. The Senate proposed similar language.

Includes language permanently requiring all PHAs to submit accounting data for funds provided under this account in this Act or any other Act by source of funds and purpose of such funds as proposed by the Senate. The House did not include similar language.

Includes language rescinding $2,844,000,000 from unobligated balances of funds appropriated in fiscal year 2003 and prior years, instead of $1,372,000,000 as proposed by the House and the Senate. Includes language allowing unobligated balances in programs governed by reallocation provisions to be used to meet this rescission as proposed by the House and the Senate.

PUBLIC HOUSING CAPITAL FUND

(INCLUDING TRANSFER OF FUNDS)

Appropriates $2,712,255,000 for the public housing capital fund as proposed by the House instead of $2,641,000,000 as proposed by the Senate.

Does not include language proposed by the House and Senate designating a portion of funds to be allocated only to those PHAs that have met certain obligation and expenditure requirements, nor is language included proposed by the House to nullify such requirements upon publication of a final rule implementing the obligation and expenditure requirements set forth in the Quality Housing and Workforce Responsibility Act of 1998 (QHWRA). The conferees note that the provisions proposed in both bills were carried in prior appropriations Acts as an interim procedure to allocate funds to high performing PHAs until such time as the Department implemented the timeliness requirements set forth in section 9(j) of QHWRA. The conferees understand that the Department has implemented such provisions and will allocate the amounts provided in fiscal year 2004 in accordance with the procedures and requirements set forth in such section, obviating the need for the interim procedures.

Includes modified language, similar to language proposed by the House and Senate and carried in prior years, regarding the delegation of waiver authority and the definition of the term "obligate".

Includes $50,000,000 for technical assistance including up to $13,000,000 for remediation services to certain troubled PHAs as proposed by the Senate, instead of $51,000,000 for technical assistance including up to $13,000,000 for remediation services to troubled PHAs as proposed by the House.

Includes no less than $10,610,000 for information technology systems and up to $500,000 for section 23 projects as proposed by both the House and Senate.

Includes up to $40,000,000 for emergency capital needs resulting from emergencies or natural disasters in fiscal year 2004 as proposed by the House. The Senate proposed similar language.

Includes $15,000,000 for Neighborhood Networks grants to be awarded on a competitive basis as proposed by the Senate. The House did not include funding for this purpose. Language is included, similar to language proposed by the Senate, requiring such funds to be competitively awarded. The conferees remind HUD that these funds, and all other funds provided in this Act, are to be awarded on a competitive basis in accordance with the requirements set forth in section 205 under administrative provisions in this title.

The conference agreement does not include $125,000,000 for a new loan financing program of public housing proposed by the Senate to be authorized in an administrative provision in this title. The conferees further understand that 92 PHAs have successfully utilized $313,556,000 in public housing funds to leverage $1,012,149,000 in private sector financing to address capital modernization needs. The conferees encourage PHAs to continue to pursue such partnerships. The conferees encourage the authorization committees to explore additional alternative financing tools to leverage private sector financing for capital improvements in public housing. The House did not include similar funding or language.

The conferees reiterate the direction included in the House report regarding quarterly reports on the obligation and expenditure of capital funds with the first report due no later than February 2, 2004.

PUBLIC HOUSING OPERATING FUND

Appropriates $3,600,000,000 for the public housing operating fund as proposed by the House instead of $3,576,600,000 as proposed by the Senate.

Language is included specifying that funds provided in this Act are to be used only for 2004 payments to public housing authorities as proposed by the House. Language is also included permanently prohibiting funds provided in this Act and any other Act from being used for payments to public housing agencies for the operating costs of public housing for any year prior to the current year of such Act as proposed by Senate. The House proposed similar language. The conferees have included such language to ensure that funds appropriated are used for current year operating subsidies payments rather than to augment the amount of prior year operating subsidy payments above the level appropriated in such year, a previous practice which the Committees have questioned as a violation of appropriations law.

Language is included making $10,000,000 available for programs to assist in the investigation, prosecution and prevention of criminal activities in public housing to be administered through a reimbursable agreement with the Department of Justice (DOJ). The conferees expect that HUD determine, in consultation with DOJ, the priorities in the allocation of these funds.

REVITALIZATION OF SEVERELY DISTRESSED PUBLIC HOUSING (HOPE VI)

Appropriates $150,000,000 for the revitalization of severely distressed public housing program (HOPE VI), instead of $195,115,000 as proposed by the Senate and $50,000,000 as proposed by the House.

Language is included making funds available for obligation until September 30, 2005, as proposed by the House, instead of providing no-year authority as proposed by the Senate.

Of the amount provided, the conference agreement includes $4,000,000 for technical assistance, instead of $5,000,000 as proposed by the House and $3,000,000 as proposed by the Senate.

Language is not included setting forth certain conditions and requirements on the recapture of funds from grants awarded under the HOPE VI program prior to fiscal year 1998 as proposed by the Senate. The House did not address this matter. The conferees encourage HUD to continue to work with public housing authorities to ensure timely completion of projects, but recognize that not all grantees are making such progress. The conferees understand the Secretary has the authority to take action against grantees which have failed to meet the requirements associated with such grants, including but not limited to, the recapture of funds. The conferees understand that beginning in March 2002 HUD began to take a series of actions to improve its oversight of HOPE VI grantees including developing and implementing enforcement actions, remedies and penalties for nonperformance. In addition, a May 2003 General Accounting Office (GAO) review of HUD's HOPE VI grant selection and oversight processes made several recommendations including development of a formal written enforcement policy to hold public housing authorities accountable for the status of their grants. The conferees request the Department submit a report to the Committees on Appropriations, no later than February 1, 2004, which identifies the changes implemented and planned to improve HUD's oversight of HOPE VI grantees; the status of each HOPE VI project funded prior to 1999 and any actions taken to ensure timely completion of such project; the Department's plans for implementing the recommendations made by GAO; and proposed alternative housing strategies to mitigate the impact of a recapture of funds on residents of failed HOPE VI projects.

NATIVE AMERICAN HOUSING BLOCK GRANTS

(INCLUDING TRANSFERS OF FUNDS)

Appropriates $654,100,000 instead of $661,600,000 as proposed by the House and $646,600,000 as proposed by the Senate. Of the total amount, $4,500,000 is for inspections, training, and technical assistance instead of $5,000,000 as proposed by the House and $4,000,000 as proposed by the Senate.

Of the total amount, $2,000,000 is for guaranteed loans to subsidize a total guaranteed loan principal of up to $16,658,000 as proposed by the Senate instead of $1,000,000 to subsidize a total loan volume of up to $8,049,000 as proposed by the House.

The Department is directed to submit the report required by section 9 of Public Law 107–292 on the extent of black mold infestation of Native American housing in the United States, and recommendations to address the infestation, by December 15, 2004.

INDIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

Appropriates $5,300,000 for guaranteed loans for Native American housing on trust lands to subsidize a total loan principal of up to $197,243,000 as proposed by the House and the Senate.

NATIVE HAWAIIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

Appropriates $1,035,000 for guaranteed loans for Native Hawaiian housing to subsidize a total guaranteed loan principal of up to $39,712,000 as proposed by the Senate instead of $1,000,000 to subsidize a total loan principal of up to $35,347,985 as proposed by the House.

COMMUNITY PLANNING AND DEVELOPMENT

HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS

Appropriates $296,500,000 for housing opportunities for persons with AIDS (HOPWA) instead of $302,000,000 as proposed by the House and $291,000,000 as proposed the Senate.

Language proposed by the Senate to exempt existing grantees from changes resulting from Federal government-wide changes in designations in metropolitan statistical areas is not included. The House did not include a similar provision.

RURAL HOUSING AND ECONOMIC DEVELOPMENT

Appropriates $25,000,000 for rural housing and economic development as proposed by both the House and Senate. Language is included requiring funds to be awarded competitively as proposed by the House. The Senate included similar language. The Department is reminded that these funds are to be distributed on a competitive basis in accordance with the requirements set forth in section 205 under administrative provisions in this title.

EMPOWERMENT ZONES/ENTERPRISE COMMUNITIES

Appropriates $15,000,000 for grants to the second round of empowerment zones as proposed by the House. The Senate did not include funding for this activity. The conferees expect the Secretary to implement recommendations from the Inspector General's audits of the round II empowerment zones and to provide a report to the Committees not later than March 1, 2004, on the status of the resolution of all audit findings.

COMMUNITY DEVELOPMENT FUND

(INCLUDING TRANSFERS OF FUNDS)

Appropriates $4,950,000,000 for various activities funded in this account as proposed by the Senate instead of $4,959,000,000 as proposed by the House. The conferees agree to the following:

—$4,356,550,000 for formula grants under the Community Development Block Grant program (CDBG), instead of $4,538,650,000 as proposed by the House and $4,545,700,000 as proposed by the Senate;

—$72,000,000 for grants to Indian tribes as proposed by the House instead of $72,500,000 as proposed by the Senate;

—$3,300,000 for the Housing Assistance Council as proposed by the House and Senate;

—$2,500,000 for the National American Indian Housing Council instead of $2,400,000 as proposed by the House and $2,600,000 as proposed by the Senate;

—$52,000,000 for section 107 grants, instead of $43,000,000 as proposed by the House and $52,500,000 as proposed by the Senate. Within the amount provided for section 107 grants, the conference agreement provides the following:

$7,000,000 for insular areas;

$10,500,000 for historically black colleges and universities, of which up to $2,000,000 may be used for technical assistance;

$3,000,000 for community development work study; $7,000,000 for Hispanic Serving Institutions; $7,000,000 for the Community Outreach Partnerships program; $3,000,000 for tribal colleges and universities;

$3,500,000 for Alaska Native-Serving Institutions and Native HawaiianServing Institutions;

$9,500,000 for assistance under the Hawaiian Homelands Homeownership Act of 2000; and $1,500,000 for technical assistance.

—$5,000,000 for the National Housing Development Corporation for continuation of its program of acquisition, rehabilitation, and preservation of at-risk affordable housing, including $2,000,000 for operating expenses as proposed by the House. The Senate did not propose funding for this program;

—$5,000,000 for the National Council of La Raza HOPE Fund, of which $500,000 is for technical assistance and fund management and $4,500,000 is for investments and financing as proposed by the House. The Senate did not propose funding for this program;

—$27,000,000 for grants to eligible grantees under section 11 of the Self-Help Housing Opportunity Program (SHOP), instead of $28,000,000 as proposed by the House and $12,000,000 as proposed by the Senate;

—$34,750,000 for capacity building, of which $30,000,000 is for the Community Development and Affordable Housing program for LISC and the Enterprise Foundation for activities as authorized by section 4 of the Department of Housing and Urban Development Demonstration Act, as in effect before June 12, 1997, including $5,000,000 for rural areas; and of which $4,750,000 is for Habitat for Humanity International. The House proposed $33,250,000 for capacity building including $28,250,000 for LISC and the Enterprise Foundation and $5,000,000 for Habitat for Humanity; and the Senate proposed $35,500,000 for such activities including $31,500,000 for LISC and the Enterprise Foundation and $4,000,000 for Habitat for Humanity. The conferees direct that the increase provided above the fiscal year 2003 level for Habitat for Humanity be used to expand the ability of Indian tribes to participate in SHOP and other Habitat for Humanity programs;

—$65,000,000 for YouthBuild as proposed by the House instead of $60,000,000 as proposed by the Senate;

—$278,000,000 for economic development initiatives instead of $137,500,000 as proposed by the House and $140,000,000 as proposed by the Senate. Language is included prohibiting funds from being used for program operations as proposed by the House. The Senate did not include a similar provision. The conferees note that projects receiving funds must comply with the environmental review requirements set forth in section 305(c) of the Multifamily Housing Property Disposition Act of 1994 (42 U.S.C. 3547). The conferees will not entertain waivers of such requirements. In addition, funds provided for projects shall not be used for reimbursement of expenses incurred prior to the receipt of economic development initiative funding. Modified language is included, similar to language proposed by the House and Senate, to target funds made available under this program. Targeted grants shall be made as follows:

1. $25,000 to the 21st Century Council Impact Learning Center in Jackson County, Alabama for completion of facility build out;
2. $50,000 to the Huntsville Achievement School in Huntsville, Alabama for completion of facility renovations;
3. $75,000 to the Children's Museum of the Shoals in Florence, Alabama for planning and design of a Native American exhibit;
4. $75,000 to the City of Uniontown, Alabama for renovation of the old Uniontown Middle School;
5. $100,000 to Boaz, Alabama for construction and renovation for the Boaz Community Activities Center;
6. $100,000 to the City of Luverne, Alabama for sidewalks, street furniture and facade improvements;
7. $100,000 to the Madison County Commission for construction of the Woody Anderson Library in Monrovia, Alabama;

8. $200,000 to the City of Opelika, Alabama for rehabilitation of the historic Dallas Armory;

9. $200,000 to the Burritt Center in Huntsville, Alabama for building construction;

10. $250,000 to Lamar County, Alabama for Industrial Park site development;

11. $250,000 to Guntersville, Alabama for renovation of the Community Cultural Arts Center;

12. $300,000 to Wallace Community College in Dothan, Alabama for facilities construction and renovations for the Southeast Alabama Nursing Initiative;

13. $300,000 to the City of Huntsville, Alabama for streetscape, beautification and greenways improvements;

14. $400,000 to Arab, Alabama for construction of a senior center;

15. $500,000 to the National Children's Advocacy Center in Huntsville, Alabama for facilities planning and improvements;

16. $900,000 to Spring Hill College in Mobile, Alabama for construction of a new library;

17. $75,000 to the Bishop State Community College in Mobile, Alabama for construction of a business technology center;

18. $150,000 for the Selma Downtown Revitalization Project in Selma, Alabama;

19. $4,000,000 for construction of the Parnell Memorial Library in Montevallo, Alabama;

20. $3,000,000 for the City of Tuscaloosa for the 21st Avenue Urban Renewal Project in Tuscaloosa, Alabama;

21. $400,000 for the University of South Alabama for improvements related to the Mitchell College of Business Library in Mobile, Alabama;

22. $75,000 for the Elmore County Economic Development Authority for business and economic development activities in Elmore County, Alabama;

23. $100,000 for the City of Millport, Alabama for construction costs associated with the Regional Cultural Center;

24. $200,000 for the Tuscaloosa County Commission for Community Development in Tuscaloosa County, Alabama;

25. $100,000 for the Montgomery Boys and Girls Club, Alabama for facility improvements;

26. $250,000 for the City of Fairhope, Alabama for construction of the Fairhope Library;

27. $100,000 for the Huntsville/Madison County Convention and Visitors Bureau for furnishing of the Visitors Center in Huntsville, Alabama;

28. $475,000 for the Crenshaw County Economic/Industrial Development Authority for industrial site preparation in Crenshaw County, Alabama;

29. $100,000 for the Rockford Council of Arts and Crafts for renovation of the Old Rockford School in Rockford, Alabama;

30. $150,000 for the City of Eufaula, Alabama for the Broad Street Revitalization project;

31. $100,000 for the City of Northport, Alabama for community development;

32. $1,000,000 for the Anchorage Museum, Anchorage, Alaska for facilities expansion;

33. $30,000 for the City of Palmer, Alaska for public facility improvements;

34. $200,000 for the City of North Pole, Alaska for recreation improvements;

35. $150,000 for Juneau, Alaska for port facilities;

36. $500,000 for the Bering Straits Native Corporation for the Cape Nome quarry upgrade, Nome, Alaska;

37. $1,000,000 for the Tongass Coast Aquarium, Ketchikan, Alaska for improvements;

38. $750,000 for the J.P. Jones Community Development Center, Fairbanks, Alaska for improvements;

39. $400,000 for Love, Inc., Fairbanks, Alaska for a social service facility;

40. $1,000,000 for Cordova, Alaska costs associated with the construction of a community center;

41. $750,000 for the Kenai Peninsula Borough, Kenai, Alaska for recreation facilities;

42. $500,000 for the City of Sitka, Alaska for the Sawmill Cove jobs center;

43. $500,000 for the Valdez Senior Center, Valdez, Alaska for improvements;

44. $150,000 for the Anchorage Economic Development Corporation, Anchorage, Alaska for a global logistics center;

45. $250,000 for the Alaska Aviation Heritage Museum, Anchorage for improvements;

46. $175,000 to the City of Phoenix, Arizona for design and construction of the Rio Salado Audubon Nature Center;

47. $200,000 to the Town of Guadalupe, Arizona for construction and renovation to the Mercado shopping center;

48. $900,000 to the Dunbar Coalition, Inc. for renovation of facilities for the African-American Historical Museum and Cultural Center in Tucson, Arizona;

49. $75,000 to the Bullion Plaza Museum Association in Miami, Arizona for renovation of the museum building;

50. $75,000 to Arkansas State University Mountain Home for construction of the Vada Sheid Community Development Center;

51. $75,000 to the Old Independence Regional Museum in Arkansas for facilities renovation;

52. $75,000 to Arkansas State University Newport for facilities construction at the commercial driver training range;

53. $75,000 to the Camden Boys and Girls Club in Camden, Arkansas for construction of recreational facilities;

54. $270,000 for the City of Conway, Arkansas for downtown revitalization;

55. $75,000 to the Bryant Youth Association in Bryant, Arkansas for land acquisition and construction of a Boys and Girls Club facility;

56. $150,000 to North Arkansas College in Harrison, Arkansas for construction of the Conference and Training Center;

57. $500,000 for the Central Arkansas Resource Conservation and Development Council in Helena, Arkansas for the Cherry Street Historic Preservation Project;

58. $250,000 for the City of Fort Smith, Arkansas for streetscapes improvements to Garrison Avenue;

59. $250,000 for the Studio for the Arts in Pocahontas, Arkansas for construction of a theatre;

60. $75,000 to the East Valley YMCA in North Hollywood, California for facilities renovation;

61. $75,000 to the Valley Family Center in the San Fernando Valley, California for facilities construction;

62. $75,000 to the Boys and Girls Club of San Fernando Valley, California for facilities renovation;

63. $75,000 to the Boys and Girls Club of Greater Oxnard and Port Hueneme in California for structural facility improvements;

64. $75,000 to the City of Oxnard, California for design and construction of an addition to the public library;

65. $75,000 to Daguhoy Lodge in Stockton, California for facility restoration;

66. $75,000 to the City of Long Beach, California for renovation of the Museum of Latin American Art;

67. $75,000 to the City of Alhambra, California for renovation of recreational facilities;

68. $75,000 to the City of Covina, California for renovation of a facility for the homeless;

69. $75,000 to the City of West Covina, California for construction of a regional community center;

70. $75,000 to the East San Gabriel Valley Japanese Community Center in California for construction of a social hall;

71. $90,000 to the City of Fontana, California for acquisition and construction needs at Jack Bulik Park;

72. $100,000 to the City of Simi Valley, California for buildout and upgrades for the Simi Valley Senior Citizens Center;

73. $100,000 to North County Solutions for Change for the Futures for Families project to construct regional transitional housing in San Diego, California;

74. $100,000 to Search to Involve Pilipino Americans in Los Angeles, California for facilities renovation at the Royal Morales Pilipino American Community and Cultural Center;

75. $100,000 to the Valley Economic Development Center, Inc. in Los Angeles, California for building renovation as part of the Highland Park Commercial Revitalization project;

76. $100,000 to Santa Clara University in California for planning and design for construction of the 'Information Commons';

77. $100,000 to the City of Palo Alto, California for children's library renovations;

78. $100,000 to the City of La Puente, California for construction to expand the city's youth learning center;

79. $100,000 to the County of Los Angeles, California for planning and construction of a cultural and performing arts center at the El Pueblo de Los Angeles State Historic Park;

80. $100,000 to the City of Huntington Park, California for development of a downtown redevelopment master plan;

81. $100,000 to ONEgeneration in the San Fernando Valley, California for construction of an intergenerational daycare center;

82. $100,000 to the City of West Sacramento, California for construction of the Collins Teen Center;

83. $100,000 to the City of Woodland, California for parking construction;

84. $125,000 to the City of San Jose, California for construction of a youth facility;

85. $125,000 to the City of Anaheim, California for land acquisition to expand the La Palma Park;

86. $150,000 to Food Share, Inc. for facilities expansion and construction for a community kitchen in Ventura County, California;

87. $150,000 to the City of Oceanside, California for construction of a senior citizens center;

88. $150,000 to the City of Lancaster, California for development of a Regional Youth Baseball Complex;

89. $150,000 to the City of Long Beach, California for construction of multi-use facilities at the Stearns Park Community Center;

90. $150,000 to the East Los Angeles YMCA in Los Angeles, California for facilities renovation;

91. $1,000,000 to the City of Inglewood, California for design and construction of a senior center;

92. $150,000 to the City of Lawndale, California for design and construction of a library;

93. $175,000 to the Rio Linda Union School District in North Highlands, California for construction of the Oakdale Community Center;

94. $175,000 to Goodwill Industries of Sacramento, California for construction of a community training center;

95. $200,000 to the City of San Francisco, California for facility renovation to house emancipated foster children;

96. $225,000 to the City of Corona, California for construction of the Corona Community Center;

97. $225,000 to the City of Redding, California for property acquisition and site preparation for the Stillwater Business Park;

98. $225,000 to the City of Adelanto, California for construction of a retail shopping center;

99. $225,000 to the City of Lancaster, California for construction of public recreation facilities, parking facilities and property acquisition for the North Downtown Transit Village Project;

100. $225,000 to the City of Diamond Bar, California for construction of a senior center;

101. $225,000 to the City of Citrus Heights, California for streetscape improvements along the Auburn Boulevard Commercial Corridor;

102. $225,000 to the Town of Groveland, California for purchase of a youth center;

103. $225,000 to the Mission Preservation Foundation in San Juan Capistrano, California for the Great Stone Church restoration project;

104. $225,000 to Sonoma State University in California for construction of the Green Music Center;

105. $275,000 to the City of Westminster, California for construction of a community cultural and education center;

106. $275,000 to Kern County, California for infrastructure improvements for the Imperial Way Industrial Park;

107. $400,000 for Shelter from the Storm, Inc. in Palm Desert, California for facilities renovations and improvements;

108. $300,000 to the City of Lincoln, California for the design and construction of a Cultural and Business Center;

109. $300,000 to the City of Santa Monica, California for renovation of a historic structure for use as a visitors center;

110. $300,000 for Vanguard University in Costa Mesa, California for facilities upgrades and equipment for a science center;

111. $325,000 to the City of Salinas, California for construction of a swimming pool;

112. $350,000 to the Palomar YMCA in Escondido, California for construction of an aquatics facility;

113. $350,000 to the International Agri-Center in Tulare, California for improvements to the Heritage Complex Learning Center and to continued construction of a new exhibit pavilion;

114. $400,000 to the City of Atascadero, California for facilities renovation for a Youth Recreation Center;

115. $450,000 to the City of Monrovia, California for site preparation at the Santa Anita and Sawpit Channels for economic development activities;

116. $450,000 to Los Angeles County, California for the construction of a new library;

117. $450,000 to the City of La Mesa, California for facilities construction for the La Mesa PARKS Project;

118. $450,000 to the City of Desert Hot Springs, California for facilities construction for a civic and community center;

119. $450,000 to the City of Tracy, California for construction of the Tracy Youth Sports Facility;

120. $1,000,000 to the California Academy of Sciences in San Francisco, California for renovation of its facility;

121. $500,000 to the Town of Apple Valley, California for Phase One of Civic Center Park;

122. $250,000 for the City of San Francisco, California for the Old Mint redevelopment project;

123. $750,000 for the City of San Diego, California for the construction of low income housing;

124. $250,000 for the City of Orange Cove, California for the Commercial Redevelopment Project;

125. $250,000 for the City of East Palo Alto, California to build a new town civic center;

126. $275,000 to the City of Aurora, Colorado for facilities renovation and construction for the Fitzsimmons Commons;

127. $1,000,000 for Fort Westernaire, Golden, Colorado for the expansion of the Westernaire museum;

128. $200,000 for YouthBiz, Inc., Denver, Colorado for construction needs related to an inner-city youth business training program;

129. $1,000,000 for Colorado UpLift, Denver, Colorado for construction needs related to a program benefiting "at-risk" inner-city youth in Denver;

130. $1,000,000 for the Denver Art Museum, Colorado for continued design and development of the Center for American Indian Art;

131. $200,000 for the City of Arvada, Colorado for the design phase of the community's arts and humanities center;

132. $500,000 for Mercy Housing, Inc., Denver, Colorado for the development of affordable housing in Durango, Colorado;

133. $90,000 to the University of Hartford in Hartford, Connecticut for building renovation to house the Hartt School Performing Arts Center;

134. $90,000 to the Wadsworth Atheneum Museum of Art in Hartford, Connecticut for facility renovation and expansion;

135. $100,000 to Wesleyan University in Middletown, Connecticut for facilities renovation of a former school;

136. $100,000 to the Town of North Haven, Connecticut for streetscape improvements in the Montowese area;

137. $100,000 to the City of West Haven, Connecticut for streetscape improvements along Campbell Avenue;

138. $200,000 to the Boys and Girls Club of the Lower Naugatuck Valley in Ansonia, Connecticut for facilities renovation;

139. $225,000 to the Town of Enfield, Connecticut for construction of the Family Resource Center;

140. $500,000 to the Charles D. Smith, Jr. Foundation for facilities construction for the Stratfield Avenue Redevelopment Project in Bridgeport, Connecticut;

141. $500,000 for the City of Hartford, Connecticut for the Hartford Home Ownership Initiative;

142. $250,000 for the Southside Institutions Neighborhood Alliance, Hartford, Connecticut for rehabilitation of dilapidated housing stock;

143. $275,000 for the Beebe Medical Center in Lewes, Delaware for facilities expansion;

144. $225,000 to Easter Seals, Delaware and Maryland's Eastern Shore for construction of a new facility in Georgetown, Delaware;

145. $500,000 for Sacred Heart Village, Inc., Wilmington, Delaware to complete the construction of an affordable housing facility for seniors;

146. $500,000 for the Wilmington Senior Center, Wilmington, Delaware for renovations for the Lafayette Court senior apartments;

147. $200,000 to Arena Stage in Washington, District of Columbia for design and construction of a new facility;

148. $275,000 to the Good Samaritan Foundation in the District of Columbia for acquisition and construction of the Anacostia Training and Outreach Center;

149. $300,000 to Gonzaga High School in Washington, District of Columbia for facilities renovation and construction;

150. $450,000 for Food and Friends of Washington, District of Columbia for facilities buildout and equipment;

151. $250,000 for the Greater Washington Urban League, in Washington, District of Columbia for renovations to their new headquarters;

152. $100,000 to the Sebring Airport Authority, Florida for planning for the development of a light industrial/commercial business park;

153. $1,000,000 for facilities construction for Tampa Bay Watch in Florida;

154. $100,000 to the City of St. Petersburg, Florida for facilities expansion for the Museum of History;

155. $100,000 to Lake Mary, Florida for a downtown development improvement program;

156. $100,000 to the City of St. Petersburg, Florida for restoration of the Jordan School;

157. $125,000 to the George Washington Carver Community Center in Crystal River area, Florida for facilities construction;

158. $150,000 to Mainstreet Fort Pierce, Inc. for the restoration and renovation of the Sunrise Theatre building in Fort Pierce, Florida;

159. $200,000 to the City of Ocoee, Florida for construction of a senior citizen/veterans services facility;

160. $200,000 to the City of Clearwater, Florida for the Homeless Intervention Project;

161. $225,000 to the Bishop Planetarium in Bradenton, Florida for facilities reconstruction and restoration;

162. $250,000 to Osceola County, Florida for construction of a homeless shelter to be operated by Transition House in Kissimmee, Florida;

163. $200,000 to St. Cloud, Florida for a special needs evacuation, senior, multipurpose center;

164. $300,000 to the Mainstreet DeLand Association in DeLand, Florida for the Athens Theatre Renovation project;

165. $300,000 for facilities expansion of the Dali Museum in St. Petersburg, Florida;

166. $300,000 for the expansion of Ruth Eckerd Hall in Clearwater, Florida;

167. $200,000 to Orange County, Florida for construction of a senior center;

168. $350,000 to Central Florida Community College in Ocala, Florida for construction for an Information Technology Center;

169. $300,000 to Pinellas County, Florida for the renovation of an aviation high technology facility;

170. $350,000 to Pinellas County, Florida for facilities construction for a folk cultural center;

171. $450,000 to the City of Boca Raton, Florida for streetscape improvements for the implementation of the Pearl City Master Plan;

172. $450,000 to the City of Clearwater, Florida for waterfront facilities construction of the "Beach by Design Initiative";

173. $500,000 to the City of St. Petersburg, Florida for land acquisition, relocation, demolition and conveyance for the Midtown retail redevelopment project;

174. $500,000 to the City of St. Petersburg, Florida for Dome Industrial and Jordan Park facilities renovation and construction;

175. $775,000 for facilities construction for the Stetson University College of Law, Tampa, Florida campus;

176. $900,000 to South Florida Goodwill in Miami, Florida for facilities renovations and upgrades;

177. $1,000,000 for construction and redevelopment of the Historic Carlington (Roosevelt) Hotel in Jacksonville, Florida to include residential and commercial property;

178. $875,000 for Eckerd College in St. Petersburg, Florida for the expansion of the Youth Opportunity and Development Center;

179. $1,400,000 to the City of Dunedin, Florida for construction of recreation center facilities;

180. $300,000 for Miami-Dade County, Florida for the construction of the Miami-Dade County Performing Arts Center;

181. $350,000 for Volusia County, Florida for the construction of a community performing arts center;

182. $425,000 for the City of Coral Gables, Florida for the Biltmore Complex Restoration Project;

183. $75,000 to the Town of Lumpkin, Georgia for Westville Village's History Alive building restoration;

184. $75,000 to the City of Richland Downtown Development Authority in Richland, Georgia for renovation of the Old Richland Hotel;

185. $75,000 to Thomasville, Georgia for Historic Douglas High School Alumni Association Complex renovation;

186. $75,000 to the University of Georgia for facility buildout to support a program to support southwest Georgia value-added product development;

187. $275,000 to DeKalb County, Georgia for planning and construction of a senior center;

188. $100,000 to the City of Macon, Georgia for renovation of the historic Coca-Cola building;

189. $100,000 to the Tubman Museum, in Macon, Georgia for building construction;

190. $75,000 to the Clayton County, Georgia Board of Commissioners for planning and construction of a senior center in Jonesboro;

191. $100,000 to the City of Plains, Georgia for the construction and facilities buildout at the Rural History Resource Center;

192. $100,000 to Phoebe Putney Memorial Hospital in Dougherty County, Georgia for building renovation;

193. $400,000 to Morehouse School of Medicine in Atlanta, Georgia for land acquisition and building expansion;

194. $100,000 to Morehouse College in Atlanta, Georgia for construction of facilities to house the African American Archival Program;

195. $100,000 to Morehouse College in Atlanta, Georgia for construction of a performing arts center;

196. $115,000 to Albany, Georgia for renovation and construction of the Faith Community Outreach Center Incorporated, and renovation of the kitchen at the SOWEGA Council of Aging's Site One Senior Kitchen;

197. $150,000 to the Joint Development Authority of Ben Hill and Irwin Counties, Georgia for parkland enhancements for Fitzgerald Millennium Technology Pointe;

198. $160,000 for the Pine Mountain Beautification and Economic Development project in Harris County, Georgia for streetscape improvements;

199. $225,000 to the City of Monticello, Georgia for recreational facilities improvements and pedestrian pathways for the development of Funderburg Park;

200. $225,000 to Cobb County, Georgia for construction of the South Cobb Regional Library;

201. $275,000 to the City of Powder Springs, Georgia for refurbishment of the Coach George E. Ford Center;

202. $325,000 to the Golden Harvest Food Banks in Augusta, Georgia for facilities construction and improvements for the "Feed the People" campaign;

203. $360,000 to Columbus, Georgia for land acquisition for the Wilson Camp project;

204. $525,000 to the City of Moultrie, Georgia for demolition and initial construction of the Swift property;

205. $100,000 to the City of Atlanta, Georgia for renovation and restoration of the historic Paschal's restaurant and motel;

206. $130,000 to the Waianae, Hawaii YMCA for facilities construction;

207. $500,000 for the Boys and Girls Club of Hawaii, Nanakuli, Hawaii for the planning and construction of a new facility;

208. $500,000 for the Oahu Continuum of Care, Wainae, Hawaii for the construction and renovation of permanent supportive housing;

209. $500,000 for the Hawaii Nature Center, Wailuku, Hawaii for the Maui Renovation Project;

210. $500,000 for the County of Kauai, Hawaii for a technology training facility in Kauai, Hawaii;

211. $250,000 for the Kapahulu Senior Center, Honolulu, Hawaii for improvements and renovations to the senior center;

212. $900,000 for the Clearwater Economic Development Association, Idaho, to continue implementation of a Lewis and Clark Bicentennial commemoration plan;

213. $300,000 to Franklin County, Idaho for the moving, renovation, restoration of the Oneida Stake Academy building in Preston, Idaho;

214. $700,000 to Idaho State University for facilities construction for the L.E. and Thelma E. Stephens Performing Arts Center;

215. $100,000 to the University of Idaho for planning and design of the Lionel Hampton Center;

216. $800,000 for Boise State University, Idaho, for construction on an Environmental Science and Economic Development Building;

217. $900,000 for the City of Salmon, Idaho, for expansion of the Sacajawea Cultural and Arts Center expansion;

218. $900,000 for the University of Idaho, for construction related to a Performance and Education Facility;

219. $75,000 to Lawrence Hall Youth Services in Chicago, Illinois for facility construction;

220. $100,000 for the Tazewell-Woodford Head Start program in East Peoria, Illinois for the continued construction of a new facility;

221. $100,000 to the Southeast Chicago Development Commission in Chicago, Illinois for building construction for a shopping center;

222. $150,000 to the Canal Corridor Association for the Port of LaSalle Project in LaSalle, Illinois including construction of an outdoor interpretive center, a replica mule barn, and construction of a lock-tender's house;

223. $175,000 to the Rebirth of Englewood Community Development Corporation in Chicago, Illinois for purchase and renovation of a building to serve as a community center;

224. $200,000 to the Northfield Park District, Illinois for facilities renovation and rehabilitation;

225. $225,000 for the Morton Arboretum in Lisle, Illinois for construction of a new visitor center;

226. $225,000 for the Rialto Square Theater in Joliet, Illinois for facilities restoration and improvements;

227. $250,000 for Lincoln Christian College in Lincoln, Illinois for the restoration of the Earl C. Hargrove Auditorium;

228. $250,000 to the Village of Homewood, Illinois for purchase and renovation of the Canadian National Railroad Depot;

229. $250,000 to Western Springs Park District, Illinois for construction of a storage facility and park amphitheater;

230. $650,000 to Bradley University in Peoria, Illinois for renovation of Bradley Hall;

231. $700,000 to the City of DeKalb, Illinois for revitalization of East Lincoln Highway including building rehabilitation, streetscape improvements and beautification;

232. $1,000,000 to Rush-Presbyterian-St. Luke's Medical Center in Chicago, Illinois for facilities construction;

233. $150,000 for the Center for the Prevention of Abuse in Peoria, Illinois for the construction of a facility;

234. $500,000 for the City of Peoria, Illinois for construction on a proposed medical/technical district in Peoria, Illinois;

235. $500,000 for Access Living, Chicago, Illinois for the construction of a new community service facility;

236. $350,000 for Children's Advocacy Center, Chicago, Illinois for costs associated with expansion;

237. $200,000 for the City of Des Plaines, Illinois for infrastructure improvements;

238. $100,000 for the Merit School of Music in Chicago, Illinois for facility improvements;

239. $300,000 for the Chicago Department of Cultural Affairs, Illinois for restoration of the Chicago Cultural Center Domes;

240. $250,000 for the City of East Moline, Illinois for necessary upgrades to infrastructure for economic development purposes, including the Quarter project and revitalization of the central business district;

241. $200,000 for improvements to the Field Museum, Chicago, Illinois;

242. $200,000 for Manteno Township, Manteno, Illinois for economic redevelopment activities;

243. $250,000 for the City of Springfield, Illinois for infrastructure improvements to support economic development;

244. $200,000 to the City of Jeffersonville, Indiana for renovation of the Carnegie Library;

245. $300,000 to the City of Anderson, Indiana for facilities construction of the Anderson Business Development Center;

246. $200,000 to the African American Achievers Youth Corporation in Gary, Indiana for renovation of the Glen Theater;

247. $300,000 to the University of Saint Francis in Fort Wayne, Indiana for construction and buildout of the proposed Professional Development Center;

248. $400,000 to the City of South Bend, Indiana for site acquisition and demolition for the Studebaker Corridor redevelopment initiative;

249. $500,000 to the James Whitcombe Riley Hospital for Children in Indianapolis, Indiana for the expansion and renovation of the Children's Emergency and Trauma Center;

250. $600,000 to North Township, Indiana for renovation and construction of recreational facilities, parking, lighting and landscaping improvements at Wicker Memorial Park;

251. $500,000 for the University of Saint Francis in Fort Wayne, Indiana for facilities construction for the Health Sciences Resource Library;

252. $800,000 for the City of Fort Wayne, Indiana for the expansion of the Northeast Indiana Innovation Center;

253. $200,000 for the Indiana Association of Cities and Towns, Indianapolis, Indiana for downtown revitalization;

254. $350,000 for the Delaware County Commissioners, City of Muncie, Indiana for building improvements to the Fairgrounds facilities;

255. $100,000 to the Family Violence Center in Des Moines, Iowa for facilities renovation;

256. $100,000 to the Town of Grinnell, Iowa for restoration and rehabilitation of downtown buildings;

257. $150,000 for the North Central Iowa Regional Solid Waste to Energy Facility in Fort Dodge, Iowa for facilities construction;

258. $450,000 to Systems Unlimited, Inc. located in Iowa City, Iowa for facilities construction;

259. $300,000 for the City of Council Bluffs, Iowa for the 23rd Avenue Housing Project;

260. $250,000 for the Scott County Housing Council, Davenport, Iowa for the construction and rehabilitation of housing;

261. $200,000 for the Iowa Department of Economic Development for the enhancement of regional economic development capabilities;

262. $250,000 for the Mid America Housing Partnership in Cedar Rapids, Iowa for the housing trust fund;

263. $100,000 for the Iowa State Fair Board in Des Moines, Iowa for a statewide awareness and education/exhibit;

264. $280,000 for the City of Waterloo, Iowa for the John Deere brownfield and bio-based incubator project;

265. $300,000 for the Witwer Senior Center, Cedar Rapids, Iowa for facility expansion and renovation;

266. $600,000 for the City of Clinton, Iowa for the Liberty Square brownfields redevelopment project;

267. $1,000,000 for the Hunter Clinic in Wichita, Kansas for construction;

268. $2,000,000 to Catholic Housing of Wyandotte County, Kansas for development and improvements in the St. Peter/Waterway/Strawberry Hill Redevelopment Project;

269. $175,000 to the Wichita Art Museum in Wichita, Kansas for facilities renovation, construction and improvements for the second Art Investigation Gallery;

270. $200,000 to Sedan, Kansas for renovation of the historic Bradford Hotel;

271. $500,000 for Railroad Heritage, Inc. for construction costs associated with the Great Overland Station Renovation and Restoration Project in Topeka, Kansas;

272. $1,000,000 for the El Zocalo Hispanic Community Center, Wichita, Kansas for construction costs;

273. $75,000 to the Louisville Jefferson County Metropolitan Government, Kentucky for the renovation of the Sun Valley Community Center;

274. $100,000 to the Fivco Area Development District in Kentucky for construction of a multipurpose facility at EastPark;

275. $100,000 for North Star Productions, Inc. in Bracken County, Kentucky for construction of an amphitheater;

276. $200,000 to the City of Renfro Valley, Kentucky for construction of a municipal conference and civic center;

277. $225,000 to Cumberland College in Williamsburg, Kentucky for renovation of the campus science complex;

278. $225,000 to the London-Laurel County Tourism Committee, Kentucky for construction of the Blue-Gray Civil War Theme Park;

279. $225,000 to Casey County, Kentucky for development and engineering for the Agricultural and Exposition Center;

280. $450,000 to the Center for Rural Development in Somerset, Kentucky for facilities renovation and expansion;

281. $925,000 to the Louisville Medical Center Development Corporation for property acquisition for development of a research park in Louisville, Kentucky;

282. $250,000 for the YMCA of Franklin, Kentucky for facilities construction;

283. $3,000,000 for the H.L. Neblett Center in Owensboro/Daviess County, Kentucky for the construction of a new facility;

284. $500,000 for the Crittenden County Economic Development Corporation in Marion, Kentucky, for the Marion/Crittenden County Technology-Economic Development Training Center;

285. $100,000 for Harrison County, Kentucky for improvements to the Harrison County Courthouse;

286. $400,000 for Hopkinsville, Kentucky for construction related to the Hopkinsville/Christian County Conference and Convention Center;

287. $500,000 for the Louisville Science Center, Kentucky for renovation and construction related to the Science Education Wing;

288. $50,000 to St. Tammany Parish, Louisiana for construction of a veterans memorial;

289. $75,000 to the Downtown Development District in New Orleans, Louisiana for sidewalk replacements and enhancements;

290. $125,000 to the Town of Ferriday, Louisiana for Main Street streetscape work;

291. $500,000 for Alexandria Central Economic Development District, Louisiana for an economic revitalization study and revitalization of the Red River waterfront;

292. $200,000 to the Amistad Research Center at Tulane University in New Orleans, Louisiana for facilities restoration of the Tilden Library to house Center records;

293. $225,000 to the Town of New Roads, Louisiana facilities construction and renovation, and sidewalks, street furniture and facade improvements;

294. $450,000 to the National Center for Community Renewal for facilities renovation and expansion in Shreveport, Louisiana;

295. $450,000 to the Audubon Nature Institute for facilities construction in Baton Rouge and New Orleans, Louisiana;

296. $500,000 for PACE Louisiana, New Orleans, Louisiana for the renovation of a building for a senior adult day center;

297. $750,000 for the State of Louisiana for the Poverty Point restoration project;

298. $250,000 to the Biomedical Research Foundation for the InterTech Science Park, Louisiana;

299. $100,000 for the Comprehensive Central City Initiative of New Orleans, Inc., Louisiana for neighborhood revitalization;

300. $200,000 for the City of Opelousas, Louisiana for the redevelopment of the historic downtown district;

301. $100,000 for the City of Bogalusa, Louisiana for recreation improvements;

302. $100,000 for facility improvements at the American Rose Center in Shreveport, Louisiana;

303. $100,000 to the Maine Environmental Research Institute (MERI) in Blue Hill, Maine for facilities renovation;

304. $100,000 to Rumford Hospital in Maine for facility renovation;

305. $500,000 for the City of Caribou, Maine to improve and repair gymnasium and related facilities in the Armory building;

306. $125,000 for the Center Theater for the Performing Arts in Dover-Foxcroft, Maine to improve and repair the Center Theater;

307. $125,000 for the Town of Fort Fairfield, Maine to improve and repair the Armory facility;

308. $220,000 for the University of Maine (Jonesboro and Orono), Blueberry Hill Farm to renovate the blueberry research facility;

309. $200,000 for the Central Maine Technical College-Western Maine University and Technical Center, South Paris, Maine to assist in development of technical college center;

310. $250,000 for the City of Bangor, Maine for further development of the Penobscot Riverfront Park;

311. $250,000 for the City of Brewer, Maine to assist the city's shoreline stabilization project;

312. $120,000 for Sagadahoc County, Maine to repair granite steps at the Sagadahoc County Courthouse;

313. $210,000 for the Town of Thomaston, Maine to fund construction of sidewalk in business district;

314. $600,000 for the City of Baltimore, Maryland for the Main Streets Initiative project;

315. $100,000 for the Baltimore Child Abuse Center in Baltimore, Maryland for building renovations;

316. $500,000 for the B&O Railroad Museum in Baltimore, Maryland for building renovations;

317. $250,000 for the Great Blacks in Wax Museum in Baltimore, Maryland for the Museum Expansion Project;

318. $250,000 for Harford County, Maryland for the Havre de Grace Youth & Senior Center;

319. $500,000 for Howard County, Maryland for Revitalization of the Route 1 Corridor;

320. $750,000 for Montgomery County, Maryland for pedestrian linkages in Silver Spring;

321. $300,000 for the City of Gaithersburg, Maryland for the Gaithersburg Youth Center;

322. $650,000 for Prince George's County, Maryland to develop an African American Cultural & Community Center in the Gateway Arts District;

323. $300,000 for Washington County, Maryland for the Smithsburg Library;

324. $260,000 for the City of Laurel, Maryland for improvements to Route 1;

325. $65,000 for the Woodlawn Community Education & Development Association in Baltimore County, Maryland for the Woodlawn Community Auditorium Project;

326. $320,000 for the City of District Heights, Maryland for facade and building renovations in the city's commercial area;

327. $75,000 to the City of Rockville, Maryland for construction of a park at King Mill;

328. $90,000 to the Melwood Horticultural Training Center in Prince George's County, Maryland for facilities renovation;

329. $100,000 to the Boys and Girls Club of Greater Washington in Silver Spring, Maryland for purchase of the D.C. Metropolitan Police Boys and Girls Club facility;

330. $150,000 to the Olney Theatre for the Arts in Olney, Maryland for construction of a theater;

331. $160,000 to the Bowie Regional Arts Vision Association in Bowie, Maryland for construction of a new community theater;

332. $175,000 to the 20th Street H.O.P.E. House in Baltimore, Maryland for facilities expansion and renovation;

333. $200,000 to the Gateway Arts District along the Route 1 Corridor in the areas covering the communities of Mount Rainier, Brentwood, North Brentwood and Hyattsville in Prince George's County, Maryland;

334. $350,000 for the National Federation of the Blind Research and Training Institute in Baltimore, Maryland for facilities construction;

335. $100,000 to YMCA Camp Letts in Anne Arundel County, Maryland for facilities upgrades and related improvements;

336. $50,000 to the Chelsea Green Space and Recreation Committee in Massachusetts for construction of a park, including a boardwalk and benches;

337. $75,000 to the Town of Randolph, Massachusetts for the rehabilitation of the historic Stetson Town Hall;

338. $100,000 to the Roxbury Boys and Girls Club in Roxbury, Massachusetts for renovation of the Roxbury Clubhouse;

339. $100,000 to Salem State College in Salem, Massachusetts for construction of a theatre;

340. $100,000 to the Essex National Heritage Commission for Community Resource in Massachusetts for development of a plan for a visitors services and archives center;

341. $325,000 for Main South Community Development Corporation, Worcester, Massachusetts for the Gardner-Kilby Hammond Neighborhood Revitalization Project;

342. $175,000 to the Lawrence, Massachusetts Boys and Girls Club for recreational facilities renovations;

343. $300,000 to the City of Springfield, Massachusetts for design development and renovation of an existing public market;

344. $700,000 to Springfield College, in Springfield, Massachusetts for planning and construction of a field house;

345. $300,000 to North Adams, Massachusetts for renovation of the North Adams Armory into a community center;

346. $200,000 to Greenfield, Massachusetts for renovation of the First National Bank Building;

347. $350,000 to the Massachusetts College of Pharmacy and Health Sciences in Worcester, Massachusetts for construction of new multi-use education facilities;

348. $200,000 to Holyoke Community College in Holyoke, Massachusetts for land acquisition;

349. $150,000 for the City of Boston, Massachusetts for the City of Boston Affordable Housing Environmental Remediation Project;

350. $100,000 for the Massachusetts 9/11 Fund, Boston, Massachusetts for the planning, design and implementation of a memorial;

351. $100,000 for St. Mary's College in Orchard Lake, Michigan for renovation of library and dormitory facilities;

352. $125,000 for Lawrence Tech in Southfield, Michigan for facilities renovation and enhancements for the Center for Innovative Materials for Infrastructure Security;

353. $125,000 for the Michigan Jewish Institute for construction, buildout, and equipment for the College Academic Center;

354. $125,000 to Genesee County, Michigan for land acquisition in support of the Genesee County Land Reutilization Plan, in collaboration with the City of Flint;

355. $175,000 to the City of Detroit, Michigan for demolition of abandoned housing stock;

356. $175,000 to the City of Detroit, Michigan for design and construction of the Belle Isle Natural Zoo;

357. $200,000 for Boysville of Michigan for renovations and upgrades at various locations;

358. $200,000 to the National Center for Manufacturing Sciences in Ann Arbor, Michigan for facilities improvements and buildout related to the development and deployment of advanced technologies to the manufacturing base;

359. $300,000 to Focus: HOPE in Detroit, Michigan for facilities renovation;

360. $200,000 to the Arab Community Center for Economic and Social Services in Dearborn, Michigan for construction of an Arab American National Museum and Cultural Center;

361. $225,000 to the City of Menominee, Michigan for renovation of recreational facilities;

362. $300,000 to Mercy Hospital Cadillac in Cadillac, Michigan for facilities construction and renovations for the Healthcare Improvement and Access Initiative;

363. $450,000 for Automotion Alley for facilities construction, improvements and buildout for a Technology Center in Troy, Michigan;

364. $1,000,000 for the State of Michigan for costs associated with the relocation of the A.E. Seaman Mineral Museum;

365. $250,000 for the City of Detroit, Michigan for the Detroit Riverfront revitalization project;

366. $500,000 for the City of Saginaw, Michigan for the South Washington Street Improvement Initiative;

367. $500,000 for the Mexicantown Community Development Corporation, Detroit, Michigan for the construction of a welcome center;

368. $225,000 for the City Opera House Heritage Association, Traverse City, Michigan for costs associated with restoration;

369. $250,000 for the City of Parchment, Michigan for the Parchment Brownfield Redevelopment Project;

370. $100,000 to the Audubon Center of the North Woods in Minnesota for facilities construction and renovation;

371. $100,000 to Leech Lake Tribal College in Minnesota for planning and site development for establishment of a new campus;

372. $125,000 to Fond Du Lac Tribal and Community College in Minnesota for design and construction of a multi-use facility;

373. $150,000 to the Minneapolis American Indian Center in Minneapolis, Minnesota for facility renovation and construction;

374. $150,000 to the Greater Minneapolis Council of Churches in North Minneapolis, Minnesota for construction of the Center for Families;

375. $150,000 to the Northside Residents Redevelopment Council in Minneapolis, Minnesota for building construction;

376. $150,000 to the Labor Interpretive Center in Minnesota for construction of a memorial;

377. $225,000 to the Redwood County Agricultural Society in Minnesota for fairground grandstand renovation and construction of facilities;

378. $187,500 for the City of St. Paul, Minnesota for rehabilitation needs at the Ames Lake Neighborhood/Phalen Place Apartments;

379. $187,500 for the Shelter House in Willmar, Minnesota for a new building project;

380. $187,500 for Minnesota Corn Growers Association in Shakopee, Minnesota for the construction of a new facility;

381. $187,500 for the City of Roseau, Minnesota for the rehabilitation of damaged housing;

382. $500,000 for Tchula, for the development of the Mississippi Municipal Complex;

383. $500,000 for the City of Oxford, Mississippi for the City of Oxford Innovation and Outreach Center;

384. $1,000,000 for the City of Meridian, Mississippi for the rehabilitation of the Riley Education and Performing Arts Center;

385. $1,000,000 for Mississippi State University for the renovation of the Lloyd-Ricks Building;

386. $250,000 for the City of Richton, Mississippi for repairs associated with the City of Richton's Municipal Complex;

387. $500,000 for Brookhaven, Mississippi for the rehabilitation of the Lincoln County and City of Brookhaven's Courthouse;

388. $500,000 for the City of Pearl, Mississippi for the renovation of the City of Pearl's Community Center;

389. $500,000 for the City of Holly Springs, Mississippi for the North Memphis Street District Redevelopment and Revitalization;

390. $250,000 for John C. Stennis Institute of Government, Mississippi State, Mississippi, for the Capacity Development Initiative;

391. $100,000 to the Town of Bolton Development Corporation in Bolton, Mississippi for acquisition and renovation of a multipurpose community facility;

392. $150,000 to Harrison County, Mississippi for construction of waterfront facilities;

393. $325,000 to the Yoknapatawpha Arts Council in Oxford, Mississippi for facilities renovation;

394. $60,000 to the City of Joplin, Missouri for a feasibility study and facilities improvements for the restoration of the Joplin Union Depot;

395. $100,000 for the Eugene Field House Foundation in St. Louis, Missouri for the Eugene Field House restoration;

396. $75,000 to the City of St. Louis, Missouri for streetscape improvements;

397. $75,000 to St. Louis County, Missouri for streetscape improvements;

398. $75,000 to Jefferson County, Missouri for streetscape improvements along Jeffco Boulevard;

399. $100,000 to the Liberty Memorial Museum in Kansas City, Missouri for museum renovation;

400. $450,000 to the City of Kansas City, Missouri for the Union Hill Redevelopment Project, including but not limited to streetscape improvements;

401. $175,000 to the City of Cape Girardeau, Missouri for the painting of a mural on the Cape Girardeau, Missouri flood wall;

402. $225,000 to the Missouri Soybean Association for the purchase of a building for use as an Incubation Center in Kansas City, Missouri;

403. $900,000 to the City of Springfield, Missouri for construction of a community multipurpose facility;

404. $450,000 to Carrolton, Missouri for the Downtown Revitalization Project;

405. $400,000 to Community Builders of Kansas City, Missouri for the Blue Parkway Town District Project;

406. $450,000 to Kansas City, Missouri for the Columbus Park Redevelopment Project;

407. $250,000 to the Harvesters Food Bank in Kansas City, Missouri for the Capital Campaign Construction project;

408. $500,000 to the City of St. Louis, Missouri for equipment and training for the Lead Abatement Project;

409. $250,000 to the Central Missouri Food Bank, Columbia, Missouri for a new Capital Campaign Construction Project;

410. $360,000 to the St. Patrick Center in St. Louis, Missouri for renovations and improvements for the homeless partnership center;

411. $250,000 for the Stars and Stripes Museum/Library Association in Stoddard County, Missouri for archiving facility upgrades and equipment;

412. $500,000 for the Negro Leagues Baseball Museum in Kansas City, Missouri for renovations to the Buck O'Neil Research and Education Center;

413. $90,000 for the Capitol City Area Council for Special Services in Cole County, Missouri for costs associated with the construction of the Low Income Family Program expansion;

414. $600,000 for the City of Maryville, Missouri for neighborhood revitalization;

415. $1,000,000 for the Metropolitan Parks & Recreation District in St. Louis, Missouri for feasibility, engineering, and design of the Choteau Lake and Greenway Project;

416. $250,000 for the Mid-Missouri Regional Planning Commission, Ashland, Missouri for construction costs related to the Life Sciences Technology Incubator;

417. $500,000 for the City of Raytown, Missouri for downtown revitalization;

418. $500,000 for the Urban League of Kansas City, Missouri for costs associated with construction;

419. $500,000 for Grand Center, Inc. in St. Louis, Missouri for construction of a multipurpose facility for the Charmaine Chapman Community Center;

420. $450,000 for the City of Clarksville, Missouri for costs associated with construction of the Riverfront Development Project;

421. $500,000 for the Friends of the RB Project, Inc. in Stockton, Missouri for costs associated with construction of the Friends of RB Stockton Lake Community Project;

422. $1,000,000 for the University of Missouri-Kansas City for construction of the Cardiovascular Proteomics Center;

423. $400,000 for the National Children's Cancer Society in St. Louis, Missouri for construction;

424. $500,000 for the Daly Mansion Preservation Trust, Hamiliton, Montana for the Marcus Daly Mansion Renovation Project;

425. $500,000 for the Story Mansion, Bozeman, Montana for historical renovations and improvements;

426. $650,000 for the Deaconess Billings Clinic, Billings, Montana for additions to the research division;

427. $500,000 for St. Vincent's Foundation, Billings, Montana for construction of a senior citizens facility;

428. $900,000 for the Big Sky Economic Development Authority, Billings, Montana for economic development outreach;

429. $150,000 for the Great Falls Development Authority, Great Falls, Montana for economic development outreach;

430. $400,000 for the Southwest Boys and Girls Club, Bozeman, Montana for construction of a new facility;

431. $200,000 for Missoula Aging Services, Missoula, Montana for expansions and renovations;

432. $400,000 to the Yellowstone Boys and Girls Ranch in Billings, Montana for facilities construction and renovations;

433. $350,000 for the Bozeman Library, Bozeman, Montana for renovations and infrastructure;

434. $250,000 for the City of Omaha, Nebraska for infrastructure redevelopment to use in connection with the conversion and redevelopment of the Heritage Services redevelopment project;

435. $375,000 for the Omaha Performing Arts Society in Omaha, Nebraska for construction costs associated with the Omaha Performing Arts Center;

436. $625,000 for the North Omaha Housing Initiative in Omaha, Nebraska for the development of affordable housing;

437. $325,000 to Girls and Boys Town of Boys Town, Nebraska for the national priority projects of Girls and Boys Town USA;

438. $450,000 for Falls City, Nebraska for the development of infrastructure for an industrial park;

439. $450,000 to the Boys and Girls Home of Nebraska for renovation of the Columbus Community Hospital in Columbus, Nebraska;

440. $385,000 for the City of Las Vegas, Nevada for renovations to a historic post office building;

441. $75,000 to the City of North Las Vegas, Nevada for planning and construction of a public library;

442. $200,000 to the City of Henderson, Nevada for the purchase and renovation of buildings to revitalize the downtown area;

443. $225,000 to the City of Sparks, Nevada for rehabilitation of the Deer Park Pool facilities;

444. $350,000 for the City of North Las Vegas, Nevada for a neighborhood beautification project;

445. $350,000 for the City of Reno, Nevada for the construction of the Reno Homeless Resource Center;

446. $350,000 for Community Chest, Inc., Virginia City, Nevada for construction of a youth and community resource center;

447. $350,000 for the City of Reno through the Hispanic Chamber of Commerce, Nevada for streetscaping improvements;

448. $200,000 for WestCare Foundation in Las Vegas, Nevada for renovations of facilities;

449. $50,000 for the YMCA of Southern Nevada in Las Vegas for facility renovations;

450. $1,000,000 for the V.I.C.T.M. Family Center in Washoe County, Nevada for the construction of a facility for multi-purpose social services referral and victim counseling;

451. $790,000 for the City of Nashua, New Hampshire to renovate and expand the Nashua Senior Center;

452. $500,000 for the City of Nashua, New Hampshire for the restoration of Mines Falls Park;

453. $700,000 for the Greater Manchester YMCA, Manchester, New Hampshire for renovation of facilities;

454. $550,000 for City of Portsmouth, New Hampshire to assist in the creation of a safe pedestrian link (Portsmouth Piscataqua Riverwalk) between scenic and historic destinations and New Hampshire's only working deep-water seaport;

455. $100,000 for the Town of Troy, New Hampshire for the Troy Economic Development Initiative;

456. $500,000 for the City of Claremont, New Hampshire, for the Claremont Economic Development Initiative/Renovation of Historic Mills;

457. $400,000 for the City of Concord, New Hampshire for the renovation of Penacook Mills;

458. $80,000 for the Lancaster Main Street Program in Lancaster, New Hampshire for facilities renovations and improvements for the Great North Woods Welcome Center;

459. $1,000,000 for the State of New Jersey for construction costs associated with the South Jersey Rural Economic Development Corporation;

460. $1,000,000 for the New Jersey Community Development Corporation in Paterson, New Jersey for construction of a Transportation Opportunity Center;

461. $75,000 to Ujima Ministries, Inc. in Mercer County, New Jersey for facilities construction;

462. $75,000 to the County of Hunterdon, New Jersey for design and construction of a senior center;

463. $125,000 to the Essex County Environmental Center in Roseland, New Jersey for renovation and construction to accommodate facilities expansion;

464. $175,000 to the Robert Wood Johnson University Hospital in New Jersey for construction related to the expansion of the children's hospital;

465. $200,000 to the Jersey City Medical Center in New Jersey for construction;

466. $225,000 to the Morris Area YMCA, Morris County, New Jersey for facilities construction and renovation;

467. $225,000 to the Somerset Hills YMCA in Basking Ridge, New Jersey for facilities construction and renovation;

468. $225,000 to Ramapo College of New Jersey for construction of the Bill Bradley Sports and Recreation Center;

469. $225,000 to Rutgers University in New Jersey for land acquisition for LEAP University High School;

470. $250,000 to the Edison Preservation Foundation in New Jersey for building rehabilitation;

471. $300,000 to the Township of Mount Holly, New Jersey, for an economic planning study for the Mount Holly bypass corridor ($50,000) and for construction of affordable housing units ($250,000);

472. $380,000 to the Borough of North Arlington, New Jersey for sidewalk, curbs and facade improvements in the Morton Avenue neighborhood;

473. $500,000 for the Boys and Girls Club of Santa Fe, New Mexico to construct a new facility;

474. $500,000 to the City of Albuquerque, New Mexico, to complete construction and renovation of buildings occupied by the Cuidando los Ninos program for homeless children and families (the John Marshal Renovation Project, Phase II, Cuidando los Ninos site);

475. $700,000 for the Hobbs Industrial Air Park redevelopment project in Hobbs, New Mexico;

476. $640,000 for the Village of Tijeras, New Mexico for construction of an addition to the Tijeras Village Hall;

477. $360,000 for the Town of Taos, New Mexico, for the DreamTree Project Transitional Living Program Apartments to serve homeless, abused, and neglected youth;

478. $1,600,000 for the Town of Taos, New Mexico, to complete construction and lining of the Paseo del Canon Drainage Channel and related safety fencing;

479. $200,000 for Dona Ana County, New Mexico, for the Veterans Memorial Wall to honor war veterans;

480. $100,000 to the Hubbard Museum of the American West located in Ruidoso, New Mexico for facilities expansion;

481. $225,000 to the Wheels Museum, Inc. for planning and land acquisition in New Mexico;

482. $250,000 for the Sephardic Community Center, Brooklyn, New York for a building addition for seniors, adults, teenagers and children;

483. $250,000 for the Broome-Tioga Workforce Development System in New York to create a business incubator;

484. $250,000 for Schines Theatre, Auburn, New York for restoration of the facility;

485. $250,000 for the Foothills Performing Arts Center, Inc., Oneonta, New York for construction of a new facility;

486. $250,000 for Southern Tier Sports and Recreation Center, Inc. in Binghamton, New York for development of a Community Center Complex;

487. $200,000 to Sephardic Bikur Holim in New York for facilities construction;

488. $50,000 to the Lackawanna Area Chamber of Commerce, in conjunction with the Lackawanna Community Development Corporation and local veterans organizations, for the Veterans' Stadium Restoration Project in Lackawanna, New York;

489. $60,000 to the Town of Niagara, New York to complete buildout of a community center;

490. $100,000 to Eastern Long Island Hospital in Greenport, New York for facilities renovation;

491. $100,000 to the Town of Brookhaven, New York for construction of the Gorden Heights Community Center;

492. $75,000 to the Broome County Jewish Community Center in Binghamton, New York for renovation and construction of an early childhood development center;

493. $75,000 to the United Cerebral Palsy Association of Greater Suffolk, Inc. in Suffolk County, New York for land acquisition;

494. $75,000 to the Town of Freeport, New York for renovations of buildings;

495. $75,000 to the Town of North Hempstead, New York for streetscape, facade and building renovation in the hamlet of New Cassel;

496. $75,000 to the Cross Island YMCA of Queens, New York for facilities expansion and renovation;

497. $75,000 to the Jamaica YMCA of Jamaica in New York, New York for facilities expansion and renovation;

498. $75,000 to 1409 Enterprises, Inc. in Buffalo, New York for facilities renovation;

499. $80,000 to Wayne County, New York for relocation of and renovations to the Wolcott Carriage House;

500. $80,000 to the Castle Hill, Bronx, New York YMCA for facilities construction;

501. $100,000 to the Staten Island Economic Development Corporation located in New York for completion of an updated Overall Economic Development Plan;

502. $350,000 to the Metropolitan Development Association in Syracuse, New York for the VISION 2010 Economic Development plan;

503. $100,000 to Wayne County, New York for a feasibility study on the planned reuse of the surplus real estate of the Newark Developmental Center Area;

504. $100,000 to the City of Syracuse, New York for renovations to the Redhouse Theater;

505. $100,000 to the Gloria Wise Boys and Girls Club in the Bronx, New York for facilities renovation;

506. $100,000 to the Town of Greenburgh, New York for expansion and renovation of a public library;

507. $100,000 to the Village of Hastings-on-Hudson, New York for renovations to a senior and youth community center;

508. $100,000 to the Village of Briarcliff Manor, New York for streetscape improvements;

509. $100,000 to the Regional Foodbank of Northeastern New York for construction and renovation of facilities;

510. $100,000 to the 59th Street Recreation Center in New York, New York for facilities renovation;

511. $100,000 to the City of New York's Department of Parks and Recreation for construction of a nature center in Crotona Park;

512. $110,000 to Cayuga County, New York for rehabilitation of the Sterling Renaissance Performance Artist Guild facilities in the Town of Sterling, New York;

513. $100,000 to the Erie Canalway National Heritage Corridor Commission in New York State to finalize planning activities for the Commission's comprehensive management plan;

514. $125,000 to the Village of Saugerties, New York for streetscape including sidewalk replacement;

515. $125,000 to the Town of Sleepy Hollow, New York for construction of a new senior center;

516. $280,000 to the City of Yonkers, New York for renovation of the Nepperhan Valley Technology Center;

517. $125,000 to Alianza Dominicana Inc. in New York, New York for facilities construction;

518. $125,000 to Boricua College in New York for building renovation;

519. $125,000 to the Washington Heights' Armory Foundation for facilities renovations in New York;

520. $140,000 to the Broadway Market Management Corp. in Buffalo, New York for renovation of the Broadway Market;

521. $150,000 to the Staten Island University Hospital for the construction of the Regina McGinn Education Center in New York;

522. $150,000 to On Your Mark in Staten Island, New York for facilities renovations for a community center;

523. $150,000 to the Town of Lancaster, New York for construction activities of the Landmark Clock project;

524. $150,000 to the Village of Owego, New York for construction of a community center;

525. $150,000 to LaGuardia Community College in New York for facilities renovation to house a small business incubator;

526. $150,000 to the Brooklyn Public Library in New York for restoration of the central plaza;

527. $200,000 to the Elizabeth Pierce Olmsted Center in Cheektowaga, New York for construction of an affordable housing project for handicapped individuals with an emphasis on individuals with visual impairments;

528. $200,000 to the City of Syracuse, New York for renovation of the Girls Inc. building;

529. $200,000 for Cornwall, New York for Main Street revitalization;

530. $200,000 to Onondaga County, New York for restoration of the Nine Mile Creek Aqueduct in Camillus, New York;

531. $200,000 to the Hebrew Academy for Special Children in Brooklyn, New York for construction and renovation of a facility;

532. $200,000 to Schenectady, New York for expansion of Proctor's Theatre;

533. $200,000 to the Greater Ridgewood Restoration Corporation in New York for streetscape improvements along the Brooklyn/Queens border;

534. $225,000 to Putnam County, New York for streetscape improvements along the Rt. 52 Corridor;

535. $225,000 to D'Youville College in Buffalo, New York for facilities renovation, expansion and buildout for the D'Youville College Library Improvement project;

536. $250,000 to the City of Syracuse, New York for renovations to a stone building in Elmwood Park;

537. $250,000 to the City of Syracuse, New York for facilities renovation of the Open Hand Theater;

538. $250,000 to Onondaga County, New York for construction and expansion of the North Area YMCA;

539. $250,000 to the State University of New York Environmental School of Forestry for facility renovations and improvements in Onondaga Park;

540. $250,000 to the City of Syracuse, New York for Automobile Row streetscape improvements;

541. $275,000 to the Natural History Museum of the Adirondacks for construction of a new museum in New York;

542. $280,000 to the Bedford-Stuyvesant YMCA in Brooklyn, New York for renovation and construction of a youth and family center;

543. $300,000 to Houghton College, New York for renovation of the Paine Science Center;

544. $300,000 to Wayne County, New York for demolition and facilities construction improvements at Sodus Point Park;

545. $350,000 to Per Scholas: Workforce Enterprise Service in the Bronx, New York for renovation of warehouse space to house the WorkSmart program;

546. $400,000 to the Mary Mitchell Family and Youth Center in the Bronx, New York for construction of the Austin Jacobo Center for Community Leadership;

547. $350,000 to the State University of New York College of Environmental Science and Forestry for the acquisition, renovation and construction of facilities for the North Country Campus Economic Development and Improvement Program in Clayton, New York;

548. $100,000 to the Battle of Plattsburgh Association in Plattsburgh, New York to rehabilitate a building on the former Plattsburgh Air Force Base;

549. $450,000 to the Belmont Shelter Corporation for the construction of the Shawnee Landing Senior Apartments in Wheatfield, New York;

550. $450,000 to the Metropolitan Museum of Art in New York City for facade restoration improvements;

551. $220,000 to the Museum of Modern Art in New York City for expansion and renovations to the Education and Research Center;

552. $450,000 to Jazz at Lincoln Center in New York City for facilities construction;

553. $450,000 to the New York Public Library in New York City for renovations to their Map Division;

554. $500,000 to Onondaga County, New York for renovations to the Fayetteville Library;

555. $500,000 to the City of Syracuse, New York for facilities restoration and expansion of the Landmark Theater;

556. $500,000 to the WXXI Public Broadcasting Council in Rochester, New York for facilities construction and improvements for an Educational Outreach Center;

557. $500,000 to Wayne County, New York to construct a new Livestock building at the Wayne County fairgrounds;

558. $750,000 to the New York State Olympic Regional Development Authority for facilities construction;

559. $1,000,000 to Nazareth College in Rochester, New York for renovations of their Academic Center;

560. $1,250,000 to Utica College of Syracuse in Utica, New York for design and construction for the expansion of science facilities;

561. $100,000 to the City of Utica, New York for construction of the North Utica Senior Citizens Recreation Center;

562. $100,000 to the City of Mount Vernon, New York for restoration of an abandoned building into a job training and cultural center;

563. $215,000 to the Simon Wiesenthal New York Tolerance Center in New York City for facilities renovation;

564. $250,000 to Greene County, New York for the Michael J. Quill Irish Cultural and Sports Centre for facilities renovations;

565. $75,000 to CAARE, Inc. in Durham County, North Carolina for construction, renovation and buildout of a one-stop service center for individuals affected by HIV/AIDS;

566. $100,000 to the City of Greenville, North Carolina for building demolition and building renovation in the West Greenville neighborhood;

567. $100,000 to the North Carolina Institute of Minority Economic Development for restoration, renovation and buildout of a building in downtown Durham, North Carolina;

568. $125,000 to North Carolina Community Development Initiative Capital, Inc. for capitalization of a loan fund;

569. $125,000 to the Food Bank of North Carolina for renovation and buildout of a food bank facility;

570. $300,000 for Bennett College, Greensboro, North Carolina for a community revitalization project;

571. $150,000 to the Center for Community Self-Help in Durham, North Carolina for acquisition of property;

572. $175,000 to the City of Raleigh, North Carolina for reuse planning for the Fayetteville Street Mall and for streetscape improvements, pedestrian benches, street lights, tree planting, entertainment space construction and water fountain construction;

573. $200,000 to the Town of Wadesboro, North Carolina for facilities renovations to the Ansonia Theatre;

574. $200,000 to the City of Durham, North Carolina for revitalizing Historic Parrish Street, including facilities construction/renovation and buildout; economic development planning assistance; sidewalks, street furniture, and facade improvements; and land acquisition;

575. $200,000 to the Grape Arbor Development Corporation for construction and buildout of a Youth Enhancement Center;

576. $150,000 to Scotland County, North Carolina for facilities expansion and construction for the Scotland County Recreation Center;

577. $200,000 to North Carolina Central University for construction, buildout, and equipment for a bioprocessing research institute;

578. $265,000 to Mayland Community College in Spruce Pine, North Carolina for facilities renovations for the Lexington project;

579. $100,000 for the Graveyard of the Atlantic Museum, Hatteras, North Carolina to complete construction;

580. $125,000 to the Central Piedmont Community College American Academy of Applied Forensics in Charlotte, North Carolina for facilities construction;

581. $275,000 to the Town of Troy, North Carolina for a pilot program for the construction of affordable housing;

582. $750,000 to the Pisgah Forest Institute at Brevard College in Brevard, North Carolina for facilities construction;

583. $200,000 to the North Carolina Museum of Natural Sciences for construction of the Nature Research Center;

584. $500,000 for Transylvania County, North Carolina for construction of a library;

585. $600,000 for the City of Rugby, North Dakota to complete information technology and energy projects;

586. $400,000 for Lewis and Clark CommunityWorks, Bismarck, North Dakota for the Mandan Library Square project;

587. $500,000 for the Northwest Venture Communities Inc., Minot, North Dakota for the construction of the Northwest Career and Technology Center;

588. $500,000 for Three Affiliated Tribes Tourism Department, New Town, North Dakota for a cultural interpretive center;

589. $600,000 to Sitting Bull College on the Standing Rock Sioux Reservation in North Dakota for facilities planning and construction;

590. $100,000 for Jamestown, Ohio to renovate the Jamestown Opera House;

591. $100,000 to Tuscarawas County, Ohio for infrastructure for an industrial park;

592. $100,000 to Ross County, Ohio for construction of a regional multipurpose facility in Chillicothe, Ohio;

593. $100,000 to the Center for Families and Children in Cleveland, Ohio for design and construction of a medical campus;

594. $100,000 to COMPASS Toledo in Toledo, Ohio for facilities rehabilitation;

595. $100,000 to Ohio Theatre, Inc. in Toledo, Ohio for marquee and facade rehabilitation of the Ohio Theatre;

596. $100,000 to North River Development Corporation in Toledo, Ohio for economic development planning for the Galena Street Redevelopment Project;

597. $100,000 to the Bay Area Neighborhood Development Corporation in Sandusky, Ohio for facilities improvements and construction in blighted areas;

598. $125,000 to the Ottawa Community Development Corporation in Toledo, Ohio for building construction and renovation along Monroe Street;

599. $125,000 to the East Toledo Family Center in Toledo, Ohio for building renovations;

600. $200,000 to Oberlin College, Oberlin, Ohio for construction to support the East College Street Project;

601. $200,000 to the City of Toledo, Ohio for renovation of a community recreation facility;

602. $200,000 to the J. Frank Troy Senior Center in Toledo, Ohio for renovation and construction;

603. $225,000 to the Dayton/Montgomery County Port Authority, Ohio for land acquisition, demolition, and site development for a commercial office center at Patterson Place;

604. $275,000 to the City of St. Clairsville, Ohio for restoration of the Clarendon Hotel;

605. $300,000 for Ohio Wesleyan University to renovate Merrick Hall;

606. $300,000 for Catholic Social Services in Springfield, Ohio for renovation of a facility to house the Second Harvest Foodbank;

607. $300,000 for the Springfield Arts Council for renovation of the Veterans Park Amphitheater in Springfield, Ohio;

608. $350,000 to the Cincinnati Museum Center in Cincinnati, Ohio for restoration and expansion of facilities;

609. $350,000 to Lake Erie College in Painesville, Ohio for construction of an athletic and wellness center;

610. $450,000 to the Portsmouth Area Chamber of Commerce in Portsmouth, Ohio for construction of the Sciot County Welcome Center;

611. $2,300,000 to the City of Canton, Ohio for land acquisition and related site preparation activities;

612. $500,000 to the Dayton Development Coalition, Ohio for land and site acquisition, demolition, site preparation and facilities construction;

613. $700,000 for Franklin County Metro Parks, Franklin County, Ohio for the purchase of land in the Darby Creek Watershed;

614. $1,000,000 for the City of Dayton, Ohio for the development of structures in the W. Third Street Historic District;

615. $500,000 for the Toledo-Lucas County Port Authority for the Northwest Ohio Brownfield Restoration Initiative;

616. $300,000 for the Cleveland Advanced Manufacturing Program [CAMP], Ohio to renovate and continue construction of the Cleveland Manufacturing Technology Complex [CMTC];

617. $450,000 for the Johnny Appleseed Heritage Center, Inc. in Ashland County, Ohio for construction of facilities;

618. $800,000 to the Dayton Development Coalition for the development of a commercial and industrial site near the airport in Dayton, Ohio;

619. $250,000 to the Village of Cedarville, Ohio for the construction of a library;

620. $500,000 for Miami University of Ohio in Oxford, Ohio for construction of biological science facilities;

621. $150,000 to the Heartland of American Foundation for facilities construction for the Heartland of America Museum in Weatherford, Oklahoma;

622. $150,000 to Area Neighbors in Wagoner, Oklahoma for facilities construction;

623. $225,000 to the Lawton/Fort Sill Chamber of Commerce and Industry in Lawton, Oklahoma for construction of the National Army Museum of the Southwest;

624. $225,000 to the Standing Bear Museum and Education Center in Ponca City, Oklahoma for facilities construction;

625. $90,000 to the City of Portland, Oregon for Portland Central City streetscape and neighborhood integration planning;

626. $100,000 to the City of Portland, Oregon for architectural and engineering design for the Portland Public Market;

627. $200,000 to the City of Salem, Oregon for construction of a civic center;

628. $275,000 for Union and Wallowa Counties, Oregon for purchase of a railroad line for tourism development;

629. $200,000 for the City of The Dalles, Oregon for the completion of a fiber optic loop;

630. $800,000 for the Portland Development Commission, Portland, Oregon for the South Waterfront Greenway Project;

631. $400,000 for the Portland Development Commission, Portland, Oregon for affordable housing in North Macadam Central District;

632. $200,000 for the City of Portland, Oregon for the Central City Eastside Streetcar project;

633. $100,000 for the City of Astoria, Oregon for restoration to the Astoria Column Cultural Heritage Center;

634. $50,000 for the Umatilla Community Recreation Center, Oregon for construction;

635. $75,000 to the Penn-Brad Oil Museum in Bradford, Pennsylvania for facilities improvements and landscaping;

636. $110,000 to the City of Philadelphia, Pennsylvania for Blue Horizon facade restoration and facilities rehabilitation;

637. $75,000 to the Rock School in Philadelphia, Pennsylvania for facilities renovation;

638. $200,000 to the City of Pittsburgh, Pennsylvania for building demolition, renovation, and streetscape improvements as part of the Pittsburgh Neighborhood Needs Program;

639. $75,000 to the Lawrenceville Corporation in Pittsburgh, Pennsylvania for land acquisition and site preparation;

640. $75,000 to the Shadyside, Pennsylvania Chamber of Commerce for streetscape and lighting improvements along the Walnut Street business corridor;

641. $100,000 for the Urban Redevelopment Authority, in Pittsburgh, Pennsylvania, to revitalize the Centre Avenue Corridor through acquisition and redevelopment of vacant structures and lots in the community;

642. $100,000 to the Borough of Morrisville, Pennsylvania for a redevelopment study;

643. $100,000 to the Hepatitis B Foundation in conjunction with Delaware Valley College for the planning and design of a Biotechnology Research Complex in the Philadelphia suburbs of Bucks County, Pennsylvania;

644. $120,000 to the National Trust for Historic Gettysburg, Pennsylvania for restoration of the Majestic Theater;

645. $100,000 to the Strand-Capitol Performing Arts Center in York City, Pennsylvania for facilities renovation;

646. $100,000 to the Sultan Ahmad Community Foundation in Philadelphia, Pennsylvania for community center construction;

647. $100,000 to ONUNDE, Inc. of Philadelphia, Pennsylvania for facility construction;

648. $100,000 to the Absalom Jones Foundation in Philadelphia, Pennsylvania for renovation of the Historic Grand Lodge;

649. $100,000 to the Philadelphia Dance Company in Pennsylvania for renovation of performance facilities;

650. $100,000 to the Greater Germantown Housing Development Corporation in Philadelphia, Pennsylvania for renovations to buildings;

651. $100,000 to the Parkside Historic Preservation Corporation in Philadelphia, Pennsylvania for renovations to buildings;

652. $100,000 to Cheltenham Township, Pennsylvania for renovations to buildings;

653. $135,000 to Mt. Airy USA in Philadelphia, Pennsylvania to continue a redevelopment and urban renewal initiative;

654. $100,000 to the Beech Capital Venture Corporation in Philadelphia, Pennsylvania for renovations to buildings;

655. $100,000 to Mercy-Douglass Center of Philadelphia, Pennsylvania for facilities renovation;

656. $100,000 to the Borough of Jenkintown, Pennsylvania for renovation of a theater;

657. $100,000 to the Borough of Minersville, Pennsylvania for streetscape improvements;

658. $100,000 to the Seldom Seen Mine in Patton, Pennsylvania for facilities renovations to permit display of equipment;

659. $125,000 to the City of Lebanon, Pennsylvania for demolition and building restoration;

660. $125,000 to the City of Lebanon, Pennsylvania for construction of recreation facilities for the Lebanon Valley Family YMCA;

661. $125,000 to the City of Pittston, Pennsylvania for land acquisition, facilities renovation and demolition;

662. $125,000 to the City of Scranton, Pennsylvania for land acquisition, facilities renovation and demolition;

663. $250,000 for the Scranton Cultural Center at the Masonic Temple for facilities renovation and expansion;

664. $150,000 to the Pennridge Senior Center for the planning, design, and construction of a senior center in Perkasie, Pennsylvania;

665. $150,000 to the Borough of Donora, Pennsylvania for construction of a pavilion at Palmer Park;

666. $300,000 to Indiana University of Pennsylvania for construction of an on-campus multi-use facility;

667. $100,000 to the Borough of Northern Cambria, Pennsylvania for construction of a community recreation center;

668. $200,000 to Fayette County, Pennsylvania for renovation of the Wellness and Research Center;

669. $200,000 to Greene County, Pennsylvania for renovation of a community center;

670. $225,000 to the Phoenixville Area Economic Development Corporation for restoration of the Phoenixville Foundry building in Phoenixville Borough, Pennsylvania;

671. $225,000 to the Westmoreland County Industrial Development Corporation for property acquisition and demolition for the Jeannette, Pennsylvania Downtown Redevelopment Plan;

672. $250,000 to the Urban Education Research and Retreat Center in Philadelphia, Pennsylvania for facility renovations at the 4601 Market Street Building;

673. $250,000 to the City of Lower Burrell, Pennsylvania for construction of recreational facilities at Community Park, including a pavilion;

674. $250,000 to Seton Hill College in Greensburg, Pennsylvania for construction of recreational facilities;

675. $300,000 to the Borough of Brownsville, Pennsylvania for building renovation;

676. $300,000 to Washington & Jefferson College in Washington, Pennsylvania for renovation of downtown buildings;

677. $300,000 to Ford City, Pennsylvania for renovation of industrial park buildings;

678. $300,000 to Westmoreland County, Pennsylvania for building renovation in the Monessen Riverfront Industrial Park;

679. $325,000 to the University Technology Park, Inc. in Chester, Pennsylvania for facilities construction;

680. $350,000 to the Oil Creek Railway Historical Society located in Titusville, Pennsylvania for facilities renovations, upgrades, landscaping and for the purchase of railway cars;

681. $350,000 for construction of a community center in Dushore, Sullivan County, Pennsylvania;

682. $450,000 to the City of Johnstown, Pennsylvania for continuation of construction of a war memorial and conference center;

683. $200,000 to the City of Uniontown, Pennsylvania for construction related to Bailey Park and downtown streetscape, beautification, building renovation and restoration;

684. $150,000 to the Borough of Mount Pleasant, Pennsylvania for facilities improvements to the Veterans Park including construction of a veterans wall, monumental fountain, and ceremonial stage;

685. $150,000 to the City of Johnstown, Pennsylvania for renovations of historic Point Stadium;

686. $100,000 for Universal Community Homes in Philadelphia, Pennsylvania, to continue the conversion of more than 500 parcels of land into for-sale units to low- and moderate-income families;

687. $100,000 to the Erie Municipal Airport Authority in Erie, Pennsylvania, for the redevelopment of the recently acquired, former Fenestra window manufacturing facility to serve the needs of major air express carriers as an on-airport integrated service center;

688. $300,000 to the Community Initiatives Development Corporation, Our City Reading, in Reading, Pennsylvania, for the rehabilitation of abandoned houses and parks to provide quality home ownership opportunities to low-income families;

689. $50,000 for the City of Erie, Pennsylvania, for site preparation and redevelopment of the vacant and blighted Koehler Brewery Building;

690. $150,000 for the Borough of Lehighton, Pennsylvania, to establish a Market Towns Community Technology Center, which will serve as a community technology center to support the Corridor Market Towns regional revitalization initiative;

691. $125,000 for Downtown Chambersburg, Inc., in Chambersburg, Pennsylvania, to construct the Capitol Theatre Center and preserve the 1927 Capitol Theatre as part of a regional arts initiative;

692. $100,000 for the Chester Economic Development Authority, in Chester, Pennsylvania, for the redevelopment of the blighted and vacant waterfront district, including the former PECO power station into office space;

693. $75,000 for the Warner Theater Preservation Trust, in Erie, Pennsylvania, to restore and expand the historic Warner Theater, which will serve as the centerpiece of a regional performing arts venue;

694. $100,000 for the City of Bradford, Pennsylvania, to assist with the rehabilitation of the Old City Hall Building as the cornerstone of the city's urban redevelopment plan;

695. $250,000 for the Greater WilkesBarre Chamber of Business and Industry, in Wilkes-Barre, Pennsylvania, for the acquisition and redevelopment of the historic Irem Temple, which will be converted into a cultural center;

696. $75,000 for Nueva Esparanza, in Philadelphia, Pennsylvania, to create a Latino Corridor, as part of an inner city development initiative to transform neighborhood vacant lots and abandoned homes into a vibrant commercial corridor;

697. $150,000 for Jefferson Square Community Development Corporation, in Philadelphia, Pennsylvania, for a home ownership development initiative aimed at rejuvenating the inner-city through blight removal and construction of modern, low-income homes;

698. $75,000 for Enterprise Center CDC, in Philadelphia, Pennsylvania, for the design and development of Enterprise Heights, which will contain 50,000 square feet of new and rehabilitated office and retail space;

699. $100,000 for the Allegheny County Department of Economic Development in Allegheny County, Pennsylvania, for the redevelopment of the former U.S. Steel Carrie Furnace site, as part of an effort to stabilize the community through the integration of the former industrial area, the adjacent neighborhoods and the riverfront;

700. $200,000 for the Allegheny County Department of Economic Development for the construction of an Industrial Park in McKeesport, Pennsylvania, including the rehabilitation of a former USX Tube Works site utilizing high performance building techniques;

701. $75,000 for the City of Hazleton, Pennsylvania, for the Pine Street Neighborhood Development Project, including the acquisition and demolition of a blighted warehouse, as well as construction of affordable housing and an office building to house area nonprofit organizations, which will offer social services to city residents;

702. $75,000 for the South Philadelphia Area Revitalization Corporation, in Philadelphia, Pennsylvania, for the construction of low- and moderate-income housing;

703. $100,000 for the Greater Johnstown Regional Partnership, in Johnstown, Pennsylvania to construct a regional technology center as part of a community revitalization initiative;

704. $75,000 for the Columbia Alliance for Economic Growth, in Bloomsburg, Pennsylvania, for technological infrastructure improvements for the Bloomsburg Regional Technology Center;

705. $300,000 for the City of Lancaster, Pennsylvania for the development of an entertainment/retail complex;

706. $75,000 for the Historic Preservation Trust of Lancaster County, Pennsylvania, for rehabilitation of facilities at the Thaddeus Stevens and Lydia Hamilton Smith historic site;

707. $200,000 to the City of Philadelphia, Pennsylvania, to support the Neighborhood Transformation Initiative, which will demolish abandoned homes as well as revitalize the Philadelphia region;

708. $125,000 to the Ogontz Avenue Revitalization Corporation in Philadelphia, Pennsylvania, to assist with substantial rehabilitation of severely deteriorated vacant properties that will be developed as a part of the West Oak Lane community development rebuilding initiative;

709. $100,000 to the Philadelphia Chinatown Development Corporation in Philadelphia, Pennsylvania, for the construction of a Chinatown Community Center;

710. $75,000 to the Invest Erie Community Development Corporation in Erie, Pennsylvania, for the acquisition and development of property to establish a Parade Street Plaza;

711. $100,000 to the Town of Burrillville, Rhode Island for health/fitness and recreational facilities construction and renovation at the Branch River and Hauser Memorial Field Park areas, including pedestrian walkways;

712. $250,000 to the City of Central Falls, Rhode Island for recreational facilities construction and renovation;

713. $200,000 to Salve Regina University in Newport, Rhode Island facilities renovations to accommodate laboratory facilities;

714. $700,000 for the Salvation Army of Rhode Island, Providence, Rhode Island for construction of a day care center;

715. $130,000 for the City of North Providence, Rhode Island for construction of a senior center;

716. $300,000 for the YMCA of Greater Providence, Rhode Island for the Village of Promise project;

717. $300,000 for the Sexual Assault and Trauma Center of Rhode Island, Providence, Rhode Island to purchase a building for the Children's Advocacy Center;

718. $300,000 for the Providence Public Library, Rhode Island for renovations;

719. $450,000 for the Johnston Senior Citizens Center, Johnston, Rhode Island for the construction of a new senior center;

720. $170,000 for AS220 and Perishable Theatre, Providence, Rhode Island for building refurbishment;

721. $300,000 for the Pawtucket Armory Association in Pawtucket, Rhode Island for the renovation of the Pawtucket Armory as an arts center;

722. $200,000 for the Warwick Boys and Girls Club, Warwick, Rhode Island for building renovations;

723. $150,000 for the Trinity Repertory Theatre, Providence, Rhode Island for the construction of the Pell Chafee Performance Center;

724. $100,000 for Travelers Aid in Providence, Rhode Island for building renovations;

725. $100,000 for the Institute for the Study and Practice of Nonviolence for the renovation of the institute in Rhode Island;

726. $100,000 for the Town of Bristol, Rhode Island for the redevelopment of the waterfront complex;

727. $100,000 for the Roger Williams Park in Providence, Rhode Island for the construction of the Botanical Gardens;

728. $50,000 for the Seabee Museum and Memorial park in North Kingstown, Rhode Island for costs associated with construction;

729. $50,000 for Harmony Hill School in Chepachet, Rhode Island for construction of Harmony House;

730. $100,000 to the Eau Claire Development Corporation in South Carolina for land acquisition near Farrow Road;

731. $150,000 to the Golden Harvest Food Bank in Aiken, South Carolina for facilities expansion for the Feed the People project;

732. $150,000 to Lee County, South Carolina for Ashwood Gymnasium renovations;

733. $150,000 to Calhoun County, South Carolina for construction of a community recreational facility;

734. $225,000 to the South Carolina School for the Deaf and Blind in Spartanburg, South Carolina for facilities renovation;

735. $1,000,000 for the Five Rivers Community Development Corporation, Georgetown, South Carolina for economic development and affordable housing;

736. $500,000 to the Winchester Conservation Museum, Edgefield, South Carolina for expansion;

737. $2,000,000 for Wakpa Sica Historical Society in Fort Pierre, South Dakota for the Wakpa Sica Reconciliation Center;

738. $400,000 for the City of Parker, South Dakota for the development of a community center;

739. $400,000 for the City of Beresford, South Dakota for the Beresford Industrial Infrastructure Development project;

740. $200,000 for the Aberdeen Workforce Development Council, Aberdeen South Dakota for costs associated with the Workforce Development Center;

741. $50,000 for the Canton Economic Development Corporation, Canton, South Dakota for infrastructure development;

742. $1,000,000 for Dakota Wesleyan University, Mitchell, South Dakota for facilities construction for the McGovern Library and Center for Public Service;

743. $350,000 for the City of Sioux Falls, South Dakota for the expansion and rehabilitation of the Orpheum Theatre;

744. $200,000 for the City of Vermillion, South Dakota for the expansion of the Center for Children and Families;

745. $100,000 for the City of Redfield, South Dakota for renovations and improvements to the Carnegie Library;

746. $250,000 to the 28th Legislative District Community Development Corporation for planning activities for the redevelopment of the Bushtown community in Chattanooga, Tennessee;

747. $100,000 to the Cocaine & Alcohol Awareness Program, Inc. in Tennessee for renovation and construction of facilities;

748. $500,000 to Hamilton County, Tennessee for facilities construction for a Center for Entrepreneurial Growth Incubator;

749. $450,000 to Knox County, Tennessee for facilities preservation, construction, renovation and expansion at the Beck Cultural Exchange Center, the Blount Mansion, the Ramsey House and at Willow Creek Youth Park for the Knox Cultural and Tourism initiative;

750. $575,000 to the Bijou Theatre Center in Knoxville, Tennessee for facilities renovations;

751. $100,000 to Fisk University in Nashville, Tennessee for facilities construction,

752. $900,000 for the Five Points Commercial Development Project in Knoxville, Tennessee to develop abandoned, blighted, and underdeveloped commercial areas;

753. $500,000 for Rolling Mill Hills in Nashville, Tennessee to revitalize distressed urban areas;

754. $500,000 for the New Town Center at Soulsville in Memphis, Tennessee to support economic and community development;

755. $500,000 for the Chattanooga Riverfront Development Project, Chattanooga, Tennessee to create new park space and other improvements along the riverfront;

756. $100,000 for the Historic Rugby Economic Development Project in Rugby, Tennessee to develop new visitor facilities and encourage economic growth;

757. $500,000 for the Tennessee State University Communications Enhancement Initiative in Nashville, Tennessee to complete a performing arts center and support community programs;

758. $75,000 to the San Antonio Food Bank in San Antonio, Texas for land acquisition and facility buildout;

759. $100,000 to Williamson County, Texas for construction of a community center;

760. $100,000 to the City of Temple, Texas for land acquisition and building demolition—along Martin Luther King Boulevard;

761. $100,000 to the McAllen Boys and Girls Club in McAllen, Texas for construction;

762. $220,000 for the City of Beaumont, Texas for the Downtown Improvement Program;

763. $100,000 to the Marshall Downtown Development Corporation Marshall, Texas for planning and renovation to permit reuse of a downtown building;

764. $100,000 to the Abilene Preservation League, in Abilene, Texas for restoration of the Swenson House;

765. $100,000 to the San Angelo Old Town Conservancy, Inc. in San Angelo, Texas for restoration of the Runkles and Rackley Building for reuse;

766. $150,000 to the City of Houston, Texas for construction of the Townwood Community Center;

767. $150,000 to the City of Dallas, Texas for Farmers Market renovation;

768. $150,000 to the City of El Paso, Texas for restoration of the Plaza Theatre;

769. $150,000 to the City of San Angelo, Texas for renovation of tourism facilities;

770. $200,000 to the Permian Basin Petroleum Museum in Midland, Texas for facilities renovations and improvements;

771. $200,000 to the City of Fort Worth, Texas for renovation of the Clark's Department store building for reuse;

772. $225,000 to the Brazos Valley Family Medicine Center in Bryan, Texas for facilities improvements and buildout for the Center for Excellence in Family Medicine and Rural Primary Care;

773. $225,000 to the City of La Feria, Texas for construction of a Boys and Girls Club;

774. $400,000 to the City of Waco, Texas for construction of a community center;

775. $350,000 to the Old Red Courthouse, Inc. in Dallas, Texas for facilities restoration and improvements;

776. $950,000 to Rice University for construction of the Rice University-Texas Medical Center Joint Research Facility in Houston, Texas;

777. $1,000,000 to the City of Fort Worth, Texas for construction of urban waterfront improvements for the Trinity River Vision Project;

778. $900,000 for Christus Santa Rosa Children's Hospital in San Antonio, Texas for facilities upgrades;

779. $100,000 to the City of Greenville, Texas for renovations to downtown buildings;

780. $240,000 to the City of Dallas, Texas for restoration of the Texas Theatre;

781. $100,000 to the Martin Luther King, Jr. Community Center (King Center) in Houston, Texas for facilities renovations;

782. $100,000 to Harris County, Texas for an economic development study for the Precinct 2 Harris County Unincorporated Revitalization Program;

783. $100,000 to the City of Brownsville, Texas for construction and facilities buildout needs for a family and business development center;

784. $200,000 to the Audie Murphy/American Cotton Museum in Hunt County, Texas for construction of the Hunt County Veterans Memorial and the Audie Murphy Hall of American Heroes;

785. $500,000 to the University of the Incarnate Word in San Antonio, Texas for facilities renovation for the Math, Science and Engineering Center;

786. $250,000 for the City of San Angelo, Texas for the Innovative Low Income Housing Financing Initiative;

787. $450,000 for the Greater Kelly USA Development Authority, San Antonio, Texas for the Kelly USA Economic Development for Commerce for a manufacturing site served by rail;

788. $200,000 for the City of Denton, Texas for the downtown redevelopment and infrastructure improvements;

789. $300,000 for the City of Dallas, Texas for the Eagle Ford Low Income Housing Project for the development of affordable housing for low and moderate-income families;

790. $200,000 for Camp Fire USA, Texas for costs associated with multiple construction projects;

791. $200,000 for the Border Trade Alliance, Texas for the Economic Health of the Southwest Border project;

792. $200,000 for the City of Austin, Texas for the SMART (Safe, Mixed-Income, Accessible, Reasonably-Priced and Transit-Oriented) Housing Program;

793. $300,000 for the Chinese Community Center, Houston, Texas to develop a new center site;

794. $200,000 for Holt Hotel in Wichita Falls, Texas for continued renovations to the Holt Hotel;

795. $200,000 for the Science Spectrum in Lubbock, Texas for the Science Spectrum Aerospace Exhibit to design and construct a 5,000 square foot permanent, hands-on exhibition demonstrating the science and engineering principles of powered flying machines, including aerospace concepts;

796. $400,000 for the City of Austin, Texas for renovations needed, associated with the 2006 World Congress on Information Technology, to the Austin Community Center;

797. $300,000 for the St. Philip's Development Board, Dallas, Texas for the St. Philip's Neighborhood Development Plan;

798. $100,000 to the Utah Shakespearean Festival for architectural and engineering design of a performance facility;

799. $100,000 to Salt Lake City, Utah for streetscape improvements in the Ninth and Ninth neighborhood;

800. $150,000 to West Valley City, Utah for facilities construction and renovation for the Cultural Celebration Center;

801. $225,000 to the City of Tremonton, Utah for construction of a Historic Wagon Museum;

802. $1,000,000 for the City of Provo, Utah for the Pioneer Neighborhood Revitalization project;

803. $1,000,000 for the City of Ogden, Utah for the Ogden Central Neighborhood Redevelopment project;

804. $500,000 for the City of Logan, Utah for Northwest Public Park project;

805. $500,000 for Salt Lake City, Utah for the Pete Suazo Business Center to purchase building space;

806. $500,000 for Syracuse City, Utah for the Syracuse City Senior Citizen and Community Center for construction;

807. $500,000 for the Vermont Institute of Natural Science, Woodstock, Vermont for the construction of a wildlife rehabilitation facility;

808. $400,000 for the Vermont Housing and Conservation Board, Montpelier, Vermont for the creation of affordable rental housing in downtown Brattleboro;

809. $100,000 for the City of Burlington, Vermont for the construction of the Lake Champlain Navy Memorial;

810. $1,000,000 for the Vermont Center on Emerging Technologies, Burlington, Vermont for the development of a technology incubator;

811. $200,000 for the Vermont Housing and Conservation Board, Montpelier, Vermont for construction of affordable housing in St. Albans, Vermont;

812. $250,000 for the Northern Community Investment Corporation, St. Johnsbury, Vermont for development of the Newport Area Family Services project;

813. $400,000 for the Vermont Housing and Conservation Board, Montpelier, Vermont for construction of affordable housing in Essex, Vermont;

814. $150,000 for the Vermont Broadband Council to expand broadband services in rural Vermont;

815. $90,000 to the Southern Vermont Recreation Center Foundation, in Springfield, Vermont for the construction of a community center;

816. $100,000 to the Department of Buildings and General Services of the State of Vermont for construction of veterans memorials in Springfield and Putney, Vermont;

817. $75,000 for the Rockfish Community Center in Nelson County, Virginia for roof replacement;

818. $75,000 for the Town of Boydton, Virginia for downtown revitalization;

819. $100,000 to the Lorton Arts Foundation, Incorporated in Lorton, Virginia for facilities renovation and construction;

820. $100,000 for the Sedalia Center in Bedford County, Virginia to assist with construction costs of this regional cultural center;

821. $100,000 for the Colonial Theater in the Town of South Hill, Virginia to assist with renovation efforts;

822. $100,000 to the John Singelton Mosby Museum Foundation in Warrenton, Virginia for facilities renovations;

823. $100,000 to the Arlington Housing Corporation in Arlington County, Virginia for property acquisition, building demolition and facilities rehabilitation;

824. $100,000 to the Reston Association in Reston, Virginia for construction of the Reston Southgate Community Center;

825. $100,000 to Fairfax County, Virginia for construction of the Richmond Highway Town Center;

826. $100,000 to Volunteers of America, Chesapeake, Inc. for renovation of the Bailey's Crossroads Community Shelter in Virginia;

827. $100,000 to Community Lodgings in Alexandria, Virginia for renovations to a family learning center;

828. $100,000 to the Boys and Girls Club of Greater Hampton Roads, Virginia for facilities renovations and upgrades;

829. $100,000 to the Children's Museum of Virginia in Portsmouth, Virginia for facilities renovation and expansion;

830. $125,000 to Craig County, Virginia for construction of a library;

831. $125,000 to the Dabney S. Lancaster Community College in Virginia for construction of the Virginia Packaging Applications Center;

832. $150,000 to the City of Suffolk, Virginia for construction of the Great Dismal Swamp Visitors Center;

833. $150,000 for the North Theater in the City of Danville, Virginia to assist with renovation efforts;

834. $200,000 to the Imani Intergenerational Community Development Center, Inc. for facilities construction and renovation of the 1400 block of Hull Street in Richmond, Virginia;

835. $200,000 to the City of Fairfax, Virginia for the Old Town Fairfax Redevelopment Project for construction of parking facilities;

836. $200,000 to Prince William County, Virginia for the Nokesville Redevelopment Project for facilities rehabilitation and renovation and streetscape improvements;

837. $200,000 for the Blue Ridge Institute at Ferrum College in the Town of Ferrum, Virginia for the construction of the Agricultural Heritage Education Center to assist with economic development and tourism in the area;

838. $200,000 for Charlotte County, Virginia for infrastructure and building upgrades;

839. $200,000 for the Martinsville-Henry County Historical Society in Virginia for improvements to the Old Henry County Court House and Museum;

840. $200,000 for the Lewis and Clark Exploratory Center in Charlottesville, Virginia to assist in the construction of the Center;

841. $250,000 for The Prizery in the Town of South Boston, Virginia to assist with renovation efforts and the creation of a community arts center;

842. $250,000 to Edgehill Recovery Retreat Center in Winchester, Virginia for facilities construction;

843. $275,000 to the Virginia Holocaust Museum in Richmond, Virginia for facilities renovations and buildout;

844. $325,000 to the Windy Hill Foundation in Middleburg, Virginia for the construction of affordable housing;

845. $350,000 to Fairfax County, Virginia for facilities construction for Magnet Housing;

846. $400,000 for the Institute of Advanced Learning and Research (IALR) in Danville, Virginia for facility renovation and equipment improvements;

847. $400,000 to the Christopher Newport University Foundation of Newport News, Virginia for facilities construction and renovation;

848. $1,000,000 to the Art Museum of Western Virginia for planning and construction of a new museum in Roanoke, Virginia;

849. $100,000 to the Tenants' and Workers' Support Committee for construction and renovation of a multi-purpose committee room in the Arlandria community of Alexandria, Virginia;

850. $100,000 to Arlington County, Virginia for construction of a community center in the Buckingham community;

851. $400,000 to The Conservation Fund in Arlington, Virginia for land acquisition;

852. $500,000 for the Virginia Performing Arts Foundation for facilities construction in Richmond, Virginia;

853. $1,200,000 for the City of Newport News, Virginia for the development of the Newport News Fine Arts Center;

854. $500,000 for the Tredegar National Civil War Center Foundation for planning and construction of the Tredegar National Civil War Center in Virginia;

855. $200,000 to the Skagit County Children's Museum in Mount Vernon, Washington for facilities improvements and renovation;

856. $100,000 to the Tacoma Art Museum in Tacoma, Washington for building construction;

857. $100,000 to Jefferson County, Washington for restoration of the Jefferson County Courthouse Clock Tower;

858. $100,000 to Olympic College in Washington for construction at the Shelton Branch;

859. $515,000 to the Lutheran Compass Center in Seattle, Washington for rehabilitation and expansion of facilities;

860. $100,000 to the City of Burien, Washington for land acquisition;

861. $125,000 to the Westport Senior Center in Westport, Washington for construction;

862. $125,000 to Peninsula College in Washington for construction of a science facility;

863. $150,000 to the City of Bremerton, Washington for streetscape and façade renovation;

864. $225,000 to the Children's Home Society of Washington for facilities construction for the Spokane Valley Family Resource Center;

865. $350,000 to Kent Youth and Family Services in Kent, Washington for facilities expansion and rehabilitation for the Springwood Community Center;

866. $450,000 to the City of Yakima, Washington for renovation of the Capitol Theatre;

867. $400,000 to Richard Allen Enterprises in Spokane, Washington for the Emmanuel Center Project for facilities expansion;

868. $500,000 for the Museum Development Authority, Seattle, Washington for costs associated with brownfields redevelopment;

869. $250,000 for the Kitsap County Consolidated Housing Authority, Bremerton, Washington for downtown revitalization;

870. $250,000 for the Washington Technology Center in Seattle for the Washington Nanotechnology Initiative;

871. $500,000 for the West Central Community Center, Spokane, Washington for costs associated with expansion;

872. $200,000 for Hope Home in Pasco, Washington for the purchase and renovation of a home for its program;

873. $250,000 for the Walter Clore Wine and Culinary Center in Prosser, Washington for costs associated with construction;

874. $250,000 for the Economic Alliance in Okanogan, Washington for the construction of a business incubator;

875. $150,000 to the Business and Industrial Development Corporation for the acquisition, renovation and reuse of the Clendenin Middle School in West Virginia;

876. $225,000 to the Jefferson County Development Authority, West Virginia for infrastructure improvements for the Burr Industrial Park near Charles Town, West Virginia;

877. $200,000 to the Strand Theatre Preservation Society in Moundsville, West Virginia for theatre renovations;

878. $400,000 to the Monongalia County Schools Foundation, Inc. in West Virginia for construction of recreation facilities;

879. $750,000 to the Greenbrier Valley Economic Development Corporation in Lewisburg, West Virginia for facilities construction and buildout;

880. $750,000 to the Vandalia Heritage Foundation, Inc. for land acquisition;

881. $1,050,000 to the 4-County Economic Development Corporation in Oak Hill, West Virginia for facilities construction and buildout;

882. $1,170,000 to Glenville State College in Glenville, West Virginia for the construction of a new campus community education center;

883. $3,200,000 to the West Virginia High Technology Consortium Foundation, Inc. for land acquisition to expand a high technology business park;

884. $500,000 for Appalachian Bible College, Beckley, West Virginia to complete its library resource center;

885. $1,000,000 for the Huntington Area Development Council, Huntington, West Virginia for the construction of a business incubator;

886. $2,000,000 for West Virginia University in Morgantown for the construction of a facility focused on forensic science and biometrics research;

887. $1,500,000 for the City of Beckley, West Virginia for downtown revitalization;

888. $100,000 to Centro Hispano in Madison, Wisconsin for expansion of facilities;

889. $100,000 to the East Madison Community Center in Wisconsin for expansion of facilities;

890. $175,000 to West End Development Corporation in Milwaukee, Wisconsin for building acquisition and renovation in the Near West Side neighborhood;

891. $175,000 to the Redevelopment Authority of the City of Milwaukee, Wisconsin for building and facade renovation along the Vliet Street corridor;

892. $350,000 to the Military Veterans Museum, Inc. in Oshkosh, Wisconsin for facilities construction;

893. $900,000 to the City of Superior, Wisconsin for facilities improvements, new construction and relocation of facilities at the Barker's Island Redevelopment Project;

894. $1,000,000 to the City of Wausau, Wisconsin for the construction of a business development center;

895. $200,000 for the Menomonee Valley Partners of Milwaukee, Wisconsin for the redevelopment of a former rail yard;

896. $100,000 for the West Central Wisconsin Regional Planning Commission of Eau Claire, Wisconsin for an economic development initiative;

897. $100,000 for the City of Beloit, Wisconsin for the redevelopment of a former industrial site;

898. $300,000 for Techstar of Milwaukee, Wisconsin for economic development initiatives;

899. $500,000 for C–CAP, Inc., Waukesha, Wisconsin for costs associated with the Low Income Housing Redevelopment Project;

900. $350,000 for the City of Kenosha, Wisconsin for the construction of affordable housing;

901. $250,000 for the City of Madison, Wisconsin for the construction of low-income housing;

902. $1,000,000 to the University of Wyoming for construction of the Wyoming Technology Business Center in Laramie, Wyoming.

—$44,000,000 for the Neighborhood Initiatives program instead of $21,000,000 as proposed by the House and Senate. Modified language is included, similar to language proposed by the House and Senate, to target funds made available under this program. Targeted grants shall be provided as follows:

1. $2,000,000 for the Denali Commission for economic development in rural Alaska;

2. $500,000 for the City of Fresno, California for the Roeding Business Park Development project;

3. $750,000 for the City of Waterbury, Connecticut for the demolition of blighted buildings;

4. $250,000 for the County of Hawaii for neighborhood restoration in Hilo, Hawaii;

5. $75,000 for the Heart of Illinois Big Brothers Big Sisters program in Peoria, Illinois for the construction of a facility;

6. $100,000 to the City of Peoria, Illinois, for the Southern Gateway revitalization project to redevelop this neighborhood into a commercial center;

7. $650,000 for OSF Saint Francis Medical Center in Peoria, Illinois for the renovation of treatment rooms to expand the facility's emergency department;

8. $725,000 for Eureka College in Eureka, Illinois for construction of a new Science and Technology Center;

9. $300,000 for the City of Rockford, Illinois for a neighborhood revitalization project in the North Mid Town Area;

10. $200,000 for the City of Indianapolis, Indiana for the Tenth Street Revitalization Project;

11. $500,000 for the Iowa Department of Economic Development for the Main Street Iowa initiative;

12. $500,000 for the City of Waterloo, Iowa for the redevelopment of the Rath area brownfields;

13. $200,000 to the Community Economic Empowerment Corporation for construction of a recreation center in Louisville, Kentucky;

14. $325,000 for the Rhema Development Corporation for renovation of housing facilities in Louisville, Kentucky;

15. $400,000 for the Shiloh Community Renewal Center in Louisville, Kentucky for renovation and conversion of a building into an apartment facility for the elderly;

16. $400,000 for the St. Stephen Family Life Center in Louisville, Kentucky for facilities renovation of Stewart Hall;

17. $325,000 for the Shelby Park Neighborhood Association for the design and construction of a community center in Louisville, Kentucky;

18. $400,000 for the New Zion Community Development Foundation for facilities renovations and improvements in Kentucky;

19. $150,000 for the Trinity Family Life Center in Louisville, Kentucky for continued facilities construction;

20. $1,000,000 for East Baltimore Development Inc., in Baltimore, Maryland for redevelopment activities in East Baltimore which include coordination with the Oliver community redevelopment plan;

21. $150,000 for Charles County, Maryland for the La Plata Community Center.

22. $1,000,000 for MassDevelopment, Boston, Massachusetts for the Lawrence Gateway/Quadrant Area Redevelopment Plan;

23. $500,000 for the City of Roseau, Minnesota for economic redevelopment;

24. $500,000 for Neighborhood House in St. Paul, Minnesota for construction of the Paul and Sheila Wellstone Center for Community Building;

25. $5,000,000 for the Grace Hill Neighborhood Health Centers, Inc. shall be spent on primary prevention activities with no less than $4,000,000 spent on remediation and abatement activities of housing in St. Louis, Missouri;

26. $250,000 for the Garfield Family Intervention Center in Birney, Montana for renovations;

27. $250,000 for the Northern Cheyenne Boys and Girls Club, Lame Deer, Montana for construction costs;

28. $500,000 to NYSERNET to develop a blueprint for building or acquiring dark fiber deployment throughout Upstate New York;

29. $400,000 to the Cortland County Industrial Development Authority in New York for the expansion of the Marietta bulk manufacturing facility;

30. $100,000 to Cayuga County, New York for expansion of the Cayuga Home in Auburn, New York;

31. $5,000,000 to the City of Syracuse, New York for the Neighborhood Initiative Program;

32. $250,000 for Rural Opportunities, Rochester, New York for the Upstate New York Community and Business Development New Market Initiative;

33. $500,000 to the Alliance for the Arts in New York City for the development of the New York State Cultural Database;

34. $1,000,000 to The Ohio State University in Columbus, Ohio for The Ohio State University Neighborhoods Revitalization Initiative;

35. $500,000 for the Jackson Day Care Center in Jackson, Ohio for construction and facilities improvements;

36. $4,000,000 for the Oklahoma Department of Environmental Quality for neighborhood restoration in Ottawa County;

37. $1,000,000 for the City of Rock City, South Carolina for the revitalization and the

development of the Arcade-Westside Area of Rock Hill;

38. $500,000 for the City of Denton, Texas for downtown redevelopment;

39. $50,000 for the Halifax County Community Action Agency for the development of a Housing Initiative in Charlotte County, Virginia;

40. $300,000 for Lutheran Community Services Northwest, SeaTac, Washington for the construction of a community services building;

41. $3,500,000 for the Institute for Scientific Research for construction related to a high-technology diversification initiative;

42. $4,250,000 for the Vandalia Heritage Foundation, Inc. for community and neighborhood revitalization and economic diversification initiatives.

43. $2,500,000 to the West Virginia High Technology Consortium Foundation, Inc. for mission purposes and economic development initiatives

44. $150,000 to Oneida County, Wisconsin for the restoration of an historic building;

45. $150,000 to Langlade County, Wisconsin for the restoration of an historic building;

46. $450,000 for the City of Manitowoc, Wisconsin for economic development activities;

47. $1,500,000 for the Girl Scouts of the USA for youth development initiatives in public housing.

Includes modified language making technical corrections to certain targeted economic development initiative grants funded under this heading in prior appropriations Acts, similar to language proposed by the House and the Senate.

Includes language transferring no less than $4,900,000 to the Working Capital Fund for development of and modifications to information technology systems as proposed by the House and the Senate.

Includes language limiting the use of funds provided under this heading for planning, management and administration to not more than 20 percent of the funds provided except for amounts provided for certain activities as proposed by the House. The Senate proposed similar language.

Language is not included proposed by the Senate designating funds for the Native Hawaiian block grant program, but instead funding and language is included for this program under the section 107 program as proposed by the House.

URBAN DEVELOPMENT ACTION GRANTS

Cancels $30,000,000 from unspent balances as proposed by both the House and Senate.

COMMUNITY DEVELOPMENT LOAN GUARANTEES PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

Appropriates $7,325,000 for costs associated with section 108 loan guarantees to subsidize a total loan principal of up to $275,000,000 as proposed by the Senate. The House did not include funding.

BROWNFIELDS REDEVELOPMENT

Appropriates $25,000,000 for brownfields redevelopment as proposed by both the House and the Senate.

The conference agreement provides funds for this program pursuant to the current statutory authorities under section 108(q).

Language is included requiring funds to be awarded competitively as proposed by the House. The Senate included similar language. The Department is reminded that these funds are to be distributed on a competitive basis in accordance with the requirements set forth in section 205 under administrative provisions in this title.

HOME INVESTMENT PARTNERSHIPS PROGRAM

(INCLUDING TRANSFER OF FUNDS)

Appropriates a total of $2,017,100,000 for this account, instead of $2,064,100,000 as proposed by the House and $1,975,000,000 as proposed by the Senate.

The conference agreement includes $1,930,000,000 for the HOME Investment Partnerships program, instead of $1,939,100,000 as proposed by the House and $1,925,000,000 as proposed by the Senate. Of this amount, $40,000,000 is for housing counseling as proposed by the House and Senate; $18,000,000 is for technical assistance as proposed by the House and Senate including $7,000,000 for qualified non-profit intermediaries to provide technical assistance to Community Housing and Development Organizations (CHDOs) instead of $8,000,000 to CHDO technical assistance as proposed by the House and $6,000,000 as proposed by the Senate; and $2,100,000 is for information technology systems as proposed by the House instead of $1,100,000 as proposed by the Senate.

In addition, the conference agreement includes $87,500,000 to provide down-payment assistance to low-income families to help them achieve homeownership, instead of $125,000,000 as proposed by the House and $50,000,000 as proposed by the Senate. Modified language is included similar to language proposed by the House requiring these funds to be distributed by a formula established by the Secretary that takes into account, among other things, a jurisdiction's need for and prior commitment to assistance to homebuyers. New language is included to require funds to be distributed for down-payment in accordance with the terms and conditions set forth in new authorization legislation should such legislation be enacted prior to April 15, 2004. The Senate did not support linking the use of HOME funds to the allocation of funds under this program and included language requiring funds to be distributed by a formula developed through rulemaking.

HOMELESS ASSISTANCE GRANTS

(INCLUDING TRANSFER OF FUNDS)

Appropriates $1,267,000,000 for homeless assistance grants, instead of $1,242,000,000 as proposed by the House and $1,325,000,000 as proposed by the Senate. Includes language requiring the renewal of all expiring Shelter Plus Care grants as proposed by the House instead of bill language specifying a dollar amount for this purpose as proposed by the Senate. However, the conferees understand that the current estimate for Shelter Plus Care renewals totals $194,000,000. The conferees expect the Department to provide the full amount necessary to fund these renewals from within the amounts provided.

Language is included designating $12,000,000 for the national homeless data analysis project and for technical assistance as proposed by the House and Senate.

Language is included designating $2,580,000 for information technology systems as proposed by the House and Senate.

The conferees reiterate the direction and reporting requirement included in the Senate report regarding the collection and analysis of data to assess the effectiveness of the homeless system.

In lieu of the direction included in the Senate report, the conferees encourage the Department to review the plans being developed by the U.S. Interagency Council on Homelessness to end chronic homelessness and provide a report to the Committees on Appropriations no later than May 15, 2004, on recommendations to develop incentives or requirements under McKinney-Vento programs to achieve this goal.

The conferees reiterate the direction included in the Senate report on the annual submission of 5-year projections for renewal costs.

HOUSING PROGRAMS

HOUSING FOR THE ELDERLY

(INCLUDING TRANSFER OF FUNDS)

The conference agreement provides funding for the housing for the elderly (section 202) program and the housing for the disabled (section 811) program in two new accounts as proposed by the House rather than continuing funding for both programs under one account as proposed by the Senate.

The conference agreement recommends a total program level of $794,320,000 for the section 202 program. Of this amount, $778,320,000 is provided as a direct appropriation instead of $773,320,000 as proposed by the House and $783,286,000 as proposed by the Senate. In addition, $16,000,000 is derived from unobligated balances from funds provided for project-based rental assistance contracts (PRAC) renewals in fiscal year 2003 that were not needed to meet this requirement and recaptures of excess prior year funds, as proposed by the House. The Senate did not address this matter.

The conference allocates funds as follows:

—$691,850,000 for new capital and PRAC contracts, instead of $695,850,000 as proposed by the House and $636,816,000 as proposed by the Senate;

—$2,000,000 for one-year renewals of expiring PRAC payments as proposed by the House instead of $26,000,000 as proposed by the Senate. The conferees note that this amount represents the revised estimate of funding necessary for PRAC renewals in fiscal year 2004, however should additional funds be required the Department may reallocate funds from new capital grants as necessary subject to standard reprogramming requirements;

—$50,000,000 for service coordinators and the continuation of congregate services grants as proposed by the House and Senate;

—$30,000,000 for assisted living conversion grants and emergency capital repairs. The House proposed $25,000,000 for assisted living conversion grants and the Senate proposed $30,000,000 for assisted living conversion grants and substantial capital repair grants. Modified language is included designating these funds for assisted living conversion grants and for emergency capital repairs as determined by the Secretary.

The conferees are aware of concerns regarding the long-term conditions and needs of the sections 202 and 236 assisted housing stock. The conferees direct the Department to conduct a capital assessment of the stock and provide a report to the Committees on Appropriations not later than August 15, 2004, on alternatives to address such long-term needs. As part of this report, the conferees request that the Department examine whether the mechanisms used under the Mark-to-Market program for certain federally-insured properties can be applied to the section 202 and section 236 portfolios as a means of addressing such needs in a cost-effective manner;

—$20,000,000 for competitive grants for planning, design and development activities for section 202 projects. These funds are to be allocated for project planning, preliminary design, site control activities and other development costs, including gap financing if appropriate, directly related to section 202 projects in order to facilitate timely completion of such projects. The conferees do not intend for these funds to be used for technical assistance but instead expect such funds to be used for start-up costs associated with such projects. Language is not included to create a revolving loan fund as proposed by the Senate. The conferees believe such needs can be addressed through this competitive grant program; and

—no less than $470,000 for transfer to the Working Capital Fund for information technology activities.

Language is included making funds available for obligation for three years as proposed by the House instead of four years as proposed by the Senate.

Language is included transferring and merging all unexpended balances previously appropriated for the section 202 program to this new account as proposed by the House. The Senate did not address this matter.

HOUSING FOR PERSONS WITH DISABILITIES

(INCLUDING TRANSFER OF FUNDS)

The conference agreement recommends a total program level of $256,470,000 for the section 811 program. Of this amount, $250,570,000 is provided as a direct appropriation as proposed by the House and the Senate and an additional $5,900,000 is derived from unobligated balances from funds provided for project-based rental assistance contracts (PRAC) renewals in fiscal year 2003 that are not needed to meet this requirement and recaptures of excess prior year funds, as proposed by the House. The Senate did not address this matter.

The conference allocates funds as follows:

—$213,300,000 for new capital and PRAC contracts and new vouchers as proposed by the House. The Senate included $200,045,000 for this purpose under the Housing for Special Populations account;

—$42,700,000 for one-year renewal costs of section 811 rental assistance and expiring PRAC contracts as proposed by the House instead of $50,000,000 as proposed by the Senate. The conferees note that this amount represents the revised estimate of funding necessary for PRAC renewals in fiscal year 2004, however should additional funds be required the Department may reallocate funds from new capital grants as necessary subject to standard reprogramming requirements; and

—no less than $470,000 for transfer to the Working Capital Fund for information technology activities.

Language is included allowing the Secretary to designate up to 25 percent of funds, excluding amounts for voucher renewals, to be used for new voucher assistance for the disabled as proposed by the House and the Senate.

Language is included making funds available for obligation for three years as proposed by the House instead of four years as proposed by the Senate.

Language is included transferring and merging all unexpended balances previously appropriated for the section 811 program to this new account as proposed by the House. The Senate did not address this matter.

FLEXIBLE SUBSIDY FUND

(TRANSFER OF FUNDS)

Includes language regarding the transfer of excess rental charges to this fund as proposed by the House. Language proposed by the Senate is not included allowing certain excess rental charges to be refunded to owners rather than transferred to the Fund.

RENTAL HOUSING ASSISTANCE

(RESCISSION)

Includes a rescission of up to $303,000,000 from recaptured excess section 236 funds resulting from the pre-payment of such mortgages as proposed by the House and the Senate.

MANUFACTURED HOUSING FEES TRUST FUND

Appropriates up to $13,000,000 for authorized activities from fees collected in the Fund as proposed by the House. The Senate included similar language.

FEDERAL HOUSING ADMINISTRATION

MUTUAL MORTGAGE INSURANCE PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

Establishes an $185,000,000,000 limitation on commitments to guarantee single-family loans during fiscal year 2004 as proposed by the House and the Senate. The conferees do not concur with language proposed by the Senate regarding the appropriateness of the decision to change the point of obligation for this program. In lieu of such language addressing this matter, the conferees direct the Department to submit quarterly reports on the status of commitments as compared to the commitment limitation in addition to notification reports required by section 3(b) of Public Law 99–289.

Establishes a $50,000,000 limitation on direct loans to nonprofits and governmental entities in connection with the sale of HUD-owned single-family properties as proposed by the House and the Senate.

Appropriates $359,000,000 for administrative expenses as proposed by both the House and Senate. Of this amount, $355,000,000 is to be transferred to the salaries and expenses account and not to exceed $4,000,000 is to be transferred to the Office of Inspector General as proposed by both the House and Senate.

Appropriates $85,000,000 for administrative contract expenses and includes language allowing up to an additional $30,000,000 to be made available for such expenses in certain circumstances as proposed by both the House and Senate.

Transfers no less than $20,744,000 from administrative contract expenses under this account to the Working Capital Fund for the development of and modifications to information technology systems as proposed by both the House and Senate.

In lieu of the language included in the Senate report regarding the Asset Control Area program and revitalization areas, the conferees instead agree to require a report from the Department on revitalization area designations. The conferees direct HUD to submit a report no later than February 15, 2004, to the Committees on Appropriations that describes the criteria and methodology the Department uses to determine revitalization areas; lists the communities that have lost their revitalization area designation since June, 2002; and provides justification for the changes. The conferees understand that the Department is currently conducting a review of all revitalization areas, and expect that this review will be discussed in the report. The conferees expect that the Department will continue to recognize communities with high concentrations of HUD-foreclosed properties as revitalization areas. The conferees do not concur with the language in the Senate report regarding the withholding of salary payments to departmental employees responsible for administering this program.

The conferees reiterate the guidance and direction included in the Senate report regarding language included under administrative provisions to publish a regulation to allow HUD to preclude certain buyers from purchasing foreclosed properties during the disposition process.

GENERAL AND SPECIAL RISK PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

Establishes a $25,000,000,000 limitation on multifamily and specialized loan guarantees during fiscal year 2004 as proposed by the House and the Senate.

Appropriates $15,000,000 for subsidy costs to support certain multifamily and special purpose loan guarantee programs as proposed by the House and the Senate.

In lieu of the language in the Senate report regarding the section 242 hospital insurance program, the conferees note that legislation was recently enacted that facilitates the availability of section 242 hospital insurance in states without a certificate of need program. This new authority should help geographically diversify the section 242 program which will help ensure the financial soundness of the program. The conferees direct HUD to report to the Committees on Appropriations no later than August 15, 2004, on its efforts to geographically diversify the hospital insurance portfolio; assess overall financial risks from the section 242 program to the insurance fund; assess the importance of the section 242 program in meeting healthcare facility needs as compared to other public and private funding options; and any recommendations to improve the section 242 program, including options to reduce the financial risk of the program. The Department is directed to consult with the Department of Health and Human Services in developing this report.

Government National Mortgage Association

GUARANTEES OF MORTGAGE-BACKED SECURITIES LOAN GUARANTEE PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

Appropriates $10,695,000 for administrative expenses to be transferred to the salaries and expenses account as proposed by both the House and the Senate.

Policy Development and Research

RESEARCH AND TECHNOLOGY

Appropriates $47,000,000 for research and technology as proposed by both the House and Senate.

Includes $7,500,000 for the Partnership for Advancing Technology in Housing (PATH) initiative, instead of $7,000,000 as proposed by the House and the Senate. The conferees expect the Department to increase support for manufactured housing from within the amounts provided for the PATH program to support continuing research on promising technologies for the manufactured housing industry.

The conferees reiterate the direction included in the Senate report denying demonstration authority without prior congressional approval.

Fair Housing and Equal Opportunity

FAIR HOUSING ACTIVITIES

Appropriates $48,000,000 for this account instead of $46,000,000 as proposed by the House and $50,000,000 as proposed by the Senate.

Of this amount, $27,750,000 is for the Fair Housing Assistance Program (FHAP) and $20,250,000 is for the Fair Housing Initiatives Program (FHIP). The House proposed $25,750,000 for FHAP and $20,250,000 for FHIP and the Senate proposed $30,000,000 for FHAP and $20,000,000 for FHIP.

Office of Lead Hazard Control

LEAD HAZARD REDUCTION

Appropriates $175,000,000 for lead hazard reduction instead of $130,000,000 as proposed by the House and $175,000,000 as proposed by the Senate.

The conferees agree to allocate funds as follows:

—$96,000,000 for the lead-based paint hazard control grant program to provide assistance to State and local governments and Native American tribes for lead-based paint abatement in private low-income housing;

—$9,000,000 for Operation LEAP;

—$10,000,000 for technical assistance and support to State and local agencies and private property owners;

—$10,000,000 for the Healthy Homes Initiative for competitive grants for research, standards development, and education and outreach activities to address lead-based paint poisoning and other housing-related diseases and hazards; and

—$50,000,000 for an initiative to target lead abatement funds to areas with the highest lead paint abatement needs.

Includes modified language making available $50,000,000 on a competitive basis to those areas with the highest lead paint abatement needs as determined by the highest number of pre-1940 units of occupied rental housing, a disproportionately high number of documented cases of lead-poisoned children, and an applicant's demonstrated capacity to implement successfully the proposed uses of the funds. Language is also included requiring that not less than 90 percent of the funds made available under this initiative to be used exclusively for abatement or interim control of lead-based paint hazards, risk assessments, inspections or temporary relocation. Language is also included requiring recipients of funds awarded under this initiative to provide a matching contribution of not less than 25 percent of the total grant award. The conferees believe that communities with the highest lead paint risk to children must employ an aggressive approach to lead-based paint abatement, and suggest that grants made under this new initiative be not less than $2,000,000. The conferees intend that eligible recipients of these funds will be units of local government. In selecting recipients for funding under this initiative, the Department shall consider the capacity of the applicant to use the funds provided, including the success of the applicant in using previously provided Federal dollars for lead-based paint hazard reduction, as well as the applicant's strategies to mobilize public and private resources to address this problem. Grant recipients under this initiative are expected to use funds for abatement and hazard reduction in privately owned rental-housing units that serve low-income families with children under the age of six. Units treated with funds provided under this initiative must remain available for low-income residents for at least three years following treatment of the lead-based paint hazard. The conferees do not intend for any action taken in this Act to prejudice any ongoing or future litigation brought against lead pigment manufacturers. Additionally, no action taken in this Act is intended to mitigate the responsibility of housing owners to address the existence of lead-based paint hazards in a timely and expeditious manner.

The conferees are aware that the Department currently reserves approximately 80 percent of the current lead-based paint hazard control grant program funding for allocation to current grantees or previous grantees, with the remaining 20 percent provided for new grantees. The conferees request that the Department evaluate this policy to ensure that such allocation is appropriate to ensure that resources are made available to communities with the need as well as the capacity to use such grants. Further, the conferees urge the Department to consider the total amount of Federal and non-Federal resources available to address lead-based paint hazards when allocating funds provided for the current lead-based paint hazard control grant program.

The conferees encourage the Department to consider a proposal from the Community Environmental Research Center as well proposals on black mold and dissemination of information to the public and provide funds if appropriate. However, the Department is reminded that all funds provided under this heading and in this Act are to be distributed on a competitive basis in accordance with the requirements set forth in section 205 under administrative provisions in this title.

MANAGEMENT AND ADMINISTRATION

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

Appropriates $1,123,130,000 for salaries and expenses instead of $1,122,130,000 as proposed by the House and $1,111,530,000 as proposed by the Senate. Of this amount, $547,000,000 is provided as a direct appropriation under this account as proposed by the House instead of $535,400,000 as proposed by the Senate.

The conference agreement includes language as proposed by the House directing the Department to allocate funds provided under this heading in the manner specified in the joint explanatory statement of the managers accompanying this Act unless the Committees on Appropriations are notified and approve of any changes in the operating plan or through a reprogramming. The Department may reallocate funds and FTEs between the amounts specified below for these offices only in accordance with operating plan and/or reprogramming procedures. Amounts provided are consistent with modifications made by the Department to the original budget submission to reflect the revised staffing distribution consistent with the corrective action plan submitted to the Committees on Appropriations in response to the significant over-hiring that occurred during fiscal year 2003. In addition, the conference agreement includes an increase of $10,000,000 and 75 FTEs for the Office of Public and Indian Housing to establish a Division of Quality Assurance for activities associated with the section 8 voucher program.

The following office and object classifications are to be used as the basis of any changes in funding and staffing distributions:

Office	FTE	Amount
Office of Housing	3,483	$323,061,000
Office of Public and Indian Housing	1,745	183,209,000
Office of Community Planning and Development	834	81,696,000
Office of Policy Development and Research	161	21,424,000
Office of Fair Housing and Equal Opportunity	669	61,564,000
Office of Healthy Homes and Lead Hazard Control	38	3,946,000
Government National Mortgage Association	70	7,923,000
Departmental Management	189	21,084,000
Center for Faith-Based and Community Initiatives	8	2,639,000
Office of the Chief Financial Officer	248	38,857,000
Office of the General Counsel	698	76,007,000
Office of Field Policy and Management	530	53,430,000
Office of Administration	732	248,290,000
Total, Management and Administration	9,405	1,123,130,000

Consistent with modifications to the original budget submission, the object classification distribution, which shall also serve as the basis for operating plan and reprogramming changes, is as follows:

Personal Services—$889,234,000

Travel and Transportation of Persons—$20,600,000

Transportation of Things—$550,000

Rent, Communications and Utilities—$135,555,000

Printing and Reproduction—$3,900,000

Other Services—$64,901,000

Supplies and Materials—$4,990,000

Furniture and Equipment—$3,200,000

Indemnities—$200,000

Public and Indian Housing Division of Quality Assurance.—Includes $10,000,000 and 75 FTEs to establish a Division of Quality Assurance within the Office of Public and Indian Housing. The conference agreement establishes this new division to ensure accurate and timely data regarding the expenditure and projected future funding requirements for the section 8 voucher program. The conferees recommend $7,500,000 in Personal Services and $2,500,000 in Other Services object classifications for this purpose.

Operating Plans/Reprogramming Requirements.—The conferees appreciate the need for management flexibility to allocate management and administrative resources or reorganize offices and programs to address changing requirements at the departments and agencies funded in the bill, including HUD. To provide such flexibility, while ensuring appropriate consultation and oversight, all Departments within the Subcommittee's jurisdiction are required to submit operating plans and reprogramming letters and reorganization proposals for Committee approval. The conferees direct HUD to follow the Committees' requirements regarding operating plans, reprogrammings and reorganizations so that the Committees are kept informed of, and therefore are better able to respond to, changing requirements at the Department. HUD is reminded that operating plans or reprogramming requirements apply to any reallocation of resources totaling more than $500,000 among any program, project or activity as well as to any significant reorganization within offices or the proposed creation or elimination of any program or office, regardless of the dollar amount involved; and any reorganization, regardless of the dollar amount involved. Object classification changes above $500,000 also are subject to operating plan or reprogramming requirements. Unless otherwise specified in this Act or the accompanying report, the approved level for any program, project, or activity is that amount detailed for that program, project, or activity in the Department's annual detailed budget justification document. These requirements apply to all funds provided to the Department. The Department is expected to make any necessary changes during fiscal year 2004 to its current procedures and systems to ensure that it is able to meet the necessary operating plan and reprogramming requirements applied to other agencies funded in the bill.

Language proposed by the House to require submission of a staffing plan is not included. The Senate did not propose similar language. Instead, the conference agreement reiterates the direction in the Senate report regarding submission of quarterly reports on hiring.

Language is included as proposed by the House related to funds control improvements to prohibit any official or employee from being designated as a funds allotment holder unless the Office of the Chief Financial Officer (OCFO) has determined such person has implemented adequate funds control systems and received appropriate training; requires the OCFO to establish control of and maintain adequate systems of accounting and other available funds; and clarifies the point of obligation for purposes of determining a violation of the Anti-Deficiency Act. Language is also included as proposed by the

House making a technical correction to the fiscal year 2003 Act regarding the point of obligation. The conferees reiterate the direction in the House report regarding the recognition of well-established appropriations law related to the point of obligation of funds and joint execution for obligation of funds when possible. The Senate did not propose similar language.

The conferees have not included the Senate bill language and the House and Senate report language regarding overall authority for appropriations law. The conferees are in disagreement on this matter.

Language proposed by the Senate is not included to prohibit the Department from paying the salaries (other than pensions and related costs) of any employees who had significant responsibility for allocating funding for the over-leasing of vouchers by public housing agencies. The House did not include similar language.

Language is included in the bill placing a limitation on the number of GS-14 and GS-15 employees at the Department as proposed by the House and the Senate.

The conferees reiterate the direction included in the Senate report regarding the limitation on non-career employees.

Budget Submission.—The conferees strongly disagree with the effort to substitute "performance-based budgeting" for the traditional budget structure or otherwise incorporate it into the budget justification for the Department. The Department is reminded that the detailed budget justification books are produced for the Committees on Appropriations in order to provide the necessary detail on the budget request and therefore are to be submitted in a manner that the Committees on Appropriations find most useful to assess funding requests and program requirements. The supplementary "performance-based budget" document for the Department for fiscal year 2004 attempted to divide the entire Department's budget across six broad strategic goals such as "Strengthening Communities", "Embrace High Standards of Ethics, Management and Accountability", and "Promote Decent and Affordable Housing". This strategic planning document contained minimal information useful to the Committees to assess the Department's fiscal year 2004 budget request or funding requirements. Therefore, language is included under Administrative Provisions requiring the fiscal year 2005 annual budget justification materials to be submitted in the traditional structure with sufficient detailed information to satisfy the Committees' needs.

WORKING CAPITAL FUND

Appropriates $235,000,000 for the Working Capital Fund instead of $240,000,000 as proposed by the Senate and $90,000,000 as proposed by the House. In addition, the conference agreement includes $65,156,000 in transfers from the following accounts to support program-specific information technology systems as proposed by the House instead of $64,156,000 as proposed by the Senate:

FHA, Mutual mortgage insurance fund—$20,744,000

FHA, General and special risk insurance fund—$16,946,000

Community development fund—$4,900,000

HOME investment partnerships program—$2,100,000

Homeless assistance—$2,580,000

Public housing capital fund—$10,610,000

Native American Indian block grants—$2,720,000

Housing certificate fund—$3,010,000

Housing for the elderly—$470,000

Housing for persons with disabilities—$470,000

Interagency Services—$306,000

Office of Inspector General—$300,000

The conferees reiterate the direction included in the House report on continued development and definition of a five-year information technology plan consistent with the format previously provided to the Department and direct such updated plan be submitted no later than February 1, 2004.

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

Appropriates $101,000,000 for the Office of Inspector General instead of $100,080,000 as proposed by the House and $102,000,000 as proposed by the Senate. Of this amount, $24,000,000 is provided by transfer from the various funds of the Federal Housing Administration as proposed by the House and the Senate.

CONSOLIDATED FEE FUND

(RESCISSION)

Includes language rescinding remaining balances in the Fund as proposed by the House and the Senate.

OFFICE OF FEDERAL HOUSING ENTERPRISE OVERSIGHT

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

Appropriates $39,915,000 for the Office of Federal Housing Enterprise Oversight (OFHEO) to be derived from collections available in the Federal Housing Enterprise Oversight Fund instead of $32,415,000 as proposed by the House.

The conference agreement provides an additional $7,500,000 as requested in a budget amendment submitted to the Congress for one-time costs to conduct special investigations of the enterprises and for strengthening the examination and legal functions. Language is included specifying funds for these requested purposes.

Language is included requiring not less than 60 percent of the total amount made available under this heading shall be used only for examination, supervision and capital oversight to ensure that the enterprises are operating in a financially sound manner and comply with statutory capital requirements.

Language is also included requiring the Secretary to submit a spending plan no later than January 15, 2004. The Secretary is directed to submit a separate plan for the funds provided for special investigations if such funds are required prior to the submission of the spending plan.

ADMINISTRATIVE PROVISIONS

Includes modified language similar to language proposed by the House and the Senate regarding the distribution of certain HOPWA funds.

Includes language requiring all funds to be awarded competitively except as explicitly provided for in statute as proposed by the House. The Senate proposed similar language.

Includes modified language similar to language proposed by the House and the Senate requiring the Department to submit a spending plan for the use of technical assistance, training, and management improvement funds provided for in this Act to the Committees on Appropriations by January 15, 2004.

Includes language as proposed by the House requiring the Secretary to provide quarterly reports to the Committees on Appropriations regarding all uncommitted, unobligated, recaptured and excess funds. The Senate proposed similar language.

Does not include language proposed by the Senate to reauthorize the HOPE VI program beyond fiscal year 2004 since it is the conferees' understanding that authorization legislation is currently being considered by the relevant House and Senate committees of jurisdiction. The House did not include similar language. The conferees support continuing funding of this program absent an alternative approach to the revitalization of distressed public housing or other compelling policy reasons.

Includes language proposed by the Senate requiring the Secretary to maintain section 8 assistance on certain properties occupied by elderly or disabled families. The House did not include similar language.

Includes language proposed by the Senate requiring the Secretary to submit an annual report to the Committees on Appropriations regarding the number of Federally-assisted units under lease and the per unit costs to the Federal government of such units. The House did not include similar language.

Does not include language to amend section 683(2) of the Housing and Community Development Act of 1972 to authorize service coordinators in section 811 projects as proposed by the Senate. The House did not include similar language.

Includes language proposed by the Senate regarding interest paid on certain mortgage insurance claims. The House did not include similar language.

Includes modified language to change the name of the Interagency Council on the Homeless similar to language proposed by the Senate. Language proposed by the Senate is not included to authorize non-reimbursable detailees. The House did not include similar language.

Does not include language proposed by the Senate to authorize FHA single-family mortgage insurance to be provided to sub-prime borrowers at reduced premiums and appraisal limitations. The House did not include similar language. The conferees support efforts to assist low-income persons in repairing negative credit histories where appropriate. However, the Department needs to stem the escalating default rate in FHA's single-family mortgage insurance programs before it assumes new risks posed by persons with credit problems.

Language is included as proposed by the Senate to allow HUD to participate in the Directory of New Hires program. The House did not include similar language.

Does not include language to amend section 9 of the United States Housing Act of 1937 to authorize a new loan-financing program for public housing authorities as proposed by the Senate. The House did not include similar language.

Does not include language to amend the McKinney-Vento Act to raise the salary cap for the Executive Director of the U.S. Interagency Council on Homelessness from the current Executive Level V to Executive Level III. The House did not include a similar provision.

Includes language proposed by the Senate to authorize the Department to allocate CDBG non-entitlement funds to localities in the State of Hawaii should the State fail to elect to administer such funds by July 31, 2004. The House did not include a similar provision.

Includes language proposed by the Senate to amend the purposes of a grant related to Hollander Ridge in Baltimore, Maryland. The House did not include a similar provision.

Includes language proposed by the Senate requiring the Secretary to conduct negotiated rulemaking for purposes of changes to the formula governing the public housing operating fund and requires a final rule to be issued no later than July 1, 2004. The House did not include similar language.

Includes new language allowing the Secretary to maintain and dispose of certain elderly and disabled projects upon foreclosure. Neither the House nor Senate included similar language.

Includes new language requiring the Department to submit its fiscal year 2005 budget justification to the Committees on Appropriations in the traditional budget structure rather than in a "performance-based budget" structure and in accordance with the terms and conditions specified below. For the last three years, the conferees have expressed concerns regarding the adequacy of the Department's annual budget justification to the Committees on Appropriations. While improvements have been made, the fiscal year 2004 budget justification provided insufficient information to meet the Committees' requirements. For example, the Department's fiscal year 2004 justification contained less than 13 pages of information for programs representing over half of the Department's entire budget. The Department is directed to develop and present the fiscal year 2005 budget justification in the traditional budget structure, delineated by appropriation account, providing detailed information on the prior year, current year, and requested funding levels for each program, project, or activity funded within each account; a detailed narrative description of each program, project, or activity; and any proposed changes to such program, project, or activity. Object classification displays are to be included as supplements, not substitutes, to detailed displays of funding provided in prior years and requested in fiscal year 2005 for each program, project, or activity within each account. Within the justification materials for the Management and Administration account, the Department is to continue to delineate prior year, current year, and requested positions, FTEs, and funding levels for each program within each office, delineated by headquarters and field office components and as compared to the Department's workload staffing model (REAP). Such materials shall include a detailed justification for any proposed staffing changes among such offices.

TITLE III—INDEPENDENT AGENCIES

AMERICAN BATTLE MONUMENTS COMMISSION

SALARIES AND EXPENSES

Appropriates $41,300,000 for salaries and expenses instead of $47,276,000 as proposed by the House and $35,000,000 as proposed by the Senate. The conferees have not included a provision proposed by the House which would have delayed the availability of $10,000,000 until September 1, 2004.

The amount provided includes $9,000,000 for the Normandy Interpretive Center. The conferees note that approximately $9,000,000 in additional funding will be required to complete the Center and expect this amount to be included in the fiscal year 2005 budget submission.

CHEMICAL SAFETY AND HAZARD INVESTIGATION BOARD

SALARIES AND EXPENSES

Appropriates $8,250,000 instead of $8,550,000 as proposed by the House and $8,000,000 as proposed by the Senate. The conferees have not included language providing $2,500,000 of this amount to be available for two fiscal years as proposed by the Senate.

The conferees encourage the Board to work with the Department of Homeland Security to develop a Memorandum of Understanding (MOU) regarding the Board's specific duties to protect from and respond to terrorist acts on chemical and related industrial plants. The Board is directed to update the Committees on Appropriations by June 30, 2004 on progress made towards developing a MOU.

Modifies language proposed by the Senate regarding financial statements to be prepared by the Chief Operating Officer of the Board in accordance with the Accountability of Tax Dollars Act of 2002. The IG shall submit to the Chief Operating Officer of the Board a report on the audit not later than November 15th of the fiscal year for which a statement was prepared.

The conferees have included language and funding under the Environmental Protection Agency (EPA), Office of Inspector General designating the Inspector General of EPA to serve as the Inspector General of the Chemical Safety and Hazard Investigation Board. The duties of the Inspector General shall be those outlined in the Inspector General Act of 1978, as amended. As these duties are not supervisory or directive in nature, the independence of the Board remains as specified in the Board's authorizing statute.

EMERGENCY FUND

Provides $450,000 for an Emergency Fund as proposed by the House.

DEPARTMENT OF THE TREASURY

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND PROGRAM ACCOUNT

Appropriates $61,000,000 for the community development financial institutions fund program account, instead of $51,000,000 as proposed by the House and $70,000,000 as proposed by the Senate.

Includes $4,000,000 for technical assistance designed to benefit Native American communities instead of $3,000,000 as proposed by the House and $5,000,000 as proposed by the Senate.

Provides $12,000,000 for administrative expenses as proposed by the Senate instead of $13,000,000 as proposed by the House.

Provides for a cost limitation on direct loans of $6,000,000 with $250,000 for administrative expenses as proposed by both the House and Senate.

Provides for a limitation on the amount of direct loans of $11,000,000 as proposed by both the House and Senate.

The conferees direct the Fund to submit an update to its 5-year strategic plan to the Committees on Appropriations of the House and Senate that outlines its effort to improve the economic needs of Native Americans. The report is to be submitted by April 20, 2004.

The conferees agree with the Senate direction that the CDFI Fund make funds for financial assistance available to CDFIs regardless of their size and to continue the Small and Emerging CDFI Assistance program. Additionally, the conferees direct the CDFI Fund to restore out-migration and population loss as criteria in determining Investment Areas for fiscal year 2004.

CONSUMER PRODUCT SAFETY COMMISSION

SALARIES AND EXPENSES

Appropriates $60,000,000 as proposed by the House and the Senate.

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

NATIONAL AND COMMUNITY SERVICE PROGRAMS OPERATING EXPENSES

(INCLUDING TRANSFER OF FUNDS)

Appropriates $553,225,000 for national and community service programs operating expenses. The House proposed $363,452,000 to fund the operating expenses and salaries and expenses, but not the Trust, which was funded under a separate heading. The Senate proposed $452,575,000 to fund the operating expenses and the Trust, but not salaries and expenses, which were funded under a separate heading. This conference agreement mirrors the account structure of the Senate.

Appropriates $314,000,000 for AmeriCorps*State and National grants (authorized under subtitle C) and education award only grants (authorized under subtitle H), plus an additional $130,000,000 for the Trust. The House proposed $244,352,000 for grants plus $110,000,000 appropriated under a separate account for the Trust. The Senate proposed a lump sum of $340,000,000 to fund both grants and the Trust. The conference agreement allows for education award only grants to be funded from this same authority as proposed by both the House and the Senate.

Within the amount provided for AmeriCorps*State and National grants, the conferees have provided up to $55,000,000 for national direct grants.

The conferees strongly urge the Corporation to develop separate application guidelines for professional corps that recognize the unique challenges inherent in building service corps of full-time professionals.

The conference agreement transfers not less than $130,000,000 to the Trust, of which $5,000,000 is to support national service scholarships to high school students and $10,000,000 is to be held in reserve as required by the Strengthen AmeriCorps Program Act. The Trust funds the education awards for members who successfully complete their commitments in the three AmeriCorps programs: AmeriCorps*State and National, AmeriCorps*NCCC and AmeriCorps*VISTA (the latter of which is appropriated under a different appropriations Act). The conference agreement includes language which allows for the transfer of sums from AmeriCorps*State and National grants to the Trust in order to ensure sufficient funding for education award commitments. The conference agreement assumes the Corporation will provide up to 40 percent of its grant awards as education award only grants. The conferees direct the Corporation to include in its Operating Plan the number of members, both FTE and total number of volunteers this funding level will support, as well as the specific program mix of education award only and stipend grants. The conference agreement does not include a cap on the number of members enrolled in the Trust.

The conferees expect that the Corporation will offer any individual selected for enrollment or re-enrollment as an AmeriCorps*VISTA member the option of receiving an education award.

The conferees also expect that the Corporation will ensure that all continuation grants, through which the Corporation has made multi-year commitments, are funded prior to funding new grants, provided the grantees are in compliance with all requirements.

The conference agreement includes $12,000,000 for state commission administration as proposed by the Senate instead of

$13,000,000 as proposed by the House. The conferees direct the Corporation to address the management problems of the state commissions as identified by the Inspector General.

Provides $10,000,000 to the Points of Light Foundation, of which up to $2,500,000 may be used for an endowment as proposed by both the House and the Senate.

The conference agreement also includes $5,000,000 for America's Promise, as proposed by both the House and the Senate.

The conference agreement does not include funding for the Promise Fellows program. The 2004 budget request included $4,900,000 for this program. However, the Corporation was able to allocate funding for the proposed 2004 program from fiscal year 2003 funds carried over into fiscal year 2004 in order to complete the program.

Provides funding for AmeriCorps*National Civilian Community Corps of $25,000,000 as proposed by the Senate instead of $24,000,000 as proposed by the House.

Limits funding for Learn and Serve grants (authorized by subtitle B) for school-based and community-based service learning programs to $43,000,000 as proposed by the Senate, instead of $40,000,000 as proposed by the House.

Limits funding for subtitle H grants, innovation, demonstration and assistance activities, to $11,225,000 instead of $14,575,000 as proposed by the Senate and $6,100,000 as proposed by the House. The conferees have provided $500,000 for Martin Luther King Jr. Day grants; $725,000 for the Service Learning Clearinghouse and Exchange; $2,000,000 for training and technical assistance; $1,000,000 for next generation grants; and $4,000,000 for disability programs.

The conferees have provided $3,000,000 for challenge grants and direct the Corporation to comply with the funding requirements of this program as included in House Report 108–10.

The conference agreement provides $3,000,000 for audits and evaluations, of which $2,000,000 is to assist grantees with the development of their performance measures, and $1,000,000 is for a National Academy of Public Administration study as directed in Senate Report 108–143. The conferees further direct the Corporation to provide detailed funding levels and descriptions for each initiative under subtitle H in its Operating Plan and future budget request materials.

The conferees have included bill language, identical to language that has been included in previous conference reports, regarding Federal costs per participant. The conferees direct the Corporation to report within 90 days of enactment on how the Corporation has complied with this directive. The conferees further direct that future efforts to reduce Federal costs per participant should target administrative and overhead costs, not volunteers' stipends.

The conference agreement does not include specific proposals by the Senate to increase matching requirements. The conferees, however, would expect that larger, well-established partners of the Corporation should be able to better leverage their Federal funding so that a greater percentage of their operating expenses would come from other than Federal sources. The conferees direct the Corporation to undertake public notice and comment rulemaking, should the Corporation propose to revise the matching funds requirements contained in the grant competition guidelines, for those longstanding partners which have received significant funding from the Corporation in many successive years. Further, the Corporation is directed to collect information on the grantees which receive more than $500,000 annually from the Corporation and the amount of other Federal and non-Federal funds the recipients have leveraged and make the information available if requested.

Reiterates language proposed by the House directing the Corporation to review thoroughly its grant programs and financial systems, and submit a report not less than 90 days after enactment of this Act detailing a plan for reform and accountability.

Modifies language proposed by the Senate directing the Corporation to comply fully with the recommendations of the Inspector General Audit Report of July 24, 2003, by directing the Corporation to prohibit expenditures until the Inspector General certifies that substantial compliance has been achieved.

Reiterates language proposed by both the House and the Senate regarding reports submitted to the Committees on Appropriations detailing the enrollment levels of the various AmeriCorps programs and the financial status of the Trust to be submitted monthly.

The conferees encourage the Corporation to consider a change to the grant cycle so that grant awards can be made to recipient organizations before the organization recruits members to fill awarded slots.

The conferees direct the Corporation to undertake public notice and comment rulemaking to develop a definition of sustainability.

The conferees direct that future budget requests should not include funding for programs, agencies or operations outside of the jurisdiction of this Act. Instead, the Administration should request those funds from the appropriate subcommittee of the Committees on Appropriations, or request appropriate transfer authority.

SALARIES AND EXPENSES

Appropriates $25,000,000 for salaries and expenses associated with the administrative activities of the Corporation as proposed by the Senate. The House included funding under the operating expenses account.

Of the amount provided the conference agreement assumes: $18,300,000 for salaries and benefits; $400,000 for travel; $2,300,000 for technology; $2,000,000 for administrative expenses; and $2,000,000 for the Office of the Chief Financial Officer.

The conferees agree that decisions and ultimate responsibility for determining pay increases and performance bonuses belong to the Chief Executive Officer (CEO) of the Corporation. However, the conferees prohibit the CEO from approving bonuses and salary increases for senior managers unless the Inspector General certifies that all recommendations from the July 24, 2003, Inspector General report have been implemented.

The conferees remind the Corporation of the reporting requirements set forth at the beginning of this division. The conferees agree that for fiscal year 2004, the Corporation must report to and receive approval from the Committees on Appropriations on any reprogramming request in excess of $100,000. Various reporting requirements listed in both the House report and the Senate report must be fulfilled with the submission of the fiscal year 2004 operating plan unless otherwise noted. Further, the conferees direct the Corporation to provide better, detailed information in the budget request for all CNCS accounts regarding planned and ongoing activities, the costs of those activities, and the expected results.

The conferees expect that the funding provided will support all of the Corporation's current employees, including those whom the Corporation has previously funded within subtitle H funds, including National Senior Service Corps recruitment employees.

The conferees reiterate report language proposed by the Senate regarding the Alternative Personnel System.

OFFICE OF INSPECTOR GENERAL

Appropriates $6,250,000 for Office of Inspector General, instead of $6,000,000 as proposed by the House and $6,500,000 as proposed by the Senate.

Retains report language proposed by the Senate directing the Inspector General to audit AmeriCorps* State and National grantees which are in the top ten percent of receiving the most grant funds.

ADMINISTRATIVE PROVISIONS

Retains the two administrative provisions proposed by both the House and Senate regarding qualified student loans eligible for education awards and the availability of funds for the placement of volunteers with disabilities.

Inserts a new administrative provision, which was proposed by the Senate under the national and community service programs operating expenses account. The conference agreement includes modified language directing the Inspector General to levy sanctions in accordance with standard Inspector General audit resolution procedures, which include, but are not limited to, debarment of any grantee found to be in violation of AmeriCorps program requirements, including using funds to lobby the Congress.

The conference agreement includes a new administrative provision proposed by the Senate as a general provision requiring the Corporation to ensure 1) that significant changes to program requirements or policy are made only through public notice and comment rulemaking; and 2) the integrity of the grant selection process.

U.S. Court of Appeals for Veterans Claims

SALARIES AND EXPENSES

Appropriates $15,938,000 for salaries and expenses as proposed by the House instead of $16,220,000 as proposed by the Senate. Both the House and the Senate provided $1,175,000 for the pro bono program.

DEPARTMENT OF DEFENSE—CIVIL

Cemeterial Expenses, Army

SALARIES AND EXPENSES

Appropriates $29,000,000 for salaries and expenses instead of $25,961,000 as proposed by the House and $32,000,000 as proposed by the Senate, and provides $1,000 for official representation expenses.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

Appropriates $78,744,000 as proposed by the Senate instead of $80,000,000 as proposed by the House.

Agency for Toxic Substances and Disease Registry

TOXIC SUBSTANCES AND ENVIRONMENTAL PUBLIC HEALTH

Appropriates $73,467,000 for toxic substances and environmental public health as proposed by both the House and Senate. This funding is to be derived from the Superfund Trust Fund to the extent resources are available. Any remaining requirements will come from the General Treasury.

Environmental Protection Agency

The conference agreement includes $8,411,469,000 for programs administered by the Environmental Protection Agency. This is an increase of $332,765,000 over the level provided in fiscal year 2003.

SCIENCE AND TECHNOLOGY

Appropriates $786,324,000 for science and technology instead of $759,815,000 as proposed by the House and $715,579,000 as proposed by the Senate. The conference agreement includes language which allows the EPA Administrator to certify a grant in a prior year Appropriations Act to San Bernardino, California.

The conferees have agreed to specific Agency program levels as follows:

1. $7,000,000 for Communicating Research Information;
2. $35,000,000 for Particulate Matter;
3. $32,000,000 for Research to Support Emerging Issues;
4. $9,750,000 for the STAR Fellowship program;
5. $11,700,000 for small systems arsenic removal research.

The conferees have agreed to the following increases above the budget request:

1. $2,500,000 for EPSCoR;
2. $4,000,000 for the Water Environmental Research Foundation;
3. $5,000,000 for the American Water Works Association Research Foundation;
4. $2,000,000 for the National Decentralized Water Resource Capacity Development Project, in coordination with EPA, for continued training, research and development,
5. $500,000 to the University of California, Riverside for development of vehicle emissions measurement technology and improved models for assessing the effectiveness of new technologies and control strategies at the College of Engineering—Center for Environmental Research and Technology (CE–CERT) facility;
6. $1,500,000 to California State University, Fresno for the International Center for Water Technology;
7. $100,000 to California State University, Fullerton to enhance ongoing research related to water hazard mitigation;
8. $750,000 for the University of South Florida Study, Protection and Amelioration of Coastal Environments;
9. $250,000 to the University of Miami National Center for Caribbean Coral Reef Research;
10. $850,000 to the Metropolitan Mayors Caucus for Chicago, Illinois for the Clean Air Counts Campaign;
11. $500,000 to Western Michigan University in Kalamazoo, Michigan for the Great Lakes Center for Environmental and Molecular Science;
12. $1,375,000 for the National Center for Manufacturing Sciences in Ann Arbor, Michigan for assisting EPA in meeting the Strategic Goals Program in the metal finishing sector;
13. $700,000 to the University of North Carolina at Chapel Hill for a Green Chemical Manufacturing and Processing research program;
14. $200,000 for turfgrass research centers at the University of Georgia and North Carolina State University to develop turfgrass management strategies;
15. $500,000 for the State of New Jersey pilot and demonstration project for further development of proven, affordable, and effective dredge contaminant reduction technologies;
16. $250,000 to LaGuardia Community College, New York for research related to environmental impacts on minority women throughout Queens and the Bronx;
17. $300,000 to Alfred University for the Center for Environmental and Energy Research;
18. $250,000 to New York University for the South Bronx Air Pollution Study;
19. $8,775,000 for the Environmental Systems Center of Excellence at Syracuse University for research and technology transfer in the fields of indoor environmental quality and urban ecosystems sustainability;
20. $1,000,000 to the Syracuse Research Corporation in Syracuse, New York, for the continuation of environmental research at its Probability Risk Assessment Center;
21. $750,000 for the Consortium for Plant Biotechnology Research;
22. $200,000 for the National Environmental Technology Incubator at Central State University for technology transfer and commercialization activities;
23. $900,000 for the Integrated Petroleum Environmental Consortium;
24. $750,000 for the Integrated Public/Private Energy and Environmental Consortium (IPEC) to develop cost-effective environmental technology, improved business practices, and technology transfer for the domestic petroleum industry;
25. $250,000 to the Overbrook Environmental Educational Center—a community based Technology and Literacy center, with a primary focus on environmental exploration and educational services—for environmental protection and conservation efforts at the center's on-site Green Roof and Biolab;
26. $350,000 to the University of South Carolina for a geologic study for uranium groundwater contamination;
27. $200,000 for Middle Tennessee State University for research on cedar glades;
28. $2,000,000 for the Mickey Leland National Urban Air Toxics Research Center in Houston, Texas;
29. $1,000,000 for the University of Texas Learning and Computation Center;
30. $250,000 for the Texas Institute for Environmental Assessment and Management at the University of North Texas, Denton for watershed research;
31. $1,700,000 for the Canaan Valley Institute to continue to develop a regional sustainability support center and coordinated information system in the Mid-Atlantic Highlands;
32. $1,000,000 for the Canaan Valley Institute in close coordination with the Regional Vulnerability and Assessment (ReVA) initiative and ORD Re+ program to demonstrate, validate and report on critical ecological hubs and corridors within the Mid-Atlantic Highlands and approaches to Highlands ecological prioritization, restoration and conservation. Research and educational tools are to be developed using integrative technologies to predict future environmental risks and support informed, proactive decision-making to be undertaken in conjunction with the Highlands Action Program;
33. $250,000 for the Carnegie Mellon University Green Chemistry Initiative;
34. $200,000 to the City of Saltillo, Mississippi, for demonstration of new wastewater disinfection technologies;
35. $500,000 for the New England Green Chemistry Consortium;
36. $1,000,000 for the National Environmental Respiratory Center at the Lovelace Respiratory Research Institute;
37. $3,900,000 for the Mine Waste Technology Program at the National Environmental Waste Technology, Testing, and Evaluation Center;
38. $500,000 for the Center for the Study of Metals in the Environment;
39. $1,200,000 for the Center for Air Toxic Metals at the Energy and Environmental Research Center;
40. $1,500,000 for the Connecticut River Airshed-Watershed Consortium;
41. $250,000 for acid rain research at the University of Vermont;
42. $100,000 for the University of Vermont's Proctor Maple Research Center to continue mercury deposition monitoring effects;
43. $100,000 for the University of Vermont's land use mapping initiative;
44. $200,000 for the Vermont Department of Agriculture to work with conservation districts and local communities to reduce nonpoint source run-off in the Allen Brook watershed;
45. $425,000 for the Southwest Clean Air Quality Agency's Columbia Gorge Air Quality Technical Foundation Study;
46. $400,000 for the Clark County Department of Air Quality Management/Desert Research Institute in Nevada for the ozone transport monitoring project;
47. $400,000 to demonstrate containment and disposal technologies associated with the Arnold Heights project in California;
48. $425,000 for Southeastern Louisiana University for the Turtle Cove research station;
49. $1,000,000 for the National Jewish Medical and Research Center in Colorado;
50. $300,000 for Utah State University for monitoring and assessment activities related to freshwater ecosystems;
51. $1,000,000 for the Houston Advanced Research Center and the University of Texas Air Quality Study;
52. $1,000,000 for the University of South Alabama for the Center for Estuarine Research;
53. $2,000,000 for an air quality program for Anchorage, Alaska;
54. $800,000 for Ohio University's Air Quality Center to develop an advanced modeling program on air quality issues in the Ohio River valley region;
55. $1,000,000 to the Donald Danforth Plant Science Center in Missouri for a Parasitic Nematode Controls research project;
56. $500,000 to the Donald Danforth Plant Science Center in Missouri for the development of technologies for environmental phytoremediation and the development of technologies for extending the environmentally safe use of biotechnology for phytoremediation, and for the production of novel materials and compounds in plants;
57. $800,000 for Montec Research in Butte, Montana to research pilot scale enzyme catalyzed processes;
58. $750,000 for the Frank M. Tejeda Center for Excellence in Environmental Operations at Texas A&M;
59. $800,000 for the University of Northern Iowa for new environmental technologies for small businesses;
60. $1,000,000 for the Alabama Department of Environmental Management for the Alabama Water and Wastewater Training Program;
61. $1,000,000 for the Desert Research Institute for western Nevada regionally-based clean water activities;
62. $150,000 for Texas State University at San Marcos International Institute for Sustainable Water Resources.

The conferees are fully supportive of the collaborative partnership of the EPA and the National Institutes of Health in their system of Centers for Children's Environmental Health and Disease Prevention Research. The conferees direct that EPA continue to support a competitive system of not less than twelve such centers and that it maintain the average level of funding for each center at not less than the historic level of approximately $500,000 for direct costs.

From within amounts transferred to "Science and Technology" from "Hazardous Substance Superfund", the conferees direct that funding for the Gulf Coast Hazardous Substance Research Center continue at no less than the fiscal year 2003 level.

The conferees continue to support the partnership between the EPA and the National Technology Transfer Center and direct that the Agency continue the cooperative agreement at the fiscal year 2001 funding level.

The conferees direct EPA to contract with the National Academy of Sciences within 60 days of enactment for two separate studies: (1) a study on the health risks to children from residential lead contamination, as proposed by the Senate; and (2) a study of health, safety, and environmental risks of coal combustion wastes used for reclamation in active and abandoned mines.

The conferees are aware of the progress being made by the Agency through its Climate Protection Program: Transportation program on the development of clean, cost effective, and high fuel efficiency engine and powertrain technologies. The conferees direct that the Agency continue to fund the clean automotive technology program on advanced hybrid vehicles, extremely clean diesel technologies, and advanced gasoline engine concepts at levels sufficient to complete this work in fiscal year 2004.

The conferees are aware that EPA released its draft risk assessment of Chromated Copper Arsenate (CCA)-treated play sets and decks on November 12, 2003, and is seeking the advice of its Science Advisory Panel (SAP) regarding this probabilistic assessment of cancer risk. The conferees understand that this risk assessment is scheduled for a final release later this year following the SAP review. The conferees are aware that EPA—in conjunction with industry and other stakeholders—has developed a draft biomonitoring study protocol consistent with SAP recommendations and intends to complete a biomonitoring study by October 2004. This study will provide additional information on CCA risk. Once this biomonitoring study is complete, the conferees expect that EPA will make any appropriate changes to the final risk assessment and reissue the assessment accordingly.

The conferees are aware of the Florida Area Coastal Environmental (FACE) Initiative to identify and investigate the sources of nutrients, trace metals, and unregulated substances entering the coastal waters of Florida. This initiative's participants include local, state, and federal agencies and the Florida university community led by the University of South Florida Department of Marine Science and the University of Miami's Center for Marine Ecosystem Science and Policy. The conferees direct EPA to report back to the Committees on Appropriations by March 1, 2004, on progress toward implementation of the FACE program.

The conferees are encouraged by new technology that has the potential to eliminate contaminating microorganisms from water, and ultimately reducing and halting the spread of disease through contaminated water. The conferees commend the efforts of EPA to bring this technology to bear upon current water treatment and purification problems, and strongly encourage EPA to continue to foster this technology.

The conferees are aware of promising developments in idle reduction technologies, including advanced truck stop electrification. The conferees urge the Agency to fund demonstration pilots of this technology as part of its SmartWay Transport program.

The conferees encourage EPA to use and expand programs at Historically Black Colleges and Universities to leverage available resources in existing programs for capacity building and coordinated research to broaden the base of quality water resource centers throughout the country.

ENVIRONMENTAL PROGRAMS AND MANAGEMENT

Appropriates $2,293,578,000 for environmental programs and management instead of $2,193,102,000 as proposed by the House and $2,219,659,000 as proposed by the Senate.

The conferees have agreed to specific Agency program levels as follows:

1. $24,500,000 for the National Estuary Program;

2. $22,800,000 for the Chesapeake Bay Program, including $2,000,000 for Chesapeake Bay small watershed grants;

3. $2,500,000 for the Lake Pontchartrain Basin Restoration Program;

4. $2,300,000 for the Long Island Sound Program Office;

5. $2,455,000 for the Lake Champlain Basin program;

6. $5,750,000 for Environmental Justice programs;

7. $115,000,000 for Management Services and Stewardship;

8. $35,000,000 for Regional Management;

9. $32,000,000 for Information Technology Management;

10. $15,000,000 for Data Standards;

11. $23,000,000 for Data Management;

12. $16,473,000 for Geospatial;

13. $33,500,000 for Regulatory Development;

14. $14,000,000 for RCRA Waste Reduction;

15. $10,000,000 for the Great Lakes Legacy Act;

16. $43,000,000 for Drinking Water Implementation;

17. $26,000,000 for Drinking Water Regulations;

18. $8,976,000 for Direct Public Information and Access;

19. $27,500,000 for Brownfields administration;

The conferees have agreed to the following increases to the budget request:

1. $5,400,000 for the Office of Enforcement and Compliance Assurance for personnel and associated costs;

2. $2,000,000 for EPA Region 10 for environmental compliance;

3. $1,000,000 to the Office of Enforcement and Compliance Assurance for enforcement of the bilateral agreement between the U.S. and Canada concerning the transboundary movement of municipal solid waste;

4. $9,160,000 for EPA Environmental Education;

5. $18,900,000 for rural water technical assistance activities and groundwater protection with distribution as follows: $10,000,000 for the NRWA; $4,000,000 for RCAP, to be divided equally between assistance for water programs and assistance for wastewater programs; $750,000 for GWPC; $2,000,000 for Small Flows Clearinghouse; $1,000,000 for the NETC; and $1,150,000 for the WSC Wellcare Program;

6. $1,000,000 for the National Biosolids Partnership Program;

7. $2,000,000 for source water protection programs;

8. $5,000,000 for a cost-shared grant program to school districts for necessary upgrades of their diesel bus fleets;

9. $4,000,000 for grants to interested States to establish a long-term ambient monitoring and assessment framework at relevant geographic scales to support all water quality management objectives;

10. $3,000,000 for EPA's National Computing Center to provide for the remote mirroring of all critical information and related systems to achieve a Continuance of Operations (COOP)/Disaster Recovery capability;

11. $5,000,000 for America's Clean Water Foundation for implementation of on-farm environmental assessments for livestock operations;

12. $1,500,000 to support and implement the Highlands Action Program (HAP) of the Agency, including, but not limited to, federal personnel and related costs;

13. $250,000 to the City of Prichard, Alabama for a comprehensive water and wastewater improvement study;

14. $500,000 for the Central California Ozone Study;

15. $200,000 to the San Joaquin Valley Air Pollution Control District, California for its Operation Clean Air public education program;

16. $300,000 to the Golden Gate National Parks Conservancy, California and National Park Service for shoreline and habitat restoration;

17. $750,000 to the Santa Clara Valley Water District in California for groundwater remediation;

18. $2,500,000 for the Southwest Center for Environmental Research and Policy;

19. $300,000 to the Florida Department of Agriculture and Consumer Services for its Reclaimed Rainwater Irrigation Project to demonstrate nonpoint source pollution prevention;

20. $1,200,000 to Florida Gulf Coast University for the Institute of Coastal Watershed Studies;

21. $2,000,000 for Osceola County, Florida to treat invasive plants (Hydrilla and Hygophila) in the County's watershed and drainage system;

22. $100,000 for development and implementation of the Georgia Water Planning and Policy Center, Offset Banking Water Quality Improvement program;

23. $400,000 to the Georgia Environmental Training and Education Authority for a lagoon waste management demonstration program;

24. $175,000 to Cerro Gordo County, Iowa for continuation of the initiatives related to the Clear Lake Restoration Project;

25. $200,000 to Storm Lake, Iowa for the Storm Lake Water Quality Project;

26. $100,000 to the Palouse Basin Aquifer Committee for monitoring programs and pilot studies on how to stabilize the deep aquifer water levels and ensure a long-term water supply for the Palouse region serving the Cities of Moscow, Idaho and Pullman, Washington, the University of Idaho, Washington State University and the surrounding areas in Latah County, Idaho and Whitman County, Washington;

27. $300,000 for the Selenium Information System Project at the Idaho National Engineering and Environmental Laboratory;

28. $500,000 to the State of Idaho for Producers Supply Co-op to carry out a program of environmental response for fuel contamination cleanup;

29. $2,000,000 for the Coeur d'Alene Basin Commission to continue a pilot program for environmental response, natural resource restoration and related activities;

30. $1,500,000 to Boise State University for research projects aimed at developing and demonstrating multi-purpose sensors to detect and analyze contaminants and time-lapse imaging of shallow subsurface fluid flow;

31. $600,000 to the Illinois Environmental Protection Agency for the Fox River Watershed Management Program;

32. $1,450,000 for the Olmsted Parks Conservancy for a regional watershed demonstration in the Louisville, Kentucky Olmsted Parks;

33. $1,550,000 for the Louisville Waterfront Development Corporation, a non-profit corporation in Kentucky, for a riverbank stabilization project to demonstrate pollution run-off reduction strategies;

34. $400,000 for Red River Watershed Management Institute at Louisiana State University-Shreveport for research, education, and community service/outreach related to watershed management in the area drained by the Red River and its tributaries;

35. $200,000 for St. Mary's College, Maryland for the River and Lands Institute;

36. $175,000 to Oakland County, Michigan for the Clinton River Watershed Initiative including watershed research and modeling, creation of a web-based database on stream flow and water quality, bacterial source tracking, and outreach activities;

37. $1,000,000 for the Oakland County Drain Commission, Michigan for water and sewerage infrastructure management and planning;

38. $125,000 for the Hypoxia Education and Stewardship Project in Kansas City, Missouri;

39. $250,000 for Wake County, North Carolina for a groundwater protection program;

40. $1,000,000 for the North Carolina Rural Economic Development Center to develop a statewide Water and Wastewater Assessment, Management and Security Initiative;

41. $850,000 for continued support of a North Carolina Central University research initiative to assess environmental exposure and impact in communities of color and economically disadvantaged communities;

42. $175,000 to the University of Nebraska, Lincoln for development of a large-scale, system-level mathematical model of critical water resources in western Nebraska;

43. $100,000 to the State of New Jersey for the New Jersey Geographic Information System Smart Growth Program;

44. $200,000 for Monmouth University, New Jersey, for the Center for Coastal Watershed Management to promote watershed research and education;

45. $300,000 to the Rutgers Noise Technical Assistance Center at the State University of New Jersey to conduct a study of environmental noise from interstate freight railroad operations in Teaneck, New Jersey;

46. $100,000 for the Peconic Estuary Program Office in Riverhead, New York for implementation of a Comprehensive Conservation and Management Plan;

47. $150,000 in technical assistance grants to Washington County, Rensselaer County, and Saratoga County, New York, for Hudson River stewardship programs;

48. $200,000 to Orange County, New York for a county-wide water analysis;

49. $200,000 to Madison County, New York for the landfill gas to energy project;

50. $200,000 for Columbia University in New York City, New York for education and training related to ongoing biomedical research on environmentally induced cancers and immunological responses, at the Audubon Biomedical Science and Technology Park;

51. $250,000 to Wayne County, New York for the development of a Sodus Bay comprehensive watershed management plan;

52. $250,000 to the Center for Environmental Information in Rochester, New York for planning, research and environmental analysis for a Lake Ontario coastline remediation and restoration initiative;

53. $300,000 for the NADO (National Association of Development Organizations) Research Foundation for environmental training and information dissemination related to rural brownfields, air quality standards and water infrastructure;

54. $350,000 to the State University of New York Environmental School of Forestry for research and demonstration of contaminant mitigation strategies for rural/suburban run-off affecting water quality along the rural-urban interface in Central New York watersheds;

55. $350,000 to the State University of New York Environmental School of Forestry for an Onondaga Creek habitat restoration demonstration initiative;

56. $750,000 to Cortland County, New York for continued work on the aquifer protection plan, of which $350,000 is for continued implementation of the comprehensive water quality management program in the Upper Susquehanna Watershed;

57. $1,500,000 for continued work on water management plans for the Central New York Watersheds in Onondaga and Cayuga counties;

58. $500,000 for Springfield, Ohio for environmental restoration activities;

59. $250,000 to Children's Hospital of Philadelphia (CHOP) Community Asthma Prevention program to increase awareness of environmental asthma triggers in the homes of families in Philadelphia;

60. $500,000 to the Caribbean American Mission for Education Research and Action (CAMERA) in support of their youth environmental stewardship and education program;

61. $200,000 to the National Energy Technology Center for the Monogahela River Mine Pool Study in Northwestern West Virginia and Southwestern Pennsylvania;

62. $500,000 to the City of Philadelphia, Pennsylvania, for lead screening, testing, outreach and education throughout the public school system;

63. $750,000 to Environment and Sports Inc., a nonprofit organization, for an environmental and awareness program;

64. $1,500,000 to the American Cities Foundation for the Neighborhood Environmental Action Team program and other community environmental efforts;

65. $250,000 to the Brazos River Authority for the Brazos/Navasota Watershed Management project;

66. $50,000 to Frederick County, Virginia for a water resources study in the counties of Frederick, Warren, Clark and Shenandoah in Virginia and Berkley County in West Virginia;

67. $200,000 to Loudoun County, Virginia for development of a comprehensive watershed management plan;

68. $700,000 to the Columbia Basin Groundwater Management Area in Washington State for the Columbia Basin Groundwater Management Area Study;

69. $500,000 for the Washington Puget Sound Action Team for rapid assessment and response to declining oxygen levels in the Hood Canal;

70. $800,000 to the Polymer Alliance Zone's MARCEE Initiative with oversight provided by the Office of Solid Waste;

71. $2,000,000 for on-going activities at the Canaan Valley Institute, including activities relating to community sustainability.

72. $4,000,000 for the Small Public Water System Technology Centers at Western Kentucky University, the University of New Hampshire, the University of Alaska-Sitka, Pennsylvania State University, the University of Missouri-Columbia, Montana State University, the University of Illinois, and Mississippi State University;

73. $500,000 for the Kenai River Center in Kenai, Alaska;

74. $500,000 for the State of New Hampshire for the New Hampshire Estuaries Project;

75. $3,000,000 for the University of Oklahoma for surface water treatment, monitoring and environmental remediation of mine-waste tailings in the Tar Creek and Spring Creek watersheds in Ottawa County, Oklahoma;

76. $1,000,000 for the State of Alaska to conduct a mercury testing program on seafood;

77. $500,000 for the New Hampshire Department of Environmental Services for a milfoil and invasive species removal program;

78. $1,000,000 for the University of Nebraska-Lincoln for the development of innovative cleanup technologies for environmental contamination of soil and water;

79. $500,000 for the University of Louisville Center for Infrastructure Research in Kentucky for research of ways to address problems caused by obsolete designs, aging facilities and growing demands on water, wastewater and sewer infrastructure;

80. $500,000 for the Western Kentucky University Center for Wastewater Research for research on wastewater and management issues;

81. $1,000,000 for the Watershed of the Ozarks in Missouri for the Valley Mill Watershed Project;

82. $1,000,000 for the University of Missouri at Columbia for the Innovative Technologies for Nutrient Management Project;

83. $1,000,000 for the Missouri Pork Producers Association for the development of environmental processes for agricultural producer certifications;

84. $450,000 for the Village of Questa, New Mexico for an impact study on the quality of groundwater and surface water sources and for costs related to mine reclamation;

85. $750,000 for the Ohio River Valley Water Sanitation Commission to complete a riverwide TMDL review of dioxin and PCBs;

86. $750,000 for the Lake Pontchartrain Basin Foundation for Lake Pontchartrain water quality improvement projects.

87. $250,000 for the Maryland Bureau of Mines for an acid mine drainage remediation project;

88. $1,000,000 for projects demonstrating the benefits of Low Impact Development along the Anacostia Watershed in Prince Georges County, Maryland, including $500,000 for storm drains and trash traps;

89. $250,000 for the Midwest Technology Assistance Center at the University of Illinois;

90. $500,000 for the Sacramento Regional County Sanitation District for toxic pollutant control;

91. $500,000 for the Center for Agricultural and Rural Development at Iowa State University for the Resource and Agricultural Policy Systems program;

92. $500,000 for the Small Business Pollution Prevention Center at the University of Northern Iowa;

93. $500,000 for the painting and coating assistance initiative through the University of Northern Iowa;

94. $500,000 for the Department of Water Supply, County of Maui, Hawaii for the upcountry Maui lead-water reduction plan;

95. $250,000 for the Economic Development Alliance of Hawaii to promote biotechnology to reduce pesticide use;

96. $400,000 for the County of Hawaii and the Hawaii Island Economic Development Board for community-based waste recycling and reuse system;

97. $200,000 for the Milwaukee Community Services Corps for a phytoremediation treatability plan;

98. $300,000 for the Great Lakes Indian and Wildlife Commission;

99. $250,000 for the Northwest Straits Commission for Washington State University's beach watchers program;

100. $350,000 for the Northwest Indian Fisheries Commission tribal water quality program;

101. $300,000 for the Walker Lake Working Group in Nevada for scientific, analytical, and other technical assistance to evaluate solutions for the restoration of Walker Lake;

102. $200,000 to the Walker Lake Paiute Tribe to conduct environmental remediation of ordnance and other toxic materials on tribal lands;

103. $325,000 for the Shoshone-Paiute Tribe for an environmental characterization study of mine drainage on the Owybee River, riparian areas, and other areas on the Tribe's Duck Valley Reservation;

104. $750,000 for the University of West Florida's PERCH program;

105. $200,000 for pollution prevention of Wreck Pond and nearby beaches in Spring Lake, New Jersey;

106. $250,000 for a storm water research initiative at the University of Vermont;

107. $500,000 for New Bedford, Massachusetts, for environmental education and science programs;

108. $200,000 for the Northeast Waste Management Officials Association [NEWMOA];

109. $200,000 for the Northeast States for Coordinated Air Use Management [NESCAUM];

110. $2,000,000 for the National Alternative Fuels Training Consortium; and

111. $500,000 for the Clinton River Watershed Initiative in Michigan.

The conferees strongly support the objectives of the Agency's enforcement program, and have provided additional resources to enable the Agency to fund a total of not less than 2,237 enforcement FTEs in this account (3,465 FTEs throughout the Agency), equal to the fiscal year 2003 enacted level.

The conference agreement provides the full budget request for the Endocrine Disruptor Screening Program (EDSP), the High Production Volume (HPV) Chemical Challenge Program, and the Voluntary Children's Chemical Evaluation Program (VCCEP).

The conference agreement also provides the full budget request for the Great Lakes National Program Office.

The conference agreement provides the full budget request of $2,000,000 for the Water Information Sharing and Analysis Center (Water ISAC) to gather, analyze, and disseminate sensitive security information to water and wastewater systems. The conferees direct that the Water ISAC shall be implemented through a grant to the Association of Metropolitan Water Agencies.

The conferees have, within available funds, provided $2,000,000 for nine Environmental Finance Centers, the same as for fiscal year 2003. Also from within available funds, the Agency is provided with $250,000 to continue development of BASINS models, GIS mapping, integration with other financial and planning tools, and incorporation of cost-effectiveness considerations into integrated priority ranking systems.

Within available funds, the Agency is directed to contract with an independent research organization, within 60 days of enactment, to complete a comprehensive study of jobs created by water infrastructure financing, as proposed by the Senate.

The conferees expect EPA to specify all funding for paid advertising throughout the Agency in the fiscal year 2004 operating plan and in the fiscal year 2005 budget submission.

The conferees are concerned that Federal agencies continue to receive failing grades due to weaknesses in cyber security management. To address this weakness, the conferees believe agencies can use vulnerability management as a means of securing critical computer networks. The conferees direct EPA to provide no less than $500,000, within available funds, to demonstrate a cyber-security/vulnerability management solution which, in real time, continuously and accurately discovers network exposures and measures policy compliance in an extensible and scalable manner. This management solution can be achieved by using appliance-based technology to run a hardened operating system that communicates through encryption using digital certificates for authentication. The conferees direct the Agency to report to the Committees on Appropriations on the efficacy of this technology no later than October 1, 2004.

The conferees understand that EPA supports Electro Catalytic Oxidation, a multi-pollutant control technology for coal fired power plants. The conferees encourage EPA to continue to explore the potential clean air benefits of this promising technology.

The conferees support the Agency's electronics recycling initiative, and encourage the Agency to support pilot projects through the Polymer Alliance Zone's MARCEE Initiative to develop a market-based sustainable electronics recycling infrastructure.

OFFICE OF INSPECTOR GENERAL

Appropriates $37,558,000 for the Office of Inspector General, an increase of $750,000 over the amounts proposed by the House and the Senate. In addition to amounts appropriated directly to the OIG, $13,214,000 is also available by transfer from funds appropriated for the Hazardous Substance Superfund.

The conferees have included language designating the Inspector General of EPA to serve as the Inspector General for the Chemical Safety and Hazard Investigation Board. An additional $750,000, not in the budget request, and up to 5 FTEs are provided in fiscal year 2004 for this function. The conferees direct that adequate funding be included in the budget request in future fiscal years to carry out this function.

BUILDINGS AND FACILITIES

Appropriates $40,000,000 for buildings and facilities, instead of $42,918,000 as proposed by the Senate and $42,368,000 as proposed by the House.

HAZARDOUS SUBSTANCE SUPERFUND

(INCLUDING TRANSFERS OF FUNDS)

Appropriates $1,265,000,000 for Hazardous Substance Superfund as proposed by the Senate instead of $1,275,000,000 as proposed by the House. Bill language provides that such sums as are available from the Superfund trust fund upon the date of enactment are available for this activity, with the remainder to be derived from general revenues of the Treasury. Additional language provides for the transfer of $13,214,000 to the Office of Inspector General, and for the transfer of $44,697,000 to the Science and Technology account. The conference agreement does not include delayed obligations in the superfund account as proposed by the Senate.

The conferees have agreed to the following fiscal year 2004 funding levels:

1. $880,281,000 for Superfund response and cleanup activities, an increase of $28,895,000 over the fiscal year 2003 enacted level.

2. $147,557,000 for enforcement activities.

3. $140,425,000 for management and support.

4. $13,214,000 for transfer to the Office of Inspector General.

5. $44,697,000 for research and development activities, to be transferred to the Science and Technology account.

6. $38,826,000 for reimbursable interagency activities, including $28,150,000 for the Department of Justice and $10,676,000 for OSHA, FEMA, NOAA, the United States Coast Guard, and for the Department of the Interior.

The conferees direct the EPA IG to conduct an evaluation of Superfund expenditures at headquarters and the regions and recommend options for increasing resources directed to extramural cleanup while minimizing administrative costs. The conference agreement does not include a provision, as proposed by the Senate, to require EPA to allocate a specific percentage of its superfund budget to site remedy construction and long-term response activities. However, the conferees expect EPA to direct the maximum possible resources to these activities, and look forward to reviewing the IG's recommendations for increasing funding for these critical activities within available resources.

The conferees direct the EPA Inspector General to conduct an investigation into all financial transactions, including revenue and spending, by the Gloucester Environmental Management Services (GEMS) Trust, and make its findings available to the public no later than April 1, 2004.

LEAKING UNDERGROUND STORAGE TANK PROGRAM

Appropriates $76,000,000 for the leaking underground storage tank program instead of $79,845,000 as proposed by the House and $72,545,000 as proposed by the Senate.

OIL SPILL RESPONSE

Appropriates $16,209,000 for oil spill response as proposed by the House and the Senate.

STATE AND TRIBAL ASSISTANCE GRANTS

Appropriates $3,896,800,000 for state and tribal assistance grants instead of $3,601,950,000 as proposed by the House and $3,814,000,000 as proposed by the Senate. Bill language specifically provides $1,350,000,000 for Clean Water State Revolving Fund (SRF) capitalization grants, of which up to $75,000,000 is to be made available for use by States that choose to make loans, including interest-free loans, that increase non-point and non-structural, decentralized alternatives, expanding the choices available to communities in their fight for clean water. The conferees again strongly encourage States that can do so to pursue innovative technologies in this regard, but emphasize that this program is voluntary and that States not participating in the program will nevertheless continue to receive their normal level of funding through the established SRF formulas.

Additional bill language provides $850,000,000 for Safe Drinking Water SRF capitalization grants; $50,000,000 for the United States-Mexico Border program; $43,000,000 for grants to address drinking water and wastewater infrastructure needs in rural and native Alaska communities; $3,500,000 for remediation of above ground leaking fuel tanks in Alaska pursuant to Public Law 106–554; $6,600,000 for grants for construction of alternative decentralized wastewater facilities; $93,500,000 for Brownfields grants; $1,175,200,000 for categorical grants to the states and tribes, including $50,000,000 for

Brownfields categorical grants and $20,000,000 for the Environmental Information Exchange program; and $325,000,000 for cost-shared grants for construction of water and wastewater treatment facilities and infrastructure and for groundwater protection infrastructure.

The conferees have included bill language which: (1) for fiscal year 2004, authorizes the Administrator of the EPA to use funds appropriated pursuant to the Federal Water Pollution Control Act (FWPCA) to make grants to Indian tribes pursuant to section 319(h) and 518(e) of FWPCA; (2) will permit the states to include as principal amounts considered to be the cost of administering SRF loans to eligible borrowers, with certain limitations; (3) for fiscal year 2004, authorizes the states to transfer funds between the Clean Water and Safe Drinking Water SRF programs; and (4) stipulates that no funds provided in the Act to address water infrastructure needs of colonias within the United States along the United States-Mexico border shall be made available to a county or municipal government unless that governmental entity has established an enforceable ordinance or rule which prevents the development or construction of any additional colonia areas, or the development within an existing colonia of any new home, business, or other structure which lacks water, wastewater, or other necessary infrastructure.

As in previous years, the conferees have included bill language which stipulates that none of the funds provided in this or any previous years' Act for the Safe Drinking Water SRF may be reserved by the Administrator for health effects studies on drinking water contaminants. The conferees have instead provided significant resources for such studies within EPA's Science and Technology account.

The conferees have included new bill language which sets certain requirements for Alaska Native Village grants, including: (1) a 25% cost share from the State of Alaska; (2) a limitation on administrative expenses; and (3) the establishment of a statewide priority list and a set-aside for regional hub communities.

The conferees eliminated a provision included by the Senate which was designed to make the use of targeted water and wastewater investments in combination with funding from state revolving funds more flexible. The House did not include this provision. Because of concerns over the best way to address flexibility in the combined use of these funds, the conferees instead direct the EPA to report to the House and Senate Committees on Appropriations by February 15, 2004 with recommendations on ways to enhance the combined use of these funds.

The conferees have included bill language which makes technical corrections and changes to grants approved in previous fiscal years.

Of the funds provided for the United States-Mexico Border program, $7,000,000 is for continuation of the El Paso, Texas desalination and water supply project, and $2,000,000 is for the Brownsville, Texas water supply project.

The conference agreement provides $6,600,000 for six specific grants under the National Decentralized Wastewater Demonstration program. The program, which has shown success in developing and transferring technologies which offer alternatives to centralized wastewater treatment facilities, also requires a cost-share whereby each grantee must provide 25% of the project's total cost. The six projects included for funding are located in Seattle, Washington ($1,350,000); Blackstone Watershed, Massachusetts and Rhode Island ($1,350,000); Boise, Idaho ($1,000,000); Pasquotank River Watershed, North Carolina ($1,350,000); Washington, D.C. ($800,000); and Chagrin River Watershed, Ohio ($750,000). As in previous years, these projects were determined by non-governmental, independent analysis based upon their unique and diverse geology and geography, their ability to provide the greatest technological diversity using limited financial resources, and the commitment of each community or regional area to find and fund appropriate alternative technologies to resolve their wastewater treatment needs.

Within the State and Tribal Categorical Grant program, the conference agreement includes:

1. $228,550,000 for air resource assistance to State and local governments under sections 103 and 105 of the Clean Air Act, including $10,000,000 for the five State/Regional Haze planning organizations;

2. $11,050,000 for air resource assistance grants to Tribal governments;

3. $8,150,000 for radon grants;

4. $200,400,000 for water pollution control Agency resource supplementation under section 106 of FWPCA;

5. $10,000,000 for beach grants to develop and implement monitoring and information programs for coastal recreation waters pursuant to the Beach Environmental Assessment and Coastal Health Act of 2000;

6. $238,550,000 for section 319 of FWPCA non-point source pollution grants, including programs formerly eligible under the section 314 Clean Lakes program;

7. $15,000,000 for wetlands program development grants;

8. $19,000,000 for water quality cooperative agreements under section 104(b)(3) of FWPCA;

9. $15,000,000 for targeted watershed grants;

10. $102,600,000 for public water system supervision grants;

11. $11,000,000 for underground injection control grants;

12. $5,000,000 for Drinking Water Program State Homeland Security Coordination grants;

13. $106,400,000 for RCRA financial assistance grants;

14. $50,000,000 for Brownfields categorical cleanup grants;

15. $11,950,000 for underground storage tank grants;

16. $13,100,000 for pesticides program implementation grants;

17. $13,700,000 for lead risk reduction grants;

18. $5,150,000 for toxic substances compliance/enforcement grants;

19. $19,900,000 for pesticides enforcement grants;

20. $20,000,000 for the information exchange network program;

21. $6,000,000 for pollution prevention incentive grants;

22. $2,250,000 for enforcement and compliance assurance grants; and

23. $62,500,000 for Indians general assistance grants.

The conferees have not provided funding for a grant for drinking water infrastructure improvements in San Juan, Puerto Rico.

The conferees have provided $325,000,000 for a targeted program making grants to communities for the construction of drinking water, wastewater and storm water infrastructure and for water quality protection. As in past years, these grants shall be accompanied by a cost-share requirement whereby 45 percent of a project's cost is the responsibility of the community or entity receiving the grant. In those few cases where such cost-share requirement poses a particular financial burden on the recipient community or entity, the conferees support the Agency's use of its long-standing guidance for financial capability assessments to determine reductions or waivers from this match requirement.

With the exception of the limited instances in which an applicant meets the criteria for a waiver, the conferees have provided no more than 55% of an individual project's cost, regardless of the amount appropriated below. Consistent with direction in the fiscal year 2003 Conference Report on this bill, the phrase 'terms and conditions' referenced in the bill language includes the maximum 55% federal share, as well as the intended recipients and the specific project descriptions, as listed below.

The distribution of funds under this program is as follows:

1. $85,000 to the City of Cedar Bluff, Alabama for wastewater infrastructure improvements;

2. $90,000 to the Town of Pennington, Alabama for water and wastewater infrastructure improvements;

3. $100,000 to the Fayette, Alabama, Water Works Board for water system infrastructure improvements;

4. $100,000 to the Limestone County Water and Sewer Authority, Alabama for drinking water improvements;

5. $100,000 to the City of Athens, Alabama for wastewater system improvements;

6. $100,000 to Lawrence County, Alabama for the Bankhead Forest Water project;

7. $100,000 to the city of New Hope, Alabama for wastewater system improvements;

8. $850,000 for the Coosa Valley Water Supply District for development of a surface water supply in St. Clair County, Alabama;

9. $175,000 to the West Morgan-East Lawrence Water and Sewer Authority, Alabama for water infrastructure improvements;

10. $175,000 to the City of Lineville, Alabama for purchase and construction of a water tank;

11. $200,000 to Walker County Commission, Alabama for water line extensions in isolated areas;

12. $200,000 to Colbert County, Alabama, for water system improvements;

13. $200,000 to the Utilities Board of the Town of Citronelle, Alabama for water infrastructure improvements;

14. $225,000 to the West Lawrence Water Co-Op of Mount Hope, Alabama for water system infrastructure improvements;

15. $250,000 to Atalla, Alabama, for sewerage system improvements;

16. $300,000 to the Town of Gordo, Alabama for sanitary sewer expansion project;

17. $300,000 to the Guntersville, Alabama, Water and Sewer Board for the Sand Mountain water storage system project;

18. $550,000 to the Waterworks Board for the Towns of Section and Dutton, Alabama for water system improvements;

19. $350,000 to the Town of Berry, Alabama for construction of a wetlands treatment facility;

20. $350,000 to the Chilton Water Authority in Chilton County, Alabama for water infrastructure improvements;

21. $400,000 to Jackson County, Alabama for water system improvements;

22. $400,000 to the West Lauderdale County Water and Fire Protection Authority, Alabama for construction of a water treatment plant;

23. $475,000 to Franklin County, Alabama for water system infrastructure improvements;

24. $500,000 to Hartselle Utilities for wastewater infrastructure improvements in the City of Hartselle, Alabama;

25. $700,000 to Lawrence County, Alabama for construction of a wastewater treatment facility;

26. $850,000 to the Upper Bear Creek Water Treatment Plant in Haleyville, Alabama, for water treatment plant improvement project;

27. $875,000 to the CREMS (Carlisle, Rockledge, Egypt, Mountainboro, and Shady Grove) Water Authority, Alabama for water system infrastructure improvements;

28. $1,000,000 to the City of Florence, Alabama for the rehabilitation of the Canal/Jones Hollow Interceptor sewer lines;

29. $250,000 to be shared equally between the Brent Water and Sewer Board and the Centreville Water and Sewer Board in Bibb County, Alabama for water and wastewater infrastructure improvements;

30. $2,000,000 to the Tom Bevill Reservoir Management Area Authority for construction of a drinking water reservoir in Fayette County, Alabama;

31. $450,000 to the Southwest Alabama Regional Water supply District for regional water supply distribution in Thomasville, Alabama;

32. $100,000 to the Town of Hodges, Alabama for the Hodges water improvement project;

33. $150,000 to the Town of Double Springs, Alabama for water system improvements;

34. $250,000 for Smith's Sewer and Water Authority for sewer system expansion in Smith, Alabama;

35. $100,000 to the Water and Sewer Boards of the Cities of Brent and Centreville for court ordered repairs to the system to mitigate water pollution in Centreville, Alabama;

36. $250,000 to the City of Athens Utilities for commercial sewage extension in Athens, Alabama;

37. $100,000 to the Wilcox County Industrial Authority in Camden, Alabama for water and sewer infrastructure improvements in Wilcox County, Alabama;

38. $150,000 for the Cherokee County Commission for Weiss Lake Area system improvements in Centre, Alabama;

39. $2,000,000 for Anchorage, Alaska for water and sewer upgrades in West Anchorage;

40. $1,500,000 for Fairbanks, Alaska for water system upgrades;

41. $1,000,000 for North Pole, Alaska for water and sewer improvements;

42. $985,000 for Palmer, Alaska for a water main;

43. $768,000 for Sitka, Alaska for Japonski Island water supply improvements;

44. $925,000 for Wasilla, Alaska for water and sewer improvements;

45. $300,000 to the White Mountain Apache Tribe in Arizona to prepare a master plan for drinking water infrastructure on the Fort Apache Indian Reservation;

46. $1,000,000 for the City of Scottsdale, Arizona for the Scottsdale Arsenic Removal Pilot Project;

47. $602,000 for the City of Safford, Arizona, for wastewater treatment plant construction costs;

48. $600,000 to the City of Avondale, Arizona for wastewater infrastructure improvements;

49. $750,000 to the Town of Huachuca, Arizona for the Effluent Recharge Project;

50. $750,000 to the City of Tucson, Arizona for water security infrastructure improvements;

51. $100,000 to the Baxter County Water Facilities Board, Arkansas for water and wastewater infrastructure improvements;

52. $125,000 to the City of Jonesboro, Arkansas for developing drainage plans;

53. $200,000 to the Faulkner County Public Utilities Board, Arkansas for wastewater infrastructure improvements for Lake Conway;

54. $300,000 to the Fort Chaffee Redevelopment Authority, Arkansas for water infrastructure improvements;

55. $650,000 for the Community Water System Public Water Authority of Arkansas in Lonoke and White Counties for the Greers Ferry drinking water project;

56. $650,000 for the City of Fayetteville, Arkansas for wastewater infrastructure improvements;

57. $100,000 to the City of Chino Hills, California for a needs assessment study for 39 improvements to the Los Serranos storm water drainage system;

58. $110,000 to the City of East Palo Alto, California for the East Palo Alto Master Water Plan including water, wastewater and stormwater infrastructure improvements;

59. $475,000 to the City of Brisbane, California for water and wastewater infrastructure improvements;

60. $200,000 to the City of Colton, California for stormwater infrastructure improvements as part of the Comprehensive 3–5 Storm Drain Plan;

61. $200,000 to the Los Osos Community Services District, California for wastewater infrastructure improvements;

62. $200,000 to the City of Modesto, California for the Ninth Street Corridor Storm Drain project;

63. $200,000 to the City of Norwalk, California for the Norwalk Reservoir Project;

64. $200,000 to the City of Cudahy, California for wastewater infrastructure improvements;

65. $200,000 to the City of Bell, California for wastewater infrastructure improvements;

66. $200,000 to Marin County, California for the Tomales Bay Wastewater Treatment Facility;

67. $250,000 to the City of Long Beach, California for storm water infrastructure improvements;

68. $450,000 to the City of Westminster, California for a water quality improvement pilot project;

69. $250,000 to the City of Fort Bragg, California for wastewater infrastructure improvements;

70. $250,000 for the City of Gardena, California for wastewater and stormwater infrastructure improvements;

71. $500,000 to the City of Santa Ana, California for the West Pump Station Facility Upgrade project;

72. $300,000 to the City of Murrieta, California for wastewater infrastructure improvements;

73. $300,000 to the City of El Segundo, California for sanitary sewer overflow infrastructure improvements;

74. $300,000 to the City of Santa Monica, California for water infrastructure improvements;

75. $350,000 to the Monterey County Water Resource Agency in California for planning and design of the Salinas Valley Water Project;

76. $350,000 to the City of Roseville, California for water infrastructure improvements;

77. $350,000 to the City of Vallejo, California for infrastructure improvements for the Mare Island Sanitary Sewer and Storm Drain System;

78. $475,000 to the City of Huntington Beach, California for the Alabama Storm Drain project;

79. $400,000 to the Irvine Ranch Water District, California for the San Diego Creek Watershed Natural Treatment System;

80. $400,000 to the County of Ventura, California for implementation of the Calleguas Creek Watershed Management Plan;

81. $400,000 to the United Water Conservation District, California for the River Park Reclamation and Recharge Authority Groundwater Project;

82. $400,000 to the City of Redding, California for water and wastewater infrastructure improvements for the Stillwater Business Park;

83. $400,000 to the City of Victorville, California for water and wastewater infrastructure improvements;

84. $400,000 to the City of Whittier, California for water and wastewater infrastructure improvements;

85. $400,000 to the City of Folsom, California for wastewater infrastructure improvements;

86. $400,000 to the City of Lodi, California for wastewater infrastructure improvements;

87. $500,000 to the City of Fresno, California for a water conveyance project;

88. $650,000 to Placer County, California for wastewater infrastructure improvements;

89. $750,000 to the San Diego Water Authority, California for a water desalination program;

90. $800,000 to the Olivenhain Municipal Water District in Encinitas, California for water infrastructure improvements;

91. $800,000 to the City of Sacramento, California for the Sacramento Combined Sewer System Improvement and Rehabilitation Project;

92. $800,000 to the Castaic Lake Water Agency, California for wastewater infrastructure improvements;

93. $1,100,000 to the Mojave Water Agency, California for the Mojave Desert Arsenic Demonstration project;

94. $1,650,000 to the Cities of Arcadia and Sierra Madre, California for water infrastructure improvements;

95. $1,000,000 for the Orange County Sanitation District, California for a wastewater treatment program;

96. $500,000 to the Mission Springs, California Water District for water infrastructure improvements;

97. $500,000 to the City of San Bernardino, California for the Lakes and Streams project;

98. $1,000,000 for the Santa Clara Valley Water District, California for perchlorate groundwater clean-up;

99. $500,000 for the City of Ukiah, California for wastewater infrastructure improvements;

100. $500,000 for the West Valley Water District, California for the Inland Empire Perchlorate Force Wellhead Treatment;

101. $500,000 for Madera County, California for wastewater infrastructure improvements;

102. $200,000 for Ventura County, California for sewer infrastructure improvements;

103. $1,000,000 to the Town of Rico, Colorado for the construction of a wastewater treatment plant and sewer system;

104. $1,000,000 for the Brownsville Water District, Colorado for the construction of a sanitary sewer collection system and interceptor line;

105. $1,000,000 for the Englewood/Littleton Bi-City Wastewater Treatment Plant, Colorado for wastewater infrastructure improvements;

106. $200,000 to the Town of Prospect, Connecticut for water infrastructure improvements;

107. $550,000 for the Town of Southington, Connecticut for water infrastructure improvements;

108. $500,000 to the City of Stamford, Connecticut for stormwater management improvements for the restoration of the Mill River ecosystem;

109. $900,000 for the Town of East Hampton, Connecticut for water infrastructure improvements;

110. $500,000 for the City of New Britain, Connecticut for drinking water infrastructure improvements;

111. $1,100,000 for the City of Wilmington, Delaware for wastewater infrastructure improvements;

112. $400,000 to the Metropolitan Washington Council of Governments for its Regional Water System Security Enhancement Program;

113. $1,000,000 for the Solid Waste Authority of Palm Beach County, Florida for continued construction of the Tr-County Biosolids Pelletization Facility;

114. $1,000,000 for Key Biscayne, Florida for wastewater infrastructure improvements;

115. $175,000 to the City of Miami Gardens, Florida for drinking water, wastewater, stormwater and sewer infrastructure improvements;

116. $200,000 to Citrus County, Florida for wastewater infrastructure improvements for the Homosassa and Chassahowitzka Water Collection System;

117. $200,000 to the City of Hollywood, Florida for water infrastructure improvements;

118. $200,000 to Palm Beach County, Florida for improvements at the Lake Okeechobee Regional Water Treatment Plant;

119. $200,000 to the Southwest Florida Management District for water and wastewater infrastructure improvements for Weeki Wachee Springs;

120. $300,000 for the Northwest Florida Management District for the Escambia County Utility Authority Water Reclamation Project;

121. $240,000 to the City of Marathon, Florida for water and wastewater infrastructure improvements for the Boot Key Municipal Harbor Development;

122. $300,000 to Orange County, Florida for wastewater infrastructure improvements in Holden Heights;

123. $350,000 to the City of Tampa, Florida for the South Tampa Area Reclaimed Project;

124. $350,000 to St. Johns County, Florida for the Stormwater and Septic Tank Replacement Project;

125. $400,000 to Sarasota County, Florida for the Phillipi Creek Septic Tank Replacement Project;

126. $400,000 to the City of Key West, Florida for stormwater infrastructure improvements;

127. $400,000 to the City of Oakland Park, Florida for the Kimberly Lake Drainage Project;

128. $400,000 to the City of Riviera Beach, Florida for stormwater infrastructure improvements for Lake Worth Lagoon;

129. $400,000 to the Town of Orange Park, Florida for wastewater infrastructure improvements for the St. Johns River;

130. $650,000 to the County of Putnam, Florida for a Regional Water System project;

131. $800,000 to the City of Sweetwater, Florida for stormwater and wastewater infrastructure improvements;

132. $800,000 to the City of Homestead, Florida for water and wastewater infrastructure improvements;

133. $800,000 to the Southwest Florida Water Management District for the Upper Peace River Watershed Restoration Initiative;

134. $2,000,000 for St. Johns Rivers Water Management District, Florida to integrate alternative water supplies in east-central Florida to reduce the regional water supply deficit;

135. $450,000 for St. Johns Rivers Water Management District, Florida for the Northeast Florida Integrated Water Resources Project;

136. $10,000,000 to the Southwest Florida Water Management District for continuation of the Tampa Bay Reservoir Project;

137. $110,000 to the City of Helena, Georgia for water and wastewater infrastructure improvements;

138. $350,000 to the Liberty County Development Authority, Georgia for water and wastewater infrastructure improvements for the Liberty County Coastal Megapark;

139. $400,000 to the City of Roswell, Georgia for the Big Creek Watershed Project;

140. $1,250,000 for the City of Forsyth, Georgia for wastewater infrastructure—improvements;

141. $700,000 to the City of Atlanta, Georgia for the West Area Combined Sewer project;

142. $600,000 to Gwinnett County, Georgia for water and wastewater infrastructure improvements for the Liberty Heights revitalization project;

143. $1,100,000 for the Metropolitan North Georgia Water Planning District for water and wastewater infrastructure improvement projects;

144. $1,000,000 to the Metropolitan North Georgia Water Planning District for water and wastewater infrastructure improvements for the City of Atlanta Nancy Creek project;

145. $2,250,000 for Columbus Water Works, Columbus, Georgia for its Biosolids Flow-Through Thermophilic Treatment Demonstration Project;

146. $350,000 to Meriweather County, Georgia for water infrastructure improvements;

147. $300,000 to the Guam Waterworks Authority for water and wastewater infrastructure improvements;

148. $1,000,000 for Oahu County and Kauai County, Hawaii for water infrastructure improvements;

149. $400,000 to the City of Middleton, Idaho for its water and sewer utility extension and regional lift station project;

150. $500,000 to the City of McCammon, Idaho for wastewater system improvements;

151. $900,000 to the City of Jerome, Idaho for extension of sewer lines;

152. $2,000,000 for Shoshone County, Idaho, for Burke Canyon Water and Sewer Improvements;

153. $500,000 for the City of Burley, Idaho, for construction on its Wastewater Treatment System Project;

154. $100,000 to the Village of Carbon Hill, Illinois for water infrastructure improvements;

155. $125,000 to the Village of Romeoville, Illinois for stormwater infrastructure improvements;

156. $200,000 to the Village of Lisbon, Illinois for wastewater infrastructure improvements;

157. $200,000 to the Town of Cortland, Illinois for construction of an elevated water storage tower;

158. $200,000 to the Village of Burlington, Illinois for wastewater infrastructure improvements;

159. $200,000 to the City of Genoa, Illinois for wastewater infrastructure improvements;

160. $250,000 for the Village of Oreana, Illinois for water and wastewater infrastructure improvements;

161. $300,000 to the City of Shelbyville, Illinois for wastewater infrastructure improvements;

162. $300,000 to the City of Breese, Illinois for water infrastructure improvements;

163. $325,000 to the Village of Downs, Illinois for wastewater infrastructure improvements;

164. $350,000 for the City of Delavan, Illinois for the construction of new water service lines and storage tanks;

165. $350,000 for the City of Springfield, Illinois for the replacement of the First Street Sanitary Sewer and stormwater management for Memorial Medical Center;

166. $350,000 to the Lake County Stormwater Management Committee, Illinois for stormwater detention, infrastructure, modeling, design and management activities in the upper Des Flames River watershed;

167. $500,000 for Lake County, Illinois for water and wastewater infrastructure improvements;

168. $350,000 to the Village of Johnsburg, Illinois for wastewater infrastructure improvements;

169. $400,000 to the Village of LaGrange Park, Illinois for a water main replacement project;

170. $401,500 for the Village of Washington, Illinois for improvements to the School Street Sewer Interceptor;

171. $500,000 for the City of Virginia, Illinois for the construction of a water treatment facility;

172. $500,000 for the City of Lincoln, Illinois for upgrades for its wastewater treatment plant;

173. $500,000 for the Village of Armington, Illinois for the construction of a sanitary sewer project;

174. $500,000 for the City of Forsyth, Illinois for construction of a new water treatment plant;

175. $500,000 to the Village of Port Barrington, Illinois for wastewater infrastructure improvements;

176. $648,500 for the City of Peoria, Illinois for the installation of sanitary sewer infrastructure in Growth cells 2 and 3;

177. $500,000 for Galesburg Sanitary District, Illinois for wastewater infrastructure improvements;

178. $500,000 for the Village of Franklin Park, Illinois for water and wastewater infrastructure improvements;

179. $500,000 for the City of Galena, Illinois to expand and improve wastewater facilities;

180. $200,000 for the City of Wilmington, Illinois for wastewater infrastructure improvements;

181. $900,000 to the City of Martinsville, Indiana for water supply, water storage, and other water infrastructure improvements;

182. $200,000 to the City of Jeffersonville, Indiana for wastewater infrastructure improvements;

183. $200,000 to the City of Richmond, Indiana for wastewater and stormwater infrastructure improvements;

184. $250,000 to be divided equally between Vanderburgh County and the City of Evansville, Indiana for Pigeon Creek wastewater system improvements;

185. $400,000 to the City of Carmel, Indiana for water and wastewater infrastructure improvements;

186. $1,200,000 to the City of Fort Wayne, Indiana for the Camp Scott Program for water and wastewater infrastructure improvements;

187. $750,000 to Rensselaer, Indiana for wastewater infrastructure improvements;

188. $200,000 for the Delaware County Commissioners, Eaton, Indiana for water system improvements;

189. $200,000 for the City of Elwood, Indiana for sewer infrastructure improvements;

190. $1,700,000 for the City of Sioux City, Iowa for improvements at the Sioux City Regional Wastewater Treatment Facility;

191. $200,000 to the City of Postville, Iowa for wastewater infrastructure improvements;

192. $2,500,000 for the City of Ottumwa, Iowa for the separation of combined sewers;

193. $600,000 for the Mason City Water Treatment Plant in Mason City, Iowa for water infrastructure improvements;

194. $200,000 for the City of Carroll, Iowa for wastewater infrastructure improvements;

195. $2,000,000 for the City of Hutchinson, Kansas for groundwater remediation;

196. $1,250,000 for the City of Roeland Park, Kansas for stormwater infrastructure improvements;

197. $450,000 to the City of Newton, Kansas for wastewater infrastructure improvements;

198. $500,000 to the City of Frankfort, Kentucky for the Schenkel Lane Sewer Replacement project;

199. $200,000 to Grant County, Kentucky for the Grant County/Bullock Pen Waterline Extension project;

200. $200,000 to the City of Wickliffe, Kentucky for wastewater infrastructure improvements;

201. $500,000 to the Boyle County Fiscal Court, Kentucky for wastewater infrastructure improvements;

202. $350,000 to the City of Whitesburg, Kentucky for wastewater infrastructure improvements;

203. $480,000 to the City of Mt. Vernon, Kentucky for wastewater infrastructure improvements;

204. $800,000 to Martin County, Kentucky for wastewater infrastructure improvements and extension of wastewater lines;

205. $1,000,000 for the Louisville/Jefferson County Metropolitan Sewer District, Kentucky to construct a wet weather storage basin to control sewer overflows;

206. $500,000 to the South Woodford Water District in Woodford County, Kentucky, for the South Woodford Water District System Improvement Project;

207. $500,000 to the Hardin County Water District No. 2 in Hardin County, Kentucky, for the Elizabethtown Loop Project;

208. $2,000,000 to the Intermodal Transportation Authority in Bowling Green, Kentucky, for Kentucky TriModal Transpark Water and Sewer Improvements;

209. $1,000,000 for Sanitation District Number One in Kentucky for water infrastructure improvements;

210. $700,000 for the Ohio County Regional Wastewater District, Kentucky for wastewater infrastructure improvements;

211. $300,000 for the State of Kentucky for water infrastructure improvements in Union County;

212. $200,000 to the City of Denham Springs, Louisiana for wastewater infrastructure improvements;

213. $300,000 to the Military Department of Louisiana for wastewater infrastructure improvements at the Gillis W. Long Center in St. Gabriel, Louisiana;

214. $400,000 to the City of New Orleans, Louisiana for wastewater infrastructure improvements;

215. $800,000 to the City of Shreveport, Louisiana for the installation of backflow preventers within the water distribution system;

216. $800,000 to the South Central Planning and Development Commission, Louisiana for water and wastewater infrastructure improvements;

217. $1,000,000 for the City of Baton Rouge, Louisiana for water infrastructure improvements;

218. $750,000 for the City of Monroe, Louisiana for wastewater infrastructure improvements;

219. $750,000 for the Town of Gramercy, Louisiana for drinking water infrastructure improvements;

220. $700,000 for the City of St. Martinville, Louisiana for wastewater infrastructure improvements;

221. $500,000 for the City of Gardiner, Maine for sewer infrastructure improvements;

222. $250,000 for the Town of Machias, Maine for wastewater infrastructure improvements;

223. $250,000 for Indian Township, Maine for improvements to wastewater facilities;

224. $300,000 to the Sanford Sewer District, Maine for wastewater infrastructure improvements;

225. $1,000,000 for the Town of Westemport, Maryland for sewer infrastructure improvements;

226. $500,000 for Chestertown, Maryland for water infrastructure improvements;

227. $500,000 for the Town of Delmar, Maryland for water infrastructure improvements;

228. $500,000 to the City of Crisfield, Maryland for water infrastructure improvements and construction of biological nutrient removal facilities;

229. $500,000 for the Town of Hurlock, Maryland for water infrastructure improvements;

230. $500,000 for nutrient control at wastewater treatment plants on the Pocomoke River in Maryland;

231. $1,000,000 for Harford County, Maryland for the Oaklyn Manor Project;

232. $500,000 for the Maryland Department of Natural Resources for water quality restoration projects on the Stoney Run and Dorsey Run in Howard and Anne Arundel Counties, Maryland;

233. $200,000 to the Town of Elkton, Maryland for construction of biological nutrient removal facilities;

234. $350,000 to the City of Cambridge, Maryland for combined sewer overflow infrastructure improvements;

235. $400,000 to the Washington Suburban Sanitary Commission for wastewater disinfection system upgrades for Montgomery and Prince George's Counties, Maryland;

236. $200,000 to the Boston Groundwater Trust of Massachusetts for its groundwater initiative;

237. $450,000 to the City of Brockton, Massachusetts for wastewater infrastructure improvements at the Brockton Wastewater Treatment Facility;

238. $200,000 for wastewater infrastructure improvement projects in Essex County, Massachusetts;

239. $250,000 to the City of Lowell, Massachusetts for combined sewer overflow infrastructure improvements;

240. $1,100,000 for the Cities of New Bedford and Fall River, Massachusetts for combined sewer overflow mitigation in Bristol County;

241. $500,000 to the Pioneer Valley Planning Commission for sewage pollution control projects along the Connecticut River in Massachusetts and Connecticut;

242. $200,000 to the Saginaw Chippewa Tribe of Michigan for the Saginaw Chippewa Water Main Extension Project;

243. $1,000,000 for the Huron Regional Water Authority in Michigan for water infrastructure improvements;

244. $250,000 to the Grand Traverse County Board of Public Works, Water and Sewer Committee, Michigan for wastewater infrastructure improvements;

245. $300,000 to the City of Negaunee, Michigan for wastewater infrastructure improvements;

246. $725,000 for Genesee County Drain Commission, Michigan for the NorthEast Relief Sewer and Kearsley Creek Interceptor project;

247. $400,000 to the City of Detroit, Michigan for wastewater infrastructure improvements at the Belle Isle Sewerage Pumping Station and Combined Sewer Overflow Facility;

248. $750,000 to the City of Grand Rapids, Michigan for combined sewer overflow infrastructure improvements;

249. $1,000,000 to Wayne County, Michigan for continuation of the Rouge River National Wet Weather Demonstration Project;

250. $1,375,000 for the Oakland County Drain Commission to address sanitary sewer overflows in Evergreen Farmington, Michigan;

251. $1,000,000 for the City of Benton Harbor, Michigan for water infrastructure improvements;

252. $400,000 for Crystal Falls Township, Michigan for water infrastructure improvements;

253. $1,000,000 for the City of Saginaw, Michigan for sewer infrastructure improvements;

254. $1,050,000 to the Mille Lacs Band of Ojibwe located on the Mille Lacs Indian Reservation, as established in the Treaty of 1855, 10 Stat. 1165 for construction of the Mille Lacs Regional Wastewater Treatment Facility in Minnesota;

255. $500,000 for the City of Moorhead, Minnesota for water infrastructure improvements;

256. $300,000 to the City of Roseau, Minnesota for water and wastewater infrastructure improvements;

257. $750,000 to the City of Minneapolis, Minnesota for combined sewer overflow infrastructure improvements;

258. $450,000 for the City of Pascagoula, Mississippi for stormwater and wastewater infrastructure improvements;

259. $1,000,000 for the City of Forest, Mississippi for water infrastructure improvements;

260. $200,000 for the City of Gulfport, Mississippi for wastewater infrastructure improvements;

261. $1,000,000 for the West Rankin Metropolitan Water and Sewer Authority, Rankin County, Mississippi for water infrastructure improvements;

262. $500,000 for Tchula, Mississippi for wastewater infrastructure improvements;

263. $500,000 for the City of Meridian, Mississippi for wastewater infrastructure improvements;

264. $500,000 for the City of Jackson, Mississippi for wastewater system improvements;

265. $400,000 to Franklin County, Mississippi for water and wastewater infrastructure improvements for the Okissa Lake Community development;

266. $620,000 to the Town of Farmington, Mississippi for wastewater infrastructure improvements;

267. $1,500,000 for Joplin, Missouri for the Shoal Creek Pre-treatment facility and Silver Creek parallel relief;

268. $1,000,000 for Joplin, Missouri for the Jasper County Crossroads Relief Sewer No. 1 Phase Two;

269. $1,000,000 for the City of St. Joseph, Missouri for sewer infrastructure improvements;

270. $750,000 for Monroe City, Missouri for water main replacement and water line extension;

271. $1,000,000 for the Cities of Peculiar and Raymore, Missouri for the Cass County Watershed Expansion Project;

272. $700,000 for the City of Pacific, Missouri for water and sewer infrastructure improvements;

273. $750,000 for Northwest Missouri Regional Council of Governments for regional drinking water projects;

274. $750,000 for the City of Lebanon, Missouri for sewer infrastructure improvements;

275. $400,000 for Wright City, Missouri for the construction of an elevated water storage tank;

276. $150,000 for Steelville, Missouri for completion of its water service project, well and water storage tank;

277. $500,000 to the City of St. Louis Department of Public Utilities Water Division for the Columbia Bottoms Wellfield Development Project in St. Louis, Missouri;

278. $175,000 to the City of Belton, Missouri for stormwater and wastewater infrastructure improvements;

279. $300,000 to the Duckett Creek Sanitary District for the design, permitting and construction of wastewater treatment facilities, sanitary sewers, and other related work as necessary to document the impact of these facilities in St. Charles County, Missouri;

280. $350,000 to the City of Springfield, Missouri for feasibility studies, preliminary and final designs and for stormwater infrastructure improvements for the Upper James River;

281. $300,000 for the City of Helena, Montana for Phase 1 of Helena's Missouri River Water Treatment Plant reconstruction;

282. $1,000,000 for the Missouri River Water Project, Helena, Montana for a water treatment project;

283. $600,000 for the City of Kalispell, Montana for water treatment improvements;

284. $500,000 for the City of Missoula, Montana for the Rattlesnake Water Project;

285. $350,000 for the City of Red Lodge, Montana for a water treatment facility;

286. $350,000 for the City of Manhattan, Montana for a water treatment facility;

287. $300,000 for the City of Wisdom, Montana for water infrastructure improvements;

288. $400,000 for the City of Hamilton, Montana for water infrastructure improvements;

289. $1,275,000 to the City of Omaha, Nebraska for wastewater infrastructure improvements and combined sewer overflow separation systems;

290. $375,000 for the City of Lincoln, Nebraska for the construction of combined sewer separation systems;

291. $400,000 to the City of South Sioux City, Nebraska for the Bi-State Missouri River Sewer Crossing project between Nebraska and Iowa;

292. $175,000 to the City of Henderson, Nevada for water and wastewater infrastructure improvements;

293. $100,000 for the Town of Hawthorne, Nevada for sewer infrastructure improvements;

294. $1,600,000 for the Virgin Valley Water District, Nevada for drinking water infrastructure improvements;

295. $1,000,000 for Washoe County, Nevada for the North Lemmon Valley Artificial Recharge Project;

296. $600,000 for Clark County, Nevada for water infrastructure improvements;

297. $500,000 for the City of Berlin, New Hampshire, for the Berlin Waterworks water distribution system improvements;

298. $500,000 for the Town of Colebrook, New Hampshire for drinking water infrastructure improvements;

299. $300,000 for the Town of Rollingsford, New Hampshire for wastewater treatment improvements;

300. $350,000 for the Town of Jaffrey, New Hampshire for wastewater treatment improvements;

301. $900,000 for the City of Nashua, New Hampshire for drinking water and combined sewer overflow infrastructure improvements;

302. $500,000 for the City of Manchester, New Hampshire for the Phase 1 Combined Sewer Overflow Abatement project;

303. $350,000 for the City of Rochester Waterworks, New Hampshire for the extension of Rochester, New Hampshire sewer line;

304. $400,000 to the State of New Jersey, New Jersey Meadowlands Commission for wetlands restoration;

305. $500,000 to the Passaic Valley Sewerage Commission in New Jersey for its combined sewage overflow reduction program and the Passaic River/Newark Bay Restoration program;

306. $800,000 to the Township of Jefferson, New Jersey for wastewater infrastructure improvements to help protect water quality of Lake Hopatcong;

307. $1,000,000 for the City of Camden, New Jersey for the Von Neida Park Wastewater Management project;

308. $700,000 for Rockland County in New York, for the Western Ramapo Sewer Extension project;

309. $300,000 for the City of Gallup, New Mexico for wastewater infrastructure improvements;

310. $2,000,000 for the Valley Utilities Project in the City of Albuquerque and Bemalillo County, New Mexico;

311. $1,000,000 for the City of Española, New Mexico, for water and wastewater system improvements;

312. $1,000,000 for the City of Los Lunas, New Mexico, for the interceptor sewer line project;

313. $125,000 to the Dona Ana Mutual Domestic Water Consumers Association for wastewater management and treatment infrastructure improvements in northern Dona Ana County, New Mexico;

314. $300,000 to the City of Elephant Butte, New Mexico for wastewater infrastructure improvements in North Sierra County;

315. $600,000 to Bernalillo County, New Mexico for water and wastewater infrastructure improvements for South and North Valley;

316. $250,000 for the City of Oswego, New York for water infrastructure improvements;

317. $250,000 for the City of Corning, New York for a reservoir project;

318. $113,000 to the Village of Pelham, New York for sanitary sewer and storm water infrastructure improvement project;

319. $125,000 to the Town of Chester, New York for water infrastructure improvements;

320. $200,000 to the Town of Sennett, New York for water infrastructure improvements;

321. $200,000 to the Town of Bethel, New York for wastewater infrastructure improvements;

322. $200,000 to the Village of Endicott, New York for wastewater infrastructure improvements;

323. $200,000 to the Town of Babylon, New York for wastewater infrastructure improvements;

324. $250,000 to the Town of Grand Island, New York for wastewater and combined sewer overflow infrastructure improvements;

325. $325,000 to Fulton County, New York for water and wastewater infrastructure improvements;

326. $400,000 for the Town of North Hempstead, New York for stormwater management infrastructure improvements;

327. $400,000 to the County of Rockland, New York for the Western Ramapo Sewer Extension and Water Reuse project;

328. $400,000 to the City of Dunkirk, New York for wastewater infrastructure improvements;

329. $400,000 to the City of Hamburg, New York for wastewater infrastructure improvements;

330. $400,000 to the Town of Greece, New York for sanitary sewer overflow infrastructure improvements;

331. $1,500,000 to the Cayuga County Water and Sewer Authority for wastewater infrastructure improvements for the Village of Fair Haven, New York;

332. $250,000 to the Rivers and Estuaries Center on the Hudson in New York for facilities construction;

333. $230,000 to the Wayne County Water and Sewer Authority for sanitary sewer overflow improvements for the Town of Palmyra, New York;

334. $200,000 to Onondaga County, New York for sewage treatment plant improvements for the Village of Jordan;

335. $2,000,000 to the Saratoga Water Committee in Saratoga County, New York for construction of a drinking water transport pipeline;

336. $1,400,000 for the Village of Lake Placid, New York for water and wastewater infrastructure improvements;

337. $500,000 to the Town of North Castle, New York for water infrastructure improvements for the Quarry Heights District;

338. $600,000 to the Wayne County Water and Sewer Authority for construction of a waterline in the Towns of Sodus and Huron, New York;

339. $3,000,000 to the City of Syracuse, New York for Westcott Reservoir for drinking water infrastructure improvements;

340. $5,000,000 for drinking water infrastructure needs in the New York City Watershed;

341. $5,000,000 for water quality infrastructure improvements for Long Island Sound, New York;

342. $12,300,000 for continued clean water improvements for Onondaga Lake, New York;

343. $110,000 to the Town of Erwin, North Carolina to enhance its water and wastewater infrastructure through the renovation and repair of treatment facilities at the former Swift Denim textile plant;

344. $200,000 to the City of Shelby, North Carolina for wastewater infrastructure improvements;

345. $1,000,000 for the Neuse Regional Water and Sewer Authority for water infrastructure improvements for Lenoir County, North Carolina;

346. $400,000 to the City of Creedmoor, North Carolina for water quality and infrastructure improvements for Lake Rogers;

347. $200,000 to the Town of Bryson City, North Carolina for wastewater infrastructure improvements;

348. $250,000 to the Town of Hillsborough, North Carolina for wastewater system maintenance and upgrades;

349. $550,000 to the City of Durham, North Carolina for water security improvements;

350. $250,000 to the City of Cherryville, North Carolina for renovation of the Sunbeam Industrial Park Water Tank and Water Line;

351. $250,000 to Hoke County, North Carolina for water and wastewater infrastructure improvements;

352. $150,000 to the City of Belmont, North Carolina for wastewater infrastructure improvements;

353. $75,000 to the City of Bessemer City, North Carolina for water and wastewater infrastructure improvements;

354. $75,000 to the City of Stanley, North Carolina for water and wastewater infrastructure improvements;

355. $400,000 to the City of Marion, North Carolina for water and wastewater infrastructure improvements;

356. $750,000 to the Town of Holly Springs, North Carolina for water and wastewater infrastructure improvements according to the Master Water Reuse Plan;

357. $150,000 to Richmond County, North Carolina for water and wastewater infrastructure improvements

358. $550,000 for the City of Devils Lake, North Dakota for water infrastructure improvements;

359. $900,000 for the City of Grafton, North Dakota for the Grafton Water Treatment Plant;

360. $200,000 for the City of Park River, North Dakota for water infrastructure improvements;

361. $550,000 for the City of Riverdale, North Dakota for the Riverdale Regional Water Treatment Facility;

362. $300,000 for Dickey Rural Water Users Association in Southeast, North Dakota for the Southeast Regional Expansion Project;

363. $300,000 to the Village of Haskins, Ohio for wastewater infrastructure improvements;

364. $350,000 to the Village of New Riegel, Ohio for wastewater infrastructure improvements;

365. $350,000 to the City of Gallon, Ohio for the Galion Bio-Solids Handling Replacement Project;

366. $400,000 to the Northeast Ohio Regional Sewer District for the Doan Brook Pollution Abatement Project;

367. $700,000 to the City of Ashland, Ohio for water infrastructure improvements;

368. $500,000 for the Village of Somerset, Perry County, Ohio to rehabilitate its existing water treatment plant;

369. $500,000 to the City of Kirtland, Ohio for water and wastewater infrastructure improvements;

370. $600,000 to the City of Vermilion, Ohio for wastewater infrastructure improvements and sanitary sewer rehabilitations;

371. $1,650,000 to Guernsey County, Ohio for a water line extension project in Eastern Guernsey County;

372. $800,000 for Springfield, Ohio for the establishment of water and sewer infrastructure in preparation for and economic development project;

373. $800,000 to the Metropolitan Sewer District of Greater Cincinnati, Ohio for sanitary sewer overflow infrastructure improvements;

374. $1,750,000 for the City of Delphos, Ohio to construct a reservoir, surface water treatment plant, associated piping;

375. $900,000 to the City of Urbana, Ohio for construction of a new well field;

376. $1,000,000 to the City of Toledo, Ohio for wet weather flow and wastewater infrastructure improvements;

377. $1,200,000 to the City of Amherst, Ohio for wastewater treatment plant improvements;

378. $1,200,000 to the City of Port Clinton, Ohio for wastewater treatment plant improvements;

379. $2,000,000 for Shawnee Hills subdivision of Greene County, Ohio for a central sewer system;

380. $300,000 to the Village of Millersburg, Ohio to upgrade the Millersburg Wastewater Treatment Plant;

381. $900,000 to the City of Van Wert, Ohio to increase the size of the drinking water reservoir;

382. $500,000 to Fulton County, Ohio to prevent landfill leachate flows into surface water by improving the cap and leachate collection system at the Fulton County Landfill;

383. $200,000 to the City of Midwest City, Oklahoma for water infrastructure improvements;

384. $200,000 to the City of Norman, Oklahoma for wastewater infrastructure improvements;

385. $200,000 to the City of Seminole, Oklahoma for water and wastewater infrastructure improvements;

386. $325,000 to the Town of Arcadia, Oklahoma for water supply and wastewater handling systems upgrades;

387. $325,000 to the City of Choctaw, Oklahoma for wastewater infrastructure improvements;

388. $1,500,000 for the City of Lawton, Oklahoma for the Southwest Water Treatment Plant;

389. $950,000 for the City of Warrenton, Oregon for wastewater infrastructure improvements;

390. $500,000 for the City of Irrigon, Oregon for water infrastructure improvements;

391. $200,000 to the City of Wilsonville, Oregon for the installation of a rain and stormwater management system for the Villebois project;

392. $200,000 to Tillamook County, Oregon for wastewater infrastructure improvements including construction of an animal waste composting facility;

393. $100,000 for the City of Albany, Oregon for the Albany-Millersburg Joint Water Project;

394. $250,000 to the Odell Sanitary District, Oregon for wastewater infrastructure improvements;

395. $900,000 for the City of Portland, Oregon for its wet weather demonstration project;

396. $125,000 to Paint Borough, Pennsylvania for stormwater and sanitary sewer infrastructure improvements;

397. $200,000 to Cheltenham Township, Pennsylvania for water and wastewater infrastructure improvements;

398. $200,000 to Downingtown Borough, Pennsylvania for wastewater infrastructure improvements;

399. $450,000 to Lycoming County, Pennsylvania for water infrastructure improvements for the Jersey Shore Borough;

400. $200,000 to the Borough of Avondale, Pennsylvania for wastewater infrastructure improvements;

401. $100,000 to Springettsbury Township, Pennsylvania for a Biosolids Treatment Facility Replacement project;

402. $250,000 to the York City Sewer Authority, Pennsylvania for infiltration and inflow removal infrastructure improvements;

403. $200,000 to the Matamoras Municipal Authority of the Borough of Matamoras, Pike County, Pennsylvania for water infrastructure improvements;

404. $250,000 to the Somerset County Redevelopment Authority, Pennsylvania for water and wastewater infrastructure improvements for development of the Windber Business Park;

405. $275,000 for Forward Township, Pennsylvania for the Gallatin-Sunnyside Area Sewer Project;

406. $300,000 to the City of Harrisburg, Pennsylvania for the Mish Run Sewer Improvement Project;

407. $300,000 to the Hanover Township Sewage Authority, Pennsylvania for extension of sewer lines for Starpoint Business and Industrial Park;

408. $625,000 to the City of Lancaster, Pennsylvania for water infrastructure improvements;

409. $400,000 to the City of Philadelphia, Pennsylvania Water Department for the planning, design, and construction of stormwater management solutions;

410. $400,000 for the Wyoming Valley Sanitation Authority, Pennsylvania for combined sewer overflow infrastructure improvements;

411. $400,000 to the Kulpmont-Marion Heights Joint Municipal Authority, Northumberland County, Pennsylvania for wastewater infrastructure improvements;

412. $600,000 to the Borough of Coudersport, Pennsylvania for water and wastewater infrastructure improvements;

413. $3,200,000 for the Three Rivers Wet Weather Demonstration program to develop innovative, cost-effective solutions to assist municipalities to eliminate sewer overflows in Allegheny County, Pennsylvania;

414. $750,000 to the Cambria Somerset Authority for the Quemahoning Reservoir water supply project to provide water to communities in Somerset and Cambria Counties, Pennsylvania;

415. $250,000 to the Summit Township Sewer Authority for a public sanitary sewer system extension in Erie County, Pennsylvania;

416. $250,000 to Tuscarora Township for East Waterford sanitary sewer system upgrades in Juniata County, Pennsylvania;

417. $200,000 to Newport Borough Water Authority for a river filtration system and distribution line replacement in Perry County, Pennsylvania;

418. $350,000 for the Municipality of Penn Hills, Pennsylvania for sewer infrastructure improvements;

419. $150,000 for the Mid-Cameron Authority for wastewater treatment plant upgrades in Emporium Borough and Shippen Township, Pennsylvania;

420. $150,000 for Laporte Borough for the waterline replacement project in Sullivan County, Pennsylvania;

421. $200,000 for Granville Township for wastewater transfer station improvements in Mifflin County, Pennsylvania;

422. $150,000 for Mercer County Regional Council of Governments for the Shenango Valley Joint Sewer/Water Infrastructure Project in Mercer County, Pennsylvania;

423. $1,650,000 to the Municipality of Barceloneta, Puerto Rico for water infrastructure improvements in the Palenque and Garrochales communities;

424. $175,000 to the Town of Lincoln, Rhode Island for water and wastewater infrastructure improvements;

425. $175,000 to the Town of North Providence, Rhode Island for wastewater and stormwater infrastructure improvements;

426. $1,450,000 for the Narragansett Bay Commission of Rhode Island for combined sewer overflow infrastructure improvements;

427. $500,000 for the Pascoag Utility District, Rhode Island for water infrastructure improvements;

428. $440,000 for the City of Providence, Rhode Island for water infrastructure improvements;

429. $500,000 for the Town of Jamestown, Rhode Island for water infrastructure improvements;

430. $500,000 for the Pawtucket Water Supply Board, Rhode Island for the renovation of Central Falls Pipe;

431. $100,000 for the Prudence Island Water Utility, Rhode Island for water infrastructure improvements;

432. $850,000 for East Providence, Rhode Island for water infrastructure improvements;

433. $175,000 to the City of Greenville, South Carolina for water and wastewater infrastructure improvements;

434. $250,000 to the Town of Estill, South Carolina for water infrastructure improvements;

435. $300,000 to Calhoun County, South Carolina for water infrastructure improvements for the Fort Motte Water System;

436. $300,000 to the Alligator Rural Water Company for water infrastructure improvements in Chesterfield County, South Carolina;

437. $1,400,000 for the Charleston Commissioners of Public Works, South Carolina for wastewater infrastructure improvements;

438. $400,000 to the Myrtle Beach Downtown Redevelopment Corporation, South Carolina for stormwater infrastructure improvements according to the Pavilion Area Master Plan;

439. $250,000 to Kershaw County, South Carolina for water and wastewater infrastructure development for an industrial park;

440. $1,200,000 for the Town of Ravenel, South Carolina for construction of a main sewer transmission line along U.S. Hwy 17;

441. $1,000,000 for the City of Corsica, South Dakota for water infrastructure improvements;

442. $1,000,000 for the City of Lennox, South Dakota for water infrastructure improvements;

443. $200,000 for the City of Sisseton, South Dakota for water infrastructure improvements;

444. $1,000,000 for the City of Hartford, South Dakota for drinking water infrastructure improvements;

445. $100,000 for the City of DeSmet, South Dakota for water infrastructure improvements;

446. $250,000 to Meigs County, Tennessee for extension of water lines;

447. $500,000 to the City of Decatur, Tennessee for water infrastructure improvements;

448. $600,000 for the City of Jackson, Tennessee for the Sandy Creek Sanitary Sewer Overflow Project;

449. $300,000 to the City of Tesculum, Tennessee for wastewater infrastructure improvements;

450. $1,400,000 for the City of Newport, Tennessee for the Newport Utility District to expand drinking water services and improve wastewater treatment;

451. $200,000 to Harris County, Texas Precinct 2 for water quality planning and design to provide water and wastewater infrastructure improvements;

452. $200,000 to the El Paso Water Utilities, Texas for water infrastructure improvements;

453. $2,150,000 to the City of Austin, Texas for sanitary sewer overflow mitigation and infrastructure improvements;

454. $1,300,000 San Antonio Water Systems, San Antonio, Texas for Brooks City-Base water infrastructure improvements;

455. $350,000 to the City of Leonard, Texas for wastewater infrastructure improvements;

456. $400,000 to the Texas Water Development Board for the Texas Water Desalination Initiative in Freeport, Texas;

457. $400,000 to the City of Waco, Texas for the Waco-McLennan County Regional Water project;

458. $500,000 to the Brazos River Authority for water infrastructure improvements in West Fort Bend County, Texas;

459. $200,000 to the City of Goldthwaite, Texas for drinking water needs;

460. $600,000 for Daggett County, Utah for the Dutch John Water and Wastewater Infrastructure Improvements;

461. $500,000 for the City of Riverton, Utah for water infrastructure improvements;

462. $650,000 for Iron County, Utah for wastewater infrastructure improvements;

463. $250,000 for the Jordan Valley Water Conservancy District, Utah for a groundwater extraction and treatment remedial project;

464. $900,000 for Park City, Utah for water infrastructure improvements associated with the Spiro and Judge Water Tunnels;

465. $675,000 for Sandy City, Utah for water and stormwater infrastructure improvements;

466. $500,000 for the City of Orem, Utah for water infrastructure improvements;

467. $1,000,000 for the Town of Waitsfield, Vermont for water and wastewater infrastructure improvements;

468. $1,500,000 for the Champlain Water District, Vermont, for Chittenden County stormwater infrastructure improvements;

469. $125,000 for the Phoebe Needles System in Franklin County Virginia for a secondary sewage treatment system;

470. $150,000 to the Town of Chatham, Virginia for water and wastewater infrastructure improvements;

471. $250,000 for the Prentis Park Water and Sewer Rehabilitation project in Portsmouth, Virginia;

472. $400,000 to Chesterfield County, Virginia for drainage and wastewater infrastructure improvements for Rayon Park;

473. $400,000 to be divided equally between the City of Alexandria, Virginia and Arlington County, Virginia for water quality improvements in the Four Mile Run watershed;

474. $440,000 for Henry County and the City of Martinsville, Virginia for a wastewater treatment plant upgrade and the conversion of two wastewater plants to pumping stations;

475. $500,000 for the Piney River Wastewater Improvement Project in Nelson County, Virginia;

476. $500,000 for Fluvanna County, Virginia for water and sewer projects;

477. $500,000 for the Town of Kenbridge, Virginia for the expansion of a wastewater treatment plant;

478. $785,000 for Franklin County, Virginia for a drinking water infrastructure project;

479. $800,000 to the City of Richmond, Virginia for combined sewer overflow infrastructure improvements;

480. $1,000,000 to be divided equally between Appomattox County and the Town of Appomattox, Virginia for water and sewer projects;

481. $1,200,000 to Dale Service Corporation wastewater infrastructure improvements in Dale City, Virginia;

482. $750,000 for the Fairfax County Water Authority, Virginia for water infrastructure security improvements

483. $300,000 for Fairfax County, Virginia for wastewater infrastructure improvements;

484. $400,000 for the City of Norfolk, Virginia for the Prentis Park Water and Sewer Rehabilitation;

485. $300,000 for the City of Lynchburg, Virginia for combined sewer overflow controls;

486. $350,000 to the Government of the Virgin Islands for wastewater treatment infrastructure improvements;

487. $200,000 to the City of Tacoma, Washington for water and stormwater infrastructure improvements for the Salishan housing development;

488. $200,000 to the City of Grand Coulee, Washington for water infrastructure improvements;

489. $750,000 for the Skagit Public Utility District, Washington for sewer improvements for Similk Beach;

490. $200,000 to the City of Seattle, Washington for the High Point Natural Drainage System project;

491. $500,000 for the City of Lakewood, Washington for wastewater infrastructure improvements;

492. $400,000 to the City of Carnation, Washington for wastewater infrastructure improvements;

493. $400,000 to the City of Duvall, Washington for wastewater infrastructure improvements;

494. $600,000 to the City of Shelton, Washington for water and wastewater infrastructure improvements;

495. $100,000 to the Town of Ione, Washington for water infrastructure improvements;

496. $1,000,000 for the City of Sunnyside, Washington for wastewater infrastructure improvements;

497. $450,000 for the Vashon Sewer District, Washington for wastewater infrastructure improvements;

498. $380,000 to the City of Moundsville Sanitary Department in West Virginia for storm sewer and sanitary improvements on Jefferson Avenue;

499. $671,000 to the City of Petersburg, West Virginia for water and wastewater infrastructure improvements;

500. $750,000 to the Town of Harrisville, West Virginia for water and wastewater infrastructure improvements;

501. $750,000 to the Mineral County Commission in Mineral County, West Virginia for sewer system design and construction;

502. $824,000 to the City of Philippi, West Virginia for water and wastewater infrastructure improvements;

503. $875,000 to the Marshall County Sewerage District in West Virginia for water and wastewater infrastructure improvements;

504. $1,617,000 to the Gilmer County Public Service District in West Virginia for water and wastewater infrastructure improvements;

505. $2,000,000 to the Sun Valley Public Service District in West Virginia for water and wastewater infrastructure improvements;

506. $5,000,000 to the City of Parkersburg, West Virginia for water and wastewater infrastructure improvements.

507. $2,000,000 to the Milwaukee Metropolitan Sewerage District, Wisconsin for its Central Metropolitan Interceptor System project;

508. $500,000 for the City of Racine, Wisconsin for water infrastructure improvements.

509. $1,800,000 to the City of Chipewa Falls, Wisconsin for sewer and water infrastrructure enhancements;

510. $2,150,000 to the Village of Port Edwards, Wisconsin for replacement of a sewage treatment plant.

ADMINISTRATIVE PROVISIONS

The conferees have again this year included an administrative provision giving the Administrator specific authority to, in the absence of an acceptable tribal program, award cooperative agreements to federally recognized Indian Tribes or Intertribal consortia so as to properly carry out EPA's environmental programs.

The conference agreement does not include a provision, as proposed by the House, extending for one year the collection of

$21,500,000 in maintenance fees. Nor does the conference agreement include prohibitions on the collection of pesticide registration and tolerance fees, as proposed by the House. Instead, the conference agreement includes a provision, as proposed by the Senate, which provides for the collection of certain pesticides fees through fiscal year 2008 (see title V).

The conferees have included a new provision proposed by the Senate which, for fiscal year 2004, extends the eligibility of brownfield grant recipients to those who purchased properties prior to the enactment of the Small Business Liability Relief and Brownfield Revitalization Act of 2001. The conferees have not included a provision that would permit the use of certain brownfield grant funds for administrative costs, as the Senate had proposed.

The conferees have not included a provision, as proposed by the Senate, that clarifies an existing exemption in the Clean Air Act concerning state regulations of engines under 50 horsepower.

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF SCIENCE AND TECHNOLOGY POLICY

Appropriates $7,027,000 as proposed by the House and the Senate.

COUNCIL ON ENVIRONMENTAL QUALITY AND OFFICE OF ENVIRONMENTAL QUALITY

Appropriates $3,238,000 as proposed by the House and the Senate.

FEDERAL DEPOSIT INSURANCE CORPORATION

OFFICE OF INSPECTOR GENERAL

Appropriates $30,125,000 for the Office of Inspector General, as proposed by the House instead of $30,848,000 as proposed by the Senate. Funds for this account are derived from the Bank Insurance Fund, the Savings and Loan Insurance Fund, and the FSLIC Resolution Fund and are therefore not reflected in either the budget authority or budget outlay totals.

GENERAL SERVICES ADMINISTRATION

FEDERAL CITIZEN INFORMATION CENTER FUND

Appropriates $14,000,000 as proposed by the Senate instead of $12,500,000 as proposed by the House. Provides limitation of $21,000,000 on availability of the Fund as proposed by the Senate instead of $18,000,000 as proposed by the House. Funds in excess of this amount are available for expenditure only as authorized in future appropriations Acts.

UNITED STATES INTERAGENCY COUNCIL ON HOMELESSNESS

OPERATING EXPENSES

Appropriates $1,500,000 for the United States Interagency Council on Homelessness as proposed by the Senate. The House had included the same amount of funding for this activity under its prior name, Interagency Council on the Homeless.

The conferees expect HUD to continue providing administrative support on a reimbursable basis to the Council.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Of the amounts approved by the conferees in this agreement, NASA must limit reprogramming of funds between programs and activities to not more than $500,000 without prior notification to the Committees on Appropriations of the House and Senate. Any activity or program cited in this report shall be construed as the position of the conferees and should not be subject to reductions or reprogramming without prior approval. The conferees agree with the Senate directive that NASA include the outyear budget impacts of all reprogramming requests, including the outyear budget impact of all missions in the annual operating plan. The conferees direct NASA to identify, in the initial operating plan and all subsequent revisions, all Space Shuttle Return to Flight costs and purposes, the anticipated budget runout of the Return to Flight actions, and the funding sources being used to pay for the Return to Flight costs. The operating plan and all subsequent changes to the plan shall include a separate accounting of all program/mission reserves.

The conferees agree with the House direction that NASA is to provide no less than $2,000,000 to demonstrate encryption technology as part of its cyber-security architecture. This demonstration should be conducted in cooperation with the NASA Inspector General. NASA is to report to the Committees on Appropriations of the House and Senate within 90 days on its plan to conduct this demonstration and is directed to convey the results of the demonstration upon its completion.

The conferees agree with the Senate directive for NASA to provide a comprehensive plan that will respond to the Columbia Accident Investigation Board report as well as address other staffing, systemic and program shortcomings in NASA programs. The plan should include an assessment of any proposed investments that NASA considers critical to the reform of the agency and the success of its missions. The conferees expect the plan to include a 10-year funding profile for implementing the proposed reforms with benchmarks that are designed to ensure a safe return to flight. The conferees direct NASA to provide the report to the Committees on Appropriations of the House and Senate no later than January 15, 2004.

The conferees agree with the Senate direction for a report on the risks associated with illegal transfer or theft of sensitive technologies. The conferees direct NASA and the NASA Inspector General to work together and report annually on these issues, including an assessment of risk.

The conferees agree that program delays often result in large cost increases that are increasingly difficult to justify and that NASA should have as a priority a desire to reduce these costs. Therefore, the conferees direct NASA to work to reduce the costs associated with program delays, and report to the Committees on Appropriations by January 15, 2004 on options for cost reductions. In arriving at these options, NASA should include in the report an explanation of what constitutes core staff and program needs versus full development and operations staff requirements.

SPACE FLIGHT CAPABILITIES

(INCLUDING TRANSFER OF FUNDS)

Appropriates $7,512,100,000 for space flight capabilities instead of $7,806,100,000 as proposed by the House and $7,582,100,000 as proposed by the Senate. Specifies that $15,000,000 of the amount provided for the Space Shuttle Life Extension Program shall be for development and independent assessment of concepts to increase crew survivability for crew sizes of 4 to 7 as proposed by the House. The conferees have not included the House language which would have specified these efforts should result in increased survivability by a factor of 20. Deletes the Senate language which would have specified $3,986,000,000 for activities related to the Space Shuttle and prohibited transfer of any of these funds to other programs or activities. Deletes Senate language which would have capped International Space Station costs at $1,507,000,000. Retains House language which allows for the transfer of funds from this account to the science, aeronautics, and exploration account in accordance with section 312(b) of the National Aeronautics and Space Act of 1958.

The amount provided is a reduction of $270,000,000 from the budget request and includes a reduction of $200,000,000 from the International Space Station request and a reduction of $70,000,000 from the Space Launch Initiative budget request.

While the conferees have agreed to delete Senate bill language which would have specified $3,986,000,000 for activities related to the Space Shuttle, the conferees agree that none of the reductions specified in this report should be taken against this activity. Transfers made pursuant to section 312(b) of the National Aeronautics and Space Act, while allowed, will need to be fully justified and approved by the Committees on Appropriations of the House and Senate in advance of the transfer and must include the outyear implications on all activities involved in the reprogramming action.

The conferees have not included a cost cap on the International Space Station as proposed by the Senate but do agree that there are substantial cost reductions associated with the program as a result of shuttle operations being suspended and agree that NASA needs to be more aggressive in controlling costs associated with reduced program activity.

The conferees agree that of the funds appropriated in this account, $24,000,000 shall be for the commercial technology program within the Innovative Technology Transfer Partnerships theme. NASA shall maintain this program as it existed in fiscal year 2003 and prior fiscal years.

The conferees do not agree with the Senate direction that the Space Flight Advisory Committee is to report directly and independently to the Congress on NASA's implementation of the Columbia Accident Investigation Board (CAIB) recommendations. Implementation of the CAIB recommendations is addressed further in the Inspector General section of this statement.

The conferees are in agreement that the new charter of the Aerospace Safety Advisory Panel addresses the concerns expressed in the Senate report and will satisfy the desire of the conferees to receive timely reports that assess the shuttle program in terms of safety, upgrades, operations, and overall management of the shuttle program.

Upon the resumption of shuttle flights to the International Space Station, the conferees direct NASA to develop and forward to the Committees on Appropriations of the House and Senate a plan detailing the steps necessary to reach U.S. Core Complete, as well as the outyear costs associated with this plan.

The conferees are in agreement that the Orbital Space Plane External Program Assessment Team (EPAT), as currently chartered, will address many of the concerns expressed by the Senate when its report suggested the creation of an independent oversight committee. However, the conferees are concerned that the current membership relies too heavily on former NASA officials and direct NASA to expand the membership of the EPAT to include individuals that have extensive non-NASA experience in program management to ensure necessary independence from the Space Launch Initiative program management. The conferees also direct the EPAT to report on its assessments of the program to the Congress on a quarterly basis, with the first report due on December 31, 2003.

The Orbital Space Plane (OSP) program is expected to represent a significant investment by the American taxpayers if it is carried out to completion. It is therefore necessary that NASA manage this program unlike any other program it has ever executed or tried to execute in the past. The conferees believe that first and foremost, NASA must heed all the findings and recommendations of the International Space Station Management and Cost Evaluation report as well as the CAIB report. It does not appear from materials provided to the Congress thus far that this is the case. The conferees understand that NASA is currently scheduled to release the OSP full-scale development Request for Proposals (RFP) in late 2003, and are concerned that the goals of this RFP may not be aligned with the results of the ongoing interagency space policy review. The conferees believe that NASA should not release the RFP until the interagency space policy review has been completed and NASA has determined that the RFP is consistent with the results of this review. Additionally, the conferees believe the President must assure the Congress that sufficient resources will be available to support the contract awarded as a result of the RFP and the related NASA in-house efforts in fiscal year 2004 and the outyears and anticipate receipt of such assurances in a timely manner. Any operating plan changes that involve this program will not take effect until 90 days after submission to the Congress unless approved by the Committees on Appropriations of the House and Senate sooner than 90 days.

The conferees agree with the Senate direction that NASA report by January 31, 2004, on the outyear costs for each project within the Next Generation Launch Technology program, the criteria being used to select technologies for investment, and the metrics used to determine whether projects within the program are progressing or should be discontinued.

The conferees understand that NASA is currently assessing complementary and/or replacement logistics support to and from the International Space Station (ISS). This assessment encompasses utilization of Progress, Automated Transfer Vehicle (ATV), H–II Transfer Vehicle (HTV), Alternative Access to Space (AAS) concepts, Autonomous Shuttle, and possibly other cargo capability concepts. The AAS studies have an anticipated completion date of January 2004 to be followed by a thorough review of all the options by NASA. Additionally, the conferees understand that the administration is reviewing overall U.S. space exploration goals, including new cargo capability, as part of the fiscal year 2005 budget process. The conferees direct the administration to report back to the Committees on Appropriations of the House and Senate with the Agency's plan on ISS re-supply services by June 1, 2004.

The conferees are concerned that in its desire to return the shuttle to full operations, NASA may damage seriously the integrity of the Shuttle Life Extension Program (SLEP). The conferees believe that the process that NASA has put in place for the SLEP will correctly identify cost effective and necessary modifications, but NASA must still demonstrate the resolve to execute properly the program by requesting adequate budget resources and devoting management attention to the effort. The conferees will continue to examine this program and will not entertain unrealistic reprogramming proposals that place the program's overall objectives in jeopardy.

SCIENCE, AERONAUTICS AND EXPLORATION

(INCLUDING TRANSFER OF FUNDS)

Appropriates $7,929,900,000 for science, aeronautics and exploration instead of $7,707,900,000 as proposed by the House and $7,730,507,000 as proposed by the Senate. Includes language as proposed by the Senate which allows funding to be used for restoration of facilities.

The amount provided includes the following reductions to the budget request:

1. $8,000,000 from the Space Interferometer Mission;

2. $20,000,000 from Project Prometheus;

3. $10,000,000 from the Beyond Einstein program; and

4. $11,000,000 from the Global Climate Change Research Polarimeter program;

The conferees agree that the high radiation environment the Jupiter Icy Moons (JIM) mission is expected to encounter calls for development of low-cost hardened microcircuit devices for the JIM mission and is encouraged that the Jet Propulsion Lab is undertaking an immediate effort to validate new technology in time for its use on the JIM mission. The conferees share the concern expressed by the Senate regarding the Project Prometheus program, particularly uncertainties in the mission design, and the dependence on the new unproven technologies. For these reasons, the conferees direct NASA to provide specific program milestones and funding paths for all elements of Project Prometheus and report progress to the Committees on Appropriations of the House and Senate on a quarterly basis. All funding lines should include a full run-out of costs for at least 10 years. The first quarterly report is due on December 31, 2003.

The conferees are in agreement with the House direction for NASA to evaluate the level of stipends for its Graduate Student Research Program and the Earth System Science Fellowships as well as the House direction for an evaluation on the merits of expanding its use of graduate fellowships. Both reports are due not later than June 30, 2004.

The conferees share the concern of the House with regard to the establishment of a National Program Office for air traffic management development and direct NASA to report to the Committees on Appropriations by March 31, 2004 on efforts to establish the Office.

The conferees remain strongly supportive of the Center of Excellence for Aerospace Propulsion Particulate Emissions Reduction established at the University of Missouri-Rolla's Cloud and Aerosol Sciences Lab and expect NASA to develop a plan to utilize the Center's capabilities on an ongoing basis.

The conferees are aware that two of the three Virtual Airspace Modeling and Simulation (VAMS) programs being developed for the Federal Aviation Administration have been fully funded in NASA's budget submission. The conferees also note that the third program, Display System Replacement (DSR) enhancements, is a two-year, $15,000,000 effort that has not received adequate funding in the request. Because of the importance of these programs, the conferees expect that NASA fully fund all three programs in fiscal year 2004, including $8,000,000 for DSR, and provide sufficient resources in the fiscal year 2005 submission to ensure their completion by the close of the fiscal year.

The conferees direct NASA to task the GSFC EOSDIS Project Office to develop the initial baseline architecture and information technology blueprint for the future EOSDIS and expect this activity to mirror the direction proposed in Senate Report 108–143. The conferees wish to reiterate that all future earth science enterprise missions should take full advantage of the existing EOSDIS system rather than creating individual "stove pipe" ground systems that will diminish the integrated architecture developed over the last dozen years.

The conferees are aware that technical problems affecting the Landsat 7 satellite threaten the nation's ability to continue providing land remote sensing data. The Land Remote Sensing Policy Act of 1992 (P.L. 102–555) directed the Landsat Program Manager to evaluate the options for a successor land remote sensing system to Landsat 7 and set forth four options for developing a successor system. To ensure that the U.S. Government does not experience a loss of remote land sensing capabilities which would jeopardize the nation's domestic, foreign policy and national security interests, the conferees instruct NASA to immediately begin developing a successor to the Landsat 7 system in accordance with P.L. 102–555. Furthermore, the conferees instruct NASA, working in conjunction with the United States Geological Survey, to develop a successor system that may be implemented in the near term based on the remaining options cited in the Land Remote Sensing Policy Act. It is the conferee's expectation that NASA will include in its FY 2005 budget justification a detailed plan and timeline for developing a successor system to Landsat 7.

The conferees have provided an additional $8,500,000 for the NPOESS Preparatory Project to initiate the mission's science data system through the EOSDIS Core System at the Goddard Space Flight Center. Such a system should have capabilities to: process Level 1 data; distribute it to not less than five Climate Analysis and Research Systems (CARS) for higher level processing; and archiving all Level 1 data and products resulting from higher level processing activities. The conferees believe NASA, through the GSFC–ECS, must assume responsibility for this critical portion of the NPP to avoid significant gaps in the utilization of the mission's data and expect NASA to subsequently budget for it beyond fiscal year 2004.

The conferees agree, that within the total funding provided, $25,325,000 shall be for the National Space Grant College and Fellowship program as specified in the House report and $10,000,000 shall be for the EPSCoR program.

The conferees agree to the following additions to the budget submission:

1. $1,000,000 for the GSFC COM Simulation Architecture Project;

2. $1,000,000 for the Alabama Supercomputer Education Outreach program;

3. $1,000,000 for the Pulsed Power and Energetic Research Center at the University of Huntsville, Alabama;

4. $1,000,000 for Science, Engineering, Math and Aerospace Academy programs. The Academy is to be established at Albany State College in Georgia;

5. $250,000 for the National Science Center Foundation of Augusta, Georgia for its Learning Logic Program;

6. $1,000,000 for aircraft engine research, including research being done in conjunction with the Department of Defense;

7. $150,000 for the North Alabama Planetarium Initiative;

8. $900,000 to Alabama A&M University—Advanced Space Propulsion Material Research and Technology Center;

9. $1,500,000 to the BizTech High Technology Business Incubator;

10. $2,000,000 to the In-Space Propulsion program for High-Power Pulsed Inductive Thruster technology research, utilizing a vector inversion pulsed generator to pre-ionize the propellant at an exceptionally high frequency;

11. $1,000,000 for remote sensing infrastructure at the University of Miami Center for Southeastern Tropical Remote Sensing (CSTARS) in Miami-Dade County, Florida;

12. $500,000 for Southeast Missouri State University's NASA Educator Resource Center;

13. $2,200,000 for the Education Advancement Alliance in Philadelphia, Pennsylvania for education grants and scholarships;

14. $250,000 for Rutgers for continued construction of a research and teaching facility on its Busch Campus in Piscataway, New Jersey;

15. $250,000 for Middle Tennessee State University for K–12 Science Education Enhancements;

16. $500,000 for the Northwestern University's Institute for Proteomics and Nanotechnology;

17. $2,300,000 for the NASA—Illinois Technology Commercialization Center at DuPage County Research Park;

18. $300,000 to develop a high temperature nanotechnology research program;

19. $300,000 for a national Communications, Navigation, and Surveillance test bed;

20. $300,000 for the Biological and Physical Research Rack on the ISS;

21. $500,000 for the Industrial Technology Institute at Cleveland State University;

22. $800,000 for an Aerospace Education Center in Cleveland, Ohio;

23. $800,000 for the Glennan Microsystems Initiative;

24. $200,000 for the Bowling Green State University Hybrid Engine project;

25. $500,000 for the Ohio View Consortium;

26. $1,300,000 for the University of Toledo Turbine Institute;

27. $1,000,000 for the Garrett Morgan Commercialization Initiative in Ohio;

28. $200,000 for the Adler Planetarium in Chicago, Illinois for its Cosmic Gateway Teacher Training program;

29. $1,000,000 for Michigan SATS Incorporated;

30. $2,000,000 for the Michigan Technology Commercialization Corporation to identify and develop new medical materials and technologies which have the ability to provide low cost alternatives to current therapies;

31. $300,000 for the Center for Science and Mathematics at the University of Redlands, California;

32. $2,500,000 for continued Space Radiation Research at Loma Linda University Medical Center;

33. $300,000 for Fulton Montgomery Community College in Johnstown, New York for the Spatial Information Technology Center;

34. $1,000,000 for the Goddard Space Flight Center's Clustering and Advanced Visual Environments Initiative;

35. $1,500,000 for on-going activities in support of NASA Dryden Flight Research Center's Intelligent Flight Control System (IFCS) research project;

36. $1,500,000 for on-going activities of the Goddard Institute for Systems, Software, and Technology Research, including mission design tools, Earth science analysis, and remote sensing instrumentation development;

37. $2,500,000 for the Institute for Scientific Research, Inc. for research related to transversable access to orbit;

38. $1,700,000 for continued development of a lightweight carrier pallet to support the Hubble Space Telescope Program;

39. $4,000,000 for NASA's Independent Verification and Validation Facility;

40. $15,000,000 for the Institute for Scientific Research, Inc. for development and construction of research facilities;

41. $750,000 for the NASA Goddard Commercial Technology program only to fund the full implementation of the Earth Alert Project;

42. $500,000 for the NASA Specialized Center for Research and Training in Gravitational Biology at North Carolina State University;

43. $1,000,000 to the University of North Carolina at Chapel Hill for the Morehead Planetarium and Science Center;

44. $1,500,000 to the MCNC-Research and Development Institute (RDI) to establish a Laboratory for Distributed Chemical and Biological Sensors;

45. $500,000 for the Montana Aerospace Development Authority;

46. $1,500,000 for Idaho State University for the Temporal Land Cover Change Research Program;

47. $1,500,000 for the Idaho National Engineering and Environmental Laboratory for development of performance, safety, and mission success tools for NASA programs;

48. $500,000 for continuation of emerging research that applies remote sensing technologies to forest management practices at the State University of New York, College of Environmental Sciences and Forestry;

49. $500,000 for the development of an Aircraft Radio Guidance System (ARGUS) utilizing a new radio frequency interferometer that will provide two or three dimensional navigation guidance for airborne, space or surface vehicles;

50. $1,000,000 for the Advanced Interactive Discovery Environment engineering research program at Syracuse University;

51. $1,500,000 for Integrated Sensing Systems at the Rochester Institute of Technology;

52. $2,000,000 to research Secure Automatic Dependent Surveillance Broadcast (ADS–B) Surveillance data link technology for enhanced aviation security and general aviation airspace access;

53. $2,000,000 for Cryogenic Power Electronics Development at the State University of New York at Albany;

54. $2,000,000 for the JASON Foundation;

55. $2,000,000 for the Regional Application Center for the Northeast;

56. $2,550,000 for the Fractional Aircraft Ownership Test Program;

57. $3,000,000 in the Computing, Information and Communications Technology Program (CICT) for High Information Density Approaches to Mobile Broadband Internet Communications;

58. $4,000,000 for new Adaptive Surveillance Techniques for Airport Surface Safety;

59. $4,500,000 for the National Center of Excellence in Infotonics in Rochester, New York;

60. $4,500,000 for the National Center of Excellence in Bioinformatics in Buffalo, New York;

61. $4,500,000 for a new Science Center at St. Bonaventure University in New York State;

62. $5,000,000 for Project SOCRATES;

63. $6,000,000 for the continuation of the Space Alliance Technology Outreach Program, including $2,500,000 for business incubators in Florida and New York;

64. $175,000 to the Astronaut Memorial Foundation for the Columbia STS 107 addition to the National Space Mirror Memorial at Kennedy Space Center;

65. $900,000 for the Florida Institute for Technology in Melbourne, Florida for a Hydrogen Production, Fuel Cell and Sensor Technology Initiative;

66. $1,900,000 for replacement and upgrade of equipment at Kennedy Space Center;

67. $300,000 for the Florida State University Challenger Learning Center;

68. $500,000 to the University of South Florida Center for Space Cellular and Macromolecular Biotechnology;

69. $8,000,000 for the Florida State University System Hydrogen Research Initiative;

70. $1,000,000 to the Little River Canyon field school;

71. $1,000,000 to the Tulane Institute for Macromolecular Engineering and Science for research on polymers;

72. $7,500,000 for the implementation of a remote data store at the NASA IV&V Facility, to be distributed as follows: no less than fifty percent of appropriated funds are for the acquisition of data storage hardware and software including, but not limited to, content addressable storage technologies; remaining funds are provided for communications, facility and integration services at the IV&V Facility to support data backup, recovery, and on-line access capabilities for the Goddard Space Flight Center (GSFC) ECS program;

73. $2,250,000 for the University of Alabama in Huntsville for the Center for Modeling Simulation and Analysis;

74. $3,000,000 for Solar Probe mission within available funds;

75. $1,000,000 to Utah State University, Logan, Utah for the Calibration Center;

76. $1,500,000 to Montana State University-Bozeman for the Center for Studying Life in Extreme Environments;

77. $750,000 to Montana State University-Bozeman for the Space Science and Engineering Lab;

78. $1,000,000 to the University of Idaho in Moscow, Idaho for advanced microelectronics and biomolecular research;

79. $1,500,000 to the Glenn Research Center for the Advance Power Systems Institute;

80. $2,000,000 to New Mexico State University for the ultra-long balloon program to augment planned flights and technology development;

81. $2,000,000 to Texas Tech University in Lubbock, Texas for equipment at the Experimental Sciences Building;

82. $1,000,000 to the University of Texas, Austin for nanomedicine;

83. $1,000,000 to Texas A&M University in College Station for the Space Engineering Institute;

84. $2,000,000 for the Stennis Space Center for the commercial technology program;

85. $1,400,000 to the University of New Orleans, Louisiana for the Composites Research Center of Excellence and for the development of advanced manufacturing technologies at Michoud Space Center;

86. $2,500,000 to Marshall University, Bridgeport, West Virginia for the Hubble Telescope Project;

87. $2,300,000 to the University of North Dakota, Grand Forks, North Dakota for the Northern Great Plains Space Science and Technology Center;

88. $2,000,000 for University of Maryland, Baltimore County for photonics research;

89. $8,000,000 for mission formulation studies for EOS follow-on missions;

90. $23,000,000 for EOSDIS Core System Synergy Program of which $2,000,000 is for the Northwest Collaboratory at the Pacific Northwest National Laboratory;

91. $1,500,000 to George Mason University, Fairfax, Virginia for the Center for Earth Observing and Space Research Mid-Atlantic Geospatial Information Consortium;

92. $1,000,000 to Utah State University, Logan, Utah for the Intermountain Region Digital Image Archive and Processing Center;

93. $2,500,000 to the University of Mississippi for the Enterprise for Innovative Geospatial Solutions;

94. $2,000,000 to Mississippi State University for the Geospatial and Natural Resources Institute;

95. $1,600,000 to the University of New Mexico for the Center for Rapid Environmental Assessment and Terrain Evaluation;

96. $3,000,000 for the University of Alaska for weather and ocean research;

97. $1,000,000 to Glenn Research Center for the John Glenn Biomedical Engineering Consortium;

98. $1,250,000 to Space Sciences Inc. for microgravity related pharmaceutical development;

99. $2,500,000 for Marshall Space Flight Center for the Propulsion Materials Microgravity Research project;

100. $2,000,000 for the University of Missouri Bioinformatics Consortium for equipment purchase;

101. $1,500,000 for Truman State University Life Sciences for laboratory equipment;

102. $5,000,000 for the development of an aeronautics research budget covering the next 5 years. It is expected that air traffic management will also be included within this budget. Funds shall be allocated to the National Institute for Aerospace for contracting with industry and academia to prepare such a budget plan no later than March 1, 2004;

103. $15,000,000 for future aircraft research with a priority on supersonic flight technologies;

104. $15,000,000 for future aviation systems including a priority on aviation security and air traffic management;

105. $15,000,000 for continued development of flight technologies with direct application to military vehicles;

106. $3,000,000 to Wichita State University, Wichita, Kansas for the National Center for Composite Materials Performance;

107. $1,000,000 to Wichita State University, Wichita, Kansas for the Critical Aircraft Icing project;

108. $2,000,000 to Glenn Research Center for the commercial technology program;

109. $2,500,000 to Stennis Space Center for infrastructure improvements;

110. $1,000,000 to Stennis Space Center for relocation of the visitors center. NASA is also directed to submit a funding plan to the Committee for the visitors center;

111. $1,000,000 to the Delaware Aerospace Education Foundation, Kent County, Delaware;

112. $2,000,000 to Wheeling Jesuit University for the National Technology Transfer Center;

113. $1,000,000 to the Virginia Commonwealth University, Richmond, Virginia for advanced research in batteries and fuel cells;

114. $1,500,000 to the University of Montana in Missoula, Montana for the National Space Privatization Program;

115. $2,000,000 for the Denver Museum of Nature and Science in Denver, Colorado for equipment for the Space Science Museum;

116. $1,500,000 for the Adventure Science Center in Nashville, Tennessee for the Sudekum Planetarium;

117. $500,000 for the University of Northern Iowa in Cedar Falls, Iowa for the Existing Business Enhancement Program;

118. $1,300,000 for Iowa State University for the PIPELINES Project;

119. $1,000,000 for the Metropolitan School District of Decatur Township Indiana for the Challenger Learning Center Expansion;

120. $1,700,000 for Northern Kentucky University/University of Louisville for a digital science center;

121. $1,000,000 for the Oregon Museum of Science and Industry for the space science education distance learning program;

122. $1,000,000 for Southeast Missouri State University for the NASA ERSC Outreach Project;

123. $1,500,000 for Dominican University's Center for Science and Technology for project based learning;

124. $200,000 to Wheeling Jesuit University for Classroom of the Future;

125. $2,000,000 to the University of Connecticut for the Center for Land Use Education and Research;

126. $2,000,000 to Iowa State University, Ames, Iowa for non-destructive evaluation studies;

127. $500,000 to the Des Moines Science Center, Des Moines, Iowa;

128. $2,000,000 for the School of Science and Mathematics at the College of Charleston, Charleston, South Carolina;

129. $3,000,000 to the University of Hawaii, Hilo for the Mauna Kea Astronomy Education Center;

130. $1,500,000 to Space Education Initiative, Wisconsin for the Wisconsin Geoscience Education initiative;

131. $1,000,000 to the Youth Achievers Committee of New Jersey, Burlington County, New Jersey for the Youth Achievers Committee Science and Math Initiative;

132. $500,000 to the University of Vermont, Burlington, Vermont for the Center for Advanced Computing;

133. $1,000,000 to Wayne State University, Detroit, Michigan for the Center of Smart Sensors and Integrated Microsystems;

134. $1,000,000 for Wellpinit School District in Wellpinit, Washington for the Virtual Classroom Project;

135. $1,500,000 for the Mitchell Institute, Portland, Maine for the science and engineering education endowment;

136. $1,500,000 for the Arkansas Center for Space and Planetary Sciences;

137. $600,000 for the Challenger School in Kenai, Alaska;

138. $8,500,000 for the NPOESS data science system;

139. $1,000,000 for the Dole Scholarship Program;

140. $1,800,000 for the City College of New York for a community-based science and technology education facility;

141. $3,000,000 for technology development necessary to ensure the Satellite Test of the Equivalence Principle mission can move forward;

142. $3,000,000 to be transferred to the Air Force Research Lab to develop and deploy Interactive Data Wall technology;

143. $3,000,000 to be transferred to the Air Force for joint research on emerging areas of computing, including grid computing, quantum and biomolecular information processing technology; and

144. $3,000,000 to be transferred to the Air Force Lab to develop dual-use lightweight space radar technology.

OFFICE OF INSPECTOR GENERAL

Appropriates $27,300,000 for the Office of Inspector General instead of $26,300,000 as proposed by both the House and Senate. The conferees have agreed to a higher funding level to ensure the Inspector General has the resources to hire sufficient staff with technical expertise to monitor long-term compliance with the recommendations of the Columbia Accident Investigation Board (CAIB). The conferees also believe the Inspector General should work closely with the Return to Flight Task Group, the Stafford-Covey group, as it reviews NASA's implementation of the CAIB recommendations. The conferees direct the Inspector General to report on efforts to hire additional technical staff to the Committees on Appropriations of the House and Senate by June 30, 2004.

The conferees agree with the direction contained in the Senate report regarding a review of NASA's contract procedures and conventions to determine reforms which may lead to cost savings.

ADMINISTRATIVE PROVISIONS

The conferees have included five administrative provisions which were in both the House and Senate bills. The conferees have not included a provision on the working capital fund as proposed by the Senate. The conferees have not included a Senate provision which would have prohibited NASA from using any funds to compensate any person who contracts with NASA if that individual had selected early retirement or taken a buy-out from NASA.

The conferees agree with the Senate direction that NASA report on the budgetary impact of its proposed reforms to its personnel practices.

The conferees agree with the Senate direction that NASA should contract with the National Academy of Public Administration on the organizational structure of NASA headquarters and field operations.

NATIONAL CREDIT UNION ADMINISTRATION

CENTRAL LIQUIDITY FACILITY

Provides limitation of $1,500,000,000 on CLF lending activities from borrowed funds as proposed by the House and Senate.

The conferees direct NCUA to provide quarterly reports on lending activities of the CLF through September 2004.

COMMUNITY DEVELOPMENT REVOLVING LOAN FUND

Appropriates $1,200,000 instead of $1,000,000 as proposed by the House and $1,500,000 as proposed by the Senate. Within this amount, $1,000,000 is provided to augment funds available for technical assistance grants for fiscal year 2004 and $200,000 is available until expended for loans to community development credit unions.

NATIONAL SCIENCE FOUNDATION

The conferees agree that the National Science Foundation is to abide by the reprogramming requirements set forth in the beginning of the statement of the managers.

RESEARCH AND RELATED ACTIVITIES

Appropriates $4,276,600,000 for research and related activities instead of $4,306,360,000 as proposed by the House and $4,220,610,000 as proposed by the Senate. The conferees have included bill language which provides up to $345,000,000 for polar research and operations support and $90,000,000 for a comprehensive research initiative on plant genomes for economically significant crops.

The conference agreement provides $4,276,600,000 for ongoing and new research priorities of the Foundation, an increase of over $220,140,000 above the fiscal year 2003 level. Within the very severe overall fiscal constraints imposed on the conferees for fiscal year 2004, the managers have given their highest priority to funding basic research within the research and related activities account. This account supports investigator-initiated grants within each of the core disciplines as well as critical cross-cutting research which brings together multiple disciplines. The conferees urge the Foundation in allocating the scarce resources provided in this bill and in preparing its fiscal 2005 budget request to be sensitive to maintaining the proper balance between the goal of stimulating interdisciplinary research and the need to maintain robust single issue research in the core disciplines.

The conferees direct NSF to include multi-year budget estimates and future budget impacts for multi-disciplinary and mid-level activities in the annual operating plan and in future budget requests.

The specific funding level for each of NSF's research activities is as follows:

Directorate	FY 2004 request	House Report 108–235	Senate Report 108–143	Conference agreement
Biological Sciences	$562,220,000	$586,841,000	$577,220,000	$592,000,000
Computer & Information Science & Engineering	584,260,000	609,846,000	609,390,000	609,600,000
Engineering	536,570,000	560,067,000	550,000,000	561,000,000
Geosciences	687,920,000	718,045,000	692,210,000	719,000,000
Mathematical & Physical Sciences	1,061,270,000	1,107,745,000	1,085,870,000	1,100,000,000
Social, Behavioral & Economic Sciences	211,740,000	221,012,000	206,740,000	205,000,000
Polar Programs	329,930,000	350,000,000	341,730,000	345,000,000
Integrative Activities	132,450,000	147,804,000	157,450,000	145,000,000

From the amount provided for Biological Sciences, $90,000,000 has been provided for plant genome research on economically significant crops.

From the amount provided for Computer and Information Science and Engineering, up to $225,000,000 of the appropriated level may be used for information technology research and not less than $20,000,000 may be used for cyberinfrastructure initiatives.

From Mathematical and Physical Sciences, $55,310,000 is for the National Radio Astronomy Observatory program of which $9,400,000 is provided for the Expanded Very Large Array; $10,300,000 is for the Green Bank Observatory; and $4,600,000 is for studies and repair of the Green Bank Observatory. The conferees recommend $6,000,000 for continued advanced planning of the Rare Symmetry Violating Process project.

Of the amount for Social Behavioral and Economic Sciences, $6,000,000 is for the Children's Research Initiative.

The conferees direct NSF to provide details on the funding levels for research and logistics within the U.S. Polar Research Programs in the fiscal year 2004 operating plan.

From the funds provided for Integrative Activities, $110,000,000 is provided for Major Research Instrumentation. To the extent possible, NSF should utilize funds in excess of the budget request to support the merit-based instrumentation and infrastructure needs of developing, HBCU, and other minority-serving colleges and universities.

The conference agreement includes $255,000,000 for nanotechnology programs throughout the directorates, an increase of $34,000,000 over fiscal year 2003.

The Conferees direct NSF to include the multi-year budget estimates for all multi-disciplinary and mid-level activities in the annual operating plan and in future budget requests.

MAJOR RESEARCH EQUIPMENT AND FACILITIES CONSTRUCTION

Appropriates $155,900,000 for major research equipment and facilities construction instead of $192,330,000 as proposed by the House and $149,680,000 as proposed by the Senate. Included within the appropriated amount is $51,000,000 for construction of the Atacama Large Millimeter Array aperture-synthesis radio telescope; $43,500,000 for EarthScope; $42,000,000 for continued research and development of the IceCube Neutrino Detector Observatory in Antarctica; $8,100,000 for the George E. Brown, Jr. Network for Earthquake Engineering Simulation; $1,300,000 for construction costs associated with the Amundson-Scott South Pole Station; and $10,000,000 for support of the Terascale Computing System and the Distributed Terascale Facility.

The conferees have not provided funding for the National Ecological Observatory Network (NEON) without prejudice. The conferees direct NSF to consider the recommendations in the National Academy of Sciences report and continue to refine the NEON plan from funds provided under research and related activities.

The conferees have not provided funding for the Integrated Ocean Drilling Program (IODP) and instead expect to see funding for this project proposed in the fiscal year 2005 request as stated in the fiscal year 2004 budget justification.

The conferees reiterate language included in the Senate report directing NSF to develop with the National Science Board funding criteria for major projects; directing NSF to identify all equipment, facility, and infrastructure-related costs over $5,000,000 in the fiscal year 2005 budget request; and directing the Deputy Director of Large Facility Projects to develop guidelines and a cost tracking system to ensure cost oversight.

EDUCATION AND HUMAN RESOURCES

Appropriates $944,550,000 for education and human resources instead of $910,680,000 as proposed by the House and $975,870,000 as proposed by the Senate. The conferees agree to the following funding levels and directives within this account:

Program	FY 2004 request	House Report 108–235	Senate Report 108–143	Conference agreement
Math & Science Partnership	$200,000,000	$140,000,000	$145,000,000	$140,000,000
EPSCoR	75,000,000	90,000,000	100,000,000	95,000,000
Elementary, Secondary & Informal Education	194,450,000	204,450,000	209,450,000	207,000,000
Undergraduate Education	142,100,000	146,440,000	172,810,000	162,940,000
Graduate Education	156,880,000	156,880,000	156,880,000	156,880,000
Human Resources Development	103,410,000	106,710,000	125,530,000	116,530,000
Research, Evaluation & Communication	66,200,000	66,200,000	66,200,000	66,200,000

The conferees direct NSF to submit a report by May 1, 2004, on the status of all the States participating in the Experimental Program to Stimulate Competitive Research (EPSCoR) program, and to include within this report the progress of each eligible state towards graduation from the EPSCoR program.

Within the level of funding for Elementary, Secondary and Informal Education, $62,500,000 has been provided for the Informal Science Education program.

Of the amount appropriated for Undergraduate Education, $45,500,000 has been provided for the Advanced Technological Education program; $25,000,000 is for the STEM Talent Expansion Program; and $8,000,000 is for the Robert Noyce Scholarship Program. No funds are provided for the Workforce for the 21st Century program.

The conferees have provided sufficient funding in fiscal year 2004 to reach a graduate stipend level of $30,000.

Within the funding level for Human Resource Development, $34,500,000 is provided for the Louis Stokes Alliances for Minority Participation program; $24,000,000 is provided for the Historically Black Colleges and Universities Undergraduates (HBCU) Program; $15,000,000 is provided for the Alliance for Graduate Education and Professoriate; and $15,000,000 is provided for the Centers of Research Excellence in Science and Technology (CREST) program and the HBCU Research University Science and Technology (THRUST) initiative within CREST. While the conferees agree that eligibility for THRUST should not exclude CREST recipients, NSF is directed to first use fiscal year 2004 program funds to fully fund multi-year awards to recipients of THRUST.

SALARIES AND EXPENSES

Appropriates $220,000,000 for salaries and expenses instead of $215,900,000 as proposed by the House and $225,700,000 as proposed by the Senate.

The conference agreement provides $2,500,000 for the administrative, management, and enterprise architecture evaluation contract underway. The conferees strongly urge the Foundation to give highest priority to enterprise architecture work products and information technology implementation. The conferees request that the National Science Board and the Inspector General review the proposed project plan and provide comment to the Committees on Appropriations by March 1, 2004.

The conferees request that the Director of the Office of Personnel Management conduct a review of NSF policies and practices regarding use of temporary term employees, known as "rotators", and report the findings to the Director of the Foundation and the Committees on Appropriations not later than March 1, 2004. The conferees request that this review focus on the percentage of the NSF professional workforce staffed through temporary appointments and its impact on the career civil service system at

NSF, the use of temporary appointments to staff the most senior positions at NSF including the heads of its science Directorates, and the level of compensation paid to individuals filling senior staff appointments through temporary appointments. Further, the conferees direct that future budget requests will consolidate the costs of all temporary employees, including employees covered under inter-governmental personnel agreements, under this heading.

The conferees direct NSF to enforce the existing policy providing NSF employee travel from this account.

The conferees direct NSF to designate a senior-level manager at the Foundation responsible for assisting minority serving institutions working with the Foundation.

OFFICE OF THE NATIONAL SCIENCE BOARD

Appropriates $3,900,000 for the National Science Board as proposed by the Senate, instead of $3,800,000 as proposed by the House. A representational allowance of $9,000 has been provided for the Board.

The conferees agree that NSF will continue to provide support for the preparation of the Science and Engineering Indicators report, plus all other activities as in previous years. The conferees direct the Foundation to include budget justification materials for the Board as a separate account in future budget requests to the Congress.

OFFICE OF INSPECTOR GENERAL

Appropriates $10,000,000 for the Office of Inspector General as proposed by both the House and the Senate.

NEIGHBORHOOD REINVESTMENT CORPORATION

PAYMENT TO THE NEIGHBORHOOD REINVESTMENT CORPORATION

Appropriates $115,000,000 for the Neighborhood Reinvestment Corporation as proposed by both the House and Senate.

Language is included in the bill which designates $5,000,000 to support the Corporation's multi-family rental housing program, as proposed by the Senate.

ADMINISTRATIVE PROVISION

Language is included as an administrative provision, as proposed in the budget submission, which amends the Neighborhood Reinvestment Corporation Act to bring the Corporation's compensation practices in line with those of federally chartered non-profit corporations.

SELECTIVE SERVICE SYSTEM

SALARIES AND EXPENSES

Appropriates $26,308,000 for salaries and expenses as proposed by the Senate instead of $28,290,000 as proposed by the House. The conference agreement does not include language proposed by the Senate which prohibits the system from using funds to support the Corporation for National and Community Service. However, the conferees direct the Selective Service System to discontinue providing information about the Corporation in the future.

TITLE IV—GENERAL PROVISIONS

The conference agreement includes the following dispositions of General Provisions:

Retains fourteen general provisions proposed by both the House and the Senate, all of which were included in the fiscal year 2003 Act.

Deletes language proposed by the Senate prohibiting the obligation or expenditure of funds unless the contract has been awarded and entered into in full compliance with the Office of Federal Procurement Policy Act.

Retains language proposed by the Senate regarding the Buy-America Act.

Retains language proposed by the House limiting the transfer of funds in this Act to the authority provided by this Act.

Retains language proposed by the House establishing new full cost accounting appropriations accounts for the National Aeronautics and Space Administration.

Retains language proposed by the House regarding outreach and marketing efforts to enroll veterans in the Veterans Health Administration. A similar amendment was proposed by the Senate.

Retains language proposed by the House and Senate prohibiting funds from being used to estimate the values for adult premature mortality that differ based on the age of the adult.

Retains language proposed by the House expressing a Sense of the Congress that no veteran should wait more than thirty days for a doctor's appointment.

Retains language proposed by the Senate expressing a Sense of the Congress that human dosing studies of pesticides raise ethical and health questions. The House bill included a related provision.

Retains language proposed by the House prohibiting the use of any NASA funds to be used for voluntary separation incentive payments if those incentives result in the loss of skills related to the safety of the Space Shuttle or the International Space Station.

Retains language proposed by the Senate providing States administering the Community Development Block Grant (CDBG) programs flexibility in the use of funds for administrative expenses and technical assistance. While such flexibility has been provided, the conferees expect the States to ensure that appropriate technical assistance is provided to localities receiving funds under the CDBG program.

Deletes a provision proposed by the Senate authorizing appropriations for sewer overflow grants. This conference agreement deletes this provision without prejudice, instead referring the matter to the relevant authorizing committees.

Retains a provision proposed by the Senate expanding a National Academy of Sciences study on New Source Review rules.

Retains a provision proposed by the Senate regarding harmonization of dates related to air quality standards for particulate matter and regional haze.

Includes modified language, similar to language proposed by the Senate recognizing the six Pioneer Homes in Alaska as eligible for per diem payments under the Department of Veterans Affairs state home program.

The conferees have included a new general provision which provides authority for the NASA Administrator to exceed the limitation on claims contained in the National Aeronautics and Space Act of 1958.

Deletes language proposed by the Senate regarding Agent Orange studies without prejudice. Instead, the conferees direct the VA to report by February 27, 2004, on the Department's future plans for epidemiological research on Vietnam veterans exposed to Agent Orange as recommended in April 2003 by the Institute of Medicine (IOM), including the Department's future resource needs for these studies. The conferees strongly encourage VA to consult with the IOM on this matter.

Deletes language proposed by the Senate providing enhanced-use lease authority at the Charleston VA Medical Center.

Deletes language proposed by the Senate regarding VA-Navy facilities sharing in North Chicago and instead addresses this matter in report language under title I.

Deletes language proposed by the Senate regarding international jurisdictional issues.

Deletes language proposed by the Senate regarding health care for veterans in rural areas and instead addresses this matter in report language under title I.

The conferees have not included language proposed by the Senate specifying the allocation of funds among Native American tribes under the NAHASDA block grant program.

The conferees have not included language proposed by the Senate establishing a new rural housing for teachers program under the Denali Commission.

Deletes language proposed by the Senate in this title regarding the public housing operating subsidy formula and instead includes modified language under administrative provisions in title II.

Deletes language expressing the Sense of the Senate on the section 8 voucher program.

Deletes language proposed by the Senate regarding the Paul and Sheila Wellstone Center and instead includes funding for this activity under the Community Development Fund in title II. The House did not include a similar provision.

Deletes language proposed by the Senate requiring the HUD Secretary to extend certain Moving to Work agreements and to require a study.

Deletes a provision proposed by the Senate regarding VISTA volunteer education awards. Instead, the conferees have included report language in title III.

Deletes a provision proposed by the Senate regarding rulemaking for AmeriCorps programs and instead includes a similar provision in title III.

Includes a provision which sets certain requirements for the EPA and States regarding the regulation of engines under 50 horsepower.

TITLE V—PESTICIDE PRODUCTS AND FEES

The conference agreement modifies a provision proposed by the Senate which provides for the collection of certain pesticides fees through fiscal year 2008.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 2004 recommended by the Committee of Conference, with comparisons to the fiscal year 2003 amount, the 2004 budget estimates, and the House and Senate bills for 2004 follow:

[In thousands of dollars]

New budget (obligational) authority, fiscal year 2003	123,003,816
Budget estimates of new (obligational) authority, fiscal year 2004	126,344,797
House bill, fiscal year 2004	126,943,148
Senate bill, fiscal year 2004	128,243,712
Conference agreement, fiscal year 2004	128,243,693
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 2003	+5,239,877
Budget estimates of new (obligational) authority, fiscal year 2004	+1,898,896
House bill, fiscal year 2004	+1,300,545
Senate bill, fiscal year 2004	−19

DIVISION H—MISCELLANEOUS APPROPRIATIONS AND OFFSETS

(INCLUDING RESCISSIONS OF FUNDS)

(INCLUDING TRANSFER OF FUNDS)

Sec. 101. The conference report includes language regarding the Conservation Security Program.

Sec. 102. This section redirects funds provided by P.L. 108–106 from the Emergency Preparedness and Response, Disaster Relief account to the Forest Service and Natural Resources Conservation Service and other accounts in the Department of Agriculture which fund critically needed wildfire, forestry and watershed protection services in response to the unprecedented wildfire emergencies which recently devastated portions of southern California. The emergency declaration does not increase emergency spending beyond what was designated in P.L. 108–106.

Sec. 103. The conference agreement provides additional funding for reimbursement to State and local law enforcement agencies for security costs associated with the 2004 Presidential Candidate Nominating Conventions. The conference agreement provides not more than $25,000,000 each for New York City and Boston. The Department of Justice is directed to submit a report to the Committees on Appropriations detailing how these funds are allocated. The report shall include a list of State and local law enforcement agencies receiving reimbursements including the amount and purpose for which each agency received reimbursement.

Sec. 104. The conference agreement includes language establishing the Commission on the Abraham Lincoln Study Abroad Fellowship Program, and providing $500,000 for this purpose.

Sec. 105. The conference agreement includes language regarding a Northeast Multispecies Fishery Management Plan.

Sec. 106. The conference agreement includes an additional $16,000,000 for the United States Supreme Court, Care of the Building and Grounds account.

The conference agreement includes a general provision which transfers previously appropriated Navy acquisition funds to provide a $49,000,000 increase for the advance procurement and full funding of the Virginia class submarine and a $19,600,000 increase for additional requirements for the refueling of the SSN–715. The conferees understand that $9,200,000 is available from fiscal year 2004/2005 Research, Development, Test and Evaluation, Navy funds made available for New Design SSN and Advanced Submarine Systems Development. The conferees direct that the $9,200,000 reduction be applied solely to projects included in the base program requested in the fiscal year 2004 budget and applied equally to both New Design SSN and Advanced Submarine Systems Development programs. The conferees request that a breakout of the application of this reduction be provided to the congressional defense committees within 30 days of enactment of this Act. The conferees further understand that $8,000,000 of the funds appropriated in fiscal year 2003 and $11,800,000 of the funds appropriated in fiscal year 2004 for outfitting, post delivery, conversions, and first destination transportation are in excess to current requirements and therefore available for reprogramming. The conferees direct that these reductions be equitably applied to the ships and submarines for which the funds were originally requested.

The conference agreement includes a general provision which makes technical adjustments to section 724 of the National Defense Authorization Act for Fiscal Year 1997, as amended by the National Defense Authorization Act for Fiscal Year 2004.

The conference agreement includes a general provision which makes technical adjustments to section 853 of the National Defense Authorization Act for Fiscal Year 2004.

The conference agreement includes a general provision which clarifies the application of section 8022 of the Department of Defense Appropriations Act, 2004 (Public Law 108–87).

The conference agreement includes a general provision which provides that from within available Defense Health Program funding, $3,100,000 is to be used only for the procurement of Linear Accelerator Radiation Therapy equipment and associated operating software for Walter Reed Army Medical Center, and $2,900,000 is to be used only for the Defense and Veterans Head Injury Program.

The conference agreement includes a general provision regarding the storage of mercury in the National Defense Stockpile.

The conference agreement includes a general provision providing technical adjustments and authority for certain classified activities provided for in Public Law 107–206 and described in the classified annexes accompanying that Act and Public Law 108–11.

The conference agreement includes a general provision providing direction regarding funds provided in Public Laws 107–117, 107–248, and 108–87 under the heading "National Defense Sealift Fund" for construction of additional sealift capacity.

DoD–VA Medical Care.—The conferees direct the Secretary of the Navy to expand the use of the North Chicago VA Medical Center by the DoD beneficiaries of the Great Lakes region. The conferees also direct the Secretary to work with the Secretary of Veterans Affairs to finalize site selection for a joint Navy/VA ambulatory care center to serve both DoD beneficiaries and veteran patients. The conferees urge the Secretary to study siting the clinic adjacent to the North Chicago VA Medical Center. The Secretary shall report to the Committees on Appropriations on the site selected by July 30, 2004. The conferees also understand that the Committees will see a proposal for design planning and funding construction of this facility in fiscal year 2006.

Chemical Biological Suit.—The conferees are concerned with a recent GAO finding that the production of the JSLIST chemical biological suit worn by U.S. soldiers is dependent upon a foreign-based, single supply source for its most critical components. The Joint Program Executive Office for Chemical and Biological Defense plan to field test and qualify an off-the-shelf, alternate fabric/membrane to incorporate into a next generation suit will take three years to complete given current funding levels. The conferees direct the Department of Defense to provide necessary funds from those available immediately to begin field testing and qualification of an alternate, off-the-shelf fabric/membrane for the JSLIST suit.

Digitization of DoD Technical Manuals.—Within 10 days of the effective date of this Act, the Secretary of Defense shall complete the transfer of contract and program administration of the funds appropriated for the Digitization of DoD Technical Manuals from the Army to the Marine Corps Systems Command and shall transfer the balance of unobligated fiscal year 2003 funds and all fiscal year 2004 funds appropriated for this program from Other Procurement, Army to the "Auto Test Equipment Systems" line in Procurement, Marine Corps. The Secretary shall ensure that the transfer occurs in a manner that causes no delays or disruption in the program.

Vaccine Development.—The conferees are aware that there has been considerable progress made by DARPA on the development of a therapeutic vaccine for protection against anthrax as a weapon of bioterrorism. The conferees understand that the research and development has progressed to the point where primate and human clinical trials are the next phase. The conferees encourage the Department of Defense to continue this important research, and if necessary, use existing reprogramming authorities to address any fiscal year 2004 funding shortfalls should they emerge.

Philadelphia Military Academy.—The conferees recommend the Department of Defense establish a Junior ROTC program at the Philadelphia Military Academy. The Department should establish this program as quickly as feasible and use funds previously appropriated for these types of training programs.

Consequence Management Training.—It is the conferees' intent that the funds appropriated in Public Law 107–248 for consequence management training at Camp Gruber are to train both DoD personnel and non-DoD first responders.

Family Assistance and Ombudsman for WRAMC.—The demand for medical treatment and family assistance has increased significantly at our military medical facilities. In particular, there have been almost 2,000 soldiers who have gone through Walter Reed Army Medical Center (WRAMC) for medical treatment since the beginning of Operation Iraqi Freedom. The WRAMC staff has responded exceptionally well to the medical needs of our injured troops and should be commended for their work. The conferees, however, are concerned that family members coming to the Washington, DC area to visit their loved ones are experiencing transportation and information difficulties once they arrive. These include difficulties in obtaining and paying for transportation from airports to Walter Reed and confusion once they get to Walter Reed regarding lodging, per diem, and the availability of family assistance resources. The conferees recommend that the Army establish an Ombudsman program, as part of the overall family assistance outreach program, to assist family members of injured soldiers at Walter Reed. This should include representatives to meet and greet family members at Walter Reed upon their initial arrival to guide them to their destination and inform them of available assistance.

Walter Reed Amputee Center.—The conferees are aware of Walter Reed Army Medical Center's efforts to improve amputee treatment and rehabilitation, especially in light of the growing number of injured military members returning from Operation Iraqi Freedom who require such care. As such, the conferees direct the Surgeon General of the Army to prepare and submit an infrastructure improvement plan for the Walter Reed Amputee Center to the congressional defense committees. The plan should be submitted not later than January 15, 2004, and should include a detailed description of the types of infrastructure improvements needed, a timetable for making these improvements, and associated cost estimates.

Section 117. The conference agreement includes language relating to previously appropriated funds for the False Pass, Alaska, project.

Section 118. The conference agreement includes language regarding the Central Riverfront Park project on the Ohio River in Cincinnati, Ohio.

Section 119. The conference agreement includes language providing for the use of available funds from the Hamlet City Lake, North Carolina, project to carry out current projects in Richmond County.

Section 120. The conference agreement includes language regarding the project for clearing and snagging in Deep River, near Lake Station, Indiana.

Section 121. The conference agreement includes a technical correction to Section 117 of H.R. 2754, the Energy and Water Development Appropriations Act, 2004, relating to the Idaho, Montana, Rural Nevada, New Mexico, and Rural Utah project.

Section 122. The conference agreement includes language providing for the use of available funds from the Savannah Harbor Deepening Project, Savannah, Georgia, for the Savannah Harbor Expansion Project.

Section 123. The conference agreement includes language regarding the Columbia River Channel Improvements project in Oregon and Washington.

Section 124. The conference agreement includes language directing the Corps of Engineers to proceed with work to complete the Stillwater, Minnesota, project.

Black Warrior and Tombigbee Rivers, Alabama.—The conference agreement on H.R. 2754, the fiscal year 2004 Energy and Water Development Appropriations Act, included an additional $1,500,000 for operation and maintenance of the Black Warrior and Tombigbee Rivers, Alabama, project. Of those funds, $1,000,000 is to be used to fund the evaluation of a plan for the relocation of project offices to Tuscaloosa, Alabama.

Section 125. The conference agreement clarifies that an additional $166,100,000 is provided in the Energy and Water Development Appropriations Act, 2004, for offsetting collections for purchase power and wheeling expenses.

ENERGY SUPPLY

RENEWABLE ENERGY RESOURCES

In calculating the non-Federal match commitment required for the Upper Lynn Canal, Alaska, project, non-Federal resources including cash, personnel, services, and equipment expended in the last two fiscal years shall be included in determining whether the non-Federal match requirement has been fulfilled.

Biomass/biofuels.—The $960,000 earmark for the Mount Mass CC Bio Wood Gasification Project provided for in the statement of managers accompanying H.R. 2754 should be properly titled as the Mount Wachusett Community College Biomass Wood Gasification Project.

NUCLEAR ENERGY

Program Direction.—Of the amount made available for program direction in the statement of managers accompanying H.R. 2754, $34,237,000 is assigned to the 050 budget function.

SCIENCE

Biological and Environmental Research.—The statement of managers accompanying H.R. 2754 providing $5,000,000 for the development of new molecular imaging probes is further clarified to apply to programs that bring together PET imaging, systems biology and nanotechnology to develop new molecular imaging probes. These probes should provide a biological diagnosis of disease that is informative of the molecular basis of disease and specific for guiding the development of new molecular therapies. The programs must bring together chemists, physicists, biologists, and imaging scientists to produce new technologies and science in the stated area. The particular disease orientation is in cancers such as breast, prostrate, colorectal, melanoma and degenerative neurological disorders such as Alzheimer's and Parkinson's diseases.

In addition, the $1,000,000 earmark for the Carnegie Mellon University Green Chemistry Project should be properly titled as the Carnegie Mellon University Advanced Building Efficiency Testbed Initiative.

Science Laboratories Infrastructure.—The statement of managers accompanying H.R. 2754 provides $1,000,000 for excess facilities disposal for the 88-inch cyclotron at the Lawrence Berkeley National Laboratory. If the Department of Energy decides to continue operating the 88-inch cyclotron during fiscal year 2004, the $1,000,000 should be applied to disposal of other excess facilities at the Lawrence Berkeley National Laboratory.

ENVIRONMENTAL AND OTHER DEFENSE ACTIVITIES

DEFENSE SITE ACCELERATION COMPLETION

Accelerated Completions 2035.—The statement of managers accompanying H.R. 2754 indicates that the conference agreement provides $1,929,536,000 for Accelerated Completions, 2035, with the reduction of $49,061,000 below the request due to the Department-requested adjustment for Oak Ridge cleanup activities. The statement of managers should be amended to reflect that $31,851,000 of this reduction represents the Department-requested adjustment for Oak Ridge cleanup and $17,210,000 represents a reduction to the overall 2035 subaccount, not specific to Los Alamos, Oak Ridge, or any other 2035 cleanup site.

OTHER DEFENSE ACTIVITIES

Environment, Safety and Health (Defense).—Of the funds made available for transfer to the National Institute for Occupational Safety and Health for epidemiological studies in the statement of managers accompanying H.R. 2754, $7,500,000 shall be applied to conduct epidemiological research and other activities to establish the scientific link between radiation exposure and the occurrence of chronic lymphocytic leukemia.

Section 127. The conference agreement includes language related to Sandia National Laboratories in New Mexico.

Section 128. The conference agreement includes language modifying Section 312 of the Energy and Water Development Appropriations Act, 2004, and Section 634 of the Energy Policy Act of 2003 regarding the classification of certain materials as "11 e.(2) by-product materials".

Section 129. The conference agreement includes language making technical corrections to H.R. 6, the Energy Policy Act.

Sec. 130. The conference agreement includes an additional $50,000,000 to the Department of Energy's Office of Science to begin work on the Coralville, Iowa project.

Section 131. The conference agreement includes $250,000 for Biological Sciences at DePaul University; $500,000 for the Cedars-Sinai Gene Therapy Research Program; and $500,000 for the Hartford Hospital Interventional Electrophysiology Project.

Section 132. The conference agreement includes $750,000 for the Energy Center of Wisconsin Renewable Fuels Project; $500,000 for the Wind Energy Transmission Study; $250,000 for the White Pine County, Nevada, Public School System biomass conversion heating project; $250,000 for the Lead Animal Shelter Animal Campus renewable energy demonstration project; $3,000,000 for the establishment of a Hawaii Hydrogen Center for Development and Deployment of Distributed Energy Systems; and $250,000 for the Eastern Nevada Landscape Coalition for biomass restoration and science-based restoration.

Section 133. The conferees have included additional funding in specified amounts for certain Army Corps of Engineers Construction, General, projects, including, for the Red River Below Denison Dam, Arkansas, project, $1,250,000; for the Red River Red River Emergency, Arkansas, project, $1,750,000; for the Napa River, California, project, $2,750,000; for the Chicago Shoreline, Illinois, project, $1,000,000; for the McCook and Thornton Reservoirs, Illinois, project, $1,000,000; for the Inner Harbor Navigation Canal Lock, project, $1,000,000; Fort Peck Fish Hatchery, Montana, $1,000,000; for the Passaic River Streambank Restoration (Minish Park), New Jersey, project, $1,000,000; and for the Grand Forks—East Grand Forks, MN, project, $3,000,000.

Section 135. The conferees agree to extend the Pre-Disaster Mitigation Program authorization by one year to December 31, 2004.

Section 136. The conferees agree to extend the National Flood Insurance Program authorization by six months to June 30, 2004.

Section 137. The conference agreement includes a provision that modifies the Maritime Transportation Security Act of 2002 as it relates to fishing agreements.

The conference agreement includes technical corrections to the fiscal year 2004 Interior and Related Agencies Appropriations Act, Public Law 108–108, related to two statutory citations in the Bureau of Indian Affairs "Construction" account.

The conference agreement includes technical corrections to the Congaree National Park Boundary Revision in Public Law 94–545, to retain the current classification of the park under section 162 of the Clean Air Act and to change the name of the Congaree Swamp National Monument Wilderness to the "Congaree National Park Wilderness".

The conference agreement includes a technical correction to section 123 of the fiscal year 2004 Interior and Related Agencies Appropriations Act, Public Law 108–108, to ensure that the National Park Service can provide a grant to the Shenandoah Valley Battlefield Foundation for continued land acquisition in the Shenandoah Valley Battlefields National Historic District.

The conference agreement includes a provision setting a November 18, 2007, date for the termination of the Delaware and Lehigh National Heritage Corridor Commission.

The conference agreement corrects a citation in Title IV of the fiscal year 2004 Interior and Related Agencies Appropriations Act, Public Law 108–108.

The conference agreement includes a provision reallocating certain funds provided to the Indian Health Service for alcohol control, enforcement, prevention, treatment, sobriety and wellness, and education in Alaska.

The conference agreement includes technical corrections to section 344 of the fiscal year 2004 Interior and Related Agencies Appropriations Act, Public Law 108–108: (1) clarifying that the across the board reduction to accounts in the Act does not apply to emergency requirements pursuant to section 502 of H. Con. Res. 95 (108th Congress), the concurrent budget resolution on the budget for fiscal year 2004, and (2) allowing the Secretary of the Interior to use her discretion in applying the reduction within the Indian

Land and Water Claim Settlements and Miscellaneous Payments to Indians account.

The conference agreement establishes the Theodore Roosevelt National Wildlife Refuge in Mississippi; authorizes the construction, by the U.S. Army Corps of Engineers, of an education center on the refuge; changes the name of the Bogue Phalia Unit of the Yazoo National Wildlife Refuge to the "Holt Collier National Wildlife Refuge"; and changes the name of the Central Mississippi National Wildlife Refuge Complex to the "Theodore Roosevelt National Wildlife Refuge Complex".

The conference agreement amends section 386 of the Energy Policy Act of 2003 to permit the consideration of an option providing a loan guarantee for a liquefied natural gas transportation project in Alaska.

The conference agreement amends the Alaska National Interest Lands Conservation Act to authorize the use of funds to pay certain expenses after the death of certain Department of the Interior employees in Alaska.

The conference agreement establishes the Office of Native Hawaiian Relations within the Office of the Secretary of the Interior and appropriates $100,000 for that office.

The conference agreement permits the Assiniboine and Sioux tribes of the Fort Peck Indian Reservation in Montana to lease tribally owned land for interstate natural gas pipelines.

The conference agreement authorizes the National Park Service to purchase, from willing sellers, Fern Lake and its surrounding watershed, approximately 4,500 acres, for inclusion in the Cumberland Gap National Historical Park. This will ensure the protection of Fern Lake as the sole water source for the city of Middlesboro, Kentucky.

The Smithsonian Institution should continue planning, administration and other activities required for the establishment of the National Museum of African-American History and Culture. The Smithsonian Institution should use General Service Administration consulting contracts to help evaluate the four sites under consideration.

Sec. 151 authorizes the Attending Physician to Congress to have authority and responsibility for overseeing and coordinating the use of medical assets in response to a bioterrorism event and other medical contingencies or public health emergencies.

Sec. 152 authorizes the Architect of the Capitol to lease any portion of the real property located at 449 South Capitol Street Southwest, DC for the use of the United States Capitol Police.

Sec. 153 establishes the United States Senate-China Interparliamentary Group.

Sec. 154 establishes the United States Senate-Russia Interparliamentary Group.

Sec. 155 is a provision regarding the expenses of the Chaplain of the Senate.

Sec. 157. Pension Plan Parity.—The conference agreement includes a provision directing the Pension Benefit Guaranty Corporation to restore certain guaranteed pension benefits. Neither the House nor the Senate bills contained these provisions.

VISION REHABILITATION

The Secretary of the Department of Health and Human Services is directed to carry out a nationwide outpatient vision rehabilitation services demonstration project. The purpose of this demonstration project is to examine the impact of standardized national coverage for vision rehabilitation services provided in the home by physicians, occupational therapists and certified vision rehabilitation teachers.

This demonstration project should be conducted over a period of five years beginning July 1, 2004. The Secretary shall expend from available funds appropriated to him in FY 2004, including transfers authorized under existing authorities from the Federal Supplementary Insurance Trust Fund, an amount not to exceed $2 million for FY 2004 to carry out this demonstration project.

Sec. 158. The conference agreement includes a general provision, which appropriates $9,692,000 to the Department of Defense Family Housing Improvement Fund and offsets the appropriation with a rescission in the same amount from the "Foreign Currency Fluctuations, Construction, Defense" account.

Sec. 159. The conferees agree to provide an additional amount of $1,000,000,000 for requirements payments to states under the Help America Vote Act.

Sec. 160. designates the courthouse at 333 Lomas Boulevard in New Mexico as the "Pete V. Domenici United States Courthouse."

Sec. 161. requires the Director, Office of Management and Budget to consult with Alaska Native corporations on the same basis as Indian tribes under Executive Order 13175.

Sec. 162. provides a total of $50,000,000 from the highway trust fund for the reconstruction of the Treasure Island Bridge in Florida and for plaza design and road improvements at the John F. Kennedy Center in Washington, D.C.

Sec. 163 extends the Japanese Imperial Government Disclosure Act for one additional year.

Cash balance plans.—The conference agreement on the Departments of Transportation and Treasury, and Independent Agencies Appropriations Act, 2004 directs the Secretary of the Treasury to prepare a legislative proposal that would provide transition relief to older and longer service participants affected by conversions from traditional defined benefit plans to cash balance plans. The conference agreement also prohibits the use of funds to complete certain regulations pending at the Treasury Department. The purpose of this prohibition is not to call into question the validity of hybrid pension plan designs (cash balance and pension equity). The purpose of the prohibition is to preserve the status quo with respect to conversions through the entirety of fiscal year 2004 while the applicable committees of jurisdiction review the Treasury Department's legislative proposals.

Sec. 164. The conference agreement includes a provision related to the distribution of certain Department of Housing and Urban Development block grant funds to Alaska Native recipients.

Sec. 168. The conference agreement includes a rescission of $1,800,000,000 funds made available to the Department of Defense and made available in P.L. 107-38 and P.L. 107-117, as well as a 0.59 percent across-the-board rescission to discretionary budgetary resources provided in fiscal year 2004 regular appropriations Acts (except Defense and Military Construction), as well as to any previously enacted fiscal year 2004 advance appropriation.

BILL YOUNG,
RALPH REGULA,
JERRY LEWIS,
FRANK R. WOLF
(except for section 617 of Division B),
JAMES T. WALSH,
DAVE HOBSON,
HENRY BONILLA,
JACK KINGSTON,
RODNEY P. FRELINGHUYSEN,
GEORGE R. NETHERCUTT, Jr.,
TOM LATHAM,
VIRGIL GOODE,
RAY LAHOOD,
JOHN P. MURTHA,
Managers on the Part of the House.

TED STEVENS,
THAD COCHRAN,
ARLEN SPECTER,
PETE V. DOMENICI,
CHRISTOPHER BOND,
MITCH MCCONNELL,
CONRAD BURNS,
RICHARD C. SHELBY,
JUDD GREGG,
ROBERT F. BENNETT,
BEN NIGHTHORSE CAMPBELL,
LARRY E. CRAIG,
KAY BAILEY HUTCHISON,
MIKE DEWINE,
SAM BROWNBACK,
DANIEL K. INOUYE,
TOM HARKIN,
Managers on the Part of the Senate.

COMMENTS REGARDING CONFERENCE REPORT ON H.R. 2673

(Mr. OBEY asked and was given permission to speak out of order for 7 minutes.)

Mr. OBEY. Mr. Speaker, I wanted to take this time to comment on the legislation just filed. The legislation just filed would complete the work of the Committee on Appropriations and the Congress on a number of appropriation bills which were not able to get through the system one by one, as is the usual process. But in the process of putting together this omnibus appropriation bill, the House has, I think, reached a new low in terms of its willingness to reflect the will of the membership.

We elect in this country 535 people to come to this Congress, 435 of them in this institution; and the idea is that those Members are supposed to vote on various issues, and after those Members have voted, then a conference committee between the Senate and the House is supposed to iron out whatever differences remain between the House and the Senate in the consideration of that legislation.

That is really not what happened on this legislation this year. Time and time again, the conferees simply disregarded the will of Members of both Houses, went into a back room, and decided on their own, without consulting anybody but themselves and the White House, that they were going to cut the cards a different way and deal a new hand to everyone.

So we find, for instance, that in the legislation just filed, even though both Houses of Congress in public, on-the-record votes made the decision to try to scale back the expansion of the ability of large businesses in the communications industry to own television stations, despite the fact that both branches of the Congress voted to put a 35 percent cap on the percentage of American homes that should be reachable by any one corporate entity in the television business, despite that fact, the conferees produced legislation just filed at this moment which changes that cap and raises it to 39 percent. No votes taken in either House to do that, just an arbitrary judgment because the White House said, "If you do not do it our way, we are going to hold our breath and turn blue."

So the conferees caved and went against the position of both Houses. I think that is a national scandal. This is a backroom deal to strengthen the hands of the national media giants against local control of television. It allows ABC and NBC to acquire additional stations up to the new 39 percent limit, and it takes Fox and CBS off the hook so that they do not have to divest as they would have had to if the will of the House and the Senate had prevailed.

I am also concerned about what has happened here with the across-the-board cut that is being provided in this legislation because, as I understand the impact of that cut, that is going to mean a reduction of $178 million in crucial veterans medical care: and it is going to, as I understand it, severely hamper the VA in its ability to reduce the backlog in handling cases brought to them by veterans. It now takes about 157 days to process a veteran's claim; and this across-the-board cut in the operations of the VA will, I am afraid, result in seeing those delays expanded rather than contracted.

I also want to take just a moment to point out that this institution has engaged in a very questionable practice with respect to congressional earmarks. In the past, there is no question that Congress had provided significant numbers of earmarks. But in the past 4 or 5 years, in my view, that has gotten incredibly out of control. There is nothing wrong with Congress deciding to take a reasonable number of projects through earmarks in order to give this institution an opportunity to define what activities it considers to be very important; but when the practice explodes to such a degree that virtually every university hires a lobbyist to try to obtain funds through the political process rather than the process of peer review, then the Congress abandons all pretext of taxpayers' moneys being used in rational fashion.

The other problem, Mr. Speaker, is that when earmarks change in character from being a convenience to Members to a weapon in the hands of the majority party to punish Members of the minority party who oppose those appropriation bills, then we have, I think, fundamentally corrupted the appropriations process of the House, and I think it becomes a source of shame for the House in many ways. We have had a huge explosion in the amount of Member-directed earmarks over the past 4 or 5 years; and I would say that when that is accompanied by the idea that Members will be punished if they vote on the basis of substance, then I think this Congress ceases to be a body which can earn the respect of the American people. It seems to me that if we are going to allow earmarks to be used as a partisan threat, then what we will do is eliminate the ability of the appropriations process to be considered on the merits, and the only thing Members will be focused on will be their local pork projects rather than the broader welfare of the country; and I think that will demean the process of the Congress and demean the American people in the process.

RECESS

The SPEAKER pro tempore (Mr. BARTLETT of Maryland). Pursuant to clause 12(a) of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 1 o'clock and 24 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 1521

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. BARTLETT of Maryland) at 3 o'clock and 21 minutes p.m.

MESSAGE FROM THE SENATE

The SPEAKER pro tempore. The Chair lays before the House the following privileged message from the Senate.

The Clerk read as follows:

Resolved, That the resolution from the House of Representatives (H. Con. Res. 339) entitled "Concurrent resolution providing for the sine die adjournment of the first session of the One Hundred Eighth Congress.", do pass with the following Amendment:

Page 1, line 2, strike out all after "*concurring*)," over to and including line 3 on page 3 and insert: *That when the House adjourns on any legislative day from Tuesday, November 25, 2003, through the remainder of the first session of the One Hundred Eighth Congress, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand adjourned sine die, or until such day and time as may be specified by its Majority Leader or his designee in the motion to adjourn, or until the time of any reassembly pursuant to section 2 of this concurrent resolution, whichever occurs first; that when the Senate recesses or adjourns at the close of business on any day from Monday, November 24, 2003, through the remainder of the first session of the One Hundred Eighth Congress, on a motion offered by its Majority Leader or his designee, it stand adjourned sine die, or stand recessed or adjourned until such day and time as may be specified by its Majority Leader or his designee in the motion to recess or adjourn, or until the time of any reassembly pursuant to section 2 of this concurrent resolution, whichever occurs first.*

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

SENATE BILLS REFERRED

Bills and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 391. An act to enhance ecosystem protection and the range of outdoor opportunities protected by statute in the Skykomish River valley of the State of Washington by designating certain lower-elevation Federal lands as wilderness, and for other purposes; to the Committee on Resources.

S. 425. An act to revise the boundary of the Wind Cave National Park in the State of South Dakota; to the Committee on Resources.

S. 434. An act to authorize the Secretary of agriculture to sell or exchange all or part of certain parcels of National Forest System land in the State of Idaho and use the proceeds derived from the sale or exchange for National Forest System purposes; to the Committee on Resources.

S. 435. An act to provide for the conveyance by the Secretary of Agriculture of the Sandpoint Federal Building and adjacent land in Sandpoint, Idaho, and for other purposes; to the Committee on Transportation and Infrastructure and in addition to the Committee on Resources for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

S. 452. An act to require that the Secretary of the Interior conduct a study to identify sites and resources, to recommend alternatives for commemorating and interpreting the Cold War, and for other purposes; to the Committee on Resources.

S. 551. An act to provide for the implementation of air quality programs developed in accordance with an Intergovernmental Agreement between the Southern Ute Indian Tribe and the State of Colorado concerning Air Quality Control on the Southern Ute Indian Reservation, and for other purposes; to the Committee on Energy and Commerce and in addition to the Committee on Resources for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

S. 714. An act to provide for the conveyance of a small parcel of Bureau of Land Management land in Douglas County, Oregon, to the county to improve management of and recreational access to the Oregon Dunes National Recreation Area, and for other purposes; to the Committee on Resources.

S. 1003. An act to clarify the intent of Congress with respect to the continued use of established commercial outfitter hunting camps on the Salmon River; to the Committee on Resources.

S. 1279. An act to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to authorize the President to carry out a program for the protection of the health and safety of residents, workers, volunteers, and others in a disaster area; to the Committee on Transportation and Infrastructure and in addition to the Committee on Energy and Commerce for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

S. 1499. An act to adjust the boundaries of Green Mountain National Forest; to the Committee on Agriculture.

S. 1531. An act to require the Secretary of the Treasury to mint coins in commemoration of Chief Justice John Marshall; to the Committee on Financial Services.

S. 1947. An act to prohibit the offer of credit by a financial institution to a financial institution examiner, and for other purposes; to the Committee on the Judiciary.

S. Con. Res. 77. Concurrent resolution expressing the sense of Congress supporting vigorous enforcement of the Federal obscenity laws; to the Committee on the Judiciary and in addition to the Committee on Energy and Commerce for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

ENROLLED BILLS SIGNED

Mr. Trandahl, Clerk of the House, reported and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 421. An act to reauthorize the United States Institute for Environmental Conflict Resolution, and for other purposes.

H.R. 1367. An act to authorize the Secretary of Agriculture to conduct a loan repayment program regarding the provision of veterinary services in shortage situations, and for other purposes.

H.R. 1683. An act to increase, effective as of December 1, 2003, the rates of disability compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for survivors of certain service-connected disabled veterans, and for other purposes.

H.R. 1821. An act to award a congressional gold medal to Dr. Dorothy Height in recognition of her many contributions to the Nation.

H.R. 1828. An act to halt Syrian support for terrorism, end its occupation of Lebanon, and stop its development of weapons of mass destruction, and by so doing hold Syria accountable for the serious international security problems it has caused in the Middle East, and for other purposes.

H.R. 1904. An act to improve the capacity of the Secretary of Agriculture and the Secretary of the Interior to conduct hazardous fuels reduction projects on National Forest System lands and Bureau of Land Management lands aimed at protecting communities, watersheds, and certain other at-risk lands from catastrophic wildfire, to enhance efforts to protect watersheds and address threats to forest and rangeland health, including catastrophic wildfire, across the landscape, and for other purposes.

H.R. 2115. An act to amend title 49, United States Code, to reauthorize programs for the Federal Aviation Administration, and for other purposes.

H.R. 2417. An act to authorize appropriations for fiscal year 2004 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.

H.R. 3038. An act to make certain technical and conforming amendments to correct the Health Care Safety Net Amendments of 2002.

H.R. 3140. An act to provide for availability of contact lens prescriptions to patients, and for other purposes.

H.R. 3166. An act to designate the facility of the United States Postal Service located at 57 Old Tappan Road in Tappan, New York, as the "John G. Dow Post Office Building".

H.R. 3185. An act to designate the facility of the United States Postal Service located at 38 Spring Street in Nashua, New Hampshire, as the "Hugh Gregg Post Office Building".

H.R. 3349. An act to authorize salary adjustments for Justices and judges of the United States for fiscal year 2004.

H.R. 3419. An act to establish within the Smithsonian Institution the National Museum of African History and Culture, and for other purposes.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 189. An act to authorized appropriations for nanoscience, nanoengineering, and nanotechnology research, and for other purposes.

S. 579. An act to reauthorize the National Transportation Safety Board, and for other purposes.

S. 1152. An act to reauthorize the United States Fire Administration, and for other purposes.

S. 1156. An act to amend title 38, United States Code, to improve and enhance provision of health care for veterans, to authorize major construction projects and other facilities matters for the Department of Veterans Affairs, to enhance and improve authorities relating to the administration of personnel of the Department of Veterans Affairs, and for other purposes.

S. 1768. An act to extend the national flood insurance program.

S. 1895. An act to temporarily extend the programs under the Small Business Act and the Small Business Investment Act of 1958 through March 15, 2004, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Jeff Trandahl, Clerk of the House, reports that on November 21, 2003 he presented to the President of the United States, for his approval, the following bills.

H.R. 23. To amend the Housing and Community Development Act of 1974 to authorize communities to use community development block grant funds for construction of tornado-safe shelters in manufactured home parks.

H.R. 1588. To authorize appropriations for fiscal year 2004 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

H.R. 2744. To designate the facility of the United States Postal Service located at 514 17th Street in Moline, Illinois, as the "David Bybee Post Office Building."

H.R. 2754. Making appropriations for energy and water development for the fiscal year ending September 30, 2004, and for other purposes.

H.R. 3175. To designate the facility of the United States Postal Service located at 2650 Cleveland Avenue, NW in Canton, Ohio, as the "Richard D. Watkins Post Office Building".

H.R. 3182. To reauthorize the adoption incentive payments program under part E of title IV of the Social Security Act, and for other purposes.

H.R. 3379. To designate the facility of the United States Postal Service located at 3210 East 10th Street in Bloomington, Indiana, as the "Francis X. McCloskey Post Office Building".

H.J. Res. 79. Making further continuing appropriations for the fiscal year 2004, and for other purposes.

ADJOURNMENT

The SPEAKER pro tempore. Pursuant to House Concurrent Resolution 339 and at the designation of the majority leader, without objection, the House stands adjourned to meet at 9:30 a.m. on Monday, December 8, 2003, for morning hour debates.

There was no objection.

Accordingly (at 3 o'clock and 23 minutes p.m.), pursuant to House Concurrent Resolution 339, the House adjourned until Monday, December 8, 2003, at 9:30 a.m., for morning hour debates.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

5625. A letter from the Congressional Review Coordinator, APHIS, Department of Agriculture, transmitting the Department's final rule — Veterinary Services User Fees; Fee for Use of Animal Ramp at Miami International Airport [Docket No. 02-041-2] received November 18, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5626. A letter from the Congressional Review Coordinator, APHIS, Department of Agriculture, transmitting the Department's final rule — Interstate Movement of Swine Within a Production System; Inspection of Swine [Docket No. 02-069-2] received November 18, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5627. A letter from the Congressional Review Coordinator, Department of Agriculture, transmitting the Department's final rule — Agricultural Bioterrorism Protection Act of 2002; Possession, Use, and Transfer of Biological Agents and Toxins [Docket No. 02-088-3] (RIN: 0579-AB47) received November 18, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5628. A letter from the Director, Regulatory Review Group, Farm Service Agency, Department of Agriculture, transmitting the Department's final rule — Prompt Disaster Set-Aside Consideration and Primary Loan Servicing Facilitation (RIN: 0560-AG56) received October 24, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5629. A letter from the Administrator, Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting the Department's final rule — Dried Prunes Produced in California; Temporary Suspension of the Prune Reserve and the Voluntary Producer Prune Plum Diversion Provisions [Docket No. FV03-993-2 FIR] received November 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5630. A letter from the Deputy Secretary, Department of Defense, transmitting the semiannual report of the Inspector General and the classified annex for the period April 1, 2003 — September 30, 2003, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Armed Services.

5631. A letter from the Deputy Director (Administration), FinCEN, Department of the Treasury, transmitting the Department's final rule — Financial Crimes Enforcement Network; Amendments to the Bank Secrecy Act Regulations; Definition of Futures Commission Merchants and Introducing Brokers in Commodities as Financial Institutions; Requirement that Futures Commission Merchants and Introducing Brokers in Commodities Report Suspicious Transactions (RIN: 1506-AA44) received November 17, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5632. A letter from the General Counsel, Department of the Treasury, transmitting a draft bill entitled, "To establish a permanent, indefinite appropriation to allow the Department of the Treasury to reimburse financial institutions directly for services they provide as depositaries and financial agents of the United States"; to the Committee on Financial Services.

5633. A letter from the Senior Paralegal (Regulations), Office of Thrift Supervision, Department of the Treasury, transmitting the Department's final rule — Risk-Based Capital Guidelines; Capital Adequacy Guidelines; Capital Maintenance: Interim Capital Treatment of Consolidated Asset-Backed Commercial Paper Program Assets [No. 2003-48] (RIN: 1550-AB79); Department of the Treasury, Office of the Comptroller of the Currency [Docket No. 03-21] (RIN: 1557-AC76); Federal Reserve System [Regulations H and Y; Docket No. R-1156]; Federal Deposit Insurance Corporation (RIN: 3064-AC74) received November 10, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5634. A letter from the Acting General Counsel/FEMA, Department of Homeland Security, transmitting the Department's final rule — Suspension of Community Eligibility [Docket No. FEMA-7817] received November 10, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5635. A letter from the Acting General Counsel/FEMA, Department of Homeland Security, transmitting the Department's final rule — Changes in Flood Elevation Determination [Docket No. FEMA-D-7545] received November 10, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5636. A letter from the Acting General Counsel/FEMA, Department of Homeland Security, transmitting the Department's final rule — Final Flood Elevation Determinations — received November 10, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5637. A letter from the Acting General Counsel/FEMA, Department of Homeland Security, transmitting the Department's final rule — Changes in Flood Elevation Determinations — received November 10, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5638. A letter from the Acting General Counsel/FEMA, Department of Homeland Security, transmitting the Department's final rule — Final Flood Elevation Determinations — received November 10, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5639. A letter from the Acting General Counsel/FEMA, Department of Homeland Security, transmitting the Department's final rule — Final Flood Elevation Determinations — received November 10, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5640. A letter from the Acting General Counsel/FEMA, Department of Homeland Security, transmitting the Department's final rule — Rescession of Final Flood Elevation Determination [Docket No. FEMA-7772] received November 10, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5641. A letter from the Acting General Counsel, FEMA, Department of Homeland Security, transmitting the Department's final rule — List of Communities Eligible for the Sale of Flood Insurance [Docket No. FEMA-7768] received November 10, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5642. A letter from the Assistant General Counsel for Regulations, Department of Housing and Urban Development, transmitting the Department's final rule — Open Competition and Government Neutrality Towards Government Contractors' Labor Relations on Federal and Federally Funded Construction Projects [Docket No. FR-4695-F-02] (RIN: 2501-AC98) received October 27, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5643. A letter from the Chairman and President, Export-Import Bank, transmitting a report on transactions involving U.S. exports to Kazakhstan pursuant to Section 2(b)(3) of the Export-Import Bank Act of 1945, as amended; to the Committee on Financial Services.

5644. A letter from the Chairman and President, Export-Import Bank, transmitting a report on transactions involving U.S. exports to the Kingdom of the Netherlands pursuant to Section 2(b)(3) of the Export-Import Bank Act of 1945, as amended; to the Committee on Financial Services.

5645. A letter from the Chairman and President, Export-Import Bank, transmitting a report on transactions involving U.S. exports to Mexico pursuant to Section 2(b)(3) of the Export-Import Bank Act of 1945, as amended; to the Committee on Financial Services.

5646. A letter from the Chairman and President, Export-Import Bank, transmitting a report on transactions involving U.S. exports to Azerbaijan pursuant to Section 2(b)(3) of the Export-Import Bank Act of 1945, as amended; to the Committee on Financial Services.

5647. A letter from the Chairman and President, Export-Import Bank, transmitting a report on transactions involving U.S. exports to Algeria pursuant to Section 2(b)(3) of the Export-Import Bank Act of 1945, as amended; to the Committee on Financial Services.

5648. A letter from the Deputy Secretary, Securities & Exchange Commission, transmitting the Commission's final rule — Commission Guidance on Rule 3b-3 and Married Put Transactions [Release No. 34-48795] received November 18, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5649. A letter from the General Counsel, Institute of Museum and Library Services, transmitting the Institute's final rule — Governmentwide Debarment and Suspension (Nonprocurement) and Governmentwide requirements for Drug-Free Workplace (Grants) (RIN: 3137-AA14) received November 17, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

5650. A letter from the Deputy General Counsel, National Endowment for the Arts, transmitting the Endowment's final rule — Governmentwide Debarment and Suspension (Nonprocurement) and Governmentwide Requirement sfor Drug-Free Workplace (Grants) (RIN: 3135-AA18 and 3135-AA-19) received November 17, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

5651. A letter from the Assistant General Counsel, National Endowment for the Humanities, transmitting the Endowment's final rule — Governmentwide Debarment and Suspension (Nonprocurement) and Governmentwide Requirements for Drug-Free Workplace (Grants) (RIN: 3136-AA25 and 3136-AA26) received November 17, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

5652. A letter from the Director, Corporate Policy and Research Department, Pension Benefit Guaranty Corporation, transmitting the Corporation's final rule — Rules on Filings, Issuances, Computation of Time, and Electronic Means of Record Retention (RIN: 1212-AA89) received November 21, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

5653. A letter from the Director, Corporate Policy and Research Department, Pension Benefit Guaranty Corporation, transmitting the Corporation's final rule — Benefits Payable in Terminated Single-Employer Plans; Allocation of Assets in Single-Employer Plans; Interest Assumptions for Valuing and Paying Benefits — received November 18, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

5654. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Approval and Promulgation of Implementation Plans for Kentucky: Permit Provisions for Jefferson County, Kentucky [KY145-200339(a); FRL-7582-6] received October 31, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5655. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Common Rule on Governmentwide Debasement and Suspension (Non-Procurement) and Government Requirements for Drug-Free Workplace — received October 31, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5656. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Disapproval of State Implementation Plan Revisions, Antelope Valley, Butte County, Mojave Desert, and Shasta County Air Quality Management Districts and Kern County Air Pollution Control District [CA 140-0415; FRL-7583-5] received October 31, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5657. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Colorado: Final Authorization of State Hazardous Waste Management Program Revision [FRL-7586-9] received November 17, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5658. A letter from the Director, Office of Congressional Affairs, Nuclear Regulatory Commission, transmitting the Commission's final rule — Minor Changes to Decommissioning Trust Fund Provisions (RIN: 3150-

AH32) received November 19, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5659. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of major defense equipment and defense articles to Saudi Arabia (Transmittal No. DDTC 097-03), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5660. A letter from the Chief Counsel, Office of Foreign Assets Control, Department of the Treasury, transmitting the Department's final rule — Reporting, Procedures and Penalties Regulations; Iraqi Sanction Regulations; Foreign Terrorist Organizations Sanctions Regulations; Foreign Narcotics Kingpin Sanctions Regulations. — received October 24, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on International Relations.

5661. A letter from the Chief Counsel, Office of Foreign Assest Control, Department of the Treasury, transmitting the Department's final rule — Removal of Certain Provisions of the Iraqi Sanctions Regulations; Interpretive Guidance — received October 24, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on International Relations.

5662. A letter from the Director, Bureau of the Census, Department of Commerce, transmitting the Department's final rule — Automated Export System Mandatory Filing for Exports (Reexports) of Rough Diamonds [Docket Number 030820208-3208-01] (RIN: 0607-AA39) received October 27, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on International Relations.

5663. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the Department's final rule — Governmentwide Debarment and Suspension (Nonprocurement) and Governmentwide Requirements for Drug-Free Workplace (Grants) (RIN: 1400-AB83) received November 6, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on International Relations.

5664. A letter from the Regulations Coordinator, Department of Health and Human Services, transmitting the Department's final rule — Privacy Act; Implementation — received November 10, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

5665. A letter from the OGE Director, Office of Government Ethics, transmitting the Office's final rule — Implementation of Office of Government Ethics Statutory Gift Acceptance Authority (RIN: 3209-AA21) received October 24, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

5666. A letter from the Director, SHRP/CPPP/SWSG, Office of Personnel Management, transmitting the Office's final rule — Prevailing Rate Systems; Redefinition of the San Francisco, CA, Nonappropriated Fund Wage Area (RIN: 3206-AK26) received November 17, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

5667. A letter from the Deputy General Counsel, Office of Hearings and Appeals, Small Business Administration, transmitting the Administration's final rule — Disclosure of Information Regulations (RIN: 3245-AE94) received November 6, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

5668. A letter from the Vice Chairman, Federal Election Commission, transmitting the Commission's final rule — Multicandidate Committees and Biennial Contribution Limits [Notice 2003-19] received November 10, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on House Administration.

5669. A letter from the Vice Chairman, Federal Election Commission, transmitting the Commission's final rule — Party Committee Telephone Banks [Notice 2003-20] received November 10, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on House Administration.

5670. A letter from the Director, Office of Surface Mining, Department of the Interior, transmitting the Department's final rule — Kentucky Abandoned Mine Land (AML) Plan [K Y-239-FOR] received November 17, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5671. A letter from the Director, Office of Surface Mining, Department of the Interior, transmitting the Department's final rule — Abandoned Mine Land (AML) Recalmation and Enforcement (RIN: 1029-AC07) received November 17, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5672. A letter from the Assitant Secretary, Land and Minerals Management, Department of the Interior, transmitting the Department's final rule — Locating, Recording, and Maintaining Mining Claims or Sites [WO-620-1430-00-24 1A] (RIN: 1004-AS31) received October 24, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5673. A letter from the Assistant Secretary, Fish and Wildlife and Parks, National Park Service, Department of the Interior, transmitting the Department's final rule — Operating under the influence of alcohol or drugs (RIN: 1024-AC69) received November 3, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5674. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Caribbean, Gulf of Mexico, and South Atlantic; Coastal Migratory Pelagic Resources of the Gulf of Mexico and South Atlantic; Trip Limit Reduction [Docket 001005281-0369-02; I.D. 102803B] received November 10, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5675. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Economic Exclusive Zone Off Alaska; Trawl Gear in the Gulf of Mexico [Docket No. 021122286-3036; I.D. 101403B] received November 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5676. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries off West Coast States and in the Western Pacific; Pacific Coast Groundfish Fishery; Annual Specifications and Management Measures; Trip Limit Adjustments; Corrections [Docket No. 021209300-3048-02; I.D. 100303B] received November 18, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5677. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fraser River Sockeye and Pick Salmon Fisheries; Inseason Orders [I.D. 101603B] received November 18, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5678. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries off West Coast States and in the Western Pacifi; Coastal Pelagic Species Fisheries; Closure of the Fishery for Pacific Sardine North of Pt. Arena, California [Docket No. 0330612150-3214-02; 102003A] received November 18, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5679. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries off West Coast States and in the Western Pacific; Pacific Coast Groundfish Fishery; Whiting Closure for the Catcher/Processor Sector [Docket No. 021209300-3048-02; I.D. 101003F] received November 18, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5680. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Caribbean, Gulf of Mexico, and South Atlantic; Coastal Migratory Pelagic Resources of the Gulf of Mexico and South Atlantic; Closure [Docket No. 001005281-0369-02; I.D. 111203A] received November 20, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5681. A letter from the Assistant Administrator, Office of Oceanic and Atmospheric Research, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Availibility of Grants Funds for Fiscal Year 2004 [Docket No. 030602141-3271-04] received November 13, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5682. A letter from the Assistant Administrator, Office of Oceanic and Atmospheric Research, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Statement for the Construction of an Office/Laboratory/Classroom Facility for the Canaan Valley Institute. [Docket Number: 031110276-3276-01] received November 20, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5683. A letter from the Assistant Administrator for Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Atlantic Highly Migratory Species; Exempted Fishing Activities [Docket No. 021113274-3267-02; I.D. 031501A] received November 21, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5684. A letter from the Deputy Assistant Administrator for Regulatory Programs, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Northeastern United States; Summer Flounder, Scup, and Black Sea Bass Fisheries; Framework Adjustment 3 [Docket No. 030912231-3266-02; I.D. 090403A] (RIN: 0648-AR43) received November 17, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5685. A letter from the Deputy Assistant Administrator for Regulatory Programs, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries off West Coast States and in the Western Pacific; Pacific Coast Groundfish Fishery; Vessal Monitoring Systems and Incidental Catch Measures [Docket No. 03043016-3258-02; I.D. 040103C] (RIN: 0648-AQ58) received November 13, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5686. A letter from the Executive Director, American Chemical Society, transmitting the Society's annual report for the calendar year 2002 and the comprehensive report to the Board of Directors of the American Chemical Society on the examination of their books and records for the year ending December 31, 2002, pursuant to 36 U.S.C. 1101(2) and 1103; to the Committee on the Judiciary.

5687. A letter from the Director, Regulations and Forms Services, CIS, Department of Homeland Security, transmitting the Department's final rule — Adding and Removing Institutions to and From the List of Recognized American Institutions of Research [CIS No. 2131-03] (RIN: 1615-AA72) received October 30, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

5688. A letter from the General Counsel, Department of Justice, transmitting the Department's final rule — Common Rule on Government-wide Debarment and Suspension (Non-procurement) and Government-wide Requirements for Drug-Free Workplace (Grants) (RIN: 1121-AA57) received November 5, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

5689. A letter from the Chief Counsel, Department of Transportation, transmitting the Department's final rule — Seaway Regulations and Rules: Inflation Adjustment of Civil Monetary Penalty (RIN: 2135-AA16) received November 17, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

5690. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Drawbrigde Operation Regulation; Canaveral Barge Canal, Cape Canaveral, Brevard County, FL [CGD07-02-160] (RIN: 1625-AA09) received November 18, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5691. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Drawbridge Operating Regulation; St. Croix River, Prescott, WI [CGD08-03-045] (RIN: 1625-AA09) received November 18, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5692. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Drawbridge Operation Regulation; Mississippi River, Iowa and Illinois [CGD08-03-042] (RIN: 1625-AA09) received November 18, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5693. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Regulated Navigation Area; Port Everglades Harbor, Fort Lauderdale, FL [CGD07-03-069] (RIN: 1625-AA11) received November 18, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5694. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Regulated Navigation Area; Des Plaines River, Joliet, Illinois [CGD09-03-214] (RIN: 1625-AA11) received November 18, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5695. A letter from the FMCSA Regulatory Officer, Department of Transportation, transmitting the Department's final rule — Limitations on the Issuance of Commerical Driver's Licenses With a Hazardous Materials Endorsement [Docket No. FMCSA-2001-11117] (RIN: 2126-AA70) received November 17, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5696. A letter from the Attorney, Aviation Enforcement & Proceedings, Department of Transportation, transmitting the Department's final rule — Reporting Requirements for Disability-Related Complaints [Docket No. OST-2003-11473] (RIN: 2105-ADO4) received November 17, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5697. A letter from the Attorney, RSPA, Department of Transportation, transmitting the Department's final rule — Applicability of the Hazardous Materials Regulations to Loading, Unloading, and Storage [Docket No. RSPA-98-4952 (HM-223)] (RIN: 2137-AC68) received October 24, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5698. A letter from the Attorney, OST, Department of Transportation, transmitting the Department's final rule — Preemption in Air Transportation; Policy Statement Amendment [Docket No. OST-2003-15592] (RIN: 2105-AA46) received November 3, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5699. A letter from the Assistant Administrator for Procurement, National Aeronautics and Space Administration, transmitting the Administration's final rule — Government Property — Instructions for Preparing NASA Form 1018 (RIN: 2700-AC73) received November 18, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Science.

5700. A letter from the Deputy General Counsel, Office of Policy and Research, Small Business Administration, transmitting the Administration's final rule — Small Business Government Contracting Programs (RIN: 3245-AF07) received November 6, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Small Business.

5701. A letter from the Deputy General Counsel, Office of Size Standards, Small Business Administration, transmitting the Administration's final rule — Small Business Size Standards; Facilities Support Services (Including Base Maintenance) (RIN: 3245-AF03) received November 6, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Small Business.

5702. A letter from the Director, Regulations Management, Department of Veterans Affairs, transmitting the Department's final rule — Accelerated Payments Under the Montgomery GI Bill--Active Duty Program (RIN: 2900-AL22) received June 12, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

5703. A letter from the Director, Office of Regulation Policy and Management, Veterans Benefits Administration, Department of Veterans Affairs, transmitting the Department's final rule — Veterans Education: Increases Allowances for the Educational Assistance Test Program (RIN: 2900-AL52) received November 19, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

5704. A letter from the Assistant Chief, Alcohol and Tobacco Tax and Trade Bureau, Department of the Treasury, transmitting the Department's final rule — Bennett Valley Viticultural Area (2002R-009T) [T.D. TTB-6; Notice No. 963] (RIN: 1513-AA36) received November 5, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5705. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the service's final rule — Return of Partnership Income [TD 9094] (RIN: 1545-BC01) received November 17, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5706. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule — Return of Partnership Income [TD 9094] (RIN: 1545-BC01) received November 17, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5707. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule — Tax forms and instructions. (Rev. Proc. 2003-85) received November 21, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5708. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule — General Electric Co. & Subs. v. Commissioner, T.C. Memo. 1995-306, Rev'd in part, vacated in part, and remanded, 245 F.3d 149 (2d Cir.2001) [T.C. Dkt. No. 14715-92] received November 21, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5709. A letter from the Acting Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Losses of Timber following an Epidemic Attack of Southern Pine Beetle — received November 19, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5710. A letter from the Acting Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Transfers to Provide for Satisfaction of Contested Liabilities [TD 9095] (RIN: 1545-BA91) received November 19, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5711. A letter from the Acting Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Low-Income Housing Credit (Rev. Rul. 2003-117) received November 19, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5712. A letter from the Acting Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule -Transfers to Trusts to Provide for the Satisfaction of Contested Liabilities [Notice 2003-77] received November 19, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5713. A letter from the Acting Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Determination of Issue Price in the Case of Certain Debt Instruments Issued for Property (Rev. Rul. 2003-122) received November 19, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5714. A letter from the Acting Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Coordinated Issue Telecommunications Industry Universal Service Fund Reimbursements — received October 28, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5715. A letter from the Acting Chief, Publications and Regulations Branch, Internal

Revenue Service, transmitting the Service's final rule — Treatment of Loans with Below-Market Interest Rates (Rev. Rul. 2003-118) received November 17, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5716. A letter from the Acting Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Examination of returns and claims for refund, credit or abatement; determination of correct tax liability (Rev. Proc. 2003-84) received November 17, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5717. A letter from the Regulations Coordinator, Centers for Medicare and Medicaid Services, Department of Health and Human Services, transmitting the Department's final rule — Medicare Program; Review of National Coverage Determinations and Local Coverage Determinations [CMS-3063-F] (RIN: 0938-AK60) received October 31, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); jointly to the Committees on Ways and Means and Energy and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. YOUNG of Florida: Committee of Conference. Conference report on H.R. 2673. A bill making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for the fiscal year ending September 30, 2004, and for other purposes (Rept. 108–401). Ordered to be printed.

TIME LIMITATIONS OF REFERRED BILLS PURSUANT TO RULE XII

Pursuant to clause 2 of rule XII the following actions were taken by the Speaker:

[Omitted from the Record of November 21, 2003]

H.R. 180. Referral to the Committee on Rules extended for a period ending not later than January 31, 2004.

H.R. 1081. Referral to the Committees on Transportation and Infrastructure, Resources, and House Administration for a period ending not later than January 31, 2004.

H.R. 1856. Referral to the Committees on Resources and Transportation and Infrastructure extended for a period ending not later than January 31, 2004.

H.R. 2120. Referral to the Committee on Judiciary extended for a period ending not later than January 31, 2004.

H.R. 2802. Referral to the Committee on Government Reform extended for a period ending not later than January 31, 2004.

H.R. 3358. Referral to the Committee on the Budget extended for a period ending not later than January 31, 2004.

S. 523. Referral to the Committee on Agriculture extended for a period ending not later than January 31, 2004.

S. 1233. Referral to the Committee on the Judiciary extended for a period ending not later than January 31, 2004.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII,

Mr. EMANUEL introduced A bill (H.R. 3650) to amend the Internal Revenue Code of 1986 to curtail the use of tax shelters, and for other purposes; which was referred to the Committee on Ways and Means.

MEMORIALS

Under clause 3 of rule XII, memorials were presented and referred as follows:

230. The SPEAKER presented a memorial of the Senate of the State of Michigan, relative to Senate Resolution No. 66 memorializing the United States Department of Homeland Security to locate its Midwestern headquarters at the Selfridge Air National Guard Base in Macomb County; to the Committee on Homeland Security (Select).

231. Also, a memorial of the House of Representatives of the State of Michigan, relative to House Resolution No.135 memorializing the United States Congress to enact legislation to provide Michigan a more equitable share of federal transit funding and increased funding for bus projects; to the Committee on Transportation and Infrastructure.

232. Also, a memorial of the Senate of the State of Michigan, relative to Senate Resolution No. 65 memorializing the United States Congress to enact the Armed Forces Tax Relief Act of 2003; to the Committee on Ways and Means.

233. Also, a memorial of the Legislature of the State of Florida, relative to House Memorial No. 429 memorializing the Congress of the United States to all actions necessary to resolve the fate of Captain M. Scott Speicher, United States Navy, MIA-Captured; jointly to the Committees on Armed Services and International Relations.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 285: Mr. LaTOURETTE and Mr. BISHOP of Georgia.

H.R. 806: Mr. GORDON.

H.R. 857: Mr. GERLACH, Mr. BELL, Mr. SERRANO, and Mr. LEWIS of Georgia.

H.R. 871: Mr. WILSON of South Carolina.

H.R. 1372: Mr. McINNIS.

H.R. 1532: Mr. BECERRA, Mr. CARDOZA, Mr. JACKSON of Illinois, Ms. McCOLLUM, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. DOGGETT, Mr. BELL, Mr. LEWIS of Georgia, and Mr. MEEHAN.

H.R. 1563: Mr. GALLEGLY, and Mr. UDALL of New Mexico.

H.R. 1749: Ms. SLAUGHTER.

H.R. 2135: Mr. PRICE of North Carolina.

H.R. 2239: Mr. BLUMENAUER and Mr. MEEHAN.

H.R. 2246: Mr. ALLEN Mr. SERRANO, Mr. LANGEVIN, and Ms. DeGETTE.

H.R. 2405: Mr. BAIRD.

H.R. 2470: Mr. GEORGE MILLER of California.

H.R. 2771: Mrs. LOWEY.

H.R. 3055: Mr. TERRY, Mr. GARRETT of New Jersey, Mr. DeMINT, and Mr. HOUGHTON.

H.R. 3125: Mr. KLINE.

H.R. 3263: Mr. SCHIFF.

H.R. 3299: Mr. MORAN of Virginia, Mr. FROST, Ms. CARSON of Indiana, and Mr. COOPER.

H.R. 3344: Mrs. LOWEY, Mrs. JO ANN DAVIS of Virginia, and Mr. GEORGE MILLER of California.

H.R. 3474: Mr. FARR.

H.R. 3484: Mr. DOYLE, Mr. BAIRD, Mr. ALLEN, and Mr. PASCRELL.

H.R. 3539: Mr. GREEN of Texas, Mr. UDALL of New Mexico, Mr. CASE, and Mr. RANGEL.

H.R. 3582: Ms. SLAUGHTER, Ms. CORRINE BROWN of Florida, Mr. TOWNS, and Mrs. CHRISTENSEN.

H.R. 3587: Mr. FILNER, Mr. SCOTT of Virginia, and Mr. GEORGE MILLER of California.

H.R. 3633: Mr. TOM DAVIS of Virginia, Mr. GOSS, Mr. BARTLETT of Maryland, Ms. ROS-LEHTINEN, Ms. HARRIS, Mr. PETERSON of Pennsylvania, Mr. PICKERING, MR. SULLIVAN, and Mr. HYDE.

H. Con. Res. 192: Mr. BROWN of Ohio, Mr. BEREUTER, Mr. McGOVERN, Mr. JONES of North Carolina, Mr. TURNER of Texas, Mr. BRADY of Texas, and Ms. CARSON of Indiana.

H. Con. Res. 304: Ms. ESHOO, Mr. MARKEY, Ms. McCOLLUM, Mr. BLUMENAUER, Ms. HARMAN, Mr. HINCHEY, Mr. MILLER of North Carolina, and Mr. TIERNEY.

H. Con. Res. 311: Mr. FRANK of Massachusetts.

H. Con. Res. 318: Mr. KING of New York, Mr. WELLER, Mr. GOODE, Mrs. MUSGRAVE, Ms. GINNY BROWN-WAITE of Florida, Mr. BALLENGER, Mr. HOSTETTLER, Mr. SIMPSON, Mr. GIBBONS, Mr. BACHUS, and Mr. PETERSON of Pennsylvania.

H. Res. 371: Mr. JACKSON of Illinois.

PETITIONS, ETC.

Under clause 3 of rule XII, petitions and papers were laid on the clerk's desk and referred as follows:

46. The SPEAKER presented a petition of the Legislature of Rockland County, NY, relative to Resolution No. 526 of 2003 petitioning the United States Congress to pass legislation extending Medicare cost-sharing; to the Committee on Energy and Commerce.

47. Also, a petition of the Legislature of Rockland County, New York, relative to Resolution No. 528 of 2003 petitioning the Environmental Protection Agency to rescind rules relaxing the requirement that older power plants and industrial complexes be required to install advanced pollution control devices during any expansions and modifications; to the Committee on Energy and Commerce.

48. Also, a petition of Mr. John Thomas Redder and Mrs. Keiko Redder, Embassy of the United States, Tokyo, Japan, relative to petitioning for Mrs. Redder's right to assume the surname of the husband at the time of marriage in accordance with Article 750 of the Civil Code of Japan; to the Committee on International Relations.

49. Also, a petition of the Legislature of Rockland County, New York, relative to Resolution No. 529 of 2003 expressing support for the Clean Water Authority Restoration Act of 2003, H.R. 962; to the Committee on Transportation and Infrastructure.

SENATE—*Tuesday, November 25, 2003*

The Senate met at 8:15 a.m. and was called to order by the President pro tempore (Mr. STEVENS).

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Eternal and dependable Creator, giver of the abundant harvest, the refuge of all who flee to You the helper of those in need and the one sure resource in times of trouble. Thank You for harmonizing the world with seasons and climates, sowing and reaping, color and fragrance. We praise You, for You are the substance that sustains us in each of life's seasons. In time's rapid passing, remind us of life's brevity and teach us to number our days

Lord, thank You for all the beauty in our world, for the loveliness of earth and sea and sky. Thank You for great music and great books, for prose and poetry. Thank You for the nobility You have placed in human hearts, for our military people who love their country until even self is forgotten. Thank You for Senators who struggle with complex issues and labor for a world at peace.

Thank you for loved ones without whom life would never be the same. Lord, thank You also for obstacles, delays, challenges, trials, and even enemies that make us stronger. Above all, thank You for Your gift of salvation.

Accept this our sacrifice of thanksgiving and praise, for the sake of Your glorious name. Amen

PLEDGE OF ALLEGIANCE

The PRESIDENT pro tempore led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. FRIST. Mr. President, this morning there will be 1 hour of debate prior to the vote on adoption of the conference report to accompany H.R. 1, the Medicare Prescription Drug Modernization Act. That vote will occur at 9:15 this morning. I will have more to say about the bill on this important occasion just prior to the vote. I thank all Members for their cooperation and participation throughout this debate.

I also announce that we are continuing our efforts to act on the remaining appropriations bill. This morning, I will continue my discussions with the Democratic leadership as to the possible consideration of that bill. I will have more to say about this and the final schedule after the vote on final passage.

Having said that, we are prepared for the final closing remarks on this landmark legislation.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the previous order, leadership time is reserved.

MEDICARE PRESCRIPTION DRUG, IMPROVEMENT, AND MODERNIZATION ACT OF 2003—CONFERENCE REPORT

The PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of the conference report to accompany H.R. 1, which the clerk will report.

The legislative clerk read as follows:

> Conference report to accompany H.R. 1, an act to amend title XVIII of the Social Security Act to provide a voluntary prescription drug benefit under the Medicare Program and to strengthen and improve the Medicare Program, and for other purposes.

The PRESIDENT pro tempore. The Senator from Nevada is recognized.

Mr. REID. Mr. President, the majority manager is not here. I have been designated to be the opposition manager for the half hour that we have. In a short time, I will delegate that time to the senior Senator from Massachusetts.

As we begin this half hour on our side and half hour on the other side, I extend my appreciation and that of the whole Democratic caucus to Senator KENNEDY for leading the opposition, literally, to this measure. He has had a lot of help. I have sat through days of speeches on this matter and I have been impressed with the quality of the speeches, really, on both sides. Especially on our side, I have been impressed with Senator KENNEDY, and I will mention a number of names who I thought did such a wonderful job: Senators BAYH, BOXER, CANTWELL, CLINTON, DAYTON, DODD, HARKIN, PRYOR, NELSON of Florida, and GRAHAM of Florida. What a loss it is going to be to this institution and our country that this fine man is going to no longer be part of the Senate after 1 year.

I believe there is no one who has a better grasp of this legislation than the Senator from Florida. He has done such an outstanding job of articulating his views.

Of course, I add a congratulatory note to Senator STABENOW who has worked on this measure long and hard.

Senator DURBIN has always done such a good job of expressing his views. He was never any better than on this issue.

Mr. President, I reserve the last 5 minutes for Senator DASCHLE. I delegate the rest of our time to the senior Senator from Massachusetts.

The PRESIDENT pro tempore. Under the previous order, the last 5 minutes is reserved.

Mr. KENNEDY. Mr. President, on the question of time, we have the last 5 minutes. That will probably be leader time. The leader, obviously, ought to have whatever time he needs.

Mr. REID. Mr. President, we have 23 minutes on our side; 23 minutes on the other side.

The PRESIDENT pro tempore. The Chair advises the Senator from Massachusetts that the final 5 minutes of the first half of the time is for the minority leader, and the final 5 minutes of the debate time is for the majority leader.

Mr. KENNEDY. I thank the Chair.

Mr. President, I bring to the attention of the Members a picturesque description of what the reaction is to this proposed legislation. It is written in a very explicit article this morning in the Boston Globe. I want to share the article with the Members.

The title is "In Dorchester, Seniors Weigh Changes Against Their Needs."

It reads:

> Thomas Lombardi dropped his private health insurance a few years ago when the price rose steeply. Then he switched from Coumadin, a prescription anticoagulant he took for heart disease, to half an aspirin to save about $15 a month. Living on Social Security and a bit of savings, Lombardi, 75, says he frequently has "to cut corners to stay alive."
>
> But over lunch at the Kit Clark Senior Center in Dorchester, he said he doesn't support the $400 billion Medicare drug benefit that is about to become law and provide coverage to millions of seniors like him. Echoing the comments of many others at the center yesterday, he said it's far too complicated and probably won't go far enough to help him because of gaps in the coverage designed to keep down the cost of the new benefit. Besides, many said, it will be two years before the full benefits kick in.
>
> "I don't believe it's good for me," said Lombardi, who owned a welding business in Dorchester.
>
> "This is part of the Bush strategy to . . . destroy programs put in place years ago," Said Richard Schultz, who qualifies for Medicare at 60 because he is disabled. "I understand that it would benefit some low-income people in the short term, but combined

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

> with huge tax cuts, this is going to drive the deficit up. Then they're going to decide they don't have the money, and, in the long run, the program will be dissolved". . . .
>
> Barbara Burke, who operates the switchboard at the senior center, disparagingly called the new benefit "a Band-Aid."
>
> It's not enough with the high cost of medicines," said Burke, who said she's still working at 66 because she won't be able to afford her prescriptions if she retires. The center does not pay health benefits for retirees, she said, and she has chronic lung disease that costs her more than $200 a month for inhalers alone.
>
> "People that can't afford to buy medications should get it at a minimum charge," she said. . . .
>
> An Kim Hoang, 67, said she can't afford a copayment of $3 for a brand-name drug, which will be required under the new plan for those below the poverty level. Those with incomes from $8,980 to $12,123 will face copayments up to $5 per prescription. Seniors currently getting drug coverage through the MassHealth, the state-federal Medicaid program for the poor, would be shifted to the federal program.

In fact, that is going to be eliminated in terms of coverage. That is part of the 6 million low-income seniors who will pay more.

> Hoang, speaking through a translator, said she borrows from friends to cover the $2 copayment required by Medicaid for each of the eight prescriptions she takes to treat mental illness. "$1 is OK," she said, "but $2 is too much."

This is the real world, Mr. President. This is putting a face and name on the 6 million low-income seniors who will pay more.

> "$1 is OK," she said, "but $2 is too much."

That was put in here to save some $12 billion to $15 billion put into a slush fund to provide additional benefits to the HMOs.

> Because of the Medicaid copayment, her friend Quy Nguyen, 71, said she limits herself to four prescriptions she needs most and tries to get by without several others. She said she envisions that choice becoming more difficult under [this program.]
>
> Josephine DeSantis said the new benefit would help her immensely, since she struggles to scrape together the $157 she spends every three months for drugs to prevent ulcers and dizziness. But at 78, she said, she's upset that the benefit won't start until 2006.
>
> "In two years," she said, "I'll probably be dead."

There you have it, Mr. President, reaction in a working class community in Dorchester. We have the reaction in real life about what the low-income seniors pay.

When we talk and bring out these charts, as we have in the past few days, this is the very instance about which we are talking. It did not have to be this way. This is just an illustration of the overall challenges of this legislation and a reason that it should not pass the Senate.

How much time do I have, Mr. President?

The PRESIDENT pro tempore. The Senator has 15 minutes remaining.

Mr. KENNEDY. Mr. President, I yield 7 minutes to the Senator from Florida.

The PRESIDENT pro tempore. The Senator from Florida is recognized.

Mr. GRAHAM of Florida. I thank the Chair.

Mr. President, I thank Senator KENNEDY. We have had a long and quite illuminating debate over the past week on one of the most important issues that our Nation faces; that is: Shall we turn a program which for 40 years has protected older Americans and disabled Americans against illness into a program which promotes wellness?

In order to do that, we understand that fundamentally we will have to make access to prescription drugs affordable, comprehensive, universal, and reliable because prescription drugs are now fundamental to a preventive health care policy.

There is much to criticize about this legislation, and I intend to vote no. We have heard that at great length in recent days. Let me take a slightly different approach. I am assuming that this legislation is going to pass. The challenge will then be before us: What do we do next?

Let me suggest three things that we ought to do next. One is that we have to look realistically at the cost of this bill. As Senator ENSIGN said during last night's debate, the $400 billion figure is a mirage. This bill is going to cost substantially more than $400 billion. The Congressional Budget Office is estimating that in the second 10 years, it will be over $1 trillion.

What are the suggestions of how to deal with this reality? One of those suggestions is to reduce benefits. Another one is to set some type of a formula relating Medicare expenditures to general revenue, and then scaling back Medicare expenditures when they break through that barrier.

Of course, one of the things that we ought to have done in terms of cost is not start this year by passing a massive tax cut which added substantially to the Federal deficit and narrowed the range of realistic options that we have today.

This has been truly an amazing year for the Congress and the President. We started the year with a proposal for almost a $1 trillion tax cut. We reasserted our commitment to fight and win a war against terror in Afghanistan. We started a war in Iraq. We have seen surging Federal Government expenditures in the nondefense area, and now on what will likely be the last day of the session, we conclude by passing a $400 billion unfunded new entitlement.

My answer to the question of cost, at least a significant part of it, lies in the fact that in this bill we are failing to sanction the use of the tremendous marketing influence which the Federal Government, through the Medicare Program, can have over the cost of prescription drugs.

Just as we did over 10 years ago—and the Presiding Officer's colleague, Senator MURKOWSKI, was a prime sponsor of this legislation—we authorized the VA to negotiate to get the best prices it could for American veterans. I think the high priority for 2004 should be to give to the administrator of the Medicare Program similar authority.

Second, I think we need to pass a Patients' Bill of Rights. If we are going to be herding millions of older Americans into various forms of health management, we have a responsibility to give them some assurance as to what the standards of that access to health care will be.

Third, we have a strange provision in here for the distribution of prescription drugs. That is, we use private insurance programs rather than traditional Medicare. It would be like having to get a private insurance program to get anesthesiology or any of the other services that have traditionally been provided through Medicare.

Then, in order to encourage—I would say more than encourage—mandate the maximum number of Americans participating in that program, we say there has to be at least one prescription-only insurance provider in the region and, second, then a preferred provider organization, essentially a variant of an HMO, in the region. It is only if both of those fail, there is not one or more drug-only insurance plan or a PPO, only under those circumstances will a person be able to consider using standard fee-for-service Medicare as the means of getting their prescriptions.

It is ironic that in another part of this bill, which is going to create a demonstration project on the totality of Medicare, we line up all of the choices side by side, including staying in traditional fee for service, which over 85 percent of Americans are electing to do, and then choose on an equal basis, as we do in the Federal health insurance program. We do not have to wait until all of the other choices have been rejected, because they are not being provided, and then drop back into a Blue Cross/Blue Shield-type fee for service.

We ought to do the same thing with prescription drugs. If we are going to have what I think is a rather irrational program—incidentally, the prescription drug-only proposal is not in existence in any other area of American health care. A person cannot buy that through the Federal health care system. A person cannot buy it through their employer system. The reason they cannot buy it is because no insurance company is providing it. That ought to tell us something about what they think of the management and fiscal implications of providing a drug-only prescription plan.

At least we should not require our oldest citizens to go through a so-called fallback process. We should allow older citizens to assess all of the options at the same time and make the decision they consider to be in their best interest.

As I conclude this long debate, I urge that the agenda of cost, patients' rights, and providing the more rational process for elderly determinations as to how they will receive their drugs be the starting point of the agenda for reform next year.

The PRESIDENT pro tempore. The Senator's time has expired.

Who yields time?

The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I yield myself such time as I might consume.

First, I very much appreciate the passion of the opposition. Hopefully, they will look back on this day and come to the conclusion that we have not only provided prescription drugs for seniors as the first improvement in Medicare in 38 years and the strengthening of Medicare that follows it, but that we are also in the process of giving baby boomers an alternative Medicare Program, if they would so choose.

The basis of such legislation is the right to choose for seniors. No one is forced to do anything. We will give those baby boomers a program that is much closer to the health insurance they have in the places from which they retire.

Regardless, there are two classes of people covered today or not covered today with prescription drugs that we are emphasizing. For low-income people, too often our seniors are choosing between heat and prescription drugs, particularly in the cold areas of the country, or between food and prescription drugs. This legislation is going to lessen the chances that low-income people are going to have to make such choices.

The other group of people are those who have catastrophically high prescription drug costs. There is heavy subsidy and help in this bill for those two categories of people. Those are significant categories of people.

Also, we are doing something for everybody in this legislation from the standpoint that for the first time there will be in place mechanisms to dramatically negotiate down the price of drugs. That is obviously going to help the people who voluntarily choose to go into these plans, but the extent to which that is going to have an impact on everybody, old or young, is very important because all I hear from opponents of this bill is that we do not do anything to help cut down on the costs of drugs.

We do it through the subsidy. We do it through negotiations. We do it through getting generic drugs on the market much sooner than before.

Also, this bill is about enhancing quality of life, because none of us think the quality of life is enhanced by putting people in the hospital if they do not need to go to the hospital.

Remember when Medicare was enacted 38 years ago, the practice of medicine was to put everybody into the hospital. Today, the practice of medicine—and a lot of the thanks can go to prescription drugs—is to keep people out of hospitals and out of operating rooms. So people who cannot afford drugs, who go to the doctor very sick, are going to not only end up in a place they do not want to go, because people would rather not go to hospitals, rather not go to operating rooms. It is going to save our programs a lot of money, both private and public payment programs, for doctors and hospitals, when we can have people go into programs where they can get prescription drugs and keep their health up so they do not go to the hospital.

So we are bringing Medicare and the practice of medicine into the 21st century. In strengthening and improving Medicare, we are doing today exactly what we would be doing if we were writing a Medicare Program in the year 2003 as opposed to the year 1965.

I hope the opponents, in a few years, can look back and say this is the day we have done the right thing for seniors, for their economic life, for the quality of their life; we have done the right thing for our hospitals and our doctors; we have done the right thing for America.

I would like to spend just a little bit of time counteracting the arguments that are used against this bill by those who say we are not doing enough for low-income people. In fact, this bill is coming back from conference doing better for low-income people than when it went into conference.

One of those major changes that were made, not only at the behest of the House of Representatives but also at the behest of a lot of people in this body, probably more prominent in the Democratic Party than in the Republican Party, was to make sure the category of people we call dual eligibles—those low-income seniors who are already on Medicare but also qualify for Medicaid—is to put all of those into the Medicare Program so we didn't have an inequality. Maybe it was not a very big inequality but at least there was some inequality from one State to another State because of the Federal-State partnership in Medicaid that enables the State legislatures in some States to maybe set up a little different program—a little more rich, a little less rich—than what might be done in another State.

So dual eligibles are in this bill because of the demands of mostly Democrat Senators and people in the House of Representatives. That is something I didn't believe should be done, but I supported it because that was a necessary compromise. But now I find people who were advocating that position complaining about the legislation. So I want to tell them how wrong they are or how, if they are right just a little bit, they are right in such an insignificant way that it is immaterial because that ought to be seen as something that results from something they wanted us to do in this legislation.

This conference report, then, contains a generous drug benefit for these dually eligible seniors. There is, first of all, no donut hole for low-income Medicare beneficiaries. Let's get this clear. Let me make it clear. People on that side of the aisle are complaining about a donut hole. But for low-income people there is no donut hole. The bill guarantees all 6 million dual eligibles access to prescription drugs.

Under our conference report, dual eligibles will have better access through Medicare, especially since State Medicaid programs are increasingly imposing restrictions on patients' access to drugs, and that is what brings about greater inequity from State to State. Since States are in a budget crunch, forced to do that, some dual eligibles might be treated less generously in one State as opposed to another, but when they are all under the Federal Medicare Program, that will not be the case.

Further, States have the flexibility to provide coverage for classes of drugs, including over-the-counter drugs, that are not now covered by the Medicare Program. This bill ensures appeal rights for dual eligibles. Under the agreement, dual eligibles will maintain appeals rights like those in the Medicaid Program. The dual eligibles are a fragile population and I think, because of the conference report as opposed to either bill in its original form, they are taken care of better in this bill. The conference report recognizes and provides generous coverage to these 6 million people.

I hope we can take the summation of the AARP when they said this bill "is a historic breakthrough and [an] important milestone in the Nation's commitment to strengthen and expand health security for its citizens. . . ." I hope that will be conceived or considered as a toning down of the partisan opposition to this legislation.

I reserve the remainder of my time just in case some colleagues come over. I have more to say, but I will say it later if other colleagues don't show up, so I yield the floor.

TITLE XI

Mr. KENNEDY. Mr. President, I oppose the Medicare bill before the Senate, but I want to express my understanding of the refinements of the Hatch-Waxman Act found in Title XI of the Medicare bill now before the Senate. I was deeply involved in the negotiations of these provisions in the conference. The Hatch-Waxman Act, which passed in 1984, reflects efforts by the

Congress to promote two policy objectives: to encourage brand-name pharmaceutical firms to make the investments necessary to research and develop new drug products, and to enable competitors to bring cheaper, generic copies of those drugs to market as quickly as possible.

The Hatch-Waxman Act has worked very well for almost 20 years. It has provided the incentives necessary to bring the many medicines to market that have so transformed the shape of modern medical practice. And it has brought generic drugs to market faster than ever, saving consumers billions of dollars.

As the Federal Trade Commission has shown, however, in recent years both brand-name and generic drug companies have exploited certain aspects of the Hatch-Waxman Act to delay generic competition. The changes to the Hatch-Waxman Act found in Title XI represent refinements to the present system that will stop these abuses, will restore the original balance the law intended, and will ensure Americans more timely access to affordable pharmaceuticals.

Most significantly, the Hatch-Waxman provisions in this bill limit brand-name drug companies to only one 30-month stay of approval of generic drugs. This change will stop the multiple, successive 30-month stays that the Federal Trade Commission identified as having delayed approval of generic versions of several blockbuster drugs and cost consumers billions of dollars.

It also restructures how the 180-day generic exclusivity provisions work. The 180-day exclusivity gives a generic company 180 days during which it is the only generic competitor to the brand drug. The exclusivity is a very valuable incentive for generic companies. The exclusivity encourages generic companies to challenge patents that are likely invalid or not infringed and, because it goes to the first generic applicant to challenge a brand-name drug patent, it encourages challenges of those patents as soon as possible. These incentives mean that consumers will be able to enjoy the lower prices provided by generic companies sooner rather than later.

The Federal Trade Commission reports that the exclusivity has at times been parked through collusive agreements between brand and generic companies. Parking the exclusivity has blocked other generic companies from getting to market and has cost consumers billions of dollars. The Hatch-Waxman provisions in this bill are intended to prevent parking of the exclusivity. It does this by providing for several situations in which a generic company with the exclusivity forfeits the exclusivity, clearing the way for other generic companies to bring their products to market.

The Hatch-Waxman provisions in this bill also make the exclusivity available only with respect to the patent or patents challenged on the first day generic applicants challenge brand drug patents, which makes the exclusivity a product-by-product exclusivity rather than a patent-by-patent exclusivity, and the exclusivity is available to more than one generic applicant, if they all challenge patents on the same day.

Mr. SCHUMER. Mr. President, will the Senator yield for a question?

Mr. KENNEDY. Yes, I will yield to my friend from New York.

Mr. SCHUMER. Thank you, Mr. President. Let my just say, before I ask my question, that I want to thank the Senator from Massachusetts, and the senior Senator from New Hampshire, for their leadership on this issue. The Senator from Massachusetts, as chair of the HELP Committee last year, took up the generic drug bill authored by the senior Senator from Arizona and myself, saw it through the HELP Committee, and managed its passage by the full Senate. This year, the senior Senator from New Hampshire approached me to work together to come up with the generic drug bill that served as the basis for what is in this bill, and he brought it through the HELP Committee, offered it as an amendment to the prescription drug bill in the Senate, where it was accepted 94–1, and defended it very ably in conference with the House. So, again, I would like to thank both distinguished chair and ranking member of the HELP Committee for their leadership on this issue.

Of course, I also want to thank the senior Senator from Arizona, without whose leadership over the past several years we would not be where we are today on such an important consumer issue.

As for my question, I understand that a generic applicant that has the 180-day exclusivity will forfeit the exclusivity if it has failed to market its product 75 days after certain events have happened with respect to itself or another generic applicant and with respect to each of the patents that gives the generic applicant its generic exclusivity. Is that correct?

Mr. KENNEDY. That is correct.

Mr. SCHUMER. And am I correct that one of these events is when "a court enters a final decision" that the patent is invalid or not infringed by the drug of the generic applicant?

Mr. KENNEDY. The Senator is correct.

Mr. SCHUMER. And am I correct that a final court decision under this provision includes the kind of court decision recognized in the Teva v. Shalala opinion?

Mr. KENNEDY. Yes, I very much appreciate your question on this point. We do intend that a court decision like the one in the D.C. Circuit's 1999 decision in Teva v. Shalala—a decision dismissing a declaratory judgment action for lack of subject matter jurisdiction because the patent owner has represented that the patent is not infringed—will count as a court decision under the new "failure to market" provision. Under the failure to market provision, the conditions for forfeiture are intended to be satisfied when a generic company has resolved patent disputes on all the patents that earned the first-to-file its exclusivity. After a court decision such as that at issue in Teva v. Shalala, the patent owner is estopped from suing the generic applicant in the future and the patent dispute is resolved. So these sorts of decisions should be recognized as court decisions under the failure to market provision.

I'd also like to point out the importance of the declaratory judgment provisions that are in the Senate bill and are retained in modified form by the conferees in the conference report now before the Senate. Amendments made by this bill to both the Federal Food, Drug, and Cosmetic Act and Title 35 clarify that generic applicants may bring declaratory judgment acts to ensure timely resolution of patent disputes. These provisions authorize a generic applicant to bring a declaratory judgment action to obtain a judicial determination that a listed patent is invalid or is not infringed if the applicant is not sued within 45 days of having given notice to the patent owner and brand-name drug company that it is challenging the patent. This clarification of a generic applicants right to bring a declaratory judgment action is crucial to ensuring prompt resolution of patent issues, which is essential to achieve our goal of speeding generic drugs to market.

It's worth pointing out that the Hatch-Waxman Act has always provided that patent owners and brand drug companies can bring patent infringement suits against a generic applicant immediately upon receiving notice that the generic applicant is challenging a patent. The declaratory judgment provisions in Title XI of this bill simply level the playing field by making it clear that the generic applicant can also seek a prompt resolution of these patent issues by bringing a declaratory judgment action if neither the patent owner nor the brand drug company brings such a suit within 45 days after receiving notice of the patent challenge.

Mr. McCAIN. Mr. President, will the Senator yield for a question?

Mr. KENNEDY. Yes, I will yield.

Mr. McCAIN. Will the Senator please explain for me and our colleagues the purpose of the provision in Title XI that amends Title 35 to say that courts must hear declaratory judgment actions brought by generic applicants?

Mr. KENNEDY. Certainly. The provision in Title 35 is intended to clarify that Federal district courts are to entertain such suits for declaratory judgments so long as there is a "case or controversy" under Article III of the Constitution. We fully expect that, in almost all situations where a generic applicant has challenged a patent and not been sued for patent infringement, a claim by the generic applicant seeking declaratory judgment on the patent will give rise to a justiciable "case or controversy" under the Constitution. We believe that the only circumstance in which a case or controversy might not exist would arise in the rare circumstance in which the patent owner and brand drug company have given the generic applicant a covenant not to sue, or otherwise formally acknowledge that the generic applicant's drug does not infringe.

The mere fact that neither the patent owner nor the brand drug company has brought a patent infringement suit within 45 days against a generic applicant does not mean there is no "case or controversy." The sole purpose of requiring the passage of 45 days is to provide the patent owner and brand-name drug company the first opportunity to begin patent litigation. Inaction within the 45-day period proves nothing, as there are tactical reasons why a patent owner or brand drug company might refrain from bringing suit on a patent within 45 days.

For example, the brand drug company might have several patents listed in the Food and Drug Administration's Orange Book with respect to a particular drug. It could be in the company's interest to bring suit within 45 days on one patent and to hold the others in reserve. The suit on one patent would automatically stay approval of the generic application until the lawsuit is resolved or the 30 months elapses. Holding the other patents in reserve would introduce uncertainty that could discourage generic companies from devoting resources to bring the generic drug to market and that would give the brand drug company a second opportunity to delay generic competition by suing the generic company for infringement of the reserved patents after the resolution of the initial infringement suit.

Or for patents on which no 30-month stay is available, the brand drug company could sit back to create uncertainty and similarly delay generic entry by delaying resolution of those patents. Or when generic applicants are blocked by a first generic applicant's 180-day exclusivity, the brand drug company could choose not to sue those other generic applicants so as to delay a final court decision that could trigger the "failure to market" provision and force the first generic to market.

In each of these and in other circumstances, generic applicants must be able to seek a resolution of disputes involving all patents listed in the Orange Book with respect to the drug immediately upon the expiration of the 45-day period. We believe there can be a case or controversy sufficient for courts to hear these cases merely because the patents at issue have been listed in the FDA Orange Book, and because the statutory scheme of the Hatch-Waxman Act relies on early resolution of patent disputes. The declaratory judgment provisions in this bill are intended to encourage such early resolution of patent disputes.

Mr. McCAIN. Mr. President, will the distinguished Senator yield?

Mr. KENNEDY. Yes, I will yield.

Mr. McCAIN. Mr. President, I'd like to ask the Senator if it is the intent of this legislation that the declaratory judgment provisions in this bill, in particular, the change to Title 35, will be available immediately to help generic drug applicants who are now in federal court seeking declaratory judgments that listed drug patents are invalid or are not infringed by their product?

Mr. KENNEDY. I agree with the distinguished Senator from Arizona. It is clearly our intent that, under these provisions, courts considering jurisdictional challenges to declaratory judgment actions brought by generic drug companies should apply the standards set forth in this bill to such challenges in any case pending (either in the trial court or on appeal) at the time of enactment in order to resolve patent issues as soon as possible and to clear the way for quicker generic entry.

Mr. McCAIN. I thank the Senator for his answer and for his leadership on these issues. His experience and technical expertise have been invaluable. I would also like to thank my friend, the senior Senator from New York, who has worked with me these many years on this legislation. His dedication to American consumers and his commitment to restoring fairness to the drug industry must be commended. The senior Senator from New Hampshire must also be recognized for leadership on this issue in his committee, in the Senate, and in the conference on this bill. I would also like to thank the staffs of all three of these Senators, who have worked tirelessly on behalf of this issue. I ask unanimous consent that a letter from Chairman Muris of the Federal Trade Commission about the value of the declaratory judgment provision in Title 35 be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FEDERAL TRADE COMMISSION,
Washington, DC, October 21, 2003.

Hon. JUDD GREGG,
Hon. EDWARD M. KENNEDY,
Senate Committee on Health, Education, Labor, and Pensions, Washington, DC.

DEAR CHAIRMAN GREGG AND RANKING MEMBER KENNEDY: In written testimony submitted to the Senate Judiciary Committee on August 1, 2003, for a hearing entitled, "Examining the Senate and House Versions of the 'Greater Access to Affordable Pharmaceuticals Act,'" the Federal Trade Commission commented on both the Senate and House-passed bills that reform the Hatch-Waxman generic drug approval process. The reforms are nearly identical to recommendations contained in the FTC's July 2002 study entitled, "Generic Drug Entry Prior to Patent Expiration."

I understand that one particular provision contained in the Senate-passed version is of particular interest now on the bills proceed through the conference process. Specifically, the Senate bill adds a provision clarifying that if a brand-name company fails to bring an infringement action within 45 days of receiving notice of an abbreviated new drug application (ANDA) containing a paragraph IV certification, the generic applicant can bring a declaratory judgment action that the patent is invalid or not infringed. Without commenting on the provision's constitutionality, the Commission has stated that "the Senate provision may help ensure that a federal court has subject matter jurisdiction to resolve the patent issues."

While I defer to others as to the constitutionality of the Senate provision, I note that a court's dismissal of a declaratory judgment action for lack of controversy may resolve uncertainty concerning whether a generic product infringes a brand-name company's patent. It also can reduce the incentives for the brand-name company and the first generic applicant to park the 180-day exclusivity. Without the right to seek a declaratory judgment, a subsequent generic applicant that develops a clearly non-infringing product cannot trigger the first generic applicant's exclusivity because the subsequent generic applicant will not be sued for patent infringement by the brand-name company. If the brand-name company and the first generic applicant agree that the generic will not begin commercial marketing, then the 180-day exclusivity becomes an absolute bar to any general entrant. Moreover, speedier resolution of patent infringement suits will redound to the benefit of consumers by resolving any possible uncertainty that prevents a generic applicant from marketing its products. If also will allow for the simultaneous running of the periods for FDA approval and for the resolutions of patent infringement issues.

For these reasons, I believes the declaratory judgment provision in the Senate-passed bill would be a useful mechanism to reduce uncertainty in the Hatch-Waxman process and potentially could speed access of generic drugs to consumers.

Sincerely,

TIMOTHY J. MURIS.

Mr. BAUCUS. Mr. President, one of the criticisms that some have raised about the conference report is the provision that prevents the Department of Health and Human Services Secretary from interfering in the negotiations between private prescription drug plans, drug manufacturers, and pharmacies.

Mrs. FEINSTEIN. Yes, we have heard this criticism often during the debate. And I believe it is important to clarify that this bill will ensure that seniors pay less for prescription drugs than they pay today.

Mr. BAUCUS. I also believe it is important that we clarify the purpose of the non-interference language. This language is not intended to pad the pockets of drug manufactures. It is not intended to pad the pockets of the insurance companies.

Mr. GRASSLEY. The purpose of this bill is to ensure that Medicare beneficiaries get the benefit of negotiated discounts that the private sector is able to achieve. We want seniors, who today pay the highest prices, to have access to discounted prices. And we also don't want to see the situation we have today with Part B covered drugs. Isn't it true that the Federal Government dramatically overpays for the drugs that are currently covered under Medicare today?

Mr. BAUCUS. Yes, that is true. The HHS Inspector General has been urging Congress to end these overpayments for years. The conference report addresses these overpayments, while ensuring fair reimbursements for oncologists and other affected physicians to ensure that patient care remains unaffected. Moreover, I think it is important that members of Congress understand the strong consumer protections that are in place to ensure that they receive access to an affordable drug plan, one that provides access to the prescription drugs that they need.

Mrs. FEINSTEIN. Isn't it also true that if a plan chooses to use a formulary, it must include at least two drugs in each therapeutic category or class, unless the category or class only has one drug and that the plan must use pharmacy and therapeutic committees that consist of practicing physicians and pharmacists to design their formularies?

Mr. BAUCUS. Yes, this is true. It is also true that the Secretary is prevented from approving a drug plan that charges too high of a premium. The premium must reasonably and equitably reflect the costs of the benefits.

Mr. GRASSLEY. Isn't this requirement the same standard that applies to the Federal Employees Health Benefits Plan?

Mr. BAUCUS. Yes, the same one. And I think it is also important to note that conference report has a requirement for a Government-backed fallback plan if fewer than two plans are available. This Government-backed plan is required to negotiate prices with drug manufacturers. And if the fallback plan is unable to negotiate good discounts on its own, then the Secretary will be able to intervene as appropriate to negotiate to achieve lower prices.

Mrs. FEINSTEIN. In addition, I also think it is important to note that the Congressional Budget Office has estimated that the net price increase for prescription drugs under this bill will be 3.5 percent. CBO also found that drug plans bearing full statutory risk levels are estimated to produce an overall higher cost savings of 20 to 25 percent for prescription drugs under this bill, as compared to the 12 to 15 percent that CBO believes is achieved by private prescription benefit managers today. According to CBO, prescription drug prices would be cheaper under this bill. I would like my colleagues to know that should CBO's estimates of the higher savings by drug plans in this bill prove to overestimate prescription drug savings to seniors, I intend to introduce legislation that will provide seniors with lower drug prices.

Mr. GRASSLEY. Yes, CBO estimates that under the conference report seniors will be offered average greater savings under the Senate bill. The price for prescription drugs will almost certainly be lower than the prices seniors who do not have drug coverage pay today.

COMPANY-OWNED LIFE INSURANCE

Mr. CONRAD. Mr. President, I rise to engage the chairman of the Finance Committee in a colloquy regarding pending committee action with respect to the tax treatment of company-owned life insurance, COLI. Let me again express my appreciation for the efforts the chairman made on October 1 in securing the committee's unanimous consent to conduct a hearing on issues surrounding COLI and to mark up a COLI provision shortly thereafter.

Mr. GRASSLEY. I thank the Senator.

Mr. CONRAD. I welcomed the opportunity the chairman provided in the committee hearing on COLI that occurred on October 23. By the end of that hearing, I believe committee members had a solid grasp of the legitimate problems that still remain after the numerous legislative reforms of COLI over the last 20 years.

Mr. GRASSLEY. I agree. The hearing was informative and prepared the committee to come to an agreement on the reforms that ought to take place.

Mr. CONRAD. Since the hearing, the chairman and I have worked toward the development of a COLI proposal that would garner the support of the broadest possible consensus in the committee and in the full Senate. I believe that last week we were close to an agreement on a proposal that responded to every legitimate criticism of COLI heard during the course of the October 23 hearing.

I regret that the crush of Finance Committee legislation on the Senate floor in October and November has so far prevented the chairman from scheduling a markup. Unfortunately, it is now clear that the markup agreed to on October 1 cannot before the end of this session of Congress.

Mr. GRASSLEY. I share this regret. Let me pledge to have this markup on a COLI provision at the Finance Committee's first opportunity in 2004. I look forward to completing the action we began in October.

CANCER CARE REIMBURSEMENT

Mrs. FEINSTEIN. Mr. President, the Medicare conference report, which includes a reform of the Part B drug payment system, includes significant payment reductions to providers of cancer care. I understand that Senator GRASSLEY does not intend for these payment reductions to force efficient cancer clinics to close, jeopardizing access to care for thousands of cancer patients.

Mr. GRASSLEY. That is correct, Senator. The Medicare conference agreement contains a number of significant reforms, which will save billions of dollars in overpayments from Medicare covered drugs, while also substantially increasing payments to physicians. I intend to preserve continued access to high-quality cancer care.

Mrs. FEINSTEIN. Many physicians depend on overpayments on Part B drugs to make up for inadequate practice expenses. Is it the intent of the Senator from Montana that physicians' practice expenses will be increased sufficient to ensure access to care?

Mr. BAUCUS. Yes, that is my intent. And I am committed to monitoring this new payment system as it is implemented, in order to ensure access to high-quality cancer care.

Mrs. FEINSTEIN. Is it the intent that if this new payment system does not suffice to ensure access to care, that you will revisit the system and revise the payment methodology?

Mr. BAUCUS. That is correct.

Mrs. FEINSTEIN. Finally, it is my understanding that practice expense increases for oncology are expected to be about $500 million in 2004, $600 million in 2005, and $560 million in 2006, as shown in the summary which I will submit for the RECORD. Is it your understanding that the payment expense increases will allow efficient cancer care providers to continue serving cancer patients and not close their doors?

Mr. GRASSLEY. Yes. I would also note that the Senator from Kansas, Mr. BROWNBACK, has some concerns over this issue. He has been a forceful advocate for the oncology community. And while I think the package for cancer care is a fair one, I understand that he has some concerns.

Mr. BROWNBACK. I thank the chairman, both for his commitment to this legislaiton and for keeping my staff and me informed throughout the drafting of these provisions. I would note that from the time he first spoke on this issue during consideration of the tax bill the chairman has expressed his intent to, "ensure that seniors and their caregivers have adequate payment for, and continued access to, important cancer therapies." I would ask of the chairman, is it his intent that the changes to outpatient drug reimbursement in Sections 303 and 304 of this bill will not have a significantly adverse impact on access to cancer treatment?

Mr. GRASSLEY. The Senator from Kansas is correct. My commitment to cancer patients has not changed. Indeed, according to estimates from the Congressional Budget Office, this bill is expected to actually increase net payments to oncologists in 2004. Also, CBO estimates that the new Average Sales Price Reimbursement model, when coupled with the changes in practice expense reimbursement, will amount to net reductions to cancer care of $4.2 billion over the next 10 years.

Mr. BROWNBACK. I would like to thank my friends for the progress that was made in the conference. The bill passed by the Senate several months ago contained a net cut of $16 billion as a result of Part B drug payment reforms. The reduction in the Conference report before us is now $11.4 billion.

However, I would also note to my friend from Iowa that the Secretary of Health and Human Services is given the discretion to reduce reimbursements further based on studies preformed by the Inspector General of the Department. I would ask my friend if it was the intent of the conferees that any future adjustments to the reimbursements be based on average of prices available to and paid by a wide range of physicians in the marketplace.

Mr. GRASSLEY. The Senator is correct.

Mr. BROWNBACK. I thank my friends.

Mrs. FEINSTEIN. I ask unanimous consent to print the following in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MEDICARE CONFERENCE REPORT CANCER CARE CHANGES

Payments for Part B drugs are currently based on Average Wholesale Price (AWP). The difference between the AWP and the actual sales price often results in a profit to providers when they administer such drugs. For example, an oncologist may buy a chemotherapy agent, called doxirubicin, for about $10.00, while Medicare's reimbursement for that same dose was approximately $42.00, resulting in a profit to the physician of $32.00. Because beneficiaries must pay 20% co-payments on Medicare covered drugs, beneficiaries are paying $8.40 for a dose of doxirubicin. That is 20% of the $42.00, rather than 20% of the $10.00 that the oncologist paid for the drug, which is $2.00. The HHS Inspector General estimated that inflated AWPs caused beneficiaries to pay an extra $175 million in coinsurance in 2001.

The Medicare conference agreement reforms the Part B drug payment system, saving $4.2 billion from the oncology specialty over the 10-year period 2004–2013. This reform is effected mostly by using an Average Sales Price (ASP) system, which accounts for the true costs of these drugs. An additional $7.3 billion is saved by applying these reforms to other physician specialities. Most of these savings occur in the later years of the budget window. Under the Medicare conference agreement, oncologists will recieve an approximate $100 million increase in payments in 2004, net of reductions in reimbursement for Part B drugs.

Following is an estimated overview of what oncologists will receive in increased practice expense payments, starting in 2004.

2004: Approximately $500 million increase in practice expense (increase to oncology in 2004, net of drug payment reductions, is about $100m).

2005: ASP+6%; approximately $600 million increase ($200m for Average Sales Price+6%, $400m increase in practice expense).

2006 and thereafter: ASP+6%; approximate $560 million increase ($200m for Average Sales Price+6%, $360m increase in practice expense).

FORMULARIES FOR MEDICARE BENEFICIARIES LIVING WITH HIV/AIDS

Mrs. FEINSTEIN. Mr. President, I am concerned about the impact the Medicare conference report will have on low-income Medicare beneficiaries who are living with HIV/AIDS. I have heard a lot of opposition to this bill from the HIV/AIDS community. My concern is with their access to drug treatment therapy under the Medicare prescription drug benefit. Is it your understanding that the Medicare conference report will not prevent low-income Medicare beneficiaries who are living with HIV/AIDS from getting all the drugs they need through Medicare Part D?

Mr. BAUCUS. That is correct, Senator. One of the things I am particularly proud about in this bill is the strong beneficiary protections that will ensure that all Medicare beneficiaries get access to the appropriate medicine they need. You know, Senator GRASSLEY, that there are certain diseases and conditions—like AIDS, and epilepsy—where having access to just the right medicine is especially important.

Mr. GRASSLEY. I did know that, and I know that certain mental illnesses also fall in that category. This bill contains a number of protections for people who need exactly the right medicine for them.

Mrs. FEINSTEIN. Victims of HIV/AIDS are somewhat unique since the treatment for HIV/AIDS varies with the individual. To be clear, no low-income Medicare beneficiaries who have HIV/AIDS will be denied access to the drugs they need in Medicare Part D?

Mr. BAUCUS. Exactly. The bill asks the US Pharmocopeia to develop model formularies with therapeutic classes that can't be gamed. Then we require drug plans to offer at least two drugs in each therapeutic class. And for drugs that treat AIDS, epilepsy, or mental illness, we would expect that plans would carry all clinically appropriate drugs.

Mr. GRASSLEY. I agree. And I am pleased with the backup protections in this bill. That if a plan doesn't carry or doesn't treat as preferred a drug needed by, say, a person with AIDS, a simple note from a doctor explaining the medical need for that particular drug could get that drug covered.

Mrs. FEINSTEIN. Will that apply to all covered drugs required by a person with HIV/AIDS and in all cases?

Mr. BAUCUS. That is correct. These beneficiary protections are crucial for these vulnerable Medicare beneficiaries. I would expect that the Secretary will take into account their special medication needs when he writes regulations on this provision and when he is evaluating plan bids. If a plan can't adequately ensure all of the proper medication for beneficiaries living with HIV/AIDS, epilepsy, and certain mental illnesses, that plan should not be doing business with Medicare.

Mr. GRASSLEY. I agree with my good friend.

Mrs. FEINSTEIN. I would like to quote from a letter I received from Secretary of Health and Human Services Tommy Thompson, the full text of which I will include for the RECORD. Secretary Thompson says, "I would not approve a plan for participation in the Part D program if I found that the design of the plan and its benefits, including any formulary and any tiered formulary structure, would substantially discourage enrollment in the plan by any group of individuals. If a plan, however, complies with the USP guidelines then it would be considered to be in compliance with this requirement. Thus, if a plan limited drugs for a group of patients (individuals living with HIV/AIDS) it would not be permitted to participate in Part D." Secretary Thompson goes on to say, "Under the Conference Report, the beneficiary protections in the Medicare drug benefit are more comprehensive than the protections now required of State Medicaid programs. This will ensure access to a wide range of drugs. For example, there are extensive information requirements so that beneficiaries will know the drugs the plan covers before they enroll in the plan. Beneficiaries can also appeal to obtain coverage for a drug that is not on their plan's formulary if the prescribing physician determines that the formulary drug is not as effective for the individual as another drug, or if there are adverse effects. As a result, access to all drugs in a category or class will be available to a beneficiary when needed."

Is this your understanding as well?

Mr. BAUCUS. Absolutely.

Mr. GRASSLEY. I agree.

Mrs. FEINSTEIN. I thank the distinguished Senators from Montana and Iowa.

I ask unanimous consent to print the above-referenced letter in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF HEALTH AND HUMAN SERVICES, OFFICE OF THE ASSISTANT SECRETARY FOR LEGISLATION,
Washington, DC.

Hon. DIANNE FEINSTEIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR FEINSTEIN: Recently, you have expressed concern with the Conference

Report over access to drugs for individuals living with HIV/AIDS. Your major concern appears to be whether or not individuals living with HIV/AIDS will have access to all drugs within a therapeutic class under the Conference Report and whether or not a Prescription Drug Plan (PDP) could limit the number of drugs that are covered within a therapeutic class. You also expressed concern that dual eligible individuals will lose the coverage that is currently available to them in Medicaid if they enroll in any of the new Medicare drug plans.

Let me assure you that in the Conference Report there are significant safeguards in place for the development of PDP formularies to ensure a wide range of drugs will be available to Medicare beneficiaries. These plans will have the option to use formularies but they are not required to do so. If a plan uses a formulary, it must include at least two drugs in each therapeutic category or class, unless the category or class only has one drug.

I will be requesting the U.S. Pharmacopoeia (USP), a nationally recognized clinically based independent organization, to develop, in consultation with other interested parties, a model guideline of therapeutic categories and classes. In designing this model it is essential that categories and classes be established to assure that the most appropriate drugs are included on a plan's formulary. I am confident they will design the categories and classes to meet the needs of patients; USP's work in clinically based and patient oriented.

Plans will also use pharmacy and therapeutic committees that consist of practicing physicians and pharmacists to design their formularies. The committees will be independent and free of conflict with respect to the plan. They will have expertise in care for the elderly and in individuals with disabilities. The committees will also use both a clinical and scientific basis for making its decisions relating to formularies.

Further, I would not approve a plan for participation in the Part D program if I found that the design of the plan and its benefits, including any formulary and any tiered formulary structure, would substantially discourage enrollment in the plan by any group of individuals. If a plan, however, complies with the USP guidelines then it would be considered to be in compliance with this requirement. Thus, if a plan limited drugs for a group of patients (individuals living with HIV/AIDS) it would not be permitted to participate in Part D.

Under the Conference Report, the beneficiary protections in the Medicare drug benefit are more comprehensive than the protections now required of State Medicaid programs. This will ensure access to a wide range of drugs. For example, there are extensive information requirements so that beneficiaries will know the drugs the plan covers before they enroll in the plan. Beneficiaries can also appeal to obtain coverage for a drug that is not on their plan's formulary if the prescribing physician determines that the formulary drug is not as effective for the individual as another drug, or if there are adverse effects. As a result, access to all drugs in a category or class will be available to a beneficiary when needed.

On the other hand, because of the optional nature of the Medicaid drug benefit today, States can drop their drug benefit entirely, as well as restrict access to their drug plan through preferred drug lists or prior authorization processes. According to the IG, from 1997 to 2001, Medicaid expenditures for prescription drugs grew at more than twice the rate of total Medicaid spending. This has put extreme pressures on state budgets and has led to Medicaid coverage restrictions for drugs and the use of cost control measures that will not be used in the Part D program.

For example, eighteen States contain Medicaid drug costs by limiting the number of prescriptions filled in a specific time period, limiting the maximum daily dosage or limiting the frequency of dispensing a drug. Some states also limit the number of refills. In addition, six States have pharmacy lock-in programs, which require beneficiaries to fill their prescriptions in one designated pharmacy.

The new Medicaid benefit will not result in a loss of coverage for dual eligibles. In fact, the Conference Report provides generous coverage to dual eligibles. The Report preserves the universality of Medicare for all eligible beneficiaries including those dually eligible for both Medicare and Medicaid. Unlike Medicaid, the new Medicare Part D benefit will provide a guaranteed benefit to all eligible seniors—a benefit they can count on without fear of loss of benefits when State budgets become tight.

Dual eligibles, who currently have full Medicaid benefits, will automatically be given generous subsidies and will pay no premium, no deductible and only minimal cost-sharing regardless of their actual income, even though it can be higher than 135 percent of the Federal poverty level in many cases.

In addition, full dual eligibles with incomes under 100 percent of poverty will pay no premiums, no deductibles, and reduced copayments of $1 for generic and other multiple source preferred drugs, and $3 for all other drugs. Note under current Medicaid regulations, States can choose to increase coinsurance to 5%. This is clearly more than what will be permitted for dual eligibles under the new Medicare benefit.

Finally, dual eligibles residing in nursing homes and other institutions only have a small personal needs allowance. Under Medicare, they will be exempt from copayments altogether.

I hope that this addresses all of your concerns. I look forward to continuing to work with you on this and other issues related to Medicare and Medicaid. Please call me if you have any further concerns.

Sincerely,

TOMMY G. THOMPSON.

Ms. LANDRIEU. Mr. President. I have been listening to the debate over the past few days, and I think that a common theme on both sides of the aisle has been this is not a perfect bill. There are those on this side of the aisle who rightly say that this bill does not go as far as it could; that it doesn't focus enough of the assistance on low-income seniors and could do more to keep employers from reducing or eliminating benefits for their employees. Others have raised concerns about the fact that there is a $1,400 "doughnut hole" and an overly restrictive assets test that will mean less help for too many Americans. There are those on the other side of the aisle that have rightly said that this bill does not do enough to address the long-term solvency issues facing Medicare. They contend that this $400 billion expansion, without making additional structural reforms, puts Medicare on an unsure footing for the future. It is for these reasons that Members on both sides of the aisle have said they will vote against this bill.

Many maxims have been used over the past few days to describe the choice before us. Some have said, "A bird in the hand is worth two in the bush." Others have said, "Let us not make the perfect be the enemy of the good." Still others have said, "Something is better than nothing." I have spent the last 25 years in public service, and if there is one thing I have learned, it is that a true compromise is one from which no one side walks away completely happy. If there is anyone who knows that lesson better than I, it is the senior Senator from Louisiana, Senator BREAUX. I have often said that if there is a deal to be had, Senator BREAUX will find it. He has an amazing talent for bringing two sides together in a way that preserves the key principles of both. I think he has succeeded in doing that again here.

Going into the conference, Democrats insisted that the final bill must include the following: meaningful assistance to low income beneficiaries; providing Federal assistance to Medicare seniors on Medicaid, dual eligibles; strong Government fallbacks; and real incentives for employers to retain coverage. The conference agreement represents major victories in all four of these key areas.

First, and perhaps most importantly, beneficiaries with low incomes will get immediate assistance in paying for their drugs. The premium, deductible and coverage gap would be waived for people earning up to $12,123 a year, $16,362 per couple. Those making up to $13,470, $18,180 per couple will not have to pay a premium or be subject to a coverage gap and would only have a $50 deductible. What this means in real terms is that one-third of all Medicare beneficiaries, over 200,000 of which are from my State, will get immediate assistance to drugs at little to no cost to themselves. These are people who today have no help.

This bill also provides $88 billion in tax incentives to employers to encourage retaining existing retiree drug coverage. CBO estimates those incentives will greatly diminish the number of employers who will reduce or eliminate their coverage because of passage of this bill. It ensures that all beneficiaries will have access to drug coverage by providing a strong government fallback in the event that private plans do not provide adequate coverage in any particular region. Finally, it provides meaningful support to Medicare providers so that they can continue to care for our Nation's elderly.

These are major victories. I am, however, disappointed by some of the provisions that were ultimately included in this bill, most especially the asset test. I understand that the asset test in this bill is fashioned after asset tests used to determine a person's eligibility for Social Security Income (SSI) and Medicaid. I understand that it is, in fact, three times as generous as the asset tests used by those programs. Yet, in my view, further restricting eligibility for vital Government programs so as to separate out the near poor from the poor is a precedent that should be abolished, not furthered. I think the American public would be shocked to learn how restrictive these asset tests are.

In this bill, if a senior whose income is less than $12,123 a year has more than $6,000 in assets, they will no longer qualify for assistance with their premiums or deductibles. The proponents of the asset test claim that they are necessary to ensure that a person doesn't claim to have an income of $12,123 and at the same time have a vacation home in Florida and $50,000 in stocks. .But these are not the people that these asset tests affect. Who they end up affecting is a widow who is living on her husband's $600 a month Social Security check, but just so happens to have a $10,000 life insurance policy or home full of furniture valued at $3,000. That is just not fair. While I am not able to change this policy here, I do intent to work to change it later.

Ten years have passed since this body was first presented with the need to reform Medicare. We have long recognized that the ways of medicine have changed. Medications and outpatient services have taken the place of intrusive surgeries and long-term hospitalization. We know that Medicare has not keep pace with those changes nor does it reflect the current needs of our seniors. Over the past 10 years, we have assembled task forces, engaged in numerous studies, held countless hearings and drafted several legislative proposals, but we have never gotten to where we are today, at the brink of passing a bill that will put us on the path of making reform a reality.

I think we must act now. In a time of rising deficits, it is unlikely we will have $400 billion or the political will to make these improvements any time in the near future. The seniors in my State are tired of waiting for the perfect bill. If we do not pass this bill this year, who knows how much more time will pass before we get to this point. It certainly won't be next year. If we had not reduced our surpluses by giving out tax cuts, perhaps we could have done more, but there is no sense in wondering what could have been. What we need to focus on now is what can be.

One year ago, I was in Louisiana running for re-election and I promised the people of Louisiana that while I would be with the President some of the time and I would be with the Democratic caucus some of the time, no matter what, I would be with the people of Louisiana 100 percent of the time. This bill is good for Louisiana. Ultimately, that is why I support it.

In Louisiana, one out of every two seniors has no prescription drug coverage. Today, 72-year-old Ethel Cernigliaro of Homer is one of them. With only her $727 a month Social Security check to depend on, Mrs. Cernigliaro finds a way to pay her utilities, buy groceries and still cover the $300 and more she pays each month for prescriptions. At this point, Mrs. Cernigliaro doesn't know all of the details of how this Medicare reform will help her, but she is certain of one thing: It has got to be better than what she has now. "I've been following it closely, and it is certainly encouraging to know someone is trying to do something," she said. This bill means seniors like Mrs. Cernigliaro will no longer be without assistance for the drugs they need to maintain their quality of life and health. She and the 200,000 seniors like her will, in most cases, pay no more than $5 a prescription for their medications. Because of this reform, no senior citizen in our State will be without some level of coverage for prescriptions.

What's more, this bill will deliver $551 million over the next 10 years in emergency assistance for Louisiana's hospitals, most of which are struggling to keep their doors open. It will provide $156 million in much needed assistance to Louisiana's doctors. Without this assistance, these doctors could no longer afford to care for Medicare patients. It will provide $25 billion in help for our Nation's rural communities, many of which are in Louisiana. This represents the largest, most comprehensive rural package ever passed by Congress. Finally, this bill provides for much-needed prevention services, including screening for heart disease and diabetes, which could have helped to save the lives of the nearly 10,000 Louisiana seniors who died of these diseases last year.

If this bill does not pass, the people of my State will go yet another year without these important interventions. I, for one, cannot ask them to wait. Since Medicare was first passed into law in 1965, it has been amended and modified hundreds of times. This comprehensive reform package is not the first, nor will it be the last. I look forward to working with my colleagues in the months and years to come to ensure that the Medicare program, and this new prescription drug benefit, will be all that it promises to be and more.

Mr. DORGAN. Mr. President, a vote in favor of this legislation, which is designed to add a prescription drug benefit to Medicare, is a very close call for me. There are some positive elements of this bill, and there are also some flaws about which I am very concerned. In weighing the good and the bad, however, I have decided to support this bill.

The final legislation will provide very generous prescription drug coverage for about one-third of the lowest income senior citizens and disabled Medicare beneficiaries who live in North Dakota. For those Medicare beneficiaries whose incomes are below 150 percent of the poverty level, they will receive a benefit that will cover nearly 95 percent of their drug costs.

However, for senior citizens with incomes above 150 percent of the poverty level, this prescription drug benefit will not be very attractive at all, in my judgment. There is a $35 per month premium that will increase over time, a $250 deductible that will grow to $445 by 2013, and a period of time when seniors' drug expenditures reach $2,250 and seniors will still be paying premiums but have no drug coverage at all. Only after spending a total of more than $5,100 would Medicare beneficiaries receive catastrophic coverage of 95 percent for prescription drugs.

If this prescription drug benefit was a mandatory program, I would vote against it. Because it is optional, I think many senior citizens with incomes above 150 percent of poverty will take a look at the benefit and decide it is not worth it. The one-third of our senior citizens with the lowest incomes will benefit from it.

In addition to providing generous coverage for the lowest income senior citizens, the other feature of this bill that I strongly support are the steps it takes to offer some fairness in Medicare's payments for rural hospitals, doctors and other health care providers.

Hospitals and physicians in rural States have found that their reimbursement rates under Medicare have put them at a serious disadvantage. If these lower reimbursement rates were to continue, the quality and access to health care delivered to rural citizens would diminish. Rural hospitals have to compete for the same doctors and nurses and use the same sophisticated medical equipment as urban hospitals, and yet their reimbursement rates have been dramatically lower. As a result, many of our North Dakota hospitals are in real financial trouble. This legislation begins the process of establishing some fairness in those reimbursement rates, and I strongly support that.

But there are also a number of provisions in this bill that I think are a mistake. First of all, this bill lacks provisions that would begin to contain the rising costs of prescription drugs. That is a dramatic failure. For most senior citizens, the problem with prescription drugs is the steep rise in the prices of those prescription drugs. Unfortunately, the majority party bowed to the pressure of the pharmaceutical industry and failed to put any real cost containment in this bill. That is a serious mistake.

In addition, this bill includes provisions that have nothing to do with adding a prescription drug benefit to the Medicare program but that have the potential to do harm. The Health Savings Accounts established by this bill are at best a costly tax shelter for the wealthy and at worst could drive up costs for the traditional insurance market. Likewise, this bill is cluttered up with subsidies to private insurers and a phony demonstration program that adds additional costs to Medicare and could undermine the Medicare program itself if these provisions are not adjusted in the future.

As I sifted through all of these provisions, I concluded that providing nearly total prescription drug coverage for one-third of our senior citizens with the lowest incomes is a very important objective to achieve. Add to that the improvement in the reimbursement rates to strengthen rural hospitals and health care providers, and I believe that these two features warranted support for the bill.

Again, this bill is a close call because I think those who have written it have created an optional program that is sufficiently unattractive to many senior citizens that they will elect not to sign up for this program.

My hope is that we can lock in the support in this bill for the nearly one-third of the senior citizens with the lowest incomes, address the reimbursement inequity for rural hospitals and doctors, and then come back in future legislation and do what should have been done with the rest of this bill.

That is, we need to add some real cost containment, fix the drug benefit so that senior citizens aren't paying premiums while they're getting no coverage, and dump the extraneous provisions that have nothing to do with adding prescription drug coverage to Medicare.

In summary, I am not pleased with this choice, but I know that if we do not commit the $400 billion that we have now set aside for Medicare prescription drug coverage in the coming 10 years, that funding may not be available in the future. And I know that we may not get another opportunity to fix the reimbursement rates for rural hospitals in the near future.

So I will vote for this bill, but I do so with some real regret because this bill could have been so much better.

Mr. HOLLINGS. Mr. President, I oppose the Medicare Prescription Drug and Modernization Act.

I remind my colleagues that we have a national debt that exceeds $6.9 trillion. The legislation currently before us is part of a budget resolution and economic plan that will cause our debt to double over the next 10 years. Make no mistake about it, we will borrow every penny to pay this $394.3 billion bill. How ironic—we are going to borrow money from Social Security to pay for seniors health care. And what do we get in return? Spotty drug coverage for senior citizens, millions of Americans who will lose their existing coverage, massive subsidies for HMOs, the first step toward the destruction of Medicare as we know it, and a larger fiscal noose around the neck of future generations. We can do much better and should go back to the drawing board.

Instead of providing seniors with the stable and affordable benefit they deserve, this bill forces seniors to maneuver a complex maze of premiums, deductibles and copayments for benefits that contain huge gaps in coverage. On top of their premiums, which will vary from region to region and plan to plan, seniors will get no help for the first $250 of their drug costs, pay 25 percent of costs from $251 to $2,250, pay all the costs from $2,251 to at least $5,100, and then pay a fifth of costs above $5,100. With a breakeven point of $810, many healthier Medicare beneficiaries will opt not to participate. Because of the $2,850 coverage gap, many of the sickest patients will have to ration care for months because even though they continue to pay premiums, they receive no government assistance. Furthermore, seniors better not get too comfortable with their prescription drug coverage. Nearly 3 million of them with retiree coverage, including 39,000 residents of South Carolina will lose their coverage. This bill could force those who participate in the new Medicare drug benefit to move in between three separate plans, with three separate formularies, in 3 years.

It should come as no surprise that the authors of this convoluted mess and Karl Rove have decided to wait until after the 2004 election before this new benefit starts up and Medicare beneficiaries see what they are in for. Conferees could have taken a number of steps to address these deficiencies. Instead, they denied the government the ability to negotiate lower drug prices on behalf of all Medicare beneficiaries. This will impose a higher cost on both the taxpayers who foot this bill and the Medicare beneficiaries who will have to make higher copayments. They also created a $12 billion slush fund the government can use to entice private plans to participate against traditional Medicare and diverted $6.7 billion from the amounts saved by companies that will drop retiree coverage to create tax shelters for wealthy individuals. These funds could have been more appropriately spent providing incentives for companies to continue retiree coverage or reducing the size of the "doughnut."

I also believe this bill is the first step toward the dismantling of Medicare. The "premiums support" demonstration contained in this legislation opens the door to the privatization of Medicare. Seniors in at least six parts of the country will be forced to either pay higher premium to remain in the traditional Medicare system or move into an HMO. This is unacceptable. Furthermore, this legislation provides an uneven playing field between traditional Medicare and private plans. I have always felt that if a private plan can offer a better benefit package to a beneficiary at an equal or lower cost, then beneficiaries should have the choice of which plan they want to participate in. This bill dramatically slants the playing field in favor of private plans. In addition to a 9 percent higher payment, private plans will have access to a $12 billion fund to further underwrite their costs. These actions undermine the traditional Medicare system generations of our seniors have come to depend on.

The flimsy prescription drug benefit and long-term damage done to Medicare contained in this legislation does not warrant its high price tag. I encourage my colleagues to defeat this bill, take up and pass S. 1926 to improve reimbursement for doctors, hospitals and rural providers, and continue to work toward a meaningful drug benefit.

Mr. SPECTER. Mr. President, since Medicare was established in 1965, people are living longer and living better. Today Medicare covers more than 40 million Americans, including 35 million over the age of 65 and nearly 6 million younger adults with permanent disabilities.

Congress now has the opportunity to modernize this important Federal entity to create a 21st century Medicare Program that offers comprehensive coverage for pharmaceutical drugs and improves the Medicare delivery system.

The Medicare Prescription Drug and Modernization Act would make available a voluntary Medicare prescription plan for all seniors. If enacted, Medicare beneficiaries would have access to a discount card for prescription drug purchases starting in 2004. Projected savings from cards for consumers would range between 10 to 25 percent. A $600 subsidy would be applied to the card, offering additional assistance for low-income beneficiaries defined as 160 percent or below the Federal poverty level. Effective January 1, 2006, a new optional Medicare prescription drug benefit would be established under Medicare Part D.

This bill has the potential to make a dramatic difference for millions of Americans living with lower incomes and chronic health care needs. Low-income Medicare beneficiaries, who make up 44 percent of all Medicare beneficiaries, would be provided with prescription drug coverage with minimal out-of-pocket costs. In Pennsylvania, this benefit would be further enhanced by including the Prescription Assistance Contract for the Elderly, PACE, program which will work in coordination with Medicare to provide increased cost savings for low-income beneficiaries.

For Medical services, Medicare beneficiaries will have the freedom to remain in traditional fee-for-service Medicare, or enroll in a Health Maintenance Organization, HMO, or a Preferred Provider Organization, PPO, also called Medicare Advantage, These programs offer beneficiaries a wide choice of health care providers, while also coordinating health care effectively, especially for those with multiple chronic conditions. Medicare Advantage health plans would be required to offer at least the standard drug benefit, available through traditional fee-for-service Medicare.

We already know that there are many criticisms directed to this bill at various levels. Many would like to see the prescription drug program cover all of the costs without deductibles and without co-pays. There has been allocated in our budget plan $400 billion for prescription drug coverage. That is, obviously, a very substantial sum of money. There are a variety of formulas which could be worked out to utilize this funding. The current plan, depending upon levels of income has several levels of coverage from a deductible to almost full coverage under a catastrophic illness. One area of concern is the so-called "donut hole" which requires a recipient to pay the entire cost of drug coverage.

As I have reviewed these projections and analyses, it is hard to say where the line ought to be drawn. It is a value judgment as to what deductibles and what the co-pays ought to be and for whom. Though I am seriously troubled by the so-called donut hole, it is calculated to encourage people to take the medical care they really need, and be affordable for those with lower levels of income. Then, when the costs move into the catastrophic illness range, the plan would pay for nearly all of the medical costs.

I am pleased that this bill contains a number of improvements for the providers of health care to Medicare beneficiaries. Physicians who are scheduled to receive cuts in 2004 and 2005 will receive a 1.5 percent increase over that time. Moreover, rural health care providers will receive much needed increases in Medicare reimbursement through raises to disproportionate share hospitals and standardized amounts, and a decrease in the labor share in the Medicare reimbursement formula. Hospitals across Pennsylvania will benefit from upgrades to the hospital market basket update and increase in the indirect medical education. Furthermore, the bill will provide $900 million for hospitals in metropolitan statistical areas with high labor costs due to their close proximity to urban areas that provide a disproportionately high wage. These hospitals may apply for wage index reclassification for three years staring in 2004.

I would not that I do have concerns with this legislation with regard to oncological Medicare reimbursement and the premium support demonstration project for Medicare Part B coverage. Proposed reductions in the average wholesale price for oncological pharmaceuticals may have a grave effect on oncologists' ability to provide cancer care to Medicare Beneficiaries. Every Medicare beneficiary suffering from cancer should have access to oncologists that they desperately need. I will pay close attention to the effects that this provision has on the quality and availability of cancer care for beneficiaries and oncologists' ability to provide that care. Further, the premium support demonstration project for Medicare Part B premiums poses a concern. Some metropolitan areas may face up to a five percent higher premium for fee-for-service care than neighboring areas. While these provisions remain troublesome, we cannot let the perfect become the enemy of the good with this piece of legislation.

The Medicare Prescription Drug legislation has been worked on for many years. I believe this bill will provide a significant improvement to the vital health care seniors so urgently need. I congratulate the members of the conference committee including majority leader FRIST, Senator GRASSLEY, Chairman of the Finance Committee, and the ranking member, Senator BAUCUS, for the outstanding work which they have done on an extraordinarily complex bill.

Mr. LEAHY. Mr. President, seniors need and deserve a stronger prescription drug bill than this one.

The creation of the Medicare program in 1965 was a tremendous accomplishment. With Medicare, older Americans would never again have to face a terrifying future with no health care coverage. And since that time, millions of elderly and disabled citizens have come to know and trust the quality health care that Medicare ensures them. But Medicare's success is marred by one significant factor: the lack of coverage for prescription drugs. When Medicare was created, prescription drugs did not hold the pivotal role that they now have in health care treatment and maintenance. Medical science has advanced since Medicare's charter was enacted, and senior and disabled Americans have been waiting a long time for Congress to remedy this gaping hole in coverage.

We need a meaningful prescription drug benefit under Medicare, and many of us have been pushing for years to accomplish that. This movement has steadily grown, and for 6 years we in this body have been debating and working toward this goal. In June of this year the Senate passed a bi-partisan prescription drug bill that I supported. I supported that bill—even though I thought it was weaker than what we need—because it was a solid start. And that is why it gives me grave concern to see the direction this conference report has taken.

We have before us eleven hundred pages—which we have had little more than 3 days to examine—that run far afield of the goal of adding a prescription drug benefit to Medicare. It concerns me that some of the provisions in this bill—provisions which were never a part of the bill I supported in June—will do more harm than good. I know that many of my colleagues worked long and hard to produce this bill. I respect their efforts and their best intentions, but Vermonters and Americans need and deserve far better than this. We passed a decent bipartisan bill once before this year. I know that we can do better than this compromise before us, and that is why I will be voting no. Instead of trying to rush through eleven hundred pages so that we can go home for Thanksgiving and adjourn for the year, I think that we need to keep working on this important issue until we get it right.

I am concerned that the measure before us moves Medicare down the road of privatization and does not adequately protect the access to the prescription drug benefit of rural seniors in traditional Medicare. I am concerned that fewer low-income seniors will be helped with their costs, and it troubles me that the need to bring down the ever-escalating costs of prescription drugs has not been addressed in this bill.

Under the conference agreement, a significant amount of money—$12 billion—is set aside in a slush fund for the Secretary of Health and Human Services to entice insurance companies into Medicare. The conference agreement also includes a proposal to experiment with privatization of the Medicare program in at least six areas of the country. This troubling provision could impose increased premiums for millions of seniors in traditional Medicare, potentially forcing them to leave the program that they know and trust. And making this experiment even worse, the Federal Government will overpay private plans—putting Medicare at an unfair disadvantage—to offer the same benefits that traditional Medicare covers for less. Why are all of these extra payments necessary? If the private insurance model is so effective and efficient, why do we need to pay them more than we pay for traditional Medicare? No one can credibly argue that doing this makes sense.

The reason that we needed Medicare in 1965, and the reason that we will continue to need Medicare in the future, is because the insurance model fails elderly and disabled people. It is not all that complicated. As we get older we inevitably get sick and we need to take more trips to the doctor and to the hospital to manage and maintain our health. This costs money, and the insurance companies know that they lose money when the bills have to be paid not occasionally, but frequently. Instead of sending billions of dollars to insurance companies, it is far better to use those resources to strengthen Medicare and to create a stronger and more reliable prescription drug benefit run directly by Medicare.

In the earlier Senate bill, I accepted that we could try this private delivery model for the prescription drug benefit because rural seniors in traditional Medicare—this is all of the seniors in Vermont, by the way, because private plans have chosen not to operate in our rural state—would be assured of having a choice of two stand-alone drug plans. And if those two plans did not exist in Vermont's region, then Vermonters in traditional Medicare would be guaranteed access to a standard government fall back plan. Unfortunately, this essential protection was weakened in the conference agreement. Instead, Vermonters will be considered to have adequate choice—and therefore no access to the government fallback plan—if there is only one stand-alone plan and one managed care plan. What kind of choice is that? The choice that Vermonters in traditional Medicare will have under that scenario is either to sign up for that one stand-alone plan that happens to be offered, or to forgo the new prescription drug benefit altogether. That doesn't sound like much of a choice at all.

I am also concerned about the impact that this bill will have on low-income Medicare beneficiaries. It is true that the bill provides generous subsidies to low-income seniors, but the earlier Senate bill covered more people: almost one million Americans who would have had access to a subsidy under that bill will not receive help with their premiums, deductible, and cost sharing under this bill. Three million more Americans will not qualify for help because they have minimal savings and other assets. In Vermont, that amounts to about seven thousand people who will be worse off under this agreement than under the Senate bill. Furthermore, thousands of Vermonters who currently have prescription drug coverage under the Medicaid program could end up with less generous coverage under this plan.

The real winner under this agreement is the drug industry. Many express concern over the high cost of creating a Medicare prescription drug benefit. I would suggest that we could have done something very simple to bring down the cost: We could have used Medicare's market power to negotiate lower prices for the medicines the program will be buying. Instead, this compromise agreement actually prohibits this common sense approach to cost containment. Thanks to objections by the drug industry, provisions designed to speed low-cost generic drugs to market were weakened in the conference agreement. And last, but certainly not least, the drug industry prevailed in their efforts to block a provision to allow Americans access to lower-priced medicines from Canada. This is unacceptable. A majority in the senate voted to allow re-importation and the House of Representatives overwhelmingly supported a strong re-importation provision. Somehow, the conference agreement is weaker than either provision passed in either body. How long do we intend to force Americans to continue to pay the highest prices in the world for their indispensable medications?

It is wrong to have hijacked this bill as a locomotive to pull the drug industry's baggage. House leaders have taken the industry's side over consumers' interests on issue after issue. They have given the industry a veto over giving Medicare the market leverage to bring down costs. They have done the drug industry's bidding by blocking drug reimportation. It is wrong to pad the drug industry's wallets at the expense of the seniors of Vermont and the Nation.

I remain concerned that cuts in payments for cancer drugs and services—estimated to be in excess of $11 billion over the 10-year budget window—threaten access to cancer care across the nation and particularly in rural area. And though the conference agreement does reduce the number of retirees likely to lose their employer-based coverage as a result of passing this bill from the Senate level, the Congressional Budget Office still estimates that close to three million retirees will lose their coverage. That number is still far too high and could affect thousands of Vermonters.

Finally, I question why we set aside $6 billion—money that could be spent to reduce the troubling gaps in coverage under the prescription drug benefit—to create Health Savings Accounts that have nothing to do with Medicare and that many analysts predict will boost the costs of comprehensive employer-based health insurance across the country.

I do credit this bill with some good provisions to provide increased payments to doctors and hospitals, particularly in rural areas. I fully support these provisions, but their inclusion cannot overcome the problems in the rest of the bill.

I hope that I am proven wrong about the impact that this bill will have on the Medicare program and on the help, or lack thereof, it will provide to Medicare beneficiaries. I think we can do better and that we must do better. As seniors learn over the course of the next 2-years what kind of coverage they will be getting—as they see how complex the system ad the benefits are—I predict that they will agree and that we will be returning to the drawing board very soon on prescription drugs.

Mr. DOMENICI. Mr. President, thank you for recognizing me and letting me speak for a couple minutes.

I wish to thank one individual. We wonder from time to time about a bill of this magnitude. We want to be careful when we mention Senators we want to thank and are grateful toward. But I don't have any reluctance on this one, having been part of the process, having been part of our distinguished majority leader's life in the Senate before he was majority leader. There is no doubt in my mind when he came to the Senate and learned about Medicare, he made a commitment that he was going to be part of fixing it.

I watched this fantastic, talented man devote his energy and his enthusiasm, put the best people one can imagine around him, and I watched him lead the maneuvering, the activities, and the thinking, and I watched him learn the intricacies of this bill.

I believe if it is done right, history will have a lot of people we can thank for the Medicare modernization bill and the prescription drug bill for our seniors, but I think there will be one person who will stand out, and it will be the distinguished senior Senator from Tennessee, the majority leader.

He has not been here very long. I remember when he arrived. He joined the Budget Committee, the committee that I chaired, and he was at the very end of the committee because he was the least senior of all members. He moved up gradually, and then all of a sudden we all recall what happened, and he became majority leader.

He carried into that majority leadership, on his shoulders, in his brain, and in his ability to make commitments, the idea that there has to be a way to modernize Medicare and provide prescription drugs.

I do not want to let this record on this day close without the Senator from New Mexico—who knows a little bit about this man, who served with him, worked with him, and understands him and is appreciative of the great talent he brought to the Senate when he joined us—thanking him and recognizing his particular involvement in getting this job done.

It just seems as if we go months and years without any good news, and then good news comes in bushels. Today we have a bushel of good news. We passed this bill that our seniors have been asking for. It is amazing, the AARP supports it, and then the other side of the aisle, the Democrats who used to just crave having the AARP on their side, because the AARP found a bill that the Democrats don't like—and I don't know whether they don't like it because it isn't theirs or it isn't good. I would say it is a tossup from what I can tell. Part of the Democrats don't think it is good, but part of them don't think it is good because it isn't theirs. They chose now even to blame the AARP; that there was something nefarious involved in the passage of this bill.

I hope the millions of people in the AARP understand what the Democrats are saying. They are truly accusing the AARP of having a conflict of interest that would cause them to support legislation that is not good for the senior citizens of America. That is it in a nutshell. It is an absolutely ludicrous accusation, but it has been done. It has been done because they saw the tide, and the tide was going in the direction they didn't like but the AARP liked.

Somehow or another, under the leadership of people such as BILL FRIST, Republicans started coalescing around it. Because of the ability of people such as CHUCK GRASSLEY and our leader, Democrats joined in and we had some very exciting Democratic support. That is one great big basket of news sitting on the floor.

Mr. JEFFORDS. Mr. President, I have listened closely to the debate over providing prescription drugs and improving other benefits under the Medicare Program. This debate has not been limited to the last few days, as we all well know. This debate has been waged for 38 years.

Providing Americans with access to prescription drugs at an affordable cost has been one of the most vexing issues facing Congress in recent years. Many "solutions" have been offered to "fix" the problems of high cost and lack of access, and Congress has explored and debated various approaches. Of these approaches, providing a Medicare prescription drug benefit is the most important and perhaps the most challenging to accomplish.

For years, progress has been delayed over significant policy differences, not the least of which was the question of whether or not the Government could even afford to create a new and expensive entitlement program. But that question shifted and our debate this week wasn't focused on the question of whether the Government should provide a prescription drug benefit but rather on the details of how to structure a prescription drug benefit.

Last Congress I had the privilege to work with several of my Republican and Democratic colleagues in the Senate to develop a Medicare drug benefit program that became a key option in the "how to" debate. Our proposal, which became known as the tripartisan effort, embodied the principles that I believed must be part of a Medicare drug program.

First, the program must make a universal benefit available to all Medicare beneficiaries. It would be unfair to use much needed medicines as a carrot to lure seniors into managed care programs they don't want. We should also avoid providing a benefit only to the poorest of the poor and those with catastrophic costs. Virtually all seniors, regardless of income, need help to make their medicines either outright available or more affordable, and most have indicated a willingness to pay their fair share to support the program.

Second, the program must be comprehensive so that elders would have as generous a benefit as possible, from their initial spending to their catastrophic costs, and they shouldn't have to forego the best medicines for the cheapest ones just in the name of budget savings.

Third, a Medicare drug benefit must be affordable for both beneficiaries and the Government. Seniors should be able to get the best medicine available at the best possible price and the Government must derive the best cost savings through open competition. We should expect to realize as much savings in our pharmaceutical purchase for Medicare as foreign governments realize today.

Finally, for a drug benefit to be truly successful it must be sustainable. It will do little good to repeat the catastrophic failure of years past by beginning a program that we cannot carry on. That is why this must be a shared responsibility of beneficiaries and the Government. A program that combines seniors' contributions with a Government guarantee will have the best chance of enduring into the future.

Since last year, I have listened to the concerns of my colleagues, and I have weighed those concerns seriously. In the last few days of debate, I have given great consideration to the points raised by my colleagues and good friends in this body. I acknowledge their sentiments and I agree that this is not the bill I would have written if I had infinite resources to do it. This bill is not perfect. However, 38 years is just too long for American seniors to wait.

Turning this legislation away would have been a missed opportunity to provide seniors with the most significant modernization of their Medicare benefits since the program's inception in 1965. I believe this bill meets these four standards: It is universal, comprehensive, affordable, and sustainable. Could it be improved? Certainly. But this plan is a good compromise. It offers a respectable and responsible plan within the budget limitations we faced. It is a good compromise. I support this bill.

The conference report includes many significant features for the citizens of my home State of Vermont. It provides a sustainable, universal, and comprehensive prescription drug benefit to all 93,000 Medicare beneficiaries in Vermont.

For 40,000 seniors in Vermont with limited savings and incomes below $13,470 for individuals and $18,180 for couples, the Federal Government will cover most of their drug costs.

In addition, Medicare, instead of Medicaid, will now assume the prescription drug costs of 21,767 Vermont beneficiaries who are eligible for both Medicare and Medicaid. According to the Centers for Medicare and Medicaid Services, this will save Vermont $76 million over 8 years on prescription drug coverage for its Medicaid population.

This bill recognizes the high cost of providing quality care in rural settings and finally puts an end to years of unfair reimbursement gaps between rural providers and their urban counterparts. Specifically, this Medicare package provides $25 billion for rural providers, netting $41 million in additional funds for Vermont hospitals over the next 10 years and $18 million for underreimbursed physicians over the next 2 years.

I am also glad Chairman GRASSLEY and Ranking Member BAUCUS have worked with me to address another inequity in the system. Critical access hospitals provide care in the some most underserved regions of Vermont as is the case throughout rural America. These hospitals are small yet serve as critical resources to their communities.

I am very pleased to see that the conferees retained a provision from the Senate measure that will allow critical access hospitals, like the Mount Ascutney Hospital in Windsor, VT, to expand access to psychiatric and rehabilitative services to the most vulnerable citizens in that community.

This bill contains a provision that will allow us to better understand how to provide quality health care, culminating several years of work in concert with Dr. Jack Wennberg at Dartmouth to measure care by the quality of patient outcomes rather than utilization of resources.

In closing, I especially want to salute the efforts of Senator BAUCUS, Senator GRASSLEY, and Senator BREAUX and the other without whose hard work and commitment to working through an agreement we would not have accomplished passage of this legislation and they deserve our accolades. I also thank several of my other colleagues who have contributed so much to this debate over the years. I have worked for more than 3 years with my good friends, Chairman GRASSLEY and Senators SNOWE, BREAUX and HATCH. In many meetings over many months, we delved into the details of what came to be called the tripartisan bill. This has been one of the finest experiences of my many years in Congress. I am very proud to have been a part of that group and that our efforts led the way to our success today.

A bill such as this is the result of great effort on the part of many different people who are not elected to this body but upon whom we all rely. I would like to recognize the staff members who have worked so hard on this bill and deserve much of the credit for its successful passage.

On Senator GRASSLEY's staff: Ted Tottman, Linda Fishman, Colin Roskey, Mark Hayes, Jennifer Bell, and Leah Kegler, and on Senator BAUCUS' staff Jeff Forbes, Liz Fowler, Jon Blum, Pat Bousliman, Kate Kirschgraber, and Andrea Cohen deserve considerable recognition for their tireless efforts. Catherine Finley, Tom Geier, and Carolyn Holmes from my friend Senator SNOWE's staff; Patricia DeLoatche and Patricia Knight of Senator HATCH's office; and most especially Senator BREAUX's legislative director Sarah Walters and his staff Michelle Easton and Paige Jennings deserve enormous credit for this bill.

On my own staff, I particularly want to recognize the contributions of Sherry Kaiman, Eric Silva, and especially Sean Donohue who took up the effort on the tripartisan bill and who has continued to see it through to today's success. Each and all have worked tirelessly to gather the input, analyze the issues, and build a consensus toward achieving this final product.

Ms. SNOWE. Mr. President, today, we stand at the precipice of opportunity. Culminating a decade of work, we have before us legislation that will forever change the face of Medicare—providing every senior in America with a prescription drug benefit under a Medicare program that will experience the largest expansion in its 38-year history.

We would not have arrived at this day without the exceptional commitment made by Finance Chairman GRASSLEY to advance this issue and meld the considerable political and policy differences that have marked the development of this bill. His efforts were nothing short of Herculean from the outset, and guided us through a challenging conference. He, as well as Ranking Member BAUCUS, have remained committed to the bipartisan principles that forged the Senate legislation, which garnered the support of 16 members of the Finance Committee, and a remarkable 76 members of the full Senate.

I want to recognize the outstanding leadership of the President—who in 2001 challenged Congress to enact the Medicare Prescription drug benefit . . . propounded a set of principles . . . and has provided strong impetus during this "home stretch" for Congress to complete our work and send to his desk legislation he can sign this year. I know firsthand from my conversations with the President that this is a cornerstone of his agenda and absent his driving force we wouldn't be here today.

So, too, has the Majority Leader redoubled his longstanding and unflagging commitment to enacting into law a bipartisan bill, moving us ever closer to that goal. Thanks to the unique confluence of his skills . . . his unparalleled knowledge and grasp of the issue . . . and his single-mindedness of purpose, more than three quarters of the Senate came together to support S. 1, the Senate's prescription drug bill. And in bringing us to the eve of final passage of this conference report, he has been typically respectful of—and responsive to—all the wide-ranging concerns and recommendations voiced to him, and I thank him for his leadership and for guiding and shaping this process to its ultimate and successful conclusion.

I also want to extend my appreciation to my colleagues Senators HATCH, BREAUX, and JEFFORDS, with whom I've worked so closely on a prescription drug benefit over the past 3 years—they have been stalwarts in this fight and together we developed the template for the "tripartisan" proposal that helped frame the proposal before us. And certainly no one has more fiercely championed the cause than another colleague I've joined with in this battle in the past—Senator KENNEDY—who I recognize does not support this conference report, but whose early, longstanding involvement and passionate policy advocacy unquestionably built momentum for this issue in Congress.

Finally, I want to thank my good friend and colleague, RON WYDEN, with whom I began my "prescription drug coverage journey" almost 6 years ago, when we developed the first bipartisan prescription drug coverage bill in the Senate, which established the principles that I believed were critical to shaping this bill.

We reached across the party isle because we recognized that only a bipartisan plan could ever "see the light of day". And we joined forces as members of the Budget Committee to establish in the 2001 budget a $40 billion, 5-year reserve fund. Well, look how far we've now come—from the $370 billion tripartisan plan developed last year, to the historic passage of S. 1 in the Senate this past June.

But I can tell you from my own personal and professional experience that Congress' journey along this road has never been easy—although it has been infinitely more arduous for America's seniors. The process has borne witness to a multiplicity of goals and philosophies across the spectrum.

Some have wanted to add a drug benefit to the existing Medicare program to leverage the purchasing power of 40 million seniors, while others have sought to use the issue either as a vehicle for the wholesale privatization of Medicare, or full-scale, Government administered benefits.

Some have said we are providing too great an incentive for people to enroll in private plans, while others argue we are starving those very same plans.

And some have argued the benefits provided in a particular bill are inadequate, while others submit that they are, in fact, too generous and should be limited to a low-income catastrophic plan.

Yet, today, we essentially all agree we are well beyond one question—the question of need. Therefore, it is imperative we acknowledge the reality that, just as the journey thus far has been imperiled by the "slings and arrows" of those on all sides of this issue, it will not become easier with the passage of time—not when you're debating the creation of the largest domestic program in nominal terms ever.

Not when you're attempting the largest expansion in the history of the third largest Federal domestic spending program.

And not when significant challenges loom on the horizon such as strengthening Social Security and Medicare as 77 million baby-boomers begin to retire in 2013—all while we face record-setting Federal deficits.

We did have an optimal window for positive change just 2½ years ago when the Congressional Budget office was projecting surpluses "as far as the eye could see"—about $5.6 trillion through 2011. Now, next year's deficit alone is projected at nearly $500 billion. That is how quickly the tide can turn. That is how quickly opportunities can be lost.

Just think—a little over a year ago, the Senate was presented with a choice between a "tripartisan" plan that ensured coverage would be available to all seniors . . . was comprehensive, with the maximum benefit possible for lower-income seniors . . . and was a permanent part of the Medicare program—and the alternative, which was temporary and would have "sunset" . . . and would have statutorily restricted access to drugs. Talk about lost opportunities! Indeed, those who are dissatisfied with what we have before us today should fondly recall that tripartisan bill, and lament its unfortunate demise.

So here we are. The conference report before us is the result of an attempt to balance the competing viewpoints not only among Members, but between the stunningly disparate House and Senate legislation. The simple truth is, while I continue to prefer the Senate bill, it is this conference report upon which we will vote. And after careful review, I have concluded that while it isn't everything it could be, it isn't everything it should be. In the end, millions of seniors will benefit over the stagnation of the status quo.

To quote AARP, "Enactment of this legislation is essential to strengthening health security for all Americans. This is an important step toward fulfilling a longstanding promise to older and disabled Americans and their families. While this legislation is not perfect, it will help millions of people, especially those with low incomes and high drug costs."

Margaret Thatcher once said, "You may have to fight a battle more than once to win it." Well, some of us have been fighting this battle now for nearly 6 years. The bottom line is, we cannot hold hostage our seniors' futures to a political unwillingness to compromise. And this bill provides us with our best available opportunity to secure, for the first time, a legislative foothold that honors the same basic principles I have expounded upon since I first came to this issue—

That, in keeping with the basic tenets of Medicare, the prescription drug benefit must be universal, comprehensive, affordable, voluntary, permanent, and provide equal benefits across all plans. And that—like the Senate bill and the tripartisan proposal before that—it directs the most assistance toward those seniors with the lowest incomes . . . includes a reliable Government fallback of last resort . . . and continues to ensure seniors access to, and the stability of, the traditional Medicare program. In its totality, this conference report fulfills all of these principles.

In evaluating the individual components of the package, Mr. President, we should be mindful of how we arrived at this destination. As the Senate passed a bill with overwhelming bipartisan support, the House passed its bill with the most razor thin margin of just one vote—and as we witnessed it passed the conference by a mere five vote margin, after an historic three hour vote held open to secure the necessary votes.

And we see the result in the starkest terms, reflected in the nature of the benefit designed out of necessity by the conferees. It includes aspects modeled after each bill—the deductible was set at the House's lower level of $250 and the conferees worked to improve this proposal by offering a benefit with an actuarial value higher than the benefit from both bills. However, in providing these improvements concessions had to be made—in doing so the Senate's $4,500 benefit cap was lowered to $2,250. But in the same respect the cost sharing provided under this cap was lowered from 50 percent provided for in the Senate bill to 25 percent. So as you can see, while not perfect this benefit represents the art of compromise.

Recognizing that this bill is not perfect, I find it imperative to note I was disappointed to see two provisions that I oppose are included in the conference report—means testing of the Part B premium and indexing of the Part B deductible. The Senate-passed bill did not include language to means test the Part B premium and I successfully fought to defeat efforts on the Senate floor to add it. Unfortunately, the House bill did contain this concept and the conferees chose to include in it the conference report. And while the Senate bill did contain language to index the Part B deductible, I opposed this provision in the Finance Committee and had hoped it would be removed by the conferees.

But in recognizing the flaws of this proposal, at the same time, the conference report will at least get the federal "foot in the door" in providing a significant level of assistance to the one-out-of-four Americans who right now have no coverage whatsoever. Most seniors—for a $35 monthly premium—will save 50 percent on their cost of prescription drugs. For example, a senior who spends $3,600 will realize $1,714 annually in savings.

And in examining the assistance provided to the lowest income, I am relieved to know that the conferees utilized the model set by the Senate bill. Most critically, in keeping with the Senate bill, seniors with incomes below 150 percent of poverty who qualify for one of the low income categories will not experience a gap in coverage—and will receive a generous level of assistance. This means that in Maine over 93,450 beneficiaries, or more than 40 percent of the Medicare population, will receive a generous benefit with no gap in coverage.

And while the Senate bill may have extended this coverage to a greater number of seniors, unlike the Senate bill, this proposal ensures that all seniors, even the so-called "dual eligibles"—those who qualify for both the Medicare and Medicaid programs—receive a Medicare drug benefit. This will "federalize" 47,100 beneficiaries in Maine and approximately 6 million nationally. This results in a savings of $161 million over eight years to the State of Maine. So, while this benefit does not achieve all that I would like, it has laid the foundation from which we can and must build in the future.

Yet, not only do seniors deserve a subsidy to help make prescription drugs more affordable, they should also have the benefit of choice when it comes to the coverage they purchase.

Because seniors shouldn't be limited in their options for coverage, we ensure that all seniors will have a choice of at least two privately delivered drug plans. Furthermore, all drug plans are required to offer access to two drugs from each therapeutic class and category. Not only does this provide seniors with options, it helps ensure they will receive the drug their doctor determines is the most appropriate.

And let us not forget, there was a time when it was proposed that if seniors desired prescription drug coverage, they would be obligated to enter an HMO. Well, thankfully—and appropriately—this conference report shuns the "one size fits all" philosophy of placing all seniors into managed care and maintains the critical protection of choice of ensuring seniors can remain in the Medicare program. Seniors absolutely should have the option of staying where they're comfortable—without sacrificing guaranteed and equal prescription drug benefits.

Still others on the opposite end of the spectrum have said that the privately delivered stand-alone drug coverage option is doomed to fail—that this type of plan doesn't exist in nature and insurance companies won't participate. However, this conference report includes key principles developed in the Senate bill—including risk corridors, reinsurance and stabilization accounts—which are intended to build a stable, productive model that I believe will attract and keep companies in the program.

Ultimately, however, there is no way to guarantee private companies will deliver services in every region of the country. Therefore, as we were developing the Senate bill, many of us who represent the 12 rural States in which no Medicare+Choice programs operate included a fall back of last resort—which I'm pleased to say is sustained in this conference report. This key provision will serve to provide security to beneficiaries by knowing that no matter where they live, they will be assured of coverage even when private plans choose not to participate.

Throughout this debate, concerns have been voiced that with the enactment of a Medicare prescription drug benefit some employers will be provoked into reducing coverage that they offer to their former employees. Indeed, I have expressed concern about this issue throughout my six years of involvement in developing Medicare prescription drug legislation. And while I have concluded that we can take steps to mitigate the problem of employers ending coverage, I do not believe we can eliminate it.

That is because this bill is not causing employers to cease coverage—in fact, from 1999 to 2002—prior to the enactment of a Medicare prescription drug benefit—almost 10 percent of employers stopped offering retiree coverage. So this bill cannot be held responsible for this problem that exists regardless of the enactment of this bill. But we most definitely should use this bill as an opportunity to help reverse the trend of the last decade and offer incentives that will prompt employers to maintain their retiree benefits.

This conference report takes important steps toward alleviating the problem. Looking back to the development of the Senate bill, the Congressional Budget Office estimated that S. 1 would prompt 37 percent of employers to reduce the drug coverage they offer to their former employers. In comparison, the conference report includes a combination of options—both policy and tax incentives—that CBO, and most importantly employers, believe will provide incentives strong enough to encourage the maintenance of private sector coverage. It reduces the expected drop rate from the Senate bill's 37 percent to 16 percent; this means an additional 1.6 million seniors will retain their employer-sponsored coverage—seniors who might have lost this coverage regardless of the outcome of this bill.

This proposal also takes vitally important steps to create better balance within the Medicare program to ensure that all providers, regardless of where they are located, receive adequate and appropriate payments. For too long, States like Maine, which ranks number 47 in Medicare reimbursement, have been underfunded simply because they are rural. This bill, thanks to the leadership and persistence of Chairman GRASSLEY, finally brings Medicare payments into equilibrium.

This proposal provides an additional $25 billion over ten years to help States, like Maine, receive more equitable Medicare payments. Hospitals in Maine stand to gain an additional $125 million through payment improvements for our Disproportionate Share Hospitals (DSH), teaching hospitals, critical access hospitals and rural hospitals. Further, Maine's rural home health care providers will see increases to their reimbursement rates, along with rural ground and air ambulance providers to name just a few. And let us not forget our physicians. This bill reverses the 4.5 percent reimbursement cut expected for 2004 and provides an additional increase to payment rates for rural doctors, which together total more than $22 million.

I was especially pleased to have been able to work with the Chairman to add, in the Senate Finance Committee, a provision that would ensure the continuation of the country's rural health care residency training programs. This provision reiterated the Congress' intent to allow physicians to volunteer their time as supervisors of residents, and allowed programs to use Medicare funding to support these residents instead of utilizing funding provided by the community.

I added this provision in an effort to protect policy that I worked to include in the 1997 Balanced Budget Act, which, for the first time, allowed residency training programs to place their trainees outside of hospitals, most often in rural communities, and receive Medicare reimbursement. Unfortunately, the Centers for Medicare and Medicaid Services (CMS) recently tried to regulate around that law and prohibit programs from utilizing this option by making it so onerous that programs instead choose to move the residents back into the hospital instead of complying with the agency's new rules.

While I was able to include the corrective policy in the Senate-passed Medicare bill, some of the House conferees refused to maintain this critical Senate provision. But, working with the Chairman, who recognized the importance of this provision to rural States, I was able to secure support to provide a one-year moratorium that prohibits CMS from taking action against programs that allow physicians who supervise residents to volunteer their time. the provision also calls on the Secretary of Health and Human Services to perform a review of this issue and report to Congress on the impact to rural training programs if physicians are not allowed to volunteer their time as a supervisor.

Though the moratorium is helpful, it does not resolve the issue, and I, therefore, will continue to fight on behalf of these vital programs. I have introduced as a separate bill, S. 1897, which contains the language from the Senate-passed Medicare bill that will in fact protect these programs and ensure their continued viability.

This bill also includes a key provision that corrects an inequity that has disadvantaged millions of Medicare beneficiaries who suffer from cancer. This bill directs the Secretary to establish a 2 year transitional benefit in 2004 and 2005 utilizing at least $200 million to allow Medicare to cover all available oral anticancer treatments.

Currently, Medicare provides coverage of a limited number of oral anticancer drugs that originally were available in intravenous, IV, form. However, since Congress first expanded coverage to this limited type of oral anti-cancer treatments, the technology has advanced and many of the most innovative and effective drugs do not qualify for coverage because they did not evolve from the IV form. By including in the conference report authority for CMS to extend coverage to all oral cancer treatments, we ensure that in 2004 and 2005, prior to implementation of the comprehensive prescription drug benefit, seniors will have access to the best treatment options available.

The conference report before us, includes another noteworthy improvement to the Medicare program, one that will help make an important tool in the fight against breast cancer more accessible for women—diagnostic mammography. This year alone, 211,300 women in the U.S. will be diagnosed with invasive breast cancer, and almost 40,000 will die from the disease. Yet, the FDA reports that the number of mammography facilities closing now number over 700 nationwide. These closures have led to longer waiting periods for women scheduling annual and follow-up mammography visits which could lead to delayed diagnosis and delayed treatment. This is not acceptable.

The bill before us includes provisions closing the gap between the Medicare reimbursement and the actual cost of diagnostic mammography by removing the reimbursement of diagnostic mammography performed in a hospital setting from the Ambulatory Payment Classification and placing the procedure in the Medicare Fee Schedule. This would bring the hospital technical number closer to the actual cost of the procedure, thus reducing the financial disincentive for hospitals to continue these services.

Having been the lead Republican cosponsor of this bill for a number of years, I am pleased the conference report before us today seeks to turn the tide on these closures as too many imaging facilities can no longer afford to offer these procedures due to low Medicare reimbursement.

One million additional women become age-eligible for screening mammography each year. This action will help ensure that these women will have access to the screening they need to detect and combat this disease earlier and, hopefully, with less invasive procedures. This inexpensive provision in the Medicare conference report could save countless lives, and I am pleased that it will be enacted into law along with the rest of this bill.

Finally—and fortunately—this conference report unquestionably represents the end of the House bill's open-ended efforts to move Medicare toward a national, privatized system through an untested, untried policy known as "premium support" that could have led to the patchwork delivery of health care that existed prior to the creation of Medicare in 1965.

This approach would have fostered wild fluctuations in premiums for the traditional Medicare program. Whereas, incredibly, Medicare now provides all seniors the same benefit for the same premium, under this proposal premium variations would have occurred not just from State to State, but within a State and even within a congressional district!

And you don't have to take my word for it. According to the Centers for Medicare & Medicaid seniors living in Miami, FL, would pay $2,100 a year for traditional Medicare, compared to $900 that seniors would pay in Osceola for the same benefit. And when you compare this to North Carolina, the variation from State to State grows even wider with Rowan County, North Carolina paying just $750 for traditional Medicare. So let there be no mistake, this House-backed provision was a full frontal assault on traditional Medicare. Yet, according to CBO, this proposal that supporters touted as the savior of the program ultimately would have saved Medicare less than $1 billion.

I happen to believe that prescription drug legislation should be about providing seniors with a drug benefit. And while we certainly can consider and incorporate new policies that improve and enhance the underlying program. The drug benefit should not be used as what someone appropriately described as a "Trojan Horse" to open the door to the privatization of Medicare.

I ask unanimous consent that this letter, as well as another letter my colleagues and I sent in October, and an editorial from the Bangor Daily News be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CONGRESS OF THE UNITED STATES,
WASHINGTON, DC, NOVEMBER 13, 2003.
Hon. BILL FRIST,
Majority Leader, U.S. Senate,
Washington, DC.

DEAR LEADER FRIST: It has come to our attention that leadership is considering the inclusion of a new version of the policy model known as premium support. As you know, this policy places the traditional Medicare program and private plans into direct competition and according to the Centers for Medicare and Medicaid Service (CMS) will lead to dramatic increases in the annual premium for the traditional Medicare program.

We are extremely concerned about the inclusion of this policy proposal in a Medicare bill. Though some may consider this a demonstration project, we disagree. This appears to be a veiled attempt to institute this policy into law. According to CMS data this proposal could capture up to 10 million seniors, 25 percent of Medicare beneficiaries. Further, it will require them to bear the burden of cost increases associated with the demonstration project.

This policy also unfairly targets some seniors simply based on their geographic location and mandates their participation. The likely result will be significant increases in traditional Medicare premiums for seniors living in the affected areas and could destabilize the Medicare program for all seniors.

We understand that leadership and some conferees may be considering possible changes to this latest proposal. We urge you to remove this policy from the bill. We believe there are other possible options that will encourage private plan participation in the Medicare program that do not negatively impact the traditional Medicare program.

Thank you for your consideration of this vitally important issue.

Sincerely,
44 MEMBERS OF CONGRESS.

U.S. SENATE
Washington, DC., October 23, 2003.
Chairman CHARLES E. GRASSLEY and Ranking Member MAX BAUCUS,
Senate Finance Committee, Dirksen Senate Building, Washington, DC.
Chairman WILLIAM M. THOMAS and Ranking Member CHARLES B. RANGEL,
House Ways and Means Committee, Longworth House Building, Washington, DC.
Chairman W.J. (BILLY) TAUZIN and Ranking Member JOHN D. DINGELL,
House Energy and Commerce Committee, Rayburn House Building, Washington, DC.

DEAR CONFEREES:

The Medicare conference has reached a critical junction.in its effort to craft a conference agreement to develop a Medicare prescription drug and modernization bill. The time is fast approaching when final agreements must be made if a proposal is to be developed prior to the November 7 target-adjournment date. However, many key issues remain unresolved, which will determine whether this bill can garner strong bipartisan support and ultimately become law. As you progress into this critical stage, we urge you to remain committed to the bipartisan principles contained in the legislation developed and passed by the United States Senate.

First, the Senate bill takes strong steps to provide every senior and disabled American, no matter where they live, with choices in coverage. Notably, this is done in a manner that preserves the traditional Medicare program as a viable option. This balance was achieved by providing all seniors with access to the same level of drug coverage no matter the coverage option chosen. Further, the Senate bill assures this choice will be a fair one that will not disadvantage senior citizens who remain in traditional Medicare. Accordingly, we urge you to remain committed to principles that provide a level playing field between the private sector and Medicare and reject proposals that would unduly raise Medicare premiums or otherwise advantage private plans.

Second, the Senate bill assures affordable, comprehensive coverage to those with incomes below 160 percent of the federal poverty level or $15,472 for an individual in 2006. Generous and affordable coverage for this population is essential, given that most presently do not have access to a prescription drug benefit. The conference must assure that the generous assistance provided to low income beneficiaries is maintained and reject measures that would reduce the benefits presently accorded Medicaid recipients.

Third, we urge the conferees to include a mechanism that will ensure that all seniors have access to a prescription drug benefit, no matter where they live. The Senate bill assures that private plans interested in providing this benefit can do so and will be the preferred mechanism of delivery in every geographic locality; however, it is not possible to guarantee their participation. Therefore, it is necessary that the final proposal include a fallback mechanism, as we included in the Senate bill, that will ensure that beneficiaries will have access to the drug benefit in the event that private plans are not available in a region.

Finally, we caution the conferees against including provisions that will circumvent established congressional procedures or delegate responsibilities for establishing the benefit and cost-sharing requirements to the Secretary of Health and Human Services (HHS). The responsibility for developing and overseeing benefits included in the Medicare program rests with the Congress, and this bill should not violate that principle.

Enactment this year of a bill that adds a Medicare prescription drug benefit and improves the program is a top priority for each of us. America's seniors have waited too long for comprehensive drug coverage and the addition of market-based options. However, to achieve this goal, we must continue to work together to develop agreements that will receive bipartisan support in each chamber. In 1965, the original Medicare bill garnered this level of support and a change to the program of this magnitude should be no different.

We remain ready to help you address these and other issues that will impact the final proposal, and hope you will work with us to develop bipartisan proposals that we can support.

Sincerely,
OLYMPIA J. SNOWE,
ARLEN SPECTER,
MIKE DEWINE,
EDWARD M. KENNEDY,
JEFF BINGAMAN,
BLANCHE L. LINCOLN,
JAMES M. JEFFORDS.

[From the Bangor Daily News, Nov. 21, 2001]

HOBSON'S MEDICARE

Never have so many dollars been put to so little use. The $400 billion Medicare bill before Congress establishes what all sides agree is necessary—a prescription drug benefit—but blasts away at much of Medicare's foundation. It is a deal that makes all previously rejected Medicare reform look wise and generous by comparison. It is also the best deal the current Congress is likely to get.

The difficult calculation is this: Is a badly flawed bill that contains a needed drug benefit worth passing when the alternative is to reject it without the chance to enact improved legislation? The $400 billion has been set aside for funding this legislation; should it fail, the money would disappear and given the extent of the deficit for the next decade or more, would not be available next year; even in the unlikely chance a bill could be passed in an election year, or perhaps after that.

Much of the debate this week has focused on the plan's intent to establish privatization pilot projects—subsidized private insurers would offer Medicare in six metropolitan areas in competition with traditional Medicare—but other aspects of it are equally important and equally troubling. The means-testing provision in the bill, for instance, raises costs for middle-class seniors; reimbursements for medical residents harm clinic work; those who remain in traditional Medicare for the pilot program will see increases in their costs; states that could negotiate for their Medicaid-Medicare clients lose much of their bargaining power while also losing their federal support for the program. The fear remains strong among health care advocates that the entire reform is an attempt to cap the federal contribution to Medicare and shift future costs to seniors. Several of these problems are being debated now—Sen. Olympia Snowe has been in the middle of negotiations all week; imagine the time and argument that would have been saved had she been put on the conference committee. Some of these issues may be resolved but several are likely to remain as the House and Senate vote.

Some members of Congress do not support the bill for these many reasons; some don't support it because of its cost and relatively small nod toward privatization. But for those who believe a drug benefit is important and will become more important in the coming years, the choice is to vote yes and immediately set about chipping away at some of the worst aspects of the bill. This is a terrible way to build a health care safety net for the nation's seniors, but lamenting the process is not an excuse for allowing this opportunity to pass by without approving the drug benefit.

At 1,100 pages, the Medicare bill is too long and complex to describe it merely as a sop to industry (though pharmaceutical manufacturers should love it), an ideological document (though its medical-savings accounts are a GOP crowd-pleaser) or a broad expansion of entitlements (though the drug benefit is exactly that). It is fair to say the bill is a poor version of what should have been passed years ago and now that Congress is out of time and out of money, it is about as much as the public can expect.

Ms. SNOWE. In a letter that 43 colleagues sent, we expressed our strong opposition to this ideological venture. It is rewarding to note that significant changes were made that transformed the full-scale national premium support proposal into a limited bona-fide demonstration project, as seen in this chart.

Where once efforts centered on the wholesale national privatization of Medicare under a proposal that offered seniors zero protections from premium fluctuations, conferees shifted to crafting a bona-fide demonstration project.

Notably, this proposal exempts seniors from the demonstration who have incomes below 150 percent of poverty.

This bill includes a sunset that ends the demonstration project after six years, limits premium increases to 5 percent annually; and because the demonstration is phased in over 4 years, the actual impact to premiums is significantly less than 5 percent. In fact, the true cap on premiums during the first 4 years of the 6 year demo is only one-quarter of the five percent increase.

Further, under the initial proposal the premium increases would have compounded annually, which could have resulted in a net increase in the traditional Medicare premiums of over 30 percent during the 6 year project. But we worked with the conferees and even this component was removed so that the increases are not compounded.

Finally, we were able to secure support to include selection criteria that identifies qualifying MSAs. Sites must have at least 25 percent private plan participation and seniors living within the MSA must have access to at least two local private plans. Further, the demo must include—one of the largest MSAs—one with low population density—one multi-State MSA—and all must be from different parts of the country. Under this criteria, Maine will not qualify as a demonstration site.

According to CBO this criteria serves to limit the scope of the project to between 650,000 and 1 million seniors, as opposed to the proposal we addressed in our letter, which would have captured 10 million seniors.

Looking back it is remarkable how far this provision has come. Where discussion back in October once focused on the House-passed provisions that created a national premium support program, we now are considering a limited, bona-fide demonstration project that is a legitimate avenue for exploring new ideas to ensure the future of Medicare.

Looking back on the development of the Senate bill, many notions existed about how best to encourage private plans to participate in Medicare. But as we discovered, expectations about the impact and results produced by these proposals often were in conflict. With one proposal, while CMS predicted 43 percent of seniors would participate in private plans, CBO estimated only two percent. Yet at a later point, in considering a measure to establish a payment system for the MedicareAdvantage program, CBO estimated it would cost hundreds of billions of dollars, while CMS predicted it would save Medicare money.

Clearly, it is imperative that we first test proposals before sending Medicare down a path of change. To do otherwise would be to potentially imperil the very health care system seniors have come to reply upon.

So I am pleased that in the final analysis the premium support proposal that once threatened to unravel the very thread of Medicare has been reduced to a limited, focused, true demonstration project, which starts in 2010; is limited to 6 years; is limited to 6 MSAs that according to CBO captures only 1 million seniors; limits premium increases to 5 percent per year without a compounding affect; terminates the financial incentives offered to private plans under the MedicareAdvantage program; and protects seniors whose incomes are below 150 percent of poverty by holding them entirely harmless.

There is one place where this conference report fails to hold seniors harmless, and that is in the skyrocketing costs of prescription drugs which are increasing at a rate seven times higher than the rate of inflation and grew 16 percent between 1999 and 2002.

One effective means to reduce the cost of prescription drugs is through importation. Regrettably, this conference report perpetuates the status quo by insisting on maintaining the safety certification requirements that have to date made it impossible for either the former or current Secretary of Health and Human Services to certify the integrity of imported drugs. Yet one in eight American households already use imported prescription drugs, and according to William Hubbard, senior associate commissioner at the FDA, in his testimony before the House Government Reform Committee in June, there is "no evidence that any American has died from taking a legal drug from another country."

The FDA has a critical role to play in the Secretary's ability to certify the safety of imported drugs—and they're not fulfilling that responsibility. Rather than expending the resources to develop the tools necessary to improve safety, and thus open access to this medications, the FDA is instead directing their efforts to threaten consumers. This is astounding because we know we have the ability to improve safety. For a few pennies, anti-counterfeiting packaging can be used. We use it on a twenty dollar bill—a lifesaving prescription deserves no less. Further, drug manufacturers were mandated back in 1992 to track their products using a "pedigree", something which has yet to be enforced.

I challenged the FDA to commit itself to improve packaging and require better tracking to protect consumers, and maintain high confidence in the products of our pharmaceutical industry. The public cannot be held hostage to the seemingly never-ending increase in the cost of prescription drugs, and this a fight that will continue to be waged in the halls of Congress, our citizens deserve no less.

So taken in its totality, while I am disappointed with aspects of this legislation, passage of this legislation will be looked upon as a transformational moment in the history of the Medicare program, because now there will be no going back.

There will be no returning to the days when Medicare lived in the dark ages, oblivious to the fact that remarkable drugs were available to save lives, prevent disease, and halt the progression of disease.

There will be no returning to the days when many needed to be convinced that prescription drug coverage was even a topic worthy of serious debate in the United States Congress.

There will be no returning to the days when a quarter of our Nation's seniors struggled without any assistance whatsoever in paying for the prescription drugs that can be the difference between a decent quality of life—and life itself.

With this bill, we will finally pass the point of no return—and thankfully so. This bill—while far from perfect—is the new baseline, the new benchmark which future progress will be measured—and attained. To paraphrase Winston Churchill, in viewing this legislation, it is not the end. It is not even the beginning of the end. But it is, perhaps, the end of the beginning.

For all of these reasons, I will support this conference report, and I encourage my colleagues to do likewise.

Mr. McCAIN. Less than 5 months ago, I stood before the Senate and spoke at length of my concerns that such a package would be detrimental to the future solvency of our Nation, and leave future generations with a reckless and unjust financial burden. Since that time, members engaged in conference committee negotiations produced a voluminous package which represents the single largest expansion of Medicare since its creation, offering enormous profits and protections for a few of the country's most powerful interest groups, paid for with the borrowed money of American taxpayers for generations and generations to come.

Everyone here is well aware that Medicare faces enormous long-term fiscal challenges. In recent years, the program's financial state has worsened. The most recent Trustee's Report hastened the year Medicare will reach financial insolvency by four years to 2026. Adding a prescription drug benefit to an already failing Medicare, is like putting a band-aid on a patient that needs surgery.

Earlier today I mentioned several statistics which I believe are worth repeating. Today, our Nation has an accumulated deficit of $7 trillion—which translates into $24,000 for every man, woman and child in the United States. Making our bad financial condition worse, the Federal Government is estimated to run a deficit of $480 billion in fiscal year 2004.

Passing this bill continues our reckless spending. Although this package is estimated to cost just under $400 billion over 10 years, I guarantee you, $400 billion is merely a down payment. I don't believe there is one person here who honestly believes that $400 billion is the maximum we will pay in the next 10 years.

Additionally, this new package will substantially increase existing unfunded liabilities. The Office of Management and Budget estimates the current unfunded liabilities of Medicare and Social Security at $18 trillion. This new benefit will add an estimated $7 trillion in additional unfunded liabilities.

By 2020, Social Security and Medicare, with a prescription drug benefit, will consume an estimated 21 percent of income taxes for every working American. Adding a new unfunded entitlement to a system that is already financially insolvent, is so grossly irresponsible that it ought to outrage every fiscal conservative.

The American people deserve some straight talk. Passing this package, without implementing the necessary reforms to ensure that the Medicare system is solvent over the long-term, will simply expedite its failure. Clearly, it should be incumbent upon us to include comprehensive, free market reforms, into any Medicare prescription drug package in order to ensure that Medicare is financially sound for current beneficiaries as well as future generations. Unfortunately, this conference report represents a missed opportunity.

Medicine has changed substantially since the creation of the Medicare system in 1965. Advances in medical technology and pharmaceuticals have lead to more prescription-based treatments, and Americans now consume more prescriptions than ever before. In 1968, soon after the enactment of Medicare, American seniors spent about $65 a year on a handful of prescription medications. Today seniors fill an average of 22 prescriptions a year, spending an estimated $999.

The conference report before us represents one of the largest enhancements to Medicare since its creation—setting up an entirely new bureaucracy and establishing a sizable new entitlement program. I believe this bill attempts to addresses a real problem, but falls perilously short. We must have no illusions. There are dangers, complexities, and potential unintended consequences associated with this bill.

This legislation is without a doubt an enormous fiscal and social train wreck. Long after this Congress and this administration have left office our children and our grandchildren, and a future Congress and administration, will be left here to clean up the mess we have created with this bill.

I believe we have an obligation to future generations to start exorcizing some fiscal restraint. While our national debt rapidly mounts, we continue to increase the financial burden our grandchildren will have to bare, without reigning in costs. Unfortunately, this problem is exacerbated by our inability to put a stop to our excessive and wasteful spending, particularly egregious porkbarrel projects which Congress has become addicted to.

We are on a shopping spree with borrowed money. The extraordinarily large new entitlement package before us substantially increases the already enormous burden of current and future taxpayers. We have to stop living in denial, eventually the money has to come from somewhere and none of the options are desirable. The reality is, this new benefit will be funded by raiding other entitlement trust funds, through increasing our national debt, reducing benefits or through increased taxes. An expansion such as this is simply not sustainable.

For the enormous cost of this bill, the most alarming fact is that it won't even provide adequate prescription drug coverage or enact many of the significant measures needed to reform the Medicare system and ensure its long-term financial solvency. To save this system, we must enact true free market reforms and bring Medicare into the 21st century. Some provisions in this bill, including means testing Part B and expansion of health savings accounts, are a good start toward long-term reform. Unfortunately, these minor reforms do not outweigh the burden of the new unfunded drug benefit.

With future generations of American taxpayers funding the purchase of prescription drugs under Medicare, we have an obligation to ensure some amount of cost containment against the skyrocketing cost of prescription drugs. Unfortunately, however, this package explicitly prohibits Medicare from using its new purchasing power to negotiate lower prices with manufacturers. The Veterans' Administration, VA, and State Medicaid Programs use market share to negotiate substantial discounts. Taxpayers should be able to expect Medicare, as a large purchaser of prescription drugs, to be able to derive some discount from its new market share. Instead, taxpayers will provide an estimated $9 billion a year in increased profits to the pharmaceutical industry.

Prescription drug importation is another lost opportunity for cost containment. American consumers pay some of the highest prices in the developed world for prescription drugs, and as a result, millions of our citizens travel across our borders each year to purchase their prescriptions. In Arizona, bus loads of seniors depart from Phoenix and Tucson every week, heading south to Mexico to purchase lower cost prescription drugs. The story is similar across the northern border where seniors make daily trips to Canadian pharmacies.

Throughout the country an increasing number of seniors are looking to online pharmacies selling reduced-priced prescriptions imported from other countries, oftentimes with questionable safety. In all, Americans spend hundreds of millions of dollars on imported pharmaceuticals not because they don't want to buy American, but because they simply can't afford to. Although the conference report does contain language on drug importation, it has been successfully weakened to the point of guaranteeing that implementation will never take place.

The only provision contained in this package that has any potential to help rein in the cost of prescription drugs is a negotiated version of a bill Senator SCHUMER and I have championed for the last several Congresses. Regrettably, it is weakened from its original form. But, this language still represents a partial victory for consumers. It closes loopholes in current law that have allowed brand name drug companies to unfairly delay generic market entry, empowering generic firms to challenge patents and obtain certainty before risking market entry.

Given the difficult budgetary realities in which we live, this package should have been targeted to the most needy. Today, approximately 75 percent of seniors have some form of prescription drug coverage, but the package before us is a universal benefit, not one that targets those poor seniors who we all know make difficult decisions between life sustaining medicines and other basic needs. One of the ludicrous facts is that this new plan will spend an estimated $100 billion to cover the people who already have coverage. Goldman Sachs analysts estimate that this bill shifts a total of $30 billion a year in U.S. health care spending to the Federal Government.

Despite our differences of opinion over this legislation, virtually everyone involved agrees that in this country, there exists a serious crisis for lower and middle income seniors and the disabled. I believe it is an outrage that in a country as wealthy as ours, seniors across the country are struggling to afford the high cost of prescription drugs.

Here is some straight talk to America's seniors: For those of you who think this bill will solve your financial problems I am here to tell you, there are substantial limitations to the proposed legislation. This new prescription benefit will not be available immediately. In fact, it will take several years just to establish the new bureaucracy which will administer the prescription benefits.

Once this program is in place, an estimated 20 percent of seniors who are currently covered by former employers—2.7 million individuals—will lose that coverage. Over the summer, the Wall Street Journal quoted one analyst who called this bill the "automaker enrichment act," because companies will see huge reductions in unfunded liabilities and annual drug spending. It is unconscionable that our grandchildren will be shouldering the burden of legacy costs of big business.

Despite the enormous sums of money we are spending on this package, far too many seniors will find themselves with a benefit that is mediocre, at best. And far too many others will find themselves worse off than they are today. Many other seniors, might not even get out of the system what they will pay in deductibles and premiums.

I am concerned that we are about to repeat an enormous mistake. I have been around long enough to remember another large Medicare prescription drug entitlement program we enacted in 1988, Medicare catastrophic. The image of seniors angered by the high cost and ineffectiveness of that package attacking Rostenkowski's car, should be a cautionary tale to all of us.

The American people must be aware that this new package has substantial cost to seniors, to taxpayers and to the future generations who will bare the majority of the financial burden. We must be realistic, there will be unintended consequences of our actions. Moreover, we must be honest about the cost of this measure—$400 billion is merely a down payment for what we are creating. If we as a body decide to support this bill, we must also commit to fiscal responsibility.

Despite my concern for the overall package, several provisions will provide good fixes to the existing program and a better quality of life to many Americans. Several provisions benefitting our Nation's hospitals, will provide much needed assistance to hospitals in my State, particularly teaching hospitals, those in rural areas and those which suffer from the crippling burden of uncompensated care of undocumented immigrants.

I am, however, disappointed that the Immigrant Children's Health Improvement Act was dropped from the conference report. This bill would have reversed a 1996 law that prohibited States from extending State Medicaid and SCHIP Programs to legal immigrants.

The Wall Street Journal has called this bill "an awfully high price to pay for expanded Health savings Accounts," but I would call it legislative malpractice.

After much thought and careful deliberation, I regret that I cannot vote for this conference report. I have reached this conclusion, not because I believe our seniors and disabled do not need or deserve prescription drug coverage, but because I do not believe our country can sustain the cost of this package and because I fear that our actions will not provide adequate assistance to most beneficiaries.

Mrs. CLINTON. Mr. President, this is a sad day for seniors and a sad day for America. I have long fought for a prescription drug benefit, and I am truly disappointed that this bill fails to adequately address this need. Seniors deserve a comprehensive, reliable prescription drug plan. This is no such bill. It is a weak benefit meant to cover the true intentions of its authors—privatizing Medicare. In short, the bill Republicans are passing today is a wolf in sheep's clothing.

This bill, over time, will bring about the unraveling of the Medicare system, breaking a promise we made to our seniors. It does all this under the cloak of a prescription drug benefit that is far too small and far too weak to justify the negative side effects.

To illustrate how this bill begins the demise of Medicare and sets our Nation back in its effort to care for seniors, we need only to look at the years before Medicare, when the private market failed to adequately serve the elderly. This sicker, costlier population was an unprofitable group for private insurers to cover. It was impossible to take care of this pool and still keep premiums affordable. Before we passed Medicare in 1965, 44 percent of seniors were uninsured. Now 1 percent of seniors are uninsured—a lower rate than any other age group. Medicare does this by being able to spread the per-person costs across a large number of people to pool the risk.

This bill, however, fragments the risk pool and allows private plans to "cherry-pick" the healthiest seniors. Left behind will be a group of Medicare applicants that are far more expensive per person. This will create a two-tiered system and start an insurance cost death spiral that will unravel Medicare's financing. Medicare is a promise we made as a nation to guarantee seniors the health care they need in their golden years. This bill betrays that promise. And it does so under the false pretense of a prescription drug benefit. While promising negligible prescription drug coverage, this bill immediately puts benefits at risk for millions of seniors, including retirees, members of state prescription plans and those who are dual-eligible for Medicare and Medicaid—the poorest and the sickest. I voted against this bill for these reasons, and because these flaws will particularly harm New Yorkers.

This bill contains little to prevent employers from dropping retiree coverage. That will disproportionately affect New York, which has a higher percentage of seniors with retiree health than other States. In New York State, 36.5 percent of Medicare beneficiaries have retiree coverage compared to a national average rate of 31.8 percent. Over 200,000 Medicare beneficiaries in New York will lose their retiree health benefits under this bill.

This bill will also reduce drug coverage for the lowest-income and sickest Medicare beneficiaries—those dually eligible for Medicare and Medicaid. In a cost-savings provision, this bill will ban Medicaid from filling in the gaps in coverage by prohibiting Medicaid dollars from covering prescription drugs not covered by the new Medicare drug plan. This could hurt 6 million nursing home residents, people with disabilities, and truly indigent seniors nationwide, and over 400,000 in New York alone.

This bill also fails to protect seniors who hope to stay in state prescription drug plans, like New York's EPIC. Unless corrected, this bill will force EPIC to comply with private drug plans preferred drug list, hampering EPIC's ability to "wrap around" Medicare and supplement the drug coverage. The state legislature will be forced to change the law and the design of EPIC to continue to program.

Retirees, dual-eligible and state plan participants are not the only losers in this bill. The premium support provision will also hurt seniors in various regions selected for this experiment. These seniors will incur a surcharge in their Medicare premiums others will not have to pay. The seniors who want to stay in traditional Medicare but fall in a metropolitan area chosen for the premium support "demonstration" will have a 5 percent surcharge over their counterparts in other States. In the future that surcharge could spike to 88 percent if the "demonstration" is expanded to a full-premium support privatization effort. New York seniors in Rochester and Buffalo are at risk of being treated in that discriminatory manner. New York State also has two other Metropolitan Statistical Areas—Albany-Schenectady-Troy, and Glen Falls—that face the possibility of being chosen and whose seniors are therefore at risk of having to pay more in Medicare part B premiums than other seniors in the U.S.

The bill also hurts seniors and individuals with disabilities by raising every Medicare beneficiary's deductible for physician services immediately, before seniors and people with disabilities even receive any benefits. Yet it fails to deal with the rising price of prescription drugs. It guts re-importation, weakens the generic provisions, and goes through the most unimaginable contortions to undermine government bargaining power, or any other checks on skyrocketing prescription drug prices. At the same time it places a 45 percent general revenue trigger on overall Medicare spending. This puts existing non-drug benefits in jeopardy by placing an arbitrary lid on spending and allowing drug-related spending to grow uncontrollably. That means other Medicare benefits will get squeezed into tighter and tighter fiscal constraints. If they can't fit those constraints, this bill forces those existing benefits onto the chopping block year after year.

I and many of my colleagues have expressed concerns, not just with aspects of this bill, but with the appalling process with which it was thrust upon us. As complex and confusing as this bill is, the senate discussed it for less than a week now. We have not been given ample time to understand this bill, and our constituents have not been given adequate time to discern how it will affect their lives.

Fortunately, there are some provisions included that I support. I am very glad to see that this bill stops the damaging cuts to physician payments and provides a small increase to physicians instead. I am pleased that the bill includes between $300 and $400 million for rural and small community hospitals and health providers in New York, while also providing additional funds for public and other hospitals who serve a disproportionate number of uninsured or Medicaid patients. And while I would have liked to see all teaching hospital cuts averted, I am pleased that at least some improvements were made for graduate medical education, since New York State trains many of the graduate physicians in the nation. This bill also includes a version of Senator SCHUMER's proposal, which provides greater market competition for generic drugs. And finally, this bill contains a proposal that I offered as an amendment on the Senate floor—the comparative effectiveness research provision. This will assure that we spend money on drugs that are most effective, not just the ones that are most advertised.

These positive provisions, however, should have been attached to a good bill. They are not enough to justify undermining the promise of Medicare. I believe New York deserves a better bipartisan alternative than the one that passed today, and I will continue fighting this year, as well as in years to come, to correct the deficiencies I've described today so that Congress might deliver on the long-awaited promise of a simple, affordable, comprehensive prescription drug benefit for all seniors.

Like so many other pieces of legislation we have witnessed in the past two and a half years, this bill is designed to please special interest and not the public. It will be a benefit to drug manufacturers. And it will be an benefit to private insurance providers. They are the big winners here, and that's not right.

We need a bill that will benefit seniors. They deserve a benefit that is comprehensive, wide-ranging, and reliable. Today's bill is mainly a bill to privatization of Medicare. And it's not only seniors who will be harmed. All Americans, young and old, will deal with the financial and medical consequences of this bill for years to come. This is a bad bill for seniors and a bad bill for America.

Mr. JOHNSON. Mr. President I rise today, conflicted about the conference report now before this body. Shortly, my colleagues and I will be faced with making a very important decision regarding whether or not we think this Medicare conference report is good enough for America's seniors. This is not a simple task as there are so many moving parts, each with its own implications.

The Senate bill, which I supported was not perfect. While it had its flaws, it represented a bipartisan effort and a first step towards providing the kind of prescription drug coverage seniors need. With the conclusion of that vote, I remain cautiously optimistic that conferees would be able to deal with some of the inherent problems in that bill. I was hopeful that conferees would find a way to eliminate or come very close to eliminating the employer-sponsored retiree coverage drop problem. I was hopeful that conferees could maintain the level playing field between traditional Medicare and private plans. And I was optimistic that progress could be made on reducing the high cost of prescription drugs that Americans pay compared to the rest of the world.

I was hopeful and confident, but I must unfortunately report today that those feelings are now all but entirely lost. I am discouraged that my colleagues on the other side of the aisle abandoned the bipartisan spirit of the conference committee. Senator DASCHLE, who has always been a strong leader on this important health care access issue, as well as many other Democratic members, had been completely shut out of the conference committee. This is a very unfortunate circumstance, and the result today is obvious.

It is obvious because now we are faced with a conference report that does not represent a fair balance between the strong Senate bill and the bill passed by a 1-vote majority in the House. Rather, today we have a conference report that moves to privatize Medicare, actually prohibits the government from negotiating lower drug prices, and puts rural and chronically ill seniors at risk of suffering higher premiums than their urban and healthier counterparts. All of these things weigh on my mind as I think about this very important vote.

And I am especially frustrated that the majority has intentionally held the rural provider package hostage. This package should have been passed with the tax bill, but President Bush made a convenient promise to our Republican friends to address this issue in the context of the Medicare prescription drug bill and they have now created the illusion that a no vote for this bill equates to a lack of support of rural provider payment equity. Well, this is simply not true. Many of my colleagues on the Rural Health Caucus have worked tirelessly over many years to achieve payment equity for our providers. I would like to thank all members of our caucus, and especially Senator HARKIN for his hard work on this issue. I have long supported these important provisions, which were all contained in the better Senate-passed bipartisan bill.

And while I am pleased that the Senate bill's rural provider package has made it into the conference report, I am very concerned about the actual drug benefit. While the conference report appears to do a pretty good job of addressing the prescription drug needs of many low-income beneficiaries, most seniors, especially those above 150 percent of poverty will be expecting much more than what they will receive under the program. This will be a shocking wake up call for many around the country when the plan finally reaches them in 2006.

Not only will seniors across the country experience varied premium rates and benefits, but many seniors will not break even under the plan, spending more in premiums, copayments and deductibles than the value of the drugs they need in a given year. In South Dakota, about 16.6 percent of the Medicare population will fit in this category. This is not what seniors are expecting and they should know this right away—up front.

Additionally, many beneficiaries will hit the coverage gap and remain there for a long period of time in any given year. In my home State, approximately 24.4 percent of seniors will hit the coverage gap of $2,250 but never reach the catastrophic level of $5,100, meaning they wind up paying 100 percent of their drug costs or $2,850 while continuing to pay a monthly premium to their PPO or drug-only plan. I know that South Dakotans will be saying to me in the fall of 2006 that rather than pay for a deal like that, they might as well just take a bus trip up to Canada to get their drugs for a much cheaper deal.

In addition to these less than ideal benefits, I am angered that this bill does almost nothing to constrain the rising cost of prescription drugs. I am pleased that provisions have been included to speed access to lower priced generics, however beyond that, it is blatantly obvious that many have gone to great lengths to establish roadblocks against real price reform. The conference report disallows the Secretary any real authority to negotiate for lower priced drugs for the 41 million seniors that will be eligible for this program. This is the real tragedy in this conference report of which people across America must be made aware.

Disturbing are the estimates that the pharmaceutical industry will experience windfall profits of at least $139 billion dollars over eight years as a result of this new program. Our friends on the other side of the aisle talk of "free market" and "fiscal discipline" but went far beyond turning the other cheek when they struck the Senate's reimportation provisions that disallowed drug manufacturers to restrain their exports to other countries. This is not free market colleagues and such excess will eventually threaten the viability of the Medicare Part D prescription drug benefit.

I am also concerned that while conferees have provided some dollars in the final report to address the loss of employer-sponsored retiree drug coverage, we have only partly addressed this problem. I was pleased to see that conferees allotted funds to address this issue in part. And while the conference report reduced the drop rate by about 14 percent, 23 percent of seniors will still lose the generous retiree coverage they now enjoy. Additional dollars were available in the budget to further reduce this number. Unfortunately, conference leadership chose to spending billions on health savings accounts, which have nothing to do with Medicare or the prescription drug benefit, and only serve to help healthier and wealthier Americans save money on the costs of their health care. I find this very disappointing and, frankly, unacceptable.

There are countless others in my State and across the country that are left out under the so called "agreement" before us. In South Dakota, 14.1 percent of Medicare beneficiaries are also eligible for Medicaid. These "dual eligibles" were protected under the Senate bill by maintaining their generous Medicaid coverage. Under the final version, those individuals will suffer higher copayments and will run the risk of losing access to important life-saving medications if a particular drug is not covered on their new Medicare drug formulary. Additionally, in my State thousands fewer seniors will not qualify for the low-income protections because the conference report reduced the poverty threshold from 160 percent as was in the Senate bill to 140 percent, as well as instituted a strict assets test for low-income benefits.

Of most concern to seniors in rural South Dakota will be the proposal's heavy reliance on managed care. In my home State, currently there are no beneficiaries enrolled in the Medicare+Choice program. If we take lessons from that fact, one that is mirrored in many rural states, we must conclude that the managed care options in this conference report are not likely to have much success in those areas.

The Senate bill did contain a strong fallback provision which would have provided real choices to rural seniors. Under the bill I supported, if two "prescription drug only plans" of PDP's were not available in a given region, seniors would have the choice to select a government-run fallback option. It is my understanding that under the conference report that guaranteed fallback trigger is restricted because only one PDP and one managed care plan are required to prevent the fallback from being made available.

This scenario means that a senior in South Dakota has to choose between two bad options: be forced into a managed care plan and lose the choice of their doctor to achieve affordable drug prices, or join the only PDP plan in the region that enjoys a captive market which allows them to charge whatever premium they desire. The managed care plans under this conference report will be able to achieve lower prices for seniors because they will enjoy over $12 billion in slush fund money from a so called "stabilization fund" that is included in the conference report language. These are not options or choices nor do they represent a level playing field for traditional Medicare, and I fear they will hurt rural America and represent the first steps in a scheme being pushed by this Administration to fully privatize the Medicare program.

With a budget allocation of $400 billion this year for a new Medicare drug benefit, Congress had a great opportunity to reach a long awaited goal. The bill I supported in the Senate was the start in the right direction towards meeting that goal and I am so disappointed that what is before us today has taken far too many steps in the wrong direction. Colleagues, seniors deserve better than this and I deeply regret I cannot support this conference report.

Mr. KYL. Mr. President, today I discuss the energy conference report, and begin by commending the Chairman of the Senate Energy and Natural Resources Committee for his tireless work to pull together such a comprehensive measure. The energy conference report attempts to improve our Nation's energy supply and reliability, and for that it should be praised. Unfortunately, it also contains numerous provisions that will distort competitive markets for energy through subsidies, tax breaks, special projects, mandates and, last but not least, outlandish amounts of Federal spending.

Mr. President, I have been particularly interested in the provisions in the electricity title that are designed to restructure our electricity markets. Some of my colleagues have been tempted to move immediately to completely unregulated electricity markets; others favored imposing a more stringent regulatory regime as a result of problems in California.

Representing Arizona, I was well aware of the problems stemming from the California energy crisis, but cannot agree with those who say the solution is to return to a command-and-control regulatory structure. I continue to believe that the most efficient way to allocate resources is through competitive markets. The chairman has done an admirable job of trying to encourage competitive markets while making sure that consumers continue to pay the lowest possible price for energy resources.

There are several provisions in this bill that hit the right balance for our electricity policy. The legislation repeals the Public Utility Holding Company Act of 1935. As we all know, our energy markets have evolved significantly since the era of the Great Depression. State regulators are smarter, more well-equipped, and able to protect consumers from the ills that gave rise to the Public Utility Holding Company Act of 1935 nearly 70 years ago.

I am also pleased that the conference report has found the right balance with respect to delineating the jurisdictional reach of the Federal Energy Regulatory Commission, FERC. As a Senator from the West, I've been frustrated by FERC's effort to impose a mandatory "Government knows best" one-size-fits all standard electric market design, or SMD, on all regions of the Nation. This proposal has drawn severe criticism from the West and other regions of the country, as being unworkable and potentially disruptive to the functioning of our vital electricity infrastructure, all to the detriment of consumers. This criticism comes from a broad spectrum including State regulators, industry representatives and consumer groups, all of whom express concerns about the inflexibility of the SMD requirements, the untested nature of many of them in regions without a history of RTO operations, and the potential cost burdens on electricity consumers.

Normally, one would have expected an agency like FERC to respond to such comments at a minimum by delaying its SMD proposal, or proposing a more measured approach, both in scope and mandatory application. Instead, FERC has indicated it will proceed with the fundamentals of SMD. As a result, Congress has been forced to take the unprecedented step of mandating a pause in SMD, through 2006, to enable those involved in this critical industry to assess how to proceed. It is unfortunate that Congress must, in effect, admonish a Federal agency in this way; but we have an obligation to see that an agency Congress created proceeds in the deliberate and thoughtful manner that the issue demands.

I hope that FERC follows both the spirit and the letter of this law. The

Senate will be watching to make sure that FERC does not move forward on SMD by changing its name to WMP, or using a different legal basis, such as just and reasonable rates, rather than discrimination. Change your agenda, FERC. Don't waste our time by forcing us to save the electrical industry from your zeal to regulate, whether with a standards of conduct rulemaking, a supply margin assessment test, or a yet to be designed mistake.

For example, the standards of conduct rule, as proposed during the SMD development period, represents a direct attack on the internal organization of vertically integrated utilities. Before the proposed rule is finalized, it must be amended to eliminate elements that parallel the SMD proposal. The assertion of jurisdiction over retail sales of vertically integrated utilities is clearly within the scope of SMD.

We understand that FERC has and will continue to have matters before it that may also involve issues raised in the SMD NOPR. We have proposed savings provisions in the bill that are intended to permit FERC to resolve those issues when they arise. However, the savings provisions do not detract from the clear mandate that FERC not act prior to the end of 2006 on SMD or any rule or order of general application within the scope of the proposed SMD rulemaking.

I have often expressed my concern with what some industry officials have termed a jurisdictional reach by the Federal Energy Regulatory Commission into the delivery of power to retail customers. The service obligation amendment that I worked on with the chairman has been included in this package, and I believe it provides a commonsense way to promote competitive markets while preserving the reliability that retail electric consumers expect and deserve. In its actions governing access to transmission systems, FERC has not adequately ensured that the native load customers, for whom the system was constructed, can rely on the system to keep the lights on. The bill adds a new section 217 to the Federal Power Act to ensure that native load customers' rights to the system, including load growth, are protected.

It is also worth noting that the conference report expands jurisdiction over those stakeholders in electric markets that were previously unregulated by the FERC. The FERC-lite provision that addresses the Federal Energy Regulatory Commission's efforts to provide open access over all transmission facilities in the U.S. again, in my mind, strikes the right balance. It requires FERC to ensure that transmission owners—whether they are municipal utilities, power marketing administrations, or electric cooperatives—deliver power at terms that are not discriminatory or preferential. However, this provision is limited and does not give FERC the ability to begin regulating the rate-setting activities of these organizations. If FERC finds fault with the transmission rates of such an organization, the bill provides that FERC will remand the rates to the local rate-setting body for reconsideration. FERC-lite does not confer further authority to FERC over public power systems. FERC cannot order structural or organizational changes in an unregulated transmitting utility to comply with this section. For example, if an integrated utility providing a bundled retail service operates transmission distribution and retail sales out of a single operational office, the commission cannot require functional separation of transmission operations from retail sales operations.

I would also like to mention the new refund authority provision in the bill. I understand that the purpose of the new section 206(e) of the Federal Power Act is to permit FERC to order refunds where a governmental entity voluntarily enters the wholesale market and acts egregiously. Section 206(e) gives FERC authority to order refunds where a governmental entity voluntarily enters a FERC-regulated market, makes short-term wholesale sales and violates FERC's substantive rules of general applicability governing other sellers into that market. Section 206(e) provides a means to correct market abuse; it is not meant to be a back door to full FERC jurisdiction over governmental entities.

The chairman should also be commended for what is not in this bill. I note that there are some who wanted to include a renewable portfolio standard. I commend the chairman and the Chairman of the Budget Committee for convincing fellow conferees that a renewable portfolio standard would be costly and yield few benefits. I am also pleased that the chairman saw the wisdom of not including a climate-change provision.

Gratifying, as well, is that the conference report has not pursued a command-and-control approach with respect to regional transmission organizations, or RTOs. I believe the best approach, which is captured in this conference report, is for FERC to provide incentives to encourage membership in RTOs and independent system operators. As lawmakers, we need to be sensitive to the policy changes we propose and how the laws we draft will affect Wall Street and the markets, and we must make sure we promote the investments that are needed. This is a prime example of how the conference report has sought to advance policies to which the investment community can respond favorably.

Related to the need to give clear signals to the investment community, I believe that the participant-funding provisions have placed FERC in the appropriate role of providing incentives to invest in transmission infrastructure. As a member of the Energy Committee, I have heard countless hours of testimony on the Nation's transmission grid being woefully underfunded, and the urgent need for significant upgrades to meet energy demands in the future. The provision on participant funding address this need and gives FERC the appropriate instructions to adapt methodologies for particular regions.

As I have said, some important provisions of this conference agreement have much to recommend them. Still, I find the bill's many tax subsidies—most in the form of tax credits—to be irresponsible, unnecessary, and inefficient. There are just too many of them to permit me, in good conscience, to vote for this bill.

My overarching concern has to do with the use of tax credits by the government. The Federal Government uses tax credits to induce individuals or businesses to engage in favored activities. This can distort the market and cause individuals or businesses to undertake unproductive economic activity that they might not have done absent the inducement. Tax credits are really appropriations that are run through the Internal Revenue Code, the Code, and are a way to give Federal subsidies, disguised as tax cuts, to favored constituencies. It is something we should do sparingly—very sparingly. While tax credits can be effective in encouraging activities we consider laudable for one reason or another, I believe that, as stewards of the taxpayers' money, we must only support those credits that provide broad benefit to all taxpayers and that are worth the revenue they will cost the Federal Treasury.

I do not believe that any of the tax credits in the conference agreement meet these tests. Let me highlight three particular provisions. The conference agreement extends and expands the credit provided in section 45 of the Code. This credit is available on a per-kilowatt-hour basis for energy produced from wind, solar, closed-loop biomass, open-loop biomass, geothermal, small irrigation, and municipal solid waste. I believe that the credit for wind energy should have sunset several years ago. Wind energy has been provided this credit since 1992 and if it is not competitive after a decade of taxpayer subsidies, it will never be competitive. In 2001, the wind industry was in fact touting its great success and competitiveness with other forms of energy, but here we are extending the wind credit for 3 more years. All of the credits I just mentioned, except wind and closed-loop biomass, are eligible for the credit for the first time in this bill. I wager that we will still be paying for the "temporary" advantage being given to these new energy forms a decade from now.

Let me point out that it's good that the conference agreement calls for a study of the section 45 credits. If we are going to spend more than $3 billion on these credits, we should at least know whether they are having a positive effect and whether these forms of energy will ever be able to survive without a taxpayer subsidy. A 2002 Cato Institute study suggests that section 45 is not worth the expense; some economists estimate that the cost is double the benefit.

Another of the credits provided in the agreement is the tax credit for biodiesel fuel. In addition to questions I have about the need for this credit, I have heard concerns from companies located in Arizona that this credit might have unintended results, including affecting market prices for tallow and glycerin, which are byproducts of biodiesel production. I strongly encourage the Finance Committee staff to closely monitor whether and how the biodiesel credit affects the market prices for these products.

Finally, the conference agreement provides tax credits for the purchase of a new qualified fuel cell, hybrid, or alternative fuel motor vehicles. I have grave concerns about this provision and I refer my colleagues to Arizona's disastrous experience with its alternative fuel vehicle tax incentives. The program could have cost Arizona half a billion dollars—11 percent of the State's budget—if it had not been repealed. When proposed, the cost of the program was projected to be only between $3 million and $10 million—less than 10 percent of its true cost. The Joint Committee on Taxation estimates that the provision in this conference agreement will cost $2.23 billion over 10 years. While I appreciate that the Finance Committee incorporated several changes to reflect lessons learned from Arizona's experience, I seriously doubt we can be confident about the revenue estimate for these provisions of the conference agreement. That's why I am particularly disturbed that it deletes a requirement that was in the Senate bill for a study of the credits. Such a study could have given Congress important information about how much the credits are costing, how effective they are at encouraging the purchase of alternative fuel vehicles, and how long the credits will be needed.

Beyond the issue of tax credits, I would also like to say a word or two about the tax provisions that were included in this legislation that I believe have merit. These generally have to do with assigning more realistic depreciation recovery periods to various energy-related investments. For example, the agreement assigns a 7-year life to natural gas gathering pipelines and a 15-year life to natural gas distribution lines. I strongly believe that the Code requires a great many investments to be depreciated over too long a time period, so I am pleased the agreement begins addressing this problem.

Next, I want to discuss an issue that I had hoped would be addressed in the conference report that will accompany the agreement, but that was not included. I had hoped that one aspect of the transmission issue would be addressed in the conference with some simple report language. That issue has to do with the electricity supplied in the evolving marketplace by publicly owned utilities. Unfortunately, the conference report does not address this issue and I raise it now as something I hope the Treasury Department will address.

A significant goal of this bill is to foster open access to the greatest extent possible. However, in recognition of the limitations imposed by section 141 of the Code, the electricity title provides that States and municipalities may not be ordered to provide transmission services in a manner which would result in any bonds ceasing to be treated as obligations the interest on which is excluded from gross income.

As my colleagues may know, the applicable Treasury regulations are flexible in applying section 141 where transmission facilities are operated by an independent transmission operator, ITO, approved by FERC. The Treasury regulations, however, are significantly less flexible for other open access transmission where the facilities are not operated by an ITO. In addition, the conferees are aware that final regulations relating to the allocation of private business use to facilities and portions thereof financed with funds other than tax-exempt bond proceeds prior to allocating such private business use to tax-exempt bond proceeeds—the "Equity First" rules—have not been issued, although an advance notice of proposed rulemaking has been issued.

Accordingly, in recognition of the purposes of the act, I would ask the Treasury Department to strongly consider: (1) Amending the regulations or providing other general guidance relating to the use of transmission for open access to provide the same degree of broad flexibility whether or not the facilities are operated by an ITO, and (2) issuing proposed and final regulations relating to Equity First for output facilities as expeditiously as possible, taking into account the public comments submitted.

Fleixible guidance on both these points would greatly assist the Nation's publicly owned utilities in contributing to the reliability in the electricity grid that this bill seeks to implement.

Now for ethanol. The ethanol provisions of the conference report are truly remarkable. They mandate that Americans use 5 billion gallons of ethanol annually by 2012. We use 1.7 billion gallons now. For what purpose, I ask, does Congress so egregiously manipulate the national market for vehicle fuel? No proof exists that the ethanol mandate will make our air cleaner. In fact, in Arizona, the State Department of Environmental Quality has found that more ethanol use will degrade air quality, which will probably force areas in Arizona out of attainment with the Clean Air Act. Arizonans will suffer. Furthermore, according to the Energy Information Administration, this mandate—costing between $6.7 and $8 billion a year—will force Americans to pay more for gasoline. Nor is an ethanol mandate needed to keep the ethanol industry alive. That industry already receives a hefty amount of Federal largesse. CRS estimates that the ethanol and corn industries have gotten more than $29 billion in subsidies since 1996. Yet, this bill not only mandates that we more than double our ethanol use, but provides even more subsidies for the industry—as much as $26 billion over the next 5 years.

Professor David Pimentel, of the College of Agriculture and Life Sciences at Cornell, has studied ethanol. He is a true expert on the "corn-to-car" fuel process. His verdict, in a recent study: "Abusing our precious croplands to grow corn for an energy-inefficient process that yields low-grade automobile fuel amounts to unsustainable, subsidized food burning." It isn't efficient. The fuel is low-grade. And what is more, Congress, by going in for "unsustainable, subsidized food burning," will impede the natural innovation in clean fuels that would occur with a competitive market, free of the Government's manipulation. These ethanol provisions, alone, dictate that I vote against the bill.

So, in conclusion, while this bill includes several meritorious provisions, especially those negotiated by Chairman DOMENICI, I must vote against it because of the $24 billion in tax subsidies and the bill's irresponsible manipulation of the energy markets through an ethanol mandate.

Mr. CONRAD. Mr. President, I support the Medicare conference report that is before us.

This was not an easy decision, because the conference report is far from perfect, but I believe it is the right decision for three reasons.

First, most basically, the bill provides $400 billion to add a voluntary prescription drug benefit in Medicare. Prescription drugs are an integral part of modern medicine. Yet they are not covered by Medicare today. No other health insurance program in this country today fails to cover prescription drugs. It is long past time to add drug coverage to Medicare.

The bill before us creates a voluntary prescription drug benefit in the Medicare program starting in 2006. Here's how it would work. Those beneficiaries who choose to sign up for this benefit will pay a premium estimated to average $35/month starting in 2006. Beneficiaries would then have to meet a deductible of $250 in out-of-pocket spending on prescription drugs. Above $250, Medicare will pay 75 percent of the next $2000 in drug costs. Then, the benefit cuts off. Medicare will pay nothing until the beneficiary has paid an additional $2850 out-of-pocket. Beyond this gap in coverage, Medicare will then pay 95 percent of all additional drug costs.

Obviously, this is not a perfect drug benefit. It is not the drug benefit I would have designed. And it is going to fall short of many seniors' expectations. The simple reality is that one cannot produce a comprehensive drug benefit that looks like the private health insurance coverage most Americans are used to for just $400 billion.

But the $400 billion in drug benefits provided by the conference report will mean a significant improvement in health coverage for millions of seniors across the country. It will provide a meaningful—if imperfect—benefit to seniors who currently have no coverage, and it will offer more comprehensive coverage and catastrophic protection to seniors who currently rely on medigap plans. This is a step forward. If we do not pass the bill before us today, seniors could be forced to wait years before we get another opportunity to update the Medicare Program. In my view, we need to take this opportunity to lock in a prescription drug benefit now. We can come back later to fill in the gaps in coverage and fix the other troubling provisions of this bill.

Second, the bill provides a very generous benefit for low income seniors—those with incomes below 150 percent of the Federal poverty level, or about $13,470 for singles and $18,180 for couples. Seniors in this category—about 40 percent of the seniors in my State—will not face a gap in coverage. They will get the vast majority of their drugs covered, with minimal out-of-pocket costs. In addition, they will get a $600 annual credit toward their drug costs in 2004 and 2005 before the main drug benefit takes effect. These low income seniors by definition are the ones who most need help paying prescription drug costs.

In particular, all seniors with incomes below the Federal poverty level—about $8,980 in annual income for singles and $12,120 for couples—will pay no premium. They will pay no deductible. They will have no gap in coverage. They will pay just $1 for generic prescriptions and $3 for brand-name drugs.

Those with incomes up to 135 percent of the poverty level and less than $6,000 in countable assets will also pay no premium. They will pay no deductible. They will have no gap in coverage. And they will pay only $2 for generic drugs and $5 for most brand-name medications.

Those seniors with incomes above these thresholds, but still below 150 percent of the poverty level, will pay a sliding scale premium based on income. They will pay a $50 deductible. And they will pay 15 percent coinsurance on all their medications, until their drug costs reach $3600. After that, they will pay only 5 percent coinsurance. Seniors who qualify for any of these low income benefits will get an extremely generous drug plan. In my view, this benefit alone is a very significant achievement.

Third, the bill includes a whole host of rural provider provisions that I authored or coauthored. Currently, rural areas face huge payment disparities. For example, Mercy Hospital in Devils Lake, ND, gets paid just half as much as Our Lady of Mercy Hospital in New York City for treating exactly the same patient with exactly the same illness. Yet hospitals in North Dakota don't pay half as much for equipment as their urban counterparts. And rural hospitals have much smaller patient loads over which to spread their costs. As a result, rural hospitals are on the brink of financial failure. These hospitals are critical economic anchors in their communities. Other rural health care providers, from clinics to home health to ambulance services, face similar payment inequities. This bill will go a long way to eliminating some of the Medicare funding inequities that have hurt rural health care. It will help make sure rural Medicare beneficiaries continue to have adequate access to health care.

Specifically, this bill will close the gap in standardized payment rates, which will ensure rural hospitals' base payments are equal to those of urban providers. The legislation also takes important steps to address inequities in the wage index system, which is intended to account for labor costs. And it provides a new, low-volume adjustment payments for facilities serving the smallest communities in the state. In addition, the Medicare bill includes important provisions to improve the Critical Access Hospital Program. Today, about 28 hospitals in my state have this designation. This bill will place them on sounder financial footing.

Along with the provisions to assist North Dakota hospitals, the Medicare bill will also address payment inequities experienced by our physicians and will ensure they do not face payment cuts in the coming years. There are also new adjustments for home health care providers and ambulance services. I hope these provisions will make a real difference in their ability to continue providing quality care across our state. In total, this part of the bill is a very significant victory for rural America.

For these three reasons, I have concluded that we should pass this bill, but we should not oversell it either. As I noted at the outset, this bill is—in many respects—very disappointing. Quite simply, it could and should have been a much better bill.

Democrats in the last Congress put together a prescription drug bill that I was proud to sponsor. It provided a good drug benefit to all seniors. It did not have any gaps in coverage, where seniors would continue to pay monthly premiums but get no assistance from Medicare with their drug benefits. It did not rely on creating a whole new type of insurance plan to meet the drug needs of seniors. Instead, it used the delivery mechanism that the private sector uses to provide drug coverage. It was a bill that would have provided much more comprehensive prescription drug coverage to seniors at a reasonable price. Compared to what we have before us today, it was simple and easily understandable for seniors. It did not have a complex scheme of differing copayments, coverage gaps, and premiums. But that bill was blocked by Republicans.

This year, the leadership on the other side appears to have put ideology and special interests ahead of the interests of seniors in crafting many of the details of this drug bill. As a result, seniors will be facing an untested delivery model that may not provide the advertised benefits at the advertised prices. The simple fact is that there is no such thing as a private, drug-only insurance plan in the commercial insurance market anywhere in this country. They just do not exist. By contrast, we have a proven, successful delivery model in the traditional Medicare program. It works just fine in providing medical and hospital coverage to seniors today. Yet, in drafting this bill, the authors insisted that the plan rely on untested private, drug-only insurance plans. However, it is possible that no such plans will materialize. Or they may be highly unstable—entering a region one year, just to turn around and leave the next year if they are not making a profit.

In my view, it is a serious mistake to set up a system that could force seniors to change drug plans every year. Under this approach, each year seniors could face a different premium, different coinsurance charges, and different lists of covered drugs. I think seniors will be very surprised to learn that they will not have the same benefit from year to year. During consideration of the Senate version of this bill, I fought to correct this plan. My amendment would have allowed seniors to stay in a government-sponsored back-up plan if they liked it. But that effort was rejected by those who insist—in a triumph of hope over experience—that private drug-only plans will work even though they do not exist today.

In the conference, the option was further scaled back to make it even less likely that seniors can choose a stable, government sponsored backup. The Senate bill required that seniors be given the option of enrolling in the so-called fallback plan if they did not have at least two private drug-only plans to choose from. But the conference report will not give seniors the fallback option if there is just one private drug only plan available, so long as there is also a managed care Preferred Provider Organization plan in the region. I fear that this will give seniors an unpalatable choice if they want access to drug benefits. Either they will have to join a PPO that restricts their access to health care providers of their choice, or they will have to join the one private drug-only plan even if it charges excessive premiums.

That brings me to another area that I think will be a surprise to seniors: the variation in premiums. The authors of this bill like to talk about how the premiums will be $35 a month. But what they don't tell seniors is that $35 a month is just an estimate. Individual drug plans will have premiums that can vary substantially. If the drug plan's projected cost for delivering the benefit is only slightly higher than the national average—a real concern in many areas—the premium would be substantially higher than $35 a month. I think seniors will be very surprised to learn that their premiums may actually be as much as $45 or $50 a month instead of the $35 that has been advertised. These differences will be compounded because monthly premiums will increase each year in line with the increase in prescription drug costs.

The thing about this bill that might be the biggest surprise for seniors will be the coverage gap, sometimes called the donut hole. The authors of the bill understandably don't want to advertise this gap in coverage. Many seniors probably don't even know that it exists. But when they hit this gap in coverage, they are going to be mighty surprised. The will discover that Medicare isn't covering one penny of their drug costs even though their monthly part D premium keeps coming out of their Social Security checks. And they're going to be doubly surprised when they find out that the gap isn't a little more than $1000 wide, but is closer to $3000.

The authors of the bill like to talk about a coverage gap from $2250 in drug costs to $3600 in drug costs. When you read the fine print, you learn that the real gap is from $2250 to $5100. That's because the $2250 counts all drug costs, by both Medicare and the beneficiary. But the $3600 counts only spending by the beneficiary. When total spending hits $2250, the beneficiary has paid $750—the $250 deductible and 25 percent coinsurance on the amount from $250 to $2250. So Medicare won't pay another dime until the beneficiary has paid an additional $2850 out-of-pocket.

Some who are watching might ask, Who in their right mind would design a drug benefit that starts, then stops, then starts again, the way this one does? Why does the benefit have this gap in coverage? The answer is simple: money. It would cost tens of billion of dollars to close this gap. The folks on the other side of the aisle made tax cuts for the wealthy a higher priority than a prescription drug benefit for middle income seniors. As a result, they didn't have enough money left over to provide a drug benefit without this gap in coverage. By most estimates, about one third of all seniors will reach a point at some time during the year when Medicare just stops paying any part of their drug bills. They will keep paying premiums, but Medicare will not pay another dime until and unless they reach the catastrophic spending threshold.

Finally, I am concerned about the effect of this contorted benefit structure on retiree drug coverage. Millions of seniors currently have retiree health coverage that provides more generous prescription drug coverage than this bill will provide. When the Senate passed its bill last June, the Congressional Budget Office estimated that one third of those with retiree drug coverage would lose that coverage because spending by an employer plan does not count toward reaching the catastrophic coverage threshold. In other words, if you have employer coverage, no drug spending by your employer plan counts toward the $3600 you have to spend out of your own pocket before the catastrophic coverage kicks in. This provision creates a clear incentive for employers to cut back or drop coverage so that a beneficiary will more quickly reach the catastrophic coverage threshold and Medicare—not the employer—will pay the remaining costs.

When this bill passed the Senate, I said it was not a Cadillac drug plan. It wasn't even a Chevy drug plan. Instead, it was a bare bones plan. To stretch that analogy, in conference, some of the bones got fractured, leaving the plan even weaker, and some of those bones were replaced with untested artificial substitutes that may not work the way they have been advertised.

The conferees did not just widen the coverage gap and decrease the stability of the fallback drug plans that will be important in many rural and other areas of the country. They also loaded down those weak old bones with a new, heavy load: This bill now is carrying a number of provisions that, in my view, will harm the Medicare program and our health care system.

For example, the bill requires demonstration projects to privatize the Medicare program, taking the first steps in turning it from a defined benefit entitlement to a voucher program. I am pleased that this demonstration has been limited to just six areas. I am hopeful that even these few demonstrations may not get off the ground. I, nonetheless, strongly oppose this effort. This policy will allow private plans to cherry-pick younger, healthier beneficiaries, leaving older, sicker beneficiaries to face higher premiums in the traditional Medicare program. This is terrible health policy, and I hope we will succeed in reversing it in the future.

The bill also contain a $10.5 billion "stabilization fund" that allows the Secretary of HHS to make additional payments to managed care plans. This slush fund will just add to the substantial overpayment of managed care plans that already exists in the Medicare plan. To me, it makes no sense to talk about managed care saving money for Medicare when it costs Medicare more to move people into managed care. Why should we pay managed care billions and billions of dollars more than we would pay in traditional Medicare to provide the same benefit? That money could have been put to far better use in other ways, either by improving the drug benefit or by devoting money to chronic care disease management in traditional Medicare.

The fact is that about 5 percent of Medicare beneficiaries account for roughly 50 percent of total Medicare spending. These beneficiaries often have a number of conditions, but they don't get coordinated care because they see different doctors for different problems. This can result in adverse drug interactions, the failure to treat underlying causes rather than symptoms, and higher spending than necessary. Yet Medicare does nothing today to coordinate care in the traditional Medicare program that serves nearly 90 percent of all beneficiaries. Spending a little money up front in this bill could produce significant cost savings over time for the Medicare program. I hope we will be able to find money to expand the chronic care demonstrations in the bill.

The bill also expands health savings accounts that are both bad tax policy and bad health policy. These accounts will allow both untaxed contributions and untaxed withdrawals, a terrible precedent. If it is copied for other tax-preferred savings accounts, this policy could have devastating consequences for the future of our tax base. Moreover, like the privatization voucher program, health savings accounts fragment the health insurance market, undermining the fundamental principle of spreading risk that allows insurance markets to work. Health savings accounts will pull wealthier, healthier workers out of the insurance pool, giving upper income taxpayers significant tax savings. Those who remain in traditional insurance plans—average workers who would gain little in tax benefits from the HSAs and those with significant medical costs—will then face higher premiums. This is the first step toward creating a two-tiered health system in this country. I oppose this policy. The money spent on these tax giveaways could have been far better spent to help ensure that existing retiree health coverage is not eroded.

Finally, the bill fails completely to impose any restraint on the costs of prescription drugs. One of the chief complaints I hear from North Dakota seniors is that drugs cost far too much. I had hoped that Medicare—which has been more successful in holding down health care cost increases than the private sector—could use its enormous market clout to negotiate lower costs for prescription drugs. Unfortunately, the bill does not do that. In fact, the bill contains language that specifically prohibits Medicare from using its market clout to negotiate with pharmaceutical companies.

In addition, the conference failed to include a strong provision on drug reimportation that was passed by the House of Representatives. As a result, Americans will not be able to access lower cost medications from other countries. Reimportation will not serve as a brake on rising drug costs in this country. As a result, the Congressional Budget Office tells us the bill will accelerate increases in the costs of prescription drugs.

These are serious flaws. I wish many of the provisions were far, far better. I wish other provisions had never been included. But at the end of the day, we are faced with the question: Is this bill, with all its flaws, better than doing nothing?

For me, the answer is yes. For millions of seniors who do not have access to any kind of prescription drug coverage at any price, this will give them a new option to have a portion of their drug costs covered. Millions of low income seniors will be significantly better off, with a new generous drug benefit that they do not now have. Rural health care facilities that are now on the brink of closure because they are underpaid for their services will get a new life from the rural Medicare reimbursement provisions in the bill.

Even with these significant victories, if I thought this bill fundamentally threatened the existing Medicare program, I could not support it. I know that there are some who sincerely believe that the privatization demonstrations will fundamentally undermine the program. Although I share their view that these demonstrations are bad policy—perhaps even terrible policy—I do not believe that six demonstration projects affecting less than 5 percent of all Medicare beneficiaries will destroy Medicare.

Although this bill is far from perfect, I have concluded that we should pass it. On balance, this bill is a step in the right direction. We do not know when we will have another, better bill that can pass the Congress and be signed into law. In my view, it would not be fair to those seniors—including tens of thousand of North Dakota seniors—who have no access to drug coverage of any kind at any price to deny them this first step in the uncertain hope that we might be able to do better at some point in the future. Rather, we must take the $400 billion opportunity that is on the table today and start providing prescription drug coverage to America's seniors. Then we can and we will go to work to improve the prescription drug benefit provided by this bill.

Mr. BIDEN. Mr. President, I voted against this bill today because I would never do anything that risks the future of Medicare, and I fear this bill takes the first steps toward the breakup of the traditional Medicare Program. In addition, this administration's misplaced priorities put enormous tax cuts first and left us little room to provide the comprehensive and fair drug benefit that seniors deserve. We should have done this right and provided a better drug benefit without jeopardizing the Medicare Program that has given seniors health security for 38 years.

My vote today was one of the more difficult decisions I have faced in my Senate career. For starters, let me note that not all of this bill is bad. Some people will get help with their drug costs. We in Delaware are fortunate to already benefit from unique programs that have long helped low-income seniors with their prescription drug costs, and this bill should build upon that foundation. It also offers some coverage to many middle class seniors and disabled citizens. All in all, these aspects of this bill are not enormously different from those in the Senate-passed bill that I voted for earlier this year.

This bill also includes sorely needed payment adjustments for hospitals, doctors, and other health care providers, which will ensure that Medicare patients get quality care and continued access to important medical services.

On the downside, however, this legislation still has a large gap in coverage—forced by budget constraints—in which the Government provides no subsidy for prescription drugs. I know that many people will find this gap confusing, disappointing, and burdensome. I am also very concerned that this bill does not sufficiently protect millions of retirees who currently receive good health care benefits from their former employers.

If we had done this the right way, we would have held back on some of the excessive tax cuts pushed through over the last three years and allocated more of our resources to meeting our obligation to provide a complete prescription drug benefit. Instead, the administration's misplaced priorities tied our hands.

If this legislation were just limited to the prescription drug benefit and the provider payment modifications, it would probably have my vote as being about as good as could be done under the current budget circumstances. But I have very serious concerns about other provisions tacked onto this bill that will take the Medicare Program and the health care benefits for 40 million Americans into uncharted and hazardous waters. This bill takes the first step toward monumental changes in the very foundation of how Medicare operates, beginning a push toward the breakup of the entire program.

The strength of the Medicare system has been its broad coverage, its simplicity, and the open choices patients enjoy. This bill sets in motion a new system that could tear down each of these advantages.

On balance I cannot support this legislation. To me, the negative features have such damaging potential that they overwhelm the benefits. Had the negotiations on this bill been done in the open, with the full participation of both parties, I think we could have crafted a better bill. I cannot vote for a bill that sets us on the path toward undermining the traditional Medicare Program that has worked so well for decades.

Mr. BREAUX. Mr. President, today we passed historic Medicare legislation. Getting here was not easy. Behind the scenes, for months and even years, staff has worked incredibly hard to help produce this complex and comprehensive bill.

In particular, I would like to thank Senator BAUCUS' Finance Committee staff who put in countless hours and remained dedicated to this legislation during long and difficult late-night and weekend sessions. Dr. Elizabeth Fowler lead the Finance health team. Dr. Fowler's expertise, even-handedness, and professionalism were critical in getting us to where we are today. Other professional staff, including Jon Blum, Pat Bousliman, Andrea Cohen, Bill Dauster and Daniel Stein, all served the entire U.S. Senate and served us well. The Minority Staff Director, Jeff Forbes, was also instrumental in seeing this legislation through until the end. We were able to achieve many Democratic priorities in this bill because of their hard work and dedication.

I would also like to thank Senator GRASSLEY's staff on the Senate Finance Committee for the critical role they played in passing this historic legislation. Linda Fishman, Ted Totman, Colin Roskey, Jennifer Bell, Mark Hayes and Leah Kegler worked tirelessly for many months to get a bill drafted, through the Senate Finance Committee, passed on the Senate floor and out of tough conference negotiations with the House. The majority staff director of the Senate Finance Committee, Kolan Davis, also played an integral role in getting this conference report passed.

Our Nation's senior citizens owe the whole Senate Finance Committee team a debt of gratitude for making this Medicare legislation possible. I yield the floor.

Mr. SARBANES. Mr. President, I cannot support the Medicare prescription drug conference report before us. I share in the disappointment of the many seniors, advocacy groups, providers, and colleagues in Congress who have fought so long to provide Medicare beneficiaries with prescription drug coverage. Drug coverage should be an integral part of any meaningful health care insurance and it is certain that if Medicare were created today, no one would imagine excluding drug coverage. Unfortunately, the bill before us now has wasted an opportunity to give Medicare beneficiaries the affordable and comprehensive coverage they deserve. The conference report provides inadequate coverage while at the same time undermining Medicare, a program that has served our seniors for over 37 years.

Under this bill, Medicare beneficiaries will pay an estimated premium of $35 per month although that premium level is not guaranteed and it could be higher. After meeting a $250 annual deductible, 75 percent of a beneficiary's drug costs are covered up to $2,250. A beneficiary receives no coverage for drug costs between $2,251 and $3,600, though they are still required to continue paying monthly premiums during this coverage gap. Once drug costs exceed $3,600, the drug plan would cover 95 percent of a Medicare beneficiary's drug expenses. This drug benefit is insufficient and much less than many retirees receive through existing coverage.

Those opposed to offering a more substantial prescription drug benefit claimed there are insufficient resources to pay for it. This argument comes from the very people who have pushed through the Congress tax-cut programs that tilt heavily in favor of the wealthy. Over the last several years, the administration has squandered a surplus and left the Nation facing a deficit already approaching half a trillion dollars. These valuable resources could have been used to provide our Nation's seniors the real drug coverage they deserve.

During consideration of the Senate bill, we missed an opportunity to provide Medicare beneficiaries with a substantial, reliable and straightforward prescription drug benefit. I cosponsored and voted for an amendment offered by my colleague from Illinois, Senator DURBIN. His alternative would have provided a Medicare-delivered drug benefit that would have allowed the Medicare program to employ negotiating strategies used by the Veterans Administration—VA—and other government entities to bring down drug prices. Senator DURBIN's plan would have begun as soon as practicable, unlike this legislation that leaves beneficiaries waiting until 2006 for the drug benefit to begin.

Under Senator DURBIN's plan, seniors would have not paid a deductible, would have paid 30 percent of costs, and would have no coverage gap. Once drug costs reach $5,000, 90 percent of their costs would be covered. In addition, employer contributions would count toward out-of-pocket limits so there would be much less risk of employers dropping retiree coverage. This was the proposal we should be acting on today.

As I emphasized during debate on the conference report, this bill contains a number of provisions that would undermine Medicare. For the first time in history, Medicare beneficiaries will pay more for their Part B premiums based on their income, thereby eroding the universal nature of the program. Medicare enjoys widespread support since everyone pays the same monthly premium for the same service, thereby giving us a social insurance program in which everyone has an equal stake.

The bill before us does not deal effectively with the rising costs of drugs. This legislation does not allow the Federal government to bring its weight to bear to lower drug costs. Medicare is not allowed to bargain on behalf of the millions of beneficiaries who would receive drug benefits. We know that drugs purchased through the VA program cost substantially less than those purchased at retail value. Furthermore, under this bill drug reimportation is completely at the discretion of the Administration. This is the same Administration that has repeatedly expressed its opposition against drug reimportation even if safeguards can be taken to ensure the safety of the reimported drugs.

This bill has the serious potential to cause a number of retirees to lose existing employer-sponsored prescription drug coverage. CBO estimates that 2.7 million retirees would lose existing coverage. This is an unacceptable consequence of legislation that is supposed to make life better for seniors. This serious deficiency has prompted many constituents to call my office to express concern about this bill.

Congress began this debate focused on the best way to provide Medicare beneficiaries drug coverage and efforts to keep those drugs affordable. We now have legislation before us in which the drug benefit appears to be an afterthought. I think a deeply troubling aspect of the bill is that it takes steps toward privatizing Medicare. This legislation relies on private plans to deliver the drug benefit; seniors could be forced to shift from plan-to-plan, year-to-year as they did when Medicare+Choice HMOs pulled out of the Medicare program a few years ago. In my own State of Maryland, insurance companies left the Medicare program, abandoning more than 100,000 seniors.

In addition, the bill includes a six-year premium-support "demonstration project," which would be established in six metropolitan areas. Medicare recipients in these areas would choose between traditional Medicare and private health plans; if the cost of the selected form of coverage exceeded a benchmark level set for the area, the individual pays increased premiums to cover the difference. This bill also contains $12 billion in subsidies for private plans. This funding gives private plans an unfair advantage by enabling them to provide benefits that traditional Medicare does not cover. If private plans were more efficient than Medicare, they would not need this money to compete. This $12 billion should have been used to improve the drug benefit for all Medicare beneficiaries, not to underwrite the private plans.

The inclusion of tax savings accounts to pay out-of-pocket medical expenses further underscores how far the focus of the bill has strayed from providing Medicare beneficiaries prescription drug coverage. The bill makes health savings accounts that are currently a limited demonstration project universally available. These accounts could be used with high-deductible health policies giving healthy, affluent workers a strong incentive to opt out of comprehensive health insurance plans in favor of the new accounts. If large numbers of these workers opt out of comprehensive plans, the pool of people left in comprehensive plans would be older and sicker, causing premiums for comprehensive insurance to rise significantly.

I have long been a strong supporter of providing older Americans and disabled individuals who rely on Medicare an affordable, comprehensive, reliable and voluntary prescription drug benefit. However, I want to ensure we do so in a way that does not worsen the situation in which many seniors find themselves as they face rapidly rising drug costs. As we consider proposals to expand our Nation's major health entitlement programs, it is appropriate to follow a guiding principle in the practice of medicine—do no harm. Our seniors deserve a drug benefit that is a real improvement, not a complex experiment that may cause more trouble than it's worth. We must not enact a law intended to help that might eventually harm millions. The American people deserve better.

The PRESIDENT pro tempore. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I ask unanimous consent to use the 5 minutes reserved for the leader. That has been cleared on both sides.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. KENNEDY. I yield 7 minutes to the Senator from Connecticut. How much time remains on each side?

The PRESIDENT pro tempore. There remain 11 minutes 41 seconds on the majority side, 12 minutes 40 second for the minority. The source is the minority leader's time.

Mr. KENNEDY. So we have 12 minutes. I yield 7 minutes to the Senator from Connecticut.

The PRESIDENT pro tempore. Yes, 11 minutes 41 second plus the 5 minutes.

Mr. DODD. Mr. President, in the limited time we have I would like to go back over and reiterate some points. In the very first instance, looking at the Medicare portion of this bill, right off the bat there are almost 9 million seniors who are going to be disadvantaged by this legislation. Almost one-quarter of the 41 million seniors who benefit from Medicare are going to be disadvantaged by this bill. There are 2.7 million seniors, according to the Congressional Budget Office, who are going to lose health benefits currently offered by their former employer. In my State, that is 40,000 people right off the bat. Those are CBO numbers; those are not mine, not made up by the minority.

Second, 6.4 million low-income seniors will have to pay more for the drugs they need. In my State, that is 74,000 people. The combined numbers are 9 million people, before anything else happens, who are going to be disadvantaged. This is a fact. If you are on Medicare and Medicaid you currently don't have to have a copay when it comes to prescription drugs. Now, under this bill, you will. It may not seem like a lot to people, but if you are making $13,470 or less than that, believe me, even a slight increase in these drug costs can be very harmful. That is just a fact.

Let me say to my friend from Iowa, I have respect for him and I admire his tenacity and his tremendous effort on behalf of this bill. I say to my friend, $13,470 is not a lot of money for Americans, and if you make $13,471, you are going to pay $420 in premiums, a $250 deductible, and you have to pay 25 percent of the cost of your prescription drugs. If you make $13,471, that is what you are going to be burdened with. I appreciate the fact that the very low income get some help, but I do not know anyone in this country who thinks $13,471 is a lot of money. But if you hit that number, then you are going to pay those kinds of costs, and that is going to be tremendously burdensome to many people.

Second, of course, if you look at chart 2 quickly here, you will see that this bill creates an unlevel playing field. We are told about free competition and choice. But the fact is, under this bill private plans get a 9 percent higher reimbursement than the Medicare plan, and they get $12 billion. If you have two competitors trying to appeal to a consumer and one side gets a 9 percent increase in reimbursement rates, plus $12 billion to help them get into the market, I don't know how you call that a level playing field. That is not level at all, in my view.

If we examine the so-called premium support demonstration programs, seniors effected by this experiment are going to be put in situations where they have less choice. If you end up being pushed into a private plan—and you can be under this bill—then your ability to choose your own doctor is gone. Talk about choice, there is no more fundamental choice to most Americans than the right to choose the physician who will take care of you, particularly for a senior. But under this legislation, if you are pushed into those plans, you lose the right to make that choice, the opportunity to choose your own doctor.

I hardly consider that a step forward or an improvement in the Medicare system. It is a major setback.

With regard to prescription drug costs, this issue has been made very clear by the Senator from Florida. I commend him for it. We are not saying in this legislation that you can go out, as the VA does, and consolidate your membership and then negotiate for prices. As the Senator from Florida pointed out, in the case of a couple that has been married for many years, the price of a drug for the husband, who is a veteran who served in Korea and World War II, is going to be substantially less than the price of the same drug for his wife, who wasn't a veteran. How can you explain that to a couple? Why can we not do with Medicare what we do with the VA? It is a logical choice. This bill prohibits that from happening.

I don't understand, for the life of me, why we are endorsing a proposal that doesn't allow the collective buying power of 41 million Americans to go out and lower the cost of prescription drugs. Yet this legislation would prohibit us from doing that.

When you look at those issues in this proposal, again I say to my friends who have crafted the prescription drug benefit, there are certainly stated advantages of moving forward with something here. But as the lead editorial in my State newspaper pointed out the other day, we can do a lot better with this legislation. It says:

> They deserve better than scrambled eggs that Congress, AARP, and other special interests want to dish out in the guise of "reform."
>
> The centerpiece of this faux reform is prescription drug coverage. Here is the math: A beneficiary who has prescription drug bills totaling $2,250 a year would have to pay premiums of $420, a deductible of $250 and 25 percent of the cost of medicine.

For someone in that category, that adds up to $1,252 out of pocket in their bills. Once the beneficiary's drugs reach $2,250, then they will have to pay the entire bill up to $3,600. Again, I realize you can't take care of everyone here, but that is a tremendous disadvantage.

I ask unanimous consent that the editorial from the Hartford Courant be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MEDICARE REFORM: TRY AGAIN

It's not perfect, but it's a start. That's the gist of the multimillion-dollar marketing campaign launched by AARP in support of the Medicare bill that passed the House by a 220 to 215 vote early Saturday. The organization that purports to represent Americans who are at least 50 years old pledges to fix the bill's flaws in future years.

Beware of such promises. Americans are not looking for a perfect system. They yearn for improvements in Medicare that they can comprehend. They know that Rome wasn't built in a day and prescription drug coverage won't be guaranteed overnight.

But Medicare beneficiaries have waited for at least a decade for such coverage. They deserve better than the scrambled egg that Congress, AARP and other special interests want to dish out in the guise of "reform."

Is it any wonder why shares of health care businesses, particularly drug companies, skyrocketed on Wall Street after the congressional conferees announced the details of the agreement? Lawmakers listened to lobbyists far more attentively than they listened to Medicare beneficiaries.

The centerpiece of this faux reform is prescription drug coverage. Here is the math: A beneficiary who has prescription drug bills totaling $2,250 a year would have to pay premiums of $420, a deductible of $250 and 25 percent of the cost of the medicine. That adds up to paying $1,252 out of pocket.

Once a beneficiary's drug bills reach $2,250, the beneficiary would have to foot the entire drug bill up to $3,600. Only after drug costs exceed this amount would the prescription plan pay 95 percent of the bills.

This package contains little to cheer about. Some provisions deserve jeers. The elderly who had hoped to buy less expensive prescription drugs from Canada and Mexico are out of luck. Those who have paid Medicare payroll taxes would have their benefits linked—for the first time in Medicare's history—to their retirement income. For those who earn more than $80,000 a year, the premiums for Medicare Part B (doctors' bills and other costs not covered by basic Medicare) would increase substantially. So much for relying on government to honor its pledge to treat everyone equally under Part B.

Why is AARP aiding and abetting GOP lawmakers in selling such reform under false pretenses? The organization is a big-business operation, with revenue of $608 million last year from its insurance-related operations.

"It's almost unimaginable that—AARP—wouldn't stand to gain" as a result of this legislation, said David Himmelstein of Harvard Medical School. Alan Simpson, a former GOP senator, hit the bull's-eye when he noted, "If there was a sublime definition of conflict of interest, it would be AARP from morning to night."

AARP's members should make themselves heard as they did in 1988, when the organization successfully lobbied for a flawed catastrophic insurance benefit. The ensuing uproar by elderly people forced Congress to repeal the legislation.

On the subject of lobbying, why is AARP still designated as a tax-exempt nonpartisan organization? It shouldn't be.

Mr. DODD. Mr. President, I urge our colleagues to reject this bill and come back in January and rework it. Forty-one million Americans deserve a lot better than this bill is going to give them.

The PRESIDENT pro tempore. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, how much time do we have remaining?

The PRESIDENT pro tempore. There are 7 minutes remaining.

Mr. KENNEDY. I yield 1 minute to the Senator from Illinois.

The PRESIDENT pro tempore. The Senator from Illinois.

Mr. DURBIN. Mr. President, I thank the Senator from Massachusetts.

America's parents and grandparents are the losers today, and special interest groups are the winners. America's senior citizens deserve better. This bill does nothing to reduce drug prices, and it starts our Nation down the road toward privatizing Medicare and endangering America's lifeline program that has been a bright beacon for seniors across our country for more than four decades. The pharmaceutical companies and the HMOs will give thanks for this turkey, but America's seniors will get stuffed.

I am going to vote no on this. I hope my colleagues will join me.

I yield the floor.

The PRESIDENT pro tempore. Who yields time?

Mr. KENNEDY. Mr. President, how much time remains?

The PRESIDENT pro tempore. The Senator's side has 7 minutes 1 second. The other side has 11 minutes 41 seconds.

Mr. KENNEDY. I withhold our time.

The PRESIDENT pro tempore. Who yields time?

The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I yield myself such time as I consume and I invite proponents of the legislation to come over so I can yield some time to them.

One of the issues that has been badmouthed by the other side, the opponents of this legislation, is that we have not done enough to help retiree coverage; in other words, the problem they would suppose is that a lot of corporations will be dumping their plans on the Government.

First of all, Congress can't pass a law telling any corporation X, Y, or Z that they can't do that. If they decide it is in their interest, they are going to do it. The point is they have been doing it for years and years.

I had a chart up here 2 days ago that showed how we have gone down from about 89 percent to 60 percent over the last 10 years of the corporations that had retiree health plans. What we are doing is putting in place a program so that if a corporation does that, there is at least something for people who have zilch when it comes to prescription drugs.

One of the things we have done to encourage corporations not to do that is we have put $89 billion in this bill to protect retiree health coverage. This funding makes it more likely—not less likely—that employers will continue their retiree benefits. We do that for two reasons. Obviously, it is better for people to keep what they have. So there is an incentive for that. That will help keep a good drug benefit. Second, if this is dumped on the Medicare Program, it is going to be much more costly than to keep it in the corporation plan. We did it for those two reasons.

The opponents of this bill have been saying retirees are going to be dropped—that they will be left without coverage because of this bill. It is easy to make very clear that these retirees will not be left without drug coverage. That is, obviously, because one of the motivations behind this 3-year effort to get prescription drugs in Medicare is to take care of or at least offer a plan to people who don't have anything. That is about 35 percent of the people today. It is better for those who do not have as good a plan as we are putting on the books. These retirees will still be better off than they are today because today, when their employers drop their coverage, they are left with nothing—no coverage at all.

Because of this bill, these retirees will be getting drug coverage from Medicare, and their former employer will likely pay the monthly premium for that.

This is a bipartisan bill. This bill addresses the problem we saw as a very serious problem. According to the Congressional Budget Office, we have addressed it in a very responsible way and by reducing very much the possibility that these corporate retirees will be dumped onto this plan.

This bipartisan bill protects retirees' benefits. That has been our goal, and we have accomplished it. The time has come strengthen and improve Medicare with this historic bipartisan agreement. It is the culmination of years of work by Republicans and Democrats who have come together to get this done.

As the AARP has made clear when providing its strong endorsement, this bill "helps millions of older Americans and their families," and is "an important milestone in the nation's commitment to strengthen and expand health security for its citizens. . . ."

This bill offers an affordable, universal prescription drug benefit that will cover about half the cost of prescriptions for the average senior.

It offers generous coverage for 14 million lower income seniors. It expands coverage for lower income seniors far beyond what is offered today. They will have access to drug coverage with lower or no premiums, no coverage cap, and coverage of 85 percent to 95 percent of the cost of prescription drugs.

And the new Medicare drug benefit is voluntary—no one is forced to enroll in this benefit. Seniors can stay in traditional Medicare just like they have today and have full access to prescription drugs.

There is also a guaranteed government fallback. It is a guarantee that seniors will be able to get prescription drug coverage.

This bill also invests $89 billion to protect retiree health coverage. This funding makes it more likely, not less likely, that employers will continue their retiree benefits.

This bill also creates new coverage choices for beneficiaries in a newly revitalized Medicare Advantage program. And this is voluntary too—no one will be forced to join an HMO.

The bill lowers drug costs by speeding the delivery of new generic drugs to the marketplace, lowering costs for all Americans, not just those on Medicare.

The bipartisan bill includes long overdue improvements to Medicare's complex regulations.

It also revitalizes the rural health care safety net with the biggest package of rural payment improvements Congress has ever seen.

I urge my colleagues to put the interests of our seniors first and give them more choices and better benefits by voting for this historic bipartisan prescription drug bill.

We cannot let this opportunity pass.

Mr. President, it has been a long and arduous process to get us to where we are today. This is a process that didn't start this year, or even last year, but many years ago, on the foundation of what we then called the "tripartisan bill." Through many years of discussions and negotiations in the Finance Committee, we have taken the foundation of that first bill and crafted comprehensive Medicare policy that will vastly improve the health and overall well being of our nation's seniors.

Our critics will say it is not enough or that it lacks one provision or another. My response is that no other Finance Committee membership and no other Congress has been able to produce a bill of this magnitude. We have worked tirelessly in the Finance Committee and with our colleagues in the House to try to make this bill as perfect as possible.

The reality is the Medicare program itself is not perfect.

And I challenge those in opposition to this bill, to show me perfect legislation. It is impossible because we're adding layers on a system that has been in place for nearly 40 years. But everyone involved in this process has worked their hearts out to make this bill the best bill that it can be. It has been a sacrifice for all involved. Missed dinners with family, missed weekends with the kids, little sleep, and intense emotions and intellectual energy—to make this bill what it is.

We've all given 150 percent to get this bill done. And I will admit we did not reach "perfection", but we reached excellence. And America's seniors will benefit from the commitment that was made by all of us involved. We did it for them. And it will make a positive difference in their lives. To me, that is the closest thing to perfection that we could achieve.

Let me close by thanking my colleagues on the committee, in the Senate, the House, CMS, HHS and the White House. Dedicated individuals across the Congress and the Executive Branch have worked tirelessly, night and day, to make this happen, and they deserve our thanks for their true commitment to this bill and their commitment to this country.

For my part, I want to thank my own current Finance Committee staff: Ted Totman, my Deputy Staff Director who shepherded staff and members through this arduous process; Linda Fishman, my Health Policy Director who led the committee's consideration of this bill and who captained a team of talented analysts, including Colin Roskey, whose daughter, Rose, was born while negotiations played out in the Finance Committee in March; Mark Hayes, who balanced multiple titles of this legislation while attending law school at night; Jennifer Bell, whose dedication to the needs of rural Americans played an instrumental role in the success of our rural healthcare package; Leah Kegler, who managed many of the complex low income and Medicaid policies in the bill; Alicia Ziemiecki, who provided crucial assistance and support to all on this staff and to individual Committee members throughout the year; and Mollie Zito, who joined the staff just this year and immediately made important contributions to the overall effort.

Still other former members of my Finance Committee staff who are not with me on the floor today have been instrumental in the development of this legislation. They include: Monica Tencate, Tom Walsh, Rebecca Reisinger, Hope Cooper, and Jeannie Haggerty, each of whom helped to shape the original Tripartisan proposal, whose imprint on this legislation is unmistakable. Each of these individuals contributed creatively, analytically and energetically to the successful completion of this legislation.

Beyond the health staff of the Finance Committee, I want to recognize other committee staff who played important roles in resolving the many interwoven, complex tax, health and trade policies within this legislation. Mark Prater and Diann Howland helped navigate many of the health savings account and employer-related issues in the bill. Steven Schaefer and Everett Eissenstadt along with Rita Lari of my Judiciary Committee staff helped conferees reach consensus on difficult pricing, importation and generic drug policies. Steve Robinson assisted in budgetary matters, and Dean Zerbe and Emilia DiSanto provided good counsel on matters relating to Medicare program integrity. Jill Kozeny, Jill Gerber, Beth Levine and Dustin Vande Hoef provided cogent and concise outreach and explanation to the media. Leah Shimp, Cory Crowley and Mary Gross kept in close touch with Iowans on the legislation. And Kolan Davis, my Chief Counsel on the committee, provided important oversight and advice throughout the process.

Beyond my own staff, I want to recognize Senator BAUCUS's staff, with whom I have enjoyed an excellent working relationship over the last few years and with whom my own staff has worked especially closely: Jeff Forbes, Russ Sullivan, Judy Miller, Bill Dauster, Liz Fowler, Jonathan Blum, Pat Bousliman, Andrea Cohen, Mike Mongan, Kate Kirchgraber and Dan Stein. Senator BAUCUS's team have shown a sincere commitment to balanced, fair bipartisan legislation and have been consummate professionals throughout.

The staff to my Senate colleagues on the conference are also deserving our thanks. Each contributed to a collegial working environment under enormous time and political pressures: Pattie DeLoatche, Mark Carlson, and Bruce Artim with Senator HATCH; Stacey Hughes, Hazen Marshall and Bini Zomer with Senator NICKLES; Don Dempsey, Diane Major, Elizabeth Maier and Lisa Wolski with Senator KYL; Dean Rosen, Elizabeth Scanlon, Craig Burton and Eric Ueland with Senator FRIST; and Sarah Walter, Michele Easton and Paige Jennings with Senator BREAUX.

Finally, all of us were extremely well served by the hard work of our Congressional support agencies, including the able work of our Senate Legislative Counsels who toiled longer into the night than most: Ruth Ernst, John Goetcheus and Jim Scott. Technical and analytical support was provided by experts at the Congressional Research Service, including Richard Price, Jim Hahn, Chris Peterson, Hinda Chakind, Jennifer O'Sullivan and Jennifer Boulanger and many others who assisted in the completion of the Conference Report. At the Congressional Budget Office, Doug Holtz-Eakin, Steve Lieberman, Tom Bradley, Chris Topileski, Phil Ellis, Rachel Schmidt, Jeannie De Sa, Eric Rollins, Shinobu Suzuki and many others played crucial roles in developing cost estimates for policies large and small in this conference agreement.

Each of these dedicated individuals is deserving of our thanks for their commitment to improving Medicare and making affordable access to prescription drugs a reality for America's seniors.

If the other side says it is OK, I would like to yield 3 minutes to the Senator from Texas.

The PRESIDING OFFICER (Mr. CHAMBLISS). The Senator from Texas is recognized for 3 minutes.

Mrs. HUTCHISON. Mr. President, I have been here for 10 years now. There are many in the Chamber who have been here longer than I. But I know one thing. Anytime we do something that is very major and very complicated, it is easy to pick it apart. It is easy in 30 seconds to say why you are not going to vote for something that has so many facets. That is much more politically feasible and it is much easier. It is harder to vote yes on something that isn't perfect.

How can you ever expect a bill this complicated to suit every person in this body perfectly? Of course, you can't. That is why we have 100 Senators from 50 States. It is why we go back and forth and compromise. Yes, there is compromise in this bill. But let me tell you in a few minutes why I am voting yes.

I am voting yes because senior citizens do not have benefits for prescription drugs. We must start. No one would say this is perfect. Who could expect a perfect bill that is this comprehensive? This is the bill. Of course, you don't agree with every word in it. But are we going to throw it away and not even start? I hope not. Those who have been around here longer than I know that we will come back and we will adjust where adjustment is necessary, as we do in every major piece of legislation that is far-reaching.

I am voting for this bill because for the first time everyone in our country will have the chance to put aside money in a health savings account to build up for their copays and for their premiums on health care insurance. It will be a tax-free buildup, and it will be tax free when you take it out for your health care needs.

I am voting for this bill because it increases the reimbursement for our people who give medical services. Our rural hospitals are dying all over our country and they will have a better reimbursement rate, something Senator KENNEDY and I worked on very hard. This is not what I wanted in totality, but we are going to increase the teaching hospital reimbursement because the teaching hospitals are the ones that treat our poor. Our teaching hospitals are where our up-and-coming physicians and nurses learn how to treat patients. We are increasing the reimbursement. Senator KENNEDY and I worked very hard on that.

It is not everything we wanted but we can come back and we will make it even better. There will be millions of dollars going into our teaching hospitals and every State in our country has a teaching hospital.

The reimbursement to physicians is going to increase. How many physicians have said, I am not taking Medicare patients anymore; I cannot afford it. We want physicians to take our Medicare patients. We also want a freedom to choose, which our Medicare patients do not now have and which we will have in the future.

That is why I am voting for this bill. It is the harder vote. I urge my colleagues to step up to the plate and help us start.

Mr. KENNEDY. How much time is on the other side?

The PRESIDING OFFICER. The majority has 3 minutes 16 seconds and the minority has 6 minutes 3 seconds.

Mr. KENNEDY. Mr. President, I yield myself 5 minutes.

Mr. President, my friend from Iowa talked about what is happening to the retiree programs. This is the most recent study. Firms offering retiree health benefits dropped 40 percent in the last 8 years. With this legislation, it will go right down through the cellar, make no mistake. We brought that out in this debate.

My friend from Connecticut has talked about what will happen in his State, about the retirees. It happens in Connecticut, it happens in Massachusetts, it is happening in every State of this country, the losing of retirees. The low-income elderly and disabled will pay more. Thousands are going to fail the assets test. That is what is happening in the bill.

In my early years of service in the Senate I was privileged to participate in the final stages of the long debate that culminated in the enactment of Medicare.

Today, Medicare is so much a part of the essential fabric of our society that it is hard to remember the harsh reality the elderly faced before its enactment. Too often, their lives were blighted by the fear of a costly illness that would swallow the savings of a lifetime and leave them impoverished. Too often, their lack of access to affordable medical care made a mockery of the dignified and secure retirement that should be the birthright of every American. Private health insurance had failed the elderly, and Medicare was the response.

Today, Medicare and Social Security are the most beloved and successful government programs ever enacted. They form the cornerstone of our nation's retirement system. But they are also under assault from a heartless right-wing ideology that ignores the lessons of the past.

This ideology views health care as just another commodity. It sees Medicare as another potential profit center for HMOs and insurance companies, not as solemn commitment between government and its citizens. It says senior citizens should be subject to the sink or swim economics of the marketplace—and if they sink, it is their failure, not our society's.

The legislation we are debating today started as an important down payment on the comprehensive prescription drug coverage the elderly have long needed to complement the coverage of hospital and physician care that Medicare provides. That was the essence of the bipartisan bill that passed the Senate by an overwhelming majority. But that bipartisan bill is not the one we are debating today.

Instead, the legislation before the Senate is a partisan document that embodies this administration's right-wing ideology and its desire to fuel the profits of the wealthy and powerful who support it. It cynically uses the elderly's need for prescription drugs as a Trojan horse to reshape Medicare. The Republican majority has hijacked this conference.

Their program draws its essential inspiration from the President's original program to limit prescription drug benefits to senior citizens who join an HMO. That plan was too crude and obvious to withstand public scrutiny, so the House of Representatives—and now this conference committee—has crafted a more subtle but no less destructive approach. That is why this legislation had to be rammed through the House of Representatives in the dead of night, with the support of only one party, and only after the rules of the House were bent and broken. That is why this legislation is being rammed through the Senate after only 3 days of debate, and only after the Senate waived its own rules in a very close and narrow vote.

This bill is a cold, calculated program to unravel Medicare, to privatize it, to voucherize it and to force senior citizens into the unloving arms of HMOs. It is the first step in the Administration's campaign to reshape America to fit its right-wing ideology. And the White House has already announced that if they are successful in enacting this first step, the privatization of Social Security will be the next step. Today, big HMOs, insurance companies, and pharmaceutical companies are the winners. Tomorrow, when Social Security is privatized, it will be the big banks and brokerage houses. And, in both cases, senior citizens and their families will be the losers.

The bill uses a triple threat to unravel Medicare.

It creates a new program called premium support. They call it a demonstration, but it is really a vast social experiment using millions of senior citizens as guinea pigs. It is designed to raise Medicare premiums, so that seniors will be forced to join HMOs to get affordable care. They call it competition, but it's not competition, it's coercion.

It raises Medicare payments to HMOs so that Medicare can't compete—a 25 percent overpayment. They use the elderly's own Medicare money to undermine the Medicare program they depend on.

It creates a $12 billion slush fund for private insurance plans to make Medicare even more competitive.

The assault on Medicare is the worst aspect of this bill, but that's not the end of the dishonor roll of this bill.

Three million retirees with good coverage through a former employer will lose it as the result of this legislation.

Six million of the poorest of the poor elderly and disabled people will face higher costs for the drugs they need and less access to medical care the day this legislation is effective.

The government will be prohibited from bargaining to obtain reasonable drug prices for senior citizens.

The bill imposes a cruel and demeaning assets test that disqualifies millions of the lowest income elderly from the special help they need.

The bill provides $6 billion in tax subsidies for health savings accounts, a program that has nothing to do with Medicare but everything to do with benefiting the healthy and wealthy while driving up insurance premiums for other Americans.

Rejecting this misbegotten legislation is not a rejection of our senior citizens' needs for prescription drugs. It is an affirmation of their need for Medicare and of their right to choose the doctors and hospitals they trust. If this legislation is rejected today, the pending business before the Senate will be the good, bipartisan prescription drug program we passed in July. Let us make the vote today, a new start to do the right thing rather than a conclusion to do the wrong thing.

In its own way, this is as historic as the debate that enacted Medicare. Medicare is the heart and soul of our society's commitment to compassion and fairness. Today, the Senate will decide whether that commitment will be abandoned for other values—the values that are measured in the cold coins of profit and power rather than on the scales of humanity and justice.

The Senate should reject this mistaken choice. It should stand with the elderly and their families, not with HMOs and insurance companies and pharmaceutical industries. It should reject this legislation.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. I yield the remainder of my time to the Senator from Utah.

The PRESIDING OFFICER. The Senator from Utah is recognized for 3 minutes.

Mr. HATCH. I have been listening to the rather remarkable remarks from the other side, that this legislation has been rammed through the Congress, that it is partisan, when it is bipartisan. It has taken us 15 years to get here. It could take another 15 years if we do not support this bill right now.

We have been working on Medicare prescription drug legislation for 15 solid years. We have worked day in day out, hours, weeks, and months in order to get to this point. It is bipartisan. It was bipartisan in the House; when it passes today it will be bipartisan in the Senate.

The opponents of this bill keep saying that seniors will be worse off if this Medicare bill becomes law. Give me a break. We are going to put $400 billion out there for senior citizens so they will have a Medicare drug benefit. We are giving seniors a choice in coverage. Medicare beneficiaries may stay in traditional Medicare or they may choose to participate in one of the new Medicare Advantage plans.

We are improving health care for rural communities, something our friends on the other side have ignored for years. The fact is, it is time to realize that we are going to have to pass this legislation because it is the right thing to do and it will be a bipartisan vote.

We are devoting close to a quarter of this bill's funding to retiree health coverage. CBO told us that 37 percent of retirees could have lost their coverage if S. 1, the bill approved by the Senate earlier this year, had become law. This bill reduces that number to under 20 percent. I don't know how anyone can say this bill is going to be harmful to retirees when we are devoting $89 billion towards retaining retiree health coverage.

We also are improving access to less expensive, generic drugs by improving Hatch-Waxman.

The real reason our colleagues do not like this bill is that it is not an $800 billion bill. Our bill is $400 billion which provides for some private sector competitive models. The reason our opponents do not like our legislation is because they do not believe in the private sector.

With regard to their argument that some of the big companies are going to benefit from this legislation, of course they will benefit. The argument I find most amusing is the claim this bill will lead to increased drug company profits.

The reason the bill is so desperately needed is because beneficiaries with low incomes are unable to afford their prescriptions today. They have to choose between food, rent, and taking their medicines. When this prescription drug benefit goes into effect, low-income beneficiaries will finally be able to get their prescriptions filled. This legislation includes generous subsidies so the low-income will be able to receive their prescription drugs without worrying about how to pay for them.

Of course, this is going to lead to increased drug sales. Surely this is no surprise to anyone. Any prescription drug bill that works is going to lead to increased drug sales. Where are the medicines supposed to come from, except from the manufacturers of those medicines? Every single Medicare prescription drug bill introduced by these naysayers also would have increased drug sales, and they know it.

This bipartisan conference report has the same basic drug benefit structure that passed the Senate by a vote of 76 to 21—the same one—and we are hearing these arguments here today? My distinguished friend from Massachusetts voted for that bill, and the legislation before us has the same drug benefit structure contained in S. 1 earlier this year.

The Congressional Budget Office has concluded that the competitive approach of this bipartisan drug benefit will be better at controlling drug costs than other proposals.

To suggest that no one support a Medicare drug benefit because it will lead to increased drug sales turns logic on its head.

If this were our basic principle, then we should not have food stamps, because that would lead to increased profits of grocery stores and farmers. What about housing subsidies? This might lead to profits by construction companies, utility companies and increased sales of lumber, bricks and nails! So, this is just an absurd issue and it is easy to see why.

I am here to tell you that this bill will strengthen and improve the Medicare program. The spending in this bipartisan prescription drug bill goes toward more improved health benefits for America's seniors and the disabled. This is a good bill and I urge my colleagues to support it.

The PRESIDING OFFICER. The time has expired.

The minority leader.

Mr. DASCHLE. Mr. President, I will use my leader time because I know we are out of the allotted time.

I'm told that when Medicare was passed 38 years ago, the House and Senate galleries were filled with senior citizens who felt a great deal of hope, optimism and excitement about what that bill meant for them and for future Americans.

I don't see any senior citizens in the galleries today. And I think that is a real reflection on what this bill really means.

Why are there no senior citizens in the galleries for this vote? Why isn't there the hope and excitement and enthusiasm and optimism that we saw so vividly 38 years ago?

Mr. President, I think we all know the reason: because there is no excitement. There is no enthusiasm. There is no optimism. There is no real confidence that what we are doing today will help the vast majority of senior citizens. They are not optimistic. They are watching with dismay at the vote we are about to take.

I'll tell you what rooms are filled—not the galleries but the lobbies. The drug companies and the insurance companies are out there in droves. The highly paid representatives of these companies couldn't be happier about this bill. Their job is done for now.

I heard a report on the radio this morning that the final vote was going to be taken early today. Well, that report was wrong, Mr. President. This is not the final vote on prescription drugs for seniors or on Medicare. This is only the beginning, not the end. We will see many, many more votes.

I predict that we will be back within the next 12 months. Seniors will demand that we correct the many deficiencies in this bill, and they will not rest until we do.

This may be the end of this debate. But I predict that a longer debate will begin tomorrow as senior citizens start to fully understand the magnitude of the problems this legislation creates for them.

This bill is deeply flawed. There is a poll in this morning's South Dakota Rapid City Journal. The poll simply asked the question, Do you think the legislation the Senate is about to pass is adequate? Mr. President, 64.5 percent of those who responded said no, it is not adequate. Those of us who have been working on this legislation should not be surprised.

Senior citizens with private coverage already know they could lose those benefits as early as tomorrow as the result of this bill. Seniors on Medicaid already know that they are going to have to pay more for drugs, and may even be refused some of the drugs they need. Seniors in South Dakota already know they may be coerced into an HMO they disdain and out of a Medicare plan they now count on.

Seniors already know they are about to be subjected to a scheme for benefits they cannot even understand, much less afford.

Taxpayers already know they are going to be giving huge handouts to insurance companies, drug companies, and special interests, even though our country is faced with deficits unlike we have ever known.

Many Senators know this is lousy legislation, that we may spend the rest of our careers repairing the flaws of this disappointing bill.

We are going to be called upon to vote today.

My father admonished me many years ago never to put my signature on something I was not proud of. Mr. President, I am not proud of this legislation. I cannot put my signature on this bill. And I do not think anyone else should, either.

I yield the floor.

The PRESIDING OFFICER. Under the previous order, the majority leader is recognized for 5 minutes.

Mr. FRIST. Mr. President, today is an extraordinary day for 40 million seniors. For too long, our medical and health care advances have raced ahead, especially in the last 10 to 15 years, but Medicare, as a health security program for seniors, has stood still.

But today that will change. And it will change today with overwhelming support. On this chart are 358 organizations who support this change, such as the Seniors Coalition, the AARP, the American Medical Association, the American Hospital Association, the Family Physicians, the American College of Cardiology, the National Alliance for the Mentally Ill, the Rural Hospital Association, the Sickle Cell Foundation, the Society of Thoracic Surgeons—and the list goes on and on.

It has been a long time coming, but it is finally here. With a bipartisan majority, the U.S. Senate will enact prescription drug coverage for the first time under Medicare.

Forty million seniors and individuals with disabilities will finally have the prescription drug coverage they need and the Medicare choices they deserve.

They will finally be able to take full advantage of the tremendous medical advances that have been made in the almost 40 years since Medicare was enacted.

I do not think it can be overstated that today marks a truly historic advance for America.

As a physician, I have written hundreds of prescriptions that I knew would go unfilled because patients simply would not be able to afford them. With this bill, that will change.

As a U.S. Senator, I have watched a decades-old Medicare program operate without flexibility, without comprehensive care, without coordinated care, without preventive care, without disease management and catastrophic protection against out-of-pocket medical costs.

By expanding opportunities for private sector innovation, this Medicare bill offers the possibility of genuine reform that can dramatically improve and strengthen quality of care for our seniors and for those baby boomers who will be seniors in the not too distant future.

At the same time, it preserves traditional Medicare. It strengthens and improves traditional Medicare, and it preserves traditional Medicare for those who wish to choose it.

It combines the best of the public and the private sectors. It improves Medicare for today's seniors and helps, most importantly, lay the foundation for a strong and modern program for seniors today, but also tomorrow's seniors.

The legislation provides all seniors with access to more affordable prescription drugs and targets more substantial assistance to lower income seniors and those with high catastrophic drug costs.

It also dramatically expands health coverage choices for seniors, and improves coordinated care, improves disease management, adds prevention to Medicare, and adds catastrophic coverage both under the traditional Medicare fee-for-service program and under Medicare private health plans.

While it does expand those choices and those opportunities to choose, choices that seniors simply do not have today, it also ensures that those seniors can keep exactly what they have. They do not have to choose that new drug plan. They do not have to choose that new type of health care plan that we might have in the U.S. Senate or that Federal employees have.

They don't have that option today, but they can choose that or they can keep exactly what they have today. All of the options in this legislation, including prescription drug coverage, are voluntary. Beyond increasing competition, we will also take steps to control health care costs both within the Medicare Program and within the broader health care system. For the first time, we will ask those seniors who can afford to do so to pay a higher portion of their Medicare costs. We will increase and index the Medicare Part B deductible for the first time in over a decade. We will make health savings accounts available to all Americans so that they have greater control over their own health care choices and so they can plan and save, tax free, for future health care needs.

We will make other responsible changes such as speeding generic drugs to the marketplace so that seniors will have access to these lower cost prescription drugs.

Indeed, today is an extraordinary day. Today is a fateful day. Today is a red letter day for seniors.

In conclusion, today's historic action is only possible because of the hard work of many dedicated Members of the Senate and the House of Representatives, and the administration.

I would like to take a moment to thank those whose commitment was critical to this effort. First and foremost, President Bush deserves credit for his bold leadership and commitment to improving the health of America's seniors and individuals with disabilities.

Tommy Thompson, the Secretary of Health and Human Services, and Tom Scully, the Administrator of the Centers for Medicare and Medicaid Services, spent hundreds of hours working on this legislation.

In the Senate, Finance Committee Chairman CHARLES GRASSLEY and Ranking Member MAX BAUCUS put partisanship aside and worked tirelessly from beginning to end to deliver on our promise to America's seniors. Senator JOHN BREAUX also deserves credit. He and I have worked together for the better part of 6 years on legislation to improve Medicare. Today, we have finally reached that goal.

All members of the conference committee showed a degree of dedication and resolve seldom seen in either Chamber, especially Senators ORRIN HATCH, DON NICKLES and JON KYL. We would not have reached this point without building on the strong foundation laid by Members who worked so hard on this issue during the past several years, especially Senators SNOWE, JEFFORDS, GREGG, HAGEL, ENSIGN and WYDEN. Senators BUNNING, THOMAS, SMITH, LOTT, and SANTORUM also made major contributions to this legislation through their work on the Senate Finance Committee.

Members of this body who voted against final passage, but nonetheless worked to improve this legislation at every step of the way and help pave the way to final passage also deserve great respect and appreciation.

The House Leadership, especially Speaker DENNIS HASTERT and Leader TOM DELAY, also deserves special recognition, as does the Chairman of the Conference, Chairman BILL THOMAS, and the Chairman of the House Energy and Commerce Committee, Chairman BILLY TAUZIN. We would not be here without them.

Finally, I want to thank my hard working and dedicated staff: Dean Rosen, Elizabeth Scanlon, Rohit Kumar, and Craig Burton. They have put in thousands of hours and poured over thousands of details.

To everyone who has worked so hard and given so much to this effort, I thank you. America thanks you. And, most of all, America's seniors thank you.

I ask unanimous consent that a long list of staff who made major contributions to this legislation be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Passage of a Medicare prescription drug benefit would not be possible without the hard work and dedication of the White House staff and the staff at the Department of Health and Human Services. House and Senate staff, as well as House and Senate Legislative Counsels, the Congressional Budget Office and the Congressional Research Service deserve our thanks. At this time, I would like take a moment to recognize the many individuals who have played a central role in this legislation.

We could not do our work without the assistance of our exceptional staffs who have sacrificed time with loved ones in the pursuit of a Medicare prescription drug benefit. I would like to thank them all.

On my staff, Dean Rosen, Elizabeth Scanlon, Craig Burton, Rohit Kumar, Eric Ueland, Lee Rawls, Bob Stevenson, Nick Smith, Amy Call, Bill Hoagland, Bill Wichterman, Allison Winnike, Jennifer Romans, Dr. Susan Goelzer, and Tina Thomas deserve recognition.

Senate Finance Committee Majority Staff, Linda Fishman, Mark Hayes, Leah Kegler, Jennifer Bell, Colin Roskey, Ted Totman, Mark Prater, Dianne Howland and Alicia Ziemecki tirelessly worked on this legislation. On the Senate Finance Committee Minority Staff, Liz Fowler, Jonathan Blum, Pat Bousilman, Andy Cohen, Dan Stein, and Jeff Forbes made important contributions to this effort.

House Leadership staff, Darren Wilcox, Brett Shogren, Joe Trauger, Shalla Ross, Andrew Shore, John DeStefano and Sam Geduldig made the way for House passage of the Conference Report. House Ways and Means Majority staff members, John McManus, Madeline Smith, Joel White, Deb Williams, John Kelliher, and Shahira Knight were invaluable to reaching a bipartisan agreement. House Ways and Means staff, Patrick Morrisey, Kathleen Weldon, Chuck Clapton, Pat Ronan, Jeremy Allen, Bill O'Brien, Eugenia Edwards, Dan Brouilliette and Jim Barnette also deserve recognition.

Additionally, Senator Breaux's staff, Sarah Walter, Michelle Easton and Paige Jennings; Senator Nickles' staff, Stacey Hughes and Hazen Marshall; Senator Hatch's staff, Pattie DeLoatch, Bruce Artim, Patricia Knight, Chris Campbell and Dr. Mark Carlson; and Senator Kyl's staff, Don Dempsey, Diane Major, Lisa Wolski and Elizabeth Maier have all been dedicated to this effort. As have Health Education, Labor and Pensions Committee staff Vince Ventimiglia, Steve Irizarry, Kim Monk and Senate Leadership staff Sarah Berk, Mike Solon, Kyle Simmons, Laura Pemberton, Amy Swonger, Malloy McDaniel, Brian Lewis, and Scott Raab.

The work of Members and staff would have been moot without the support of the House and Senate Legislative Counsels, the Congressional Budget Office and the Congressional Research Service. Those deserving recognition include Legislative Counsels, Edward Grossman, John Goetchus, Pierre Poisson, James Scott, and Ruth Ernst; staff of the Congressional Budget Office, Doug Holtz-Eakin, Steve Lieberman, Tom Bradley, Bob Sunshine, David Auerbach, James Baumgardner, Anna Cook, Sandra Christensen, Philip Ellis, Carol Frost, Samuel Kina, Lyle Nelson, Robert Nguyen, Rachel Schmidt, Daniel Wilmoth, Shawn Bishop, Niall Brennan, Julia Christensen, Jeanne De Sa, Brianne Hutchinson, Margaret Nowak, Eric Rollins, Shinobu Suzuki, Christopher Topoleski, and Robert Murphy; and Congressional Research Service staff, Richard Price, Jennifer O'Sullivan, Sibyl Tilson, Hinda Chaikind, James Hahn, Paulette Morgan, Chris Peterson and Susan Thaul.

Finally, we could not have done this without the leadership of President George W. Bush, Secretary Tommy Thompson, Centers for Medicare and Medicaid Services Administrator Tom Scully and Food and Drug Administration Commissioner Mark McClellan. White House staff deserve recognition including Matt Kirk, Keith Hennesy, Doug Badger, Jim Capretta, David Hobbs, Ziad Ojakli, Amy Jensen and Mike Meece. Department of Health and Human Services staff deserving credit include Jennifer Young, Rob Foreman, Amit ·Sachdev, Dan Troy, Fred Ansell, Elizabeth Dickinson, Michelle Mital, Megan Hauck, Ann Marie-Lynch, Dan Durham, Andrew Cosgrove, Jim Mathews, Michael Reilly, Rob Stewart, Jim Hart, Susan Levy-Bogasky, Gerry Nicholson, Lynn Nonnemaker, Peter Urbanowicz, Donald Kosin, Robert Jaye, Leslie Norwalk, Don Johnson, Susan McNally, Sharman Stephens, John McCoy, David Kreiss, Ira Burney—a technical guru we could not have done without, Richard Foster, Dennis Smith, Charlene Brown,m Sally Burner, Nancy DeLew, Sue Rohan, Mary Ellen Stahlman, Gary Bailey, Tom Hutchinson, Robert Donnelly, Tom Grisson, Liz Richter, Tom Gustafson, Marty Corry, Teresa Houser, Tim Trysla, Teresa Decaro, Greg Savord and Crystal Kuntz.

To all of those I have acknowledged here, I extend my gratitude and the gratitude of the entire United States Senate. You have helped to seize a historic moment, strengthen the Medicare program and improve the lives of millions. Thank you.

The PRESIDING OFFICER. Under the previous order, the hour of 9:15 having arrived, the Senate will proceed to vote on passage of the conference report to accompany H.R. 1.

Mr. FRIST. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the conference report. The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KERRY) and the Senator from Connecticut (Mr. LIEBERMAN) are necessarily absent.

I further announce that, if present and voting, the Senator from Massachusetts (Mr. KERRY) would vote "nay."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 54, nays 44, as follows:

[Rollcall Vote No. 459 Leg.]

YEAS—54

Alexander
Allard
Allen
Baucus
Bennett
Bond
Breaux
Brownback
Bunning
Burns
Campbell
Carper
Chambliss
Cochran
Coleman
Collins
Conrad
Cornyn
Craig
Crapo
DeWine
Dole
Domenici
Dorgan
Enzi
Feinstein
Fitzgerald
Frist
Grassley
Hatch
Hutchison
Inhofe
Jeffords
Kyl
Landrieu
Lincoln
Lugar
McConnell
Miller
Murkowski
Nelson (NE)
Roberts
Santorum
Sessions
Shelby
Smith
Snowe
Specter
Stevens
Talent
Thomas
Voinovich
Warner
Wyden

NAYS—44

Akaka
Bayh
Biden
Bingaman
Boxer
Byrd
Cantwell
Chafee
Clinton
Corzine
Daschle
Dayton
Dodd
Durbin
Edwards
Ensign
Feingold
Graham (FL)
Graham (SC)
Gregg
Hagel
Harkin
Hollings
Inouye
Johnson
Kennedy
Kohl
Lautenberg
Leahy
Levin
Lott
McCain
Mikulski
Murray
Nelson (FL)
Nickles
Pryor
Reed
Reid
Rockefeller
Sarbanes
Schumer
Stabenow
Sununu

NOT VOTING—2

Kerry
Lieberman

The conference report was agreed to.

Mr. FRIST. Mr. President, I move to reconsider the vote.

Mr. BOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader.

Mr. FRIST. Mr. President, this is an extraordinary day for seniors and indeed all Americans. The legislation that we just passed is consequential. It is far reaching for every American. It touches all of us in material ways, in meaningful ways. It is epical in the sense that it modernizes Medicare to provide 21st century care for our seniors, with preventive care, with disease management, and especially with prescription drugs. This bill is notable in its 54-to-44 vote in being a bipartisan bill.

For the information of our colleagues, we will have no more rollcall votes. We currently remain in discussion on the appropriations bills. The bill will not be filed until later today in the House of Representatives. I will be in discussion with the Democratic leadership as to what appropriate time we will be addressing those appropriations bills. There will be no more rollcall votes today. I wish everybody a very happy, enjoyable, and especially safe Thanksgiving.

ADMINISTRATION EFFORTS TO GUT THE "COMPETITIVE SOURCING" COMPROMISE

Mrs. MURRAY. Mr. President, I rise to alert my colleagues and the public to a secret effort by the White House to quash the rights and eliminate the jobs of thousands if not millions of Federal workers.

Right now, the White House is actively working behind the scenes—in closed-door meetings—to reverse a bipartisan agreement that House and Senate appropriators reached just 12 days ago. And I regret to say, the President's operatives appear to be succeeding.

I rise to expose these backroom efforts because I believe all taxpayers should be made aware of the White House's efforts.

If the White House prevails in this scheme, Federal jobs could be contracted out even if it costs taxpayers more money, Federal workers will have to compete to keep their jobs with their hands tied behind their backs, and Federal workers will not be able to appeal a decision to contract out their job while private companies can appeal a decision that doesn't go their way.

If the White House gets everything it wants, Federal workers could actually lose their jobs and see that work shipped overseas. This administration has sent enough good American jobs overseas. It is outrageous that this White House is now questioning our agreements which ensure that the work of the American Government is done by workers here in America.

When it comes to allowing Federal workers to compete to keep their jobs, the White House does not want a level playing field. That's why they're engaging in all these backroom deals, and that's why the White House has seen to it that the bipartisan Transportation/Treasury conference report has never been filed.

What kind of Federal workers am I talking about here? I am talking about people who protect our borders and keep terrorists off U.S. soil; people who purchase and maintain equipment for our troops, both here and overseas; people who help us get the Social Security checks, or price support payments, or unemployment insurance payments that we are eligible for; people who make sure our food is safe; and many, many more.

These are hard-working Americans that serve the taxpayer everyday and deserve a fair shot at keeping their jobs. But, as my colleagues know, for some time the Bush administration has been trying to eliminate Federal jobs through what it calls "competitive sourcing." This policy is highly controversial and with good reason.

Just look at what happened to Federal employees of the Defense Finance Accounting Service in Ohio: Their work was contracted out to a company in Dallas, TX in January 2002; then the Pentagon's inspector general found that the move saved no money and actually cost the taxpayer an additional $20 million; and now that work is being shipped to yet another contractor.

So this entire policy of contracting out Federal work needs much more scrutiny and oversight. But instead of allowing a balanced set of rules to be put in place to avoid the situation I just described, the Bush administration is working to undermine it.

Let me review some of the recent events to show why this effort by the White House is so disturbing. On May 29 of this year, the Bush administration issued revisions to OMB's Circular A–76. This is the circular that dictates the terms and conditions through which executive agencies can privatize activities currently performed by Federal employees.

These revisions were highly controversial and were designed in many ways to undermine the efforts of Federal employees to keep their jobs. The fairness of these revisions was questioned, and not just by Democrats and the Federal employee unions. Several House and Senate Republicans identified flaws, including the chairmen of the relevant authorizing committees and subcommittees.

When the Transportation, Treasury and General Government Appropriations bill was brought to the House Floor, Representative VAN HOLLEN offered an amendment to address these flaws. The Van Hollen amendment was adopted on a bipartisan vote of 220–198. The Van Hollen amendment effectively suspended the President's new OMB circular. It required any contracting out activities to be conducted according to the older A–76 rules. Immediately, the White House threatened a veto, so the Senate took a different approach.

During Senate debate, we adopted an amendment offered by Senator MIKULSKI and Senator COLLINS, the authorizing committee chairman. The Senate also adopted an amendment offered by Senator THOMAS and Senator VOINOVICH, the authorizing subcommittee chairman.

The substance of both amendments centered on putting some basic fairness into the contracting out process—especially the process through which Federal employees and private contractors submit bids to retain Federal work and how those bids are compared. In some cases, the amendments reflected language that the President had already signed into law or that the Congress had already adopted on the Department of Defense and Department of Interior appropriations bills.

When the conference committee convened to reconcile these two very different bills, we all recognized that the Van Hollen amendment could not be included in the conference report because of the President veto threat, so we put together a thoughtful and fair compromise. Our compromise was designed to provide a level playing-field between Government contractors and Federal employees. Our compromise ensured fairness in five ways.

First, the compromise ensured that the rules pertaining to all the Federal agencies would be the same. Second, the compromise ensured that the administration would have to demonstrate that there are real cost savings that would result from a privatization effort before Federal employees lost their jobs to the private sector. Third, the compromise ensured that Federal employees—and not just private contractors—would have the opportunity to appeal a potentially wrongful decision to contract out work. Fourth, the compromise ensured that no jobs that are contracted out would be transferred overseas. And fifth, the compromise ensured that Government employees have the opportunity to put together their best and most efficient bid in order to compete to keep their jobs.

In other words, they do not just need to submit a bid based on the way they currently operate. They could propose new efficiencies to make their bid competitive so that all taxpayers benefit.

As I said, this was a thoughtful, carefully crafted compromise in which neither side got everything they wanted.

Mr. President, I ask unanimous consent that at the conclusion of my remarks, the bill language reflecting this bipartisan compromise be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mrs. MURRAY. Mr. President, I am placing this language in the RECORD because I have been given reason to believe that some very different language will appear in the omnibus appropriations act, once it is actually filed.

A lot of credit belongs to Chairman ISTOOK, Chairman STEVENS, and Chairman SHELBY for allowing the conferees on the Transportation/Treasury bill to work through the issues and develop our original compromise.

When I left the Capitol building late in the evening on Wednesday, November 12, all the conferees expected that compromise to be incorporated into the conference agreement on the Transportation/Treasury bill that was to be filed the next day. Each and every Senator, Republican and Democrat, that participated in that conference agreement was content with the compromise and signed the conference report. What has happened since then has been one of the most astonishing and deplorable process that I have ever witnessed in my 11 years in the Senate.

When the Bush White House learned that the conferees decided to insist upon a level playing field and some demonstration of taxpayer benefits for Federal jobs to be contracted out, they began a quiet but relentless campaign to the gut the compromise. Despite the fact that the conference committee adjourned well over a week and a half ago, the White House has seen to it that the bipartisan conference agreement has not been filed in either the House or Senate while they work to emasculate the compromise.

The administration's alternative language makes their true motives clear. One language change that the Bush administration has been promoting would effectively eliminate the requirement that the administration demonstrate any cost savings before throwing Federal employees out onto the unemployment line. Indeed, the loophole language they are promoting would allow them to award Federal work to private contractors even if the contractor's costs are considerably higher than letting Federal employees keep the work.

Could it be that we are seeing yet another attempt by the Bush/Cheney administration to use Federally appropriated resources to reward their friends?

I am told that the administration has even voiced reservations about the language in our compromise prohibiting Federal jobs from being shipped overseas. Where does it stop.

This administration seems to see no problem with senior citizens picking up a phone to call Social Security Administration and the phone being answered by a Federal contractor in India—and it could actually cost taxpayers more. That's absurd.

On another provision, the administration is objecting to language allowing Federal employees to put forward their best and most efficient bid in order to keep their jobs. Why? Because the administration doesn't want Federal employees to retain this work no matter what the benefit to the taxpayer.

This is the first year that I have served as the senior Democrat on the Appropriations Subcommittee overseeing these government-wide procurement issues. Over the course of this year, I have been increasingly appalled by the disrespect and disdain that the Bush administration holds for the thousands of Americans that come to work for our Government every day.

As of today, I regret to inform the Senate that the Bush administration appears to be making meaningful progress in its campaign to gut the bipartisan compromise that was agreed to as part of the Transportation/Treasury conference.

My subcommittee staff was present with language that was intended to be included in the omnibus appropriations bill. That language guts our original compromise in three fundamental ways.

First, the rules included in the Transportation/Treasury bill will no longer apply to all Federal agencies. They will only apply to the agencies funded in the Transportation/Treasury bill. So these provisions will apply only to jobs being contracted out in the Department of Transportation, the Treasury Department, the General Services Administration, the Office of Personnel Management, and a few smaller, related agencies.

None of these protections will apply to the hundreds of thousands of employees in the other major Federal civilian agencies, such as the State Department, Commerce Department, Agriculture Department, Labor Department, and the Health and Human Services Department. There will be a distinctly different set of rules for jobs in the Department of the Interior and still different rules for jobs in the Department of Defense.

This makes a sham of our Federal contracting-out policy, but the Bush administration certainly doesn't seem to care.

The first major change is in the scope of the agreement. Instead of applying to all civilian agencies, it would just apply to a few. The second major change undermines the fairness of our agreement. The language being slipped into the omnibus bill would now deny Federal employees the legal standing to appeal a wrongful decision to contract out their jobs. Under current regulations, only contractors can appeal a decision that doesn't go their way. Federal employees who are losing their jobs have no such right.

The administration obviously does not want its decision to ever face a truly fair appeals process.

The third major change effectively eliminates the requirement that there be any meaningful cost savings to the taxpayer before jobs are contracted out. That is deplorable.

No wonder the Bush administration will only push for these changes in back rooms.

I think this result is bad enough. However, I am now being told that the administration has not given up on weakening our provision even further.

As I stand here today, the conference agreement on the omnibus appropriations bill, including the Transportation/Treasury section, has still not been filed. The back-room dealing continues and the basic principle of fairness and respect for our Federal employees continues to be under attack.

I have to say that in my many years on the Appropriations Committee, I have never witnessed such a cynical effort to undermine a fair and equitable conference agreement.

I want to emphasize that it is not the fault of Chairman ISTOOK, Chairman SHELBY, Chairman STEVENS, Chairman YOUNG, or any of the other members of the Transportation/Treasury conference. Those honorable gentlemen reached a deal at the conference room table and, I believe, had every intention of standing by our compromise.

This attack on Federal workers, on fairness and on taxpayers has only one source—the administration of George Bush. It is the White House that is keeping our compromise from being enacted—or even filed—so that the American public can read and understand it.

Next year, I hope that our Transportation/Treasury Subcommittee will hold hearings with the appropriate administration officials so that they can explain to us why it is so important to them to deny Federal employees even the most basic rights when competing to keep their jobs. I hope they will explain why it is important to the Bush administration that different Federal workers be subjected to a hodgepodge of differing rules depending on where they work. Perhaps they could also explain why they think it is appropriate that only contractors—and not Federal employees—have the right to appeal a "contracting out" decision.

This issue will not go away. I can guarantee you that efforts will be made on next year's Transportation/Treasury bill to rectify this situation and restore a government-wide policy based on fairness and savings for the taxpayer.

I only hope the Bush administration will have the decency to articulate its position before the public—and on paper—rather than in the back rooms in the dark of night.

EXHIBIT 1

FINAL A–76 COMPROMISE LANGUAGE FOR CONFERENCE REPORT ON THE TRANSPORTATION, TREASURY AND INDEPENDENT AGENCIES APPROPRIATIONS ACT

SEC. 7 . (a) LIMITATION ON CONVERSION TO CONTRACTOR PERFORMANCE.—None of the funds appropriated by this or any other Act shall be available to convert to contractor performance an activity or function of an executive agency, on or after the date of enactment of this Act, is performed by more than ten federal employees unless the

(1) the conversion is based on the result of a public-private competition plan that includes a most efficient and cost effective organization plan developed by such activity or function; and

(2) the Competitive Sourcing Official determines that, over all performance periods stated in the solicitation of offers for performance of the activity or function, the cost of performance of the activity or function by a contractor would be less costly to the executive agency by an amount that equals or exceeds the lesser of—

(A) 10 percent of the most efficient organization's personnel-related costs for performance of that activity or function by federal employees; or

(B) $10,000,000.

(b) EXCEPTIONS FOR THE DEPARTMENT OF DEFENSE.—

(1) This section and subsections (a), (b), and (c) of section 2461 of title 10, United States Code do not apply with respect to the performance of a commercial or industrial type function of the Department of Defense that—

(A) is included on the procurement list established pursuant to section 2 of the Javits-Wagner-O'Day Act (41 U.S.C. 47);

(B) is planned to be converted to performance by a qualified nonprofit agency for the blind or by a qualified nonprofit agency for other severely handicapped individuals in accordance with that Act; or

(C) is planned to be converted to performance by a qualified firm under at least 51 percent ownership by an Indian tribe, as defined in section 4(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e)), or a Native Hawaiian Organization, as defined in section 8(a)(15) of the Small Business Act (15 U.S.C. 637(a)(15)).

(2) This section shall not apply to depot contracts for depot maintenance as provided in sections 2469 and 2474 of title 10, United States Code.

(3) Treatment of Conversion—The conversion of any activity or function of the Department of Defense under the authority provided by this section shall be credited toward any competitive outsourcing goal, target, or measurement that may be established by statute, regulation, or policy and is deemed to be awarded under the authority of, and in compliance with, subsection (h) of section 2304 of title 10, United States Code, for the competition or outsourcing of commercial activities.

(c) Not later than 120 days following the enactment of this Act and not later than December 31 of each year thereafter, the head of each executive agency shall submit to Congress (instead of the report required by section 642) a report on the competitive sourcing activities on the list required under the Federal Activities Inventory Reform Act of 1998 (Public Law 105–270; 31 U.S.C. 501 note) that were performed for such executive agency during the previous fiscal year by Federal Government sources. The report shall include—

(1) the total number of competitions completed;

(2) the total number of the competitions announced, together with a list of the activities covered by such competitions;

(3) the total number (expressed as a full-time employee equivalent number) of the Federal employees studied under completed competitions;

(4) the total number (expressed as a full-time employee equivalent number) of the Federal employees that are being studied under competitions announced but not completed;

(5) the incremental cost directly attributable to conducting the competitions identified under paragraphs (1) and (2), including costs attributable to paying outside consultants and contractors;

(6) an estimate of the total anticipated savings, or a quantifiable description of improvements in service or performance, derived from completed competitions;

(7) actual savings, or a quantifiable description of improvements in service or performance, derived from the implementation of competitions completed after May 29, 2003;

(8) the total projected number (expressed as a full-time employee equivalent number) of the Federal employees that are to be covered by the next report required under this section; and

(9) a general description of how the competitive sourcing decisionmaking processes of the executive agency are aligned with the strategic workforce plan of that executive agency.

(d) The head of an executive agency may not be required, under Office of Management and Budget Circular A–76 or any other policy, directive, or regulation, to automatically limit to 5 years or less the performance period in a letter of obligation, or other agreement, issued to executive agency employees, if such a letter or other agreement was issued as the result of a public-private competition conduced in accordance with the circular.

(e) Hereafter, the head of an executive agency may expend funds appropriated or otherwise made available for any purpose to the executive agency under this or any other Act to monitor (in the administration of responsibilities under Office of Management and Budget circular A–76 or any related policy, directive, or regulation) the performance of an activity or function of the executive agency that has previously been subjected to a public-private competition under such circular.

(f) For the purposes of subchapter V of chapter 35 of title 31, United States Code—

(1) the person designated to represent employees of the Federal Government in a public-private competition regarding the performance of an executive agency activity or function under Office of Management and Budget Circular A–76—

(A) shall be treated as an interested party on behalf of such employees; and

(B) may submit a protest with respect to such public-private competition on behalf of such employees; and

(2) the Comptroller General shall dispose of such a protest in accordance with the policies and procedures applicable to protests described in section 3551(1) of such title under the procurement protests system provided under such subchapter.

(3) The person designated to represent employees of the Federal Government shall be either:

(A) the agency tender official who submitted the agency competition proposal; or

(B) a single individual appointed by a majority of directly affected employees; or

(C) in the event of a dispute between the two individuals cited in (A) or (B) above, either of said individuals, to be determined by the U.S. General Accounting Office.

(g) An activity or function of an executive agency that is converted to contractor performance under Office of Management and Budget Circular A–76 may not be performed by the contractor at a location outside the United States except to the extent that such activity or function was previously been performed by Federal Government employees outside the United States.

(h) In this section, the term "executive agency" has the meaning given such term in section 4 of the Office of Federal Procurement Policy Act (41 U.S.C. 403).

MORNING BUSINESS

Mr. FRIST. I ask unanimous consent that there now be a period for morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPROPRIATIONS

Mr. BOND. Mr. President, I commend our leader, Senator FRIST, as well as Senator GRASSLEY, Senator BAUCUS, and Senator BREAUX, for the tremendous work in passing this very difficult bill. This is a tremendous milestone. It is great news for the seniors of our Nation.

I also ask and plead with the leadership and the Members to realize that we have not yet finished work on the vitally important appropriations bills. It is extremely important we get these bills passed this year prior to the start of 2004, because there is so much in these bills that must be passed now.

The Appropriations Committees, under the leadership of Chairman STEVENS and Senator BYRD, have worked long and hard to produce these bills. Senator MIKULSKI and I fought to get an increase in veterans health of $2.9 billion. We did that because of the pressing need for our veterans.

Our high-priority veterans are waiting sometimes 6 months just to get an appointment. We need that money in the VA system now, not sometime next year. We are also seeing more and more veterans coming back from the conflicts in Afghanistan and Iraq with serious injuries, long-term injuries, that are going to require veterans health care. We have to come to some agreement to get these bills passed this year, not sometime next year, not January or February or March. We cannot afford to miss a half a year.

In addition to that, the distinguished Senator from Kentucky and the Senator from Connecticut put in the over $1 billion needed for the Help America Vote Act.

Mr. MCCONNELL. Will the Senator yield for a question?

Mr. BOND. I would be happy to yield.

Mr. MCCONNELL. I ask my friend from Missouri, is it not true that if we do not get this omnibus bill funded, the election reform money, which guarantees that next year it will be easier to vote and harder to cheat, as the Senator from Missouri has said on so many occasions, that that money simply will not be there in time to begin this lengthy process of getting the money out to States and getting the reforms made in time for the 2004 election?

Mr. BOND. The distinguished Senator from Kentucky makes a very valid point. The time is now to get that money into the voting system in every State. We cannot delay any longer. Every week, every month we delay, means less likelihood that we will make the changes that were promised.

This body overwhelmingly adopted the Help America Vote Act which, as Senator MCCONNELL has said, will make it easier to vote and tougher to cheat. This is a commitment we made to the people of America that we would provide these reforms and we would fund them. If this money has to wait until the approval of these appropriations bills sometime in February and getting the money out in March or April, we are not going to get it done in time. They are not going to be able to implement these vitally important reforms in election.

I know many people want to get their voting machines improved. Frankly, I want to see the end of dogs and dead people voting. They are still trying that in St. Louis. There was a nice 180-count indictment issued by the prosecuting attorney in the city of St. Louis, the circuit attorney. That problem needs to stop and the only way we can get it to stop is by funding the Help America Vote Act.

There are many other good arguments, but I urge the leaders to come together to work on this matter. If we could do it by unanimous consent, that would be the best, but if we have to come back the second week in December, we have an obligation to the people of Missouri to do our job. I plead with the leadership to come to some agreement so we can finish these bills.

I yield the floor.

PASSAGE OF H.R. 1

Mr. SPECTER. Mr. President, I rise to comment briefly about the legislation which we have just passed and also about the omnibus appropriations bill. I compliment all of those involved in this Medicare bill. It is a long time in coming. It will provide much needed relief to America's seniors on the high cost of prescription drugs. It will eliminate the cuts in Medicare which were supposed to take effect in 2004 and 2005. It will, in fact, give the doctors an increase of 1.5 percent.

There was also a mechanism for changing the wage index classification for metropolitan statistical areas, the MSAs, so that the Secretary will have discretion to make that correction.

OMNIBUS APPROPRIATIONS

Mr. SPECTER. Mr. President, with respect to the omnibus appropriations bill, the Senator from Missouri is correct that we ought to complete it. He has pointed out the importance of having the increases for veterans. I would add to that the importance of increases in the appropriations bill for Labor, Health and Human Services, and Education, where I chair the subcommittee.

I would like to comment briefly on two points in the appropriations bill for my subcommittee. One of them involves the issue of overtime pay. The Senate passed, by a decisive majority, 54 to 45, a prohibition on any expenditures to implement the regulation on overtime which would cut out overtime for many Americans who really need that compensation, especially in light of the fragility of the economy at the present time.

In the House of Representatives, the regulations stood by three votes. Then on a later vote in the House of Representatives, by 18 votes, the House directed the conferees to strike the regulation, not to fund it until September 30, 2004.

When the omnibus was in the final stages of preparation last week, it was apparent to me that any course of action would leave the regulation in effect. If Senator HARKIN and I had insisted on keeping in the Senate amendment striking funding for the regulation, then our appropriations bill was scheduled to be taken out of the omnibus and our three Departments, Health, Education, and Labor, would be funded on a continuing resolution and the regulation would remain in effect. If we agreed to remove the amendment striking the funding, then of course the regulation would go into effect. So either way, the regulation was going to go into effect. By having our bill included in the omnibus, we had $4 billion more for vital programs in NIH, for Head Start, for education, Leave No Child Behind, and workers' safety. So in effect we did not have a Hobson's choice, we had no choice at all. Either way we went, the regulation would remain in effect. If we agreed to take it out so we would be included in the omnibus, then the prohibition against funding would fall. If we were taken out and made a part of the continuing resolution, then the regulation would stay in effect.

It is my hope, when this matter goes forward, the vote in the Senate will remain and the provision remains in the Senate bill to strike the funding for the regulation. So that battle is not over. We intend to continue to fight it right down to the wire, until the omnibus appropriations bill is adopted.

One other point, and I will be brief. I know my other colleagues are waiting to speak. One other point, and that involves the House language to prohibit funding for patents for human tissue. That provision in the appropriations bill for the Departments of Commerce, Justice, and State is going to cause enormous uncertainty. It is very expensive, and a very long process, to have a patent. There will be many people, who will be interested in proceeding with patents, who will not understand the ramifications of the language on human tissue.

I am against human cloning. I made that point emphatically clear in our conference, where I offered an amendment, a motion to strike the House language, which passed on the Senate side 18 to 8, but the House refused to agree. So the language remained in the bill. But I believe the scientific community in America is going to march on the Congress to stop the meddling with scientific research with vague prohibitions which can only lead to grave difficulties and which impede medical science.

One concluding thought. I thank those on the other side of the aisle who, as I understand it, have removed the holds on all of the pending nominees. Just a word in support of Pennsylvania Attorney General Michael Fisher, who is up for confirmation for the Third Circuit. I have known Attorney General Fisher for the better part of three decades. He has an extraordinary record in the Pennsylvania Legislature and as the State attorney general and as candidate for Governor.

I ask unanimous consent that a full statement of his résumé be printed in the RECORD at the conclusion of these remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ATTORNEY GENERAL MIKE FISHER

Mike Fisher, the Attorney General of Pennsylvania since 1997, was nominated on May 1, 2003, by President George W. Bush to serve on the Untied States Court of Appeals for the Third Circuit, which covers Delaware, New Jersey, Pennsylvania and the Virgin Islands. The nomination is subject to a majority confirmation by the United States Senate.

Currently serving his second four-year term, Attorney General Fisher is only the third elected Attorney General in State history. His top priorities have included protecting Pennsylvanians from crime, reducing the use of illegal drugs, stopping the tobacco industry from marketing to children, and expanding consumer protection services.

Attorney General Fisher personally argued major cases in State and Federal appellate courts. In March 1998, he sucessfully argued before the United States Supreme Court a precedent-setting case ensuring that paroled criminals meet the conditions of their release.

Attorney General Fisher has worked to improve the quality of justice in Pennsylvania. He is an active member of the Pennsylvania Bar Association (PBA), serving in its House of Delegates and on various committees. Working with the PBA, he has co-sponsored an innovative violence prevention program in Pennsylvania elementary schools called Project PEACE, which helps young people learn to resolve conflicts without violence. Fisher also encourages PBA participation by the attorneys in his office.

Before his election as Attorney General, Mike Fisher served for 22 years in the Pennsylvania General Assembly, serving six years in the State House and 16 years as a member of the State Senate. He was a member of the House and Senate Judiciary Committees, the Chair of the Senate Environmental Resources and Energy Committee and the Majority Whip of the Senate. During his legislative career, he was a leader in criminal and civil justice reform and an architect of many major environmental laws.

Attorney General Fisher began his legal career in his hometown of Pittsburgh following his graduation from Georgetown University in 1966 and Georgetown University Law Center in 1969. As an Assistant District Attorney for Allegheny County, he handled nearly 1,000 cases, including 25 homicides. He continued to practice law during his career in the General Assembly and was a shareholder or partner in various firms, including Houston Harbaugh, where he practiced from 1984 to 1997. Fisher's law practice included civil ligation, commercial law, estate planning and real estate.

Mike Fisher was Pennsylvania's Republican candidate for Governor in 2002. During a hard-fought campaign, he raised key issues and helped shape current public debate on matters such as Pennsylvania's growing medical malpractice insurance crisis, the need to improve public education and the necessity of property tax reform.

Attorney General Fisher and his wife, Carol, an education consultant, have two children, Michelle, 27 an attorney in Pittsburgh, and Brett, 24, an information technology sales consultant in the Washington, D.C. area.

Mr. SPECTER. Mr. President, since Medicare was established in 1965, people are living longer and living better. Today Medicare covers more than 40 million Americans, including 35 million over the age of 65 and nearly 6 million younger adults with permanent disabilities.

Congress now has the opportunity to modernize this important Federal entity to create a 21st century Medicare Program that offers comprehensive coverage for pharmaceutical drugs and improves the Medicare delivery system.

The Medicare Prescription Drug and Modernization Act would make available a voluntary Medicare prescription drug plan for all seniors. If enacted, Medicare beneficiaries would have access to a discount card for prescription drug purchases starting in 2004. Projected savings from cards for consumers would range between 10 to 25 percent. A $600 subsidy would be applied to the card, offering additional assistance for low-income beneficiaries defined as 160 percent or below the Federal poverty level. Effective January 1, 2006, a new optional Medicare prescription drug benefit would be established under Medicare Part D.

This bill has the potential to make a dramatic difference for millions of Americans living with lower incomes and chronic health care needs. Low-income Medicare beneficiaries, who make up 44 percent of all Medicare beneficiaries, would be provided with prescription drug coverage with minimal out-of-pocket costs. In Pennsylvania, this benefit would be further enhanced by including the Prescription Assistance Contract for the Elderly (PACE) program which will work in coordination with Medicare to provide increased cost savings for low-income beneficiaries.

For medical services, Medicare beneficiaries will have the freedom to remain in traditional fee-for-service Medicare, or enroll in a Health Maintenance Organization (HMO) or a Preferred Provider Organization (PPO), also called Medicare Advantage. These programs offer beneficiaries a wide choice of health care providers, while also coordinating health care effectively, especially for those with multiple chronic conditions. Medicare Advantage health plans would be required to offer at least the standard drug benefit, available through traditional fee-for-service Medicare.

We already know that there are many criticisms directed to this bill at various levels. Many would like to see the prescription drug program cover all of the costs without deductibles and without co-pays. There has been allocated in our budget plan $400 billion for prescription drug coverage. That is, obviously, a very substantial sum of money. There are a variety of formulas which could be worked out to utilize this funding. The current plan, depending upon levels of income has several levels of coverage from a deductible to almost full coverage under a "catastrophic" illness. One area of concern is the so-called "donut hole" which requires a recipient to pay the entire cost of rug coverage.

As I have reviewed these projections and analyses, it is hard to say where the line ought to be drawn. It is a value judgement as to what deductibles and what the co-pays ought to be and for whom. Though I am seriously troubled by the so-called donut hole, it is calculated to encourage people to take the medical care they really need, and be affordable for those with lower levels of income. Then, when the costs move into the "catastrophic" illness range, the plan would pay for nearly all of the medical costs.

I am pleased that this bill contains a number of improvements for the providers of health care to Medicare beneficiaries. Physicians who are scheduled to receive cuts in 2004 and 2005 will receive a 1.5 percent increase over that time. Moreover, rural health care providers will receive much needed increases in Medicare reimbursement through raises to disproportionate share hospitals and standardized amounts, and a decrease in the labor share in the Medicare reimbursement formula. Hospitals across Pennsylvania will benefit from upgrades to the hospital market basket update and increases in the Indirect Medical Education. Furthermore, the bill will provide $900 million for hospitals in metropolitan statistical areas with high labor costs due to their close proximity to urban areas that provide a disproportionately high wage. These hospitals may apply for wage index reclassification for three years starting in 2004.

I would note that I do have concerns with this legislation with regard to oncological Medicare reimbursement and the premium support demonstration project for Medicare Part B coverage. Proposed reductions in the average wholesale price for oncological pharmaceuticals may have a grave effect on oncologists' ability to provide cancer care to Medicare Beneficiaries. Every Medicare beneficiary suffering from cancer should have access to oncologists that they desperately need. I will pay close attention to the effects that this provision has on the quality and availability of cancer care for beneficiaries and oncologists' ability to provide that care. Further, the premium support demonstration project for Medicare Part B premiums poses a concern. Some metropolitan areas may face up to a five percent higher premium for fee-for-service care than neighboring areas. While these provisions remain troublesome, we cannot let the perfect become the enemy of the good with this piece of legislation.

The Medicare Prescription Drug legislation has been worked on for many years. I believe this bill will provide a significant improvement to the vital health care seniors so urgently need. I congratulate the members of the conference committee including Majority Leader FRIST, Senator GRASSLEY, Chairman of the Finance Committee, and the Ranking Member, Senator BAUCUS, for the outstanding work which they have done on an extraordinarily complex bill.

The PRESIDING OFFICER (Mr. CHAFEE). The Senator from Nevada.

OMNIBUS APPROPRIATIONS

Mr. REID. Mr. President, people have to understand the process here. We are being criticized for not agreeing to this omnibus bill.

I first of all want the RECORD to be spread with the fact that the chairman of the Appropriations Committee, Senator STEVENS, has worked tirelessly to get this done. He has worked, not a matter of hours or days but weeks. I have spoken to him on this legislation at least 50 times. So my remarks are not in any way to criticize the distinguished President pro tempore of the Senate.

Here it is, November 25, and there have been no final papers filed. What does that mean? There is no final draft of the legislation. Yesterday was the first day that some selected staff people could look at the proposed bill. But even then there were open items. It certainly does not speak well of the legislative branch of Government, as to what is happening.

What do I mean by that? The Congress has agreed on these appropriations bills. The Congress, the House and the Senate, in conference have agreed on these bills. What has been the problem is the interference—and I say that word purposely—by the executive branch of Government.

What are some of the outstanding items in this bill that are causing problems? We have over here 15 holds on this bill if it ever came to me. Regarding the Federal Communications Commission, the House and the Senate have agreed. We had two votes in both bodies, overwhelming votes that determined what would happen. But the White House is not happy with that. They want that changed. They don't want to change it in the normal process, by having hearings, et cetera; they want to do it in the conference—even though there have been two overwhelming votes in both the House and the Senate.

Another deals with outsourcing. There were overwhelming votes in the House and Senate dealing with outsourcing, privatizing. The White House doesn't like that, so they want it changed.

There were two overwhelming votes dealing with overtime pay. The White House didn't like the votes of the legislative branch of Government, so they, by fiat, want to change that.

Then we have other issues that are troublesome in this bill, not necessarily to this Senator but to other Senators. We have situations dealing with when the ATF destroys records of the instant check on guns. The legislation called for 90 days. It has been shortened to 24 hours.

There is a situation that has come up that has overtones of the abortion debate. This is dealing with cloning, human cloning. We thought it was so simple in the committee that we—people don't want to do cloning of human beings, but there is a protracted dispute as to how to write that.

This bill may pass when we come back in January. But we can come back next week, the week after—it is not going to happen. It is not going to happen, as important as this legislation is. And no one knows the importance of it more than the senior Senator from the State of Connecticut, Mr. DODD, who has fought for this legislation, making sure that we have fair votes across the country, that we have votes using the same pieces of equipment, basically, so we do not have the problems we had in the last Presidential election.

We understand the importance of this legislation, even though it is not the right way to do things. We would rather do appropriations bills. We accept the omnibus strategy. But here it is, November 25, 1 more day from the eve of Thanksgiving and we don't have a final draft of what they want us to approve, in addition to all of the things that have been interfered with by the White House.

I believe in the Constitution of the United States. Here it is. This is the second one. It was given to me by Senator BYRD. I wore the first one out. He gave it to me. I treasure the other one, although it is worn out. I asked him to give me another one.

The Constitution, among other things, calls for three separate but equal branches of Government. This is not a king's court. This is an Executive led by the President and a Congress that has two branches; the House and the Senate. Then, of course, we have the courts. The President can't just override by dictates what we have done here in a legislative body. I know there are crocodile tears being shed by people saying: Why can't we do the omnibus?

These are only some of the reasons. Some people badly want to pass this omnibus bill, and the reason is quite clear. My friends have come to me and indicated that they agreed to do this in the Energy bill, or in this bill we just passed, because they were told they would get things in the omnibus. I understand the legislative process. I have no qualms about arrangements being made. I believe legislation is the art of compromise. That is how we work with different legislation. There is nothing wrong with that. It is not illegal or immoral doing that. But you have to understand that it will be a difficult time.

I favor the omnibus. I want to get it done. I have worked very hard on the omnibus. The Senator from New Mexico and I added money in our energy and water bill. There was no problem at all. We have worked with Senator BYRD and Senator STEVENS to make sure we were part of the deal. We didn't want to interfere with getting a bill. We were told there were certain things that needed to come out of our bill and which could only come from our part of the omnibus. We agreed to do that.

But I repeat: If we only had appropriations matters in this bill, this thing would whip out of here in a second because the chairmen and the ranking members of the appropriations committees are Members of the Senate who are appreciated and respected. They know we wouldn't jam things into those bills. I speak for all of the other 12 appropriations subcommittees on the Democratic side.

But we don't have that situation. We have a situation that these two legislative bodies agreed to overwhelmingly. But the White House won't leave them alone. That is why the House hasn't given us a bill because the White House won't leave them alone. They keep wanting other things stuffed in it.

When we come back in January, I hope this is the first bill we take up. I hope the second bill we take up is the highway bill. I hope we get to this bill. It is too bad we are not going to do something for the months of December and January. It would be better for the American people, and it would be better for my State. But we can't agree to this because we have so many problems dealing with FCC and outsourcing. We swallow hard and take the across-the-board cuts that Senator STEVENS said we have to do. That is fine. There are issues such as dealing with guns, abortion, and overtime. People don't have to come and tell us what is in this bill. We know what is in this bill. We know how important the bill is. Go down 16 blocks from here and tell them to leave us alone and let us go back to the constitutional basis of this country and have a Congress that does what it wants. If the White House doesn't like it, let them veto the bill. But they have no right, in my opinion, to start stuffing things in the bill that the House has overridden—overtime, FCC, outsourcing, for example.

I want this omnibus bill to pass. We want the omnibus bill to pass. But we are not going to under the constraints we have.

Remember, it is November 25 and they still haven't filed the papers. We are asking for unanimous consent to pass this. A legislator would have to have rocks in their head to agree to something they haven't yet read.

The PRESIDING OFFICER. The Senator from New Mexico.

THE ENERGY BILL

Mr. DOMENICI. Mr. President, I rise to make a few observations for the Senate and for our people regarding the Energy bill that is still pending as we leave.

First, I hope and pray that during the ensuing months without an Energy bill we don't have high spikes in natural gas prices and the people of our country asking: What have we done about it? Our answer is nothing. I hope that doesn't happen. But I think there is a chance it will happen.

I hope there isn't another blackout. I am not sure there will be but there could be. If there is, the American people are going to ask why and we are going to tell them because we did nothing. There was something that was in that bill that would have solved the problem, according to the experts, and the answer will be, if you have a blackout, we did nothing.

For all of those who have projects that will be finished in wind, energy, solar energy, and renewables, they will be looking around and asking: Where is my next project? The answer will be there is no next project. The question will be: Why? And the answer will be because we haven't provided laws that will give to those kinds of projects the tax relief to which they are entitled and which they have been receiving that will keep wind energy going and solar energy going and geothermal energy going.

When these projects stop and thousands of people who are working in the industry have no jobs, when there are no new projects, the question will be asked: What happened? The answer will be simple. We didn't pass an Energy bill. I can go on with many more such as this.

In closing, I hope the Federal Energy Regulatory Commission does not act with the full power that the Federal Energy Regulatory Commission now has. I hope the Federal Energy Regulatory Commission will understand that we were that close to deciding we did not want the Federal Energy Regulatory Commission to have the single and sole power to regulate electricity interests in this country.

But when the first electric-generating plants and generating systems are mandated by the Federal Energy Regulatory Commission to join in organizations that they don't want to be in, and they ask the question why, the answer is going to be clear.

For those Senators who represent them who are upset because their utilities are being forced to conduct themselves in a manner that the Federal Energy Regulatory Commission determines singularly and solely, the question will be: How can they do that? My friend, Senator CRAIG from Idaho, knows how they can do that. That is their authority without an Energy bill.

We modified that significantly to take into account the differences in our energy system. That is gone. Between now and the time we get a chance to take another look at this bill, perhaps we will have a few of those mandates that will take place. Then people will ask: Why did that happen? I will say: Well, there was nothing we could do about it. The Senate chose not to pass the bill.

I acknowledge that the Senate worked its will at least temporarily in an interim decision, but I am hopeful that in the next couple of months as we watch things get worse in the energy field we will find a way to come back to this bill and pass it substantially as it is, and if some adjustment has to be made, that we will find ways to do that.

It isn't going to be easy. But neither has it ever been easy to pass an energy policy for this country. We have been looking for it, looking at it, staring at it, watching it evolve and doing nothing for many years. We passed a bill about 10 or 12 years ago. But it wasn't like this bill. It wasn't a dramatic change in the policy of our land in terms of energy production and energy efficiency and energy alternatives. Those are temporary—while the winter season hits. Those are out there with no action. They have a big NA after them—no action—or a big nothing done by Congress after each of those episodes that could occur and that will embarrass us because we didn't do our job.

I yield the floor to the distinguished Senator, Mr. CRAIG.

The PRESIDING OFFICER (Mr. CHAFEE). The Senator from Idaho.

Mr. CRAIG. I thank my colleague, the senior Senator from New Mexico, for yielding.

Let me first and foremost thank him for the phenomenal time and effort he has put into a national energy policy. We missed getting cloture by just two votes. Again, a majority of the Senate supports your work. It is full, it is comprehensive, it is revolutionary in driving this country toward having reliable energy once again.

As the average American got up this morning and flipped the light switch, the lights came on. They expect that to happen every day. What they do not understand is that there is now a risk in our country that might not happen. Why? Because over the last decade we have not allowed the energy sector to reinvest, to reconnect, to change the way it did business in the past. Government regulation, in almost every instance, stood in the way and created a supertest and sometimes total obstruction in the ability of a company to invest back into the energy sector.

During the decade of the 1990s, if you wanted to generate electricity, how did you do it? You used natural gas because the Clean Air Act said you could do it no other way. So we did. But on the other side, we were not producing more natural gas so we used up the surplus capacity, and a couple of months ago gas spiked—at $5 to $6 per million cubic feet—astronomically high. What happened? The chemical companies shut down and sent their work overseas. Of course, those electrical plants that were built in the decade of the 1990s, that were generating electricity, turned off the switches. They could not afford in the marketplace to be able to generate electricity. The bill we have in the Senate today, that we have been denied passage of, would go a long way toward remedying that problem.

If the American consumer believes you pass a bill tomorrow and the light switch is reliable, they better remember its reliability is based on a decade of investment, that it does not happen just overnight. What the Senator from New Mexico was trying to do is drive that investment forward for decades to come to create reliability.

The other morning I woke up to the announcement that the President of the nation of Georgia had just resigned. What does that mean as it relates to our energy? We want the oil out of the Caspian Sea to flow into the energy markets of this world to drive down overall prices and to create availability. Guess what happened. Companies are building a major pipeline across Georgia. They invested heavily through the politics of this President. He resigned. Georgia is almost in revolution. Yet that $2 billion pipeline that is going to start producing about 1.2 million barrels of oil a day into the world market may not produce.

The significance of the resignation of Shevardnadze, the President of Georgia, is quite simple. He, by that action, created some degree of instability in the world oil market. If we are going to continue to rely on our supply flowing from unstable areas of the world, then the American consumer can expect broad fluctuations at the fuel pump—$1.50, $2, $2.50.

The passage of this legislation would stabilize that kind of action. There is no question. If this Senate thinks we will rely on the nation of Georgia or the Caspian Sea or Saudi Arabia or anywhere else to be a reliable, continual supplier of hydrocarbons into our system to fuel the gas pumps and to fuel our chemical industry, they ought to think once again.

The Senate Energy Committee has fought long and hard about this for the last decade. In the last 5 years we have worked hard, in the last 2 years we have kept the lights burning all night to try to craft a bill.

The Senator from New Mexico got that job done. We missed by just two votes in the Senate. It is the President's No. 1 priority. He thinks like we think, if we do not make a major move in the direction of beginning to supply energy to the country once again, the availability of jobs, our cost of living, our lifestyles, our standards, all that we hold dear as Americans will have to change because so much of what we do today is based on a relatively low cost, reliable supply of energy to all sectors, all segments of our economy.

Shame on this Senate because a little bit was not right or a little bit was not right there. Nobody looked down the road. Nobody got out in front of their headlights to try to understand the implication of failing to move a bill that produces long-term investment in the energy sector.

We just passed an important bill for all citizens of our country. It is an expenditure right out of the general fund of the United States Treasury. While we were criticized on the energy side for some of the tax credits in this bill, there is a fundamental difference.

First of all, the industry has to invest in the economy before they can get the credit out. They have to drive investment. They have to go out and borrow money, pour concrete, build transmission lines, and hire people. These jobs, created by the tax incentives and the investment, is somewhere in the neighborhood of 800,000 over the decade into the energy sector.

There is a fundamental difference in the way both bills ought to be looked at. While what we just voted on is an important expenditure for the well-being of our country and the well-being of our citizen's health, this is an investment in the infrastructure, in the stability, in the light switch reliability.

Tomorrow morning, for anyone who is listening, when you flip that switch for just a moment, think, how did the electricity get there? No one really understands it unless you have studied it. Think a little bit about it. When you go to the gas pump and fill up your car, ask yourself why it is a little higher now than it was a year ago. How did it get there? All of that is part of what makes our country work.

The Energy bill we had before the Senate, the Energy bill we must have before the Senate again when we return, will speak to that, speak to it clearly, and say to the American people, the Congress of the United States has looked out into the future, determined what the fundamental needs are, and is creating an environment of investment that creates reliability, that creates conservation, that creates new technologies, that drives the energy sector in the direction of production as well as conservation for the well-being of this country and future generations.

I thank the senior Senator from New Mexico for all the work he has done in 2004. Early on in the next session of this 108th it is incumbent upon this Congress to finish our work on that issue.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I thank the distinguished senior Senator from the State of Idaho, Mr. CRAIG, very much for his comments and his help on the bill thus far.

He made a great point about the future in terms of investment and the infrastructure. This bill would have encouraged that. That is just one item.

There is an ancient piece of legislation called PUCHA, and it would have been repealed. People have been saying it should have been repealed for decades. It makes it hard to get the kind of investment in this industry that most industries can get. We finally repealed it this year. It was stuck in the mud of an ancient bill. We are scared to let money get invested in utilities and utility investment in business.

Everywhere you looked there were things to be fixed. That is why it is a big bill.

There is an issue, Senator, regarding the MTBE, the substance approved by the United States Government as an oxidizer for gasoline. There is no question Senators brought issues with reference to it to the attention of the

Senate. We have to take a look at that with the House because the Senate has many Members who are worried about that issue. We know we get no bill or we take that in conference.

I hope the House will look at that in January because when this bill dies, there is no protection for the producers of MTBE. When it dies, the hold harmless clause that we put in—and we can sit around a table and with enough time we can convince almost anyone that they are not so bad as some implied. That is a major issue that will have to be looked at. I thank the White House for helping us on that—or trying to help. There are those who think it is the most important issue around, and I have an empathy with them.

I call on them to apply their thought process in the next few months. The bill will die if we do not inject life into it. With it will go whatever protections the MTBE industry got in this bill. Maybe that is the way we can look at it when we come back and try to figure out a way to take a frontal attack on that issue. Who knows, there might be enough Senators who may want to take a look at that bill just on that point alone.

I close now by thanking Senators who worked very hard on the bill. It is as difficult an undertaking as you can have. I decided to do that after years on the budget, and it is much more difficult than writing the budget for the United States. We did it, but in a sense we are two votes short. The rule is it requires 50 votes for adoption, but we did not have enough for a filibuster, which would require 60.

So with that, I yield the floor and thank the Senate for listening.

The PRESIDING OFFICER. The Senator from Pennsylvania.

ACCOMPLISHMENTS THIS YEAR

Mr. SANTORUM. Mr. President, I commend the chairman of the Energy Committee and the Senator from Idaho for their fine work on the Energy bill. While we are not going to get that bill passed before we leave for the holiday break, it is something that I know the Senator from New Mexico and the Senator from Idaho and others are going to work on and diligently try to accomplish for the reasons they outlined.

Mr. President, I wanted to run down and put into the RECORD a summary of some of the things we have been able to accomplish this year.

We go out on the accomplishment of delivering to the American people what has been asked now for several years by our seniors, and not just by seniors but by the children of seniors and the grandchildren of seniors, who see the fiscal strains that have been put on their parents and grandparents as a result of, in many cases, not having prescription drug coverage or having prescription drug coverage that is very expensive. Particularly for lower-income individuals, it can be quite a drain on their resources, as well as diminishing their quality of life in their senior years.

So we go out on somewhat of a high here. And as it should be, because we have accomplished a lot this year.

If you go back to when this session started, and the Senator from Tennessee became the majority leader in the transfer of power, if you will, here in the Senate, the first thing he said we would do was clean up the mess that did not get accomplished last year.

We had no budget last year, which meant we could not really pass any of our appropriations bills. The Government spending was locked into last year's level, and we did not have a whole lot of new initiatives at the time, when we were looking at a whole new Department of Homeland Security, a war on terror, and a war on the horizon in Iraq.

There was a lot of uncertainty going on here, and we did not have the fiscal discipline in place to be able to get our fiscal house in order here in Washington, DC.

So the first thing we said we would do was we would clean up that mess and pass the spending bills, and fight off repeated attempts, in almost $1 trillion in amendments on the other side, of adding spending to these appropriations bills and then subsequently to the budget that we passed after we passed the appropriations bills from the prior year.

So we passed the appropriations bills from the prior year. On top of that, we put a new budget in place, and we passed a budget. We thought that was important. Many here thought another budget could never pass in the Senate because of the practice of last year and the difficulty in trying to get a budget into the framework of seeing really slow growth compared to what we have seen in the past 7 or 8 years.

That was accomplished. It was tough, and a lot of tough votes. We were able to stand tall and fight back amendments from many on the other side of the aisle. And some on the other side of the aisle joined us. I thank those Members who have stood up, just as many did today, to what appears to be, from the Democratic leadership point of view, obstructionist tactics that are used here in the Senate on almost—I almost want to go back and maybe reconsider the term "almost"—I will say almost everything, but it is almost everything to the point where you think it is everything. But we have had some cooperation from many Democrats, and certainly enough to get some of the more important bills that we considered here done. I thank those who participated in that bipartisan cooperation.

We were able to accomplish a budget. We were able to accomplish, as a result of the budget, a tax plan, again, done in a bipartisan way, here on the floor of the Senate. And the effects of that tax plan have been really some of the most startling economic news we have seen in a long time.

Just today, it was announced for the last quarter growth—which was really the first full quarter that was able to get the impact of the President's tax reduction and jobs growth proposal—we saw it now not at 7.2 percent growth but 8.2 percent growth, the best in 20 years in this country. That is an enormous feather in the cap of this administration's policy of stimulating growth in the economy by reducing taxes, particularly targeted at investors and small- and medium-sized businesses.

We were able to accomplish that because we had a budget we passed in the Senate that allowed for a tax reduction that has been put in place. As a result of that tax reduction, which in part was reducing capital gains tax, but also reducing the double taxation of dividends, it has caused a $2 trillion increase—a $2 trillion increase—in valuations of equities in this country. That is an enormous turnaround.

I was watching the news this morning, and someone was talking about their retirement savings having been eroded, and the impact on seniors, and the impact on those who are approaching those seniors years and their ability to have a stable retirement. When you add $2 trillion back to the value of those equities, you do a lot to stabilize people's retirement and give them the peace of mind they are going to be able to get through their retirement years with a fair—hopefully, good—standard of living.

That was as a result of the budget, the leadership here in the Senate and of the Senate Republicans, and ultimately the tax reduction that was passed as a result of the great leadership of our President.

We were able to provide resources for, obviously, the war on terrorism and homeland security, which is a new appropriation. The Senator from Mississippi, Mr. COCHRAN, who chairs that subcommittee, was just in the Chamber. We passed that bill in a timely fashion so those increased resources would go out to help fight the war on terrorism here at home, as well as, obviously, provide resources we need for our men and women in uniform in Afghanistan and in Iraq to fight the battle on terrorism on the front line over in the Middle East.

Another historic accomplishment of this Congress, which is yet to be fully realized is the AIDS bill. We were able to pass a bill that authorized money for AIDS. And now we are talking about fulfilling that promise to come up with the money that was in the authorization to fund AIDS in Africa and several countries in the Caribbean that are faced with outrageous, just absolutely incredible suffering and the destruction of the family unit in those countries, with infection rates of double digits in the country, with literally millions of people infected with this disease, and transmitting it, in some cases, to their children.

We need to do something about prevention, and we need to do something about the transmission of AIDS. We also need to do something about treatment. With the appropriations bill that is now going to be filed in the House in about an hour and 20 minutes, we will have the President's AIDS proposal fully funded: $2 billion in bilateral aid and $400 million to meet our obligations under the Global Fund—for every $1 we put up, $2 of international funds. And $400 million will meet that obligation as of this time.

We will have in place the commitment we made to those less fortunate in Africa and in the Caribbean for the needed help on prevention, transmission, and treatment of those who are suffering with AIDS or hopefully will not get AIDS. That is a huge accomplishment for this Senate. Candidly, it is probably one of most important things we can do for humanitarian relief. If you look back in history, there really isn't a humanitarian crisis, a health crisis that will match what is going on today in Africa and sub-Saharan Africa. I am glad to be part of a Senate which on a bipartisan fashion stood up and made a huge financial commitment. It is not an easy thing to do in a country that feels a lot of suffering here at home and wants more resources directed here at home, to be able to set that money aside for those who are literally dying by the thousands each day from this pandemic that has struck sub-Saharan Africa. The commitment of the President, followed up by the commitment here in the Congress, is something of which we should all be very proud.

We passed the partial-birth abortion act. We are stopping this horrendous procedure from occurring anymore. There are those who are taking that bill to court. We expected that, but the Senate, with the President's leadership, has been able to pass this bill that is overwhelmingly supported by the American public and is a real step in the right direction. We haven't had very many steps in the right direction with respect to this culture in America. This is a step in the right direction to put some humanity back in the treatment of those innocent children in the womb.

We passed some antispam legislation. As someone who has young kids and is bombarded daily with e-mails of not the most wholesome nature, pop-up ads and the like, this is a tool we can give to authorities to try to limit the amount of that kind of information falling into the homes of families. It is a very serious problem to have this wonderful tool of the Internet be infected by this disease of pornography and violence and other things that are marketed to our children through e-mails and through other types of advertising. The Senate has begun the slow process. It will be a slow process, as maybe it should be, because we have to balance the rights of free speech. Freedom is something that needs to be used responsibly. No one who wrote the founding documents of this country believed freedom to be an absolute. With rights come responsibilities. That freedom, more properly defined as liberty, is a balancing of those rights and responsibilities. We need to seek to do that in the case of the Internet, which I find to be a wonderful tool but at the same time a very dangerous vehicle for information to flow to people who may not handle it well and may be scarred or changed for life as a result of some of this activity.

As I went down that list, I think you can see it is a list of great accomplishment. Yet at the same time there is so much left to be done and so much that was blocked by the other side. So when you hear, as you will hear, the term "obstructionism" about things that could have been—the Senator from Idaho is here and talked eloquently about the Energy bill—could have been, should have been, but for the procedural tactics of raising the requirement to pass this bill by 60 votes instead of an up-or-down vote of 51. That is their right to do. But as the Senator from Idaho and the Senator from New Mexico said earlier, it is going to have severe consequences for the long-term future of our economy.

Energy is not something you turn off and on like we do the stove or the thermostat. It is something that takes a long time to be developed. It takes investment, a lot of people, a lot of steps in the process, as it should, even environmental steps in the process to be able to extract the resources we need. We are not moving in that direction. We are not moving toward energy independence. For a country that is as much dependent upon cheap energy as this country and this economy are, to continue to turn a blind eye towards the needs of our economy and the impact on the quality of life here is a very dangerous thing.

Again, I suggest while I understand the rights of the minority, we need to find a way to get the 60 votes necessary to get this piece of legislation moved forward for our children and for our future economy.

We have the omnibus appropriations bill. One of the victories was the AIDS authorization bill we were able to pass. But more candidly, the most important thing is funding that program. There are a whole host of things: An increase in VA health care, which is in the omnibus appropriations bill, an increase in NIH funding is in the Labor-HHS. There are so many important priorities in this bill. Yet we have been told we are just not going to be able to get to it until January. I know the leader later is going to ask unanimous consent to bring up this bill when the House passes it. The House will pass it first, as it does customarily with appropriations bills. They are coming back December 8. We hope to reconvene the Senate shortly thereafter to bring up this legislation so we can pass it here. Why? Well, because if we don't pass it, those increases in VA health care funding, those increases in AIDS funding, those increases in NIH, and a whole host of other things in this bill simply will not go into effect until at the earliest the end of January.

If you are for those increases and you are for the realignment of budget priorities in these appropriations bills, we should take a little time out of our break, come back here for a day. We will have had several weeks to look at this. The bill will be filed in an hour and 10 minutes. Take a look at it. If you have problems with it, you certainly have the opportunity to voice that opposition and vote no. But that is going to be the up-or-down vote we are going to have. We should take the opportunity to come back and do it in a timely fashion. We have been told by the other side they will object to us coming back. So this bill will sit there for roughly 2 months with a variety of different spending priorities many people in this Chamber agree with and that the American public has asked us for, including increased funding for education, DC choice, allowing students in the District of Columbia to have the opportunity to go to the schools of their choosing. All of those things will be in this bill, and we will not be able to have a vote because of the power—it is a wonderful thing when you are the minority—of individual Senators to stop things from happening. That is another obstruction.

We spent 3 days here on the floor of the Senate 10 days ago, 12 days ago, debating the issue of judges. Here we are again. We have six qualified, terrific nominees—not turkeys, not lemons, not neanderthals. Those were words used here in the Senate to refer to distinguished people who are judges in their own right today, justices of supreme courts today, reelected by overwhelming numbers in their home States, gone through the ABA approval process and were considered to be either qualified or unanimously well qualified. These folks were referred to by the people here in the Senate as neanderthals, as lemons, and in some respects as turkeys.

I can understand where there may be a difference as to the qualifications of these judges. They have every right to suggest their deficiencies. But to use that kind of terminology to describe people of distinguished legal records and careers calls into question the propriety of the Senators' remarks and whether they don't in fact meet the standard of what is referred to as rule XIX. Rule IX refers to a Senator. I don't think we should be able to refer to nominees, who put themselves out to serve the public, in a way that is as callous and cavalier and disrespectful as that.

So I suggest that there is another area of obstructionism—changing the rules. For 214 years, the rule was that every judicial nomination that came to the Senate floor got an up-or-down vote. Since we put the filibuster in place in the early 1930s, 2,370 nominees have come to the floor of the Senate, and zero were filibustered. None. None were blocked.

Now, there are several on that side of the aisle who have taken to putting a chart up that shows 168 to 6, as if 6 is somehow a good number out of 174, when zero out of 2,370 was the norm. I think the Senator from Georgia, SAXBY CHAMBLISS, suggested the right answer to that. They said they were doing a great job in approving them 95 percent of the time. The Senator from Georgia suggested that if he went home to his wife and said he was faithful to her 95 percent of the time, that would not be adequate in her eyes. It is not adequate, when the Constitution requires an up-or-down vote, for those people who believe in the sanctity of that Constitution to say we are upholding it 95 percent of the time. But that is what is happening on judicial nominations, and it is another case of obstruction.

Mr. SESSIONS. Will the Senator yield?

Mr. SANTORUM. I am happy to yield for a question.

Mr. SESSIONS. Mr. President, during the debate on the judges, the opponents, the Democrats who were obstructing an up-or-down vote, asserted that these judges were "extreme," and they repeated that. They used that word repeatedly. They really cited no specific reason they were extreme. I ask the Senator from Pennsylvania, who has been so eloquent on this issue, how he can explain, in light of the groups we now know are opposing these nominees, who are extreme? I think we can demonstrate, without any doubt, these nominees, such as Janice Rogers Brown of California, who got 76 percent of the vote, and Judge Priscilla Owen, who got 84 percent of the vote are not extreme. Is the Senator from Pennsylvania aware that among the groups blocking these judges, and actually appearing to pull the strings of Members of the Senate, they have views on their Web sites?

For example, they say there should be no pornography laws, even child pornography. They oppose any change in abortion whatsoever, even partial-birth abortion, which 84 percent of the American people believe ought to be dealt with. Some of them believe in legalization of drugs. I ask the Senator, who is extreme here?

Mr. SANTORUM. Obviously, by definition, a Republican who gets 76 percent of the vote in a State such as California cannot be extreme. Certainly, if they are extreme in the State of California, the only chance I would think in my mind that someone could get that high a vote is if they were extremely liberal. California, let's admit, is a fairly liberal State. It is a very heavily Democratic State. So for a Republican "extremist" in California to get 76 percent of the vote—I don't think Republican extremists can get 76 percent of the vote in a State such as California. I argue that, by definition, that doesn't wash.

The fact is, what the Senator said is true. When you have these organizations who, in these memos that have leaked out, are sort of giving marching orders to Members of the Senate Judiciary Committee on the Democratic side as to what nominees to hold—and some use the term, referring to Miguel Estrada who was nominated for the second highest court in the land—a great rags-to-riches story of a Hispanic immigrant to this country—that he was "dangerous" or a "threat." It was one of those terms. He is a real threat. Why? Because he is a superior intellect? Because he has tremendous qualifications? No, because he is Latino and we cannot have that.

Mr. SESSIONS. If the Senator will yield, does he think it is possible they saw Miguel Estrada as a threat because he is a brilliant mainstream lawyer, a Hispanic, who would make a highly qualified appointment to the Supreme Court?

Mr. SANTORUM. That is exactly what they said. He is all of the things I talked about—highly qualified, very bright, and a great story of integrity and overcoming obstacles. It is a compelling story. As a result of his ethnicity, he would be a threat because he might be elevated to a higher court someday.

This is the kind of activity I think really does debase this institution. We should not be involved in blocking people who, 10 years ago, would have probably not even required a vote on the floor of the Senate to be confirmed. We have gotten to the point where the special interests—you hear so much on the Medicare bill about the special interests that were involved in the Medicare bill. I cannot think of any area where special interests have had more impact that has been contrary to the interests of ordinary citizens in America than what we have seen by the special interests on this judge debate. These organizations support the things the Senator from Alabama just talked about. But they were also the ones supporting the complete removal of God, or any hint of God, in the public square, whether it is in Alabama or in the Pledge of Allegiance out in the Ninth Circuit.

The people who made this decision in the Ninth Circuit to strike "under God" from the Pledge of Allegiance—do you think they were nominees who would be considered to be out of the mainstream that President Bush supported or nominated? No. They are nominees of, primarily, President Clinton, who views the Constitution as a document to be ignored, a nice little piece of antiquity that they might want to look to see if it suits their purpose. But if it doesn't, we will set it aside and do what we think is right. That is what they do on a regular basis. It is called activist judges who believe we are a government of men, not laws. That is what many on the other side—particularly members of the Judiciary Committee—would love to see. They don't want judges who take the Constitution and the words in it seriously and feel bound by them. So we had a huge debate.

I think it was an important debate for the Senate on that important issue, and a related issue. There are several issues percolating in the Senate to do something about the huge cost of litigation to our economy—whether it is asbestos litigation, on which there have been tens of thousands of cases filed by people who have been "exposed" to asbestos. In the vast majority of the cases, the people who have filed the case, the plaintiffs, are not sick and have no indication that they ever will be sick. But they have been "exposed." They are clogging the courts, consuming huge amounts of resources. I hear colleagues on both sides of the aisle complain about manufacturing and the problems with manufacturing. Well, look at the asbestos liability issue, in light of what we are doing to our manufacturers. Manufacturers are going bankrupt—I won't say every day, but every week or two—because of this litigation going on. It is frivolous. The worst part is, I have people in my State who were infected and have asbestosis, mesothelioma. It is a disease that comes with exposure to asbestos, and a respiratory disease. These people are sick and they are dying and they are not able to get a proper jury award. In fact, they have gotten their awards and it is pennies. The money was eaten up by the trial lawyers. It is a horrible situation.

We need to get the people who are sick the compensation for their disease and the treatment for their disease, and those who are not sick, they need to be set aside. If they get sick, they will be compensated, but we are all exposed to lots of dangerous things in our lives. That doesn't mean you can sue for them. Only if it causes you harm should you be able to sue. That is another area again being blocked.

Class action: I see the Senator from Delaware, Mr. CARPER, here, who is one of the leaders in trying to get a bipartisan bill together. I give him a lot of credit. It is another attempt like we did with Medicare, on which he was involved, trying to bring the sides together. So far, we have not been able to get to that 60-vote threshold. We need to get that bill done to try to help our economy move forward.

Medical liability, frivolous lawsuits: Again, this is plaguing the system when it comes to health care, driving up our cost of pharmaceuticals and of health care. In Pennsylvania, our doctors are moving to Delaware, moving to other places where the laws are more beneficial, where the legislatures have put caps in place to try to limit the amount of cases where runaway juries end up bankrupting the health care system.

That is another area where we have been blocked over and over.

Another area we have been blocked, something on which I have been working, is assistance to the poor. We are trying to pass a charitable giving bill, a bill in which I have been involved. We are talking about giving $10 billion over the next 2 years in incentives for people to give more money to charities at a time when we are still not completely out of the recession that hit us in 2001 and 2002.

Again, we have not been able to get the cooperation necessary to get a bipartisan bill to help social service providers, to help nonprofit groups meet the humanitarian needs of people.

I can go on. The bioshield bill is being blocked. There are a lot of other issues on which we are being obstructed. I wanted to balance the accomplishments we have been able to achieve in the Senate and this Congress, and they have been substantial. We have a lot to go back home and talk about as to what we have been able to work out in a bipartisan way in the Senate, but there is still a lot of work to be done that the House has accomplished and that is sitting in the Senate not being done. It is very important to our economy and very important to the future of our country.

One further comment. The Senator from Idaho has been very patient. I don't know if the Senator from Idaho or the leader is going to propound momentarily a unanimous consent request to vote on a resolution. This is a resolution having to do with marriage.

As my colleagues know, the Massachusetts Supreme Court handed down a 4-to-3 decision that said there is now a constitutional right in the State of Massachusetts to same-sex marriage, which is a remarkable turn of events, within a few months of a case in the U.S. Supreme Court, the Lawrence v. Texas case, which took an act—which for 214 years in many States has been seen as an illegal act and in the vast majority of the American public's mind certainly not a moral act—an act of sodomy and turned that act into a constitutional right. That is what the Court did. It turned this act that is considered by many to be illegal in States and, by most Americans, immoral with no tradition of acceptance of the history of the United States since our Constitution was written. They have taken that act and turned that into a constitutionally protected act.

Many of us said there would be consequences for doing so. When we said that, we thought it would be years down the line. It has not taken years; it has taken a matter of a few months for the Massachusetts Supreme Court to cite Lawrence v. Texas and say now that this is a constitutionally protected right to engage in this behavior, how can we discriminate two people who engage in this behavior under the equal protection clause, to protect everybody equally, how can we discriminate against these people who are practicing a constitutional right under the rights and privileges of marriage? It would be unequal treatment if we didn't treat these constitutionally protected actions the same way as we treat traditional marriage.

I suggested before Lawrence v. Texas was decided that if it was decided in the way it was, we would be heading down a slippery slope. I was wrong. We are heading off a cliff. This is not a slippery slope; it is a cliff.

If we do not respond to this decision, other States will be forced to accept the dictates of the Massachusetts Supreme Court—the court of appeals in this case. A couple can go to Massachusetts, get married, come back to Pennsylvania, Idaho, Alabama, or Delaware, and say: I demand under the full faith and credit clause of the Constitution that you recognize this marriage.

What is the State to do, because the Constitution demands it. So we are in a situation where de facto, we could have that policy of Massachusetts by an unelected group of judges, by a vote of 4 to 3 being forced on the entire country unless we do something in the Senate to act. That is a constitutional amendment which defines marriage and describes it in the Constitution.

I happen to think we put a lot in the Constitution that are building blocks of society, certain freedoms, certain truths that we establish in the Constitution. I cannot imagine anything more fundamentally important to the stability of our society than having stable families in which to raise stable children, and anything that undermines that, to me, undermines the core of who we are as Americans.

We will ask for a vote on the resolution. I ask unanimous consent to print the resolution in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

RESOLUTION

Whereas, marriage is a fundamental social institution that has been tested and reaffirmed over thousands of years; and

Whereas, historically marriage has been reflected in our law and the law of all jurisdictions in the United States as the union of a man and a woman, and the everyday meaning of marriage and the legal meaning of marriage as defined in Black's Law Dictionary is "the legal union of a man and a woman as husband and wife;" and

Whereas, families consisting of the legal union of one man and one woman for the purpose of bearing and raising children remains the basic unit of our civil society; and

Whereas, in *Goodrige v. Department of Public Health*, the Supreme Judicial Court of Massachusetts ruled four to three that the Constitution of the Commonwealth of Massachusetts prohibits the denial of the issuance of marriage licenses to same-sex couples; and

Whereas, the power to regulate marriage lies with the legislature and not with the judiciary and the Constitution of the Commonwealth of Massachusetts specifically states that the judiciary "shall never exercise the legislative and executive powers, or either of them: to the end it may be a government of laws and not of men;" and

Whereas, in 1996, Congress overwhelmingly passed, and President Bill Clinton signed, the Defense of Marriage Act under which Congress exercised its rights under the Effects Clause of Article IV Section 1 of the United States Constitution: Now, therefore, be it.

Resolved, That it is the Sense of the Senate—

(1) That marriage in the United States shall consist only of the union of one man and one woman; and that same-sex marriage is not a right, fundamental or otherwise, recognized in this country; and that neither the United States Constitution nor any Federal law shall be construed to require that marital status or legal incidents thereof be conferred upon unmarried couples or groups; and

(2) The Defense of Marriage Act is a proper and constitutional exercise of Congress's powers under the Effects Clause of Article IV Section 1 and that no State, territory, or possession of the United States, or Indian tribe, shall be required to give effect to any public act, record, or judicial proceeding of any other State, territory, possession, or tribe respecting a relationship between persons of the same sex that is treated as a marriage under the laws of such State, territory, possession, or tribe, or a right or claim arising from such relationship.

Mr. SANTORUM. Mr. President, I won't read the whereases, but I will read the resolved clause:

> . . . it is the sense of the Senate—
>
> (1) That marriage in the United States shall consist only of the union of one man and one woman; and that same-sex marriage is not a right, fundamental or otherwise, recognized in this country; and that neither the United States Constitution nor any federal law shall be construed to require that marital status or legal incidents thereof be conferred upon unmarried couples or groups. . . .

Second, because we already passed a statute in the Congress that accomplishes pretty much what I just read—it was the Defense of Marriage Act, supported by 90-some Senators and signed by President Clinton. The resolution says:

(2) The Defense of Marriage Act is a proper and constitutional exercise of Congress's powers under the Effects Clause of Article IV Section 1 and that no state, territory, or possession of the United States, or Indian tribe, shall be required to give effect to any public act, record, or judicial proceeding of any other state, territory, possession, or tribe respecting a relationship between persons of the same sex that is treated as a marriage under the laws of such state, territory, possession, or tribe, or a right or claim arising from such relationship.

In other words, we are going to go back on record in the sense of the Senate—as a precursor, hopefully, to a more full debate—that no State should be forced to adopt the marriage laws of another State such as Massachusetts. It should be, as this constitutional amendment which I will advocate will be, the people's decision. If the people decide, by constitutional amendment or otherwise, we are going to change what marriage is, I will fight against that, but I will respect that decision because that is the way we decide issues in America.

What I am concerned about is that the Commonwealth of Massachusetts and their courts are going to create a new constitutional right; they are going to change the Constitution without going through the rigors of what the Constitution demands for change, and that is a constitutional amendment.

So we will take up that mantle. We will do it the right way. We will try to change the Constitution in the way the Framers intended, not the way it has been practiced recently with the courts taking on that mantle themselves and changing it without the benefit of having any public input on the process.

We will offer an amendment to get the constitutional majority that is necessary to pass it, which is two-thirds of the Members of this body and of the House, and then three-quarters of the States through their legislature, representing the people in those States, to ratify this amendment.

I believe this is a fundamentally important issue, one I guarantee we will be discussing at length next year, and I hope the American public will begin to engage in this debate, not as an attempt to stop anybody from doing anything but as an attempt to solidify what is the basic building block of our society.

This is not being done as against anybody. It is being done for something that we know has intrinsic value and good and is a stabilizing and important element of any successful society, and that is healthy stable families in which children can be raised in that environment, so we can raise the leaders of the next generation.

This is an important debate. I hope we will not be obstructed. I hope we will have an opportunity to have a full and fair debate on this issue, that the public will have an opportunity to see the Senate at its finest on an issue that I believe is at the core of who we are as Americans.

I thank the Senator from Idaho for his indulgence in listening to me go on for a while, as well as the Senator from Delaware, although he had to indulge less than the Senator from Idaho.

I yield the floor.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, I was pleased to sit and wait and listen to the Senator from Pennsylvania. I appreciate his leadership and the accomplishments he has helped guide us through this past year in the first session of the 108th Congress. They are many, and there are yet many to accomplish.

Yes, we have had substantial obstructionism on the part of our colleagues on the other side. Why? It is politics to them in many instances. They see those as defining lines between their party and ours. I do not think objecting to or obstructing judges is that. I think it is an act that is unconstitutional in its character. I think it is now broaching on a constitutional crisis in our country to suggest that it takes a supermajority when any one individual decides to confirm or at least bring to the floor the vote of a judge.

NOVEMBER, NATIONAL ADOPTION MONTH

Mr. CRAIG. Mr. President, the Senator from Pennsylvania was talking about marriage. I come to the floor to talk about families for just a moment, and I will be brief. The Senator from Delaware has been waiting patiently also.

This is November. This is the month of Thanksgiving. Hopefully, most of us are a few days away from the opportunity and the privilege to go home and sit down with our families and have a Thanksgiving dinner of some proportion; most importantly, to be with our families. That is what this country is all about and certainly that is what Thanksgiving is all about.

November is, in my opinion, another special month. For the last month, I have been wearing on my lapel—and I do not have it on today—a little gold word that says "adopt." November is National Adoption Month. I am a proud parent of three adopted children. I am going home to be with them and our grandchildren for Thanksgiving. We have three children and seven grandchildren now. My wife Suzanne and I are tremendously proud of that.

I became a father through adoption. Well, this month of November is National Adoption Month. It is a time to celebrate special families, the families of more than 2 million children in America who are adopted, according to the U.S. Census Bureau. In fact, it is estimated that more than half of the population of America has been personally touched by adoption, whether they are adopted or have adopted or have a close friend or family member who is adopted or has adopted. In other words, many of us have said adoption is a phenomenally viable option when it comes to forming a family.

Just this past week, we added to those numbers. November 22, this last Saturday, was the fourth annual National Adoption Day. On that day, the courtrooms of the Nation, where volunteers helped, over 3,000 children found permanent, loving homes and new parents through the adoption system of our country. Think what this Thanksgiving is going to be to those 3,000 children who will now sit down at a table to have Thanksgiving dinner with new parents who are offering them permanent love and stability in their life.

While this is wonderful news, there are still far too many children waiting for permanent, safe, and loving homes. Our foster care system provides temporary care for more than 580,000 oftentimes abused and neglected children. Among those children, 126,000 of them are waiting for adoption. For anybody who reads this RECORD or might be watching at the moment, listen up. There are 126,000 kids in America who would love to have one of you as their parent, their mother or their father, who would love to have you offer them a permanent and loving home.

Sadly, every year 25,000 children age out of foster care. What does that mean? They become 18 years of age. They leave the foster care system, never having known a permanent, caring, loving home. Foster parents are caring, but it is not permanent and the child knows that. So they graduate out. They are out on the street at 18 years of age. They do not have the stability of the family unit. Seventy-plus percent of them get in trouble. Seventy-plus percent of them just cannot make it because they do not have a mom or a dad to refer back to, to help them, to give them advice. They are on their own at age 18.

I would not have wanted to be on my own at age 18. Now I might have thought I could have been. But how many times did I go home to mom and dad to ask for their advice, their help, or their counsel? Well, innumerable times.

So I hope Americans will consider opening their homes and their hearts to children through adoption. As an adoptive father, I can say this experience has changed my life, and this Thanksgiving I will be reminded of all of that when I hug those seven grandbabies and try to share a little turkey with them.

Last year, President Bush launched the first Federal adoption Website to help families connect while waiting children across America connect to them. The Web site is www.AdoptUSKids.org. Go online. Find out that you, too, can become an adoptive parent.

MARY LANDRIEU, the Senator from Louisiana, and I have cochaired the adoption caucus on the Senate side for a good number of years. We have passed a lot of laws to make adoption easier, we have provided tax credits, we have created incentives, because we want Americans to go after those 126,000 children who are not yet in permanent, loving homes.

We have also created the Congressional Coalition on Adoption. I have just stepped down as its chairman. MARY LANDRIEU has become its chairman. It is now a freestanding 501(c)(3) institute. We have had tremendous success with people coming in to help us, to advance the cause of adoption. We hope Americans might look at us also because we are willing to help them break down the barriers so that they can build their family through adoption, if that is what they choose.

Later this week, a lot of Americans, as I have said, will be sitting down at that Thanksgiving table. It is a moment to be thankful for so much, but it is a moment also to recognize that you could give a little more. If it is at that time in your life or at that moment when you and your spouse have decided you want a family, here is one way to do it. There are 126,000 children waiting for you to select them and bring them into your heart and your home for a loving, permanent relationship that in every way will be positive.

So November is National Adoption Month. Choose adoption as an option. If I can be of help, call me, or go online and go to www.AdoptUSKids.org. You will have a happier Thanksgiving.

PROVIDING FOR SINE DIE ADJOURNMENT OF THE SENATE AND THE HOUSE OF REPRESENTATIVES

Mr. CRAIG. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H. Con. Res. 339, the adjournment resolution.

The PRESIDING OFFICER. The clerk will report the concurrent resolution by title.

The legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 339) providing for the sine die adjournment of the first session of the One Hundred Eighth Congress.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. CRAIG. I ask unanimous consent that the amendment at the desk be agreed to, the concurrent resolution, as amended, be agreed to, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 2217) was agreed to, as follows:

On page 1, line 2 strike "That" and all that follows through page 3, line 3, and insert:

"That when the House adjourns on any legislative day from Tuesday, November 25, 2003, through the remainder of the first session of the One Hundred Eighth Congress, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand adjourned sine die, or until such day and time as may be specified by its Majority Leader or his designee in the motion to adjourn, or until the time of any reassembly pursuant to section 2 of this concurrent resolution, whichever occurs first; that when the Senate recesses or adjourns at the close of business on any day from Monday, November 24, 2003, through the remainder of the first session of the One Hundred Eighth Congress, on a motion offered by its Majority Leader or his designee, it stand adjourned sine die, or stand recessed or adjourned until such day and time as may be specified by its Majority Leader or his designee in the motion to recess or adjourn, or until the time of any reassembly pursuant to section 2 of this concurrent resolution, whichever occurs first".

The concurrent resolution (H. Con. Res. 339), as amended, was agreed to, as follows:

H. CON. RES. 339

Resolved, That the resolution from the House of Representatives (H. Con. Res. 339) entitled "Concurrent resolution providing for the sine die adjournment of the first session of the One Hundred Eighth Congress.", do pass with the following amendment:

Page 1, line 2, strike out all after "*concurring),*" over to and including line 3 on page 3 and insert: *That when the House adjourns on any legislative day from Tuesday, November 25, 2003, through the remainder of the first session of the One Hundred Eighth Congress, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand adjourned sine die, or until such day and time as may be specified by its Majority Leader or his designee in the motion to adjourn, or until the time of any reassembly pursuant to section 2 of this concurrent resolution, whichever occurs first; that when the Senate recesses or adjourns at the close of business on any day from Monday, November 24, 2003, through the remainder of the first session of the One Hundred Eighth Congress, on a motion offered by its Majority Leader or his designee, it stand adjourned sine die, or stand recessed or adjourned until such day and time as may be specified by its Majority Leader or his designee in the motion to recess or adjourn, or until the time of any reassembly pursuant to section 2 of this concurrent resolution, whichever occurs first.*

The PRESIDING OFFICER. The Senator from Delaware.

Mr. CARPER. Mr. President, before my friend and colleague from Idaho leaves the floor, I want to express my thanks on behalf of those 100,000-plus kids who are looking for a home of their own with loving, adoptive parents. Thank you, and my friend Senator LANDRIEU, from Louisiana, for the wonderful leadership you have shown. Not just talking the talk but, in the case of your family, very much walking the walk. Happy Thanksgiving to you.

I certainly express that same sentiment to our colleagues here. As we approach Thanksgiving in 2 days, in spite of our problems in this country, we have much for which to be grateful. I very much appreciate the chance to work here with our colleagues, and am grateful for the staffs who help us serve our constituents back home in Delaware and Alabama and Idaho and Rhode Island and other places. We are thankful for the opportunity our constituents have given us this Thanksgiving and every Thanksgiving and throughout the year to serve them.

Mr. CRAIG. I thank my colleague.

MEDICARE DEBATE

Mr. CARPER. I don't know that Winston Churchill, one of the great leaders of Britain, ever said anything about Thanksgiving or turkeys. He is somebody we like to quote a lot. He used to say there are two things people should not see made: One of them is sausages and the other is laws.

That could be said of the process we have gone through to modernize Medicare and add a prescription drug benefit. It has been a difficult debate and a difficult process.

Churchill also said democracy is the worst form of government devised by wit of man, except for all the rest. That is also something I would have us keep in mind today as we reflect on this bill.

Mr. President, 38 years ago a Democratic President, Lyndon Johnson, signed into law legislation creating Medicare. At the time it was hailed as a milestone. It was hailed as a landmark in providing a benefit to millions of our senior citizens who did not have access to health care, did not have access to hospitals, did not have access to doctors and nursing care. With the signing of that bill by then-President Johnson, the whole world changed for millions of Americans. Today it continues to change for tens of millions more.

Initially, Medicare, when it was fashioned, was designed to provide access to hospitals for people who needed to get hospitalized to get well. They would have that under Medicare if they were old enough. Similarly, if folks were in need of access to a doctor's care or nurse's care, they would have it under that legislation he signed 38 years ago.

There are a number of things that bill did not provide. It did not provide for home health care. It did not provide for outpatient care. It did not provide for access to prescription medicines or enable senior citizens, those Medicare eligible, to obtain help buying prescription medicine. Over time Medicare has evolved, as we know. Over time we have learned. Today we are a lot smarter. We can keep people out of hospitals and treat them on an outpatient basis. We are far wiser about keeping elderly people out of hospitals and, where it makes sense, treating them in their homes.

We also know today, in 2003, we can prevent a lot of illnesses and we can cure a lot of illnesses. We can enhance the quality of life for senior citizens by making sure they have access to prescription medicines we did not have in 1965, and frankly we did not dream about in 1965.

If we were creating Medicare anew today, this week or this month, it would be a no-brainer. We would have home health care. They would provide for outpatient services and care. It would also include a prescription medicine component.

When I was Governor of Delaware and running for the Senate in 2000, I talked a fair amount about prescription drug programs that were proposed in the Congress, principally one proposed by Senator GRAHAM of Florida. I thought and still think it is a better alternative than what we have adopted here today. Adopting this legislation today is an example of not letting the perfect be the enemy of the good.

There are a number of principles I have said for some time we should attempt to adhere to when putting in place a Medicare prescription drug benefit. Foremost among these is that the program should be voluntary. If senior citizens want to participate, they can. If they choose not to participate, then they will not have to.

Second, I suggested that among the principles we adhere to is the prescription drug plan we adopt be one that would provide help where the help was most needed—for folks who do not have any kind of coverage, those whose incomes were very low, and those whose need for prescription drugs is exorbitantly high.

A third principle I have suggested is that middle-income senior citizens should find some help, some benefit from this legislation.

A fourth principle is we should do our very best to harness competition and market forces, to use those market forces to help contain the dramatic increase in the cost of prescription medicines.

A fifth principle is there should be no gaps and no caps in coverage. We violated that principle in this legislation. We violated one other principle that I have talked about as well, and that is this prescription drug plan should be consistent with a balanced budget.

The unfortunate reality is that a plan with no gaps or caps has become inconsistent with a balanced budget. We find ourselves today as a country in a huge hole, a fiscal hole, because of unwise tax cuts, a war on terrorism, a war in Afghanistan, a war in Iraq, and a slumbering economy that is slow to revive. Because of the size of that budget deficit, we are unable to pass the kind of prescription drug program many of us would like, one that has no gaps and one that has no caps.

I have listened with some fascination to the debate here in the Senate and raging across Capitol Hill and across the country. On the one hand, my friends on the left say the bill we have just adopted here is the end of Medicare as we know it. They say that it is not just the nose of the camel under the tent, it is the camel under the tent.

On the other hand, I have heard folks from the far right, who oppose this with equal vehemence, say there are no changes of consequence to Medicare, that it will be more of the same, that we have adopted a new entitlement program with scarce efforts at serious cost containment.

Both those sides cannot be right. My own view is neither of them are right. For folks old enough to participate in this program, they will have a choice. If they want to participate, they can. If they want to pay $35 a month for a premium, they can participate in this program. If they are poor, that $35 per month premium is forgiven. There is a $250 annual deductible that must be satisfied before the Medicare benefit kicks in. For people who are poor, that $250 deductible will be essentially eased or eliminated.

Between $250 and roughly $2,250, Medicare will pay 75 percent of drug costs for most seniors who participate in this program. Medicare will pay more for those who have low-incomes. I am told the average cost of prescription medicines for people 65 and older in this country is roughly $2,200. That would suggest to me that many who elect to participate in this benefit, including middle-income seniors, will benefit from it.

Between $2,250 and $5100 in drug costs, Medicare continues to provide comprehensive coverage for low-income seniors. However, for middle-class seniors, the benefit does not provide any coverage at all for spending in this range. That is the gap in coverage. I wish it was not there. I hope we can eliminate this gap in coverage as we get our fiscal house in order.

Seniors will have a drug discount card as part of this program. The discounts they will receive may be worth 10 to 20 percent. If someone's prescription use is $4,000 or $5,000 a year, they will fall in the coverage gap, but the benefits from that discount card I think will equal or exceed the cost of their premium. But that is still a very modest benefit for those whose drug needs are between $2,250 and $5,000 a year. On the other hand, for people who have very large prescription drug needs, whose costs exceed $5,000, the catastrophic benefit is generous. Medicare pays for 95 percent of those costs that exceed $5,000.

I have heard any number of concerns about this legislation, raised not just by my colleagues but by folks back home in my State of Delaware. They have raised questions and legitimate concerns that we need to address.

First of all, with respect to cost containment, is there enough in this bill? I don't think so. There are those who suggest we ought to consider the approach adopted by the VA, whereby the Veterans' Administration negotiates with the pharmaceutical industry in order to buy pharmaceuticals for veterans at lower prices. I think that is worth exploring.

We made it easier as part of this legislation for generic drugs to be introduced, to come to market. That will increase competition and push down prices. It is a modest effort. We need to do more in this respect.

But what we have with this bill is an opportunity. I sometimes talk about the glass being half full or half empty. I think we have an opportunity—certainly in my State, and I suspect in other States as well—to take this basic Medicare drug benefit and to build on it. Since I know my State best, I will talk about Delaware. We have a number of employers who provide prescription drug coverage to their retirees. Roughly 40 percent of our employers in Delaware today still provide that benefit. Some of those benefits are provided as a result of collective bargaining agreements. I hope we are smart enough—employers, labor unions, and individuals—to find a way to take those same dollars to provide first dollar of coverage for pensioners. I hope we are smart enough to take those same dollars and perhaps use them to pay the $35 monthly Medicare prescription drug premium for retirees; to pay for the $250 deductible; to pay for some of the costs Medicare will not cover between $2,250 and $5,000.

Similarly, I hope we are smart enough in States such as my State, and in cities and counties and those units of government that have in many cases prescription drug benefits for their pensioners, to have the wherewithal and farsightedness to modify the kind of coverage we now provide to build on the basic Medicare prescription plan offered as part of this legislation—maybe to pay for the monthly premium, or all the deductible, or maybe to reduce the size of that donut hole between $2,250 and $5,000.

But we don't just have to hope that will happen. The legislation includes substantial incentives for employers and States to do just what I have described. For every dollar that a private sector employer provides in qualified prescription drug benefits for their pensioners—benefits that will supplement and enhance the Medicare benefit in this bill--they will realize, as a result of the incentives in this legislation, an after-tax benefit of 50 to 70 cents on that dollar.

Is that going to keep all those employers and all those State and local governments in the game? No, it is not. But in the absence of that kind of incentive, what has happened? Well, go back in time. In 1988, roughly two-thirds of the large companies in America provided health benefits for their pensioners and provided a prescription drug benefit for their pensioners—roughly two-thirds, 15 years ago.

Today, in 2003, that two-thirds is no longer two-thirds. Today, roughly one-third of the larger employers in this country provide a prescription drug benefit for their pensioners. Without this legislation we are adopting today, we have seen a reduction almost by half of those employers that provided a benefit 15 years ago. They have stopped doing so today. If you run it out over the next 15 years, if this trend continues, by the time 2018 rolls around you may have no private sector employers providing benefits.

That would be an awful thing. We need to do something about it. We need to provide the kind of incentives to employers we have provided in this legislation. We desperately need private sector employers to continue to provide a prescription drug benefit for their pensioners. We desperately need States and local governments to do the same with respect to their pensioners.

There is another source of prescription drug benefits I want to talk about. When I was privileged to serve as Governor, I signed into law legislation to create the Prescription Assistance Program in our State. For pensioners whose incomes go up to 200 percent of poverty, they are eligible for a benefit each year that is worth about $2,500. We also have in our State a wonderful program called the Nemours Program, funded by a trust left by a wealthy family a long time ago. They provide help to children in my State and they also provide assistance to senior citizens in my State. The DuPont Children's Hospital in Delaware is funded by that trust. It is a wonderful institution. It helps kids all over the country and literally all over the world. The Nemours Plan also provides a prescription drug plan for senior citizens whose income runs from 0 to 135 percent of poverty. They also provide eyeglasses and dentures.

We have to be smart enough in our little State of Delaware to make sure the dollars being spent for prescription medicines under the Nemours Plan continue to be spent on prescription assistance for Delaware seniors. It does not need to be spent in the same way it is today, because the Medicare plan will cover literally all of the needs for very low income seniors that Nemours currently assists with. But those same dollars can now be used to help fill in the gaps and make more generous the basic Medicare plan, which will be, at best, modest.

Similarly, the millions of dollars the State of Delaware is spending on the prescription assistance plan that we put in place roughly 4 years ago covers between 135 percent and 200 percent of poverty. If we are smart in our State, we will take those same dollars and redirect them—not necessarily to cover the same people; we will not need to. Some of those people who will be advantaged by virtue of the Medicare plan won't need the kind of help they get under the Delaware Prescription Assistance Plan. But we should take those dollars now being spent through that program and redirect them to fill the gaps, to wrap around and supplement the basic Medicare plan.

Similarly, the dollars spent by private sector employers and by public sector employers should no longer, starting in 2006, be spent exactly in the same way, but to the extent that we are smart and wise and farsighted, we can redistribute those dollars to build around the basic Medicare plan, to fill the gaps that obviously are there that need to be filled, and be able to provide in the end a benefit that we can all feel good about and be proud of.

I close by going back to where I started. If we had gathered here this year and had no Medicare Program, and we said let us start from scratch, we would include a prescription drug plan. In 1965, we didn't have the ability to provide prescription medicines for the sort of things we do today. If we had, a lot of people would have lived a lot longer and healthier and better lives.

A couple of days from now, I will be with my own mother. I look forward to being with her, probably the day after Thanksgiving. She is alive today in part because of the love that surrounds her. She is also alive today, I am convinced, because of prescription medicines to which she has access. She has heart failure and takes medicine for that. She has arthritis. She is able to take medicine for the arthritis that afflicts her. My mom suffers from Alzheimer's disease. She and literally hundreds of thousands of Alzheimer's victims around the country today have access to medicines that are beginning to show great promise in making sure that many of us do not end up living the last years of our lives in a state of dementia. She has a better quality of life today because of prescription medicine. She gets a fair amount of help through the employer that my dad used to work for. They provide a prescription benefit and hopefully will continue to do that. We are thankful for the assistance that she gets. For a lot of people in our country who do not have anything at all, who do not have any kind of prescription benefit, who are elderly and need that help, a lot of them will get this help as a result of the legislation we have adopted here today.

Is this legislation all we would like it to be? No. Is this the end of the road? No. Is this a decent beginning? It is. It is incumbent upon Congress to make it a beginning, a good beginning, but not the end.

I yield the floor.

The PRESIDING OFFICER. The Senator from Rhode Island.

IN MEMORY OF JUDGE RAYMOND J. PETTINE

Mr. REED. Mr. President, on Monday, November 17, 2003, Rhode Island, the judicial community and the entire Nation lost a great jurist, a great scholar and a great man. United States District Court Judge Raymond J. Pettine passed away leaving behind a legacy of protecting individual liberties and constitutional rights.

Judge Pettine was born July 6, 1912 on America Street in Federal Hill, one of the original Italian neighborhoods in Providence; a fitting place to be born for someone who would champion the Constitution that distinguishes this country, America, from so many others. His father was a wigmaker in Italy who immigrated to these shores to find a better life for his family and to make a better America through his labors and his sacrifice. Judge Pettine was sustained and inspired by the example of these good people, his mother and father. The hard work, the great patriotism, the unwavering decency and integrity, the deep respect for both family and faith, the gracious manners of a true gentleman were learned in that home on America Street.

Early in his life, Judge Pettine became fascinated with the law. As a child of eight, he scrawled a note to the Dean of Harvard Law School and asked him, "What do you have to do to become a lawyer?" The Dean wrote in reply "study hard, be a good boy, always have a dream." His dream led him to Providence College and Boston University Law school. Soon after graduation, he enlisted in the United States Army and served on active duty from 1941 until 1946 rising to the rank of major. He later would be promoted to colonel in the Judge Advocate General Corps as a reservist.

After his discharge from active duty and a brief stint in private practice, Judge Pettine began a thirteen year career as a prosecutor in Rhode Island Attorney General's office. Like every task he undertook, he brought great passion and determination to his endeavor. He understood that our adversarial system of justice requires that both the prosecution and the defense must bring the full weight of the facts and the law before the jury so that they may have the benefit of principled and forceful advocacy to make their decision. He was a tough and uncompromising prosecutor determined to enforce the law. His repututation and his record as a prosecutor earned him appointment as the Federal Attorney for the District of Rhode Island in 1961. His service as Federal Attorney won him the praise of U.S. Attorney General Robert F. Kennedy as one of the nation's top three federal prosecutors. And, this prosecutorial experience would help make him a superb judge upon his appointment to the bench in 1966 by President Johnson. Judge

Pettine recognized that the role of a judge was different than that of a prosecutor or defense counsel. He was charged with something greater than simply enforcing the law or arguing for a client. He was charged with seeking justice, that delicate balance that rests on fairness and a keen understanding of the nature of people as well as the tenets of the law. He was also charged in a special way with defending the Constitution and the Bill of Rights. He recognized that our democracy, in his words, "prizes itself in having a Bill of Rights designed to protect us against despotic abuse of authority by the government."

There was no more courageous, forceful or principled defender of the Constitution than Raymond Petinne. In 30 years on the federal bench, and as chief judge from 1971 to 1982, Judge Pettine staunchly guarded the individual rights enshrined in the Constitution. He said the Constitution should be interpreted in ways that "give meaning to the heart and soul of what it's all about: a kinder, more understanding Constitution that recognizes the disenfranchised, the poor and underprivileged."

In his rulings, he repeatedly upheld the Bill of Rights' freedom of speech, of religion and of privacy. Judge Pettine stood by the Constitution and showed courage in the face of controversy when he, a practicing Catholic, ruled that municipalities could not erect Christmas nativity scenes on public land. As he said, "I firmly believe this with great conviction: that there has to be a separation between church and state—that one of the saving graces of this country is the fact that we are tolerant of all religions, and even of those who have no religion. And, if we start breaking that down, we are going to be in an awful lot of trouble."

His wise defense of the Constitution and its protections for individual conscience brought him vicious criticism and personal scorn. But, no amount of criticism or scorn could deter him from his obligation to extend the protections of the Constitution to the poor as well as the powerful, to the maligned as well as the popular. Judge Pettine embraced his judicial duties with remarkable dedication. He became a scholar of the law and, in order to insulate himself from even the appearance of partiality, he led a life focused on his family and the lonely rigors of his judicial responsibilities. Nevertheless, he was a dashing figure in Rhode Island. He was a man of great culture and erudition who exuded style and panache.

Judge Raymond J. Pettine has left a remarkable legacy. His wisdom, his integrity and his selfless devotion to the Constitution made him a judge of extraordinary achievement. His love of family and his compassionate regard for all he met made him a man of singular worth. I admire him greatly. He has given us the example and the confidence to carry on. And, his presence will continue to be felt whenever we stand up in defense of the Constitution and in defense of those who are "disenfranchised, the poor and underprivileged."

My deepest condolences go out to his family and friends, especially his daughter, Lee Gillespie, his granddaughter, Lauren Gillespie and his son-in-law, Thomas Gillespie.

I yield the floor.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, I note on the floor the distinguished senior Senator from the State of Montana. I am sure he has a desire to speak and fill other appointments. I ask the Senator, without losing my right to the floor, how much time does the Senator desire?

Mr. BAUCUS. My guess is I will consume a maximum of 10 minutes.

Mr. BYRD. Mr. President, I have the floor; do I not?

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, I yield the floor to the distinguished Senator from Montana not to exceed 10 minutes, with the understanding that upon the completion of his remarks I retain my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I ask that the Senator from Montana be limited to 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Montana.

THANKING STAFF FOR HARD WORK ON MEDICARE

Mr. BAUCUS. Mr. President, I thank my good friend, Senator BYRD, from West Virginia.

There have been many comments about the Medicare bill that just passed, all the time and effort, and the controversies that surround it. My personal view is that it is not just a good bill, it is a very good bill. It will help senior citizens and a lot of others who need help.

I understand some of the criticisms made against the bill. Some of them are overdrawn and exaggerated. But I understand the core points some critics have made. As with all legislation, and as with all things human, there is some truth all the way around. I pledge my time and effort to work to correct any imperfections in this legislation that may arise. But all in all, we have to make decisions. We have made a decision; and that is, to pass this legislation. I think it is a good bill that is going to help a lot of people. It is a major advance to the Medicare Program.

The Medicare Program, which was enacted 38 years ago and signed by President Lyndon Johnson in Independence, MO, has been a tremendous success for our senior citizens.

This bill represents the next major advancement. It is a new entitlement for prescription drug benefits for our seniors not contained in the original Medicare Act that passed 38 years ago.

There are a lot of people to thank. And my point here today is not to dwell on the bill but, rather, to thank people who worked so hard and who ordinarily receive so little credit.

The most noble human endeavor is service. It is service to church, to community, to family, to spouse, to children. It is service in whatever way makes the most sense for each one of us. There are many people who served to the maximum in helping to write good legislation, and I shall mention their names.

Members of the House and the Senate who serve get the benefit of their names in newspapers and shown on TV—usually it is a benefit, sometimes it is not—but at least they get the credit or the blame. But there are other people who work very hard behind the scenes. That is, the staff, who probably work even harder and receive little or no recognition. So I would like to recognize a few of those people who played a central role in this legislation.

First, my Finance Committee health care team, led by the wonderful Liz Fowler. Those of you who have worked with Liz Fowler know what I mean. There is none better. She works so hard, she is so smart, and she has a wonderful disposition, working hard to help provide better health care for Americans.

Jon Blum. He was the ace numbers guy. I think in many cases he knew more about the various intricacies of this bill than anyone else; an amazing man.

Pat Bousliman, the same. Pat worked extremely hard and knew the ins and outs of all the provider positions—the physician and the hospital payment provisions, and home health care, so well.

Andy Cohen, who worked primarily on Medicaid and low-income issues, and then Dan Stein, who was the cleanup hitter—he is wonderful. And I'd like to recognize former staff persons, who also worked so hard on this bill earlier in the process, but have since taken advantage of different jobs or opportunities.

Kate Kirchgraber. Kate was our Medicaid specialist.

Mike Mongan is a young man, who is brilliant. I was able to hold onto him for one extra year before he finally decided to go off to law school.

Those are the members of my Finance Committee health care team who worked so hard.

Others in the Finance Committee who played a very key role are Jeff

Forbes, the minority staff director, and Bill Dauster. Many people know both Jeff and Bill. Bill has served the Senate in many capacities, particularly with his expertise in budget matters and Senate procedures. He was invaluable to me.

Russ Sullivan is my top tax person. And Judy Miller. Judy is from my home State of Montana and, she knows pension issues better than anyone I can think of. The two of them worked on the tax provisions in this bill.

Laura Hayes handled press for the Finance Committee.

Tim Punke is my chief trade person. And Brian Pomper, also on the trade staff. There are several trade provisions that came up in this bill, particularly with respect to reimportation from Canada.

Two of my former staff who left a year ago, or less than that, are wonderful people and also deserve recognition. One is my former staff director, John Angell; and my chief counsel, Mike Evans, who, during the course of this bill, would call in. They would call in and give lots of advice.

Senator GRASSLEY, Chairman of the Committee—his health team have all been wonderful to work with. Linda Fishman, Mark Hayes, Colin Roskey, Jennifer Bell, and Leah Kegler—all working so hard. And others on Senator GRASSLEY's team, Ted Totman, who has been with Senator GRASSLEY for many years, and Kolan Davis, who is Chairman CHUCK GRASSLEY's staff director.

Senator BREAUX, my chief negotiating partner: On his staff is Sarah Walter. Sarah is very smart. She is very good. Michelle Easton and Paige Jennings, both of whom have also contributed significantly to this bill.

Other conference members, of course, were Chairman BILL THOMAS and Chairman BILLY TAUZIN, Majority Leader FRIST, Speaker HASTERT, and Majority Leader TOM DELAY in the House played a great role. Their staffs did, too, especially John McManus, who is the chief health staff for Chairman THOMAS, and his staff, Madeline Smith, Joel White and Deb Williams; Pat Morrissey, the deputy staff director for Chairman BILLY TAUZIN, and his staff Kathleen Weldon, Chuck Clapton, Pat Ronan and Jeremy Allen; and then for Majority Leader BILL FRIST, Dean Rosen and Liz Scanlon. They are all very able, wonderful, extremely capable people, along with everybody else we have been working with who I have not mentioned by name.

On the administration side, Ziad Ojakli, Matt Kirk, and Jennifer Young all played a significant and helpful role. And Erik Ueland on Senator FRIST's staff played a valuable role in the coordinating between the Congress and the White House.

Senator NICKLES, Senator KYL, Senator HATCH, Congresswoman NANCY JOHNSON, and Congressman MIKE BILIRAKIS and their staffs played an immeasurable part in this bill.

Other conferees who were, unfortunately, excluded from the conference—that is, from the working group—played very strong roles in making this bill better than it otherwise might have been: Minority Leader TOM DASCHLE, Senator ROCKEFELLER, Representatives DINGELL, RANGEL, and BERRY. Believe it or not—they may not believe it—but their views helped to shape this bill; many of the low-income provisions, their views on premium support, and lots of areas where their strong views helped Senator BREAUX and I a lot.

I need to mention, also, the Congressional Budget Office and the House and Senate legislative counsel.

The Congressional Budget Office, CBO, as we call it, is headed up by Douglas Holtz-Eakin. He works long hours, as do his top people, Steve Lieberman and Tom Bradley and all of their staffs. Particularly in the final weeks of this bill, when we had to call up and say: What is the CBO estimate for this change? What is the CBO estimate for that change? It is an almost impossible job because we were asking for lots of different changes.

The House and the Senate legislative counsel—Ed Grossman, John Goetcheus, Pierre Poisson, and Jim Scott. Man, oh, man, did they work hard. They probably put in more hours than anybody else. Once we had the concepts, they would have to write the language. And this world, which is run by deadlines, we were always waiting until the very end, unfortunately, before decided on a direction to write the legislation. And Ruth Ernst, who also worked extremely hard.

On my personal staff: Zak Andersen, who is my chief of staff, in helping to coordinate all these matters; Sara Roberts, my legislative director; Farrar Johnston, my scheduler; and Sara Kuban—all in the office here in Washington, DC. And back home in my State of Montana: Barrett Kaiser, Jim Foley, and Melodee Hanes, working all the time to answer tons of telephone calls about this bill and coordinating all of our outreach and education efforts.

Others here in my DC office, two persons who work in the receptionist area, Megan Mikelsons and Rachel Sherouse answered many telephone calls, too, and handled them all very directly and with great grace and civility.

There are many others, Mr. President, on other staffs who I have not mentioned, but I mention these people because I know personally how hard they have worked. I also mention them as representative of all the other people who have worked for Senators, who have worked in different capacities up here in the Senate and over in the House and who have just poured their hearts out. They are here because they want to do the right thing. They are here because they want to help people. They are here because they want to make this a better place. Essentially, they are here because they are fulfilling a very deep moral obligation. I think all of us have an obligation to make this place as good or even better than we found it, in whatever way we do that. For some of us, it is health care legislation, and for some of us it is some other area.

The names I have mentioned are the names of people who I hope are remembered and recognized. I urge everyone to dwell a little more on the people who really do the work, those I have mentioned, and others who work in similar capacities in this body.

Mr. BAUCUS. Mr. President, 38 years ago, President Lyndon B. Johnson signed the Medicare Act in Independence, MO. For millions of senior and disabled Americans, the enactment of this legislation heralded an era of hope, health, and improved financial security.

At the signing of the Medicare Act, President Johnson said, "No longer will older American be denied the healing miracle of modern medicine . . . And no longer will this Nation refuse the hand of justice to those who have given a lifetime of service and wisdom and labor to the progress of this progressive country."

Over the past 4 decades, the Medicare Program has fulfilled President Johnson's vision. Through Medicare, more than 100 million Americans have received the protection of health insurance during their most vulnerable years. Today, Medicare covers more than 35 million seniors and 6 million disabled Americans. Medicare provides assurances to these millions of Americans that their health care needs will be taken care of.

And Medicare has stood the test of time. Thirty-eight years after its enactment, Medicare remains one of the most extraordinary acts of legislation in the history of Congress.

But we all know that the program is not perfect. It is at times slow to adapt to the evolving health care market place. We owe it to our seniors to ensure that Medicare changes with the times and continues to serve their needs today and into the future.

The practice of medicine has changed dramatically over the past 4 decades. Outpatient prescription drugs were not included in Medicare's original benefit package. In 1965, medical care emphasized hospital-based and physician-provided care. Today, medical care increasingly relies on the use of prescription drugs.

As the role and expense of prescription drugs have grown dramatically over the past several decades, the lack of a prescription drug benefit in Medicare has become a critical flaw.

Seniors will spend an estimated $2,300 on average for prescription drugs this year, with almost $1,000 coming directly from their pockets. And while many seniors are fortunate to have coverage through retiree health plans, Medicaid, Medigap, and Medicare managed care plans—over 35 percent of Medicare beneficiaries currently lack any coverage for outpatient prescription drugs.

The lack of prescription drug coverage in Medicare, coupled with the rising cost of prescription drugs, is forcing seniors across America to make difficult choices. In the wealthiest nation in the world, millions of elderly Americans are forced to choose between much-needed prescription drugs and basic necessities of daily living.

Our seniors deserve better.

With the passage of this bill, we have the opportunity to uphold our commitment to America's seniors. With this conference report, we can deliver on our promise to add a prescription drug benefit to Medicare.

This bill provides seniors with much-needed prescription drug coverage and protection against high out-of-pocket drug expenses. Under the new Medicare Part D, seniors will have access to prescription drug insurance for a modest monthly premium. This benefit will provide up-front coverage for prescription drug expenditures up to $2,250 annually, and catastrophic coverage for out-of-pocket spending above $3,600.

For the millions of seniors with lower incomes and costly medical illnesses, this legislation offers the promise of comprehensive affordable prescription drug coverage through Medicare. Low-income seniors, more than a third of all Medicare beneficiaries, will receive generous assistance for all their prescription drug expenses, including premium subsidies, reduced deductibles, and affordable cost-sharing.

And we have designed a bill that will provide coverage in every part of the country. If private drug plans elect not to participate in any area of the country, our seniors will have guaranteed access to a government fallback, backed by the solemn commitment of Medicare.

Thus, all seniors will have equal access to a drug benefit, regardless of whether they choose to join a managed care plan or remain in traditional fee-for-service Medicare.

This legislation offers more than a Medicare prescription drug benefit. It will finally address many of the Medicare reimbursement inequities that have plagued America's rural health care providers. It will increase payments to local physicians and community hospitals to improve health care services throughout the nation. And this legislation will better foster competition between generic and brand-name pharmaceuticals.

I have heard from many of my colleagues regarding some of the imperfections in the conference report—for example, the gap in coverage, the risk that the bill may cause employers to drop retiree drug coverage, the potential state shortfalls in the early years of the benefit, the increased payments to private plans, and the "premium support" pilot program.

While I remain committed to addressing these potential shortcomings in the legislation during the upcoming months and years, we must not forget that this bill creates a $400 billion expansion of the Medicare Program. We must not squander this historic opportunity to fundamentally improve the lives of millions of American seniors.

We would not have this opportunity without the fine leadership in the Senate. Senator GRASSLEY, chairman of the Finance Committee, skillfully led this effort through the committee, on the floor, and in the conference negotiations. Majority Leader FRIST was willing to put aside party differences to focus on achieving bipartisan consensus. Senator BREAUX's efforts helped bridge differences. The work of Senator BREAUX, my steadfast partner in the difficult negotiations, as well as Senators SNOWE, HATCH, JEFFORDS, and GRAHAM have greatly contributed to the debate over prescription drugs throughout the past several years.

And Senator KENNEDY, the health care expert of the Senate. For over 25 years, Senator KENNEDY has fought to include prescription drug coverage within Medicare. Through his continued leadership, prescription drugs for seniors are now within reach.

Senator KENNEDY played a key role in getting a good bill out of the Senate and throughout the conference. The 76 votes in the Senate are a tribute to his efforts, and whatever is positive in this bill is due to his dedication and hard work.

And there is much that is positive in this bill, in my view. Of course, the conference report is not perfect by any means. There are elements that I would not include if I were writing this bill on my own. But it is a true compromise. It reflects a near evenly split Congress.

Let us not forget that the original Medicare Act also represented a compromise—in the way that the program was financed through a combination of payroll taxes, premiums, and general revenue, and in the way it was organized, with fiscal intermediaries and carriers making payments for separate Part A and Part B benefits.

In the final analysis, let us not forget why this bill is important. Millions of seniors live today without prescription drug coverage. They live in greater pain, and they live shorter lives, because of that.

With this bill, we will take an important step to make their lives better. To help them live longer, fuller lives. That is our purpose here today, and that is why I support this conference report.

For 38 years, Medicare has been a covenant—a pact between the generations. All Americans—young and old, rich and poor—pay into the promise of Medicare. And the Congress has the responsibility to uphold this commitment to those who benefit from it. As part of that responsibility, we must continue to improve the program and keep up with modern medical care.

This conference report represents an historic opportunity to strengthen Medicare. And as elected officials, we have the obligation to take advantage of this opportunity. Of course, we also have the responsibility to ensure timely implementation in a way that fulfills congressional intent.

On the day of this historic vote, we take a step to ensure that Medicare continues to fulfill Lyndon Johnson's vision. We take an important step to deliver on our promise to America's senior citizens.

I yield the Floor, and I again thank my good friend from West Virginia.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, I thank my friend from Montana, Mr. BAUCUS.

INVASION OF IRAQ

Mr. BYRD. Mr. President, it was the prophet Hosea who lamented of the ancient Israelites, "For they have sown the wind, and they shall reap the whirlwind."

I wonder if it will come to pass that the President's flawed and dangerous doctrine of preemption on which the United States predicated its invasion of Iraq will some day come to be seen as a modern-day parable of Hosea's lament. Could it be that the Bush administration, in its disdain for the rest of the world, elected to sow the wind, and is now reaping the whirlwind?

I ponder this as the casualties in Iraq continue to mount, long past the end of major conflict, and as the vicious attacks against American troops, humanitarian workers, and coalition partners increase in both intensity and sophistication. I ponder this as the number of terrorists attacks bearing the hallmarks of al-Qaida appear to be increasing, not just in Iraq but elsewhere, including Saudi Arabia and, most recently, Turkey. I cannot help but wonder, as I view these developments with a sorrowful heart, what the President has wrought. By failing to win international support for the war in Iraq and by failing to plan effectively for an orderly post-war transition of power, has the President managed to create in Iraq the very situation he was trying to preempt?

The deaths of three more American soldiers in Iraq over the weekend, and the vicious mob attack on the bodies of two of them, are but the latest evidence of a plan gone tragically awry. The death toll of American military personnel in Iraq since the beginning of the war has now reached 427, and it continues to climb on a near-daily basis. Most troubling of all is the fact that more than two-thirds of those soldiers who have died in Iraq have been killed since the end of major combat operations. At that time, 138 American fighting men and women had died in Iraq, at the time major combat operations had ended. Instead of making headway in the effort to stabilize and democratize post-war Iraq, the administration seems to be losing ground. If the current violence cannot be curbed, if Iraq is allowed to descend unchecked into a holy hell of chaos and anarchy, the implications could be catastrophic for the region and the world.

An article earlier this month in the Los Angeles Times, entitled "Iraq Seen As Al Qaeda's Top Battlefield," raises the alarming specter that Iraq already is replacing Afghanistan as the global center of Islamic jihad. According to the article, as many as 2,000 Muslim fighters from a number of countries, including Sudan, Algeria and Afghanistan, may now be operating in Iraq. No one knows the numbers for certain, but foreign Islamic terrorists are suspected in some of the deadliest attacks in Iraq, including the bombing of the United Nations headquarters and the Red Cross offices in Baghdad.

It seems only yesterday that the President and his advisers were warning the United Nations that Saddam Hussein must be disarmed at once, forcibly if necessary, to preempt Iraq from becoming the next front in the war on terrorism. On May 1, when the President announced the end of major combat operations in Iraq as he basked in the glow of a banner that was waving overhead proclaiming "Mission Accomplished," he described the liberation of Iraq as "a crucial advance in the campaign against terror."

What a difference a few months makes. Before the war, it was Afghanistan and al-Qaida, not Iraq, that constituted the central front in the war on terror. It was Osama bin Laden, not Saddam Hussein, who orchestrated the September 11 attacks on the United States, and it was Osama bin Laden, not Saddam Hussein, who orchestrated earlier attacks on the USS Cole and on the American embassies in Kenya and Tanzania. It is Osama bin Laden who continues to taunt the United States and who continues to plot against us, and it is Osama bin Laden who has exhorted his followers to gather in Iraq to avenge the U.S. invasion.

Today, while the Taliban appears to be regrouping in Afghanistan, it is Iraq that has become the most powerful magnet for Islamic terrorists. It is Iraq where these forces have coalesced with Saddam Hussein loyalists to create an increasingly sophisticated and deadly insurgency that has paralyzed U.S. efforts to establish postwar stability. Ironically, Saddam Hussein and his henchmen are more of a threat to the United States today than they were before the war began.

Could it be that the war on Iraq, while succeeding in chasing one monster into hiding, has created another, equally vicious, monster in his stead, a hydra-headed monster that is spewing terrorism against both the Iraqi people and their would-be liberators? Could it be that the convergence of Islamic jihadists and Baathist loyalists constitutes a more potent adversary than we ever imagined possible in Iraq?

Could it be, that instead of providing a "crucial advance" in the war on terrorism, as the President suggested, the war on Iraq has provided crucial new resources—money, weapons, and manpower, as well as motivation—for the terrorists themselves? Could it be that instead of curbing terrorism, the war on Iraq has served to fan the flames of terrorism?

If only the President had listened more closely to his father, and his father's advisers. In the 1998 book that he co-authored with former National Security Adviser Brent Scowcroft, A World Transformed, the first President Bush said of his decision to end the 1991 Gulf War without attempting to remove Saddam Hussein from power, "We would have been forced to occupy Baghdad and, in effect, rule Iraq. . . .there was no viable 'exit strategy' we could see, violating another of our principles."

The former President Bush and his national security adviser further cautioned that, "Going in and occupying Iraq, thus unilaterally exceeding the United Nations' mandate, would have destroyed the precedent of international response to aggression that we hoped to establish. Had we gone the invasion route, the United States could conceivably still be an occupying power in a bitterly hostile land. It would have been a dramatically different—and perhaps barren—outcome."

Clearly the situation in Iraq today is far more difficult and dangerous than the administration ever envisioned or prepared for before the war. Although the President declared an end to major combat operations more than six months ago, U.S. forces in Iraq have recently been forced to resort to a new bombing campaign in and around Baghdad—the most intense aerial offensive since active combat ended—in an effort to stem the insurgency. More than 6 months after the end of major combat operations, the situation in Iraq appears to be deteriorating, not improving.

While the President and his military advisers remain upbeat about Iraq, the top CIA official in Baghdad appears to have reached a far bleaker assessment of the situation on the ground. According to news reports, a top secret CIA analysis from Baghdad has concluded that growing numbers of Iraqi citizens are turning against the American occupation and supporting the insurgents. It may well have been this report that prompted the President to recall the U.S. administrator of the Coalition Provisional Authority to Washington two weeks ago for a hastily arranged round of meetings on accelerating the transition of power to an Iraqi provisional government.

Nothing could do more to spotlight the Administration's abysmal failure to rally international support for the stabilization and rebuilding of Iraq than this frantic scramble to arrange a Hail Mary pass of power from the United States to a provisional government in Iraq that does not yet exist. The Administration has slapped a new deadline on the democratization of Iraq—an Iraqi "transitional assembly" is to be in place by June 1—but it has come up with no blueprint as to how that assembly is to function or how it can be expected to stem the violence in Iraq.

Once again, the administration is ignoring the obvious—the United States cannot go it alone in Iraq. The United Nations and NATO need to be brought on board as full partners with a personal stake in the governance, the stabilization, and the future of Iraq.

Every day that the administration continues to spurn the United Nations is another day that the insurgents have to choreograph their attacks in Iraq and further isolate the United States from the rest of the world. The pattern is becoming chillingly clear. Systematic attacks, including those against the United Nations and the Red Cross headquarters in Baghdad and the Italian military police headquarters in Nasiriyah, have succeeded in driving most humanitarian workers from Iraq and have rocked the resolve of U.S. allies to support the Iraq operation. In the wake of the attack on the Italian troops, Japan is reconsidering its offer to send troops to Iraq, and South Korea continues to procrastinate. Help from other countries on which the United States had pinned its hopes, including Turkey and Pakistan, has evaporated.

Even in the streets of London, the seat of government of America's strongest ally, tens of thousands of demonstrators marched on Trafalgar Square last week to protest President Bush's state visit and his policies in Iraq.

Because of the administration's arrogance and impatience, the United States, for better or worse, is the make-or-break force in Iraq. Could it be that the President, in his haste to impose his will on the rest of the world, has inadvertently sown the wind and must now confront the whirlwind?

Mr. President, in a short time—perhaps the next day or so—the Senate will adjourn for the year. We are privileged and blessed to return to the comfort of our families for the holidays. Not all families in America will share in our blessings.

Many families will wait out the holidays in fear and tension as they worry about their loved ones in Iraq and Afghanistan.

We in the Senate will not be here to absorb the news from the battle fronts in Iraq and Afghanistan or to voice our response to these developments. I pray that all will be calm, that "Silent Night, Holy Night" will be more than the strain of a familiar carol. But I worry it will not be so, that reality will be harsher than sentimentality.

The war in Iraq is far from over. When we will ultimately be able to declare victory, I do not know and I dare not venture a guess. I only hope that the President will be able to put the good of the Nation over the pride of his administration and accept a helping hand from the United Nations to turn the tide of anarchy in Iraq. Perhaps he may finally be ready to do so. Senior administration officials have been quoted as suggesting that the United States is preparing to seek another U.N. resolution endorsing a new plan for the transition of power in Iraq. I urge the President to do so without delay. This time around, the effort must be genuine, and the resolution must be meaningful.

The facts are stark and hard to accept. If not outright losing, the United States is far from winning the peace in Iraq. Only a significant turnabout in the handling of the security and reconstruction effort, centered on giving the United Nations a leading role in the transition of power, holds any hope for a constructive course change in Iraq. It is a course change that is desperately needed.

As the crisis in Iraq deepens, leadership and statesmanship are urgently needed. I pray that the President, in his desperate quest for a new solution to the chaos in Iraq, will demonstrate those qualities, abandon the U.S. stranglehold on Baghdad, and forge a meaningful partnership with other nations of the world, a partnership with the United Nations so that a swift, orderly, and effective transition of power in Iraq can be achieved and American fighting men and women can come home.

THE APPROPRIATIONS PROCESS

Mr. BYRD. Mr. President, I join with my colleagues to decry this appropriations process. This process has fallen apart. Despite the hard work of the chairman of the Senate Appropriations Committee and the bipartisan effort of members of the House and Senate Appropriations Committees, the omnibus bill is parked and the engine is cold.

Why? Why is it that funding for 11 of the 15 departments of this Government is two months late? Why is it that the Nation's veterans haven't received funding? Why is it that our classrooms have been relegated to the sidelines? Why is it that health care, law enforcement, education, roads, airports, embassy security, worker safety, job training, farmers are put off, day after day? It is because the White House has insisted on legislating. The White House has overplayed its hand and, as a result, the nation is not served.

On Thursday, the Nation will pause to celebrate Thanksgiving. But our colleagues on the other side of the aisle have decided to deliver to the Senate a turkey of an omnibus appropriations conference report. This turkey is filled with stuffing and all the trimmings, but as we stand here today, few Senators know what it is stuffed with. What we do know is that this turkey has been specially carved for special interests.

The process for producing this bill was just one more example of the President's disrespect for the Congress. My way or the highway is the President's mantra. He expects the Congress to rubber stamp his budget.

Initially, the conference process was bipartisan. Chairman STEVENS wanted to do the right thing in producing this bill. The ranking members on the seven bills were at the table and worked out reasonable compromises on the bills. I commend Chairman TED STEVENS and House Chairman BILL YOUNG for their efforts to get this bill done in a balanced way.

But when it came time to make the tough decisions, the leadership went behind closed doors with the White House at the table. And they served up a turkey.

They took a balanced package that was worked out by the conferees and at the eleventh hour insisted that they had to have it all. They insisted on changes that were not even contemplated when the bills were before the House and Senate.

The President prevailed on every one of his veto threats.

The overtime regulation prohibition, which passed the Senate by vote of 54–45 was dropped; virtually identical Cuba sanction provisions that were in both the House and Senate versions of the Transportation/Treasury bill were dropped, as was a Cuba sanction provision in the Senate version of the Agriculture bill; the 1 year limitation on the FCC media ownership rule was turned into a permanent cap at 39 percent; the House language in the Transportation/Treasury bill, blocking OMB's plan to contract out 400,000 Federal workers was dropped. A bipartisan compromise that was worked out by the conferees was rejected by the White House and what remains provides so many loopholes for OMB that little protection is provided for Federal workers.

This is a bad bill.

There are many provisions that are controversial and were not considered by the Senate. There is language that permits overfishing in the Northeast fishery. There is language that would mandate that the Justice Department destroy background check records for the purchase of guns within 24 hours of the gun purchase. These matters were never debated in the Senate because the Commerce/Justice/State bill was never debated in the Senate.

There is language in the omnibus conference report that would postpone the country of origin labeling rule that was enacted as part of the Farm bill. Rather than the 1-year delay that was in the House bill, there is a 2-year delay, breaking up the balance of the 2002 Farm bill. The DC portion of the bill contains $13 million for approximately 2,000 school vouchers.

The White House's approach to Congress is my way or the highway. Well, this turkey of a bill wandered out on the highway and the rights of Senators to amend legislation and the needs of the American people got crushed. Whenever the Senate Republican leaders decide to bring this turkey to the floor, the Senate will be asked to vote on this as a conference report, with no opportunity for amendment.

Let's look at the overtime issue. This omnibus appropriations bill does not include the overtime pay protections included in the Senate Labor, Health and Human Services and Education Appropriations bill. That provision was included in that bill on a 54–45 vote in the Senate in early September. The House of Representatives voted to instruct its conferees to the Appropriations bill to accept the Senate language on overtime on a vote of 221–203. Yet the provision was dropped. It should be clear to the working men and women of this country that it was the Republican leadership, at the behest of the White House, that killed the overtime pay protections in the omnibus appropriations bill despite a majority of members in both the House and Senate voting to protect the overtime rights of American workers. As a result, the White House is responsible for the pay cut that 8 million American families will receive this holiday season.

On the overtime issue, Congressman DELAY recently said, "We're sticking with the White House. We're going to win." White House Chief of Staff Andrew Card, on November 19, said the White House was unwilling to move away from its position of supporting the Department of Labor's proposed rules. "We'll stick to it," he said.

In September, Members of Congress received a letter from several women's organizations that concluded, "Millions of working women would see their pay reduced and their workdays lengthened." Well, as far as the President is concerned it is my way or the highway and the Senate effort to protect American workers is gone.

Let's look at the issue of the FCC media ownership cap. The original provision included in both the House and the Senate CJS appropriations bills limited funding to the FCC for purposes of keeping the media ownership cap at 35 percent for the next year. The CJS conferees agreed to the language. But behind closed doors, the White House said no, not good enough.

In a back room, the Republican Leadership and the White House changed the rules. Instead of a 1-year limitation, we now have a "permanent" fix, authorizing the cap to be raised to 39 percent. A permanent fix was never debated by the Senate. This is a policy decision that should be made by the authorizing committees. Instead, it was made by a few individuals and that authorizing language is now being placed in an unamendable appropriations conference report.

Let's look at the gun issue. As part of a carefully negotiated agreement, the C/J/S conferees agreed to drop language that was in the House bill that would have reduced the amount of time that the Justice Department has to retain records from gun purchases from ninety days to immediate destruction. Yet, the White House said that was not satisfactory. Agreements reached between House and Senate Republicans and Democrats did not make the cut for this White House.

A significant national security provision, a counter-terrorism initiative approved by Congress, is being gutted by the Bush White House. Under current law, the Bureau of Alcohol, Tobacco, and Firearms can retain for 90 days the records from gun purchases. This 90-day period gives the law enforcement community the opportunity to find individuals purchasing weapons who should simply not have access to those weapons.

It is a simple matter of law enforcement, of national security. Yet the Bush White House wants no 90 day cushion. This administration is insisting that any federal record associated with the purchase of a weapon be destroyed after just 1-day. This current 90 day cushion is not a delay on the actual purchase. This is not a step that infringes on an American's right to bear arms. But it is a better protection for America's national security. At a time when we are in a heightened state of alert for terrorist attack, should we not provide law enforcement with more than 24 hours to examine information on weapons' purchases?

This administration's own Department of Justice's Office of Legal Counsel, in an October 1, 2001, legal opinion concluded that having data from the gun transactions would aid in the investigation of 9/11. But for the White House, it is "my way or the highway." No cushion, no security.

Among the many outrages that I find with the substance of this Omnibus Appropriations bill and the process in which it was developed, centers around the language regarding President Bush's so-called "competitive sourcing" initiative. Competitive sourcing is President Bush's euphemism for throwing a federal employee onto the unemployment line for the purpose of contracting out his work to a private company.

Division F of this Omnibus Appropriations Act includes the Transportation, Treasury and General Government Appropriation bill. One will find in that division of the bill, under section 647, a largely meaningless and ineffective provision, that is rife with loopholes intended to mask the Bush administration's determined efforts to fire thousands of Federal employees. This provision did not always read this way. Indeed, the conferees on the Transportation, Treasury and General Government Appropriations bill met in open conference on Wednesday, November 12th and it was anticipated at that time that the conference agreement would be sent to the President as a freestanding bill. That conference was chaired by the very able Subcommittee Chairman Senator SHELBY. I was a conferee on that bill and I was proud to sign the conference report when it was presented to me.

The original conference agreement reached by the members of that conference committee included a sound and balanced policy to govern the President's competitive sourcing initiative. The conference agreement ensured that there would be uniform rules for this initiative across all agencies of the Federal Government. It also ensured that the administration would have to demonstrate meaningful cost savings to the taxpayers before contracting out federal work. The agreement also provided Federal employees an opportunity to appeal a wrongful contracting out decision. Under the Bush administration's regulations, only private contractors have that appeal right.

That tentative conference agreement was agreed to as a substitute for the amendment that was included in the House bill that was championed by Congressman VAN HOLLEN of Maryland. The Bush White House made it quite clear to all the conferees that inclusion of the Van Hollen amendment would result in the Transportation/Treasury bill being vetoed. Ever since the day that conference concluded—Wednesday, November 12th—we have been waiting for the conference agreement on the Transportation-Treasury bill to be filed in the House and Senate. Instead, what has happened has been an unpardonable effort by the Bush White House to dismantle this agreement as it pertains to its beloved "competitive sourcing" initiative.

Why did the administration not like this agreement? Because they do not care to have to demonstrate to the taxpayers that any real dollar savings will accrue to the taxpayer when they contract out Federal jobs; they do not want Federal employees to have the opportunity to appeal a decision that was made in error; and they do not want a consistent and fair policy for all Federal agencies in this area.

Believe it or not, the Bush administration complained about provisions in the Transportation/Treasury conference agreement that were identical to provisions that President Bush had already signed into law on the Department of Defense Appropriations Act and the Department of Interior Appropriations Act. When one now reviews the Omnibus Appropriations bill, it is clear that the Bush administration has succeeded in neutering the original conference agreement in this area. Never mind that we met in full and open conference and agreed to a meaningful set of safeguards. Never mind that all the members of the conference committee signed on to that agreement—Democrats and Republicans alike. This White House would have none of it. So, working through the offices of the House and Senate Republican leadership, the White House has succeeded in undermining the provisions of the original conference agreement to the point of making them largely hollow. The Bush administration has made a sham of our Federal procurement process and a sham of the appropriations process. So, on the Transportation Appropriations bill, once again, the President says it is my way or the highway.

Finally, there is the matter of the across the board cuts. The President set an arbitrary topline for discretionary spending of $786 billion. In the President's view, we can afford $1.7 trillion dollars of tax cuts. When it comes to the Medicare bill, we can afford $12 billion for subsidies for private insurance companies. When it comes to the Energy bill, we can afford over $25 billion of tax cuts and $5 billion of mandatory spending for big energy corporations. But when it comes to discretionary programs that help average Americans, the President insists on cuts. A cut of 0.59 percent would reduce funding for No Child Left Behind programs by over $73 million, resulting in 24,000 fewer kids being served by Title I. Overall, the Title I Education for the Disadvantaged program would be $6 billion below the level authorized by the No Child Left Behind Act that the President signed in January of 2002. Another promise unfulfilled.

The across-the-board cut would reduce Head Start funding by $40 million, resulting in 5,500 fewer kids attending Head Start. Veterans Medical Care funding would be cut by $159 million, resulting in 26,500 fewer veterans receiving medical care or 198,000 veterans not getting the drugs they need.

Funding for highway construction would be cut by over $170 million. Well, for this President, it is my way or the highway, but fewer Americans will be building highways next year.

Chairman STEVENS and I tried very hard to produce thirteen bills to send to the President. I commend him for his effort to do so. But, the process was kidnapped by the White House and the leadership. Instead of sending thirteen fiscally responsible appropriations bills to the President, the House is filing a turkey of a conference report. That is no way to govern. That is no way to serve the American people.

I wish all Senators a happy Thanksgiving and a happy Christmas. I hope they stay safe for the holidays.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. WYDEN. Mr. President, no one deserves that holiday more than Senator BYRD who constantly reminds us of what this wonderful, interesting discussion is all about; that is, stand up for the Constitution, and stand up for the people we represent. To Senator BYRD and his wonderful wife, we wish an especially warm and cheerful holiday.

Mr. BYRD. Mr. President, I thank again the Senator.

THANKFUL FOR THANKSGIVING

Mr. BYRD. Mr. President, Thanksgiving is one of the oldest and most cherished American holidays. Along with the Fourth of July, it is a uniquely American holiday. I realize that other countries and other cultures have their days of feasts, some even have them in autumn to glorify their harvests. But our Thanksgiving, our day of thanks, is a truly American holiday.

Thanksgiving is our special day. It is a day on which we celebrate with Turkey, gravy, dressing, cranberry sauce. You should try Erma's cranberry sauce; there is nothing like it anywhere in the world, my wife's cranberry sauce. Just to think of it, just to think of it makes me want to go home now—cranberry sauce, sweet potatoes, pumpkin pie.

In addition to being a time of family togetherness, it is a day of football games, parades, and the beginning of the Christmas holiday season—a little early for the Christmas holiday season, but that is the way it is in this commercial time in which we live.

But more, profoundly, Thanksgiving is a day for recognizing and celebrating our Pilgrim heritage—that small group of men and women who left their homeland, crossed a mighty ocean, and settled in a wilderness so that they could worship God as they chose.

Before disembarking from the ship that brought them to these lands, the famous and legendary Mayflower, this gallant group of early American settlers gathered together and they formulated a government for their new world—a government based on the principle of self-rule. It was also a government under God—a government under God. The document that created that new government, the Mayflower Compact—we should have on our office walls. That government was anticipated in the Mayflower Compact. The Compact read in part—listen to this:

> In the name of God, amen, we whose names are underwritten . . . Having undertaken for the Glory of God . . . Do by these Presents, solemnly and mutually in the Presence of God and one another, covenant and combine ourselves together into a civil Body Politik. . . .

How about that? That was the Mayflower Compact. A copy of that Compact ought to hang or appear in every schoolroom in this country. I know there are a few atheists around who wouldn't like it, but who cares that they wouldn't like it? Maybe we could win them over.

But let us read it again. How wonderful it is to read that. I wonder if there would be those who would say it is unconstitutional.

> In the name of God, amen, we whose names are underwritten . . . Having undertaken for the Glory of God . . . Do by these Presents, solemnly and mutually in the Presence of God and one another, covenant and combine ourselves together into a civil Body Politik. . . .

A year after landing—after months of privation, suffering, sickness, hunger, and death—these men and women set aside time to express their gratitude to God for protecting them and for the preservation of their community. With all the hardships and agony they had endured, they still set aside time to thank God for being good to them. They were not only men and women of great courage, they were also men and women of great religious faith.

Two years later, in 1623, the Pilgrims made this day of thanks a tradition. The spirit of that glorious day, which some people recognize as the first official Thanksgiving, was captured in a proclamation attributed to Governor Bradford that read:

> Inasmuch as the Great Father has given us this year an abundant harvest of Indian corn, wheat, peas, squashes and garden vegetables, and made the forest to abound with game and the sea with fish and clams, and inasmuch as he has . . . spared us from the pestilence and granted us freedom to worship God according to the dictates of our own conscience, now I, your magistrate, do proclaim that all ye Pilgrims, with your wives and ye little ones, do gather at ye meeting house, on ye hill, between the hours of nine and twelve in the daytime on Thursday, November ye 29th, of the year of our Lord one thousand six hundred and twenty-three, and the third year since ye Pilgrims landed on ye Plymouth Rock, there to listen to ye Pastor and render Thanksgiving to ye all Almighty God for all his blessings.

The tradition of Thanksgiving was reaffirmed again during the American Revolution. Following the Battle of Saratoga in October 1777, the American victory that marked a crucial turning point in the war and the birth of our Nation, the Continental Congress approved a resolution designating a day of "Thanksgiving and praise." George Washington wrote of the day set apart—these are words I quoted—the "day set apart by the honorable Congress for Public Thanksgiving and praise, and duty calling us to devoutly to express our grateful acknowledgments to God for the manifold blessings he has granted us."

This was George Washington, the Father of our Country, Commander of the American Forces at Valley Forge—George Washington, the first President of the United States, the greatest of all Presidents of these United States—who said in part when he wrote of the "day set apart by the honorable Congress for public Thanksgiving and praise, and duty calling us devoutly to express our grateful acknowledgments to God for the manifold blessings he has granted us."

That was George Washington.

Following the Revolutionary War, the Continental Congress used Thanksgiving as the day to give thanks to the proper authority for delivering the country from colonization and war into independence and peace.

These were our forefathers—George Washington, of whom there is none greater—nay, of whom there is no peer, George Washington.

On October 11, 1782, Congress proclaimed "the twenty-eight day of November next, as a day of solemn THANKSGIVING to God for all his mercies."

Think about that.

On October 11, 1782, Congress proclaimed "the twenty-eight day of November next, as a day of solemn THANKSGIVING to God for all his mercies: and they do further recommend to all ranks, to testify to their gratitude to God for his goodness."

I was just verifying from the fine man who serves on my staff that this coming Thanksgiving again falls on the calendar on the day of November 28.

The proclamation further stated:

> It being the indispensable duty of all Nations, not only to offer up their supplication to ALMIGHTY GOD, the giver of all good, for his gracious assistance in a time of distress, but also in a solemn and public manner to give him praise for his goodness in general, and especially for great and signal interpositions of his providence in their behalf.

Following the establishment of the new government of the United States in 1789, President George Washington—he is now President; the President is George Washington—issued the first Presidential proclamation calling for "a day of public thanksgiving and prayer." He asked that the public observe that day "by acknowledging with grateful heart the many favors of Almighty God." At President Washington's request, Americans assembled in churches on the appointed day and thanked God for his blessings.

Then during the awful Civil War, President Abraham Lincoln officially asked the people of the United States to set aside the last Thursday of November "as a day of Thanksgiving and praise to our beneficent Father." "In the midst of a civil war of unequal magnitude and severity," President Lincoln proclaimed in 1863 that the country should take a day to acknowledge the gracious gifts of the most high God.

Perhaps we have noticed that in every one of these proclamations, the Founders and the early leaders of our country carefully and purposefully recognized and thanked Almighty God for their blessings.

So in a year when we have been told that it is wrong to post the Ten Commandments in our courthouses, and we have Federal courts ruling that ours is not a nation under God, it is well to remember how the Founders of our country, going back to the Pilgrims, continuing through the Continental Congresses and our foremost Presidents, Washington and Lincoln, certainly considered ours to be a nation under God.

I was a Member of the House of Representatives on June 7, 1954, when the House voted to insert the words "under God" in the Pledge of Allegiance to the flag. That was June 7, 1954. I was a Member of the House 1 year from that day, perhaps just coincidentally, when the House voted to place the words "In God We Trust" on the currency and coins of these United States. June 7, 1955, that was.

There you have it, June 7, 1954, the words "under God" were inserted in the Pledge of Allegiance, and 1 year from that day, June 7, 1955, they put the words "In God We Trust" on the currency of our Nation. And there they are, the words "In God We Trust."

Do you think we would ever have to remove those words from the walls of this Chamber? Let us trust in God that those words will never be removed. No court will ever think that it can remove those words "In God We Trust" from the walls of this Chamber.

So our foremost Presidents, Washington and Lincoln, certainly considered ours to be a nation under God. They used Thanksgiving, our special unique American holiday, as a time and a reason to celebrate it.

That acknowledgment of divine blessing did not stop there. After 1863, President Lincoln issued other Thanksgiving proclamations, and subsequent Presidents who followed him, followed his example.

In 1905, President Theodore Roosevelt talked of how appropriate it was to "set apart one day in each year for a special service of thanksgiving to the Almighty." "It is eminently fitting," he proclaimed, "that once a year our people should set apart a day of praise and thanksgiving to the Giver of Good . . . [therefore] I ask that through the land the people gather in their homes and places of worship and in rendering thanks unto the Most High for the manifold blessings of the past year."

In his 1938 Thanksgiving proclamation, President Franklin Roosevelt noted:

> [F]rom the earliest recorded history, Americans have thanked God for their blessings. In our deepest natures, in our very souls, we, like all mankind, since the earliest origin of mankind, turned to God in time of happiness.

Mr. President, 20 years later in his 1958 Thanksgiving proclamation, President Eisenhower proclaimed:

> Let us be especially grateful for the religious heritage bequeathed us by our forefathers, as exemplified by the Pilgrims, who, after the gathering of their first harvest, set apart a special day for rendering thanks to God for the bounties vouchsafed to them.

In 1962, President John F. Kennedy asked the American people to "renew the spirit of the Pilgrims at the first Thanksgiving, lonely in an inscrutable wilderness, facing the dark unknown with a faith borne of their dedication to God and a fortitude drawn from their sense that all men were brothers."

So it is that we celebrate this unique American holiday, a day devoted to family, to country, and to God. It always has been. I pray it always will be a day for giving thanks. With the turmoil of the past year with our sons and daughters in far away lands putting their lives in danger, we still have so much for which to be thankful.

We can be thankful for the heritage of liberty bequeathed to us by our ancestors, and from whom we are entrusted to preserve for future generations of Americans.

Mr. President, we can be thankful for the wisdom and the foresight of our Founding Fathers, who bequeathed to us a form of government unique in history, with its three strong pillars of the executive, the legislative, and the judicial branches, each balanced and checked one against the other.

Like President Washington, we can be thankful for "the many favors of Almighty God," including a government that ensures our "safety and happiness."

And like President Lincoln, we can be thankful for the "gracious gifts of the most high God, who, while dealing with us in anger for our sins, hath nevertheless remembered mercy."

While we are saddened that there are so many young American men and women in uniform who will not be able to be with their families on this holiday, we can be thankful for their courage, thankful for their devotion to duty, and thankful for their service to our Nation.

We can be thankful for those men and women who, 383 years ago, had the courage, the faith, and the devotion to our Almighty Father, to God, to embark upon the most difficult and dangerous of journeys and face the darkest unknown so that they, and we, could worship freely.

We can be thankful, can we not, for the abundance of America, an abundance that includes an annual production of millions of turkeys, millions of pounds of cranberries and sweet potatoes and pumpkins.

Mr. President, a few minutes ago, I read from President Lincoln's Thanksgiving Proclamation of 1863. Permit me now to read from the 1863 White House Thanksgiving menu.

According to that menu, in 1863, the White House Thanksgiving dinner consisted of the following, and I quote from that menu: cranberry juice; that is good. How sweet it is, cranberry juice; roast turkey with dressing, cranberry sauce.

Look at that man sitting in the chair, presiding over this Senate. Yes, there he is. I can see his mouth is watering like mine is watering.

Sweet potatoes, creamed onions. Well, I like my onions just plain onions, not creamed, but that was on the menu. Squash, pumpkin pie, plum pudding, mince pie, milk, and coffee.

Does that sound familiar? How about it, does it sound familiar?

I hope my wife Erma is watching right at this moment because nobody in my lifetime can spread a table like my wife Erma. She has been spreading that table in my family now for 66 years, bless her heart.

But does it sound familiar? It sure sounds like the 2003 Thanksgiving menu at the Byrd house. Boy, how I look forward to it. I am getting hungry just thinking about it. I am getting hungry. How about that?

I hope that my listeners are getting hungry also, and thinking about the first Thanksgiving. The first Thanksgiving, how would you have liked to have sat with that incredible, intrepid band of men and women?

So I am going to stop talking now, and I am going to head home, before too long, for our great Thanksgiving meal with my wife Erma and our two daughters and their husbands and our five grandchildren, their spouses, and our three great-grandchildren and our little dog, Trouble.

Happy Thanksgiving, everyone. Happy Thanksgiving.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I note the presence of Senator BURNS. Does he wish to speak? I will tell him how long I will be.

Mr. BURNS. Mr. President, not on the Senator's time.

Mr. DOMENICI. I will only be a few moments.

GREAT ECONOMIC NEWS

Mr. DOMENICI. Mr. President, economic growth is the lifeblood of this country. Economic growth is what gets rid of deficits. Economic growth is what provides jobs. Economic growth is what causes investments. Economic growth is what gives our people hope.

Today, the Government just released news that our economy grew by an amazing 8.2 percent last quarter, up from an earlier estimate in the same quarter of 7.2 percent. I recall when it went up 7.2 percent. We were all saying: Isn't that fantastic? The economy is really booming.

Well, it turns out there is always an adjustment, and they made the adjustment. Frequently, the adjustment is downward. In this case, the adjustment is upward, an astronomical 8.2 percent growth in the domestic product last quarter. This means solid growth this quarter and into next year. This is a tribute to the resilient American economy and to the fiscal policy pursued by the President and the Republican-led Congress.

The naysayers, principally on the other side of the aisle, have been the ones saying we should not have cut taxes. Taxes create deficits. On everything the President chose to ask us to do about the economy, the naysayers said no. Now they have been proven wrong and we have the second basket on the floor in the nature of great big positive news for the American people. Even more important to the future, confidence among the American consumers soared. They know when things are going well. It soared to almost 92 percent, a full 10 percent gain from last month. We remember when we were all worried because it was extremely low, into 60 percent, and the naysayers were saying: It is all President Bush's fault. Well, if that is the case—it is 92 percent now—is that not his fault? Or is that not to his credit? I would think so.

The kind of extraordinary growth I am talking about obviously cannot continue for years and years, perhaps not even for very many quarters, but it does mean that most estimates of growth for the year 2004 will prove to be pessimistic. They will prove to be too low. If we get a solid 3 and 3½ percent growth rate each of the next quarters for an entire fiscal year, then we will see Federal deficits also decline. Employment will increase and investments will improve.

The naysayers will be stuck. How will they answer all of these items of good news when employment starts coming down, which it already has but will come down more; when Federal deficits, instead of going up, which they run around talking about President Bush created, when everybody knows we have a huge expenditure for our military men and equipment because we have been in a series of warlike efforts from Somalia, Afghanistan, and now this one. Nothing can be done without spending a lot of money. But we are going to see the deficit come down if these growth numbers continue up.

Yes, we have all been worried about American business: Where is it going? First, we have to give American business some credit. I used the words "resilient economy" awhile ago. When there is a recession, American business takes action. They are not like us. They do not have all of the money to spend. They have to stop spending. They have to make changes.

They made changes. Guess what happened. Productivity went through the roof, and enormous productivity growth normally is accompanied by great GDP growth, and that has happened.

Now, it seems as if productivity growth is probably going to stop. They have taken about as much as they can out of their businesses, and now we are going to have the growth that will follow it, the job increases that will follow it, and the deficits that will diminish.

I close where I started, by saying it seems as if good news comes in bushels. Good news comes not one thing at a time but two things and maybe three at a time, and the two pieces of great news are before us today. Let us hope there is more to come because, clearly, we are on the path upward.

I yield the floor.

CAN-SPAM ACT OF 2003

Mr. BURNS. Mr. President, as my good friend from New Mexico was pointing out some of the good news, I have some more. I ask that the Chair lay before the Senate a message from the House on S. 877.

The PRESIDING OFFICER laid before the Senate the following message:

S. 877

Resolved, That the bill from the Senate (S. 877) entitled "An Act to regulate interstate commerce by imposing limitations and penalties on the transmission of unsolicited commercial electronic mail via the Internet", do pass with the following amendment:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003", or the "CAN-SPAM Act of 2003".

SEC. 2. CONGRESSIONAL FINDINGS AND POLICY.

(a) FINDINGS.—The Congress finds the following:

(1) Electronic mail has become an extremely important and popular means of communication, relied on by millions of Americans on a daily basis for personal and commercial purposes. Its low cost and global reach make it extremely convenient and efficient, and offer unique opportunities for the development and growth of frictionless commerce.

(2) The convenience and efficiency of electronic mail are threatened by the extremely rapid growth in the volume of unsolicited commercial electronic mail. Unsolicited commercial electronic mail is currently estimated to account for over half of all electronic mail traffic, up from an estimated 7 percent in 2001, and the volume continues to rise. Most of these messages are fraudulent or deceptive in one or more respects.

(3) The receipt of unsolicited commercial electronic mail may result in costs to recipients who cannot refuse to accept such mail and who incur costs for the storage of such mail, or for the time spent accessing, reviewing, and discarding such mail, or for both.

(4) The receipt of a large number of unwanted messages also decreases the convenience of electronic mail and creates a risk that wanted electronic mail messages, both commercial and noncommercial, will be lost, overlooked, or discarded amidst the larger volume of unwanted messages, thus reducing the reliability and usefulness of electronic mail to the recipient.

(5) Some commercial electronic mail contains material that many recipients may consider vulgar or pornographic in nature.

(6) The growth in unsolicited commercial electronic mail imposes significant monetary costs on providers of Internet access services, businesses, and educational and nonprofit institutions that carry and receive such mail, as there is a finite volume of mail that such providers, businesses, and institutions can handle without further investment in infrastructure.

(7) Many senders of unsolicited commercial electronic mail purposefully disguise the source of such mail.

(8) Many senders of unsolicited commercial electronic mail purposefully include misleading information in the message's subject lines in order to induce the recipients to view the messages.

(9) While some senders of commercial electronic mail messages provide simple and reliable ways for recipients to reject (or "opt-out" of) receipt of commercial electronic mail from such senders in the future, other senders provide no such "opt-out" mechanism, or refuse to honor the requests of recipients not to receive electronic mail from such senders in the future, or both.

(10) Many senders of bulk unsolicited commercial electronic mail use computer programs to gather large numbers of electronic mail addresses on an automated basis from Internet websites or online services where users must post their addresses in order to make full use of the website or service.

(11) Many States have enacted legislation intended to regulate or reduce unsolicited commercial electronic mail, but these statutes impose different standards and requirements. As a result, they do not appear to have been successful in addressing the problems associated with unsolicited commercial electronic mail, in part because, since an electronic mail address does not specify a geographic location, it can be extremely difficult for law-abiding businesses to know with which of these disparate statutes they are required to comply.

(12) The problems associated with the rapid growth and abuse of unsolicited commercial electronic mail cannot be solved by Federal legislation alone. The development and adoption of technological approaches and the pursuit of cooperative efforts with other countries will be necessary as well.

(b) CONGRESSIONAL DETERMINATION OF PUBLIC POLICY.—On the basis of the findings in subsection (a), the Congress determines that—

(1) there is a substantial government interest in regulation of commercial electronic mail on a nationwide basis;

(2) senders of commercial electronic mail should not mislead recipients as to the source or content of such mail; and

(3) recipients of commercial electronic mail have a right to decline to receive additional commercial electronic mail from the same source.

SEC. 3. DEFINITIONS.

In this Act:

(1) AFFIRMATIVE CONSENT.—The term "affirmative consent", when used with respect to a commercial electronic mail message, means that—

(A) the recipient expressly consented to receive the message, either in response to a clear and conspicuous request for such consent or at the recipient's own initiative; and

(B) if the message is from a party other than the party to which the recipient communicated such consent, the recipient was given clear and conspicuous notice at the time the consent was communicated that the recipient's electronic mail address could be transferred to such other party for the purpose of initiating commercial electronic mail messages.

(2) COMMERCIAL ELECTRONIC MAIL MESSAGE.—

(A) IN GENERAL.—The term "commercial electronic mail message" means any electronic mail message the primary purpose of which is the commercial advertisement or promotion of a commercial product or service (including content on an Internet website operated for a commercial purpose).

(B) TRANSACTIONAL OR RELATIONSHIP MESSAGES.—The term "commercial electronic mail message" does not include a transactional or relationship message.

(C) REGULATIONS REGARDING PRIMARY PURPOSE.—Not later than 12 months after the date of the enactment of this Act, the Commission shall issue regulations pursuant to section 13 further defining the relevant criteria to facilitate the determination of the primary purpose of an electronic mail message.

(D) REFERENCE TO COMPANY OR WEBSITE.—The inclusion of a reference to a commercial entity or a link to the website of a commercial entity in an electronic mail message does not, by itself, cause such message to be treated as a commercial electronic mail message for purposes of this Act if the contents or circumstances of the message indicate a primary purpose other than commercial advertisement or promotion of a commercial product or service.

(3) COMMISSION.—The term "Commission" means the Federal Trade Commission.

(4) DOMAIN NAME.—The term "domain name" means any alphanumeric designation which is registered with or assigned by any domain name registrar, domain name registry, or other domain name registration authority as part of an electronic address on the Internet.

(5) ELECTRONIC MAIL ADDRESS.—The term "electronic mail address" means a destination, commonly expressed as a string of characters, consisting of a unique user name or mailbox (commonly referred to as the "local part") and a reference to an Internet domain (commonly referred to as the "domain part"), whether or not displayed, to which an electronic mail message can be sent or delivered.

(6) ELECTRONIC MAIL MESSAGE.—The term "electronic mail message" means a message sent to a unique electronic mail address.

(7) FTC ACT.—The term "FTC Act" means the Federal Trade Commission Act (15 U.S.C. 41 et seq.).

(8) HEADER INFORMATION.—The term "header information" means the source, destination, and routing information attached to an electronic mail message, including the originating domain name and originating electronic mail address, and any other information that appears in the line identifying, or purporting to identify, a person initiating the message.

(9) INITIATE.—The term "initiate", when used with respect to a commercial electronic mail message, means to originate or transmit such message or to procure the origination or transmission of such message, but shall not include actions that constitute routine conveyance of such message. For purposes of this paragraph, more than 1 person may be considered to have initiated a message.

(10) INTERNET.—The term "Internet" has the meaning given that term in the Internet Tax Freedom Act (47 U.S.C. 151 note).

(11) INTERNET ACCESS SERVICE.—The term "Internet access service" has the meaning given that term in section 231(e)(4) of the Communications Act of 1934 (47 U.S.C. 231(e)(4)).

(12) PROCURE.—The term "procure", when used with respect to the initiation of a commercial electronic mail message, means intentionally to pay or provide other consideration to, or induce, another person to initiate such a message on one's behalf.

(13) PROTECTED COMPUTER.—The term "protected computer" has the meaning given that term in section 1030(e)(2)(B) of title 18, United States Code.

(14) RECIPIENT.—The term "recipient", when used with respect to a commercial electronic mail message, means an authorized user of the electronic mail address to which the message was sent or delivered. If a recipient of a commercial electronic mail message has 1 or more electronic mail addresses in addition to the address to which the message was sent or delivered, the recipient shall be treated as a separate recipient with respect to each such address. If an electronic mail address is reassigned to a new user, the new user shall not be treated as a recipient of any commercial electronic mail message sent or delivered to that address before it was reassigned.

(15) ROUTINE CONVEYANCE.—The term "routine conveyance" means the transmission, routing, relaying, handling, or storing, through an automatic technical process, of an electronic mail message for which another person has identified the recipients or provided the recipient addresses.

(16) SENDER.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the term "sender" means a person who initiates such a message and whose product, service, or Internet web site is advertised or promoted by the message.

(B) SEPARATE LINES OF BUSINESS OR DIVISIONS.—If an entity operates through separate lines of business or divisions and holds itself out to the recipient of the message, in complying with the requirement under section 5(a)(5)(B), as that particular line of business or division rather than as the entity of which such line of business or division is a part, then the line of business or the division shall be treated as the sender of such message for purposes of this Act.

(17) TRANSACTIONAL OR RELATIONSHIP MESSAGE.—

(A) IN GENERAL.—The term "transactional or relationship message" means an electronic mail message the primary purpose of which is—

(i) to facilitate, complete, or confirm a commercial transaction that the recipient has previously agreed to enter into with the sender;

(ii) to provide warranty information, product recall information, or safety or security information with respect to a commercial product or service used or purchased by the recipient;

(iii) to provide—

(I) notification concerning a change in the terms or features of;

(II) notification of a change in the recipient's standing or status with respect to; or

(III) at regular periodic intervals, account balance information or other type of account statement with respect to,

a subscription, membership, account, loan, or comparable ongoing commercial relationship involving the ongoing purchase or use by the recipient of products or services offered by the sender;

(iv) to provide information directly related to an employment relationship or related benefit plan in which the recipient is currently involved, participating, or enrolled; or

(v) to deliver goods or services, including product updates or upgrades, that the recipient is entitled to receive under the terms of a transaction that the recipient has previously agreed to enter into with the sender.

(B) MODIFICATION OF DEFINITION.—The Commission by regulation pursuant to section 13 may modify the definition in subparagraph (A) to expand or contract the categories of messages that are treated as transactional or relationship messages for purposes of this Act to the extent that such modification is necessary to accommodate changes in electronic mail technology or practices and accomplish the purposes of this Act.

SEC. 4. PROHIBITION AGAINST PREDATORY AND ABUSIVE COMMERCIAL E-MAIL.

(a) OFFENSE.—

(1) IN GENERAL.—Chapter 47 of title 18, United States Code, is amended by adding at the end the following new section:

"§ 1037. Fraud and related activity in connection with electronic mail

"(a) IN GENERAL.—Whoever, in or affecting interstate or foreign commerce, knowingly—

"(1) accesses a protected computer without authorization, and intentionally initiates the transmission of multiple commercial electronic mail messages from or through such computer,

"(2) uses a protected computer to relay or retransmit multiple commercial electronic mail messages, with the intent to deceive or mislead recipients, or any Internet access service, as to the origin of such messages,

"(3) materially falsifies header information in multiple commercial electronic mail messages and intentionally initiates the transmission of such messages,

"(4) registers, using information that materially falsifies the identity of the actual registrant, for 5 or more electronic mail accounts or online user accounts or 2 or more domain names, and intentionally initiates the transmission of multiple commercial electronic mail messages from any combination of such accounts or domain names, or

"(5) falsely represents oneself to be the registrant or the legitimate successor in interest to the registrant of 5 or more Internet protocol addresses, and intentionally initiates the transmission of multiple commercial electronic mail messages from such addresses,

or conspires to do so, shall be punished as provided in subsection (b).

"(b) PENALTIES.—The punishment for an offense under subsection (a) is—

"(1) a fine under this title, imprisonment for not more than 5 years, or both, if—

"(A) the offense is committed in furtherance of any felony under the laws of the United States or of any State; or

"(B) the defendant has previously been convicted under this section or section 1030, or under the law of any State for conduct involving the transmission of multiple commercial electronic mail messages or unauthorized access to a computer system;

"(2) a fine under this title, imprisonment for not more than 3 years, or both, if—

"(A) the offense is an offense under subsection (a)(1);

"(B) the offense is an offense under subsection (a)(4) and involved 20 or more falsified electronic mail or online user account registrations, or 10 or more falsified domain name registrations;

"(C) the volume of electronic mail messages transmitted in furtherance of the offense exceeded 2,500 during any 24-hour period, 25,000 during any 30-day period, or 250,000 during any 1-year period;

"(D) the offense caused loss to 1 or more persons aggregating $5,000 or more in value during any 1-year period;

"(E) as a result of the offense any individual committing the offense obtained anything of value aggregating $5,000 or more during any 1-year period; or

"(F) the offense was undertaken by the defendant in concert with 3 or more other persons with respect to whom the defendant occupied a position of organizer or leader; and

"(3) a fine under this title or imprisonment for not more than 1 year, or both, in any other case.

"(c) FORFEITURE.—

"(1) IN GENERAL.—The court, in imposing sentence on a person who is convicted of an offense under this section, shall order that the defendant forfeit to the United States—

"(A) any property, real or personal, constituting or traceable to gross proceeds obtained from such offense; and

"(B) any equipment, software, or other technology used or intended to be used to commit or to facilitate the commission of such offense.

"(2) PROCEDURES.—The procedures set forth in section 413 of the Controlled Substances Act (21 U.S.C. 853), other than subsection (d) of that section, and in Rule 32.2 of the Federal Rules of Criminal Procedure, shall apply to all stages of a criminal forfeiture proceeding under this section.

"(d) DEFINITIONS.—In this section:

"(1) LOSS.—The term 'loss' has the meaning given that term in section 1030(e) of this title.

"(2) MATERIALLY.—For purposes of paragraphs (3) and (4) of subsection (a), header information or registration information is materially misleading if it is altered or concealed in a manner that would impair the ability of a recipient of the message, an Internet access service processing the message on behalf of a recipient, a person alleging a violation of this section, or a law enforcement agency to identify, locate, or respond to a person who initiated the electronic mail message or to investigate the alleged violation.

"(3) MULTIPLE.—The term 'multiple' means more than 100 electronic mail messages during a 24-hour period, more than 1,000 electronic mail messages during a 30-day period, or more than 10,000 electronic mail messages during a 1-year period.

"(4) OTHER TERMS.—Any other term has the meaning given that term by section 3 of the CAN-SPAM Act of 2003.".

(2) CONFORMING AMENDMENT.—The chapter analysis for chapter 47 of title 18, United States Code, is amended by adding at the end the following:

"Sec.
"1037. Fraud and related activity in connection with electronic mail.".

(b) UNITED STATES SENTENCING COMMISSION.—

(1) DIRECTIVE.—Pursuant to its authority under section 994(p) of title 28, United States Code, and in accordance with this section, the United States Sentencing Commission shall review and, as appropriate, amend the sentencing guidelines and policy statements to provide appropriate penalties for violations of section 1037 of title 18, United States Code, as added by this section, and other offenses that may be facilitated by the sending of large quantities of unsolicited electronic mail.

(2) REQUIREMENTS.—In carrying out this subsection, the Sentencing Commission shall consider providing sentencing enhancements for—

(A) those convicted under section 1037 of title 18, United States Code, who—

(i) obtained electronic mail addresses through improper means, including—

(I) harvesting electronic mail addresses of the users of a website, proprietary service, or other online public forum operated by another person, without the authorization of such person; and

(II) randomly generating electronic mail addresses by computer; or

(ii) knew that the commercial electronic mail messages involved in the offense contained or advertised an Internet domain for which the registrant of the domain had provided false registration information; and

(B) those convicted of other offenses, including offenses involving fraud, identity theft, obscenity, child pornography, and the sexual exploitation of children, if such offenses involved the sending of large quantities of electronic mail.

(c) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) Spam has become the method of choice for those who distribute pornography, perpetrate fraudulent schemes, and introduce viruses, worms, and Trojan horses into personal and business computer systems; and

(2) the Department of Justice should use all existing law enforcement tools to investigate and prosecute those who send bulk commercial e-mail to facilitate the commission of Federal crimes, including the tools contained in chapters 47 and 63 of title 18, United States Code (relating to fraud and false statements); chapter 71 of title 18, United States Code (relating to obscenity); chapter 110 of title 18, United States Code (relating to the sexual exploitation of children); and chapter 95 of title 18, United States Code (relating to racketeering), as appropriate.

SEC. 5. OTHER PROTECTIONS FOR USERS OF COMMERCIAL ELECTRONIC MAIL.

(a) REQUIREMENTS FOR TRANSMISSION OF MESSAGES.—

(1) PROHIBITION OF FALSE OR MISLEADING TRANSMISSION INFORMATION.—It is unlawful for any person to initiate the transmission, to a protected computer, of a commercial electronic mail message, or a transactional or relationship message, that contains, or is accompanied by, header information that is materially false or materially misleading. For purposes of this paragraph—

(A) header information that is technically accurate but includes an originating electronic mail address, domain name, or Internet protocol address the access to which for purposes of initiating the message was obtained by means of false or fraudulent pretenses or representations shall be considered materially misleading;

(B) a "from" line (the line identifying or purporting to identify a person initiating the message) that accurately identifies any person who initiated the message shall not be considered materially false or materially misleading; and

(C) header information shall be considered materially misleading if it fails to identify accurately a protected computer used to initiate the message because the person initiating the message knowingly uses another protected computer to relay or retransmit the message for purposes of disguising its origin.

(2) PROHIBITION OF DECEPTIVE SUBJECT HEADINGS.—It is unlawful for any person to initiate the transmission to a protected computer of a commercial electronic mail message if such person has actual knowledge, or knowledge fairly implied on the basis of objective circumstances, that a subject heading of the message would be likely to mislead a recipient, acting reasonably under the circumstances, about a material fact regarding the contents or subject matter of the message (consistent with the criteria are used in enforcement of section 5 of the Federal Trade Commission Act (15 U.S.C. 45)).

(3) INCLUSION OF RETURN ADDRESS OR COMPARABLE MECHANISM IN COMMERCIAL ELECTRONIC MAIL.—

(A) IN GENERAL.—It is unlawful for any person to initiate the transmission to a protected computer of a commercial electronic mail message that does not contain a functioning return electronic mail address or other Internet-based mechanism, clearly and conspicuously displayed, that—

(i) a recipient may use to submit, in a manner specified in the message, a reply electronic mail message or other form of Internet-based communication requesting not to receive future commercial electronic mail messages from that sender at the electronic mail address where the message was received; and

(ii) remains capable of receiving such messages or communications for no less than 30 days after the transmission of the original message.

(B) MORE DETAILED OPTIONS POSSIBLE.—The person initiating a commercial electronic mail message may comply with subparagraph (A)(i) by providing the recipient a list or menu from which the recipient may choose the specific types of commercial electronic mail messages the recipient wants to receive or does not want to receive from the sender, if the list or menu includes an option under which the recipient may choose not to receive any commercial electronic mail messages from the sender.

(C) TEMPORARY INABILITY TO RECEIVE MESSAGES OR PROCESS REQUESTS.—A return electronic mail address or other mechanism does not fail to satisfy the requirements of subparagraph (A) if it is unexpectedly and temporarily unable to receive messages or process requests due to a technical problem beyond the control of the sender if the problem is corrected within a reasonable time period.

(4) PROHIBITION OF TRANSMISSION OF COMMERCIAL ELECTRONIC MAIL AFTER OBJECTION.—

(A) IN GENERAL.—If a recipient makes a request using a mechanism provided pursuant to paragraph (3) not to receive some or any commercial electronic mail messages from such sender, then it is unlawful—

(i) for the sender to initiate the transmission to the recipient, more than 10 business days after the receipt of such request, of a commercial electronic mail message that falls within the scope of the request;

(ii) for any person acting on behalf of the sender to initiate the transmission to the recipient, more than 10 business days after the receipt of such request, of a commercial electronic mail message with actual knowledge, or knowledge fairly implied on the basis of objective circumstances, that such message falls within the scope of the request;

(iii) for any person acting on behalf of the sender to assist in initiating the transmission to the recipient, through the provision or selection of addresses to which the message will be sent, of a commercial electronic mail message with actual knowledge, or knowledge fairly implied on the basis of objective circumstances, that such message would violate clause (i) or (ii); or

(iv) for the sender, or any other person who knows that the recipient has made such a request, to sell, lease, exchange, or otherwise transfer or release the electronic mail address of the recipient (including through any transaction or other transfer involving mailing lists bearing the electronic mail address of the recipient) for any purpose other than compliance with this Act or other provision of law, except where the recipient has given express consent.

(B) OPT BACK IN.—A prohibition in clause (i), (ii), or (iii) of subparagraph (A) does not apply if there is affirmative consent by the recipient subsequent to the request under subparagraph (A).

(5) INCLUSION OF IDENTIFIER, OPT-OUT, AND PHYSICAL ADDRESS IN COMMERCIAL ELECTRONIC MAIL.—

(A) It is unlawful for any person to initiate the transmission of any commercial electronic mail message to a protected computer unless the message provides—

(i) clear and conspicuous identification that the message is an advertisement or solicitation;

(ii) clear and conspicuous notice of the opportunity under paragraph (3) to decline to receive further commercial electronic mail messages from the sender; and

(iii) a valid physical postal address of the sender.

(B) Subparagraph (A)(i) does not apply to the transmission of a commercial electronic mail if the recipient has given prior affirmative consent to receipt of the message.

(6) SUBSEQUENT AFFIRMATIVE CONSENT.—The prohibitions in subparagraphs (A), (B), and (C) do not apply to the initiation of transmission of commercial electronic mail to a recipient who, subsequent to a request using a mechanism provided pursuant to paragraph (3) not to receive commercial electronic mail messages from the sender, has granted affirmative consent to the sender to receive such messages.

(7) MATERIALLY.—For purposes of paragraph (1)(A), header information shall be considered to be materially misleading if it is altered or concealed in a manner that would impair the ability of an Internet access service processing the message on behalf of a recipient, a person alleging a violation of this section, or a law enforcement agency to identify, locate, or respond to the person who initiated the electronic mail message or to investigate the alleged violation, or the ability of a recipient of the message to respond to a person who initiated the electronic message.

(b) AGGRAVATED VIOLATIONS RELATING TO COMMERCIAL ELECTRONIC MAIL.—

(1) ADDRESS HARVESTING AND DICTIONARY ATTACKS.—

(A) IN GENERAL.—It is unlawful for any person to initiate the transmission, to a protected computer, of a commercial electronic mail message that is unlawful under subsection (a), or to assist in the origination of such message through the provision or selection of addresses to which the message will be transmitted, if such person had actual knowledge, or knowledge fairly implied on the basis of objective circumstances, that—

(i) the electronic mail address of the recipient was obtained using an automated means from an Internet website or proprietary online service operated by another person, and such website or online service included, at the time the address was obtained, a notice stating that the operator of such website or online service will not give, sell, or otherwise transfer addresses maintained by such website or online service to any other party for the purposes of initiating, or enabling others to initiate, electronic mail messages; or

(ii) the electronic mail address of the recipient was obtained using an automated means that generates possible electronic mail addresses by combining names, letters, or numbers into numerous permutations.

(B) DISCLAIMER.—Nothing in this paragraph creates an ownership or proprietary interest in such electronic mail addresses.

(2) AUTOMATED CREATION OF MULTIPLE ELECTRONIC MAIL ACCOUNTS.—It is unlawful for any person to use scripts or other automated means to register for multiple electronic mail accounts or online user accounts from which to transmit to a protected computer, or enable another person to transmit to a protected computer, a commercial electronic mail message that is unlawful under subsection (a).

(3) RELAY OR RETRANSMISSION THROUGH UNAUTHORIZED ACCESS.—It is unlawful for any person knowingly to relay or retransmit a commercial electronic mail message that is unlawful under subsection (a) from a protected computer or computer network that such person has accessed without authorization.

(c) SUPPLEMENTARY RULEMAKING AUTHORITY.—The Commission shall by rule, pursuant to section 13—

(1) modify the 10-business-day period under subsection (a)(4)(A) or subsection (a)(4)(B), or both, if the Commission determines that a different period would be more reasonable after taking into account—

(A) the purposes of subsection (a);

(B) the interests of recipients of commercial electronic mail; and

(C) the burdens imposed on senders of lawful commercial electronic mail; and

(2) specify additional activities or practices to which subsection (b) applies if the Commission determines that those activities or practices are contributing substantially to the proliferation of commercial electronic mail messages that are unlawful under subsection (a).

(d) REQUIREMENT TO PLACE WARNING LABELS ON COMMERCIAL ELECTRONIC MAIL CONTAINING SEXUALLY ORIENTED MATERIAL.—

(1) IN GENERAL.—No person may initiate in or affecting interstate commerce the transmission, to a protected computer, of any commercial electronic mail message that includes sexually oriented material and—

(A) fail to include in subject heading for the electronic mail message the marks or notices prescribed by the Commission under this subsection; or

(B) fail to provide that the matter in the message that is initially viewable to the recipient, when the message is opened by any recipient and absent any further actions by the recipient, includes only—

(i) to the extent required or authorized pursuant to paragraph (2), any such marks or notices;

(ii) the information required to be included in the message pursuant to subsection (a)(5); and

(iii) instructions on how to access, or a mechanism to access, the sexually oriented material.

(2) PRIOR AFFIRMATIVE CONSENT.—Paragraph (1) does not apply to the transmission of an electronic mail message if the recipient has given prior affirmative consent to receipt of the message.

(3) PRESCRIPTION OF MARKS AND NOTICES.—Not later than 120 days after the date of the enactment of this Act, the Commission in consultation with the Attorney General shall prescribe clearly identifiable marks or notices to be included in or associated with commercial electronic mail that contains sexually oriented material, in order to inform the recipient of that fact and to facilitate filtering of such electronic mail. The Commission shall publish in the Federal Register and provide notice to the public of the marks or notices prescribed under this paragraph.

(4) DEFINITION.—In this subsection, the term "sexually oriented material" means any material that depicts sexually explicit conduct (as that term is defined in section 2256 of title 18, United States Code), unless the depiction constitutes a small and insignificant part of the whole, the remainder of which is not primarily devoted to sexual matters.

(4) PENALTY.—Whoever knowingly violates paragraph (1) shall be fined under title 18, United States Code, or imprisoned not more than 5 years, or both.

SEC. 6. BUSINESSES KNOWINGLY PROMOTED BY ELECTRONIC MAIL WITH FALSE OR MISLEADING TRANSMISSION INFORMATION.

(a) IN GENERAL.—It is unlawful for a person to promote, or allow the promotion of, that person's trade or business, or goods, products, property, or services sold, offered for sale, leased or offered for lease, or otherwise made available through that trade or business, in a commercial electronic mail message the transmission of which is in violation of section 5(a)(1) if that person—

(1) knows, or should have known in ordinary course of that person's trade or business, that the goods, products, property, or services sold, offered for sale, leased or offered for lease, or otherwise made available through that trade or business were being promoted in such a message;

(2) received or expected to receive an economic benefit from such promotion; and

(3) took no reasonable action—

(A) to prevent the transmission; or

(B) to detect the transmission and report it to the Commission.

(b) LIMITED ENFORCEMENT AGAINST THIRD PARTIES.—

(1) IN GENERAL.—Except as provided in paragraph (2), a person (hereinafter referred to as the "third party") that provides goods, products, property, or services to another person that violates subsection (a) shall not be held liable for such violation.

(2) EXCEPTION.—Liability for a violation of subsection (a) shall be imputed to a third party that provides goods, products, property, or services to another person that violates subsection (a) if that third party—

(A) owns, or has a greater than 50 percent ownership or economic interest in, the trade or business of the person that violated subsection (a); or

(B)(i) has actual knowledge that goods, products, property, or services are promoted in a commercial electronic mail message the transmission of which is in violation of section 5(a)(1); and

(ii) receives, or expects to receive, an economic benefit from such promotion.

(c) EXCLUSIVE ENFORCEMENT BY FTC.—Subsections (f) and (g) of section 7 do not apply to violations of this section.

(d) SAVINGS PROVISION.—Subject to section 7(f)(7), nothing in this section may be construed to limit or prevent any action that may be taken under this Act with respect to any violation of any other section of this Act.

SEC. 7. ENFORCEMENT GENERALLY.

(a) VIOLATION IS UNFAIR OR DECEPTIVE ACT OR PRACTICE.—Except as provided in subsection (b), this Act shall be enforced by the Commission as if the violation of this Act were an unfair or deceptive act or practice proscribed under section 18(a)(1)(B) of the Federal Trade Commission Act (15 U.S.C. 57a(a)(1)(B)).

(b) ENFORCEMENT BY CERTAIN OTHER AGENCIES.—Compliance with this Act shall be enforced—

(1) under section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818), in the case of—

(A) national banks, and Federal branches and Federal agencies of foreign banks, by the Office of the Comptroller of the Currency;

(B) member banks of the Federal Reserve System (other than national banks), branches and agencies of foreign banks (other than Federal branches, Federal agencies, and insured State branches of foreign banks), commercial lending companies owned or controlled by foreign banks, organizations operating under section 25 or 25A of the Federal Reserve Act (12 U.S.C. 601 and 611), and bank holding companies, by the Board;

(C) banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System) insured State branches of foreign banks, by the Board of Directors of the Federal Deposit Insurance Corporation; and

(D) savings associations the deposits of which are insured by the Federal Deposit Insurance Corporation, by the Director of the Office of Thrift Supervision;

(2) under the Federal Credit Union Act (12 U.S.C. 1751 et seq.) by the Board of the National

Credit Union Administration with respect to any Federally insured credit union;

(3) under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) by the Securities and Exchange Commission with respect to any broker or dealer;

(4) under the Investment Company Act of 1940 (15 U.S.C. 80a–1 et seq.) by the Securities and Exchange Commission with respect to investment companies;

(5) under the Investment Advisers Act of 1940 (15 U.S.C. 80b–1 et seq.) by the Securities and Exchange Commission with respect to investment advisers registered under that Act;

(6) under State insurance law in the case of any person engaged in providing insurance, by the applicable State insurance authority of the State in which the person is domiciled, subject to section 104 of the Gramm-Bliley-Leach Act (15 U.S.C. 6701), except that in any State in which the State insurance authority elects not to exercise this power, the enforcement authority pursuant to this Act shall be exercised by the Commission in accordance with subsection (a);

(7) under part A of subtitle VII of title 49, United States Code, by the Secretary of Transportation with respect to any air carrier or foreign air carrier subject to that part;

(8) under the Packers and Stockyards Act, 1921 (7 U.S.C. 181 et seq.) (except as provided in section 406 of that Act (7 U.S.C. 226, 227)), by the Secretary of Agriculture with respect to any activities subject to that Act;

(9) under the Farm Credit Act of 1971 (12 U.S.C. 2001 et seq.) by the Farm Credit Administration with respect to any Federal land bank, Federal land bank association, Federal intermediate credit bank, or production credit association; and

(10) under the Communications Act of 1934 (47 U.S.C. 151 et seq.) by the Federal Communications Commission with respect to any person subject to the provisions of that Act.

(c) EXERCISE OF CERTAIN POWERS.—For the purpose of the exercise by any agency referred to in subsection (b) of its powers under any Act referred to in that subsection, a violation of this Act is deemed to be a violation of a Federal Trade Commission trade regulation rule. In addition to its powers under any provision of law specifically referred to in subsection (b), each of the agencies referred to in that subsection may exercise, for the purpose of enforcing compliance with any requirement imposed under this Act, any other authority conferred on it by law.

(d) ACTIONS BY THE COMMISSION.—The Commission shall prevent any person from violating this Act in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the Federal Trade Commission Act (15 U.S.C. 41 et seq.) were incorporated into and made a part of this Act. Any entity that violates any provision of that subtitle is subject to the penalties and entitled to the privileges and immunities provided in the Federal Trade Commission Act in the same manner, by the same means, and with the same jurisdiction, power, and duties as though all applicable terms and provisions of the Federal Trade Commission Act were incorporated into and made a part of that subtitle.

(e) AVAILABILITY OF CEASE-AND-DESIST ORDERS AND INJUNCTIVE RELIEF WITHOUT SHOWING OF KNOWLEDGE.—Notwithstanding any other provision of this Act, in any proceeding or action pursuant to subsection (b), (c), or (d) of this section to enforce compliance, through an order to cease and desist or an injunction, with section 5(a)(2), subparagraph (B) or (C) of section 5(a)(4), or section 5(b)(1)(A), neither the Commission nor the Federal Communications Commission shall be required to allege or prove the state of mind required by such section or subparagraph.

(f) ENFORCEMENT BY STATES.—

(1) CIVIL ACTION.—In any case in which the attorney general of a State, or an official or agency of a State, has reason to believe that an interest of the residents of that State has been or is threatened or adversely affected by any person who violates paragraph (1) or (2) of section 5(a), or who engages in a pattern or practice that violates paragraph (3), (4), or (5) of section 5(a) of this Act, the attorney general, official, or agency of the State, as parens patriae, may bring a civil action on behalf of the residents of the State in a district court of the United States of appropriate jurisdiction—

(A) to enjoin further violation of section 5 of this Act by the defendant; or

(B) to obtain damages on behalf of residents of the State, in an amount equal to the greater of—

(i) the actual monetary loss suffered by such residents; or

(ii) the amount determined under paragraph (2).

(2) AVAILABILITY OF INJUNCTIVE RELIEF WITHOUT SHOWING OF KNOWLEDGE.—Notwithstanding any other provision of this Act, in a civil action under paragraph (1)(A) of this subsection, the attorney general, official, or agency of the State shall not be not required to allege or prove the state of mind required by section 5(a)(2), subparagraph (B) or (C) of section 5(a)(4), or section 5(b)(1)(A).

(3) STATUTORY DAMAGES.—

(A) IN GENERAL.—For purposes of paragraph (1)(B)(ii), the amount determined under this paragraph is the amount calculated by multiplying the number of violations (with each separately addressed unlawful message received by or addressed to such residents treated as a separate violation) by up to $250.

(B) LIMITATION.—For any violation of section 5 (other than section 5(a)(1)), the amount determined under subparagraph (A) may not exceed $2,000,000.

(C) AGGRAVATED DAMAGES.—The court may increase a damage award to an amount equal to not more than three times the amount otherwise available under this paragraph if—

(i) the court determines that the defendant committed the violation willfully and knowingly; or

(ii) the defendant's unlawful activity included one or more of the aggravating violations set forth in section 5(b).

(D) REDUCTION OF DAMAGES.—In assessing damages under subparagraph (A), the court may consider whether—

(i) the defendant has established and implemented, with due care, commercially reasonable practices and procedures to effectively prevent such violations; or

(ii) the violation occurred despite commercially reasonable efforts to maintain compliance with such practices and procedures.

(3) ATTORNEY FEES.—In the case of any successful action under paragraph (1), the State may be awarded the costs of the action and reasonable attorney fees as determined by the court.

(4) RIGHTS OF FEDERAL REGULATORS.—The State shall serve prior written notice of any action under paragraph (1) upon the Federal Trade Commission or the appropriate Federal regulator determined under subsection (b) and provide the Commission or appropriate Federal regulator with a copy of its complaint, except in any case in which such prior notice is not feasible, in which case the State shall serve such notice immediately upon instituting such action. The Federal Trade Commission or appropriate Federal regulator shall have the right—

(A) to intervene in the action;

(B) upon so intervening, to be heard on all matters arising therein;

(C) to remove the action to the appropriate United States district court; and

(D) to file petitions for appeal.

(5) CONSTRUCTION.—For purposes of bringing any civil action under paragraph (1), nothing in this Act shall be construed to prevent an attorney general of a State from exercising the powers conferred on the attorney general by the laws of that State to—

(A) conduct investigations;

(B) administer oaths or affirmations; or

(C) compel the attendance of witnesses or the production of documentary and other evidence.

(6) VENUE; SERVICE OF PROCESS.—

(A) VENUE.—Any action brought under paragraph (1) may be brought in the district court of the United States that meets applicable requirements relating to venue under section 1391 of title 28, United States Code.

(B) SERVICE OF PROCESS.—In an action brought under paragraph (1), process may be served in any district in which the defendant—

(i) is an inhabitant; or

(ii) maintains a physical place of business.

(7) LIMITATION ON STATE ACTION WHILE FEDERAL ACTION IS PENDING.—If the Commission or other appropriate Federal agency under subsection (b) has instituted a civil action or an administrative action for violation of this Act, no State attorney general, or official or agency of a State, may bring an action under this subsection during the pendency of that action against any defendant named in the complaint of the Commission or the other agency for any violation of this Act alleged in the complaint.

(8) REQUISITE SCIENTER FOR CERTAIN CIVIL ACTIONS.—Except as provided in subsections (a)(2), (a)(4)(B), (a)(4)(C), (b)(1), and (d) of section 5, and paragraph (2) of this subsection, in a civil action brought by a State attorney general, or an official or agency of a State, to recover monetary damages for a violation of this Act, the court shall not grant the relief sought unless the attorney general, official, or agency establishes that the defendant acted with actual knowledge, or knowledge fairly implied on the basis of objective circumstances, of the act or omission that constitutes the violation.

(g) ACTION BY PROVIDER OF INTERNET ACCESS SERVICE.—

(1) ACTION AUTHORIZED.—A provider of Internet access service adversely affected by a violation of section 5(a) or of section 5(b), or a pattern or practice that violated paragraph (2), (3), (4), or (5) of section 5(a), may bring a civil action in any district court of the United States with jurisdiction over the defendant—

(A) to enjoin further violation by the defendant; or

(B) to recover damages in an amount equal to the greater of—

(i) actual monetary loss incurred by the provider of Internet access service as a result of such violation; or

(ii) the amount determined under paragraph (3).

(2) SPECIAL DEFINITION OF "PROCURE".—In any action brought under paragraph (1), this Act shall be applied as if the definition of the term "procure" in section 3(12) contained, after "behalf" the words "with actual knowledge, or by consciously avoiding knowing, whether such person is engaging, or will engage, in a pattern or practice that violates this Act".

(3) STATUTORY DAMAGES.—

(A) IN GENERAL.—For purposes of paragraph (1)(B)(ii), the amount determined under this paragraph is the amount calculated by multiplying the number of violations (with each separately addressed unlawful message that is transmitted or attempted to be transmitted over the facilities of the provider of Internet access service, or that is transmitted or attempted to be

transmitted to an electronic mail address obtained from the provider of Internet access service in violation of section 5(b)(1)(A)(i), treated as a separate violation) by—

(i) up to $100, in the case of a violation of section 5(a)(1); or

(ii) $25, in the case of any other violation of section 5.

(B) LIMITATION.—For any violation of section 5 (other than section 5(a)(1)), the amount determined under subparagraph (A) may not exceed $1,000,000.

(C) AGGRAVATED DAMAGES.—The court may increase a damage award to an amount equal to not more than three times the amount otherwise available under this paragraph if—

(i) the court determines that the defendant committed the violation willfully and knowingly; or

(ii) the defendant's unlawful activity included one or more of the aggravated violations set forth in section 5(b).

(D) REDUCTION OF DAMAGES.—In assessing damages under subparagraph (A), the court may consider whether—

(i) the defendant has established and implemented, with due care, commercially reasonable practices and procedures to effectively prevent such violations; or

(ii) the violation occurred despite commercially reasonable efforts to maintain compliance with such practices and procedures.

(4) ATTORNEY FEES.—In any action brought pursuant to paragraph (1), the court may, in its discretion, require an undertaking for the payment of the costs of such action, and assess reasonable costs, including reasonable attorneys' fees, against any party.

SEC. 8. EFFECT ON OTHER LAWS.

(a) FEDERAL LAW.—

(1) Nothing in this Act shall be construed to impair the enforcement of section 223 or 231 of the Communications Act of 1934 (47 U.S.C. 223 or 231, respectively), chapter 71 (relating to obscenity) or 110 (relating to sexual exploitation of children) of title 18, United States Code, or any other Federal criminal statute.

(2) Nothing in this Act shall be construed to affect in any way the Commission's authority to bring enforcement actions under FTC Act for materially false or deceptive representations or unfair practices in commercial electronic mail messages.

(b) STATE LAW.—

(1) IN GENERAL.—This Act supersedes any statute, regulation, or rule of a State or political subdivision of a State that expressly regulates the use of electronic mail to send commercial messages, except to the extent that any such statute, regulation, or rule prohibits falsity or deception in any portion of a commercial electronic mail message or information attached thereto.

(2) STATE LAW NOT SPECIFIC TO ELECTRONIC MAIL.—This Act shall not be construed to preempt the applicability of—

(A) State laws that are not specific to electronic mail, including State trespass, contract, or tort law; or

(B) other State laws to the extent that those laws relate to acts of fraud or computer crime.

(c) NO EFFECT ON POLICIES OF PROVIDERS OF INTERNET ACCESS SERVICE.—Nothing in this Act shall be construed to have any effect on the lawfulness or unlawfulness, under any other provision of law, of the adoption, implementation, or enforcement by a provider of Internet access service of a policy of declining to transmit, route, relay, handle, or store certain types of electronic mail messages.

SEC. 9. DO-NOT-E-MAIL REGISTRY.

(a) IN GENERAL.—Not later than 6 months after the date of enactment of this Act, the Commission shall transmit to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Energy and Commerce a report that—

(1) sets forth a plan and timetable for establishing a nationwide marketing Do-Not-E-mail registry;

(2) includes an explanation of any practical, technical, security, privacy, enforceability, or other concerns that the Commission has regarding such a registry; and

(3) includes an explanation of how the registry would be applied with respect to children with e-mail accounts.

(b) AUTHORIZATION TO IMPLEMENT.—The Commission may establish and implement the plan, but not earlier than 9 months after the date of enactment of this Act.

SEC. 10. STUDY OF EFFECTS OF COMMERCIAL ELECTRONIC MAIL.

(a) IN GENERAL.—Not later than 24 months after the date of the enactment of this Act, the Commission, in consultation with the Department of Justice and other appropriate agencies, shall submit a report to the Congress that provides a detailed analysis of the effectiveness and enforcement of the provisions of this Act and the need (if any) for the Congress to modify such provisions.

(b) REQUIRED ANALYSIS.—The Commission shall include in the report required by subsection (a)—

(1) an analysis of the extent to which technological and marketplace developments, including changes in the nature of the devices through which consumers access their electronic mail messages, may affect the practicality and effectiveness of the provisions of this Act;

(2) analysis and recommendations concerning how to address commercial electronic mail that originates in or is transmitted through or to facilities or computers in other nations, including initiatives or policy positions that the Federal government could pursue through international negotiations, fora, organizations, or institutions; and

(3) analysis and recommendations concerning options for protecting consumers, including children, from the receipt and viewing of commercial electronic mail that is obscene or pornographic.

SEC. 11. IMPROVING ENFORCEMENT BY PROVIDING REWARDS FOR INFORMATION ABOUT VIOLATIONS; LABELING.

The Commission shall transmit to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Energy and Commerce—

(1) a report, within 9 months after the date of enactment of this Act, that sets forth a system for rewarding those who supply information about violations of this Act, including—

(A) procedures for the Commission to grant a reward of not less than 20 percent of the total civil penalty collected for a violation of this Act to the first person that—

(i) identifies the person in violation of this Act; and

(ii) supplies information that leads to the successful collection of a civil penalty by the Commission; and

(B) procedures to minimize the burden of submitting a complaint to the Commission concerning violations of this Act, including procedures to allow the electronic submission of complaints to the Commission; and

(2) a report, within 18 months after the date of enactment of this Act, that sets forth a plan for requiring commercial electronic mail to be identifiable from its subject line, by means of compliance with Internet Engineering Task Force Standards, the use of the characters "ADV" in the subject line, or other comparable identifier, or an explanation of any concerns the Commission has that cause the Commission to recommend against the plan.

SEC. 12. RESTRICTIONS ON OTHER TRANSMISSIONS.

Section 227(b)(1) of the Communications Act of 1934 (47 U.S.C. 227(b)(1)) is amended, in the matter preceding subparagraph (A), by inserting ", or any person outside the United States if the recipient is within the United States" after "United States".

SEC. 13. REGULATIONS.

(a) IN GENERAL.—The Commission may issue regulations to implement the provisions of this Act (not including the amendments made by sections 4 and 12). Any such regulations shall be issued in accordance with section 553 of title 5, United States Code.

(b) LIMITATION.—Subsection (a) may not be construed to authorize the Commission to establish a requirement pursuant to section 5(a)(5)(A) to include any specific words, characters, marks, or labels in a commercial electronic mail message, or to include the identification required by section 5(a)(5)(A) in any particular part of such a mail message (such as the subject line or body).

SEC. 14. APPLICATION TO WIRELESS.

(a) EFFECT ON OTHER LAW.—Nothing in this Act shall be interpreted to preclude or override the applicability of section 227 of the Communications Act of 1934 (47 U.S.C. 227) or the rules prescribed under section 3 of the Telemarketing and Consumer Fraud and Abuse Prevention Act (15 U.S.C. 6102). To the extent that a requirement of such Acts, or rules or regulations promulgated thereunder, is inconsistent with the requirement of this Act, the requirement of such other Acts, or rules or regulations promulgated thereunder, shall take precedence.

(b) FCC RULEMAKING.—The Federal Communications Commission, in consultation with the Federal Trade Commission, shall promulgate rules within 270 days to protect consumers from unwanted mobile service commercial messages. The rules shall, to the extent consistent with subsection (c)—

(1) provide subscribers to commercial mobile services the ability to avoid receiving mobile service commercial messages unless the subscriber has provided express prior authorization, except as provided in paragraph (3);

(2) allow recipients of mobile service commercial messages to indicate electronically a desire not to receive future mobile service commercial messages from the initiator;

(3) take into consideration, in determining whether to subject providers of commercial mobile wireless services to paragraph (1), the relationship that exists between providers of such services and their subscribers, but if the Commission determines that such providers should not be subject to paragraph (1), the rules shall require such providers, in addition to complying with the other provisions of this Act, to allow subscribers to indicate a desire not to receive future mobile service commercial messages at the time of subscribing to such service, and in any billing mechanism; and

(4) determine how initiators of mobile service commercial messages may comply with the provisions of this Act, considering the unique technical aspects, including the functional and character limitations, of devices that receive such messages.

(c) OTHER FACTORS CONSIDERED.—The Federal Communications Commission shall consider the ability of an initiator of an electronic mail message to reasonably determine that the electronic mail message is a mobile service commercial message.

(d) MOBILE SERVICE COMMERCIAL MESSAGE DEFINED.—In this section, the term "mobile service commercial message" means a commercial electronic mail message that contains text,

graphics, or images for visual display that is transmitted directly to a wireless device that—

(1) is utilized by a subscriber of commercial mobile service (as such term is defined in section 332(d) of the Communications Act of 1934 (47 U.S.C. 332(d)) in connection with such service; and

(2) is capable of accessing and displaying such a message.

SEC. 15. SEPARABILITY.

If any provision of this Act or the application thereof to any person or circumstance is held invalid, the remainder of this Act and the application of such provision to other persons or circumstances shall not be affected.

SEC. 16. EFFECTIVE DATE.

The provisions of this Act, other than section 9, shall take effect on January 1, 2004.

Mr. BURNS. Mr. President, I ask unanimous consent that the Senate concur in the House amendment with the substitute amendment from Senator BURNS, the motion to reconsider be laid upon the table, with no intervening action or debate, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER (Mr. DOMENICI). Without objection, it is so ordered.

The amendment (No. 2219) was agreed to.

(The amendment is printed in today's RECORD under "Text of Amendments.")

Mr. BURNS. Mr. President, this is a good day, not only for me personally but many of us who serve in this Senate, especially my friend from Oregon whom I see across the aisle.

It has been 4 years, working on this legislation. This is the CAN-SPAM bill—everybody is pretty familiar with it—which we hope will stem the tide of junk mail that is flooding our Nation's inboxes and our e-mail.

I specifically thank my colleague Senator WYDEN from Oregon who is coauthor of this bill. He has been working tirelessly on this for years—as long as I have. Thanks to the discussions over the past few days, many already strong proconsumer provisions in CAN-SPAM have been enhanced. Those negotiations have been ongoing and, in some cases, have been rather tense. The bill the Senate considers today contains substantial statutory damages for spammers and additional notice requirements on commercial email.

The character of the Congress is not always proactive; it is always reactive, it seems. That is the nature of the political landscape in which we find ourselves. We do not get too excited about doing anything until the folks at home get excited, or enough of them, that they form a critical mass for us to take action.

I congratulate Senator WYDEN. We serve together on the Commerce Committee. We were approached about doing something about the Internet and what is coming down on our computers and is found in our mailboxes on the Internet. We saw, 4 years ago, that this was going to become a problem. It was not just the idea of the Senator who stands before you now to do something about unwanted e-mail 4 years ago. There were more Senators around here who had the same vision, that as this industry grows, a problem will also grow with it. And that is what happened.

The extent of bipartisan cooperation on this issue is no surprise, given the deluge of spam consumers face in their inboxes every day. The costs to businesses and individuals is escalating and wide ranging. Businesses lose money when employees take more and more time to wade through their e-mail. Servers all over the country have difficulty blocking spam, clearing their machines so they can operate while spammers work to find more and more ways to circumvent the latest software server or individual blocking systems.

In my State of Montana, spam is really horrible, as it is in all rural areas across the United States. We have vast distances in Montana. Many of my constituents are forced to pay long distance charges on their time on the Internet. It is not the only State that has to do that. You will find that in the majority of rural areas, in all our States. Spam makes it nearly impossible for rural America to realize the tremendous economic and educational benefits of the online era.

This bill empowers consumers and grants additional enforcement to the Federal Trade Commission to take action against spammers. It also allows the States' attorneys general to do the same. The bill requires the senders of commercial e-mail to include a clear opt-out mechanism to allow consumers to be removed from the mass e-mail lists. This opt-out must also be clearly described in the e-mail itself, so users of e-mail are not forced to sift through pages and pages of legalese to determine where they can stop the unwanted mail. Senders of commercial e-mail must also provide a valid physical postal address, so they are not able to hide their identities. Finally, e-mail marketers must include a notice that the e-mail is advertising.

Simply put, the CAN-SPAM bill finally gives consumers a measure of control over their inboxes.

In cases where e-mail marketers don't comply with the CAN-SPAM bill, the penalties are very severe. For this part of the bill we have many people to thank. Spammers are actually on the hook for damages up to $250 per spam e-mail with a cap of $2 million. That gets my attention right there. This already high penalty can be tripled if particularly unethical methods are used, such as a computer hijacking to send spam by taking control of computers of legitimate users without their knowledge, and for harvesting addresses from legitimate Web sites to send spam. For criminal spammers who try to hide their identities by using false header information, damages are not capped. In other words, they can go as high, those damages can go as high as the market would stand. It also includes enhanced enforcement authority of the FCC to close possible loopholes for spammers and to keep up with the technological developments.

Let's face it, technology moves at the speed of light. Granting the Commission the ability to keep pace with new techniques of spammers is essential because it has become clear, in recent years anyway, that these criminals are growing increasingly sophisticated in their methods.

So the passage of this bill today will help stem the tide of the toxic sea of spam. Clearly, consumers have been demanding control over their e-mail inboxes, and the passage of the CAN-SPAM today will give those consumers a key victory in the battle against criminal spammers.

Again, I thank my good friend with whom I served on the Commerce Committee, Senator WYDEN of Oregon, who has absolutely been a knight in shining armor in negotiations and working this through the Congress. Also on the floor is Senator SCHUMER of New York. Senator SCHUMER has offered many positive provisions in this bill. We have had a great time debating that. But nonetheless, his contribution is clearly in this bill and we appreciate his work. Of course, when I say it is a bipartisan effort, that is usually the way we get legislation passed around here, legislation that has any kind of future at all.

I thank them both. It gives me great pleasure to yield the floor for my friend from the great State of Oregon, Senator WYDEN.

Mr. WYDEN. Mr. President, I will be very brief. I know my colleague from New York, Senator SCHUMER, has a plane to catch.

Senator BURNS and I have worked for more than 4 years on this legislation, and it is particularly important that it pass today. Every single day, the flood of pornographic and sleazy spam grows. With this legislation, Congress is beginning to stem the tide. We understand that this is going to be a difficult battle because the kingpin spammers are not technological simpletons. No matter what law Congress passes, they are going to be very aggressive about trying to find evasive strategies to get around that. But I am of the view that with the passage of this legislation, if our prosecutors, the Federal Trade Commission, and the Attorney General come down on the kingpin spammers with hobnail boots, we can put in place a strategy that can stem this tide.

Suffice it to say, the spammers are going to go to great lengths to try to get around this law. We know, for example, that many of them are going to try to move offshore. It is going to be important to have international agreements that will also bring together

U.S. authorities and international authorities against those who would try to get around this legislation.

It is important to remember what Congress is doing now; that is, Congress is saying spamming is an outlaw business. It is an outlaw business that is going to be treated as an area of priorities for prosecutors and law enforcement officials. That has not been the case in the past. Essentially, when Senator BURNS and I pursued this problem of spamming a number of years ago, a lot of people asked: Why in the world would a couple of U.S. Senators be tackling this issue? They intimated that it really wasn't worthy of the Senate's time. Spam has grown so extraordinarily in the last few years, and now people have been clammering about why the Senate isn't moving ahead with this legislation that they think is important because spam is such an intrusion into their lives every single day.

We have continued work to do. Senator SCHUMER will speak next. He has a very important idea with respect to trying to put in place a Do Not Spam list. It is a promising one. I think all of us would acknowledge there are some details to be worked out with the Federal Trade Commission. Senator CORZINE has done some very good work in looking at some creative ideas for the future. I intend to work closely with him because he has been a leader in the technology area. But I think we ought to understand that this effort today is the culmination of more than 4 years of hard work. It is not just needed, it is overdue.

We are not going to pretend this legislation is a silver bullet because we know that no piece of legislation is. But when this bill takes effect, the big-time spammers who up to this point faced no consequences, for all practical purposes, will suddenly be at risk for criminal prosecution, Federal Trade Commission enforcement, and million-dollar lawsuits by State attorneys general and Internet service providers.

I believe a number of these key enforcement actions will be taken immediately after this legislation is passed. This will set in place the kind of deterrent that is going to allow us to say it is a different day. The big-time spammers will face consequences when they flood our citizens and our families with the trash and the pornography. That is why this is an important step forward.

He is going to speak next, but I commend my colleague, the Senator from New York, for his usual persistence. He stayed at it by saying this was an important issue. We have wrestled with this question with respect to the Do Not Call list as well. I happen to think that the Senator from New York is certainly talking about a principle we need to address in the communications area. I happen to think the first amendment is special. People ought to have the right to communicate. But citizens also ought to have the right to say: We have had enough. We don't want to have people flooded with this kind of information. That is the principle that is at stake here. I commend the Senator from New York.

My partner, the chairman of the telecommunications subcommittee, is not in the Chamber. But I am proud to serve with him. He has been an exceptionally gracious ally on this for many years.

I am glad that this proconsumer measure, a measure that I think makes a beginning in efforts against big-time spammers, is passing. It will be of great benefit to consumers.

I yield the floor.

The PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. Thank you, Mr. President.

First, let me thank my colleague from Oregon for his leadership on this issue, for his persistence—done in a slightly different way, the Oregon way, not the New York way, but it is effective, if not more effective—and for his understanding. There is no one in this Chamber who both understands technology issues and yet has a political grasp of politics and blends the two. I thank him for his leadership.

I thank the Senator from Montana, as well, who has worked long and hard on this issue; and my good friend from Arizona, the chairman of the Commerce Committee, also.

This is going to be a good Thanksgiving for consumers. We are dealing with spam today. The portability rules for cell phones have been enacted. I worked long and hard on those. Both antispamming legislation and portability rules are very important things we have done for consumers. As technology changes, we need to adapt the rules by which this technology can work. The basic principles we have always have to be applied in new and different ways. That is what we are trying to do today.

E-mail is one of the great inventions of the 20th century. But, unfortunately, if we did nothing, e-mail would not be around within a few years and no one could use it. What was an annoyance a few years ago has become a major problem this year and could really cripple e-mail a few years from now. So this Congress has acted. We acted in a thoughtful and careful way.

Is this bill going to solve everything? No. But will it make a real difference? You bet. Spammers: Be put on notice. Within a few months you will be committing a criminal act if you do what you are doing now.

With this bill, Congress is saying that if you are a spammer, you can wind up in the slammer. That is the bottom line. The bottom line is that there will be criminal penalties and real prosecution. Will we go after every spammer, somebody who makes a mistake here and there? No. But the studies show us—this is what gives all of us such hope—that maybe 250 spammers send out 90 percent of the e-mail. And we are saying to those 250, no matter where you are, or how you try to hide your spam, we will find you. This bill gives the FTC and the Justice Department the tools to go after you.

That is why this bill is so important. This is such a good day, not only for those who use computers but for technology in general.

I became familiar with this issue when I noticed my daughter on her computer. My wife and I had always said to one another: Isn't it great that instead of watching television, our kids are always on the computer? Then we saw what was popping up in their e-mail—things we wouldn't want to see, let alone my 14-year-old daughter. As we looked into it, we saw what was happening. Spam is annoying, crippling commerce, and pornographic. All of that has to end while we preserve the essence of spam itself, which is ease of communication.

There is no single solution. That is why this bill is correct in taking the eclectic approach. I wanted to put a few more provisions in. I have talked to my friends from Montana and Oregon. We are going to monitor this. If new things are needed, we will add them. But there are many different ways we can go after spammers after this legislation is signed by the President.

The part for which I fought fiercely is the No Spam Registry. It will provide prosecutors with the best tools to create the case. They won't have to prove intent. They won't have to prove anything other than as they do with the No Call Registry. Day after day, spammers have relentlessly sent hundreds and thousands of spam e-mails to people who have explicitly said they do not want spam.

I believe that it will work. I know that the FTC has some doubts. Although, fortunately, they now say it is technically feasible, and they are not worried about the list being stolen, they are worried about the evidence.

My answer to the FTC: Try it. We do not have anything better. It is not going to solve everything, but it is the best tool we have.

When they come back to us in 6 months with their proposal, which they must do under this legislation, I have been assured by both Chairman MCCAIN and Ranking Member HOLLINGS, as well as Senators WYDEN and BURNS, that we will make sure they implement it. We will either do it statutorily or by pressure from the appropriators and others.

So the FTC may disagree with the vast majority of Americans and the unanimity of the Congress—I guess unanimous in the Senate, not quite in the House—but we are going to make this No Spam Registry a reality within a year.

So the bottom line is simple: For the first time there is some light at the end of the tunnel in the fight against spam. This legislation—not a panacea—will greatly reduce the burden of spam, the difficulty of spam, and the pornographic aspects of spam.

So again, I thank all of my colleagues in the Senate in letting this legislation go through. Again, it is a happy Thanksgiving to computer users everywhere.

I thank my colleagues from Montana and Oregon for their leadership. I thank Senators McCAIN and HOLLINGS, as chairman and ranking member of the committee, for their support.

When the industry groups tried to rip the registry out of the legislation, these folks stood firm, the Senate stood firm, and that is why we have it in here today.

With that, Mr. President, let me just conclude by wishing you, my colleagues from Maine and Oregon, and all of my colleagues, and all those who work here, a very happy Thanksgiving.

For me, God has given me much to be thankful for, and I will dwell on that over the next few days. I hope everyone here feels the same way about their fortune and good fortune.

With that, I yield the floor.

ANTI-SPAN LEGISLATION

Mr. BURNS. Mr. President, I would like to engage the gentleman from Oregon, Mr. WYDEN, in a colloquy regarding some details of the anti-spam legislation approved by the Senate. We have worked tirelessly on S. 877, and it is important to ensure that spammers cannot get around the definitions of electronic mail address and electronic mail message that will be regulated under this law. The definitions in the bill require electronic mail addresses to contain a domain part. This requirement is important to make sure we only capture e-mail and do not regulate other communications platforms, such as Instant Messaging. However, I want to be clear that the intent of Congress is to capture e-mail messages as that term is commonly understood. This includes e-mail messages sent within the same domain that may not actually display the domain part of the e-mail address.

Mr. WYDEN. I thank the gentleman from Montana for raising this important issue. Yes, the intent of S. 877 is to capture all e-mail messages as that term is commonly understood. This includes e-mail messages where the domain part of the address may not be displayed. That is why the bill's definition of e-mail address, in referring to the domain part, contains the phrase "whether or not displayed." We certainly do not want to create any loopholes that spammers could potentially exploit and I appreciate the opportunity to clarify this point.

Mr. BURNS. I would like to flag one other aspect of the bill. Under section 6, the FTC can bring enforcement actions against merchants whose products are promoted in spam e-mails, even if the merchant is not the spammer. Isn't that correct?

Mr. WYDEN. I agree with the Senator.

Mr. BURNS. But isn't it also true that section 5 can be used against merchants whose products are promoted in spam e-mails? Can't the FTC, State A.G.s, and Internet Service Providers bring actions under section 5 against parties who aren't themselves spamming, but rather hire spammers to promote their products or services?

Mr. WYDEN. Absolutely. The bill's definition of "initiate" makes that clear, because it applies not only to the spammer that originates the actual e-mail, but also to a party who has hired or otherwise induced the spammer to send the e-mail on its behalf. If the e-mail message violates the bill, both parties would be on the hook under section 5, and enforcement would be possible against both or either parties.

Mr. BURNS. That confirms my understanding. So what is different about section 6, as I understand it, is that section 6 does not require any showing that the merchant actually hired or induced the spammer to send the spam. In other words, if the spammer is hard to find and his contractual relationship with the merchant has been obscured by under-the-table dealings, the FTC doesn't have to spend time and effort trying to prove the relationship.

Mr. WYDEN. I share the Senator's understanding of how section 6 differs from the provisions of section 5. I would only add that the drafters considered which parties should have the discretion to enforce the bill in the manner set forth in section 6, and decided that section 6 should be enforced by the FTC only.

Mr. BURNS. I thank my colleague from Oregon.

Mr. LEAHY. Mr. President, I am pleased that the Senate is passing legislation to help staunch the torrent of unwanted commercial e-mail, commonly known as spam. During the past year, I worked closely with Senator HATCH and other members of the Judiciary Committee to craft criminal penalties for a variety of spammer tactics. Those penalties, which we introduced in June as part of the Criminal Spam Act, S. 1293, are included in the broader anti-spam legislation that we pass today. The bill will now go back to the House of Representatives for final approval, and then to the President for signing.

Spam is much more than a technological nuisance. In the past few years, it has become a serious and growing problem that threatens to undermine the vast potential of the Internet.

Businesses and individuals currently wade through tremendous amounts of spam in order to access e-mail that is of relevance to them—and this is after Internet Service Providers, businesses, and individuals have spent time and in some cases enormous amounts of money blocking a large percentage of spam from reaching its intended recipients.

In my home State of Vermont, one legislator recently found that two-thirds of the 96 e-mails in his inbox were spam. And this occurred after the legislature had installed new spam-blocking software on its computer system that seemed to be catching 80 percent of the spam. The assistant attorney general in Vermont was forced to suggest to computer users the following means to avoid these unsolicited commercial e-mails: "It's very bad to reply, even to say don't send anymore. It tells the spammer they have a live address . . . The best thing you can do is just keep deleting them. If it gets really bad, you may have to change your address." This experience is echoed nationwide.

E-mail users are having the online equivalent of the experience of the woman in the Monty Python skit, who seeks to order a Spam-free breakfast at a restaurant. Try as she might, she cannot get the waitress to bring her the meal she desires. Every dish in the restaurant comes with Spam; it is just a matter of how much. There is "egg, bacon and Spam"; "egg, bacon, sausage and Spam"; "Spam, bacon, sausage and Spam"; "Spam, egg, Spam, Spam, bacon and Spam"; "Spam, sausage, Spam, Spam, Spam, bacon, Spam, tomato and Spam"; and so on. Exasperated, the woman finally cries out: "I don't like Spam! . . . I don't want ANY Spam!"

Individuals and businesses are understandably reacting similarly to electronic spam. A Harris poll taken late last year found that 80 percent of respondents view spam as "very annoying," and fully 74 percent of respondents favor making mass spamming illegal. Earlier this month, more than three out of four people surveyed by Yahoo! Mail said it was "less aggravating to clean a toilet" than to sort through spam. Americans are fed up.

Some 30 States now have anti-spam laws, but the globe-hopping nature of e-mail makes these laws difficult to enforce. Technology will undoubtedly play a key role in fighting spam, but a technological solution to the problem is not likely in the foreseeable future. ISPs block billions of unwanted e-mails each day, but spammers are winning the battle.

Millions of unwanted, unsolicited commercial e-mails are received by American businesses and individuals each day, despite their own, additional filtering efforts. Ferris Research has estimated that spam costs U.S. firms $8.9 billion annually in lost worker productivity, consumption of bandwidth, and the use of technical support to configure and run spam filters and provide helpdesk support for spam recipients.

The costs of spam are significant to individuals as well, including time spent identifying and deleting spam, inadvertently opening spam, installing and maintaining anti-spam filters, tracking down legitimate messages mistakenly deleted by spam filters, and paying for the ISP's blocking efforts.

And there are other prominent and equally important costs of spam. It may introduce viruses, worms, and "Trojan horse" programs—that is, programs that unsuspecting users download onto their computers that are designed to take control of those computers—into personal and business computer systems, including those that support our national infrastructure.

Spammers are constantly in need of new machines through which to route their garbage e-mail, and a virus makes a perfect delivery mechanism for the engine they use for their mass mailings. Some analysts said the SoBigF virus may have been created with a more malicious intent than most viruses, and may even be linked to spam e-mail schemes that could be a source of cash for those involved in the scheme.

The interconnection between computer viruses and spam is readily apparent: Both flood the Internet in an attempt to force a message on people who would not otherwise choose to receive it. Criminal laws I wrote prohibiting the former have been invoked and enforced from the time they were passed. It is the latter dilemma we must now confront.

Spam is also fertile ground for deceptive trade practices. The FTC has estimated that 90 percent of the spam involving investment and business opportunities, and nearly half of the spam advertising health products and services, and travel and leisure, contains false or misleading information.

This rampant deception has the potential to undermine Americans' trust of valid information on the Internet. Indeed, it has already caused some Americans to refrain from using the Internet to the extent they otherwise would. For example, some have chosen not to participate in public discussion forums, and are hesitant to provide their addresses in legitimate business transactions, for fear that their e-mail addresses will be harvested for junk e-mail lists. And they are right to be concerned. The FTC found spam arriving at its computer system just 9 minutes after posting an e-mail address in an online chat room.

I have often said that Congress must exercise great caution when regulating in cyberspace. Any legislative solution to spam must tread carefully to ensure that we do not impede or stifle the free flow of information on the Internet. The United States is the birthplace of the Internet, and the whole world watches whenever we decide to regulate it. Whenever we choose to intervene in the Internet with Government action, we must act carefully, prudently, and knowledgeably, keeping in mind the implications of what we do and how we do it. And we must not forget that spam, like more traditional forms of commercial speech, is protected by the first amendment.

At the same time, we must not allow spam to result in the "virtual death" of the Internet, as one Vermont newspaper put it.

The Internet is a valuable asset to our Nation, to our economy, and to the lives of Americans, and we should act prudently to secure its continued viability and vitality.

On June 19 of this year, Senator HATCH and I introduced S. 1293, the Criminal Spam Act, together with several of our colleagues on the Judiciary Committee. On September 25, the Committee unanimously voted to report S. 1293 to the floor. On October 22, the Senate unanimously adopted the criminal provisions of the bill as an amendment to S. 877, the CAN SPAM Act. Today, the Senate is passing these same criminal provisions as section 4 of a modified version of S. 877, as passed by the House last week.

The Hatch-Leahy criminal provisions prohibit five principal techniques that spammers use to evade filtering software and hide their trails.

First, our legislation prohibits hacking into another person's computer system and sending bulk spam from or through that system. This criminalizes the common spammer technique of obtaining access to other people's e-mail accounts on an ISP's e-mail network, whether by password theft or by inserting a Trojan horse to send bulk spam.

Second, our legislation prohibits using a computer system that the owner makes available for other purposes as a conduit for bulk spam, with the intent of deceiving recipients as to the spam's origins. This prohibition criminalizes another common spammer technique—the abuse of third parties' "open" servers, such as e-mail servers that have the capability to relay mail, or Web proxy servers that have the ability to generate "form" mail.

Spammers commandeer these servers to send bulk commercial e-mail without the server owner's knowledge, either by "relaying" their e-mail through an "open" e-mail server, or by abusing an "open" Web proxy server's capability to generate form e-mails as a means to originate spam, thereby exceeding the owner's authorization for use of that e-mail or Web server. In some instances the hijacked servers are even completely shut down as a result of tens of thousands of undeliverable messages generated from the spammer's e-mail list.

The legislation's third prohibition targets another way that outlaw spammers evade ISP filters: Falsifying the "header information" that accompanies every e-mail, and sending bulk spam containing that fake header information. More specifically, the legislation prohibits forging information regarding the origin of the e-mail message, and the route through which the message attempted to penetrate the ISP filters.

At the suggestion of the Department of Justice, this third offense has been amended since the Senate last considered it to require a showing of materiality. This means the Government must prove that the header information was altered or concealed in a manner that would impair the ability of a recipient of the message, an Internet access service processing the message on behalf of a recipient, a person alleging a violation of this title, or a law enforcement agency, to identify, locate, or respond to the person who initiated the e-mail or to investigate the alleged violation.

Fourth, the Hatch-Leahy legislation prohibits registering for multiple e-mail accounts or Internet domain names using false identities, and sending bulk e-mail from those accounts or domains. This provision targets deceptive "account churning," a common outlaw spammer technique that works as follows. The spammer registers—usually by means of an automatic computer program—for large numbers of e-mail accounts or domain names, using false registration information, then sends bulk spam from one account or domain after another. This technique stays ahead of ISP filters by hiding the source, size, and scope of the sender's mailings, and prevents the e-mail account provider or domain name registrar from identifying the registrant as a spammer and denying his registration request. Falsifying registration information for domain names also violates a basic contractual requirement for domain name registration falsification. As with the last offense, this offense now requires that the registration information be falsified "materially."

Fifth and finally, our legislation addresses a major hacker spammer technique for hiding identity that is a common and pernicious alternative to domain name registration—hijacking unused expanses of Internet address space and using them as launch pads for junk e-mail. Hijacking Internet Protocol—IP—addresses is not difficult: Spammers simply falsely assert that they have the right to use a block of IP addresses, and obtain an Internet connection for those addresses. Hiding behind those addresses, they can then send vast amounts of spam that is extremely difficult to trace.

Penalties for violations of these new criminal prohibitions are tough but measured. Recidivists and those who send spam in furtherance of another felony may be imprisoned for up to 5 years. Large-volume spammers, those who hack into another person's computer system to send bulk spam, and spam "kingpins" who use others to operate their spamming operations may be imprisoned for up to 3 years. Other offenders may be fined and imprisoned for no more than one year. Convicted offenders are also subject to forfeiture of proceeds and instrumentalities of the offense.

In addition to these penalties, the Hatch-Leahy legislation directs the Sentencing Commission to consider providing sentencing enhancements for those convicted of the new criminal provisions who obtained e-mail addresses through improper means, such as harvesting, and those who knowingly sent spam containing or advertising a falsely registered Internet domain name. We have also worked with Senator NELSON on language directing the Sentencing Commission to consider enhancements for those who commit other crimes that are facilitated by the sending of spam.

I should note that the Criminal Spam Act, from which these provisions are taken, enjoys broad support from ISPs, direct marketers, consumer groups, and civil liberties groups alike. Again, the purpose of these criminal provisions is to deter the most pernicious and unscrupulous types of spammers—those who use trickery and deception to induce others to relay and view their messages. Ridding America's inboxes of deceptively delivered spam will help clear electronic channels for Internet users from coast-to-coast. But it is not a cure-all for the spam pandemic.

The fundamental problem inherent to spam—its sheer volume—may well persist even in the absence of fraudulent routing information and false identities. In a recent survey, 82 percent of respondents considered unsolicited bulk e-mail, even from legitimate businesses, to be unwelcome spam. Given this public opinion, and in light of the fact that spam is, in essence, cost-shifted advertising, we need to take a more comprehensive approach to our fight against spam.

While I am generally supportive of the CAN SPAM Act, it does raise some concerns. For one thing, it may not be tough enough to do the job.

The bill takes an "opt out" approach to spam—that is, it requires all commercial e-mail to include an "opt out" mechanism, by which e-mail recipients may opt out of receiving further unwanted spam. My concern is that this approach authorizes spammers to send at least one piece of spam to each e-mail address in their database, while placing the burden on e-mail recipients to respond. People who receive dozens, even hundreds, of unwanted e-mails each day may have little time or energy for anything other than opting-out from unwanted spam. Meantime, CAN SPAM will sweep away dozens of State anti-spam laws, including some that were substantially more restrictive.

I am also troubled by the two labeling requirement in the CAN SPAM Act. The first makes it unlawful to send an unsolicited commercial e-mail message unless it provides, among other things, "clear and conspicuous identification that the message is an advertisement or solicitation," and "a valid physical postal address of the sender." The second—added as a floor amendment during Senate consideration of the bill in October—requires "warning labels" on any commercial e-mail that includes "sexually oriented material."

While we all want to curb spam and protect our children from inappropriate material, there are important first amendment concerns to regulating commercial e-mail in ways that require specific labels on protected speech. Such requirements inhibit both the speaker's right to express and the listener's right to access constitutionally protected material.

In addition, the bill's definition of "sexually oriented material" as any material that "depicts" sexually explicit conduct seems overly broad. According to Webster's dictionary, "depict" may mean either to represent by a picture or to describe in words. It is my hope that the FTC, which has some rulemaking authority with respect to this labeling requirement, will clarify that it applies to "visual" depictions only.

The CAN SPAM Act may not be perfect, but it is a serious effort to address a difficult and urgent problem. I support its passage today, and commend the bipartisanship that was needed to get this done.

Mr. BURNS. Mr. President, I rise today to support the final passage of the CAN-SPAM bill, which will help to stem the tide of junk e-mail that is flooding the Nation's inboxes. I want to specifically thank my colleague Senator WYDEN, the coauthor of the bill, who has been working tirelessly on this issue for years. Thanks to discussions over the past few days, many of the already-strong proconsumer provisions in CAN-SPAM have been enhanced. The bill the Senate considers today contains substantial statutory damages for spammers and additional notice requirements on commercial e-mail.

The extent of bipartisan cooperation on this issue is no surprise given the deluge of spam consumers face in their inboxes everyday. The costs to businesses and individuals are escalating and wide ranging. Businesses lose money when employees take more and more time to wade through their e-mails. Servers all over the country have difficulty blocking spam, all while spammers work to find more and more ways to circumvent the latest software, server, or individual blocking systems.

Spam is particularly harmful to rural areas. Because of the vast distances in Montana, many of my constituents are forced to pay long distance charges for their time on the Internet. Spam makes it nearly impossible for those in rural America to realize the tremendous economic and educational benefits of the online era.

The CAN-SPAM bill empowers consumers and grants additional enforcement authority to the Federal Trade Commission to take action against spammers. The bill requires the senders of commercial e-mail to include a clear "opt-out" mechanism to allow consumers to be removed from mass e-mail lists. This "opt-out" must also be clearly described in the e-mail itself, so that users of e-mail are not forced to sift through pages of legalese to determine where they can stop unwanted e-mail.

The senders of commercial e-mail must also provide a valid physical postal address so that they are not able to hide their identities. Finally, e-mail marketers must include notice that the e-mail is an advertisement. Simply put, the CAN-SPAM bill finally gives consumers a measure of control over their inboxes.

In cases where e-mail marketers don't comply with the CAN-SPAM bill, the penalties are severe. Spammers are on the hook for damages up to $250 per spam e-mail with a cap of $2 million. This already high penalty can be tripled if particularly unethical methods are used, such as "computer hijacking" to send spam by taking control of the computers of legitimate users without their knowledge or for harvesting addresses from legitimate Web sites to send spam. For criminal spammers who try to hide their identities by using false header information, damages are not capped.

The CAN-SPAM bill also includes enhanced enforcement authority for the FTC to close possible loopholes for spammers and to keep up with technological developments. Granting the Commission the ability to keep pace with the new techniques of spammers is essential because it has become clear in recent years that these criminals are growing increasingly sophisticated in their methods.

The passage of CAN-SPAM today will help to stem the tide of the toxic sea of spam. Clearly, consumers have been demanding control over their e-mail inboxes and the passage of CAN-SPAM today will give consumers a key victory in the battle against criminal spammers.

The PRESIDING OFFICER (Mr. CORNYN). The Senator from Maine.

Ms. COLLINS. Mr. President, let me first return the Thanksgiving greetings of my colleagues. I hope that they, too, are able to have a happy holiday with their families and friends.

INVESTIGATION INTO THE LACK OF COORDINATION BETWEEN FEDERAL AGENCIES

Ms. COLLINS. Mr. President, last week NBC News aired a report indicating that suspected terrorists had been granted American citizenship or permanent residency at the same time they were under investigation by the FBI for their involvement in terrorism. This well-researched piece reached the warranted and troubling conclusion that this occurred despite advance knowledge within the Department of Justice.

The NBC report revealed an alarming and dangerous lack of coordination between Federal agencies. The NBC piece parallels credible allegations that first came to my attention in January.

As the chairman of the Committee on Governmental Affairs, to followup on these allegations, I have made repeated requests of the Department of Justice for information that would allow my committee to assess this potentially serious threat to our national security.

We have a saying up in Maine: You can't get there from here. You may have heard it, Mr. President. But when it comes to travel in my home State, it is not really true. The roads may be winding, and the route may not be all that direct, but with persistence and patience, you can always get where you need to go.

However, when it comes to dealing with the Department of Justice on this very serious matter, it seems that you cannot get anywhere. I have been persistent, but my patience has pretty much run out.

The allegations that I received in January were these: In the course of investigating foreign-born individuals for terrorism-related offenses, the FBI learned that some of these individuals were in the process of applying for naturalization or permanent residency.

FBI agents requested permission to share that critical important information with the INS. Their FBI supervisors, however, refused those requests. This information has been confirmed by NBC News's chief investigative reporter, Lisa Myers, in her thoroughly researched piece that aired last week.

My requests to the Department of Justice for information that would define the size of this alleged hole in national security and of this possible gap in interagency cooperation have been refused repeatedly.

I have modified my requests in order to accommodate the specific objections raised by the Department. My modified requests have also been refused due to new objections or, in some cases, old ones simply rephrased.

Here is a brief travelogue of my 10-month journey in the bureaucracy of the Department of Justice: On January 21, shortly after these allegations came to my attention, I wrote to the FBI Director, Robert Mueller, and asked that he provide the committee with the names, dates of birth, INS registration numbers, and start dates of investigations of all persons who have been the subjects of terrorism investigations from September 10, 1991, through September 10, 2001, in the 15 largest FBI field offices. I asked to have this information delivered to my office by February 4.

Well, I received no response at all until February 28, when I received a reply from the Department categorically denying my request. The primary reason cited was that the Department had a longstanding policy of not providing Congress with information about people who have been investigated but not prosecuted.

Among the other supporting reasons were the separation of powers and—I am not making this up, Mr. President—a concern that providing Congress with information that could help it understand and remedy a situation so potentially damaging to our Nation's security could, and I quote, "gravely damage the nation's security."

The Department did offer, at that point, to work with me to see if there was an alternative. I eagerly took the Department up on that offer, and I wanted to try to accommodate whatever legitimate concerns the Department might have.

Thus, my staff talked repeatedly with the Department during the next few months to craft a mutually agreeable alternative approach.

On May 21, I submitted another much narrower request proposing that the Department of Justice would conduct its own review, a review I would think that the Department would be very eager to conduct once this threat was brought to the Department's own attention. Moreover, the length of the review would be reduced from a decade to 5 years, and the scope would be reduced from 15 field offices to just 5.

Now, by this time, of course, the INS had been moved from the Department of Justice to the new Department of Homeland Security.

It had been renamed as the Bureau of Citizenship and Immigration Services. I suggested the FBI provide the results of its internal review to the BCIS so it could determine who had been granted citizenship or permanent residency while they were being investigated for terrorism. Again, I would think the Department would be very concerned about the serious breakdown and lapse in communication and would be eager to review its own files to quickly uncover the names of individuals who might have become citizens or permanent residents while they were under investigation for terrorism-related activities.

After months of negotiations between my staff and the Department's staff, I believed I had finally come up with a solution that addressed all of the Department's concerns.

On July 3—keep in mind how much more time has yet elapsed—I received a reply. Much to my astonishment, the answer once again was no.

Two new concerns were raised: First, when the FBI and the INS were part of the same overall Department of Justice, they could share information for this purpose legally; although, as we well know, they didn't. Now that they are in two different departments, the Justice Department claims the Privacy Act prevents the sharing of this critical information.

The second reason advanced was the FBI simply did not have the time or resources to review its own files. Again, keep in mind how important it is for the Department to know how many people were in this situation where they were under investigation for terrorism and yet received either American citizenship or permanent residency. I would think the FBI, on its own volition, would be eager to retrieve that information.

At this point some of my Senate colleagues may be asking themselves a few questions, if they have had some experience with congressional oversight. First, hasn't the Justice Department many times in the past provided Congress with information such as interview summaries and documentary evidence related to individuals who have been investigated but not prosecuted? Second, does this refute the Justice Department's argument about a supposedly sacrosanct longstanding policy? Would such a policy, if it existed and were adhered to as strictly as the Justice Department now asserts, exempt the Justice Department from effective congressional oversight? The answer to these questions is obvious.

Although the Justice Department would not review its own files to discover the extent of this problem and to document whether terrorists had been granted citizenship or permanent residency, its officials have indicated in writing to me that this likely occurred.

Let me expand on that point. The Justice Department is not refuting the basic premise. In a July 3 letter I received from the Department, from which I want to quote, it says:

> We appreciate the Committee's interest in the question of whether individuals were naturalized or received permanent residence status while they were subjects of foreign counterintelligence investigations and, in fact, we have indicated in conversations with Committee staff our belief that this likely occurred prior to September 11, 2001. We do not have data to support this view, but based upon our knowledge of how Bureau and then-Immigration and Naturalization Services systems interfaced, we do not dispute the premise.

This is serious. In other words, suspected terrorists most likely received citizenship or permanent residency in the country they swore to destroy because the FBI and the INS did not talk to each other. This is extraordinary.

During my negotiations with the Department of Justice, I had suggested the Privacy Act concern the Department raised could be dealt with if the FBI passed the sealed findings of their review through my committee which then could, in turn, pass the findings along to the BCIS. That wouldn't work, Justice said, because it would violate—you got it—their longstanding policy against providing information to Congress about investigations that did not result in prosecution.

If you think we have been driving around in circles, you are right. The Justice Department refuses to provide my oversight committee with information because of a "longstanding policy." We suggest a way around that longstanding policy, and the Department cites the Privacy Act. We suggest a way to avoid the Privacy Act concerns, and we find ourselves back to the longstanding policy.

This is simply unacceptable. We know some terrorists and supporters of terrorism seek out the protective guise of American citizenship. We know a lack of coordination between the relevant agencies allowed this unacceptable situation to occur. What we don't know is how many times it has happened, how broad this problem is, how many people are involved and, most important of all, what has been done to stop it, to close that communications gap.

The Committee on Governmental Affairs will pursue this matter by continuing its investigation. I have again written to the FBI Director to request the records needed by the committee. I have now focused my request on those individuals who were named in the NBC report. It is not a burdensome request. It is not an onerous request. It is a request that is very specific, time limited, and narrow in scope. There is no reason for the Department of Justice not to promptly turn over these documents to the committee.

I want to acknowledge those courageous FBI agents who wanted to do the right thing, tried to do the sensible thing, who said: Let's share this critical information, when they discovered suspected terrorists were trying to become American citizens or permanent residents. It is deeply disturbing that in some cases their supervisors did not listen to them. It is deeply disturbing that bureaucracy trumped national security and common sense.

I invite those agents to step forward again to make their concerns known by contacting my committee. We will listen, and we will act.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE PAGES

Mr. DASCHLE. Mr. President, the other day the distinguished majority leader came to the floor to call attention to the special contribution made by a number of our pages who volunteered to stay beyond the time that was originally scheduled for their experience in the Senate. I wanted to join with him in expressing our heartfelt gratitude to each of those pages, not only those pages who stayed as volunteers but to those pages who have been with us this past session.

Pages play a very important role in the Senate. They are not only spectators to the democratic experiment, but they are real participants. Each of them becomes all the more adept at all of their responsibilities as the session unfolds and they become students of Government in a unique and special way.

I have always been an admirer of our pages because of the great job they do and the little attention they get. I hope they leave with an appreciation of Government.

When we have graduation for our pages, I oftentimes urge them to consider this the first installment of their public experience. I urge them to consider coming back, not only as members of the staff, but hopefully one day as elected Members themselves. I am absolutely confident at some point some will.

I will never forget Senator David Pryor, MARK PRYOR's father, telling the story that when he was a page he left a penny in the Capitol and promised himself he would come back and pick up that penny as an elected official. He did. I think it was a testament to the dreams, aspirations, and remarkable persistence that oftentimes our pages have.

As I noted, there are a number of pages who not only served the time that was expected of them but stayed on afterward to accommodate the elongated Senate schedule. Many others offered to stay, but because they had schedules that were in conflict were not able to. There are seven pages who stayed on until the last couple of days and in a couple of cases all the way up until today. Margaret Leddy, Melissa Meyer, Krista Warner, Yael Bortnick, Emily Holmgren, Farrell Oxley, and Sarah Smith all went above and beyond the call of duty. They all have served the Senate in their capacity as pages superbly. I did not want this day or this session to end without publicly acknowledging their remarkable contribution, the quality with which they did their work and the gratitude we have for the job they did.

Yesterday was Melissa Meyer's birthday. I wish her a happy birthday besides, but to each of our pages—those who may still be here and those who have gone, those who served—again let me express on behalf of the entire Senate our heartfelt thanks, our best wishes for a happy holiday season, and, perhaps most importantly, our sincere wish that they come back again in some other capacity, because we need them.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

HELP AMERICA VOTE ACT

Mr. BOND. Mr. President, earlier today I spoke briefly about the need to get our appropriations bills, many of which are now included in the so-called omnibus appropriations measure—some of us think it is an "ominous" appropriations measure—passed prior to the end of calendar year 2003. Among the things I pointed out were some very important measures. This body passed something called the Help America Vote Act, which I think focused attention on two very important problems. My colleagues on the other side of the aisle wanted to make sure we had up-to-date voting machines to make sure everyone who was entitled to vote could vote to remove barriers to voting. We supported that.

We also got support for something I thought was very important as well, and that was to stop the rampant fraud that has come back as a result of postcard registration.

I have the honor of representing an area that has probably the dubious distinction of being one of the vote fraud centers perhaps in the universe. The city of St. Louis, as I have said many times before, is famous for voting rolls clogged with people registered one, two, three, even four times; vacant lots with small cities worth of registered voters; and even my favorite dog, Ritzy Meckler, a 13-year-old Springer Spaniel who was registered there.

We have had some great theological experiences For the last general election, a very prominent and outstanding alderman of the city of St. Louis registered to vote on the 10th anniversary of his death. It is a wonderful theological statement. It does not do much for me as a political scientist, but he registered by postcard.

After the 2000 election, when we found tremendous vote fraud problems in St. Louis, they had a mayoral election scheduled for the spring of 2001.

The last day of registration, 3,000 postcards showed up to register voters for that election. It did not take long for observant election officials to note that all of those cards appeared to be in the handwriting of one or two people. They started checking and they found that, lo and behold, there were a lot of phony people registered.

Terribly, the deceased mother of the prosecuting attorney of the city of St. Louis was registered to vote. This brought about some action. Several of the people involved in that little process came together and decided to destroy the records. Since that time, I have read in the paper that the prosecuting attorney in St. Louis has filed significant criminal indictments for those people.

However, I am proud to say that the St. Louis City election board is using new laws passed in the State of Missouri to tighten up on these postcard registrations. Prior to the Help America Vote Act, you couldn't even check on people who registered by mail. The process for getting voters off the list, if they are improperly registered, was byzantine, and took years to do. But under the Federal standards, there are still areas where these nonexistent or duplication voter registrations can be made by mail.

We provided new powers and new responsibilities for local election officials in the Help America Vote Act. We promised to fund them. So during the process of debate on the appropriations bills, Senator DODD of Connecticut, Senator MCCONNELL of Kentucky, the Chair, and the ranking member of the Rules Committee, when this passed, came to the floor and I supported them. We got over $1 billion to fund the Help America Vote Act. That languishes in the omnibus appropriations bill. That money is necessary to support local efforts to carry out the mandates under the Help America Vote Act.

We all thought that once we passed that law we were going to ensure honest elections in 2004, elections where everybody entitled to vote could vote. The problem is, if we don't get around to passing the funding for the Help America Vote Act until we come back next year, the process drags on and on and we are probably into March before the money goes out—which is too late to make many of the changes and to build the infrastructure and to buy the equipment that is needed to carry out the requirements of the Help America Vote Act.

I have talked with other Senators about the many important measures that are included in that Omnibus Appropriations Act. But I want to call the attention of my colleagues to some further information that I have developed about the Veterans Affairs budget.

Senator MIKULSKI and I fought long and hard to get the funding that we needed to try to catch up to the backlog in the VA. People with service-related injuries, permanent disabilities, low-income people, homeless people, are being denied, for months, the ability to get in to see a doctor because so many new enrollees have come into the system. This body expanded the eligibility. We expanded the eligibility, but the money has not kept up. So we are trying to play catchup, and there is an additional $2.9 billion above this year's funding level for the VA that cannot begin until the bill is signed. We are already a couple of months into the fiscal year 2004. We would be 6 or 7 months in before we could get funding if we wait until next year.

My staff tells me there are a number of other things that will happen. Specifically, noninstitutional long-term care cannot be increased. The VA has placed a high priority, providing a high quality of life, long-term care for each veteran. The VA planned to expand the program by over 20 percent this year because of the demand. The VA, without these funds, will not be able to expand the long-term care services under the fiscal year 2003 funding authority.

Second, pharmacy costs will continue eating the budget. For fiscal year 2003, pharmacy costs rose over 11 percent and the VA is incurring increasing demands for prescriptions each month. The continuing rise in demand for prescriptions is stripping funds from other priority areas as VA continues to operate under last year's funding levels.

Third, new community-based outpatient clinics will be curtailed. The VA has 48 high-priority community-based outpatient clinics ready to go that can't move forward because they don't have the funds under the continuing resolution.

Finally and most important, and something I hope will be significant to each one of us here, the waiting lists will continue to lengthen. Continued operations under a continuing resolution will force VA to curtail hiring of new physicians and nurses. The VA experiences about a 1-percent normal attrition rate of physicians per month. By January, VA's waiting list will rise by over 10,000 from the projected level.

VA patients, who should be getting our top priority attention, are going to find the waiting list longer. That is why I renew my appeal to the leaders on both sides to deal with the omnibus appropriations, to come to some agreement, either to take this on UC, or take it by voice vote, with the distinguished chairman and ranking member on our side and the other side to come to closure on it, or, if need be, bring us back in session.

The House is going to come back into session on December 8, I understand, and vote on the bill. We have an obligation to come in—either if there is a unanimous consent agreement granted to do it by voice vote or if there is not—and do what we are paid to do and that is to vote up or down and pass the appropriations that are so essential for many areas where continuing resolution funding will be inadequate.

I urge the leadership to work on this. We need it in many areas.

I yield the floor.

The PRESIDING OFFICER (Mrs. DOLE). The Senator from New Mexico.

Mr. BINGAMAN. I thank the Chair.

(The remarks of Mr. BINGAMAN pertaining to the introduction of S. 1966 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The Senator from Texas.

Mr. CORNYN. Madam President, I have some remarks I would like to make shortly, but I know Senator LAUTENBERG got here before I did. He told me he had about 10 minutes. I know the majority leader may have some remarks, and, of course, I would defer to him.

Unless there is objection, I would like to ask—well, I will just defer to the majority leader at this time.

The PRESIDING OFFICER. The majority leader.

Mr. FRIST. Madam President, if I could just take 3 or 4 minutes, and then I know the distinguished Senator from New Jersey has his comments to make.

THANKING THOSE WHO WORKED ON THE MEDICARE PRESCRIPTION DRUG AND REFORM BILL

Mr. FRIST. Madam President, I, just very briefly, want to thank people for a lot of hard work over the last several months.

Earlier today, we did pass a historic bill that is notable for the fact that it does help so many people in a very direct way. I think it is gratifying to all of us as U.S. Senators. But that outcome is made possible by a lot of hard work. I will be very brief, but I do want to thank the appropriate people. Again, I leave out so many people.

But, first, I thank the President of the United States. President Bush does deserve credit for making this vision of being able to reach out and help people as soon as possible in a direct way with prescription drug coverage possible. That vision really did set the template for all of us. We pulled together and passed this bipartisan bill.

Secretary Tommy Thompson, the Secretary of Health and Human Services, and Tom Scully, the Administrator of the Centers for Medicare & Medicaid Services, spent literally hundreds of hours working on this legislation.

I participated on the conference committee and had the wonderful opportunity of working side by side with them, consulting with them, seeking counsel, receiving their input.

In the Senate, Finance Committee chairman, CHUCK GRASSLEY, and ranking member, MAX BAUCUS, really did put partisanship aside from day 1, when we first started this Senate bill, and worked tirelessly from beginning to end to deliver on the promise that we all have to the American people. In large part it was accomplished because of their work and their partnership in many ways.

Senator JOHN BREAUX deserves huge credit. I have worked with Senator BREAUX over the last 7 years. There was a Breaux-Frist bill that came out of the Bipartisan Commission. He has demonstrated real leadership and, in my mind, has been at it in terms of the final product longer than anybody in the Senate, working together on the model we ended up with.

All members of the conference committee showed a degree of dedication and resolve that is seldom seen in either Chamber. There were Senators ORRIN HATCH and DON NICKLES and JOHN KYL. We simply would not have reached this point if we had not worked together with strong leadership on the part of the conferees.

In addition, there were people such as Senators JEFFORDS, GREGG, HAGEL, ENSIGN, WYDEN, and SNOWE, who have focused on a tripartisan, bipartisan approach to health care reform, which has been instrumental in many ways.

Senators BUNNING, THOMAS, SMITH, LOTT, and SANTORUM all made huge contributions working through the Finance Committee.

Members of this body who voted against final passage also contributed in remarkable ways to this product.

I do also want to mention, just in passing, the House leadership because the House leadership, especially Speaker DENNIS HASTERT and Leader TOM DELAY, deserve very special recognition. I worked very closely, and our leadership worked very closely with them, especially in the final 2 weeks of that conference.

I had the opportunity to call yesterday Chairman BILL THOMAS. He is really the mind behind what we accomplished. He was able to assimilate very complex policy and put it into a portrait that ultimately became the substrate for this bill. He demonstrated real leadership, real patience.

Also, chairman of the House Energy and Commerce Committee, Chairman BILLY TAUZIN, we simply would not be here without his active participation as well.

My dedicated staff—Dean Rosen, Elizabeth Scanlon, Rohit Kumar, and Craig Burton—put in hundreds of hours and poured over thousands of details. Lee Rawls, Eric Ueland, David Schiappa and his wonderful staff here really made it possible.

So in closing, to everyone who worked so hard and have given so much of themselves, working hard on this effort, I thank them. I thank you, the Senate thanks you, America thanks you, and, most of all, America's seniors thank you.

Madam President, I appreciate the Senator from New Jersey giving me the floor for those few minutes. I look forward to listening to what he has to say on a very important issue.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Madam President, first, I want to say thank you——

Mr. CORNYN. Will the Senator yield for a brief UC?

Mr. LAUTENBERG. Sure.

The PRESIDING OFFICER. The Senator from Texas.

Mr. CORNYN. Madam President, I ask unanimous consent that following the remarks of the Senator from New Jersey—I believe he told me he would speak for about 10 minutes or so—I be recognized for remarks that I might make at that time.

Mr. LEVIN. Madam President, reserving the right to object, and I will not object, I wonder if the Senator might add to that UC—about how long does the Senator plan to speak, so I could then try to amend that UC to place myself in order?

Mr. CORNYN. Madam President, I would make my remarks no longer than 15 minutes.

Mr. LEVIN. Madam President, I ask the Senator if he would modify his unanimous consent request to allow the Senator from Michigan, and then I believe the Senator from Washington, to each have 10 minutes following his remarks?

Mr. CORNYN. That is acceptable.

The PRESIDING OFFICER. Is there objection?

Mr. LAUTENBERG. No objection, Madam President.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from New Jersey.

Mr. LAUTENBERG. Madam President, I would just note that the gracious statement of the Senator from Texas said "10 minutes or so." I would hope, for clarification, if "or so" is 3 or 4 minutes longer, it will not be a violation of the unanimous consent agreement that we just heard.

COMMENDING THE MAJORITY LEADER

Mr. LAUTENBERG. Madam President, before the majority leader leaves the floor, I want to say that I have been back here about a year now, and working with the majority leader, when he took office, has been an interesting and a positive experience. We are all cognizant of the wonderful work that Dr. FRIST has done in his time before the Senate and how he served populations so desperately in need. He took the risks and the time necessary to do that.

We all congratulate him for that, for his generosity of spirit, and his skill as a surgeon and physician.

I have found on the rare occasions that I—I hope they are rare—called on Senator FRIST for an ear, he was more than willing to lend it. If he disagreed, he said so. And if he agreed—even rarer—that was done with dispatch and a straightforwardness which I greatly respect. I hope he and his family will enjoy the Thanksgiving holiday.

As we muse over what happened in the last week, since Senator FRIST is a physician, I hope he can prescribe a way we can heal some of the bruises that occurred in this last contentious period.

UNANIMOUS CONSENT REQUEST—S. 1602

Mr. LAUTENBERG. Madam President, it is about 26 months since the assault on our families, our people, and our invincibility that took place at the World Trade Center, at the Pentagon, and in a field in Pennsylvania where it was so heroically disrupted on its way to a target. Therefore, I am outraged that we can't find enough time to further pay attention to the memory of the 9/11 victims by passing a bill to extend the deadline for victims' families, enabling them to apply for victims' compensation which is in a fund that was passed in the Senate and passed in the House and that is about to expire.

Though we have just been through a difficult and contentious period with some acrimony, no matter how much I or others might have agreed with the outcome, our business for this year is not yet done. We are facing the expiration of this compensation fund, and there are lots of families who have yet to participate in this program that was designed for them.

The need for this 9/11 victims bill is urgent. If we don't vote on it before Thanksgiving, this bill will become obsolete because the current filing deadline is December 22, 2003.

We are reminded that a truly joyous part of the year is just beginning. It starts with Thanksgiving, goes through to Christmas and Hanukkah. It is just around the corner. A lone, anonymous Republican Senator is holding up a bill that would make these holidays less stressful for the 9/11 families. As we requested or will request in a unanimous consent request, the Senate must take up and pass this bill today in order to fulfill our commitments to compensate the victims' families.

So far, out of approximately 3,000 killed, about 1,800 families, or only 60 percent of those eligible, have filed claims on behalf of relatives who were killed. This is far too low a percentage.

Helping the families of 9/11 victims is not just the responsibility of the Senators in the Northeast, it is a national commitment we made that we owed to those who suffered on that tragic day. I am distressed by the fact that because of somebody in the majority, having just spent 39 hours of time talking about a handful of judicial nominees, we can't even commit a few minutes today to take up a simple but critical bill and pass it.

The bill is vital to thousands of Americans who lost loved ones or who were themselves injured in the 9/11 attacks. Many of these families will mourn forever. Many of these families cannot yet bring to closure the terrible tragedy that befell their families. They are just not emotionally ready to begin the process of closure by applying to the victims compensation fund while their grief is still surrounding them.

Imagine the Thanksgiving table without a son or a daughter or a mother or a father or a child. How sad that is. And we walk away from here not yet completing the task.

I quickly point out, there are no additional funds required. Those funds were allocated 2 years ago when the fund was established. It is a rather confusing application, 40 pages. The difference is, if one applies to the fund, there is a settlement available. But in some cases, it may seem better for them to resort to the courts. That is why we have the system we have.

It is hard to proceed and leave here without trying to do something about the condition in which we leave these families. We should help them get through the holiday period and encourage them a little bit further.

The fund was estimated to cost $5 billion by Mr. Feinberg, who is the master in charge of the distribution. He is an outstanding lawyer who took this job, volunteered to do it. He notes that only $1 billion out of $5 billion that might be required or available were expended. Many others have been waiting. Some victims' families are non-native-English speakers, working hard to understand, get people to help them comprehend the application forms. Many others have been waiting to receive the required information from their loved ones' former employers in order to complete the forms.

S. 1602, the bill that Senator LEAHY and I introduced, keeps our promise to the 9/11 victims' families by extending the deadline to apply to the fund to the end of 2004, roughly a year from now. We are simply giving these grief-stricken families some more time to fill out this cumbersome application. Senators BOXER, CLINTON, CORZINE, DODD, DURBIN, LIEBERMAN, and SCHUMER are cosponsors of this bill.

I think it is really unfair that the Republican majority will not permit us to just move this bill along. President Bush and other Republicans were anxious to appear with the 9/11 families soon after the tragedy to show that they shared in some way their grief and to try to alleviate their distress. Now the cameras are gone. We should not, however, forget that we have these obligations to these families. This bill is unfinished business with a deadline.

I had hoped the majority leader and my Republican colleagues would allow us to pay our respects to these families who need our help.

On September 11 of this past year, I spoke at an event in Central Park, NY, that was arranged by a company called Cantor Fitzgerald. They lost 700 of their 1,000 employees. One of those who perished was a very close friend of my oldest daughter. They had worked together at another firm. My daughter went to law school and her friend went to work for Cantor Fitzgerald and was one of the 700 and left 3 young children and a husband behind—so unwilling to believe that his wife, the mother of these children, was taken away, that he visited hospitals in the area for some time after the attack took place, hoping that there was an error someplace, that he might find his wife, and that some way they would be able to continue. But she is gone.

When I spoke to the people from Cantor Fitzgerald, about 4,000 people were there. And, again, this company lost 700. The people they touched is a far greater number than the number who actually perished. They were looking to us for some leadership, some recognition that they paid a price for their sheer courage, many of whom died helping others, including the policemen and the fire personnel, the emergency personnel.

There are all kinds of stories, including the one about the man who walked up a flight to try to carry a woman down and both of them perished in the process. The stories are replete with heroism and courage—but dying.

I ask unanimous consent that the Judiciary Committee be discharged from further consideration of S. 1602 and that the Senate then proceed to its immediate consideration; that the bill be read the third time, passed, and the motion to reconsider be laid upon the table, without intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Mr. CORNYN. I object, Madam President.

The PRESIDING OFFICER. Objection is heard.

Mr. LAUTENBERG. Madam President, I know I have to surrender the microphone. I do it sadly, because I don't believe that the Senator from Texas, who raises the objection on behalf of the Republican Party, really would object to extending a deadline—no more money and nothing else has to be done except to say to these people that we have not forgotten. We remember that you died when America's invincibility was shattered. That is a day that will mark our coming and going forever. One need only remember what happens every time you take your shoes off at the airport, or you are forced to show your ID, or you are searched with a magnetic wand, or whatever, or the fence surrounding the Washington Monument so you cannot see it at ground level when you pass by on Constitution Avenue and fortresses are being built out there. They did this to us and we are going to have to live with that.

I wish reconsideration would be taken here in a discussion with the majority leader and the Senator from Texas, if he cares to be involved, and that we can pass that bill.

I yield the floor.

The PRESIDING OFFICER. The Senator from Texas is recognized.

JUDICIAL CONFIRMATION PROCESS

Mr. CORNYN. Madam President, I wish to speak for the next few minutes about the judicial confirmation process, now that we have passed the Medicare bill, which represents perhaps the single largest accomplishment of this session—a session filled with many important accomplishments. I want to revisit the judicial confirmation process because I think it is perhaps the one issue that has the greatest potential for constructive action in this body, and the one issue that has the most potential for destruction of constructive action in this body.

The American people have seen accusations fly back and forth in the Senate as we have observed partisan minority filibusters of President Bush's judicial nominees. As a relatively new Member of the Senate, I have no personal stake in these grievances over past perceived slights or actions. In fact, as the Chair knows, in April, all 10 freshmen Senators wrote a letter to the Senate leadership asking that we have a fresh start when it comes to the way we approach this process because, as we all know, any tactic or strategy used by a partisan minority now to obstruct President Bush's nominees, if successful, if allowed to proceed, will no doubt be sought to be used in the event a Democrat takes the White House and Republicans find themselves in the minority of this body.

I ask unanimous consent that the letter we freshmen Senators wrote to the leadership be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, April 30, 2003.

DEAR SENATORS FRIST AND DASCHLE: As the ten newest members of the United States Senate, we write to express our concerns about the state of the federal judicial nomination and confirmation process. The apparent breakdown in this process reflects poorly on the ability of the Senate and the Administration to work together in the best interests of our country. The breakdown also disserves the qualified nominees to the federal bench whose confirmations have been delayed or blocked, and the American people who rely on our federal courts for justice.

We, the ten freshmen of the United States Senate for the 108th Congress, are a diverse group. Among our ranks are former federal executive branch officials, members of the U.S. House of Representatives, and state attorneys general. We include state and local officials, and a former trial and appellate judge. We have different viewpoints on a variety of important issues currently facing our country. But we are united in our commitment to maintaining and preserving a fair and effective justice system for all Americans. And we are united in our concern that the judicial confirmation process is broken and needs to be fixed.

In some instances, when a well qualified nominee for the federal bench is denied a vote, the obstruction is justified on the ground of how prior nominees—typically, the nominees of a previous President—were treated. All of these recriminations, made by members on boths sides of the aisle, relate to circumstances which occurred before any of us arrived in the United States Senate. None of us were parties to any of the reported past offenses, whether real or perceived. None of us believe that the ill will of the past should dictate the terms and direction of the future.

Each of us firmly believes that the United States Senate needs a fresh start. And each of us believes strongly that we were elected to this body in order to do a job for the citizens of our respective states—to enact legislation to stimulate our economy, protect national security, and promote the national welfare, and to provide advice and consent, and to vote on the President's nominations to important positions in the executive branch and on our Nation's courts.

Accordingly, the ten freshmen of the United States Senate for the 108th Congress urge you to work toward improving the Senate's use of the current process or establishing a better process for the Senate's consideration of judicial nominations. We acknowledge that the White House should be included in repairing this process.

All of us were elected to do a job. Unfortunately, the current state of our judicial confirmation process prevents us from doing an important part of that job. We seek a bipartisan solution that will protect that integrity and independence of our Nation's courts, ensure fairness for judicial nominees, and leave the bitterness of the past behind us.

Yours truly,

John Cornyn, Lisa Murkowski, Elizabeth Dole, Norm Coleman, Lamar Alexander, Mark Pryor, Lindsey Graham, Saxby Chambliss, Jim Talent, John E. Sununu.

Mr. CORNYN. Madam President, I, frankly, think it would be just as wrong for that to happen as I do for a partisan minority to stand in the way of a bipartisan majority of the Senate, who stand ready to confirm many of President Bush's fine nominees.

I guess just when you think this process cannot get any worse, it does. The credibility of this process has recently been called into question by the disclosure of several internal memos written for Democratic Senators on the Judiciary Committee.

Madam President, as the Chair knows, and as all Members of this body know, there is currently an investigation ongoing by the Sergeant at Arms into the circumstances under which these memos became public to determine whether there was any wrongdoing in obtaining those memos, and, of course, we must withhold judgment until that investigation is complete and the facts are made known to the Members of this body. I trust we will do whatever the law and justice requires, and that we will follow the truth, wherever it may lead in the investigation and take appropriate action. I certainly support that.

These memos are available on the Web at *http://fairjudiciary.campsol.com.*

The fact is, these memos have now entered into the public domain, and I think it is important that we address these memos and what, in fact, they confirm about the obstruction and destructive politics that have taken hold of the judicial confirmation process and which have left me concerned that there is no foreseeable end to the current gridlock.

Let me go over a few of the examples. You will see here on this chart to my left, one internal memorandum, dated November 2001. It was reported that liberal special interest groups urged Senate Democrats to oppose the nomination of Miguel Estrada "because he has a minimal paper trail, he is Latino, and the White House seems to be grooming him for a Supreme Court appointment."

Such comments discredit the claim made by those who object to this nomination and who oppose Miguel Estrada's confirmation to the DC Circuit Court of Appeals and who say that ethnicity played no part in their obstruction. This memo stands in stark contrast to that claim. But the one thing I hope we can all agree to is that the Senate should not make any decisions about judicial nominees, or anyone else, period, based on their ethnicity or their race. Such actions demean not only this body but all of us, and the American people did not elect us to do any such thing.

Yet this memo makes clear—or at least adds credence to the argument that but for his ethnicity Miguel Estrada would be on the Federal bench today.

In another memo, dated November 7, 2001, Democratic staff asked the question, "Who to fight?" Which of President Bush's judicial nominees should be opposed? The answer: Texas Supreme Court Justice Priscilla Owen. Why? Because " . . . she is from Texas and was appointed to the Supreme Court by Bush, so she will appear parochial and out of the mainstream."

I served for 4 years on the Texas Supreme Court with Priscilla Owen. I know Priscilla Owen. It is obvious to me that the people who wrote this memorandum do not.

Nevertheless, they decided to use the terms "parochial" and "out of the mainstream," and to suggest that simply because she was from Texas, she could be cast in an ignorant and unfair stereotype, which should never be appropriate, even in discussing judicial nominees.

I believe firmly that these nominees should be judged on their merits, not on their home State, and certainly not on the basis of any ignorant or ill-informed stereotype.

An April 2002 memorandum indicates some Democrats wanted to delay judicial nominees, not because of any lack of qualifications but because they wanted to influence the outcome of particular cases, a very troubling suggestion.

According to one memorandum, Elaine Jones of the NAACP Legal Defense Fund would like the committee to hold off on any Sixth Circuit nominees until the University of Michigan case regarding the constitutionality of affirmative action and higher education is decided en banc by the Sixth Circuit. The memo writer appears to have understood that such tactics were highly improper but chose to proceed with those plans anyway. The memorandum expressed concern about the propriety of scheduling hearings based on the resolution of a particular case but went on to say, "nevertheless, we recommend that Sixth Circuit nominee Julia Scott Gibbons be scheduled for a later hearing."

Even acts that are widely recognized as improper and inappropriate seem to have become fair game for obstructionists today.

Not only have we seen obstruction, we have seen destruction when it comes to the reputation of the nominees who have been proposed by the President by the use of vicious ad hominem character attacks. In public, leading Democrat Senators have called this President's judicial nominees everything from turkeys to neanderthals, to kooks, to selfish, despicable, and mean.

In memos, Democrats—the ones in the minority who obstruct the President's consideration of his nominees—seem to scrape the bottom of the barrel when it comes to vituperation, describing these widely respected nominees as alternately ugly, heartless, and even, as was reported in today's edition of the Washington Times, Nazis. This language is deplorable and simply has no place in the Senate.

After reading these offensive memos, we cannot, nor should America, harbor any further illusions about what is going on here. The current mistreatment of nominees is not politics as usual, it is politics at its worst and exposes those who would march in lockstep with ideologically driven special interest groups whose main purpose is to defeat these nominees—and not just defeat them but destroy their reputation.

I am sad to say that as long as these tactics continue without the condemnation they deserve, we will see only further degradation and a downward spiral of the judicial confirmation process. In the end, we all know who will pay the price. It is the American people who will pay the price.

Just so we understand why this is so critical to this process, why these memos, and what they reveal is so unfortunate and deplorable, in one of the memos it was made clear that one of the special interest groups that was monitoring this process would "score this vote in the 2003 CONGRESSIONAL RECORD." In other words, these special interest groups are not only dictating the tune, expecting Senators to dance to that tune, but told that if they do not, they will be punished because their vote will be scored in mass mailings and advertising and other publications issued by the various special interest groups in the next election. This reveals something that should be very disconcerting to everyone and certainly to the American people.

The question that perhaps people who are paying attention, if there are people paying attention to my remarks today, would ask is: So what? What does this mean? Why should we care? In the brief moments remaining, I will address why the American people should care and why we should care.

We have too often seen an unelected, lifetime-tenured judiciary make decisions based on dubious constitutional grounds that would never enjoy the support of the vast majority of the American people. Just one that comes to mind is a recent ruling of the Ninth Circuit Court of Appeals saying that the words "under God" in the Pledge of Allegiance may not be uttered in classrooms because it violates the first amendment separation of church and state.

That does not make any sense. It certainly cannot be the law. Yet we have lifetime-tenured judges who are stating that as if it were the law. Thank goodness that decision will be reviewed, and I hope expeditiously reversed, by the U.S. Supreme Court.

We have all sorts of strange things happening today. One recent article caught my attention: When current Supreme Court Justices in a recent speech said the decisions of other countries' courts should be persuasive authority in America's courts when interpreting what our law is, we ought to look to the law of the European Union or other countries, perhaps, to guide these American judges in interpreting American law and the American Constitution. Justice Breyer recently found useful, in interpreting the American Constitution, decisions by the Privy Counsel of Jamaica and the Supreme Courts of India and Zimbabwe. Later, Justice Kennedy of the United States Supreme Court cited a decision of the European Court of Human Rights in a decision handed down this month. Justice Ginsburg, joined by Justice Breyer, cited a decision by the International Convention on the Elimination of All Forms of Racial Discrimination in a recent case. It goes on and on.

Anyone who is paying attention to what Federal judges are doing today and what they view in terms of their obligation to interpret the law have to ask the question: What is going on? What would James Madison, Alexander Hamilton, Thomas Jefferson—what would our Founding Fathers say about what is happening in our Federal Judiciary today? We all know the answer. They would be shocked. We should be shocked as well.

Finally, this is an important debate because this determines what kind of country we are and what kind of country we will become. My hope and prayer is that in the intervening 2 months, when we come back, this debate will take on a new civil tone, we will deplore and avoid these tactics of the past and embrace the fresh start we so earnestly sought just a few short months ago.

I yield the floor.

The PRESIDING OFFICER. The Senator from Michigan.

UNEMPLOYMENT COMPENSATION

Mr. LEVIN. Madam President, after the Senate adjourns for the year, the plan is for the Senate to reconvene on January 20 of next year. Unless Congress acts to extend Federal unemployment benefits, the so-called Temporary Extended Unemployment Compensation Program, before we adjourn, hundreds of thousands of unemployed Americans face the holidays with the prospect of losing their unemployment benefits on January 1. This lack of action would put us in exactly the same situation as last year: going home to our loved ones without helping jobless Americans during the holiday season.

At a minimum, we should extend the current Federal Unemployment Assistance Program for 6 months. At a minimum, we should stand by America's workers and help the unemployed during this holiday season.

According to the Center for Budget and Policy Priorities, in January, about 90,000 current unemployed workers are likely to exhaust their regular State benefits each week. Absent congressional action, starting January 1 next year, workers who exhaust their regular State benefits will no longer be eligible for the additional Federal benefits. The only people who will continue to receive those benefits will be those who have begun to receive their Federal benefits by January 1.

This chart shows where we are in terms of the Federal benefits. In the recession of 1974–1975, there were Federal benefits accumulating to 29 weeks. That is in addition to the 26 weeks of State benefits. In the 1981–1982 recession, again, 29 weeks of Federal benefits. In the 1990–1991 recession, 26 weeks of Federal benefits. Currently, until December 31 of this year, there will be 13 weeks of Federal benefits that are offered in addition to the 26 weeks in each of our States. That is what will disappear December 31.

This is a very modest program we have going. This is half of what we have done in the prior two recessions in terms of Federal benefits, slightly less than half of what we did in the recessions of 1974–1975 and 1981–1982, but exactly half of what we did in the 1990–1991 recession.

Currently, we only have 13 weeks of Federal benefits. This is going to run out on December 31 unless we act before we leave.

Some contend the issue of whether or not to extend the program and in what form can be dealt with when we return on January 20. I believe, however, by the time January 20 rolls around, it is going to be too late. In fact, we know it will be too late for thousands of unemployed who will have exhausted their benefits. So action is needed today. It is needed now or else this Federal benefit program, which is a modest program—again, I emphasize, half of what we have done in prior recessions—unless this is reauthorized today, it is going to run out and hundreds of thousands of unemployed Americans are going to see their benefits exhausted without the benefit of the Federal program.

In the month of January alone—this coming January—as many as 400,000 unemployed workers are going to exhaust their State benefits if we don't act.

The number of long-term jobless—that is the people who have been jobless 6 months or more—grew in October to over 2 million workers for the first time since this recession began. That represents an increase of over 700,000 workers compared to March 2002 when the current Federal unemployment program was most recently authorized.

The Federal extended benefits program which was implemented in the last recession did not end until the economy had added nearly 3 million jobs to the prerecession level. The current unemployment program is scheduled to end, although there are 3 million fewer private sector jobs than when this recession began.

Renewing this Temporary Emergency Unemployment Compensation Program, this Federal benefits program, is essential under these circumstances. The comparison on this chart is dramatic between what we did in prior recessions and this recession.

In prior recessions, we had twice the level of Federal benefits as we do now. We have a modest 13 weeks, half the level, and in the prior recession we waited to end the Federal program until millions of new jobs had been created.

Unless we act today, we will have lost 3 million jobs and still will be ending a Federal program which is so critically essential to those people who are unemployed.

The Department of Labor's announcement that 125,000 jobs were created in October and that the unemployment rate dropped to 6 percent, the first decline since I don't know how long—I don't have the exact date here, but in a long time—presents a glimmer of hope. It is a glimmer of hope at least in some places, but in my home State of Michigan the unemployment rate is 7.6 percent.

We, like most other States, are very dependent upon a minimum level of unemployment benefits. It would be unconscionable for this Congress to leave without renewing this program.

Factory employment in America declined for the 39th consecutive month by eliminating approximately 24,000 manufacturing jobs. So even though we had that slight increase in jobs in October, for the first time really, we are seeing a slight up-tick in the total number of jobs. We have at least some jobs being created. In the manufacturing sector, for the 39th consecutive month, we lost tens of thousands of manufacturing jobs.

America's manufacturing core has shed an average of over 50,000 jobs a month for the last 12 months. These manufacturing jobs, which build and sustain America's middle class, are disappearing. A total of over 2.5 million manufacturing jobs have been lost in the last few years. These are jobs that are good paying jobs, provide good health benefits and good retirement security. We simply cannot afford to let these jobs leave our country or be lost for good.

In the meantime, while we are fighting the battle for manufacturing jobs, we should not go home for the holidays having failed to act to maintain the very modest Federal unemployment benefits program. I know there are many in this body who are determined to see us have the opportunity to act to extend this program before we leave for the recess.

I thank the Chair and I yield the floor.

The PRESIDING OFFICER. The Senator from Washington.

UNANIMOUS CONSENT REQUEST—S. 1839

Ms. CANTWELL. Madam President, I rise to echo the comments of the Senator from Michigan. I think it critically important that Congress not adjourn for the year without addressing unemployment benefits for Americans who, unfortunately, have been out of work for some time now.

The Senator from Michigan is very conscious of the fact that his State, with 7.6 percent unemployment, has not seen much economic relief in this jobless recovery. I can tell him that the State of Washington has seen very little relief, as we are at 7 percent unemployment rate. The States around us—Oregon is at 7.6 percent unemployment; Alaska is at 7.3 percent unemployment—also continue to suffer.

The Pacific Northwest has been very hard hit by the downturn in our economy. While some people would like to say that is part of the process, I would argue that losing jobs in the aerospace industry after 9/11—35,000 jobs just at Boeing alone—is no fault of individual workers.

I guarantee you, individual workers in my State would rather have a paycheck than an unemployment check. But if they are not getting an unemployment check, if they do not have the ability to take care of mortgage payments and other bills, it affects our overall economy. That is why for a long period of time, not only have people believed that those who pay into unemployment benefits should get a package for taking care of them during downturns in our economy but they also think unemployment benefits are a great stimulus for an economy that is sagging.

My colleagues on the other side of the aisle continue to refuse to bring up an extension of unemployment benefits. That means by that December 31 of this year, some 90,000 unemployed people per week will exhaust their regular benefits. That means in the first 6 months of 2004 there may be as many as 2 million people affected by this loss of benefits.

This issue is so important to me because we were in this same situation last year. This side of the aisle said, given that this country has lost so many jobs, we must do something to take care of laid off workers. We must extend the Federal unemployment benefits program. We were successful in convincing the Senate, with Senator NICKLES' help, to pass a bill out of the Senate extending unemployment benefits, but the Republicans in the House refused to take up the measure and people in my State were without unemployment benefits at the end of the year.

If somehow my colleagues think that people didn't make very tough decisions because we left them without any guarantee that the program would continue, they did. I had constituents who took money out of their pension plans—at a 30 percent penalty—at the end of December to live on because they thought their benefits had been exhausted. They were forced to trade off long-term security for short-term economic need, only because the Federal Government did not stand up and do its job.

We had a similar situation in the 1990s in which we had high unemployment. What did we do to act responsibly? For 30 months, the Federal program offered to unemployed Americans a richer benefit than we are offering today—20 weeks in the 1990s, compared to 13 weeks today. Well, guess what was different in the 1990s. During that time period, 2.9 million net jobs were created. Since this recession started, we've lost 2.4 million jobs.

The 1990s recession covered both a Republican administration—the first Bush administration—and a Democratic administration. Both those administrations committed—for 30 months, and with a richer Federal program of 20 weeks—to take care of Americans until this economy recovered. As the economy recovered and 2.9 million new jobs were added, then we ended the program.

How do our actions today compare to that recession? Well, we have only had 22 months of this program, so it has not lasted as long as the previous program of Federal unemployment benefits. It has been 8 months shorter. The benefits are less, only 13 weeks instead of 20. So it is not as rich a program.

The bottom line is what has happened to our jobs during the time period. In this time period, instead of adding 2.9 million jobs, we have actually lost 2.4 million jobs. So if the argument is that it's time to stop the Federal extension program when new jobs have been created and Americans are going back to work, then obviously 22 months has not been enough. People are not going back to work. We have lost 2.4 million jobs. If somebody thinks it is time to cut off this program, they are dead wrong. To do this, going into the holiday season, is just like giving American workers a lump of coal in their stocking. It's like saying, no, thank you, for the hard work you have provided to American companies in the past and for paying into the unemployment insurance system.

It is totally irresponsible for us, as a legislative body, to pass all of these tax cuts for the wealthiest Americans, do all of these programs for special interests, give subsidies, and then leave American workers without the benefit program that was designed to help them in economic downturns.

This is not a Republican or Democrat issue. We have had a Republican administration and a Democratic administration—the first Bush administration and the Clinton administration—who said this is a great policy, but somehow this policy is now falling on deaf ears. During the 1990s, when we ran this program for 30 months at richer benefits, we had an improvement in the unemployment rate of 1.2 percent before we ended the program. It was yet another sign, in addition to the 2.9 million net jobs added that it was time to end the program.

As I said earlier, we have lost 2.4 million jobs during this time period and the unemployment rate has improved less than 1 percent—only .4 percent. So we do not have the data, we do not have the evidence that things are getting better. And yet somehow now, even though we cannot demonstrate that things are really getting better for workers, some people on the other side of the aisle want to hedge their bets and say, too bad for you. And they want to say this at the end of the year the holiday season, when people are making some of their most important financial decisions and expenditures.

I think it is outrageous. It is outrageous that this body is so cold hearted to the hard-working men and women of America. Let's remember how we got into this situation. Through no fault of their own, and in particular for New York and Washington State, resulting from the unfortunate circumstances of 9/11 and downturns of specific industries as a result of that—laid-off workers are being left high and dry.

Somehow we want to put American workers out in the cold just because a very tragic event happened to us at the national level? We do not want to say to those companies and to those individuals, we understand the hard economic times they have fallen on? That is what the Federal unemployment extension program is about.

There are additional reasons we are crazy not to extend this program. One is that we have yet to see the economic results we want. Unemployment insurance is an economic stimulus. For every dollar spent on unemployment benefits, it generates $2.15 of economic stimulus. I argue that one of the best economic stimulus programs we have had in the last 22 months has likely been Federal unemployment benefits. These benefits have allowed millions of Americans to make their house payments, to pay their medical bills, to pay for the various essentials they need to do to exist. And that is what they are basically doing. They are just getting by. They are just getting by until new jobs are created.

I say to the administration: Where are all of these new jobs? The bottom line is still 2.4 million jobs lost. If the administration wants to curtail this economic program, at least stand up and be as responsive as the last two administrations were and create the new jobs. In that recession, 2.9 million jobs were created and so, of course, Americans could go back to work and, of course, they could get off the Federal program.

We have a big challenge before us. And although this bill does not directly address this, we must recognize that parts of our economy are retooling. Parts of our economy are demanding a more creative approach to jobs that are lost as industries are transitioning. It will take almost 2 years to regain the jobs we have lost. Why not prop up our economy by adding needed stimulus? Why not give American workers a return on a program they paid into, and why not honor them by admitting they would rather have job creation than unemployment checks and get about going back to stimulating our economy with real job creation?

None of that is happening. We are all now about ready to adjourn to some date uncertain. I do not know if it is January or a sooner time, but America was listening last year. At the holiday season, as December 31 rolled around, Americans were furious that this program was being curtailed. People made very serious decisions. Why make them live through those circumstances again and then come back in January or February? After we have all made it clear this was a program that was much needed, why not do the responsible thing now and pass these unemployment benefits.

I ask unanimous consent that the Finance Committee be discharged from further consideration of S. 1839 and that the Senate then proceed to the immediate consideration of that legislation; that the Cantwell amendment, which is at the desk, be considered and agreed, and the motion to reconsider be laid upon the table, and that the bill, as amended, be read three times, passed, and the motion to reconsider be laid upon the table without intervening action or debate.

The PRESIDING OFFICER (Mr. CRAPO). On behalf of the leadership, in my capacity as the Senator from the State of Idaho, I object.

The objection is heard.

Ms. CANTWELL. I do not know how many more objections we are going to hear before we give American workers their right to unemployment benefits. We need to own up to the fact that this body cannot pass tax cuts for the wealthiest, incentivize other programs, and then not take care of our obligation to workers in America—all of whom would, in the end, certainly rather have a paycheck.

I hope this body will come to its senses, address this very important issue, and not leave any Americans at the end of the year without the resources to pay their bills and without helping them be an effective part of our economy.

I yield the floor.

Mr. LEVIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONTRIBUTIONS OF THE 101ST AIRBORNE AIR ASSAULT DIVISION OF THE GLOBAL WAR ON TERRORISM

Mr. McCONNELL. Mr. President, I rise to honor the Screaming Eagles of the 101st Airborne, Air Assault Division, based at Fort Campbell, KY. As you all know, two Black Hawk helicopters from the 101st Airborne collided in the night sky over Mosul, Iraq on November 15, 2003. Tragically, all 17 soldiers on board the helicopters perished in the incident. This last Saturday, two additional soldiers from the Division were killed while they patrolled the streets of Mosul.

These tragic incidents bring the total number of Screaming Eagles lost in Iraq to 55. My prayers and deepest sympathies go out to the families and friends of these brave Americans.

Last month, in one of the most moving experiences of my career, I met with some of these soldiers in Mosul, where the 101st is responsible for keeping the peace in the northern part of Iraq.

These heroes shared with me their thoughts about America's struggle to bring peace and security to a long-oppressed nation, and their patriotism and passion for their mission shone through the dust and grime that accumulates with sustained operations far from the comforts of home.

Truth be told, I did not expect to encounter the extraordinary high levels of dedication and morale I witnessed in Mosul and elsewhere in Iraq. Throughout that country, I conversed with soldiers who witnessed first-hand the reality of war, and who knew friends injured or killed in combat.

It was obvious that the thoughtful young men and women I met in Iraq have spent long hours coming to grips with these harsh realities, yet remain committed to their mission and deeply believe that what they are doing is right and just. An example: at the 101st Airborne's headquarters in Mosul, I witnessed a video that detailed the Division's operations in Iraq. The moving video is dedicated to—and features footage of—Screaming Eagles who have lost their lives during the liberation of Iraq, and it is clear these lost heroes are never far from the thoughts of the soldiers of the 101st. Indeed, these heroes remain a source of poignant motivation for their comrades.

For our Armed Forces, sad memories of fallen colleagues are inescapable, but so too is the evidence that the Screaming Eagles are on the right side of history. From water coolers in Washington, DC to New York City newsrooms, many of us forget that our troops were present at the moment Iraq was liberated from the tortuous grip of Saddam Hussein. They have since witnessed firsthand the birth of a democratic process and the reawakening of a people enslaved for generations by fear and oppression. The

Screaming Eagles have worked side by side with Iraqis to help rebuild a shattered country, and their joint success in this regard is truly remarkable.

The brave soldiers I met in Mosul know America is in Iraq for the right reasons, and that despite setbacks and tragic incidents we are winning the peace in Iraq, just as surely as we won the war.

At one point during my visit, one of the Screaming Eagles came up to me and introduced himself as a captain who hailed from my hometown of Louisville. In the entryway of one of Saddam's former palaces—now serving as the 101st Airborne's division headquarters—he presented me with a flag of the Commonwealth of Kentucky, and recalled how he brought it with him as the division left Fort Campbell and fought north from Kuwait, up through Baghdad, and on to Mosul.

This captain spoke with well-earned pride about the role he and his fellow soldiers played in liberating the Iraqi people and winning the war. And he spoke of the progress they were making in winning over the hearts and minds of these newly free people by treating the Iraqis with a level of dignity and respect they have not received for generations.

While in Mosul, I met with the newly elected governing council of Iraq's Nineveh Province, and I can tell you that the respect and appreciation these democratically elected leaders have for the U.S. efforts is ample evidence the Screaming Eagles are indeed winning the hearts and minds of the Iraqi people.

Indeed, both this democratically elected new government and that young captain would want us all to understand that America did the right thing to help 25 million Iraqis to realize a life without fear. I can assure you that this captain and his fellow soldiers—although mindful of the great risks and danger inherent in their work—are committed to finishing the job by winning the peace and helping the Iraqis to get back on their feet.

I keep this soldier's flag—still covered in dust and dirt from its historic travels—in my office as a reminder that when America sets out to accomplish a difficult task, it finishes the job. And when I hear discouraging or saddening news from Iraq, I think of this young captain's dedication to this mission, and know that America must—and will—stay the course.

Mr. President, the entire Fort Campbell community grieves the loss of every single Screaming Eagle, and we long to welcome the division home to the fertile farmland of western Kentucky.

But when the division returns to Kentucky, it will have left an indelible mark on the memories of the people of northern Iraq. The 101st has treated the Iraqi people with respect and honor. They have acted not as occupiers, but as allies to the victims of Hussein's brutal reign. When the Screaming Eagles come home, Iraqis will see their legacy around every corner: in the hundreds of newly refurbished schools, in the electricity that now is available 24 hours a day, in the swimming pool renovated for Iraqi kids by the division, in the repaired irrigation canals that bring water to the wheat fields near Mosul, in the soccer fields that are no longer killing fields, and in the proud Iraqis now patrolling the streets of a free Iraq as policemen respectful of the human rights and dignity of their fellow citizens.

Mr. President, Iraq is now free—and an evil despot no longer threatens the United States and his neighbors—because of the selfless actions of the individual soldiers of units like the 101st Airborne. I pray that the families of those Americans who have lost their lives in this conflict find comfort and solace in their time of need. Their loved ones are American heroes, and I will never forget their sacrifice.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

KEY ACCOMPLISHMENTS IN THE FIRST SESSION OF THE 108TH CONGRESS

Mr. McCONNELL. Mr. President, as the first session of the 108th Congress draws to a close, the score of accomplishments of this Senate comes into clearer view. By any historical comparison, this Senate's record of accomplishments is remarkable. But when one considers the slender majority that this party holds in the Senate, and the numerous unforeseen challenges that have risen, the record of accomplishments is truly extraordinary.

Our efforts, the efforts of this Senate in the first session of the 108th Congress, have improved the security of America and the lives of all Americans in significant ways.

While the homeland and national security of America has been strengthened, the economic and retirement security of all Americans has also dramatically improved.

America's security has benefited from the first funding of the Department of Homeland Security, the confirmation of the first Secretary of Homeland Security, full funding of the war on terrorism, passage of a modern-day Marshall plan for Iraq, and passage of both the Defense authorization and appropriations bills.

The security of the American people in their work and their retirement has dramatically improved as well. The economic growth package passed earlier this year has pushed the economy to the highest quarterly growth rate in almost 20 years, while the promise of prescription drugs for our seniors on Medicare, thwarted for 38 long years, is just hours—just hours—away from becoming the law of the land with the stroke of the President's pen.

These major legislative victories have been as demanding as they have been time consuming. Yet that did not stop the majority leader from getting the work of the people done.

In an extraordinarily tenacious manner that should make all Tennesseans proud, our leader, BILL FRIST, confronted not just the challenges of last year's business but also the present demands of the war on terrorism.

As I think back on the first year of Senator FRIST's position as our leader, I think we can all feel extraordinarily proud of his many accomplishments in holding this somewhat fractious body together in order to advance the agenda.

The Senate, as we all know from working here, and as many Americans know from studying the history books, was basically constructed not to function very well or certainly not very quickly. At one time or another, virtually every Senator takes advantage of that opportunity. Then you add on top of that the fact that the American people dealt a very narrow majority to the majority party.

Many thought at the beginning of the year the prospect of very much success was quite limited indeed. But as you look back over the year, under Senator FRIST's extraordinary leadership, we have been able to make enormous progress for the American people.

It all began back in January, when we had to pass 11 appropriations bills, uncompleted from the previous year. Under Senator FRIST's leadership, we completed the emergency wartime supplemental appropriations bill. He brought to a successful conclusion the fires and NASA disaster supplemental appropriation. Then he pulled together the conference to pass a very tough Iraq reconstruction supplemental appropriations bill—all of this in the past year.

Even though, as of today, it is not exactly clear when our remaining appropriations bills will be approved, what we can say is this: That under Senator FRIST's leadership, all but 1 of the 13 appropriations bills have gone through the Senate. Six bills are the law of the land and the remaining seven could be just hours away from being successfully concluded, or might be concluded in a couple of weeks. But, in any event, they are largely completed and are awaiting the desire of the Senate to pass this omnibus report and move it along.

When that happens, the Senate will have passed 27 normal and supplemental appropriations bills into law—not a bad year's work.

With this record on appropriations, with passage of the economic growth package, and with passage of the Medicare prescription drug bill, expecting anything more from this Senate would not be reasonable. But in fact much more has been delivered to the American people by this Senate under the leadership of Senator BILL FRIST. We have banned the horrific practice of partial-birth abortion. We have passed the Do Not Call Registry at the Federal Trade Commission. We provided tax relief to military families. We passed the Healthy Forests Act to stop the catastrophic wildfires we have witnessed raging across the western lands. I might say, the occupant of the chair, the Senator from Idaho, was right in the middle of that debate from the beginning to the end, helping steer it to a successful conclusion. I commend him for his extraordinary work on the Healthy Forests proposal.

We have enacted free trade agreements with Chile and with Singapore. The Senate has passed the Federal Aviation Administration reauthorization to revitalize an air transport industry suffering from the effects of the terrorist attack of 9/11. We pushed a comprehensive Energy bill to within two votes of breaking a filibuster.

One thing we can say today: This is only the end of the first session. We have a second session of the 108th to go. We have not given up on the prospect of getting an Energy bill. We are going to have a very cold winter. We have the potential for blackouts, all kinds of problems that could be dealt with substantially by the passage of this Energy bill. I believe there will be two additional Senators who will see their way to supporting an Energy bill something like the one we currently have before us in order to prevent America from having another experience like we had last summer with the blackout.

After more than a decade of repression, the Senate has passed the Burmese Freedom and Democracy Act. In addition, we secured resources to improve our Nation's elections systems and, hopefully, we will finish the job through the omnibus appropriations bill currently being negotiated. We made a commitment to our States to be a partner in this endeavor, and we took the first step to honor that commitment.

I want to linger a moment on this whole election reform issue. Senator CHRIS DODD of Connecticut deserves an enormous amount of credit, as does Senator KIT BOND of Missouri. The three of us worked long and hard to produce an election reform bill, the theme of which was to make it easier to vote and tougher to cheat. There is, in the context of passing the final omnibus, an additional billion dollars going out to the States to guarantee that we have the cleanest and the most efficient election in American history next November of 2004.

That money must get out the door, and that is another reason we need to wrap up this omnibus appropriation at the earliest possible moment. States and localities all over America are waiting so they can implement this mandate, which is a funded mandate—not an unfunded mandate, a funded mandate—only when the money gets to the States. The sooner we pass the omnibus, the sooner that will happen, and the more likely it is that we will have the most honest, the most efficiently conducted election in American history next November of 2004.

Numerous other legislative accomplishments have been reached during this session. Specifically, the Senate has passed the President's faith-based initiative. We have funded the efforts to eradicate the scourge of global AIDS. We acted to guard our children against abduction and exploitation by passing the PROTECT Act. We improved safeguards from foreign terrorists by enacting the FISA bill. We expanded NATO to include almost all of the former Warsaw Pact countries. We also passed a significant arms reduction treaty with our former enemy, turned ally, Russia. We took steps to bridge the digital divide by providing needed funds to historically Black colleges.

We awarded a congressional gold medal to U.K. Prime Minister Tony Blair and affirmed the constitutionality of using the term "under God" in the Pledge of Allegiance.

We have a solemn responsibility to the American people to improve their lives, to protect their homeland, and build a future filled with hope and opportunity. This year, we have made excellent progress in fulfilling our obligations to the American people. Next year, it is our hope and intention to do even more.

Let me say in closing, again, how much I admire and how much all of us appreciate the extraordinary leadership of our majority leader, Senator FRIST. He has been very skillful in advancing our legislative agenda in a body which is designed to thwart almost every initiative. He has done it with a very narrow majority. So as we wrap up the first session, plaudits to the leader, to all of our colleagues, not only on the Republican side but throughout the Senate, who have worked extraordinarily hard this year.

We had 459 votes this year. We were doing a lot of voting on a lot of issues during the course of the year. In fact, we had more votes in the Senate this year than any time since 1995, the first year of the Contract with America. We had a lot of very close votes, a lot of dramatic experiences in the Senate.

Back during the budget, we had three votes on which the Vice President had to break the tie in the chair. So for those who were interested in drama and who typically think of the Senate as a place where you to go watch paint peel, there was a good deal of excitement this year at various intervals in our legislative consideration.

I hope all Members will enjoy the Thanksgiving holiday and Christmas with their families and come back to Washington refreshed to tackle the agenda that remains in the second session of the 108th Congress.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CHAFEE). Without objection, it is so ordered.

INTERNET TAX MORATORIUM

Mr. FRIST. Mr. President, on November 1, 2003, the most recent Internet tax moratorium expired. In the weeks prior to and following this expiration date, I have been trying to broker a compromise between those who, like me, support making the moratorium permanent and those who oppose a permanent extension. Unfortunately, we have been unable to reach resolution on legislative language that would allow us to make the moratorium on Internet access technology neutral and permanent. However, I remain committed to passing a revised moratorium next year which ensures that all Americans can receive Internet access tax free, regardless of technology.

I respect the arguments of those Senators who are concerned that the language in S. 150, the Internet Tax Nondiscrimination Act, will infringe on the ability of States to tax traditional telecommunication services. Because of their concerns, I allowed the bill to be fully debated on the floor of the Senate for several days. In the end, after spirited discussions, the relevant parties could not reach agreement on appropriate language and the current moratorium had expired.

After that process failed to achieve a resolution, I sought to broker a compromise by laying out a menu of options from which the parties could choose. None of these options were perfect, and none went as far to protect the Internet from taxation as I would have liked. But in the spirit of compromise, I believed that taking some action was better than doing nothing at all. Unfortunately, the various relevant parties disagreed. Every option I suggested was rejected by both sides and both indicated that no deal was better than any of the options I had set forth. As an aside, this was the first, last and only moment when the various parties were able to reach agreement with respect to anything having to do with taxing the Internet.

At this point it became clear to me that no agreement was in the making with respect to a permanent or even multiyear extension of the Internet tax moratorium. I therefore suggested that we pass, as a part of the omnibus appropriations bill, a so-called "Internet-tax CR"—basically an extension of the expired statute to cover the gap between November 1 and the second session of the 108th Congress when the Senate would be able to return to this issue.

My concern was that if we did not extend the moratorium, the Internet would be open to multiple and discriminatory taxes for the fist time in 5 years. And while a simple extension would not have addressed the troubling efforts in several States to begin taxing DSL access, I still believed that doing something was better than doing nothing. Further, I was prepared to make it clear that the spirit of the original moratorium was intended to make all Internet access tax free, and that extending the current moratorium should not be an invitation for any State to continue or begin anew taxing DSL.

Much to my disappointment, even a simple extension of the original moratorium failed to gain consensus support. And even when we agreed to consider modifying the original language to prevent states from taxing DSL for the duration of this Internet-tax CR, the House of Representatives was unwilling to agree.

As the strong bipartisan support of the Internet moratorium indicates, there is a growing consensus that the Internet should never be singled out for multiple or discriminatory taxation and that all forms of Internet access should be tax free. Rather than finding new ways to tax the Internet, the unprecedented benefits it offers to our society and economy should be encouraged by policymakers at the Federal, State and local levels. We must not allow differences over details of the moratorium to result in tax policies which damage this critical economic engine of the future. The Internet is too important.

I specifically thank Senator McCAIN, Senator SUNUNU, and Senator ALLEN for their excellent leadership and dedication to this issue. Their efforts have ensured that this important technology issue receives the attention it deserves from Congress. As majority leader, it is my intention to work hard to get the strongest, longest ban on Internet taxes as possible. As such, I will make passing a meaningful, revised Internet tax moratorium a priority for next year.

CADET NURSING CORPS

Mr. REID. Mr. President, some of us are barely old enough to recall the end of World War II. And we remember that it was an effort that involved the entire Nation in a monumental struggle against the evil of fascism.

During World War II the United States sent more than 250,000 nurses to the front lines to care for our wounded Allied troops.

By 1942, the country was experiencing a shortage of nurses for domestic medical needs. In fact, the shortage was so severe that many clinics were forced to close.

To alleviate our domestic medical crisis, Congresswoman Frances Payne Bolton introduced legislation creating the United States Cadet Nurse Corps in 1943. Over the next 5 years, the Corps recruited about 125,000 young women to assume the duties of nurses who had been dispatched to the front lines. Throughout World War II, cadet nurses accounted for 80 percent of the nursing staff in our domestic medical facilities.

Cadet nurses completed rigorous training under the jurisdiction of the Public Health service. They also pledged to serve at any time during the war, at any hospital or clinic where they might be needed. They were often required to leave their families and fill vacant positions across the country. They acted as both caregivers and medical doctors—as there was also a scarcity of doctors—to the sick and wounded.

The Cadet Nurse Corps provided the support of health care system needed. By putting the needs of the Nation ahead of their own, these young women made it possible for Allied troops to receive the best possible medical care during a time of war.

Although the uniforms of these dedicated cadet nurses were decorated with patches certified by the Secretary of the Army, and they served under the authority of commissioned officers, the Cadet Nurse Corps has never been recognized as a military organization.

Today, many of these cadet nurses are no longer living. Those who do survive are in their seventies and eighties. Ironically, they are not entitled to use the veterans health care system, nor do they receive other benefits such as disability pay.

Even more important, they rarely receive the recognition they deserve for their service to their country. And every year, as more of the cadet nurses pass away, it becomes too late to recognize them.

These women served their country in a time of war. I believe they deserve to be recognized as veterans of that war effort. Therefore, I support veterans status for members of the Cadet Nurse Corps.

I have introduced legislation that would accomplish this goal. I hope my colleagues will support this effort so we can finally properly recognize the cadet nurses for their outstanding service to this country.

SUPPORTING OUR TROOPS AND THEIR FAMILIES

Mr. DOMENICI. Mr. President, as we approach the Thanksgiving Day holiday, we as Americans have much for which to be thankful. Around dinner tables this year, there will be added joy of loved ones returning home especially in the case for those families of members of our Armed Forces. Other homes may not be as joyful, as those who have chosen to defend their Nation are stationed abroad, particularly in Iraq and Afghanistan. Both of these scenes will occur in my home State, NM.

We as a Nation are ever grateful to the men and women of our military and the families they leave behind to serve. Today, I rise in support of an important effort to assist these dedicated military personnel and their families.

The Armed Forces Relief Trust, AFRT, is a non-profit fund established to help ease financial burdens on our military personnel and their families. With so many of our troops on extended overseas deployments, the benefit provided by the Trust is needed more than ever.

Today nearly 140,000 soldiers, sailors, airmen and marines are deployed overseas in the war on terror. Thousands more are stationed abroad guarding our freedom. For the families left behind, the financial burden of caring for children and meeting other demands can be a strain. And with an increased number of National Guardsmen and Reservists currently overseas, the number of families facing such hardship is even greater.

In my own home State of New Mexico, many have been affected by the frequent and lengthy deployments associated with the war on terror. Most recently, 60 National Guardsmen from the 515th Corps Support Battalion out of Springer, NM, were activated to support combat forces in Operation Iraqi Freedom. They join more than 900 other New Mexico Guardsmen already deployed worldwide, including those from the Army's 717th Medical Company and the 720th Transportation Company—both from Santa Fe. And only recently did we welcome home to Las Cruces the 281st Transportation Company following its service in the Persian Gulf. These many deployments from New Mexico represent what is happening all over the country.

Clearly, many military members and their families face burdens that are compounded by months of separation and tight budgets. For example, a soldier overseas might face the unexpected cost of airfare to attend his father's funeral; a deployed airman's expectant wife might incur costs for special medical care; or a sailor's child may need assistance to cover burdensome costs associated with attending college. These situations are what the Armed Forces Relief Trust is designed to address.

It seems to me that these are the sorts of things that we ought to be doing to help boost the morale of our troops. Many endure months away from home and, in some cases, face the pressure of operating daily in a combat zone. The kind of benefit provided by the Trust gives them some peace of mind and allows them to focus on their vital mission. I salute the Military Aid Societies representing the Army, Navy, Air Force and Marine Corps for coming together to create the Armed Forces Relief Trust. Perhaps more importantly, I salute all those who have donated to the Trust and are helping to ensure that the needs of our brave military personnel and their dedicated families are being met.

As we all gather with our families this Thanksgiving and count our blessings, I believe we should remember our brave men and women in uniform, and consider supporting the Trust and its work to these personnel and their families in need.

AIR POLLUTION CLOSE TO HOME

Mr. JEFFORDS. Mr. President, I would like to ask my colleagues and the American public some serious questions today—questions about air pollution and its impacts closer to home.

Many of us listening today have children and grandchildren. How many of them have asthma? How many of us have taken children to the emergency room in the middle of the night, desperate to put a stop to their terrifying asthma attacks?

How many of the Nation's growing number of asthmatic children have to carry inhalers to school, and wish they could run, play, and breathe freely like the other kids?

How many Americans know young children who depend on their asthma inhalers to get safely through a simple game of baseball? Their asthma attacks could be some of the six hundred thousand caused by air pollution every year.

How many of our own children or grandchildren yearn to play outdoors during school recess, only to have their teachers warn them the air is too unhealthy?

How many of us have parents or siblings with emphysema? Or chronic lung disease? Reduced lung function, or lung cancer? Air pollution decreases lung function and causes asthma and asthma attacks, lung disease, emphysema, lung cancer, and heart problems.

Do Americans ever worry that their own lives may be shortened by three or four years, just because the air is so dirty?

Sixty thousand people die prematurely in this country every year because of air pollution. It's hard to believe, isn't it? Let me put it another way.

Air pollution is responsible for more deaths than breast cancer, colon cancer, pancreatic cancer, skin cancer, prostate cancer, brain cancer, lymphoma, or leukemia.

Half of the deaths caused by air pollution are due to power plants alone. In fact, power plant-related deaths are so numerous that they far outnumber drunk driving fatalities in all but one of the 15 dirtiest States.

Have Americans ever wondered how close they live to a powerplant? A Harvard University study showed that those who live near powerplants, who are often the poorer, less educated, uninsured, or minority populations, tend to be the most affected by pollution. Fortunately for some of us here, we are probably less vulnerable. We live further away, we live more comfortably, and we have access to quality health care.

But does that sound like a fair and equitable distribution of the impacts of pollution? Hardly.

Americans can experience pollution very differently. Although 58 percent of white Americans live in counties violating Federal air pollution standards—an unacceptably high percentage—71 percent of African Americans do. Even worse, twice as many African Americans die from pollution than whites. Does that sound like a fair allocation of the impacts?

If these appeals do not strike a chord, perhaps the economic impact of all these health problems will.

I have mentioned before that over 30,000 premature deaths can be blamed on powerplant pollution every year. An EPA consulting firm using EPA methodology estimated that this loss of life hurts the U.S. economy by $170 billion each year. I ask unanimous consent that a table from this firm's recent report be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ESTIMATED ANNUAL HEALTH AND MORTALITY COSTS DUE TO PARTICULATE MATTER POLLUTION FROM POWER PLANTS

Health effect	Attributable incidence	Mean economic impact
Mortality	30,100	$170,000,000,000
Chronic Bronchitis	18,600	6,130,000,000
COPD—Hospitalization	3,320	41,000,000
Pneumonia—Hospitalization	4,040	59,000,000
Asthma—Hospitalization	3,020	21,000,000
Cardiovascular—Hospitalization	9,720	179,000,000
Asthma ER Visits	7,160	2,000,000
Acute Bronchitis	59.00	3,000,000
Upper Respiratory Symptoms	679,000	16,000,000
Lower Respiratory Symptoms	630,000	10,000,000
Asthma Attacks	603,000	25,000,000
Work Loss Days	5,130,000	543,000,000
Minor Restricted Activity Days	26,300,000	1,270,000,000
Total		178,000,000,000

Source: Abt Associates, "The Particulate-Related Health Benefits of Reducing Power Plant Emissions," October 2000.

Mr. JEFFORDS. When you add in the economic impact of the tens of thousands of cases of asthma, bronchitis, pneumonia, heart problems, and lost work days, you reach a pretty staggering conclusion.

Powerplant pollution alone is responsible for $178 billion in damage to our health and our economy each year, burdening our already taxed Medicare program and draining American productivity.

There are even more ways in which air pollution hurts our way of life.

How many Americans seek peace and enjoyment in our national parks, only to find the vistas clogged with haze? Do families go hiking in our national forests, only to reach bald stands of trees that have been killed by acid rain?

I know many people from my State of Vermont and other States are avid skiers. Do they wonder why ski resorts must make their own snow more now than ever before, and why the ski season continues to come later each year? Global warming will threaten more than ski vacations in the very near future. Global warming and rising sea levels could mean life and death to those in our society who live on the margins.

Do those listening today enjoy fishing trips with their families? Do their husbands and wives, daughters and sons, and grandchildren eat the fish that are caught?

I am sorry to say that the fish being caught may contain unhealthy levels of mercury, likely due to dirty powerplants. Coal-fired powerplants emit mercury emissions. Mercury contaminates rainwater. It settles in waterways. It poisons fish. The contaminated fish create a health risk.

Powerplants are responsible for one-third of all U.S. mercury emissions. Amazingly, they are currently unregulated.

Are doctors warning pregnant women not to eat fish because mercury endangers fetuses? I hope they do, because one in 12 women in this country—that is 5 million women—have blood levels of mercury above EPA's safe health threshold. That means that over 300,000 newborns each year face increased risk of nervous system damage due to mercury exposure in the womb.

How many Americans have children or grandchildren with learning disabilities, speech problems, attention disorders, loss of muscle coordination, memory problems, poor visual spatial skills, vision problems, hearing loss, seizures, mental retardation, or cerebral palsy? Have they ever wondered whether these disorders could be due to mercury exposure?

We all saw what happened when a teen spilled less than a cup of mercury at Ballou High School in Southeast Washington. The metal is so toxic to humans that officials closed the school for over a month and evacuated 17 nearby homes.

Do we feel comfortable knowing that U.S. powerplants emit 50 tons of toxic mercury into the air every year, so that it may fall in our backyards, in our grandchildren's sandboxes, and in the lakes where we fish?

How many Americans depend on fishing in tainted waters for their livelihood? Chances are, they live in one of the 44 States in the Nation with fish advisories for mercury and other toxic pollutants. Chances are also likely that they are unaware that eating fish poisoned by mercury can damage their nervous system, cardiovascular system, kidneys, and immune system.

Sadly, some ethnic groups and anglers who rely on high amounts of fish in their diets face two to five times the health risk. Unfortunately, these Americans may lack health insurance and access to proper medical care to deal with these problems.

I have made an appeal today to my distinguished colleagues and to my fellow Americans. I know my colleagues are compassionate and they do everything possible to represent their constituents, their States, and the Nation well. I only hope they are moved by some of what I have said today to take swift and serious action to protect our air quality.

Unfortunately, this administration's recent and upcoming actions to dismantle our clean air laws mean we all have to be vigilant. I will fight to protect those 60,000 lives and those 300,000 newborns. I will fight to bring down the $178 billion in costs to human health and to our precious environment. But Americans will need all of my colleagues' help, too.

Senators should send a message to the President and EPA Administrator Leavitt right now. It needs to be loud, and it needs to be clear.

The Clean Air Act says utility emissions of air toxics, especially mercury, have to come down drastically. EPA is already years behind in regulating. There should be no further delay.

In the coming weeks, EPA is likely to propose a rule on mercury that is not legal or sanctioned by the Clean Air Act. Senators should tell Administrator Leavitt and the President that these ongoing assaults on air quality have to stop.

I call on the President to do the right thing for once on clean air—cut toxic air emissions from powerplants. Do it right. Do it as the law requires. And do it now.

DIETARY SUPPLEMENTS

Mr. DORGAN. Mr. President, I express my support for an amendment offered by my colleagues Mr. HATCH, Mr. HARKIN, and DURBIN earlier this year that provides funding for the Food and Drug Administration to implement the dietary supplements law.

I sponsored and voted for the Dietary Supplement Health and Education Act, DSHEA, of 1994 and continue to support it today because it gives consumers the power to make informed decisions about whether they want to use dietary supplements. Millions of Americans take vitamins, minerals, and other dietary supplements every day, knowing that if there is a problem with a particular product the FDA has the authority to step in to protect the public.

Ever since the tragic death of Baltimore Orioles pitcher Steve Bechler earlier this year there has been increased interest in the potential dangers of taking ephedra. In the wake of that tragedy, the FDA has opened an investigation into the use of ephedra.

I support the enforcement efforts and urge the FDA to act as expeditiously as possible. I know some of my colleagues would simply like to see ephedra banned by legislation. My own view is that we already have a review process in place under DSHEA and now it is important for Congress to help the agency do its job.

I support the amendment offered by my colleagues because it does just that. We must continue to provide consumers with informed choices about dietary supplements and one way to do that is to make sure the FDA has the resources to do the job as expeditiously as possible.

The FDA should conclude its rulemaking on ephedra, as well its "good manufacturing practices" rules, and move forward as quickly as possible so that consumers can be better informed.

LOCAL LAW ENFORCEMENT ACT OF 2003

Mr. SMITH. Mr. President, I rise today to speak about the need for hate crimes legislation. On May 1, 2003, Senator KENNEDY and I introduced the Local Law Enforcement Enhancement Act, a bill that would add new categories to current hate crimes law, sending a signal that violence of any kind is unacceptable in our society.

On Saturday, October 25, 2003, an off-duty officer in Austin, TX, was attacked in an apparent anti-gay hate crime. The victim, his partner, and a friend were at a stop sign in a vehicle with a rainbow sticker on the license plate. Two pedestrians in the crosswalk blocked the vehicle while six to eight other men approached and began pounding the car. Witnesses say one man struck the victim in the face and pulled him from the passenger seat while yelling, "faggot." The officer fell to the ground, and the attackers picked him up only to beat him again. He suffered broken teeth and puncture wounds on his lower lip.

I believe that Government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act is a symbol that can become substance. I believe that by passing this legislation and changing current law, we can change hearts and minds as well.

HONORING OUR TROOPS AND LOCAL BROADCASTERS

Mrs. LINCOLN. Mr. President, I rise today to recognize a program that provides an important service to the men and women serving in our military. With our Armed Forces deployed for extended tours of duty in both Iraq and Afghanistan, the pressures placed on family members left behind can be enormous. While the military is dedicated to taking care of its own, the need continues to escalate.

Today, more than 140,000 troops are fighting the war on terrorism in Iraq, in Afghanistan, and around the world.

Many of our brave men and women have now been deployed much longer than expected. Some active units served in Afghanistan, returned home for 6 months, and were immediately redeployed to Iraq

Reservists are facing extended deployment as well. Arkansas reservists in the 39th Infantry Brigade, for instance, were recently called up for what could be a 1-year rotation in Iraq beginning early next year. In many cases, the sole breadwinner in a family is deployed, making it difficult for the families left behind to cope with medical bills or other unexpected expenses.

Today, I would like to recognize an effort undertaken by local radio and television stations to help address these issues. The National Association of Broadcasters is leading its local television and radio stations in a partnership with the Armed Forces Relief Trust to raise funds for military families in need.

By producing, distributing, and airing radio and television public service announcements, the NAB and its radio and television broadcast members are helping raise funds for those military families in need.

Last year, the four emergency assistance programs representing the Army, Navy, Air Force, and Marine Corps distributed more than $109 million in interest free loans and grants to military families. Now that the four programs have joined together into the one trust, and more importantly, now that the trust is receiving generous access to the airwaves to get out its message, they will undoubtedly be able to provide yet more assistance.

All of us count on our service people who are far from home protecting us. Their families are enduring hardship enough in waiting for them to return. It is incumbent upon all of us to ensure their families do not want financially during this most difficult time. I would like to compliment the local radio and television stations that are involved in this effort. As small business people, they are dedicating a valuable resource—airtime—to a timely and important cause. I salute their efforts.

TRIBUTE TO CPT RANDALL L. ZELLER

Mr. WARNER. Mr. President, I rise today to pay tribute to a dedicated patriot, sailor, husband and father, CPT Randel L. Zeller, USN. By the time the Congress reconvenes in January, Captain Zeller will have retired from active duty after 27 years in uniform with the U.S. Navy. CPT Randy Zeller has served the Navy and the Nation faithfully and well over these many years, most recently as the legislative director for the Chairman of the Joint Chiefs of Staff.

Captain Zeller deserves our recognition and gratitude. He has been associated with the Congress in a variety of positions for over seven years. His career accomplishments reflect the type of military officer this Nation has depended upon for over 225 years, during peace and conflict. I would like to take a moment to highlight Captain Zeller's career.

The son of a career Army soldier, Randy Zeller was born at Fort Belvoir, VA. Continuing this family tradition of service, Randy earned an appointment to the United States Naval Academy in Annapolis, graduating in 1975 with a bachelor of science degree in marine engineering. Following commissioning, he completed the nuclear power training program and the Submarine Officer Basic Course.

This promising young officer was assigned to four tours aboard nuclear attack submarines, one tour on an aircraft carrier, a tour as commander of the USS *Gato* (SSN 615) and, as commander of the Trident Submarine Refit Facility. His tours of duty have included assignments to the USS *Groton* (SSN 694) as Division Officer in 1977; Submarine Training Department Head and submarine tactics instructor at the Fleet Anti-Submarine Warfare Training Center Atlantic in Norfolk, Virginia, 1980–1982; and, Chief engineer on the USS *Phoenix* (SSN 702), from February 1983–1985. In November 1985, he reported to Carrier Group Two (CCG–2) aboard the USS CORAL SEA (CV–43), as a Tactical Action Officer and the Battle Force Anti-Submarine Warfare Officer. While assigned to CCG–2, he served on the Fleet Strike Warfare Commanders' staff during the surface action and contingency air strikes against Libya in 1986. In December 1987, he returned to the USS *Groton* as Executive Officer, serving until July 1990. During this tour, the USS *Groton* earned the COMSIXTHFLT "Hook' em Award" for anti-Submarine Warfare excellence and played a key role in contingency operations near Lebanon.

Captain Zeller's first command was the USS *Gato* in March 1992. Not surprisingly, his ship executed several "First of their kind" missions, demonstrating the utility of the attack submarine in the post cold war era. For her service during the U.N. embargo of Haiti, USS *Gato* was awarded the Joint Meritorious Unit commendation. The USS *Gato* was also awarded the Navy Meritorious Unit commendation for exemplary performance from June 1993 to June 1994. In June 1994, Captain Zeller was the Naval Submarine League RADM Jack Darby national award recipient for inspirational leadership and excellence of command.

After Captain Zeller left command in November 1994, he served in several important staff positions, during which he began his association with the congress. From January 1995 to March 1997 he served in the Department of the Navy's Office of Legislative Affairs in the Pentagon (OLA). At OLA he was instrumental in the Navy's successful effort to gain Congressional authorization for the third and final *Seawolf* class submarine, as well as the first ship of the *Virginia* Attack Submarine class. Recognizing his leadership talents and potential to assume greater responsibilities, Captain Zeller was selected to command the Trident Refit Facility (TRF), Kings Bay, Georgia, a 2000-man Fleet Maintenance Activity. During his tour, TRF was awarded the Meritorious Unit Commendation for outstanding Trident submarine maintenance performance. Following this highly successful command tour, Captain Zeller returned to service on the Secretary of the Navy's staff as the Deputy Chief of Legislative Affairs, from May 1999 to June 2000. Captain Zeller was then selected to be the Legislative Director for the Chairman of the Joint Chiefs of Staff. During this tour of duty from June 2000 until his retirement, Captain Zeller served the Chairman of the Joint Chiefs and the Congress during an especially demanding time in U.S. history that included the attacks of September 11, 2001 on the World Trade Center and the Pentagon, and subsequent military operations in Afghanistan, Iraq, and elsewhere in the Global War on Terrorism. His important contributions were of great importance in keeping the Congress fully informed regarding worldwide military developments and requirements. Captain Zeller's timely, responsive support was critical to the success of global U.S. military efforts.

A successful military career is not accomplished without dedication and sacrifice. Captain Zeller is fortunate to have the devoted support of his wife, the former Deborah Lee Chairman of Dayton, OH, and their two children Alexandra (11) and Nathaniel (8). For their support, service and sacrifice, they have my profound appreciation, and that of a grateful Nation.

It is a great honor and personal privilege for me to recognize the exemplary service of CPT Randel L. Zeller and his family today. Their selfless service to country, to the Navy, to their community, and to family serve as an inspiration to those whose lives they have touched, and who now carry on the proud traditions of our Armed Forces. As the Zeller family moves into a new chapter in their lives as valued citizens of the Commonwealth of Virginia, I wish them the continued success and happiness they so richly deserve. May they always enjoy fair winds and following seas.

DELAWARE'S BILL OF RIGHTS COMES HOME

Mr. BIDEN. Mr. President, it is with tremendous pride that I rise today to commemorate that after 213 years, Delaware's original copy of Bill of Rights ratified in 1790, is returning home.

This is a story steeped in history, mixed with some modern-day political negotiations—worth celebrating.

While Delaware holds the distinction as the first State to ratify the Constitution, on December 7, 1787, it was the sixth State to ratify the Bill of Rights—on January 28, 1790. The two signors of this historic document were Jehu Davis and George Mitchell. And they were quite efficient. Instead of drafting a separate letter, as most States did, to notify Congress of Delaware's ratification of the Bill of Rights, they simply penned their signatures on the Bill of Rights document and returned it whole cloth to Congress. Thus, Delaware had no copy of what Davis and Mitchell signed.

The National Archives, to its immense credit, conserved Delaware's original copy of the Bill of Rights in pristine condition for more than two centuries. However, two years ago Delaware's Public Archives, State House Majority Leader Wayne Smith, and the Delaware General Assembly asked the congressional delegation to help negotiate the return of our Bill of Rights document. We all agreed that this historic document should be displayed for all to see in Delaware, not stored in the basement of the National Archives in Washington, DC.

The National Archives is, justifiably, quite protective of its documents. Suffice to say that it took ten months of negotiations, meetings, letters and conference calls to come to terms on an agreement that returns this document to Delaware, while retaining the National Archives legal and preservation rights to it.

Starting this December 7, on my State's 216th birthday, its original Bill of Rights will be on display for all to see. It will be on view at our new, state-of-the-art Public Archives Building in Dover, DE. And that is exactly where this document belongs—on public display where school students and adults alike can appreciate its historic significance.

We should all be proud of this accomplishment because it's part of our history. The Bill of Rights is a symbol of who we are and the values we hold dear. It ties us to our past and reminds us of those principles that will guide us into the future.

CENTER FOR AMERICAN PROGRESS'S NEW AMERICAN STRATEGIES FOR SECURITY AND PEACE CONFERENCE

Mr. LEAHY. Mr. President, in the end of October, the Center for American Progress, in conjunction with The American Prospect magazine and The Century Foundation, held a conference on U.S. national security titled, "New American Strategies for Security and Peace." Three of my fellow senators—Senator HILLARY CLINTON, Senator JOE BIDEN, and Senator CHUCK HAGEL—and Dr. Zbigniew Brzezinski made incisive remarks at this conference about the direction of our country's foreign policy and its effects on Americans at home and abroad. They also spoke about how to restore America to respected international leadership. I ask unanimous consent that the remarks of Senator CLINTON and Dr. Brzezinski be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR HILLARY RODHAM CLINTON

WASHINGTON, Oct. 29, 2003.—Thank you, John for that introduction. I want to compliment you for all the hard work that you have put into the creation of the Center for American Progress, an institution that I am convinced will be a tremendous force in engaging in the war of ideas so critical to our country's future. And there is no better leader for that effort than John Podesta who has the warrior spirit and strategic mind needed for such an endeavor. I also want to thank Bob Kuttner at the American Prospect and Dick Leone at the Century Foundation for their work on this conference.

Today's conference, "New American Strategies for Security and Peace" comes at a critical point in our nation's history and I commend the Center for American Progress, the American Prospect and the Century Foundation for putting together from what is, by all accounts, an outstanding program.

Today is a critical moment, not just in our history, but in the history of democracy. As we seek to build democratic institutions in Iraq, and we in this room push for us to reach out to our global partners in this endeavor, this nation must remember the tenets of the democratic process that we advocate.

The issue I'd like to address is whether we apply the fundamental principles of democracy—rule of law; transparency and accountability, informed consent—not only to what we do at home but to what we do in the world. There can be no real question that we must do so because foreign policy involves the most important decisions a democracy can make—going to war, our relations with the world, and our use of power in that world.

But the fact is that new doctrines and actions by the Bush administration undermine these core democratic principles—both at home and abroad. I believe they do so at a severe cost.

In our efforts abroad, we now go to war as a first resort against perceived threats, not as a necessary final resort. Preemption is an option every President since Washington has had and many have used. But to elevate it to the organizing principle of American strategic policy at the outset of the 21st century is to grant legitimacy to every nation to make war on their enemies before their enemies make war on them. It is a giant step backward.

In our dealings abroad, we claim to champion rule of law, yet we too often have turned our backs on international agreements. The Kyoto Treaty, which represents an attempt by the international community to meaningfully address the global problem of climate change and global warming. The biological weapons enforcement protocol. The Comprehensive Test Ban Treaty. This unwillingness to engage the international community on problems that will require international cooperation sends a clear signal to other nations that we believe in the rule of law—if it is our law as we interpret it. That is the antithesis of the rule of law. The administration argues that international agreements, like the Kyoto Treaty, are flawed. And the fact is they have some good arguments. When the Clinton administration signed the Kyoto Protocol it said that, working, inside the tent, it would try to make further improvements. But rather than try to make further improvements from inside the process, the Bush administration stomped out in an effort to knock over the tent. That is not the prudent exercise of power. It is the petulant exercise of ideology.

In our dealings abroad, we more often than not have promoted, not the principles of international cooperation, but the propensity for an aggressive unilateralism that alienates our allies and undermines our tenets. It deeply saddens me, as I speak with friends and colleagues around the world, that the friends of America from my generation tell me painfully that for the first time in their lives they are on the defensive when it comes to explaining to their own children that America truly is a good and benign nation. Their children, too often, have seen an America that disregards their concerns, insists they embrace our concerns and forces them to be with us or against us. Our Declaration of Independence calls for " a decent respect for the opinions of mankind," yet this administration quite simply doesn't listen to our friends and allies. From our most important allies in Europe to relations with our neighbors in this hemisphere, this administration has spanned the range of emotions from dismissive to indifferent. Ask President Vincente Fox, who staked his Presidency on a political alliance with Mexico's historically controversial ally to the north, only to discover that he got no farther north than Crawford, Texas.

If we are to lead this world into a wholly democratic future, we must first be consistent in the principles we champion and the ones we pursue.

Nowhere is this more apparent than in the transparency of government decisions. Without such transparency, how can leaders be accountable? How can the people by informed? Without such transparency—openness and information—the pillars of democracy lose their foundation.

Of course in a democracy, there always is tension between the information that the Executive Branch needs to keep secret and the information that must be provided to the public to have an informed citizenry. There are no easy answers to striking the right balance. But we must always be vigilant against letting our desire to keep information confidential be used as a pretext for classifying information that is more than political embarrassment than national security. Let me be absolutely clear. This is not a propensity that is confined to one party or the other. It is a propensity of power that we must guard against. Because when that happens, we move away from the bedrock principle of informed consent that governs all State actions in a democracy. Getting back, once again, to our founders who I think were not only extraordinary statesmen, but brilliant psychologists—they understood profoundly the dangers and temptations of power. The balance of power that they enshrined in our Constitution and our system of government was a check on all of our human natures and the propensity for anyone, no matter how convinced they are of the righteousness of their cause and view of the world, to be held in a check and a balance by other institutions.

Since 9/11, this question has much more salience since the War on Terror will often be fought in the shadows outside the public limelight. New doctrines of preemption raise profound questions about democratic oversight by making decisions effecting war and peace. They also raise profound questions about the quality of the intelligence information that is not open to public scrutiny. One of the most critical issues that we confront is what is wrong with our intelligence, the gathering and the analysis and the use?

Anybody who follows what is going on on Capitol Hill is aware that we are locked in a partisan conflict as to how far to go in analyzing the intelligence with respect to Iraq—with the other side complaining that we can look to the intelligence community, but we cannot look at the decision makers. We can't look at the uses to which the intelligence was put and we can't look at the particular viewpoint that was brought to that analysis. I think that is a profound error and undermining to our democratic institutions.

The American people, and indeed the international community, need to have confidence that when the U.S. government acts, it is acting in good faith—sharing information where appropriate and developing appropriate mechanisms to insure that power is not being abused. A perception that our government is not providing honest assessments of the rationale for war or is unwilling to admit error will diminish the support for U.S. foreign policy of the American people and the international community. The American people will be far more willing to accept the administration's statement's about what is going right in Iraq if they believe that the administration is more forthright about what is going wrong. It is difficult to convince people that everything is fine when we are asking them to essentially shelve their common sense and human experience.

An example that hits close to home for me can be found in the administration's approach to the investigation surrounding 9/11. As Senator of New York, there is no more searing event than what happened to us on September 11th. My constituents have a right to know all the facts of how our government was prepared—or not—for the attacks. Yet, over the weekend, we learned that the 9/11 Commission, charged with the important task of investigating how 9/11 happened, complains that it isn't getting access to all the documents that it needs. This is a hugely important issue and one that must be addressed. The lack of transparency on the part of the Bush administration has forced Governor Kean, the former Republican governor of New Jersey, to threaten subpoenas. This should not be happening.

As bad as it was for Vice President Cheney to keep secret how the administration developed its energy policy—this is far worse. The 9/11 commission is not trying to embarrass the President, any former Presidents, or anyone else. It is trying to learn what happened—what went wrong—in hopes that we can become better prepared to protect ourselves from future attacks. In taking this action, the administration unnecessarily raises suspicions that it has something to hide—that it might use national security to hide mistakes. That is not necessary or appropriate.

Meanwhile, on Iraq, the Bush administration describes progress on many fronts in direct contravention to what we are hearing every day. There undoubtedly are many instances where U.S. efforts in Iraq are successful. But what is going right should not delude us about what is going wrong. There is too much at stake to treat war as a political spin zone.

We need to level with the American people—the good, the bad and the ugly. For the simple fact is that we cannot fail in Iraq. On that fundamental principle, I am in full and profound agreement with the President. The stakes are simply too high. That means we need to improve our transparency and credibility in Iraq. In the recent $87 billion supplemental appropriations bill passed by the Senate, an amendment that I offered, and which was included in the final bill, would require GAO audits of these opaque supplemental appropriations. Another amendment that I co-sponsored with Senator Harkin would require the GAO to examine the level of profits being made by U.S. contractors in Iraq. This is a historic mission that our government has encouraged, going back to George Washington, to make sure that no private company profited off the spoils of war. We need to assure the American people that their money is being spent wisely, assure the Iraqi people that it is being spent in their interest and assure the world that it is not being spent for profiteering by American companies. I understand both of these amendments, my amendment and the one I co-sponsored with Senator Harkin, are the subject of some dispute by the administration. And in fact, I understand that the majority party has been advised to ensure the final package doesn't include those amendments. I can only hope that they have a change of mind. They are creating a level of mistrust in our government by our citizens for which we will reap the consequences for years to come.

As we discuss and debate these issues, let us remember the simple fact that we remain at war. That is not a fact lost on the men and women stationed in Iraq. It is not a fact lost on their families who sit at home worrying about their well-being. It should not lead to the administration refusing to release injury figures. We should be willing to admit the price that is being paid by these brave young men and women to pursue this policy. I believe that the Executive Branch has a strong prerogative on national security issues. As Senator, I have supported that prerogative. But the men and women elected to serve in the Congress also have a great deal of wisdom to bring to bear. And quite honestly, my friends, things, have not gone so well in Iraq that we have a single mind to waste.

Recent articles in The New York Times and Newsweek report that many Republicans share the frustration that comes from lack of genuine consultations—failure to construct a genuine bipartisan consensus for the sacrifices we are asking Americans to make. My Republican colleagues Senator McCain and Senator Hagel, who is speaking at this conference, have cautioned the administration of the dangers of a failure to be open and honest with the American people on the situation in Iraq.

As Senator Hagel and others have suggested, Congress needs to be more than just a rubber stamp for the administration's policies. Tell me what war America has won without seeking, achieving, and maintaining a bipartisan consensus.

President Truman worked closely with Senator Vandenberg after WWII to secure U.S. support for the United Nations. President George H.W. Bush consulted closely with Democratic congressional leaders during the first Gulf War. My husband consulted closely with Senator Dole and other Republican leaders during the military action in Bosnia and Kosovo.

In giving Iraqis more of a say and in making transactions and contracting more open, the U.S. simply is practicing the habits of democracy—inclusion, empowerment and openness. Fundamentally, this is about trust—winning and earning the trust of the Iraqi people and trusting in the Iraqi people who eventually are going to be left to govern themselves and keeping the trust of the American people. I cannot stress strongly enough how significant it is that the American people across the board, are beginning to ask such serious questions about our direction in our efforts to pursue a course in Iraq, but also from the Middle East to North Korea as well. An unwillingness of the administration to be more forthright can undermine the greatest capital we have, the capital of human trust between a government and the governed. I think we're on the edge of losing both the confidence of the Iraqi people and of the American people. We can prevent that from happening with a heavy dose of straight talk.

At the same time that we are trying to build a democratic society in Iraq, we must abide by those basic principles that we hold dear and demonstrate that we are willing to be open and have partnerships and build coalitions that are more than just in a name.

I think this moment in American history is wrought with danger and challenge. If you look back at our security and goals in WWII they were clear, the Cold War was clear, the post Cold War era, prior to 9/11, was a little more muddy because it wasn't as obvious what our strategic objectives were and how we would achieve them.

Now we do have, once again, a very clear adversary. But just proclaiming the evil of our adversary is not a strategy; just assuming that everyone will understand that we are well motivated and people to be trusted is beyond the range of human experiences that I understand. This administration is in danger of squandering not just our surplus which is already gone in financial terms, but the surplus of good feeling and hopefulness and care and that we had in almost global unanimity after 9/11. We are a resilient, optimistic and effective people and I'm confident that we can regain our footing, but it needs to be the first order of business, not only for the administration, but also for Congress and the American public. It is my hope this conference will provide more ammunition and more support for those of us who are trying to get back on track and to give America the chance to lead consistent with our values and ideals. Thank you very much.

Remarks of Zbigniew Brzezinski

Washington, Oct. 28, 2003.—Ladies and gentlemen, 40 years ago almost to the day an important Presidential emissary was sent abroad by a beleaguered President of the United States. The United States was facing the prospect of nuclear war. These were the days of the Cuban Missile Crisis.

Several emissaries went to our principal allies. One of them was a tough-minded former Secretary of State, Dean Acheson whose mission was to brief President De Gaulle and to solicit French support in what could be a nuclear war involving not just the United States and the Soviet Union but the entire NATO Alliance and the Warsaw Pact.

The former Secretary of State briefed the French President and then said to him at the end of the briefing, I would now like to show you the evidence, the photographs that we have of Soviet missiles armed with nuclear weapons. The French President responded by saying, I do not wish to see the photographs. The word of the President of the United States is good enough for me. Please tell him that France stands with America.

Would any foreign leader today react the same way to an American emissary who would go abroad and say that country X is armed with weapons of mass destruction which threaten the United States? There's food for thought in that question. Fifty-three years ago, almost the same month following the Soviet-sponsored assault by North Korea on South Korea, the Soviet Union boycotted a proposed resolution in the U.N. Security Council for a collective response to that act.

That left the Soviet Union alone in opposition, stamping it as a global pariah. In the last three weeks there were two votes on the subject of the Middle East in the General Assembly of the United Nations. In one of them the vote was 133 to four. In the other one the vote was 141 to four, and the four included the United States, Israel, Marshall Islands and Micronesia.

All of our NATO allies voted with the majority including Great Britain, including the so-called new allies in Europe—in fact almost all of the EU—and Japan. I cite these events because I think they underline two very disturbing phenomena—the loss of U.S. international credibility, the growing U.S. international isolation.

Both together can be summed up in a troubling paradox regarding the American position and role in the world today. American power worldwide is at its historic zenith. American global political standing is at its nadir. Why? What is the cause of this? These are facts. They're measurable facts. They're also felt facts when one talks to one's friends abroad who like America, who value what we treasure but do not understand our policies, are troubled by our actions and are perplexed by what they perceive to be either demagogy or mendacity.

Maybe the explanation is that we are rich, and we are, and that we are powerful, and we certainly are. But if anyone thinks that this is the full explanation I think he or she is taking the easy way out and engaging in a self-serving justification. I think we have to take into account two troubling conditions.

Since the tragedy of 9/11 which understandably shook and outraged everyone in this country, we have increasingly embraced at the highest official level what I think fairly can be called a paranoiac view of the world. Summarized in a phrase repeatedly used at the highest level, "he who is not with us is against us." I say repeatedly because actually some months ago I did a computer check to see how often it's been used at the very highest level in public statements.

The count then quite literally was 99. So it's a phrase which obviously reflects a deeply felt perception. I strongly suspect the person who uses that phrase doesn't know its historical or intellectual origins. It is a phrase popularized by Lenin when he attacked the social democrats on the grounds that they were anti-Bolshevik and therefore he who is not with us is against us and can be handled accordingly.

This phrase in a way is part of what might be considered to be the central defining focus that our policy-makers embrace in determining the American position in the world and is summed up by the words "war on terrorism." War on terrorism defines the central preoccupation of the United States in the world today, and it does reflect in my view a rather narrow and extremist vision of foreign policy of the world's first superpower, of a great democracy, with genuinely idealistic traditions.

The second condition, troubling condition, which contributes in my view to the crisis of credibility and to the state of isolation in which the United States finds itself today is due in part because that skewed view of the world is intensified by a fear that periodically verges on panic that is in itself blind. By this I mean the absence of a clearly, sharply defined perception of what is transpiring abroad regarding particularly such critically important security issues as the existence or the spread or the availability or the readiness in alien hands of weapons of mass destruction.

We have actually experienced in recent months a dramatic demonstration of an unprecedented intelligence failure, perhaps the most significant intelligence failure in the history of the United States. That failure was contributed to and was compensated for by extremist demagogy which emphasizes the worst case scenarios which stimulates fear, which induces a very simple dichotomic view of world reality.

I think it is important to ask ourselves as citizens, not as Democrats attacking the administration, but as citizens, whether a world power can really provide global leadership on the basis of fear and anxiety? Can it really mobilize support and particularly the support of friends when we tell them that if you are not with us you are against us?

I think that calls for serious debate in America about the role of America in the world, and I do not believe that that serious debate is satisfied simply by a very abstract, vague and quasi-theological definition of the war on terrorism as the central preoccupation of the United States in today's world. That definition of the challenge in my view simply narrows down and over-simplifies a complex and varied set of challenges that needs to be addressed on a broad front.

It deals with abstractions. It theologizes the challenge. It doesn't point directly at the problem. It talks about a broad phenomenon, terrorism, as the enemy overlooking the fact that terrorism is a technique for killing people. That doesn't tell us who the enemy is. It's as if we said that World War II was not against the Nazis but against blitzkrieg. We need to ask who is the enemy, and the enemies are terrorists.

But not in an abstract, theologically-defined fashion, people, to quote again our highest spokesmen, "people who hate things, whereas we love things"—literally. Not to mention the fact that of course terrorists hate freedom. I think they do hate. But believe me, I don't think they sit there abstractly hating freedom. They hate some of us. They hate some countries. They hate some particular targets. But it's a lot more concrete than these vague quasi-theological formulations.

I think in the heat of debate Democrats should not be nay-sayers only, criticizing. They certainly should not be cheerleaders as some were roughly a year ago. But they should stress a return to fundamentals in so far as American foreign policy is concerned. Above all else in stressing these fundamentals, Democrats particularly should insist that the foreign policy of a pluralistic democracy like the United States should be based on bipartisanship because bipartisanship is the means and the framework for formulating policies based on moderation and on the recognition of the complexity of the human condition.

That has been the tradition since the days of Truman and Vandenberg all the way until recent times. That has been the basis for American foreign policy that has been remarkably successful and has led us not only to a triumph in the Cold War but to emerging as the only global superpower with special responsibilities.

Bipartisanship helps to avoid extremes and imbalances. It causes compromises and accommodations. So let's cooperate. Let's cooperate and challenge the administration to cooperate with us because within the administration there are also moderates and people who are not fully comfortable with the tendencies that have prevailed in recent times.

That has a number of specific implications that are of a policy type. The first and most important is to emphasize the enduring nature of the alliance relationship particularly with Europe which does share our values and interests even if it disagrees with us on specific policies. But the sharing of values and interests is fundamental, and we partake of the same basic beliefs.

We cannot have that relationship if we only dictate or threaten and condemn those who disagree. Sometimes we may be right. Sometimes they may be right. But there is something transcendental about shared values that shouldn't be subordinated to tactical requirements. We should seek to cooperate with Europe, not to divide Europe to a fictitious new and a fictitious old.

And we should recognize that in some parts of the world Europeans have more experience and more knowledge than we and certain interests as important as ours. I think particularly of the Middle East. We should be therefore supporting a larger Europe, and in so doing we should strive to expand the zone of peace and prosperity in the world which is the necessary foundation for a stable international system in which our leadership could be fruitfully exercised.

Part of the process of building a larger zone of peace involves also engaging Russia and drawing it into a closer relationship simultaneously with Europe and with the Euro-Atlantic community. But we can only do that if we are clear as to what we are seeking in pursuing that strategy. I would say that what we ought to be seeking unambiguously is the promotion of democracy and decency in Russia and not tactical help of a very specific and not always all that very useful type purchased at the cost of compromising even our own concept of what democracy is.

I am troubled by the unqualified endorsements of a government in which former KGB types are preponderant as a successful democracy. That has been the judgment rendered at the highest levels again within the last few weeks without any qualification. But in fairness we have to say that some of that happened before this administration assumed office as well.

We should be aware of that. If we are going to pursue a bipartisan policy let's be willing also to accept some shortcomings on our part. But if Russia is to be part of this larger zone of peace it cannot bring into it its imperial baggage. It cannot bring into it a policy of genocide against the Chechens, and cannot kill journalists, and it cannot repress the mass media.

I think we should be sensitive to that even if they do arrest oligarchs with whom some of our friends on K Street have shared interests. That is not to be approved. It is to be condemned, but surely there are deeper causes for emphasizing that it is important that Russia should move towards democracy.

To increase the zone of peace is to build the inner core of a stable international zone. While America is paramount it isn't omnipotent. We need the Europeans. We need the European Union. (Applause) We have to consistently strive to draw in Russia while at the same time being quite unambiguous in what it is that disqualifies Russia still from genuine membership in the community of democratic, law abiding states.

Secondly, we have to deal with that part of the world which is a zone of conflict and try to transform it into a zone of peace, and that means above all else the Middle East. In Iraq we must succeed. Failure is not an option. But once we say that we have to ask ourselves what is the definition of success? More killing, more repression, more effective counter-insurgency, the introduction of newer devices of technological type to crush the resistance or whatever one wishes to call it—the terrorism?

Or is it a deliberate effort to promote by using force a political solution? And if there's going to be a political solution in Iraq, clearly I think it is obvious that two prerequisites have to be fulfilled as rapidly as feasible namely the internationalization of the foreign presence in Iraq regarding which too much time has been lost and which is going to be increasingly difficult to accomplish in spite of the somewhat dialectical successes with which we are defining progress in Iraq lately.

In addition to the internationalization of Iraq we have to transfer power as soon as is possible to a sovereign Iraqi authority. Sovereignty is a word that is often used but it has really no specific meaning. Sovereignty today is nominal. Any number of countries that are sovereign are sovereign only nominally and relatively. Ultimately even the United States is not fully sovereign as we go around asking for more men and money to help us in Iraq.

Therefore there's nothing to be lost in prematurely declaring the Iraqi authority as sovereign if it helps it to gain political legitimacy in a country which is searching to define itself, which has been humiliated, in which there is a great deal of ambivalence, welcoming on the one hand the overthrow of Saddam as the majority does, and on the other hand resenting our presence and our domination.

The sooner we do that the more likely is an Iraqi authority under an international umbrella that becomes itself more effective in dealing with the residual terrorism and opposition that we continue to confront. We will not understand what is happening right now in Iraq by analogies to Vietnam because I think they are all together misplaced, and one could speak at length about it.

If you want to understand what is happening right now in Iraq I suggest a movie that was quite well known to a number of people some years ago. Maybe not many in this audience, given the age of some present, but it's a movie which deals with a reality which is very similar to that that we confront today in Baghdad. It's called "The Battle For Algiers." It is a movie that deals with what happened in Algeria after the Algerian Liberation Army was defeated in the field by the French army and the resistance which used urban violence, bombs, assassinations, and turned Algiers into a continuing battle that eventually wore down the French.

I do not expect we'll be worn down, but I think we want to understand the dynamics of the resistance. This provides a much better analogy for grappling with what is becoming an increasingly painful and difficult challenge for us. A challenge which will be more successful in meeting if we have more friends engaged in meeting it and if more Iraqis begin to feel that they are responsible for the key decisions pertaining to their country.

We will not turn the Middle East into a zone of peace instead of a zone of violence unless we more clearly identify the United States with the pursuit of peace in the Israeli/Palestinian relationship. Palestinian terrorism has to be rejected and condemned, yes. But it should not be translated de facto into a policy of support for a really increasingly brutal repression, colonial settlements and a new wall.

Let us not kid ourselves. At stake is the destiny of a democratic country, Israel, to the security of which, the well-being of which, the United States has been committed historically for more than half a century for very good historical and moral reasons. But soon there will be no option of a two-state solution.

Soon the reality of the settlements which are colonial fortifications on the hill with swimming pools next to favelas below where there's no drinking water and where the population is 50 percent unemployed, there will be no opportunity for a two-state solution with a wall that cuts up the West Bank even more and creates more human suffering.

Indeed as some Israelis have lately pointed out, and I emphasize some Israelis have lately pointed out, increasingly the only prospect if this continues is Israel becoming increasingly like apartheid South Africa—the minority dominating the majority, locked in a conflict from which there is no extraction. If we want to prevent this the United States above all else must identify itself with peace and help those who are the majority in Israel, who want peace and are prepared to accept peace.

All public opinion polls show that and the majority of the Palestinians, and I believe the majority of the Jewish community in this country which is liberal, open-minded, idealistic and not committed to extremist repressions.

The United States as the government, but all of us as citizens and Democrats particularly, will soon have an opportunity to underline their commitments to a peaceful solution in the Middle East because in the next two weeks a group of Israelis and Palestinians are going to unveil a detailed peace plan on which they have been working for months and months. It's a fifty-page document with maps and detailed compromise solutions for all of the major contentious issues, solutions which opinion shows 70 percent of the Israelis would accept.

When that happens what will be the stance of the United States? Sharon has already condemned it, and not surprisingly. I hope we do not decide to condemn it. I hope we will show at least a positive interest, and many of us as citizens, as people concerned, should I think endorse it because if we count on the people who want peace eventually we will move towards peace. But they have to be mobilized and given support.

I think one of the reasons that that support from the United States has not been forthcoming is in fact political cowardice which I think is unjustified because I have real confidence in the good judgment, both of the Israeli people and of the American Jewish community and more basically of the basic American preference for a moderate peaceful solution.

The last third area pertains more broadly to strategic doctrine and to strategic commitment. It involves trying to deal with nuclear proliferation, and we are learning fortunately that we can only deal with that problem when it comes to North Korea or to Iran by cooperation with other major powers.

That we have to support, and if the administration moves in that direction or is prodded to move in that direction that is all to the good because there is no alternative. If we to resolve the North Korean problem by arms alone we will produce a violent reaction against the United States in South Korea—and don't underestimate the growing anti-American tendencies in South Korean nationalism—and will precipitate a nuclear armed Japan and thereby create a whole duel strategic dynamic in the Far East.

In the case of Iran it is also in our interest that the theocratic despotism fade. It is beginning to fade. It is in its thermidorian phase. The young people of Iran are increasingly alienated. The women of Iran are increasingly assertive and bold. Notice the reception given to the Nobel Peace Prize winner when she returned to Tehran. That is a symptom of things to come.

And if we take preemptory action we will reinforce the worst tendencies in the theocratic fundamentalist regime, not to speak about the widening of the zone of conflict in the Middle East. But beyond that we still have one more challenge in the area of strategic doctrine which is how to respond to the new conditions of uncertainty of weapons of mass destruction perhaps eventually being available to terrorist groups.

Here I think it is terribly important not to plunge headlong into the tempting notion that we will preempt unilaterally on suspicion which is what the doctrine right now amounts to. The reason for that being we simply do not know enough to be able to preempt with confidence. That to me involves one fundamentally important lesson. We have to undertake a genuine national effort to revitalize and restructure our intelligence services.

For four years I was the principal channel of intelligence to the President of the United States. We had a pretty good idea of the nature of the security challenge that we faced because the challenge itself was based on a highly advanced scientific technological system of arms. Today the problem is much more difficult.

It's more elusive. We're not dealing with nuclear silos and coordinated structures necessary for an effective assault on American security, structures that we could begin to decipher and also technologically seek to undermine or in the event of warfare paralyze. We were really remarkably well informed and in some respects prepared for a central nuclear war to a degree to which we certainly are not today in dealing with the new challenges of security.

These can only be addressed if we have what we do not have, a really effective intelligence service. I find it appalling that when we went into Iraq we did not know if they had weapons of mass destruction. We thought they had weapons of mass destruction based largely on extrapolation. But that also means that our commanders in the field went into battle without any knowledge of the Iraqi WMD order of battle.

They did not know what units, brigades or divisions in the Iraqi armed forces were equipped with what kind, allegedly, of weapons of mass destruction. Were there chemical weapons on the battalion level or on the brigade level or were there special units in the different divisions that were supposed to use chemical weapons?

What about the alleged existence of bacteriological weapons? Who had them? Who had the right to dispose of them? What about the allegedly reconstituted nuclear program? At what level of development was it? Where were these weapons to be deployed? The fact is none of that was known regarding a country that was permeable, that was not as isolated as the Soviet Union.

All of that cumulatively testifies to a fundamental shortcoming in our national security policy. If we want to lead we have to have other countries trust us. When we speak that have to think it is the truth. This is why DeGaulle said what he did. This is why others believed us. This is why they believed us prior to the war in Iraq.

It isn't that the Norwegians or the Germans or whoever else had their own independent intelligence services. They believed us, and they no longer do. To correct that we have to have an intelligence that speaks with authority, that can be trusted, and if preemption becomes necessary can truly tell us that as a last resort preemption is necessary. Right now there's no way of knowing.

Ultimately at issue, and I end on this, is the relationship between the new requirements of security and the traditions of American idealism. We have for decades and decades played a unique role in the world because we were viewed as a society that was generally committed to certain ideals and that we were prepared to practice them at home and to defend them abroad.

Today for the first time our commitment to idealism worldwide is challenged by a sense of security vulnerability. We have to be very careful in that setting not to become self-centered, preoccupied only with ourselves and subordinate everything else in the world to an exaggerated sense of insecurity.

We are going to live in an insecure world. It cannot be avoided. We have to learn to live in it with dignity, with idealism, with steadfastness. Thank you.

FAIR AND ACCURATE CREDIT TRANSACTIONS ACT

Mr. BENNETT. Mr. President, this past Saturday, November 22, 2003, the Senate passed the Fair and Accurate

Credit Transactions Act of 2003. Section 214 of the conference report, entitled "Affiliate Sharing," adds a new requirement for a notice and an opportunity for a consumer to opt-out of receiving solicitations from a person based on information that has been shared from an affiliate of that person

Several exceptions to the notice and opt-out requirement are included in the bill. The first, and most logical one, is an exception for a business sending solicitations to its own customers. The conference report defines this as a "pre-existing business relationship."

The conference report further defines categories of relationships that qualify as a "pre-existing business relationship" and directs the regulators, including the Federal Trade Commission, to use their regulatory discretion to deem any "any other pre-existing customer relationship" as qualifying for the definition that may be appropriate but not clear from the statute.

The first category of relationships that the conference report definition of "pre-existing business relationship" lists is a relationship based on "a financial contract between a person and a consumer which is in force." "Financial contract," however, is not defined and it is not clear on its face what the term describes. In any case, I believe the operative concern is that it must be a contract in force.

As a conference, I believe the conference report intends that the term "pre-existing business relationship" includes a contractual relationship between a consumer and a person, where the consumer has requested the provision of a good or service, or affirmatively registered to receive a service, whether or not a fee is assessed.

Certain business models, such as those in the online world, do not follow the traditional fee for services model that characterizes the brick and mortar world. Financial consideration may not exchange up front with a customer, or at all for that matter. Accordingly, I urge the regulators to factor in new and innovative business models when issuing the regulations implementing section 214 of the Fair and Accurate Credit Transactions Act of 2003, particularly with regard to the definition of "pre-existing business relationship."

ENERGY POLICY ACT OF 2003

Mr. JEFFORDS. Mr. President, I have raised concerns about the troubling environmental provisions contained in the energy bill conference report several times during the course of debate on the measure, but I also wanted to share my concerns regarding the energy provisions of the bill. Energy policy is an important issue for America and one which my Vermont constituents take very seriously. The bill before us seeks to address important issues, such as the role of domestic production of energy resources versus foreign imports, the tradeoffs between the need for energy and the need to protect the quality of our environment, and the need for additional domestic efforts to support improvements in our energy efficiency, and the wisest use of our energy resources. Given the importance of energy policy, this bill is a very serious matter and I do not take a decision to oppose such a bill lightly. In my view, this conference report does not achieve the correct balance on several important energy issues, as well as on a number of environmental issues.

In my work on this legislation, I have heard from large numbers of my constituents. They generally regard the bill as legislation written by a handful of people with the purpose of rolling back environmental protections and providing big corporations with giveaways at the expense of average Americans. Wally Elton from Springfield, VT called my office last Tuesday to voice his many concerns about the bill. Mr. Elton is skeptical about many facets of this legislation. "It makes energy the top priority for public lands, it relaxes clean air and clean water standards, which will have bad effects on public health. There is nothing for conservation—it is all about giving companies subsidies and granting them everything on their 'wish list'. In a time of deficit, we should not be doing this."

In short, Mr. Elton has deep concern regarding all aspects of this bill, right down to the way it was produced. "The bill is not a reconciliation of two bills, and was not the product of bipartisan effort," he said. "They just started over."

Many people echo Mr. Elton's concern about this bill being written behind closed doors, in "secret." My constituents tell me that a bill written without the valid contributions of a wide range of people will not reflect the feelings of the majority of Americans. It is widely known as "Cheney's bill."

Carol Groom of Warren said "They are rolling back our environmental protections and cleanup of MBTE will be put on the taxpayers." Mary Lou Treat of Putney, VT is worried about respiratory diseases caused from pollutants from coal-burning factories, while Catherine Audetter, also of Putney, said "wary of this legislation's unusual support of oil" and lack of focus on renewables. Susanna Liepmann of South Strafford is concerned about wildlife protection.

An energy expert in my State likened this bill to a horror movie: "My strong recommendation is to oppose this bill in any way you can. This bill should have been released on Halloween—it's a Frankenstein monster of mismatched body parts, most of them bad in and of themselves, and even worse when patched together."

For example, in the electricity title, it strengthens the hand of FERC by permitting mandatory reliability standards, which is fine, but not as big an improvement as some claim. But it weakens the hand of FERC to require transmission companies to join RTOs, and blocks FERC's hand on moving to better market structures. In New England, this means that transmission companies now rule the roost, and can essentially dictate terms to the ISO—because their participation in the regional pool is voluntary. These are the regional monopolists—why is our ability to regulate them on a regional basis made subject to their voluntary agreement?

For another example, this bill is deferring to States by holding back FERC from mandating regional markets; but it harms States by repealing PUHCA without any meaningful replacement. Two years after the Enron disaster, and associated revelations and bankruptcies of many other major players, why are we are repealing PUHCA without any serious look at what would be needed instead?

Of course, at a more fundamental level, a bill that gives enormous benefits to fossil extraction industries and does not improve CAFE standards is an embarrassment. The failure is mirrored on the electricity side, where it gives incentives for supply side electricity production and delivery with merely face-saving measures to advance efficiency and renewables. The list could go on.

My recommendation to the Senate is to put the Frankenstein bill out of its misery. Stop it any way you can. A filibuster is in order—and it should be about a lot more than MBTE.

These examples serve to express my constituents' frustration with this legislation. And their concern is reflected by communication that I have had with other energy sector experts as well. Ralph Nader, long regarded as an expert in vehicle fuel economy, is deeply concerned that this bill does nothing to increase the average fuel efficiency of our passenger cars, which is the worst in 20 years.

Steven M. Nadel, executive director of the American Council for an Energy-Efficient Economy, said in the New York Times on November 21, 2003, that the vehicle and energy efficiency provisions of the current energy bill "are only a Band-Aid." The 3-month investigation released by a joint U.S.-Canada government task force on the blackout documents a significant and overriding reason for the cascading outage that knocked out electricity from New York to Toronto to Detroit: No one was in charge of the sprawling, heavily loaded and trouble-prone part of the transmission grid running around Lake Erie. The portion of the midwestern grid centered in Ohio has long worried industry regulators, and the energy bill does create operating rules to lessen the risk of blackouts. But this conference report could do much more for reliability such as establishing uniform net metering requirements, promoting the upgrade of existing infrastructure rather than creating a frenzy over the construction of new lines, and investing in the deployment of new transmission technologies.

Finally, I have heard from Norman Milleron, former member of Berkeley's Energy Commission in the 1970s, that the country could be doing much more to capture natural gas that is lost or inefficiently combusted at centrally located powerplants, promote the use of distributed generation, and advance research to promote energy efficiency and more effectively generate electricity from biomass.

This bill should have contained a renewable portfolio standard requiring electric utilities to generate or purchase a percentage of the electricity they sell from renewable sources. Fifty-three Senators support such a requirement, more than a majority of this body. We can and should do better on renewable energy sources. This bill should have set a serious target, we should have had a floor debate on this issue, and it should have been in the conference report.

In addition, this bill repeals the proconsumer Public Utility Holding Company Act, among the Federal Government's most important mechanisms to protect electricity consumers. The conference report fails to protect electricity consumers, investors, and small businesses from abusive transactions between utilities and affiliate companies within the same corporate family. It also failed to include an amendment that I cosponsored, offered by the Senator from Washington, Ms. CANTWELL, to the fiscal year 2004 Agriculture Appropriations bill, which banned all of the Enron-like trading schemes. The Cantwell amendment passed with the support of 57 Senators, and should have been added to this bill.

As I have said before, the American people deserve better than this bill, and I cannot vote in favor of it as currently drafted. Both the environmental and the energy provisions of this measure will need to be greatly improved when we return next year to get my vote.

Mr. ROCKEFELLER. Mr. President, this past Friday I voted against the Energy bill conference report that was before the Senate. I did this despite having worked for many years on some of the bill's components that I believe will be good for West Virginia and the Nation, such as tax incentives and related research and development of clean coal technologies, incentives to increase domestic energy production through an expansion of existing credits for production from non-conventional sources, and incentives to promote greater use of alternative fuel vehicles. However, presented with the complete package under consideration, I had no qualms about voting to continue debate and to stop a vote on final passage.

As a Senator from a State where coal is not merely a home state industry, but a part of the spirit of the place, I did not come to this conclusion easily. Many parts of this bill will have little or no direct impact on my State, while parts of the bill could help West Virginia. My first concern when looking at any bill is how it will affect West Virginians. Only then do I look at the broader scope of legislation. In this instance, these concerns coincide. Balancing all that is good against all that is bad in a large and complex bill, I believe this energy bill will do more harm than good to my state, especially to its coal industry, and to the nation as a whole.

The failure to produce a bill the Senate could pass is especially frustrating to me because I have argued for my entire Senate career that the country desperately needs a comprehensive and responsible energy policy. Recently this need has become obvious even to the casual observer. Huge portions of the population suffer blackouts, high natural gas prices threaten our manufacturing base, and highly volatile gasoline prices hurt so many of our citizens. Factors like these compel Congress to make prudent energy policy decisions for our nation. These include developing our domestic energy resources where it can be done without harming the environment, such as is the case with natural gas exploration in the Appalachian Basin that I have promoted by working to extend tax incentives for the types of non-conventional terrain common there. It should include funding advancements in technology, as I have advocated with my support for clean coal tax incentives and related R&D, to preserve the long-term viability of our coal industry. .It should include common-sense programs to protect miners and other energy industry workers who do the dangerous work that allows our economy to grow. An energy policy we can all support would do more than pay lip service to improving the reliability of our electrical grid, or to the efficiency and conservation measures that must be part of an effective national energy strategy.

I am sad to say that the Energy conference report misses the mark. We would have done better to simply pass the much more balanced bill the Senate passed in 2002, and again this year. I encourage my Republican colleagues in the strongest terms possible to use that bill as a guide, and to move quickly, with active bipartisan cooperation, on this important issue early next year. This will produce a bill that will enjoy support on both sides of the aisle. I will not hesitate to oppose another flawed bill, like the one we rejected last week that I believe would hurt my State of West Virginia, no matter how many times the majority seeks to shut off debate.

This is a bill I had hoped would help sustain the long-term health of the coal industry. I recognize that the bill contains some clean coal tax incentives, which I have worked hard for years to enact into law, and related research and development. Unfortunately, an Energy conference closedout to Democrats made damaging cuts of 20 percent or more to Senate provisions designed to move the utility industry toward emission-free coal-fired power plants in the foreseeable future. The R&D goal of $2 billion over 10 years was cut, and then further diluted by including earmarked loan guarantees, including one to strip clean coal technology out of an Alaska demonstration project and reconfigure it as a conventional coal plant. The tax provisions, already reduced from a level coal and utility industry experts project as necessary to truly drive technological development, were cut further. That money was shifted to allow the oil and gas industries to receive almost 49 percent of all tax incentives, while coal, which produces more than 50 percent of the nation's electricity, has to be satisfied with only about 10 percent of the benefit of the bill.

What is probably most troubling for my State of West Virginia is that this bill would tilt a playing field that is far from level already dramatically in the direction of western coal. Under this legislation, companies out west that mine coal on public lands will be required to conduct much less stringent environmental analysis, and then be reimbursed by taxpayers for any costs incurred. At the same time, these companies will be able to mine this coal the taxpayers' coal—and pay lower royalties than have been required until now. Coal from the Powder River Basin is already cost-competitive in parts of the eastern United States with coal mined in Appalachia. Finally, this bill includes a completely unjustified repeal of a 4.3 cent per gallon excise tax railroads pay on diesel fuel, which will make it even cheaper for western coal companies to flood the eastern United States with their product.

Further, I am simply astonished that in a bill that gives an unprecedented amount of taxpayer money to special interests, and which purports to support coal, that House conferees not from coal states demanded that a small but critical provision of mine from last year's Senate bill be removed. This provision, which would have added no additional cost to the bill, called upon the Secretary of Labor to hire, train, and deploy as many Mine Safety Inspectors as she is currently authorized to have. This was meant to overcome a decline in the number of mine inspectors, and therefore, in mine inspections, that predates this administration. This situation, where mine inspectors spend far more time on the road traveling between mines than they ever spend inspecting them for compliance with federal health and safety rules, will become untenable if the nearly 25 percent of inspectors scheduled to retire in the next three to five years actually leave the already-depleted workforce. Let me reiterate: No new authorization; no demand for additional personnel to make sure the coal mines in this country are safe for the miners producing the fuel that generates more than half our electricity. Just hire and train them now so that planned retirements do not leave our miners unprotected by qualified Mine Safety Inspectors. Secretary Chao signed off on the provision last year, and in 2003, Senator DOMENICI included it in his version of the bill. But it's not in the conference report. I wonder how, in an energy bill that is supposed to be about maximizing our domestic production, we can look the other way at miners' safety.

I would be remiss, if I did not give credit where credit is due. I have worked for many years on incentives to promote natural gas development from non-conventional sources. These so-called section 29 credits, including incentives for the capture of coalmine methane and the production of coke, would, respectively, reinvigorate natural gas drilling in the Appalachian Basin, lower the production costs and increase the safety of coal mining, and help the struggling American steel industry get back on its feet. I have advocated for these incentives during my entire career because I understand how much they would help my State of West Virginia. I was proud, both last year and in 2003, to lead a broad bipartisan coalition in the Senate pushing for extension and expansion of section 29. With regard to these provisions I commend the conferees. Unlike many pieces of our bill that went into conference with the House, I believe the section 29 provisions in the conference report have been greatly improved.

I trust that few Senators cast many votes that are decided purely on the numbers. How much something costs, or how much are we willing to give to this industry or that one play into our decisions, to be sure. But for this Senator, at least, figures tend to be obliterated by the people our actions are helping. We had a chance in this conference report to help a group of people I have taken into my heart, and for whom I probably have spent more hours working than any other. I am speaking of retired coal miners and their surviving spouses.

The Coal Act was created to protect the promise of lifetime health benefits for coal miners, who fueled the nation's post World War II economic growth, and who made salary and pension concessions in exchange for those health benefits. The Coal Act fulfilled a promise first made by President Truman in his 1946 agreement with legendary UMWA President John L. Lewis. In response to a coal strike in the late 1980s and a looming crisis in the miners' health funds, the first Bush administration created the Coal Commission to find a long term solution. Those recommendations became the basis for the Coal Act, which protected the health benefits of more than 100,000 retired miners. Today, there are almost 50,000 retired miners and widows who depend on the Coal Act for their health care security—their average age is about 78. Since enactment, the Coal Act has faced many challenges, but the combination of sharply escalating drug costs and a series of negative court decisions have resulted in a serious deficit in the Funds. That deficit will mean a cut in health benefits next year if Congress does not act to stop it.

We had a chance, in the Energy conference, to shore up the Combined Benefit Fund while also helping make states whole with regard to what was owed them in outstanding Abandoned Mine Land contributions. I have heard promises that both Senate and House Chairmen have made to deal with this issue next year, when the AML Fund is up for reauthorization. For the 80-year old miners' widows who are facing a benefit cut next February, they have heard promises before, but in their behalf I must say that I sincerely hope that next year is not too late.

I am not happy that I must vote against this bill. I am sorry for my State of West Virginia, because it deserves better than this bill gives it. I'm sorry that our balanced bill of 2002 has been replaced with this lopsided monstrosity. I will continue to push my colleagues for a balanced and responsible energy policy for this nation, and I look forward to a time, hopefully soon, when I can vote for such a bill.

AGROTERRORISM: THE THREAT TO AMERICA'S BREADBASKET

Mr. AKAKA. Mr. President, I rise today to discuss how to prepare our Nation against a terrorist attack on our agriculture. Senator COLLINS, chairman of the Governmental Affairs Committee, is to be commended for holding a hearing last week on a critical issue which has received little congressional attention. I am deeply concerned about our agricultural security. In July and October 2001, I held two hearings on the Nation's preparedness for a bioterror attack. The threat to our agricultural industry by potential terrorists is not imagined; it is very real.

One expert likened the American agricultural industry to a large bulls-eye stamped across the United States. Dr. Peter Chalk, a RAND policy analyst, testified that an attack on American livestock could be extremely attractive to a terrorist for the following four reasons: (1) a low level of technology is needed to do considerable damage, (2) at least 15 pathogens have the capability of severely harming the agriculture industry, (3) a terrorist would not need to be at great personal risk in order to carry out a successful attack, and (4) a disease could spread quickly throughout a city, state, or even the country.

In Afghanistan, hundreds of pages of U.S. agricultural documents were discovered in al-Qaeda's possession. A recent unclassified CIA report confirmed that the September 11th hijackers were attempting to gain knowledge and access to crop-dusting aircraft which could be used to easily contaminate America's food supply.

An agroterrorisk attack would have severe economic costs to agricultural producers, State and Federal Governments, and exporters of U.S. food products. The widespread contamination of American produce or livestock could cause mass panic and long-lasting fear of American produced food products. Dr. Chalk cited a study conducted in California that concluded that "each day of delay in instituting effective eradication and control measures would cost the state $1 billion in trade sanctions." The economic repercussions are almost unimaginable.

Yet within the Federal Government, no agency has the clear responsibility for preventing and containing an agroterrorist attack. Over 30 Federal agencies have jurisdiction over some part of the response process. This bifurcation of jurisdiction contributes to confusion among local and State officials as to where to turn for assistance and advice. According to a recent General Accounting Office, GAO, report Federal agencies are confused about the chain of command. The report states that neither the Food and Drug Administration, FDA, nor the Department of Agriculture, USDA, believe that they have the authority to enforce security at U.S. food processing plants. GAO states that "both FDA and USDA have instructed their field inspection personnel to refrain from enforcing any aspects of the security guidelines because the agencies generally believe that they lack such authority."

When questioned at the Governmental Affairs Committee hearing last week, Dr. Penrose Albright, Assistant Secretary for Science and Technology in the Department of Homeland Security, DHS, indicated that the responsibility of leadership would likely fall to DHS in the event of an intentional attack on the Nation's agriculture and stated that DHS "takes these responsibilities seriously," but stopped short of asserting that the new department had overall responsibility. I have asked DHS for clarification on this issue.

Dr. Albright also said that an unintentional contamination of American agriculture would not involve DHS. His response demonstrates a serious deficiency in the Federal Government's crisis response procedure. If there were an incident, who would lead the response in the hours or days before the cause of an outbreak was known? One agency must shoulder the responsibility for coordinating an immediate response regardless of the cause.

To address these concerns, I introduced two bills, S. 427, the Agriculture Security Assistance Act, and S. 430, the Agriculture Security Preparedness Act, to increase the coordination in confronting the threat to America's agriculture industry and provide the needed resources. My legislation provides for better funding and a better coordinated response and defense to an agroterrorist attack.

The Agriculture Security Assistance Act would assist States and communities in responding to threats to the agriculture industry. The measure authorizes funds for communities and states to increase their ability to handle a crisis. It also encourages animal health professionals to participate in community emergency planning activities to assist farmers in strengthening their defenses against a terrorist threat.

The Agriculture Security Preparedness Act would enable better interagency coordination within the Federal Government. The legislation establishes senior level liaisons in the Departments of Homeland Security and Health and Human Services to coordinate with USDA on agricultural disease emergency management and response. The bill also requires DHS and USDA to work with the Department of Transportation to address the risks associated with transporting Animals, plants, and people between and around farms.

No doubt a terrorist attack on American agriculture could have a devastating effect on the United States. Our Nation's capability to counter such an attack is increasing, but more needs to be done. My two bills would help our Nation act now so that a future agroterrorist attack can be avoided or quickly responded to before the damage in lives or livestock is too great. I urge my colleagues to support this overdue legislation.

OVERTIME PAY

Mr. HARKIN. Mr. President, we are sent here to do the people's business, but one critical piece of the people's business is missing in this omnibus bill that was filed today. There is one shameful omission.

Both Houses of Congress, on a bipartisan basis, voted for my amendment to block the administration's proposed new rule on overtime. Both Houses voted to block the administration's radical rewrite of the Nation's overtime laws. That amendment passed 54 to 45 in the Senate, and 221 to 203 over in the House. The Congress of the United States spoke up—clear as a bell—and said, "No, the administration must not strip overtime rights from 8 million American workers."

The administration refused to accept this act of defiance by Congress. The administration ordered its foot soldiers in the House of Representatives to strip this provision from the omnibus. Senator SPECTER and I fought to keep it in, but the administration refused any cooperation or compromise. In the end, just like that, the administration nullified the clear will of both Houses of Congress and the American public.

I believe this is an abuse of power, and there is a clear pattern to this abuse of power. Time and again, we see this administration dictating to Congress, nullifying the work of Congress, running roughshod over the will of Congress.

This administration seems to believe in Government by one branch—the executive branch. When the executive branch speaks, the administration's allies in Congress must obediently fall in line. And, time and again, they do. They act as a rubber stamp. They give the President a blank check.

This is dangerous to our constitutional system. The Founding Fathers did not talk about blank checks. They talked about checks and balances. In the Federalist Papers they specifically talked about the danger of allowing any one branch to reign supreme.

Instead of independent, coequal branches of Government, today the executive branch does, indeed, reign supreme. Time and again, this administration dictates to Congress, and Congress submits—even when both Houses of Congress have previously voted to the contrary.

The problem with having the executive branch dictating to the legislative branch—the problem with discarding checks and balances—is that it results in bad public policy, and that is exactly what we see here, today.

Both Houses of Congress, with bipartisan majorities, voted to block the administration's proposed overtime rule. This was the right thing to do. It was the correct public policy choice because this new rule is a stealth attack on the 40-hour workweek, pushed by the White House without a single public hearing. It will effectively end overtime pay for dozens of occupations, including nurses, police officers, firefighters, clerical workers, airtraffic controllers, social workers, and journalists.

This proposal is a slap in the face to the millions of American workers who depend on overtime pay to support their families and make ends meet. We're not talking about spare change, here. We are talking about taking away some 25 percent of the income of many American workers.

Now that Congress's vote and voice have been nullified, we are hearing that the Department of Labor could issue this new rule in the coming weeks. But I am here to serve notice that I will not give up, nor will others who have fought this.

The American people will not allow us to drop this issue. They have been watching this issue closely, because it hits so close to home. I pledge that I will offer the overtime amendment to every piece of legislation until we succeed.

Let's be clear. This is not just about reversing a destructive, misguided measure. It is also about this Congress asserting its independence and refusing to have its votes nullified at the whim of this administration.

BLOCKING THE ENFORCEMENT OF OUR NATION'S GUN SAFETY LAWS

Mr. LEVIN. Mr. President, the House-passed version of the Commerce, Justice and State Departments Appropriations Bill included provisions that, if adopted, would severely hamper efforts of the Bureau of Alcohol, Tobacco, Firearms and Explosives (BATFE) to enforce our nation's gun safety laws.

Under current law, dealers are required to notify the BATFE of the sale of two or more handguns to the same person within five business days. The House-passed provisions would prohibit the public release of information related to multiple handgun sales. The House language would also prohibit the release of information related to tracing requests on guns used in crimes. Eliminating the public availability of this data would make it more difficult to monitor the activities of reckless gun dealers.

In addition, the House-passed language would prohibit the BATFE from issuing a rule requiring Federal Firearm Licensees to take a physical inventory of their firearms. A physical inventory recently revealed that a Tacoma, WA, gun dealer could not account for the sniper rifle used by the Washington, D.C. area sniper and more than 200 other guns. The House language would have required the immediate destruction of records of approved firearms purchases and transfers generated by the National Instant Criminal Background Check System. The retention of these records has assisted law enforcement officials trying to prevent guns from getting into the hands of criminals and identifying gun trafficking patterns.

The House-passed provisions were never the subject of hearings and are not supported by any major law enforcement organizations. They could shield reckless and negligent gun dealers from public scrutiny and weaken the BATFE's oversight and enforcement authority. They should not be adopted by the Senate.

ADDITIONAL STATEMENTS

RECOGNIZING THE 1ST ANNUAL MARCH OF DIMES RADIO BROADCASTERS FOR BABIES EVENT

• Mr. BOND. Mr. President, today I recognize the St. Louis radio community for joining together to pioneer the 1st Annual March of Dimes Radio Broadcasters For Babies Event at the Saint Louis Galleria on November 8, 2003. This was the first event of its kind nationwide. Together, Clear Channel Radio, Emmis Broadcasting, Bonneville St. Louis Radio Group, KTRS The Big 550, 1380 THE TEAM, Q95.5 Radio One, Classic 99 and Infinity Radio raised almost $300,000 to support research and programs to save babies from premature birth, the leading cause of birth defects and infant mortality.

One out of every eight babies in the U.S. is born prematurely, some so tiny they can't even cry. In nearly half of these cases, no one knows why. With their 5 year, $75 million Prematurity Campaign—no one is working harder than the March of Dimes to find out why babies are born too soon. I commend the St. Louis radio community for their support of the March of Dimes. With their help we will find the causes of premature birth and gain more knowledge to save more babies.•

OREGON HEALTH CARE HERO

• Mr. SMITH. Mr. President, I rise today to salute a trio of Oregon Health Care Heroes. Three agencies, El Programa Hispano, the Desarrollo Integral de la Familia, and the Oregon Council for Hispanic Advancement, are working together to provide much needed mental health services to Oregon's growing Latino community. Their combined effort is helping clients improve relationships, find a listening ear and access the services they need to live healthier lives.

Funded by a grant from Multnomah County, the agencies work with Latino families and individual clients facing a variety of challenges: from depression and anxiety to post-traumatic stress and domestic abuse. Part of the success of this project is that counselor and client share language and culture. Before these agencies began serving clients, finding a counselor who speaks Spanish or understands Mexican and Latin American cultures was next to impossible.

In a recent profile published by the Portland Oregonian, counselor Marcos T. Sanchez discussed the importance of sharing language and culture with clients.

> It makes such a big difference when you come in and the receptionist can speak to you in Spanish. People walking by can say, "Have you been helped?" When you go to the clinic, you're already feeling alienated. But if you don't have to risk as much to get these services, you are much better off.

The project is also successful because it networks within the Latino community and employs nontraditional methods to help clients. Therapists conduct home visits to work with whole families and to better understand the needs of individual clients. This individualized approach to care, combined with culturally sensitive services, will ensure that quality care reaches those who need it most. As the service expands, it will serve as a national model for bringing together the best in community care and mental health services.

Through the vision of the Latino Network and the resources of Multnomah County, these agencies are reaching people in need. They connect with people and care for clients in a unique way that is making a real difference in the lives of Latino Oregonians. I thank El Programa Hispano, the Oregon Council for Hispanic Advancement and the Desarrollo Integral de la Familia for their excellent work. They are heroes to the people they serve and to all Oregonians.•

TRIBUTE TO C. BOOTH WALLENTINE

• Mr. HATCH. Mr. President, I give tribute to my dear friend C. Booth Wallentine, who, just days ago, began a very well earned retirement after serving for 41 years in the Farm Bureau. Thirty-one of those years he served as the executive director of the Utah Farm Bureau.

Booth is an institution in my State, and I have to say that when agriculture issues come up, my first question often is, "What's Booth's take on this?" Even on rare occasions when we have disagreed on an issue, I found it valuable to understand his perspective. As far as I am concerned, nobody knows agriculture in Utah like Booth Wallentine, and I dare say that no state Farm Bureau director knows Congress and the legislative process like Booth Wallentine, either.

This combination of expertise in the substance and in the process of agriculture policy-making has helped to set Booth apart as a highly effective advocate on behalf of Utah agriculture interests. It has also helped him to provide service in various other ways. He served as vice chairman of the Salt Lake Chamber of Commerce as well as chairman of the board of Utah State University. Remarkably, both institutions awarded him their respective distinguished service awards. He also served as the president of the Utah Council on Economic Education and chaired the Utah Farm Service Agency Committee on Risk Management. Somehow he found the time to help establish the National Mormon Pioneer Trail Foundation and was asked to chair the Department of the Interior's Historic Trail Commission.

But wait a minute, there's more. Booth Wallentine was Utah State University's very first inductee in their Agriculture Hall of Fame, he was named the Future Farmers of America Farm Leader of the Year, a Friend of the Cattlemen, a Friend of Utah Wool Growers, and he earned the Utah State Extension Leadership Award. Booth was also officially recognized by the Environmental Protection Agency for his environmental leadership in helping farmers to improve Utah's water quality.

I should point out that this is not a complete list, but it serves to make the point that Booth Wallentine is a great American. He has helped Utah in so many ways.

I know that I will miss him dearly, but I gain some comfort knowing that while he goes into retirement, we continue to benefit from the wisdom he shared with us and the legacy he has left. I thank my friend, Booth Wallentine for serving so long and so well. I pray that the Lord will bless him and his sweet wife, Raeda, in their retirement.•

TRIBUTE TO PHILIP SHANNON

• Mr. DODD. Mr. President, I rise in tribute to Philip J. Shannon, of Norwich, CT, passed away on Tuesday, November 11, 2003, at the age of 85. Philip was a dedicated public servant, a loyal Democrat, and above all, a good friend.

He was a Norwich native who would dedicate much of his life to serving the people of his hometown. He graduated from St. Patrick's School and the Norwich Free Academy. Like so many in Norwich and across the State of Connecticut, he would go on to work in the manufacturing industry as a machinist at Pratt and Whitney and as a partner at the Norwich Machine and Tool Company.

During his decades of work as a public official in Norwich, Philip was never one to stay silent on any issue that he felt was important to the citizens of that city. That approach won him many allies, and it certainly earned him his share of critics. But everyone admired the passion and the dedication that Philip Shannon brought to his many years of public service.

He helped spearhead a series of important local projects, including the Norwich Golf Course and development along route 82. He also had the foresight to successfully campaign against selling the city's public utilities department to a private corporation. The decision to keep the department ultimately made the city more money than it would have received from the sale.

Those are only a few of Philip Shannon's many accomplishments. In the words of Bill Stanley, a former State Senator, "he did more for Norwich than anyone will ever know."

His work on behalf of the Democratic Party in Norwich was so tireless that he became known as "Mr. Democrat." He served as Democratic town chairman for 20 years and represented Connecticut's 19th District on the Democratic State Central Committee. In his role as a party leader, he recruited numerous candidates who went on to hold local and State offices.

Philip was as good to his friends as he was to the Democratic Party. He was a longtime friend of my father, and I will never forget how he supported me when I first ran for the Senate back in 1980.

Norwich is a better place today because of the efforts of Philip Shannon. He will be greatly missed, both by the people he served and by everyone who knew and loved him.

I offer my most heartfelt sympathies to Philip's wife Cresencia, his four children, six grandchildren, three great-grandchildren, and his entire family.●

JOSEPH W. McCRACKEN

● Mr. SMITH. Mr. President, I rise today to acknowledge the passing of Joseph W. McCracken on October 26, 2003.

For over 4 decades, Mr. McCracken represented the forest products industry in Oregon and other western States, as the Executive Vice President of Westen Forest Industries Association. Mr. McCracken represented a sector of the industry that I hold in particularly high esteem—a sector comprised of small, family-owned sawmills and plywood plants.

These are the mills that traditionally depended on our Federal forest lands for their supply of timber. These are the mills that are located in small rural communities where they provide the backbone of the local economy.

During his years of service to his industry, Joe McCracken was a fixture in his town and served as an advisor and mentor to many of our predecessors in this body. Warren Magnusen, Scoop Jackson, Mark Hatfield, Bob Packwood, Frank Church, Jim McClure, Jim Melcher, and other stalwarts of our western Senate delegation looked to Joe for counsel and advice on public land issues affecting his constituents.

He represented them with a passion and commitment that was exemplary. Joe McCracken was a visionary and was responsible for creating and influencing countless pieces of legislation and regulations that benefitted his industry, the people that work in it and the communities that depend on it.

The Small Business Set Aside Program, as just one example, assured small, family-owned mills a fair share of the Federal timber sold from our national forests and lands manager by the Bureau of Land Management.

Joe McCracken was a pioneer in crafting the policies and regulations affecting the Oregon and California Railroad lands in western Oregon, today known as the "O & C" lands. He did this both as a professional staff person for the Department of the Interior and as an advocate for his trade association.

Under Joe McCracken's representation, the small, family-owned mills throughout the west prospered. Many of them are under second and even third generation management. Unfortunately, many of them no longer exist.

After Joe's retirement in the early 90s, a sea change in Federal policies regulating the management of public forests unfolded to the point that very little timber is being provided from these forest lands and many of the mills have closed.

Unfortunately, these were the mills Mr. McCracken fought so hard to preserve. Those that have survived owe their existence largely to Joe McCracken.

Joe was born in Butte, MT in 1925. He served his country as a lieutenant in the United States Marines. He attended Princeton University where he earned a masters degree in political science.

He had a distinguished career with the Department of Interior, and specifically, the Bureau of Land Management prior to taking the leadership position with the Western Forest Industries Association.

Joe McCracken was a unique individual who left a profound imprint on the growth and evolution of public forest policy and the industry that is so closely dependent on public forest lands. His contributions to this body in assisting us in the thoughtful debate and deliberation of these important matters are worthy of our formal recognition.

I extend my heartfelt sympathy to Joe McCracken's wife Janet and his two children, Jon and Tamsen.●

THE LIFE OF BRIAN HOWELL

● Mr. FEINGOLD. Mr. President, today I pay tribute to a friend who lived his life in the service of his community and his family.

Brian Howell was a committed journalist, and his activities reached far beyond reporting and editing. He wrote eloquently about the importance of honest government, and voiced outrage when news broke of political corruption in Wisconsin's State legislature.

Brian worked his way to become editor of Madison Magazine, a position he took after serving as features editor of the Wisconsin State Journal.

Brian Howell's dedication extended to the University of Wisconsin-Madison, where he taught a course on public campaigns and publicity. Shortly after the attacks of September 11, Brian worked closely with students to publish an issue of their student magazine that captured the circumstances, changes, and emotions surrounding the attacks. Always eager to engage young writers, Brian knew the power of good journalism.

Brian's voice remained strong, even into his last days. He wrote openly about his disease, lung cancer. In calling for increased research about the disease, Howell knew that despite lung cancer's stigma and common association with tobacco, its sufferers deserved the same scientific dedication that other patients received.

Right before he passed, Brian received by telephone the UW-Madison journalism school's Director's Award for Distinguished Service to Journalism. He greatly deserved this high honor.

My wife Mary and I will truly miss Brian. He was a friend of ours for many years and my wife had the distinct pleasure of working with him at Madison Magazine. His friendship is something we will always treasure and hold close to our hearts.

Brian's death is a great loss to the Madison community and to Wisconsin as a whole. I am saddened by his passing and join in honoring his achievements. I know that he will live on through all that he accomplished, and through everything that he taught those of us fortunate enough to call him a friend.●

TRIBUTE TO PAUL WALLACE-BRODEUR

● Mr. JEFFORDS. Mr. President, today I pay tribute to Paul Wallace-Brodeur, an outstanding Vermonter and a national leader in the area of health care reform. As he prepares to retire from his position as director of the Office of Vermont Health Access in Waterbury, VT, it is important to reflect on how much one person can accomplish in serving others.

Paul has been on the forefront of providing individuals with greater access to the health care delivery system. As the State Medicaid director, which is Vermont's second largest insurance program, Paul helped Vermont obtain the distinction of having one of the lowest uninsured rates in the country. Under Paul's leadership, Vermont broadened its eligibility standards and was one of the first States in the country to expand Medicaid services to children under the Dr. Dynasaur program. During his tenure, Medicaid programs grew to cover 143,313 Vermonters.

Paul began his career in Vermont as a social worker at the Brandon Training School. He quickly rose to leadership positions as a direct provider and then consultant in the field of mental health, followed by his position as the chief social worker for the Vermont State Hospital. It came as no surprise to those of us who know Paul that he was selected in the mid-1980s to lead the State of Vermont's efforts in creating universal access to health care as the executive director of the Vermont Health Policy Council and through his work for the Vermont Health Care Authority. Also during the mid-1980s he spearheaded the creation of the Vermont Ethics Network, an organization dedicated to increasing the understanding of ethical issues, values, and choices in health and health care.

Over the course of 40 years, Paul has been involved with virtually every health policy initiative in Vermont, particularly the State's efforts to expand health coverage. He is personally responsible for authoring Vermont's 1115 waiver, which over the years, and with many amendments, has provided more expansive and flexible Medicaid services to Vermonters. In his quiet unassuming way, Paul is an integral part of the health care delivery system in Vermont and has gained recognition for being a national health policy leader and mentor. He has always brought a steadfast commitment and institutional knowledge to solving the problem at hand while maintaining a vision for improving Vermont's health care system.

Paul's unwavering commitment toward improving the health status of every Vermont citizen is a great lesson for all public servants. Vermont is truly indebted to him. His deep commitment to the citizens of the Green Mountain State has endeared him to us. He has our best wishes for the future.•

ALBERT W. BILLINGTON

• Mr. CHAFEE. Mr. President, I am pleased today to draw the Senate's attention to a public servant who has given meritorious service to Rhode Island and to the Nation.

Since 1981, Albert W. Billington has been a Special Agent with the Naval Criminal Investigative Service (NCIS). In December, Mr. Billington will retire from the NCIS. He leaves a record of achievement, and his service will be missed.

Al Billington graduated from Northeastern University in 1977 with a bachelor's degree in Criminal Justice. Beginning his career as a Special Agent, his first assignment was the San Francisco office where he investigated general criminal matters. Just 2 years later, he began a one-year assignment as the Special Agent Afloat aboard the *USS Enterprise* (CVN 65). During the tour, he led several high-profile investigations while the ship and battle group were deployed in the Western Pacific, and for this he received the NCISRA San Francisco Special Agent of the Year Award for Distinguished Service.

Later, Mr. Billington graduated from the Department of Defense Polygraph Institute in Anniston, AL, and was reassigned as a Special Agent Polygraph Examiner to the NIS Northeast Region Polygraph Site in New London, CT. He rose through the ranks first as the Site Manager and later as the Special Agent in Charge of The Polygraph Office.

As Division Head at NISHQ, he conducted oversight of all polygraph matters for the Department of the Navy.

In 1994, Al Billington was appointed Assistant Special Agent in Charge of the Northeast Field Office in Newport, RI, handling all criminal and fraud investigations.

In 1997, he was promoted and reassigned as the Special Agent in Charge of the NCIS Middle East Field Office in Bahrain. He served with distinction during this time of heightened alert and terrorist activity and was awarded the Navy Superior Civilian Service Award by VADM C.W. Moore, Commander Fifth Fleet, USN.

Two years later, he was transferred to NCIS Headquarters and served as the Deputy Assistant Director for Investigative Support.

In 2001, Mr. Billington assumed his present position as the Special Agent in Charge of the NCIS Washington, DC, Field Office.

Upon his retirement, Mr. Billington will be returning to his home in Portsmouth, RI, spending time with his wife, Bonnie, and son, Matthew.

I join with Al Billington's colleagues in expressing thanks for his dedication and valuable service to our Nation, and in wishing him success in all his future endeavors.•

70TH BIRTHDAY OF SAM MAYNES

• Mr. CAMPBELL. Mr. President, I rise today to congratulate Sam Maynes of Durango, CO, on his 70th birthday, although it would be more appropriate to congratulate those with the good fortune to have had Sam for an advocate or friend over the years. I have been lucky enough to count him as both.

While others have lived as many years, very few have achieved a legacy as significant and lasting as his will prove to be. The Southern Ute Tribe, Ute Mountain Ute Tribe, and all of southwestern Colorado will be enjoying the fruits of Sam's hard work long after the struggles and acrimony he endured these past decades have been forgotten. Those who time and again pronounced Animas-La Plata a lost cause obviously didn't know the stuff Sam was made of. I knew—and I knew that so long as there was any chance at all, he would keep fighting. Sam has a warrior's heart, and it was an honor to do battle alongside him.

There are generations of Coloradoans not yet born, who may never know the name of Sam Maynes, but who will live better lives because of his tenacity. So congratulations to them, Sam, and happy birthday to you.•

TRIBUTE TO VERMONT ASSOCIATES FOR TRAINING AND DEVELOPMENT, INC.

• Mr. JEFFORDS. Mr. President, today I would like to pay tribute to Vermont Associates for Training and Development as it celebrates 20 years of service in meeting the employment needs of Vermonters, age 55 and older, who are ready, willing, and able to work.

I also acknowledge the organization's founding executive director, Pat Elmer, for her vision, leadership, and management skills as she has guided the organization during the past two decades. The agency has developed a number of programs related to career counseling, job search, and computer training in order to prepare individuals for the work place. In addition, they provide on-the-job training stipends to allow people the opportunity to build their resumes through real-life work experiences.

Too often employers may overlook this valuable, and often untapped, resource, which older workers have to offer the workplace. I commend Vermont Associates for leading the way in changing the mindset of many companies by creating new opportunities for employees and employers alike.

As a member of the Senate Committee on Health, Education, Labor, and Pensions, HELP, which has jurisdiction over the Older Americans Act, I commend Vermont Associates for their wise and prudent use of funding from this act. Vermont Associates, and their colleagues across the country, were very helpful to me as I chaired the HELP Committee during the long-awaited reauthorization of this legislation.

I have a strong admiration for Pat's dedication and the many others, including board members and volunteers, who have built Vermont Associates. Vermont is grateful to Vermont Associates for their steadfast commitment to equal access to employment. Collectively, they have greatly improved the quality of life in our small State. For that, Vermont owes a great deal of gratitude.•

TRIBUTE TO JOHN R. (JACK) CHAILLET

• Mr. WARNER. Mr. President, I rise today to pay tribute to an outstanding Virginian and patriotic American who died of lung cancer on November 8, 2003—John R. (Jack) Chaillet, of Fairfax, VA.

Jack, age 69, was a retired D.C. Police detective, who investigated many of the high-profile murder cases of the

1960's and '70's. He served 21½ years on the Metropolitan Police Department before he retired in 1978, serving most of his career as a detective in the Homicide Division.

In 1977, he was a lead investigator in the Hanafi Muslim murders in which seven persons were slain and then D.C. Council member Marion Barry and two others were wounded after 12 Hanafis seized the District Building and two other facilities to avenge the death of members of their sect. Over two days, the group held 134 people hostage.

Among hundreds of other cases, he and his partner were first on the scene of the car-bomb murder in 1976 at Sheridan Circle of Chile's former Ambassador to the United States, Orlando Letelier. This case was taken over by the FBI. In one of his cases involving the murder of a young female child, he collected the largest number of pieces of evidence ever gathered in a homicide case in D.C. including doorframes and bathtub.

During his years in the Homicide Division, Mr. Chaillet developed a reputation as an investigator with patience and thoroughness in the vital collection of evidence. After retirement, he was told that many homicide detectives reviewed his reports for guidance in their cases and considered him a legend in homicide investigation. He was profiled, along with others, in a Washington Post weekend magazine article as one of the most outstanding D.C. homicide detectives. He worked many round-the-clock days and nights knowing the case must be pursued while the trail was hot. There was no overtime pay and the reward was in knowing the case was closed and another criminal was taken off the streets.

Mr. Chaillet helped organize and lectured in a homicide school sponsored by the D.C. Police Department which detectives from all parts of the country attend and, therefore, made his name known through departments across the U.S. In these classes, he had a flair for presentations in slide shows which kept the classes interesting, dramatic and shocking. He also lectured at Criminal Justice classes at several community colleges and universities.

Prosecutors liked to work with him as they knew they could count on him to help make their case with his meticulous notebooks, eloquent speaking voice and unflappability. He developed many contacts in the street and at Lorton Reformatory who provided him with information on open cases even after his retirement.

After retiring from the Police Department, he performed security work for Drug Fair, former Regency Hotel, and the National Press Building. He also did background investigations of Federal job applicants, field investigations for the Environmental protection Agency, and court security assignments for the U.S. Marshal's Office.

He was a native of Washington and a graduate of Anacostia High School, where he was an outstanding football player and received the All-Metro Award for two consecutive years. He served in the Army as a military police officer in Germany.

He was a Member of the American Legion, Almas Temple Shriners, Scottish Rite, Masons, and the Fraternal Order of Police. He was a football coach for the Camp Sprints (Maryland) Boys Club for many years and a volunteer for charitable golf tournaments sponsored by the Fraternal Order of Police and Heroes, Inc.

Survivors include his wife, Marie, of Fairfax; his sons, Kurt of Fairfax and Kyle of Berryville, daughters-in-law Karolyn and Caroline; and one grandchild, Logan James as well as many other relatives and a host of friends in the metropolitan area.

My sincerest condolences are offered to his family and friends.•

DEDICATION OF THE BURCH TRIBAL OFFICE BUILDING

• Mr. CAMPBELL. Mr. President, today I rise to observe the dedication and naming of a building by the Southern Ute Indian Tribe in Ignacio, CO, a place I am privileged to call home.

On December 1, 2003—about a week from now—the Tribe will dedicate a new tribal office building to the memory of its former chief, Mr. Leonard Burch, who passed away earlier this year. The building will bear his name.

Leonard Burch was a quiet man of enormous vision, who led the Southern Ute Indian Tribe for nearly three decades, from a little-known, mostly poor tribe to the pre-eminent energy-producing Indian tribe in the world—a leader among tribes, just as Leonard was a leader among men.

Leonard's dream for the Tribe was audacious, but he persisted where others might have faltered and he believed—believed in his vision, but more important, believed in his people: his faith in the inherent strength of the Southern Utes was unshakeable.

it speaks well of the Southern Ute Tribe that they were perceptive enough to know a great leader when they saw one, and continued following his lead even when the way was difficult. Leonard and the Tribe deserved each other, and their mutual commitment was rewarded in a community transformed.

Leonard Burch will be missed by the Southern Ute Indians, by me, and by all who call southwest Colorado home. He remains in our hearts and, with the dedication of the Southern Ute Indian Tribal Office Building, his memory will be forever honored by the tribe he loved.•

HONORING LTC DARWIN EDWARDS

• Mr. CHAMBLISS. Mr. President, I wish to speak about my friend, Darwin Edwards, curator of the Museum of Aviation at Robins Air Force Base for the past 14 years who passed away Saturday after a lifetime of service.

Lieutenant Colonel Edwards was born in Whigham, Georgia 67 years ago. Interested in flight from a young age, he attended the United States Air Force Academy in Colorado as a member of its fourth class. He then served in the Air Force for 33 years, including a tour in Vietnam where he earned the Silver Star, the Distinguished Flying Cross and many other honors from the United States and foreign governments.

Darwin Edwards was able to combine his love of aviation and his desire to serve his fellow Americans by joining the Museum of Aviation at Warner Robins. This museum, with 93 aircraft and missiles, is a first-rate facility with aircraft spanning World War II though the Cold War, including fighters, bombers, and cargo and trainer aircraft. It also includes helicopters and missiles.

Darwin Edwards worked hard to build up the museum. His personal touch was a big reason the museum has developed into the fourth largest aviation museum in the United States. Until he was stricken ill at his home several weeks ago, he was working on its $30 million Century 2000 Next Generation expansion program.

I have known Darwin Edwards for many years and sincerely express my admiration and respect for him. Several times, I used the museum to hold Christmas receptions for cadets who had received nominations to the service academies. Each time, Darwin took the time to take the young men and women on a personal guided tour of the museum, providing his insight and detailed knowledge of this outstanding facility.

Darwin Edwards leaves behind his wife, Sheila, his two sons, Richard and Howard, as well as a granddaughter, and six sisters and three brothers. He also leaves behind many friends as well as a grateful Nation.

We will miss Darwin Edwards greatly and we extend to his family and friends our heartfelt condolences.•

TRIBUTE TO NORMAN TOBIN

• Mr. LAUTENBERG. Mr. President, I rise to commemorate the passing of Norman Tobin on October 12, 2003, someone I respected and admired for many years. Norman and I belonged to the same synagogue for decades.

He was a talented, generous person who was a leader in philanthropy and the Jewish community. I considered Norman and his wife Zelda good friends and know how strong the ties were in the Tobin family.

I sent my deepest sympathy to the Tobin family and an acknowledgement of my gratitude for having been enriched by my contact with this great man.

I ask to print a copy of the obituary that appeared in the Star Ledger in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Newark (NJ) Star-Ledger, Oct. 12, 2003]

NORMAN TOBIN, PRESIDENT OF REALTY APPRAISAL FIRM, ACTIVE IN COMMUNITY

Norman L. Tobin, 81, of West Orange died yesterday at home.

Services will be at 9:30 a.m. Tuesday in Temple Sharey Tefilo-Israel, South Orange. Arrangements are by the Menorah Chapels at Milliburn, Union.

A self-employed realtor and appraiser, Mr. Tobin was the president of Norman Tobin & Co. in Maplewood for more than 35 years.

He was a graduate of the Newark School of Fine & Industrial Arts.

Mr. Tobin served in the Army Signal Corps during World War II.

A former president of Temple Sharey Tefilo-Israel, he was a member of the Friends of the Memorial Library, the Chamber of Commerce and the Unity Club, all in Maplewood.

He was also a member of the Board of Realtors of the Oranges and Maplewood.

Mr. Tobin was currently president of the Appraisers of America and served as a judge on the Condemnation Court of Essex County for 35 years.

He was the dinner chairman of the Lautenberg Cancer Research Foundation and was instrumental in raising two millions dollars in funds.

In 1974, he was awarded the Man of the Year Maple Leaf Award for community service by the Town of Maplewood.

Mr. Tobin brought back the first Holocaust Torah from Czechoslovakia to Temple Sharey Tefilo-Israel.

An artist, his work is on exhibit at the Newark and Montclair museums and also displayed at Silermine Shows, the Sinai Museum in Los Angeles, Calif., and the Simon Wiesenthal Museum of Tolerance. He also has a sculpture in the registry of the Holocaust Museum, Washington, D.C.●

MESSAGE FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 12:35 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

S. 189. An act to authorize appropriations for nanoscience, nanoengineering, and nanotechnology research, and for other purposes.

S. 579. An act to reauthorize the National Transportation Safety Board, and for other purposes.

S. 1152. An act to reauthorize the United States Fire Administration, and for other purposes.

S. 1156. An act to amend title 38, United States Code, to improve and enhance the provision of health care for veterans, to authorize major construction projects and other facilities matters for the Department of Veterans Affairs, to enhance and improve authorities relating to the administration of personnel of the Department of Veterans Affairs, and for other purposes.

S. 1895. An act to temporarily extend the programs under the Small Business Act and the Small Business Investment Act of 1958 through March 15, 2004, and for other purposes.

H.R. 421. An act to reauthorize the United States Institute for Environmental Conflict Resolution, and for other purposes.

H.R. 1683. An act to increase, effective as of December 1, 2003, the rates of disability compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for survivors of certain service-connected disabled veterans, and for other purposes.

H.R. 1821. An act to award a congressional gold medal to Dr. Dorothy Height in recognition of her many contributions to the Nation.

H.R. 1828. An act to halt Syrian support for terrorism, end its occupation of Lebanon, and stop its development of weapons of mass destruction, and by so doing hold Syria accountable for the serious international security problems it has caused in the Middle East, and for other purposes.

H.R. 1904. An act to improve the capacity of the Security of Agriculture and the Secretary of the Interior to conduct hazardous fuels reduction projects on National Forest System lands and Bureau of Land Management lands aimed at protecting communities, watersheds, and certain other at-risk lands from catastrophic wildfire, to enhance efforts to protect watersheds and address threats to forest and rangeland health, including catastrophic wildfire, across the landscape, and for other purposes.

H.R. 2115. An act to amend title 49, United States Code, to reauthorize programs for the Federal Aviation Administration, and for other purposes.

H.R. 2417. An act to authorize appropriations for fiscal year 2004 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.

H.R. 3038. An act to make certain technical and conforming amendments to correct the Health Care Safety Net Amendments of 2002.

H.R. 3140. An act to provide for availability of contact lens prescriptions to patients, and for other purposes.

H.R. 3166. An act to designate the facility of the United States Postal Service located at 57 Old Tappan Road in Tappan, New York, as the "John G. Dow Post Office building".

H.R. 3185. An act to designate the facility of the United States Postal Service located at 38 Spring Street in Nashua, New Hampshire, as the "Hugh Gregg Post Office Building".

H.R. 3349. An act to authorize salary adjustments for Justices and judges of the United States for fiscal year 2004.

H.R. 3491. An act to establish within the Smithsonian Institution the National Museum of African American History and Culture, and for other purposes.

The enrolled bills were signed subsequently by the President pro tempore (Mr. STEVENS).

At 1:32 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

S. 1768. An act to extend the national flood insurance program.

H.R. 1367. An act to authorize the Secretary of Agriculture to conduct a loan repayment program regarding the provision of veterinary services in shortage situations, and for other purposes.

The enrolled bills were signed subsequently by the President pro temore (Mr. STEVENS).

At 3:49 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has agreed to the amendment of the Senate to the resolution (H. Con. Res. 339) providing for the sine die adjournment of the first session of the One Hundred Eighth Congress.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on November 25, 2003, she had presented to the President of the United States the following enrolled bills:

S. 189. An act to authorize appropriations for nanoscience, nanoengineering, and nanotechnology research, and for other purposes.

S. 579. An act to reauthorize the National Transportation Safety Board, and for other purposes.

S. 1152. An act to reauthorize the United States Fire Administration, and for other purposes.

S. 1156 An act to amend title 38, United States Code, to improve and enhance the provision of health care for veterans, to authorize major construction projects and other facilities matters for the Department of Veterans Affairs, to enhance and improve authorities relating to the administration of personnel of the Department of Veterans Affairs, and for other purposes.

S. 1768 An act to extend the national flood insurance program.

S. 1895. An act to temporarily extend the programs under the Small Business Act and the Small Business Investment Act of 1958 through March 15, 2004, and for other purposes.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Ms. COLLINS, from the Committee on Governmental Affairs:

Report to accompany S. 1567, a bill to amend title 31, United States Code, to improve the financial accountability requirements applicable to the Department of Homeland Security, and for other purposes (Rept. No. 108-211).

By Ms. COLLINS, from the Committee on Governmental Affairs, with an amendment:

S. 1267. A bill to amend the District of Columbia Home Rule Act to provide the District of Columbia with autonomy over its budgets, and for other purposes (Rept. No. 108-212).

By Mr. CAMPBELL, from the Committee on Indian Affairs, with an amendment in the nature of a substitute:

S. 420. A bill to provide for the acknowledgement of the Lumbee Tribe of North Carolina, and for other purposes (Rept. No. 108-213).

By Ms. COLLINS, from the Committee on Governmental Affairs, with amendments:

H.R. 1416. A bill to make technical corrections to the Homeland Security Act of 2002 (Rept. No. 108-214).

By Mr. McCAIN, from the Committee on Commerce, Science, and Transportation, without amendment:

S. 1978. An original bill to authorize funds for highway safety programs, motor carrier safety programs, hazardous materials transportation safety programs, boating safety programs, and for other purposes (Rept. No. 108-215).

By Mr. GREGG, from the Committee on Health, Education, Labor, and Pensions, with an amendment in the nature of a substitute:

S. 1172. A bill to establish grants to provide health services for improved nutrition, increased physical activity, obesity prevention, and for other purposes.

By Mr. HATCH, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

S. 1545. A bill to amend the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 to permit States to determine State residency for higher education purposes and to authorize the cancellation of removal and adjustment of status of certain alien students who are long-term United States residents.

By Ms. COLLINS, from the Committee on Governmental Affairs, with an amendment in the nature of a substitute:

S. 1612. A bill to establish a technology, equipment, and information transfer within the Department of Homeland Security.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. DASCHLE (for himself and Mr. JOHNSON):

S. 1951. A bill to promote rural safety and improve rural law enforcement; to the Committee on Finance.

By Mr. GRASSLEY:

S. 1952. A bill to direct the United States Trade Representative to enforce United States rights, under certain trade agreements with respect to Mexico, pursuant to title III of the Trade Act of 1974; to the Committee on Finance.

By Mr. LAUTENBERG:

S. 1953. A bill to protect deep sea corals and sponges, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. CRAPO:

S. 1954. A bill to amend the Violence Against Women Act of 2000 by expanding the legal assistance for victims of violence grant program to include legal assistance for victims of dating violence; to the Committee on the Judiciary.

By Mr. CAMPBELL:

S. 1955. A bill to make technical corrections to laws relating to Native Americans, and for other purposes; to the Committee on Indian Affairs.

By Mrs. BOXER:

S. 1956. A bill to provide assistance to States and nongovernmental entities to initiate public awareness and outreach campaigns to reduce teenage pregnancies; to the Committee on Health, Education, Labor, and Pensions.

By Mr. BINGAMAN:

S. 1957. A bill to authorize the Secretary of the Interior to cooperate with the States on the border with Mexico and other appropriate entities in conducting a hydrogeologic characterization, mapping, and modeling program for priority transboundary aquifers, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. DASCHLE (for Mr. KERRY (for himself and Mr. KENNEDY)):

S. 1958. A bill to prevent the practice of late trading by mutual funds, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. SARBANES (for himself, Ms. LANDRIEU, Ms. MIKULSKI, and Mr. ALLEN):

S. 1959. A bill to amend the Federal Water Pollution Control Act and the Water Resources Development Act if 1992 to provide for the restoration, protection, and enhancement of the environmental integrity and social and economic benefits of the Anacostia Watershed in the State of Maryland and the District of Columbia; to the Committee on Environment and Public Works.

By Mrs. BOXER:

S. 1960. A bill to exempt airports in economically depressed communities from matching grant obligations under the Airport Improvement Program; to the Committee on Commerce, Science, and Transportation.

By Mr. HOLLINGS (for himself, Ms. COLLINS, Mr. CARPER, Mr. SPECTER, Mr. JEFFORDS, Mr. LAUTENBERG, and Mr. BIDEN):

S. 1961. A bill to provide for the revitalization and enhancement of the American passenger and freight rail transportation system; to the Committee on Commerce, Science, and Transportation.

By Mr. GRASSLEY (for himself, Mr. BAUCUS, Mr. BUNNING, and Mr. BREAUX):

S. 1962. A bill to amend the Internal Revenue Code of 1986 to provide for excise tax reform and simplification, and for other purposes; to the Committee on Finance.

By Mr. SPECTER (for himself and Mrs. BOXER):

S. 1963. A bill to amend the Communications Act of 1934 to protect the privacy right of subscribers to wireless communication services; to the Committee on Commerce, Science, and Transportation.

By Ms. STABENOW (for herself and Mr. GRAHAM of South Carolina):

S. 1964. A bill to amend the Internal Revenue Code of 1986 to comply with the World Trade Organization rulings on the FSC/ETI benefit in a manner that preserves jobs and production activities in the United States, and for other purposes; to the Committee on Finance.

By Mr. BAYH:

S. 1965. A bill to provide for the creation of private-sector-led Community Workforce Partnerships, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. BINGAMAN:

S. 1966. A bill to require a report on the detainees held at Guantanamo Bay, Cuba; to the Committee on Armed Services.

By Mr. HAGEL (for himself and Ms. SNOWE):

S. 1967. A bill to allow all businesses to make up to 24 transfers each month from interest-bearing transaction accounts to other transaction accounts, to require the payment of interest on reserves held for depository institutions at Federal reserve banks, to repeal the prohibition of interest on business accounts, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. ENZI (for himself, Mr. AKAKA, Mr. CORZINE, and Mr. SARBANES):

S. 1968. A bill to amend the Higher Education Act of 1965 to enhance literacy in finance and economics, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mrs. MURRAY (for herself, Ms. CANTWELL, and Mr. SMITH):

S. 1969. A bill to amend the Agricultural Adjustment Act to add pears and cherries to the list of fruits and vegetables subject to regulation in a marketing order by grade, size, quality, or maturity, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. ROCKEFELLER:

S. 1970. A bill to amend title 11, United States Code, to increase the amount of unsecured claims for salaries and wages given priority in bankruptcy, to provide for cash payments to retirees to compensate for lost health insurance benefits resulting from the bankruptcy of their former employer, and for other purposes; to the Committee on the Judiciary.

By Mr. CORZINE (for himself, Mr. DODD, and Mr. LIEBERMAN):

S. 1971. A bill to improve transparency relating to the fees and costs that mutual fund investors incur and to improve corporate governance of mutual funds; to the Committee on Banking, Housing, and Urban Affairs.

By Mrs. BOXER:

S. 1972. A bill to amend the Internal Revenue Code of 1986 to provide for a tax credit for small employer-based health insurance coverage in States in which such coverage is mandated, and for other purposes; to the Committee on Finance.

By Mr. DEWINE:

S. 1973. A bill to amend the Communications Act of 1934 to protect the privacy rights of subscribers to wireless communications services; to the Committee on Commerce, Science, and Transportation.

By Mr. DASCHLE:

S. 1974. A bill to make improvements to the Medicare Prescriptions Drug, Improvement, and Modernization Act of 2003; to the Committee on Finance.

By Mr. DODD (for himself and Mr. McCAIN):

S. 1975. A bill to amend the Internal Revenue Code of 1986 to deny a deduction for securities-related fines, penalties, and other amounts, and to provide that revenues resulting from such denial be transferred to Fair Funds for the relief of victims; to the Committee on Finance.

By Mr. BINGAMAN (for himself, Mr. DOMENICI, Mrs. MURRAY, Mr. JEFFORDS, Ms. CANTWELL, Mr. AKAKA, Mr. REED, Mr. CHAFEE, and Mr. INOUYE):

S. 1976. A bill to amend title XXI of the Social Security Act to permit qualifying States to use a portion of their allotments under the State children's health insurance program for any fiscal year for certain medical expenditures, and for other purposes; to the Committee on Finance.

By Ms. SNOWE (for herself and Mr. VOINOVICH):

S. 1977. A bill to promote the manufacturing industry in the United States by establishing an Assistant Secretary for Manufacturing within the Department of Commerce, an Interagency Manufacturing Task Force, and a Small Business Manufacturing Task Force, and for other purposes; to the Committee on Small Business and Entrepreneurship.

By Mr. McCAIN:

S. 1978. An original bill to authorize funds for highway safety programs, motor carrier safety programs, hazardous materials transportation safety program, boating safety programs, and for other purposes; from the Committee on Commerce, Science, and Transportation; placed on the calendar.

By Mr. GRASSLEY (for himself and Mr. BAUCUS):

S. 1979. A bill to amend the Internal Revenue Code of 1986 to prevent the fraudulent avoidance of fuel taxes; to the Committee on Finance.

By Mr. ALLARD (for himself, Mr. BROWNBACK, Mr. SESSIONS, Mr. BUNNING, and Mr. INHOFE):

S.J. Res. 26. A joint resolution proposing an amendment to the Constitution of the United States relating to marriage; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. NICKLES (for himself, Mr. BROWNBACK, Mr. SESSIONS, Mr. BUNNING, Mr. CORNYN, Mr. SANTORUM, and Mr. ALLARD):

S. Res. 275. A resolution to affirm the Defense of Marriage Act; to the Committee on the Judiciary.

By Mrs. FEINSTEIN (for herself, Mr. CHAFEE, Mr. NELSON of Florida, Mr. LEAHY, and Mr. LAUTENBERG):

S. Res. 276. A resolution expressing the sense of the Senate regarding fighting terror and embracing efforts to achieve Israeli-Palestinian peace; to the Committee on Foreign Relations.

By Mr. FRIST (for himself, Mr. GRASSLEY, Mr. HATCH, Mr. BREAUX, Mr. BAUCUS, and Mr. NICKLES):

S. Res. 277. A resolution tendering the sincere thanks of the Senate to the staffs of the Offices of the Legislative Counsel of the Senate and the House of Representatives for their dedication and service to the legislative process; considered and agreed to.

By Mr. BINGAMAN:

S. Res. 278. A resolution expressing the sense of the Senate regarding the anthrax and smallpox vaccines; to the Committee on Armed Services.

By Ms. LANDRIEU (for herself and Mr. BURNS):

S. Con. Res. 86. A concurrent resolution congratulating the people and Government of the Republic of Kazakhstan on the twelfth anniversary of the independence of Kazakhstan and praising the longstanding and growing friendship between the United States and Kazakhstan; to the Committee on Foreign Relations.

ADDITIONAL COSPONSORS

S. 557

At the request of Ms. COLLINS, the names of the Senator from Arkansas (Mrs. LINCOLN) and the Senator from Vermont (Mr. JEFFORDS) were added as cosponsors of S. 557, a bill to amend the Internal Revenue Code of 1986 to exclude from gross income amounts received on account of claims based on certain unlawful discrimination and to allow income averaging for backpay and frontpay awards received on account of such claims, and for other purposes.

S. 684

At the request of Mr. SMITH, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 684, a bill to create an office within the Department of Justice to undertake certain specific steps to ensure that all American citizens harmed by terrorism overseas receive equal treatment by the United States Government regardless of the terrorists' country of origin or residence, and to ensure that all terrorists involved in such attacks are pursued, prosecuted, and punished with equal vigor, regardless of the terrorists' country of origin or residence.

S. 736

At the request of Mrs. DOLE, her name was added as a cosponsor of S. 736, a bill to amend the Animal Welfare Act to strengthen enforcement of provisions relating to animal fighting, and for other purposes.

S. 972

At the request of Mr. COLEMAN, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 972, a bill to clarify the authority of States to establish conditions for insurers to conduct the business of insurance within a State based on the provision of information regarding Holocaust era insurance policies of the insurer, to establish a Federal cause of action for claims for payment of such insurance policies, and for other purposes.

S. 1109

At the request of Mr. TALENT, the name of the Senator from North Carolina (Mrs. DOLE) was added as a cosponsor of S. 1109, a bill to provide $50,000,000,000 in new transportation infrastructure funding through Federal bonding to empower States and local governments to complete significant infrastructure projects across all modes of transportation, including roads, rail, transit, aviation, and water, and for other purposes.

S. 1353

At the request of Mr. BROWNBACK, the name of the Senator from New Jersey (Mr. CORZINE) was added as a cosponsor of S. 1353, a bill to establish new special immigrant categories.

S. 1380

At the request of Mr. SMITH, the names of the Senator from Montana (Mr. BAUCUS) and the Senator from New Mexico (Mr. DOMENICI) were added as cosponsors of S. 1380, a bill to distribute universal service support equitably throughout rural America, and for other purposes.

S. 1595

At the request of Mr. KERRY, the name of the Senator from South Dakota (Mr. DASCHLE) was added as a cosponsor of S. 1595, a bill to amend the Internal Revenue Code of 1986 to allow small business employers a credit against income tax with respect to employees who participate in the military reserve components and are called to active duty and with respect to replacement employees and to allow a comparable credit for activated military reservists who are self-employed individuals, and for other purposes.

S. 1645

At the request of Mr. CRAIG, the names of the Senator from North Carolina (Mrs. DOLE) and the Senator from Nevada (Mr. ENSIGN) were added as cosponsors of S. 1645, a bill to provide for the adjustment of status of certain foreign agricultural workers, to amend the Immigration and Nationality Act to reform the H-2A worker program under that Act, to provide a stable, legal agricultural workforce, to extend basic legal protections and better working conditions to more workers, and for other purposes.

S. 1709

At the request of Mr. CRAIG, the name of the Senator from Nevada (Mr. REID) was added as a cosponsor of S. 1709, a bill to amend the USA PATRIOT ACT to place reasonable limitations on the use of surveillance and the issuance of search warrants, and for other purposes.

S. 1833

At the request of Mr. DASCHLE, the name of the Senator from Michigan (Ms. STABENOW) was added as a cosponsor of S. 1833, a bill to improve the health of minority individuals.

S. 1834

At the request of Ms. STABENOW, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 1834, a bill to waive time limitations in order to allow the Medal of Honor to be awarded to Gary Lee McKiddy, of Miamisburg, Ohio, for acts of valor while a helicopter crew chief and door gunner with the 1st Cavalry Division during the Vietnam War.

S. 1840

At the request of Mr. CONRAD, the name of the Senator from Nebraska (Mr. HAGEL) was added as a cosponsor of S. 1840, a bill to amend the Food Security Act of 1985 to encourage owners and operations of privately-held farm and ranch land to voluntarily make their land available for access by the public under programs administered by States.

S. 1853

At the request of Mr. KENNEDY, the name of the Senator from Minnesota (Mr. DAYTON) was added as a cosponsor of S. 1853, a bill to provide extended unemployment benefits to displaced workers.

S. 1890

At the request of Mr. ENZI, the name of the Senator from Idaho (Mr. CRAPO) was added as a cosponsor of S. 1890, a bill to require the mandatory expensing of stock options granted to executive officers, and for other purposes.

S. 1896

At the request of Mr. BAUCUS, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 1896, a bill to provide extensions for certain expiring provisions of the Internal Revenue Code of 1986, and for other purposes.

S. 1920

At the request of Mr. LEAHY, the name of the Senator from Wisconsin (Mr. FEINGOLD) was added as a cosponsor of S. 1920, a bill to extend for 6 months the period for which chapter 12 of title 11 of the United States Code is reenacted.

S. 1926

At the request of Ms. STABENOW, the names of the Senator from California (Mrs. BOXER), the Senator from South Carolina (Mr. HOLLINGS) and the Senator from New Jersey (Mr. LAUTENBERG) were added as cosponsors of S. 1926, a bill to amend title XVIII of the Social Security Act to restore the medicare program and for other purposes.

S. 1937

At the request of Mr. BAUCUS, the names of the Senator from New Mexico (Mr. BINGAMAN), the Senator from Connecticut (Mr. LIEBERMAN), the Senator from Vermont (Mr. JEFFORDS) and the Senator from Iowa (Mr. HARKIN) were added as cosponsors of S. 1937, a bill to amend the Internal Revenue Code of 1986 to curtail the use of tax shelters, and for other purposes.

S. 1945

At the request of Mr. MCCAIN, the name of the Senator from Florida (Mr. GRAHAM) was added as a cosponsor of S. 1945, a bill to amend the Public Health Service Act and the Employee Retirement Income Security Act of 1974 to protect consumers in managed care plans and other health coverage.

S. 1946

At the request of Mr. CORZINE, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 1946, a bill to establish an independent national commission to examine and evaluate the collection, analysis, reporting, use, and dissemination of intelligence related to Iraq and Operation Iraqi Freedom.

S. 1950

At the request of Mr. DURBIN, the names of the Senator from Michigan (Mr. LEVIN) and the Senator from Minnesota (Mr. DAYTON) were added as cosponsors of S. 1950, a bill to amend title XVIII of the Social Security Act to deliver a meaningful benefit and lower prescription drug prices under the medicare program.

S.J. RES. 19

At the request of Mr. SPECTER, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S.J. Res. 19, a joint resolution recognizing Commodore John Barry as the first flag officer of the United States Navy.

S. CON. RES. 82

At the request of Mr. BIDEN, the names of the Senator from Washington (Ms. CANTWELL), the Senator from Maryland (Mr. SARBANES), the Senator from Mississippi (Mr. LOTT), the Senator from New Mexico (Mr. BINGAMAN), the Senator from Connecticut (Mr. LIEBERMAN), the Senator from West Virginia (Mr. ROCKEFELLER), the Senator from Nebraska (Mr. HAGEL), the Senator from Wisconsin (Mr. FEINGOLD), the Senator from Indiana (Mr. BAYH), the Senator from Indiana (Mr. LUGAR), the Senator from Illinois (Mr. FITZGERALD), the Senator from Illinois (Mr. DURBIN), the Senator from California (Mrs. FEINSTEIN), the Senator from Massachusetts (Mr. KERRY) and the Senator from New Jersey (Mr. LAUTENBERG) were added as cosponsors of S. Con. Res. 82, a concurrent resolution recognizing the importance of Ralph Bunche as one of the great leaders of the United States, the first African-American Nobel Peace Prize winner, an accomplished scholar, a distinguished diplomat, and a tireless campaigner of civil rights for people throughout the world.

S. RES. 202

At the request of Mr. CAMPBELL, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. Res. 202, a resolution expressing the sense of the Senate regarding the genocidal Ukraine Famine of 1932-33.

S. RES. 273

At the request of Mr. LAUTENBERG, his name was added as a cosponsor of S. Res. 273, a resolution condemning the terrorist attacks in Istanbul, Turkey, on November 15 and 20, 2003, expressing condolences to the families of the individuals murdered in the attacks, expressing sympathies to the individuals injured in the attacks, and expressing solidarity with the Republic of Turkey and the United Kingdom in the fight against terrorism.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GRASSLEY:

S. 1952. A bill to direct the United States Trade Representative to enforce Special Agent rights, under certain trade agreements with respect to Mexico, pursuant to title III of the Trade Act of 1974; to the Committee on Finance.

Mr. GRASSLEY. Mr. President, I rise today to introduce the Mexican Agricultural Trade Compliance Act. This bill directs the U.S. Trade Representative to retaliate against Mexico over that country's de facto prohibition on the importation of U.S.-produced high fructose corn syrup.

I introduce this bill reluctantly. For months I have made it clear, through letters, floor statements, a hearing, and a trade roundtable, that if the Mexican Congress did not lift its illegal 20 percent tax on soft drinks containing high fructose corn syrup, I would be forced to consider introducing retaliatory legislation, such as this "tequila tariff" which also covers other agricultural products.

We're at the end of our legislative session and there has been no action by the Mexican Congress. So, I'm faced with no alternative but to introduce this bill.

Let me explain how we got to where we are today. Mexico was formerly the largest export market for U.S.-produced high fructose corn syrup. But since 1997, Mexico has engaged in a concerted effort to restrict U.S. imports of this product. Throughout this time, Mexico has consistently violated its NAFTA and WTO commitments.

Let me give you a short history of Mexico's unjustified actions. In February 1997, Mexico initiated an antidumping investigation of U.S. high fructose corn syrup, followed by the imposition of an antidumping order the following year. The United States challenged Mexico's antidumping order under the NAFTA. On two different occasions, NAFTA panels determined that Mexico's actions violated its NAFTA obligations.

The United States also challenged Mexico's antidumping order at the Wortd Trade Organization. On two separate occasions, the Dispute Settlement Body of the WTO held that Mexico's actions violated its international trade commitments.

But Mexico continued to ignore its NAFTA and WTO obligations. In fact, Mexico went one step further and in effect threw gasoline onto the fire. On January 1, 2002, in a transparent attempt to evade the NAFTA and WTO determinations against it, Mexico imposed a 20 percent tax on soft drinks containing high fructose corn syrup. The intent and effect of this tax was to continue Mexico's antidumping order on U.S. produced high fructose corn syrup by other means.

In April 2002, with its tax now in place, and in a continuous event with the imposition of this tax, Mexico lifted its antidumping order on high fructose corn syrup. These actions enabled Mexico to make the disingenuous claim that it had come into compliance with the findings adopted by the NAFTA and the WTO regarding its antidumping order.

The effects of the import restrictions of Mexico's antidumping order continue, with even more egregious results. Because of Mexico's tax, U.S. exports of high fructose corn syrup to Mexico are now at almost zero levels.

This is an extraordinary situation. Mexico lost under the NAFTA, and it lost at the WTO commitments, Mexico responded by imposing a de facto ban on imports of U.S. high fructose corn syrup. Mexico is not only violating its international trade commitments, but also causing significant harm for Iowa's corn farmers. Iowa's producers of high fructose corn syrup are suffering as well. I know of no other U.S. agricultural product that has been shut out of its largest export market for so long.

The United States has worked diligently, and patiently with Mexico on this issue. U.S. Trade Representative Robert Zoellick and Ambassador Allen Johnson, our Chief Agricultural Negotiator, have put in countless hours trying to convince Mexico to come into compliance with its trade obligations regarding high fructose corn syrup. But still, the tax remains in place. My colleagues on both sides of the aisle, and in both the Senate and the House, have repeatedly contacted Mexican officials reminding them of Mexico's trade commitments with regard to this issue. But still, the tax remains in place.

I too have worked hard, since the beginning, to try to convince Mexico to lift its de facto ban on the sale of U.S.-produced high fructose corn syrup. As I have mentioned, I've written letters to Mexican officials, delivered floor speeches, conducted a Finance Committee hearing, and held an agricultural roundtable, all in an effort to convince Mexico to lift its de facto ban on imports of U.S. high fructose corn syrup. During a hearing of the Finance Committee on September 23, I stated clearly that if the Mexican tax on soft drinks containing high fructose corn syrup was not lifted—and soon—I would be forced to consider introducing retaliatory legislation. But still, the tax remains in place.

So now, at the end of our legislative session, I see no alternative but to introduce the Mexican Agricultural Trade Compliance Act.

The Mexican Agricultural Trade Compliance Act establishes that the Government of Mexico has engaged in a pattern of activity that has continuously denied the rights of U.S. exporters of high fructose corn syrup under existing trade agreements. Further, the denial of these rights is unjustifiable and burdens or restricts U.S. commerce. Therefore, Mexico's actions meet the statutory criteria under section 301 of the Trade Act of 1974 for retaliatory action.

The Mexican Agricultural Trade Compliance Act requires the U.S. Trade Representative to retaliate, pursuant to section 301, against imports from Mexico within 60 days of enactment of the Act. However, the U.S. Trade Representative shall not take such action if he certifies, within 30 days after enactment of the Act, that Mexico has eliminated its tax on soft drinks containing high fructose corn syrup and is according the U.S. high fructose corn syrup industry the benefits of all applicable trade agreements.

I fully hope that prior to the return of the U.S. Senate in January, the Mexican Congress will act rationally and bring Mexico into compliance with its international trade obligations regarding high fructose corn syrup. If it does not, I'll work hard to advance the Mexican Agricultural Trade Compliance Act through the Senate. Given the large number of unjustified barriers imposed by Mexico over the past months against imports of U.S. agricultural products, Mexico has not been earning goodwill with Members of the Senate. I expect that my legislation will receive broad support.

I also intend to work with the U.S. Trade Representative to designate Mexican products upon which retaliatory duties will be imposed. The products on this list will consist first and foremost of Mexican agricultural products that are prospering on account of their access to the U.S. market. These Mexican products will likely include bottled tequila, tomatoes, bell peppers, avocados, limes, asparagus, mangos, papayas, watermelons, honey, pecans, and shrimp and prawns. The total amount of duties imposed on these Mexican products will equal the lost sales being experienced by U.S. producers of high fructose corn syrup on account of Mexico's de facto ban of this product, an amount which—according to U.S. industry—could be as high as $465 million annually.

Let me conclude by stating that I know that some in Mexico are working constructively to try to resolve this issue. Earlier this month President Fox of Mexico sent to the Mexican Congress a formal request to repeal the tax on high fructose corn syrup. I hope that his request becomes law. I appreciated the offer of Mexico's Secretary of Agriculture, Javier Usabiaga, to speak with me regarding the tax, and I regret that our schedules have not permitted us to meet personally. I also note that U.S. and Mexican private sector representatives have been negotiating over access for U.S. high fructose corn syrup to the Mexican market.

Regardless of these efforts, Mexico's de facto ban on imports of U.S. high fructose corn syrup remains in place. Meanwhile, Iowa's corn growers and Iowa's high fructose corn syrup producers continue to suffer on account of Mexico's NAFTA and WTO illegal actions. Again, I strongly hope that Mexican legislators will remove Mexico's tax on soft drinks containing high fructose corn syrup prior to the return of the U.S. Senate next January. But if this tax is not repealed by January, I have every intention of working to advance this legislation through the Senate.

I'm a strong believer in free trade. I fought hard for passage of the NAFTA. I did so because I know free trade benefits farmers in Iowa and other states. U.S. agriculture certainly benefits from the NAFTA, as does Mexican agriculture. But Mexico has engaged in a blatantly illegal act against U.S. agriculture for too long. Mexico's action is having a particularly negative impact on my State of Iowa. If we are to maintain support for free trade in this country, we must ensure that our trading partners live up to their obligations. If they do not, we must take action. I hope the introduction of this bill sends a strong message to my Mexican counterparts that we are ready and willing to stand up for U.S. agriculture. I sincerely hope that they will do the right thing and repeal their illegal tax on high fructose corn syrup.

I hope they repeal their illegal tax to demonstrate their commitment to living up to the letter and spirit of Mexico's promises under NAFTA and the WTO. I hope they repeal their illegal tax to improve relations between the United States and Mexico and to bring the benefits of free trade to consumers and producers in both countries. And, Mr. President, I hope they repeal their illegal tax so the Mexican Agricultural Trade Compliance act is no longer needed. But, if that's what it takes, then that's what we should do.

By Mr. CAMPBELL:

S. 1955. A bill to make technical corrections to laws relating to Native Americans, and for other purposes; to the Committee on Indian Affairs.

Mr. CAMPBELL. Mr. President, today I am introducing the Native American Technical Corrections Act of 2004 to provide amendments to certain Federal statutes affecting Indian tribes and Indian people.

Though a modest bill, when it is enacted it will provide real relief to the affected tribes that seek Congress' help in removing the many obstacles that block the paths to greater levels of advancement.

I ask unanimous consent that the text of the legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1955

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Native American Technical Corrections Act of 2004".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Definition of Secretary.

TITLE I—TECHNICAL AMENDMENTS AND OTHER PROVISIONS RELATING TO NATIVE AMERICANS

Sec. 101. National Fund for Excellence in American Indian Education.
Sec. 102. Indian Financing Act Amendment.
Sec. 103. Exchanged Indian land.
Sec. 104. Indian tribal justice technical and legal assistance.
Sec. 105. Tribal justice systems.
Sec. 106. Authorization of 99-year leases for the Prairie Band of Potawatomi.
Sec. 107. Navajo healthcare contracting.
Sec. 108. Crow Tribal Trust Fund.
Sec. 109. Fallon Paiute-Shoshone Tribe Settlement Fund.
Sec. 110. ANCSA amendment.

TITLE II—COWLITZ INDIAN TRIBE DISTRIBUTION OF JUDGMENT FUNDS ACT

Sec. 201. Cowlitz Indian Tribe Distribution of Judgment Funds Act.
Sec. 202. Definitions.
Sec. 203. Judgment distribution plan.
Sec. 204. Distribution and use of funds.

TITLE III—ASSINIBOINE AND SIOUX TRIBES OF THE FORT PECK RESERVATION.

Sec. 301. Short title.
Sec. 302. Findings and purpose.
Sec. 303. Definitions.
Sec. 304. Distribution of judgment funds.
Sec. 305. Applicable law.

TITLE IV—UTU UTU GWAITU PAIUTE INDIAN LAND TRANSFER

Sec. 401. Transfer.

SEC. 2. DEFINITION OF SECRETARY.

In this Act, the term "Secretary" means the Secretary of the Interior.

TITLE I—TECHNICAL AMENDMENTS AND OTHER PROVISIONS RELATING TO NATIVE AMERICANS

SEC. 101. NATIONAL FUND FOR EXCELLENCE IN AMERICAN INDIAN EDUCATION.

Title V of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 458bbb) is amended—

(1) by striking the title heading and inserting the following:

"TITLE V—NATIONAL FUND FOR EXCELLENCE IN AMERICAN INDIAN EDUCATION";

(2) in section 501 (25 U.S.C. 458bbb)—

(A) by striking the section heading and inserting the following:

"SEC. 501. NATIONAL FUND FOR EXCELLENCE IN AMERICAN INDIAN EDUCATION.";

and

(B) in subsection (a), by striking "the American Indian Education Foundation" and inserting "a foundation to be known as the 'National Fund for Excellence in American Indian Education' "; and

(3) in section 503(2) (25 U.S.C. 458bbb–2(2)), by striking "Foundation" the second place it appears and inserting "National Fund for Excellence in American Indian Education".

SEC. 102. INDIAN FINANCING ACT AMENDMENT.

(a) LOAN GUARANTIES AND INSURANCE.—Section 201 of the Indian Financing Act of 1974 (25 U.S.C. 1481) is amended—

(1) by striking "the Secretary is authorized (a) to guarantee" and inserting "the Secretary may—

"(1) guarantee";

(2) by striking "members; and (b) in lieu of such guaranty, to insure" and inserting "members; or

"(2) to insure";

(3) by striking "SEC. 201. In order" and inserting the following:

"SEC. 201. LOAN GUARANTIES AND INSURANCE.

"(a) IN GENERAL.—In order"; and

(4) by adding at the end the following:

"(b) ELIGIBLE BORROWERS.—The Secretary may guarantee or insure loans under subsection (a) to both for-profit and nonprofit borrowers.".

(b) LOAN APPROVAL.—Section 204 of the Indian Financing Act of 1974 (25 U.S.C. 1484) is amended by striking "SEC. 204." and inserting the following:

"SEC. 204. LOAN APPROVAL.".

SEC. 103. EXCHANGED INDIAN LAND.

Notwithstanding any other provision of law, if—

(1) any portion of the Indian country (as defined in section 1151 of title 18, United States Code) under the jurisdiction of an Indian tribe was subject to a government taking for a project that received any funding under Public Law 85–500;

(2) the Indian tribe applies for land to be taken into trust by the Federal Government; and

(3) the Secretary of the Interior accepts the land into trust on behalf of the Indian tribe;

the land shall be deemed for all purposes to have been acquired in trust as of the date of the taking.

SEC. 104. INDIAN TRIBAL JUSTICE TECHNICAL AND LEGAL ASSISTANCE.

Sections 106 and 201(d) of the Indian Tribal Justice Technical and Legal Assistance Act (25 U.S.C. 3666, 3681(d)) are amended by striking "for fiscal years 2000 through 2004" and inserting "for fiscal years 2004 through 2010".

SEC. 105. TRIBAL JUSTICE SYSTEMS.

Subsections (a), (b), (c), and (d) of section 201 of the Indian Tribal Justice Act (25 U.S.C. 3621) are amended by striking "2007" and inserting "2010".

SEC. 106. AUTHORIZATION OF 99-YEAR LEASES FOR THE PRAIRIE BAND OF POTAWATOMI.

(a) IN GENERAL.—Subsection (a) of the first section of the Act of August 9, 1955 (25 U.S.C. 415(a)) is amended in the second sentence—

(1) by inserting "the reservation of the Prairie Band Potawatomi Nation Reservation," after "Spanish Grant'),"; and

(2) by inserting "lands held in trust for the Prairie Band Potawatomi Nation," before "lands held in trust for the Cherokee Nation of Oklahoma".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) apply to any lease entered into or renewed on or after the date of enactment of this Act.

SEC. 107. NAVAJO HEALTHCARE CONTRACTING.

Congress authorizes the Navajo Area Office of the Indian Health Service to reprogram contract healthcare service dollars for the Navajo Health Foundation/Sage Memorial Hospital 638 contract.

SEC. 108. CROW TRIBAL TRUST FUND.

Section 6(d) of the Crow Boundary Settlement Act of 1994 (25 U.S.C. 1776d(d)), is amended—

(1) in the subsection heading, by inserting "AND CAPITAL GAINS" after "INTEREST";

(2) in paragraph (1), by striking "Only" and inserting "Except as provided in paragraph (4), only"; and

(3) by adding at the end the following:

"(4) DISTRIBUTION OF CAPITAL GAINS.—Notwithstanding subsection (f) or any other provision of law, capital gains and any other noninterest income received on funds in the Crow Tribal Trust Fund shall be available for distribution by the Secretary to the Crow Tribe to the extent that the balance in the Crow Tribal Trust Fund (including capital gains) exceeds $85,000,000, for the same uses and subject to the same restrictions in paragraphs (1) and (3) as are applicable to distributions of interest.".

SEC. 109. FALLON PAIUTE-SHOSHONE TRIBE SETTLEMENT FUND.

Section 102 of the Fallon Paiute Shoshone Indian Tribes Water Rights Settlement Act of 1990 (104 Stat. 3289) is amended—

(1) In subsection (C)—

(A) in paragraph (1), by striking "The income of the Fund may be obligated and expended only for the following purposes:" and inserting the following: "Notwithstanding any conflicting provision in the original Fund plan developed in consultation with the Secretary under subsection (f), during fiscal year 2004 and each subsequent fiscal year, 6 percent of the average quarterly market value of the Fund during the immediately preceding 3 fiscal years (referred to in this title as the 'Annual 6 percent Amount') may be expended or obligated only for the purposes specified in subparagraphs (a) through (f) of this section. In addition, during each fiscal year subsequent to Fund fiscal year 2004, any unexpended and unobligated portion of the Annual 6 percent Amount from any of the 3 immediately preceding Fund fiscal years subsequent to fiscal year 2003, not including any income that may accrue on that portion may also be expended or obligated only for the following purposes:"; and

(B) by striking paragraphs (2) through (4) and inserting the following:

"(2) No monies from the Fund other than the amounts authorized in subsection (C)(1) may be expended or obligated for any purpose.

"(3) Notwithstanding any conflicting provision in the original Fund plan, during fiscal year 2004 and each subsequent fiscal year, not more than 20 percent of the Annual 6 percent Amount for the fiscal year (referred to in this title as the 'Annual 1.2 percent Amount') may be expended or obligated under subsection (c)(1)(C) for per capita distributions to tribal members, provided that during each Fund fiscal year subsequent to fiscal year 2004, any unexpended and unobligated portion of the Annual 1.2 percent Amount from any of the 3 immediately preceding Fund fiscal years subsequent to fiscal year 2003, not including any income that may accrue on that portion, may also be expended or obligated for such per capita payments."; and

(2) in subsection (D), by adding at the end the following: "Notwithstanding any conflicting provision in the original Fund plan, the Fallon Business Council, in consultation with the Secretary, shall promptly amend the original plan for purposes of conforming the plan to this title and making nonsubstantive updates, improvements, or corrections to the original plan.".

SEC. 110. ANCSA AMENDMENT.

All land and interests in land in the State of Alaska conveyed by the Federal Government under the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.) to a Native Corporation and reconveyed by that Native Corporation, or a successor in interest, in exchange for any other land or interest in land in the State of Alaska and located within the same region (as defined in section 9(a) of the Alaska Native Claims Settlement Act (43 U.S.C. 1608(a)), to a Native Corporation under an exchange or other conveyance, shall be deemed, notwithstanding the conveyance or exchange, to have been conveyed pursuant to that Act.

TITLE II—COWLITZ INDIAN TRIBE DISTRIBUTION OF JUDGMENT FUNDS ACT

SEC. 201. COWLITZ INDIAN TRIBE DISTRIBUTION OF JUDGMENT FUNDS ACT.

This title shall be known as the "Cowlitz Indian Tribe Distribution of Judgment Funds Act".

SEC. 202. DEFINITIONS.

In this title:

(1) CURRENT JUDGMENT FUND.—The term "current judgment fund" means the funds awarded by the Indian Claims Commission Docket No. 218 and all interest accrued on the funds as of the date of enactment of this Act.

(2) INITIAL INTEREST.—The term "initial interest" means the interest on the funds awarded by the Indian Claims Commission Docket No. 218 during the time period from 1 year before the date of enactment of this Act through the date of enactment of this Act.

(3) PRINCIPAL.—The term "principal" means the funds awarded by the Indian Claims Commission Docket No. 218 and all interest accrued on the funds as of 1 year before the date of enactment of this Act.

(4) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

(5) TRIBE.—The term "Tribe" means the Cowlitzq Indian Tribe of Washington, to which the Secretary extended Federal recognition on December 31, 2001, under part 83 of title 25, Code of Federal Regulations.

(6) TRIBAL MEMBER.—The term "tribal member" means an individual who is an enrolled member of the Cowlitz Indian Tribe in accordance with tribal enrollment procedures and requirements.

(7) TRIBAL ELDER.—The term "tribal elder" means a tribal member who was 62 years of age or older as of February 14, 2000.

SEC. 203. JUDGMENT DISTRIBUTION PLAN.

Notwithstanding the Indian Tribal Judgment Funds Use or Distribution Act (25 U.S.C. 1401 et seq.), or any plan prepared or promulgated by the Secretary under that Act, the judgment funds awarded in Indian Claims Commission Docket No. 218 and interest accrued on those funds as of the date of enactment of this Act shall be distributed and used in accordance with this title.

SEC. 204. DISTRIBUTION AND USE OF FUNDS.

(a) PRESERVATION OF PRINCIPAL AFTER ELDERLY ASSISTANCE AND TRIBAL ADMINISTRATION PAYMENTS.—

(1) IN GENERAL.—Except as provided in subsection (b), the principal shall not be distributed under this title.

(2) DISBURSEMENTS.—The Secretary shall—

(A) maintain undistributed current judgment funds in an interest-bearing account in trust for the Tribe; and

(B) disburse principal or interest in accordance with this title not later than 30 days after receipt by the Northwest Regional Director of the Bureau of Indian Affairs of a request by the Cowlitz Tribal Council for a disbursement of funds.

(b) ELDERLY ASSISTANCE PROGRAM.—

(1) SETASIDE.—From the current judgment fund, the Secretary shall set aside 20 percent for an elderly assistance payment.

(2) PAYMENTS.—The Secretary shall provide 1 elderly assistance payment to each enrolled tribal elder not later than 30 days after all of the following have occurred:

(A) LIST OF ENROLLED MEMBERS.—The Cowlitz Tribal Council has compiled and reviewed for accuracy a list of all enrolled tribal members that are both a minimum of 1⁄16 Cowlitz blood and 62 years of age or older as of February 14, 2000.

(B) VERIFICATION.—The Secretary has verified the blood quantum and age of the tribal members identified on the list under subparagraph (A).

(C) REQUEST FOR DISBURSEMENT.—The Cowlitz Tribal Council has made a request for disbursement of judgment funds for the elderly assistance payment.

(3) DEATH OF TRIBAL ELDER.—If a tribal elder eligible for an elderly assistance payment dies before receiving payment under this subsection, the funds that would have been paid to the tribal elder shall be added to and distributed in accordance with the emergency assistance program under subsection (c).

(4) COSTS.—The Secretary shall pay all costs of distribution under this subsection out of the amount set aside under paragraph (1).

(c) EMERGENCY ASSISTANCE PROGRAM.—

(1) SETASIDE.—From the principal, the Secretary shall set aside 10 percent for an emergency assistance program.

(2) DISTRIBUTION OF INTEREST.—Beginning the second year after the date of enactment of this Act, interest earned on the amount setaside—

(A) shall be distributed annually in a lump sum to the Cowlitz Tribal Council; and

(B) shall be used to provide emergency assistance for tribal members.

(3) AVAILABILITY OF INTEREST.—Of the initial interest, 10 percent shall be available upon the date of enactment of this Act shall be used to fund the program for the first year after the date of enactment of this Act.

(d) EDUCATION, VOCATIONAL, AND CULTURAL TRAINING PROGRAM.—

(1) SETASIDE.—From the principal, the Secretary shall set aside 10 percent for an education, vocational, and cultural training program.

(2) DISTRIBUTION OF INTEREST.—Beginning the second year after the date of enactment of this Act, interest earned on the amount setaside—

(A) shall be distributed annually in a lump sum to the Cowlitz Tribal Council; and

(B) shall be used to provide scholarships to tribal members pursuing educational advancement, including cultural and vocational training.

(3) AVAILABILITY OF INTEREST.—Of the initial interest, 10 percent shall be available upon the date of enactment of this Act to fund the program for the first year after the date of enactment of this Act.

(e) HOUSING ASSISTANCE PROGRAM.—

(1) SETASIDE.—From the principal, the Secretary shall set aside 5 percent for a housing assistance program.

(2) DISTRIBUTION OF INTEREST.—Beginning the second year after the date of enactment of this Act, interest earned on the amount set aside—

(A) shall be disbursed annually in a lump sum to the Cowlitz Tribal Council; and

(B) shall be—

(i) used as a supplement to any existing tribal housing improvements program; or

(ii) used in a separate housing assistance Program established by the Cowlitz Tribal Council.

(3) AVAILABILITY OF INTEREST.—Of the initial interest, 5 percent shall be available on the date of enactment of this Act to fund the program for the first year after the date of enactment of this Act.

(f) ECONOMIC DEVELOPMENT, TRIBAL, AND CULTURAL CENTERS.—

(1) SETASIDE.—From the principal, the Secretary shall set aside 21.5 percent—

(A) for economic development; and

(B) if other funding is not available or not adequate (as determined by the Tribe), for the construction and maintenance of tribal and cultural centers.

(2) DISTRIBUTION OF INTEREST.—Beginning the second year after the date of enactment of this Act, interest earned on the amount set aside—

(A) shall be disbursed annually in a lump sum to the Cowlitz Tribal Council; and

(B) shall be used for—

(i) property acquisition for business or other activities that are likely to benefit the Tribe economically or provide employment for tribal members;

(ii) business development for the Tribe, including collateralization of loans for the purchase or operation of businesses, matching funds for economic development grants, joint venture partnerships, and other similar ventures that are likely to produce profits for the Tribe; and

(iii) design, construction, maintenance, and operation of tribal centers and cultural centers.

(3) LOAN REPAYMENT.—The principal and interest of any business loan made under paragraph (2) shall be repaid to the economic development program for reinvestments, and business profits shall be credited to the general fund of the Tribe for uses to be determined by the Cowlitz Tribal Council.

(4) AVAILABILITY OF INTEREST.— 21.5 percent of the initial interest available upon the date of enactment of this Act to fund the program for the first year after the date of enactment of this Act.

(g) NATURAL RESOURCES.—

(1) SETASIDE.—From the principal, the Secretary shall set aside 7.5 percent for natural resources.

(2) DISTRIBUTION OF INTEREST.—Beginning the second year after the date of enactment of this Act, interest earned on the amount set aside—

(A) shall be disbursed annually in a lump sum to the Cowlitz Tribal Council; and

(B) may be added to any existing tribal natural resource program to enhance the use and enjoyment by the Tribe of existing and renewable natural resources on tribal land.

(3) AVAILABILITY OF INTEREST.—7.5 percent of the initial interest shall be available upon the date of enactment of this Act to fund the program for the first year after the date of enactment of this Act.

(h) CULTURAL RESOURCES.—

(1) SETASIDE.—From the principal, the Secretary shall set aside 4 percent for cultural resources.

(2) DISTRIBUTION OF INTEREST.—Beginning the second year after the date of enactment of this Act, interest earned on the amount set aside—

(A) shall be distributed annually in a lump sum to the Cowlitz Tribal Council; and

(B) shall be used to—

(i) maintain artifacts;

(ii) collect documents; and

(iii) archive and identify cultural sites of tribal significance.

(3) AVAILABILITY OR INTEREST.—Of the initial interest, 4 percent shall be available on the date of enactment of this Act to fund the program for the first year after the date of enactment of this Act.

(i) HEALTH.—

(1) SETASIDE.—From the principal, the Secretary shall set aside 21 percent for health.

(2) DISTRIBUTION OF INTEREST.—Beginning the second year after the date of enactment of this Act, interest earned on the amount set aside—

(A) shall be disbursed annually in a lump sum to the Cowlitz Tribal Council; and

(B) shall be used for the health needs of the Tribe.

(3) AVAILABILITY OF INTEREST.—21 percent of the initial interest shall be available on the date of enactment of this Act to fund the program for the first year after the date of enactment of this Act.

(j) TRIBAL ADMINISTRATION PROGRAM.—

(1) SETASIDE.—From the principal, the Secretary shall set aside 21 percent for tribal administration.

(2) DISTRIBUTION OF INTEREST.—

(A) INITIAL DISTRIBUTION.—Of the initial interest, 21 percent, and of the principal, the difference between 21 percent of the initial interest and $150,000, shall be set aside and immediately disbursed to the Tribe for the purposes of funding tribal administration for the first year after the date of enactment of this Act.

(B) SUBSEQUENT DISTRIBUTION.—Beginning the second year after the date of enactment of this Act, interest earned on the remaining principal set aside under this subsection shall be disbursed annually in a lump sum to pay the operating costs of the Cowlitz Tribal Council, including travel, telephone, cultural, and other expenses incurred in the conduct of the affairs of the Tribe and legal fees as approved by the Cowlitz Tribal Council.

(k) GENERAL CONDITIONS.—

(1) IN GENERAL.—The conditions stated in this subsection apply to the management and use of all funds available under this title by the Cowlitz Tribal Council.

(2) ADMINISTRATIVE COSTS.—Not more than 10 percent of the interest earned on the principal designated for the program under any subsection, except the programs under subsections (i) and (j), may be used for the administrative costs of the program.

(3) NO SERVICE AREA.—

(A) IN GENERAL.—No service area is implied or imposed under any program under this title.

(B) MEMBERS OUTSIDE SERVICE AREA.—If the costs of administering any program under this Act for the benefit of tribal members living outside the Tribe's Indian Health Service area are greater than 10 percent of the interest earned on the principal designated for that program, the Cowlitz Tribal Council may authorize the expenditure of such funds for that program.

(3) APPROVAL.—Before any expenditures, the Cowlitz Tribal Council shall approve all programs and shall publish in a publication of general circulation regulations that provide standards and priorities for programs under this title.

(4) APPLICABILITY OF OTHER LAW.—Section 7 of the Indian Tribal Judgment Funds Use or Distribution Act (25 U.S.C. 1407) shall apply to funds available under this title.

(5) APPEAL.—

(A) IN GENERAL.—Any tribal member who believes that he or she has been unfairly denied the right to take part in any program under this title may appeal to the tribal secretary.

(B) RESOLUTION.—The tribal secretary shall bring the appeal to the Cowlitz Tribal Council for resolution.

(C) TIMELY RESPONSE.—The resolution shall be made in a timely manner, and the tribal secretary shall respond to the tribal member.

TITLE III—ASSINIBOINE AND SIOUX TRIBES OF THE FORT PECK RESERVATION

SEC. 301. SHORT TITLE.

This title may be cited as the "Assiniboine and Sioux Tribes of the Fort Peck Reservation Judgment Fund Distribution Act of 2003".

SEC. 302. FINDINGS.

Congress finds that—

(1) on December 18, 1987, the Assiniboine and Sioux Tribes of the Fort Peck Reservation and 5 individual Fort Peck tribal members filed a complaint in the United States Claims Court (currently the Court of Federal Claims) in the case of Assiniboine and Sioux Tribes of the Fort Peck Reservation v. United States of America, Docket No. 773–87–L, to recover interest earned on trust funds while those funds were held in special deposit accounts and Indian Moneys-Proceeds of Labor accounts;

(2) the Court held that the United States was liable for any income derived from investment of the trust funds of the Tribe and individual members of the Tribe for the period during which those funds were held in special deposit accounts and Indian Moneys-Proceeds of Labor accounts;

(3) on December 31, 1998, the plaintiffs entered into a settlement with the United States for claims made in the case for payment by the United States of—

(A) $1,339,415.33, representing interest earned on funds while held in special deposit accounts at the Fort Peck Agency during the period August 13, 1946, through September 30, 1981;

(B) $2,749,354.41, representing—

(i) interest on the principal indebtedness for the period from August 13, 1946, through July 31, 1998; plus

(ii) $364.27 in per diem interest on the principal indebtedness for each day during the period commencing August 1, 1998, and ending on the date on which the judgment is paid; and

(C) $350,000, representing the litigation costs and attorney's fees that the Tribe incurred to prosecute the claims;

(4) the terms of the settlement were approved by the Court on January 8, 1999, and judgment was entered on January 12, 1999;

(5) on March 18, 1999, $4,522,551.84 was transferred to the Department of the Interior;

(6) that judgment amount was deposited in an escrow account established to provide—

(A) $350,000 for the payment of attorney's fees and expenses; and

(B) $4,172,551.84 for pending Court-ordered distribution to the Tribe and individual Indian trust beneficiaries;

(7) on January 31, 2001, the Court approved a joint stipulation that established procedures for—

(A) identification of the class of individual Indians having an interest in the judgment;

(B) notice to and certification of that class; and

(C) the distribution of the judgment amount to the Tribe and affected class of individual Indians;

(8)(A) on or about February 14, 2001, in accordance with the Court-approved stipulation, $643,186.73 was transferred to an account established by the Secretary for the benefit of the Tribe; and

(B) that transferred amount represents—

(i) 54.2 percent of the Tribe's estimated 26-percent share of the amount referred to in paragraph (6)(B); plus

(ii) 50 percent of the Tribe's estimated 26-percent share of interest and capital gains earned on the judgment amount from the period beginning March 18, 1999, and ending on December 31, 2000;

(9) under the Court-approved stipulation—

(A) that transferred amount is to remain available for use by the Tribe in accordance with a plan adopted under the Indian Tribal Judgment Funds Use or Distribution Act (25 U.S.C. 1401 et seq.);

(B) the Tribe will most likely receive additional payments from the distribution amount once the identification of all individuals eligible to share in the distribution amount is completed and the pro rata shares are calculated; and

(C) those additional payments would include—

(i) the balance of the share of the Tribe of the distribution amount and investment income earned on the distribution amount;

(ii) the portion of the distribution amount that represents income derived on funds in special deposit accounts that are not attributable to the Tribe or any individual Indian; and

(iii) the portion of the distribution amount that represents shares attributable to individual Indians that—

(I) cannot be located for purposes of accepting payment; and

(II) will not be bound by the judgment in the case referred to in paragraph (1); and

(10) under the Indian Tribal Judgment Funds Use or Distribution Act (25 U.S.C. 1401 et seq.), the Secretary is required to submit to Congress for approval an Indian judgment fund use or distribution plan.

SEC. 303. DEFINITIONS.

In this title:

(1) COURT.—The term "Court" means the Court of Federal Claims.

(2) DISTRIBUTION AMOUNT.—The term "distribution amount" means the amount referred to in section 302(6)(B).

(3) JUDGMENT AMOUNT.—The term "judgment amount" means the amount referred to in section 302(5).

(4) PRINCIPAL INDEBTEDNESS.—The term "principal indebtedness" means the amount referred to in section 302(3)(A).

(5) TRIBE.—The term "Tribe" means the Assiniboine and Sioux Tribes of the Fort Peck Reservation.

SEC. 304. DISTRIBUTION OF JUDGMENT FUNDS.

(a) IN GENERAL.—Notwithstanding any provision of the Indian Tribal Judgment Funds Use or Distribution Act (25 U.S.C. 1401 et seq.), the share of the Tribe of the distribution amount, and such additional amounts as may be awarded to the Tribe by the Court with respect to the case referred to in section 302(1) (including any interest accrued on those amounts)—

(1) shall be made available for tribal health, education, housing, and social services programs of the Tribe, including—

(A) educational and youth programs;

(B) programs for improvement of facilities and housing;

(C) programs to provide equipment for public utilities;

(D) programs to provide medical assistance or dental, optical, or convalescent equipment; and

(E) programs to provide senior citizen and community services; and

(2) shall not be available for per capita distribution to any member of the Tribe.

(b) BUDGET SPECIFICATION.—The specific programs for which funds are made available under subsection (a)(1), and the amount of funds allocated to each of those programs, shall be specified in an annual budget developed by the Tribe and approved by the Secretary.

SEC. 305. APPLICABLE LAW.

Except as provided in section 304(a), all funds distributed under this title are subject to sections 7 and 8 of the Indian Tribal Judgment Funds Use or Distribution Act (25 U.S.C. 1407, 1408).

TITLE IV—UTU UTU GWAITU PAIUTE INDIAN LAND TRANSFER

SEC. 401. TRANSFER.

Section 902(b) of the California Indian Land Transfer Act (114 Stat. 2921) is amended—

(1) by striking "3,525.8" and inserting "3,765.8"; and

(2) by adding at the end the following:

"(9) UTU UTU GWAITU PAIUTE TRIBE.—Lands to be held in trust for the Utu Utu Gwaitu Paiute Tribe, Benton Paiute Reservation are comprised of approximately 240 acres described as follows:

"Mount Diablo Base and Meridian

"Township 2 South, Range 31 East

"Section 11:

"SE½ and E½ of SW¼.".

By Mrs. BOXER:

S. 1956. A bill to provide assistance to States and nongovernmental entities to initiate public awareness and outreach campaigns to reduce teenage pregnancies; to the Committee on Health, Education, Labor, and Pensions.

Mrs. BOXER. Mr. President, today, I am proud to introduce the HOPE Youth Pregnancy Prevention Act.

While teen pregnancy rates in the United States have dropped significantly in the last decade, we still have one of the highest rates among industrialized nations. American teens are twice as likely to become pregnant as teenagers in Great Britain and four times more likely than teens in Sweden and France. At the same time, the teen pregnancy rates for Hispanic and other minority teens in the United States are significantly higher than the national average.

The HOPE Youth Pregnancy Prevention Act would provide resources to help prevent teen pregnancy among at-risk and minority youth.

Specifically, my bill would provide grants to States, localities, and nongovernmental organizations for teenage pregnancy prevention activities targeted to areas with large ethnic minorities and other at-risk youth. These grants could be used for a number of activities, including youth development, work-related interventions and other educational activities, parental involvement, teenage outreach and clinical services. The bill would authorize $30 million a year for five years for these grants.

The bill would also provide grants to States and non-governmental organizations to establish multimedia public awareness campaigns to combat teenage pregnancy. These campaigns would aim to prevent teen pregnancy through TV, radio and print ads, billboards, posters, and the Internet. Priority would be given to those activities that target ethnic minorities and other at-risk youth. The bill would authorize $20 million a year for 5 years.

Over the past 10 years, we have made progress reducing teen pregnancy. But out work is not done. We need to strengthen our efforts, especially among Hispanic and other minority youth. I encourage my colleagues to support this effort.

By Mr. BINGAMAN:

S. 1957. A bill to authorize the Secretary of the Interior to cooperate with the States on the border with Mexico and other appropriate entities in conducting a hydrogeologic characterization, mapping, and modeling program for priority transboundary aquifers, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. BINGAMAN. Mr. President, today I am pleased to introduce the United States-Mexico Transboundary Aquifer Assessment Act.

This bill is the result of a field hearing I conducted in Las Cruces, NM two years ago during my tenure as the Chairman of the Energy and Natural Resources Committee. The focus of the hearing was water resource issues that were developing along the U.S.-Mexico border—particularly the area encompassing Las Cruces, El Paso, Texas, and Juárez, Mexico.

There had long existed an ongoing effort to address water quality issues and waste-water infrastructure needs in the border region, but I was concerned that issues regarding the availability of future water supplies were growing. The testimony at that hearing made clear that there exists little consensus on how growing communities in the border region will address their future water needs. In particular, I was struck by the lack of agreement on the long-term viability of future groundwater sources, many of which involve aquifers underlying communities in both the United States and Mexico. Given the rapid population growth along the U.S.-Mexico border and the increasing demand for water, there is a strong need to gain a common understanding of the limits of our shared groundwater resources. A thorough understanding of the resource is the first step to avoiding conflicts similar to those that have arisen between the United States and Mexico over shared surface waters—e.g. the Rio Grande.

The United States-Mexico Transboundary Assessment Act is intended to address the lack of binational consensus regarding the source and availability of future water supplies along the border. It will do this by establishing a scientific program, involving entities on both sides of the border, to comprehensively assess priority transboundary aquifers. The information and scientific tools developed by this program will be extremely valuable to State and local water resource managers in the border region. This effort is to be led by the United States Geological Survey (USGS) working closely with the border states and local entities. Over the last several years the USGS has been working with key stakeholders in the border region to design this technical program.

I understand that establishing this scientific program and accurately assessing our shared water resources is just a step towards developing the long-term plans and solutions that will help avoid future international disputes concerning scarce water supplies. This small step, however, is an important one, and is recognized by a number of organizations familiar with the need for cooperative efforts between the United States and Mexico on shared water resources. In its 6th Report on the U.S.-Mexico Border Environment, the Good Neighbor Environmental Board, an independent federal advisory committee managed by the U.S. Environmental Protection Agency, recommended the initiation of a "border-wide groundwater assessment program to systematically analyze priority trans-boundary aquifers." Also, the Center for Strategic and International Studies, in a January 2003 report of its U.S.-Mexico Binational Council, included as one of its recommendations that Mexico and the United States "improve data collection, information gathering, and transparency as the first step to developing a long-term strategy for water management."

Ultimately, the necessary long-term strategy will have to be developed by the communities and other water users who reside along the border. Working with each other and their state water resource agencies, I believe successful strategies can be developed so long as the information that is the basis for the plans is the most accurate possible. In that respect, the USGS has a strong and important role to play. This bill will ensure that the USGS will be able to fulfill this role which, in turn, will enhance the prospects for our border communities to plan for their future and manage their growth in a manner that ensures their long-term viability and prosperity.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1957

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "United States-Mexico Transboundary Aquifer Assessment Act".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) rapid population growth in the United States-Mexico border region over the last decade has placed major strains on limited water supplies in the region;

(2) water quantity and quality issues are likely to be the determining and limiting factors affecting future economic development, population growth, and human health in the border region;

(3) increasing use of groundwater resources in the border region by municipal and other water users has raised serious questions concerning the long-term availability of the water supply;

(4) cooperation between the United States and Mexico in assessing and understanding transboundary aquifers is necessary for the successful management of shared groundwater resources by State and local authorities in the United States and appropriate authorities in Mexico, including management that avoids conflict between the United States and Mexico;

(5) while there have been some studies of binational groundwater resources along the United States-Mexico border, additional data and analyses are needed to develop an accurate understanding of the long-term availability of useable water supplies from transboundary aquifers; and

(6) the Border States—

(A) are primarily responsible for the management and allocation of groundwater resources within the respective boundaries of the Border States; and

(B) should have a cooperative role in the analysis and characterization of transboundary aquifers.

(b) PURPOSE.—The purpose of this Act is to direct the Secretary of the Interior to establish a United States-Mexico transboundary aquifer assessment program to—

(1) systematically assess priority transboundary aquifers; and

(2) provide the scientific foundation necessary for State and local officials to address pressing water resource challenges in the United States-Mexico border region.

SEC. 3. DEFINITIONS.

In this Act:

(1) AQUIFER.—The term "aquifer" means a subsurface water-bearing geologic formation from which significant quantities of water may be extracted.

(2) BORDER STATE.—The term "Border State" means each of the States of Arizona, California, New Mexico, and Texas.

(3) INDIAN TRIBE.—The term "Indian tribe" means an Indian tribe, band, nation, or other organized group or community—

(A) that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians; and

(B) the reservation of which includes a transboundary aquifer within the exterior boundaries of the reservation.

(4) PRIORITY TRANSBOUNDARY AQUIFER.—The term "priority transboundary aquifer" means a transboundary aquifer that has been designated for study and analysis under the program.

(5) PROGRAM.—The term "program" means the United States-Mexico transboundary aquifer assessment program established under section 4(a).

(6) RESERVATION.—The term "reservation" means land that has been set aside or that has been acknowledged as having been set aside by the United States for the use of an Indian tribe, the exterior boundaries of which are more particularly defined in a final tribal treaty, agreement, executive order, Federal statute, secretarial order, or judicial determination.

(7) SECRETARY.—The term "Secretary" means the Secretary of the Interior, acting through the Director of the United States Geological Survey.

(8) TRANSBOUNDARY AQUIFER.—The term "transboundary aquifer" means an aquifer that underlies the boundary between the United States and Mexico.

(9) TRI-REGIONAL PLANNING GROUP.—The term "Tri-Regional Planning Group" means the binational planning group comprised of—

(A) the Junta Municipal de Aqua y Saneamiento de Ciudad Juarez;

(B) the El Paso Water Utilities Public Service Board; and

(C) the Lower Rio Grande Water Users Organization.

(10) WATER RESOURCES RESEARCH INSTITUTES.—The term "water resources research institutes" means the institutes within the Border States established under section 104 of the Water Resources Research Act of 1984 (42 U.S.C. 10303).

SEC. 4. ESTABLISHMENT OF PROGRAM.

(a) IN GENERAL.—The Secretary, in consultation and cooperation with the Border States, the Water Resources Research Institutes, Sandia National Laboratories, and other appropriate entities in the United States and Mexico, shall carry out the United States-Mexico transboundary aquifer assessment program to characterize, map, and model transboundary groundwater resources along the United States-Mexico border at a level of detail determined to be appropriate for the particular aquifer.

(b) OBJECTIVES.—The objectives of the program are to—

(1) develop and implement an integrated scientific approach to assess transboundary groundwater resources, including—

(A)(i) identifying fresh and saline transboundary aquifers; and

(ii) prioritizing the transboundary aquifers for further analysis by assessing—

(I) the proximity of the transboundary aquifer to areas of high population density;

(II) the extent to which the transboundary aquifer is used; and

(III) the susceptibility of the transboundary aquifer to contamination;

(B) evaluating all available data and publications as part of the development of study plans for each priority transboundary aquifer;

(C) creating a geographic information system database to characterize the spatial and temporal aspects of each priority transboundary aquifer; and

(D) using field studies, including support for and expansion of ongoing monitoring and metering efforts, to develop any additional data that are needed to define aquifer characteristics to the extent necessary to enable the development of groundwater flow models to assess sustainable water yields for each priority transboundary aquifer;

(2) expand existing agreements, as appropriate, between the United States Geological Survey, the Border States, the Water Resources Research Institutes, and appropriate authorities in the United States and Mexico, to—

(A) conduct joint scientific investigations;

(B) archive and share relevant data; and

(C) carry out any other activities consistent with the program; and

(3) produce scientific products for each priority transboundary aquifer to provide the scientific information needed by water managers and natural resource agencies on both sides of the United States-Mexico border to effectively accomplish the missions of the managers and agencies.

(c) DESIGNATION OF CERTAIN AQUIFERS.—For purposes of the program, the Secretary shall designate the Hueco Bolson and Mesilla aquifers underlying parts of Texas, New Mexico, and Mexico as priority transboundary aquifers.

(d) COOPERATION WITH MEXICO.—To ensure a comprehensive assessment of transboundary aquifers, the Secretary shall, to the maximum extent practicable, work with appropriate Federal agencies and other organizations to develop partnerships with, and receive input from, relevant organizations in Mexico to carry out the program.

(e) GRANTS AND COOPERATIVE AGREEMENTS.—The Secretary may provide grants or enter into cooperative agreements and other agreements with the Water Resource Research Institutes and other Border State entities to carry out the program.

SEC. 5. STATE AND TRIBAL ROLE.

(a) COORDINATION.—The Secretary shall coordinate the activities carried out under the program with—

(1) the appropriate water resource agencies in the Border States; and

(2) any affected Indian tribes.

(b) NEW ACTIVITY.—After the date of enactment of this Act, the Secretary shall not initiate any field studies to develop data or develop any groundwater flow models for a priority transboundary aquifer under the program before consulting with, and coordinating the activity with, the Border State water resource agency that has jurisdiction over the aquifer.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to carry out this Act $50,000,000 for the period of fiscal years 2005 through 2014.

(b) DISTRIBUTION OF FUNDS.—Of the amounts made available under subsection (a), 50 percent shall be made available to the Water Resource Research Institutes to provide funding to appropriate entities in the Border States (including Sandia National Laboratories, State agencies, universities, the Tri-Regional Planning Group, and other relevant organizations) and Mexico to conduct activities under the program, including the binational collection and exchange of scientific data.

SEC. 7. REPORTS.

Not later than 5 years after the date of enactment of this Act, and on completion of the program in fiscal year 2014, the Secretary shall submit to the appropriate water resource agency in the Border States, an interim and final report, respectively, that describes—

(1) any activities carried out under the program;

(2) any conclusions of the Secretary relating to the status of transboundary aquifers; and

(3) the level of participation in the program of entities in Mexico.

By Mr. DASCHLE (for Mr. KERRY (for himself and Mr. KENNEDY)):

S. 1958. A bill to prevent the practice of late trading by mutual funds, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

(At the request of Mr. DASCHLE, the following statement was ordered to be printed in the RECORD.)

• Mr. KERRY. Mr. President, as the world's largest economy, I believe the

United States must have the fairest, most transparent and efficient financial markets in the world. Our financial services companies must live up to the highest standards of accountability. This is critical to ensure that the United States remains strong, competitive and safe in the global economy. Unfortunately, recent reports of late trading and market timing have brought into question whether mutual fund companies have lived up to the highest standards of accountability. They have also shown that the Bush Administration failed to provide effective oversight and examination of mutual fund companies, while poorly enforcing our securities laws. The inaction of the Bush Administration has dangerously eroded the trust and confidence of the American people in mutual funds and may have allowed mutual fund companies and big investors to engage in fraudulent behavior against individuals and pension funds.

New York and Massachusetts regulators have uncovered a scheme in which some of America's top mutual fund companies let big investors profit illegally at the expense of small investors with so-called "late trades" and "market timing." The scam appears to be widespread. Today, roughly half of all American households own mutual funds either directly or through a retirement account or pension fund. It's been reported that as much as one quarter of mutual fund companies may be involved in late trading and market timing and that such schemes may cost investors as much as $5 billion annually.

In a late trade, big investors purchase mutual fund shares after the close of the market but at the closing price, allowing them to take advantage of late-breaking financial news. A mutual fund manager might allow a big investor to buy shares in a technology fund at the 4 p.m. close price after learning at 5 p.m. that a major technology company has reported unexpectedly strong earnings. The investor is almost guaranteed a profit when the market opens the following day and share prices climb. In return for this illegal access, the big investor might pledge to continue to invest in the fund.

Market timing exploits the unique way that mutual funds set their prices. While it is not illegal, most mutual fund companies assure investors that they discourage such practices and that they are working to prevent fund timing. Under a market timing trade, big investors trade in and out of certain mutual funds in order to exploit the inefficient way mutual funds price their shares and ensure a profit.

In 2002, individuals who invested in mutual funds paid approximately $70 billion in advisory and management fees, an average of more than $700 per investor. There is a significant disparity between the rate of advisory fees charged to mutual fund investors and the rate paid by institutional investors, even though they provide the similar services. Currently, mutual fund managers are under no obligation to negotiate advisory and management fees that are in the best interest of their shareholders. In some instances, mutual fund managers has a financial relationship with the contractor which receives a no-bid contract from the same mutual fund.

In a September 2003 complaint, New York Attorney General Spitzer alleged that Canary Capital Partners, a New Jersey hedge fund, engaged in illegal and unethical trading in mutual funds, such as late trading and market timing. After the New York State complaint, the SEC ordered a preliminary investigation, which found that half of the 88 mutual fund companies and brokerage firms had arrangements to make market-timing trades. These arrangements occurred even though about half of the fund companies have policies specifically barring market timing. Other investigations of mutual fund companies have begun, and it appears as though many mutual fund companies have been involved directly or indirectly in late trading and market-timing schemes.

I am very concerned that the actions of the SEC in response to the State investigations of late trading and market timing have been inadequate and show a bias in favor of mutual fund companies at the expense of small investors.

For example, earlier this year the SEC conducted a four-month investigation of Putnam Investments' record keeping, internal controls, and ability to comply with Federal securities laws. During that review, a Putnam employee informed the SEC that the company had failed to stop improper market-timing trades. Despite the tip, SEC examiners did not identify any problems with market timing in its report on Putnam. The Putnam employee, after being rejected by the SEC, brought the same information to the Massachusetts Secretary of State's office, which began an investigation. Only after the Commonwealth of Massachusetts began an investigation did the SEC begin its own investigation of market timing at Putnam. In October, both the Commonwealth of Massachusetts and the SEC charged Putnam with securities fraud, only months after the SEC gave Putnam a clean bill of health. Only a few weeks later, Putnam reached a partial settlement of the securities fraud charges with the SEC which did not include the Commonwealth of Massachusetts. Under the settlement, Putnam agrees to make restitution only for losses to investors attributable to excessive short-term and market-timing trading by its employees and to make structural reforms. Under the agreement, Putnam neither admitted nor denied wrongdoing and the SEC still has not investigated whether outside investors were engaged in market-timing activities. New York Attorney General Eliot Spitzer said that Putnam's agreement with the SEC does not address crucial issues involving restitution to fund holders, fees and penalties. William Galvin, the Massachusetts Secretary of State said that the agreement clearly demonstrates that the SEC is more interested in protecting the mutual fund industry than the average investor.

These actions by the SEC highlight a fundamental problem in the Bush Administration's hands-off approach to regulating financial markets and the danger it poses to small investors and the national economy.

Compounding this danger and lack of responsible leadership, President Bush has repeatedly nominated individuals to important economic positions notable for their corporate sympathies. The President selected a lobbyist for financial deregulation as the chief regulator of the federal mortgage lender Freddie Mac. His first SEC chairman was an accounting industry who was forced to resign in a storm of public outrage over his lenient treatment of his former business.

Even after the accounting scandals that felled Enron and WorldCom, it was last year's Democratic Senate that pushed to enact an historic corporate reform law and the President who joined the effort only once its passage was all but ensured. It was state attorneys general who exposed dubious conflicts of interest at brokerage houses. And when energy companies gauged ratepayers in the West through questionable trades, the Administration sat on its hands for months.

The message from the White House to the regulatory agencies, in actions if not words, is don't ask and don't tell when it comes to protecting investors and consumers.

Justice demands that we fully prosecute Wall Street insiders that steal from Americans saving for retirement, education or simply a brighter future. And we can only hope to revive our economy if we restore investor confidence in the markets so that capital flows to business growth and job creation.

To stop the erosion of trust in our financial markets and to help restore the American investor's faith in the mutual fund industry, I am introducing the Mutual Fund Investor Protection Act to update federal securities laws to curb late-trading and market-timing abuses and institute new limits on mutual fund fees paid by investors.

The actions by the SEC show that it is incapable of protecting investors from securities fraud by mutual fund companies and will not prosecute this type of fraud to the full extent of the law. Therefore, we must take the day-to-day oversight of mutual funds away from the SEC and develop a new Mutual Fund Oversight Board to provide oversight, examination and enforcement of mutual funds. This new board will be similar to the Public Company Accounting Oversight Board developed in the Sarbanes-Oxley Act. It will be charged with identifying potential problems in the mutual fund industry and ensuring that fund boards are actively addressing these problems—before they spread. It would promulgate guidance regarding current regulatory issues and best practices regarding how to deal with them, and it would examine mutual funds to ensure that they are taking necessary steps to protect shareholders. The Board itself would determine how to provide an adequate and reliable source of funding for its investigations.

I believe that every investor has the right to know how much their mutual fund takes away from their investment to pay for advisory, management, and investment service fees. Under this legislation, each investor will receive in their statement a regular accounting as to what types of fees they are paying to invest in their mutual fund. This will help investors shop around and find the mutual funds that have the lowest fees. Mutual funds will have to respond to the changing marketplace and only charge fees that are absolutely necessary to the management of the fund. Also, this legislation requires mutual fund managers to negotiate fee contracts that are reasonable and in their investors' best interest and to report on any significant or material business or professional relationship with companies that the mutual fund provides contracts. Finally, the bill requires each mutual fund to hire a compliance officer to ensure that the mutual fund complies with all relevant laws and makes sure that they provide any information on scams to the independent mutual fund directors to stop abuse. Taken together, these provisions will help investors by making it much more difficult for mutual funds to charge unreasonable and unnecessary fees.

Today, mutual funds are valued once a day, called the Net Asset Value or NAV, usually at 4 p.m. EST, when the New York market closes. The bill will require that all mutual fund companies receive an order prior to the time the fund sets a share price or NAV for an investor to receive that day's price. This will make it much more difficult for big investors to use brokers to send in trades after the 4 p.m. deadline.

We should include late-trading laws as an offense under the Racketeer Influenced and Corrupt Organization (RICO) provisions of the criminal code. First used to prosecute the Mob, RICO should now be used to stop and punish organized crime on Wall Street. This will help limit mutual fund employees and big investors from attempting to defraud small investors. It will also help investors who lose money due to late-trading schemes to recover treble damages, costs and attorneys' fees.

The SEC recently found that many mutual fund companies and brokerage firms had arrangements with big investors allowing them to make market-timing trades even though these fund companies have policies specifically barring market timing. My legislation bars mutual fund employees from engaging in market timing trades. It requires each mutual fund prospectus to explicitly disclose market-timing policies and procedures to stop abuse. Then, it increases penalties for mutual funds which do not follow their own policies and procedures to limit abuse.

In order to help stop mutual fund abuse, this legislation increases the penalties and jail time for current securities laws including: defrauding the offer or sale of securities, failing to keep current and appropriate records of brokerage transactions, and not selling or redeeming fund shares at a price based on current Net Asset Value (NAV). These changes will make criminals think twice before committing violations of securities laws. The proceeds of the additional fines collected by this legislation will be put into a fund to assist the victims of their crimes.

Today, individual mutual funds are effectively dominated by their advisers. My legislation strengthens the influence of independent directors on fund boards by requiring that independent directors comprise at least three-quarters of the board. It will also require mutual funds to have an independent chairman with the authority and ability to demand and receive all information from the fund advisory and management companies. This will increase the voice investors have in fund management and limit mutual fund abuses.

By developing a new structure to provide appropriate oversight and enforcement mechanisms to fight abuse in the mutual fund industry, this legislation restores the confidence of investors in mutual funds. Ultimately, investor confidence will increase investment and enhance economic growth. I ask all my colleagues to support this legislation.●

By Mr. SARBANES (for himself, Ms. LANDRIEU, Ms. MIKULSKI, and Mr. ALLEN):

S. 1959. A bill to amend the Federal Water Pollution Control Act and the Water Resources Development Act of 1992 to provide for the restoration, protection, and enhancement of the environmental integrity and social and economic benefits of the Anacostia Watershed in the State of Maryland and the District of Columbia; to the Committee on Environment and Public Works.

Mr. SARBANES. Mr. President, today I am introducing legislation to bolster efforts to restore the Anacostia River. Joining me in sponsoring this measure are my colleagues Senators LANDRIEU, MIKULSKI and ALLEN. A companion bill has also been introduced in the House, sponsored by Representative ELEANOR HOLMES NORTON and other members of the Washington metropolitan area Congressional Delegation.

Mr. President, the Anacostia River is a resource rich in history and with tremendous natural resources and recreational potential. It is homes to 43 species of fish, some 200 species of birds, as well as more than 800,000 people whose neighborhoods border the watershed. Flowing through Montgomery and Prince George's Counties in Maryland and emptying into the Potomac at the District of Columbia, the watershed consists of a 176-square-mile drainage area. One of the most urbanized watersheds in the United States, the Anacostia suffers a series of problems including trash, toxic pollution from urban runoff, sewage pollution from leaking sewer lines and combined sewer overflows, sediment pollution from erosion, and loss of fish and wildlife and recreational resources. It is a resource that has long been abused and neglected, but one that, in my view, can and must be protected and restored.

Efforts to begin rejuvenating the Anacostia watershed began formally in 1987 when the State of Maryland, Montgomery and Prince George's Counties, and the District of Columbia signed an Anacostia Watershed Restoration Agreement. The agreement authorized the Washington Area Council of Governments, COG, to manage the restoration program and the Interstate Commission on the Potomac River Basin, ICPRB, to protect the resources and facilitate public participation. COG created an Anacostia Watershed Restoration Committee, AWRC, to coordinate and implement restoration projects throughout the watershed. Since that time, local, State, and Federal Government agencies, as well as the Anacostia Watershed Society, the Anacostia Citizens Advisory Committee and other environmental organizations and dedicated private citizens have contributed significant resources toward re-establishing the Anacostia watershed ecosystem.

Thanks to this cooperative and coordinated Federal, State, local and private effort, we are beginning to make some progress in restoring the watershed. A Six Point Action Plan was signed in 1991 setting ambitious and broad-reaching goals for the river's restoration. In 1993 we celebrated the successful restoration of 32 acres of emergent tidal wetlands by the Army Corps of Engineers at Kenilworth marsh. The project has shown significant results in improving tidal water flow through the marsh, and reducing the concentration of nitrogen and phosphorus in the area and demonstrates what can be achieved in urban river restoration. There have been other success stories as well in urban stream restoration in Montgomery and Prince George's counties, removing barriers to fish passage and reforestation efforts throughout the watershed, to name only a few. In 1999, a new Anacostia Watershed Agreement was signed to strengthen the regional governmental commitment to Anacostia restoration. There are today more than 60 local, State and Federal agencies involved in Anacostia watershed restoration. And more than $100 million has been spent cleaning up the river. There is clearly much for which we can all be proud. But the job of restoring the Anacostia watershed is far from complete. The Anacostia is still one of North America's most endangered and threatened rivers. It is designated one of three "regions of concern" for toxics in the Chesapeake Bay watershed.

The legislation which we are introducing authorizes more than $200 million in Federal assistance over the next 10 years to restore the Anacostia. Of these funds, $170 million is authorized to address the biggest pollution problems in the watershed—stormwater runoff and failing wastewater infrastructure. As the builder of much of the original infrastructure and a major user, the Federal Government has an important responsibility to help stem the flow of this pollution and comply with the Clean Water Act. The remaining funds will allow the administrator of EPA, working together with an "Anacostia Watershed Council" of State and local officials, to develop a comprehensive environmental protection and resource management plan for the watershed, for several Federal agencies to join in the implementation of the plan.

Mr. President, the Anacostia River suffers from centuries of impacts and changes. Once a healthy, thriving river, it is today severely degraded. This legislation is urgently needed if we are to achieve the goal of making the Anacostia and its tributaries swimmable and fishable again. I urge my colleagues to join me in supporting this measure and ask unanimous consent that a section-by-section analysis of the legislation be printed in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION ANALYSIS OF THE "ANACOSTIA WATERSHED INITIATIVE ACT OF 2003"

Section 1—Title—"The Anacostia Watershed Restoration Act of 2003"

Section 2—Findings—Describes the attributes and challenges of the watershed, addresses the economic and natural potential of the watershed to Maryland, DC and the United States; relates the history of efforts to restore the Anacostia River and watershed; and suggests that the importance of the Anacostia River combined with the need for concerted sustained actions among the affected jurisdictions, requires the development of comprehensive environmental protection and resource management action plan.

Section 3—Anacostia Watershed Initiative—Amends Federal Water Pollution Control Act (Clean Water Act) by adding a new section 123 that:

a. Provides definitions.

b. Establishes the "Anacostia Watershed Restoration Initiative" in the U.S. Environmental Protection Agency to restore the environmental integrity of the Anacostia watershed and plan and fund restoration improvements.

c. Establishes the Anacostia Watershed Council (comprised of the Administrator of the EPA, the Interior Secretary, the Secretary of the Army, the Governor of Maryland, the Governor of Virginia, the Mayor of the District of Columbia, and the County Executives from Prince Georges and Montgomery Counties) and provides minimum meeting requirements.

d. Establishes objectives and guidelines for the development, review and approval, within one year after enactment, of a 10-year multi-jurisdictional Comprehensive Action Plan for restoration of the Anacostia watershed. Directs that the comprehensive action plan shall incorporate the goals of the 1991 Anacostia Watershed Restoration Agreement; provide for public input; identify annual restoration targets, describe the duties of federal, state and local agencies, and suggest methods, schedules, and amounts of funding required for programs, activities, and projects. Directs that the plan shall promote implementation of a federally approved combined sewer long term control plan. Allows the plan to be amended as appropriated.

e. Requires the Anacostia Watershed Council to report annually to the Congressional authorizing and appropriating committees.

f. Permits the Administrator, in consultation with the Anacostia Watershed Council, to provide financial and technical support to local public and non-profit entities to develop and implement the Comprehensive Action Plan.

g. Directs Under or Assistant Secretaries of the EPA, Interior, Agriculture, Commerce, Army, HUD, and Transportation acting through designed agencies to support the Initiative and Comprehensive Action Plan.

h. Provides that the Initiative shall not affect existing obligations.

i. Authorizes appropriations for fiscal years 2004–2013; $3,000,000 to the Administrator for development and implementation of the Initiative and $6,000,000 of which shall be used by EPA, Interior, Agriculture, Commerce, Transportation, HUD, and the Army; provided that not more than 10 percent of these funds may be used for administrative costs.

Section 4—Water Infrastructure—Amends Section 219(f) of the Water Resource Development Act to provide $150 million to support upgrading the DC combined sewer and $20 million for a program of assistance to non-federal entities to address other water quality issues.

By Mrs. BOXER:

S. 1960. A bill to exempt airports in economically depressed communities from matching grant obligations under the Airport Improvement Program; to the Committee on Commerce, Science, and Transportation.

Mrs. BOXER. Mr. President, last summer I visited Del Norte County—in the most northern part of my State. Del Norte County has been hit particularly hard during these tough economic times. Unemployment in the county tops 7.6 percent. Local officials are working hard to revitalize the economy, and one of their top priorities is to renovate Del Norte County's airport. And they would like federal assistance.

However, under the federal Airport Improvement Program, federal grants must be matched with local funds. In general, I support that policy. But, for communities facing severe economic problems, this match is prohibitive. It's a bit of a Catch-22. The Federal funds that would help the local economy rebound are not available because the local economy is in such bad shape that the community can't match the federal grants.

The bill that I am introducing today would address this by eliminating the match required under the Airport Improvement Program for economically depressed communities.

To be considered an economically depressed community, a community would have a variety of ways to quality. First, for the last two years, the unemployment rate could be one percent higher than the nation's unemployment rate. Second, the per capita income of the community could be 80 percent or less of the nation's per capita income. Or third, the Secretary of Transportation could decide that a particular community had a special needs. These criteria are consistent with other provisions of federal law.

I believe that by waiving the matching grant in communities that have a high unemployment rate or low per capita income, we will help to rejuvenate their business climate and reinvigorate their local economies.

With a little bit of help, I am very optimistic about the future of Del Norte County and other areas in California and across the Nation that are facing tough economic times. This bill will provide that little bit of help.

By Mr. HOLLINGS (for himself, Ms. COLLINS, Mr. CARPER, Mr. SPECTER, Mr. JEFFORDS, Mr. LAUTENBERG, and Mr. BIDEN):

S. 1961. A bill to provide for the revitalization and enhancement of the American passenger and freight rail transportation system; to the Committee on Commerce, Science, and Transportation.

Mr. HOLLINGS. Mr. President, I rise today to introduce the American Railroad Revitalization, Investment, and Enhancement Act of the 21st Century, better known as "ARRIVE–21." This legislation is of vital importance to rail transportation because it provides steady, dependable funding for our beleaguered national passenger rail system. It also provides funding for infrastructure investment in the railroad industry as a whole, including freight railroads. And it establishes a financing mechanism to ensure that our rail system benefits from a steady stream of funding, just like our airline industry, our transit systems, and our national highway system.

For the past 30 years, Amtrak has provided us with a valuable public service, even though it was forced year after year to come beg for money from the Congress. And year after year, the Congress gave it just enough money to barely survive another 12 months. Sometimes Congress didn't appropriate even enough money to last 12 months, and Amtrak had to come back and beg for a supplemental appropriation just to remain in business until the end of the fiscal year. Never mind having enough money to grow the railroad; never mind having enough money to run a first-class passenger railroad. And never mind having enough money to keep the infrastructure in a state of good repair. All Amtrak has been able to do for 30 years is stay alive. It's time to give Amtrak the tools and funding it needs to do the job we keep asking it to do.

Last year I introduced the National Defense Rail Act of 2002 which was approved by the Senate Commerce Committee by a vote of 20–3. We have shown that bipartisan support exists for authorizing a strong rail program, however the main obstacle we have faced has been securing funding to live up to the authorized amounts. This legislation attempts to address the lack of a guaranteed revenue stream for passenger rail programs and establishes a framework to address freight needs where there is a clear public benefit.

It's a foregone conclusion that transportation development requires money. We somehow figured this out a long time ago with regard to every other mode of transportation. We federally funded the development of the interstate highway system; we subsidized airport construction; we dredged harbors and channels; and we built locks and dams. And the result of all that investment is that our citizens and our goods can move across the country, from big cities and from small towns, efficiently and relatively cheaply. We have today a national transportation system with many impressive components.

You might even say we have been a little too successful with these modes of transportation because many of them are now strained to capacity in many areas of the country. This situation presents not only an economic dilemma, but also a genuine security risk. The atrocious events of September 11th, and the aftermath that followed, exposed the vulnerability of our society and our economy when transportation choices become limited and our mobility is diminished. Effective transportation security means that, as a Nation, we nurture all transportation options and we do not allow ourselves to be overly dependent on only one or two particular modes. In effect, that's what we have done by favoring highways and aviation, where we have directed the flow of billions of dollars. Ironically, rail passenger service is more environmentally-friendly, more fuel-efficient, and more capable of mitigating the impacts of population congestion to help foster regional economic growth than any of the other modes. But in the process of shoring up those other transportation modes for all those years, we lost our focus on passenger rail and we sadly neglected investing in its development.

For passenger rail to be successful, its infrastructure must be developed through the kind of bold Federal leadership we exercised for our other modes of transportation. That's why my colleagues and I are pleased to introduce this landmark piece of legislation designed to change the way we think about financing passenger rail service and designed to grow our passenger rail system into the world-class system it should be. The bill creates Federal/State and public/private partnerships to promote infrastructure development for both freight and passenger rail. It provides $20-$25 billion in grants over six years to States and State compacts for rail capital projects to provide for a safe, secure, and efficient rail transportation system. It enhances Federal and State rail transportation policy, and it promotes intermodal transportation investment.

ARRIVE–21 creates a non-profit Rail Infrastructure Finance Corporation (RIFCO) to issue $30 billion in tax-credit bonds over six years for the purpose of providing grants to States for capital investment in freight and passenger rail infrastructure and facilities. RIFCO will establish a trust account made up of bond proceeds and contributions from States that receive RIFCO grants. Bond proceeds and State contributions in excess of the amount required to maintain the trust account will then be available for grants to the States through a competitive process.

Although my first choice would be to fully fund the needs authorized in this legislation by straight federal spending, it has become clear that over the last thirty years that there is no pot of gold at the end of the rainbow when it comes to Amtrak. There is not enough money in the scant pot available for discretionary spending on transportation programs. We have established dedicated trust funds for the airlines with their ticket taxes, and we have the trust fund for the highways and transit programs which are funded through the gas tax, but when it comes to passenger railroads, there is no such revenue stream. The establishment of RIFCO was not my first choice to finance the publicly needed improvements of the railroad system, but it is an option for the Congress to debate and consider as we attempt to address what we need the rail system to do for this country.

RIFCO is set up to assist the States fund both passenger and freight projects that benefit the public on a State, regional or national basis. State or State compacts may apply for RIFCO funds for discretionary and formula funds for capital projects in four categories: State Intercity Passenger Rail Corridor Development, including equipment, stations, and facilities. State Freight Rail Infrastructure Development Projects, including capital projects that primarily benefit freight rail transportation. States may use a percentage of these formula funds to manage State rail programs. National System Improvement Projects, including projects that significantly benefit the national passenger rail system, Amtrak-sponsored projects and Northeast Corridor projects. High Priority Projects, including projects with major public policy benefits to the national rail system or significantly expand rail intermodal capacity in connection with maritime, aviation, and highway facilities.

Eligible capital projects would include new rail line development, planning and environmental reviews, track upgrades and restoration, highway-rail grade crossing improvements and eliminations, relocation of track, infrastructure and facilities, construction of intermodal facilities and passenger rail stations, tunnel and bridge repairs, communication and signaling improvements, environmental impact mitigation, acquisition of passenger rail equipment, and security improvements. Projects to receive discretionary funding would be selected by RIFCO according to selection criteria contained in the bill. The projects would require a 20 percent non-Federal contribution paid to RIFCO for bond repayment.

ARRIVE–21 also directs the Federal Railroad Administration to develop a National Rail Plan and to work with States in developing State rail plans, so that we have a comprehensive and coordinated long-range plan for rail development for the whole country. The bill also directs the Office of Intermodalism in the Department of Transportation to create a "50-Year Blueprint" for the development of a national intermodal transportation system and provide a vision of emerging trends and opportunities for the future of passenger and freight rail transportation.

Before I close, I would be remiss if I did not recognize the work of Nancy Lummens Lewis, a detailee from the Federal Railroad Administration, who has worked on the Commerce Committee since January. We have appreciated her professionalism, competency, and her willingness to work and share her time with us. I thank Nancy for her time spent on this bill, as well as her efforts on the reauthorization of the Transportation Equity Act of the 21st Century, The Federal Railroad Safety Improvement Act, and The Surface Transportation Board Act of 2003. We wish her well in her future endeavors.

ARRIVE–21 presents a smart and efficient solution to a very important transportation dilemma. I am joined by several of my colleagues, including Senators COLLINS, SPECTER, CARPER and JEFFORDS, in introducing this bipartisan legislation. As we have passed legislation this week providing approximately $15 billion annually for aviation for the next 4 years, and plan to take up a highway bill next year which will spend $40 to $60 billion annually on highways and transit over six years, we must not leave rail out. It is critical that the Senate take this bill up, and pass it, to ensure that our railroad transportation system, especially our passenger rail system, can grow and develop to meet our current and future transportation needs.

Attached is an amendment that the sponsors of ARRIVE–21 intend to offer during floor consideration of the bill. I ask unanimous consent that the amendment and the text of the bill be printed in the RECORD.

There being no objection, the amendment and the bill were ordered to be printed in the RECORD, as follows:

AMENDMENT

TITLE VIII—RAIL INFRASTRUCTURE TAX CREDIT BONDS

SEC. 801. CREDIT TO HOLDERS OF QUALIFIED RAIL INFRASTRUCTURE BONDS.

(a) IN GENERAL.—Part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to credits against tax) is amended by adding at the end the following new subpart:

"Subpart H—Nonrefundable Credit for Holders of Qualified Rail Infrastructure Bonds

"Sec. 54. Credit to holders of qualified rail infrastructure bonds.

"SEC. 54. CREDIT TO HOLDERS OF QUALIFIED RAIL INFRASTRUCTURE BONDS.

"(a) ALLOWANCE OF CREDIT.—In the case of a taxpayer who holds a qualified rail infrastructure bond on a credit allowance date of such bond which occurs during the taxable year, there shall be allowed as a credit against the tax imposed by this chapter for such taxable year an amount equal to the sum of the credits determined under subsection (b) with respect to credit allowance dates during such year on which the taxpayer holds such bond.

"(b) AMOUNT OF CREDIT.—

"(1) IN GENERAL.—The amount of the credit determined under this subsection with respect to any credit allowance date for a qualified rail infrastructure bond is 25 percent of the annual credit determined with respect to such bond.

"(2) ANNUAL CREDIT.—The annual credit determined with respect to any qualified rail infrastructure bond is the product of—

"(A) the applicable credit rate, multiplied by

"(B) the outstanding face amount of the bond.

"(3) APPLICABLE CREDIT RATE.—For purposes of paragraph (2), the applicable credit rate with respect to an issue is the rate, equal to an average market yield (as of the day before the date of sale of the issue) on outstanding long-term corporate debt obligations (determined under regulations prescribed by the Secretary).

"(4) CREDIT ALLOWANCE DATE.—For purposes of this section, the term 'credit allowance date' means—

"(A) March 15,

"(B) June 15,

"(C) September 15, and

"(D) December 15.

Such term includes the last day on which the bond is outstanding.

"(5) SPECIAL RULE FOR ISSUANCE AND REDEMPTION.—In the case of a bond which is issued during the 3-month period ending on a credit allowance date, the amount of the credit determined under this subsection with respect to such credit allowance date shall be a ratable portion of the credit otherwise determined based on the portion of the 3-month period during which the bond is outstanding. A similar rule shall apply when the bond is redeemed.

"(c) LIMITATION BASED ON AMOUNT OF TAX.—The credit allowed under subsection (a) for any taxable year shall not exceed the excess of—

"(1) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

"(2) the sum of the credits allowable under this part (other than this subpart and subpart C).

"(d) CREDIT INCLUDED IN GROSS INCOME.—Gross income includes the amount of the credit allowed to the taxpayer under this section (determined without regard to subsection (e)) and the amount so included shall be treated as interest income.

"(e) QUALIFIED RAIL, INFRASTRUCTURE BOND.—For purposes of this part, the term 'qualified rail infrastructure bond' means any bond issued as part of an issue if—

"(1) the bond is issued by the Rail Infrastructure Finance Corporation and is in registered form,

"(2) the term of each bond which is part of such issue does not exceed 20 years,

"(3) the payment of principal with respect to such bond is the obligation of the Rail Infrastructure Finance Corporation and not an obligation of the United States,

"(4) all proceeds from the sale of the issue are used for the purposes set forth in section 507(c)(5) of the Arrive 21 Act, and

"(5) 95 percent or more of the net spendable proceeds from the sale of such issue are to be used for expenditures incurred after the date of enactment of this section for any qualified project described in section 601, 602, or 603 of the Arrive 21 Act subject to the limitations established by that Act.

"(f) SPECIAL RULES RELATING TO NET SPENDABLE PROCEEDS.—

"(1) IN GENERAL.—Subject to paragraph (2), an issue shall be treated as meeting the requirements of this subsection if, as of 6 years after the date of issuance, the issuer reasonably expects—

"(A) to award grants under sections 501, 502, and 503 of the Arrive 21 Act in a total amount that is at least 95 percent of the net spendable proceeds of the issue for 1 or more qualified projects within the 6-year period beginning on such date,

"(B) to incur a binding commitment with a third party—

"(i) to spend at least 10 percent of the net spendable proceeds of the issue, or to commence construction, with respect to such projects within the 12-month period beginning on such date, and

"(ii) to proceed with due diligence to complete such projects, and

"(C) to expend the total amount of the net spendable proceeds of the issue.

"(2) RULES REGARDING CONTINUING COMPLIANCE AFTER 6-YEAR DETERMINATION.—If at least 95 percent of the net spendable proceeds of the issue is not awarded as grants to be expended for 1 or more qualified projects within the 6-year period beginning 6 years after the date of issuance, but the requirements of paragraph (1) are otherwise met, an issue shall be treated as continuing to meet the requirements of paragraph (1) if either the requirement under subparagraph (A) or the requirements under subparagraph (B) are met, as follows:

"(A) The issuer uses all unspent proceeds from the sale of the issue to redeem bonds of the issue within 90 days after the end of such 6-year period and disburses any remaining net spendable proceeds to the Secretary of Treasury within 30 days after the end of such 6-year period.

"(B) The issuer—

"(i) awards in grants under sections 501, 502, and 503 of the Arrive 21 Act at least 75 percent of the net spendable proceeds of the issue for 1 or more qualified projects within the 6-year period beginning 6 years after the date of issuance, and

"(ii) awards in grants under sections 501, 502, and 503 of the Arrive 21 Act at least 95 percent of the net spendable proceeds of the issue for 1 or more qualified projects within the 7-year period beginning 6 years after the date of issuance.

"(g) RECAPTURE OF PORTION OF CREDIT WHERE CESSATION OF COMPLIANCE.—

"(1) IN GENERAL.—If any bond which when issued purported to be a qualified rail infrastructure bond ceases to be such a qualified bond, the issuer shall pay to the United States (at the time required by the Secretary) an amount equal to the sum of—

"(A) the aggregate of the credits allowable under this section with respect to such bond (determined without regard to subsection (c)) for taxable years ending during the calendar year in which such cessation occurs and the 2 preceding calendar years, and

"(B) interest at the underpayment rate under section 6621 on the amount determined under subparagraph (A) for each calendar year for the period beginning on the first day of such calendar year.

"(2) NONCULPABLE DISQUALIFICATIONS.—If a qualified rail infrastructure bond ceases to qualify as such a bond due to action taken by the recipient of a grant made under section 601, 602, or 603 of the Arrive 21 Act, the issuer may seek compensation under paragraph (1) of this subsection.

"(h) RAIL INFRASTRUCTURE FINANCE TRUST.—

"(1) IN GENERAL.—The following amounts shall be held in a trust account by the Rail Infrastructure Finance Corporation:

"(A) An amount of the proceeds from the sale of all bonds designated for purposes of this section that, when combined with amounts described in subparagraphs (B), (C), and (D), is sufficient—

"(i) to ensure the Corporation's ability to redeem all bonds upon maturity; and

"(ii) to pay the administrative expenses of the Corporation and the Rail Infrastructure Finance Trust.

"(B) The amount of any on-Federal contributions required under section 604(b) of the Arrive 21 Act.

"(C) The temporary period investment earnings on proceeds from the sale of such bonds.

"(D) Any earnings on any amounts described in subparagraph (A), (B), or (C).

"(2) USE OF FUNDS.—Amounts in the trust account may be used only for investment purposes to generate sufficient funds to redeem qualified rail infrastructure bonds at maturity and pay the administrative expenses of the Corporation and the Trust.

"(3) USE OF REMAINING FUNDS ON TRUST ACCOUNT.—If the Corporation determines that the amount in the trusts account exceeds the amount required to comply with paragraph (2), the Corporation may transfer the excess to the Rail Infrastructure Investment account to be available for awarding grants as provided for in section 507(c)(5)(B) of the Arrive 21 Act.

"(4) REVERSION OF REMAINING PROCEEDS.—Upon retirement of all bonds issued by the Corporation, any remaining proceeds from the sale of such bonds shall be covered into the general fund of the Treasury of the United States as miscellaneous receipts.

"(i) OTHER DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) BOND.—The term 'bond' includes any obligation.

"(2) NET SPENDABLE PROCEEDS.—The terms 'net spendable proceeds' has the meaning give such term in section 507(c)(6) of the Arrive 21 Act.

"(3) QUALIFIED PROJECT.—The term 'qualified project' means any project that is eligible for grant funding under section 601, 602, or 603 of the Arrive 21 Act.

"(4) PARTNERSHIP; S CORPORATION; AND OTHER PASS-THRU ENTITIES.—Under regulations prescribed by the Secretary, in the case of a partnership, trust, S corporation, or other pass-thru entity, rules similar to the rules of section 41(g) shall apply with respect to the credit allowable under subsection (a).

(5) BONDS HELD BY REGULATED INVESTMENT COMPANIES.—If any qualified rail infrastructure bond is held by a regulated investment company, the credit determined under subsection (a) shall be allowed to shareholders of such company under procedures prescribed by the Secretary.

"(6) REPORTING.—Issuers of qualified rail infrastructure bonds shall submit reports similar to the reports required under section 149(e).".

(b) AMENDMENTS TO OTHER CODE SECTIONS.—

(1) REPORTING.—Subsection (d) of section 6049 of the Internal Revenue Code of 1986 (relating to returns regarding payments of interest) is amended by adding at the end the following new paragraph:

"(8) REPORTING OF CREDIT ON QUALIFIED RAIL INFRASTRUCTURE BONDS.—

"(A) IN GENERAL.—For purposes of subsection (a), the term 'interest' includes amounts includible in gross income under section 54(d) and such amounts shall be treated as paid on the credit allowance date (as defined in section 54(b)(4)).

"(B) REPORTING TO CORPORATIONS, ETC.—Except as otherwise provided in regulations, in the case of any interest described in subparagraph (A), subsection (b)(4) shall be applied without regard to subparagraphs (A), (H), (I), (J), (K), and (L)(i) of such subsection.

"(C) REGULATORY AUTHORITY.—The Secretary may prescribe such regulations as are necessary or appropriate to carry out the purposes of this paragraph, including regulations which require more frequent or more detailed reporting.".

(2) TREATMENT FOR ESTIMATED TAX PURPOSES.—

(A) INDIVIDUAL.—Section 6654 of such Code (relating to failure by individual to pay estimated income tax) is amended by redesignating subsection (m) as subsection (n) and by inserting after subsection (l) the following new subsection:

"(m) SPECIAL RULE FOR HOLDERS OF QUALIFIED RAIL INFRASTRUCTURE BONDS.—For purposes of this section, the credit allowed by section 54 to a taxpayer by reason of holding a qualified rail infrastructure bond on a credit allowance date shall be treated as if it were a payment of estimated tax made by the taxpayer on such date.".

(B) CORPORATE.—Section 6655 of such Code (relating to failure by corporation to pay estimated income tax) is amended by adding at the end of subsection (g) the following new paragraph:

"(5) SPECIAL RULE FOR HOLDERS OF QUALIFIED RAIL INFRASTRUCTURE BONDS.—For purposes of this section, the credit allowed by section 54 to a taxpayer by reason of holding a qualified rail infrastructure bond on a credit allowance date shall be treated as if it were a payment of estimated tax made by the taxpayer on such date.".

(c) CLERICAL AMENDMENTS.—

(1) The table of subparts for part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

"Subpart H. Nonrefundable Credit for Holders of Qualified Rail Infrastructure Bonds.".

(2) Section 6401(b)(1) is amended by striking "and G" and inserting "G, and H".

SEC. 802. ISSUANCE OF REGULATIONS.

The Secretary of the Treasury shall issue regulations required under section 54 of the Internal Revenue Code of 1986 not later than 90 days after the date of the enactment of this Act.

SEC. 803. EFFECTIVE DATE.

The amendments made by section 701 shall apply to obligations issued after the date of enactment of this Act.

On page 3, at the end of the matter appearing before line 1, insert the following:

TITLE VIII—RAIL INFRASTRUCTURE TAX CREDIT BONDS

Sec. 801. Credit to holders of qualified rail infrastructure bonds.
Sec. 802. Issuance of regulations.
Sec. 803. Effective date.

S. 1961

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "American Railroad Revitalization, Investment, and Enhancement Act of the 21st Century" or the "Arrive 21 Act".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Amendment of title 49, United States Code.
Sec. 3. Purposes.

TITLE I—RAIL TRANSPORTATION SECURITY

Sec. 101. Rail transportation security risk assessment.
Sec. 102. Certain personnel limitations not to apply.

TITLE II—FEDERAL RAIL POLICY

Sec. 201. Federal rail policy enhancement.
Sec. 202. Rail cooperative research program.
Sec. 203. State rail plans.
Sec. 204. Interstate railroad passenger high-speed transportation policy.
Sec. 205. High-speed rail corridor planning.
Sec. 206. Designated high-speed rail corridors.
Sec. 207. Rehabilitation, improvement, and security financing.
Sec. 208. Repayment of loan to National Railroad Passenger Corporation.

TITLE III—INTERMODAL POLICY

Sec. 301. 50-year intermodal blueprint.
Sec. 302. Intermodal transportation policy.

TITLE IV—AMTRAK AUTHORIZATIONS

Sec. 401. National Railroad Passenger Transportation system defined.
Sec. 402. Restructuring of long-term debt and capital leases.
Sec. 403. General Amtrak authorizations.
Sec. 404. Excess railroad retirement.
Sec. 405. Authorizations for environmental compliance and station improvements.
Sec. 406. Tunnel life safety.
Sec. 407. Authorization for capital and operating expenses.
Sec. 408. Establishment of grant process.
Sec. 409. State-supported routes.
Sec. 410. Re-establishment of Northeast Corridor Safety Committee.
Sec. 411. Amtrak board of directors.
Sec. 412. Establishment of financial accounting system for Amtrak operations by independent auditor.
Sec. 413. Development of 5-year financial plan.
Sec. 414. Independent auditor to establish methodologies for Amtrak route and service planning decisions.
Sec. 415. Metrics and standards.
Sec. 416. On-time performance.

TITLE V—RAIL INFRASTRUCTURE FINANCE CORPORATION

Sec. 501. Establishment of corporation.
Sec. 502. Board of directors.
Sec. 503. Officers and employees.
Sec. 504. Nonprofit and nonpolitical nature of the corporation.
Sec. 505. Purpose and activities of corporation.
Sec. 506. Report to Congress.
Sec. 507. Administrative matters.
Sec. 508. Rail Infrastructure Finance Trust.

TITLE VI—RAIL DEVELOPMENT GRANT PROGRAMS

Sec. 601. Intercity passenger rail development grant program.
Sec. 602. Freight rail infrastructure development grant program.
Sec. 603. High priority projects grant program.
Sec. 604. Grant program requirements and limitations.
Sec. 605. Standards and conditions.
Sec. 606. Grant program funding.

TITLE VII—AUTHORIZATION OF APPROPRIATIONS

Sec. 701. Authorization of Appropriations.

SEC. 2. AMENDMENT OF TITLE 49, UNITED STATES CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 49, United States Code.

SEC. 3. PURPOSES.

The purposes of this Act are—

(1) to ensure more adequate financing of infrastructure projects for the national rail transportation system through—

(A) the establishment of the nonprofit Rail Infrastructure Finance Corporation to provide financial support for rail infrastructure improvement projects by issuing qualified rail transportation bonds; and

(B) the provision of appropriate tax treatment of qualified rail transportation bonds so issued;

(2) to create a partnership between public and private entities to promote freight and passenger rail infrastructure development that benefits the public;

(3) to provide resources to States and groups of States for rail capital projects that result in a safe, secure, and efficient rail transportation system;

(4) to enhance Federal and State rail transportation policy and planning;

(5) to promote intermodal transportation investment, planning, and coordination; and

(6) to reauthorize the National Railroad Passenger Corporation and reaffirm the Federal commitment to a national system of intercity passenger 191 transportation.

TITLE I—RAIL TRANSPORTATION SECURITY

SEC. 101. RAIL TRANSPORTATION SECURITY RISK ASSESSMENT.

(a) IN GENERAL.—

(1) ASSESSMENT.—The Secretary of Homeland Security, in consultation with the Secretary of Transportation, shall assess the security risks associated with freight and intercity passenger rail transportation and develop prioritized recommendations for—

(A) improving the security of rail infrastructure and facilities, terminals, tunnels, rail bridges, rail switching areas, and other areas identified by the Secretary as posing significant rail-related risks to public safety and the movement of interstate commerce, taking into account the impact that any proposed security measure might have on the provision of rail service;

(B) deploying chemical and biological weapon detection equipment;

(C) training employees in terrorism response activities; and

(D) identifying the immediate and long-term economic impact of measures that may be required to address those risks.

(2) EXISTING PRIVATE AND PUBLIC SECTOR EFFORTS.—The assessment shall include a review of any actions already taken or prospective actions necessary to address identified security issues by both public and private entities.

(b) CONSULTATION; USE OF EXISTING RESOURCES.—In carrying out the assessment required by subsection (a), the Secretary shall consult with rail management, rail labor, facility owners and operators, and public safety officials (including officials responsible for responding to emergencies).

(C) REPORT.—

(1) CONTENTS.—Within 180 days after the date of enactment of this Act, the Secretary shall transmit to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure a report, without compromising national security, containing the assessment and prioritized recommendations required by subsection (a).

(2) FORMAT.—The Secretary may submit the report in both classified and redacted formats if the Secretary determines that such action is appropriate or necessary.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary $515,000,000 for fiscal year 2004 to carry out this section, implement the measures contained in the Secretary's prioritized recommendations, and award grants for purposes identified in the assessment in subsection (a), such sums to remain available until expended.

SEC. 102. CERTAIN PERSONNEL LIMITATIONS NOT TO APPLY.

Any statutory limitation on the number of employees in the Transportation Security Administration of the Department of Transportation, before or after its transfer to the Department of Homeland Security, does not apply to the extent that any such employees are responsible for implementing the provisions of this Act.

TITLE II—FEDERAL RAIL POLICY

SEC. 201. FEDERAL RAIL POLICY ENHANCEMENT.

Section 103 is amended to read as follows:

"§ 103. Federal Railroad Administration

"(a) IN GENERAL.—The Federal Railroad Administration is an administration in the Department of Transportation.

"(b) ADMINISTRATOR.—The head of the Administration is the Administrator who is appointed by the President, by and with the advice and consent of the Senate. The Administrator reports directly to the Secretary of Transportation.

"(c) SAFETY.—To carry out all railroad safety laws of the United States, the Administration is divided on a geographical basis into at least 8 safety offices. The Secretary of Transportation is responsible for all acts taken under those laws and for ensuring that the laws are uniformly administered and enforced among the safety offices.

"(d) POWERS AND DUTIES.—

"(1) IN GENERAL.—The Administrator shall carry out—

"(A) the duties and powers related to rail road safety vested in the Secretary by section 20134(c) and chapters 203 through 211 of this title, and chapter 213 of this title in carrying out chapters 203 through 211;

"(B) the duties and powers related to railroad policy and development under subsection (e); and

"(C) any additional duties and powers prescribed by the Secretary.

"(2) TRANSFERS.—A duty or power specified by paragraph (1)(A) of this subsection may be transferred to another part of the Department only when specifically provided by law or a reorganization plan submitted under chapter 9 of title 5. A decision of the Administrator in carrying out those duties or powers and involving notice and hearing required by law is administratively final.

"(3) CONTRACTS, GRANTS, LEASES, COOPERATIVE AGREEMENTS, AND SIMILAR TRANSACTIONS.—Subject to the provisions of subtitle I of title 40 and title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251 et seq.), the Secretary of Transportation may make, enter into, and perform such contracts, grants, leases, cooperative agreements, and other similar transactions with Federal or other public agencies (including State and local governments) and private organizations and persons, and make such payments, by way of advance or reimbursement, as the Secretary may determine to be necessary or appropriate to carry out functions of the Federal Railroad Administration. The authority of the Secretary granted by this paragraph shall be carried out by the Administrator.

"(e) ADDITIONAL DUTIES OF THE ADMINISTRATOR.—The Administrator shall—

"(1) provide assistance to States in developing State rail plans prepared under section 22501 and review all State rail plans submitted under such section 22501;

"(2) develop a long range national rail plan that is consistent with approved State rail plans, the 50-year Intermodal Blueprint developed under section 5503(e), and the rail needs of the Nation, as determined by the Secretary in order to promote an integrated, cohesive, efficient, and optimized national rail system for the movement of goods and people;

"(3) develop a preliminary national rail plan within a year after the date of enactment of the Arrive 21 Act;

"(4) develop and enhance partnerships with the freight and passenger railroad industry, States, and the public concerning rail development;-

"(5) support rail intermodal development and high-speed rail development, including high speed rail planning under section 205;

"(6) ensure that programs and initiatives developed under this section benefit the public and work toward achieving regional and national transportation goals; and

"(7) facilitate and coordinate efforts to assist freight and passenger rail carriers, transit agencies and authorities, municipalities, and States in passenger-freight service integration on shared rights of way by providing neutral assistance at the joint request of affected rail service providers and infrastructure owners relating to operations and capacity analysis, capital requirements, operating costs, and other research and planning related to corridors shared by passenger or commuter rail service and freight rail operations.

"(f) PERFORMANCE GOALS AND REPORTS.—

"(1) PERFORMANCE GOALS.—In conjunction with the objectives established and activities undertaken under section 103(e) of this title, the Administrator shall develop a schedule for achieving specific, measurable performance goals.

"(2) RESOURCE NEEDS.—The strategy and annual plans shall include estimates of the funds and staff resources needed to accomplish each goal and the additional duties required under section 103(e).

"(3) SUBMISSION WITH PRESIDENT'S BUDGET.—Beginning with fiscal year 2005 and each fiscal year thereafter, the Secretary shall submit to Congress, at the same time as the President's budget submission, the Administration's performance goals and schedule developed under paragraph (1), including an assessment of the progress of the Administration toward achieving its performance goals.".

SEC. 202. RAIL COOPERATIVE RESEARCH PROGRAM.

(a) REQUIREMENT FOR PROGRAM.—

(1) ESTABLISHMENT AND CONTENT.—Chapter 249 is amended by adding at the end the following:

"§ 24910. Rail cooperative research program

"(a) IN GENERAL.—The Secretary shall establish and carry out a rail cooperative research program. The program shall—

"(1) address, among other matters, intercity rail passenger and freight rail services, including existing rail passenger and freight technologies and speeds, incrementally enhanced rail systems and infrastructure, and new high-speed wheel-on-rail systems and rail security;

"(2) address ways to expand the transportation of international trade traffic by rail, enhance the efficiency of intermodal interchange at ports and other intermodal terminals, and increase capacity and availability of rail service for seasonal freight needs;

"(3) consider research on the interconnectedness of commuter rail, passenger rail, freight rail, and other rail networks; and

"(4) give consideration to regional concerns regarding rail passenger and freight transportation, including meeting research needs common to designated high-speed corridors, long-distance rail services, and regional intercity rail corridors, projects, and entities.

"(b) CONTENT.—The program to be carried out under this section shall include research designed—

"(1) to identify the unique aspects and attributes of rail passenger and freight service;

"(2) to develop more accurate models for evaluating the impact of rail passenger and freight service, including the effects on highway and airport and airway congestion, environmental quality, and energy consumption;

"(3) to develop a better understanding of modal choice as it affects rail passenger and freight transportation, including development of better models to predict utilization;

"(4) to recommend priorities for technology demonstration and development;

"(5) to meet additional priorities as determined by the advisory board established under subsection (c), including any recommendations made by the National Research Council;

"(6) to explore improvements in management, financing, and institutional structures;

"(7) to address rail capacity constraints that affect passenger and freight rail service through a wide variety of options, ranging from operating improvements to dedicated new infrastructure, taking into account the impact of such options on operations;

"(8) to improve maintenance, operations, customer service, or other aspects of intercity rail passenger and freight service;

"(9) to recommend objective methodologies for determining intercity passenger rail routes and services, including the establishment of new routes, the elimination of existing routes, and the contraction or expansion of services or frequencies over such routes;

"(10) to review the impact of equipment and operational safety standards on the further development of high speed passenger rail operations connected to or integrated with non-high speed freight or passenger rail operations; and

"(11) to recommend any legislative or regulatory changes necessary to foster further development and implementation of high speed passenger rail operations while ensuring the safety of such operations that are connected to or integrated with non-high speed freight or passenger rail operations.

"(c) ADVISORY BOARD.—

"(1) ESTABLISHMENT.—In consultation with the heads of appropriate Federal departments and agencies, the Secretary shall establish an advisory board to recommend research, technology, and technology transfer activities related to rail passenger and freight transportation.

"(2) MEMBERSHIP.—The advisory board shall include—

"(A) representatives of State transportation agencies;

"(B) transportation and environmental economists, scientists, and engineers; and

"(C) representatives of Amtrak, the Alaska Railroad, freight railroads, transit operating agencies, intercity rail passenger agencies, railway labor organizations, and environmental organizations.

"(d) NATIONAL ACADEMY OF SCIENCES.—The Secretary may make grants to, and enter into cooperative agreements with, the National Academy of Sciences to carry out such activities relating to the research, technology, and technology transfer activities described in subsection (b) as the Secretary deems appropriate.".

(2) CLERICAL AMENDMENT.—The chapter analysis for chapter 249 is amended by adding at the end the following:

"24910. Rail cooperative research program".

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Transportation $5,000,000 for each of fiscal years 2004 through 2009 to carry out the rail cooperative research program under section 24910 of title 49, United States Code.

SEC. 203. STATE RAIL PLANS.

(a) IN GENERAL.—Part B of subtitle V is amended by adding at the end the following:

"CHAPTER 225—STATE RAIL PLANS AND HIGH PRIORITY PROJECTS

"Sec.
"22501. Authority
"22502. Purposes
"22503. Transparency; coordination; review
"22504. Content
"22505. Approval
"22506. High priority projects
"22507. Definitions

"§ 22501. Authority

"(a) IN GENERAL.—Each State may prepare and maintain a State rail plan in accordance with the provisions of this chapter.

"(b) REQUIREMENTS.—For the preparation and periodic revision of a State rail plan, a State shall—

"(1) establish or designate a State rail transportation authority to prepare, maintain, coordinate, and administer the plan;

"(2) establish or designate a State rail plan approval authority to approve the plan;

"(3) submit the State's approved plan to the Secretary of Transportation for approval; and

"(4) revise and resubmit a State-approved plan no less frequently than once every 5 years for reapproval by the Secretary.

"§ 22502. Purposes

"(a) PURPOSES.—The purposes of a State rail plan are as follows:

"(1) To set forth State policy involving freight and passenger rail transportation, including commuter rail operations, in the State.

"(2) To establish the period covered by the State rail plan.

"(3) To present priorities and strategies to preserve, enhance, or expand rail service in the State that benefits the public.

"(4) To serve as the basis for Federal and State rail investments within the State.

"(b) COORDINATION.—A State rail plan shall be coordinated with other State transportation planning goals and programs and set forth rail transportation's role within the State transportation system.

"§ 22503. Transparency; coordination; review

"(a) PREPARATION.—A State shall provide adequate and reasonable notice and opportunity for comment and other input to the public, rail carriers, commuter and transit authorities operating in, or affected by rail operations within the State, units of local government, and other interested parties in the preparation and review of its State rail plan.

"(b) INTERGOVERNMENTAL COORDINATION.—A State shall review the freight and passenger rail service activities and initiatives by regional planning agencies, regional transportation authorities, and municipalities within the State, or in the region in which the State is located, while preparing the plan, and shall include any recommendations made by such agencies, authorities, and municipalities as deemed appropriate by the State.

"(c) ANNUAL REVIEWS.—Each State shall transmit an annual report on its plan to the Secretary of Transportation. The report shall include, for the year preceding the year in which submitted, the following matters:

"(1) A review of progress made, and actions taken, under the plan during the year, including an update on the budget, schedule, and financing for each project on the freight or passenger rail capital project list compiled under section 22504(a) of this title.

"(2) Any modifications made in the plan after approval of the plan by the Secretary or after the submission of the most recent annual report on the plan to the Secretary, including any modifications made to the priority freight or passenger rail capital list required by section 22504(b).

"(d) APPROVAL OF MODIFIED PLANS.—Modifications of a State rail plan that are determined substantive by the Secretary, including any modification to a priority freight or passenger rail capital project list required by section 22504(b), is subject to approval (for the purposes of this chapter) by the Secretary.

"§ 22504. Content

"(a) IN GENERAL.—Each State rail plan shall contain the following:

"(1) An evaluation of the existing overall rail transportation system and rail services and facilities within the State, a prioritization of such services and facilities in terms of their contributions to the State's rail and transportation system.

"(2) A comprehensive review of all rail lines within the State, including proposed high speed rail corridors and significant rail line segments not currently in service, containing an overview of the transportation services provided by those lines, their ownership, operating characteristics, and the general state of their infrastructure.

"(3) A statement of the State's freight and passenger rail service objectives, including minimum service levels, for rail transportation routes in the State.

"(4) A general analysis of rail's transportation, economic, and environmental impacts in the State, including congestion mitigation, trade and economic development, air quality, land-use, energy-use, and community impacts.

"(5) A long-range rail service and investment program for current and future freight and passenger services in the State that meets the requirements of subsection (b).

"(6) A statement of public financing issues for rail projects and service in the State, including a list of current and prospective capital and operating funding resources, public subsidies, State taxation, and other financial policies relating to rail service and rail infrastructure development.

"(7) A statement of rail service issues within the State, such as congestion and capacity, and current system deficiencies on a regional, intrastate, and interstate basis, that reflects consultation with neighboring States and describes any coordination of regional rail service.

"(8) A review of major passenger and freight intermodal rail connections and facilities within the State, including seaports, and prioritized options to maximize service integration and efficiency between rail and other modes of transportation within the State.

"(9) A description of new technology that relates to rail transportation within the State, including logistics and process improvements.

"(10) A review of publicly funded projects within the State to improve rail transportation safety and security, including all major projects funded under section 130 of title 23.

"(11) A performance evaluation of passenger rail services operating in the State, including possible improvements in those services, and a description of strategies to achieve those improvements.

"(12) A compilation of studies and reports on high-speed rail corridor development within the State not included in a previous plan under this chapter, and a plan for funding any recommended development of such corridors in the State.

"(13) A statement that the State is in compliance with the requirements of section 22102.

"(b) LONG-RANGE SERVICE AND INVESTMENT PROGRAM.—

"(1) PROGRAM CONTENT.—A long-range rail service and investment program included in a State rail plan under subsection (a)(5) shall include the following matters:

"(A) Two ranked lists for rail capital projects, 1 for freight rail capital projects and 1 for intercity passenger rail capital projects.

"(B) A detailed funding plan for the projects.

"(2) PROJECT LIST CONTENT.—The ranked list of freight and intercity passenger rail capital projects shall contain—

"(A) a description of the anticipated public and private benefits of each such project; and

"(B) a statement of the correlation between— .

"(i) public funding contributions for the projects; and

"(ii) the public benefits.

"(3) CONSIDERATIONS FOR PROJECT LIST.—In preparing the ranked list of freight and intercity passenger rail capital projects, a State rail transportation authority shall take into consideration the following matters:

"(A) Contributions made by non-Federal and non-State sources through user fees, matching funds, or other private capital involvement.

"(B) Rail capacity and congestion effects.

"(C) Effects to highway, aviation, and maritime capacity, congestion, or safety.

"(D) Regional balance.

"(E) Environmental impact.

"(F) Competitive and service impacts for rail carriers and shippers.

"(G) Preservation of rail service.

"(H) Economic and employment impacts.

"(I) Projected ridership and other service measures for passenger rail projects.

"(c) WAIVER.—The Secretary may waive any requirement of subsection (a) upon application under circumstances that the Secretary determines appropriate.

§ 22505. Approval

"(a) CRITERIA.—The Secretary may approve a State rail plan for the purposes of this chapter if—

"(1) the plan meets all of the requirements applicable to State plans under this chapter;

"(2) for each ready-to-commence project listed on the ranked list of freight and intercity passenger rail capital projects under the plan—

"(A) the project meets all safety and environmental requirements including those prescribed under the National Environmental Policy Act of 1969 (42 U.S.C. 4331 et seq.) that are applicable to the project under law; and

"(B) the State has entered into an agreement with any owner of rail infrastructure or right of way directly affected by the project that·provides for the State to proceed with the project; and

"(3) the content of the plan is coordinated with—

"(A) State transportation plans developed pursuant to the requirements of section 135 of title 23; and

"(B) the national rail plan, the 50-year intermodal blueprint developed under section 5503(e) of this title, (if either is available) and any other transportation plan of the Federal Government that is required by law deemed relevant by the Secretary.

"(b) PROCEDURES FOR STATE RAIL PLAN SUBMISSION AND APPROVAL.—The Secretary shall prescribe procedures for States to submit State rail plans for review under this title, including standardized format and data requirements and procedures for resubmittal if a State rail plan is disapproved. The procedures shall provide for the Secretary to review a State rail plan and issue a record of decision of approval or disapproval, with comment, on such plan within 180 days after the plan is submitted.

"§ 22506. High priority projects

"(a) DESIGNATION OF PROJECTS.—In reviewing State rail plans, the Secretary of Transportation may designate as a high priority project any project submitted by a State or group of States that meets both of the following criteria:

"(1) The project focuses on key rail congestion points that are—

"(A) selected by the Secretary on the basis of national benefits to the rail transportation system; and

"(B) coordinated with the national rail plan, if that plan is available.

"(2) The project is on a ranked list of priority freight and passenger rail capital projects that is included in a State rail plan under section 22504(a)(5) of title 49, United States Code, unless this criterion is waived by the Secretary.

"(b) PREFERRED PROJECTS.—The Secretary, in designating high priority projects, shall give preference to—

"(1) projects that have national significance for—

"(A) improving the national rail network and the Nation's transportation system;

"(B) ensuring particularly high levels of safety;

"(C) increasing intermodal connectivity by providing or improving direct connections between rail facilities and other modes of transportation;

"(D) significantly improving highway, aviation, or maritime capacity, congestion, or safety;

"(E) improving intercity passenger rail service by increasing ridership, reducing trip time, or other significant enhancements;

"(F) improving both intercity passenger rail and freight rail services simultaneously;

"(G) enhancing freight rail service for shippers;

"(H) causing positive economic and employment results;

"(I) producing significant environmental or community benefits;

"(J) having received financial commitments and other support from non-Federal entities such as States, local governments, or private entities;

"(K) enhancing international trade;

"(L) enhancing national security; or

"(M) employing positive train control technologies; and

"(2) projects that are at the stage of preparation that all pre-commencement compliance with environmental protection requirements has been completed and the projects are ready to commence.

"(c) REGIONAL BALANCE AND COMPATIBILITY.—The Secretary, in designating high priority projects, shall ensure that—

"(1) the geographic distribution of the designated high priority projects is balanced among the geographic regions of the United States and a disproportionated number of such projects is not concentrated in a single State; and

"(2) all projects are—

"(A) compatible with State transportation plans developed pursuant to the requirements of section 135 of title 23; and

"(B) carried out in conformance with the national rail plan.

"(d) ADDITIONAL PROJECTS.—The Secretary may designate projects submitted to the Office by the National Railroad Passenger Corporation, either independently or in conjunction with a State or group of States, as a high priority project. Any such projects shall be subject to the same designation and selection criteria as apply under this section, except the criteria set forth in subsections (a)(2) and (c)(2) of this section.

"§ 22507. Definitions

"In this chapter:

"(1) PRIVATE BENEFIT.—The term 'private benefit' means a benefit accrued to a person or private entity, other than the National Railroad Passenger Corporation, that directly improves the economic and competitive condition of that person or entity through improved assets, cost reductions, service improvements, or any other means as defined by the Secretary. The Secretary may seek the advice of the states and rail carriers in further defining this term.xxx

"(2) PUBLIC BENEFIT.—The term 'public benefit' means a benefit accrued to the public in the form of enhanced mobility of people or goods, environmental protection or enhancement, congestion mitigation, enhanced trade and economic development, improved air quality or land use, more efficient energy use, enhanced public safety or security, reduction of public expenditures due to improved transportation efficiency or infrastructure preservation, and any other positive community effects as defined by the Secretary. The Secretary make seek the advice of the States and rail carriers in further defining this term.

"(3) STATE.—The term 'State' means any of the 50 States and the District of Columbia.

"(4) STATE RAIL TRANSPORTATION AUTHORITY.—The term 'State rail transportation authority' means the State agency or official responsible under the direction of the Governor of the State or a State law for preparation, maintenance, coordination, and administration of the State rail plan.".

(b) CLERICAL AMENDMENT.—The table of chapters for subtitle V is amended by inserting after the item relating to chapter 223 the following:

"225. STATE RAIL PLANS AND
HIGH PRIORITY PROJECTS ......22501.".

2SEC. 204. INTERSTATE RAILROAD PASSENGER HIGH-SPEED TRANSPORTATION POLICY.

(a) IN GENERAL.—Chapter 261 is amended by inserting before section 26101 the following:

"§ 26100. Policy.

"The Congress declares that it is the policy of the United States that designated high-speed railroad passenger transportation corridors are the building blocks of an interconnected National railroad passenger system.".

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 261 is amended by inserting before the item relating to section 26101 the following:

"26100. Policy".

SEC. 205. HIGH-SPEED RAIL CORRIDOR PLANNING.

(a) IN GENERAL.—Section 26101(a) is amended to read as follows:

"(a) PLANNING.—

"(1) IN GENERAL.—The Secretary of Transportation shall provide planning assistance to States or group of States and other public agencies promoting the development of high-speed rail corridors designated by the Secretary under section 104(d) of title 23. The Secretary shall establish an application and qualification process for applicants eligible for assistance under this section.

"(2) Secretary May Provide Direct or Financial Assistance.—The Secretary may provide planning assistance under paragraph (1) directly or by providing financial assistance to a public agency or group of public agencies to undertake planning activities approved by the Secretary. Twenty percent of the publicly financed planning costs associated with projects assisted under this chapter shall come from non-Federal sources. State matching contributions may not be derived, directly or indirectly, from Federal funds.

"(d) Record of Decision.—Upon completion of planning activities funded under this section, the Secretary shall make a recommendation on the record of whether to proceed with the implementation of the corridor.".

(b) Conforming and Other Amendments to Section 26101.—Section 26101 is further amended—

(1) by striking subsection (c)(2) and inserting the following:

"(2) the extent to which the proposed planning focuses on high-speed rail systems, giving a priority to systems which will achieve sustained speeds of 125 miles per hour or greater and projects involving dedicated rail passenger rights-of-way;";

(2) by inserting "and" after the semicolon in subsection (c)(12);

(3) by striking "completed; and" in subsection (c)(13) and inserting "completed."; and

(4) by striking subsection (c)(14).

(c) Conforming Amendment.—Section 26105(2)(A) is amended by striking "more than 125 miles per hour;" and inserting "90 miles per hour or more;".

(d) Financial Assistance To Include Loans and Loan Guarantees.—Section 26105(1) is amended by inserting "loans, loan guarantees," after "contracts,".

(e) Special Transportation Circumstances.—Section 26101 is amended by adding at the end the following:

"(d) Special Transportation Circumstances.—In carrying out this section, the Secretary shall allocate an appropriate portion of the amounts available for planning assistance to providing appropriate transportation-related assistance in any State in which the rail transportation system—

"(1) is not physically connected to rail systems in the continental United States; and

"(2) may not otherwise qualify for high speed rail implementation assistance due to the constraints imposed on the railway infrastructure in that State due to the unique characteristics of the geography of that State or other relevant considerations, as determined by the Secretary.".

(f) Authorization of Appropriations.—There are authorized to be appropriated to the Secretary of Transportation $50,000,000 for each of fiscal years 2004 through 2009 to provide planning assistance under section 26101(a) of title 49, United States Code.

SEC. 206. DESIGNATED HIGH-SPEED RAIL CORRIDORS.

(a) In General.—The Secretary of Transportation shall give priority in allocating funds authorized by section 26104 of title 49, United States Code, to designated high-speed rail corridors.

(b) Designated High-Speed Rail Corridors.—For purposes of subsection (a), the following shall be considered to be designated high-speed rail corridors:

(1) California Corridor connecting the San Francisco Bay area and Sacramento to Los Angeles and San Diego.

(2) Chicago Hub Corridor Network with the following spokes:

(A) Chicago to Detroit.

(B) Chicago to Minneapolis/St. Paul, Minnesota, via Milwaukee, Wisconsin.

(C) Chicago to Kansas City, Missouri, via Springfield, Illinois, and St. Louis, Missouri.

(D) Chicago to Louisville, Kentucky, via Indianapolis, Indiana, and Cincinnati, Ohio.

(E) Chicago to Cleveland, Ohio, via Toledo, Ohio.

(F) Cleveland, Ohio, to Cincinnati, Ohio, via Columbus, Ohio.

(3) Empire State Corridor from New York City, New York, through Albany, New York, to Buffalo, New York.

(4) Florida High-Speed Rail Corridor from Tampa through Orlando to Miami.

(5) Gulf Coast Corridor from Houston Texas, through New Orleans, Louisiana, to Mobile, Alabama, with a branch from New Orleans, through Meridian, Mississippi, and Birmingham, Alabama, to Atlanta, Georgia.

(6) Keystone Corridor from Philadelphia, Pennsylvania, through Harrisburg, Pennsylvania, to Pittsburgh, Pennsylvania.

(7) Northeast Corridor from Washington, District of Columbia, through New York City, New York, New Haven, Connecticut, and Providence, Rhode Island, to Boston, Massachusetts, with a branch from New Haven, Connecticut, to Springfield, Massachusetts.

(8) New England Corridor from Boston, Massachusetts, to Portland and Auburn, Maine, and from Boston, Massachusetts, through Concord, New Hampshire, and Montpelier, Vermont, to Montreal, Quebec.

(9) Pacific Northwest Corridor from Eugene, Oregon; through Portland, Oregon, and Seattle, Washington, to Vancouver, British Columbia.

(10) South Central Corridor from San Antonio, Texas, through Dallas/Fort Worth to Little Rock, Arkansas, with a branch from Dallas/Fort Worth through Oklahoma City, Oklahoma, to Tulsa, Oklahoma.

(11) Southeast Corridor from Washington, District of Columbia, through Richmond, Virginia, Raleigh, North Carolina, Columbia, South Carolina, Savannah, Georgia, and Jessup, Georgia, to Jacksonville, Florida, with—

(A) a branch from Raleigh, North Carolina, through Charlotte, North Carolina, and Greenville, South Carolina, to Atlanta, Georgia; a branch from Richmond, to Hampton Roads/Norfolk, Virginia;

(B) a branch from Charlotte, North Carolina, to Columbia, South Carolina, to Charleston, South Carolina;

(C) a connecting route from Atlanta, Georgia, to Jessup, Georgia;

(D) a connecting route from Atlanta, Georgia, to Charleston, South Carolina; and

(E) a branch from Raleigh, North Carolina, through Florence, South Carolina, to Charleston, South Carolina, and Savannah, Georgia, with a connecting route from Florence, South Carolina, to Myrtle Beach, South Carolina.

(12) Southwest Corridor from Los Angeles, California, to Las Vegas, Nevada.

(c) Other High-Speed Rail Corridors.—For purposes of this section, subsection (b)—

(1) does not limit the term "designated highspeed rail corridor" to those corridors described in subsection (b); and

(2) does not limit the Secretary of Transportation's authority—

(A) to designate additional high-speed rail corridors; or

(B) to terminate the designation of any high-speed rail corridor.

SEC. 207. REHABILITATION, IMPROVEMENT, AND SECURITY FINANCING.

(a) Definitions.—Section 102(7) of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 802(7)) is amended to read as follows:

"(7) 'railroad' has the meaning given that term in section 20102 of title 49, United States Code; and".

(b) General Authority.—Section 502 of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 822) is amended—

(1) by striking "Secretary may provide direct loans and loan guarantees to State and local governments," in subsection (a) and inserting "Secretary shall provide direct loans and loan guarantees to State and local governments, interstate compacts entered into under section 410 of the Amtrak Reform and Accountability Act of 1997 (49 U.S.C 24101 note),";

(2) by striking "or" in subsection (b)(1)(B);

(3) by redesignating subparagraph (C) of subsection (b)(1) as subparagraph (D); and

(4) by inserting after subparagraph (B) of subsection (b)(1) the following:

"(C) to acquire, improve, or rehabilitate rail safety and security equipment and facilities; or".

(c) Extent of Authority.—Section 502(d) of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 822(d)) is amended by adding at the end "The Secretary shall not establish any limit on the proportion of the unused amount authorized under this subsection that may be used for a single loan or loan guarantee.".

(d) Cohorts of Loans.—Section 502(f) of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 822(f)) is amended—

(1) in paragraph (2)—

(A) by striking "and" at the end of subparagraph (D);

(B) by redesignating subparagraph (E) as subparagraph (F); and

(C) by adding after subparagraph (D) the following new subparagraph:

"(E) the size and characteristics of the cohort of which the loan or loan guarantee is a member; and"; and

(2) by adding at the end of paragraph (4) the following: "A cohort may include loans and loan guarantees. The Secretary shall not establish any limit on the proportion of a cohort that may be used for a single loan or loan guarantee.".

(e) Conditions of Assistance.—Section 502 of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 822) is amended—

(1) by striking "offered;" in subsection (f)(2)(A) and inserting "offered, if any;";

(2) by inserting "(1)" before "The Secretary" in subsection (h) and redesignating paragraphs (1), (2), and (3) of that subsection as subparagraphs (A), (B), and (C); and

(3) by adding at the end of subsection (h) the following: .

"(2) The Secretary may not require an applicant for a direct loan or loan guarantee under this section to provide collateral.

"(3) The Secretary may not require that an applicant for a direct loan or loan guarantee under this section have previously sought the financial assistance requested from another source.

"(4) The Secretary shall require recipients of direct loans or loan guarantees under this section to apply the standards of subsections (b) and (e) of section 22301 of title 49, United States Code, to their projects.

"(5) The Secretary shall require recipients of direct loans or loan guarantees under this section to comply with—

"(A) the standards of section 24312, as in effect on September 1, 2003, with respect to the project in the same manner that the National Railroad Passenger Corporation is required to comply with such standards for construction work financed under an agreement made under section 24308(a); and

"(B) the protective arrangements established under section 504 of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 836) with respect to employees affected by actions taken in connection with the project to be financed by direct loans or loan guarantees.".

(f) TIME LIMIT FOR APPROVAL OR DISAPPROVAL.—Section 502 of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 822) is amended by adding at the end the following:

"(i) TIME LIMIT FOR APPROVAL OR DISAPPROVAL.—Not later than 180 days after receiving a complete application for a direct loan or loan guarantee under this section, the Secretary shall approve or disapprove the application.".

(g) FEES AND CHARGES.—Section 503 of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 823) is amended—

(1) by adding at the end of subsection (k) the following: "Funds received by the Secretary under the preceding sentence shall be credited to the appropriation from which the expenses of making such appraisals, determinations, and findings were incurred."; and

(2) by adding at the end the following new subsection:

"(m) FEES AND CHARGES.—Except as provided in this title, the Secretary may not assess any fees, including user fees, or charges in connection with a direct loan or loan guarantee provided under section 502.".

(h) SUBSTANTIVE CRITERIA AND STANDARDS.—Not later than 30 days after the date of the enactment of this Act, the Secretary of Transportation shall publish in the Federal Register and post on the Department of Transportation Web site the substantive criteria and standards used by the Secretary to determine whether to approve or disapprove applications submitted under section 502 of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 822).

(i) OPERATORS DEEMED RAIL CARRIERS; LOANS AND LOAN GUARANTEES FOR NON-RAILROAD ENTITIES.—Section 502 of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 822), as amended by subsection (f), is amended by adding at the end the following:

"(j) OPERATORS DEEMED RAIL CARRIERS.—Any entity providing railroad transportation (within the meaning of section 20102) that begins operations after the date of enactment of the Arrive 21 Act and that uses property acquired pursuant to this section shall be considered an employer for purposes of the Railroad Retirement Act of 1974 (45 U.S.C. 231 et seq.) and considered a carrier for purposes of the Railway Labor Act (45 U.S.C. 151 et seq.).

"(k) LOAN AND LOAN GUARANTEES FOR NON-RAILROAD ENTITIES.—Notwithstanding any other provision of law, entities other than rail companies shall be eligible for loans and loan guarantees under this section.".

SEC. 208. REPAYMENT OF LOAN TO NATIONAL RAILROAD PASSENGER CORPORATION.

The Secretary of Transportation may not collect any payments of principal or interest for the direct loan made to the National Railroad Passenger Corporation under section 502 of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 822). There are authorized to be appropriated to the Secretary for fiscal year 2004 $100,000,000 for the purpose of repaying that loan to the Secretary of the Treasury.

TITLE III—INTERMODAL POLICY

SEC. 301. 50-YEAR INTERMODAL BLUEPRINT.

(a) IN GENERAL.—Section 5503 is amended—

(1) by redesignating subsections (e) and (f) as subsections (g) and (h), respectively; and

(2) by inserting after subsection (d) the following:

"(e) 50-YEAR INTERMODAL BLUEPRINT.—

"(1) IN GENERAL.—The Secretary, in consultation with the advisory board established under section 24910(c) of this title, and other Federal, State, local, and private concerns, shall create a document to be known as the '50-year Intermodal Blueprint', which shall—

"(A) set forth a plan to develop a national intermodal transportation system, including all major modes of transportation;

"(B) describe emerging trends and opportunities to fulfill the future passenger and freight transportation needs of the United States;

"(C) illustrate and estimate the potential results of current policies, possible policy improvements, and directives for achieving the goals set forth in the document;

"(D) forecast the impact of current and future transportation policies on mobility, safety, energy consumption, the environment, technology, international trade, economic activity, and the quality of life in the United States; and

"(E) identify sources of funding to implement the plan described in subparagraph (A).

"(2) BIENNIAL PROGRESS REPORTS.—The Director, working with the Department of Transportation Inspector General, shall issue a 50-year Intermodal Blueprint progress report every 2 years and transmit a copy to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure. In the report, the Director shall—

"(A) disclose the results of an audit of the progress made toward achieving the goals set forth in the 50-year Intermodal Blueprint;

"(B) describe successes, challenges, and obstacles with respect to the 50-year Intermodal Blueprint;

"(C) suggest any changes to the 50-year Intermodal Blueprint that the Director deems necessary or appropriate to reflect changed circumstances or new developments;

"(D) make recommendations on ways to increase intermodal planning and cooperation throughout the national transportation system and within the Department of Transportation; and

"(E) identify successful funding mechanisms and make recommendations for new approaches to funding intermodal transportation facilities and services.

"(3) SEXENNIAL REVISIONS.—The Secretary, in consultation with Federal, State, local, and private concerns, shall revise and republish the 50-year Intermodal Blueprint every 6 years.

"(f) IMPACT MEASUREMENT METHODOLOGY; IMPACT REVIEW.—The Secretary, working with the Bureau of Transportation Statistics, and taking into account the work of the rail cooperative research program established under section 24910(a) of this title, shall—

"(1) formulate a methodology for measuring the impact of intermodal transportation on—

"(A) the environment;

"(B) public health and welfare;

"(C) energy consumption;

"(D) the operation and efficiency of the transportation system;

"(E) congestion; and

"(F) the economy and employment; and

"(2) undertake a comprehensive review of the impact of international trade on intermodal transportation and existing intermodal transportation infrastructure.".

(b) RETAINED FUNDS.—Section 5568 is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following:

"(b) 50-YEAR INTERMODAL BLUEPRINT.—There are authorized to be appropriated to the Secretary $1,000,000 for each of fiscal years 2004 through 2009 to carry out section 5503(e).".

SEC. 302. INTERMODAL TRANSPORTATION POLICY.

(a) POLICY STANDARDS.—Section 302(e) is amended by striking "system" and inserting "system, including freight and passenger rail service and maritime transportation, including such transportation via inland waterways,".

(b) STATE TRANSPORTATION IMPROVEMENT PROGRAMS.—Section 135(f)(4) of title 23, United States Code, is amended by inserting "a State rail plan developed under chapter 225 of title 49," after "134,".

TITLE IV—AMTRAK AUTHORIZATIONS

SEC. 401. NATIONAL RAILROAD PASSENGER TRANSPORTATION SYSTEM DEFINED.

(a) IN GENERAL.—Section 24102 is amended—

(1) by striking paragraph (2);

(2) by redesignating paragraphs (3), (4), and (5) as paragraphs (2), (3), and (4), respectively; and

(3) by inserting after paragraph (4) as so redesignated the following:

"(5) 'national rail passenger transportation system' means—

"(A) the segment of the Northeast Corridor between Boston, Massachusetts and Washington, D.C.;

"(B) rail corridors that have been designated by the Secretary of Transportation as high-speed corridors, but only after they have been improved to permit operation of highspeed service;

"(C) long-distance routes of more than 750 miles between endpoints operated by Amtrak as of the date of enactment of the Arrive 21 Act; and

"(D) short-distance corridors or routes operated by Amtrak.".

(b) AMTRAK ROUTES WITH STATE FUNDING.—

(1) IN GENERAL.—Chapter 247 is amended by inserting after section 24701 the following:

"§ 24702. Transportation requested by States, authorities, and other persons

"(a) CONTRACTS FOR TRANSPORTATION.—Amtrak and a State, a regional or local authority, or another person may enter into a contract for Amtrak to operate an intercity rail service or route not included in the national rail passenger transportation system upon such terms as the parties thereto may agree.

"(b) Discontinuance.—Upon termination of a contract entered into under this section, or the cessation of financial support under such a contract by either party, Amtrak may discontinue such service or route, notwithstanding any other provision of law.".

(2) Conforming amendment.—The chapter analysis for chapter 247 is amended by inserting after the item relating to section 24701 the following:

"24702. Transportation requested by States, authorities, and other persons".

(c) Amtrak To Continue To Provide Non-High-Speed Services.—Nothing in this Act is intended to preclude Amtrak from restoring, improving, or developing non-high-speed intercity passenger rail service.

SEC. 402. RESTRUCTURING OF LONG-TERM DEBT AND CAPITAL LEASES.

(a) In General.—The Secretary of the Treasury shall work with the Secretary of Transportation and Amtrak to restructure Amtrak's indebtedness as of the date of enactment of this Act.

(b) New Debt Prohibition.—Except as approved by the Secretary of Transportation, Amtrak may not enter into any obligation secured by assets of the Corporation after the date of enactment of this Act. This section does not prohibit unsecured lines of credit used by Amtrak or any subsidiary for working capital purposes.

(c) Debt Redemption.—The Secretary of Transportation, in consultation with the Secretary of the Treasury, shall enter into negotiations with the holders of Amtrak debt, including leases, that is outstanding on the date of enactment of this Act for the purpose of redeeming or restructuring that debt. The Secretary, in consultation with the Secretary of the Treasury, shall secure agreements for repayment on such terms as the Secretary deems favorable to the interests of the Government. Payments for such redemption may be made after October 1, 2004, in either a single payment or a series of payments, but in no case shall the repayment period extend beyond September 30, 2008.

(d) Criteria.—In redeeming or restructuring Amtrak's indebtedness, the Secretaries and Amtrak—

(1) shall ensure that the restructuring imposes the least practicable burden on taxpayers; and

(2) take into consideration repayment costs, the term of any loan or loans, and market conditions.

(e) Authorization.—There are authorized to be appropriated to the Secretary such sums as may be necessary for fiscal years 2005 through 2008 to restructure or redeem Amtrak's secured debt.

(f) Amtrak Principal and Interest Payments.—

(1) Principal on debt service.—Unless the Secretary of Transportation and the Secretary of the Treasury restructure or redeem the debt, there are authorized to be appropriated to the Secretary of Transportation for the use of Amtrak for retirement of principal on loans for capital equipment, or capital leases, not more than the following amounts:

(A) For fiscal year 2004, $116,900,000.
(B) For fiscal year 2005, $109,500,000.
(C) For fiscal year 2006, $114,700,000.
(D) For fiscal year 2007, $202,900,000.
(E) For fiscal year 2008, $164,300,000.
(F) For fiscal year 2009, $155,800,000.

(2) Interest on debt.—Unless the Secretary of Transportation and the Secretary of the Treasury restructure or redeem the debt, there are authorized to be appropriated to the Secretary of Transportation for the use of Amtrak for the payment of interest on loans for capital equipment, or capital leases, the following amounts:

(A) For fiscal year 2004, $162,600,000.
(B) For fiscal year 2005, $151,300,000.
(C) For fiscal year 2006, $146,300,000.
(D) For fiscal year 2007, $137,500,000.
(E) For fiscal year 2008, $125,300,000.
(F) For fiscal year 2009, $117,100,000.

(3) Reductions in authorization levels.—Whenever action taken by the Secretary of the Treasury under subsection (c) results in reductions in amounts of principle and interest that Amtrak must service on existing debt, Amtrak shall submit revised recommendations to the Senate Committee on Commerce, Science and Transportation, the House of Representatives Committee on Transportation and Infrastructure, the Senate Committee on Appropriations, and House of Representatives Committee on Appropriations revised requests for amounts authorized by paragraphs (1) and (2) that reflect the such reductions.

SEC. 403. GENERAL AMTRAK AUTHORIZATIONS.

(a) Repeal of Self-Sufficiency Requirements.—

(1) Title 49 amendments.—Chapter 241 is amended

(A) by striking the last sentence of section 24101(d); and

(B) by striking the last sentence of section 24104(a).

(2) Amtrak reform and accountability act amendments.—Title II of the Amtrak Reform and Accountability Act of 1997 (49 U.S.C. 24101 nt) is amended by striking sections 204 and 205.

(3) Common stock redemption date.—Section 415 of the Amtrak Reform and Accountability Act of 1997 (49 U.S.C. 24304 nt) is amended by striking subsection (b).

(b) Lease arrangements.—Amtrak may obtain services from the Administrator of General Services, and the Administrator may provide services to Amtrak, under section 201(b) and 211(b) of the Federal Property and Administrative Service Act of 1949 (40 U.S.C. 481(b) and 491(b)) for each of fiscal years 2004 through 2008.

(c) Financial Powers.—Section 415(d) of the Amtrak Reform and Accountability Act of 1997 by adding at the end, the following:

"(3) This section does not affect the applicability of section 3729 of title 31, United States Code, to claims made against Amtrak.".

SEC. 404. EXCESS RAILROAD RETIREMENT.

Beginning in fiscal year 2004, the Secretary of the Treasury each year shall pay to the Railroad Retirement Account an amount equal to the amount Amtrak must pay under section 3221 of the Internal Revenue Code of 1986 in fiscal years that is more than the amount needed for benefits for individuals who retire from Amtrak and for their beneficiaries. There are authorized to be appropriated such sums as may be necessary in each fiscal year beginning after fiscal year 2004 for these payments.

SEC. 405. AUTHORIZATIONS FOR ENVIRONMENTAL COMPLIANCE AND STATION EVIPROVEMENTS.

(a) Environmental Compliance.—There are authorized to be appropriated to the Secretary of Transportation for the use of Amtrak in order to comply with environmental regulations the following amounts:

(A) For fiscal year 2004, $18,800,000.
(B) For fiscal year 2005, $21,700,000.
(C) For fiscal year 2006, $22,300,000.
(D) For fiscal year 2007, $15,100,000.
(E) For fiscal year 2008, $15,900,000.
(F) For fiscal year 2009, $16,000,000.

(b) Capital Improvements to Stations.—

(1) In general.—There are authorized to be appropriated to the Secretary of Transportation for the use of Amtrak for capital improvements to stations, including an initial assessment of the full set of accessibility needs across the national rail passenger transportation system and improved accessibility for the elderly and people with disabilities and in Amtrak facilities and stations, the following amounts:

(A) For fiscal year 2004, $17,100,000.
(B) For fiscal year 2005, $19,800,000.
(C) For fiscal year 2006, $19,800,000.
(D) For fiscal year 2007, $19,000,000.
(E) For fiscal year 2008, $19,000,000.
(F) For fiscal year 2009, $19,000,000.

(2) Study of compliance requirements at existing intercity rail stations.—Amtrak shall evaluate the improvements necessary to make. all existing stations it serves readily accessible to and usable by individuals with disabilities, as required by section 242(e)(2) of the Americans with Disabilities Act of 1990 (42 U.S.C. 12162(e)(2)). The evaluation shall include the estimated cost of the improvements necessary, the identification of the responsible person (as defined in section 241(5) of that Act (42 U.S.C. 12161(5)), and the earliest practicable date when such improvements can be made. Amtrak shall submit the survey to the Senate Committee on Commerce, Science, and Transportation, the House of Representatives Committee on Transportation and Infrastructure, and the National Council on Disability by September 30, 2005, along with recommendations for funding the necessary improvements.

SEC. 406. TUNNEL LIFE SAFETY.

(a) Life Safety Needs.—There are authorized to be appropriated to the Secretary of Transportation for the use of Amtrak for fiscal year 2004:

(1) $677,000,000 for the 6 New York tunnels built in 1910 to provide ventilation, electrical, and fire safety technology upgrades, emergency communication and lighting systems, and emergency access and egress for passengers.

(2) $57,000,000 for the Baltimore & Potomac tunnel built in 1872 to provide adequate drainage, ventilation, communication, lighting, and passenger egress upgrades.

(3) $40,000,000 for the Washington, DC, Union Station tunnels built in 1904 under the Supreme Court and House and Senate Office Buildings to improve ventilation, communication, lighting, and passenger egress upgrades.

(b) Infrastructure Upgrades.—There are authorized to be appropriated to the Secretary of Transportation for the use of Amtrak $3,000,000 for fiscal year 2004 for the preliminary design of options for a new tunnel on a different alignment to augment the capacity of the existing Baltimore tunnels.

(c) Financial Contribution From Other Tunnel Users.—The Secretary shall, taking into account the need for the timely completion of all life safety portions of the tunnel projects described in subsection (a)—

(1) consider the extent to which rail carriers other than Amtrak use the tunnels;

(2) consider the feasibility of seeking a financial contribution from those other rail carriers toward the costs of the projects; and

(3) obtain financial contributions or commitments from such other rail carriers if feasible.

(d) Availability of Funds. Amounts appropriated pursuant to this section shall remain available until expended.

SEC. 407. AUTHORIZATION FOR CAPITAL AND OPERATING EXPENSES.

(a) OPerating Expenses.—There are authorized to be appropriated to the Secretary of Transportation for the use of Amtrak for operating costs the following amounts:

(1) For fiscal year 2004, $581,000,000.
(2) For fiscal year 2005, $567,000,000.
(3) For fiscal year 2006, $558,000,000.
(4) For fiscal year 2007, $529,000,000.
(5) For fiscal year 2008, $522,000,000.
(6) For fiscal year 2009, $522,000,000.

(b) CAPITAL BACKLOG AND UPGRADES.—There are authorized to be appropriated to the Secretary of Transportation for the use of Amtrak for capital expenses, the following amounts:

(1) For fiscal year 2004, $674,000,000.
(2) For fiscal year 2005, $765,000,000.
(3) For fiscal year 2006, $733,000,000.
(4) For fiscal year 2007, $604,000,000.
(5) For fiscal year 2008, $560,000,000.
(6) For fiscal year 2009, $565,000,000.

(c) REDUCTIONS.—Amounts authorized under subsection (b) shall be reduced by amounts equal to grants provided by the Rail Infrastructure Finance Corporation under title VI of this Act upon receipt to Amtrak for capital requirements and expenditures listed in the annual budget and 5 Year Financial Plan required under section 413.

SEC. 409. ESTABLISHMENT OF GRANT PROCESS.

(a) GRANT REQUESTS.—Amtrak shall submit grant requests to the Secretary of Transportation for funds authorized to be appropriated to the Secretary for the use of Amtrak under sections 405, 406, and 407.

(b) PROCEDURES FOR GRANT REQUESTS.—The Secretary shall establish substantive and procedural requirements, including schedules, for grant requests under this section not later than 30 days after the date of enactment of this Act and shall transmit copies to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure.

(c) REVIEW AND APPROVAL.—

(1) 30-DAY PROCESS.—The Secretary shall complete the review of a grant request and approve or disapprove the request within 30 days after the date on which Amtrak submits the grant request.

(2) INCOMPLETE OR DEFICIENT REQUESTS.—If the Secretary disapproves the request or determines that the request is incomplete or deficient, the Secretary shall immediately notify Amtrak of the reason for disapproval or the incomplete items or deficiencies. Within 15 days after receiving notification from the Secretary under the preceding sentence, Amtrak shall submit a modified request for the Secretary's review.

(3) REVISED REQUESTS.—Within 15 days after receiving a modified request from Amtrak, the Secretary shall either approve the modified request, or, if the Secretary finds that the request is still incomplete or deficient, the Secretary shall identify in writing to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure the remaining deficiencies and recommend a process for resolving the outstanding portions of the request.

SEC. 409. STATE-SUPPORTED ROUTES.

The Board of Directors of Amtrak, in consultation with the Secretary of Transportation and the chief executive officer of each State and the District of Columbia, shall develop a formula for funding the operating costs of trains operating on routes not in excess of 750 miles in length that—

(1) is equitable and fair; and

(2) ensures, within 5 years after the date of enactment of this Act, equal treatment of all States (and the District of Columbia) and groups of States (including the District of Columbia).

SEC. 410. RE-ESTABLISHMENT OF NORTHEAST CORRIDOR SAFETY COMMITTEE.

(a) RE-ESTABLISHMENT OF NORTHEAST CORRIDOR SAFETY COMMITTEE.—The Secretary of Transportation shall re-establish the Northeast Corridor Safety Committee authorized by section 24905(b) of title 49, United States Code.

(b) TERMINATION DATE.—Section 24905(b)(4) is amended by striking "January 1, 1999," and inserting "January 1, 2009,".

SEC. 411. AMTRAK BOARD OF DIRECTORS.

(a) IN GENERAL.—Section 24302 is amended to read as follows:

"§ 24302. Board of directors

"(a) COMPOSITION AND TERMS.—

"(1) The board of directors of Amtrak is composed of the following 9 directors, each of whom must be a citizen of the United States:

"(A) The President of Amtrak.

"(B) The Secretary of Transportation.

"(C) 7 individuals appointed by the President of the United States, by and with the advice and consent of the Senate, with experience and qualifications in or directly related to rail transportation, including representatives of freight and passenger rail transportation, travel, hospitality, cruise line, and passenger air transportation businesses, consumers of passenger rail transportation, and State government.

"(2) In selecting individuals described in paragraph (1) for nominations for appointments to the Board, the President shall consult with the Speaker of the House of Representatives, the Minority Leader of the House of Representatives, the Majority Leader of the Senate, and the Minority Leader of the Senate and should ensure adequate and balanced representation of the major geographic regions of the United States.

"(3) An individual appointed under paragraph (1)(C) of this subsection serves for 5 years or until the individual's successor is appointed and qualified. Not more than 4 individuals appointed under paragraph (1)(C) may be members of the same political party.

"(4) The board shall elect a chairman and a vice chairman from among its membership. The vice chairman shall serve as chairman in the absence of the chairman.

"(5) The Secretary may be represented at board meetings by the Secretary's designee.

"(b) PAY AND EXPENSES.—Each director not employed by the United States Government is entitled to $300 a day when performing board duties and powers. Each director is entitled to reimbursement for necessary travel, reasonable secretarial and professional staff support, and subsistence expenses incurred in attending board meetings.

"(c) VACANCIES.— A vacancy on the board is filled in the same way as the original selection, except that an individual appointed by the President of the United States under subsection (a)(1)(C) of this section to fill a vacancy occurring before the end of the term for which the predecessor of that individual was appointed is appointed for the remainder of that term. A vacancy required to be filled by appointment under subsection (a)(1)(C) must be filled not later than 120 days after the vacancy occurs.

"(d) BYLAWS.—The board may adopt and amend bylaws governing the operation of Amtrak. The bylaws shall be consistent with this part and the articles of incorporation.".

(b) EFFECTIVE DATE FOR DIRECTORS' PROVISION.—The amendment made by subsection (a) shall take effect on October 1, 2003. The members of the Amtrak Reform Board may continue to serve until 3 directors appointed by the President under section 24302(a) of title 49, United States Code, as amended by subsection (a), have qualified for office.

SEC. 412. ESTABLISHMENT OF FINANCIAL ACCOUNTING SYSTEM FOR AMTRAK OPERATIONS BY INDEPENDENT AUDITOR.

(a) IN GENERAL.—The Inspector General of the Department of Transportation shall employ an independent financial consultant with experience in railroad accounting—

(1) to assess Amtrak's financial accounting and reporting system and practices;

(2) to design and assist Amtrak in implementing a modern financial accounting and reporting system, on the basis of the assessment, that will produce accurate and timely financial information in sufficient detail—

(A) to enable Amtrak to assign revenues and expenses appropriately to each of its lines of business and to each major activity within each line of business activity, including train operations, equipment maintenance, ticketing, and reservations;

(B) to aggregate expenses and revenues related to infrastructure and distinguish them from expenses and revenues related to rail operations; and

(C) to provide ticketing and reservation information on a real-time basis.

(b) VERIFICATION OF SYSTEM; REPORT.—The Inspector General of the Department of Transportation shall review the accounting system designed and implemented under subsection (a) to ensure that it accomplishes the purposes for which it is intended. The Inspector General shall report his findings and conclusions, together with any recommendations, to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Transportation $2,500,000 for fiscal year 2004 to carry out subsection (a), such sums to remain available until expended.

SEC. 413. DEVELOPMENT OF 5-YEAR FINANCIAL PLAN.

(a) DEVELOPMENT OF 5-YEAR FINANCIAL PLAN.—The Amtrak board of directors shall submit an annual budget for Amtrak, and a 5-year financial plan for the fiscal year to which that budget relates and the subsequent 4 years, prepared in accordance with this section, to the Secretary of Transportation and the Inspector General of the Department of Transportation no later than—

(1) the first day of each fiscal year beginning after the date of enactment of this Act; or

(2) the date that is 60 days after the date of enactment of an appropriation Act for the fiscal year, if later.

(b) CONTENTS OF 5-YEAR FINANCIAL PLAN.—The 5-year financial plan for Amtrak shall include, at a minimum—

(1) all projected revenues and expenditures for Amtrak, including governmental funding sources;

(2) projected ridership levels for all Amtrak passenger operations;

(3) revenue and expenditure forecasts for nonpassenger operations;

(4) capital funding requirements and expenditures necessary to maintain passenger service which will accommodate predicted ridership levels and predicted sources of capital funding;

(5) operational funding needs, if any, to maintain current and projected levels of passenger service, including state-supported routes and predicted funding sources;

(6) projected capital and operating requirements, ridership, and revenue for any new passenger service operations or service expansions;

(7) an assessment of the continuing financial stability of Amtrak, as indicated by factors such as: the ability of the federal government to adequately meet capital and operating requirements, Amtrak's access to long-term and short-term capital markets, Amtrak's ability to efficiently manage its workforce, and Amtrak's ability to effectively provide passenger train service.

(8) lump sum expenditures of $10,000,000 or more and sources of funding.

(9) estimates of long-term and short-term debt and associated principle and interest payments (both current and anticipated);

(10) annual cash flow forecasts; and

(11) a statement describing methods of estimation and significant assumptions.

(c) STANDARDS TO PROMOTE FINANCIAL STABILITY.—In meeting the requirements of subsection (b) with respect to a 5-year financial plan, Amtrak shall—

(1) apply sound budgetary practices, including reducing costs and other expenditures, improving productivity, increasing revenues, or combinations of such practices; and

(2) use the categories specified in the financial accounting and reporting system developed under section 412 when preparing its 5-year financial plan.

(d) ASSESSMENT BY DOT INSPECTOR GENERAL.—

(1) IN GENERAL.—The Inspector General of the Department of Transportation shall assess the 5-year financial plans prepared by Amtrak under this section to determine whether they meet the requirements of subsection (b), and may suggest revisions to any components thereof that do not meet those requirements.

(2) ASSESSMENT TO BE FURNISHED TO THE CONGRESS.—The Inspector General shall furnish to the House of Representatives Committee on Appropriations, the Senate Committee on Appropriations, the House of Representatives Committee on Transportation and Infrastructure, and the Senate Committee on Commerce, Science, and Transportation—

(A) an assessment of the annual budget within 90 days after receiving it from Amtrak; and

(B) an assessment of the remaining 4 years of the 5-year financial plan within 180 days after receiving it from Amtrak.

SEC. 414. INDEPENDENT AUDITOR TO ESTABLISH METHODOLOGIES FOR AMTRAK ROUTE AND SERVICE PLANNING DECISIONS.

(a) REVIEW.—The Secretary of Transportation shall, in consultation with the Federal Railroad Administration, execute a contract to obtain the services of an independent auditor or consultant to research and define Amtrak's past and current methodologies for determining intercity passenger rail routes and services.

(b) RECOMMENDATIONS.—The independent auditor or consultant shall recommend objective methodologies for determining such routes and services, including the establishment of new routes, the elimination of existing routes, and the contraction or expansion of services or frequencies over such routes.

(c) SUBMITTAL TO CONGRESS.—The Secretary shall submit recommendations received under subsection (b) to Amtrak, the House of Representatives Committee on Transportation and Infrastructure, and the Senate Committee on Commerce, Science, and Transportation.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be made available to the Secretary of Transportation, out of any amounts authorized by this Act to be appropriated for the benefit of Amtrak and not otherwise obligated or expended, such sums as may be necessary to carry out this section.

SEC. 415. METRICS AND STANDARDS.

The Administrator of the Federal Railroad Administration shall, in consultation with Amtrak and host railroads, develop new or improve existing metrics and minimum standards for measuring the service quality of intercity train operations, including on-time performance, on-board services, stations, facilities, equipment, and other services.

SEC. 416. ON-TIME PERFORMANCE.

Section 24308 is amended by adding at the end the following:

"(f) ON-TIME PERFORMANCE AND OTHER STANDARDS.—If the on-time performance of any intercity passenger train averages less than 80 percent for any consecutive 6-month period, or the service quality of intercity train operations for which minimum standards are established under section 415 of the Arrive 21 Act fails to meet those standards, Amtrak may petition the Surface Transportation Board to investigate whether, and to what extent, delays or failure to achieve minimum standards are due to causes that could reasonably be addressed by a rail carrier over the tracks of which the intercity passenger train operates, or by a regional authority providing commuter service, if any. In carrying out such an investigation, the Surface Transportation Board shall obtain information from all parties involved and make recommendations regarding reasonable measures to improve the service, quality, and on-time performance of the train.".

TITLE V—RAIL INFRASTRUCTURE FINANCE CORPORATION

SEC. 501. ESTABLISHMENT OF CORPORATION.

There is established a nonprofit corporation, to be known as the "Rail Infrastructure Finance Corporation". The Rail Infrastructure Finance Corporation is not an agency or establishment of the United States Government. The Corporation shall be subject to the provisions of this title and title VI, and, to the extent consistent with this section, to the laws of the State of Delaware applicable to corporations not for profit.

SEC. 502. BOARD OF DIRECTORS.

(a) APPOINTMENT.—The Rail Infrastructure Finance Corporation shall have a Board of Directors consisting of 9 members appointed by the President, by and with the advice and consent of the Senate. The President shall submit all nominations for the initial Board not less than 180 days after the date of enactment of this Act. Not more than 5 members of the Board may be members of the same political party.

(b) MEMBERSHIP QUALIFICATIONS.—

(1) IN GENERAL.—The 9 members of the Board shall be appointed from among citizens of the United States (not regular full-time employees of the United States) who are eminent in the fields of rail transportation, rail financing, and intermodal transportation planning, and the financing and management of large-scale, long-term public-private cooperative projects.

(2) REPRESENTATION OF SPECIFIC INTERESTS.—Of the 9 members of the Board, 8 of the members shall be selected as follows:

(A) 1 member from among individuals who represent the interests of freight rail transportation.

(B) 1 member from among individuals who represent the interests of intermodal transportation.

(C) 1 member from among individuals who represent the interests of passenger rail transportation.

(D) 1 member from among individuals who represent the interests of the States.

(E) 1 member from among individuals who represent the interests of intercity passenger rail users.

(F) 1 member from among individuals who represent the interests of organized rail labor.

(G) 2 members from among persons who are involved in finance.

(c) INCORPORATION.—The members initially appointed to the Board of Directors shall serve as incorporators and, upon the establishment of a quorum, shall take whatever actions are necessary to establish the Corporation under the laws of Delaware.

(d) TERMS OF OFFICE.—Members of the Board shall be appointed for terms of 6 years. No member of the Board shall be eligible to serve in excess of 2 consecutive full terms.

(e) VACANCIES.—A member of the Board appointed to fill a vacancy occurring prior to the expiration of the term for which the member's predecessor was appointed shall be appointed for the remainder of such term. Upon the expiration of a member's term, the member shall continue to serve until a successor is appointed.

(f) ATTENDANCE REQUIRED.—Members of the Board shall attend not less than 50 percent of all duly convened meetings of the Board in any calendar year. A member who fails to meet the requirement of the preceding sentence shall forfeit membership and the President shall appoint a new member to fill the resulting vacancy not later than 90 days after such vacancy is determined by the Chairman of the Board.

(g) ELECTION OF CHAIRMAN AND VICE CHAIRMAN.—Members of the Board shall annually elect 1 of their members to be Chairman and elect 1 or more of their members as a Vice Chairman or Vice Chairmen.

(h) COMPENSATION.—The members of the Board shall not, by reason of such membership, be considered to be officers or employees of the United States. They shall, while attending meetings of the Board or while engaged in duties related to such meetings or other activities of the Board pursuant to this Act, be entitled to receive compensation at the rate of $300 per day, including traveltime. No Board member shall receive compensation of more than $10,000 in any fiscal year. While away from their homes or regular places of business, Board members shall be allowed travel and actual, reasonable, and necessary expenses.

(i) MEETINGS OPEN TO PUBLIC.—All meetings of the Board of Directors of the Corporation, including any committee of the Board, shall be open to the public under such terms, conditions, and exceptions as the Board may establish.

(j) QUORUM AND PROCEEDINGS.—Five members of the Board shall constitute a quorum for the Board to conduct business. All decisions of the Board shall be entered upon the records of the Board.

SEC. 503. OFFICERS AND EMPLOYEES.

(a) IN GENERAL.—The Rail Infrastructure Finance Corporation shall have a President, and such other officers as may be named and appointed by the Board for terms and at rates of compensation fixed by the Board. No individual other than a citizen of the United States may be an officer of the Corporation. No officer of the Corporation may receive any salary or other compensation (except for compensation for services on boards of directors of other organizations that do not receive funds from the Corporation, on committees of such boards, and in similar activities for such organizations) from any sources other than the Corporation for services rendered during the period of his or her employment by the Corporation. Service by any officer on boards of directors of other organizations, on committees of such boards, and in similar activities for such organizations shall be subject to annual advance approval by the Board and subject to the provisions of the Corporation's Statement of Ethical Conduct. All officers shall serve at the pleasure of the Board. An officer of the corporation shall not be considered to be an officer or employee of the United States by virtue of such office.

(b) NONPARTISAN NATURE OF APPOINTMENTS.—No political test or qualification shall be used in selecting, appointing, promoting, or taking other personnel actions with respect to officers, agents, or employees of the Corporation.

SEC. 504. NONPROFIT AND NONPOLITICAL NATURE OF THE CORPORATION.

(a) STOCK:—The Rail Infrastructure Finance Corporation shall have no power to issue any shares of stock, or to declare or pay any dividends.

(b) NO PRIVATE BENEFIT.—No part of the income or assets of the Corporation shall inure to the benefit of any director, officer, employee, or any other individual except as salary or reasonable compensation for services.

(c) POLITICAL ACTIVITY PROHIBITED.—The Corporation may not contribute to or otherwise support any political party or candidate for elective public office.

(d) CONFLICTS OF INTEREST.—No director, officer, or employee of the Corporation shall in any manner, directly or indirectly, participate in the deliberation upon or the determination of any question affecting his or her personal interests or the interests of any corporation, partnership, or organization in which he or she has a direct or indirect financial interest. Board members shall recuse themselves from Board decisions that directly affect either them or entities they represent regarding grants and other financial assistance provided to States by the Board.

SEC. 505. PURPOSE AND ACTIVITIES OF CORPORATION.

(a) PURPOSE.—The Rail Infrastructure Finance Corporation shall, through the issuance of qualified rail infrastructure bonds in accordance with section 54 of the Internal Revenue Code of 1986 and this title, provide financial support for rail transportation capital projects under title VI of this Act.

(b) BOND ISSUANCE AUTHORITY.—

(1) IN GENERAL.—In order to carry out its purposes, the Corporation is authorized to issue qualified rail infrastructure bonds (as defined in section 54(e) of the Internal Revenue Code of 1986) during the 6-year period beginning on the day after the date of enactment of this Act.

(2) LIMITATION.—The total face amount of the bonds outstanding under paragraph (1) at any time may not exceed $30,000,000,000.

(3) NO FEDERAL GUARANTEE.—

(A) OBLIGATIONS INSURED BY THE CORPORATION.—No obligation that is insured, guaranteed, or otherwise backed by the Corporation shall be deemed to be an obligation that is guaranteed by the full faith and credit of the United States.

(B) SPECIAL RULE.—This paragraph shall not affect the determination of whether such obligation is guaranteed for purposes of Federal income taxes.

(C) SECURITIES OFFERED BY THE CORPORATION.—No debt or equity securities of the Corporation shall be deemed to be guaranteed by the full faith and credit of the United States.

(4) AUTHORITY.—To carry out the foregoing purposes and engage in the foregoing activities, the Corporation shall have the usual powers conferred upon a nonprofit corporation under the laws of the State of Delaware.

(c) FEDERAL ASSISTANCE.—The Corporation shall be eligible to receive discretionary grants, contracts, gifts, contributions, or technical assistance from any department or agency of the Federal Government, but only to the extent permitted by law and to the extent necessary to carry out the purpose set forth in subsection (a) and the activities described in subsection (b).

(d) STATUS UNDER FEDERAL SECURITIES LAWS.—

(1) IN GENERAL.—For purposes of the Securities Act of 1933, the Securities Exchange Act of 1934 or the Trust Indenture Act of 1939, the Rail Infrastructure Finance Corporation shall not be considered an agency or instrumentality of the United States or any State or Territory thereof nor an entity described in section 3(a)(4) of the Securities Act of 1933 and shall not be entitled to rely on any exemption from those laws. Any security offered or sold or guaranteed by the Rail Infrastructure Finance Corporation may not be offered or sold in reliance on any exemption from registration under the Securities Act of 1933, unless exempted by rule or regulation of the Securities and Exchange Commission. For so long as the Rail Infrastructure Finance Corporation has any securities outstanding, it may not rely on the rules promulgated under the Securities Exchange Act of 1934 to voluntarily terminate or suspend the Rail Infrastructure Finance Corporation's obligations to comply with the reporting requirements of the Securities Exchange Act of 1934 with regard to any of its outstanding securities and the provisions of section 15(d)(6) of the Securities Exchange Act of 1934 shall not apply to the Rail Infrastructure Finance Corporation, unless exempted by rule, regulation, or order of the Securities and Exchange Commission.

(2) RELATIONSHIP TO FEDERAL SECURITIES LAWS.—Except as provided in paragraph (1), no provision of this section or any regulation issued by any other Federal agency shall supercede or otherwise affect the application of the Federal securities laws (as such term is defined in section 2(a)(47) of the Securities Exchange Act of 1934) or the rules, regulations, or orders of the Securities and Exchange Commission promulgated under those laws.

SEC. 506. REPORT TO CONGRESS.

(a) IN GENERAL.—On or before May 15 of each year, the Rail Infrastructure Finance Corporation shall submit an annual report for the fiscal year ending on September 30 of the preceding year to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure. The report shall include a comprehensive and detailed report of the Corporation's operations, activities, financial condition, and accomplishments under this title and such recommendations as the Corporation deems appropriate.

(b) AVAILABILITY FOR TESTIMONY.—The officers and directors of the Corporation shall be available to testify before those committees with respect to such report or any other matter which such committees may determine.

SEC. 507. ADMINISTRATIVE MATTERS.

(a) BUDGET.—The Rail Infrastructure Finance Corporation shall establish an annual budget for the Corporation, including the Rail Infrastructure Investment Account under subsection (c).

(b) IMPLEMENTATION PLAN.—

(1) REQUIREMENT FOR PLAN.—The Corporation shall conduct a study and prepare a plan on how the Corporation can best achieve the purposes and fulfill the requirements of this title.

(2) CONSULTATION.—In preparing the plan, the Corporation may consult with representatives of State and local governments, railroads, and other similar entities.

(3) OTHER REQUIREMENTS.—The plan, which shall be based on the conclusions resulting from the study conducted under paragraph (1), shall be submitted by the Corporation to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure not later than 180 days after the date on which the Corporation is incorporated. Unless directed otherwise by law, the Corporation shall implement the plan during the first fiscal year beginning after the fiscal year in which the plan is submitted to Congress.

(c) RAIL INFRASTRUCTURE INVESTMENT ACCOUNT.—

(1) ESTABLISHMENT.—The Board of Directors for the Corporation shall establish an account to be known as the Rail Infrastructure Investment Account.

(2) DEPOSIT OF BOND PROCEEDS.—The Corporation shall deposit the proceeds of sales of any bonds issued under section 54 of the Internal Revenue Code of 1986 into the Account.

(3) DEPOSIT OF NON-FEDERAL CONTRIBUTIONS.—The Board shall deposit all non-Federal contributions received into the Account.

(4) DISBURSEMENTS.—The Board may make available and may disburse, during the first fiscal year beginning after the date of enactment of this Act and during each succeeding fiscal year thereafter, such funds as may be available for obligation and expenditure from the Account.

(5) USE OF ACCOUNT FUNDS.—Funds in the Account—

(A) shall be used by the Corporation for investment purposes through the trust established under section 508 to generate an amount sufficient—

(i) to repay the principal of the bonds at their maturity; and

(ii) to pay the administrative costs of the Corporation and the Rail Infrastructure Finance Trust under section 508; and

(B) shall, to the extent of the net spendable proceeds in the account, be held in the Rail Infrastructure Finance Trust established under section 508 and be available for distribution as grants of financial assistance under title VI of this Act.

(6) NET SPENDABLE PROCEEDS DEFINED.—In this subsection, the term "net spendable proceeds", with respect to the Rail Infrastructure Investment Account, means the amount, determined by the Board of Trustees of the Rail Infrastructure Finance Trust, equal to the excess of—

(A) the total amount in such Account, over

(B) the amount in such Account that is needed for uses under paragraph (5)(A).

(d) RECORDS AND AUDIT.—

(1) In general.—The account of the Corporation shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants certified or licensed by a regulatory authority of a State or other political subdivision of the United States. The audits shall be conducted at the place or places where the accounts of the Corporation are normally kept. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the Corporation and necessary to facilitate the audits shall be made available to the person or persons conducting the audits; and full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents and custodians shall be afforded to such person or persons.

(2) Audit report.—The report of each such independent audit shall be included in the annual report required by section 506. The audit report shall set forth the scope of the audit and include such statements as are necessary to present fairly the Corporation's assets and liabilities, surplus or deficit, with an analysis of the changes therein during the year, supplemented in reasonable detail by a statement of the Corporation's income and expenses during the year, and a statement of the sources and application of funds, together with the independent auditor's opinion of those statements.

(3) Accounting principles.—Not later than 1 year after the date of the enactment of this Act, the Corporation shall develop accounting principles which shall be used uniformly by all entities receiving funds under this Act, taking into account organizational differences among various categories of such entities. Such principles shall be designed to account fully for all funds received and expended for purposes of this Act by such entities.

(4) Requirements for recipients.—Each entity receiving funds under this Act shall—

(A) keep its books, records, and accounts in such form as may be required by the Corporation;

(B) either—

(i) undergo an annual audit by independent certified public accountants or independent licensed public accountants certified or licensed by a regulatory authority of a State, which audit shall be in accordance with auditing standards developed by the Corporation; or

(ii) submit a financial statement in lieu of the audit required by subparagraph (A) if the Corporation determines that the cost burden of such audit on such entity is excessive in light of the financial condition of such entity; and

(C) furnish biennially to the Corporation a copy of the audit report required pursuant to the subparagraph (B), as well as such other information regarding finances (including an annual financial report) as the Corporation may require.

(5) Additional recordkeeping.—Any recipient of assistance by grant or contract under this section, other than a fixed price contract awarded pursuant to competitive bidding procedures, shall keep such records as may be reasonably necessary to disclose fully the amount and the disposition by such recipient of such assistance, that total cost of the project or undertaking in connection with which such assistance is given or used, and the amount and nature of that portion of the cost of the projects or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(6) Access to records.—The Corporation or any of its duly authorized representatives shall have access to any books, documents, papers, and records of any recipient of assistance for the purpose of auditing and, examining all funds received from the Corporation.

(7) Public inspection.—The Corporation shall maintain the information described in paragraphs (4), (5), and (6) at its offices for public inspection and copying for at least 3 years, according to such reasonable guidelines as the Corporation may issue. This public file shall be updated regularly.

SEC. 508. RAIL INFRASTRUCTURE FINANCE TRUST.

(a) Establishment.—The Board of Directors of the Rail Infrastructure Finance Corporation shall establish the Rail Infrastructure Finance Trust (hereafter in this section referred to as the "Trust") as a trust domiciled in the State of Delaware before the issuance of bonds under section 505(b). The Trust shall, to the extent not inconsistent with this Act, be subject to the laws of the State of Delaware that are applicable to trusts. The Trust shall manage and invest the assets of the Rail Infrastructure Account described in section 507(c) that are transferred to it by the Board in the manner set forth in this section.

(b) Not a Federal Agency or Instrumentality.—The Trust is not a department, agency, or other instrumentality of the Government of the United States and shall not be subject to title 31, United States Code.

(c) Board of Trustees.—

(1) Establishment.—The Trust shall have a Board of Trustees.

(2) Composition.—

(A) Appointment.—The Board of Trustees shall consist of 5 members (hereafter in this title referred to as "Trustees") 3 of whom shall be appointed by a unanimous vote of the Board of Directors of the Rail Infrastructure Finance Corporation.

(B) Representation of particular interests.—The 3 members of the Board of Trustees shall be selected as follows:

(i) 1 from among persons who represent the interests of the States.

(ii) 1 from among persons who represent the interests of freight and passenger railroads.

(iii) 1 from among persons who represent the interests of holders of qualified rail infrastructure bonds issued by the Rail Infrastructure Corporation.

(C) The 2 Trustees not appointed under subparagraph (A) shall be elected directly by holders of qualified rail infrastructure bonds issued by the Rail Infrastructure Corporation through procedures established by the Board of Trustees to represent the interests of such bond holders. The election shall be held, and both members elected under this subparagraph shall take office as Trustees, within 1 year after the initial issuance of bonds under section 505(b).

(3) Members not United States officials.—The members of the Board of Trustees may not be considered officers or employees of the Government of the United States.

(4) Qualifications.—The Trustees shall be appointed only from among persons who have experience and expertise in the management of financial investments. No member of the Board of Directors of the Rail Infrastructure Finance Corporation is eligible to be a Trustee.

(5) Terms.—Each member of the Board of Trustees shall be appointed for a 3-year term. Any member whose term has expired may serve until such member's successor has taken office, or until the end of the calendar year in which such member's term has expired, whichever is earlier. A vacancy in the Board of Trustees shall not affect the powers of the Board of Trustees and shall be filled in the same manner as the member whose departure caused the vacancy. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which the member's predecessor was appointed shall be appointed for the remainder of such term.

(d) Powers.—The Board of Trustees shall—

(1) establish investment policies, including guidelines, and retain independent advisers to assist in the formulation and adoption of the investment guidelines;

(2) retain independent investment managers to invest the assets of the Trust in a manner consistent with such investment guidelines;

(3) invest assets in the Trust, pursuant to the policies adopted in paragraph (1);

(4) pay administrative expenses of the Trust from the assets in the Trust;

(5) transfer money to the Rail Infrastructure Investment Account, upon request of the Board of Directors of the Rail Infrastructure Finance Corporation, for bond repayment and administrative expenses; and

(6) develop a formula, subject to approval by the Board of Directors before the issuance of bonds under section 505(b), for determining when there is a sufficient trust income stream for purposes of paragraph (7); and

(7) transfer net spendable proceeds to the Board of Directors to be used for grants under title VI of this Act after determining that adequate trust funds are available, or that there is a trust income stream sufficient, to allow the Board of Trustees to meet its obligations under paragraphs (4) and (5).

(e) Reporting Requirements and Fiduciary Standards.—The following reporting requirements and fiduciary standards shall apply with respect to the Trust:

(1) Duties of the Board of trustees.—The Trust and each member of the Board of Trustees shall discharge the duties of the Trust and the duties of the Trustee, respectively (including the voting of proxies), with respect to the assets of the Trust solely in the interests of the Rail Infrastructure Finance Corporation and the programs funded under this title—

(A) for the exclusive purposes of—

(i) providing sufficient funds to repay qualified rail infrastructure bonds issued by the Rail Infrastructure Finance Corporation,

(ii) funding the administrative costs of the Rail Infrastructure Finance Corporation;

(iii) defraying reasonable expenses of administering the Trust; and

(iv) providing grants for rail capital projects under title VI of this Act; and

(B) with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims;

(C) by diversifying investments so as to minimize the risk of large losses and to avoid disproportionate influence over a particular industry or firm, unless under the circumstances it is clearly prudent not to do so; and

(D) in accordance with Trust governing documents and instruments insofar as such documents and instruments are consistent with this title.

(2) Prohibitions with respect to members of the board of trustees.—A member of the Board of Trustees may not—

(A) deal with the assets of the Trust in the Trustee's own interest or for the Trustee's own account;

(B) act in an individual or in any other capacity, in any transaction involving the assets of the Trust on behalf of a party (or represent a party) whose interests are adverse to the interests of the Trust and the Rail Infrastructure Finance Corporation; or

(C) receive any consideration for the Trustee's own personal account from any party dealing with the assets of the Trust.

(3) Exculpatory provisions and insurance.—Any provision in an agreement or instrument that purports to relieve a Trustee from responsibility or liability for any responsibility, obligation, or duty under this Act shall be void. Nothing in this paragraph shall be construed to preclude—

(A) the Trust from purchasing insurance for its Trustees or for itself to cover liability or losses occurring by reason of the act or omission of a Trustee, if such insurance permits recourse by the insurer against the Trustee in the case of a breach of a fiduciary obligation by such Trustee;

(B) a Trustee from purchasing insurance to cover liability under this section from and for his own account; or

(C) an employer or an employee organization from purchasing insurance to cover potential liability of 1 or more Trustees with respect to their fiduciary responsibilities, obligations, and duties under this section.

(4) Trustees, bonds.—

(A) Requirement.—Each Trustee and every person who handles funds or other property of the Trust (hereafter in this section referred to as "Trust official") shall be bonded. The bond shall provide protection to the Trust against loss by reason of acts of fraud or dishonesty on the part of any Trust official, directly or through the connivance of others.

(B) Amount.—The amount of a bond for a Trustee under this paragraph shall be fixed at the beginning of each fiscal year of the Trust by the Board of Directors of the Rail Infrastructure Finance Corporation. The amount may not be less than 10 percent of the amount of the funds administered by the Trust.

(C) Unlawful conduct.—It shall be unlawful for—

(i) any Trust official to receive, handle, disburse, or otherwise exercise custody or control of any of the funds or other property of the Trust without being bonded as required by this subsection;

(ii) any Trust official, or any other person having authority to direct the performance of such functions, to permit such functions, or any of them, to be performed by any Trust official, with respect to whom the requirements of this subsection have not been met; and

(iii) any person to procure any bond required by this subsection from any surety or other company or through any agent or broker in whose business operations such person has any control or significant financial interest, direct or indirect.

(f) Administrative Matters.—

(1) Authority.—The Board of Trustees shall have the authority to make rules to govern its operations, employ professional staff, and contract with outside advisors (including the Rail Infrastructure Finance Corporation) to provide legal, accounting, investment advisory, or other services necessary for the proper administration of this section. In the case of a contract for investment advisory services, compensation for such services may be provided on a fixed fee basis or on such other terms and conditions as are customary for such services.

(2) Quorum and proceedings.—Three members of the Board of Trustees shall constitute a quorum for the Board to conduct business. Investment guidelines shall be adopted by a unanimous vote of the entire Board of Trustees. All other decisions of the Board of Trustees shall be decided by a majority vote of the quorum present. All decisions of the Board of Trustees shall be entered upon the records of the Board of Trustees.

(3) Compensation of trustees and employees.—The salaries of the Trustees are subject to the limitations in section 502(h).

(4) Compensation arrangements.—The Board of Trustees may compensate investment advisory service providers and employees of the Trust on a fixed contract fee basis or on such other terms and conditions as are customary for such services.

(5) Funding.—The expenses of the Trust and the Board of Trustees that are incurred under this section shall be paid from the Trust.

(g) Audit and Report.—

(1) Requirement for annual audit.—The Trust shall annually engage an independent qualified public accountant to audit the financial statements of the Trust.

(2) Annual management report.—The Trust shall submit an annual management report to be included in the annual report of the Corporation required under section 506. The management report under this paragraph shall include the following matters:

(A) A statement of financial position.

(B) A statement of operations.

(C) A statement of cash flows.

(D) A statement on internal accounting and administrative control systems.

(E) The report resulting from an audit of the financial statements of the Trust conducted under paragraph (1).

(F) Any other comments and information necessary to inform Congress about the operations and financial condition of the Trust.

(h) Enforcement.—The Rail Infrastructure Finance Corporation may commence a civil action—

(1) to enjoin any act or practice by the Trust, its Board of Trustees, or its employees or agents that violates any provision of this title; or

(2) to obtain other appropriate relief to redress such violations, or to enforce any provisions of this title.

(i) Exemption From Tax for Rail Infrastructure Finance Trust.—Subsection (c) of section 501 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

"(29) The Rail Infrastructure Finance Trust established under section 408 of the Arrive 21 Act."Add to Title IV where appropriate:

TITLE VI—RAIL DEVELOPMENT GRANT PROGRAMS

SEC. 601. INTERCITY PASSENGER RAIL DEVELOPMENT GRANT PROGRAM.

(a) Grants to States.—The Board of Directors of the Rail Infrastructure Finance Corporation may, by grant, provide financial assistance to a State, a group of States, or the National Railroad Passenger Corporation for, or in connection with, 1 or more intercity passenger rail capital projects that—

(1) in accordance with section 22504(a)(5) of title 49, United States Code, are listed in a State rail plan approved for such State under chapter 225 of such title; and

(2) as determined by the Board, would primarily benefit intercity passenger rail infrastructure or services or the development of passenger rail corridors (including high-speed rail corridors designated by the Secretary under section 104(d) of title 23, United States Code) and provide significant public benefits.

(b) Purposes Eligible for Grant Funding.—The purposes for which grants may be made under subsection (a) for, or in connection with, an intercity passenger rail capital project described in that subsection are as follows:

(1) Planning, including activities described in section 26101(b)(1) of title 49, United States Code, and environmental impact studies.

(2) New rail line development, including right of way and infrastructure acquisition and construction of track and facilities.

(3) Track upgrades and restoration.

(4) Highway-rail grade crossing improvement or elimination.

(5) Track, infrastructure, and facility relocation.

(6) Acquisition, financing, or refinancing of locomotives and rolling stock.

(7) Intermodal and station facilities.

(8) Tunnel and bridge repair or replacement.

(9) Communications and signaling improvements.

(10) Environmental impact mitigation.

(11) Security improvements.

(12) Supplemental funding for direct loans or loan guarantees made under title V of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 821 et seq.).

(13) Payment of credit risk premiums, to lower rates of interest, or to provide for a holiday on principal payments on loan or financing directly associated with rail capital projects described in paragraphs (1) through (11).

(c) Project Selection Criteria.—The Board, in selecting the recipients of financial assistance to be provided under subsection (a), shall—

(1) require that each proposed project meet all safety requirements that are applicable to the project under law, and give a preference to any project determined by the Board as having provided for particularly high levels of safety;

(2) give preference to projects with high levels of estimated ridership, increased ontime performance, reduced trip time, additional service frequency, or other significant service enhancements as measured against minimum standards developed under section 415 of this Act;

(3) encourage intermodal connectivity through projects that provide direct connections between train stations, airports, bus terminals, subway stations, ferry ports, and other modes of transportation;

(4) ensure a general balance across geographic regions of the United States in providing such assistance and avoid a concentration of a disproportionate amount of such financial assistance in a single project, State, or region of the country;

(5) encourage projects that also improve freight or commuter rail operations;

(6) ensure that each project is compatible with, and is operated in conformance with—

(A) plans developed pursuant to the requirements of sections 135 of title 23, United States Code;

(B) State rail plans under chapter 225 of title 49, United States Code; and

(C) the national rail plan (if it is available); and

(8) favor the following kinds of projects:

(A) Projects that are expected to have a significant favorable impact on air or highway traffic congestion, capacity, or safety.

(B) Projects that have significant environmental benefits.

(C) Projects that are—

(i) at a stage of preparation that all pre-commencement compliance with environmental protection requirements has already been completed; and

(ii) ready to be commenced.

(D) Projects with positive economic and employment impacts.

(E) Projects that encourage the use of positive train control technologies.

(F) Projects that have commitments of funding from non-Federal Government sources in a total amount that exceeds the minimum amount of the non-Federal contribution required for the project.

(G) Projects that involve donated property interests or services.

(H) Projects that enhance national security.

(d) AMTRAK ELIGIBILITY.—To receive a grant under this section, the National Railroad Passenger Corporation may enter into a cooperative agreement with 1 or more States to carry out 1 or more projects on an approved State rail plan's ranked list of priority freight and passenger rail capital projects developed under section 22504(a)(5) of title 49, United States Code, or may submit an independent application for a grant for any eligible project under this section. Any such independent grant request shall be subject to the same selection criteria as apply under subsection (b) to projects of States, except the criteria set forth in subsection (a) (1) and subparagraphs (A) and (B) of subsection (b)(12).

(e) LIMITATIONS.—

(1) 2-YEAR AVAILABILITY.—If any amount provided as a grant to a State or the National Railroad Passenger Corporation under this section is not obligated or expended for the purposes described in subsection (a) or (b) within 2 years after the date on which the State or Corporation received the grant, such sums shall be returned to the Board for other intercity passenger rail development projects under this section at the discretion of the Board.

(2) SINGLE PROJECT AMOUNT.—In awarding grants to States or the National Railroad Passenger Corporation for eligible projects under this section, the Board shall limit the amount of any grant made for a particular project in a fiscal year to not more than 30 percent of the total amount of the funds available for grants under this section for that fiscal year.

(3) AMTRAK.—The total amount of grants made under this section solely to the National Railroad Passenger Corporation in a fiscal year may not exceed 50 percent of the total amount available under this section for all grants in that fiscal year.

(f) FUNDING.—Amounts reserved for grants for a fiscal year under section 606(b)(1) shall be available for grants under this section.

(e) PUBLIC BENEFIT.—The term "public benefit" means a benefit accrued to the public in the form of enhanced mobility of people or goods, environmental protection or enhancement, congestion mitigation, enhanced trade and economic development, improved air quality or land use, more efficient energy use, enhanced public safety or security, reduction of public expenditures due to improved transportation efficiency or infrastructure preservation, and any other positive community effects as defined by the Secretary.

SEC. 602. FREIGHT RAIL INFRASTRUCTURE DEVELOPMENT GRANT PROGRAM.

(a) GRANTS TO STATES.—The Board of Directors of the Rail Infrastructure Finance Corporation shall, by grant, provide financial assistance to a State or group of States—

(1) for, or in connection with, 1 or more freight rail capital projects that—

(A) in accordance with section 22504(a)(5) of title 49, United States Code, are listed in a State rail plan approved for such State under chapter 225 of such title; and

(B) as determined by the Board, would primarily benefit freight rail transportation infrastructure or services, but also would provide significant public benefits; or

(2) for the payment of staff expenses associated with the management of State rail programs and the development and updating of State rail plans under chapter 225 of title 49, United States Code.

(b) PURPOSES ELIGIBLE FOR GRANT FUNDING.—The purposes for which grants may be made under subsection (a)(1) for, or in connection with, a freight rail capital project are as follows:

(1) Planning, including activities described in section 26101(b)(1) of title 49, United States Code, and environmental impact studies.

(2) New rail line development, including infrastructure acquisition and construction of track and facilities.

(3) Track upgrades and restoration.

(4) Highway-rail grade crossing improvement or elimination.

(5) Track, infrastructure, and facility relocation.

(6) Intermodal facilities.

(7) Tunnel and bridge repair or replacement.

(8) Communications and signaling improvements.

(9) Environmental impact mitigation.

(10) Security improvements.

(11) Supplemental funding for direct loans or loan guarantees made under title V of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 821 et seq.) for projects described in the last sentence of section 502(d) of that Act (45 U.S.C. 822(d)).

(12) Payment of credit risk premiums, to lower rates of interest, or to provide for a holiday on principal payments on loan or financing directly associated with capital projects described paragraphs (1) through (9).

(c) STATE GRANT FUNDING FORMULA.—Of the total amount reserved for a grant program under section 606(b)(2) for a fiscal year, there shall be reserved for each State (to fund grants made to such State under this section) the amount determined for such State in accordance with a formula prescribed by the Board to weigh equally for each State—

(1) the number of rail miles in active use in the State;

(2) the number of rail cars loaded in the State;

(3) the number of rail cars unloaded in the State; and

(4) the number of railroad and public road grade crossings in the State.

(d) PERIOD OF AVAILABILITY FOR GRANTS.—

(1) THREE-YEAR RESERVATION.—The amount reserved for grant to a State under section (c) in a fiscal year shall be available for grant to such State in such fiscal year and the 2 successive fiscal years.

(2) CANCELLATION AT END OF PERIOD.—At the end of the third of the 3 successive fiscal years, the reservation of any part of the amount for a State that has not been awarded in a grant to such State shall be canceled, and the amount of the canceled reservation—

(A) shall be merged with the funds reserved for the grant program under section 606(b)(2) for the next fiscal year; and

(B) shall be reserved for each State in accordance with the formula provided under this section.

(e) TWO-YEAR AVAILABILITY.—If any amount provided as a grant to a State under this section is not obligated or expended for the purposes described in subsection (a) or (b) within 2 years after the date on which the State received the grant, such sums shall be returned to the Board for other freight rail capital projects under this section at the discretion of the Board.

SEC. 603. HIGH PRIORITY PROJECTS GRANT PROGRAM.

(a) GRANTS TO STATES.—The Board of Directors of the Rail Infrastructure Finance Corporation may, by grant, provide financial assistance to a State, a group of States, or the National Railroad Passenger Corporation for intercity passenger rail and freight rail infrastructure development projects that are designated as high priority projects under section 22505 of title 49, United States Code.

(b) PURPOSES.—The purposes for which a grant may be made under this section are—

(1) in the case of an intercity passenger rail corridor development project, the same purposes as are provided under section 601; and

(2) in the case of a freight rail infrastructure development project, the same purposes as are provided under section 602.

(c) PREFERRED PROJECTS.—In selecting the projects to receive financial assistance under this section, the Board shall give preference to a project that—

(1) provides for use of positive train control technologies;

(2) provides for particularly high levels of safety;

(3) increases intermodal connectivity by providing or improving direct connections between rail facilities and other modes of transportation;

(4) assists the Board—

(A) to achieve a general balance across geographic regions of the United States in the awarding of grants under this section; and

(B) to avoid a concentration of a disproportionate amount of such financial assistance in a single project, State, or region of the country;

(5) has a significant favorable impact on highway, aviation, or maritime capacity, congestion, or safety;

(6) improves the national intercity passenger rail system through higher levels of estimated ridership, reduced trip time, increased ontime performance, additional service frequency, or other significant service enhancements as measured against minimum standards developed under section 415 of this Act;

(7) has positive economic and employment impacts;

(8) has significant environmental benefits;

(9) is—

(A) at the stage of preparation that all pre-commencement compliance with environmental protection requirements has been completed; and

(B) ready to be commenced;

(10) has received financial commitments and other support from non-Federal entities such as States, local governments, and private entities;

(11) has commitments of funding from non-Federal Government sources in a total amount that exceeds the minimum amount of the non-Federal contribution required; and

(12) involves donated property interests or services.

(d) AMTRAK ELIGIBILITY.—To receive a grant under this section, the National Railroad Passenger Corporation may submit an independent application or may enter into a cooperative agreement with 1 or more States to carry out 1 or more high priority projects designated under section 22506 of title 49, United States Code. Any such independent grant request shall be subject to the same conditions as apply under this section to projects of States.

(e) LIMITATIONS.—

(1) TWO-YEAR AVAILABILITY.—If any amount provided as a grant to a State or the National Railroad Passenger Corporation under this section is not obligated or expended for the purposes for which the grant is made within 2 years after the date on which the State or the National Railroad Passenger Corporation received the grant, such sums shall be returned to the Board for other high priority projects under this section at the discretion of the Board.

(2) SINGLE PROJECT AMOUNT.—In awarding grants to States for eligible projects under this section, the Board shall limit the amount of any grant made for a particular project in a fiscal year to not more than 30 percent of the total amount of the funds available for grants under this section for that fiscal year.

(f) FUNDING.—Amounts reserved for grants for a fiscal year under section 606(b)(3) shall be available for grants under this section.

SEC. 604. GRANT PROGRAM REQUIREMENTS AND LIMITATIONS.

(a) AUTHORIZED USES.—The proceeds of a grant made for a project under this title may be used to defray the costs of the project or to reimburse the recipient for costs of the project paid by the recipient.

(b) NON-FEDERAL CONTRIBUTION.—The proceeds of a grant under this title may be released upon receipt by the Board of Directors of the Rail Infrastructure Finance Corporation of cash payment by a non-Federal Government source, or 1 or more such sources jointly, in an amount not less than the amount equal to 20 percent of the amount of the grant disbursed. The cash payment may not be derived, directly or indirectly, from Federal funds. Amounts received under this subsection shall be credited to the Rail Infrastructure Investment Account established under section 507(e).

(c) PREFERENCE INVOLVING DONATED PROPERTY INTERESTS AND SERVICES.—In selecting projects for grant funding under this title, the Board may give preference to projects that involve donated right-of-way, property, or in-kind services by a public sector or private sector entity. The value of a donation under this subsection may not be counted toward satisfaction of the requirement in subsection (b).

(d) FLEXIBILITY.—Notwithstanding any other provision of this title, amounts made available under section 506 may be combined and used for projects that significantly benefit either freight rail service, intercity passenger rail service, or both.

(e) SUBALLOCATION; PUBLIC-PRIVATE PARTNERSHIPS.—

(1) IN GENERAL.—A metropolitan planning organization, State transportation department, or other project sponsor may enter into an agreement with any public, private, or nonprofit entity to cooperatively implement any project funded with a grant under this title.

(2) FORMS OF PARTICIPATION.—Participation by an entity under paragraph (1) may consist of—

(A) ownership or operation of any land, facility, locomotive, rail car, vehicle, or other physical asset associated with the project;

(B) cost-sharing of any project expense;

(C) carrying out administration, construction management, project management, project operation, or any other management or operational duty associated with the project; and

(D) any other form of participation approved by the Board.

(3) SUB-ALLOCATION.—A State may allocate funds under this section to any entity described in paragraph (1).

(f) SPECIAL TRANSPORTATION CIRCUMSTANCES.—In carrying out this section, the Board shall allocate an appropriate portion of the amounts available under section 601 or 602 to provide appropriate transportation-related assistance in any State in which the rail transportation system—

"(1) is not physically connected to rail systems in the continental United States; and

"(2) may not otherwise qualify for assistance under section 601 or 602 due to the constraints imposed on the railway infrastructure in that State due to the unique characteristics of the geography of that State or other relevant considerations, as determined by the Board.

(g) APPLICATIONS.—To seek a grant under this title, a State or, in the case of a grant under section 601 or 603, the National Railroad Passenger Corporation shall submit an application for the grant to the Board. The application shall be submitted at such time and contain such information as the Board requires.

(h) PROCEDURES FOR GRANT AWARD.—The Board shall prescribe procedures and schedules for the awarding of grants under this title, including application and qualification procedures and a record of decision on applicant eligibility. The procedures shall include the execution of a grant agreement between the applicant and the Board. The Board shall issue a final rule establishing the procedures not later than 90 days after the date on which a sufficient number of the members of Board to constitute a quorum has taken office.

(i) DOMESTIC BUYING PREFERENCE.—

(1) REQUIREMENT.—

(A) IN GENERAL.—In carrying out a project funded in whole or in part with a grant under this title, the grant recipient shall purchase only—

(i) unmanufactured articles, material, and supplies mined or produced in the United States; or

(ii) manufactured articles, material, and supplies manufactured in the United States substantially from articles, material, and supplies mined, produced, or manufactured in the United States.

(B) DE MINIMIS AMOUNT.—Subparagraph (1) applies only to a purchase in an total amount that is not less than $1,000,000.

(2) EXEMPTIONS.—On application of a recipient, the Board may exempt a recipient from the requirements of this subsection if the Board decides that, for particular articles, material, or supplies—

(A) such requirements are inconsistent with the public interest;

(B) the cost of imposing the requirements is unreasonable; or

(C) the articles, material, or supplies, or the articles, material, or supplies from which they are manufactured, are not mined, produced, or manufactured in the United States in sufficient and reasonably available commercial quantities and are not of a satisfactory quality.

(3) UNITED STATES DEFINED.—In this subsection, the term "the United States" means the States, territories, and possessions of the United States and the District of Columbia.

SEC. 605. STANDARDS AND CONDITIONS.

(a) OPERATORS DEEMED RAIL CARRIERS AND EMPLOYERS FOR CERTAIN PURPOSES.—A person that con ducts rail operations over rail infrastructure constructed or improved with funding provided in whole or in part in a grant made under this title

(1) shall be considered an employer for purposes of the Railroad Retirement Act of 1974 (45 U.S.C. 231 et seq.); and

(2) shall be considered a carrier for purposes of the Railway Labor Act (43 U.S.C. 151 et seq.).

(b) GRANT CONDITIONS.—The Board of Directors of the Rail Infrastructure Finance Corporation shall require as a condition of making any grant under this title that includes the improvement or use of rights-of-way owned by a railroad that—

(1) a written agreement exist between the applicant and the railroad regarding such use and owner ship, including—

(A) any compensation for such use;

(B) assurances regarding the adequacy of infrastructure capacity to accommodate both existing and future freight and passenger operations; and

(C) an assurance by the railroad that collective bargaining agreements with the railroad's employees (including terms regulating the contracting of work) will remain in full force and effect according to their terms for work performed by the railroad on the railroad transportation corridor; and

(2) the applicant agrees to comply with—

(A) the standards of section 24312 of title 49, United States Code, as such section was in effect on September 1, 2003, with respect to the project in the same manner that the National Railroad Passenger Corporation is required to comply with those standards for construction work financed under an agreement made under section 24308(a) of that title; and

(B) the protective arrangements established under section 504 of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 836) with respect to employees affected by actions taken in connection with the project to be financed in whole or in part by the Rail Infrastructure Finance Corporation.

(c) REPLACEMENT OF EXISTING INTERCITY PASSENGER RAIL SERVICE.—

(1) COLLECTIVE BARGAINING AGREEMENT FOR INTERCITY PASSENGER RAIL PROJECTS.—Any entity providing intercity passenger railroad transportation that begins operations after the date of enactment of this Act on a project funded in whole or in part by grants made under this title and replaces intercity rail passenger service that was provided by another entity as of such date shall enter into an agreement with the authorized bargaining agent or agents for employees of the predecessor provider that—

(A) gives each qualified employee of the predecessor provider priority in hiring according to the employee's seniority on the predecessor provider for each position with the replacing entity that is in the employee's craft or class and is available within 3 years after the termination of the service being replaced;

(B) establishes a procedure for notifying such an employee of such positions;

(C) establishes a procedure for such an employee to apply for such positions; and

(D) establishes rates of pay, rules, and working conditions.

(2) IMMEDIATE REPLACEMENT SERVICE.—

(A) NEGOTIATIONS.—If the replacement of preexisting intercity rail passenger service occurs concurrent with or within a reasonable time before the commencement of the replacing entity's rail passenger service, the replacing entity shall give written notice of its plan to replace existing rail passenger service to the authorized collective bargaining agent or agents for the employees of the predecessor provider at least 90 days before the date on which it plans to commence service. Within 5 days after the date of receipt of such written notice, negotiations between the replacing entity and the collective bargaining agent or agents for the employees of the predecessor provider shall commence for the purpose of reaching agreement with respect to all matters set forth in subparagraphs (A) through (D) of paragraph (1). The negotiations shall continue for 30 days or until an agreement is reached whichever is sooner. If at the end of 30 days the parties have not entered into an agreement with respect to all such matters, the unresolved issues shall be submitted for arbitration in accordance with the procedure set forth in subparagraph (B).

(B) ARBITRATION.—If an agreement has not been entered into with respect to all matters set forth in subparagraphs (A) through (D) of paragraph (1) as described in subparagraph (A) of this paragraph, the parties shall select an arbitrator. If the parties are unable to agree upon the selection of such arbitrator within 5 days, either or both parties shall notify the National Mediation Board, which shall provide a list of seven arbitrators with experience in arbitrating rail labor protection disputes. Within 5 days after such notification, the parties shall alternately strike names from the list until only 1 name remains, and that person shall serve as the neutral arbitrator. Within 45 days after selection of the arbitrator, the arbitrator shall conduct a hearing on the dispute and shall render a decision with respect to the unresolved issues among the matters set forth in subparagraphs (A) through (D) of paragraph (1). This decision shall be final, binding, and conclusive upon the parties. The salary and expenses of the arbitrator shall be borne equally by the parties; all other expenses shall be paid by the party incurring them.

(3) SERVICE COMMENCEMENT.—A replacing entity under this subsection shall commence service only after an agreement is entered into with respect to the matters set forth in subparagraphs (A) through (D) of paragraph (1) or the decision of the arbitrator has been rendered.

(4) SUBSEQUENT REPLACEMENT OF SERVICE.—If the replacement of existing rail passenger service takes place within 3 years after the replacing entity commences intercity passenger rail service, the replacing entity and the collective bargaining agent or agents for the employees of the predecessor provider shall enter into an agreement with respect to the matters set forth in subparagraphs (A) through (D) of paragraph (1). If the parties have not entered into an agreement with respect to all such matters within 60 days after the date on which the replacing entity replaces the predecessor provider, the parties shall select an arbitrator using the procedures set forth in paragraph (2)(B), who shall, within 20 days after the commencement of the arbitration, conduct a hearing and decide all unresolved issues. This decision shall be final, binding, and conclusive upon the parties.

(d) INAPPLICABILITY TO CERTAIN RAIL OPERATIONS.—Nothing in this section applies to—

(1) commuter rail passenger transportation (as defined in section 24102(4) of title 49, United States Code) operations of a State or local government authority (as those terms are defined in section 5302(11) and (6), respectively, of that title) eligible to receive financial assistance under section 5307 of that title, or to its contractor performing services in connection with commuter rail passenger operations (as so defined); or

(2) the Alaska Railroad or its contractors.

(3) The National Railroad Passenger Corporation's access rights to railroad rights of way and facilities under current law for projects funded under this title where train operating speeds do not exceed 79 miles per hour.

SEC. 606. GRANT PROGRAM FUNDING.

(a) ANNUAL RESERVATION OF FUNDS.—Each fiscal year, the Board of directors of the Rail Infrastructure Finance Corporation Board shall reserve for grants under each of the grant programs authorized under sections 501, 502, and 503 the amount determined by multiplying the percent applicable to the program under subsection (b) times the amount of the net spendable proceeds (as defined under section 507(c)(7)) that is available for such fiscal year.

(b) APPLICABLE PERCENT.—The percent applicable to a grant program under subsection (a) is as follows:

(1) INTERCITY PASSENGER RAIL DEVELOPMENT GRANT PROGRAM.—For the intercity passenger rail development grant program under section 601, 40 percent.

(2) FREIGHT INFRASTRUCTURE DEVELOPMENT GRANT PROGRAM.—For the freight infrastructure development grant program under section 602, 40 percent.

(4) HIGH PRIORITY PROJECTS GRANT PROGRAM.—For the high priority projects grant program under section 603, 20 percent.

TITLE VII—AUTHORIZATION OF APPROPRIATIONS

SEC. 701. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated $5,000,000 for fiscal year 2004 for the establishment and payment of initial administrative costs of the Rail Infrastructure Finance Corporation, including the Rail Infrastructure Finance Trust.

Mr. CARPER. Mr. President, I rise today to join Senators HOLLINGS, COLLINS, SPECTER, JEFFORDS and LAUTENBERG in introducing "ARRIVE 21," the American Railroad Revitalization, Investment, and Enhancement Act of the 21st Century. ARRIVE 21 is a comprehensive proposal that creates a new public/private partnership to fund rail infrastructure development, reauthorizes and improves Amtrak, and enhances Federal and State rail policy and planning efforts.

As our Nation faces a mobility crisis of staggering proportions, with freight movements expected to double and our highways and airways already overburdened with congestion, ARRIVE 21 will give our States a new and powerful tool to unlock the potential of intercity passenger rail, bringing high-speed rail to viable corridors across the country while providing capital funding for freight rail projects that deliver public benefits. Today's passenger and freight railroads are already essential components of our surface transportation system and I believe that greater use of rail offers one of the best opportunities to augment the capacity of our existing transportation network, while benefiting the environment and reducing our dependency on foreign oil.

Historically, railroads have been built, maintained and operated outside of the publicly funded programs that finance our other transportation modes, relying almost exclusively on the private sector to fund their infrastructure. However, today's railroads face restricted access to capital and capacity constraints that limit service quality and expansion, all the while facing ever-growing modal competition financed by federally funded trust funds. If rail is to remain viable or increase its share of the intercity passenger and freight markets—necessary developments if we are to reach other transportation and public policy goals including highway infrastructure preservation, highway and air congestion relief, energy efficiency, environmental stewardship and smart growth development—then the pubic sector, through arm's length voluntary partnerships with private railroads, must play a more active role in financing the development of freight and passenger rail infrastructure, as it has with all other modes.

Today, America's freight railroads carry 16 percent of the nation's freight by tonnage and intercity passenger rail carriers roughly 23 million passenger annually. But, the ability of our passenger and freight rail systems to generate the sufficient investment capital needed to maintain this market share, or expand it to handle the expected increases in passenger and freight traffic over the next 20 years, is limited or in jeopardy. According to the America Association of State Highway and Transportation Officials' (ASSHTO) "Freight Rail Bottom Line Report," the nation's freight railroads will need an additional $2.65 billion of public sector annual capital investment over the next 20 years above and beyond what they can finance themselves just to maintain their current share of the freight tonnage.

Without this additional investment, freight traffic is likely to shift from rail to our highways, resulting in an additional 450 million tons of freight and 15 billion truck VMT (Vehicle Miles Traveled) on our roads and $162 billion in increased shipper costs, $238 billion in increased highway user costs, and approximately $20 billion in direct additional highway infrastructure costs. Alternatively, ASSHTO has concluded that with a public investment of $4 billion annually in freight rail infrastructure over the next 20 years, freight rail's tonnage share would increase 1 percentage point to 17 percent. This shift would thereby relieve our highways of an estimated 600 million tons of freight traffic and 25 billion VMT, while saving shippers $239 billion and highways users $397 billion, and reducing direct highway infrastructure costs by $17 billion.

For intercity passenger rail, ASSHTO similarly concludes that roughly $3 billion in annual public sector investment over the next 20 years is needed to expand intercity passenger rail services and advance the many viable high speed rail corridors that could reduce highway and aviation congestion. The Texas Transportation Institute's "2003 Urban Mobility Report," which looks at transportation mobility in 75 cities of varying sizes, concludes that the average annual transportation delay time per person climbed from "16 hours in 1982 to 60 hours in 2001" due to the congestion of our surface system.

High-quality and high-speed intercity passenger service, especially in intercity corridors of 500 miles or less where rail can offer competitive trip times, offers a tremendous opportunity to relieve such congestion by shifting travelers who current drive and fly onto trains. Today, roughly 80 percent off all trips of more than 100 miles are less than 500 miles in length. Successful rail corridors in California, the Pacific Northwest, and in the Northeast have shown that rail can be viable option for travelers in such markets, capturing significant market share and in same cases becoming the dominate mode when frequent and high-quality service is offered. Where intercity passenger rail is successful, congestion in our airports and on our highways is reduced, smart development is induced, jobs are created and citizens' safety and quality of life are improved.

These facts lead to the obvious conclusion that leveraging modest public investment in our rail system will reap benefits to our entire surface transportation system and to our Nation as a whole. In my State of Delaware, we have clearly seen the value that high-quality passenger and freight rail service brings and we have made significant investments to upgrade both Amtrak facilities and infrastructure and enhance freight capacity for the railroads that serve Delaware industries. But despite of all the good reasons to invest in our railroad infrastructure, Delaware and other States are limited in what they can do on there own without the benefit of the financing partnership that our Federal Government provides the State for all other transportation investments. ARRIVE 21 is designed to change that.

ARRIVE 21 will empower our States to make rational investments in our rail system when such investments provide significant pubic benefits. Through the creation of the Rail Infrastructure Finance Corporation (RIFCO) a non-profit, non-Federal, congressionally-chartered corporation that can issue $30 billion in tax-credit bonds over 6 years, States will have a new partner to assist them in undertaking rail capital projects. RIFCO will award, using a portion of the proceeds from the bond issuance, discretionary capital matching grants to States and Amtrak for high-speed rail and intercity passenger rail projects and State formula matching grants for freight capital projects. Prior to issuing grants, a portion of the bond proceeds will be deposited in a secure and continually monitored repayment fund managed by the RIFCO investment trust to retire the debt over the life of the bonds.

Passenger and freight rail projects eligible for funding through RIFCO include planning and environmental review, rail line rehabilitation, upgrades and development, safety and security projects, passenger equipment acquisition, station improvements, and intermodal facilities development. In order to receive grants, States must prepare a State rail plan and provide a 20 percent non-Federal match to RIFCO, thereby replicating the cost sharing relationship our States currently have for investments in other modes.

ARRIVE 21 will promote jobs and economic growth through the rehabilitation and expansion of rail infrastructure, the manufacture and procurement of new rail equipment and the enhancement of mobility and development in and around or cities and towns. Our bill provides a total $42 billion investment in U.S. rail infrastructure and service to expand high-speed passenger rail in congested corridors, strengthen Amtrak, and improve freight mobility. Such investment will revitalize the U.S. rail supply industry and create thousands of jobs. According to U.S. Transportation Secretary Mineta, every $1 billion invested in transportation infrastructure creates roughly 47,500 jobs. That means ARRIVE 21 stands to create roughly 2 million jobs, if enacted.

ARRIVE 21 reauthorizes and reforms Amtrak. Designed to improve upon Amtrak's current congressional and State funding processes, our bill authorizes approximately $1.5 billion annually for 6 years to Amtrak for the basic capital and operating needs required to run and maintain the current system. In addition to these funds, the States and Amtrak can pursue major capital improvements and equipment acquisition through RIFCO, with reductions in Amtrak's capital authorizations for projects funded through RIFCO capital grants. Through this process, the amount needed for annual Amtrak appropriation for capital will be reduced over the life of the reauthorization, as RIFCO begins to finance a growing share of Amtrak's capital needs. As is the case today, operating costs on long distance trains will be covered by Amtrak's annual appropriation, while States will share the costs with Amtrak for operations of short distance corridors.

For such shot distance corridors, ARRIVE 21 infuse fairness into the current system by requiring parity between Amtrak and all States for cost sharing, putting an end to disparate treatment among the States that contract with Amtrak to provide corridor service. Furthermore, it authorizes a study of new methodologies to determine Amtrak routes and services while defining the national passenger rail system based on existing service and high-speed rail corridors. ARRIVE 21 also requires a whole host of new reforms including accounting transparency measures, the establishment of a quarterly grant process for Amtrak through the U.S. Department of Transportation to ensure accountability, and the creation of new service metrics that will improve the monitoring and quantification of Amtrak service performance and quality.

ARRIVE 21 helps to coordinate rail-planning efforts across the U.S. at the national and State level and increases the Federal Railroad Administration's advocacy role in promoting a safe, secure, efficient, environmentally sound rail transportation system nationwide. The bill directs the Federal Government to develop a national rail plan in coordination with State rail plans and creates a rail cooperative research program through the National Academies of Sciences. It also authorizes additional funds for planning of high-speed rail projects through the U.S. Secretary of Transportation and addresses rail safety needs by authorizing funding for emergency passenger safety improvement projects. In light of the security risks facing our railroads, ARRIVE 21 authorizes $515 million in 2004 for rail security threat assessments and grants through the Department of Homeland Security.

In total, ARRIVE 21 provides the needed funding for the more than $5 billion annual shortfall in U.S. rail infrastructure investment cited by AASHTO Bottom Line Report without involving the Highway Trust Fund or sapping funds away from other important transportation priorities. This bill will provide our States and the Nation with a fiscally responsible and innovative opportunity to enhance our entire transportation system. We owe it to the American people to support this bill and move towards the type of high-quality, high-speed intercity passenger rail service that Americans desire and deserve, while meeting the ever-growing demands that trade and our economy are placing on our freight system. I ask my colleagues to join me in supporting ARRIVE 21.

Mr. JEFFORDS. Mr. President, I have frequently reiterated my conviction that investment in transportation is a means to an end. Our national transportation policy must be designed to serve the public good. In my view, the outcomes we seek are a strong economy, safe and healthy communities, and a clean environment. A balanced transportation system, including a strong freight and passenger rail system, is necessary for us to attain these goals.

As ranking member of the Committee on Environment and Public Works, I have been highly involved in the Senate's effort to reauthorize the nation's surface transportation program. Over the past two years, I have traveled around the country, visiting local examples of national transportation challenges. I have heard critiques and suggestions from dozens of transportation officials, users, and advocates.

In order to best serve the needs of this country, we must redouble our investment in an efficient, intermodal transportation system. I have often expressed my view that the success of our surface transportation program rests on four fundamental 'pillars':

First, asset management. We must maintain and preserve existing infrastructure. Second, we must enhance access and mobility, particularly for Americans living in our most congested urban areas.

The third pillar is freight and trade. We need new and improved facilities to accommodate the quantity of goods moving through our system.

Fourth, I believe that rail is the final component of a successful surface transportation system. We are not currently meeting the nation's freight and passenger rail needs. We must invest in a modern national rail system, comparable to our highway and aviation systems. The bill that we are introducing today will help us achieve that goal.

The American Railroad Revitalization, Investment, and Enhancement Act of the 21st Century (ARRIVE 21) strives to provide sustainable, meaningful, and continuous funding opportunities for states that want to improve and expand their rail systems. Currently, the federal government provides few funding sources to assist states in their efforts to maintain and improve freight and passenger rail service. This bill creates a nonprofit, public-private partnership—the Rail Infrastructure Finance Corporation (RIFCO)—with the authority to issue $30 billion in tax-credit bonds over six years. With the resulting revenue, RIFCO will award capital grants to states and to Amtrak.

My State of Vermont has long displayed a commitment to maintaining an effective and efficient freight and passenger rail system. This legislation would provide Vermont a significant new source of revenue to fund capital projects such as rail line rehabilitation, safety and security projects, and development of intermodal facilities. In fact, grants awarded by RIFCO could be used to reimburse States for the capital investments they've already made, a provision that is particularly helpful to States, like Vermont, that have invested State money into eligible projects.

For Amtrak, this legislation introduces financial and policy commitments to dramatically improve passenger rail service in this country. We envision a future that includes a healthy and efficient passenger rail system and provide the resources to move Amtrak in that direction.

ARRIVE 21 authorizes approximately $1.5 billion per year, for six years, for capital and operating expenses. We have under-funded Amtrak for too long. This funding level will provide Amtrak the resources it needs to address urgent infrastructure needs and system-wide service improvements.

Amtrak will also benefit from provisions in this bill that encourage long-term sustainability and enhanced operations. ARRIVE 21 requires improved accounting procedures and oversight. Additionally, states that currently share responsibility with Amtrak for supporting services through or within their states will see changes to equalize their cost burden. This bill requires that Amtrak, in collaboration with the Department of Transportation, adopt fair and uniform standards for cost sharing on short-distance services that states contract with Amtrak to provide.

ARRIVE 21 also directs an independent study to research Amtrak's current and past procedures for determining intercity passenger rail routes and services. The study will recommend changes to that process to improve the efficiency, accessibility, and effectiveness of our national rail service.

I have long been a strong advocate for rail. I firmly believe that nationwide investment in freight and passenger rail infrastructure will invite rewards in the form of reduced congestion, improved environmental quality, and improved mobility options for our nation's travelers. ARRIVE 21 encourages States, and the Federal Government, to more fully integrate freight and passenger rail into the surface transportation system. Improved rail planning policy, at both the Federal and State levels, will enhance the efficiency and longevity of our transportation system and will promote safe, efficient, and environmentally sound transportation options.

Mr. LAUTENBERG. Mr. President, I am proud to be a cosponsor of ARRIVE–21. I believe rail is a vital component of our national transportation system, and investment in our Nation's rail infrastructure is necessary for our economy, our security, and the effective and safe movement of people and goods in our country.

The importance of rail service became apparent in the Northeast long ago, as we dealt with the myriad transportation planning and congestion issues that many other States are now just facing. These States are joining us Northeasterners in looking to the Federal Government to provide the leadership needed to ensure that passenger rail is given the priority it deserves.

It took Federal money, not just gasoline taxes, to build the Dwight D. Eisenhower Interstate Highway System. It took Federal money to build our national aviation system.

Here in the Northeast, the first part of the country to become densely populated, we faced congestion problems long ago, and passenger rail service became a mainstay. In the Northeast, we rely heavily on Amtrak's high-speed service between Boston and Washington, D.C. The Northeast Corridor serves cities with four of the Nation's seven most congested airports: Logan, LaGuardia, Newark, and Reagan National. Amtrak carries more passengers between New York and Washington than all of the airlines combined and, unlike airline passengers, rail travelers are able to stop in Trenton and Newark, New Jersey, and in other places along the way.

Next month, New Jersey Transit will open for service a new rail station in Secaucus, NJ. As a result of this opening, more than 15,000 cars will be diverted from our roads each day by 2010. That will reduce carbon monoxide emissions by nearly 277,000 pounds each year. New Jersey riders who switch to rail because of this one station will cut their gasoline consumption by 1.3 million gallons each year.

Also, in this post-9–11 environment we have a new perspective about the national security interest in ensuring that there is more than one way to get from here to there, and this includes passenger rail. September 11 underscored just how important passenger rail is to America's economy and security.

New Jersey's economy is so dependent on passenger rail and mass transit as a result of being the most densely populated State in the Nation. New Jersey needs federal assistance for passenger rail infrastructure. But New Jersey is not alone. As metropolitan areas across the country continue to swell with people, our roads and airports become more and more congested. I think the prudence of increasing our investment in another way to move people—passenger rail—has become more and more obvious. And ARRIVE–21 provides this investment opportunity.

The benefits of rail service are not limited to urban areas. In rural towns across America, passenger trains may be the only option for intercity travel for many people.

From 1987 through 2000, I was the Chairman or Ranking Member of the Senate Appropriations Subcommittee on Transportation. During that time, I helped to secure 10.3 billion dollars in operating funds for AMTRAK and an additional 2.2 billion dollars in tax-advantaged financing for capital improvements. Unfortunately, during that time, we have not been able to make the capital investments necessary to bring Amtrak's infrastructure up to a state of good repair.

ARRIVE–21 gives the Federal Government the impetus to step up and take charge with a strong program to invest in our rail infrastructure. The States are interested, the traveling public is interested. This kind of investment will lay the tracks for the future of all Americans to have travel options, provide a national security role, and support our economy.

For these reasons, I am proud to cosponsor ARRIVE–21.

By Mr. SPECTER (for himself and Mrs. BOXER):

S. 1963. A bill to amend the Communications Act of 1934 to protect the privacy right of subscribers to wireless communication services; to the Committee on Commerce, Science, and Transportation.

Mr. SPECTER. Mr. President, I rise today to introduce the Wireless Consumer Privacy Protection Act.

As every Senator is aware, consumers today rely on their wireless telephones as a vital and important means of communication. Wireless telephones enable families to stay connected, permit commerce to be conducted anywhere at any time, and provide a vital link in the event of an emergency. Some people have even abandoned traditional telephones and now use their wireless phones as their primary phone service. In fact, just this month, the Federal Communications Commission began requiring number portability for wireless phones so that consumers, if they wish, can make their wireless phone their only phone.

The wireless industry is on the verge of introducing a "wireless white pages" service, and though this step could have positive benefits, it raises concerns about how consumers' expectation of privacy will be protected. The legislation I am introducing today along with Senator BOXER ensures that consumers expectations will be preserved.

An important reason that Americans increasingly trust their cell phone service is that they have a great deal of privacy on their cell phone numbers. For more than 20 years of cellular service, consumers have become accustomed to not having their wireless phone numbers available to the public. The protection of wireless telephone number is important. For example, wireless customers are typically charged for incoming calls. Without protections for wireless numbers, subscribers could incur large bills, or use up their allotted minutes of use, simply by receiving calls they do not want—from telemarketers and others. Because consumers often take their cell phones with them everywhere, repeated unwanted calls are particularly disruptive, and may even present safety concerns for those behind the wheel.

It may surprise my colleagues that today, no federal or state law or regulation prohibits a carrier from divulging your wireless telephone number. And with the industry poised to introduce wireless director assistance services, it is important for Congress to act now to preserve the expectation of privacy that consumers have in their wireless phone numbers. Because wireless directory assistance offer great benefits as well as posing significant privacy concerns, the legislation I am introducing today strikes an important balance. It enables those consumers who want to be reached to be accessible, while providing privacy protections that are important to consumers.

First, this legislation permits wireless subscribers to choose not to be listed in wireless directory assistance databases. This feature gives consumers the ultimate ability to keep their numbers entirely private. Second, for those in the directory assistance database, the bill requires wireless providers to use systems that give users privacy protections and control over the use of their wireless numbers. These services must not divulge a subscriber's wireless number (unless the subscriber consents to disclosure), the service must provide identifying information to the wireless subscriber so that the subscriber knows who is calling through the forwarding service, and the service must give a subscriber the option of rejecting or accepting each incoming call. Finally, this legislation prohibits wireless carriers from charging any special fees to consumers who wish to receive the privacy protections provided by the bill. Customers should not have to pay extra for the privacy protections that they have come to expect. There should be no "privacy tax" for consumers to continue the privacy protection they have long enjoyed, and this bill ensures that will be the case.

I urge my colleagues to join me in supporting this important legislation. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1963

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Wireless 411 Privacy Act".

SEC. 2. FINDINGS.

Congress finds that—

(1) there are roughly 150 million wireless subscribers in the United States, up from approximately 15 million subscribers just a decade ago;

(2) wireless phone service has proven valuable to millions of Americans because of its mobility, and the fact that government policies have expanded opportunities for new carriers to enter the market, offering more choices and ever lower prices for consumers;

(3) in addition to the benefits of competition and mobility, subscribers also benefit from the fact that wireless phone numbers have not been publicly available;

(4) up until now, the privacy of wireless subscribers has been safeguarded and thus vastly diminished the likelihood of subscribers receiving unwanted or annoying phone call interruptions on their wireless phones;

(5) moreover, because their wireless contact information, such as their phone number, have never been publicly available in any published directory or from any directory assistance service, subscribers have come to expect that if their phone rings it's likely to be a call from someone to whom they have personally given their number;

(6) the wireless industry is poised to begin implementing a directory assistance service so that callers can reach wireless subscribers, including subscribers who have not given such callers their wireless phone number;

(7) while some wireless subscribers may find such directory assistance service useful, current subscribers deserve the right to choose whether they want to participate in such a directory;

(8) because wireless users are typically charged for incoming calls, consumers must be afforded the ability to maintain the maximum amount of control over how many calls they may expect to receive and, in particular, control over the disclosure of their wireless phone number;

(9) current wireless subscribers who elect to participate, or new wireless subscribers who decline to be listed, in any new wireless directory assistance service directory, including those subscribers who also elect not to receive forwarded calls from any wireless directory assistance service, should not be charged for exercising such rights;

(10) the marketplace has not yet adequately explained an effective plan to protect consumer privacy rights;

(11) Congress previously acted to protect the wireless location information of subscribers by enacting prohibitions on the disclosure of such sensitive in formation without the express prior authorization of the subscriber; and

(12) the public interest would be served by similarly enacting effective and industry-wide privacy protections for consumers with respect to wireless directory assistance service.

SEC. 3. CONSUMER CONTROL OF WIRELESS PHONE NUMBERS.

Section 332(c) of the Communications Act of 1934 (47 U.S.C. 332(c)) is amended by adding at the end the following:

"(9) WIRELESS CONSUMER PRIVACY PROTECTION.—

"(A) CURRENT SUBSCRIBERS.—A provider of commercial mobile services, or any direct or indirect affiliate or agent of such a provider, may not include the wireless telephone number information of any current subscriber in any wireless directory assistance service database unless—

"(i) the mobile service provider provides a conspicuous, separate notice to the subscriber informing the subscriber of the right not to be listed in any wireless directory assistance service; and

"(ii) the mobile service provider obtains express prior authorization for listing from such subscriber, separate from any authorization obtained to provide such subscriber with commercial mobile service, or any calling plan or service associated with such commercial mobile service, and such authorization has not been subsequently withdrawn.

“(B) NEW SUBSCRIBERS.—A provider of commercial mobile services, or any direct or indirect affiliate or agent of such a provider, may include the wireless telephone number information of any new subscriber in a wireless directory assistance service database only if the commercial mobile service provider—

“(i) provides a conspicuous, separate notice to the subscriber, at the time of entering into an agreement to provide commercial mobile service, and at least once each year thereafter, informing the subscriber of the right not to be listed in any wireless directory assistance service database; and

“(ii) provides the subscriber with convenient mechanisms by which the subscriber may decline or refuse to participate in such database, including mechanisms at the time of entering into an agreement to provide commercial mobile service, in the billing of such service, and when receiving any connected call from a wireless directory assistance service.

“(C) CALL FORWARDING.—A provider of commercial mobile services, or any direct or indirect affiliate or agent of such provider, may connect a calling party from a wireless directory assistance service to a commercial mobile service subscriber only if—

“(i) such subscriber is provided prior notice of the calling party's identity and is permitted to accept or reject the incoming call on a per-call basis;

“(ii) such subscriber's wireless telephone number information is not disclosed to the calling party; and

“(iii) such subscriber is not an unlisted commercial mobile service subscriber.

“(D) PUBLICATION OF DIRECTORIES PROHIBITED.—A provider of commercial mobile services, or any direct or indirect affiliate or agent of such a provider, may not publish, in printed, electronic, or other form, the contents of any wireless directory assistance service database, or any portion or segment thereof.

“(E) NO CONSUMER FEE FOR RETAINING PRIVACY.—A provider of commercial mobile services may not charge any subscriber for exercising any of the rights under this paragraph.

“(F) DEFINITIONS.—For purposes of this paragraph—

“(i) the term ‘current subscriber’ means any subscriber to commercial mobile service as of the date when a wireless directory assistance service is implemented by a provider of commercial mobile service;

“(ii) the term ‘new subscriber’ means any subscriber to commercial mobile service who becomes a subscriber after the date when a wireless directory assistance service is implemented by a provider of commercial mobile service, and includes any subscriber of a different provider of commercial mobile service who subsequently switches to a new provider of commercial mobile service;

“(iii) the term ‘wireless telephone number information’ means the telephone number, electronic address, and any other identifying information by which a calling party may reach a subscriber to commercial mobile services, and which is assigned by a commercial mobile service provider to such subscriber, and includes such subscriber's name and address;

“(iv) the term ‘wireless directory assistance service’ means any service for connecting calling parties to a subscriber of commercial mobile service when such calling parties themselves do not possess such subscriber's wireless telephone number information; and

“(v) the term ‘calling party's identity’ means the telephone number of the calling party or the name of subscriber to such telephone, or an oral or text message which provides sufficient information to enable a commercial mobile services subscriber to determine who is calling;

“(vi) the term ‘unlisted commercial mobile services subscriber’ means—

“(I) a current subscriber to commercial mobile services who has not provided express prior consent to a commercial mobile service provider to be included in a wireless directory assistance service database; and

“(II) a new subscriber to commercial mobile service who has exercised the right contained in subparagraph (B)(ii) to decline or refuse to such inclusion.”.

Mrs. BOXER. Mr. President, I am pleased to join Senator SPECTER in introducing the Wireless 411 Privacy Act of 2003.

About 150 million Americans subscribe to wireless telephone service. They rely on wireless service to stay in touch with friends, family, and the workplace. As a cellular phone user myself, I value the privacy of my wireless number. I want to have control over who can reach me on my cell phone.

However, the wireless phone industry is planning to list customers in a wireless phone directory starting sometime next year. The Specter-Boxer bill would protect consumers by providing them with the right not to have their cell phone number listed in the directory and the right not to be charged a fee for being unlisted.

As we saw with the strong consumer support for the right to keep a cell phone when you switch carriers, consumers consider their cell phone number their property. It is not the property of the carrier to hand out to whomever the carrier wishes, and the carrier should not be allowed to charge consumers for the right to keep that number private.

This is especially important when you consider that wireless users pay for both their incoming and outgoing calls. Having your number listed could easily lead to receiving calls that you did not want but for which you will have to pay. That seems wrong to me.

To date, the wireless phone industry has been unclear on how they will address these valid concerns when they move forward with their directory plans next year. To avoid any confusion or uncertainty, Congress must make clear to the cell phone companies that the rights of consumers to keep their cell phone numbers private is paramount.

By Ms. STABENOW (for herself and Mr. GRAHAM of South Carolina):

S. 1964. A bill to amend the Internal Revenue Code of 1986 to comply with the World Trade Organization rulings on the FSC/ETI benefit in a manner that preserves jobs and production activities in the United States, and for other purposes; to the Committee on Finance.

Ms. STABENOW. Mr. President, I rise today to introduce the Manufacturing Opportunities to Revitalize our Economy's JOBS Act, or the MORE JOBS Act. We are facing a manufacturing job crisis in this country, and that is why I am introducing this bill to help our U.S. manufacturers to create manufacturing jobs here at home.

Since January of 2001, the State of Michigan has faced devastating losses in the manufacturing sector. While the U.S. has lost 3.3 million private sector jobs—2.5 million in the manufacturing sector, Michigan has lost 162,300 manufacturing jobs. That is 18 percent of the state's manufacturing employment. In other words, 1 in 6 Michiganians has lost their manufacturing job in the last 2 years.

It is an unfortunate fact that Michigan is one of the leading states in the country in manufacturing job loss. Indeed, while the U.S. employment rate is around 6 percent, Michigan's unemployment rate is currently around 7.6 percent. In some parts of Michigan, the unemployment rate is as high as 12 percent.

The people of Michigan and the people of the United States need relief to help revitalize our economy. In the midst of these troubling times, we are faced with a new challenge: complying with a World Trade Organization (WTO) decision finding that our Foreign Sales Corporation (FSC) and Extraterritorial Income (ETI) tax code must be reformed to meet international trade law requirements. I understand that our colleagues on the Senate Finance Committee have been and continue to work diligently on this issue. Our country is one that plays by the rules and we will ultimately fix our tax code.

The tax benefits of the FSC and ETI, however, are valued at nearly $50 billion over 10 years. We cannot just take away these benefits to our American manufacturers without creating new tax relief for them. The practical effect of that would be a $50 billion tax increase. And, that is why we must create a new tax credit for our U.S. manufacturers.

The MORE JOBS Act that I am introducing today lays out a vision on how I believe we should reform the code. First of all it, it phases out the noncompliant FSC/ETI tax code over the next three years.

Then, to help our U.S. manufacturers, the bill creates a Manufacturers' Tax Credit for domestic companies. A company, under my proposal, would be allowed to deduct 9 percent of its domestic production income before it has to figure its tax liability. In effect, this would result in a new tax rate for our

U.S. manufacturers that are 3 percent lower—32 percent instead of 35 percent. And, my bill would make this effective immediately, not phased in as others have suggested.

The credit would be extended to a wide array of companies: small businesses, large businesses and agricultural cooperatives. So whether it is a small furniture manufacturer in western Michigan, a tool and die company in Grand Rapids, or one of our automakers in metro Detroit, companies will be rewarded for their domestic production. And, our farmers will benefit, too.

I often say that we in Michigan pride ourselves on what we make and what we grow. These two activities are vital to a strong economy, and our farmers would also benefit under my bill.

Farmers themselves, if they have at least one employee, will directly benefit under my bill, since they qualify for the tax benefit as manufacturers. In addition, agricultural cooperatives would also receive this tax benefit. Farmers often belong to an agricultural cooperative which is covered under my bill. Agricultural cooperatives do the processing, handling, storing, and marketing for their members. For example, a farmer will sell his specialty crop to the cooperative. The cooperative then takes the farmer's crop and puts it with other farmers' produce and then stores and prepares the produce for sale to a food processing company. The coop passes its profits on to the members of the cooperative based on the amount of business each member does with the cooperative. So the tax benefits for the cooperative can be passed-through to farmer members of the coop.

Finally, one of the cornerstones of my legislation is that my bill would create incentives for companies to keep jobs in the U.S. and to bring more jobs to our country. The MORE JOBS Act would encourage companies to keep their manufacturing in the U.S. by basing the amount of their tax credit on how much of their manufacturing is done in the U.S. Companies that have all of their manufacturing in the U.S. would receive the full 3 percent tax credit. Companies that have much their manufacturing outside of the U.S. would receive a reduced credit in proportion to their U.S. manufacturing. While other proposals being circulated eventually eliminate this incentive, my bill would make this incentive permanent.

Why would we want to reward companies if they send their jobs overseas? We want to reward those who are contributing to our economy and putting Americans to work here at home.

I want to work closely with my colleagues to reform our manufacturing tax code. In doing so, we will make our country stronger, our economy more resilient, and we can create millions of new good jobs in the manufacturing and agricultural sector. But we must do it carefully and with a priority on our U.S. manufacturing base. I urge my colleagues to support the MORE JOBS Act.

By Mr. BAYH:

S. 1965. A bill to provide for the creation of private-sector-led Community Workforce Partnerships, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. BAYH. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1965

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Community Workforce Development and Modernization Partnership Act".

SEC. 2. AUTHORIZATION.

(a) IN GENERAL.—From amounts made available to carry out this Act, the Secretary of Labor (referred to in this Act as the "Secretary"), in consultation with the Secretary of Commerce and the Secretary of Education, shall award grants on a competitive basis to eligible entities described in subsection (b) to assist each entity to—

(1) help workers improve those job skills that are necessary for employment by businesses in the industry with respect to which the entity was established;

(2) help dislocated workers find employment; and

(3) upgrade the operating and competitive capacities of businesses that are members of the entity.

(b) ELIGIBLE ENTITIES.—An eligible entity described in this subsection is a consortium (either established prior to the date of enactment of this Act or established specifically to carry out programs under this Act) that—

(1) shall include—

(A) 2 or more businesses (or nonprofit organizations representing businesses) that are facing similar workforce development or business modernization challenges;

(B) labor organizations, if the businesses described in subparagraph (A) employ workers who are covered by collective bargaining agreements; and

(C) 1 or more businesses (or nonprofit organizations that represent businesses) with resources or expertise that can be brought to bear on the workforce development and business modernization challenges referred to in subparagraph (A); and

(2) may include—

(A) State governments and units of local government;

(B) educational institutions;

(C) labor organizations; or

(D) nonprofit organizations.

(c) COMMON GEOGRAPHIC REGION.—To the maximum extent practicable, the organizations that are members of an eligible entity described in subsection (b) shall be located within a single geographic region of the United States.

(d) PRIORITY CONSIDERATION.—In awarding grants under subsection (a), the Secretary shall give priority consideration to—

(1) eligible entities that serve dislocated workers or workers who are threatened with becoming totally or partially separated from employment;

(2) eligible entities that include businesses with fewer than 250 employees; or

(3) eligible entities from a geographic region in the United States that has been adversely impacted by the movement of manufacturing operations or businesses to other regions or countries, due to corporate restructuring, technological advances, Federal law, international trade, or another factor, as determined by the Secretary.

SEC. 3. PARTNERSHIP ACTIVITIES.

(a) USE OF GRANT AMOUNTS.—Each eligible entity that receives a grant under section 2 shall use the amount made available through the grant to carry out a program that provides—

(1) workforce development activities to improve the job skills of individuals who have, are seeking, or have been dislocated from, employment with a business that is a member of that eligible entity, or with a business that is in the industry of a business that is a member of that eligible entity;

(2) business modernization activities; or

(3) activities that are—

(A) workforce investment activities (including such activities carried out through one-stop delivery systems) carried out under subtitle B of title I of the Workforce Investment Act of 1998 (42 U.S.C. 2811 et seq.); or

(B) activities described in section 25 of the National Institute of Standards and Technology Act (15 U.S.C. 278k).

(b) ACTIVITIES INCLUDED.—

(1) WORKFORCE DEVELOPMENT ACTIVITIES.—The workforce development activities referred to in subsection (a)(1) may include activities that—

(A) develop skill standards and provide training, including—

(i) assessing the training and job skill needs of the industry involved;

(ii) developing a sequence of skill standards that are benchmarked to advanced industry practices;

(iii) developing curricula and training methods;

(iv) purchasing, leasing, or receiving donations of training equipment;

(v) identifying and developing the skills of training providers;

(vi) developing apprenticeship programs; and

(vii) developing training programs for dislocated workers;

(B) assist workers in finding new employment; or

(C) provide supportive services to workers who—

(i) are participating in a program carried out by the entity under this Act; and

(ii) are unable to obtain the supportive services through another program providing the services.

(2) BUSINESS MODERNIZATION ACTIVITIES.—The business modernization activities referred to in subsection (a)(2) may include activities that upgrade technical or organizational capabilities in conjunction with improving the job skills of workers in a business that is a member of that entity.

SEC. 4. APPLICATION.

To be eligible to receive a grant under section 2, an entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

SEC. 5. SEED GRANTS AND OUTREACH ACTIVITIES.

(a) SEED GRANTS.—The Secretary shall provide technical assistance and award financial assistance (not to exceed $150,000 per award) on such terms and conditions as the Secretary determines to be appropriate—

(1) to businesses, nonprofit organizations representing businesses, and labor organizations, for the purpose of establishing an eligible entity; and

(2) to entities described in paragraph (1) and established eligible entities, for the purpose of preparing such application materials as may be required under section 4.

(b) OUTREACH AND PROMOTIONAL ACTIVITIES.—The Secretary may undertake such outreach and promotional activities as the Secretary determines will best carry out the objectives of this Act.

(c) LIMITATIONS ON EXPENDITURES.—The Secretary may not use more than 10 percent of the amount authorized to be appropriated under section 8 to carry out this section.

SEC. 6. LIMITATIONS ON FUNDING.

(a) REQUIREMENT OF MATCHING FUNDS.—The Secretary may not award a grant under this Act to an eligible entity unless such entity agrees that the entity will make available non-Federal contributions toward the costs of carrying out activities funded by that grant in an amount that is not less than $2 for each $1 of Federal funds made available through the grant.

(b) IN-KIND CONTRIBUTIONS.—The Secretary—

(1) shall, in awarding grants under this Act, give priority consideration to those entities whose members offer in-kind contributions; and

(2) may not consider any in-kind contribution in lieu of or as any part of the contributions required under subsection (a).

(c) SENIOR MANAGEMENT TRAINING AND DEVELOPMENT.—An eligible entity may not use any amount made available through a grant awarded under this Act for training and development activities for senior management, unless that entity certifies to the Secretary that expenditures for the activities are—

(1) an integral part of a comprehensive modernization plan; or

(2) dedicated to team building or employee involvement programs.

(d) PERFORMANCE MEASURES.—Each eligible entity shall, in carrying out the activities described in section 3, provide for development of, and tracking of performance according to, performance outcome measures.

(e) ADMINISTRATIVE COSTS.—Each eligible entity may use not more than 10 percent of the amount made available to that entity through a grant awarded under this Act to pay for administrative costs.

(f) MAXIMUM AMOUNT OF GRANT.—No eligible entity may receive—

(1) a grant under this Act in an amount of more than $1,000,000 for any fiscal year; or

(2) grants under this Act in any amount for more than 3 fiscal years.

(g) SUPPORT FOR EXISTING OPERATIONS.—

(1) IN GENERAL.—In making grants under this Act, the Secretary may use a portion equal to not more than 50 percent of the funds appropriated to carry out this Act for a fiscal year, to support the existing training and modernization operations of existing eligible entities.

(2) ENTITIES.—The Secretary may award a grant to an existing eligible entity for existing training and modernization operations only if the entity—

(A) currently offers (as of the date of the award of the grant) a combination of training, modernization, and business assistance services; and

(B) has demonstrated success in accomplishing the objectives of activities described in section 3.

(3) APPLICATION.—Paragraph (1) shall not apply to support for the expansion of training and modernization operations of existing eligible entities.

(4) DEFINITIONS.—In this subsection:

(A) EXISTING TRAINING AND MODERNIZATION ACTIVITY.—The term "existing training and modernization activity" means a training and modernization activity carried out prior to the date of enactment of this Act.

(B) EXISTING ELIGIBLE ENTITY.—The term "existing eligible entity" means an eligible entity that was established prior to the date of enactment of this Act.

SEC. 7. GENERAL ACCOUNTING OFFICE STUDY.

(a) STUDY.—Beginning 3 years after the date of enactment of this Act, the Comptroller General of the United States shall conduct a study concerning the activities carried out under this Act. In conducting the study, the Comptroller General shall assess the effectiveness of the activities and suggest improvements to the grant program established under this Act, including recommending whether the program should be administered by the Department of Labor or by another agency or an alternative entity.

(b) REPORT.—Not later than 3 years and 6 months after the date of enactment of this Act, the Comptroller General of the United States shall prepare and submit to Congress a report containing the results of the study.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this Act—

(1) $15,000,000 for fiscal year 2004;

(2) $20,000,000 for fiscal year 2005;

(3) $25,000,000 for fiscal year 2006; and

(4) $30,000,000 for fiscal year 2007.

By Mr. BINGAMAN:

S. 1966. A bill to require a report on the detainees held at Guantanamo Bay, Cuba; to the Committee on Armed Services.

Mr. BINGAMAN. Mr. President, I want to speak for just a few minutes today on an issue on which I have introduced a bill. The bill is S. 1966. It is a bill to require a report on the detainees being held at Guantanamo Bay, Cuba.

The purpose of this legislation is to shed some light on the process that is being used by this administration to determine the status of so-called enemy combatants who are held by our Government at Guantanamo Bay Naval Base. It has now been nearly 2 years since the first detainees arrived at Guantanamo as prisoners of the United States. Yet these individuals are still being held in what most would refer to as legal limbo.

My colleagues will recall that on July 16, I urged the Senate to adopt an amendment to the Defense appropriations bill. That amendment was tabled 52 to 42. It is essentially the same provision—it contained the same provisions I have now put into S. 1966, this freestanding legislation I have introduced.

The day after that amendment was defeated I sent a letter to Secretary Rumsfeld expressing my concern over the apparent lack of any kind of legal process being extended to the detainees being held at Guantanamo. Only recently I received a reply from the Department of Defense. In that letter, the Department of Defense maintains that it:

> . . . reviews on a regular basis the continued detention of each enemy combatant and assesses the appropriate disposition of each individual case.

According to the Defense Department, at the time they wrote back to me, they said that the review had resulted in the release of 64 detainees who were determined to no longer pose a threat to the United States, and more releases were expected.

However, the letter fails to address the more important question, which is whether the Department's review of these detainees is being done in accordance with any recognized civilian or military legal process.

I ask unanimous consent to have the letter printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1.)

Mr. BINGAMAN. What prompted me to come to the floor of the Senate today was an article I saw in the morning paper. This appeared in various papers around the country, but the one I have here in front of me is from the Boston Globe. It says:

> The U.S. military sent home 20 "enemy combatants" last weekend who were being held without trial at Guantanamo Bay Naval Base in Cuba, only to replace them with the same number of new prisoners.

It has a quotation from a spokesperson for the military saying:

> We cannot talk about any of the individuals that may have departed the island due to security concerns.

According to this article, all those transferred last week have been returned, many of them to Pakistan, and all of those transferred last weekend, according to representatives from the countries they are citizens of, said they will be released once they have arrived in those countries.

The figure now, as I understand it, is there are 88 suspects who have been transferred out of Guantanamo Bay. Four were released, 4 were handed over to Saudi Arabia, and the remaining 650 or 700 are still there. As this article indicated, we continue to add additional people to this prison we are operating there at Guantanamo.

There are various complaints described in the article by foreign diplomats about the process we are following. There is a statement by the attorney for one of the human rights organizations that has complained bitterly about the improvisational policy decisions and the arbitrary power over prisoners at the base.

My motives for offering this legislation are very simple. While I obviously have concerns about judicial treatment and the failure of any kind of legal process being followed in the treatment of these detainees in Guantanamo, I am even more concerned about the implications of this treatment we are affording these individuals for our own fighting forces as well as our international reputation.

The bill I filed here in the Senate today requires the Secretary of Defense to report on the status of these detainees, including the process that was utilized to determine that status for those who have already been released from Guantanamo. The bill requires the Secretary to provide information related to this release, how long they were detained, the conditions of their release, if any, the explanations of why the Department of Defense has now determined these individuals could be released after what has in many cases been a very long detention.

For the remaining detainees—those who are still at Guantanamo—the administration has still refused to provide "access to an impartial tribunal to review whether any basis exists for [detainees] continued detention." The detainees have not been allowed to speak with their families or their counsel, nor have they been informed of any charges against them, as far as I am informed.

The bill I filed requires that within 90 days of its enactment the Secretary of Defense provide the Senate with information related to the process used to categorize and hold these detainees. It does not call for release of the detainees. It does not in any way, shape, or form require the release of any classified information other than to the chairman and vice chairman of the Senate and House committees. The amendment merely seeks to clarify for the Senate and for the Congress the process by which the detainees' status is determined.

Like most Americans, I have always thought that what distinguished our country in the history of the world was our commitment to individual freedom and to the rule of law; that the bedrock of a free society is the obligation taken by the Government to afford individuals with certain legal protections, and as a Nation committed to these principles we have been instrumental in the formulation and enforcement of international law, particularly when it came to the treatment of prisoners of war. For over 75 years, the United States has adhered to the Geneva Convention. Even during conflicts with insurgents and irregular forces, we have adhered to the Geneva Convention. Whenever our Nation has gone to war, we have taken pride in going above and beyond the requirements of international law as set out in the third Geneva Convention of 1929. In fact, the Department of Defense has adopted its own detailed regulations and doctrine and field manuals built on the provisions of the Geneva Convention which have guided our military through many conflicts regardless of size and scope and duration.

These regulations we have in our own military, like international law, do not contemplate the legal limbo we are holding these detainees in at Guantanamo. Neither the Geneva Convention nor the established military regulations define or use the term the President is using here. This term, unlawful combatant, is a new term which has come up in order to sidestep the requirements both of the Geneva Convention and of our own military regulations. Army Regulation 190–8 provides an effective and efficient process to categorize the detainees on the battlefield. According to that provision, detainees must be classified either as an enemy prisoner of war, a recommended retained person entitled to enemy prisoner-of-war protections, an innocent civilian who should be immediately returned to his or her home or released, or a civilian internee who, for reasons of operational security, or probable cause incident to criminal investigation, should be retained. Such internees have the right to appeal the order directing their internment by challenging the existence of imperative security reasons that led to their detention.

The President's unilateral determination of the detainee's status at Guantanamo Bay signals a significant departure from the spirit of the Geneva Convention and a significant departure from the letter of established military regulations. In stark contrast to our Government's previous commitment to adherence to the rule of law and human rights, this administration has adopted a position that once the President designates that a person is a so-called enemy combatant or unlawful combatant, a term created by the administration, that person can be locked up and held incommunicado as long as the President desires, with absolutely no legal rights; no right to review of that decision. This means even if the administration makes a mistake or is given faulty information, it is virtually impossible for the person involved to prove his or her innocence because not only can they not talk to a lawyer or to family members, but they do not have the right even to know what they are being charged with.

The U.S. Supreme Court has agreed to consider the narrow question of whether the Federal courts have the power to hear challenges to the detainees' imprisonment. This is a significant move towards restoring the system of checks and balances, which needs to be restored—the system of checks and balances our Founders felt was essential to preserving liberty in the country. Similarly, the bill I have filed begins to fulfill Congress's constitutional responsibility to oversee what the executive branch does. It calls on the administration to tell us whether its actions are in accordance with military regulations and doctrine.

Our goal is to bring transparency to the issue and to fulfill Congress's constitutional role of oversight of the executive. We should know what process the administration is using to determine the status of these detainees.

My concern is much broader than what happens to these particular detainees. I am concerned about the impact of our treatment of these detainees on the treatment of our own military personnel who are captured in future conflicts. Former U.S. diplomats and judge advocate generals and even former U.S. prisoners of war filed "friend of the court" briefs in the Supreme Court questioning the legality and wisdom of the administration's policy of open-ended detentions at Guantanamo. Some of those briefs were extremely thoughtful, in my view. One former diplomat wrote:

> It has been the experience of each of us that our most important diplomatic asset has been this Nation's values. . . . The hint that America is not all that it claims, that it . . . can accept that the Executive Branch may imprison whom it will and do so beyond the reach of due process of law demeans and weakens this Nation's voice abroad.

In their brief, former judge advocate generals, the military's legal prosecutors and those most familiar with the law as it applies to enemy prisoners of war, strongly argue:

> To be sure, this is a perilous time, as the President has stated. But that does not justify indefinite confinement without any type of hearing or judicial review. The United States played a major role in the development and adoption of the Geneva Conventions. The requirements of those Conventions. The requirements of those Conventions are incorporated directly into American Military Regulations. American failure to provide foreign prisoners with the protections of the Geneva Conventions may well provide foreign authorities, in current or future conflicts, with an excuse not to comply with the Geneva Conventions with respect to captured American military forces.

Just as compelling are the stories told in the "friends of the court" brief filed by former prisoners of war. They argue that as a result of their own experience as prisoners of war, the United States has an interest "in fostering the development, acceptance and enforcement of international norms pursuant to which prisoners of war and others captured during armed conflicts will be treated humanely and in accordance with the rule of law." They emphasize, that in particular, they "wish to ensure that the treatment by the Untied States of foreign detainees . . . is such that the United States and former American POWs retain the moral authority to demand fair and humane treatment for any future Americans detained by foreign governments."

However, nothing more clearly demonstrates this point than the actual stories themselves. Leslie H. Jackson, Edward Jackfert, and Neal Harrington are former prisoners of war. Mr. Jackson was captured by the Germans, who adhered to the Geneva Conventions. Mr. Jackfert and Mr. Harrington were held by Japan, which had not ratified and did not purport to follow international law.

If you will allow me to read them their brief:

> Mr. Jackson was captured by the German Army on April 24, 1944, when his B–17 bomber crashed. Jailed and interrogated for approximately one week, he was then transported to Stalag 17, a converted concentration camp. In his 13 months of captivity, Mr. Jackson was granted the bare necessities: shelter, minimal food, and the ability to socialize with other American POWs. While the experience was harsh and unpleasant, Mr. Jackson was never tortured or otherwise hurt by the German guards. To follow the terms of the Geneva Conventions of 1929, to which Germany was a party, Mr. Jackson's German captors placed the appropriate Geneva Convention signage in the barracks, permitted the international Red Cross to ship basic necessities to POWs, and allowed a Geneva inspector to survey the premises. Mr. Jackson believes that his survival and relatively good health while in captivity are the result of the German Army's adherence to the 1929 Geneva Conventions.
>
> The experiences of Mr. Jackfert and Mr. Harrington in the custody of Japan, which had not ratified and did not purport to follow the 1929 Geneva Conventions, offer a sharp contrast. Both men were serving with the U.S. Army in the Philippines when it surrendered to the Japanese in 1942, and both subsequently served several years of hard captivity beyond the reach of any Geneva Convention protections. Both were part of the Bataan Death March and its well-documented horrors. Mr. Harrington was forced into slave labor in a Japanese coalmine, and saw his compatriots starved, beaten and killed. Mr. Jackfert was also forced into slave labor and suffered the extreme effects of heavy labor, cruelty and inadequate nourishment, going from 125 pounds to 90 pounds in a matter of months. There was no Geneva signage, no recognition of prisoner rights, and virtually no Red Cross access.
>
> Nor were the experiences of Mr. Harrington and Mr. Jackfert atypical. Studies have determined that the death rate of U.S. Military personnel interned by Japan was as high as 40 percent while the death rate of personnel captured and interned by Germany was little more than 1 percent. . . . Moreover, while it was rare for American POWs detained in Germany to be tortured, the opposite was true for American POWs in Japan. No one can adequately impart the suffering most allied prisoners endured [in Japan]. . . . They were beaten, kicked, robbed . . . and were buried alive. . . . [T]he overwhelming majority endured "hell on earth."

Again, let me say, I am in no way suggesting that the detainees are not being treated humanely. In fact, from all information I have received, they are being treated humanely. But what I and these briefs that were filed in the Supreme Court are suggesting is that our failure to adhere to some recognized legal process in determining the status of these detainees opens the door for other countries to refuse to adhere to any legal process as well. It may very well result in arbitrary confinement and harsh treatment or other inhumane practices applied to our own citizens.

This bill will help Congress fulfill its duties and obligations as outlined in the Constitution and in U.S. law and regulation.

I hope we can quickly pass this legislation when we return for the second session of the Congress in January.

I yield the floor.

EXHIBIT 1

[From the Boston Globe, Nov. 25, 2003]

US RELEASES 20 DETAINEES, TRANSFERS 20 MORE TO CUBA

(By Charlie Savage)

WASHINGTON.—The U.S. military sent home 20 "enemy combatants" last weekend who were being held without trial at Guantanamo Bay naval base in Cuba—only to replace them with the same number of new prisoners.

The prisoner transfer, the first such movement since mid-July, followed a determination by senior military and intelligence officials that the outgoing group "either no longer posed a threat to U.S. security or no longer required detention by the United States," according to a statement the Department of Defense released yesterday.

"We can't talk about any of the individuals that may have departed the island due to security concerns," said Lieutenant Colonel Pamela Hart, a spokeswoman for the isolated facility at which the United States detains and interrogates suspected terrorists.

But a high-ranking Pakistani official, who said yesterday that at least five of the outgoing transferees were Pakistani citizens, offered a chilly reaction to the Pentagon's news.

"The government is happy, but this is too damn late," said Imran Ali, second secretary of the Pakistan Embassy, adding that 21 Pakistanis have been released from Guantanamo, but another 37 are still there.

"Their lives have been destroyed. Their families have gone through psychological trauma, since they were not terrorists; they were just low-level Taliban fighters."

The Pakistani official's reaction illustrated the pressure on the United States to resolve the situation—especially from allies in the war on terrorism who have expressed concern for their citizens who are among the 660 prisoners from 42 countries being held at the base.

Although the State Department has been negotiating with a number of countries to continue the detention of some, all those transferred last weekend will be released by their countries, U.S. officials said.

The Pentagon statement said that "at the time of their detention, these enemy combatants posed a threat to U.S. security." It offered little information about the new arrivals, except that they were transferred from U.S. Central Command in the Middle East.

Navy Lieutenant Commander Barbara Burfeind, a Pentagon spokeswoman, said none of the new detainees were captured in Iraq.

The weekend transfers of the detainees bring to 88 the number of Al Qaeda or Taliban suspects who have been transferred out. Of those, 84 were released and four were handed over to Saudi Arabia.

Ruth Wedgwood, an international law professor at Johns Hopkins University, said the arrival of the 20 new detainees follows a flare-up of fighting by Taliban insurgents in Afghanistan.

Wedgwood has defended the Bush administration's position that the rules of the Geneva Conventions do not apply to the detainees because they were not soldiers of a regular Afghan army.

"Dismayingly, the Taliban have become very active again in the southern area, so really . . . the war isn't over in that area," she said.

Not among those who were transferred for release, according to a senior Pentagon official, were the three "juvenile enemy combatants"—Afghans ages 13 to 15 who were captured fighting alongside the Taliban and whose detention at the prison has attracted particularly intense international criticism. The commander of Guantanamo operations, Major General Geoffrey Miller, had recommended that they be sent home in August.

U.S. officials say they have been coordinating with UNICEF in the event that the young fighters are released. UNICEF, a United Nations agency that has offered to handle the juvenile combatants, runs a program to ease the reintegration of former child soldiers back into their home societies.

"The State Department and UNICEF will make sure that if they're returned to Afghanistan, they won't just be plopped down," a Pentagon official told The Boston Globe last week.

Ken Hurwitz of the Lawyers Committee for Human Rights, a New York-based organization, said that the surprise release reflected the military's "improvisational" policy decisions and its arbitrary power over the prisoners at the base.

"It's the rule of law that's the point," he said. "They're saying, 'Trust us, and we'll do the right thing.' But there is no right thing unless it's pursuant to some kind of ordered, lawful proceeding."

Challenges to the detentions that have been filed in federal court have so far been dismissed because the base is located on Cuban soil—it has been leased and controlled by the United States for a century—and outside the jurisdiction of U.S. sovereignty. Two weeks ago, the Supreme Court said it would review the question of whether federal court jurisdiction may extend there.

In a related development, the lawyer for Army Captain James "Yousef" Yee, the former Muslim chaplain at Guantanamo who was arrested in September in the alleged mishandling of classified material, sent a letter to President Bush yesterday asking that his client be released from pretrial detention for Thanksgiving and his daughter's birthday.

"These charges do not warrant pretrial confinement of any kind," Eugene Fidell wrote in the letter. "While military sources initially reported a wild laundry list of suspected offenses, such as spying or aiding the enemy, these have now been reduced to two relatively minor [charges]. . . . Nonetheless, he is being treated as if the original laundry list of charges was the legal basis for his confinement. This is totally wrong and unfair."

Sean McCormack, a spokesman for the National Security Council, said he would look into the letter, but had no comment on the president's behalf.

By Mr. HAGEL (for himself and Ms. SNOWE):

S. 1967. A bill to allow all businesses to make up to 24 transfers each month from interest-bearing transaction accounts to other transaction accounts, to require the payment of interest on reserves held for depository institutions at Federal reserve banks, to repeal the prohibition of interest on business accounts, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

Mr. HAGEL. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1967

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Interest on Business Checking Act of 2003".

SEC. 2. INTEREST-BEARING TRANSACTION ACCOUNTS AUTHORIZED FOR ALL BUSINESSES.

(a) IN GENERAL.—Section 2(a) of Public Law 93–100 (12 U.S.C. 1832(a)) is amended by inserting after paragraph (2) the following:

"(3) Notwithstanding any other provision of law, any depository institution may permit the owner of any deposit or account which is a deposit or account on which interest or dividends are paid and is not a deposit or account described in paragraph (2) to make not more than 24 transfers per month (or such greater number as the Board of Governors of the Federal Reserve System may determine by rule or order), for any purpose, to another account of the owner in the same institution. An account offered pursuant to this paragraph shall be considered a transaction account for purposes of section 19 of the Federal Reserve Act, unless the Board of Governors of the Federal Reserve System determines otherwise.".

(b) CONFORMING AMENDMENTS.—

(1) IN GENERAL.—Section 2(a) of Public Law 93–100 (12 U.S.C. 1832(a)), as amended by subsection (a), is further amended—

(A) in paragraph (1), by striking "but subject to paragraph (2)";

(B) by amending paragraph (2) to read as follows:

"(2) No provision of this section may be construed as conferring the authority to offer demand deposit accounts to any institution that is prohibited by law from offering demand deposit accounts."; and

(C) in paragraph (3), by striking "and is not a deposit or account described in paragraph (2)".

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall take effect on the date which is 2 years after the date of enactment of this Act.

SEC. 3. AUTHORIZATION OF INTEREST-BEARING TRANSACTION ACCOUNTS.

(a) REPEAL OF PROHIBITION ON PAYMENT OF INTEREST ON DEMAND DEPOSITS.—

(1) FEDERAL RESERVE ACT.—Section 19(i) of the Federal Reserve Act (12 U.S.C. 371a) is repealed.

(2) HOME OWNERS' LOAN ACT.—Section 5(b)(1)(B) of the Home Owners' Loan Act (12 U.S.C. 1464(b)(1)(B)) is amended by striking "savings association may not—" and all that follows through "(ii) permit any" and inserting "savings association may not permit any".

(3) FEDERAL DEPOSIT INSURANCE ACT.—Section 18(g) of the Federal Deposit Insurance Act (12 U.S.C. 1828(g)) is repealed.

(b) JOINT RULEMAKING REQUIRED.—

(1) IN GENERAL.—Not later than 2 years after the date of enactment of this Act, the Secretary of the Treasury and the Federal banking agencies shall issue joint final regulations authorizing the payment of interest and dividends on transaction accounts at depository institutions that are subject to regulation by those entities.

(2) CONTENTS.—Regulations required by this subsection shall—

(A) establish the scope of the authorization described in paragraph (1) and the types of transaction accounts to which that authorization shall apply; and

(B) include any appropriate limitations, exceptions, or restrictions on that authorization, consistent with the purposes of this section.

(3) EFFECTIVE DATE OF REGULATIONS.—The regulations required by this subsection shall take effect not later than 2 years after the date of enactment of this Act.

(4) DEFINITIONS.—As used in this subsection—

(A) the terms "depository institution" and "transaction account" have the meanings given such terms in subparagraphs (A) and (C), respectively, of section 19(b)(1) of the Federal Reserve Act (12 U.S.C. 461(b)(1)); and

(B) the term "Federal banking agency" has the meaning the term in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813).

(c) EFFECTIVE DATE OF REPEAL.—The amendments made by subsection (a) shall become effective on the earlier of—

(1) 2 years after the date of enactment of this Act; or

(2) the date on which final regulations required to be issued under subsection (b) become effective.

SEC. 4. PAYMENT OF INTEREST ON RESERVES AT FEDERAL RESERVE BANKS.

(a) IN GENERAL.—Section 19(b) of the Federal Reserve Act (12 U.S.C. 461(b)) is amended by adding at the end the following:

"(12) EARNINGS ON RESERVES.—

"(A) IN GENERAL.—Balances maintained at a Federal reserve bank by or on behalf of a depository institution may receive earnings to be paid by the Federal reserve bank at least once each calendar quarter at a rate or rates not to exceed the general level of short-term interest rates.

"(B) REGULATIONS RELATING TO PAYMENTS AND DISTRIBUTION.—The Board may promulgate regulations concerning—

"(i) the payment of earnings in accordance with this paragraph;

"(ii) the distribution of such earnings to the depository institutions which maintain balances at such banks or on whose behalf such balances are maintained; and

"(iii) the responsibilities of depository institutions, Federal home loan banks, and the National Credit Union Administration Central Liquidity Facility with respect to the crediting and distribution of earnings attributable to balances maintained, in accordance with subsection (c)(1)(A), in a Federal reserve bank by any such entity on behalf of depository institutions.

"(C) DEPOSITORY INSTITUTION DEFINED.—For purposes of this paragraph, the term 'depository institution', in addition to any institution described in paragraph (1)(A), includes any trust company, corporation organized under section 25A or having an agreement with the Board under section 25, or any branch or agency of a foreign bank (as defined in section 1(b) of the International Banking Act of 1978).".

(b) AUTHORIZATION FOR PASS THROUGH RESERVES FOR MEMBER BANKS.—Section 19(c)(1)(B) of the Federal Reserve Act (12 U.S.C. 461(c)(1)(B)) is amended by striking "which is not a member bank".

(c) TECHNICAL AND CONFORMING AMENDMENTS.—Section 19 of the Federal Reserve Act (12 U.S.C. 461) is amended—

(1) in subsection (b)(4),

(A) by striking subparagraph (C); and

(B) by redesignating subparagraphs (D) and (E) as subparagraphs (C) and (D), respectively; and

(2) in subsection (c)(1)(A), by striking "subsection (b)(4)(C)" and inserting "subsection (b)".

SEC. 5. INCREASED FEDERAL RESERVE BOARD FLEXIBILITY IN SETTING RESERVE REQUIREMENTS.

Section 19(b)(2)(A) of the Federal Reserve Act (12 U.S.C. 461(b)(2)(A)) is amended—

(1) in clause (i), by striking "the ratio of 3 per centum" and inserting "a ratio not greater than 3 percent (and which may be zero)"; and

(2) in clause (ii), by striking "and not less than 8 per centum," and inserting "(and which may be zero),".

SEC. 6. TREATMENT OF CERTAIN ESCROW ACCOUNTS.

(a) IN GENERAL.—In the case of an escrow account maintained at a depository institution for the purpose of completing the settlement of a real estate transaction, activities described in subsection (b) shall not be treated as the payment or receipt of interest for purposes of this Act or any other provision of law relating to the payment of interest on accounts or deposits maintained at depository institutions, including such provisions in—

(1) Public Law 93–100;

(2) the Federal Reserve Act;

(3) the Home Owners' Loan Act; or

(4) the Federal Deposit Insurance Act.

(b) EXCLUSIONS.—For purposes of subsection (a), activities described in this paragraph are—

(1) the absorption, by the depository institution, of expenses incidental to providing a normal banking service with respect to an escrow account described in subsection (a);

(2) the forbearance, by the depository institution, from charging a fee for providing any such banking function; and

(3) any benefit which may accrue to the holder or the beneficiary of such escrow account as a result of an action of the depository institution described in paragraph (1) or (2) or a similar action.

By Mr. ENZI (for himself, Mr. AKAKA, Mr. CORZINE, and Mr. SARBANES):

S. 1968. A bill to amend the Higher Education Act of 1965 to enhance literacy in finance and economics, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. ENZI. Mr. President, it wasn't all that long ago that a good education consisted of providing our children with a strong background in reading, writing and arithmetic skills, mixed with an understanding of history and a good hard look at civics and how our government works. We thought, if our sons and daughters had taken courses in those subjects and mastered them, they were as prepared as they could be to face the real world, get good jobs, and one day, live happily ever after. Unfortunately, we left one vital skill out of the mix.

As an accountant, I have become increasingly concerned about the lack of knowledge we have as a society, and especially, the lack of insight we share with our children about money and how to properly handle it, budget it, and use it to plan for their retirement. The numbers are quite startling when you take a close look at how many of our children are leaving college already saddled with credit card debt and school loans that need to be repaid. It wasn't like that when many of us were in college. School didn't seem to cost nearly as much as it does now, and the scourge of a strong economy, easily available credit, hadn't reached the ranks of our schools yet.

This is a problem at the present time, but if we don't act quickly to make sure our Nation's young people receive the advice and education they need on handling money and planning their finances for the future, we will have a disaster on our hands. Young men and women, in their prime earning years, are facing a mountain of personal debt at high interest rates, with little hope of paying it off anytime soon. Clearly, that is something we must take every action to help future generations of students avoid.

That is why I am introducing the Financial Literacy in Higher Education Act with my colleague, Senator AKAKA. Senator AKAKA and I share many of the same ideas with respect to the importance of financial literacy and ensuring our children have a grasp of the implications of their actions when they use the credit they have been extended by banks eager to make quick loans at high interest rates. Senator AKAKA and I worked together on language included in the No Child Left Behind Act to ensure elementary and secondary students would have more access to financial literacy training that we hope will make our children wiser and better users of consumer credit.

This bill builds on the activities we helped authorize in No Child Left Behind. It emphasizes financial literacy for students enrolled in institutions of higher education, or students who will soon be enrolled. With the training and real life advice they will receive in these courses we will be able to reduce the number of our children who leave high school and head out into the world on their own with little or no preparation for the demands that will be placed on their limited incomes.

Our legislation would include financial literacy and personal finance in the list of permissible activities of several programs authorized under the Higher Education Act. These programs are set up to support students, and I believe financial literacy should be an important aspect of the support process. Attending college is a necessary step that must be taken if our young adults are to succeed in the work force, and learning how to make a personal budget and meet individual financial obligations should be a priority in that process.

Our bill would also emphasize financial literacy in exit counseling for college students receiving federal student financial assistance. Today's undergraduate students are leaving school with an average of nearly $17,000 in student loan obligations. This can be a large burden to bear, but it becomes impossible to address if a young man or woman is unable to successfully manage their own finances.

The answer to this challenge is to start educating students before they experience financial difficulty. Students who are faced with the possibility of accruing larger and larger levels of debt must be taught the full meaning and significance of concepts as simple as compound interest, credit scores, and minimum payments. That way, when they leave school with their lives before them, they will be able to plan how to pay back their student loans, and keep credit card debt to a minimum. Taking the initiative while these students are in school will help them avoid some of the serious problems that can develop when someone has little or poor financial skills. These problems can literally have lifelong implications for those who overextend their resources or fail to learn to live within the limits of a budget.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1968

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Financial Literacy in Higher Education Act".

SEC. 2. AREAS OF EMPHASIS.

Part B of title I of the Higher Education Act of 1965 (20 U.S.C. 1011 et seq.) is amended by adding at the end the following:

"SEC. 123. AREAS OF EMPHASIS.

"In carrying out activities under this Act related to improving financial and economic literacy, education, and counseling, the Secretary shall emphasize, among other elements, basic personal income and household money management and financial planning skills, and basic economic decision making skills, including how to—

"(1) create household budgets, initiate savings plans, and make strategic investment decisions for education, employment, retirement, home ownership, wealth building, or other savings goals;

"(2) manage credit and debt effectively, including student financial aid and credit card debt, and understand the merits of establishing and maintaining excellent credit history;

"(3) understand, evaluate, and compare fair and favorable financial products, services, and opportunities, and avoid abusive, predatory, or deceptive financial products, services, and opportunities;

"(4) complete tax returns and understand tax consequences when making certain financial decisions, such as placing an investment or purchasing a home;

"(5) identify economic problems, alternatives, benefits, and costs;

"(6) analyze the incentives at work in an economic situation;

"(7) examine the consequences of changes in economic conditions and public policies;

"(8) collect and organize economic evidence, including understanding, evaluating, and making strategic decisions using economic indicators;

"(9) compare benefits with costs; and

"(10) improve financial and economic literacy and education through all other related skills.".

SEC. 3. COORDINATION.

In carrying out the financial and economic literacy activities authorized under this Act and the amendments made by this Act, the Secretary of Education, to the greatest extent practicable, shall coordinate such activities with the financial and economic literacy efforts of a Federal commission comprised of the following:

(1) The Secretary of the Treasury.

(2) The respective head of each of the following:

(A) Each of the Federal banking agencies (as defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813)).

(B) The National Credit Union Administration.

(C) The Securities and Exchange Commission.

(D) Each of the Departments of Education, Agriculture, Defense, Health and Human Services, Housing and Urban Development, Labor, and Veterans Affairs.

(E) The Federal Trade Commission.

(F) The General Services Administration.

(G) The Small Business Administration.

(H) The Social Security Administration.

(I) The Commodity Futures Trading Commission.

(J) The Office of Personal Management.

(3) At the discretion of the President, not more than 5 individuals appointed by the President from among the administrative heads of any other Federal agencies, departments, or other Government entities, whom the President determines to be engaged in a serious effort to improve financial literacy and education.

SEC. 4. ENHANCEMENT OF FINANCIAL LITERACY AND ECONOMIC LITERACY.

The Higher Education Act of 1965 (20 U.S.C. 1001 et seq.) is amended—

(1) in section 201(a)(3), by inserting "personal finance," after "economics,";

(2) in section 311(c)—

(A) by redesignating paragraphs (7) through (12) as paragraphs (8) through (13), respectively; and

(B) by inserting after paragraph (6) the following:

"(7) Education or counseling services designed to improve the financial literacy and economic literacy of students and their parents.";

(3) in section 316(c)(2)—

(A) by redesignating subparagraphs (G) through (L) as subparagraphs (H) through (M), respectively;

(B) by inserting after subparagraph (F) the following:

"(G) education or counseling services designed to improve the financial literacy and economic literacy of students and their parents;"; and

(C) in subparagraph (M), as redesignated by subparagraph (A), by striking "subparagraphs (A) through (K)" and inserting "subparagraphs (A) through (L)";

(4) in section 317(c)(2)—

(A) in subparagraph (G), by striking "and" after the semicolon;

(B) in subparagraph (H), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(I) education or counseling services designed to improve the financial literacy and economic literacy of students and their parents.";

(5) in section 323(a)—

(A) by redesignating paragraphs (7) through (12) as paragraphs (8) through (13), respectively; and

(B) by inserting after paragraph (6) the following:

"(7) Education or counseling services designed to improve the financial literacy and economic literacy of students and their parents.";

(6) in section 326(c)—

(A) by redesignating paragraphs (5) through (7) as paragraphs (6) through (8), respectively; and

(B) by inserting after paragraph (4) the following:

"(5) education or counseling services designed to improve the financial literacy and economic literacy of students and their parents;";

(7) in section 503(b)—

(A) by redesignating paragraphs (5) through (14) as paragraphs (6) through (15), respectively; and

(B) by inserting after paragraph (4) the following:

"(5) Education or counseling services designed to improve the financial literacy and economic literacy of students and their parents.";

(8) in section 402B(b)—

(A) by redesignating paragraphs (3) through (10) as paragraphs (4) through (11), respectively;

(B) by inserting after paragraph (2) the following:

"(3) education or counseling services designed to improve the financial literacy and economic literacy of students and their parents;"; and

(C) in paragraph (11), as redesignated by subparagraph (A), by striking "paragraphs (1) through (9)" and inserting "paragraphs (1) through (10)";

(9) in section 402C—

(A) in subsection (b)—

(i) by redesignating paragraphs (2) through (12) as paragraphs (3) through (13), respectively;

(ii) by inserting after paragraph (1) the following:

"(2) education or counseling services designed to improve the financial literacy and economic literacy of students and their parents;"; and

(iii) in paragraph (13), as redesignated by clause (i), by striking "paragraphs (1) through (11)" and inserting "paragraphs (1) through (12)"; and

(B) in subsection (e), by striking "subsection (b)(10)" and inserting "subsection (b)(11)";

(10) in section 402D(b)—

(A) by redesignating paragraphs (2) through (10) as paragraphs (3) through (11), respectively;

(B) by inserting after paragraph (1) the following:

"(2) education or counseling services designed to improve the financial literacy and economic literacy of students and their parents;"; and

(C) in paragraph (11), as redesignated by subparagraph (A), by striking "paragraphs (1) through (9)" and inserting "paragraphs (1) through (10)";

(11) in section 402E(b)—

(A) by redesignating paragraphs (7) and (8) as paragraphs (8) and (9), respectively; and

(B) by inserting after paragraph (6) the following:

"(7) education or counseling services designed to improve the financial literacy and economic literacy of students and their parents;";

(12) in section 402F(b)—

(A) by redesignating paragraphs (4) through (10) as paragraphs (5) through (11), respectively;

(B) by inserting after paragraph (3) the following:

"(4) education or counseling services designed to improve the financial literacy and economic literacy of students and their parents;"; and

(C) in paragraph (11), as redesignated by subparagraph (A), by striking "paragraphs (1) through (9)" and inserting "paragraphs (1) through (10)";

(13) in section 404D(b)(2)(A)(ii), by striking "and academic counseling" and inserting "academic counseling, and financial literacy and economic literacy education or counseling";

(14) by striking section 418A(c)(1)(B)(i) and inserting the following:

"(i) personal, academic, career, and economic education or personal finance counseling as an ongoing part of the program;";

(15) in section 428F, by adding at the end the following:

"(c) FINANCIAL AND ECONOMIC LITERACY.—Where appropriate, each program described under subsection (b) shall include making available financial and economic education materials for the borrower.";

(16) in section 432(k)(1), by striking "and offering" and all that follows through the period and inserting ", offering loan repayment matching provisions as part of employee benefit packages, and providing employees with financial and economic education and counseling.";

(17) in section 441(c)—

(A) in paragraph (1), by inserting "financial literacy and economic literacy," after "social services,"; and

(B) in paragraph (4)(C), by striking the period at the end and inserting "and counseling for the purposes of improving financial literacy and economic literacy.";

(18) in section 485—

(A) in subsection (a)(1)(D), by striking the semicolon at the end and inserting ", including the merits of taking a personal finance course, if the institution offers such a course, and of the student reviewing the student's personal credit profile not less frequently than once a year;";

(B) in subsection (b)—

(i) in paragraph (1)(A)—

(I) in clause (i), by striking "and" after the semicolon;

(II) in clause (ii), by striking the period at the end and inserting "; and"; and

(III) by adding at the end the following:

"(iii) if it is determined during the counseling that the borrower is not connected to a mainstream financial institution, information about low-cost financial services and the benefits of using such services, and where and how the borrower could open a low-cost account in a federally insured credit union or bank."; and

(ii) by adding at the end the following:

"(3) PILOT PROGRAM.—

"(A) AUTHORIZATION.—

"(i) IN GENERAL.—The Secretary shall establish a pilot program that awards a total of 5 grants to 5 different institutions of higher education that are located in geographically different parts of the United States to enable the institutions to provide annual personal finance counseling for students enrolled at such institutions.

"(ii) MINORITY SERVING INSTITUTIONS.—In awarding grants under this paragraph, the Secretary shall award not less than 2 of the 5 grants to institutions of higher education that are eligible to receive assistance under title III or title V.

"(B) APPLICATION.—An institution of higher education that desires to receive a grant under this paragraph shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

"(C) USE OF FUNDS.—

"(i) COUNSELING.—

"(I) IN GENERAL.—In addition to making available exit counseling under paragraph (1), an institution of higher education that receives a grant under this paragraph shall through financial aid officers or otherwise, make available counseling to borrowers of loans which are made, insured, or guaranteed under part B (other than loans made pursuant to section 428B) of this title or made under part D or E of this title at the commencement of the borrower's course of study at the institution, not less frequently than once annually while the borrower is enrolled at the institution, and not later than 30 days after completion of the course of study for which the borrower enrolled at the institution or at the time of departure from such institution.

"(II) CONTENT.—The counseling required under subclause (I) shall include the average anticipated monthly repayments, a review of the repayment options available, the total amount of interest that would be paid over a range of possible interest rates and the amount of interest in the monthly payments, information on the availability and content of a personal finance course if such course is offered by the institution and if not already completed by the individual, and such debt and management strategies as the institution determines are designed to facilitate the repayment of such indebtedness, which may be implemented in partnership with State or local public, private, and nonprofit entities approved by the local educational agency that serves schools in the area where the institution is located, or a campus committee formed for the purpose of evaluating the qualifications of such entities. If it is determined during the counseling that the borrower is not connected to a mainstream financial institution, the counseling shall include information about low-cost financial services and the benefits of using such services, and where and how the borrower could open a low-cost account in a federally insured credit union or bank.

"(ii) PERMISSIVE USE.—Grant funds received under this paragraph may be used to pay for additional financial aid personnel or for training for existing financial aid personnel.

"(iii) STUDY.—

"(I) IN GENERAL.—An institution of higher education that receives a grant under this paragraph shall conduct a study to evaluate the impacts, if any, of the financial and economic literacy and counseling activities on students' levels of savings and indebtedness, and creditworthiness, and such activities' effectiveness in reducing the incidence of problems with handling credit, including bankruptcy filing and student financial loan default.

"(II) ASSISTANCE.—An institution of higher education may conduct the study under subclause (I) with the assistance of appropriate

Federal agencies or other entities approved by the Secretary.

"(III) REPORT.—Not later than 6 months after completion of the study under subclause (I), the institution of higher education shall report the results of such study to the Secretary, the Secretary of the Treasury, the Committee on Health, Education, Labor, and Pensions of the Senate, the Committee on Banking, Housing, and Urban Affairs of the Senate, the Committee on Education and the Workforce of the House of Representatives, and the Committee on Financial Services of the House of Representatives.

"(D) DURATION.—Grants awarded under this paragraph shall be for a period of 3 years.

"(E) AMOUNT.—The Secretary shall award grants of not more than $1,000,000 annually to each institution of higher education awarded a grant under this paragraph. The Secretary may determine the grant award amount based on the number of students to be counseled at the institution of higher education.

"(F) REPORT.—Not later than 90 days after the date of completion of the pilot program under this paragraph, the Secretary shall submit a report to Congress on the effectiveness of the program.

"(G) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this paragraph such sums as may be necessary for each of fiscal years 2005 through 2009."; and

(C) in subsection (c), by adding at the end the following: "Appropriate Federal agencies shall provide material developed by such agencies for the purpose of financial education, to financial assistance information personnel at institutions of higher education for the use of such personnel in financial aid counseling."; and

(19) in section 491(d)(8), by inserting ", including those related to financial literacy activities," after "resources and services".

SEC. 5. EVALUATION.

Not later than 6 years after the date of enactment of this Act, the Comptroller General of the United States shall submit to the Committee on Health, Education, Labor, and Pensions of the Senate, the Committee on Banking, Housing, and Urban Affairs of the Senate, the Committee on Education and the Workforce of the House of Representatives, and the Committee on Financial Services of the House of Representatives, an evaluation of the range and effectiveness of financial and economic education and financial aid counseling activities of institutions of higher education, lenders, servicers, and guaranty agencies as emphasized by the Secretary of Education pursuant to section 123 of the Higher Education Act of 1965.

Mr. AKAKA. Mr. President, I am pleased to introduce the Financial Literacy in Higher Education Act with Senator ENZI and original cosponsors of S. 1800, the College LIFE, Literacy in Finance and Economics Act, Senators SARBANES and CORZINE.

This is truly a bipartisan compromise on the provisions of S. 1800, the College LIFE Act, and I appreciate Senator ENZI's willingness to collaborate on this matter. As in S. 1800, the Financial Literacy in Higher Education Act proposes a pilot program for five higher education institutions to encourage students to take a personal finance course and participate in preventive annual credit counseling, working in conjunction with State or local public, private, and nonprofit entities selected by the local education agency or the school, and measuring the effectiveness of efforts in any behavioral changes that may result.

The bill emphasizes the importance of personal finance and economic education and counseling by authorizing these activities as allowable uses in existing Higher Education Act programs, such as TRIO, GEAR UP, and title III and title V Serving Institutions. These are programs that have been successful in expanding higher education access to populations with unique needs and, therefore, are ideal avenues through which we can further the important components of financial and economic literacy, such as wise budgeting, saving, debt management, tax preparation, and avoiding predatory or abusive practices.

The bill promotes greater collaboration with and support from Federal agencies in the higher education arena with respect to economic and financial literacy, including coordination with the Financial Literacy and Education Commission, which was created by title V of H.R. 2622, the Fair and Accurate Credit Transactions Act of 2003. The conference report of H.R. 2622 was adopted recently by this Chamber and the other body. For those who may not be familiar with the Commission, the new entity will work to improve financial literacy and education in the United States through the development of a national strategy.

I urge my colleagues to support this bipartisan effort to increase the financial and economic literacy of our college students. I will also work with my colleagues on advancing the grant programs in S. 1800 that are not in our compromise package, because I feel that those, too, are important parts of our overall effort. Students in higher education are some of our Nation's best and brightest, and we must work to give them the tools that will help them succeed. Not the least among these is literacy in personal finance and economics.

By Mr. ROCKEFELLER:

S. 1970. A bill to amend title 11, United States Code, to increase the amount of unsecured claims for salaries and wages given priority in bankruptcy, to provide for cash payments to retirees to compensate for lost health insurance benefits resulting from the bankruptcy of their former employer, and for other purposes; to the Committee on the Judiciary.

Mr. ROCKEFELLER. Mr. President, over the last several years as the economy came down from the high of the 1990s, we have seen how devastating it can be for workers when their companies declare bankruptcy. From the enormous Enron bankruptcy at the end of 2001 to the bankruptcies of Wheeling-Pitt and then Weirton Steel in my own home State, every bankruptcy has brought heartache for workers who had dedicated themselves to their employers. In many cases, employees and retirees have very limited ability to recover the wages, severance, or benefits they are due when their companies seek protection from creditors.

Workers deserve better. So today I am introducing the Bankruptcy Fairness Act to strengthen workers' rights in bankruptcy and to provide greater authority to bankruptcy courts to ensure a fair distribution of assets. Specifically, my bill will do three things. It will ensure that retirees whose promised health insurance is taken away receive at least some compensation for their lost benefits. Second, my legislation would allow employees to recover more of the back-pay or other compensation that is owed to them at the time of the bankruptcy. And lastly, I would provide bankruptcy courts the authority to recover company assets in cases where company managers flagrantly paid excessive compensation to favored employees just before declaring bankruptcy.

I am proposing this legislation as a way to start a dialogue about how we can better protect workers whose companies file for bankruptcy. I do not pretend to have all the answers. But I do know that we must do a better job of easing the burden that bankruptcy imposes on employees and retirees. And I believe that we can do so in creative ways that do not make it more difficult for companies to successfully reorganize and emerge from bankruptcy. I look forward to the ideas and suggestions of my colleagues.

In the simplest economic terms, employees sell their labor to their companies. They toil away in offices, plants, factories, mills, and mines, because they are promised that at the end of the day they will receive certain compensation. One of the most important types of compensation that workers earn is the right to enjoy certain benefits when they retire. Pensions, life insurance, or health care coverage are earned by workers in addition to their weekly paychecks. Yet, sadly we have seen many companies in the last few years abandon these promises when they declare bankruptcy.

More and more we see companies taking the easy road to profitability by abandoning commitments that they made to workers. For retirees who have planned for their golden years based on the benefits they have earned, losing health insurance can be a devastating blow. Retirees must have the right to reasonable compensation if the company seeks to break its promise to provide health insurance. Under current law, these retirees receive what is called a general unsecured claim for the value of the benefits they lost. As any creditor will tell you, a general unsecured claim is essentially worthless in most bankruptcies. It means you are at the end of the line, and there are not enough assets to go around. This law allows companies to essentially rescind compensation that retirees have earned with virtually no cost to the company. Of course that is a great deal for the company, but it is spectacularly unfair to the retirees.

Recognizing that so-called legacy costs are often an impossible burden for a company that is trying to emerge from bankruptcy, my legislation would still allow companies in some circumstances to alter the health coverage offered to retirees. However, it would require that the company pay a minimum level of compensation to retirees. Under this bill, each retiree would be entitled to a payment equal to the cost of purchasing comparable health insurance for a period of 18 months. Of course, 18 months of health insurance coverage is a lot less than many of these retirees are losing, but it can ease the transition as retirees make alternative plans, and it will discourage companies from thinking that terminating retiree health coverage is an easy solution. The retirees would still be entitled to a general unsecured claim for the value of the benefits lost in excess of this one time payment. This change would ensure that retirees, while still not being made whole on lost benefits, will at least receive some compensation for the broken promises.

Many active workers, too, have a difficult time recovering what is owed to them by their employer when the company files bankruptcy. Under current law, employees are entitled to a priority claim of up to $4,650. But that figure is usually not enough to cover the back-wages, vacation time, severance pay, or benefit payments that the employees are owed for work done prior to the bankruptcy. Congress needs to update the amount of the priority claim to ensure that more workers are able to receive what is rightfully theirs. The Bankruptcy Fairness Act would establish a priority claim for the first $15,000 of compensation owed to an employee.

In most cases, employees have been working their hardest to help the company avoid the nightmare of bankruptcy, only to find that they will not be compensated for their services as promised. As we saw so clearly with the Enron case, employees are often left holding the bag when their company declares bankruptcy. In that case, employees were owed an average of $35,000 in back-wages, severance, and other promised compensation. They deserved to recover more than a mere $4,650 of what was owed them. Let me be clear, this bill does not establish any new obligation for a company to pay severance or other compensation to employees caught up in a company's bankruptcy. It merely ensures that employees can recover more of what is already owed to them through the bankruptcy process.

I understand that many creditors or investors are not able to recover what is rightfully owed to them in bankruptcy, but employees deserve protection that recognizes the unique nature of their dependence on their employer. Any smart investor diversifies his or her portfolio so that a bankruptcy at one company does not bankrupt the investor. Likewise, suppliers and creditors that do business with a company typically have many other clients. This is not the case with workers. They cannot diversify away from the risk of working for a bankrupt company, and the financial hardship a bankruptcy brings is more devastating to the average worker than the average creditor or supplier.

Now, I know that some of my colleagues listening to this may be worrying that this legislation is insensitive to the needs of companies that are trying to reorganize in order to emerge from bankruptcy and go forward as successful businesses. I am fully aware that sometimes, too often in the real world, the bankruptcy process can help companies stay open and maintain jobs by restructuring obligations to creditors. Too many companies in West Virginia have had to go through the painful process of Chapter 11 reorganization. I completely understand the need to keep the factories open. And I have always worked side by side with companies to help them recover.

I will continue that important work, and I have included a provision in this bill to help bankrupt companies that are struggling to survive to recover assets that have been pilfered from the corporate coffers. In too many cases, company executives reward themselves even as their companies careen toward bankruptcy. The most egregious recent example is at Enron in 2001. In the days and weeks leading up to the bankruptcy filing, executives granted large bonuses to themselves and their favored employees. Millions of dollars were paid to a select group of employees just before the company declared bankruptcy. It is unconscionable that executives would grant themselves undeserved bonuses and then weeks later claim that the company did not have the resources to pay its rank and file employees.

My legislation provides bankruptcy courts greater authority to recover excessive compensation that was paid just prior to the bankruptcy filing. If the court finds that compensation was out of the ordinary course of business or was unjust enrichment, the court can recover those assets for the bankrupt company, ensuring that more creditors, employees, and retirees can receive what is rightfully owed to them by the company.

The reforms I have outlined are modest. They will not take the sting out of bankruptcy. By definition a bankruptcy is a failure, and it is painful for the company's employees, retirees, and business partners. But the Bankruptcy Fairness Act I am introducing today would make progress toward ensuring that bankruptcies are more fair to the workers who gave their time and energy and sweat to the company in exchange for certain promised compensation. And by helping a company recover assets that should not have been paid out as undeserved bonuses just before bankruptcy the bill ensures that more of a company's assets are paid to the employees, retirees, and creditors who are rightfully owed.

It is my hope that this legislation will receive serious consideration from my colleagues, and that this can open an important debate about how workers and retirees can be better protected from the ugly side of prolonged economic downturns.

By Mr. CORZINE (for himself, Mr. DODD, and Mr. LIEBERMAN):

S. 1971. A bill to improve transparency relating to the fees and costs that mutual fund investors incur and to improve corporate governance of mutual funds; to the Committee on Banking, Housing, and Urban Affairs.

Mr. CORZINE. Mr. President, I rise along with my colleague from Connecticut, Senator DODD, to introduce the Mutual Fund Investor Confidence Restoration Act of 2003, a bill that would improve the oversight of the mutual fund industry, enhance fund governance, and protect the millions of Americans who invest in these funds.

Mutual funds are the primary means for investors to participate in the market. Approximately 95 million Americans invest in mutual funds, and investments total near $7 trillion dollars. The industry, one of our oldest and most-revered, is entrusted by those shareholders with their dreams of a comfortable retirement, the ability to pay their children's college tuition, buy a first home or pursue other lifelong dreams.

It's not a stretch to say that in many ways the mutual fund industry has been the standard bearer for ethical behavior, strong oversight and governance committed to investor protection in our capital markets. Few, if anyone, would dare to have suggested that our mutual fund industry could become fertile ground for the types of 'infectious greed' we witnessed during the governance and accounting scandals a few years ago.

But that is just what has happened.

Today, the mutual fund industry faces its own litany of scandals centered on allegations of investor fraud, flawed corporate governance, financial conflicts of interest and outright investor abuse. Names like Putnam and Canary Capital have become synonymous with Enron, Tyco and WorldCom in terms of the financial harm inflicted upon investors, undermining their confidence and trust in America's financial markets.

The vast majority of those who work in this industry are decent, hard-working individuals who make a significant contribution to the betterment of our nation.

Unfortunately, there are also far too many associated with this profession—including some investment advisors, fund board members, and those in fund company management—who are all too willing to disregard their fiduciary obligation to shareholders in order to pursue their own personal self-enrichment.

Investors should not perceive that the deck is stacked against them. They should not think that there are different rules—one that applies to them and a different and considerably less stringent set that applies to wealthy industry insiders.

The legislation we are introducing today, The Mutual Fund Investor Confidence Restoration Act will make sure that the playing field stays level.

This bill has five primary themes: improving mutual fund governance; enhancing cost, fee and other important disclosures to shareholders; preventing abusive mutual fund practices such as late trading and market timing; strengthening mutual fund industry oversight; and promoting fund shareholder literacy.

Let me give a more detailed summation of what this legislation would do and why it is so important.

Boards of directors for mutual funds have been criticized recently for the high number of directorships that members hold, the lack of board independence from fund management and the failure of several to fulfill their fiduciary responsibility to shareholders. This legislation would strengthen fund governance by establishing truly independent mutual fund boards, chairmen, nominating committees and independent audit committees that conform to Sarbanes-Oxley Act requirements for those at publicly traded companies.

The bill would also improve fund governance by requiring Sarbanes-Oxley-like "certification" from Board Chairmen and newly-designated Chief Compliance Officers that shareholders safeguards are in place within the fund.

Also, it would ensure that accurate disclosures to shareholders, including cost and fee information, are contained in the prospectus.

The legislation includes other 'certifiable' requirements for board chairmen and chief compliance officers, including disclosures that internal controls, a code of ethics and personnel designated to ensuring adherence to stated polices and compliance with relevant securities laws, including measures preventing market-timing and late trading abuses, are in place at the fund and with the investment adviser. Additionally, the legislation calls for the disclosure of insider transactions by mutual fund managers and Board notification of Securities and Exchange Commission (SEC) deficiency letters.

Another issue of concern with the mutual fund industry is the inadequate and confusing disclosure provided to shareholders regarding expenses. Fund shareholders are responsible for paying various fees and costs related to the operation and trading activity of the fund. While funds provide investors with certain fee-related disclosure, shareholders are largely in the dark about many other costs that impact the value of their fund's assets.

The legislation includes numerous provisions aimed at improving the cost, fee and other disclosures shareholders receive from mutual funds. These would include requirements that funds disclose the actual cost borne by each shareholder for the operating expenses of the fund and the estimated expenses paid for costs associated with management of the fund that reduces the fund's overall value, including brokerage commissions, revenue sharing and directed brokerage arrangements, transactions costs another fees.

The legislation would require a breakdown of these respective costs to be displayed graphically, in order to provide shareholders with the requisite information to compare the costs associated with owning shares of various mutual funds.

In addition these requirements, the legislation would require fund companies and investment advisers to fully disclose certain sales practices, including revenue-sharing and directed brokerage arrangements, shareholder eligibility for breakpoint discounts and the value of research and other services paid for as part of brokerage commissions, directing the SEC to study so-called "soft-dollar" arrangements.

As I mentioned earlier, Mr. President, this bill includes measures aimed at preventing abusive mutual fund practices, such as late trading and market timing, that diminish the shareholders' assets of a particular fund. First, the legislation seeks to ensure that fund companies and investment advisers have adequate shareholder safeguards in palace, and that they 'certify' these internal control procedures. Those would include establishing a code of ethics, improving the accurate disclosure of fund company policies, and ensuring compliance efforts are overseen by the chief compliance officer.

The bill also would also take steps aimed at directly preventing abusive practices and conflicts of interest. The recent scandals surrounding mutual funds primarily focus on brokers and fund officials that have engaged in the improper trading of mutual fund shares through late trading and market timing. Late trading refers to the practice of placing orders to buy or sell mutual fund shares after 4 p.m., and market timing is short-term trading in and out of stocks in the hope of exploiting an inefficiency in the fund's share price.

To address the issue of market timing, the legislation requires the SEC to ensure that fund companies are in compliance with the Investment Company Act rules requiring them to use fair value calculation to determine the net asset value a fund company's securities when market quotations are otherwise unavailable or do not accurately reflect the companies fair market value. This provision would eliminate the stale pricing that allows market timers to profit, often illicitly, from the inaccurate pricing of a fund's shares.

The legislation would also require the SEC to establish a rule requiring fund companies and investment advisers to develop and disclose formal policies related to market timing and short term trading. Certification by fund company management would further ensure that policies are being adhered to.

To address late trading, the bill requires the SEC to issues rules and establishes guidelines for trades in fund securities that go through newly established "permitted intermediaries", such as broker-dealers. The rules would allow these permitted intermediaries to execute trades of a fund after the funds net asset value has been derived, if the intermediary has; a policy in place that the company does not permit late trades, mechanisms in place to detect late-trades and if that intermediary make those procedures available for inspection by the SEC. Non-permitted intermediaries would be required to submit their transactions to the fund company prior to market close.

To reduce other conflicts, the legislation would prohibit mutual fund managers from jointly managing a hedge fund, and would prohibit short-term trading by fund and investment company management and requires disclosure of insider transactions.

In seeking to bolster mutual fund industry oversight, this legislation would require the SEC to review the allocation of the resources it has dedicated to industry oversight and the General Accounting Office (GAO) to study the feasibility of establishing a new, independent regulator—the Mutual Fund Oversight Board. The bill also would direct the SEC to establish incentives and protections for whistleblowers and would require the GAO to independently review and report to Congress on the coordination of enforcement efforts between the SEC, its regional offices, and state regulators.

Finally, this bill calls for a study into ways in which we can improve and promote financial literacy among mutual fund shareholders. And the legislation, through its enhanced disclosures to shareholders, already makes a significant contribution to improving shareholder understanding of the policies of the fund and the costs associated with its management and operation.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1971

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Mutual Fund Investor Confidence Restoration Act of 2003".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—ENHANCING COST, FEE, AND OTHER DISCLOSURES TO SHAREHOLDERS

Sec. 101. Improved transparency of mutual fund costs.
Sec. 102. Obligations regarding certain distribution and soft dollar arrangements.
Sec. 103. Definition of no-load mutual fund.
Sec. 104. Disclosure of incentive compensation and mutual fund sales.

TITLE II—MUTUAL FUND GOVERNANCE

Sec. 201. Independent mutual fund boards.
Sec. 202. Audit committee requirements for investment companies.
Sec. 203. Informing directors of significant deficiencies.
Sec. 204. Certification by chairman and chief compliance officer.

TITLE III—PREVENTING ABUSIVE MUTUAL FUND PRACTICES

Sec. 301. Prevention of fraud; internal compliance and control procedures.
Sec. 302. Ban on joint management of mutual funds and hedge funds.
Sec. 303. Restrictions on short term trading and mandatory redemption fees.
Sec. 304. Elimination of stale prices.
Sec. 305. Formal policies and procedures related to market timing.
Sec. 306. Prevention of late trades.
Sec. 307. Disclosure of insider transactions.

TITLE IV—STRENGTHENING MUTUAL FUND INDUSTRY OVERSIGHT

Sec. 401. Study of Mutual Fund Oversight Board.
Sec. 402. Study of coordination of enforcement efforts.
Sec. 403. Review of Commission resources.
Sec. 404. Commission study and report regulating soft dollar arrangements.
Sec. 405. Report on adequacy of regulatory response to late trading and market timing.
Sec. 406. Study of arbitration claims.

TITLE V—PROMOTING SHAREHOLDER LITERACY

Sec. 501. Financial literacy among mutual fund investors study.

TITLE I—ENHANCING COST, FEE, AND OTHER DISCLOSURES TO SHAREHOLDERS

SEC. 101. IMPROVED TRANSPARENCY OF MUTUAL FUND COSTS.

(a) REGULATION REVISION REQUIRED.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Securities and Exchange Commission shall revise regulations under the Securities Act of 1933, the Securities Exchange Act of 1934, or the Investment Company Act of 1940, or any combination thereof, to require, consistent with the protection of investors and the public interest, improved disclosure with respect to an open-end management investment company, in the quarterly statement or other periodic report to shareholders or other appropriate disclosure document, of—

(A) the actual dollar amount, borne by each shareholder, of the expenses of the company;

(B) the structure of, method used to determine, and the total amount of the compensation of individuals employed by the investment adviser of the company to manage the portfolio of the company, and the ownership interest of such individuals in the securities of the company, including when such individuals have no ownership interest in the company;

(C) whether the chairman of the board of directors of the open-end management investment company or any directors of the investment adviser of such company employed to manage the portfolio of the company do not own any securities of the company;

(D) the estimated total annual dollar amount of fees, costs, expenses, taxes, and any other payments made by the company for any purpose, excluding only pro rata distributions to shareholders, and set forth in a manner that facilitates comparison among different companies;

(E) information concerning the company's policies and practices with respect to the payment of commissions for effecting securities transactions to a member of an exchange, broker, or dealer who—

(i) furnishes advice, either directly or through publications or writings, as to the value of securities, the advisability of investing in, purchasing, or selling securities, and the availability of securities or purchasers or sellers of securities;

(ii) furnishes analyses and reports concerning issuers, industries, securities, economic factors and trends, portfolio strategy, and the performance of accounts; or

(iii) facilitates the sale and distribution of the company's shares;

(F) information concerning payments by any person other than the company that are intended to facilitate the sale and distribution of the company's shares; and

(G) information concerning discounts on front-end sales loads for which investors may be eligible, including the minimum purchase amounts required for such discounts.

(2) RULES AND REGULATIONS.—

(A) OTHER MANAGEMENT AND SERVICE-RELATED COST.—Not later than 180 days after the date of enactment of this Act, the Securities and Exchange Commission shall issue rules or regulations defining "fees, costs, expenses, taxes, and any other payments made by the company" for purposes of paragraph (1)(D). Such definition shall include any management fees, transfer agency expenses, custodial fees, shareholder servicing fees, portfolio transaction costs (including commissions, market impact, spread, and opportunity costs, fees charged under a plan adopted pursuant to rule 12b–1 of the rules of the Securities and Exchange Commission (17 C.F.R. 270.12b–1), and other distribution expenses, directors' fees, and registration fees.

(B) MANNER THAT FACILITATES COMPARISON AMONG INVESTMENT COMPANIES.—

(i) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Securities and Exchange Commission shall issue rules or regulations defining "manner that facilitates comparison amount investment companies" for purposes of paragraph (1)(D). Such definition shall include definitions of functional categories of fees, costs, expenses, taxes, and other payments disclosed under paragraph (1)(D) that shall not be based on the contract under which or with whom the services are provided, and shall instead be based on the nature of the services provided.

(ii) DISPLAY.—Each category of costs under clause (i) shall be presented in a graphical display (such as a bar or pie chart) that shows each category as a percentage of the total dollar amount under paragraph (1)(D).

(C) CERTIFICATION.—Not later than 90 days after the date of enactment of this Act, the Securities and Exchange Commission shall issue rules or regulations requiring the independent audit of the estimate required under paragraph (1)(D) and certification by the investment adviser and the chairman of the board of directors of the open-end investment company.

(b) APPROPRIATE DISCLOSURE DOCUMENT.—

(1) IN GENERAL.—For purposes of subsection (a)(1), a disclosure shall not be considered to be made in an appropriate disclosure document if the disclosure is made exclusively in a prospectus or statement of additional information, or both such documents.

(2) EXCEPTIONS.—Notwithstanding paragraph (1), the disclosures required by paragraph (1)(B), (C), and (E) of subsection (a) may be considered to be made in an appropriate disclosure document if the disclosure is made exclusively in a prospectus or statement of additional information, or both such documents.

SEC. 102. OBLIGATIONS REGARDING CERTAIN DISTRIBUTION AND SOFT DOLLAR ARRANGEMENTS.

Section 15 of the Investment Company Act of 1940 (15 U.S.C. 80a–15) is amended by adding at the end the following:

"(g) OBLIGATIONS REGARDING CERTAIN DISTRIBUTION AND SOFT DOLLAR ARRANGEMENTS.—

"(1) REPORTING REQUIREMENTS.—Each investment adviser to a registered investment company shall, not less frequently than annually, submit to the board of directors of the company a report on—

"(A) payments during the reporting period by the adviser (or an affiliated person of the adviser) that were directly or indirectly made for the purpose of promoting the sale of shares of the investment company (referred to in paragraph (2) as a 'revenue sharing arrangement');

"(B) services to the company provided or paid for by a broker or dealer or an affiliated person of the broker or dealer (other than brokerage and research services) in exchange for the direction of brokerage to the broker or dealer (referred to in paragraph (2) as a 'directed brokerage arrangement'); and

"(C) research services obtained by the adviser (or an affiliated person of the adviser) during the reporting period from a broker or dealer, the receipt of which may reasonably be attributed to securities transactions effected on behalf of the company or any other company that is a member of the same group of investment companies (referred to in paragraph (2) as a 'soft dollar arrangement').

"(2) FIDUCIARY DUTY OF BOARD OF DIRECTORS.—The board of directors of a registered investment company shall have a fiduciary duty—

"(A) to review the investment adviser's direction of the company's brokerage transactions, including directed brokerage arrangements and soft dollar arrangements, and that the direction of such brokerage adheres to the Fund's stated policies and is in the best interests of the shareholders of the company; and

"(B) to review any revenue sharing arrangements to ensure compliance with this Act and the rules adopted thereunder, and that such revenue sharing arrangements adheres to the Fund's stated policies and are in the best interests of the shareholders of the company.

"(3) SUMMARIES OF REPORTS IN ANNUAL REPORTS TO SHAREHOLDERS.—In accordance with regulations prescribed by the Commission under paragraph (4), annual reports to shareholders of a registered investment company shall include a summary of the most recent report submitted to the board of directors under paragraph (1).

"(4) REGULATIONS.—The Commission shall adopt rules and regulations implementing this section, which rules and regulations shall, among other things, prescribe the content of the required reports.

"(5) DEFINITION.—For purposes of this subsection—

"(A) the term 'brokerage and research services' has the same meaning as in section 28(e)(3) of the Securities Exchange Act of 1934; and

"(B) the term 'research services' means the services described in subparagraphs (A) and (B) of such section.".

SEC. 103. DEFINITION OF NO-LOAD MUTUAL FUND.

Not later than 180 days after the date of enactment of this Act, the Securities and Exchange Commission shall, by rule adopted by the Commission or a self-regulatory organization (or both)—

(1) clarify the definition of "no-load" as such term is used by investment companies that impose any fee under a plan adopted pursuant to rule 12b–1 of the rules of the Securities and Exchange Commission (17 C.F.R. 270.12b–1); and

(2) require disclosure to prevent investors from being misled by the use of such terminology by the company or its adviser or principal underwriter.

SEC. 104. DISCLOSURE OF INCENTIVE COMPENSATION AND MUTUAL FUND SALES.

(a) IN GENERAL.—Section 15(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(b)) is amended by adding at the end the following:

"(11) CONFIRMATION OF TRANSACTIONS FOR MUTUAL FUNDS.—

"(A) IN GENERAL.—Each broker shall disclose in writing to customers that purchase the shares of an open-end company registered under section 8 of the Investment Company Act of 1940 (15 U.S.C. 80a–8)—

"(i) the amount of any compensation received or to be received by the broker in connection with such transaction from any sources, including—

"(I) the amount and source of sales fees, payments by persons other than the investment company that are intended to facilitate the sale and distribution of the securities, and commissions for effecting portfolio securities transactions, or other payments, paid to such broker or dealer, or municipal securities broker or dealer, or associated person thereof in connection with such sale;

"(II) any commission or other fees or charges the investor has paid or will or might be subject to, including as a result of purchases or redemptions;

"(III) any conflicts of interest that any associated person of the broker, dealer, or municipal securities broker or dealer of the investor may face due to the receipt of differential compensation in connection with such sale; and

"(IV) information about the estimated amount of any asset-based distribution expenses incurred, or to be incurred, by the investment company in connection with the purchase of securities by the investor; and

"(ii) such other information as the Commission determines appropriate.

"(B) TIMING OF DISCLOSURE.—The disclosure required under subparagraph (A) shall be made to a customer not later than as of the date of the completion of the transaction.

"(C) LIMITATION.—The disclosures required under subparagraph (A) may not be made exclusively in—

"(i) a registration statement or prospectus of an open-end company; or

"(ii) any other filing of an open-end company with the Commission.

"(D) COMMISSION AUTHORITY.—Not later than 1 year after the date of enactment of the Mutual Fund Investor Confidence Restoration Act of 2003, the Commission shall, by rule, establish, to the extent practicable, standards for the disclosures required under subparagraph (A).

"(E) DEFINITION OF OPEN-END COMPANY.—In this paragraph, the term 'open-end company' has the same meaning as in section 5 of the Investment Company Act of 1940 (15 U.S.C. 80a–5).

"(F) DEFINITIONS OF DIFFERENTIAL COMPENSATION AND MUNICIPAL FUND SECURITY.—

"(i) DIFFERENTIAL COMPENSATION.—In this paragraph, an associated person of a broker or dealer shall be considered to receive differential compensation if such person receives any increased or additional remuneration, in whatever form—

"(I) for sales of the securities of an investment company or municipal fund security that is affiliated with, or otherwise specifically designated by, such broker or dealer or municipal securities broker or dealer, as compared with the remuneration for sales of securities of an investment company or municipal fund security offered by such broker or dealer or municipal securities broker or dealer that are not so affiliated or designated; or

"(II) for the sale of any class of securities of an investment company or municipal fund security as compared with the remuneration for the sale of a class of securities of such investment company or municipal fund security (offered by such broker or dealer or municipal securities broker or dealer) that charges a sales load (as defined in section 2(a)(35) of the Investment Company Act of 1940 (15 U.S.C. 80a–2(a)(35)) only at the time of such a sale.

"(ii) MUNICIPAL FUND SECURITY.—In this paragraph, a municipal fund security is any municipal security issued by an issuer that, but for the application of section 2(b) of the Investment Company Act of 1940 (15 U.S.C. 80a–2(b)), would constitute an investment company within the meaning of section 3 of the Investment Company Act of 1940 (15 U.S.C. 80a–3).".

TITLE II—MUTUAL FUND GOVERNANCE

SEC. 201. INDEPENDENT MUTUAL FUND BOARDS.

(a) DIRECTOR INDEPENDENCE.—

(1) IN GENERAL.—Section 10(a) of the Investment Company Act of 1940 (15 U.S.C. 80a–10(a)) is amended—

(A) by striking "more than 60 per centum" and inserting "more than 25 percent"; and

(B) by striking the period at the end and inserting ", and such company shall not have as a member of its board of directors any person—

"(1) who has served without being approved or elected by the shareholders of such registered investment company at least once every 5 years; and

"(2) unless such director is an interested person or has been found, on an annual basis, by a majority of the directors who are not interested persons, after reasonable inquiry by such directors, not to have any material business or familial relationship with the registered investment company, a significant service provider to the company, or any entity controlling, controlled by, or under common control with such service provider, that is likely to impair the independence of the director.".

(2) CHAIRMAN; FINANCIAL EXPERT; INDEPENDENT COMMITTEE.—Section 10 of the Investment Company Act of 1940 (15 U.S.C. 80a–10) is amended by adding at the end the following:

"(i) CHAIRMAN.—No registered investment company shall have as chairman of its board of directors an interested person of such registered company.

"(j) INDEPENDENT COMMITTEE.—

"(1) IN GENERAL.—The members of the board of directors of a registered investment company who are not interested persons of such registered investment company shall establish a committee comprised solely of such members, which committee shall be responsible for—

"(A) selecting persons to be nominated for election to the board of directors; and

"(B) adopting qualification standards for the nomination of directors.

"(2) DISCLOSURE.—The standards developed under paragraph (1)(B) shall be disclosed in the registration statement of the registered investment company.

"(k) FINANCIAL EXPERT.—

"(1) IN GENERAL.—Each registered investment company shall have as a member of its board of directors not less than 1 member who is a financial expert, as such term is defined by the Commission.

"(2) RULES DEFINING FINANCIAL EXPERT.—In defining the term 'financial expert' for purposes of paragraph (1), the Commission shall consider whether a person has, through education and experience as a public accountant or auditor or principal financial officer, comptroller, or principal accounting officer of a registered investment company, or from a position involving the performance of similar functions—

"(A) an understanding of generally accepted accounting principles and financial statements; and

"(B) experience in the preparation or auditing of financial statements of general comparable registered investment companies.

"(3) DEADLINE FOR RULEMAKING.—Not later than 180 days after the date of enactment of the Mutual Fund Investor Confidence Restoration Act of 2003, the Commission shall issue rules under paragraph (2).".

(c) DEFINITION OF INTERESTED PERSON.—Section 2(a)(19) of the Investment Company Act of 1940 (15 U.S.C. 80a–2(a)(19)) is amended—

(1) in subparagraph (A)—

(A) in clause (iv), by striking "two" and inserting "5"; and

(B) by striking clause (vii) and inserting the following:

"(vii) any natural person who has served as an officer or director, or as an employee within the preceding 10 fiscal years, of an investment adviser or principal underwriter to such registered investment company, or of any entity controlling, controlled by, or under common control with such investment adviser or principal underwriter;

“(viii) any natural person who has served as an officer or director, or as an employee within the preceding 10 fiscal years, of any entity that has within the preceding 5 fiscal years acted as a significant service provider to such registered investment company, or of any entity controlling, controlled by, or under the common control with such service provider; or

“(ix) any natural person who is a member of a class of persons that the Commission, by rule or regulation, determines is unlikely to exercise an appropriate degree of independence as a result of—

“(I) a material business relationship with the investment company or an affiliated person of such investment company;

“(II) a close familial relationship with any natural person who is an affiliated person of such investment company; or

“(III) any other reason determined by the Commission.”; and

(2) in subparagraph (B)—

(A) in clause (iv), by striking “two” and inserting “5”; and

(B) by striking clause (vii) and inserting the following:

“(vii) any natural person who is a member of a class of persons that the Commission, by rule or regulation, determines is unlikely to exercise an appropriate degree of independence as a result of—

“(I) a material business relationship with such investment adviser or principal underwriter or affiliated person of such investment adviser or principal underwriter;

“(II) a close familial relationship with any natural person who is an affiliated person of such investment adviser or principal underwriter; or

“(III) any other reason as determined by the Commission.”.

(d) DEFINITION OF SIGNIFICANT SERVICE PROVIDER.—Section 2(a) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(a)) is amended by adding at the end the following:

“(53) SIGNIFICANT SERVICE PROVIDER.—

“(A) IN GENERAL.—Not later than 180 days after the date of enactment of the Mutual Fund Investor Confidence Restoration Act of 2003, the Securities and Exchange Commission shall issue final rules defining the term ‘significant service provider’.

“(B) REQUIREMENTS.—The definition developed under paragraph (1) shall include, at a minimum, the investment adviser and principal underwriter of a registered investment company for purposes of paragraph (19).”.

SEC. 202. AUDIT COMMITTEE REQUIREMENTS FOR INVESTMENT COMPANIES.

(a) AMENDMENTS.—Section 32 of the Investment Company Act of 1940 (15 U.S.C. 80a–31) is amended—

(1) in subsection (a)—

(A) by striking paragraphs (1) and (2) and inserting the following:

“(1) such accountant shall have been selected at a meeting held within 30 days before or after the beginning of the fiscal year or before the annual meeting of stockholders in that year by the vote, cast in person, of a majority of the members of the audit committee of such registered company;

“(2) such selection shall have been submitted for ratification or rejection at the next succeeding annual meeting of stockholders if such meeting be held, except that any vacancy occurring between annual meetings, due to the death or resignation of the accountant, may be filled by the vote of a majority of the members of the audit committee of such registered company, cast in person at a meeting called for the purpose of voting on such action;”; and

(B) by adding at the end the following new sentence: “The Commission, by rule, regulation, or order, may exempt a registered management company or registered face-amount certificate company subject to this subsection from the requirement in paragraph (1) that the votes by the members of the audit committee be cast at a meeting in person when such a requirement is impracticable, subject to such conditions as the Commission may require.”; and

(2) by adding at the end the following:

“(d) AUDIT COMMITTEE REQUIREMENTS.—

“(1) REQUIREMENTS AS PREREQUISITE TO FILING FINANCIAL STATEMENTS.—Any registered management company or registered face-amount certificate company that files with the Commission any financial statement signed or certified by an independent public accountant shall comply with the requirements of paragraphs (2) through (6) of this subsection and any rule or regulation of the Commission issued thereunder.

“(2) RESPONSIBILITY RELATING TO INDEPENDENT PUBLIC ACCOUNTANTS.—The audit committee of the registered company, in its capacity as a committee of the board of directors, shall be directly responsible for the appointment, compensation, and oversight of the work of any independent public accountant employed by such registered company (including resolution of disagreements between management and the auditor regarding financial reporting) for the purpose of preparing or issuing the audit report or related work, and each such independent public accountant shall report directly to the audit committee.

“(3) INDEPENDENCE.—

“(A) IN GENERAL.—Each member of the audit committee of the registered company shall be a member of the board of directors of the company, and shall otherwise be independent.

“(B) CRITERIA.—In order to be considered to be independent for purposes of this paragraph, a member of an audit committee of a registered company may not, other than in his or her capacity as a member of the audit committee, the board of directors, or any other board committee—

“(i) accept any consulting, advisory, or other compensatory fee from the registered company or the investment adviser or principal underwriter of the registered company; or

“(ii) be an ‘interested person’ of the registered company, as such term is defined in section 2(a)(19).

“(4) COMPLAINTS.—The audit committee of the registered company shall establish procedures for—

“(A) the receipt, retention, and treatment of complaints received by the registered company regarding accounting, internal accounting controls, or auditing matters; and

“(B) the confidential, anonymous submission by employees of the registered company and its investment adviser or principal underwriter of concerns regarding questionable accounting or auditing matters.

“(5) AUTHORITY TO ENGAGE ADVISERS.—The audit committee of the registered company shall have the authority to engage independent counsel and other advisers, as it determines necessary to carry out its duties.

“(6) FUNDING.—The registered company shall provide appropriate funding, as determined by the audit committee, in its capacity as a committee of the board of directors, for payment of compensation—

“(A) to the independent public accountant employed by the registered company for the purpose of rendering or issuing the audit report; and

“(B) to any advisers employed by the audit committee under paragraph (5).

“(7) AUDIT COMMITTEE.—For purposes of this subsection, the term ‘audit committee’ means—

“(A) a committee (or equivalent body) established by and among the board of directors of a registered investment company for the purpose of overseeing the accounting and financial reporting processes of the company and audits of the financial statements of the company; and

“(B) if no such committee exists with respect to a registered investment company, the entire board of directors of the company.”.

(b) CONFORMING AMENDMENT.—Section 10A(m) (15 U.S.C. 78j–1(m)) of the Securities Exchange Act of 1934 is amended by adding at the end the following:

“(7) EXEMPTION FOR INVESTMENT COMPANIES.—Effective 1 year after the date of enactment of the Mutual Fund Investor Confidence Restoration Act of 2003, for purposes of this subsection, the term ‘issuer’ shall not include any investment company that is registered under section 8 of the Investment Company Act of 1940.”.

(c) IMPLEMENTATION.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Securities and Exchange Commission shall issue final regulations to carry out section 32(d) of the Investment Company Act of 1940, as added by subsection (a) of this section.

(2) INCENTIVES.—Not later than 180 days after the date of enactment of this Act, the Securities and Exchange Commission shall, by rule, establish—

(A) a program of incentives to encourage the filing of meritorious complaints under section 32(d)(4)(A) of the Investment Company Act of 1940; and

(B) appropriate penalties for the willful filing of materially false complaints under such section.

SEC. 203. INFORMING DIRECTORS OF SIGNIFICANT DEFICIENCIES.

Section 42 of the Investment Company Act of 1940 (15 U.S.C. 80a–41) is amended by adding at the end the following:

“(f) INFORMING DIRECTORS OF SIGNIFICANT DEFICIENCIES.—

“(1) IN GENERAL.—If the report of an inspection by the Commission of a registered investment company identifies significant deficiencies in the operations of such company, or of its investment adviser or principal underwriter, the company shall provide such report to the directors of such company.

“(2) DISCLOSURE OF DEFICIENCIES.—The Commission shall, on an annual basis, review all inspection reports of registered investment companies and publicly disclose the 10 most common deficiencies cited in those reports.”.

SEC. 204. CERTIFICATION BY CHAIRMAN AND CHIEF COMPLIANCE OFFICER.

(a) IN GENERAL.—Subsection (j) of section 17 of the Investment Company Act of 1940 (15 U.S.C. 80a–17(j)), as amended by section 301 of this Act, is amended by adding at the end the following:

“(4) CERTIFICATION BY CHAIRMAN.—The rules and regulations established under paragraph (1) shall require the chairman of the board of directors of each registered open-end investment company to certify, in the periodic report to shareholders, or other appropriate disclosure document, that—

“(A) procedures are in place for verifying that the determination of current net asset value of any redeemable security issued by the company used in computing periodically the current price for the purpose of purchase, redemption, and sale complies with the requirements of the Investment Company Act of 1940 and the rules and regulations thereunder, and the company is in compliance with such procedures;

“(B) procedures are in place for the oversight of the flow of funds into and out of the securities of the company, and the company is in compliance with such procedures;

“(C) procedures are in place to ensure that investors are receiving any applicable discounts on front-end sales loads that are disclosed in the company's prospectus;

“(D) procedures are in place to ensure that, if the company's shares are offered as different classes of shares, such classes are designed in the interests of investors, and could reasonably be an appropriate investment option for an investor;

“(E) procedures are in place to ensure that information about the company's portfolio securities is not disclosed in violation of the securities laws or the company's code of ethics;

“(F) the members of the board of directors who are not interested persons of the company have reviewed and approved the compensation of the company's portfolio manager in connection with their consideration of the investment advisory contract under section 15(c);

“(G) the company has established and enforces a code of ethics as required by paragraph (2) of this subsection;

“(H) the company is in compliance with the additional requirements of paragraph (3) of this subsection;

“(I) the report submitted to the board of directors under section 15(g)(1) is complete and accurate; and

“(J) the board of directors has fulfilled its obligations under section 15(g)(2).”

“(5) CERTIFICATION BY CHIEF COMPLIANCE OFFICER.—The rules and regulations established under paragraph (1) shall require the chief compliance officer of each registered open-end investment company to certify, on an annual basis, that—

“(A) appropriate internal controls are in place for the review required under subparagraphs (A) through (H) of paragraph (4); and

“(B) such internal controls have been reviewed, and determined to reasonably achieve their stated purpose, by the chief compliance officer.

“(6) REVIEW OF ADVISORY CONTRACTS.—The rules and regulations established under paragraph (1) shall require that the chairman of the board of directors and the chief compliance officer of a registered open-end investment company certify, on an annual basis, that any advisory contract entered into by the company and associated management fees have been negotiated and are in the best interests of the company.”.

(b) DEADLINE FOR RULES.—Not later than 90 days after the date of enactment of this Act, the Securities and Exchange Commission shall prescribe—

(1) rules to implement subsection (a); and

(2) minimum standards for compliance with the certification requirements of paragraphs (4) and (5) of section 17(j) of the Investment Company Act of 1940 (15 U.S.C. 80a-17(j)).

TITLE III—PREVENTING ABUSIVE MUTUAL FUND PRACTICES

SEC. 301. PREVENTION OF FRAUD; INTERNAL COMPLIANCE AND CONTROL PROCEDURES.

(a) AMENDMENT.—Subsection (j) of section 17 of the Investment Company Act of 1940 (15 U.S.C. 80a–17(j)) is amended to read as follows:

“(j) DETECTION AND PREVENTION OF FRAUD.—

“(1) COMMISSION RULES TO PROHIBIT FRAUD, DECEPTION, AND MANIPULATION.—It shall be unlawful for any affiliated person of or principal underwriter for a registered investment company or any affiliated person of an investment adviser of or principal underwriter for a registered investment company, to engage in any act, practice, or course of business in connection with the purchase or sale, directly or indirectly, by such person of any security held or to be acquired by such registered investment company, or any security issued by such registered investment company or by an affiliated registered investment company, in contravention of such rules and regulations as the Commission may adopt to define, and prescribe means reasonably necessary to prevent, such acts, practices, or courses of business as are fraudulent, deceptive, or manipulative.

“(2) CODES OF ETHICS.—The rules and regulations established under paragraph (1) shall include requirements for the adoption of codes of ethics by registered investment companies and investment advisers of, and principal underwriters for, such investment companies establishing such standards as are reasonably necessary to prevent such acts, practices, or courses of business. Such rules and regulations shall require each such registered investment company to disclose such codes of ethics (and any changes therein) in the periodic report to shareholders of such company, and to disclose such code of ethics and any waivers and material violations thereof on a readily accessible electronic public information facility of such company and in such additional form and manner as the Commission shall require by rule or regulation.

“(3) ADDITIONAL COMPLIANCE PROCEDURES.—The rules and regulations established under paragraph (1) shall—

“(A) require each investment company and investment adviser registered with the Commission to adopt and implement policies and procedures reasonably designed to prevent violation of the Securities Act of 1933 (15 U.S.C. 78a et seq.), the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.), the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7201 et seq.), the Trust Indenture Act of 1939 (15 U.S.C. 77aaa et seq.), the Investment Company Act of 1940 (15 U.S.C. 80a–1 et seq.), the Investment Advisers Act of 1940 (15 U.S.C. 80b et seq.), the Securities Investor Protection Act of 1970 (15 U.S.C. 78aaa et seq.), subchapter II of chapter 53 of title 31, United States Code, chapter 2 of title I of Public Law 91–508 (12 U.S.C. 1951 et seq.), or section 21 of the Federal Deposit Insurance Act (12 U.S.C. 1829b);

“(B) require each such company and adviser to review such policies and procedures annually for their adequacy and the effectiveness of their implementation;

“(C) require each such company to appoint a chief compliance officer to be responsible for overseeing such policies and procedures, ensuring that the practices of the company adhere to those policies and procedures, and promote the interest of shareholders—

“(i) whose compensation shall be approved by the members of the board of directors of the company who are not interested persons of such company;

“(ii) who shall report directly to the members of the board of directors of the company who are not interested persons of such company, privately as such members request, but no less frequently than annually; and

“(iii) whose report to such members shall include any violations or waivers of, and any other significant issues arising under, such policies and procedures; and

“(D) require each such company to establish policies and procedures reasonably designed to protect any officer, director, employee, contractor, subcontractor, or agent of such company from retaliation, including discharge, demotion, suspension, harassment, or any other manner of discrimination in the terms and conditions of employment, because of any lawful act done by such officer, director, employee, contractor, subcontractor, or agent to provide information, cause information to be provided, or otherwise assist in an investigation that relates to any conduct which such officer, director, employee, contractor, subcontractor, or agent reasonably believes constitutes a violation of the securities laws or the code of ethics of such investment company.”.

(b) DEADLINE FOR RULES.—Not later than 90 days after the date of enactment of this Act, the Securities and Exchange Commission shall prescribe rules to implement subsection (a).

SEC. 302. BAN ON JOINT MANAGEMENT OF MUTUAL FUNDS AND HEDGE FUNDS.

(a) AMENDMENT.—Section 15 of the Investment Company Act of 1940 (15 U.S.C. 80a–15) is further amended by adding at the end the following:

“(h) BAN ON JOINT MANAGEMENT OF MUTUAL FUNDS AND HEDGE FUNDS.—

“(1) PROHIBITION OF JOINT MANAGEMENT.—It shall be unlawful for any individual to serve or act as the portfolio manager or investment adviser of a registered open-end investment company if such individual also serves or acts as the portfolio manager or investment adviser of an investment company that is not registered, or of such other categories of companies as the Commission shall prescribe by rule in order to prohibit conflicts of interest, such as conflicts in the selection of the portfolio securities.

“(2) EXCEPTIONS.—Notwithstanding paragraph (1), the Commission may, by rule, regulation, or order, permit joint management by a portfolio manager in exceptional circumstances when necessary to protect the interest of investors, provided that such rule, regulation, or order requires—

“(A) enhanced disclosure by the registered open-end investment company to investors of any conflicts of interest raised by such joint management; and

“(B) fair and equitable policies and procedures for the allocation of securities to the portfolios of the jointly managed companies, and certification by the members of the board of directors who are not interested persons of such registered open-end investment company, in the periodic report to shareholders, or other appropriate disclosure document, that such policies and procedures of such company are fair and equitable.

“(3) DEFINITION.—For purposes of this subsection, the term ‘portfolio manager’ means the individual or individuals who are designated as responsible for decision-making in connection with the securities purchased and sold on behalf of a registered open-end investment company, but shall not include individuals who participate only in making research recommendations or executing transactions on behalf of such company.”.

(b) DEADLINE FOR RULES.—The Securities and Exchange Commission shall prescribe rules to implement the amendment made by subsection (a) of this section within 90 days after the date of enactment of this Act.

SEC. 303. RESTRICTIONS ON SHORT TERM TRADING AND MANDATORY REDEMPTION FEES.

(a) SHORT TERM TRADING PROHIBITED.—Section 17 of the Investment Company Act of 1940 (15 U.S.C. 80a–17) is amended by adding at the end the following:

"(k) SHORT TERM TRADING PROHIBITED.—It shall be unlawful for any officer, director, partner, or employee of a registered investment company, any affiliated person, investment adviser, or principal underwriter of such company, or any officer, director, partner, or employee of such an affiliated person, investment adviser, or principal underwriter, to engage in short-term transactions, as such term is defined by the Commission by rule, in any securities of which such company, or any affiliate of such company, is the issuer, except that this subsection shall not prohibit transactions in money market funds, other funds the investment policy of which expressly permits short-term transactions, or such other categories of registered investment companies as the Commission shall specify by rule.".

(b) MANDATORY REDEMPTION FEES.—Not later than 180 days after the date of enactment of this Act, the Securities and Exchange Commission shall, by rule, require that any investment company that does not allow for market timing practices to charge a redemption fee upon the short-term redemption of any securities of such company.

(c) DEADLINE FOR RULES.—Not later than 180 days after the date of enactment of this Act, the Securities and Exchange Commission shall prescribe rules to implement the amendment made by subsection (a) of this section.

SEC. 304. ELIMINATION OF STALE PRICES.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Securities and Exchange Commission shall prescribe, by rule or regulation, standards concerning the obligation of registered open-end investment companies under the Investment Company Act of 1940 to apply and use fair value methods of determination of net asset value when market quotations are unavailable or do not accurately reflect the fair market value of the companies' portfolio securities, in order to prevent dilution of the interests of long-term investors or as necessary in the other interests of investors. Such rule or regulation shall identify, in addition to significant events, the conditions or circumstances from which such obligation will arise, such as the need to value securities traded on foreign exchanges, and the methods by which fair value methods shall be applied in such events, conditions, and circumstances.

(b) FORMAL POLICIES AND PROCEDURES.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Securities and Exchange Commission shall, by rule or regulation—

(A) require that each registered open-end investment company and registered investment advisor establish formal policies with respect to compliance with the regulations established under subsection (a);

(B) require such policies to be publicly disclosed to shareholders;

(C) require the adoption of internal procedures to ensure compliance with such policies;

(D) require that such policies be subject to ongoing review by the company or investment adviser; and

(E) require, on an annual basis, a certification by the chief executive officer of the company or investment adviser that such policies are being adhered to.

(2) CHANGES TO POLICIES.—Any policies adopted by a registered open-end company or registered investment adviser under paragraph (1) shall not be altered without the prior approval of a majority of the shareholders of such company or adviser.

SEC. 305. FORMAL POLICIES AND PROCEDURES RELATED TO MARKET TIMING.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Securities and Exchange Commission shall, by rule—

(1) require that each registered open-end investment company and registered investment advisor establish formal policies with respect to whether it permits market timing and short term trading, and under what circumstances such practices will be permitted;

(2) require such policies to be publicly disclosed in any prospectus delivered by the company or investment advisor;

(3) require the adoption of internal procedures reasonably designed to ensure compliance with such policies;

(4) require that such policies be subject to ongoing review by the company or investment advisor; and

(5) require, on an annual basis, a certification by the chief executive officer of the investment adviser, and chairman of the board of directors and chief compliance officer of the company that such policies are being adhered too by the investment adviser or the company.

SEC. 306. PREVENTION OF LATE TRADES.

(a) ADDITIONAL RULES REQUIRED.—Not later than 180 days after the date of enactment of this Act, the Securities and Exchange Commission shall issue rules to prevent transactions in the securities of any registered open-end investment company in violation of section 22 of the Investment Company Act of 1940 (15 U.S.C. 80a–22), including after-hours trades that are executed at a price based on a net asset value that was determined as of a time prior to the actual execution of the transaction.

(b) TRADES COLLECTED BY INTERMEDIARIES.—

(1) IN GENERAL.—The rules established under subsection (a) shall permit execution of after-hours trades that are provided to the registered open-end investment company by a broker-dealer, retirement plan administrator, insurance company, or other intermediary, after the time as of which such net asset value was determined, if the late trading and detection procedures and policies of such intermediary are subject to inspection by the Commission (in this subsection, a "permitted intermediary").

(2) RULES.—The Commission, by rule, shall—

(A) require each permitted intermediary to certify that it has policies and procedures in place to prevent and detect late-trades, and that such policies have been adhered too by the permitted intermediary;

(B) require each permitted intermediary to submit an independent annual audit verifying that its policies and procedures do not permit the acceptance of late order trading; and

(C) provide that any intermediary that is not a permitted intermediary shall be required to submit all transactions to the open-end investment company before the determination of the related net asset value.

SEC. 307. DISCLOSURE OF INSIDER TRANSACTIONS.

Not later than 180 days after the date of enactment of this Act, the Securities and Exchange Commission shall, by rule, require—

(1) that any senior executive officer of an open-end management investment company publicly disclose, prior to the actual time of purchase, any intended sale or purchase of securities of an open-end management investment company that employs the same investment adviser as the company with whom such senior executive officer is employed; and

(2) that any such securities purchased be held by the senior executive officer for not less than 6 months.

TITLE IV—STRENGTHENING MUTUAL FUND INDUSTRY OVERSIGHT

SEC. 401. STUDY OF MUTUAL FUND OVERSIGHT BOARD.

(a) IN GENERAL.—The General Accounting Office shall conduct a study to determine the feasibility of, and assess what, if any, benefits to shareholders, mutual fund governance and mutual fund supervision would result from establishing a Mutual Fund Oversight Board that would—

(1) have inspection, examination, and enforcement authority over mutual fund boards of directors;

(2) be funded by assessments against mutual fund assets or management fees;

(3) have members selected by Commission; and

(4) have rulemaking authority.

(b) REPORT.—Not later than 1 year after the date of enactment of this Act, the General Accounting Office shall submit a report on the study required under paragraph (1) to—

(1) the Committee on Banking, Housing, and Urban Affairs of the Senate; and

(2) the Committee on Financial Services of the House of Representatives.

SEC. 402. STUDY OF COORDINATION OF ENFORCEMENT EFFORTS.

(a) IN GENERAL.—The General Accounting Office shall conduct a study of the coordination of enforcement efforts related to allegations of misconduct by open-end management companies between the headquarters of the Securities and Exchange Commission, the regional offices of the Commission, and appropriate State regulatory and law enforcement entities, such as State attorney generals and the North American Securities Administrators Association.

(b) REPORT.—Not later than 1 year after the date of enactment of this Act, the General Accounting Office shall submit a report on the study required under subsection (a) to Congress.

SEC. 403. REVIEW OF COMMISSION RESOURCES.

(a) IN GENERAL.—The Securities and Exchange Commission shall conduct a study on the allocation and adequacy of the supervision and enforcement resources of the Commission dedicated to the oversight of open-end management companies.

(b) REPORT.—Not later than 1 year after the date of enactment of this Act, the Securities and Exchange Commission shall submit a report on the study required under subsection (a) to—

(1) the Committee on Banking, Housing, and Urban Affairs of the Senate; and

(2) the Committee on Financial Services of the House of Representatives.

SEC. 404. COMMISSION STUDY AND REPORT REGULATING SOFT DOLLAR ARRANGEMENTS.

(a) STUDY REQUIRED.—

(1) IN GENERAL.—The Commission shall conduct a study of the use of soft dollar arrangements by investment advisers as contemplated by section 28(e) of the Securities Exchange Act of 1934 (15 U.S.C. 78bb(e)).

(2) AREAS OF CONSIDERATION.—The study required by this section shall examine—

(A) the trends in the average amounts of soft dollar commissions paid by investment advisers and investment companies in the past 3 years;

(B) the types of services provided through soft dollar arrangements;

(C) the benefits and disadvantages of the use of soft dollars for investors, including the extent to which use of soft dollar arrangements affects the ability of mutual fund investors to evaluate and compare the expenses of different mutual funds;

(D) the potential or actual conflicts of interest (or both potential and actual conflicts) created by soft dollar arrangements, including whether certain potential conflicts are being managed effectively by other laws and regulations specifically addressing those situations, the role of the board of directors in managing these potential or actual (or both) conflicts, and the effectiveness of the board in this capacity;

(E) the transparency of such soft dollar arrangements to investment company shareholders and investment advisory clients of investment advisers, the extent to which enhanced disclosure is necessary or appropriate to enable investors to better understand the impact of these arrangements, and an assessment of whether the cost of any enhanced disclosure or other regulatory change would result in benefits to the investor; and

(F) whether such section 28(e) should be modified, and whether other regulatory or legislative changes should be considered and adopted to benefit investors.

(b) REPORT REQUIRED.—Not later than 1 year after the date of enactment of this Act, the Commission shall submit a report on the study required by subsection (a) to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate.

SEC. 405. REPORT ON ADEQUACY OF REGULATORY RESPONSE TO LATE TRADING AND MARKET TIMING.

(a) REPORT REQUIRED.—Not later than 180 days after the date enactment of this Act, the Securities and Exchange Commission shall submit a report to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate on market timing and late trading of mutual funds.

(b) REQUIRED CONTENTS OF REPORT.—The report required by this section shall include the following:

(1) The economic harm of market timing and late trading of mutual fund shares on long-term mutual fund shareholders.

(2) The findings by the Commission's Office of Compliance, Inspections and Examinations, and the actions taken by the Commission's Division of Enforcement, regarding—

(A) illegal late trading practices;

(B) illegal market timing practices; and

(C) market timing practices that are not in violation of prospectus disclosures.

(3) When the Commission became aware that the use of market timing practices was harming long-term shareholders, and the circumstances surrounding the Commission's discovery of that activity.

(4) The steps the Commission has taken since becoming aware of market timing practices to protect long-term mutual fund investors.

(5) Any additional legislative or regulatory action that is necessary to protect long-term mutual fund shareholders against the detrimental effects of late trading and market timing practices.

SEC. 406. STUDY OF ARBITRATION CLAIMS.

(a) STUDY REQUIRED.—The Securities and Exchange Commission shall conduct a study of the increased rate of arbitration claims and decisions involving mutual funds since 1995 for the purposes of identifying trends in arbitration claim rates and, if applicable, the causes of such increased rates and the means to avert such causes.

(b) REPORT.—Not later than 1 year after the date of enactment of this Act, the Securities and Exchange Commission shall submit a report on the study required by subsection (a) to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate.

TITLE V—PROMOTING SHAREHOLDER LITERACY

SEC. 501. FINANCIAL LITERACY AMONG MUTUAL FUND INVESTORS STUDY.

(a) IN GENERAL.—The Securities and Exchange Commission shall conduct a study to identify—

(1) the existing level of financial literacy among investors that purchase shares of open-end companies, as such term is defined under section 5 of the Investment Company Act of 1940, that are registered under section 8 of such Act;

(2) the most useful and understandable relevant information that investors need to make sound financial decisions prior to purchasing such shares;

(3) methods to increase the transparency of expenses and potential conflicts of interest in transactions involving the shares of open-end companies;

(4) the existing private and public efforts to educate investors; and

(5) a strategy to increase the financial literacy of investors that results in a positive change in investor behavior.

(b) REPORT.—Not later than 1 year after the date of enactment of this Act, the Securities and Exchange Commission shall submit a report on the study required under subsection (a) to—

(1) the Committee on Banking, Housing, and Urban Affairs of the Senate; and

(2) the Committee on Financial Services of the House of Representatives.

Mr. DODD. Mr. President, I rise today, with my colleague from New Jersey, to introduce a measure that is critical to improving the investing public's faith in our capital markets. This legislation, the "Mutual Fund Investor Confidence Restoration Act" will fundamentally strengthen protections for the millions of investors who rely on mutual funds for their financial security.

America is the land of opportunity. Millions of Americans and countless others around the world seek the opportunity to participate in the economic life of our nation. Mutual funds are a principal pathway through which most investors achieve financial security. Mutual funds have in the past not only lived up to, but in many cases exceeded, the grand expectations of investors. They are a true success story of our securities markets and our system of securities regulation.

However, in recent months, a series of revelations has shaken investor confidence in the promise of mutual funds. We must restore the faith of investors in mutual funds and those who manage them. This legislation is designed to address some of the abuses and shortcomings which have received so much recent attention.

There are five broad areas which this legislation addresses: corporate governance, disclosures to investors, late trading and market timing, increased regulatory oversight, and financial literacy.

This legislation significantly improves corporate governance standards at mutual funds. Investors have begun to lose faith that their hard earned savings are not being managed with their best interests in mind. Mutual fund boards must have greater independence from fund managers and be more accountable to shareholders of the fund. Directors and chairmen must exercise greater oversight to ensure that funds are run in the interest of their shareholders—and be accountable to shareholders for failing to do so. Additionally, this legislation directs the SEC to determine whether directors and chairmen need additional tools to carry out that job.

This legislation mandates that corporate governance requirements created in the Sarbanes-Oxley Act, such as director independence requirements, financial expertise, and certification measures apply to mutual funds. Of particular note, this legislation mandates that funds employ a chief compliance officer to ensure that internal controls, policies and procedures are met by the fund in the interest of shareholders.

We need to improve the disclosures to investors about the fees and costs associated with mutual funds. Current disclosures are inadequate in providing investors the information necessary to understand the true costs of investing through mutual funds. The current expense ratio by no means includes all of the fund's expenses.

This legislation requires that currently unaccounted for expenses, such as brokerage commissions, advertising fees and research costs, among others, are fully disclosed.

Additionally, the legislation requires the breakout of these respective costs to be displayed as a graph provided to shareholders that will enable them to compare the costs associated with owning shares of different mutual funds. The ability to compare the total costs of mutual funds with each other will drive competition and lower costs for investors.

Investors deserve to know if their broker has a financial incentive to steer them into particular mutual funds. This legislation mandates greater disclosure of financial incentives provided to intermediaries and requires fund companies and investment advisers to fully disclose certain sales practices, including revenue-sharing and directed brokerage arrangements and disclose the value of research and other services paid for as part of brokerage commissions.

The recent abuses that we have seen with respect to late trading and market timing must be stopped to restore investors faith in mutual funds. Insider dealings at mutual funds must never recur. Fund insiders must be prohibited from trading against their own shareholders' interest. Neither fund insiders nor preferred customers must enjoy privileges like market timing that are denied to the millions of average mutual fund investors.

Late trading is already illegal, but we now know it isn't isolated. The system for prohibiting late trading in mutual funds must be strengthened, so all mutual fund investors are treated fairly. This legislation creates new requirements for intermediaries and funds to ensure that illegal late trading activities are stopped.

As a result of the recent widespread scandals in this area, we must rededicate our regulatory oversight of the mutual fund industry. Due to the tremendous size of mutual funds and how critical of an investment tool they are to small investors, this legislation directs the General Accounting Office to consider the value of creating a new self regulatory body and/or independent regulator for mutual fund oversight.

Lastly, this legislation calls for improved efforts to promote financial literacy among mutual fund shareholders. Ensuring that investors have the resources available to them to understand the benefits and costs of mutual funds is a fundamental importance.

The Mutual Fund Investor Confidence Restoration Act is an important step in the right direction of restoring the integrity of the mutual fund industry and will greatly improve the basic protections given to investors who rely upon these investment vehicles for their economic security.

By Mrs. BOXER:

S. 1972. A bill to amend the Internal Revenue Code of 1986 to provide for a tax credit for small employer-based health insurance coverage in States in which such coverage is mandated, and for other purposes; to the Committee on Finance.

Mrs. BOXER. Mr. President, today, I am introducing the "Small Business State Mandated Health Insurance Assistance Act."

The legislation would provide a tax credit to small businesses in states where the law mandates that they provide health insurance to their employees. The credit would be for 50 percent of the amount the employer spends providing health insurance for his or her employees.

In California 6.4 million people are uninsured. That's more than 18 percent of the state. To deal with the issue, the state legislature recently passed a law mandating that employers provide their workers with health insurance.

Many smaller businesses have told me that they do not object to the law itself, but that they will have a hard time financially complying with the mandate—especially in these tough economic times. Furthermore, there is concern that neighboring States without such a mandate will recruit our small businesses entrepreneurs to move to their states where they would not have to provide insurance for their workers.

While businesses can currently deduct from federal taxes, as costs of doing businesses, the costs of the health insurance provided to their employees, this assistance is simply not large enough to provide the help that small businesses truly need. That is why I am introducing this bill today. I encourage my colleagues to join me in this effort.

By Mr. DASCHLE:

S. 1974. A bill to make improvements to the Medicare Prescriptions Drug, Improvement, and Modernization Act of 2003; to the Committee on Finance.

Mr. DASCHLE. Mr. President, by adopting the Medicare Conference Report today, the Senate has done great harm to one of our most successful and important social programs. As I have said over the past week, I believe that this will not be the end of the issue. I believe this is just the end of the first chapter.

And I predict that the call from beneficiaries and future beneficiaries to repair this damage will be so loud that Congress will be compelled to act. We are hearing already from seniors in South Dakota and all across the country. For that reason, I am introducing today the Medicare Preservation and Drug Price Fairness Act. It is only a first step in addressing some of the many problems in the Republican Medicare bill—but it is an important step.

This summer, the Senate passed a prescription drug bill. It was not perfect. But it was a start at providing the most necessary reform Medicare needs—covering prescription drugs for the program's 41 million beneficiaries. And I reluctantly supported it.

What came back from the Conference was no longer a bill to add a drug benefit to Medicare. It was a vehicle for Republicans to harm Medicare under the guise of "reforms."

I am introducing a bill today to address some of the main weaknesses in the Conference bill. It will not be the last of these bills introduced. And it does not repair all of the damage done to Medicare by the Conference bill.

The bill I introduce today is simply an initial effort to carve out some of the more egregious provisions of the Conference bill. It does not address the critical issues of the 2.7 million retirees who will lose their good coverage or the 6 million of the lowest-income seniors who will be worse off than they are now. It does not address the inadequacy of the drug benefit itself. We will come back to those issues in the near future.

The Medicare Preservation and Drug Price Fairness Act is a start toward righting the wrongs done to Medicare today. It repeals the language in the Republican bill that prohibits Medicare from negotiating lower prices on behalf of beneficiaries. It repeals the highly controversial "premium support" demonstration projects that would force beneficiaries who do not want to join an HMO to pay higher premiums. It ensures that the guaranteed Medicare fallback is triggered whenever there are not two stand-alone drug plans available in an area so that seniors are not forced to join an HMO if the one that is available to them is priced too high. It repeals the $12 billion slush fund giveaway to HMOs and the $6 billion tax shelters for the wealthy and healthy. And, unlike the Republican bill, it allows Americans to obtain US-made drugs at lower prices safely from other industrialized countries.

I noted earlier today when we voted on the Conference Report that there were few, if any, seniors looking on expectantly from the gallery. And in fact, we have heard from them in large numbers that they do not support the Conference bill. In contrast, the lobbies were full of well-tailored lobbyists—and the big drug companies and the HMOs are the ones celebrating the passage of the Conference bill. The Republicans got it backwards. The Medicare Preservation and Drug Price Fairness Act is a first step toward the bill Congress should have passed—a bill that truly benefits America's seniors.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1974

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Medicare Preservation and Drug Price Fairness Act".

SEC. 2. AUTHORITY TO NEGOTIATE PRICES.

Subsection (i) of section 1860D–11, as added by section 101 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, is repealed.

SEC. 3. REPEAL OF COMPARATIVE COST ADJUSTMENT (CCA) PROGRAM.

Subtitle E of title II of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, and the amendments made by such subtitle, are repealed.

SEC. 4. PHARMACEUTICAL MARKET ACCESS.

(a) IMPORTATION OF PRESCRIPTION DRUGS.—Section 804 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 384) is amended—

(1) in subsection (a)—

(A) by striking "The Secretary" and inserting "Not later than 180 days after the date of the enactment of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, the Secretary"; and

(B) by striking "pharmacists and wholesalers" and inserting "pharmacists, wholesalers, and qualifying individuals";

(2) in subsection (b)—

(A) by amending paragraph (1) to read as follows:

"(1) require that each covered product imported pursuant to such subsection complies with sections 501, 502, and 505, and other applicable requirements of this Act; and";

(B) in paragraph (2), by striking ", including subsection (d); and" and inserting a period; and

(C) by striking paragraph (3);

(3) in subsection (c), by inserting "by pharmacists and wholesalers (but not qualifying individuals)" after "importation of covered products";

(4) in subsection (d)—

(A) by striking paragraphs (3) and (10);

(B) in paragraph (5), by striking ", including the professional license number of the importer, if any";

(C) in paragraph (6)—

(i) in subparagraph (C), by inserting "(if required under subsection (e))" before the period;

(ii) in subparagraph (D), by inserting "(if required under subsection (e))" before the period; and

(iii) in subparagraph (E), by striking "labeling";

(D) in paragraph (7)—

(i) in subparagraph (A), by inserting "(if required under subsection (e))" before the period; and

(ii) by amending subparagraph (B) to read as follows:

"(B) Certification from the importer or manufacturer of such product that the product meets all requirements of this Act."; and

(E) by redesignating paragraphs (4) through (9) as paragraphs (3) through (8), respectively;

(5) by amending subsection (e) to read as follows:

"(e) TESTING.—

"(1) IN GENERAL.—Subject to paragraph (2), regulations under subsection (a) shall require that testing referred to in paragraphs (5) through (7) of subsection (d) be conducted by the importer of the covered product, unless the covered product is a prescription drug subject to the requirements of section 505B for counterfeit-resistant technologies.

"(2) EXCEPTION.—The testing requirements of paragraphs (5) through (7) of subsection (d) shall not apply to an importer unless the importer is a wholesaler.";

(6) in subsection (f), by striking "or designated by the Secretary, subject to such limitations as the Secretary determines to be appropriate to protect the public health";

(7) in subsection (g)—

(A) by striking "counterfeit or"; and

(B) by striking "and the Secretary determines that the public is adequately protected from counterfeit and violative covered products being imported pursuant to subsection (a)";

(8) in subsection (i)(1)—

(A) by amending subparagraph (A) to read as follows:

"(A) IN GENERAL.—The Secretary shall conduct, or contract with an entity to conduct, a study on the imports permitted pursuant to subsection (a), including consideration of the information received under subsection (d). In conducting such study, the Secretary or entity shall evaluate the compliance of importers with regulations under subsection (a), and the incidence of shipments pursuant to such subsection, if any, that have been determined to be misbranded or adulterated, and determine how such compliance contrasts with the incidence of shipments of prescription drugs transported within the United States that have been determined to be misbranded or adulterated."; and

(B) in subparagraph (B), by striking "Not later than 2 years after the effective date of final regulations under subsection (a)," and inserting "Not later than 18 months after the date of the enactment of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003,";

(9) in subsection (k)(2)—

(A) by redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F), respectively; and

(B) by inserting after subparagraph (C) the following:

"(D) The term 'qualifying individual' means an individual who is not a pharmacist or a wholesaler. "; and

(10) by striking subsections (l) and (m).

(b) USE OF COUNTERFEIT-RESISTANT TECHNOLOGIES TO PREVENT COUNTERFEITING.—

(1) MISBRANDING.—Section 502 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 352; deeming drugs and devices to be misbranded) is amended by adding at the end the following:

"(w) If it is a drug subject to section 503(b), unless the packaging of such drug complies with the requirements of section 505B for counterfeit-resistant technologies.".

(2) REQUIREMENTS.—Title V of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 351 et seq.) is amended by inserting after section 505A the following:

"SEC. 505B. COUNTERFEIT-RESISTANT TECHNOLOGIES.

"(a) INCORPORATION OF COUNTERFEIT-RESISTANT TECHNOLOGIES INTO PRESCRIPTION DRUG PACKAGING.—The Secretary shall require that the packaging of any drug subject to section 503(b) incorporate—

"(1) overt optically variable counterfeit-resistant technologies that are described in subsection (b) and comply with the standards of subsection (c); or

"(2) technologies that have an equivalent function of security, as determined by the Secretary.

"(b) ELIGIBLE TECHNOLOGIES.—Technologies described in this subsection—

"(1) shall be visible to the naked eye, providing for visual identification of product authenticity without the need for readers, microscopes, lighting devices, or scanners;

"(2) shall be similar to that used by the Bureau of Engraving and Printing to secure United States currency;

"(3) shall be manufactured and distributed in a highly secure, tightly controlled environment; and

"(4) should incorporate additional layers of non-visible covert security features up to and including forensic capability.

"(c) STANDARDS FOR PACKAGING.—

"(1) MULTIPLE ELEMENTS.—For the purpose of making it more difficult to counterfeit the packaging of drugs subject to section 503(b), manufacturers of the drugs shall incorporate the technologies described in subsection (b) into multiple elements of the physical packaging of the drugs, including blister packs, shrink wrap, package labels, package seals, bottles, and boxes.

"(2) LABELING OF SHIPPING CONTAINER.—Shipments of drugs described in subsection (a) shall include a label on the shipping container that incorporates the technologies described in subsection (b), so that officials inspecting the packages will be able to determine the authenticity of the shipment. Chain of custody procedures shall apply to such labels and shall include procedures applicable to contractual agreements for the use and distribution of the labels, methods to audit the use of the labels, and database access for the relevant governmental agencies for audit or verification of the use and distribution of the labels.".

(c) REPEAL.—Subtitle C of title XI of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, and the amendments made by such subtitle, are repealed.

SEC. 5. ASSURING ACCESS TO COVERAGE.

Paragraph (3) of section 1860D–3(a), as added by section 101 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, is amended to read as follows:

"(3) QUALIFYING PLAN DEFINED.—For purposes of this section, the term 'qualifying plan' means a prescription drug plan offered by a PDP sponsor.".

SEC. 6. REPEAL OF MA REGIONAL PLAN STABILIZATION FUND.

(a) IN GENERAL.—Section 1858 of the Social Security Act, as added by section 221(c) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, is amended—

(1) by striking subsection (e);

(2) by redesignating subsections (f), (g), and (h) as subsections (e), (f), and (g), respectively; and

(3) in subsection (e), as so redesignated, by striking "subject to subsection (e),".

(b) CONFORMING AMENDMENT.—Section 1851(i)(2) of the Social Security Act (42 U.S.C. 1395w–21(i)(2)), as amended by section 221(d)(5) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, is amended by striking "1858(h)" and inserting "1858(g)".

SEC. 7. REPEAL OF HEALTH SAVINGS ACCOUNTS.

Section 1201 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, and the amendments made by such section, are repealed.

SEC. 8. EFFECTIVE DATE.

(a) IN GENERAL.—The amendments made by this Act shall take effect as if included in the enactment of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003.

(b) APPLICATION OF LAWS.—If any amendment to any provision of any Act is repealed by this Act, such provision shall be applied and administered as if the amendment had never been enacted.

By Mr. DODD (for himself and Mr. MCCAIN):

S. 1975. A bill to amend the Internal Revenue Code of 1986 to deny a deduction for securities-related fines, penalties, and other amounts, and to provide that revenues resulting from such denial be transferred to Fair Funds for the relief of victims; to the Committee on Finance.

Mr. DODD. Mr. President, I rise today to introduce important legislation designed to ensure that corporate wrongdoers are held fully responsible for their illegal actions and that investors are given fair compensation for such actions.

As most of my colleagues are aware, in April of this year, 10 large securities firms agreed to pay a total of $1.4 billion in fines and payments for giving their investment clients tainted and misleading advice—advice which cost those clients hundreds of millions of dollars.

The "global settlement" was initially lauded as a historic victory against corporate wrongdoers. And indeed, thanks to the efforts of Federal and State securities regulators, and New York State Attorney General Eliot Spitzer, the settlement has the potential to fundamentally change pervasive business practices that were so harmful to so many.

But the settlement's impact could be significantly weakened by a loophole that would allow the firms to avoid paying taxes on nearly $900 million of the penalties—by deducting them as standard business costs.

Only one-third of the total settlement is specifically prohibited by law from being tax-deductible. If the firms are able to write off the remainder of the costs as business expenses, then the total price tag of the settlement will be much smaller than advertised.

However, there is much more at stake. America's financial markets are the most vibrant in the world for one reason—investor confidence. The securities laws of the 1930's built the foundation for the deepest, most liquid markets in the world. They have created a public trust in our markets among investors worldwide who know that we have a zero-tolerance policy towards corporate malfeasance.

If we allow firms to write off fines as the cost of doing business, then we will perpetuate the idea that fraud is no longer a crime, but an accepted business practice. And we will compromise the very principles on which our markets are based—credibility, honesty, and responsibility.

We need to send the strongest possible message to corporate America that defrauding people of their life savings can never, under any circumstances, be considered "business as usual." Our tax code should not reward these practices—it should discourage and punish them, to the greatest extent possible. Otherwise, the victims of corporate misconduct will include not only individual investors, but the credibility of our capital markets. And if our markets suffer, so will America's place in the world economy.

That is why I rise today to introduce my legislation. This legislation takes two important steps towards fixing this problem. First, it expressly prohibits any tax deduction on payments for violations of securities laws, including those required by the global settlement. Second, it directs all of the tax revenues gained from those payments into existing funds administered by the Securities and Exchange Commission which repay money to defrauded investors. Under my bill, the perpetrators of corporate misdeeds will be fairly punished, and the victims will be fairly compensated.

Everyone agrees that restoring investor confidence is a crucial part of getting our economy back on the right track. The vitality of 10 largest securities firms represent an important piece of this puzzle. But Americans will only be willing to entrust them with their hard-earned money if they can be sure that they are being dealt with ethically and honestly.

The global settlement represents a tremendous opportunity to help mend the tattered relationship between corporate America and the American people. We can't afford to lose that opportunity in a tax loophole. We need to show Americans that corporate fraud is a real crime—not business as usual. I urge my colleagues to support this bill.

By Mr. BINGAMAN (for himself, Mr. DOMENICI, Mrs. MURRAY, Mr. JEFFORDS, Ms. CANTWELL, Mr. AKAKA, Mr. REED, Mr. CHAFEE, and Mr. INOUYE):

S. 1976. A bill to amend title XXI of the Social Security Act to permit qualifying States to use a portion of their allotments under the State children's health insurance program for any fiscal year for certain medical expenditures, and for other purposes; to the Committee on Finance.

Mr. BINGAMAN. Mr. President, I rise today to introduce legislation with Senators DOMENICI, MURRAY, JEFFORDS, CANTWELL, AKAKA, REED, CHAFEE, and INOUYE entitled the "Children's Health Equity Technical Amendments Act of 2003."

Since the passage of the Children's Health Insurance Program, or CHIP, in 1997, a group of States that expanded coverage to children in Medicaid prior to the enactment of CHIP have been unfairly penalized for that expansion. States are not allowed to use the enhanced matching rate available to other States for children at similar levels of poverty under the act. As a result, a child in the States of New York, Florida, and Pennsylvania, because they were grandfathered in the original act or in Iowa, Montana, or a number of other States at 134 percent of poverty is eligible for an enhanced matching rate in CHIP but that has not been the case for States such as New Mexico, Vermont, Washington, Rhode Island, Hawaii, and a number of others, including Connecticut, Tennessee, Minnesota, New Hampshire, Wisconsin, and Maryland.

As the health policy statement by the National Governors' Association reads, "The Governors believe that it is critical that innovative states not be penalized for having expanded coverage to children before the enactment of S-CHIP, which provides enhanced funding to meet these goals. To this end, the Governors support providing additional funding flexibility to states that had already significantly expanded coverage of the majority of uninsured children in their states.

For six years, our group of States have sought to have this inequity addressed. Early this year, I introduced the "Children's Health Equity of 2003" with Senators JEFFORDS, MURRAY, LEAHY, and Ms. CANTWELL and we worked successfully to get a compromise worked out for inclusion in S. 312 by Senators ROCKEFELLER, and CHAFEE. This compromise extended expiring CHIP allotments only for fiscal years 1998 through 2001 in order to meet budgetary caps.

The compromise allowed States to be able to use up to 20 percent of our State's CHIP allotments to pay for Medicaid eligible children about 150 percent of poverty that were part of our State's expansions prior to the enactment of CHIP. That language was maintained in conference and included in H.R. 2854 that was signed by the President as Public Law 108-74. Unfortunately, a slight change was made in the conference language that excluded New Mexico and Hawaii, Maryland, and Rhode Island needed specific changes so an additional bill was passed, H.R. 3288, and signed into law as Public Law 108-107, on November 17, 2003. This second bill included language from legislation that I introduced with Senator DOMENICI, S. 1547, to address the problem caused to New Mexico by the conference committee's change.

Unfortunately, one major problem with the compromise was that it would allow the 10 States flexibility with its CHIP funds for allotments between 1998 and 2001 and not in the future. Therefore, the inequity continues with CHIP allotments last year, this year, and into the future. This legislation would address that problem and ensure that all future allotments give these 11 States the flexibility to use up to 20 percent of our CHIP allotments to pay for health care services of children above 150 percent of poverty in our respective state Medicaid programs.

This rather technical issue has real and negative consequences in States such as New Mexico. In fact, due to the CHIP inequity, New Mexico has been allocated $266 million from CHIP between fiscal years 1998 and 2002, and yet, has only been able to spend slightly over $26 million as of the end of last fiscal year. In other words, New Mexico has been allowed to spend less than 10 percent of its federal CHIP allocations.

With the passage of H.R. 2854 and H.R. 3288, that situations will improve somewhat. Unfortunately, the change was not made permanent and does not apply to future CHIP allotments. This legislation would correct this problem.

It is important to note that this initiative includes strong maintenance of effort language as well as incentives for our State to conduct outreach and enrollment efforts and program simplification to find and enroll uninsured kids because we feel strongly that they must receive the health coverage for which they are eligible.

The bill does not take money from other States's CHIP allotments. It simple allows our States to spend our States' specific CHIP allotments from the Federal government on our uninsured children—just as other States across the country are doing.

I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1976

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Children's Health Equity Technical Amendments Act of 2003".

SEC. 2. AUTHORITY FOR QUALIFYING STATES TO USE PORTION OF SCHIP ALLOTMENT FOR ANY FISCAL YEAR FOR CERTAIN MEDICAID EXPENDITURES.

(a) In General.—Section 2105(g)(1)(A) of the Social Security Act (42 U.S.C. 1397ee(g)(1)(A)) (as added by section 1(b) of Public Law 108–74) is amended by striking ", 1999, 2000, or 2001" and inserting "and any fiscal year thereafter".

(b) Special Rule for Use of Allotments for Fiscal Year 2002 or Thereafter.—Section 2105(g) of the Social Security Act (42 U.S.C. 1397ee(g)) (as so added and as amended by Public Law 108–127) is amended—

(1) in paragraph (2), by striking "In this subsection" and inserting "Subject to paragraph (4), in this subsection"; and

(2) by adding at the end the following:

"(4) Special rule regarding authority to use portion of allotments for fiscal year 2002 or thereafter.—Notwithstanding paragraph (2), the authority provided under paragraph (1)(A) with respect to any allotment under section 2104 for fiscal year 2002 or any fiscal year thereafter (insofar as the allotment is available under subsections (e) and (g) of such section), shall only apply to a qualifying State if the State has implemented at least 3 of the following policies and procedures (relating to coverage of children under title XIX and this title):

"(A) Uniform, simplified application form.—With respect to children who are eligible for medical assistance under section 1902(a)(10)(A), the State uses the same uniform, simplified application form (including, if applicable, permitting application other than in person) for purposes of establishing eligibility for benefits under title XIX and this title.

"(B) Elimination of asset test.—The State does not apply any asset test for eligibility under section 1902(l) or this title with respect to children.

"(C) Adoption of 12-month continuous enrollment.—The State provides that eligibility shall not be regularly redetermined more often than once every year under this title or for children described in section 1902(a)(10)(A).

"(D) Same verification and redetermination policies; automatic reassessment of eligibility.—With respect to children who are eligible for medical assistance under section 1902(a)(10)(A), the State provides for initial eligibility determinations and redeterminations of eligibility using the same verification policies (including with respect to face-to-face interviews), forms, and frequency as the State uses for such purposes under this title, and, as part of such redeterminations, provides for the automatic reassessment of the eligibility of such children for assistance under title XIX and this title.

"(E) Outstationing enrollment staff.—The State provides for the receipt and initial processing of applications for benefits under this title and for children under title XIX at facilities defined as disproportionate share hospitals under section 1923(a)(1)(A) and Federally-qualified health centers described in section 1905(l)(2)(B) consistent with section 1902(a)(55).".

(c) Conforming Amendment.—Section 2105(g)(3) of the Social Security Act (42 U.S.C. 1397ee(g)(3)) is amended by striking "paragraphs (1) and (2)" and inserting "this subsection".

(d) Effective Date.—The amendments made by this section take effect as if enacted on October 1, 2003.

By Ms. SNOWE (for herself and Mr. Voinovich):

S. 1977. A bill to promote the manufacturing industry in the United States by establishing an Assistant Secretary for Manufacturing within the Department of Commerce, an Interagency Manufacturing Task Force, and a Small Business Manufacturing Task Force, and for other purposes; to the Committee on Small Business and Entrepreneurship.

Ms. SNOWE. Mr. President, I rise today to introduce the "Small Manufacturers Assistance, and Trade (SMART) Act," which responds to the needs of America's small manufacturers. This bill offers a new emphasis on programs and services within the Federal Government that will provide small companies a better opportunity to survive in these challenging times and compete in our global economy. The SMART Act introduces new resources, improves existing programs, and expands those programs that work to serve a larger constituency. It is critical that we revitalize our country's manufacturing base and establish an environment for economic growth and job creation.

Small manufacturers constitute over 98 percent of our Nation's manufacturing enterprises, employ 12 million people, and supply more than 50 percent of the value-added U.S. production. It is a sector we cannot afford to ignore. In addition, no industry has witnessed a more profound erosion of jobs.

The damage manufacturing has sustained is nothing short of alarming. Since July 2000, almost 2.8 million U.S. manufacturing jobs have been eliminated. New England alone lost more than 214,000 jobs between June 1993 through June 2003, with 78 percent of those losses, 166,000 jobs, occurring since January of 2001.

In my home State of Maine, we've been shedding jobs at a startling rate over the past decade—and even more so in the past 2 years. Between July 2000 and June 2003 an astounding 17,300 manufacturing jobs were lost.

The bottom line is that we must bolster our manufacturing industry, especially with the current 6.0 percent unemployment rate in the United States. To ensure that the road to recovery is robust, we have a special obligation to provide the investment to allow small companies to grow. In fact, it has been reported that for every dollar of final manufacturing output, an additional $1.26 is created in other industry sectors such as suppliers of raw materials, marketing, and retail industries.

Looking even more broadly, a healthy manufacturing base is essential to the preservation of our Nation's security and its status as a world power. We must end the trend of becoming increasingly dependent upon other countries for the products we use and rely upon. Now is the crucial time for everyone—industry representatives, Congress, the President, Republicans and Democrats alike—to work together toward the common goal of revitalizing this industry.

As the Chair of the Committee on Small Business, I have been focusing considerable attention on the concerns of small business manufacturers and efforts to aid in their recovery. Last month, I held a field hearing on this critical subject in Lewiston, ME. I invited Grant Aldonas, Under Secretary for International Trade of the Commerce Department, and Pamela Olson, Assistant Secretary for Tax Policy of the Treasury Department, to participate and explored with them ways to strengthen and expand this vital industry. Their testimony and comments confirmed that we cannot delay and must act quickly to support our small manufacturing base.

Additionally, I heard from a number of small businesses in the manufacturing industry. Their testimony confirmed the damage sustained by our country's manufacturing sector, and the sense of urgency that we need to act immediately to assist them. The SMART Act is a vital first step toward helping them do what they do best—create jobs.

The bill I introduce today starts by establishing a strong and influential voice for manufacturers within the Federal Government through the creation of an Assistant Secretary for Manufacturing within the U.S. Department of Commerce. The new Assistant Secretary will be responsible for identifying and addressing the concerns of small manufacturers at the highest level of our Federal Government. Senator Voinovich has introduced S. 1326, which similarly creates an Assistant Secretary for Manufacturing. I support that bill and Senator VOINOVICH's efforts to assisting our country's manufacturers.

To ensure that the government acts on the needs of manufacturers, the SMART Act creates an Interagency Manufacturing Task Force (IMTF). The mission of the IMTF will be to encourage the Federal departments and agencies to coordinate their efforts by identifying and addressing manufacturing concerns collectively. The IMTF will be chaired by the Commerce Department's new Assistant Secretary for Manufacturing and will be comprised of representatives from the Federal departments and agencies that directly affect this sector of our economy. In addition, the IMTF will be tasked with the duty of submitting an annual report on their findings and recommendations to the President and the Senate and House Small Business Committees.

In conjunction with this government-wide task force, the SMART Act also continues to improve the Federal infrastructure supporting the industry by establishing a Small Business Manufacturing Task Force (SBMTF) within the Small Business Administration (SBA). The SBA has a wide spectrum of programs and services available to small manufacturers. The mission of the new SBMTF will be to refocus the agency's programs and services to ensure that they respond to the particular needs of small manufacturers while still serving all aspects of the small business community.

Adding to the information gained from the Committee's hearing, we have reviewed the SBA's programs and services that are geared specifically toward manufacturing and international trade. I was alarmed to learn, during this hearing, that small manufacturers were unfamiliar with the SBA programs that can assist them. These findings revealed that the SBA needs to realign its efforts specifically to include manufacturers in the delivery of the agency's program and services.

In order to improve existing SBA small business development programs, the agency needs to take its services beyond the traditional small business enterprise. The SMART Act improves the SBA's entrepreneurial development programs and services so that small manufacturers can grow their business operation, expand their facilities, and purchase new equipment—all of which will result in creating jobs throughout the industry and its supply chain.

Partnerships developed between SBA related organizations and non-SBA related entities will be an additional asset for these producers. The SMART Act directs the SBA to develop partnerships with the Manufacturing Extension Partnership (MEP), community economic development organizations, and the agency's resource partners—such as Small Business Development Centers and SCORE—to create new outreach and training programs for small manufacturers and small businesses in the manufacturing supply chain.

The SMART Act requires SCORE, with its long established expertise in counseling, to extend its reach to small manufacturers and exporters through its online counseling services and its community based offices. The Act also directs SCORE to recruit more counselors with manufacturing and international trade expertise and increase its partnerships with manufacturing and exporting related organizations, which will help increase the marketing capabilities of these small producers and exporters.

I have also learned that small and medium sized companies are often hesitant to engage in the export of their product as a way to grow their small business, because they are often fearful of the many unfamiliar intricacies involved in doing business in a foreign market. Small businesses currently account for almost $300 billion of yearly export sales—nearly one-third of total U.S. exports. However, according to an Administration survey through the SBA's Export Trade Assistance Partnership, approximately 30 percent of non-exporting small businesses are interested in exporting their products and services. These businesses hold the potential to be a major source for even more economic activity and job growth.

The SBA is a pivotal resource in delivering financial and business development tools to businesses seeking to export. The SMART Act improves the SBA's international trade and exporting programs to assist small businesses and manufacturers expand into the export market and play an even greater role in the balance of U.S. trade.

The SMART Act also requires the SBA to establish annual goals that are linked to its trade promotion activities, and to develop programs that will help small businesses compete against imports. This objective will be more easily obtained by incrementally increasing the number of SBA representatives at the U.S. Export Assistance Centers (USEACs) over the next 3 years. To ensure that all States have the same services available, the SBA Office of International Trade will have at least one financial specialist dedicated to the international loan programs and providing oversight of trade financing issues.

The SBA's financing programs have helped American small businesses create and retain jobs, even as other sources of financing have become more scarce. This bill provides improvements to the SBA's 7(a), 504, and Surety Bond programs.

From Fiscal Year 1999 through Fiscal Year 2002, the 7(a) loan program helped small businesses create more than 1.3 million new jobs by making $37.7 billion in financing available to more than 182,000 small businesses. This bill increases the maximum size of 7(a) loans for small exporters from $2 million to $2.6 million by increasing the maximum amount guaranteed by the SBA from $1 million to $1.3 million.

During that same period, the 504 loan program provided more than 20,000 new loans to small businesses, allowing those businesses to create or retain almost 450,000 jobs. The SMART Act increases 504 loan sizes in two ways. First, the bill increases the maximum loan size for manufacturing projects by increasing the SBA's maximum guarantee, which is 40 percent of the total loan size, from $1 million to $4 million. Second, for loans to exporters, the bill increases the maximum loan size from $3.25 million to $5 million by increasing the SBA's maximum guarantee from $1.3 million to $2 million.

Finally, the bill clarifies that under the SBA's Surety Bond Guarantee Program, the SBA may guarantee bonds for specific contracts of $2 million or less, even if the total range of affiliated contracts may exceed $2 million.

These SBA financing programs have helped to create millions of jobs in America, and manufacturers and exporters have been an important part of that success. This bill will increase small companies' and exporters' ability to obtain vital capital that will help them compete in a very difficult international environment and enable them to create more jobs for American workers.

I am drawing these provisions from another bill I have authored, the Small Business Administration 50th Anniversary Reauthorization Act of 203 (S. 1375), which the Committee and the Senate unanimously approved earlier this year. While we are waiting for the House of Representatives to pass an SBA reauthorization bill, I believe that given the importance of these financing provisions, they must be included in this bill as well to increase their chance of being signed into law.

Because Federal assistance for small manufacturers should extend beyond the SBA, the SMART Act will also establish a new Assistant United States Trade Representatives for Small Business within the Office of the United States Trade Representatives (USTR). This office will be tasked with focusing on small businesses', including small manufacturers, concerns in trade negotiations and promoting their exports.

There are currently 21 Assistant USTRs covering issues from services to telecommunications to labor. While small businesses face many of the same issues that serve as barriers to trade as many of the largest multinational corporations, they do not have the same resources to overcome these barriers, thus blocking them from reaping the benefits of international trade. In particular, small businesses do not have the resources necessary to settle private trade disputes in a timely and cost effective fashion, meet physical presence requirements in other countries, conform to complex customs procedures, or meet off-set exclusions in government procurement. By establishing a new Assistant U.S. Trade Representative, we will ensure that the views and concerns of small businesses will have an appropriate seat at the negotiating table and help secure the competitiveness of our small exporters abroad.

The Small Manufacturers Assistance, Recovery, and Trade Act answers the call for help that I have heard too often of late from small manufacturers in this country. These improvements to existing resources within the Federal government will give these companies a better opportunity to survive in these challenging times and compete in the global economy.

This bill is a critical starting point to revitalize our country's manufacturing base and create an environment that allows them to grow and create jobs again. We must help these businesses access the global marketplace through expanded exporting opportunities and assistance. I intend to work with all groups and interested parties that are committed to improving and passing this bill. There are still many needs that face our Nation's manufacturers—and this is just the beginning.

I look forward to working with my colleagues in the Senate to ensure that the provisions of this bill are enacted so that these companies can continue to grow and reach their full potential.

Mr. President, I ask unanimous consent that the text of the bill and a section-by-section analysis be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1977

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Small Manufacturers Assistance, Recovery, and Trade Act" or "SMART Act".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—MANUFACTURING AND TRADE REPRESENTATIVES AND TASK FORCE

Sec. 101. Assistant Secretary of Commerce for Manufacturing.

Sec. 102. Interagency Manufacturing Task Force.

Sec. 103. Assistant United States Trade Representative for Small Business.

TITLE II—SMALL BUSINESS ADMINISTRATION

Subtitle A—Manufacturing and Entrepreneurial Development

Sec. 201. Small Business Manufacturing Task Force.

Sec. 202. Entrepreneurial development programs and services.

Subtitle B—Small Business Loan Programs

Sec. 211. Increased loan amounts for exporters.

Sec. 212. Debenture size.

Sec. 213. Job creation or retention standards.

Sec. 214. Clarification of maximum surety bond guarantee.

Subtitle C—International Trade

Sec. 221. Office of International Trade.

TITLE I—MANUFACTURING AND TRADE REPRESENTATIVES AND TASK FORCE

SEC. 101. ASSISTANT SECRETARY OF COMMERCE FOR MANUFACTURING.

(a) ESTABLISHMENT.—There shall be in the Department of Commerce, in addition to the Assistant Secretaries of Commerce provided by law as of the date of enactment of this Act, 1 additional Assistant Secretary of Commerce, to be known as the Assistant Secretary of Commerce for Manufacturing, who shall—

(1) be appointed by the President, by and with the advice and consent of the Senate; and

(2) be compensated at the rate of pay provided for under level IV of the Executive Schedule (5 U.S.C. 5315).

(b) DUTIES.—The Assistant Secretary of Commerce for Manufacturing shall—

(1) identify and address the concerns of manufacturers;

(2) represent and advocate for the interests of United States manufacturers;

(3) aid in the development of policies that promote the vitality and expansion of United States manufacturing;

(4) review policies that adversely impact manufacturers;

(5) identify and address issues that are unique to small manufacturers and those that are exacerbated by the size or limited capital of small manufacturers; and

(6) perform such other duties as the Secretary of Commerce may prescribe.

(c) REPORTING REQUIREMENTS.—The Assistant Secretary of Commerce for Manufacturing shall submit to Congress an annual report that contains—

(1) an overview of the state of the manufacturing sector in the United States;

(2) a forecast of the future state of the manufacturing sector in the United States; and

(3) an analysis of current and significant laws, regulations, and policies that adversely impact the manufacturing sector in the United States.

(d) TECHNICAL AND CONFORMING AMENDMENT.—Section 5315 of title 5, United States Code, is amended by striking "Assistant Secretaries of Commerce (11)" and inserting "Assistant Secretaries of Commerce (12)".

SEC. 102. INTERAGENCY MANUFACTURING TASK FORCE.

(a) ESTABLISHMENT.—There is established an Interagency Manufacturing Task Force (referred to in this section as the "IMTF") for the purposes of—

(1) maximizing the efforts and resources of Federal agencies in assisting the manufacturing industry;

(2) improving interagency cooperation in their efforts to assist the manufacturing industry;

(3) encouraging additional efforts to assist United States manufacturers;

(4) coordinating the agencies' efforts to assist the manufacturing industry; and

(5) identifying and addressing collective manufacturing concerns.

(b) MEMBERSHIP.—The IMTF shall be composed of 14 members, including—

(1) the Assistant Secretary of Commerce for Manufacturing, who shall serve as chair of the IMTF;

(2) a representative of the Department of the Treasury, to be designated by the Secretary of the Treasury;

(3) a representative of the Department of Defense, to be designated by the Secretary of Defense;

(4) a representative of the Department of Education, to be designated by the Secretary of Education;

(5) a representative of the Department of Energy, to be designated by the Secretary of Energy;

(6) a representative of the Department of Health and Human Services, to be designated by the Secretary of Health and Human Services;

(7) a representative of the Department of Homeland Security, to be designated by the Secretary of Homeland Security;

(8) a representative of the Department of Labor, to be designated by the Secretary of Labor;

(9) a representative of the Environmental Protection Agency, to be designated by the Administrator of the Environmental Protection Agency;

(10) a representative of the Office of the United States Trade Representative, to be designated by the United States Trade Representative;

(11) a representative of the Small Business Administration, to be designated by the Administrator of the Small Business Administration;

(12) a representative of the Executive Office of the President, to be designated by the President; and

(13) 2 additional members, to be designated by the President.

(c) DUTIES.—Under the direction of the Assistant Secretary of Commerce for Manufacturing, the IMTF shall—

(1) provide advice and counsel to the President and Congress on matters of importance to manufacturers;

(2) monitor, coordinate, and promote the plans, programs, and operations of the departments and agencies of the Federal Government that may contribute to the growth of the United States manufacturing industry;

(3) develop and promote new public sector initiatives, policies, programs, and plans designed to foster the manufacturing industry;

(4) review, monitor, and coordinate plans and programs developed in the public sector, which affect the ability of manufacturers to obtain capital, credit, and access to technology;

(5) identify and address regulations that are needlessly burdensome on manufacturers; and

(6) design a comprehensive plan for a joint public-private sector effort to facilitate the growth and development of the United States manufacturing industry.

(d) MEETINGS.—

(1) FREQUENCY.—The IMTF shall meet not less than 4 times per year to perform the duties under subsection (c).

(2) QUORUM.—A majority of the members of the IMTF shall constitute a quorum to approve recommendations or reports.

(e) PERSONNEL MATTERS.—

(1) COMPENSATION OF MEMBERS.—

(A) FEDERAL EMPLOYEES.—Each member of the IMTF who is an officer or employee of the Federal Government shall serve without compensation in addition to that received for services rendered as an officer or employee of the United States.

(B) OTHER MEMBERS.—Each member of the IMTF who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent for level IV of the Executive Schedule (5 U.S.C. 5315) for each day (including travel time) during which such member is engaged in the performance of the duties of the IMTF.

(2) TRAVEL EXPENSES.—The members of the IMTF shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of Federal agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular place of business in the performance of services for the IMTF.

(3) DETAIL OF FEDERAL EMPLOYEES.—Any employee of the Federal Government may be detailed to the IMTF without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(f) REPORTS.—

(1) FINDINGS AND RECOMMENDATIONS.—Not later than 1 year after the date of enactment of this Act, and annually thereafter, the IMTF shall submit a report containing the findings and recommendations described in paragraphs (1) through (5) of subsection (c) to—

(A) the President;

(B) the Committee on Small Business and Entrepreneurship of the Senate; and

(C) the Committee on Small Business of the House of Representatives.

(2) GROWTH PLAN.—Not later than 1 year after the date of enactment of this Act, the Assistant Secretary of Commerce for Manufacturing shall submit the plan prepared pursuant to subsection (c)(6) to—

(A) the President;

(B) the Committee on Small Business and Entrepreneurship of the Senate; and

(C) the Committee on Small Business of the House of Representatives.

SEC. 103. ASSISTANT UNITED STATES TRADE REPRESENTATIVE FOR SMALL BUSINESS.

Section 141(c) of the Trade Act of 1974 (19 U.S.C. 2171(c)) is amended by adding at the end the following:

"(6)(A) There is established within the Office the position of Assistant United States Trade Representative for Small Business, which shall be appointed by the United States Trade Representative.

"(B) The Assistant United States Trade Representative for Small Business shall—

"(i) promote the trade interests of small businesses, including manufacturers;

"(ii) identify and address foreign trade barriers that impede small business exporters;

"(iii) enforce existing trade agreements beneficial to small businesses;

"(iv) maintain an open line of communication with the Small Business Administration concerning small business trade issues;

"(v) ensure that small business concerns are considered in trade negotiations and agreements; and

"(vi) perform such other duties as the United States Trade Representative may direct.

"(C) The Assistant United States Trade Representative for Small Business shall be paid at the level of a member of the Senior Executive Service with equivalent time and service.".

TITLE II—SMALL BUSINESS ADMINISTRATION

Subtitle A—Manufacturing and Entrepreneurial Development

SEC. 201. SMALL BUSINESS MANUFACTURING TASK FORCE.

(a) ESTABLISHMENT.—The Administrator of the Small Business Administration (referred to in this subtitle as the "Administrator") shall establish a Small Business Manufacturing Task Force (referred to in this section as the "Task Force") to address the concerns of small manufacturers.

(b) MEMBERSHIP.—

(1) IN GENERAL.—The Task Force shall be composed of a representative from—

(A) the Office of Capital Access;

(B) the Office of Entrepreneurial Development;

(C) the Office of Administration and Management;

(D) the Office of Government Contracting and Business Development; and

(E) any other employee of the Small Business Administration, on a temporary basis, as determined necessary by the Administrator to carry out the goals of the Task Force.

(2) CHAIR.—The Administrator shall assign a member of the Task Force to serve as chair of the Task Force.

(c) DUTIES.—The Task Force shall—

(1) evaluate and identify whether programs and services are sufficient to serve the needs of small manufacturers;

(2) ensure that the Small Business Administration implements the small business manufacturing training programs established under section 202;

(3) actively promote the programs and services of the Small Business Administration that serve small manufacturers; and

(4) identify and study the unique conditions facing small manufacturers and develop and propose policy initiatives to support and assist small manufacturers.

(d) MEETINGS.—

(1) FREQUENCY.—The Task Force shall meet not less than 4 times per year, and more frequently if necessary to perform its duties.

(2) QUORUM.—A majority of the members of the Task Force shall constitute a quorum to approve recommendations or reports.

(e) PERSONNEL MATTERS.—

(1) COMPENSATION OF MEMBERS.—Each member of the Task Force shall serve without compensation in addition to that received for services rendered as an officer or employee of the United States.

(2) DETAIL OF SBA EMPLOYEES.—Any employee of the Small Business Administration may be detailed to the Task Force without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(f) REPORT.—Not later than 1 year after the date of enactment of this Act, and annually thereafter, the Task Force shall submit a report containing the findings and recommendations of the task force to—

(1) the President;

(2) the Committee on Small Business and Entrepreneurship of the Senate; and

(3) the Committee on Small Business of the House of Representatives.

SEC. 202. ENTREPRENEURIAL DEVELOPMENT PROGRAMS AND SERVICES.

(a) MANUFACTURING OUTREACH AND TRAINING PROGRAMS.—The Office of Entrepreneurial Development of the Small Business Administration shall develop new outreach and training programs for small manufacturers and small businesses in the manufacturing supply chain, in partnership with 1 or more of the following:

(1) The Manufacturing Extension Partnership.

(2) Community economic development organizations.

(3) Small Business Development Centers.

(4) The Service Corps of Retired Executives.

(5) Women's Business Centers.

(b) REPORTING REQUIREMENT.—The Small Business Administration shall include "manufacturing" as a category on the scorecard that tracks the goals of the Small Business Administration on its annual performance report to Congress.

(c) MANUFACTURING WORKSHOPS.—The Office of Entrepreneurial Development of the Small Business Administration, in consultation with manufacturing and economic development organizations, shall develop workshops to be conducted by district offices, in conjunction with the entities listed in paragraphs (1) through (5) of subsection (a), addressing—

(1) product design and testing;

(2) the patent process;

(3) prototype demonstrations;

(4) product production;

(5) market research; and

(6) business financing.

(d) SCORE.—The Service Corps of Retired Executives shall—

(1) make their counseling services available to small manufacturers and exporters through their on-line counseling services and community-based offices;

(2) recruit counselors with manufacturing and international trade expertise; and

(3) develop additional partnerships with manufacturing and exporting organizations.

(e) ENTREPRENEURIAL DEVELOPMENT PROGRAM IMPROVEMENTS.—The Office of Entrepreneurial Development of the Small Business Administration shall develop programs and services to strengthen small business vendors and suppliers that participate in the manufacturing supply chain.

(f) SIMPLIFIED REPORTING REQUIREMENTS.—The Small Business Administration shall review and simplify, as appropriate, its reporting requirements for the Small Business Development Centers, the Service Corps of Retired Executives, and Women's Business Centers so that these organizations can maximize the time spent assisting their clients.

(g) DISTRICT OFFICES.—The Small Business Administration shall provide district offices with adequate resources, including budget allocations for travel and materials used to conduct outreach and training activities.

Subtitle B—Small Business Loan Programs

SEC. 211. INCREASED LOAN AMOUNTS FOR EXPORTERS.

Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(1) in paragraph (3)—

(A) in subparagraph (A), by inserting before the semicolon at the end the following: "and paragraph (14)"; and

(B) in subparagraph (B), by striking "$1,250,000" and inserting "$1,300,000"; and

(2) in paragraph (14), by adding at the end the following:

"(D) The total amount of financings under this paragraph that are outstanding and committed (by participation or otherwise) to the borrower from the business loan and investment fund established under this Act may not exceed $1,300,000 and the gross loan amount under this paragraph may not exceed $2,600,000.".

SEC. 212. DEBENTURE SIZE.

Section 502(2) of the Small Business Investment Act of 1958 (15 U.S.C. 696(2)) is amended—

(1) by striking "$1,300,000" and inserting "$2,000,000"; and

(2) by inserting before the period at the end the following: ", and loans for which the loan proceeds will be directed toward manufacturing projects, which shall be limited to $4,000,000 for each such identifiable small business concern".

SEC. 213. JOB CREATION OR RETENTION STANDARDS.

Section 501 of the Small Business Investment Act of 1958 (15 U.S.C. 695) is amended by adding at the end the following:

"(e) JOB CREATION OR RETENTION FOR MANUFACTURING PROJECTS.—A manufacturing project being funded by the debenture is deemed to satisfy the job creation or retention requirement under subsection (d)(1) if the project creates or retains 1 job opportunity for every $100,000 guaranteed by the Administration.".

SEC. 214. CLARIFICATION OF MAXIMUM SURETY BOND GUARANTEE.

Section 411(a)(1) of the Small Business Investment Act of 1958 (15 U.S.C. 694b(a)(1)) is amended by striking "contract up to" and inserting "total work order or contract amount at the time of bond execution that does not exceed".

Subtitle C—International Trade

SEC. 221. OFFICE OF INTERNATIONAL TRADE.

Section 22 of the Small Business Act (15 U.S.C. 649) is amended—

(1) by striking "SEC. 22" and inserting the following:

"SEC. 22. OFFICE OF INTERNATIONAL TRADE.";

(2) in subsection (a)—

(A) by inserting "ESTABLISHMENT.—" after "(a)"; and

(B) by inserting "(referred to in this section as the 'Office')," after "Trade";

(3) in subsection (b)—

(A) by striking "The Office" and inserting the following:

"(b) TRADE DISTRIBUTION NETWORK.—The Office, including United States Export Assistance Centers (referred to as 'one-stop shops' in section 2301(b)(8) of the Omnibus Trade and Competitiveness Act of 1988 (15 U.S.C. 4721(b)(8)) and as 'Export Centers' in this section),"; and

(B) by amending paragraph (1) to read as follows:

"(1) assist in maintaining a distribution network using regional and local offices of the Administration, the Small Business Development Center network, the Women's Business Center network, and Export Centers for—

"(A) trade promotion;

"(B) trade finance;

"(C) trade adjustment;

"(D) trade remedy assistance; and

"(E) trade data collection.";

(4) in subsection (c)—

(A) by redesignating paragraphs (1) through (8) as paragraphs (2) through (9);

(B) by inserting before paragraph (2), as redesignated, the following:

"(1) establish annual goals within the Office relating to—

"(A) enhancing the exporting ability of small business concerns and small manufacturers;

"(B) facilitating technology transfers;

"(C) enhancing programs and services to assist small business concerns and small manufacturers to compete effectively and efficiently against foreign entities;

"(D) increasing the access to capital by small business concerns;

"(E) disseminating information concerning Federal, State, and private programs and initiatives;

"(F) ensuring that the interests of small business concerns are adequately represented in trade negotiations;";

(C) in paragraph (2), as redesignated, by striking "mechanism 'for" and all that follows through "(D)" and inserting the following: "mechanism for—

"(A) identifying subsectors of the small business community with strong export potential;

"(B) identifying areas of demand in foreign markets;

"(C) prescreening foreign buyers for commercial and credit purposes; and

"(D)"; and

(D) in paragraph (9), as redesignated—

(i) by striking "full-time export development specialists to each Administration regional office and assigning";

(ii) by striking "office. Such specialists" and inserting "office and providing each Administration regional office with a full-time export development specialist, who";

(iii) in subparagraph (D), by striking "and" at the end;

(iv) in subparagraph (E), by striking the period at the end and inserting a semicolon; and

(v) by adding at the end the following:

"(F) participate jointly with employees of the Office in an annual training program that focuses on current small business needs for exporting; and

"(G) jointly develop and conduct training programs for exporters and lenders in cooperation with the United States Export Assistance Centers, the Department of Commerce, Small Business Development Centers, and other relevant Federal agencies.";

(5) in subsection (d)—

(A) by inserting "EXPORT FINANCING PROGRAMS.—" after "(d)";

(B) by redesignating paragraphs (1) through (5) as subparagraphs (A) through (E); and

(C) by striking "To accomplish this goal, the Office shall work" and inserting "To accomplish this goal, the Office shall—

"(1) designate at least 1 individual within the Administration as a trade financial specialist to oversee the international loan programs and assist Administration employees with trade finance issues; and

"(2) work";

(6) in subsection (e), by inserting "TRADE REMEDIES.—" after "(e)";

(7) by amending subsection (f) to read as follows:

"(f) REPORTING REQUIREMENT.—The Office shall submit an annual report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives that contains—

"(1) a description of the progress of the Office in implementing the requirements under this section;

"(2) the destinations and benefits to the Administration and to small business concerns of travel by Office staff; and

"(3) a description of the participation by the Office in trade negotiations.";

(8) in subsection (g), by inserting "STUDIES.—" after "(g)"; and

(9) by adding at the end the following:

"(h) EXPORT ASSISTANCE CENTERS.—

"(1) ADDITIONAL CENTERS.—The Administration, in accordance with the March 29, 2002, agreement with the Department of Commerce and the Export-Import Bank, shall assign not less than 4 additional employees to Export Centers during each of the fiscal years 2004 through 2006.

"(2) PLACEMENT.—The Administration shall use the resource allocation methodology, used by the Department of Commerce as of the date of enactment of this subsection, to strategically assign Administration employees to all Export Centers based on the needs of exporters.

"(3) GOALS.—The Office shall work with the Department of Commerce and the Export-Import Bank to establish shared annual goals for the Export Centers.

"(4) OVERSIGHT.—The Office shall designate an individual within the Administration to oversee all activities conducted by Administration employees assigned to Export Centers.".

TITLE 1. MANUFACTURING AND TRADE REPRESENTATIVES AND TASK FORCE

Section 101. Assistant Secretary of Commerce for Manufacturing.

This section establishes an Assistant Secretary of Commerce for Manufacturing within the Department of Commerce. The Assistant Secretary shall be responsible for identifying and addressing manufacturers' concerns and representing and advocating for their interests. A person shall be appointed to this position by the President of the United States, in accordance with the Constitution, and shall serve at the discretion of the President of the United States.

Section 102. The Interagency Manufacturing Task Force.

This provision establishes an Interagency Manufacturing Task Force (IMTF). The IMTF will be chaired by the new Assistant Secretary of Commerce for Manufacturing and will be comprised of representatives of the Departments of Treasury, Defense, Education, Energy, Health and Human Services, Homeland Security, and Labor, the Environmental Protection Agency, the Small Business Administration, the United States Trade Representative, a representative of the Executive staff of the President and two additional members designated by the President.

Under the Chair's direction, the IMTF shall: (a) identify and address regulations that are needlessly burdensome on manufacturers; (b) provide advice and counsel to the President and Congress on matters of importance to manufacturers; (c) monitor, coordinate and promote the plans, programs and operations of the departments and agencies of the Federal Government that may contribute to the U.S. manufacturing industry's growth; (d) develop and promote new public-sector initiatives, policies, programs and plans designed to foster the manufacturing industry; (e) review, monitor and coordinate plans and programs developed in the public sector that affect manufacturers' ability to obtain capital, credit and access to technology; and (f) design a comprehensive plan for a joint public-private sector effort to facilitate the growth and development of the U.S. manufacturing industry, which shall be submitted, not later than 1 year after the effective date of the bill, to the President and the Senate and House Small Business Committees. This section also instructs the IMTF to submit a report of its findings and recommendations to the President and the Senate and House Small Business Committees not later than 1 year after the effective date of the bill and annually thereafter.

Section 103. Assistant United States Trade Representative for Small Business.

This section establishes a new Assistant United States Trade Representative for Small Business, within the Office of the United States Trade Representative (USTR). This new position shall promote trade interest for small businesses and ensure that their concerns are considered in trade negotiations and agreements.

TITLE II—SMALL BUSINESS ADMINISTRATION

SUBTITLE A—MANUFACTURING AND ENTREPRENEURIAL DEVELOPMENT

Section 201. The Small Business Manufacturing Task Force.

This section establishes a Small Business Manufacturing Task Force (SBMTF) within the Small Business Administration (SBA), which will be comprised of the SBA personnel appointed by the SBA Administrator. The SBMTF will: (a) evaluate and identify whether existing programs and services are sufficient to serve small manufacturers' needs, or whether additional programs or services are necessary; (b) ensure that the SBA implements the small business manufacturing training initiatives referenced in this legislation; (c) actively promote the SBA's programs and services that serve small manufacturers; and (d) identify and study the unique conditions of small manufacturers and develop and propose policy initiatives to support and assist them. This section also instructs the SBMTF to submit a report of its findings and recommendations to the President and the Senate and House Small Business Committees not later than 12 months after the effective date of the bill and annually thereafter.

Section 202. Entrepreneurial development programs and services.

This section: (a) directs the SBA to create new outreach and training programs for small manufacturers and small businesses in the manufacturing supply chain by developing partnerships with other manufacturing and business-assistance organizations and SBA's resource partners; (b) directs the SBA to include "manufacturing" on their scorecard that tracks the goals of the SBA and to report this information to Congress; (c) directs the SBA to consult with manufacturing and economic development organizations to develop and conduct specialized workshops to address important aspects of the manufacturing business; (d) requires SCORE to expand and improve their present counseling services for small manufacturers and exporters; (e) directs the SBA's Office of Entrepreneurial Development to develop programs and services to strengthen small business vendors and suppliers that participate in the manufacturing supply chain; (f) directs the SBA to review and simplify its reporting requirements for the Small Business Development Centers, SCORE, and Women's Business Centers; and (g) directs the SBA to provide adequate resources to the district offices for outreach and training activities.

SUBTITLE B—SMALL BUSINESS LOAN PROGRAMS

Section 211. Increased loan amounts for exporters.

This section increases the maximum size of a loan that an exporter may receive under the SBA's 7(a) Export Working Capital Program (EWCP) to $2.6 million (instead of the current maximum loan size of $2 million) by increasing the maximum SBA guarantee to $1.3 million (instead of the current maximum SBA guarantee of $1 million). In order to conform the size of the guaranteed portion of an EWCP loan to that of a loan under the SBA's 7(a) International Trade Loan Program, the section also increases the maximum SBA-guaranteed portion of an ITL Program loan from $1.25 million to $1.3 million.

Section 212. Debenture size.

This section increases the maximum loan guarantee amount from $1.3 million to $2 million for loans that support a public policy goal, which includes loans to exporters. The guaranteed amount of $2 million represents 40 percent of the total loan size, so small businesses will be able to receive loans of up to $5 million for these types of projects. This section also increases the maximum size of the SBA's guarantee from $1 million to $4 million for loans that will be used for manufacturing projects (leading to a maximum loan size of $10 million for small manufacturers, because the guarantee represents 40 percent of the maximum loan size).

Section 213. Job creation or retention standards.

This section modifies the job retention or creation standard for small manufacturers (currently one job per $35,000 guaranteed by the SBA) so that the small manufacturers must create or retain one job for each $100,000 guaranteed by the SBA.

Section 214. Clarification of maximum surety bond guarantee.

This section clarifies that the SBA may guarantee surety bonds for specific contracts of $2 million or less when the total range of affiliated contracts exceeds $2 million, or has the potential to exceed $2 million. The surety's bond liability, however, may not exceed $2 million.

SUBTITLE C—INTERNATIONAL TRADE

Section 221. Office of International Trade.

This section: (a) establishes annual goals for the Office of International Trade—specifically, to enhance the export ability of small businesses and small manufacturers, to facilitate technological transfers, to enhance the ability of small business and small manufacturers to compete against foreign corporations, to increase small businesses' access to capital, to disseminate information on programs and initiatives, and to ensure that small businesses are represented in trade negotiations; (b) instructs the Office of International Trade and district office export development specialist to participate in an annual training program that focuses on current small business needs for exporting; (c) instructs the district offices to jointly develop and conduct training programs for exporters and lenders in cooperation with USEACs, the Department of Commerce, Small Business Development Centers and other relevant Federal agencies; (d) amends the Office of International Trade's reporting requirements to include a description and justification for the Office of International Trade's expenditures on travel and participation in trade negotiations; and (e) requires that the SBA increase the number of SBA representatives at the United States Export Assistance Centers (USEACs) over the next 3 years according to the Commerce Department's resource allocation methodology and to designate an individual within the SBA to oversee the agency's participation as well as to work with the USEACs partners to establish annual goals for the Export Centers.

By Mr. GRASSLEY (for himself and Mr. BAUCUS):

S. 1979. A bill to amend the Internal Revenue Code of 1986 to prevent the fraudulent avoidance of fuel taxes; to the Committee on Finance.

Mr. GRASSLEY. Mr. President, today we introduce a bill to fight tax fraud. I am not talking about just moving around a few numbers on a tax return. Today we will begin closing the loop holes that have created millions of gallon and billions of dollars of missing fuel and missing tax dollars. This problem not only robs the U.S. Treasury it also robs the American Taxpayer.

We rely on these tax dollars to fund not only the Highway Trust Fund, which is charged with constructing and maintaining our national transportation system, this also robs money from our Airport Trust Fund.

In light of investigations completed since September 11th, the safety and soundness of maintaining our nation's transportation infrastructure is now more than ever of the utmost importance. These issues are not just tax fraud—not only are we concerned with the tax loss, but where else is this money going—is it being used to fund terrorism? We need to know where all of this fuel is going. What makes us think that if we cannot find the fuel to collect the tax, that we could find the fuel to stop the terrorists acts. A missing barge could hold ninety tanker truck loads of fuel, that's about $500,000 in Federal and State excise taxes left uncollected, its also hundreds of thousands of gallons that we cannot account. That cannot happen, and this bill should help our enforcement officers close the loop holes and collect the tax that builds our highways.

Mr. BAUCUS. Mr. President, today Senator GRASSLEY and I introduce a bill that is the essence of good government. For a few years now the Senate Finance Committee has been working to increase the revenue into the Highway Fund Trust so we can fund a strong national highway program.

The committee has also been looking at preventing several schemes, scams and cons against the federal government. These are schemes that are used by participants in the fuel distribution chain to evade federal and state fuel taxes, fuel fraud prevention marries both those goals-fighting fraud and increasing revenue into the Highway Trust Fund.

It is crucial to ensure that all the taxes that are due to the Trust Fund are actually getting there, not being diverted as part of some scam to defraud the Federal Government.

That is why I am proud to introduce today the Fuel Fraud Prevention Act of 2003.

I am aware that this is a very controversial subject, but one that we must address. This fraud represents money that the federal government is losing while crooked individuals are getting rich on the backs of good honest citizens.

Uncovering this kind of corruption is what we mean by practicing good government. We need to catch these folks and make sure the money is going where it should.

This is money that goes to transportation projects and creates transportation jobs. That is important to Montana and to all states.

As a result of both TEA 21 and AIR 21, revenues collected by the Trust Funds are directly tied to spending on surface and air transportation. Therefore adequately funding the nation's transportation infrastructure—both surface and air—is almost entirely based on actually collecting all the taxes that should be collected by law.

By Mr. ALLARD (for himself, Mr. BROWNBACK, Mr. SESSIONS, Mr. BUNNING, and Mr. INHOFE):

S.J. Res. 26. A joint resolution proposing an amendment to the Constitution of the United States relating to marriage; to the Committee on the Judiciary.

Mr. ALLARD. Mr. President, I rise today to submit legislation that would amend the United States Constitution identifying and reaffirming the institution of marriage as a union between a man and a woman. The language I submit today is brief and simple:

> Marriage in the United States shall consist only of the union of a man and a woman. Neither this Constitution, nor the Constitution of any State, nor State or Federal law, shall be construed to require that marital status or the legal incidents thereof be conferred upon unmarried couples or groups.

This language is simple, direct and to the point. This union is sacred and must remain so.

This resolution is a starting point for a more comprehensive discussion. I look forward to having an involved, informed debate with the other members of this chamber.

I am pleased to be joined in this effort by my colleagues Senator SAM BROWNBACK and Senator JEFF SESSIONS who are original cosponsors of this Resolution.

I ask unanimous consent that the text of this Resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 26

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years after the date of its submission by the Congress:

"ARTICLE—

"Marriage in the United States shall consist only of the union of a man and a woman. Neither this Constitution, nor the Constitution of any State, nor State or Federal law, shall be construed to require that marital status or the legal incidents thereof be conferred upon unmarried couples or groups.".

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 275—TO AFFIRM THE DEFENSE OF MARRIAGE ACT

Mr. NICKLES (for himself, Mr. BROWNBACK, Mr. SESSIONS, Mr. BUNNING, Mr. CORNYN, Mr. SANTORUM, and Mr. ALLARD) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 275

Whereas, marriage is a fundamental social institution that has been tested and reaffirmed over thousands of years:

Whereas, historically marriage has been reflected in our law and the law of all jurisdictions in the United States as the union of a man and a woman, and the everyday meaning of marriage and the legal meaning of marriage has always been defined as the legal union of a man and a woman as husband and wife;

Whereas, families consisting of the legal union of one man and one woman for the purpose of bearing and raising children remains the basic unit of our civil society;

Whereas, in Goodridge v. Department of Public Health, the Supreme Judicial Court of Massachusetts ruled 4 to 3 that the Constitution of the State of Massachusetts prohibits the denial of the issuance of marriage licenses to same-sex couples;

Whereas, the power to regulate marriage lies with the legislature and not with the judiciary and the Constitution of the State Massachusetts specifically states that the judiciary "shall never exercise the legislative and executive powers, or either of them: to the end it may be a government of laws and not of men"; and

Whereas, in 1996, Congress overwhelmingly passed, and President Bill Clinton signed, the Defense of Marriage Act under which Congress exercised its rights under the effects clause of section 1 of Article IV of the United States Constitution: Now, therefore, be it

Resolved, That it is the Sense of the Senate—

(1) Congress should take whatever steps necessary to affirm the fact that marriage in the United States shall consist only of the union of one man and one woman;

(2)(A) same-sex marriage is not a right, fundamental or otherwise, recognized in this country; and

(B) neither the United States Constitution nor any Federal law shall be construed to require that marital status or legal incidents thereof be conferred upon unmarried couples or groups; and

(3) the Defense of Marriage Act is a proper and constitutional exercise of Congress's powers under the effects clause of section 1 of Article IV and that no State, territory, or possession of the United States, or Indian tribe, shall be required to give effect to any public act, record, or judicial proceeding of any other State, territory, possession, or tribe respecting a relationship between persons of the same sex that is treated as a marriage under the laws of such State, territory, possession, or tribe, or a right or claim arising from such relationship.

SENATE RESOLUTION 276—EXPRESSING THE SENSE OF THE SENATE REGARDING FIGHTING TERROR AND EMBRACING EFFORTS TO ACHIEVE ISRAELI-PALESTINIAN PEACE

Mrs. FEINSTEIN (for herself, Mr. CHAFEE, Mr. NELSON of Florida, Mr. LEAHY, and Mr. LAUTENBERG) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 276

Whereas ending the violence and terror that have devastated Israel, the West Bank, and Gaza since September 2000 is in the vital interests of the United States, Israel, and the Palestinians;

Whereas ongoing Israeli-Palestinian conflict strengthens extremists and opponents of peace throughout the region, including those who seek to undermine efforts by the United States to stabilize Iraq and those who want to see conflict spread to other nations in the region;

Whereas more than 3 years of violence, terror, and escalating military engagement have demonstrated that military means alone will not solve the Israeli-Palestinian conflict;

Whereas despite mutual mistrust, anger, and pain, courageous and credible Israelis and Palestinians have come together in a private capacity to develop serious model peace initiatives, like the People's Voice Initiative, One Voice, and the Geneva Accord;

Whereas those initiatives, and other similar private efforts, are founded on the determination of Israelis and Palestinians to put an end to decades of confrontation and conflict and to live in peaceful coexistence, mutual dignity, and security, based on a just, lasting, and comprehensive peace and achieving historic reconciliation;

Whereas those initiatives demonstrate that both Israelis and Palestinians have a partner for peace, that both peoples want to end the current vicious stalemate, and that both peoples are prepared to make necessary compromises in order to achieve peace;

Whereas each of the private initiatives addresses the fundamental requirements of both peoples, including preservation of the Jewish, democratic nature of Israel with secure and defensible borders and the creation of a viable Palestinian state; and

Whereas such peace initiatives demonstrate that there are solutions to the conflict and present precious opportunities to end the violence and restart fruitful peace negotiations: Now, therefore, be it

Resolved, That the Senate—

(1) applauds the courage and vision of Israelis and Palestinians who are working together to conceive pragmatic, serious plans for achieving peace;

(2) calls on Israeli and Palestinian leaders to capitalize on the opportunity offered by these peace initiatives; and

(3) urges the President of the United States to encourage and embrace all serious efforts to move away from violent military stalemate toward achieving Israeli-Palestinian peace.

SENATE RESOLUTION 277—TENDERING THE SINCERE THANKS OF THE SENATE TO THE STAFFS OF THE OFFICES OF THE LEGISLATIVE COUNSEL OF THE SENATE AND THE HOUSE OF REPRESENTATIVES FOR THEIR DEDICATION AND SERVICE TO THE LEGISLATIVE PROCESS

Mr. FRIST (for himself, Mr. GRASSLEY, Mr. HATCH, Mr. BREAUX, Mr. BAUCUS, and Mr. NICKLES) submitted the following resolution; which was considered and agreed to:

S. RES. 277

Whereas the Offices of the Legislative Counsel of the Senate and the House of Representatives have demonstrated great expertise, dedication, professionalism, and integrity in faithfully discharging the duties and responsibilities of their positions;

Whereas legislative drafting is a lengthy, arduous, and demanding process requiring a keen intellect, thorough knowledge, stern constitution, and remarkable patience;

Whereas the staff of the Senate and House Offices of the Legislative Counsel, in particular, Ruth Ann Ernst, John Goetcheus, Peter Goodloe, Edward G. Grossman, Pierre Poisson, and James G. Scott, have performed above and beyond the call of duty in drafting the Medicare Prescription Drug, Improvement, and Modernization Act of 2003; and

Whereas the Senate and House Offices of the Legislative Counsel have met the legislative drafting needs of the Senate and the House of Representatives with unfailing professionalism, exceptional skill, undying dedication, and, above all, patience and good humor as the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 passed through the legislative process: Now, therefore, be it

Resolved, That the sincere thanks of the Senate are hereby tendered to the staff of both the Office of the Legislative Counsel of the Senate and the Office of the Legislative Counsel of the House of Representatives for their outstanding work and dedication to the United States Congress and the people of the United States of America.

SENATE RESOLUTION 278—EXPRESSING THE SENSE OF THE SENATE REGARDING THE ANTHRAX AND SMALLPOX VACCINES

Mr. BINGAMAN submitted the following resolution; which was referred to the Committee on Armed Services:

S. RES. 278

Whereas military personnel are asked to risk and even sacrifice their lives and the well-being of their families in defense of the United States;

Whereas vaccines are an important factor in ensuring force health protection by protecting the military personnel of the United States from both natural health threats and health threats resulting from biological weapons in overseas conflicts;

Whereas vaccines offer significant benefits and protections that must be carefully balanced with the reality that vaccines and drugs generally carry rare but serious adverse events and life-threatening risks;

Whereas in 2002, the insert label for the anthrax vaccine required by the Food and Drug Administration was revised to include approximately 40 serious adverse events with information that "approximately 6 percent of the reported events were listed as serious.";

Whereas in 2002, the Food and Drug Administration also compelled the manufacturer of the anthrax vaccine to substantially revise the package insert and changed the risk to pregnant women from Category C (a possible risk) to Category D (a known risk) because of "positive evidence of human fetal risk based on adverse reaction data from investigational or marketing experience or studies in humans";

Whereas in 2002, the General Accounting Office reported "an estimated 84 percent of the personnel who had had anthrax vaccine shots between September 1998 and September 2000 reported having side effects or reactions. This rate is more than double the level cited in the vaccine product insert. Further, about 24 percent of all events were classified as systemic—a level more than a hundred times higher than that estimated in the product insert at the time";

Whereas in June 2003, the Advisory Committee on Immunization Practices of the Centers for Disease Control and Prevention withdrew its support for expanding the smallpox vaccination program for first-responders after finding that 1 in 500 civilians vaccinated for smallpox had a serious vaccine event;

Whereas in 2002, the General Accounting Office found that 69 percent of experienced pilots and aircrew members in the National Guard and the Reserve reported that the anthrax shot was the major influence in their decision to change their military status in 2000, including leaving the military entirely;

Whereas in the war in Iraq that continues as of the date of enactment of this resolution, the British and Australian militaries have conducted voluntary anthrax vaccine programs, and other allies who have been offered the anthrax vaccine have declined;

Whereas in March 2000, the National Institute of Allergy and Infectious Disease reported in the "Jordan Report 20th Anniversary: Accelerated Development of Vaccines 2000" that no data existed to support the effectiveness of the anthrax vaccine against pulmonary (inhalation) anthrax in humans;

Whereas because anthrax can be prevented and treated with antibiotics and other options are either in clinical trials or development, the current anthrax vaccine is not the only choice for force health protection;

Whereas in the 2002 State of the Union address, President Bush placed a national priority on developing a new anthrax vaccine and a newer and safer smallpox vaccine is also in development; and

Whereas the threat of anthrax and smallpox attacks against the deployed troops of the United States has significantly diminished since the overthrow of Saddam Hussein and the disruption of Al Qaeda activity in Afghanistan: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the Secretary of Defense should reconsider the mandatory nature of the anthrax and smallpox vaccine immunization program, pending the development of new and better vaccines that are under development as of the date of enactment of this resolution;

(2) the Secretary of Defense and Board for Correction of Military Records should reconsider adverse actions already taken or intended to be taken against servicemembers for refusing to accept the anthrax or smallpox vaccine;

(3) the Secretary of Defense and the intelligence community should reevaluate the threat of anthrax and smallpox attacks on troops in Iraq and Afghanistan to reflect operational realities as of the date of enactment of this resolution when considering the continuation of a mandatory military vaccination program; and

(4) the Secretary of Veterans Affairs should assess those adverse events being reported with respect to the anthrax and smallpox vaccines, research causal relationships, and estimate a future cost to the Department to treat these conditions.

Mr. BINGAMAN. Mr. President, throughout the conflict in Iraq, our brave soldiers have carried out their duties with strength, with honor, and with courage. They have never faltered in their service to this nation or the world. That is why I am so troubled that some of our servicemembers and their families believe that current Department of Defense policies may be failing them, with grievous consequences.

That is why I rise today to submit a Sense of the Senate Resolution that asks for reconsideration of the policies surrounding the current smallpox and anthrax immunization programs. Specifically it asks the Secretary of Defense to reconsider the mandatory nature of its smallpox and anthrax vaccine immunization programs pending the development of new and better vaccines that are currently under development; reconsider adverse actions taken against servicemembers on the basis of refusal to take the smallpox or anthrax vaccines; and reevaluate, with the intelligence community, the current threat of anthrax and smallpox attacks on our troops, in an effort to reflect current operational realities when considering the continuation of a mandatory vaccination program.

It also urges the Department of Veterans Affairs to assess these adverse events being reported with respect to the smallpox and anthrax vaccines, research causal relationships, and estimate a future cost to the Department of Veterans Affairs to treat these conditions.

Vaccines are an important factor in ensuring protection of our nation's military personnel from health threats—both natural or from biological weapons—in overseas conflicts. However, the current smallpox and anthrax vaccines have real and serious consequences that must be weighed against the potential benefits. This is why the President has made development of a modern anthrax vaccine a national priority in his last two State of the Union addresses and why the Institute of Medicine urged the government to do so in March 2002.

What are the consequences of a policy that makes it mandatory that military personnel get the anthrax and smallpox vaccines? First, there are a growing number of adverse events reported in conjunction with these two vaccines, which is in sharp contrast to other vaccines. Second, there is a morale problem in the military associated with the mandatory nature of requiring military personnel to take these shots that has a serious negative impact on the recruitment and retention of our military personnel. Third, the long-term consequences of the vaccine programs for the health and well-being of our military personnel and our veterans is in question and should be addressed.

Ensuring the health and well-being of our military personnel before, during and after serving our country should always be a top priority of our nation.

The major potential benefit of any vaccine would be force protection. Unfortunately, there are major questions that arise with this argument concerning the anthrax and smallpox vaccines. First, even if there was a threat, such a threat against our troops in the conflicts in Iraq and Afghanistan has been significantly diminished. Second, there are other mechanisms to address any potential exposure, including post-exposure vaccination and antibiotics. This was the effective treatment used in the Senate after the anthrax exposure in 2001. Third, we do not even know if the anthrax vaccine works at all on inhalation anthrax or weaponized anthrax, so the vaccine may be completely ineffective anyway.

For our brave men and women serving in harm's way, all too often the first threat they face is not when their boots hit the ground in Baghdad, Iraq, or Kandahar, Afghanistan—the first threat many servicemembers believe they face may be in line at the home station when they receive their anthrax and smallpox vaccinations.

There is a growing number of disturbing reports about how some of our servicemembers have contracted health problems shortly after receiving the anthrax and smallpox vaccines. These illnesses include mysterious pneumonia-like illnesses, heart problems, blood clots, and other medical conditions that have stricken otherwise young, healthy, and strong military personnel. It has even resulted in death.

This is not entirely surprising, in light of the fact that the Food and Drug Administration, or FDA, has identified a number of adverse reactions associated with these two vaccines. With respect to the anthrax vaccine alone, in 2002 the FDA required the anthrax vaccine product label be revised and it now includes approximately 40 serious adverse events. As it reads, "Approximately 6% of the reported events were listed as serious. Serious adverse events include those that result in death, hospitalization, permanent disability or are life-threatening." The FDA also raised the rate of systemic reactions by up to 175 times over the previous 1999 product label, from 0.2 percent to 5–35 percent

Meanwhile, in light of adverse events that exceed those for other vaccines and other concerns about the smallpox vaccine, both the Institute of Medicine and the Advisory Committee on Immunization Practices recently issued recommendations calling for a pause in the Federal Government's smallpox vaccination program.

Meanwhile, both CBS News and UPI have identified a growing number of deaths and severe illnesses that they claim point to the anthrax and smallpox vaccines. These include the deaths of Army SP4 Joshua Neusche, Army SGT Michael Tosto, LTC Anthony Sherman, Army SP4 Rachel Lacy, Army SP4 Zeferino Colunga, Army SP4 Cory Hubbell, Army SP4 Levi Kinchen, Army SSG Richard Eaton, Jr., Army PVT Matthew Bush, Army SSG David Loyd, and Army SP4 William Jeffries. Eight of these 11 Army personnel were under the age of 25.

As Dr. Jeffrey Sartin, and infectious disease doctor at the Gundersen Clinic in La Crosse, WI, said, "I would say that the number of cases among young healthy troops would seem to be unusual."

The numbers of those with adverse health events is significantly higher. There have been around 700 adverse events reported in just the first 6 months of this year and this is as part of a reporting system that has been found to significantly under-report adverse events.

In addition, there are the reports of problems at both Ft. Stewart and Ft. Knox with respect to sick and injured soldiers who have been waiting weeks and sometimes months for medical treatment. Senators LEAHY and BOND should be commended for drawing attention to those problems and getting the military to move to address it. What remains disturbing is that many of those who are ill and on "medical hold" were never deployed. At Ft. Stewart, Senators BOND and LEAHY found that one-third of the 650 soldiers awaiting medical care and follow-up evaluations were not physically qualified for deployment and therefore never deployed overseas.

At Ft. Knox, according to a UPI story, 369 of the 422 soldiers at Ft. Knox did not deploy to Operation Iraqi Freedom because of their illnesses. This includes, according to the story, "strange clusters of heart problems and breathing problems, as did soldiers at Ft. Stewart and other locations." These are health problems that are often cited as adverse events accompanying the anthrax and smallpox vaccines. Once again, there is a surprising number of such cases in what are otherwise a strong, healthy, and young group of people.

We certainly do not know whether these cases have been caused by the anthrax or smallpox vaccines at this point. In fact, these personnel desperately await any medical treatment and that must be addressed. While the military works to address that problem, they should also reconsider the mandatory nature of the anthrax and smallpox vaccines, as they may be contributing heavily to the problem.

In the case of Army SP4 Rachel Lacy, who loved her country and volunteered to deploy to the Persian Gulf, she was ordered to take the anthrax vaccine and did so without objection. Within days, she started to suffer pneumonia and flu-like symptoms. Within weeks, she was dead. The coroner listed "post-vaccine" problems on the death certificate for Rachel Lacy and said, "it's just very suspicious in my mind . . . that she's healthy, gets the vaccinations and then dies a couple weeks later."

The Army is, according to published reports, conducting an investigation of the 100 or more soldiers that have gotten pneumonia in Iraq and southwestern Asia. Of those 100, 2 have died and another 13 have had to be put on respirators.

According to a story published in both the New York Times and Washington Post on November 19, 2003, as part of that investigation, the Advisory Committee on Immunization Practices and the Armed Services Epidemiology Board said the evidence "strongly favors" the belief that vaccines led to the death of Rachel Lacy. It was an important admission and yet the military immediately said its vaccination policies would "not be changed."

Rachel's father, Moses Lacy, has asked, "Let's stop this, re-evaluate what we're doing, re-evaluate the risks." That is a reasonable request and our nation's servicemembers and families deserve it. We owe it to the Lacy family and to all our military personnel and their families.

As a result of the concerns of servicemembers and their families that these vaccines are having on their health and well-being, it must also be noted that the anthrax and smallpox vaccines are having serious consequences for our nation's military readiness. In September 2002, the General Accounting Office reported that 69 percent of trained and experienced pilots and aircrew members in the Guard and Reserve reported that the anthrax shot was the major influence in their decision to change their military status in 2002, including leaving the military entirely.

Responding to the serious recruitment and retention problems caused by the mandatory anthrax vaccine policy, in February 2000, my colleague and then Presidential candidate JOHN MCCAIN called for a moratorium of this policy. Unfortunately, the safety concerns Senator MCCAIN noted then have not been resolved. The military continues to deny problems with the vaccine while simultaneously operating a clinic at Walter Reed Army Medical Center to treat the illnesses caused by the vaccine.

Instead of reconsidering its policy, the DOD has, instead, aggressively moved against those who have refused the vaccines. After his testimony before the House Government Reform Committee, Major Sonnie Bates, the highest ranking officer to refuse the anthrax vaccination, was charged under article 15 of the Uniform Code of Military Justice and the Department of Defense moved to court-martial him. After accusations of reprisal came from the Congress, the Department of Defense backed down and discharged Major Bates.

There is also the case of Air Force Captain John Buck, M.D. He was court-martialed for refusing the anthrax vaccine in a trial in which the judge refused to allow the jury to hear the doctor's views on its safety and efficacy. After he was convicted, fined $21,000, and denied a promotion he had earned, Dr. Buck deployed to the Indian Ocean after September 11th to support U.S. military operations in Afghanistan. He was awarded a medal for his service in support of Operation Enduring Freedom and subsequently given an honorable discharge.

In fact, the military has court-martialed soldiers throughout the military for refusing the anthrax vaccine, including a case this spring in New York of Private Rhonda Hazley who refused the vaccine because she was breast-feeding her child. One of the things this resolution asks is for the Department of Defense to reconsider adverse actions taken against servicemembers on the basis of refusal to take the smallpox or anthrax vaccines. The court-martialing of a woman that refused these vaccines because she was breast-feeding is particularly disturbing.

It is important to note that the FDA revised the product label for the anthrax vaccine from "a possible risk" to a "known risk" to pregnant women because of "positive evidence of human fetal risk based on adverse reaction data from investigational or marketing experience or studies in humans." While Private Hazley was no longer pregnant, the FDA does believe the "pregnancy and lactation are a clinical continuum." Once again, the risks of the vaccine would appear to far outweigh the benefit to a mother and mechanic in the Army.

The DOD's actions in such cases have created a climate of distrust and fear within the ranks of the military. This comply or be discharged or prosecuted policy is of great concern to our brave young men and women in uniform, and in the case of Private Hazley, to her child. Again, due to this policy, many soldiers, sailors, airmen and marines to reevaluate their commitment to the military.

The military has argued that we need a mandatory program with respect to our nation's military personnel as part of ensuring force protection. However, I understand that our allies—both the British and Australians—have not made the anthrax vaccines mandatory in the Iraqi Freedom Operation. As those two nations weighed the potential consequences of requiring all military personnel to get the vaccines versus any potential benefit, they came down on the side of making the vaccine voluntary.

In the case of the British military, more than half the armed forces personnel deployed in the Gulf have refused to be vaccinated against anthrax. The British Ministry of Defense spokesman said that this policy would remain voluntary "in accordance with long-standing medical practice." Of interest, British army units that would be responsible for dealing with suspect chemical and biological sites are given the smallpox vaccine but still are not required to get the anthrax vaccine.

For those that have agreed to accept the anthrax vaccine among British troops, they are reporting a large number of adverse events. According to a report by the British National Gulf Veterans and Families' Association, they anticipate adverse reaction among "at least 6,000 new cases as a result of the Iraq conflict—about 30 percent of the 22,000 troops who had the anthrax vaccination."

In addition to the policy of our allies that military personnel should be able to make their own decisions regarding the anthrax vaccine, another reason they have made the vaccine voluntary is that we do not even know whether the anthrax vaccine is effective against inhalation or weaponized anthrax.

Furthermore, even if we had truly thought there was strong evidence that the Iraqi government had and was preparing to use biological weapons such as anthrax against the United States military, the report by Weapons Inspector David Kay in September indicates that threat has been found to be lacking or non-existent. There appears to be little evidence available that Al Qaeda or Saddam have the capability to deliver anthrax or smallpox against our troops in Iraq or Afghanistan. Even if there was such a threat, it is likely extremely small at this point. Again, if nothing else, this change in the threat to our troops requires an immediate reevaluation of DOD vaccination policy.

Even if you still think there is some potential benefit of these vaccinations, it must be further weighed against whether there is another mechanism available that would have the same effect. We in the Senate, for example, know very well that the treatment of anthrax exposure via antibiotics works very well. The Senate was faced with the choice of having those exposed undergo a course of antibiotics versus getting the anthrax vaccine and the vast majority of those exposed to anthrax choose to take the antibiotic treatment rather than volunteer to take the anthrax vaccine.

In fact, the current Majority Leader, Senator FRIST, said at the time the anthrax vaccine was offered to Senate employees potentially exposed to anthrax, "I do not recommend widespread inoculation for people with the vaccine in the Hart Building. There are too many side effects and if there is limited chance of exposure the side effects would far outweigh any potential advantage."

Again, in weighing the potential benefit of the vaccine versus the option of antibiotics, the vast majority decided in support of the latter option. Our military personnel certainly deserve the option that many Senate personnel chose for themselves and what it seems the Secretary of Defense chose for himself when he acknowledged on October 25, 2001—in the midst of the anthrax attacks—that he was not taking the anthrax vaccine.

When the President was running for our Nation's highest office, he said with respect to questions posed to him in the September 2000 issue of U.S. Medicine, "The Defense Department's Anthrax Immunization Program has raised numerous health concerns and caused fear among the individuals whose lives it touches. I don't feel the current administration's anthrax immunization program has taken into account the effect of this program on the soldiers in our military and their families. Under my administration, soldiers and their families will be taken into consideration."

Some of our nation's servicemembers and their families believe that the current policy of this Administration does not adequately take soldiers and their families into consideration. They believe we are, in fact, failing to ensure the health and well-being of our military personnel and we must do better.

Before closing, I would like to particularly note the long-standing work by Congressman CHRISTOPHER SHAYS on this issue. In a report issued by the House Committee on Government Reform in April 2000, the report states, "many members of the armed services do not share that faith [that the DOD places in the anthrax vaccine]. They do not believe merely suggestive evidence of vaccine efficacy outweighs their concerns over the lack of evidence of long term vaccine safety. Nor do they trust DOD has learned the lessons of part military medical mistakes: atomic testing, Agent Orange, Persian Gulf war drugs, and vaccines. Heavy handed, one-sided informational materials only fuel suspicions the program understates adverse reaction risks in order to magnify the relative, admittedly marginal, benefits of the vaccine."

Many of the findings by Congressman SHAYS, such as the concerns by military servicemembers are even more valid today with the introduction of the smallpox vaccine to the list of vaccines required by the military.

Consequently, I urge the passage of this Sense of the Senate urging the Department of Defense to reconsider the mandatory nature of its smallpox and anthrax vaccination programs and to minimize the use of these vaccines pending the current development of new and better vaccines.

I also plan to introduce legislation early next year, as the Institute of Medicine recommended back in 1999, to establish a National Center for Military Deployment Health Research. Our nation's servicemembers deserve our best efforts to assure their health and well-being. As the IOM said in making the recommendation to establish a National Center for Military Deployment Health Research, "Veterans' organizations were instrumental in developing the idea for a national center for the study of war-related illness and postdeployment health issues, and these organizations continue to support the national center concept." We owe this to our nation's servicemembers and veterans and I look forward to working with them over the coming months in the development of that long-needed legislation.

* * *

SENATE CONCURRENT RESOLUTION 86—CONGRATULATING THE PEOPLE AND GOVERNMENT OF THE REPUBLIC OF KAZAKHSTAN ON THE TWELFTH ANNIVERSARY OF THE INDEPENDENCE OF KAZAKHSTAN AND PRAISING THE LONGSTANDING AND GROWING FRIENDSHIP BETWEEN THE UNITED STATES AND KAZAKHSTAN

Ms. LANDRIEU (for herself and Mr. BURNS) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

Whereas, on December 16, 2003, the people of the Republic of Kazakhstan will celebrate 12 years of independence, and on December 25, 2003, the United States and Kazakhstan will mark the 12th anniversary of diplomatic relations between the two countries;

Whereas Kazakhstan in a short period of time has managed to shed totalitarian shackles and become a dynamically developing civil society in which public and private institutions are strong, effective democratic mechanisms and the rule of law are established, and basic human rights are respected;

Whereas Kazakhstan, an open country where citizens of more than 100 ethnic groups enjoy equal rights and opportunities, made a significant contribution to promoting global peace and harmony by hosting in September 2003 the Congress of the World and Traditional Religions, which brought together leaders of world religions seeking to bridge religious differences;

Whereas the Government of Kazakhstan has toughened legislation and taken other concrete steps to prevent human trafficking and end this cruel form of human mistreatment;

Whereas Kazakhstan is confidently moving toward integration with the world economic system by establishing the conditions for developing a true market economy;

Whereas the United States Government, recognizing the economic progress of Kazakhstan, granted to Kazakhstan "market economy status", the first such designation of any country in the Commonwealth of Independent States;

Whereas United States businesses actively participate in the development of one of the world's largest energy resources in Kazakhstan and consider the country to be an alternative and reliable source of energy;

Whereas the application to Kazakhstan of chapter 1 of title IV of the Trade Act of 1974 (commonly referred to as the "Jackson-Vanik amendment") prevents Kazakhstan from achieving permanent normal trade relations status with the United States;

Whereas an independent and democratic Kazakhstan is the cornerstone of peace, stability, and prosperity in the vitally important region of Central Asia;

Whereas Kazakhstan voluntarily disarmed its nuclear arsenal, the world's fourth largest, and joined the Treaty on Reduction and Limitation of Strategic Offensive Arms, with Annexes, Protocols, and Memorandum of Understanding, signed at Moscow on July 31, 1991 (START Treaty), and in so doing provided an example of a responsible national approach to nonproliferation;

Whereas the people of Kazakhstan, under the leadership of Nursultan Nazarbayev, are providing unconditional and firm support in the ongoing allied campaign in Afghanistan by allowing coalition forces to use the air space of Kazakhstan and the largest airport in Almaty, Kazakhstan;

Whereas Kazakhstan is taking an active part in rehabilitating Iraq and is the only country in the region of Central Asia to send a military contingent of combat engineers who in a few months have neutralized more than 300,000 explosive devices in Iraq, thereby saving thousands of lives;

Whereas, within the framework of growing military cooperation, the United States and Kazakhstan signed an Article 98 Agreement relating to the International Criminal Court;

Whereas the increasing significance of Kazakhstan to United States foreign policy has resulted in the creation of the United States-Kazakhstan Interparliamentary Friendship Group, which is designed to strengthen relations of strategic partnership between the two countries; and

Whereas Kazakhstan is an important friend and strategic ally of the United States: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress—

(1) congratulates the people and Government of the Republic of Kazakhstan on the 12th anniversary of the independence of Kazakhstan and the establishment of diplomatic relations with the United States;

(2) welcomes and supports political and economic transformations achieved by Kazakhstan during its years of independence;

(3) expresses gratitude for the leadership of Kazakhstan in establishing interreligious dialogue to promote peace and harmony in the world;

(4) commends Kazakhstan on toughening measures to stop human trafficking;

(5) recognizes the need to terminate application to Kazakhstan of title IV of the Trade Act of 1974 (commonly known as the "Jackson-Vanik Amendment") and extend normal trade relations status to Kazakhstan;

(6) expresses gratitude for the support and assistance of the people of Kazakhstan in the antiterrorist campaign of the United States and coalition countries and for their support for the reconstruction of Iraq;

(7) applauds the wise decision of the leadership of Kazakhstan to renounce the deployment of the nuclear weapons inherited by the country and make the world a safer place;

(8) calls upon the President to actively popularize the example set by Kazakhstan in renouncing the deployment of its nuclear weapons with respect to United States negotiations with countries that are trying to acquire, develop, or deploy nuclear weapons; and

(9) urges further strengthening of strategically important relations between Kazakhstan and the United States on all other issues of importance between the two countries.

* * *

AMENDMENTS SUBMITTED & PROPOSED

SA 2217. Mr. CRAIG (for Mr. FRIST) proposed an amendment to the concurrent resolution H. Con. Res. 339, providing for the sine die adjournment of the first session of the One Hundred Eighth Congress.

SA 2218. Mr. SMITH submitted an amendment intended to be proposed by him to the bill S. 1727, to authorize additional appropriations for the Reclamation Safety of Dams Act of 1978; which was ordered to lie on the table.

SA 2219. Mr. BURNS (for himself, Mr. WYDEN, Mr. MCCAIN, and Mr. HOLLINGS) proposed an amendment to the bill S. 877, to regulate interstate commerce by imposing limitations and penalties on the transmission of unsolicited commercial electronic mail via the Internet.

SA 2220. Mr. HOLLINGS (for himself, Ms. COLLINS, Mr. CARPER, Mr. SPECTER, Mr. JEFFORDS, and Mr. LAUTENBERG) submitted an amendment intended to be proposed by him to the bill S. 1961, to provide for the revitalization and enhancement of the American passenger and freight rail transportation system; which was referred to the Committee on Commerce, Science, and Transportation.

SA 2221. Mr. MCCONNELL (for Mr. LOTT) proposed an amendment to the resolution S. Res. 177, to direct the Senate Commission on Art to select an appropriate scene commemorating the Great Compromise of our forefathers establishing a bicameral Congress with equal representation in the United States Senate, to be placed in the Senate wing of the Capitol, and to authorize the Committees on Rules and Administration to obtain technical advice and assistance in carrying out its duties.

SA 2222. Mr. MCCONNELL (for Mr. LOTT) proposed an amendment to the resolution S. Res. 177, supra.

SA 2223. Mr. MCCONNELL (for Mr. LOTT) proposed an amendment to the resolution S. Res. 177, supra.

SA 2224. Ms. CANTWELL submitted an amendment intended to be proposed by her to the bill S. 1839, to extend the Temporary Extended Unemployment Compensation Act of 2002; which was referred to the Committee on Finance.

SA 2225. Mr. LEVIN submitted an amendment intended to be proposed by him to the bill S. 1267, to amend the District of Columbia Home Rule Act to provide the District of

Columbia with autonomy over its budgets, and for other purposes; which was ordered to lie on the table.

SA 2226. Mr. AKAKA submitted an amendment intended to be proposed by him to the bill S. 910, to ensure the continuation of non-homeland security functions of Federal agencies transferred to the Department of Homeland Security; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 2217. Mr. CRAIG (for Mr. FRIST) proposed an amendment to the concurrent resolution H. Con. Res. 339, providing for the sine die adjournment of the first session of the One Hundred Eighth Congress; as follows:

On page 1, line 2, strike "That" and all that follows through page 3, line 3, and insert:

"That when the House adjourns on any legislative day from Tuesday, November 25, 2003, through the remainder of the first session of the One Hundred Eighth Congress, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand adjourned sine die, or until such day and time as may be specified by its Majority Leader or his designee in the motion to adjourn, or until the time of any reassembly pursuant to section 2 of this concurrent resolution, whichever occurs first; that when the Senate recesses or adjourns at the close of business on any day from Monday, November 24, 2003, through the remainder of the first session of the One Hundred Eighth Congress, on a motion offered by its Majority Leader or his designee, it stand adjourned sine die, or stand recessed or adjourned until such day and time as may be specified by its Majority Leader or his designee in the motion to recess or adjourn, or until the time of any reassembly pursuant to section 2 of this concurrent resolution, whichever occurs first".

SA 2218. Mr. SMITH submitted an amendment intended to be proposed by him to the bill S. 1727, to authorize additional appropriations for the Reclamation Safety of Dams Act of 1978; which was ordered to lie on the table; as follows:

At the end of the bill, insert:

"SECTION 2. PARTICIPATION BY PROJECT BENEFICIARIES.

"(1) Section 2 of the Reclamation Safety of Dams Act of 1978 (43 U.S.C. 506) is amended by adding at the end the following:

'(b) Upon identifying a Bureau of Reclamation facility for modification, the Secretary shall notify in writing every project contractor, irrigation district, drainage district, water conservation or conservancy district, or similar special purpose political subdivision or multi-agency authority (hereafter referred to as "project beneficiaries") that has a contract for repayment, water service, operation, or maintenance for or from that facility. The Secretary's communication shall:

'(1) explain why the facility has been identified for possible modification;

'(2) summarize the administrative and statutory requirements to which Reclamation must adhere in the planning, design, value-engineering review, procurement, construction, and management of the modification; and

'(3) invite the project beneficiaries to participate with the Bureau of Reclamation in the planning, design, value-engineering review, cost containment, procurement, construction and management (hereafter referred to as "joint oversight") of the modification.

'(c) Each project beneficiary must notify the Bureau, in writing, within 30 days of its receipt of the Secretary's letter, as to its intent to participate in the joint oversight of the modification.

'(d) If a project beneficiary elects to participate in the joint oversight of the modification, the Secretary, acting through the Commissioner of Reclamation, shall enter into an agreement with project beneficiaries for the joint oversight of the modification. Reasonable costs incurred by the project beneficiaries resulting from participation in the joint oversight of the modification shall be credited toward repayment of the reimbursable costs under this Act.

'(e) Prior to submitting the modification reports required in section 5, the Secretary shall consider, and where appropriate implement, alternatives recommended by any project beneficiary that has chosen to participate in the joint oversight of the modification (hereafter referred to as "participating project beneficiary"). Within 30 days after receiving such recommendations, the Secretary shall provide to the participating project beneficiaries a written response detailing proposed actions to address the recommendations. The Secretary's response to the participating project beneficiaries shall be included in the modification reports required by section 5.'

"(2) Section 4 of the Reclamation Safety of Dams Act of 1978 (43 U.S.C. 508) is amended by adding at the end:

'(e) During the construction phase of the modification, the Secretary shall consider and, where appropriate, implement alternatives recommended by participating project beneficiaries concerning cost-containment measures and construction management techniques needed to carry out such modification. The Secretary shall keep all project beneficiaries, regardless of whether they have elected to participate in joint oversight, regularly informed of the costs and status of such modification.'"

SA 2219. Mr. BURNS (for himself, Mr. WYDEN, Mr. MCCAIN, and Mr. HOLLINGS) proposed an amendment to the bill S. 877, to regulate interstate commerce by imposing limitations and penalties on the transmission of unsolicited commercial electronic mail via the Internet; as follows:

In lieu of the matter proposed to be inserted, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003", or the "CAN-SPAM Act of 2003".

SEC. 2. CONGRESSIONAL FINDINGS AND POLICY.

(a) FINDINGS.—The Congress finds the following:

(1) Electronic mail has become an extremely important and popular means of communication, relied on by millions of Americans on a daily basis for personal and commercial purposes. Its low cost and global reach make it extremely convenient and efficient, and offer unique opportunities for the development and growth of frictionless commerce.

(2) The convenience and efficiency of electronic mail are threatened by the extremely rapid growth in the volume of unsolicited commercial electronic mail. Unsolicited commercial electronic mail is currently estimated to account for over half of all electronic mail traffic, up from an estimated 7 percent in 2001, and the volume continues to rise. Most of these messages are fraudulent or deceptive in one or more respects.

(3) The receipt of unsolicited commercial electronic mail may result in costs to recipients who cannot refuse to accept such mail and who incur costs for the storage of such mail, or for the time spent accessing, reviewing, and discarding such mail, or for both.

(4) The receipt of a large number of unwanted messages also decreases the convenience of electronic mail and creates a risk that wanted electronic mail messages, both commercial and noncommercial, will be lost, overlooked, or discarded amidst the larger volume of unwanted messages, thus reducing the reliability and usefulness of electronic mail to the recipient.

(5) Some commercial electronic mail contains material that many recipients may consider vulgar or pornographic in nature.

(6) The growth in unsolicited commercial electronic mail imposes significant monetary costs on providers of Internet access services, businesses, and educational and nonprofit institutions that carry and receive such mail, as there is a finite volume of mail that such providers, businesses, and institutions can handle without further investment in infrastructure.

(7) Many senders of unsolicited commercial electronic mail purposefully disguise the source of such mail.

(8) Many senders of unsolicited commercial electronic mail purposefully include misleading information in the message's subject lines in order to induce the recipients to view the messages.

(9) While some senders of commercial electronic mail messages provide simple and reliable ways for recipients to reject (or "opt-out" of) receipt of commercial electronic mail from such senders in the future, other senders provide no such "opt-out" mechanism, or refuse to honor the requests of recipients not to receive electronic mail from such senders in the future, or both.

(10) Many senders of bulk unsolicited commercial electronic mail use computer programs to gather large numbers of electronic mail addresses on an automated basis from Internet websites or online services where users must post their addresses in order to make full use of the website or service.

(11) Many States have enacted legislation intended to regulate or reduce unsolicited commercial electronic mail, but these statutes impose different standards and requirements. As a result, they do not appear to have been successful in addressing the problems associated with unsolicited commercial electronic mail, in part because, since an electronic mail address does not specify a geographic location, it can be extremely difficult for law-abiding businesses to know with which of these disparate statutes they are required to comply.

(12) The problems associated with the rapid growth and abuse of unsolicited commercial electronic mail cannot be solved by Federal legislation alone. The development and adoption of technological approaches and the pursuit of cooperative efforts with other countries will be necessary as well.

(b) CONGRESSIONAL DETERMINATION OF PUBLIC POLICY.—On the basis of the findings in subsection (a), the Congress determines that—

(1) there is a substantial government interest in regulation of commercial electronic mail on a nationwide basis;

(2) senders of commercial electronic mail should not mislead recipients as to the source or content of such mail; and

(3) recipients of commercial electronic mail have a right to decline to receive additional commercial electronic mail from the same source.

SEC. 3. DEFINITIONS.

In this Act:

(1) AFFIRMATIVE CONSENT.—The term "affirmative consent", when used with respect to a commercial electronic mail message, means that—

(A) the recipient expressly consented to receive the message, either in response to a clear and conspicuous request for such consent or at the recipient's own initiative; and

(B) if the message is from a party other than the party to which the recipient communicated such consent, the recipient was given clear and conspicuous notice at the time the consent was communicated that the recipient's electronic mail address could be transferred to such other party for the purpose of initiating commercial electronic mail messages.

(2) COMMERCIAL ELECTRONIC MAIL MESSAGE.—

(A) IN GENERAL.—The term "commercial electronic mail message" means any electronic mail message the primary purpose of which is the commercial advertisement or promotion of a commercial product or service (including content on an Internet website operated for a commercial purpose).

(B) TRANSACTIONAL OR RELATIONSHIP MESSAGES.—The term "commercial electronic mail message" does not include a transactional or relationship message.

(C) REGULATIONS REGARDING PRIMARY PURPOSE.—Not later than 12 months after the date of the enactment of this Act, the Commission shall issue regulations pursuant to section 13 defining the relevant criteria to facilitate the determination of the primary purpose of an electronic mail message.

(D) REFERENCE TO COMPANY OR WEBSITE.—The inclusion of a reference to a commercial entity or a link to the website of a commercial entity in an electronic mail message does not, by itself, cause such message to be treated as a commercial electronic mail message for purposes of this Act if the contents or circumstances of the message indicate a primary purpose other than commercial advertisement or promotion of a commercial product or service.

(3) COMMISSION.—The term "Commission" means the Federal Trade Commission.

(4) DOMAIN NAME.—The term "domain name" means any alphanumeric designation which is registered with or assigned by any domain name registrar, domain name registry, or other domain name registration authority as part of an electronic address on the Internet.

(5) ELECTRONIC MAIL ADDRESS.—The term "electronic mail address" means a destination, commonly expressed as a string of characters, consisting of a unique user name or mailbox (commonly referred to as the "local part") and a reference to an Internet domain (commonly referred to as the "domain part"), whether or not displayed, to which an electronic mail message can be sent or delivered.

(6) ELECTRONIC MAIL MESSAGE.—The term "electronic mail message" means a message sent to a unique electronic mail address.

(7) FTC ACT.—The term "FTC Act" means the Federal Trade Commission Act (15 U.S.C. 41 et seq.).

(8) HEADER INFORMATION.—The term "header information" means the source, destination, and routing information attached to an electronic mail message, including the originating domain name and originating electronic mail address, and any other information that appears in the line identifying, or purporting to identify, a person initiating the message.

(9) INITIATE.—The term "initiate", when used with respect to a commercial electronic mail message, means to originate or transmit such message or to procure the origination or transmission of such message, but shall not include actions that constitute routine conveyance of such message. For purposes of this paragraph, more than 1 person may be considered to have initiated a message.

(10) INTERNET.—The term "Internet" has the meaning given that term in the Internet Tax Freedom Act (47 U.S.C. 151 nt).

(11) INTERNET ACCESS SERVICE.—The term "Internet access service" has the meaning given that term in section 231(e)(4) of the Communications Act of 1934 (47 U.S.C. 231(e)(4)).

(12) PROCURE.—The term "procure", when used with respect to the initiation of a commercial electronic mail message, means intentionally to pay or provide other consideration to, or induce, another person to initiate such a message on one's behalf.

(13) PROTECTED COMPUTER.—The term "protected computer" has the meaning given that term in section 1030(e)(2)(B) of title 18, United States Code.

(14) RECIPIENT.—The term "recipient", when used with respect to a commercial electronic mail message, means an authorized user of the electronic mail address to which the message was sent or delivered. If a recipient of a commercial electronic mail message has 1 or more electronic mail addresses in addition to the address to which the message was sent or delivered, the recipient shall be treated as a separate recipient with respect to each such address. If an electronic mail address is reassigned to a new user, the new user shall not be treated as a recipient of any commercial electronic mail message sent or delivered to that address before it was reassigned.

(15) ROUTINE CONVEYANCE.—The term "routine conveyance" means the transmission, routing, relaying, handling, or storing, through an automatic technical process, of an electronic mail message for which another person has identified the recipients or provided the recipient addresses.

(16) SENDER.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the term "sender", when used with respect to a commercial electronic mail message, means a person who initiates such a message and whose product, service, or Internet web site is advertised or promoted by the message.

(B) SEPARATE LINES OF BUSINESS OR DIVISIONS.—If an entity operates through separate lines of business or divisions and holds itself out to the recipient throughout the message as that particular line of business or division rather than as the entity of which such line of business or division is a part, then the line of business or the division shall be treated as the sender of such message for purposes of this Act.

(17) TRANSACTIONAL OR RELATIONSHIP MESSAGE.—

(A) IN GENERAL.—The term "transactional or relationship message" means an electronic mail message the primary purpose of which is—

(i) to facilitate, complete, or confirm a commercial transaction that the recipient has previously agreed to enter into with the sender;

(ii) to provide warranty information, product recall information, or safety or security information with respect to a commercial product or service used or purchased by the recipient;

(iii) to provide—

(I) notification concerning a change in the terms or features of;

(II) notification of a change in the recipient's standing or status with respect to; or

(III) at regular periodic intervals, account balance information or other type of account statement with respect to,

a subscription, membership, account, loan, or comparable ongoing commercial relationship involving the ongoing purchase or use by the recipient of products or services offered by the sender;

(iv) to provide information directly related to an employment relationship or related benefit plan in which the recipient is currently involved, participating, or enrolled; or

(v) to deliver goods or services, including product updates or upgrades, that the recipient is entitled to receive under the terms of a transaction that the recipient has previously agreed to enter into with the sender.

(B) MODIFICATION OF DEFINITION.—The Commission by regulation pursuant to section 13 may modify the definition in subparagraph (A) to expand or contract the categories of messages that are treated as transactional or relationship messages for purposes of this Act to the extent that such modification is necessary to accommodate changes in electronic mail technology or practices and accomplish the purposes of this Act.

SEC. 4. PROHIBITION AGAINST PREDATORY AND ABUSIVE COMMERCIAL E-MAIL.

(a) OFFENSE.—

(1) IN GENERAL.—Chapter 47 of title 18, United States Code, is amended by adding at the end the following new section:

"§ 1037. Fraud and related activity in connection with electronic mail

"(a) IN GENERAL.—Whoever, in or affecting interstate or foreign commerce, knowingly—

"(1) accesses a protected computer without authorization, and intentionally initiates the transmission of multiple commercial electronic mail messages from or through such computer,

"(2) uses a protected computer to relay or retransmit multiple commercial electronic mail messages, with the intent to deceive or mislead recipients, or any Internet access service, as to the origin of such messages,

"(3) materially falsifies header information in multiple commercial electronic mail messages and intentionally initiates the transmission of such messages,

"(4) registers, using information that materially falsifies the identity of the actual registrant, for 5 or more electronic mail accounts or online user accounts or 2 or more domain names, and intentionally initiates the transmission of multiple commercial electronic mail messages from any combination of such accounts or domain names, or

"(5) falsely represents oneself to be the registrant or the legitimate successor in interest to the registrant of 5 or more Internet Protocol addresses, and intentionally initiates the transmission of multiple commercial electronic mail messages from such addresses,

or conspires to do so, shall be punished as provided in subsection (b).

"(b) PENALTIES.—The punishment for an offense under subsection (a) is—

"(1) a fine under this title, imprisonment for not more than 5 years, or both, if—

"(A) the offense is committed in furtherance of any felony under the laws of the United States or of any State; or

"(B) the defendant has previously been convicted under this section or section 1030, or under the law of any State for conduct involving the transmission of multiple commercial electronic mail messages or unauthorized access to a computer system;

"(2) a fine under this title, imprisonment for not more than 3 years, or both, if—

"(A) the offense is an offense under subsection (a)(1);

"(B) the offense is an offense under subsection (a)(4) and involved 20 or more falsified electronic mail or online user account registrations, or 10 or more falsified domain name registrations;

"(C) the volume of electronic mail messages transmitted in furtherance of the offense exceeded 2,500 during any 24-hour period, 25,000 during any 30-day period, or 250,000 during any 1-year period;

"(D) the offense caused loss to 1 or more persons aggregating $5,000 or more in value during any 1-year period;

"(E) as a result of the offense any individual committing the offense obtained anything of value aggregating $5,000 or more during any 1-year period; or

"(F) the offense was undertaken by the defendant in concert with 3 or more other persons with respect to whom the defendant occupied a position of organizer or leader; and

"(3) a fine under this title or imprisonment for not more than 1 year, or both, in any other case.

"(c) FORFEITURE.—

"(1) IN GENERAL.—The court, in imposing sentence on a person who is convicted of an offense under this section, shall order that the defendant forfeit to the United States—

"(A) any property, real or personal, constituting or traceable to gross proceeds obtained from such offense; and

"(B) any equipment, software, or other technology used or intended to be used to commit or to facilitate the commission of such offense.

"(2) PROCEDURES.—The procedures set forth in section 413 of the Controlled Substances Act (21 U.S.C. 853), other than subsection (d) of that section, and in Rule 32.2 of the Federal Rules of Criminal Procedure, shall apply to all stages of a criminal forfeiture proceeding under this section.

"(d) DEFINITIONS.—In this section:

"(1) LOSS.—The term 'loss' has the meaning given that term in section 1030(e) of this title.

"(2) MATERIALLY.—For purposes of paragraphs (3) and (4) of subsection (a), header information or registration information is materially falsified if it is altered or concealed in a manner that would impair the ability of a recipient of the message, an Internet access service processing the message on behalf of a recipient, a person alleging a violation of this section, or a law enforcement agency to identify, locate, or respond to a person who initiated the electronic mail message or to investigate the alleged violation.

"(3) MULTIPLE.—The term 'multiple' means more than 100 electronic mail messages during a 24-hour period, more than 1,000 electronic mail messages during a 30-day period, or more than 10,000 electronic mail messages during a 1-year period.

"(4) OTHER TERMS.—Any other term has the meaning given that term by section 3 of the CANSPAM Act of 2003.".

(2) CONFORMING AMENDMENT.—The chapter analysis for chapter 47 of title 18, United States Code, is amended by adding at the end the following:

"Sec.

"1037. Fraud and related activity in connection with electronic mail.".

(b) UNITED STATES SENTENCING COMMISSION.—

(1) DIRECTIVE.—Pursuant to its authority under section 994(p) of title 28, United States Code, and in accordance with this section, the United States Sentencing Commission shall review and, as appropriate, amend the sentencing guidelines and policy statements to provide appropriate penalties for violations of section 1037 of title 18, United States Code, as added by this section, and other offenses that may be facilitated by the sending of large quantities of unsolicited electronic mail.

(2) REQUIREMENTS.—In carrying out this subsection, the Sentencing Commission shall consider providing sentencing enhancements for—

(A) those convicted under section 1037 of title 18, United States Code, who—

(i) obtained electronic mail addresses through improper means, including—

(I) harvesting electronic mail addresses of the users of a website, proprietary service, or other online public forum operated by another person, without the authorization of such person; and

(II) randomly generating electronic mail addresses by computer; or

(ii) knew that the commercial electronic mail messages involved in the offense contained or advertised an Internet domain for which the registrant of the domain had provided false registration information; and

(B) those convicted of other offenses, in cluding offenses involving fraud, identity theft, obscenity, child pornography, and the sexual exploitation of children, if such offenses involved the sending of large quantities of electronic mail.

(c) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) Spam has become the method of choice for those who distribute pornography, perpetrate fraudulent schemes, and introduce viruses, worms, and Trojan horses into personal and business computer systems; and

(2) the Department of Justice should use all existing law enforcement tools to investigate and prosecute those who send bulk commercial e-mail to facilitate the commission of Federal crimes, including the tools contained in chapters 47 and 63 of title 18, United States Code (relating to fraud and false statements); chapter 71 of title 18, United States Code (relating to obscenity); chapter 110 of title 18, United States Code (relating to the sexual exploitation of children); and chapter 95 of title 18, United States Code (relating to racketeering), as appropriate.

SEC. 5. OTHER PROTECTIONS FOR USERS OF COMMERCIAL ELECTRONIC MAIL.

(a) REQUIREMENTS FOR TRANSMISSION OF MESSAGES.—

(1) PROHIBITION OF FALSE OR MISLEADING TRANSMISSION INFORMATION.—It is unlawful for any person to initiate the transmission, to a protected computer, of a commercial electronic mail message, or a transactional or relationship message, that contains, or is accompanied by, header information that is materially false or materially misleading.

For purposes of this paragraph—

(A) header information that is technically accurate but includes an originating electronic mail address, domain name, or Internet Protocol address the access to which for purposes of initiating the message was obtained by means of false or fraudulent pretenses or representations shall be considered materially misleading;

(B) a "from" line (the line identifying or purporting to identify a person initiating the message) that accurately identifies any person who initiated the message shall not be considered materially false or materially misleading; and

(C) header information shall be considered materially misleading if it fails to identify accurately a protected computer used to initiate the message because the person initiating the message knowingly uses another protected computer to relay or retransmit the message for purposes of disguising its origin.

(2) PROHIBITION OF DECEPTIVE SUBJECT HEADINGS.—It is unlawful for any person to initiate the transmission to a protected computer of a commercial electronic mail message if such person has actual knowledge, or knowledge fairly implied on the basis of objective circumstances, that a subject heading of the message would be likely to mislead a recipient, acting reasonably under the circumstances, about a material fact regarding the contents or subject matter of the message (consistent with the criteria used in enforcement of section 5 of the Federal Trade Commission Act (15 U.S.C. 45)).

(3) INCLUSION OF RETURN ADDRESS OR COMPARABLE MECHANISM IN COMMERCIAL ELECTRONIC MAIL.—

(A) IN GENERAL.—It is unlawful for any person to initiate the transmission to a protected computer of a commercial electronic mail message that does not contain a functioning return electronic mail address or other Internet-based mechanism, clearly and conspicuously displayed, that—

(i) a recipient may use to submit, in a manner specified in the message, a reply electronic mail message or other form of Internet-based communication requesting not to receive future commercial electronic mail messages from that sender at the electronic mail address where the message was received; and

(ii) remains capable of receiving such messages or communications for no less than 30 days after the transmission of the original message.

(B) MORE DETAILED OPTIONS POSSIBLE.—The person initiating a commercial electronic mail message may comply with sub paragraph (A)(i) by providing the recipient a list or menu from which the recipient may choose the specific types of commercial electronic mail messages the recipient wants to receive or does not want to receive from the sender, if the list or menu includes an option under which the recipient may choose not to receive any commercial electronic mail messages from the sender.

(C) TEMPORARY INABILITY TO RECEIVE MESSAGES OR PROCESS REQUESTS.—A return electronic mail address or other mechanism does not fail to satisfy the requirements of subparagraph (A) if it is unexpectedly and temporarily unable to receive messages or process requests due to a technical problem beyond the control of the sender if the problem is corrected within a reasonable time period.

(4) PROHIBITION OF TRANSMISSION OF COMMERCIAL ELECTRONIC MAIL AFTER OBJECTION.—

(A) IN GENERAL.—If a recipient makes a request using a mechanism provided pursuant to paragraph (3) not to receive some or any commercial electronic mail messages from such sender, then it is unlawful—

(i) for the sender to initiate the transmission to the recipient, more than 10 business days after the receipt of such request, of a commercial electronic mail message that falls within the scope of the request;

(ii) for any person acting on behalf of the sender to initiate the transmission to the recipient, more than 10 business days after the receipt of such request, of a commercial electronic mail message with actual knowledge, or knowledge fairly implied on the basis of objective circumstances, that such message falls within the scope of the request;

(iii) for any person acting on behalf of the sender to assist in initiating the transmission to the recipient, through the provision or selection of addresses to which the message will be sent, of a commercial electronic mail message with actual knowledge, or knowledge fairly implied on the basis of objective circumstances, that such message would violate clause (i) or (ii); or

(iv) for the sender, or any other person who knows that the recipient has made such a request, to sell, lease, exchange, or otherwise transfer or release the electronic mail address of the recipient (including through any transaction or other transfer involving mailing lists bearing the electronic mail address of the recipient) for any purpose other than compliance with this Act or other provision of law.

(B) SUBSEQUENT AFFIRMATIVE CONSENT.—A prohibition in subparagraph (A) does not apply if there is affirmative consent by the recipient subsequent to the request under subparagraph (A).

(5) INCLUSION OF IDENTIFIER, OPT-OUT, AND PHYSICAL ADDRESS IN COMMERCIAL ELECTRONIC MAIL.—

(A) It is unlawful for any person to initiate the transmission of any commercial electronic mail message to a protected computer unless the message provides—

(i) clear and conspicuous identification that the message is an advertisement or solicitation;

(ii) clear and conspicuous notice of the opportunity under paragraph (3) to decline to receive further commercial electronic mail messages from the sender; and

(iii) a valid physical postal address of the sender.

(B) Subparagraph (A)(i) does not apply to the transmission of a commercial electronic mail message if the recipient has given prior affirmative consent to receipt of the message.

(6) MATERIALLY.—For purposes of paragraph (1), the term "materially", when used with respect to false or misleading header information, includes the alteration or concealment of header information in a manner that would impair the ability of an Internet access service processing the message on behalf of a recipient, a person alleging a violation of this section, or a law enforcement agency to identify, locate, or respond to a person—who initiated the electronic mail message or to investigate the alleged violation, or the ability of a recipient of the message to respond to a person who initiated the electronic message.

(b) AGGRAVATED VIOLATIONS RELATING TO COMMERCIAL ELECTRONIC MAIL.—

(1) ADDRESS HARVESTING AND DICTIONARY ATTACKS.—

(A) IN GENERAL.—It is unlawful for any person to initiate the transmission, to a protected computer, of a commercial electronic mail message that is unlawful under subsection (a), or to assist in the origination of such message through the provision or selection of addresses to which the message will be transmitted, if such person had actual knowledge, or knowledge fairly implied on the basis of objective circumstances, that—

(i) the electronic mail address of the recipient was obtained using an automated means from an Internet website or proprietary online service operated by another person, and such website or online service included, at the time the address was obtained, a notice stating that the operator of such website or online service will not give, sell, or otherwise transfer addresses maintained by such website or online service to any other party for the purposes of initiating, or enabling others to initiate, electronic mail messages; or

(ii) the electronic mail address of the recipient was obtained using an automated means that generates possible electronic mail addresses by combining names, letters, or numbers into numerous permutations.

(B) DISCLAIMER.—Nothing in this paragraph creates an ownership or proprietary interest in such electronic mail addresses.

(2) AUTOMATED CREATION OF MULTIPLE ELECTRONIC MAIL ACCOUNTS.—It is unlawful for any person to use scripts or other automated means to register for multiple electronic mail accounts or online user accounts from which to transmit to a protected computer, or enable another person to transmit to a protected computer, a commercial electronic mail message that is unlawful under subsection (a).

(3) RELAY OR RETRANSMISSION THROUGH UNAUTHORIZED ACCESS.—It is unlawful for any person knowingly to relay or retransmit a commercial electronic mail message that is unlawful under subsection (a) from a protected computer or computer network that such person has accessed without authorization.

(c) SUPPLEMENTARY RULEMAKING AUTHORITY.—The Commission shall by regulation, pursuant to section 13—

(1) modify the 10-business-day period under subsection (a)(4)(A) or subsection (a)(4)(B), or both, if the Commission determines that a different period would be more reasonable after taking into account—

(A) the purposes of subsection (a);

(B) the interests of recipients of commercial electronic mail; and

(C) the burdens imposed on senders of lawful commercial electronic mail; and

(2) specify additional activities or practices to which subsection (b) applies if the Commission determines that those activities or practices are contributing substantially to the proliferation of commercial electronic mail messages that are unlawful under subsection (a).

(d) REQUIREMENT TO PLACE WARNING LABELS ON COMMERCIAL ELECTRONIC MAIL CONTAINING SEXUALLY ORIENTED MATERIAL.—

(1) IN GENERAL.—No person may initiate in or affecting interstate commerce the transmission, to a protected computer, of any commercial electronic mail message that includes sexually oriented material and—

(A) fail to include in subject heading for the electronic mail message the marks or notices prescribed by the Commission under this subsection; or

(B) fail to provide that the matter in the message that is initially viewable to the recipient, when the message is opened by any recipient and absent any further actions by the recipient, includes only—

(i) to the extent required or authorized pursuant to paragraph (2), any such marks or notices;

(ii) the information required to be included in the message pursuant to subsection (a)(5); and

(iii) instructions on how to access, or a mechanism to access, the sexually oriented material.

(2) PRIOR AFFIRMATIVE CONSENT.—Paragraph (1) does not apply to the transmission of an electronic mail message if the recipient has given prior affirmative consent to receipt of the message.

(3) PRESCRIPTION OF MARKS AND NOTICES.—Not later than 120 days after the date of the enactment of this bet, the Commission in consultation with the Attorney General shall prescribe clearly identifiable marks or notices to be included in or associated with commercial electronic mail that contains sexually oriented material, in order to inform the recipient of that fact and to facilitate filtering of such electronic mail. The Commission shall publish in the Federal Register and provide notice to the public of the marks or notices prescribed under this paragraph.

(4) DEFINITION.—In this subsection, the term "sexually oriented material" means any material that depicts sexually explicit conduct (as that term is defined in section 2256 of title 18, United States Code), unless the depiction constitutes a small and insignificant part of the whole, the remainder of which is not primarily devoted to sexual matters.

(5) PENALTY.—Whoever knowingly violates paragraph (1) shall be fined under title 18, United States Code, or imprisoned not more than 5 years, or both.

SEC. 6. BUSINESSES KNOWINGLY PROMOTED BY ELECTRONIC MAIL WITH FALSE OR MISLEADING TRANSMISSION INFORMATION.

(a) IN GENERAL.—It is unlawful for a person to promote, or allow the promotion of, that person's trade or business, or goods, products, property, or services sold, offered for sale, leased or offered for lease, or otherwise made available through that trade or business, in a commercial electronic mail message the transmission of which in violation of section 5(a)(1) if that person—

(1) knows, or should have known in the ordinary course of that person's trade or business, that the goods, products, property, or services sold, offered for sale, leased or offered for lease, or otherwise made available through that trade or business were being promoted in such a message;

(2) received or expected to receive an economic benefit from such promotion; and

(3) took no reasonable action—

(A) to prevent the transmission; or

(B) to detect the transmission and report it to the Commission.

(b) LIMITED ENFORCEMENT AGAINST THIRD PARTIES.—

(1) IN GENERAL.—Except as provided in paragraph (2), a person (hereinafter referred to as the "third party") that provides goods, products, property, or services to another person that violates subsection (a) shall not be held liable for such violation.

(2) EXCEPTION.—Liability for a violation of subsection (a) shall be imputed to a third party that provides goods, products, property, or services to another person that violates subsection (a) if that third party—

(A) owns, or has a greater than 50 percent ownership or economic interest in, the trade or business of the person that violated subsection (a); or

(B)(i) has actual knowledge that goods, products, property, or services are promoted in a commercial electronic mail message the transmission of which is in violation of section 5(a)(1); and

(ii) receives, or expects to receive, an economic benefit from such promotion.

(c) EXCLUSIVE ENFORCEMENT BY FTC.—Subsections (f) and (g) of section 7 do not apply to violations of this section.

(d) SAVINGS PROVISION.—Except as provided in section 7(f)(8), nothing in this section may be construed to limit or prevent any action that may be taken under this Act with respect to any violation of any other section of this Act.

SEC. 7. ENFORCEMENT GENERALLY.

(a) VIOLATION IS UNFAIR OR DECEPTIVE ACT OR PRACTICE.—Except as provided in subsection (b), this Act shall be enforced by the Commission as if the violation of this Act were an unfair or deceptive act or practice proscribed under section 18(a)(1)(B) of the Federal Trade Commission Act (15 U.S.C. 57a(a)(1)(B)).

(b) ENFORCEMENT BY CERTAIN OTHER AGENCIES.—Compliance with this Act shall be enforced—

(1) under section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818), in the case of—

(A) national banks, and Federal branches and Federal agencies of foreign banks, by the Office of the Comptroller of the Currency;

(B) member banks of the Federal Reserve System (other than national banks), branches and agencies of foreign banks (other than Federal branches, Federal agencies, and insured State branches of foreign banks), commercial lending companies owned or controlled by foreign banks, organizations operating under section 25 or 25A of the Federal Reserve Act (12 U.S.C. 601 and 611), and bank holding companies, by the Board;

(C) banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System) insured State branches of foreign banks, by the Board of Directors of the Federal Deposit Insurance Corporation; and

(D) savings associations the deposits of which are insured by the Federal Deposit Insurance Corporation, by the Director of the Office of Thrift Supervision;

(2) under the Federal Credit Union Act (12 U.S.C. 1751 et seq.) by the Board of the National Credit Union Administration with respect to any Federally insured credit union;

(3) under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) by the Securities and Exchange Commission with respect to any broker or dealer;

(4) under the Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.) by the Securities and Exchange Commission with respect to investment companies;

(5) under the Investment Advisers Act of 1940 (15 U.S.C. 80b-1 et seq.) by the Securities and Exchange Commission with respect to investment advisers registered under that Act;

(6) under State insurance law in the case of any person engaged in providing insurance, by the applicable State insurance authority of the State in which the person is domiciled, subject to section 104 of the Gramm-Bliley-Leach Act (15 U.S.C. 6701), except that in any State in which the State insurance authority elects not to exercise this power, the enforcement authority pursuant to this Act shall be exercised by the Commission in accordance with subsection (a);

(7) under part A of subtitle VII of title 49, United States Code, by the Secretary of Transportation with respect to any air carrier or foreign air carrier subject to that part;

(8) under the Packers and Stockyards Act, 1921 (7 U.S.C. 181 et seq.) (except as provided in section 406 of that Act (7 U.S.C. 226, 227)), by the Secretary of Agriculture with respect to any activities subject to that Act;

(9) under the Farm Credit Act of 1971 (12 U.S.C. 2001 et seq.) by the Farm Credit Administration with respect to any Federal land bank, Federal land bank association, Federal intermediate credit bank, or production credit association; and

(10) under the Communications Act of 1934 (47 U.S.C. 151 et seq.) by the Federal Communications Commission with respect to any person subject to the provisions of that Act.

(c) EXERCISE OF CERTAIN POWERS.—For the purpose of the exercise by any agency referred to in subsection (b) of its powers under any Act referred to in that subsection, a violation of this Act is deemed to be a violation of a Federal Trade Commission trade regulation rule. In addition to its powers under any provision of law specifically referred to in subsection (b), each of the agencies referred to in that subsection may exercise, for the purpose of enforcing compliance with any requirement imposed under this Act, any other authority conferred on it by law.

(d) ACTIONS BY THE COMMISSION.—The Commission shall prevent any person from violating this Act in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the Federal Trade Commission Act (15 U.S.C. 41 et seq.) were incorporated into and made a part of this Act. Any entity that violates any provision of that subtitle is subject to the penalties and entitled to the privileges and immunities provided in the Federal Trade Commission Act in the same manner, by the same means, and with the same jurisdiction, power, and duties is though all applicable terms and provisions of the Federal Trade Commission Act were incorporated into and node a part of that subtitle.

(e) AVAILABILITY OF CEASE-AND-DESIST ORDERS AND INJUNCTIVE RELIEF WITHOUT SHOWING OF KNOWLEDGE.—Notwithstanding any other provision of this Act, in any proceeding or action pursuant to subsection (a), (b), (c), or (d) of this section to enforce compliance, through an order to cease and desist or an injunction, with section 5(a)(1)(C), section 5(a)(2), clause (ii), (iii), or (iv) of section 5(a)(4)(A), section 5(b)(1)(A), or section 5(b)(3), neither the Commission nor the Federal Communications Commission shall be required to allege or prove the state of mind required by such section or subparagraph.

(f) ENFORCEMENT BY STATES.—

(1) CIVIL ACTION.—In any case in which the attorney general of a State, or an official or agency of a State, has reason to believe that an interest of the residents of that State has been or is threatened or adversely affected by any person who violates paragraph (1) or (2) of section 5(a), who violates section 5(d), or who engages in a pattern or practice that violates paragraph (3), (4), or (5) of section 5(a), of this Act, the attorney general, official, or agency of the State, as parens patriae, may bring a civil action on behalf of the residents of the State in a district court of the United States of appropriate jurisdiction—

(A) to enjoin further violation of section 5 of this Act by the defendant; or

(B) to obtain damages on behalf of residents of the State, in an amount equal to the greater of—

(i) the actual monetary loss suffered by such residents; or

(ii) the amount determined under paragraph (3).

(2) AVAILABILITY OF INJUNCTIVE RELIEF WITHOUT SHOWING OF KNOWLEDGE.—Notwithstanding any other provision of this Act, in a civil action under paragraph (1)(A) of this subsection, the attorney general, official, or agency of the State shall not be required to allege or prove the state of mind required by section 5(a)(1)(C), section 5(a)(2), clause (ii), (iii), or (iv) of section 5(a)(4)(A), section 5(b)(1)(A), or section 5(b)(3).

(3) STATUTORY DAMAGES.—

(A) IN GENERAL.—For purposes of paragraph (1)(B)(ii), the amount determined under this paragraph is the amount calculated by multiplying the number of violations (with each separately addressed unlawful message received by or addressed to such residents treated as a separate violation) by up to $250.

(B) LIMITATION.—For any violation of section 5 (other than section 5(a)(1)), the amount determined under subparagraph (A) may not exceed $2,000,000.

(C) AGGRAVATED DAMAGES.—The court may increase a damage award to an amount equal to not more than three times the amount otherwise available under this paragraph if—

(i) the court determines that the defendant committed the violation willfully and knowingly; or

(ii) the defendant's unlawful activity included one or more of the aggravating violations set forth in section 5(b).

(D) REDUCTION OF DAMAGES.—In assessing damages under subparagraph (A), the court may consider whether—

(i) the defendant has established and implemented, with due care, commercially reasonable practices and procedures designed to effectively prevent such violations; or

(ii) the violation occurred despite commercially reasonable efforts to maintain compliance the practices and procedures to which reference is made in clause (i).

(4) ATTORNEY FEES.—In the case of any successful action under paragraph (1), the court, in its discretion, may award the costs of the action and reasonable attorney fees to the State.

(5) RIGHTS OF FEDERAL REGULATORS.—The State shall serve prior written notice of any action under paragraph (1) upon the Federal Trade Commission or the appropriate Federal regulator determined under subsection (b) and provide the Commission or appropriate Federal regulator with a copy of its complaint, except in any case in which such prior notice is not feasible, in which case the State shall serve such notice immediately upon instituting such action. The Federal Trade Commission or appropriate Federal regulator shall have the right—

(A) to intervene in the action;

(B) upon so intervening, to be heard on all matters arising therein;

(C) to remove the action to the appropriate United States district court; and

(D) to file petitions for appeal.

(6) CONSTRUCTION.—For purposes of bringing any civil action under paragraph (1), nothing in this Act shall be construed to prevent an attorney general of a State from exercising the powers conferred on the attorney general by the laws of that State to—

(A) conduct investigations;

(B) administer oaths or affirmations; or

(C) compel the attendance of witnesses or the production of documentary and other evidence.—

(7) VENUE; SERVICE OF PROCESS.—

(A) VENUE.—Any action brought under paragraph (1) may be brought in the district court of the United States that meets applicable requirements relating to venue under section 1391 of title 28, United States Code.

(B) SERVICE OF PROCESS.—In an action brought under paragraph (1), process may be served in any district in which the defendant—

(i) is an inhabitant; or

(ii) maintains a physical place of business.

(8) LIMITATION ON STATE ACTION WHILE FEDERAL ACTION IS PENDING.—If the Commission, or other appropriate Federal agency under subsection (b), has instituted a civil action or an administrative action for violation of this Act, no State attorney general, or official or agency of a State, may bring an action under this subsection during the pendency of that action against any defendant

named in the complaint of the Commission or the other agency for any violation of this Act alleged in the complaint.

(9) REQUISITE SCIENTER FOR CERTAIN CIVIL ACTIONS.—Except as provided in section 5(a)(1)(C), section 5(a)(2), clause (ii), (iii), or (iv) of section 5(a)(4)(A), section 5(b)(1)(A), or section 5(b)(3), in a civil action brought by a State attorney general, or an official or agency of a State, to recover monetary damages for a violation of this Act, the court shall not grant the relief sought unless the attorney general, official, or agency establishes that the defendant acted with actual knowledge, or knowledge fairly implied on the basis of objective circumstances, of the act or omission that constitutes the violation.

(g) ACTION BY PROVIDER OF INTERNET ACCESS SERVICE.—

(1) ACTION AUTHORIZED.—A provider of Internet access service adversely affected by a violation of section 5(a)(1), 5(b), or 5(d), or a pattern or practice that violates paragraph (2), (3), (4), or (5) of section 5(a), may bring a civil action in any district court of the United States with jurisdiction over the defendant—

(A) to enjoin further violation by the defendant; or

(B) to recover damages in an amount equal to the greater of—

(i) actual monetary loss incurred by the provider of Internet access service as a result of such violation; or

(ii) the amount determined under paragraph (3).

(2) SPECIAL DEFINITION OF "PROCURE".—In any action brought under paragraph (1), this Act shall be applied as if the definition of the term "procure" in section 3(12) contained, after "behalf" the words "with actual knowledge, or by consciously avoiding knowing, whether such person is engaging, or will engage, in a pattern or practice that violates this Act".

(3) STATUTORY DAMAGES.—

(A) IN GENERAL.—For purposes of paragraph (1)(B)(ii), the amount determined under this paragraph is the amount calculated by multiplying the number of violations (with each separately addressed unlawful message that is transmitted or attempted to be transmitted over the facilities of the provider of Internet access service, or that is transmitted or attempted to be transmitted to an electronic mail address obtained from the provider of Internet access service in violation of section 5 (b)(1)(A)(i), treated as a separate violation) by—

(i) up to $100, in the case of a violation of section 5(a)(1); or

(ii) up to $25, in the case of any other violation of section 5.

(B) LIMITATION.—For any violation of section 5 (other than section 5(a)(1)), the amount determined under subparagraph (A) may not exceed $1,000,000.

(C) AGGRAVATED DAMAGES.—The court may increase a damage award to an amount equal to not more than three times the amount otherwise available under this paragraph if—

(i) the court determines that the defendant committed the violation willfully and knowingly; or

(ii) the defendant's unlawful activity included one or more of the aggravated violations set forth in section 5(b).

(D) REDUCTION OF DAMAGES.—In assessing damages under subparagraph (A), the court may consider whether—

(i) the defendant has established and implemented, with due care, commercially reasonable practices and procedures designed to effectively prevent such violations; or—

(ii) the violation occurred despite commercially reasonable efforts to maintain compliance with the practices and procedures to which reference is made in clause (i).

(4) ATTORNEY FEES.—In any action brought pursuant to paragraph (1), the court may, in its discretion, require an undertaking for the payment of the costs of such action, and assess reasonable costs, including reasonable attorneys' fees, against any party.

SEC. 8. EFFECT ON OTHER LAWS.

(a) FEDERAL LAW.—

(1) Nothing in this Act shall be construed to impair the enforcement of section 223 or 231 of the Communications Act of 1934 (47 U.S.C. 223 or 231, respectively), chapter 71 (relating to obscenity) or 110 (relating to sexual exploitation of children) of title 18, United States Code, or any other Federal criminal statute.

(2) Nothing in this Act shall be construed to affect in any way the Commission's authority to bring enforcement actions under FTC Act for materially false or deceptive representations or unfair practices in commercial electronic mail messages.

(b) STATE LAW.—

(1) IN GENERAL.—This Act supersedes any statute, regulation, or rule of a State or political subdivision of a State that expressly regulates the use of electronic mail to send commercial messages, except to the extent that any such statute, regulation, or rule prohibits falsity or deception in any portion of a commercial electronic mail message or information attached thereto.

(2) STATE LAW NOT SPECIFIC TO ELECTRONIC MAIL.—This Act shall not be construed to preempt the applicability of—

(A) State laws that are not specific to electronic mail, including State trespass, contract, or tort law; or

(B) other State laws to the extent that those laws relate to acts of fraud or computer crime.

(c) NO EFFECT ON POLICIES OF PROVIDERS OF INTERNET ACCESS SERVICE.—Nothing in this Act shall be construed to have any effect on the lawfulness or unlawfulness, under any other provision of law, of the adoption, implementation, or enforcement by a provider of Internet access service of a policy of declining to transmit, route, relay, handle, or store certain types of electronic mail messages.

SEC. 9. DO-NOT-E-MAIL REGISTRY.

(a) IN GENERAL.—Not later than 6 months after the date of enactment of this Act, the Commission shall transmit to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Energy and Commerce a report that—

(1) sets forth a plan and timetable for establishing a nationwide marketing Do-Not-E-Mail registry;

(2) includes an explanation of any practical, technical, security, privacy, enforceability, or other concerns that the Commission has regarding such a registry; and

(3) includes an explanation of how the registry would be applied with respect to children with e-mail accounts.

(b) AUTHORIZATION TO IMPLEMENT.—The Commission may establish and implement the plan, but not earlier than 9 months after the date of enactment of this Act.

SEC. 10. STUDY OF EFFECTS OF COMMERCIAL ELECTRONIC MAIL.

(a) IN GENERAL.—Not later than 24 months after the date of the enactment of this Act, the Commission, in consultation with the Department of Justice and other appropriate agencies, shall submit a report to the Congress that provides a detailed analysis of the effectiveness and enforcement of the provisions of this Act and the need (if any) for the Congress to modify such provisions.

(b) REQUIRED ANALYSIS.—The Commission shall include in the report required by subsection (a)—

(1) an analysis of the extent to which technological and marketplace developments, including changes in the nature of the devices through which consumers access their electronic mail messages, may affect the practicality and effectiveness of the provisions of this Act;

(2) analysis and recommendations concerning how to address commercial electronic mail that originates in or is transmitted through or to facilities or computers in other nations, including initiatives or policy positions that the Federal Government could pursue through international negotiations, fora, organizations, or institutions; and

(3) analysis and recommendations concerning options for protecting consumers, including children, from the receipt and viewing of commercial electronic mail that is obscene or pornographic.

SEC. 11. IMPROVING ENFORCEMENT BY PROVIDING REWARDS FOR INFORMATION ABOUT VIOLATIONS; LABELING.

The Commission shall transmit to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Energy and Commerce—

(1) a report, within 9 months after the date of enactment of this Act, that sets forth a system for rewarding those who supply information about violations of this Act, including—

(A) procedures for the Commission to grant a reward of not less than 20 percent of the total civil penalty collected for a violation of this Act to the first person that—

(i) identifies the person in violation of this Act; and

(ii) supplies information that leads to the successful collection of a civil penalty by the Commission; and

(B) procedures to minimize the burden of submitting a complaint to the Commission concerning violations of this Act, including procedures to allow the electronic submission of complaints to the Commission; and

(2) a report, within 18 months after the date of enactment of this Act, that sets forth a plan for requiring commercial electronic mail to be identifiable from its subject line, by means of compliance with Internet Engineering Task Force Standards, the use of the characters "ADV" in the subject line, or other comparable identifier, or an explanation of any concerns the Commission has that cause the Commission to recommend against the plan.

SEC. 12. RESTRICTIONS ON OTHER TRANSMSSIONS.

Section 227(b)(1) of the Communications Act of 1934 (47 U.S.C. 227(b)(1)) is amended, in the matter preceding subparagraph (A), by inserting ", or any person outside the United States if the recipient is within the United States" after "United States".

SEC. 13. REGULATIONS.

(a) IN GENERAL.—The Commission may issue regulations to implement the provisions of this Act (not including the amendments made by sections 4 and 12). Any such regulations shall be issued in accordance with section 553 of title 5, United States Code.

(b) LIMITATION.—Subsection (a) may not be construed to authorize the Commission to establish a requirement pursuant to section 5(a)(5)(A) to include any specific words, characters, marks, or labels in a commercial electronic mail message, or to include the identification required by section 5(a)(5)(A) in any particular part of such a mail message (such as the subject line or body).

SEC. 14. APPLICATION TO WIRELESS.

(a) EFFECT ON OTHER LAW.—Nothing in this Act shall be interpreted to preclude or override the applicability of section 227 of the Communications Act of 1934 (7 U.S.C. 227) or the rules prescribed under section 3 of the Telemarketing and Consumer Fraud and Abuse Prevention Act (15 U.S.C. 6102).

(b) FCC RULEMAKING.—The Federal Communications Commission, in consultation with the Federal Trade Commission, shall promulgate rules within 270 days to protect consumers from unwanted mobile service commercial messages. The Federal Communications Commission, in promulgating the rules, shall, to the extent consistent with subsection (c)—

(1) provide subscribers to commercial mobile services the ability to avoid receiving mobile service commercial messages unless the subscriber has provided express prior authorization to the sender, except as provided in paragraph (3);

(2) allow recipients of mobile service commercial messages to indicate electronically a desire not to receive future mobile service commercial messages from the sender;

(3) take into consideration, in determining whether to subject providers of commercial mobile services to paragraph (1), the relationship that exists between providers of such services and their subscribers, but if the Commission determines that such providers should not be subject to paragraph (1), the rules shall require such providers, in addition to complying with the other provisions of this Act, to allow subscribers to indicate a desire not to receive future mobile service commercial messages from the provider—

(A) at the time of subscribing to such service; and

(B) in any billing mechanism; and

(4) determine a sender of mobile service commercial messages may comply with the provisions of this Act, considering the unique technical aspects, including the functional and character limitations, of devices that receive such messages.

(C) OTHER FACTORS CONSIDERED.—The Federal Communications Commission shall consider the ability of a sender of a commercial electronic mail message to reasonably determine that the message is a mobile service commercial message.

(d) MOBILE SERVICE COMMERCIAL MESSAGE DEFINED.—In this section, the term "mobile service commercial message" means a commercial electronic mail message that is transmitted directly to a wireless device that is utilized by a subscriber of commercial mobile service (as such term is defined in section 332(d) of the Communications Act of 1934 (47 U.S.C. 332(d))) in connection with such service.

SEC. 15. SEPARABILITY.

If any provision of this Act or the application thereof to any person or circumstance is held invalid, the remainer of this Act and the application of such provision to other persons or circumstances shall not be affected.

SEC. 16. EFFECTIVE DATE.

The provisions of this Act, other than section 9, shall take effect on January 1, 2004.

SA 2220. Mr. HOLLINGS (for himself, Ms. COLLINS, Mr. CARPER, Mr. SPECTER, Mr. JEFFORDS, and Mr. LAUTENBERG) submitted an amendment intended to be proposed by him to the bill S. 1961, to provide for the revitalization and enhancement of the American passenger and freight rail transportation system; which was referred to the Committee on Commerce, Science, and Transportation; as follows:

TITLE VIII—RAIL INFRASTRUCTURE TAX CREDIT BONDS

SEC. 801. CREDIT TO HOLDERS OF QUALIFIED RAIL INFRASTRUCTURE BONDS.

(a) IN GENERAL.—Part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to credits against tax) is amended by adding at the end the following new subpart:

"Subpart H—Nonrefundable Credit for Holders of Qualified Rail Infrastructure Bonds

"See. 54. Credit to holders of qualified rail infrastructure bonds.

"SEC. 54. CREDIT TO HOLDERS OF QUALIFIED RAIL INFRASTRUCTURE BONDS.

"(a) ALLOWANCE OF CREDIT.—In the case of a taxpayer who holds a qualified rail infrastructure bond on a credit allowance date of such bond which occurs during the taxable year, there shall be allowed as a credit against the tax imposed by this chapter for such taxable year an amount equal to the sum of the credits determined under subsection (b) with respect to credit allowance dates during such year on which the taxpayer holds such bond.

"(b) AMOUNT OF CREDIT.—

"(1) IN GENERAL.—The amount of the credit determined under this subsection with respect to any credit allowance date for a qualified rail infrastructure bond is 25 percent of the annual credit determined with respect to such bond.

"(2) ANNUAL CREDIT.—The annual credit determined with respect to any qualified rail infrastructure bond is the product of—

"(A) the applicable credit rate, multiplied by

"(B) the outstanding face amount of the bond.

"(3) APPLICABLE CREDIT RATE.—For purposes of paragraph (2), the applicable credit rate with respect to an issue is the rate, equal to an average market yield (as of the day before the date of sale of the issue) on outstanding long-term corporate debt obligations (determined under regulations prescribed by the Secretary).

"(4) CREDIT ALLOWANCE DATE.—For purposes of this section, the term 'credit allowance date' means—

"(A) March 15,

"(B) June 15,

"(C) September 15, and

"(D) December 15.

Such term includes the last day on which the bond is outstanding.

"(5) SPECIAL, RULE FOR ISSUANCE AND REDEMPTION.—In the case of a bond which is issued during the 3-month period ending on a credit allowance date, the amount of the credit determined under this subsection with respect to such credit allowance date shall be a ratable portion of the credit otherwise determined based on the portion of the 3-month period during which the bond is outstanding. A similar rule shall apply when the bond is redeemed.

"(c) LIMITATION BASED ON AMOUNT OF TAX.—The credit allowed under subsection (a) for any taxable year shall not exceed the excess of—

"(1) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

"(2) the sum of the credits allowable under this part (other than this subpart and subpart C).

"(d) CREDIT INCLUDED IN GROSS INCOME.—Gross income includes the amount of the credit allowed to the taxpayer under this section (determined without regard to subsection (c)) and the amount so included shall he treated as interest income.

"(e) QUALIFIED RAIL INFRASTRUCTURE BOND.—For purposes of this part, the term 'qualified rail infrastructure bond' means any bond issued as part of an issue if—

"(1) the bond is issued by the Rail Infrastructure Finance Corporation and is in registered form,

"(2) the term of each bond which is part of such issue does not exceed 20 years,

"(3) the payment of principal with respect to such bond is the obligation of the Rail Infrastructure Finance Corporation and not an obligation of the United States,

"(4) all proceeds from the sale of the issue are used for the purposes set forth in section 507(c)(5) of the Arrive 21 Act, and

"(5) 95 percent or more of the net spendable proceeds from the sale of such issue are to be used for expenditures incurred after the date of enactment of this section for any qualified project described in section 601, 602, or 603 of the Arrive 21 Act subject to the limitations established by that Act.

"(f) SPECIAL RULES RELATING TO NET SPENDABLE PROCEEDS.—

"(1) IN GENERAL.—Subject to paragraph (2), an issue shall be treated as meeting the requirements of this subsection if, as of 6 years after the date of issuance, the issuer reasonably expects—

"(A) to award grants under sections 501, 502, and 503 of the Arrive 21 Act in a total amount that is at least 95 percent of the net spendable proceeds of the issue for 1 or more qualified projects within the 6-year period beginning on such date,

"(B) to incur a binding commitment with a third party—

"(i) to spend at least 10 percent of the net spendable proceeds of the issue, or to commence construction, with respect to such projects within the 12-month period beginning on such date, and

"(ii) to proceed with due diligence to complete such projects, and

"(C) to expend the total amount of the net spendable proceeds of the issue.

"(2) RULES REGARDING CONTINUING COMPLIANCE AFTER 6-YEAR DETERMINATION.—If at least 95 percent of the net spendable proceeds of the issue is not awarded as grants to be expended for 1 or more qualified projects within the 6-year period beginning 6 years after the date of issuance, but the requirements of paragraph (1) are otherwise met, an issue shall be treated as continuing to meet the requirements of paragraph (1) if either the requirement under subparagraph (A) or the requirements under subparagraph (B) are met, as follows:

"(A) The issuer uses all unspent proceeds from the sale of the issue to redeem bonds of the issue within 90 days after the end of such 6-year period and disburses any remaining net spendable proceeds to the Secretary of Treasury within 30 days after the end of such 6-year period.

"(B) The issuer—

"(i) awards in grants under sections 501, 502, and 503 of the Arrive 21 Act at least 75 percent of the net spendable proceeds of the issue for 1 or more qualified projects within the 6-year period beginning 6 years after the date of issuance, and

"(ii) awards in grants under sections 501, 502, and 503 of the Arrive 21 Act at least 95 percent of the net spendable proceeds of the issue for 1 or more qualified projects within the 7-year period beginning 6 years after the date of issuance.

"(g) Recapture of Portion of Credit Where Cessation of Compliance.—

"(1) In general.—If any bond which when issued purported to be a qualified rail infrastructure bond ceases to be such a qualified bond, the issuer shall pay to the United States (at the time required by the Secretary) an amount equal to the sum of—

"(A) the aggregate of the credits allowable under this section with respect to such bond (determined without regard to subsection (c)) for taxable years ending during the calendar year in which such cessation occurs and the 2 preceding calendar years, and

"(B) interest at the underpayment rate under section 6621 on the amount determined under subparagraph (A) for each calendar year for the period beginning on the first day of such calendar year.

"(2) Nonculpable Disqualifications.—If a qualified rail infrastructure bond ceases to qualify, as such a bond due to action taken by the recipient of a grant made under section 601, 602, or 603 of the Arrive 21 Act, the issuer may seek compensation under paragraph (1) of this subsection.

"(h) Rail Infrastructure Finance Trust.—

"(1) In general.—The following amounts shall be held in a trust account by the Rail Infrastructure Finance Corporation:

"(A) An amount of the proceeds from the sale of all bonds designated for purposes of this section that, when combined with amounts described in subparagraphs (B), (C), and (D), is sufficient—

"(1) to ensure the Corporation's ability to redeem all bonds upon maturity; and

"(ii) to pay the administrative expenses of the Corporation and the Rail Infrastructure Finance Trust.

"(B) The amount of any on-Federal contributions required under section 604(b) of the Arrive 21 Act.

"(C) The temporary period investment earnings on proceeds from the sale of such bonds.

"(D) Any earnings on any amounts described in subparagraph (A), (B), or (C).

"(2) Use of funds.— Amounts in the trust account may be used only for investment purposes to generate sufficient funds to redeem qualified rail infrastructure bonds at maturity and pay the administrative expenses of the Corporation and the Trust.

"(3) Use of remaining funds on trust account.—If the Corporation determines that the amount in the trust account exceeds the amount required to comply with paragraph (2), the Corporation may transfer the excess to the Rail Infrastructure Investment account to be available for awarding grants as provided for in section 507(c)(5)(B) of the Arrive 21 Act.

"(4) Reversion of remaining proceeds.—Upon retirement of all bonds issued by the Corporation, any remaining proceeds from the sale of such bonds shall be covered into the general fund of the Treasury of the United States as miscellaneous receipts.

"(i) Other Definitions and Special Rules.—For purposes of this section—

"(1) Bond.—The term 'bond' includes any obligation.

"(2) Net spendable proceeds.—The term 'net spendable proceeds' has the meaning give such term in section 507(c)(6) of the Arrive 21 Act.

"(3) Qualified project.—The term 'qualified project' means any project that is eligible for grant funding under section 601, 602, or 603 of the Arrive 21 Act.

"(4) Partnership; S corporation; and other pass-thru entities.—Under regulations prescribed by the Secretary, in the case of a partnership, trust, S corporation, or other pass-thru entity, rules similar to the rules of section 41(g) shall apply with respect to the credit allowable under subsection (a).

"(5) Bonds held by regulated investment companies.—If any qualified rail infrastructure bond is held by a regulated investment company, the credit determined under subsection (a) shall be allowed to shareholders of such company under procedures prescribed by the Secretary.

"(6) Reporting.—Issuers of qualified rail infrastructure bonds shall submit reports similar to the reports required under section 149(e).".

(b) Amendments to Other Code Sections.—

(1) Reporting.—Subsection (d) of section 6049 of the Internal Revenue Code of 1986 (relating to returns regarding payments of interest) is amended by adding at the end the following new paragraph:

"(8) Reporting of credit on qualified rail infrastructure bonds.—

"(A) In general.—For purposes of subsection (a), the term 'interest' includes amounts includible in gross income under section 54(d) and such amounts shall be treated as paid on the credit allowance date (as defined in section 54(b)(4)).

"(B) Reporting to corporations, etc.—Except as otherwise provided in regulations, in the case of any interest described in subparagraph (A), subsection (b)(4) shall be applied without regard to subparagraphs (A), (H), (I), (J), (K), and (L)(i) of such subsection.

"(C) Regulatory authority.—The Secretary may prescribe such regulations as are necessary or appropriate to carry out the purposes of this paragraph, including regulations which require more frequent or more detailed reporting.".

(2) Treatment for estimated tax purposes.—

(A) Individual.—Section 6654 of such Code (relating to failure by individual to pay estimated income tax) is amended by redesignating subsection (m) as subsection (n) and by inserting after subsection (l) the following new subsection:

"(m) Special Rule for Holders of Qualified Rail Infrastructure Bonds.—For purposes of this section, the credit allowed by section 54 to a taxpayer by reason of holding a qualified rail infrastructure bond on a credit allowance date shall he treated as if it were a payment of estimated tax made by the taxpayer on such date.".

(13) Corporate.—Section 6655 of such Cole (relating to failure by corporation to pay estimated income tax) is amended by adding at the end of subsection (g) the following new paragraph:

"(5) Special rule for holders of qualified rail infrastructure Bonds.—For purposes of this section, the credit allowed by section 54 to a taxpayer by reason of holding a qualified rail infrastructure bond on a credit allowance date shall be treated as if it were a payment of estimated tax made by the taxpayer on such date.".

(c) Clerical Amendments.—

(1) The table of subparts for part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

"Subpart H. Nonrefundable Credit for Holders of Qualified Rail Infrastructure Bonds.".

(2) Section 6401(b)(1) is amended by striking "and G" and inserting "G, and H".

SEC. 802. ISSUANCE OF REGULATIONS.

The Secretary of the Treasury shall issue regulations required under section 54 of the Internal Revenue Code of 1986 not later than 90 days after the date of the enactment of this Act.

SEC. 803. EFFECTIVE DATE.

The amendments made by section 701 shall apply to obligations issued after the date of enactment of this Act.

On page 3, at the end of the matter appearing before line 1, insert the following:

Title VIII—Rail Infrastructure Tax Credit Bonds

Sec. 801. Credit to holder of qualified rail infrastructure bonds.
Sec. 802. Issuance of regulations.
Sec. 803. Effective date.

SA 2221. Mr. McCONNELL (for Mr. Lott) proposed an amendment to the resolution S. Res. 177, to direct the Senate Commission on Art to select an appropriate scene commemorating the Great Compromise of our forefathers establishing a bicameral Congress with equal representation in the United States Senate, to be placed in the Senate wing of the Capitol, and to authorize the Committees on Rules and Administration to obtain technical advice and assistance in carrying out its duties; as follows:

On page 3, strike lines 2 through 4 and insert the following: "forefathers, to be placed in a location in the Senate wing to be determined by the chairman and ranking member of the Committee on Rules and Administration.".

SA 2222. Mr. McCONNELL (for Mr. Lott) proposed an amendment to the resolution S. Res. 177, to direct the Senate Commission on Art to select an appropriate scene commemorating the Great Compromise of our forefathers establishing a bicameral Congress with equal representation in the United States Senate, to be placed in the Senate wing of the Capitol, and to authorize the Committees on Rules and Administration to obtain technical advice and assistance in carrying out its duties; as follows:

Amend the preamble to read as follows:

Whereas on July 16, 1787, the framers of the United States Constitution, meeting at Independence Hall, reached a supremely important agreement, providing for a dual system of congressional representation, such that in the House of Representatives, each State would be assigned a number of seats in proportion to its population, and in the Senate, all States would have an equal number of seats, an agreement which became known as the "Great Compromise" or the "Connecticut Compromise"; and

Whereas an appropriate scene commemorating the Great Compromise of our forefathers establishing a bicameral Congress with equal State representation in the United States Senate should be placed in the Senate wing of the Capitol: Now, therefore, be it

---

SA 2223. Mr. McCONNELL (for Mr. Lott) proposed an amendment to the resolution S. Res. 177, to direct the Senate Commission on Art to select an appropriate scene commemorating the Great Compromise of our forefathers establishing a bicameral Congress with equal representation in the United States Senate, to be placed in the Senate wing of the Capitol, and to authorize the Committees on Rules and Administration to obtain technical advice and assistance in carrying out its duties; as follows:

Amend the title so as to read: "To direct the Senate Commission on Art to select an appropriate scene commemorating the Great Compromise of our forefathers establishing a bicameral Congress with equal representation in the United States Senate, to be placed in the Senate wing of the Capitol, and to authorize the Committees on Rules and Administration to obtain technical advice and assistance in carrying out its duties.".

SA 2224. Ms. CANTWELL submitted an amendment intended to be proposed by her to the bill S. 1839, to extend the Temporary Extended Unemployment Compensation Act of 2002; which was referred to the Committee on Finance; as follows:

Starting on page 1, line one, strike all that follows and replace with the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Unemployment Compensation Extension Act of 2003".

SEC. 2. REFERENCES.

Except as otherwise expressly provided, whenever in this Act an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of the Temporary Extended Unemployment Compensation Act of 2002 (Public Law 107–147; 26 U.S.C. 3304 note).

SEC. 3. EXTENSION OF THE TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION ACT OF 2002.

(a) FOUR-MONTH EXTENSION OF PROGRAM.—Section 208 is amended to read as follows:

"SEC. 208. APPLICABILITY.

"(a) IN GENERAL.—Subject to subsection (b), an agreement entered into under this title shall apply to weeks of unemployment—

"(1) beginning after the date on which such agreement is entered into; and

"(2) ending before May 1, 2004.

"(b) TRANSITION FOR AMOUNT REMAINING IN ACCOUNT.—

"(1) IN GENERAL.—Subject to paragraph (2), in the case of an individual who has amounts remaining in an account established under section 203 as of May 1, 2004, temporary extended unemployment compensation shall continue to be payable to such individual from such amounts for any week beginning after such date for which the individual meets the eligibility requirements of this title.

"(2) LIMITATION.—No compensation shall be payable by reason of paragraph (1) for any week beginning after October 31, 2004.".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the enactment of the Temporary Extended Unemployment Compensation Act of 2002 (Public Law 107–147; 26 U.S.C. 3304 note).

SEC. 4. ADDITIONAL REVISION TO CURRENT TEUC–X TRIGGER.

Section 203(c)(2)(B) is amended to read as follows:

"(B) such a period would then be in effect for such State under such Act if—

"(i) section 203(d) of such Act were applied as if it had been amended by striking '5' each place it appears and inserting '4'; and

"(ii) with respect to weeks of unemployment beginning on or after the date of enactment of this clause—

"(I) paragraph (1)(A) of such section 203(d) did not apply; and

"(II) clause (ii) of section 203(f)(1)(A) of such Act did not apply.".

SEC. 5. TEMPORARY STATE AUTHORITY TO WAIVE APPLICATION OF LOOKBACKS UNDER THE FEDERAL-STATE EXTENDED UNEMPLOYMENT COMPENSATION ACT OF 1970.

For purposes of conforming with the provisions of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note), a State may, during the period beginning on the date of enactment of this Act and ending on June 30, 2004, waive the application of either subsection (d)(1)(A) of section 203 of such Act or subsection (f)(1)(A)(ii) of such section, or both.

SA 2225. Mr. LEVIN submitted an amendment intended to be proposed by him to the bill S. 1267, to amend the District of Columbia Home Rule Act to provide the District of Columbia with autonomy over its budgets, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____. METERED TAXICABS IN THE DISTRICT OF COLUMBIA.

(a) IN GENERAL.—Except as provided in subsection (b) and not later than 1 year after the date of enactment of this Act, the District of Columbia shall require all taxicabs licensed in the District of Columbia to charge fares by a metered system.

(b) DISTRICT OF COLUMBIA OPT OUT.—The Mayor of the District of Columbia may exempt the District of Columbia from the requirement under subsection (a) by issuing an executive order that specifically states that the District of Columbia opts out of the requirement to implement a metered fare system for taxicabs.

SA 2226. Mr. AKAKA submitted an amendment intended to be proposed by him to the bill S. 910, to ensure the continuation of non-homeland security functions of Federal agencies transferred to the Department of Homeland Security; which was ordered to lie on the table; as follows:

On page 3, line 1, beginning with the comma strike all through page 4, line 19, and insert a period.

On page 5, line 5, strike the comma and insert "(except for the Coast Guard),".

On page 5, strike lines 16 through 21, and insert the following:

(4) the Committee on the Judiciary of the Senate;

(5) the Committee on Environment and Public Works of the Senate;

(6) the Committee on Government Reform of the House of Representatives;

(7) the Select Committee on Homeland Security of the House of Representatives;

(8) the Committee on Appropriations of the House of Representatives;

(9) the Committee on the Judiciary of the House of Representatives;

(10) the Committee on Transportation and Infrastructure of the House of Representatives; and

(11) any other relevant committee of the Senate or House of Representatives that requests a copy of the report.

On page 7, strike lines 16 through 18, and insert the following:

to—

(A) the Committee on Governmental Affairs of the Senate;

(B) the Committee on Appropriations of the Senate;

(C) the Committee on the Judiciary of the Senate;

(D) the Committee on Environment and Public Works of the Senate;

(E) the Committee on Government Reform of the House of Representatives;

(F) the Select Committee on Homeland Security of the House of Representatives;

(G) the Committee on Appropriations of the House of Representatives;

(H) the Committee on the Judiciary of the House of Representatives;

(I) the Committee on Transportation and Infrastructure of the House of Representatives; and

(J) any other relevant committee of the Senate or House of Representatives that requests a copy of the report.

(3) CONTENTS.—The report submitted under paragraph (2) shall contain—

On page 8, strike line 15 and all that follows through page 9, line 13, and insert the following:

(f) APPLICATION OF REQUIREMENTS TO THE SECRET SERVICE.—

(1) IN GENERAL.—The Director of the Secret Service shall submit each report in accordance with subsections (a), (b), and (c).

(2) ANNUAL EVALUATIONS AND PERFORMANCE REPORTS.—Subsections (d) and (e) shall apply with respect to that portion included in each report under paragraph (1).

(g) COAST GUARD REPORTS.—Any report required to be submitted to Congress by the Secretary of Homeland Security, the Commandant of the Coast Guard, or the Inspector General of the Department of Homeland Security under section 348 of the Maritime Transportation Security Act of 2002 (116 Stat. 2111) shall also be submitted to the Governmental Affairs Committee of the Senate and the Committee on Government Reform of the House of Representatives.

PRIVILEGE OF THE FLOOR

Mr. CORNYN. Madam President, I ask unanimous consent that Candace Shelton and Scott Koelker of my staff be granted floor privileges for the duration of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTING THE DAY FOR THE CONVENING OF THE SECOND SESSION OF THE ONE HUNDRED EIGHTH CONGRESS

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.J. Res. 80, the convening date of the 102nd Congress; further, that the resolution be read three times and passed and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The joint resolution (H.J. Res. 80) was read the third time and passed, as follows:

H. J. RES. 80

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DAY FOR CONVENING OF SECOND REGULAR SESSION OF ONE HUNDRED EIGHTH CONGRESS.

The second regular session of the One Hundred Eighth Congress shall begin at noon on Tuesday, January 20, 2004.

SEC. 2. AUTHORITY FOR CALLING SPECIAL SESSION BEFORE CONVENING OF SECOND REGULAR SESSION.

If the Speaker of the House of Representatives (or the designee of the Speaker) and the Majority Leader of the Senate (or the designee of the Majority Leader), acting jointly after consultation with the Minority Leader of the House of Representatives and the Minority Leader of the Senate, determine it is in the public interest for Congress to assemble during the period between the end of the first regular session of the One Hundred Eighth Congress at noon on January 3, 2004, and the convening of the second regular session of the One Hundred Eighth Congress as provided in section 1—

(1) the Speaker and Majority Leader, or their respective designees, shall notify the Members of the House and Senate, respectively, of such determination and of the place and time for Congress to so assemble; and

(2) Congress shall assemble in accordance with that notification.

CONDEMNING THE TERRORIST ATTACKS IN ISTANBUL, TURKEY

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Foreign Relations Committee be discharged from further consideration of S. Res. 273 and the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 273) condemning the terrorist attacks in Istanbul, Turkey, on November 15 and 20, 2003, expressing condolences to the families of the individuals murdered in the attacks, expressing sympathies to the individuals injured in the attacks, and expressing solidarity with the Republic of Turkey and the United Kingdom in the fight against terrorism.

There being no objection, the Senate proceeded to consider the resolution.

Mr. LAUTENBERG. Mr. President, last week's double set of suicide attacks in Istanbul are acts of cowardice targeting both the structures and symbols of Turkish coexistence. I grieve for the families of the 58 victims and wish the 750 injured individuals a speedy recovery.

The terrorists who have attacked Turkey in the name of Islam and its heritage do not know their history. Throughout the Ottoman Empire, Jews, Christians and other minorities were treated with respect and allowed to practice their religion freely. Since Mustafa Kemal Ataturk founded modern Turkey in 1923, Turkey has been admired by western and non-western countries alike as an apotheosis of progressive Muslim democracy.

In Turkey, pride in a rich heritage and faith coexist with a desire to globalize and enhance representative democracy and the freedom it brings.

During World War II, as Hitler's troops were marching from the Balkans and emptying Greek cities of their Jewish populations, Turkey's president, Ismet Inonu, closed its border. The Jews of Turkey were spared by the principled leadership of their government, who refused to be complicit in murder. In my own travels through Turkey—from Istanbul to Idirdne—I have seen the rich fusion of ancient and modern and of religious and secular. I have enjoyed the renowned hospitality offered to all visitors.

The terrorists who attacked the synagogues, consulate, and bank in Istanbul last week seek to undermine the pluralism, diversity, and openness that have long characterized Turkish culture and society. Together, we will prevent the terrorists from achieving this aim. Americans, and particularly New Jerseyans, are intimately familiar with the pain wreaked by a terrorist attack on our homeland.

We in Washington are prepared to offer assistance and support to Prime Minister Recep Tayyip Erdogan and his government in the days ahead as Turkey shores up security and begins healing from these traumatic incidents. The U.S.-Turkish friendship continues to be strong and will stand united in the face of the global threat of terrorism.

Mr. McCONNELL. I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and any statements relating to the resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 273) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 273

Whereas, in Istanbul, Turkey, on November 15, 2003, two explosions set off minutes apart during Sabbath morning services devastated Neve Shalom, the largest synagogue in the city, and the Beth Israel synagogue, about 3 miles away from Neve Shalom;

Whereas the casualties of more than 20 people killed and more than 300 people wounded in the bombing attacks on the synagogues included both Muslims and Jews;

Whereas, on November 20, 2003, two bombs exploded in Istanbul at the Consulate of the United Kingdom and the HSBC Bank;

Whereas the casualties of more than 25 people killed and 450 people wounded in the November 20, 2003, bombing attacks included Muslims and Christians, and Turks, British diplomats, and visitors to the Republic of Turkey;

Whereas troops of the United Kingdom are part of the United States-led coalition that liberated Iraq from the regime of Saddam Hussein and are now present in Iraq under the auspices of the United Nations Security Council;

Whereas the acts of murder committed on November 15 and 20, 2003, in Istanbul, Turkey, were cowardly and brutal manifestations of international terrorism;

Whereas the Government of Turkey immediately condemned the terrorist attacks in the strongest possible terms and has vowed to bring the perpetrators to justice at all costs;

Whereas the United States, the United Kingdom, and Turkey equally abhor and denounce these hateful, repugnant, and loathsome acts of terrorism;

Whereas, in light of the escalation of anti-Semitic activities, the safety and security of Jewish people throughout the world is a matter of serious concern;

Whereas, since Turkey cherishes its traditions of hospitality and religious tolerance, and in particular its history of more than 500 years of good relations between Jews and Muslims, the attacks on synagogues, consular premises, and commercial buildings came as a special shock to the people of Turkey and to their friends throughout the world;

Whereas the United States and Turkey are allied by shared values and a common interest in building a stable, peaceful, and prosperous world;

Whereas Turkey, a predominantly Muslim nation with a secular government, has close relations with Israel and is also the only predominantly Muslim member of the North Atlantic Treaty Organization; and

Whereas the acts of murder committed on November 15 and 20, 2003, demonstrate again that terrorism respects neither boundaries nor borders: Now, therefore, be it

Resolved, That the Senate—

(1) condemns in the strongest possible terms the terrorist attacks in Istanbul, Turkey, on November 15 and 20, 2003;

(2) expresses its condolences to the families of the individuals murdered in the terrorist attacks, expresses its sympathies to the individuals injured in the attacks, and conveys its hope for the rapid and complete recovery of all such injured individuals;

(3) expresses its condolences to the people and the governments of the Republic of Turkey and the United Kingdom over the losses they suffered in these attacks; and

(4) expresses its solidarity with the United Kingdom, Turkey, and all other countries that stand united against terrorism and work together to bring to justice the perpetrators of these and other terrorist attacks.

FEDERAL LAW ENFORCEMENT PAY AND BENEFITS PARITY ACT

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Senate now proceed to consideration of Calendar No. 409, S. 1683.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 1683) to provide for a report on parity of pay and benefits among Federal law enforcement officers and to establish an exchange program between Federal law enforcement employees and State and local law enforcement employees.

There being no objection, the Senate proceeded to consider the resolution.

Mr. McCONNELL. I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 1683) was read the third time and passed, as follows:

S. 1683

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Law Enforcement Pay and Benefits Parity Act of 2003".

SEC. 2. LAW ENFORCEMENT PAY AND BENEFITS PARITY REPORT.

(a) DEFINITION.—In this section, the term "law enforcement officer" means an individual—

(1)(A) who is a law enforcement officer defined under section 8331 or 8401 of title 5, United States Code; or

(B) the duties of whose position include the investigation, apprehension, or detention of individuals suspected or convicted of offenses against the criminal laws of the United States; and

(2) who is employed by the Federal Government.

(b) REPORT.—Not later than April 30, 2004, the Office of Personnel Management shall submit a report to the President of the Senate and the Speaker of the House of Representatives and the appropriate committees and subcommittees of Congress that includes—

(1) a comparison of classifications, pay, and benefits among law enforcement officers across the Federal Government; and

(2) recommendations for ensuring, to the maximum extent practicable, the elimination of disparities in classifications, pay and benefits for law enforcement officers throughout the Federal Government.

SEC. 3. EMPLOYEE EXCHANGE PROGRAM BETWEEN FEDERAL EMPLOYEES AND EMPLOYEES OF STATE AND LOCAL GOVERNMENTS.

(a) DEFINITIONS.—In this section—

(1) the term "employing agency" means the Federal, State, or local government agency with which the participating employee was employed before an assignment under the Program;

(2) the term "participating employee" means an employee who is participating in the Program; and

(3) the term "Program" means the employee exchange program established under subsection (b).

(b) ESTABLISHMENT.—The President shall establish an employee exchange program between Federal agencies that perform law enforcement functions and agencies of State and local governments that perform law enforcement functions.

(c) CONDUCT OF PROGRAM.—The Program shall be conducted in accordance with subchapter VI of chapter 33 of title 5, United States Code.

(d) QUALIFICATIONS.—An employee of an employing agency who performs law enforcement functions may be selected to participate in the Program if the employee—

(1) has been employed by that employing agency for a period of more than 3 years;

(2) has had appropriate training or experience to perform the work required by the assignment;

(3) has had an overall rating of satisfactory or higher on performance appraisals from the employing agency during the 3-year period before being assigned to another agency under this section; and

(4) agrees to return to the employing agency after completing the assignment for a period not less than the length of the assignment.

(e) WRITTEN AGREEMENT.—An employee shall enter into a written agreement regarding the terms and conditions of the assignment before beginning the assignment with another agency.

FEDERAL RAILROAD SAFETY IMPROVEMENT ACT

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Senate proceed to immediate consideration of Calendar No. 358, S. 1402.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 1402) to authorize appropriations for activities under the Federal railroad safety laws for fiscal years 2004 through 2008, and for other purposes.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Commerce, Science, and Transportation, with amendments as follows:

[Strike the part shown in black brackets and insert the part shown in italic.]

S. 1402

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Railroad Safety Improvement Act".

SEC. 2. AMENDMENT OF TITLE 49, UNITED STATES CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 49, United States Code.

SEC. 3. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Short title.
Sec. 2. Amendment of title 49, United States Code.
Sec. 3. Table of contents.

TITLE I—AUTHORIZATION OF APPROPRIATIONS

Sec. 101. Authorization of appropriations.

TITLE II—RULEMAKING, INSPECTION, ENFORCEMENT, AND PLANNING AUTHORITY

Sec. 201. National crossing inventory.
Sec. 202. Grade crossing elimination and consolidation.
Sec. 203. Model legislation for driver behavior.
Sec. 204. Operation Lifesaver.
Sec. 205. Transportation security.
Sec. 206. Railroad accident and incident reporting.
Sec. 207. Railroad radio monitoring authority.
Sec. 208. Recommendations on fatigue management.
Sec. 209. Positive train control.
Sec. 210. Positive train control implementation.
Sec. 211. Survey of rail bridge structures.
Sec. 212. Railroad police.
Sec. 213. Federal Railroad Administration employee training.
Sec. 214. Report regarding impact on public safety of train travel in communities without grade separation.
Sec. 215. Runaway trains emergency response.

TITLE III—MISCELLANEOUS PROVISIONS

Sec. 301. Technical amendments regarding enforcement by the Attorney General.
Sec. 302. Technical amendments to civil penalty provisions.
Sec. 303. Technical amendments to eliminate unnecessary provisions.

TITLE I—AUTHORIZATION OF APPROPRIATIONS

SEC. 101. AUTHORIZATION OF APPROPRIATIONS.

Section 20117(a) is amended to read as follows:

"(a) GENERAL.—There are authorized to be appropriated to the Secretary of Transportation to carry out this chapter—

"(1) $166,000,000 for the fiscal year ending September 30, 2004;

"(2) $176,000,000 for the fiscal year ending September 30, 2005;

"(3) $185,000,000 for the fiscal year ending September 30, 2006;

"(4) $192,000,000 for the fiscal year ending September 30, 2007; and

"(5) $200,000,000 for the fiscal year ending September 30, 2008.".

TITLE II—RULEMAKING, INSPECTION, ENFORCEMENT, AND PLANNING AUTHORITY

SEC. 201. NATIONAL CROSSING INVENTORY.

(a) IN GENERAL.—Chapter 201 is amended by adding at the end the following:

"§ 20154. National crossing inventory

"(a) INITIAL REPORTING OF INFORMATION ABOUT PREVIOUSLY UNREPORTED CROSSINGS.—Not later than 6 months after the date of enactment of the Federal Railroad Safety Improvement Act or 6 months after a new crossing becomes operational, whichever occurs later, each railroad carrier shall—

"(1) report to the Secretary of Transportation current information, as specified by the Secretary, concerning each previously unreported crossing through which it operates; or

"(2) ensure that the information has been reported to the Secretary by another railroad carrier that operates through the crossing.

"(b) UPDATING OF CROSSING INFORMATION.—(1) On a periodic basis beginning not later than 18 months after the date of enactment of the Federal Railroad Safety Improvement Act and on or before September 30 of every third year thereafter, or as otherwise specified by the Secretary, each railroad carrier shall—

"(A) report to the Secretary current information, as specified by the Secretary, concerning each crossing through which it operates; or

"(B) ensure that the information has been reported to the Secretary by another railroad carrier that operates through the crossing.

"(2) A railroad carrier that sells a crossing on or after the date of enactment of the Federal Railroad Safety Improvement Act, shall, not later than the date that is 18 months after the date of enactment of the Act or 3 months after the sale, whichever occurs later, or as otherwise specified by the

Secretary, report to the Secretary current information, as specified by the Secretary, concerning the change in ownership of the crossing.

"(c) Rulemaking Authority.—The Secretary shall prescribe the regulations necessary to implement this section. The Secretary may enforce each provision of the Federal Railroad Administration's Highway-Rail Crossing Inventory Instructions and Procedures Manual that is in effect on the date of enactment of the Federal Railroad Safety Improvement Act, until such provision is superseded by a regulation issued under this section.

"(d) Definitions.—In this section:

"(1) Crossing.—The term 'crossing' means a location within a State, other than a location where one or more railroad tracks cross one or more railroad tracks either at grade or grade-separated, where—

"(A) a public highway, road, or street, or a private roadway, including associated sidewalks and pathways, crosses one or more railroad tracks either at grade or grade-separated; or

"(B) a dedicated pedestrian pathway that is not associated with a public highway, road, or street, or a private roadway, crosses one or more railroad tracks either at grade or grade- separated.

"(2) State.—The term 'State' means a State of the United States, the District of Columbia, or Puerto Rico.".

(b) Conforming Amendment.—The chapter analysis for chapter 201 is amended by inserting after the item relating to section 20153 the following:

"20154. National crossing inventory.".

(c) Reporting and Updating.—Section 130 of title 23, United States Code, is amended by adding at the end the following:

"(k) National Crossing Inventory.—

"(1) Initial reporting of crossing information.—Not later than 6 months after the date of enactment of the Federal Railroad Safety Improvement Act or within 6 months of a new crossing becoming operational, whichever occurs later, each State shall report to the Secretary of Transportation current information, as specified by the Secretary, concerning each previously unreported crossing located within its borders.

"(2) Periodic updating of crossing information.—On a periodic basis beginning not later than 18 months after the date of enactment of the Federal Railroad Safety Improvement Act and on or before September 30 of every third year thereafter, or as otherwise specified by the Secretary, each State shall report to the Secretary current information, as specified by the Secretary, concerning each crossing located within its borders.

"(3) Rulemaking authority.—The Secretary shall prescribe the regulations necessary to implement this section. The Secretary may enforce each provision of the Federal Railroad Administration's Highway-Rail Crossing Inventory Instructions and Procedures Manual that is in effect on the date of enactment of the Federal Railroad Safety Improvement Act, until such provision is superseded by a regulation issued under this subsection.

"(4) Definitions.—In this subsection, the terms 'crossing' and 'State' have the meaning given those terms by section 20154(d)(1) and (2), respectively, of title 49.".

(d) Civil Penalties.—

(1) Section 21301(a)(1) is amended—

(A) by inserting "with section 20154 or " after "comply" in the first sentence; and

(B) by inserting "section 20154 of this title or" after "violating" in the second sentence.

(2) Section 21301(a)(2) is amended by inserting "The Secretary shall impose a civil penalty for a violation of section 20154 of this title." after the first sentence.

SEC. 202. GRADE CROSSING ELIMINATION AND CONSOLIDATION.

(a) Crossing Reduction Plan.—Within 24 months after the date of enactment of this Act, the Secretary of Transportation shall develop and transmit to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure a plan for a joint initiative with States and municipalities to systematically reduce the number of public and private highway-rail grade crossings by 1 percent per year in each of the succeeding 10 years. The plan shall include—

(1) a prioritization of crossings for elimination or consolidation, based on considerations including—

(A) whether the crossing has been identified as high risk;

(B) whether the crossing is located on a designated high-speed corridor or on a railroad right-of-way utilized for the provision of intercity or commuter passenger rail service; and

(C) the existing level of protection;

(2) suggested guidelines for the establishment of new public and private highway-rail grade crossings, with the goal of avoiding unnecessary new crossings through careful traffic, zoning, and land use planning; and

(3) an estimate of the costs of implementing the plan and suggested funding sources.

(b) Consultation With States.—In preparing the plan required by subsection (a), the Secretary shall seek the advice of State officials, including highway, rail, and judicial officials, with jurisdiction over crossing safety, including crossing closures. The Secretary and State officials shall consider—

(1) the feasibility of consolidating and improving multiple crossings in a single community;

(2) the impact of closure on emergency vehicle response time, traffic delays, and public inconvenience; and

(3) the willingness of a municipality to participate in the elimination or consolidation of crossings.

(c) Guide to Crossing Consolidation and Closure.—Within 1 year after the date of enactment of this Act, the Secretary shall update, reissue, and distribute the publication entitled "A Guide to Crossing Consolidation and Closure".

(d) Incentive Payments for At-Grade Crossing Closures.—Section 130(i)(3)(B) of title 23, United States Code is amended by striking "$7,500." and inserting "$15,000.".

(e) Funding for Plan.—From amounts authorized by section 20117(a)(1) of title 49, United States Code, to the Secretary, there shall be available $500,000 for fiscal year 2004 to prepare the plan required by this section, such sums to remain available until the plan is transmitted to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure as required by subsection (a).

SEC. 203. MODEL LEGISLATION FOR DRIVER BEHAVIOR.

(a) In General.—Section 20151 is amended—

(1) by striking the section caption and inserting the following:

"§ 20151. Strategy to prevent railroad trespassing and vandalism and violation of grade crossing signals";

(2) by striking "safety," in subsection (a) and inserting "safety and violations of highway-rail grade crossing signals,";

(3) by striking the second sentence of subsection (a) and inserting "The evaluation and review shall be completed not later than 1 year after the date of enactment of the Federal Railroad Safety Improvement Act."; and

(4) by striking "Model Legislation.—Within 18 months after November 2, 1994, the" in subsection (c) and inserting "Legislation for Vandalism and Trespassing Penalties.—The"; and

(5) by adding at the end the following:

"(d) Model Legislation for Grade-Crossing Violations.—Within 2 years after the date of the enactment of the Federal Railroad Safety Improvement Act, the Secretary, after consultation with State and local governments and railroad carriers, shall develop and make available to State and local governments model State legislation providing for civil or criminal penalties, or both, for violations of highway-rail grade crossing signals.

"(e) Violation Defined.—In this section, the term 'violation of highway-rail grade crossing signals' includes any action by a motorist, unless directed by an authorized safety officer—

"(1) to drive around or through a grade crossing gate in a position intended to block passage over railroad tracks;

"(2) to drive through a flashing grade crossing signal;

"(3) to drive through a grade crossing with passive warning signs without determining that the grade crossing could be safely crossed before any train arrived; and

"(4) in the vicinity of a grade crossing, that creates a hazard of an accident involving injury or property damage at the grade crossing.".

(b) Conforming Amendment.—The chapter analysis for chapter 201 is amended by striking the item relating to section 20151 and inserting the following:

"20151. Strategy to prevent railroad trespassing and vandalism and violation of grade crossing signals.".

SEC. 204. OPERATION LIFESAVER.

Section 20117(e) is amended to read as follows:

"(e) Operation Lifesaver.—In addition to amounts otherwise authorized by law, from the amounts authorized to be appropriated under subsection (a), there shall be available for railroad research and development $1,250,000 for fiscal year 2004, $1,300,000 for fiscal year 2005, $1,350,000 for fiscal year 2006, $1,400,000 for fiscal year 2007, and $1,460,000 for fiscal year 2008 to support Operation Lifesaver, Inc.".

SEC. 205. TRANSPORTATION SECURITY.

(a) Memorandum of Agreement.—Within 60 days after the date of enactment of this Act, the Secretary of Transportation and the Secretary of Homeland Security shall execute a memorandum of agreement governing the roles and responsibilities of the Department of Transportation and the Department of Homeland Security, respectively, in addressing railroad transportation security matters, including the processes the departments will follow to promote communications, efficiency, and nonduplication of effort.

(b) Rail Safety Regulations.—Section 20103(a) is amended to read as follows:

"(a) Regulations and Orders.—The Secretary of Transportation, as necessary, shall prescribe regulations and issue orders for every area of railroad safety, including security, supplementing laws and regulations in effect on October 16, 1970. When prescribing a security regulation or issuing a security order that affects the safety of railroad operations, the Secretary of Homeland Security shall consult with the Secretary of Transportation.".

SEC. 206. RAILROAD ACCIDENT AND INCIDENT REPORTING.

Section 20901(a) is amended to read as follows:

"(a) General Requirements.—On a periodic basis specified by the Secretary of Transportation but not less frequently than quarterly, a railroad carrier shall file a report with the Secretary on all accidents and incidents resulting in injury or death to an individual or damage to equipment or a roadbed arising from the carrier's operations during the specified period. The report shall state the nature, cause, and circumstances of each reported accident or incident. If a railroad carrier assigns human error as a cause, the report shall include, at the option of each employee whose error is alleged, a statement by the employee explaining any factors the employee alleges contributed to the accident or incident.".

SEC. 207. RAILROAD RADIO MONITORING AUTHORITY.

Section 20107 is amended by inserting at the end the following:

"(c) Railroad Radio Communications.—

"(1) In general.—To carry out the Secretary's responsibilities under this part and under chapter 51, the Secretary may authorize officers, employees, or agents of the Secretary to conduct the following activities at reasonable times:

"(A) Intercepting a radio communication that is broadcast or transmitted over a frequency authorized for the use of one or more railroad carriers by the Federal Communications Commission, with or without making their presence known to the sender or other receivers of the communication and with or without obtaining the consent of the sender or other receivers of the communication.

"(B) Communicating the existence, contents, substance, purport, effect, or meaning of the communication, subject to the restrictions in paragraph (3).

"(C) Receiving or assisting in receiving the communication (or any information therein contained).

"(D) Disclosing the contents, substance, purport, effect, or meaning of the communication (or any part thereof of such communication) or using the communication (or any information contained therein), subject to the restrictions in paragraph (3), after having received the communication or acquired knowledge of the contents, substance, purport, effect, or meaning of the communication (or any part thereof).

"(E) Recording the communication by any means, including writing and tape recording.

"(2) Limitation.—The Secretary, and officers, employees, and agents of the Department of Transportation authorized by the Secretary may engage in the activities authorized by paragraph (1) for the purpose of accident prevention, including, but not limited to, accident investigation.

"(3) Use of information.—

"(A) Except as provided in subparagraph (F), information obtained through activities authorized by paragraphs (1) and (2) shall not be admitted into evidence in any administrative or judicial proceeding except to impeach evidence offered by a party other than the Federal Government regarding the existence, electronic characteristics, content, substance, purport, effect, meaning, or timing of, or identity of parties to, a communication intercepted pursuant to paragraphs (1) and (2) in proceedings pursuant to sections 5122, 20702(b), 20111, 20112, 20113, or 20114 of this title.

"(B) If information obtained through activities set forth in paragraphs (1) and (2) is admitted into evidence for impeachment purposes in accordance with subparagraph (A), the court, administrative law judge, or other officer before whom the proceeding is conducted may make such protective orders regarding the confidentiality or use of the information as may be appropriate in the circumstances to protect privacy and administer justice.

"(C) Information obtained through activities set forth in paragraphs (1) and (2) shall not be subject to publication or disclosure, or search or review in connection therewith, under section 552 of title 5.

"(D) No evidence shall be excluded in an administrative or judicial proceeding solely because the government would not have learned of the existence of or obtained such evidence but for the interception of information that is not admissible in such proceeding under subparagraph (A).

"(E) Nothing in this subsection shall be construed to impair or otherwise affect the authority of the United States to intercept a communication, and collect, retain, analyze, use, and disseminate the information obtained thereby, under a provision of law other than this subsection.

"(F) No information obtained by an activity authorized by paragraph (1)(A) that was undertaken solely for the purpose of accident investigation may be introduced into evidence in any administrative or judicial proceeding in which civil or criminal penalties may be imposed.

"(4) Application with other law.—Section 705 of the Communications Act of 1934 (47 U.S.C. 605) and chapter 119 of title 18 shall not apply to conduct authorized by and pursuant to this subsection.

"(d) Reasonable Time Defined.—In this section, the term 'at reasonable times' means at any time that the railroad carrier being inspected or investigated is performing its rail transportation business.".

SEC. 208. RECOMMENDATIONS ON FATIGUE MANAGEMENT.

(a) Working Group Established.—The Railroad Safety Advisory Committee of the Federal Railroad Administration shall convene a working group to consider what legislative or other changes the Secretary of Transportation deems necessary to address fatigue management for railroad employees subject to chapter 211 of title 49, United States Code. The working group shall consider—

(1) the varying circumstances of rail carrier operations and appropriate fatigue countermeasures to address those varying circumstances, based on current and evolving scientific and medical research on circadian rhythms and human sleep and rest requirements;

(2) research considered by the Federal Motor Carrier Safety Administration in devising new hours of service regulations for motor carriers;

(3) the benefits and costs of modifying the railroad hours of service statute or implementing other fatigue management countermeasures for railroad employees subject to chapter 211; and

(4) ongoing and planned initiatives by the railroads and rail labor organizations to address fatigue management.

(b) Report to Congress.—Not later than 24 months after the date of enactment of this Act, the working group convened under subsection (a) shall submit a report containing its conclusions and recommendations to the Railroad Safety Advisory Committee and the Secretary of Transportation. The Secretary shall transmit the report to the Senate Committee on Commerce, Science, and Transportation and to the House Committee on Transportation and Infrastructure.

(c) Recommendations.—If the Railroad Safety Advisory Committee does not reach a consensus on recommendations within 24 months after the date of enactment of this Act, the Secretary of Transportation shall, within 36 months after the date of enactment of this Act, submit to the Senate Committee on Commerce, Science, and Transportation and to the House Committee on Transportation and Infrastructure recommendations for legislative, regulatory, or other changes to address fatigue management for railroad employees.

SEC. 209. POSITIVE TRAIN CONTROL.

Within 6 months after the date of enactment of this Act, the Secretary of Transportation shall prescribe a final rule addressing safety standards for positive train control systems or other safety technologies that provide similar safety benefits.

SEC. 210. POSITIVE TRAIN CONTROL IMPLEMENTATION.

(a) Report on Pilot Projects.—Within 3 months after completion of the North American Joint Positive Train Control Project, the Secretary of Transportation shall submit a report on the progress of on-going and completed projects to implement positive train control technology or other safety technologies that provide similar safety benefits to the Senate Committee on Commerce, Science, and Transportation and to the House Committee on Transportation and Infrastructure. The report shall include recommendations for future projects and any legislative or other changes the Secretary deems necessary.

(b) Authorization of Appropriations.—The Secretary shall establish a grant program with a 50 percent match requirement for the implementation of positive train control technology or other safety technologies that provide similar safety benefits. From the amounts authorized to be appropriated for each of fiscal years 2004 through 2008 under section 20117(a) of title 49, United States Code, there shall be made available for the grant program—

(1) $16,000,000 for fiscal year 2004;

(2) $18,000,000 for fiscal year 2005; and

(3) $20,000,000 for each of fiscal years 2006 through 2008.

SEC. 211. SURVEY OF RAIL BRIDGE STRUCTURES.

The Secretary of Transportation shall conduct a safety survey of the structural integrity of railroad bridges and railroads' programs of inspection and maintenance of railroad bridges. The Secretary shall issue a report to Congress at the completion of the survey, including a finding by the Secretary concerning whether the Secretary should issue regulations governing the safety of railroad bridges.

SEC. 212. RAILROAD POLICE.

Section 28101 is amended by striking "the rail carrier" each place it appears and inserting "any rail carrier".

SEC. 213. FEDERAL RAILROAD ADMINISTRATION EMPLOYEE TRAINING.

From the amounts authorized to be appropriated for fiscal year 2004 by section

20117(a)(1) of title 49, United States Code, there shall be made available to the Secretary of Transportation $300,000 for the Federal Railroad Administration to perform a demonstration program to provide centralized training for its employees. The Secretary of Transportation shall report on the results of such training and provide further recommendations to the Congress.

SEC. 214. REPORT REGARDING IMPACT ON PUBLIC SAFETY OF TRAIN TRAVEL IN COMMUNITIES WITHOUT GRADE SEPARATION.

(a) STUDY.—The Secretary of Transportation shall, in consultation with State and local government officials, conduct a study of the impact of blocked highway-railroad grade crossings on the ability of emergency responders to perform public safety and security duties.

(b) REPORT ON THE IMPACT OF BLOCKED HIGHWAY-RAILROAD GRADE CROSSINGS ON EMERGENCY RESPONDERS.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit the results of the study and recommendations for reducing the impact of blocked crossings on emergency response to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure.

SEC. 215. RUNAWAY TRAINS EMERGENCY RESPONSE.

(a) NOTIFICATION PROCEDURES.—

(1) REGULATIONS.—The Secretary of Transportation shall prescribe regulations setting forth procedures for a railroad to immediately notify first responders in communities that lie in the path of a runaway train.

(2) TIME FOR ISSUANCE OF REGULATIONS.—The Secretary shall issue the final regulations under this section not later than 120 days after the date of enactment of this Act.

(3) DEFINITIONS.—In this section, the term "runaway train" means a locomotive, train, rail car, or other item of railroad equipment that, at a particular moment in time, is rolling on tracks outside the operations limits of a railroad and is not under the control of the railroad.

(b) RESPONSE PROCEDURES.—Not later than 60 days after the Secretary prescribes the regulations under subsection (a), each railroad shall submit to the Department of Transportation for the Secretary's approval the procedures proposed by the railroad for providing the notice described in such subsection.

(c) REPORTING OF INCIDENTS REQUIRED.—The Secretary shall require railroads to report to the Department of Transportation each incident of a runaway train.

TITLE III—MISCELLANEOUS PROVISIONS

SEC. 301. TECHNICAL AMENDMENTS REGARDING ENFORCEMENT BY THE ATTORNEY GENERAL.

Section 20112(a) is amended—

(1) by inserting "this part, except for section 20109 of this title, or" in paragraph (1) after "enforce,";

(2) by striking "21301" in paragraph (2) and inserting "21301, 21302, or 21303";

(3) by striking "subpena" in paragraph (3) and inserting "subpena, request for production of documents or other tangible things, or request for testimony by deposition"; and

(4) by striking "chapter." in paragraph (3) and inserting "part.".

SEC. 302. TECHNICAL AMENDMENTS TO CIVIL PENALTY PROVISIONS.

(a) GENERAL VIOLATIONS OF CHAPTER 201.—Section 21301(a)(2) is amended—

(1) by striking "$10,000." and inserting "$10,000 or the amount to which the stated maximum penalty is adjusted if required by the Federal Civil Penalties Inflation Adjustment Act of 1990 (28 U.S.C. 2461 note)."; and

(2) by striking "$20,000." and inserting "$20,000 or the amount to which the stated maximum penalty is adjusted if required by the Federal Civil Penalties Inflation Adjustment Act of 1990 (28 U.S.C. 2461 note).".

(b) ACCIDENT AND INCIDENT VIOLATIONS OF CHAPTER 201; VIOLATIONS OF CHAPTERS 203 THROUGH 209.—

(1) Section 21302(a)(2) is amended—

(A) by striking "$10,000." and inserting "$10,000 or the amount to which the stated maximum penalty is adjusted if required by the Federal Civil Penalties Inflation Adjustment Act of 1990 (28 U.S.C. 2461 note)."; and

(B) by striking "$20,000." and inserting "$20,000 or the amount to which the stated maximum penalty is adjusted if required by the Federal Civil Penalties Inflation Adjustment Act of 1990 (28 U.S.C. 2461 note).".

(2) Section 21302 is amended by adding at the end the following:

"(c) SETOFF.—The Government may deduct the amount of a civil penalty imposed or compromised under this section from amounts it owes the person liable for the penalty.

"(d) DEPOSIT IN TREASURY.—A civil penalty collected under this section shall be deposited in the Treasury as miscellaneous receipts.".

(c) VIOLATIONS OF CHAPTER 211.—

(1) Section 21303(a)(2) is amended—

(A) by striking "$10,000." and inserting "$10,000 or the amount to which the stated maximum penalty is adjusted if required by the Federal Civil Penalties Inflation Adjustment Act of 1990 (28 U.S.C. 2461 note)."; and

(B) by striking "$20,000." and inserting "$20,000 or the amount to which the stated maximum penalty is adjusted if required by the Federal Civil Penalties Inflation Adjustment Act of 1990 (28 U.S.C. 2461 note).".

(2) Section 21303 is amended by adding at the end the following:

"⟦(c)⟧ *(d)* SETOFF.—The Government may deduct the amount of a civil penalty imposed or compromised under this section from amounts it owes the person liable for the penalty.

"⟦(d)⟧ *(e)* DEPOSIT IN TREASURY.—A civil penalty collected under this section shall be deposited in the Treasury as miscellaneous receipts.".

SEC. 303. TECHNICAL AMENDMENTS TO ELIMINATE UNNECESSARY PROVISIONS.

(a) IN GENERAL.—Chapter 201 is amended—

(1) by striking the second sentence of section 20103(f);

(2) by striking section 20145;

(3) by striking section 20146; and

(4) by striking section 20150.

(b) CONFORMING AMENDMENTS.—The chapter analysis for chapter 201 is amended by striking the items relating to sections 20145, 20146, and 20150 and inserting at the appropriate place in the analysis the following:

"20145. [Repealed].
"20146. [Repealed].
"20150. [Repealed].".

Mr. McCONNELL. I ask unanimous consent that the committee amendments be agreed to, the bill as amended be read a third time and passed, the motion to reconsider be laid on the table, en bloc, and any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendments were agreed to.

The bill (S. 1402) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 1402

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Railroad Safety Improvement Act".

SEC. 2. AMENDMENT OF TITLE 49, UNITED STATES CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 49, United States Code.

SEC. 3. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Short title.
Sec. 2. Amendment of title 49, United States Code.
Sec. 3. Table of contents.

TITLE I—AUTHORIZATION OF APPROPRIATIONS

Sec. 101. Authorization of appropriations.

TITLE II—RULEMAKING, INSPECTION, ENFORCEMENT, AND PLANNING AUTHORITY

Sec. 201. National crossing inventory.
Sec. 202. Grade crossing elimination and consolidation.
Sec. 203. Model legislation for driver behavior.
Sec. 204. Operation Lifesaver.
Sec. 205. Transportation security.
Sec. 206. Railroad accident and incident reporting.
Sec. 207. Railroad radio monitoring authority.
Sec. 208. Recommendations on fatigue management.
Sec. 209. Positive train control.
Sec. 210. Positive train control implementation.
Sec. 211. Survey of rail bridge structures.
Sec. 212. Railroad police.
Sec. 213. Federal Railroad Administration employee training.
Sec. 214. Report regarding impact on public safety of train travel in communities without grade separation.
Sec. 215. Runaway trains emergency response.

TITLE III—MISCELLANEOUS PROVISIONS

Sec. 301. Technical amendments regarding enforcement by the Attorney General.
Sec. 302. Technical amendments to civil penalty provisions.
Sec. 303. Technical amendments to eliminate unnecessary provisions.

TITLE I—AUTHORIZATION OF APPROPRIATIONS

SEC. 101. AUTHORIZATION OF APPROPRIATIONS.

Section 20117(a) is amended to read as follows:

"(a) GENERAL.—There are authorized to be appropriated to the Secretary of Transportation to carry out this chapter—

"(1) $166,000,000 for the fiscal year ending September 30, 2004;

"(2) $176,000,000 for the fiscal year ending September 30, 2005;

"(3) $185,000,000 for the fiscal year ending September 30, 2006;

"(4) $192,000,000 for the fiscal year ending September 30, 2007; and

"(5) $200,000,000 for the fiscal year ending September 30, 2008.".

TITLE II—RULEMAKING, INSPECTION, ENFORCEMENT, AND PLANNING AUTHORITY

SEC. 201. NATIONAL CROSSING INVENTORY.

(a) In General.—Chapter 201 is amended by adding at the end the following:

"§ 20154. National crossing inventory

"(a) Initial Reporting of Information About Previously Unreported Crossings.—Not later than 6 months after the date of enactment of the Federal Railroad Safety Improvement Act or 6 months after a new crossing becomes operational, whichever occurs later, each railroad carrier shall—

"(1) report to the Secretary of Transportation current information, as specified by the Secretary, concerning each previously unreported crossing through which it operates; or

"(2) ensure that the information has been reported to the Secretary by another railroad carrier that operates through the crossing.

"(b) Updating of Crossing Information.—(1) On a periodic basis beginning not later than 18 months after the date of enactment of the Federal Railroad Safety Improvement Act and on or before September 30 of every third year thereafter, or as otherwise specified by the Secretary, each railroad carrier shall—

"(A) report to the Secretary current information, as specified by the Secretary, concerning each crossing through which it operates; or

"(B) ensure that the information has been reported to the Secretary by another railroad carrier that operates through the crossing.

"(2) A railroad carrier that sells a crossing on or after the date of enactment of the Federal Railroad Safety Improvement Act, shall, not later than the date that is 18 months after the date of enactment of the Act or 3 months after the sale, whichever occurs later, or as otherwise specified by the Secretary, report to the Secretary current information, as specified by the Secretary, concerning the change in ownership of the crossing.

"(c) Rulemaking Authority.—The Secretary shall prescribe the regulations necessary to implement this section. The Secretary may enforce each provision of the Federal Railroad Administration's Highway-Rail Crossing Inventory Instructions and Procedures Manual that is in effect on the date of enactment of the Federal Railroad Safety Improvement Act, until such provision is superseded by a regulation issued under this section.

"(d) Definitions.—In this section:

"(1) Crossing.—The term 'crossing' means a location within a State, other than a location where one or more railroad tracks cross one or more railroad tracks either at grade or grade-separated, where—

"(A) a public highway, road, or street, or a private roadway, including associated sidewalks and pathways, crosses one or more railroad tracks either at grade or grade-separated; or

"(B) a dedicated pedestrian pathway that is not associated with a public highway, road, or street, or a private roadway, crosses one or more railroad tracks either at grade or grade-separated.

"(2) State.—The term 'State' means a State of the United States, the District of Columbia, or Puerto Rico.".

(b) Conforming Amendment.—The chapter analysis for chapter 201 is amended by inserting after the item relating to section 20153 the following:

"20154. National crossing inventory.".

(c) Reporting and Updating.—Section 130 of title 23, United States Code, is amended by adding at the end the following:

"(k) National Crossing Inventory.—

"(1) Initial reporting of crossing information.—Not later than 6 months after the date of enactment of the Federal Railroad Safety Improvement Act or within 6 months of a new crossing becoming operational, whichever occurs later, each State shall report to the Secretary of Transportation current information, as specified by the Secretary, concerning each previously unreported crossing located within its borders.

"(2) Periodic updating of crossing information.—On a periodic basis beginning not later than 18 months after the date of enactment of the Federal Railroad Safety Improvement Act and on or before September 30 of every third year thereafter, or as otherwise specified by the Secretary, each State shall report to the Secretary current information, as specified by the Secretary, concerning each crossing located within its borders.

"(3) Rulemaking authority.—The Secretary shall prescribe the regulations necessary to implement this section. The Secretary may enforce each provision of the Federal Railroad Administration's Highway-Rail Crossing Inventory Instructions and Procedures Manual that is in effect on the date of enactment of the Federal Railroad Safety Improvement Act, until such provision is superseded by a regulation issued under this subsection.

"(4) Definitions.—In this subsection, the terms 'crossing' and 'State' have the meaning given those terms by section 20154(d)(1) and (2), respectively, of title 49.".

(d) Civil Penalties.—

(1) Section 21301(a)(1) is amended—

(A) by inserting "with section 20154 or " after "comply" in the first sentence; and

(B) by inserting "section 20154 of this title or" after "violating" in the second sentence.

(2) Section 21301(a)(2) is amended by inserting "The Secretary shall impose a civil penalty for a violation of section 20154 of this title." after the first sentence.

SEC. 202. GRADE CROSSING ELIMINATION AND CONSOLIDATION.

(a) Crossing Reduction Plan.—Within 24 months after the date of enactment of this Act, the Secretary of Transportation shall develop and transmit to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure a plan for a joint initiative with States and municipalities to systematically reduce the number of public and private highway-rail grade crossings by 1 percent per year in each of the succeeding 10 years. The plan shall include—

(1) a prioritization of crossings for elimination or consolidation, based on considerations including—

(A) whether the crossing has been identified as high risk;

(B) whether the crossing is located on a designated high-speed corridor or on a railroad right-of-way utilized for the provision of intercity or commuter passenger rail service; and

(C) the existing level of protection;

(2) suggested guidelines for the establishment of new public and private highway-rail grade crossings, with the goal of avoiding unnecessary new crossings through careful traffic, zoning, and land use planning; and

(3) an estimate of the costs of implementing the plan and suggested funding sources.

(b) Consultation With States.—In preparing the plan required by subsection (a), the Secretary shall seek the advice of State officials, including highway, rail, and judicial officials, with jurisdiction over crossing safety, including crossing closures. The Secretary and State officials shall consider—

(1) the feasibility of consolidating and improving multiple crossings in a single community;

(2) the impact of closure on emergency vehicle response time, traffic delays, and public inconvenience; and

(3) the willingness of a municipality to participate in the elimination or consolidation of crossings.

(c) Guide to Crossing Consolidation and Closure.—Within 1 year after the date of enactment of this Act, the Secretary shall update, reissue, and distribute the publication entitled "A Guide to Crossing Consolidation and Closure".

(d) Incentive Payments for At-Grade Crossing Closures.—Section 130(i)(3)(B) of title 23, United States Code is amended by striking "$7,500." and inserting "$15,000.".

(e) Funding for Plan.—From amounts authorized by section 20117(a)(1) of title 49, United States Code, to the Secretary, there shall be available $500,000 for fiscal year 2004 to prepare the plan required by this section, such sums to remain available until the plan is transmitted to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure as required by subsection (a).

SEC. 203. MODEL LEGISLATION FOR DRIVER BEHAVIOR.

(a) In General.—Section 20151 is amended—

(1) by striking the section caption and inserting the following:

"§ 20151. Strategy to prevent railroad trespassing and vandalism and violation of grade crossing signals";

(2) by striking "safety," in subsection (a) and inserting "safety and violations of highway-rail grade crossing signals,";

(3) by striking the second sentence of subsection (a) and inserting "The evaluation and review shall be completed not later than 1 year after the date of enactment of the Federal Railroad Safety Improvement Act."; and

(4) by striking "Model Legislation.—Within 18 months after November 2, 1994, the" in subsection (c) and inserting "Legislation for Vandalism and Trespassing Penalties.—The"; and

(5) by adding at the end the following:

"(d) Model Legislation for Grade-Crossing Violations.—Within 2 years after the date of the enactment of the Federal Railroad Safety Improvement Act, the Secretary, after consultation with State and local governments and railroad carriers, shall develop and make available to State and local governments model State legislation providing for civil or criminal penalties, or both, for violations of highway-rail grade crossing signals.

"(e) Violation Defined.—In this section, the term 'violation of highway-rail grade crossing signals' includes any action by a motorist, unless directed by an authorized safety officer—

"(1) to drive around or through a grade crossing gate in a position intended to block passage over railroad tracks;

"(2) to drive through a flashing grade crossing signal;

"(3) to drive through a grade crossing with passive warning signs without determining that the grade crossing could be safely crossed before any train arrived; and

"(4) in the vicinity of a grade crossing, that creates a hazard of an accident involving injury or property damage at the grade crossing.".

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 201 is amended by striking the item relating to section 20151 and inserting the following:

"20151. Strategy to prevent railroad trespassing and vandalism and violation of grade crossing signals.".

SEC. 204. OPERATION LIFESAVER.

Section 20117(e) is amended to read as follows:

"(e) OPERATION LIFESAVER.—In addition to amounts otherwise authorized by law, from the amounts authorized to be appropriated under subsection (a), there shall be available for railroad research and development $1,250,000 for fiscal year 2004, $1,300,000 for fiscal year 2005, $1,350,000 for fiscal year 2006, $1,400,000 for fiscal year 2007, and $1,460,000 for fiscal year 2008 to support Operation Lifesaver, Inc.".

SEC. 205. TRANSPORTATION SECURITY.

(a) MEMORANDUM OF AGREEMENT.—Within 60 days after the date of enactment of this Act, the Secretary of Transportation and the Secretary of Homeland Security shall execute a memorandum of agreement governing the roles and responsibilities of the Department of Transportation and the Department of Homeland Security, respectively, in addressing railroad transportation security matters, including the processes the departments will follow to promote communications, efficiency, and nonduplication of effort.

(b) RAIL SAFETY REGULATIONS.—Section 20103(a) is amended to read as follows:

"(a) REGULATIONS AND ORDERS.—The Secretary of Transportation, as necessary, shall prescribe regulations and issue orders for every area of railroad safety, including security, supplementing laws and regulations in effect on October 16, 1970. When prescribing a security regulation or issuing a security order that affects the safety of railroad operations, the Secretary of Homeland Security shall consult with the Secretary of Transportation.".

SEC. 206. RAILROAD ACCIDENT AND INCIDENT REPORTING.

Section 20901(a) is amended to read as follows:

"(a) GENERAL REQUIREMENTS.—On a periodic basis specified by the Secretary of Transportation but not less frequently than quarterly, a railroad carrier shall file a report with the Secretary on all accidents and incidents resulting in injury or death to an individual or damage to equipment or a roadbed arising from the carrier's operations during the specified period. The report shall state the nature, cause, and circumstances of each reported accident or incident. If a railroad carrier assigns human error as a cause, the report shall include, at the option of each employee whose error is alleged, a statement by the employee explaining any factors the employee alleges contributed to the accident or incident.".

SEC. 207. RAILROAD RADIO MONITORING AUTHORITY.

Section 20107 is amended by inserting at the end the following:

"(c) RAILROAD RADIO COMMUNICATIONS.—

"(1) IN GENERAL.—To carry out the Secretary's responsibilities under this part and under chapter 51, the Secretary may authorize officers, employees, or agents of the Secretary to conduct the following activities at reasonable times:

"(A) Intercepting a radio communication that is broadcast or transmitted over a frequency authorized for the use of one or more railroad carriers by the Federal Communications Commission, with or without making their presence known to the sender or other receivers of the communication and with or without obtaining the consent of the sender or other receivers of the communication.

"(B) Communicating the existence, contents, substance, purport, effect, or meaning of the communication, subject to the restrictions in paragraph (3).

"(C) Receiving or assisting in receiving the communication (or any information therein contained).

"(D) Disclosing the contents, substance, purport, effect, or meaning of the communication (or any part thereof of such communication) or using the communication (or any information contained therein), subject to the restrictions in paragraph (3), after having received the communication or acquired knowledge of the contents, substance, purport, effect, or meaning of the communication (or any part thereof).

"(E) Recording the communication by any means, including writing and tape recording.

"(2) LIMITATION.—The Secretary, and officers, employees, and agents of the Department of Transportation authorized by the Secretary may engage in the activities authorized by paragraph (1) for the purpose of accident prevention, including, but not limited to, accident investigation.

"(3) USE OF INFORMATION.—

"(A) Except as provided in subparagraph (F), information obtained through activities authorized by paragraphs (1) and (2) shall not be admitted into evidence in any administrative or judicial proceeding except to impeach evidence offered by a party other than the Federal Government regarding the existence, electronic characteristics, content, substance, purport, effect, meaning, or timing of, or identity of parties to, a communication intercepted pursuant to paragraphs (1) and (2) in proceedings pursuant to sections 5122, 20702(b), 20111, 20112, 20113, or 20114 of this title.

"(B) If information obtained through activities set forth in paragraphs (1) and (2) is admitted into evidence for impeachment purposes in accordance with subparagraph (A), the court, administrative law judge, or other officer before whom the proceeding is conducted may make such protective orders regarding the confidentiality or use of the information as may be appropriate in the circumstances to protect privacy and administer justice.

"(C) Information obtained through activities set forth in paragraphs (1) and (2) shall not be subject to publication or disclosure, or search or review in connection therewith, under section 552 of title 5.

"(D) No evidence shall be excluded in an administrative or judicial proceeding solely because the government would not have learned of the existence of or obtained such evidence but for the interception of information that is not admissible in such proceeding under subparagraph (A).

"(E) Nothing in this subsection shall be construed to impair or otherwise affect the authority of the United States to intercept a communication, and collect, retain, analyze, use, and disseminate the information obtained thereby, under a provision of law other than this subsection.

"(F) No information obtained by an activity authorized by paragraph (1)(A) that was undertaken solely for the purpose of accident investigation may be introduced into evidence in any administrative or judicial proceeding in which civil or criminal penalties may be imposed.

"(4) APPLICATION WITH OTHER LAW.—Section 705 of the Communications Act of 1934 (47 U.S.C. 605) and chapter 119 of title 18 shall not apply to conduct authorized by and pursuant to this subsection.

"(d) REASONABLE TIME DEFINED.—In this section, the term 'at reasonable times' means at any time that the railroad carrier being inspected or investigated is performing its rail transportation business.".

SEC. 208. RECOMMENDATIONS ON FATIGUE MANAGEMENT.

(a) WORKING GROUP ESTABLISHED.—The Railroad Safety Advisory Committee of the Federal Railroad Administration shall convene a working group to consider what legislative or other changes the Secretary of Transportation deems necessary to address fatigue management for railroad employees subject to chapter 211 of title 49, United States Code. The working group shall consider—

(1) the varying circumstances of rail carrier operations and appropriate fatigue countermeasures to address those varying circumstances, based on current and evolving scientific and medical research on circadian rhythms and human sleep and rest requirements;

(2) research considered by the Federal Motor Carrier Safety Administration in devising new hours of service regulations for motor carriers;

(3) the benefits and costs of modifying the railroad hours of service statute or implementing other fatigue management countermeasures for railroad employees subject to chapter 211; and

(4) ongoing and planned initiatives by the railroads and rail labor organizations to address fatigue management.

(b) REPORT TO CONGRESS.—Not later than 24 months after the date of enactment of this Act, the working group convened under subsection (a) shall submit a report containing its conclusions and recommendations to the Railroad Safety Advisory Committee and the Secretary of Transportation. The Secretary shall transmit the report to the Senate Committee on Commerce, Science, and Transportation and to the House Committee on Transportation and Infrastructure.

(c) RECOMMENDATIONS.—If the Railroad Safety Advisory Committee does not reach a consensus on recommendations within 24 months after the date of enactment of this Act, the Secretary of Transportation shall, within 36 months after the date of enactment of this Act, submit to the Senate Committee on Commerce, Science, and Transportation and to the House Committee on Transportation and Infrastructure recommendations for legislative, regulatory, or other changes to address fatigue management for railroad employees.

SEC. 209. POSITIVE TRAIN CONTROL.

Within 6 months after the date of enactment of this Act, the Secretary of Transportation shall prescribe a final rule addressing safety standards for positive train control systems or other safety technologies that provide similar safety benefits.

SEC. 210. POSITIVE TRAIN CONTROL IMPLEMENTATION.

(a) REPORT ON PILOT PROJECTS.—Within 3 months after completion of the North American Joint Positive Train Control Project, the Secretary of Transportation shall submit a report on the progress of on-going and completed projects to implement positive train control technology or other safety technologies that provide similar safety benefits to the Senate Committee on Commerce, Science, and Transportation and to the House Committee on Transportation and Infrastructure. The report shall include recommendations for future projects and any legislative or other changes the Secretary deems necessary.

(b) AUTHORIZATION OF APPROPRIATIONS.—The Secretary shall establish a grant program with a 50 percent match requirement for the implementation of positive train control technology or other safety technologies that provide similar safety benefits. From the amounts authorized to be appropriated for each of fiscal years 2004 through 2008 under section 20117(a) of title 49, United States Code, there shall be made available for the grant program—

(1) $16,000,000 for fiscal year 2004;

(2) $18,000,000 for fiscal year 2005; and

(3) $20,000,000 for each of fiscal years 2006 through 2008.

SEC. 211. SURVEY OF RAIL BRIDGE STRUCTURES.

The Secretary of Transportation shall conduct a safety survey of the structural integrity of railroad bridges and railroads' programs of inspection and maintenance of railroad bridges. The Secretary shall issue a report to Congress at the completion of the survey, including a finding by the Secretary concerning whether the Secretary should issue regulations governing the safety of railroad bridges.

SEC. 212. RAILROAD POLICE.

Section 28101 is amended by striking "the rail carrier" each place it appears and inserting "any rail carrier".

SEC. 213. FEDERAL RAILROAD ADMINISTRATION EMPLOYEE TRAINING.

From the amounts authorized to be appropriated for fiscal year 2004 by section 20117(a)(1) of title 49, United States Code, there shall be made available to the Secretary of Transportation $300,000 for the Federal Railroad Administration to perform a demonstration program to provide centralized training for its employees. The Secretary of Transportation shall report on the results of such training and provide further recommendations to the Congress.

SEC. 214. REPORT REGARDING IMPACT ON PUBLIC SAFETY OF TRAIN TRAVEL IN COMMUNITIES WITHOUT GRADE SEPARATION.

(a) STUDY.—The Secretary of Transportation shall, in consultation with State and local government officials, conduct a study of the impact of blocked highway-railroad grade crossings on the ability of emergency responders to perform public safety and security duties.

(b) REPORT ON THE IMPACT OF BLOCKED HIGHWAY-RAILROAD GRADE CROSSINGS ON EMERGENCY RESPONDERS.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit the results of the study and recommendations for reducing the impact of blocked crossings on emergency response to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure.

SEC. 215. RUNAWAY TRAINS EMERGENCY RESPONSE.

(a) NOTIFICATION PROCEDURES.—

(1) REGULATIONS.—The Secretary of Transportation shall prescribe regulations setting forth procedures for a railroad to immediately notify first responders in communities that lie in the path of a runaway train.

(2) TIME FOR ISSUANCE OF REGULATIONS.—The Secretary shall issue the final regulations under this section not later than 120 days after the date of enactment of this Act.

(3) DEFINITIONS.—In this section, the term "runaway train" means a locomotive, train, rail car, or other item of railroad equipment that, at a particular moment in time, is rolling on tracks outside the operations limits of a railroad and is not under the control of the railroad.

(b) RESPONSE PROCEDURES.—Not later than 60 days after the Secretary prescribes the regulations under subsection (a), each railroad shall submit to the Department of Transportation for the Secretary's approval the procedures proposed by the railroad for providing the notice described in such subsection.

(c) REPORTING OF INCIDENTS REQUIRED.—The Secretary shall require railroads to report to the Department of Transportation each incident of a runaway train.

TITLE III—MISCELLANEOUS PROVISIONS

SEC. 301. TECHNICAL AMENDMENTS REGARDING ENFORCEMENT BY THE ATTORNEY GENERAL.

Section 20112(a) is amended—

(1) by inserting "this part, except for section 20109 of this title, or" in paragraph (1) after "enforce,";

(2) by striking "21301" in paragraph (2) and inserting "21301, 21302, or 21303";

(3) by striking "subpena" in paragraph (3) and inserting "subpena, request for production of documents or other tangible things, or request for testimony by deposition"; and

(4) by striking "chapter." in paragraph (3) and inserting "part.".

SEC. 302. TECHNICAL AMENDMENTS TO CIVIL PENALTY PROVISIONS.

(a) GENERAL VIOLATIONS OF CHAPTER 201.—Section 21301(a)(2) is amended—

(1) by striking "$10,000." and inserting "$10,000 or the amount to which the stated maximum penalty is adjusted if required by the Federal Civil Penalties Inflation Adjustment Act of 1990 (28 U.S.C. 2461 note)."; and

(2) by striking "$20,000." and inserting "$20,000 or the amount to which the stated maximum penalty is adjusted if required by the Federal Civil Penalties Inflation Adjustment Act of 1990 (28 U.S.C. 2461 note).".

(b) ACCIDENT AND INCIDENT VIOLATIONS OF CHAPTER 201; VIOLATIONS OF CHAPTERS 203 THROUGH 209.—

(1) Section 21302(a)(2) is amended—

(A) by striking "$10,000." and inserting "$10,000 or the amount to which the stated maximum penalty is adjusted if required by the Federal Civil Penalties Inflation Adjustment Act of 1990 (28 U.S.C. 2461 note)."; and

(B) by striking "$20,000." and inserting "$20,000 or the amount to which the stated maximum penalty is adjusted if required by the Federal Civil Penalties Inflation Adjustment Act of 1990 (28 U.S.C. 2461 note).".

(2) Section 21302 is amended by adding at the end the following:

"(c) SETOFF.—The Government may deduct the amount of a civil penalty imposed or compromised under this section from amounts it owes the person liable for the penalty.

"(d) DEPOSIT IN TREASURY.—A civil penalty collected under this section shall be deposited in the Treasury as miscellaneous receipts.".

(c) VIOLATIONS OF CHAPTER 211.—

(1) Section 21303(a)(2) is amended—

(A) by striking "$10,000." and inserting "$10,000 or the amount to which the stated maximum penalty is adjusted if required by the Federal Civil Penalties Inflation Adjustment Act of 1990 (28 U.S.C. 2461 note)."; and

(B) by striking "$20,000." and inserting "$20,000 or the amount to which the stated maximum penalty is adjusted if required by the Federal Civil Penalties Inflation Adjustment Act of 1990 (28 U.S.C. 2461 note).".

(2) Section 21303 is amended by adding at the end the following:

"(d) SETOFF.—The Government may deduct the amount of a civil penalty imposed or compromised under this section from amounts it owes the person liable for the penalty.

"(e) DEPOSIT IN TREASURY.—A civil penalty collected under this section shall be deposited in the Treasury as miscellaneous receipts.".

SEC. 303. TECHNICAL AMENDMENTS TO ELIMINATE UNNECESSARY PROVISIONS.

(a) IN GENERAL.—Chapter 201 is amended—

(1) by striking the second sentence of section 20103(f);

(2) by striking section 20145;

(3) by striking section 20146; and

(4) by striking section 20150.

(b) CONFORMING AMENDMENTS.—The chapter analysis for chapter 201 is amended by striking the items relating to sections 20145, 20146, and 20150 and inserting at the appropriate place in the analysis the following:

"20145. [Repealed].
"20146. [Repealed].
"20150. [Repealed].".

AWARD OF CONGRESSIONAL GOLD MEDALS

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 3287 which was received from the House and is at the desk.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (H.R. 3287) to award congressional gold medals posthumously on behalf of Reverend Joseph A. DeLaine, Harry and Eliza Briggs, and Levi Pearson in recognition of their contributions to the Nation as pioneers in the effort to desegregate public schools that led directly to the landmark desegregation case of Brown, et al., v. the Board of Education of Topeka, et al.

There being no objection, the Senate proceeded to consider the bill.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the bill be read three times and passed, the motion to reconsider be laid upon the table, and that any statements relating thereto be printed in the RECORD without any intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 3287) was read the third time and passed.

STATE CRIMINAL ALIEN ASSISTANCE PROGRAM REAUTHORIZATION ACT OF 2003

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of S. 460, and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 460) to amend the Immigration and Nationality Act to authorize appropriation for fiscal years 2004 through 2010 to carry out the State Criminal Alien Assistance Program.

There being no objection, the Senate proceeded to consider the bill.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, without intervening action or debate, and that any statements relating to this measure be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 460) was read the third time and passed, as follows:

S. 460

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "State Criminal Alien Assistance Program Reauthorization Act of 2003".

SEC. 2. AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEARS 2004 THROUGH 2010.

Section 241(i)(5) of the Immigration and Nationality Act (8 U.S.C. 1231(i)(5)) is amended by striking "appropriated" and all that follows through the period and inserting the following: "appropriated to carry out this subsection—

"(A) such sums as may be necessary for fiscal year 2003;

"(B) $750,000,000 for fiscal year 2004;

"(C) $850,000,000 for fiscal year 2005; and

"(D) $950,000,000 for each of the fiscal years 2006 through 2010.".

TORTURE VICTIMS RELIEF REAUTHORIZATION ACT OF 2003

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Foreign Relations Committee be discharged from further consideration of S. 854, and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 854) to authorize a comprehensive program of support for victims of torture, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 854) was read the third time and passed, as follows:

S. 854

SECTION 1. SHORT TITLE.

This Act may be cited as the "Torture Victims Relief Reauthorization Act of 2003".

SEC. 2. AUTHORIZATION OF APPROPRIATIONS FOR FOREIGN TREATMENT CENTERS FOR VICTIMS OF TORTURE.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 4(b)(1) of the Torture Victims Relief Act of 1998 (22 U.S.C. 2152 note) is amended to read as follows:

"(1) AUTHORIZATION OF APPROPRIATIONS.—Of the amounts authorized to be appropriated for fiscal years 2004, 2005, and 2006 pursuant to chapter 1 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) there are authorized to be appropriated to the President to carry out section 130 of such Act $11,000,000 for fiscal year 2004, $12,000,000 for fiscal year 2005, and $13,000,000 for fiscal year 2006.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect October 1, 2003.

SEC. 3. AUTHORIZATION OF APPROPRIATIONS FOR THE UNITED STATES CONTRIBUTION TO THE UNITED NATIONS VOLUNTARY FUND FOR VICTIMS OF TORTURE.

Of the amounts authorized to be appropriated for fiscal years 2004, 2005, and 2006 pursuant to chapter 3 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2221 et seq.), there are authorized to be appropriated to the President for a voluntary contribution to the United Nations Voluntary Fund for Victims of Torture $6,000,000 for fiscal year 2004, $7,000,000 for fiscal year 2005, and $8,000,000 for fiscal year 2006.

SEC. 4. AUTHORIZATION OF APPROPRIATIONS FOR DOMESTIC TREATMENT CENTERS FOR VICTIMS OF TORTURE.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 5(b)(1) of the Torture Victims Relief Act of 1998 (22 U.S.C. 2152 note) is amended to read as follows:

"(1) AUTHORIZATION OF APPROPRIATIONS.—Of the amounts authorized to be appropriated for the Department of Health and Human Services for fiscal years 2004, 2005, and 2006, there are authorized to be appropriated to carry out subsection (a) $20,000,000 for fiscal year 2004, $25,000,000 for fiscal year 2005, and $30,000,000 for fiscal year 2006.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect October 1, 2003.

TORTURE VICTIMS RELIEF REAUTHORIZATION ACT OF 2003

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Senate now proceed to consideration of H.R. 1813, which is at the desk.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 1813) to amend the Torture Victims Relief Act of 1998 to authorize appropriations to provide assistance for domestic and foreign centers and programs for the treatment of victims of torture, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 1813) was read the third time and passed.

HOMETOWN HEROES SURVIVORS BENEFITS ACT OF 2003

Mr. McCONNELL. Mr. President, I ask the Chair lay before the Senate a message from the House of Representatives on the bill S. 459, to ensure that a public safety officer who suffers a fatal heart attack or stroke while on duty shall be presumed to have died in the line of duty for purposes of public safety officer survivor benefits.

The Presiding Officer laid before the Senate the following message from the House of Representatives:

S. 459

Resolved, That the bill from the Senate (S. 459) entitled "An Act to ensure that a public safety officer who suffers a fatal heart attack or stroke while on duty shall be presumed to have died in the line of duty for purposes of public safety officer survivor benefits", do pass with the following amendment:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Hometown Heroes Survivors Benefits Act of 2003".

SEC. 2. FATAL HEART ATTACK OR STROKE ON DUTY PRESUMED TO BE DEATH IN LINE OF DUTY FOR PURPOSES OF PUBLIC SAFETY OFFICER SURVIVOR BENEFITS.

Section 1201 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796) is amended by adding at the end the following:

"(k) For purposes of this section, if a public safety officer dies as the direct and proximate result of a heart attack or stroke, that officer shall be presumed to have died as the direct and proximate result of a personal injury sustained in the line of duty, if—

"(1) that officer, while on duty—

"(A) engaged in a situation, and such engagement involved nonroutine stressful or strenuous physical law enforcement, fire suppression, rescue, hazardous material response, emergency medical services, prison security, disaster relief, or other emergency response activity; or

"(B) participated in a training exercise, and such participation involved nonroutine stressful or strenuous physical activity;

"(2) that officer died as a result of a heart attack or stroke suffered—

"(A) while engaging or participating as described under paragraph (1);

"(B) while still on that duty after so engaging or participating; or

"(C) not later than 24 hours after so engaging or participating; and

"(3) such presumption is not overcome by competent medical evidence to the contrary.

"(l) For purposes of subsection (k), 'nonroutine stressful or strenuous physical' excludes actions of a clerical, administrative, or nonmanual nature.".

Mr. LEAHY. Mr. President, I am pleased that the Senate again is taking up and passing the Hometown Heroes Survivors Benefits Act of 2003, S. 459. This bill, as amended and passed by unanimous consent in the House, will improve the Department of Justice's Public Safety Officers Benefits, PSOB, program by allowing survivors of public safety officers who suffer fatal heart attacks or strokes while participating in nonroutine stressful or strenuous physical activities to qualify for Federal survivor benefits.

I want to pay special thanks to Congressman BOB ETHERIDGE, the author of the House companion bill, and House Judiciary Committee Chairman SENSENBRENNER for their leadership and fortitude while negotiating this legislation. Without their perseverance and willingness to find bipartisan compromise language, passage of this bill in the House would not have happened.

I also commend Congressman COBLE, Congressman BOBBY SCOTT, the Fraternal Order of Police, FOP, and the Congressional Fire Services Institute, CFSI, for working with us on bipartisan compromise language so that we could pass the Senate bill through the House. I thank Senate Judiciary Chairman HATCH, Senator LINDSEY GRAHAM, the lead Republican cosponsor of this bill, and Senate leadership for quickly passing the Senate bill, as amended by the House, and to send it to the President's desk for enactment into law.

I thank Senators COLLINS, JEFFORDS, SARBANES, SCHUMER, DURBIN, LANDRIEU, NELSON of Florida, CLINTON, SNOWE, KOHL, SMITH, STABENOW, KENNEDY, DAYTON, MILLER and KERRY for joining me as cosponsors of this multipartisan legislation.

Public safety officers are our most brave and dedicated public servants. I applaud the efforts of all members of fire, law enforcement and EMS providers nationwide who are the first to respond to more than 1.6 million emergency calls annually—whether those calls involve a crime, fire, medical emergency, spill of hazardous materials, natural disaster, act of terrorism, or transportation accident—without reservation. Those men and women act with an unwavering commitment to the safety and protection of their fellow citizens, and forever willing to selflessly sacrifice their own lives to provide safe and reliable emergency services to their communities.

Sadly, that kind of dedication can result in tragedy, which we all witnessed on September 11th as scores of firefighters, police officers and medics raced into the burning World Trade Center and Pentagon with no other goal than to save lives. Every year, hundreds of public safety officers nationwide lose their lives and thousands more are injured while performing duties that subject them to great physical risks. And while we know that PSOB benefits can never be a substitute for the loss of a loved one, the families of all our fallen heroes deserve to collect these funds.

The PSOB program was established in 1976 to authorize a one-time financial payment to the eligible survivors of Federal, State, and local public safety officers for all line of duty deaths. In 2001, Congress improved the PSOB regulations by streamlining the process for families of public safety officers killed or injured in connection with prevention, investigation, rescue or recovery efforts related to a terrorist attack. We also retroactively increased the total benefits available by $100,000 as part of the USA PATRIOT Act. Survivors of first responders killed in the line of duty now receive $267,494 in PSOB.

Unfortunately, the issue of covering heart attack and stroke victims under PSOB regulations was not addressed at that time.

Service-connected heart, lung, and hypertension conditions are silent killers of public safety officers nationwide. The numerous hidden health dangers dealt with by police officers, fire fighters and EMS personnel are widely recognized, but officers face these dangers in order to serve and protect their fellow citizens.

The intent of the legislation Senator GRAHAM and I introduced earlier this year was to cover officers who suffered a heart attack or stroke as a result of nonroutine stressful or strenuous physical activity. As drafted and passed by the Senate by unanimous consent on May 16, however, members of the House Judiciary Committee felt the bill's language would cover officers who did not engage in any physical activity, but merely happened to suffer a heart attack while at work. Chairman SENSENBRENNER, Congressman ETHERIDGE, Congressman COBLE, Congressman SCOTT, FOP, CFSI and I worked out a substitute amendment to address those concerns.

The substitute amendment to S. 459 will create a presumption that an officer who died as a direct and proximate result of a heart attack or stroke died as a direct and proximate result of a personal injury sustained in the line of duty if the following is established:

> that officer participated in a training exercise that involved nonroutine stressful or strenuous physical activity or responded to a situation and such participation or response involved nonroutine stressful or strenuous physical law enforcement, hazardous material response, emergency medical services, prison security, fire suppression, rescue, disaster relief or other emergency response activity; that officer suffered a heart attack or stroke while engaging or within 24 hours of engaging in that physical activity; and such presumption cannot be overcome by competent medical evidence.

For the purposes of this act, the phrase "nonroutine stressful or strenuous physical" will exclude actions of a clerical, administrative or non-manual nature. Included in the category of "actions of a clerical, administrative or non-manual nature" are such tasks including, but not limited to, the following: sitting at a desk; typing on a computer; talking on the telephone; reading or writing paperwork or other literature; watching a police or corrections facility's monitors of cells or grounds; teaching a class; cleaning or organizing an emergency response vehicle; signing in or out a prisoner; driving a vehicle on routine patrol; and directing traffic at or participating in a local parade.

Such deaths, while tragic, are not to be considered in the line of duty deaths. The families of officers who died of such causes would therefore not be eligible to receive PSOB.

For the purposes of this act, the phrase "nonroutine stressful or strenuous physical" actions will include, but are not limited to, the following: involvement in a physical struggle with a suspected or convicted criminal; performing a search and rescue mission; performing or assisting with emergency medical treatment; performing or assisting with fire suppression; involvement in a situation that requires either a high speed response or pursuit on foot or in a vehicle; participation in hazardous material response; responding to a riot that broke out at a public event; and physically engaging in the arrest or apprehension of a suspected criminal.

The situations listed above are the types of heart attack and stroke cases that are considered to be in the line of duty. The families of officers who died in such cases are eligible to receive PSOB.

The changes to PSOB law and regulations brought about by the Hometown Heroes Survivors Benefits Act will take effect as soon as the President signs the legislation into law. As a result, the survivors of public safety officers who suffer heart attacks or strokes while performing nonroutine stressful or strenuous physical actions on or after the date the President signs this bill will be eligible to apply for PSOB.

Heart attacks and strokes are a reality of the high-pressure jobs of police officers, firefighters and medics. These are killers that first responders contend with in their jobs, just like speeding bullets and burning buildings. They put their lives on the line for us, and we owe their families our gratitude, our respect and our help. No amount of money can fill the void that is left by these losses, but ending this disparity can help these families keep food on the table and shelter over their heads.

I thank the Senate for taking up and passing the Hometown Heroes Survivors Benefits Act, S. 459, as amended and passed by the House, and showing its support and appreciation for these extraordinarily brave and heroic public safety officers.

Mr. MCCONNELL. I ask unanimous consent that the Senate concur in the House amendment and the motion to reconsider be laid upon the table with no intevening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE COMMISSION ON ART TO SELECT SCENE COMMEMORATING THE GREAT COMPROMISE

Mr. McCONNELL. I ask unanimous consent that the Rules Committee be discharged from further action on S. Res. 177, and the Senate now proceed to its consideration.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 177) to direct the Senate Commission on Art to select an appropriate scene commemorating the Great Compromise of our forefathers establishing a bicameral Congress with equal State representation in the United State Senate, to be placed in the lunette space in the Senate reception room immediately above the entrance into the Senate chamber lobby, and to authorize the Committee on Rules and Administration to obtain technical advice and assistance in carrying out its duties.

There being no objection, the Senate proceeded to consider the resolution.

Mr. McCONNELL. I ask unanimous consent the amendment at the desk be agreed to; the resolution, as amended, be agreed to; the amendment to the preamble be agreed to; the preamble, as amended, be agreed to; the amendment to the title be agreed to, the motion to reconsider be laid upon the table en bloc and statements be printed in the RECORD

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 2221) was agreed to, as follows:

(Purpose: To permit the painting to be placed in the Senate wing at a location determined by the Committee on Rules and Administration)

On page 3, strike lines 2 through 4 and insert the following: "forefathers, to be placed in a location in the Senate wing to be determined by the chairman and ranking member of the Committee on Rules and Administration.".

The amendment (No. 2222) was agreed to, as follows:

Amend the preamble to read as follows:

Whereas on July 16, 1787, the framers of the United States Constitution, meeting at Independence Hall, reached a supremely important agreement, providing for a dual system of congressional representation, such that in the House of Representatives, each State would be assigned a number of seats in proportion to its population, and in the Senate, all States would have an equal number of seats, an agreement which became known as the "Great Compromise" or the "Connecticut Compromise"; and

Whereas an appropriate scene commemorating the Great Compromise of our forefathers establishing a bicameral Congress with equal State representation in the United States Senate should be placed in the Senate wing of the Capitol: Now, therefore, be it

The amendment (No. 2223) was agreed to, as follows:

Amend the title so as to read: "To direct the Senate Commission on Art to select an appropriate scene commemorating the Great Compromise of our forefathers establishing a bicameral Congress with equal representation in the United States Senate, to be placed in the Senate wing of the Capitol, and to authorize the Committees on Rules and Administration to obtain technical advice and assistance in carrying out its duties.".

The resolution (S. Res. 177), as amended, was agreed to.

The preamble, as amended, was agreed to.

The title amendment, as amended, was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 177

Whereas on July 16, 1787, the framers of the United States Constitution, meeting at Independence Hall, reached a supremely important agreement, providing for a dual system of congressional representation, such that in the House of Representatives, each State would be assigned a number of seats in proportion to its population, and in the Senate, all States would have an equal number of seats, an agreement which became known as the "Great Compromise" or the "Connecticut Compromise"; and

Whereas an appropriate scene commemorating the Great Compromise of our forefathers establishing a bicameral Congress with equal State representation in the United States Senate should be placed in the Senate wing of the Capitol: Now, therefore, be it

Resolved,

SECTION 1. COMMEMORATION OF THE GREAT COMPROMISE.

(a) IN GENERAL.—The Senate Commission on Art, established under section 901 of the Arizona-Idaho Conservation Act of 1988 (40 U.S.C. 188b) (in this section referred to as the "Commission") shall select an appropriate scene commemorating the Great Compromise of our forefathers, to be placed in a location in the Senate wing to be determined by the chairman and ranking member of the Committee on Rules and Administration.

(b) CONSULTATION AUTHORIZED.—The Commission is authorized to seek the advice of and recommendations from historians and other sources in carrying out this section, and to reimburse such sources for travel expenses, in accordance with Senate Travel Regulations.

(c) TIMING.—The Commission shall make its selection pursuant to this section, and shall commission an artist to begin work, not later than the close of the 2d session of the 108th Congress.

(d) DELEGATION AUTHORITY.—For purposes of making the selection required by this section, a member of the Commission may designate another Senator to act in place of that member.

(e) FUNDING.—The expenses of the Commission in carrying out this section shall be made available from appropriations under the subheading "MISCELLANEOUS ITEMS" under the heading "CONTINGENT EXPENSES OF THE SENATE", on vouchers signed by the Secretary of the Senate and approved by the Committee on Rules and Administration.

SEC. 2. TECHNICAL ADVICE AND ASSISTANCE.

(a) IN GENERAL.—The Chairman of the Committee on Rules and Administration may seek technical advice and assistance to the Committee in carrying out its duties from individuals from the public and private sectors, who shall serve without compensation, at the pleasure of the Chairman.

(b) NON-GOVERNMENTAL STATUS.—Individuals providing advice and assistance described in subsection (a) shall not be deemed to be—

(1) Members, officers, or employees of the Senate; or

(2) providing services to the Senate, for purposes of the Senate Code of Official Conduct.

(c) EXPENSES.—Upon submission to the Committee on Rules and Administration of a routine voucher for actual transportation expenses incurred in the performance of providing advice and assistance to the Committee, individuals described in subsection (a) may be reimbursed in accordance with Senate Travel Regulations.

PRINTING THE PRAYERS OF REVEREND LLOYD JOHN OGILVIE

Mr. McCONNELL. I ask unanimous consent that the Rules Committee be discharged from further consideration of S. Res. 157, and the Senate now proceed to its consideration.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 157) to authorize the printing of the prayers for the Reverend Lloyd John Ogilvie.

There being no objection, the Senate proceeded to consider the resolution.

Mr. McCONNELL. I ask unanimous consent the resolution be agreed to, the motion to reconsider be laid upon the table, and any statements be printed in the RECORD

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 157) was agreed to, as follows:

S. RES. 157

SECTION 1. AUTHORIZATION OF PRINTING.

(a) IN GENERAL.—There shall be printed with an appropriate illustration as a Senate document, the prayers by the Reverend Lloyd John Ogilvie, Doctor of Divinity, the Chaplain of the Senate, at the opening of the daily sessions of the Senate during the One Hundred and Fifth Congress, One Hundred and Sixth Congress, One Hundred and Seventh Congress, and One Hundred and Eighth Congress, together with any other prayers offered by him during that period in his official capacity as Chaplain of the Senate.

(b) ADDITIONAL COPIES.—There shall be printed such additional copies not to exceed $3,000 in cost of such documents for the use of the Joint Committee on Printing.

SEC. 2. OVERSIGHT OF PRINTING.

The copy of the document authorized under section 1 shall be prepared under the direction of the Joint Committee on Printing.

PHARMACY EDUCATION AID ACT OF 2003

Mr. McCONNELL. I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 370, S. 648.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 648) to amend the Public Health Service Act with respect to health professions programs regarding the practice of pharmacy.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Health, Education, Labor, and Pensions, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

[Strike the part shown in black brackets and insert the part shown in italic.]

S. 648

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

[SECTION 1. SHORT TITLE.

[This Act may be cited as the "Pharmacy Education Aid Act of 2003".

[SEC. 2. FINDINGS.

[Congress makes the following findings:

[(1) Pharmacists are an important link in our Nation's health care system. A critical shortage of pharmacists is threatening the ability of pharmacies to continue to provide important prescription related services.

[(2) In the landmark report entitled "To Err is Human: Building a Safer Health System", the Institute of Medicine reported that medication errors can be partially attributed to factors that are indicative of a shortage of pharmacists (such as too many customers, numerous distractions, and staff shortages).

[(3) Congress acknowledged in the Healthcare Research and Quality Act of 1999 (Public Law 106–129) a growing demand for pharmacists by requiring the Secretary of Health and Human Services to conduct a study to determine whether there is a shortage of pharmacists in the United States and, if so, to what extent.

[(4) As a result of Congress' concern about how a shortage of pharmacists would impact the public health, the Secretary of Health and Human Services published a report entitled "The Pharmacist Workforce: A Study in Supply and Demand for Pharmacists" in December of 2000.

[(5) "The Pharmacist Workforce: A Study in Supply and Demand for Pharmacists" found that "While the overall supply of pharmacists has increased in the past decade, there has been an unprecedented demand for pharmacists and for pharmaceutical care services, which has not been met by the currently available supply" and that the "evidence clearly indicates the emergence of a shortage of pharmacists over the past two years".

[(6) The same study also found that "The factors causing the current shortage are of a nature not likely to abate in the near future without fundamental changes in pharmacy practice and education." The study projects that the number of prescriptions filled by community pharmacists will increase by 20 percent by 2004. In contrast, the number of community pharmacists is expected to increase by only 6 percent by 2005.

[(7) The demand for pharmacists will increase as prescription drug use continues to grow.]

[SEC. 3. HEALTH PROFESSIONS PROGRAM RELATED TO THE PRACTICE OF PHARMACY.

[Part E of title VII of the Public Health Service Act (42 U.S.C. 294n et seq.) is amended by adding at the end the following:

["Subpart 3—Pharmacy Workforce Development

["SEC. 781. LOAN REPAYMENT PROGRAM.

["(a) IN GENERAL.—In the case of any individual—]

["(1) who has received a baccalaureate degree in pharmacy or a Doctor of Pharmacy degree from an accredited program; and

["(2) who obtained an educational loan for pharmacy education costs;

the Secretary may enter into an agreement with such individual who agrees to serve as a full-time pharmacist for a period of not less than 2 years at a health care facility with a critical shortage of pharmacists, to make payments in accordance with subsection (b), for and on behalf of that individual, on the principal of and interest on any loan of that individual described in paragraph (2) which is outstanding on the date the individual begins such service.

["(b) MANNER OF PAYMENTS.—

["(1) IN GENERAL.—The payments described in subsection (a) may consist of payment, in accordance with paragraph (2), on behalf of the individual of the principal, interest, and related expenses on government and commercial loans received by the individual regarding the undergraduate or graduate education of the individual (or both), which loans were made for—

["(A) tuition expenses;

["(B) all other reasonable educational expenses, including fees, books, and laboratory expenses, incurred by the individual; or

["(C) reasonable living expenses as determined by the Secretary.

["(2) PAYMENTS FOR YEARS SERVED.—

["(A) IN GENERAL.—For each year of obligated service that an individual contracts to serve under subsection (a)(3) the Secretary may pay up to $35,000 on behalf of the individual for loans described in paragraph (1). In making a determination of the amount to pay for a year of such service by an individual, the Secretary shall consider the extent to which each such determination—

["(i) affects the ability of the Secretary to maximize the number of agreements that may be provided under this section from the amounts appropriated for such agreements;

["(ii) provides an incentive to serve in areas with the greatest shortages of pharmacists; and]

["(iii) provides an incentive with respect to the pharmacist involved remaining in the area and continuing to provide pharmacy services after the completion of the period of obligated service under agreement.

["(B) REPAYMENT SCHEDULE.—Any arrangement made by the Secretary for the making of loan repayments in accordance with this subsection shall provide that any repayments for a year of obligated service shall be made not later than the end of the fiscal year in which the individual completes such year of service.

["(3) TAX LIABILITY.—For the purpose of providing reimbursements for tax liability resulting from payments under paragraph (2) on behalf of an individual—

["(A) the Secretary shall, in addition to such payments, make payments to the individual in an amount equal to 39 percent of the total amount of loan repayments made for the taxable year involved; and

["(B) may make such additional payments as the Secretary determines to be appropriate with respect to such purpose.

["(4) PAYMENT SCHEDULE.—The Secretary may enter into an agreement with the holder of any loan for which payments are made under this section to establish a schedule for the making of such payments.

["(c) PREFERENCES.—In entering into agreements under subsection (a), the Secretary shall give preference to qualified applicants with the greatest financial need.

["(d) REPORTS.—

["(1) ANNUAL REPORT.—Not later than 18 months after the date of enactment of the Pharmacy Education Aid Act, and annually thereafter, the Secretary shall prepare and submit to Congress a report describing the program carried out under this section, including statements regarding—

["(A) the number of enrollees, loan repayments, and recipients;

["(B) the number of graduates;

["(C) the amount of loan repayments made;]

["(D) which educational institution the recipients attended;

["(E) the number and placement location of the loan repayment recipients at health care facilities with a critical shortage of pharmacists;

["(F) the default rate and actions required;

["(G) the amount of outstanding default funds of the loan repayment program;

["(H) to the extent that it can be determined, the reason for the default;

["(I) the demographics of the individuals participating in the loan repayment program; and

["(J) an evaluation of the overall costs and benefits of the program.

["(2) 5-YEAR REPORT.—Not later than 5 years after the date of enactment of the Pharmacy Education Aid Act, the Secretary shall prepare and submit to Congress a report on how the program carried out under this section interacts with other Federal loan repayment programs for pharmacists and determining the relative effectiveness of such programs in increasing pharmacists practicing in areas with a critical shortage of pharmacists.]

["(e) BREACH OF AGREEMENT.—

["(1) IN GENERAL.—In the case of any program under this section under which an individual makes an agreement to provide health services for a period of time in accordance with such program in consideration of receiving an award of Federal funds regarding education as a pharmacist (including an award for the repayment of loans), the following applies if the agreement provides that this subsection is applicable:

["(A) In the case of a program under this section that makes an award of Federal funds for attending an accredited program of pharmacy (in this section referred to as a 'pharmacy program'), the individual is liable to the Federal Government for the amount of such award (including amounts provided for expenses related to such attendance), and for interest on such amount at the maximum legal prevailing rate, if the individual—

["(i) fails to maintain an acceptable level of academic standing in the pharmacy program (as indicated by the program in accordance with requirements established by the Secretary);

["(ii) is dismissed from the pharmacy program for disciplinary reasons; or

["(iii) voluntarily terminates the pharmacy program.

["(B) The individual is liable to the Federal Government for the amount of such award (including amounts provided for expenses related to such attendance), and for interest on such amount at the maximum legal prevailing rate, if the individual fails to provide health services in accordance with the program under this section for the period of time applicable under the program.

["(2) WAIVER OR SUSPENSION OF LIABILITY.—In the case of an individual or health facility making an agreement for purposes of paragraph (1), the Secretary shall provide for the waiver or suspension of liability under such subsection if compliance by the individual or the health facility, as the case may be, with the agreements involved is impossible, or would involve extreme hardship to the individual or facility, and if enforcement of the agreements with respect to the individual or facility would be unconscionable.

[“(3) DATE CERTAIN FOR RECOVERY.—Subject to paragraph (2), any amount that the Federal Government is entitled to recover under paragraph (1) shall be paid to the United States not later than the expiration of the 3-year period beginning on the date the United States becomes so entitled.

[“(4) AVAILABILITY.—Amounts recovered under paragraph (1) with respect to a program under this section shall be available for the purposes of such program, and shall remain available for such purposes until expended.

[“(f) DEFINITION.—In this section, the term ‘health care facility’ means an Indian Health Service health center, a Native Hawaiian health center, a hospital, a pharmacy, a Federal qualified health center, a rural health clinic, a nursing home, a home health agency, a hospice program, a public health clinic, a State or local department of public health, a skilled nursing facility, an ambulatory surgical center, or any other facility determined appropriate by the Secretary.

[“(g) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of payments under agreements entered into under subsection (a), there are authorized to be appropriated such sums as may be necessary for each of fiscal years 2004 through 2008.

[“SEC. 782. PHARMACIST FACULTY LOAN PROGRAM.

[“(a) ESTABLISHMENT.—The Secretary, acting through the Administrator of the Health Resources and Services Administration, may enter into an agreement with any school of pharmacy for the establishment and operation of a student loan fund in accordance with this section, to increase the number of qualified pharmacy faculty.

[“(b) AGREEMENTS.—Each agreement entered into under subsection (a) shall—

[“(1) provide for the establishment of a student loan fund by the school involved;

[“(2) provide for deposit in the fund of—

[“(A) the Federal capital contributions to the fund;

[“(B) an amount equal to not less than one-ninth of such Federal capital contributions, contributed by such school;

[“(C) collections of principal and interest on loans made from the fund; and

[“(D) any other earnings of the fund;

[“(3) provide that the fund will be used only for loans to students of the school in accordance with subsection (c) and for costs of collection of such loans and interest thereon;

[“(4) provide that loans may be made from such fund only to students pursuing a full-time course of study or, at the discretion of the Secretary, a part-time course of study; and

[“(5) contain such other provisions as are necessary to protect the financial interests of the United States.

[“(c) LOAN PROVISIONS.—Loans from any student loan fund established by a school pursuant to an agreement under subsection (a) shall be made to an individual on such terms and conditions as the school may determine, except that—

[“(1) such terms and conditions are subject to any conditions, limitations, and requirements prescribed by the Secretary;

[“(2) in the case of any individual, the total of the loans for any academic year made by schools of pharmacy from loan funds established pursuant to agreements under subsection (a) may not exceed $35,000, plus any amount determined by the Secretary on an annual basis to reflect inflation;

[“(3) an amount up to 85 percent of any such loan (plus interest thereon) shall be canceled by the school as follows:

[“(A) upon completion by the individual of each of the first, second, and third year of full-time employment, required by the loan agreement entered into under this subsection, as a faculty member in a school of pharmacy, the school shall cancel 20 percent of the principle of, and the interest on, the amount of such loan unpaid on the first day of such employment; and

[“(B) upon completion by the individual of the fourth year of full-time employment, required by the loan agreement entered into under this subsection, as a faculty member in a school of pharmacy, the school shall cancel 25 percent of the principle of, and the interest on, the amount of such loan unpaid on the first day of such employment;

[“(4) such a loan may be used to pay the cost of tuition, fees, books, laboratory expenses, and other reasonable education expenses;

[“(5) such a loan shall be repayable in equal or graduated periodic installments (with the right of the borrower to accelerate repayment) over the 10-year period that begins 9 months after the individual ceases to pursue a course of study at a school of pharmacy; and

[“(6) such a loan shall—

[“(A) beginning on the date that is 3 months after the individual ceases to pursue a course of study at a school of pharmacy, bear interest on the unpaid balance of the loan at the rate of 3 percent per annum; or

[“(B) subject to subsection (e), if the school of pharmacy determines that the individual will not complete such course of study or serve as a faculty member as required under the loan agreement under this subsection, bear interest on the unpaid balance of the loan at the prevailing market rate.

[“(d) PAYMENT OF PROPORTIONATE SHARE.—Where all or any part of a loan, or interest, is canceled under this section, the Secretary shall pay to the school an amount equal to the school's proportionate share of the canceled portion, as determined by the Secretary.

[“(e) REVIEW BY SECRETARY.—At the request of the individual involved, the Secretary may review any determination by a school of pharmacy under subsection (c)(6)(B).

[“(f) INFORMATION TECHNOLOGY.—The Secretary may make awards of grants or contracts to qualifying schools of pharmacy for the purpose of assisting such schools in acquiring and installing computer-based systems to provide pharmaceutical education. Education provided through such systems may be graduate education, professional education, or continuing education. The computer-based systems may be designed to provide on-site education, or education at remote sites (commonly referred to as distance learning), or both.

[“(g) REQUIREMENT REGARDING EDUCATION IN PRACTICE OF PHARMACY.—With respect to the school of pharmacy involved, the Secretary shall ensure that programs and activities carried out with Federal funds provided under this section have the goal of educating students to become licensed pharmacists, or the goal of providing for faculty to recruit, retain, and educate students to become licensed pharmacists.

[“(h) DEFINITIONS.—For purposes of this section:

[“(1) SCHOOL OF PHARMACY.—the term ‘school of pharmacy’ means a college or school of pharmacy (as defined in section 799B) that, in providing clinical experience for students, requires that the students serve in a clinical rotation in which pharmacist services (as defined in section 331(a)(3)(E)) are provided at or for—

[“(A) a medical facility that serves a substantial number of individuals who reside in or are members of a medically underserved community (as so defined);

[“(B) an entity described in any of subparagraphs (A) through (L) of section 340B(a)(4) (relating to the definition of covered entity);

[“(C) a health care facility of the Department of Veterans Affairs or of any of the Armed Forces of the United States;

[“(D) a health care facility of the Bureau of Prisons;

[“(E) a health care facility operated by, or with funds received from, the Indian Health Service; or

[“(F) a disproportionate share hospital under section 1923 of the Social Security Act.

[“(2) PHARMACIST SERVICES.—The term ‘pharmacist services’ includes drug therapy management services furnished by a pharmacist, individually or on behalf of a pharmacy provider, and such services and supplies furnished incident to the pharmacist's drug therapy management services, that the pharmacist is legally authorized to perform (in the State in which the individual performs such services) in accordance with State law (or the State regulatory mechanism provided for by State law).

[“(i) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized [to be appropriated such sums as may be necessary for each of the fiscal years 2004 through 2008.”.]

[SECTION 1. SHORT TITLE.

This Act may be cited as the “Pharmacy Education Aid Act of 2003”.

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) Pharmacists are an important link in our Nation's health care system. A critical shortage of pharmacists is threatening the ability of pharmacies to continue to provide important prescription related services.

(2) In the landmark report entitled “To Err is Human: Building a Safer Health System”, the Institute of Medicine reported that medication errors can be partially attributed to factors that are indicative of a shortage of pharmacists (such as too many customers, numerous distractions, and staff shortages).

(3) Congress acknowledged in the Healthcare Research and Quality Act of 1999 (Public Law 106–129) a growing demand for pharmacists by requiring the Secretary of Health and Human Services to conduct a study to determine whether there is a shortage of pharmacists in the United States and, if so, to what extent.

(4) As a result of Congress' concern about how a shortage of pharmacists would impact the public health, the Secretary of Health and Human Services published a report entitled “The Pharmacist Workforce: A Study in Supply and Demand for Pharmacists” in December of 2000.

(5) “The Pharmacist Workforce: A Study in Supply and Demand for Pharmacists” found that “While the overall supply of pharmacists has increased in the past decade, there has been an unprecedented demand for pharmacists and

for pharmaceutical care services, which has not been met by the currently available supply" and that the "evidence clearly indicates the emergence of a shortage of pharmacists over the past two years".

(6) The same study also found that "The factors causing the current shortage are of a nature not likely to abate in the near future without fundamental changes in pharmacy practice and education." The study projects that the number of prescriptions filled by community pharmacists will increase by 20 percent by 2004. In contrast, the number of community pharmacists is expected to increase by only 6 percent by 2005.

(7) Regarding access to pharmacy services in rural areas, the study found that "Remoteness, isolation from other professionals, lower economic returns, reduced opportunities for advancement, and other rural practice characteristics remain obstacles" to attracting pharmacists.

(8) The demand for pharmacists will increase as prescription drug use continues to grow.

SEC. 3. HEALTH PROFESSIONS PROGRAMS RELATED TO THE PRACTICE OF PHARMACY.

Part E of title VII of the Public Health Service Act (42 U.S.C. 294n et seq.) is amended by adding at the end the following:

"Subpart 3—Pharmacy Workforce Development

"SEC. 781. LOAN REPAYMENT PROGRAM FOR PHARMACISTS SERVING IN CRITICAL SHORTAGE FACILITIES.

"(a) In General.—In the case of any individual—

"(1) who has received a baccalaureate degree in pharmacy or a Doctor of Pharmacy degree from an accredited program;

"(2) who obtained an educational loan for pharmacy education costs; and

"(3) who is licensed without restrictions in the State in which the designated health care facility is located;

the Secretary may enter into an agreement with such individual who agrees to serve as a full-time pharmacist for a period of not less than 2 years at a designated health care facility, to make payments in accordance with subsection (b), for and on behalf of that individual, on the principal of and interest on any loan of that individual described in paragraph (2) which is outstanding on the date the individual begins such service.

"(b) Manner of Payments.—

"(1) In general.—The payments described in subsection (a) may consist of payment, in accordance with paragraph (2), on behalf of the individual of the principal, interest, and related expenses on government and commercial loans received by the individual regarding the undergraduate or graduate education of the individual (or both), which loans were made for—

"(A) tuition expenses;

"(B) all other reasonable educational expenses, including fees, books, and laboratory expenses, incurred by the individual; or

"(C) reasonable living expenses as determined by the Secretary.

"(2) Payments for years served.—

"(A) In general.—For each year of obligated service that an individual contracts to serve under subsection (a) the Secretary may pay up to $35,000 on behalf of the individual for loans described in paragraph (1). In making a determination of the amount to pay for a year of such service by an individual, the Secretary shall consider the extent to which each such determination—

"(i) affects the ability of the Secretary to maximize the number of agreements that may be provided under this section from the amounts appropriated for such agreements;

"(ii) provides an incentive to serve in areas with the greatest shortages of pharmacists; and

"(iii) provides an incentive with respect to the pharmacist involved remaining in the area and continuing to provide pharmacy services after the completion of the period of obligated service under agreement.

"(B) Repayment schedule.—Any arrangement made by the Secretary for the making of loan repayments in accordance with this subsection shall provide that any repayments for a year of obligated service shall be made not later than the end of the fiscal year in which the individual completes such year of service.

"(3) Tax liability.—For the purpose of providing reimbursements for tax liability resulting from payments under paragraph (2) on behalf of an individual—

"(A) the Secretary shall, in addition to such payments, make payments to the individual in an amount equal to 39 percent of the total amount of loan repayments made for the taxable year involved; and

"(B) may make such additional payments as the Secretary determines to be appropriate with respect to such purpose.

"(4) Payment schedule.—The Secretary may enter into an agreement with the holder of any loan for which payments are made under this section to establish a schedule for the making of such payments.

"(c) Preferences.—In entering into agreements under subsection (a), the Secretary shall give preference to qualified applicants with the greatest financial need.

"(d) Reports.—

"(1) Annual report.—Not later than 18 months after the date of enactment of the Pharmacy Education Aid Act, and annually thereafter, the Secretary shall prepare and submit to Congress a report describing the program carried out under this section, including statements regarding—

"(A) the number of applicants and contract recipients;

"(B) the amount of loan repayments made;

"(C) which educational institution the recipients attended;

"(D) the number and practice locations of the loan repayment recipients at health care facilities with a critical shortage of pharmacists;

"(E) the default rate and actions required;

"(F) the amount of outstanding default funds of the loan repayment program;

"(G) to the extent that it can be determined, the reason for the default;

"(H) the demographics of the individuals participating in the loan repayment program; and

"(I) an evaluation of the overall costs and benefits of the program.

"(2) 5-year report.—Not later than 5 years after the date of enactment of the Pharmacy Education Aid Act, the Secretary shall prepare and submit to Congress a report on how the program carried out under this section interacts with other Federal loan repayment programs for pharmacists and determining the relative effectiveness of such programs in increasing pharmacists practicing in underserved areas.

"(e) Application of Certain Provisions.—

"(1) In general.—The provisions of section 338C, 338G, and 338I shall apply to the program established under this section in the same manner and to the same extent as such provisions apply to the National Health Service Corps Loan Repayment Program under subpart III of part D of title III, including the applicability of provisions regarding reimbursements for increased tax liability and bankruptcy.

"(2) Breach of agreement.—An individual who enters into an agreement under subsection (a) shall be liable to the Federal Government for the amount of the award under such agreement (including amounts provided for expenses related to such attendance), and for interest on such amount at the maximum legal prevailing rate, if the individual fails to provide health services in accordance with the program under this section for the period of time applicable under the program.

"(3) Waiver or suspension of liability.—In the case of an individual or health facility making an agreement for purposes of subsection (a), the Secretary shall provide for the waiver or suspension of liability under paragraph (2) if compliance by the individual or the health facility, as the case may be, with the agreement involved is impossible, or would involve extreme hardship to the individual or facility, and if enforcement of the agreements with respect to the individual or facility would be unconscionable.

"(4) Date certain for recovery.—Subject to paragraph (3), any amount that the Federal Government is entitled to recover under paragraph (2) shall be paid to the United States not later than the expiration of the 3-year period beginning on the date the United States becomes so entitled.

"(5) Availability.—Amounts recovered under paragraph (2) with respect to a program under this section shall be available for the purposes of such program, and shall remain available for such purposes until expended.

"(f) Definition.—In this section, the term 'health care facility' means a facility with a critical shortage of pharmacists as determined by the Secretary.

"(g) Authorization of Appropriations.—For the purpose of payments under agreements entered into under subsection (a), there are authorized to be appropriated such sums as may be necessary for each of fiscal years 2004 through 2008.

"SEC. 782. PHARMACY FACULTY LOAN REPAYMENT PROGRAM.

"(a) Establishment of Program.—The Secretary shall establish a program under which the Secretary will enter into contracts with individuals described in subsection (b) and such individuals will agree to serve as faculty members of schools of pharmacy in consideration of the Federal Government agreeing to pay, for each year of such service, not more than $35,000 of the principal and interest of the educational loans of such individuals.

"(b) Eligible Individuals.—An individual is described in this subsection if such individual—

"(1) has a baccalaureate degree in pharmacy or a Doctor of Pharmacy degree from an accredited program; or

"(2) is enrolled as a full-time student—

"(A) in an accredited pharmacy program; and

"(B) in the final year of a course of a study or program, offered by such institution and approved by the Secretary, leading to a baccalaureate degree in pharmacy or a Doctor of Pharmacy degree from such a school.

"(c) Requirements Regarding Faculty Positions.—The Secretary may not enter into a contract under subsection (a) unless—

"(1) the individual involved has entered into a contract with a school of pharmacy to serve as a member of the faculty of the school for not less than 2 years; and

"(2) the contract referred to in paragraph (1) provides that—

"(A) the school will, for each year for which the individual will serve as a member of the faculty under contract with the school, make payments of the principal and interest due on the educational loans of the individual for such year in an amount equal to the amount of such payments made by the Secretary for the year;

"(B) the payments made by the school pursuant to subparagraph (A) on behalf of the individual will be in addition to the compensation that the individual would otherwise receive for serving as a member of such faculty; and

"(C) the school, in making a determination of the amount of compensation to be provided by *the school to the individual for serving as a member of the faculty, will make the determination without regard to the amount of payments made (or to be made) to the individual by the Federal Government under subsection (a).*

"(d) APPLICABILITY OF CERTAIN PROVISIONS.—The provisions of sections 338C, 338G, and 338I shall apply to the program established in subsection (a) to the same extent and in the same manner as such provisions apply to the National Health Service Corps Loan Repayment Program established in subpart III of part D of title III, including the applicability of provisions regarding reimbursements for increased tax liability and regarding bankruptcy.

"(e) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of fiscal years 2004 through 2008.

"SEC. 783. DEFINITIONS.

"In this subpart:

"(1) SCHOOL OF PHARMACY.—The term 'school of pharmacy' means a college or school of pharmacy (as defined in section 799B) that, in providing clinical experience for students, requires that the students serve in a clinical rotation in which pharmacist services (as defined in section 331(a)(3)(E)) are provided at or for—

"(A) a medical facility that serves a substantial number of individuals who reside in or are members of a medically underserved community (as so defined);

"(B) an entity described in any of subparagraphs (A) through (L) of section 340B(a)(4) (relating to the definition of covered entity);

"(C) a health care facility of the Department of Veterans Affairs or of any of the Armed Forces of the United States;

"(D) a health care facility of the Bureau of Prisons;

"(E) a health care facility operated by, or with funds received from, the Indian Health Service; or

"(F) a disproportionate share hospital under section 1923 of the Social Security Act.

"(2) PHARMACIST SERVICES.—The term 'pharmacist services' includes drug therapy management services furnished by a pharmacist, individually or on behalf of a pharmacy provider, and such services and supplies furnished incident to the pharmacist's drug therapy management services, that the pharmacist is legally authorized to perform (in the State in which the individual performs such services) in accordance with State law (or the State regulatory mechanism provided for by State law).".

Mr. MCCONNELL. I ask unanimous consent the committee substitute amendment be agreed to; the bill, as amended, be read the third time and passed; the motion to reconsider be laid upon the table, and any statements be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendment in the nature of a substitute was agreed to.

The bill (S. 648), as amended, was read the third time and passed.

MEDICAL DEVICES TECHNICAL CORRECTIONS ACT

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 412, S. 1881.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 1881) to amend the Federal Food, Drug, and Cosmetic Act to make technical corrections relating to the amendments made by the Medical Device User Fee and Modernization Act of 2002, and for other purposes.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Health, Education, Labor, and Pensions, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

[Strike the part shown in black brackets and insert the part shown in italic.]

S. 1881

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

[SECTION 1. SHORT TITLE.

[This Act may be cited as the "Medical Devices Technical Corrections Act".

[SEC. 2. TECHNICAL CORRECTIONS REGARDING PUBLIC LAW 107–250.

[(a) TITLE I; FEES RELATING TO MEDICAL DEVICES.—Part 3 of subchapter C of chapter VII of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 379i et seq.), as added by section 102 of Public Law 107–250 (116 Stat. 1589), is amended—

[(1) in section 737—

[(A) in paragraph (4)(B), by striking "and for which clinical data are generally necessary to provide a reasonable assurance of safety and effectiveness" and inserting "and for which substantial clinical data are necessary to provide a reasonable assurance of safety and effectiveness";

[(B) in paragraph (4)(D), by striking "manufacturing,";

[(C) in paragraph (5)(J), by striking "a premarket application" and all that follows and inserting "a premarket application or premarket report under section 515 or a premarket application under section 351 of the Public Health Service Act."; and

[(D) in paragraph (8), by striking "The term 'affiliate' means a business entity that has a relationship with a second business entity" and inserting "The term 'affiliate' means a business entity that has a relationship with a second business entity (whether domestic or international)"; and

[(2) in section 738—

[(A) in subsection (a)(1)—

[(i) in subparagraph (A)—

[(I) in the matter preceding clause (i) by striking "subsection (d)," and inserting "subsections (d) and (e),";

[(II) in clause (iv), by striking "clause (i)," and all that follows and inserting "clause (i)."; and

[(III) in clause (vii), by striking "clause (i)," and all that follows and inserting "clause (i), subject to any adjustment under subsection (e)(2)(C)(ii)."; and

[(ii) in subparagraph (D), in each of clauses (i) and (ii), by striking "application" and inserting "application, report,";

[(B) in subsection (d)(2)(B), beginning in the second sentence, by striking "firms. which show" and inserting "firms, which show";

[(C) in subsection (e)—

[(i) in paragraph (1), by striking "Where" and inserting "For fiscal year 2004 and each subsequent fiscal year, where"; and

[(ii) in paragraph (2)—

[(I) in subparagraph (B), beginning in the second sentence, by striking "firms. which show" and inserting "firms, which show"; and

[(II) in subparagraph (C)(i), by striking "Where" and inserting "For fiscal year 2004 and each subsequent fiscal year, where";

[(D) in subsection (f), by striking "for filing"; and

[(E) in subsection (h)(2)—

[(i) by striking subparagraph (A)(ii) and inserting the following:

["(ii) shall only be collected and available to defray increases in the costs of the resources allocated for the process for the review of device applications (including increases in such costs for an additional number of full-time equivalent positions in the Department of Health and Human Services to be engaged in such process) over such costs for fiscal year 2002 when multiplied by the adjustment factor (the determination of the costs of the resources allocated for the process for the review of device applications for fiscal year 2003 through 2007, for purposes of this subparagraph, shall not include costs paid from fees collected under this section)."; and

[(ii) in subparagraph (B)—

[(I) in clause (ii), by redesignating subclauses (I) and (II) as items (aa) and (bb), respectively;

[(II) by redesignating clauses (i) and (ii) as subclauses (I) and (II), respectively;

[(III) by striking "The Secretary" and inserting the following:

["(i) IN GENERAL.—The Secretary"; and

[(IV) by adding at the end the following:

["(ii) MORE THAN 5 PERCENT.—To the extent such costs are more than 5 percent below the specified level in subparagraph (A)(ii), fees may not be collected under this section for that fiscal year.".

[(b) TITLE II; AMENDMENTS REGARDING REGULATION OF MEDICAL DEVICES.—

[(1) INSPECTIONS BY ACCREDITED PERSONS.—Section 704(g) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 374(g)), as added by section 201 of Public Law 107–250 (116 Stat. 1602), is amended—

[(A) in paragraph (1), in the first sentence, by striking "conducting inspections" and all that follows and inserting "conducting inspections of establishments that manufacture, prepare, propagate, compound, or process class II or class III devices, which inspections are required under section 510(h) or are inspections of such establishments required to register under section 510(i).";

[(B) in paragraph (6)(A)—

[(i) in clause (i), by striking "of the establishment pursuant to subsection (h) or (i) of section 510" and inserting "described in paragraph (1)";

[(ii) in clause (ii)—

[(I) in the matter preceding subclause (I)—

[(aa) by striking "each inspection" and inserting "inspections"; and

[(bb) by inserting "during a 2-year period" after "person"; and

[(II) in subclause (I), by striking "such a person" and inserting "an accredited person";

[(iii) in clause (iii)—

[(I) in the matter preceding subclause (I), by striking "and the following additional conditions are met:" and inserting "and 1 or both of the following additional conditions are met:";

[(II) in subclause (I), by striking "under subclause (II) of this clause" and inserting "under clause (ii)(II)"; and

[(III) in subclause (II), by inserting "or by a person accredited under paragraph (2)" after "by the Secretary";

[(iv) in clause (iv)(I)—

[(I) in the first sentence—

[(aa) by striking "the two immediately preceding inspections of the establishment" and inserting "inspections of the establishment during the previous 4 years"; and

[(bb) by inserting "section" after "pursuant to"; and

[(II) in the third sentence—

[(aa) by striking "the petition states a commercial reason for the waiver;"; and

[(bb) by inserting "not" after "the Secretary has not determined that the public health would"; and

[(v) in clause (iv)(II)—

[(I) by inserting "of a device establishment required to register" after "to be conducted"; and

[(II) by inserting "section" after "pursuant to";

[(C) in paragraph (6)(B)(iii)—

[(i) in the first sentence, by striking ", and data otherwise describing whether the establishment has consistently been in compliance with sections 501 and 502"; and

[(ii) in the second sentence—

[(I) by striking "inspections" and inserting "inspectional findings"; and

[(II) by striking ", together with all other compliance data the Secretary deems necessary";

[(D) in paragraph (6)(C)(ii), by striking "in accordance with section 510(h), or has not during such period been inspected pursuant to section 510(i), as applicable";

[(E) in paragraph (10)(B)(iii), by striking "a reporting" and inserting "a report"; and

[(F) in paragraph (12)—

[(i) by striking subparagraph (A) and inserting the following:

["(A) the number of inspections conducted by accredited persons pursuant to this subsection and the number of inspections conducted by Federal employees pursuant to section 510(h) and of device establishments required to register under section 510(i);"; and

[(ii) in subparagraph (E), by striking "obtained by the Secretary" and all that follows and inserting "obtained by the Secretary pursuant to inspections conducted by Federal employees;".

[(2) OTHER CORRECTIONS.—Section 502(f) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 352(f)), as amended by section 206 of Public Law 107–250 (116 Stat. 1613), is amended, in the last sentence—

[(A) by inserting "or by a health care professional and required labeling for in vitro diagnostic devices intended for use by health care professionals or in blood establishments" after "in health care facilities";

[(B) by inserting a comma after "means";

[(C) by striking "requirements of law and, that" and inserting "requirements of law, and that";

[(D) by striking "the manufacturer affords health care facilities the opportunity" and inserting "the manufacturer affords such users the opportunity"; and

[(E) by striking "the health care facility".

[(c) TITLE III; ADDITIONAL AMENDMENTS.—Section 510(o) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 360(o)), as added by section 302(b) of Public Law 107–250 (116 Stat. 1616), is amended—

[(1) in paragraph (1)(B), by striking ", adulterated" and inserting "or adulterated"; and

[(2) in paragraph (2)—

[(A) in subparagraph (B), by striking ", adulterated" and inserting "or adulterated"; and

[(B) in subparagraph (E), by striking "semicritical" and inserting "semi-critical".

[(d) MISCELLANEOUS CORRECTIONS.—

[(1) CERTAIN AMENDMENTS TO SECTION 515.—

[(A) IN GENERAL.—

[(i) TECHNICAL CORRECTION.—Section 515(c) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 360e(c)), as amended by sections 209 and 302(c)(2)(A) of Public Law 107–250 (116 Stat. 1613, 1618), is amended by redesignating paragraph (3) (as added by section 209 of such Public Law) as paragraph (4).

[(ii) MODULAR REVIEW.—Section 515(c)(4)(B) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 360e(c)(4)(B)) is amended by striking "unless an issue of safety" and inserting "unless a significant issue of safety".

[(B) CONFORMING AMENDMENT.—Section 210 of Public Law 107–250 (116 Stat. 1614) is amended by striking ", as amended" and all that follows through "by adding" and inserting "is amended in paragraph (3), as redesignated by section 302(c)(2)(A) of this Act, by adding".

[(2) CERTAIN AMENDMENTS TO SECTION 738.—

[(A) IN GENERAL.—Section 738(a) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 379j(a)), as amended by subsection (a), is amended—

[(i) in the matter preceding paragraph (1)—

[(I) by striking "(a) TYPES OF FEES.—Beginning on" and inserting the following:

["(a) TYPES OF FEES.—

["(1) IN GENERAL.—Beginning on"; and

[(II) by striking "this section as follows:" and inserting "this section."; and

[(ii) by striking "(1) PREMARKET APPLICATION," and inserting the following: "(2) PREMARKET APPLICATION,".

[(B) CONFORMING AMENDMENTS.—Section 738 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 379j), as amended by subparagraph (A), is amended—

[(i) in subsection (d)(1), in the last sentence, by striking "subsection (a)(1)(A)" and inserting "subsection (a)(2)(A)";

(ii) in subsection (e)(1), by striking "subsection (a)(1)(A)(vii)" and inserting "subsection (a)(2)(A)(vii)";

[(iii) in subsection (e)(2)(C)—

[(I) in each of clauses (i) and (ii), by striking "subsection (a)(1)(A)(vii)" and inserting "subsection (a)(2)(A)(vii)"; and

[(II) in clause (ii), by striking "subsection (a)(1)(A)(i)" and inserting "subsection (a)(2)(A)(i)"; and

[(iv) in subsection (j), by striking "subsection (a)(1)(D)," and inserting "subsection (a)(2)(D),".

[(C) ADDITIONAL CONFORMING AMENDMENT.—Section 102(b)(1) of Public Law 107–250 (116 Stat. 1600) is amended, in the matter preceding subparagraph (A), by striking "section 738(a)(1)(A)(ii)" and inserting "section 738(a)(2)(A)(ii)".

[(3) PUBLIC LAW 107–250.—Public Law 107–250 is amended—

[(A) in section 102(a) (116 Stat. 1589), by striking "(21 U.S.C. 379F et seq.)" and inserting "(21 U.S.C. 379f et seq.)";

[(B) in section 102(b) (116 Stat. 1600)—

[(i) by striking paragraph (2);

[(ii) in paragraph (1), by redesignating subparagraphs (A) and (B) as paragraphs (1) and (2), respectively; and

[(iii) by striking:

["(b) FEE EXEMPTION FOR CERTAIN ENTITIES SUBMITTING PREMARKET REPORTS.—

["(1) IN GENERAL.—A person submitting a premarket report" and inserting:

["(b) FEE EXEMPTION FOR CERTAIN ENTITIES SUBMITTING PREMARKET REPORTS.—A person submitting a premarket report";

[(C) in section 212(b)(2) (116 Stat. 1614), by striking ", such as phase IV trials,"; and

[(D) in section 301(b) (116 Stat. 1616), by striking "18 months" and inserting "36 months".

[SEC. 3. HUMANITARIAN DEVICE EXEMPTION AND PEDIATRIC PRODUCTS.

[(a) AMENDMENT TO FEDERAL FOOD, DRUG, AND COSMETIC ACT.—Section 520(m)(3) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 360j(m)(3)) is amended to read as follows:

["(3) Excluding devices intended for the treatment or diagnosis of diseases or conditions that affect pediatric patients, no person granted an exemption under paragraph (2) with respect to a device may sell the device for an amount that exceeds the costs of research and development, fabrication, and distribution of the device. The exclusion from the prohibition under the previous sentence for devices intended for the treatment or diagnosis of diseases or conditions that affect pediatric patients, shall not apply in the case of a request for an exemption under paragraph (2) made on or after October 1, 2007. In this paragraph, the term 'pediatric patient' means a patient who is 14 years of age or younger at the time of diagnosis or treatment.".

[(b) REPORT.—Not later than October 1, 2006, the Comptroller General of the United States, in consultation with the Secretary of Health and Human Services, shall submit to Congress a report that addresses the effectiveness of section 520(m) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 360j(m)) in ensuring the development of devices designed to treat or diagnose diseases or conditions that affect fewer than 4,000 pediatric patients in the United States. Such report shall include the number and importance of devices for pediatric patients that are receiving exemptions under section 520(m) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 360j(m)).]

SECTION 1. SHORT TITLE.

This Act may be cited as the "Medical Devices Technical Corrections Act".

SEC. 2. TECHNICAL CORRECTIONS REGARDING PUBLIC LAW 107–250.

(a) TITLE I; FEES RELATING TO MEDICAL DEVICES.—Part 3 of subchapter C of chapter VII of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 379i et seq.), as added by section 102 of Public Law 107–250 (116 Stat. 1589), is amended—

(1) in section 737—

(A) in paragraph (4)(B), by striking "and for which clinical data are generally necessary to provide a reasonable assurance of safety and effectiveness" and inserting "and for which substantial clinical data are necessary to provide a reasonable assurance of safety and effectiveness";

(B) in paragraph (4)(D), by striking "manufacturing,";

(C) in paragraph (5)(J), by striking "a premarket application" and all that follows and inserting "a premarket application or premarket report under section 515 or a premarket application under section 351 of the Public Health Service Act."; and

(D) in paragraph (8), by striking "The term 'affiliate' means a business entity that has a relationship with a second business entity" and inserting "The term 'affiliate' means a business entity that has a relationship with a second business entity (whether domestic or international)"; and

(2) in section 738—

(A) in subsection (a)(1)—

(i) in subparagraph (A)—

(I) in the matter preceding clause (i) by striking "subsection (d)," and inserting "subsections (d) and (e),";

(II) in clause (iv), by striking "clause (i)," and all that follows and inserting "clause (i)."; and

(III) in clause (vii), by striking "clause (i)," and all that follows and inserting "clause (i), subject to any adjustment under subsection (e)(2)(C)(ii)."; and

(ii) in subparagraph (D), in each of clauses (i) and (ii), by striking "application" and inserting "application, report,";

(B) in subsection (d)(2)(B), beginning in the second sentence, by striking "firms. which show" and inserting "firms, which show";

(C) in subsection (e)—

(i) in paragraph (1), by striking "Where" and inserting "For fiscal year 2004 and each subsequent fiscal year, where"; and

(ii) in paragraph (2)—

(I) in subparagraph (B), beginning in the second sentence, by striking "firms. which show" and inserting "firms, which show"; and

(II) in subparagraph (C)(i), by striking "Where" and inserting "For fiscal year 2004 and each subsequent fiscal year, where";

(D) in subsection (f), by striking "for filing"; and

(E) in subsection (h)(2)(B)—

(i) in clause (ii), by redesignating subclauses (I) and (II) as items (aa) and (bb), respectively;

(ii) by redesignating clauses (i) and (ii) as subclauses (I) and (II), respectively;

(iii) by striking "The Secretary" and inserting the following:

"(i) IN GENERAL.—The Secretary"; and

(iv) by adding at the end the following:

"(ii) MORE THAN 5 PERCENT.—To the extent such costs are more than 5 percent below the specified level in subparagraph (A)(ii), fees may not be collected under this section for that fiscal year.".

(b) TITLE II; AMENDMENTS REGARDING REGULATION OF MEDICAL DEVICES.—

(1) INSPECTIONS BY ACCREDITED PERSONS.—Section 704(g) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 374(g)), as added by section 201 of Public Law 107–250 (116 Stat. 1602), is amended—

(A) in paragraph (1), in the first sentence, by striking "conducting inspections" and all that follows and inserting "conducting inspections of establishments that manufacture, prepare, propagate, compound, or process class II or class III devices, which inspections are required under section 510(h) or are inspections of such establishments required to register under section 510(i).";

(B) in paragraph (6)(A)—

(i) in clause (i), by striking "of the establishment pursuant to subsection (h) or (i) of section 510" and inserting "described in paragraph (1)";

(ii) in clause (ii)—

(I) in the matter preceding subclause (I)—

(aa) by striking "each inspection" and inserting "inspections"; and

(bb) by inserting "during a 2-year period" after "person"; and

(II) in subclause (I), by striking "such a person" and inserting "an accredited person";

(iii) in clause (iii)—

(I) in the matter preceding subclause (I), by striking "and the following additional conditions are met:" and inserting "and 1 or both of the following additional conditions are met:";

(II) in subclause (I), by striking "under subclause (II) of this clause" and inserting "under clause (ii)(II)"; and

(III) in subclause (II), by inserting "or by a person accredited under paragraph (2)" after "by the Secretary";

(iv) in clause (iv)(I)—

(I) in the first sentence—

(aa) by striking "the two immediately preceding inspections of the establishment" and inserting "inspections of the establishment during the previous 4 years"; and

(bb) by inserting "section" after "pursuant to";

(II) in the third sentence—

(aa) by striking "the petition states a commercial reason for the waiver;"; and

(bb) by inserting "not" after "the Secretary has not determined that the public health would"; and

(III) in the fourth sentence, by striking "granted until" and inserting "granted or deemed to be granted until"; and

(v) in clause (iv)(II)—

(I) by inserting "of a device establishment required to register" after "to be conducted"; and

(II) by inserting "section" after "pursuant to";

(C) in paragraph (6)(B)(iii)—

(i) in the first sentence, by striking ", and data otherwise describing whether the establishment has consistently been in compliance with sections 501 and 502"; and

(ii) in the second sentence—

(I) by striking "inspections" and inserting "inspectional findings"; and

(II) by inserting "relevant" after "together with all other";

(D) in paragraph (6)(C)(ii), by striking "in accordance with section 510(h), or has not during such period been inspected pursuant to section 510(i), as applicable";

(E) in paragraph (10)(B)(iii), by striking "a reporting" and inserting "a report"; and

(F) in paragraph (12)—

(i) by striking subparagraph (A) and inserting the following:

"(A) the number of inspections conducted by accredited persons pursuant to this subsection and the number of inspections conducted by Federal employees pursuant to section 510(h) and of device establishments required to register under section 510(i);"; and

(ii) in subparagraph (E), by striking "obtained by the Secretary" and all that follows and inserting "obtained by the Secretary pursuant to inspections conducted by Federal employees;".

(2) OTHER CORRECTIONS.—

(A) PROHIBITED ACTS.—Section 301(gg) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 331(gg)), as amended by section 201(d) of Public Law 107–250 (116 Stat. 1609), is amended to read as follows:

"(gg) The knowing failure to comply with paragraph (7)(E) of section 704(g); the knowing inclusion by a person accredited under paragraph (2) of such section of false information in an inspection report under paragraph (7)(A) of such section; or the knowing failure of such a person to include material facts in such a report.".

(B) ELECTRONIC LABELING.—Section 502(f) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 352(f)), as amended by section 206 of Public Law 107–250 (116 Stat. 1613), is amended, in the last sentence—

(i) by inserting "or by a health care professional and required labeling for in vitro diagnostic devices intended for use by health care professionals or in blood establishments" after "in health care facilities";

(ii) by inserting a comma after "means";

(iii) by striking "requirements of law and, that" and inserting "requirements of law, and that";

(iv) by striking "the manufacturer affords health care facilities the opportunity" and inserting "the manufacturer affords such users the opportunity"; and

(v) by striking "the health care facility".

(c) TITLE III; ADDITIONAL AMENDMENTS.—

(1) EFFECTIVE DATE.—Section 301(b) of Public Law 107–250 (116 Stat. 1616), is amended by striking "18 months" and inserting "36 months".

(2) PREMARKET NOTIFICATION.—Section 510(o) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 360(o)), as added by section 302(b) of Public Law 107–250 (116 Stat. 1616), is amended—

(A) in paragraph (1)(B), by striking ", adulterated" and inserting "or adulterated"; and

(B) in paragraph (2)—

(i) in subparagraph (B), by striking ", adulterated" and inserting "or adulterated"; and

(ii) in subparagraph (E), by striking "semicritical" and inserting "semi-critical".

(d) MISCELLANEOUS CORRECTIONS.—

(1) CERTAIN AMENDMENTS TO SECTION 515.—

(A) IN GENERAL.—

(i) TECHNICAL CORRECTION.—Section 515(c) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 360e(c)), as amended by sections 209 and 302(c)(2)(A) of Public Law 107–250 (116 Stat. 1613, 1618), is amended by redesignating paragraph (3) (as added by section 209 of such Public Law) as paragraph (4).

(ii) MODULAR REVIEW.—Section 515(c)(4)(B) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 360e(c)(4)(B)) is amended by striking "unless an issue of safety" and inserting "unless a significant issue of safety".

(B) CONFORMING AMENDMENT.—Section 210 of Public Law 107–250 (116 Stat. 1614) is amended by striking ", as amended" and all that follows through "by adding" and inserting "is amended in paragraph (3), as redesignated by section 302(c)(2)(A) of this Act, by adding".

(2) CERTAIN AMENDMENTS TO SECTION 738.—

(A) IN GENERAL.—Section 738(a) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 379j(a)), as amended by subsection (a), is amended—

(i) in the matter preceding paragraph (1)—

(I) by striking "(a) TYPES OF FEES.—Beginning on" and inserting the following:

"(a) TYPES OF FEES.—

"(1) IN GENERAL.—Beginning on"; and

(II) by striking "this section as follows:" and inserting "this section."; and

(ii) by striking "(1) PREMARKET APPLICATION," and inserting the following: "(2) PREMARKET APPLICATION,".

(B) CONFORMING AMENDMENTS.—Section 738 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 379j), as amended by subparagraph (A), is amended—

(i) in subsection (d)(1), in the last sentence, by striking "subsection (a)(1)(A)" and inserting "subsection (a)(2)(A)";

(ii) in subsection (e)(1), by striking "subsection (a)(1)(A)(vii)" and inserting "subsection (a)(2)(A)(vii)";

(iii) in subsection (e)(2)(C)—

(I) in each of clauses (i) and (ii), by striking "subsection (a)(1)(A)(vii)" and inserting "subsection (a)(2)(A)(vii)"; and

(II) in clause (ii), by striking "subsection (a)(1)(A)(i)" and inserting "subsection (a)(2)(A)(i)"; and

(iv) in subsection (j), by striking "subsection (a)(1)(D)," and inserting "subsection (a)(2)(D),".

(C) ADDITIONAL CONFORMING AMENDMENT.—Section 102(b)(1) of Public Law 107–250 (116 Stat. 1600) is amended, in the matter preceding subparagraph (A), by striking "section 738(a)(1)(A)(ii)" and inserting "section 738(a)(2)(A)(ii)".

(3) PUBLIC LAW 107–250.—Public Law 107–250 is amended—

(A) in section 102(a) (116 Stat. 1589), by striking "(21 U.S.C. 379F et seq.)" and inserting "(21 U.S.C. 379f et seq.)";

(B) in section 102(b) (116 Stat. 1600)—

(i) by striking paragraph (2);

(ii) in paragraph (1), by redesignating subparagraphs (A) and (B) as paragraphs (1) and (2), respectively; and

(iii) by striking:

"(b) FEE EXEMPTION FOR CERTAIN ENTITIES SUBMITTING PREMARKET REPORTS.—

"(1) IN GENERAL.—A person submitting a premarket report" and inserting:

"(b) FEE EXEMPTION FOR CERTAIN ENTITIES SUBMITTING PREMARKET REPORTS.—A person submitting a premarket report"; and

(C) in section 212(b)(2) (116 Stat. 1614), by striking ", such as phase IV trials,".

SEC. 3. REPORT ON BARRIERS TO AVAILABILITY OF DEVICES INTENDED FOR CHILDREN.

Not later than 180 days after the date of enactment of this Act, the Secretary of Health and Human Services shall submit to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Energy and Commerce of the House of Representatives a report on the barriers to the availability of devices intended for the treatment or diagnosis of diseases and conditions that affect children. The report shall include any recommendations of the Secretary of Health and Human Services for changes to existing statutory authority, regulations, or agency policy or practice to encourage the invention and development of such devices.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the committee substitute amendment be agreed to, the bill, as amended, be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendment in the nature of a substitute was agreed to.

The bill (S. 1881), as amended, was read the third time and passed.

COMMEMORATING THE 25TH ANNIVERSARY OF VIETNAM VETERANS OF AMERICA

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of S. Res. 120 and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 120) commemorating the 25th anniversary of Vietnam Veterans of America.

There being no objection, the Senate proceeded to consider the resolution.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and the motion to reconsider be laid upon the table, with no intervening action or debate, and that any statements relating to the measure be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 120) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 120

Whereas the year 2003 marks the 25th anniversary of the founding of Vietnam Veterans of America;

Whereas the history of Vietnam Veterans of America is a story of the United States' gradual recognition of the tremendous sacrifices of its Vietnam-era veterans and their families;

Whereas Vietnam Veterans of America is dedicated to advocating on behalf of its members;

Whereas Vietnam Veterans of America raises public and member awareness of critical issues affecting Vietnam-era veterans and their families;

Whereas the local grassroots efforts of Vietnam Veterans of America chapters, such as Chapter One in Rutland, Vermont, which was founded 23 years ago in April of 1980, have greatly contributed to the quality of the lives of veterans in our Nation's communities;

Whereas Vietnam Veterans of America promotes its principles through volunteerism, professional advocacy, and claims work; and

Whereas the future of Vietnam Veterans of America will rely not only on its past accomplishments, but also on the future accomplishments of its members, and these will ensure that Vietnam Veterans of America remains a leader among veterans advocacy organizations: Now, therefore, be it

Resolved, That the Senate—

(1) commemorates the 25th anniversary of the founding of Vietnam Veterans of America, and commends it for its efforts in the advancement of veterans rights, which set the standard for all other veterans organizations around the country;

(2) asks all Americans to join in the celebration of the 25th anniversary of Vietnam Veterans of America, and its 25 years of advocacy on behalf of Vietnam veterans; and

(3) encourages Vietnam Veterans of America to continue to represent and promote its goals in the veterans' community and on Capitol Hill, and to continue to keep its national membership—consisting of 45,000 members and 600 chapters—strong.

MEASURES DISCHARGED

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of the following: S. 99, S. 1130, S. 103, S. 848, and S. 541, and that the Senate proceed to their immediate consideration en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senate will proceed to the consideration of the measures en bloc.

Mr. McCONNELL. Mr. President, I further ask unanimous consent that the bills be read three times and passed en bloc, and the motion to reconsider be laid upon the table, with no intervening action or debate, and that any statements relating to these measures be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

FOR THE RELIEF OF JAYA GULAB TOLANI AND HITESH GULAB TOLANI

The bill (S. 99) for the relief of Jaya Gulab Tolani and Hitesh Gulab Tolani, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 99

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PERMANENT RESIDENCE.

Notwithstanding any other provision of law, for purposes of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.), Jaya Gulab Tolani and Hitesh Gulab Tolani shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this Act upon payment of the required visa fees.

SEC. 2. REDUCTION OF NUMBER OF AVAILABLE VISAS.

Upon the granting of permanent residence to Jaya Gulab Tolani and Hitesh Gulab Tolani, as provided in section 1, the Secretary of State shall instruct the proper officer to reduce by the appropriate number during the current fiscal year the total number of immigrant visas available to natives of the country of the aliens' birth under section 203(a) of the Immigration and Nationality Act (8 U.S.C. 1153(a)).

FOR THE RELIEF OF ESIDRONIO ARREOLA-SAUCEDO, MARIA ELANA COBIAN ARREOLA, NAYELY BIBIANA ARREOLA, AND CINDY JAEL ARREOLA

The bill (S. 1130) for the relief of Esidronio Arreola-Saucedo, Maria Elana Cobian Arreola, Nayely Bibiana Arreola, and Cindy Jael Arreola, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 1130

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PERMANENT RESIDENT STATUS FOR ESIDRONIO ARREOLA-SAUCEDO, MARIA ELENA COBIAN ARREOLA, NAYELY BIBIANA ARREOLA, AND CINDY JAEL ARREOLA.

(a) IN GENERAL.—Notwithstanding subsections (a) and (b) of section 201 of the Immigration and Nationality Act, Esidronio Arreola-Saucedo, Maria Elena Cobian Arreola, Nayely Bibiana Arreola, and Cindy Jael Arreola shall be eligible for the issuance of immigrant visas or for adjustment of status to that of aliens lawfully admitted for permanent residence upon filing an application for issuance of immigrant visas under section 204 of that Act or for adjustment of status to lawful permanent resident.

(b) ADJUSTMENT OF STATUS.—If Esidronio Arreola-Saucedo, Maria Elena Cobian Arreola, Nayely Bibiana Arreola, and Cindy Jael Arreola enter the United States before the filing deadline specified in subsection (c), Esidronio Arreola-Saucedo, Maria Elena Cobian Arreola, Nayely Bibiana Arreola, and Cindy Jael Arreola shall be considered to have entered and remained lawfully and shall be eligible for adjustment of status under section 245 of the Immigration and Nationality Act as of the date of enactment of this Act.

(c) DEADLINE FOR APPLICATION AND PAYMENT OF FEES.—Subsections (a) and (b) shall apply only if the application for issuance of immigrant visas or the application for adjustment of status are filed with appropriate fees within 2 years after the date of enactment of this Act.

(d) REDUCTION OF IMMIGRANT VISA NUMBERS.—Upon the granting of immigrant visas or permanent residence to Esidronio Arreola-Saucedo, Maria Elena Cobian Arreola, Nayely Bibiana Arreola, and Cindy Jael Arreola, the Secretary of State shall instruct the proper officer to reduce by 4, during the current or next following fiscal year, the total number of immigrant visas that are made available to natives of the country of the aliens' birth under section 203(a) of the Immigration and Nationality Act or, if applicable, the total number of immigrant visas that are made available to natives of the country of the aliens' birth under section 202(e) of that Act.

FOR THE RELIEF OF LINDITA IDRIZI HEATH

The bill (S. 103) for the relief of Lindita Idrizi Heath, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 103

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PERMANENT RESIDENT STATUS FOR LINDITA IDRIZI HEATH.

(a) IN GENERAL.—Notwithstanding section 101(b)(1) and subsections (a) and (b) of section 201 of the Immigration and Nationality Act, Lindita Idrizi Heath shall be eligible for issuance of an immigrant visa or for adjustment of status to that of an alien lawfully admitted for permanent residence upon filing an application for issuance of an immigrant visa under section 204 of that Act or for adjustment of status to lawful permanent resident.

(b) ADJUSTMENT OF STATUS.—If Lindita Idrizi Heath enters the United States before the filing deadline specified in subsection (c), Lindita Idrizi Heath shall be considered to have entered and remained lawfully and shall, if otherwise eligible, be eligible for adjustment of status under section 245 of the Immigration and Nationality Act as of the date of enactment of this Act.

(c) DEADLINE FOR APPLICATION AND PAYMENT OF FEES.—Subsections (a) and (b) shall apply only if the application for issuance of an immigrant visa or the application for adjustment of status is filed with appropriate fees within 2 years after the date of enactment of this Act.

(d) REDUCTION OF IMMIGRANT VISA NUMBERS.—Upon the granting of an immigrant visa or permanent residence to Lindita Idrizi Heath, the Secretary of State shall instruct the proper officer to reduce by one, during the current or next following fiscal year, the total number of immigrant visas that are made available to natives of the country of birth of Lindita Idrizi Heath under section 203(a) of the Immigration and Nationality Act or, if applicable, the total number of immigrant visas that are made available to natives of the country of birth of Lindita Idrizi Heath under section 202(e) of that Act.

SEC. 2. ELIGIBILITY FOR CITIZENSHIP.

For purposes of section 320 of the Immigration and Nationality Act (8 U.S.C. 1431; relating to the automatic acquisition of citizenship by certain children born outside the United States), Lindita Idrizi Heath shall be considered to have satisfied the requirements applicable to adopted children under section 101(b)(1) of that Act (8 U.S.C. 1101(b)(1)).

SEC. 3. LIMITATION.

No natural parent, brother, or sister, if any, of Lindita Idrizi Heath shall, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

FOR THE RELIEF OF DANIEL KING CAIRO

The bill (S. 848) for the relief of Daniel King Cairo, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 848

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PERMANENT RESIDENCE.

Notwithstanding any other provision of law, for purposes of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.), Daniel King Cairo shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this Act upon payment of the required visa fees.

SEC. 2. REDUCTION OF NUMBER OF AVAILABLE VISAS.

Upon the granting of permanent residence to Daniel King Cairo, the Secretary of State shall instruct the proper officer to reduce by the appropriate number during the current fiscal year the total number of immigrant visas available to natives of the country of the alien's birth under section 203(a) of the Immigration and Nationality Act (8 U.S.C. 1153(a)).

FOR THE RELIEF OF ILKO VASILEV IVANOV, ANELIA MARINOVA PENEVA, MARINA ILKOVA IVANOVA, AND JULIE ILKOVA IVANOVA

The bill (S. 541) for the relief of Ilko Vasilev Ivanov, Anelia Marinova Peneva, Marina Ilkova Ivanova, and Julie Ilkova Ivanova, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 541

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PERMANENT RESIDENCE.

In the administration of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.), Ilko Vasilev Ivanov, Anelia Marinova Peneva, Marina Ilkova Ivanova, and Julia Ilkova Ivanova shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fees.

SEC. 2. REDUCTION OF NUMBER OF AVAILABLE VISAS.

Upon the granting of permanent residence to Ilko Vasilev Ivanov, Anelia Marinova Peneva, Marina Ilkova Ivanova, and Julia Ilkova Ivanova as provided in this Act, the Secretary of State shall instruct the proper officer to reduce by the appropriate number during the current fiscal year the total number of immigrant visas available to natives of the country of the aliens' birth under subsection (a) of section 203 of the Immigration and Nationality Act (8 U.S.C. 1153).

THANKING STAFF OF LEGISLATIVE COUNSEL

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 277 introduced earlier today.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 277) tendering the sincere thanks of the Senate to the staffs of the Offices of the Legislative Counsel of the Senate and the House of Representatives for their dedication and service to the legislative process.

There being no objection, the Senate proceeded to consider the resolution.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and any statements relating to the resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 277) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 277

Whereas the Offices of the Legislative Counsel of the Senate and the House of Representatives have demonstrated great expertise, dedication, professionalism, and integrity in faithfully discharging the duties and responsibilities of their positions;

Whereas legislative drafting is a lengthy, arduous, and demanding process requiring a keen intellect, thorough knowledge, stern constitution, and remarkable patience;

Whereas the staff of the Senate and House Offices of the Legislative Counsel, in particular, Ruth Ann Ernst, John Goetcheus, Peter Goodloe, Edward G. Grossman, Pierre Poisson, and James G. Scott, have performed above and beyond the call of duty in drafting the Medicare Prescription Drug, Improvement, and Modernization Act of 2003; and

Whereas the Senate and House Offices of the Legislative Counsel have met the legislative drafting needs of the Senate and the House of Representatives with unfailing professionalism, exceptional skill, undying dedication, and, above all, patience and good humor as the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 passed through the legislative process: Now, therefore, be it

Resolved, That the sincere thanks of the Senate are hereby tendered to the staff of both the Office of the Legislative Counsel of the Senate and the Office of the Legislative Counsel of the House of Representatives for their outstanding work and dedication to the United States Congress and the people of the United States of America.

BAN ON UNDETECTABLE FIREARMS

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 3348 which is at the desk.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (H.R. 3348) to reauthorize the ban on undetectable firearms.

There being no objection, the Senate proceeded to consider the bill.

Mr. KENNEDY. Mr. President, it is gratifying that Congress is finally acting to renew one of the Nation's essential protections against terrorism.

The Undetectable Firearms Act—also known as the "plastic gun" law—makes it illegal to manufacture, import, possess, or transfer a firearm that is not detectable by walk-through metal detectors or airport x-ray machines. Only firearms necessary for certain military and intelligence uses are exempt.

This law was first enacted in 1988, long before the attacks on 9/11, and it is more important than ever now. It has been extended once since it was first enacted, but it is scheduled to expire on December 10th. Its expiration would result in Americans in all parts of the Nation becoming needlessly vulnerable to gun violence in airlines, airports, schools, office buildings, and many other places, and even to terrorist attacks.

The technology of gun manufacturers has significantly improved since the 1980's—and the determination of terrorists to attack Americans has soared. We know that terrorists are exploiting the weaknesses and loopholes in our gun laws. In 2000, a member of the Middle East terrorist group Hezbollah was convicted in Detroit on gun charges and conspiracy to ship guns and ammunition to Lebanon. He had purchased many of those weapons at gun shows in Michigan. In the war in Afghanistan, American soldiers discovered a terrorist training manual entitled "How Can I Train Myself for Jihad" in a house in that country. One part of the manual stated: "In other countries, e.g. some states of USA . . . it is perfectly legal for members of the public to own certain types of firearms. If you live in such a country, obtain an assault rifle legally . . . learn how to use it properly and go and practice in the areas allowed for such training."

Last month, I introduced a bill, S. 1774, to renew the Undetectable Firearms Act and repeal the sunset provision. The bill now before us, H.R. 3348, extends the sunset provision for another 10 years. The danger to security from undetectable firearms won't sunset, and the law that bans them shouldn't sunset either. Nevertheless, I am encouraged that Congress is taking action, and I look forward to the renewal of this gun ban being signed into law.

This measure is only one of several steps that Congress should take to protect our citizens from gun violence. We also need to strengthen criminal background checks for gun purchases under the Brady Law, renew the assault weapons ban, and close the "gun show loophole" once and for all. Each of these gun-safety measures is needed to protect our people in communities across the country. I urge my colleagues to support the pending bill, and to act on these other vital measures as well.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the bill be read the third time, passed, the motion to reconsider be laid upon the table, with no intervening action or debate, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 3348) was read the third time and passed.

BANKRUPTCY EXTENSION

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of S. 1920 and the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 1920) to extend for 6 months the period for which chapter 12 of title 11 of the United States Code is reenacted.

There being no objection, the Senate proceeded to consider the bill.

Mr. LEAHY. Mr. President, I am pleased that the Senate is passing legislation to extend family farmer bankruptcy protection through June 30, 2004.

Senator GRASSLEY and I introduced S. 1920 to temporarily extend these protections that our farmers have come to rely upon for another 6 months because Chapter 12 of the Bankruptcy Code is set to expire on January 1, 2004. But this is just a short term fix. We need to stop playing politics and permanently reauthorize the Chapter 12 family farmer protections.

Too many family farmers have been left in legal limbo in bankruptcy courts across the country because Chapter 12 of the Bankruptcy Code is still a temporary measure. This is the seventh time that Congress must act to restore or extend basic bankruptcy safeguards for family farmers because Chapter 12 is still a temporary provision despite its first passage into law in 1986. Our family farmers do not deserve these lapses in bankruptcy law that could mean the difference between foreclosure and farming.

In 2000 and 2001, for example, the Senate, then as now controlled by the other party, failed to take up a House-passed bill to retroactively renew Chapter 12. As a result, family farmers lost Chapter 12 bankruptcy protection for eight months. Another lapse of Chapter 12 lasted more than six months in the previous Congress. At the end of June, Chapter 12 lapsed once again.

It is time to end this absurdity and make these bankruptcy protections permanent. Everyone agrees that Chapter 12 has worked. It is time for Congress to make Chapter 12 a permanent part of the Bankruptcy Code to provide a stable safety net for our Nation's family farmers.

I will continue to work hard with Senator GRASSLEY, Senator FEINGOLD and others on both sides of the aisle to pass legislation that once and for all assures our farmers of permanent bankruptcy protection to keep their farms. In the meantime, we should quickly pass this legislation and prevent another lapse in this basic bankruptcy protection for our family farmers.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the billing be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 1920) was read the third time and passed, as follows:

S. 1920

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SIX-MONTH EXTENSION OF PERIOD FOR WHICH CHAPTER 12 OF TITLE 11, UNITED STATES CODE IS REENACTED.

(a) AMENDMENTS.—Section 149 of title I of division C of Public Law 105 09277 (11 U.S.C. 1201 note) is amended—

(1) by striking "January 1, 2004" each place it appears and inserting "July 1, 2004"; and

(2) in subsection (a)—

(A) by striking "June 30, 2003" and inserting "December 31, 2003"; and

(B) by striking "July 1, 2003" and inserting "January 1, 2004".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on January 1, 2004.

IMPROVING THE UNITED STATES CODE

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of H.R. 1437 and the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 1437) to improve the United States Code.

There being no objection, the Senate proceeded to consider the bill.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the bill be read the third time, and passed, the motion to reconsider be laid upon the table, with no intervening action or debate, and that any statements relating to the measure be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 1437) was read the third time and passed.

AUTHORIZATION FOR MAJORITY LEADER TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS DURING SENATE'S ADJOURNMENT

Mr. McCONNELL. Mr. President, I ask unanimous consent that, during the Senate's adjournment, the majority leader be authorized to sign enrolled bills and joint resolutions.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCONNELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE CALENDAR

Mr. McCONNELL. Mr. President, we have been working this afternoon trying to clear the Executive Calendar, regrettably with little or no success. I had a conversation with the Democratic leader about this just a few moments ago. He can represent his own position. But let me say, from my point of view, what is customarily done at the end of the session is we work out understandings under which we are able to, for the most part, except for extremely controversial nominees, clear the calendar. But alas, that will not be the case today. It is a result of another round of obstructionism. As we adjourn today, a grand total of 95 nominees will be languishing here on the Executive Calendar awaiting approval. I hoped that entering the holiday season, we would be able to put aside our differences and work together. Instead, the politics seems to have overtaken reason once again.

This level of obstructionism on the other side has reached a really stunning new low. An example of the positions that will be left languishing here, dealing with the national security of this country, is the Deputy Attorney General, the Ambassador to Saudi Arabia, a very important country in the war on terrorism, the Under Secretary of State for Public Diplomacy and the International Trade Commission—all obstructed as we bring this session to an end. From those positions all the way down to such things as members of the African Development Foundation, the U.S. Postal Service, the Chemical Safety and Hazard Investigation Board, even the National Commission on Libraries and Information Science—all obstructed.

On a day when the Senate delivered on a 38-year-old promise to 40 million seniors to provide a prescription drug benefit, we end the day woefully short of our obligations, It is somewhat ironic that two of the victims of obstructionist are nominees to the U.S. Institute of Peace.

I hope we can get serious about doing our work around here. Our work includes, at the very least, confirming nominations that are not controversial. This is disturbing. We have an Executive Calendar full of innocent people who are not caught up in any of the games around here who are being held up at the very least until we come back on December 9. And who knows, maybe until next year and maybe forever, positions from extremely important positions such as the Ambassador to Saudi Arabia all the way down to boards that are arguably not of any great consequence. It is a sad conclusion to the session.

Hopefully, sometime over the next few weeks we can figure out a way to clear these nominations, these people who deserve better treatment by the Senate. We abuse people and abuse people and abuse people. It is a wonder that anyone is willing to enter into public service anymore if they have to go through the confirmation process.

Mr. DASCHLE. Mr. President, I rise to note my disappointment with the impasse over nominations. Earlier this afternoon I made clear to the Republican leadership that the Democratic Caucus was ready to confirm the following nominees today for important ambassadorships around the world:

David C. Mulford to be Ambassador to India, William Hudson to be Ambassador to the Republic of Tunisia, Jon Purnell to be Ambassador to the Republic of Uzbekistan, Margaret Scobey to be Ambassador to the Syrian Arab Republic, and Thomas Riley to be Ambassador to Morocco.

These are important posts to the war on terrorism, Mr. President, and I regret that the Republicans were unable to clear them in order for the full Senate to give its advice and consent to their confirmation. Again, the record should reflect that these nominees would have been confirmed today but for Republican objections.

ORGAN DONATION AND RECOVERY IMPROVEMENT ACT

Mr. McCONNELL. I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 410, S. 573.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 573) to amend the Public Health Service Act to promote organ donation, and for other purposes.

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Health, Education, Labor, and Pension with an amendment.

[Strike the part shown in black brackets and insert the part shown in italic.]

S. 573

[SECTION 1. SHORT TITLE.

[This Act may be cited as the "Organ Donation and Recovery Improvement Act".

[TITLE I—ORGAN DONATION AND RECOVERY

[SEC. 101. INTERAGENCY TASK FORCE ON ORGAN DONATION.

[Part H of title III of the Public Health Service Act (42 U.S.C. 273 et seq.) is amended—

[(1) by redesignating section 378 (42 U.S.C. 274g) as section 378E; and

[(2) by inserting after section 377 (42 U.S.C. 274f) the following:

["SEC. 378. INTER-AGENCY TASK FORCE ON ORGAN DONATION AND RESEARCH.

["(a) IN GENERAL.—The Secretary shall establish an inter-agency task force on organ donation and research (referred to in this section as the 'task force') to improve the coordination and evaluation of—

["(1) federally supported or conducted organ donation efforts and policies; and

["(2) federally supported or conducted basic, clinical and health services research (including research on preservation techniques and organ rejection and compatibility).

["(b) COMPOSITION.—

["(1) IN GENERAL.—The task force shall be composed of—

["(A) the Surgeon General, who shall serve as the chairperson; and

["(B) representatives to be appointed by the Secretary from relevant agencies within the Department of Health and Human Services (including the Health Resources and Services Administration, Centers for Medicare & Medicaid Services, National Institutes of Health, and Agency for Healthcare Research and Quality).

["(2) OTHER EX OFFICIO MEMBERS.—The Secretary shall invite the following individuals to serve as ex officio members of the task force:

["(A) A representative from the Department of Transportation.

["(B) A representative from the Department of Defense.

["(C) A representative from the Department of Veterans Affairs.

["(D) A representative from the Office of Personnel Management.

["(E) A physician representative from the board of directors of the Organ Procurement and Transplantation Network.

["(F) Representatives of other Federal agencies or departments as determined to be appropriate by the Secretary.

["(c) ANNUAL REPORT.—In addition to activities carried out under subsection (a), the task force shall support the development of the annual report under section 378D(c).

["(d) TERMINATION.—The task force may be terminated at the discretion of the Secretary following the completion of at least 2 annual reports under section 378D(c). Upon such termination, the Secretary shall provide for the on-going coordination of federally supported or conducted organ donation and research activities.".

[SEC. 102. DEMONSTRATION PROJECTS, EDUCATION, AND PUBLIC AWARENESS.

[Part H of title III of the Public Health Service Act (42 U.S.C 273 et seq.) is amended by inserting after section 378, as added by section 101, the following:

[“SEC. 378A. DEMONSTRATION PROJECTS, EDUCATION, AND PUBLIC AWARENESS.

[“(a) Grants To Increase Donation Rates.—The Secretary shall award peer-reviewed grants to public and non-profit private entities, including States, to carry out studies and demonstration projects to increase organ donation and recovery rates, including living donation.

[“(b) Organ Donation Public Awareness Program.—The Secretary shall establish a public education program in cooperation with existing national public awareness campaigns to increase awareness about organ donation and the need to provide for an adequate rate of such donations.

[“(c) Development of Curricula and Other Education Activities.—

[“(1) In general.—The Secretary, in coordination with the Organ Procurement and Transplantation Network and other appropriate organizations, shall support the development and dissemination of model curricula to train health care professionals and other appropriate professionals (including religious leaders in the community, funeral directors; and law enforcement officials) in issues surrounding organ donation, including methods to approach patients and their families, cultural sensitivities, and other relevant issues.

[“(2) Health care professionals.—For purposes of subparagraph (A), the term ‘health care professionals’ includes—

[“(A) medical students, residents and fellows, attending physicians (through continuing medical education courses and other methods), nurses, social workers, and other allied health professionals;

[“(B) hospital- or other health care-facility based chaplains; and

[“(C) emergency medical personnel.

[“(d) Limited Demonstration Projects.—

[“(1) Reports.—Not later than 1 year after the date of enactment of this section, the Secretary shall prepare and submit to the appropriate committees of Congress a report evaluating the ethical implications of proposals for demonstration projects to increase cadaveric donation.

[“(2) Authority.—Notwithstanding section 301 of the National Organ Transplant Act (42 U.S.C. 274e), upon the submission of and consistent with the report by the Secretary under paragraph (1), the Secretary may conduct up to 3 demonstration projects to increase cadaveric donation.

[“(3) Duration.—Each project shall last no more than 3 years, and shall be conducted in a limited number of sites or areas.

[“(4) Review.—The Secretary shall provide for the ongoing ethical review and evaluation of such projects to ensure that such projects are administered effectively as possible and in accordance with the stated purpose of this subsection under paragraph (2).

[“(e) Authorization of Appropriations.—There is authorized to be appropriated to carry out this section, $5,000,000 for fiscal year 2004, and such sums as may be necessary for each of the fiscal years 2005 through 2008.

[“SEC. 378B. GRANTS REGARDING HOSPITAL ORGAN DONATION COORDINATORS.

[“(a) Authority.—

[“(1) In general.—The Secretary may award grants to qualified organ procurement organizations under section 371 to establish programs coordinating organ donation activities of eligible hospitals and qualified organ procurement organizations under section 371. Such activities shall be coordinated to increase the rate of organ donations for such hospitals.

[“(2) Eligible hospital.—For purposes of this section, an eligible hospital is a hospital that performs significant trauma care, or a hospital or consortium of hospitals that serves a population base of not fewer than 200,000 individuals.

[“(b) Administration of Coordination Program.—A condition for the receipt of a grant under subsection (a) is that the applicant involved agree that the program under such subsection will be carried out jointly—

[“(1) by representatives from the eligible hospital and the qualified organ procurement organization with respect to which the grant is made; and

[“(2) by such other entities as the representatives referred to in paragraph (1) may designate.

[“(c) Evaluations.—Within 3 years after the award of grants under this section, the Secretary shall ensure an evaluation of programs carried out pursuant to subsection (a) in order to determine the extent to which the programs have increased the rate of organ donation for the eligible hospitals involved. Such evaluation shall include recommendations on whether the program should be expanded to include other grantees, such as hospitals.

[“(d) Matching Requirement.—The Secretary may not award a grant to a qualifying organ donation entity under this section unless such entity agrees that, with respect to costs to be incurred by the entity in carrying out activities for which the grant was awarded, the entity shall contribute (directly or through donations from public or private entities) non-Federal contributions in cash or in kind, in an amount equal to not less than 30 percent of the amount of the grant awarded to such entity.

[“(e) Funding.—For the purpose of carrying out this section, there are authorized to be appropriated $3,000,000 for fiscal year 2004, and such sums as may be necessary for each of fiscal years 2005 through 2008.”.

[SEC. 103. STUDIES RELATING TO ORGAN DONATION AND THE RECOVERY, PRESERVATION, AND TRANSPORTATION OF ORGANS.

[Part H of title III of the Public Health Service Act (42 U.S.C. 273 et seq.) is amended by inserting after section 378B, as added by section 102, the following:

[“SEC. 378C. STUDIES RELATING TO ORGAN DONATION AND THE RECOVERY, PRESERVATION, AND TRANSPORTATION OF ORGANS.

[“(a) Development of Supportive Information.—The Secretary, acting through the Administrator of the Health Resources and Services Administration and the Director of the Agency for Healthcare Research and Quality shall develop scientific evidence in support of efforts to increase organ donation and improve the recovery, preservation, and transportation of organs.

[“(b) Activities.—In carrying out subsection (a), the Secretary shall—

[“(1) conduct or support evaluation research to determine whether interventions, technologies, or other activities improve the effectiveness, efficiency, or quality of existing organ donation practice;

[“(2) undertake or support periodic reviews of the scientific literature to assist efforts of professional societies to ensure that the clinical practice guidelines that they develop reflect the latest scientific findings;

[“(3) ensure that scientific evidence of the research and other activities undertaken under this section is readily accessible by the organ procurement workforce; and

[“(4) work in coordination with the appropriate professional societies as well as the Organ Procurement and Transplantation Network and other organ procurement and transplantation organizations to develop evidence and promote the adoption of such proven practices.

[“(c) Research, Demonstrations, and Training.—The Secretary, acting through the Administrator of the Health Resources and Services Administration and the Director of the Agency for Healthcare Research and Quality, as appropriate, shall provide support for research, demonstrations, and training as appropriate, to—

[“(1) develop a uniform clinical vocabulary for organ recovery;

[“(2) apply information technology and telecommunications to support the clinical operations of organ procurement organizations;

[“(3) enhance the skill levels of the organ procurement workforce in undertaking quality improvement activities; and

[“(4) assess specific organ recovery, preservation, and transportation technologies.

[“(d) Authorization of Appropriations.—For the purpose of carrying out this section, there are authorized to be appropriated $5,000,000 for fiscal year 2004, and such sums as may be necessary for each of fiscal years 2005 through 2008.”.

[SEC. 104. REPORTS.

[Part H of title III of the Public Health Service Act (42 U.S.C. 273 et seq.) is amended by inserting after section 378C, as added by section 103, the following:

[“SEC. 378D. REPORTS.

[“(a) IOM Report on Best Practices.—

[“(1) In general.—The Secretary shall enter into a contract with the Institute of Medicine to conduct an evaluation of the organ donation practices of organ procurement organizations, States, other countries, and other appropriate organizations.

[“(2) Considerations.—In conducting the evaluation under paragraph (1), the Institute of Medicine shall examine—

[“(A) existing barriers to organ donation, including among minority populations; and

[“(B) best donation and recovery practices, including—

[“(i) mandated choice and presumed consent;

[“(ii) organ procurement organization and provider consent practices (including consent best practices);

[“(iii) the efficacy and reach of existing State routine notification laws with respect to organ procurement organizations;

[“(iv) the impact of requests for consent in States where registry registration constitutes express consent under State law; and

[“(v) recommendations with respect to achieving higher donation rates, including among minority populations.

[“(3) Report.—Not later than 18 months after the date of enactment of this section, the Institute of Medicine shall submit to the Secretary a report concerning the evaluation conducted under this subsection. Such report shall include recommendations for administrative actions and, if necessary, legislation in order to replicate the best practices identified in the evaluation and to otherwise increase organ donation and recovery rates.

[“(b) IOM Report on Living Donations.—

[“(1) In general.—The Secretary shall enter into a contract with the Institute of Medicine to conduct an evaluation of living donation practices and procedures. Such evaluation shall include, but is not limited to an assessment of issues relating to informed consent and the health risks associated with living donation (including possible reduction of long-term effects).

[“(2) REPORT.—Not later than 18 months after the date of enactment of this section, the Institute of Medicine shall submit to the Secretary a report concerning the evaluation conducted under this subsection.

[“(c) REPORT ON DONATION AND RECOVERY ACTIVITIES.—

[“(1) IN GENERAL.—The Secretary as part of the report specified in 274d shall submit an evaluation concerning federally supported or conducted organ donation and recovery activities, including donation and recovery activities evaluated or conducted under the amendments made by the Organ Donation and Recovery Improvement Act to increase organ donation and recovery rates.

[“(2) REQUIREMENTS.—To the extent practicable, each evaluation submitted under paragraph (1) shall—

[“(A) evaluate the effectiveness of activities, identify best practices, and make recommendations regarding the adoption of best practices with respect to organ donation and recovery; and

[“(B) assess organ donation and recovery activities that are recently completed, ongoing, or planned.”.

[SEC. 105. TECHNICAL AMENDMENT CONCERNING ORGAN PURCHASES.

[Section 301(c)(2) of the National Organ Transplant Act (42 U.S.C. 274e(c)(2)) is amended by adding at the end the following: “Such term does not include familial, emotional, psychological, or physical benefit to an organ donor, recipient, or any other party to an organ donation event.”.

[TITLE II—LIVING DONATION EXPENSES

[SEC. 201. REIMBURSEMENT OF TRAVEL AND SUBSISTENCE EXPENSES INCURRED TOWARD LIVING ORGAN DONATION.

[Section 377 of the Public Health Service Act (42 U.S.C. 274f) is amended to read as follows:

[“SEC. 377. REIMBURSEMENT OF TRAVEL AND SUBSISTENCE EXPENSES INCURRED TOWARD LIVING ORGAN DONATION.

[“(a) IN GENERAL.—The Secretary may award grants to States, transplant centers, qualified organ procurement organizations under section 371, or other public or private entities for the purpose of—

[“(1) providing for the reimbursement of travel and subsistence expenses incurred by individuals toward making living donations of their organs (in this section referred as ‘donating individuals’); and

[“(2) providing for the reimbursement of such incidental nonmedical expenses that are so incurred as the Secretary determines by regulation to be appropriate.

[“(b) PREFERENCE.—The Secretary shall, in carrying out subsection (a), give preference to those individuals that the Secretary determines are more likely to be otherwise unable to meet such expenses.

[“(c) CERTAIN CIRCUMSTANCES.—The Secretary may, in carrying out subsection (a), consider—

[“(1) the term ‘donating individuals’ as including individuals who in good faith incur qualifying expenses toward the intended donation of an organ but with respect to whom, for such reasons as the Secretary determines to be appropriate, no donation of the organ occurs; and

[“(2) the term ‘qualifying expenses’ as including the expenses of having relatives or other individuals, not to exceed 2, who accompany or assist the donating individual for purposes of subsection (a) (subject to making payment for only such types of expenses as are paid for donating individual).

[“(d) RELATIONSHIP TO PAYMENTS UNDER OTHER PROGRAMS.—An award may be made under subsection (a) only if the applicant involved agrees that the award will not be expended to pay the qualifying expenses of a donating individual to the extent that payment has been made, or can reasonably be expected to be made, with respect to such expenses—

[“(1) under any State compensation program, under an insurance policy, or under any Federal or State health benefits program;

[“(2) by an entity that provides health services on a prepaid basis; or

[“(3) by the recipient of the organ.

[“(e) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there is authorized to be appropriated $5,000,000 for fiscal year 2004, and such sums as may be necessary for each of fiscal years 2005 through 2008.”.

[TITLE III—ORGAN REGISTRIES

[SEC. 301. ADVISORY COMMITTEE.

[Part H of title III of the Public Health Service Act (42 U.S.C. 273 et seq.) is amended by inserting after section 371 the following:

[“SEC. 371A. ADVISORY COMMITTEE.

[“(a) IN GENERAL.—Not later than 6 months after enactment, the Secretary shall establish an advisory committee to study existing organ donor registries and make recommendations to Congress regarding the costs, benefits, and expansion of such registries.

[“(b) MEMBERSHIP.—The committee shall be composed of 10 members of whom—

[“(1) at least 1 member shall be a physician with experience performing transplants;

[“(2) at least 1 member shall have experience in organ recovery;

[“(3) at least 1 member shall be representative of an organization with experience conducting national awareness campaigns and donor outreach;

[“(4) at least 1 member shall be representative of a State with an existing donor registry;

[“(5) at least 1 member shall have experience with national information systems where coordination occurs with State-based systems; and

[“(6) at least 1 member shall represent donor families, transplant recipients, and those awaiting transplantation.

[“(c) INITIAL MEETING.—Not later than 30 days after the date on which all members of the committee have been appointed, the committee shall hold its first meeting.

[“(d) MEETINGS.—The committee shall meet at the call of the Chairman who shall be selected by the Secretary.

[“(e) COMPENSATION.—Each member of the committee shall not receive compensation for services provided under this section.

[“(f) TRAVEL EXPENSES.—The members of the committee shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the committee.

[“(g) ADMINISTRATIVE SUPPORT.—The Secretary shall ensure that the committee is provided with administrative support or any other technical assistance that such committee needs in carrying out its duties.

[“(h) PERMANENT COMMITTEE.—Section 14 of the Federal Advisory Committee Act shall not apply to the committee established under this section.

[“(i) REPORT.—Not later than 1 year after the date on which the committee is established under subsection (a), the committee shall prepare and submit to Congress a report regarding the status of organ donor registries, current best practices, the effect of organ donor registries on organ donation rates, the merits of expanding organ donor registries, issues relating to consent, the efficacy of current privacy protections, potential forms of technical assistance, and recommendations regarding improving the effectiveness and establishing formal linkages between organ donor registries.

[“(j) DEFINITION.—In this section, the term ‘organ donor registry’ means a listing of individuals who have indicated their desire to donate their organs and tissue upon their death through driver's license preferences or other formal mechanisms.”.

[SEC. 302. NATIONAL LIVING DONOR REGISTRY.

[Part H of title III of the Public Health Service Act (42 U.S.C. 273 et seq.), as amended by section 301, is further amended by inserting after section 371A the following:

[“SEC. 371B. NATIONAL LIVING DONOR REGISTRY.

[“The Secretary shall by contract establish and maintain a registry of individuals who have served as living organ donors for the purpose of evaluating the long-term health effects associated with living organ donations.”.

[SEC. 303. QUALIFIED ORGAN PROCUREMENT ORGANIZATIONS.

[Section 371(a) of the Public Health Service Act (42 U.S.C. 273(a)) is amended by striking paragraph (3).]

SECTION 1. SHORT TITLE.

This Act may be cited as the “Organ Donation and Recovery Improvement Act”.

SEC. 2. SENSE OF CONGRESS.

(a) PUBLIC AWARENESS OF NEED FOR ORGAN DONATION.—It is the sense of Congress that the Federal Government should carry out programs to educate the public with respect to organ donation, including the need to provide for an adequate rate of such donations.

(b) FAMILY DISCUSSIONS OF ORGAN DONATIONS.—Congress recognizes the importance of families pledging to each other to share their lives as organ and tissue donors and acknowledges the importance of discussing organ and tissue donation as a family.

(c) LIVING DONATIONS OF ORGANS.—Congress—

(1) recognizes the generous contribution made by each living individual who has donated an organ to save a life; and

(2) acknowledges the advances in medical technology that have enabled organ transplantation with organs donated by living individuals to become a viable treatment option for an increasing number of patients.

SEC. 3. REIMBURSEMENT OF TRAVEL AND SUBSISTENCE EXPENSES INCURRED TOWARD LIVING ORGAN DONATION.

Section 377 of the Public Health Service Act (42 U.S.C. 274f) is amended to read as follows:

“SEC. 377. REIMBURSEMENT OF TRAVEL AND SUBSISTENCE EXPENSES INCURRED TOWARD LIVING ORGAN DONATION.

“(a) IN GENERAL.—The Secretary may award grants to States, transplant centers, qualified organ procurement organizations under section 371, or other public or private entities for the purpose of—

“(1) providing for the reimbursement of travel and subsistence expenses incurred by individuals toward making living donations of their organs (in this section referred to as ‘donating individuals’); and

“(2) providing for the reimbursement of such incidental nonmedical expenses that are so incurred as the Secretary determines by regulation to be appropriate.

"(b) Preference.—The Secretary shall, in carrying out subsection (a), give preference to those individuals that the Secretary determines are more likely to be otherwise unable to meet such expenses.

"(c) Certain Circumstances.—The Secretary may, in carrying out subsection (a), consider—

"(1) the term 'donating individuals' as including individuals who in good faith incur qualifying expenses toward the intended donation of an organ but with respect to whom, for such reasons as the Secretary determines to be appropriate, no donation of the organ occurs; and

"(2) the term 'qualifying expenses' as including the expenses of having relatives or other individuals, not to exceed 2, who accompany or assist the donating individual for purposes of subsection (a) (subject to making payment for only those types of expenses that are paid for a donating individual).

"(d) Relationship to Payments Under Other Programs.—An award may be made under subsection (a) only if the applicant involved agrees that the award will not be expended to pay the qualifying expenses of a donating individual to the extent that payment has been made, or can reasonably be expected to be made, with respect to such expenses—

"(1) under any State compensation program, under an insurance policy, or under any Federal or State health benefits program;

"(2) by an entity that provides health services on a prepaid basis; or

"(3) by the recipient of the organ.

"(e) Definitions.—For purposes of this section:

"(1) The term 'donating individuals' has the meaning indicated for such term in subsection (a)(1), subject to subsection (c)(1).

"(2) The term 'qualifying expenses' means the expenses authorized for purposes of subsection (a), subject to subsection (c)(2).

"(f) Authorization of Appropriations.—For the purpose of carrying out this section, there is authorized to be appropriated $5,000,000 for each of the fiscal years 2004 through 2008.".

SEC. 4. PUBLIC AWARENESS; STUDIES AND DEMONSTRATIONS.

Part H of title III of the Public Health Service Act (42 U.S.C. 273 et seq.) is amended by inserting after section 377 the following:

"SEC. 377A. PUBLIC AWARENESS; STUDIES AND DEMONSTRATIONS.

"(a) Organ Donation Public Awareness Program.—The Secretary shall, directly or through grants or contracts, establish a public education program in cooperation with existing national public awareness campaigns to increase awareness about organ donation and the need to provide for an adequate rate of such donations.

"(b) Studies and Demonstrations.—The Secretary may make peer reviewed grants or contracts to public and nonprofit private entities for the purpose of carrying out studies and demonstration projects to increase organ donation and recovery rates, including living donation.

"(c) Grants to States.—The Secretary may make grants to States for the purpose of assisting States in carrying out organ donor awareness, public education and outreach activities, and programs designed to increase the number of organ donors within the State, including living donors. To be eligible, each State shall—

"(1) submit an application to the Department in the form prescribed;

"(2) establish yearly benchmarks for improvement in organ donation rates in the State; and

"(3) report to the Secretary on an annual basis a description and assessment of the State's use of these grant funds, accompanied by an assessment of initiatives for potential replication in other States.

Funds may be used by the State or in partnership with other public agencies or private sector institutions for education and awareness efforts, information dissemination, activities pertaining to the State donor registry, and other innovative donation specific initiatives, including living donation.

"(d) Educational Activities.—The Secretary, in coordination with the Organ Procurement and Transplantation Network and other appropriate organizations, shall support the development and dissemination of educational materials to inform health care professionals and other appropriate professionals in issues surrounding organ, tissue, and eye donation including evidence-based proven methods to approach patients and their families, cultural sensitivities, and other relevant issues.

"(e) Authorization of Appropriations.—For the purpose of carrying out this section, there are authorized to be appropriated $15,000,000 for fiscal year 2004, and such sums as may be necessary for each of the fiscal years 2005 through 2008. Such authorization of appropriations is in addition to any other authorizations of appropriations that are available for such purpose.

"SEC. 377B. GRANTS REGARDING HOSPITAL ORGAN DONATION COORDINATORS.

"(a) Authority.—

"(1) In General.—The Secretary may award grants to qualified organ procurement organizations and hospitals under section 371 to establish programs coordinating organ donation activities of eligible hospitals and qualified organ procurement organizations under section 371. Such activities shall be coordinated to increase the rate of organ donations for such hospitals.

"(2) Eligible Hospital.—For purposes of this section, an eligible hospital is a hospital that performs significant trauma care, or a hospital or consortium of hospitals that serves a population base of not fewer than 200,000 individuals.

"(b) Administration of Coordination Program.—A condition for the receipt of a grant under subsection (a) is that the applicant involved agree that the program under such subsection will be carried out jointly—

"(1) by representatives from the eligible hospital and the qualified organ procurement organization with respect to which the grant is made; and

"(2) by such other entities as the representatives referred to in paragraph (1) may designate.

"(c) Requirements.—Each entity receiving a grant under subsection (a) shall—

"(1) establish joint organ procurement organization and hospital designated leadership responsibility and accountability for the project;

"(2) develop mutually agreed upon overall project performance goals and outcome measures, including interim outcome targets; and

"(3) collaboratively design and implement an appropriate data collection process to provide ongoing feedback to hospital and organ procurement organization leadership on project progress and results.

"(d) Rule of Construction.—Nothing in this section shall be construed to interfere with regulations in force on the date of enactment of the Organ Donation and Recovery Improvement Act.

"(e) Evaluations.—Within 3 years after the award of grants under this section, the Secretary shall ensure an evaluation of programs carried out pursuant to subsection (a) in order to determine the extent to which the programs have increased the rate of organ donation for the eligible hospitals involved.

"(f) Matching Requirement.—The Secretary may not award a grant to a qualifying organ donation entity under this section unless such entity agrees that, with respect to costs to be incurred by the entity in carrying out activities for which the grant was awarded, the entity shall contribute (directly or through donations from public or private entities) non-Federal contributions in cash or in kind, in an amount equal to not less than 30 percent of the amount of the grant awarded to such entity.

"(g) Funding.—For the purpose of carrying out this section, there are authorized to be appropriated $3,000,000 for fiscal year 2004, and such sums as may be necessary for each of fiscal years 2005 through 2008.".

SEC. 5. STUDIES RELATING TO ORGAN DONATION AND THE RECOVERY, PRESERVATION, AND TRANSPORTATION OF ORGANS.

Part H of title III of the Public Health Service Act (42 U.S.C. 273 et seq.) is amended by inserting after section 377B, as added by section 4, the following:

"SEC. 377C. STUDIES RELATING TO ORGAN DONATION AND THE RECOVERY, PRESERVATION, AND TRANSPORTATION OF ORGANS.

"(a) Development of Supportive Information.—The Secretary, acting through the Director of the Agency for Healthcare Research and Quality shall develop scientific evidence in support of efforts to increase organ donation and improve the recovery, preservation, and transportation of organs.

"(b) Activities.—In carrying out subsection (a), the Secretary shall—

"(1) conduct or support evaluation research to determine whether interventions, technologies, or other activities improve the effectiveness, efficiency, or quality of existing organ donation practice;

"(2) undertake or support periodic reviews of the scientific literature to assist efforts of professional societies to ensure that the clinical practice guidelines that they develop reflect the latest scientific findings;

"(3) ensure that scientific evidence of the research and other activities undertaken under this section is readily accessible by the organ procurement workforce; and

"(4) work in coordination with the appropriate professional societies as well as the Organ Procurement and Transplantation Network and other organ procurement and transplantation organizations to develop evidence and promote the adoption of such proven practices.

"(c) Research and Dissemination.—The Secretary, acting through the Director of the Agency for Healthcare Research and Quality, as appropriate, shall provide support for research and dissemination of findings, to—

"(1) develop a uniform clinical vocabulary for organ recovery;

"(2) apply information technology and telecommunications to support the clinical operations of organ procurement organizations;

"(3) enhance the skill levels of the organ procurement workforce in undertaking quality improvement activities; and

"(4) assess specific organ recovery, preservation, and transportation technologies.

"(d) Authorization of Appropriations.—For the purpose of carrying out this section, there are authorized to be appropriated $2,000,000 for fiscal year 2004, and such sums as may be necessary for each of fiscal years 2005 through 2008.".

SEC. 6. REPORT RELATING TO ORGAN DONATION AND THE RECOVERY, PRESERVATION, AND TRANSPORTATION OF ORGANS.

Part H of title III of the Public Health Service Act (42 U.S.C. 273 et seq.) is amended by inserting after section 377C, as added by section 5, the following:

"SEC. 377D. REPORT RELATING TO ORGAN DONATION AND THE RECOVERY, PRESERVATION, AND TRANSPORTATION OF ORGANS.

"(a) IN GENERAL.—Not later than December 31, 2005, and every 2 years thereafter, the Secretary shall report to the appropriate committees of Congress on the activities of the Department carried out pursuant to this part, including an evaluation describing the extent to which the activities have affected the rate of organ donation and recovery.

"(b) REQUIREMENTS.—To the extent practicable, each report submitted under subsection (a) shall—

"(1) evaluate the effectiveness of activities, identify effective activities, and disseminate such findings with respect to organ donation and recovery;

"(2) assess organ donation and recovery activities that are recently completed, ongoing, or planned; and

"(3) evaluate progress on the implementation of the plan required under subsection (c)(4).

"(c) INITIAL REPORT REQUIREMENTS.—The initial report under subsection (a) shall include the following:

"(1) An evaluation of the organ donation practices of organ procurement organizations, States, other countries, and other appropriate organizations including an examination across all populations, including those with low organ donation rates, of—

"(A) existing barriers to organ donation; and

"(B) the most effective donation and recovery practices.

"(2) An evaluation of living donation practices and procedures. Such evaluation shall include an assessment of issues relating to informed consent and the health risks associated with living donation (including possible reduction of long-term effects).

"(3) An evaluation of—

"(A) federally supported or conducted organ donation efforts and policies, as well as federally supported or conducted basic, clinical, and health services research (including research on preservation techniques an organ rejection and compatibility); and

"(B) the coordination of such efforts across relevant agencies within the Department and throughout the Federal Government.

"(4) An evaluation of the costs and benefits of State donor registries, including the status of existing State donor registries, the effect of State donor registries on organ donation rates, issues relating to consent, and recommendations regarding improving the effectiveness of State donor registries in increasing overall organ donation rates.

"(5) A plan to improve federally supported or conducted organ donation and recovery activities, including, when appropriate, the establishment of baselines and benchmarks to measure overall outcomes of these programs. Such plan shall provide for the ongoing coordination of federally supported or conducted organ donation and research activities.".

SEC. 7. NATIONAL LIVING DONOR MECHANISMS.

Part H of title III of the Public Health Service Act (42 U.S.C. 273 et seq.), is amended by inserting after section 371 the following:

"SEC. 371A. NATIONAL LIVING DONOR MECHANISMS.

"The Secretary is authorized to establish and maintain mechanisms to evaluate the long-term effects associated with living organ donations by individuals who have served as living donors.".

SEC. 8. STUDY.

Not later than December 31, 2004, the Secretary of Health and Human Services, in consultation with appropriate entities, including advocacy groups representing those populations that are likely to be disproportionately affected by proposals to increase cadaveric donation, shall submit to the appropriate committees of Congress a report that evaluates the ethical implications of such proposals.

SEC. 9. QUALIFIED ORGAN PROCUREMENT ORGANIZATIONS.

Section 371(a) of the Public Health Service Act (42 U.S.C. 273(a)) is amended by striking paragraph (3).

AFRICAN AMERICANS ON THE ORGAN TRANSPLANT WAITING LIST

Mr. KENNEDY. Mr. President, I wish to engage in a colloquy with the distinguished majority leader, the Senator from Tennessee, Mr. FRIST. I appreciate his efforts on the bill before us today, and agree that this is a vitally important area. I believe this bill represents a good first step, but I would point out that minorities comprise over 40 percent of the organ transplant waiting list, even though they represent approximately 25 percent of the population. Half of the patients who needlessly die while awaiting a transplant are minorities.

African Americans are more likely to have end stage renal disease because they have the highest rate of hypertension in the world. Almost 40 percent of Americans on the waiting list for kidneys are African American, but they receive only 20 percent of available kidneys.

Evidence suggests that African Americans may face discrimination during the transplantation process. White patients are 5 times more likely than African Americans to receive transplants, even when they are equally qualified.

We must increase our commitment to ending health disparities. I believe that more must be done to improve the rates of organ donation among minority communities and focus specifically among these populations to determine what the barriers to organ donation and transplantation currently are, as well as devise mechanisms to reduce or eliminate such barriers.

I am disappointed that the legislation did not include provisions to directly address the disparity in organ donation and transplantation and the special needs of minority populations. I had hoped to include these provisions.

Nonetheless, the need to enhance organ donation is too compelling to ignore, and for that reason, I am supporting the current legislation. It is our expectation that recipients of grant awards and contracts authorized under this Act will include consideration of minority concerns in all activities.

I hope to work with the majority leader next year to address this critical issue.

Mr. FRIST. I appreciate the remarks of the Senator from Massachusetts. As the Senator knows, the question of health care disparities is a keenly important issue to me. He and I have successfully worked in this area in the past, and I hope will be able to similarly collaborate in the future.

Much work in the area of minorities and organ donation is happening today. These issues were strong recommendations of the Secretary's Advisory Committee on Transplantation, and COT in fact went further and requested a study from NIH to define the reasons for African Americans to have diminished graft survival. And just earlier this fall, HRSA announced 8 grants that it was funding to test social and behavioral interventions to increase organ and tissue donation—five of these, totaling more than $1.6 million, focused on minority and underserved populations.

And we have a bill today that has been developed through a bipartisan, bicameral process intended to allow us to make quick action on the bill. I appreciate the Senator's willingness to support this bill, and look forward to working with him in this area next year.

Mr. KENNEDY. I commend his work and congratulate him on passage of this bill. I look forward to working with the Senator from Tennessee and others to build on this important start and draft bipartisan legislation in the next session to address the unique health and health care needs of minority and underserved populations.

Mr. McCONNELL. I ask unanimous consent that the committee substitute be agreed to; the bill, as amended, be read the third time and passed; the motion to reconsider be laid upon the table, and any statements be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendment in the nature of a substitute was agreed to.

The bill (S. 573), as amended, was read the third time and passed.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Senate immediately proceed to executive session to consider the following nominations on today's Executive Calendar: Nos. 478, 490, 495 through 508, and all nominations on the Secretary's desk.

I further ask unanimous consent that the nominations be confirmed en bloc, the motions to reconsider be laid upon the table, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

NOMINATIONS

DEPARTMENT OF HOMELAND SECURITY

Michael J. Garcia, of New York, to be an Assistant Secretary of Homeland Security.

DEPARTMENT OF HOMELAND SECURITY

James M. Loy, of Virginia, to be Deputy Secretary of Homeland Security.

AIR FORCE

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10 U.S.C., section 601:

To be lieutenant general

Maj. Gen. William Welser, III, 4623

The following named officers for appointment in the United States Air Force to the grade indicated under title 10, U.S.C., section 624:

To be brigadier general

Colonel Paul F. Capasso, 8146
Colonel Floyd L. Carpenter, 2158
Colonel William A. Chambers, 4404
Colonel Paul A. Dettmer, 6272
Colonel David K. Edmonds, 2883
Colonel Jack B. Egginton, 1743
Colonel David J. Eichhorn, 9549
Colonel David W. Eidsaune, 1271
Colonel Burton M. Field, 1495
Colonel Alfred K. Flowers, 6659
Colonel Randal D. Fullhart, 1760
Colonel Marke F. Gibson, 9313
Colonel Robert H. Holmes, 6406
Colonel Stephen L. Hoog, 0591
Colonel Larry D. James, 8187
Colonel Ralph J. Jodice, II, 8462
Colonel Jan Marc Jouas, 0373
Colonel Jay H. Lindell, 8961
Colonel Kay C. McClain, 8464
Colonel Robert H. McMahon, 9824
Colonel Stephen P. Mueller, 5956
Colonel William J. Rew, 8665
Colonel Katherine E. Roberts, 2674
Colonel Kip L. Self, 6874
Colonel Michael A. Snodgrass, 7701
Colonel David M. Snyder, 6011
Colonel Larry O. Spencer, 6720
Colonel Robert P. Steel, 8263
Colonel Thomas J. Verbeck, 6805
Colonel James A. Whitmore, 0618
Colonel Bobby J. Wilkes, 4523
Colonel Robert M. Worley, II, 4398

The following named officer for appointment in the United States Air Force to the grade indicated under title 10, U.S.C., section 624:

To be brigadier general

Col. Stephen L. Lanning, 6225

The following named officer for appointment in the United States Air Force to the grade indicated under title 10, U.S.C., section 624:

To be major general

Brigadier General Robin E. Scott, 8526

ARMY

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Maj. Gen. Larry J. Dodgen, 5373

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Maj. Gen. John M. Curran, 6656

The following named officer for appointment in the United States Army to the grade indicated under title 10, U.S.C., section 624:

To be major general

Brig. Gen. Keith M. Huber, 0101

The following named officer for appointment in the United States Army to the grade indicated under title 10, U.S.C., section 624:

To be major general

Brig. Gen. Dennis E. Hardy, 6357

The following named officers for appointment in the Reserve of the Army to the grades indicated under title 10, U.S.C., section 12203:

To be major general

Brig. Gen. James R. Sholar, 6553

To be brigadier general

Col. Henry J. Ostermann, 9215

NAVY

The following named officer for appointment in the United States Navy to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be vice admiral

Rear Adm. Walter B. Massenburg, 4394

The following named officers for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

To be rear admiral

Rear Adm. (lh) Robert E. Cowley, III, 2000
Rear Adm. (lh) Steven W. Maas, 3387

The following named officer for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

To be rear admiral (lower half)

Capt. Brian G. Brannman, 2227

The following named officer for appointment in the United States Naval Reserve to the grade indicated under title 10, U.S.C., section 12203:

To be rear admiral (lower half)

Capt. Raymond K. Alexander, 2501

The following named officers for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

To be rear admiral

Rear Adm. (lh) Donald K. Bullard, 9348
Rear Adm. (lh) Albert M. Calland, III, 0101
Rear Adm. (lh) Robert T. Conway, Jr., 2950
Rear Adm. (lh) John J. Donnelly, 7223
Rear Adm. (lh) Bruce B. Engelhardt, 1205
Rear Adm. (lh) Charles S. Hamilton, II, 0584
Rear Adm. (lh) John C. Harvey, Jr., 4323
Rear Adm. (lh) Carlton B. Jewett, 6193
Rear Adm. (lh) Matthew G. Moffit, 5223
Rear Adm. (lh) Michael P. Nowakowski, 8399
Rear Adm. (lh) Harold D. Starling, II, 4248
Rear Adm. (lh) James Stavridis, 5127
Rear Adm. (lh) Michael C. Tracy, 7439
Rear Adm. (lh) John J. Waickwicz, 3192

AIR FORCE

PN1073 Air Force nomination of Gary H. Sharp, which was received by the Senate and appeared in the Congressional Record of October 23, 2003.

PN1074 Air Force nomination of Jeffrey N. Leknes, which was received by the Senate and appeared in the Congressional Record of October 23, 2003.

PN1075 Air Force nomination of Samuel B. Echaure, which was received by the Senate and appeared in the Congressional Record of October 23, 2003.

PN1076 Air Force nominations (2) beginning THOMAS E. JAHN, and ending RODNEY D. LEWIS, which nominations were received by the Senate and appeared in the Congressional Record of October 23, 2003.

PN1077 Air Force nominations (5) beginning SAMUEL C. FIELDS, and ending KEVIN C. ZEECK, which nominations were received by the Senate and appeared in the Congressional Record of October 23, 2003.

PN1116 Air Force nomination of Robert G. Cates, III, which was received by the Senate and appeared in the Congressional Record of November 17, 2003.

PN1117 Air Force nomination of Mary J. Quinn, which was received by the Senate and appeared in the Congressional Record of November 17, 2003.

PN1118 Air Force nominations (2) beginning CHRISTOPHER C. ERICKSON, and ending MARK A. MCCLAIN, which nominations were received by the Senate and appeared in the Congressional Record of November 17, 2003.

ARMY

PN1087 Army nomination of Lance A. Betros, which was received by the Senate and appeared in the Congressional Record of October 30, 2003.

PN1088 Army nominations (69) beginning THOMAS B. SWEENEY, and ending PAUL L. ZANGLIN, which nominations were received by the Senate and appeared in the Congressional Record of October 30, 2003.

PN1120 Army nominations (2) beginning JOHN D. MCGOWAN, II, and ending KENNETH E. NETTLES, which nominations were received by the Senate and appeared in the Congressional Record of November 17, 2003.

PN1121 Army nominations (2) beginning VERNAL G. ANDERSON, and ending DONALD J. KERR, which nominations were received by the Senate and appeared in the Congressional Record of November 17, 2003.

PN1122 Army nominations (3) beginning GASTON P. BATHALON, and ending PAULA J. RUTAN, which nominations were received by the Senate and appeared in the Congressional Record of November 17, 2003.

PN1123 Army nomination of William B. Carr, Jr., which was received by the Senate and appeared in the Congressional Record of November 17, 2003.

PN1124 Army nominations (3) beginning JOHN E. ATWOOD, and ending WILLIAM E. ZOESCH, which nominations were received by the Senate and appeared in the Congressional Record of November 17, 2003.

PN1125 Army nominations (2) beginning CHERYL KYLE, and ending TERRY C. WASHAM, which nominations were received by the Senate and appeared in the Congressional Record of November 17, 2003.

PN1126 Army nominations (9) beginning MICHAEL A. BULEY, and ending GARY M. ZAUCHA, which nominations were received by the Senate and appeared in the Congressional Record of November 17, 2003.

PN1129 Army nomination of Gary R. McMeen, which was received by the Senate and appeared in the Congressional Record of November 17, 2003.

COAST GUARD

PN1095 Coast Guard nominations (13) beginning Jeffrey L. Busch, and ending John S. Welch, which nominations were received by the Senate and appeared in the Congressional Record of November 3, 2003.

PN1096 Coast Guard nominations (270) beginning William D. Adkins, and ending Michael S. Zidik, which nominations were received by the Senate and appeared in the Congressional Record of November 3, 2003.

MARINE CORPS

PN326 Marine Corps nomination of Michael S. Nisley, which was received by the Senate and appeared in the Congressional Record of February 11, 2003.

PN328 Marine Corps nominations (2) beginning LEONARD HALIK, III, and ending ERNEST R. HINES, which nominations were received by the Senate and appeared in the Congressional Record of February 11, 2003.

PN1089 Marine Corps nomination of David B. Morey, which was received by the Senate and appeared in the Congressional Record of October 30, 2003.

NAVY

PN1090 Navy nomination of Patrick J. Moran, which was received by the Senate and appeared in the Congressional Record of October 30, 2003.

PN1091 Navy nomination of Lawrence J. Chick, which was received by the Senate and appeared in the Congressional Record of October 30, 2003.

PN1098 Navy nomination of Robert E. Vincent, II, which was received by the Senate and appeared in the Congressional Record of November 3, 2003.

PN1099 Navy nominations (56) beginning RODNEY A. BOLLING, and ending JAY S. VIGNOLA, which nominations were received by the Senate and appeared in the Congressional Record of November 3, 2003.

PUBLIC HEALTH SERVICE

PN1010 Public Health Service nominations (174) beginning Vincent A. Berkley, and ending James A. Syms, which nominations were received by the Senate and appeared in the Congressional Record of October 2, 2003.

NOMINATION OF ADMIRAL JAMES LOY TO BE DEPUTY SECRETARY OF THE DEPARTMENT OF HOMELAND SECURITY

Mr. LIEBERMAN. Mr. President, I commend Admiral Loy for his willingness to take on the position of Deputy Secretary of the Department of Homeland Security, one of the most important and also most difficult jobs in the federal government. The fledgling Department of Homeland Security is a critical undertaking for our government and our country. We know that we face real and ongoing threats to our domestic security from terrorism, and the Department is our best hope of bringing the critical focus, resources and leadership to bear on these new and insidious threats. It is a momentous undertaking fraught with challenges, and we must give the Department every support we can to achieve its vital task. Unfortunately, in the face of numerous expert reports chronicling the terrorist threat to United States citizens—and the need for a dramatic infusion of new federal funds—President Bush has consistently failed to embrace the challenge of homeland security with vision or resources.

As Deputy Secretary, Admiral Loy will be second-in-command and have influence over the full array of DHS policies and practices. As such, I hope he will work forcefully to close the existing gaps in our security—and in the administration's efforts on homeland security. I have detailed some of my concerns in other floor statements and in numerous letters to Secretary Ridge and other DHS officials. We are, to quote a distinguished report sponsored by the Council on Foreign Relations, "drastically underfunded, dangerously unprepared" with respect to our state and local first responders and the federal government's efforts here are falling far short. The administration is thwarting a critical congressional mandate to create a true intelligence fusion center within DHS. On critical infrastructure protection, our government has yet to complete vital threat and risk assessments, much less implement forceful measures to protect these critical assets. I will not repeat all those concerns here, but instead focus on the dangerous gaps I perceive with respect to transportation security—the issue that has been Admiral Loy's direct responsibility as head of the Transportation Security Administration, TSA, and one over which he will continue to exercise considerable influence.

TSA was created in the aftermath of 9/11 in response to the tragic weaknesses in the air security realm that were exposed by the attacks. Indeed, TSA has made important strides to improve certain aspects of aviation security, such as passenger and baggage screening. But critical deficiencies exist in these and other areas of air security, and the agency has barely begun to tackle its broader transportation security mandate. Although Admiral Loy will be leaving his post as Administrator of TSA, I believe it is essential that he continue to place a high priority on resolving these critical issues.

By law, the Transportation Security Administration is responsible for security in all modes of transportation. But TSA has thus far focused almost exclusively on commercial aviation, leaving treacherous weaknesses in other transportation systems—a problem I outlined in a July 9 letter to Secretary Ridge. For fiscal year 2004, the administration sought $4.3 billion for passenger aviation security, but only $86 million for TSA's maritime and land security efforts. Congressional appropriators added some additional resources for maritime and land security, but there is still very little money available for these critical needs.

For instance, with respect to maritime transportation, the Coast Guard has identified billions of dollars worth of necessary improvements—and Congress has mandated greater security—yet the administration requested no money for port security grants to help make the changes and only $125 million for this purpose was ultimately included in the DHS appropriations bill. Indeed, there is not even enough funding for Coast Guard employees to review the security plans mandated under the Maritime Transportation Security Act. This even as expert upon expert has identified the Nation's 360 commercial ports as a leading cause for concern on the homeland front—in large part because of the valuable goods and energy imports channeled through these ports and because the millions of containers that enter this country by sea can hide untold dangers.

Mass transit systems are another grave source of concern. We all remember the 1995 attack on the Tokyo subway, when members of a Japanese cult released sarin, a lethal chemical nerve gas, on five subway trains during rush hour. Twelve people were killed and thousands injured. Only mistakes by the terrorists kept the death toll from being far higher. Here in the United States, our transit systems remain vulnerable to such an attack. In many cases, transit officials have already identified steps to make the system more secure, but simply cannot afford to take them. Transit systems typically struggle just to meet operating costs and are simply not in a position to fund major new security investments on their own. A December 2002 GAO report concluded that "insufficient funding is the most significant challenge in making . . . transit systems as safe and secure as possible." The administration did recently award some grants to help a number of urban transit systems, but nowhere near the kind of commitment that is needed to confront the problem.

Nor do we see a commitment to improve rail security, although vast quantities of hazardous materials are shipped by rail.

Given this vast amount of work to be done by TSA in all modes of transportation, it is inexplicable to me why the administration actually sought to decrease the agency's budget in FY 04.

But it is not simply a matter of money. TSA has not formulated the essential strategic plans needed to guide transportation security efforts. Admiral Loy testified last May that the agency was close to finishing such a document—the National Transportation System Security Plan or NTSSP. GAO has testified that this national plan is a "prerequisite" to investing wisely in transportation security. Yet as part of the hearing process for this nomination, Admiral Loy stated that such a plan is still months away, at best.

Even in the area of passenger aviation, where TSA has focused virtually all its resources, troubling gaps remain. Although TSA spent hundreds of millions to recruit and train screeners, thousands of these employees are gone due to layoffs and attrition and we now face serious screener shortages at some airports. While I recognize that this is a complex question, it simply is not clear that TSA has control of this issue and is implementing a staffing level needed to assure adequate security. There have been other problems. For example, TSA failed to complete background checks of many of the screeners hired before they were trained and deployed, resulting in the discovery last spring that over 1200 screeners had felony convictions or other disqualifying problems that required their termination. Investigations by the DHS Inspector General and TSA's Office of Internal Affairs into the baggage screener training program found that trainees were given the questions and answers to the final certification exam and that some of the test questions were "inane" or simply "gave away" the correct response. GAO has reported that TSA has not yet fully developed or deployed recurrent or supervisory training programs to ensure that screeners are effectively trained and supervised.

Moreover, despite considerable attention to the safety of air passengers and their baggage, TSA has not developed a reliable system to screen commercial cargo loaded onto the very same planes. This cargo is still not being screened for explosives and TSA currently is relying on the airlines to implement a "known shipper" program as the primary method of ensuring the security of this cargo, despite the numerous vulnerabilities GAO and the Department of Transportation Inspector General have identified in this approach. TSA has still taken only preliminary steps toward assessing security technologies that are needed to restrict access to secure areas of airports, despite the requirements of the Aviation and Transportation Security Act that it do so. Airport perimeter security also requires significant improvement, according to GAO, including the need to guard against possible terrorist attacks using shoulder-fired portable missiles from locations near airports. In addition, GAO has raised substantial concerns about the limited progress TSA has made in shoring up security at general aviation airports. To date, general aviation pilots and passengers are not screened before takeoff and the contents of general aviation planes are not screened at any point, leaving general aviation far more open and potentially vulnerable than commercial passenger aviation.

I understand that the administration's failure to seek adequate funding and TSA's deadlines have greatly contributed to the challenges TSA faces in remedying these and other gaps in our aviation security. I pledge to continue my efforts to increase the resources we devote to these needs. However, TSA has also exercised inadequate oversight of the contracts it has entered into to perform many of the essential tasks needed to improve aviation security. The resulting problems include the huge cost overrun of its screener hiring contract with NCS Pearson, which ballooned from an original estimate of $104 million to over $700 million. I intend to watch closely to make sure that TSA implements stringent management controls and procedures so that we can be assured TSA's programs are effective, appropriately focused and achieving expected results.

NOMINATION OF MICHAEL GARCIA

Mr. LIEBERMAN. Mr. President, although I do not intend to object to the confirmation of Michael Garcia to be Assistant Secretary of the Department of Homeland Security, Bureau of Immigration and Customs Enforcement, BICE, I do want to take this opportunity to express my concern about his handling of an issue that arose during the Committee on Governmental Affairs' consideration of his nomination. Specifically, I would like to describe my concerns about the way Mr. Garcia responded to questions from the committee related to his bureau's participation in a search for a plane belonging to a Texas state legislator. My concerns about the nominees's answers occurred in the context of problems we have been having getting clear and comprehensive answers from some other nominees for department positions, and from receiving satisfactory answers to inquiries related to our oversight responsibilities. I hope that by calling attention to these concerns, I can encourage the Department of Homeland Security, DHS to work with its oversight committees in a more straightforward and cooperative fashion.

In this statement, I intend to describe in some detail the circumstances that I find troubling. To summarize, I have two main concerns. First, it took Mr. Garcia far too long—until well after the Governmental Affairs Committee reported his nomination—to acknowledge what until then had been a rather uncontroversial fact: that the pendency of an investigation by an agency's Inspector General does not preclude an official of that agency from responding to congressional requests for information about matters that are the subject of the IG's investigation. A significant part of Congress' work involves overseeing how agencies do their jobs, and this committee in particular often conducts investigations of alleged waste, fraud and abuse by agencies. If the pendency of an internal investigation stood as a per se bar to congressional information requests, our oversight work would often be stymied. Mr. Garcia's assertion of virtual immunity from being questioned about matters under internal investigation is unfortunately emblematic of this administration's and this Department's frequent stinginess with sharing information with Congress about matters that are appropriate topics of congressional oversight. That this refusal to provide information occurred in the context of a committee's consideration of a nomination was all the more troubling, because it suggested that even at the moment when the incentive for cooperation was the greatest, the department was urging its officials to resist appropriate requests for information. The department and Mr. Garcia now concede that a pending IG investigation is not grounds for refusing to provide Congress with information; as they acknowledge, Congress frequently inquires into—and receives information about—matters under investigation. Although it came frustratingly late, I appreciate their willingness to revisit their position and look forward to greater cooperation from them on such matters in the future.

Second, I was concerned that Mr. Garcia's answers to written questions were misleading, whether or not he intended them to be, and I am even more disturbed that after I challenged Mr. Garcia's responses, he and his advisers passed up a number of opportunities to clarify his responses. I will describe the back and forth in greater detail below, but in short, Mr. Garcia stated in written answers to the committee that he declined to answer questions about the search for the Texas legislator because the IG's office had directed him not to, even though neither he nor his advisers had even contacted the IG's office about my questions until he had twice declined to answer them. Mr. Garcia continued to maintain that the IG's office directed him not to answer my questions, even after I reported to him that the IG's office did not believe it had issued such a direction and even after one of his advisers was explicitly told by the Assistant Inspector General heading the Texas investigation that such an answer was inaccurate. After the committee reported his nomination, Mr. Garcia ultimately expressed his regret for these events, explaining that he did not intend to mislead the committee, which is why I will not stand in the way of his nomination. But I once again am forced to observe that this exchange was nowhere near the frank and honest effort at providing requested information that Congress has a right to expect from agency officials. It instead appears to have been an effort at finding any excuse for declining to answer questions and then, when it became apparent that the excuse could not stand, seeking to find any way possible to avoid correcting the mistaken assertion. As mentioned, Mr. Garcia has subsequently expressed his regret for how he answered these questions, and has pledged to better cooperate with the Committee in the future. I am hopeful that both he and the department will live up to that pledge.

To provide more detail: when the Committee on Governmental Affairs received the nomination of Michael Garcia on March 26, 2003, he was already serving as Acting Assistant Secretary for BICE. He was leading the Bureau when, on May 12, 2003, it assisted in a search for the plane belonging to a member of the Texas legislature; the search had been initiated by leaders from the opposing party, as part of a highly political and partisan intrastate redistricting feud. At the time of these events it struck me as inappropriate that homeland security resources were diverted for this purpose, especially as it set a disturbing precedent of misusing the department's powers and authority to pursue American citizens who had broken no laws. So, as part of the committee's consideration of Mr. Garcia's nomination, I submitted a series of written questions about the incident, in my capacity as ranking member of the Committee on Governmental Affairs.

Over the course of several weeks, Mr. Garcia provided answers that were unresponsive, unsatisfactory, and inconsistent. Mr. Garcia's legal advisers at the Department of Homeland Security appear to have compounded the problem by looking for ways to avoid the questions rather than clear up misunderstandings that became increasingly apparent.

In written questions sent on May 16, 2003, before Mr. Garcia's committee hearing, I asked the following questions:

> On May 15, 2003, the Bureau acknowledged that its Air and Marine Interdiction Coordination Center, AMICC, had earlier that week participated in the search for the airplane of a Texas legislator.
>
> 1. What action was requested of the AMICC, and by whom?
>
> 2. What action, if any, was actually taken by the AMICC? Which federal officials were involved in directing that action be taken?
>
> 3. What other federal agencies were involved, if any, and what actions did they take?
>
> 4. If any action was taken by the Homeland Security Department, please explain how these actions fall within the Department's mission?
>
> 5. If actions were taken in error, or in contravention of Department policy, what steps will be taken to ensure that similar mistakes will not happen again?"

On May 30, 2003, Mr. Garcia responded that because BICE had referred the underlying issues to the Office of the Inspector General, OIG, "it would be inappropriate to offer comment on the questions above." He attached to his answer a press release BICE had earlier issued, offering comment on the matter, including conclusions that BICE had acted appropriately in the incident. Concerned by the suggestion that the existence of an IG investigation serves as an absolute bar to an Executive Branch official providing any information to Congress, my staff on June 2, 2003, again asked Mr. Garcia about the issue at the bipartisan interview Committee staff routinely conduct in the course of considering nominations. Mr. Garcia again declined to answer the questions. At the staff interview Mr. Garcia was informed that Congress routinely seeks information and testimony about matters under criminal investigation, and is routinely provided the information.

Apparently in response to the concerns raised at the staff interview, on June 2 the Chief Legal Counselor to the Department of Homeland Security, Lucy Clark, contacted the Counsel to the department's Acting Inspector General, Richard Reback. According to Mr. Reback, Ms. Clark told him that Mr. Garcia would be appearing for his confirmation hearing and asked how he should respond if questioned about the Texas matter. At Ms. Clark's request, on June 4, Mr. Reback sent by e-mail a hypothetical question and proposed answer, in which Reback suggested that Mr. Garcia, if asked "what actions are you taking on the issue of diversion of Department of Homeland Security resources to search for Texas State legislators?", could respond, "The OIG has asked that any questions relating to this matter be directed to them." Mr. Reback later made clear in a letter to me that he was not aware at the time "that specific questions were pending or had been posed." Ms. Clark did not tell Mr. Reback that Mr. Garcia had already declined to answer questions on two occasions, or that he had been informed by Committee staff that his answer was unsatisfactory. Mr. Reback later explained that he was not directing Mr. Garcia not to answer inquiries from Congress. Rather, it was his hope that a referral to his Office could be the beginning of a dialogue with Congress, not the end of the dialogue.

After Mr. Garcia's nomination hearing, on June 5, 2003, I remained concerned by the suggestion that an IG investigation could immunize Executive Branch officials from Congressional information requests. I therefore submitted post-hearing questions, which included the following inquiries about why Mr. Garcia believed he could decline to answer my questions on the Texas matter:

> a. Why do you believe it would be inappropriate to comment?
>
> b. Did the Office of Inspector General ask you not to comment?
>
> c. Will you refuse to provide Congress with information on any matter being investigated by an inspector general? If your willingness to provide information to Congress would depend on the circumstances, please specify in what circumstances you would refuse to provide information.
>
> d. As Acting Assistant Secretary for BICE at the time the incident occurred, do you have any knowledge of the circumstances of your bureau's involvement, either direct or second-hand? Did you take any steps to learn about the bureau's role? Were you involved in deciding how the Bureau should respond to the incident, and to the news reports that described the incident?"

On Friday, June 13, 2003, Mr. Garcia sent his responses to the post-hearing questions. Mr. Garcia stated that he had "received direction from the Inspector General's Office to refer all inquiries regarding this matter to that office." He also stated that "the IG's office directed that it would not be appropriate to comment on this issue and that all inquiries be directed to that office," and "in this case I was directed to refer all inquiries to the Inspector General's Office." Mr. Garcia's answers did not specify who had directed him not to answer, nor did they describe the nature of the communications with the IG's office. In response to the question about whether he would refuse to provide Congress with information on any matter being investigated by an inspector general, Mr. Garcia responded "(g)enerally, I would defer to the IG's office for direction on inquiries relating to any matter actively being investigated by that office." He declined to answer whether he had any knowledge of the circumstances of his Bureau's involvement in the incident, and what actions he took in its aftermath.

Aware of no law, custom or precedent that would allow an IG to direct an Executive Branch official to decline to answer Congressional information requests, I had my staff contact the Department of DHS Office of Inspector General to learn more about the IG's views of this issue. On the afternoon of June 13, Lisa Redman, the assistant Inspector General responsible for the investigation into the Texas incident, denied to my staff that anyone from the IG's office had directed Mr. Garcia not to comment on the issue. She also informed Committee staff that the IG's office had no policy that would have precluded him from answering questions about his role in the incident, or from giving answers based on information provided by personnel at BICE.

Concerned by this discrepancy, on the evening of June 13, I sent Mr. Garcia another set of post-hearing questions, seeking clarification regarding the apparently contradictory information received from the IG's office. My questions also informed Mr. Garcia that both the Congressional Research Service and the Senate Legal Counsel had confirmed that an ongoing IG's investigation did not provide a legal basis for someone to refuse to provide information to Congress.

As we later learned from Ms. Redman in a letter responding to my inquiries, on the morning of June 16, while Mr. Garcia and his staff were preparing answers to my questions, Ms. Redman received a telephone call from Mark Wallace, who was then Mr. Garcia's principal legal adviser at BICE. According to Ms. Redman, Mr. Wallace "was very agitated and stated that the OIG had provided answers [to the Committee] inconsistent to those he provided on Mr. Garcia's behalf." Ms. Redman informed Mr. Wallace that no one from the IG's office had "directed" Mr. Garcia not to answer questions from Congress, that the IG's office had never been told about Mr. Garcia's written responses to my questions, and that Mr. Wallace should have cleared Mr. Garcia's answers with the IG's office before submitting them. She also pointed out that the IG's office cannot direct Mr. Garcia to do anything. According to Ms. Redman, Mr. Wallace "became quite angry and demanded that we make our responses consistent with his," and he "said it was the OIG's fault that Mr. Garcia was now in this situation because we were not consistent in our responses." Ms. Redman refused to change her story.

According to correspondence I received from Mr. Reback, Mr. Wallace also contacted Reback on June 16, in an e-mail "in which [Wallace] stated that the OIG had provided inconsistent guidance to Mr. Garcia on responding to questions regarding the Texas matter." Mr. Reback said that he responded in an e-mail to Mr. Wallace, in which he said he explained that "I had been asked for guidance on what Mr. Garcia could say if asked a question [on] the Texas matter at his confirmation hearing, and that I had provided guidance reflected in my June 4th e-mail to Ms. Clark." Mr. Reback also told Mr. Wallace that he was "unaware that Mr. Garcia ever had received any written questions on the matter and had not seen or cleared on [sic] any of his written responses." Late in the evening of June 16, Mr. Reback was contacted by Ms. Clark and another adviser at BICE, Tim Haugh, who provided him a copy of draft responses to the questions I sent Mr. Garcia on June 13th. Mr. Reback did not review or comment on all of the draft responses, but did request that "with respect to questions that implicated OIG statements, Mr. Garcia refer to my June 4th e-mail in his responses."

At 11:00 p.m. on June 16, less than 12 hours before the committee met to consider his nomination, Mr. Garcia provided additional responses in which he continued to maintain that he had in fact been directed not to answer. For the first time, he referred the committee to the e-mail message Mr. Reback sent to Lucy Clark on June 4, 2003, but he made no mention of Ms. Redman's different interpretation of that communication, or of the IG's authority. Despite Ms. Redman's statements to his adviser, Mr. Garcia did not correct his earlier assertions that the Inspector General has the authority to instruct someone not to cooperate with Congress; he cited his legal advisers at DHS and the IG's office as the sources of his conclusion.

At the committee mark-up on the morning of June 17, I expressed my concerns about Mr. Garcia's refusal to answer questions about the Texas incident, and I questioned whether his reliance on supposed instructions from the IG's office were factually accurate or legally sound. I entered into an agreement with Chairman COLLINS that I would not object to the committee reporting Mr. Garcia's nomination, but that Mr. Garcia's nomination would not go to the Senate floor until my questions and concerns had been satisfactorily resolved.

I subsequently sent letters seeking additional information from Mr. Reback, Ms. Redman, and Mr. Garcia. I have already described the information I received from Mr. Reback and Ms. Redman. Mr. Garcia, for his part, maintained that all of his answers had been accurate, and that he had reasonably interpreted Mr. Reback's e-mail as equivalent to being directed by the IG's office not to respond. He concluded that at all times he was "guided by a sincere desire not to in any way interfere with an ongoing criminal investigation": "At no time did I intend to evade answers or to in any way challenge the authority of Congress to inquire into such matters. I responded based on what I reasonably believed was the guidance from the OIG and counsel."

Although I am troubled by how Mr. Garcia and his advisers at the Department dealt with this issue, I have nevertheless decided not to oppose this otherwise qualified nominee. Still, I felt that the issues raised during his nomination process were important enough that they deserved to be fully aired.

One of the principal functions of the Committee on Governmental Affairs, like all Senate committees, is to ensure that qualified, capable and responsible people are ultimately appointed to the highest positions in our government, and to conduct oversight over the departments and agencies within its jurisdiction. Through both the confirmation and oversight processes, we ensure ourselves and the American people that our government is functioning as it should be. As part of these processes, we regularly engage in dialogues with nominees, including through written questions; the integrity of our process requires that nominees fully and forthrightly answer the questions asked.

It appears to me that Mr. Garcia and his legal advisers at DHS provided answers to the Committee that were misleading factually and misstated the legal reasons a nominee could refuse to answer questions. For example, Mr. Garcia did not have any communications with any official from the IG's office until June 4, 2003, after he had already, on two occasions, declined to answer questions about the Texas matter. Nevertheless, his answers to my post-hearing questions stated that he had declined to answer the questions because "the IG's office directed that it would not be appropriate to comment on this issue and that all inquiries be directed to that office." Whatever Mr. Garcia's intention, that answer was not a factually accurate way of explaining answers given before he or his advisers spoke with the IG's office about the issue.

Furthermore, it is now clear that Mr. Garcia never was "directed" not to answer the questions by the Office of Inspector General—an assertion he repeatedly made in his written responses to my questions. Regardless of whether Mr. Reback's June 4 e-mail could have been interpreted as something stronger than intended, Mr. Garcia's legal adviser, Mr. Wallace, knew prior to Mr. Garcia's submission of his final set of answers that the IG's office was not directing him not to answer questions and had never intended to do so. Nevertheless, Mr. Garcia submitted written answers on June 16 in which he continued to assert that the IG's office had directed him not to answer the questions, referring to Mr. Reback's e-mail. Nothing in the answers gave any indication that the IG's office had explicitly rejected this interpretation of Mr. Reback's e-mail.

Mr. Garcia's rationale for not answering the questions raised important institutional issues. As a general matter, I find it unacceptable for agency officials to argue that the pendency of an IG investigation categorically precludes them from responding to congressional information requests. Congress often seeks information—and sometimes even conducts parallel investigations—on matters also under review by IG offices. Were the pendency of IG investigations a basis for an agency official or employee to decline to respond to Congressional inquiries, numerous Congressional inquiries conducted by the Governmental Affairs Committee and other Committees would be inappropriately stymied.

The notion that an Inspector General could "direct" a Department official not to cooperate with Congress was itself troubling. Officials at the Inspector General's office understood that they did not have the authority to "direct" Department officials not to answer questions, but neither Mr. Garcia nor his legal advisers consulted with IG officials on their choice of words until after they had already sent the Committee Mr. Garcia's answers. I was especially disturbed, in this context, to learn that Mr. Garcia's legal adviser, Mark Wallace, apparently berated the Assistant Inspector General and attempted to get her to change her version of events to make it "consistent" with the answers he had previously prepared. If true, this is highly improper behavior for a government attorney, and might itself have been worthy of an investigation.

Subsequent to the Committee's reporting of Mr. Garcia's nomination, my staff met with him to discuss these issues and my concerns about these events as well as with other examples of DHS nominees providing less than adequate answers to questions posed during the nomination process. In light of Mr. Garcia's statement in that meeting that he did not intend to mislead the Committee and now understood the need to better cooperate with Congress, I am prepared to move forward with his nomination. I could not do so, however, without leaving a complete record of my concern over these events.

Mr President, I thank my colleague, Chairman COLLINS, for working with me towards a satisfactory resolution of this issue. I am glad that we have had the opportunity to share with Mr. Garcia and with other DHS officials our concerns about how this nomination was handled. I hope that in the future the Department of Homeland Security will endeavor to work constructively with all senators to avoid misunderstandings of the type we experienced in this case, and to take seriously its obligations to provide Congress with the accurate, timely and complete information it needs.

In the interest of fairness to all parties, I ask unanimous consent that the text of letters from Mr. Reback, Ms. Redman, and Mr. Garcia, be printed in the RECORD following my remarks. Space limitations prevent me from including the full text of the pre-hearing and post-hearing questions asked of Mr. Garcia, and his answers, but those may be found in the Committee's hearing record.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF HOMELAND SECURITY, OFFICE OF INSPECTOR GENERAL,
Washington, DC, June 26, 2003.
Hon. JOSEPH I. LIEBERMAN,
Senate Committee on Governmental Affairs, Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR LIEBERMAN: Thank you for your letter to me dated June 23, 2003, in which you asked me to clarify a matter before the Senate Governmental Affairs Committee, specifically the Committee's consideration of the nomination of Michael Garcia to serve as Assistant Secretary in the Department of Homeland Security. The following responses to your questions are below:

(1) Did you have any communications with Mr. Garcia about how to respond to questions regarding the Texas matter? If so, please state when each communication occurred, who initiated the communication and who else was present, and please describe the content of the conversation or communication.

Response: No.

(2) Did you have communications with any DHS official or employees seeking information on Mr. Garcia's behalf on how to respond to Congressional information requests about the Texas matter or otherwise involved in the drafting of Mr. Garcia's responses? If so, please state the person with whom you had each communication (including his or her title), who initiated the communication, when the communication occurred, and describe the content of the communication.

Response: Yes. I had telephone conversations with Lucy Clark, DHS Chief Legal Counselor, on the afternoon of June 2, on June 4, and possibly on June 3, 2003. These conversations were initiated by Ms. Clark and each conversation was very brief—I would estimate the total time for all my telephone conversations with Ms. Clark on these days was approximately five to ten minutes.

Ms. Clark told me that Mr. Garcia would be appearing for his confirmation hearing and asked me how he should respond if questioned about the Texas matter. I replied that Mr. Garcia should state that the matter was under investigation by the OIG and questions should be referred to the OIG. I told Ms. Clark that since the OIG had an open criminal investigation, we did not want people talking about the case. Ms. Clark subsequently asked me to put my comments in writing and I sent her the e-mail on June 4th that has been provided to you. Ms. Redman, Assistant Inspector General for Investigations, reviewed and concurred with my e-mail before I sent it. Mr. Richard Skinner, Deputy Inspector General, reviewed and concurred with my e-mail after I had sent it.

On June 16th, I received an e-mail from Mark Wallace, Principal Legal Adviser to Mr. Garcia, in which he stated that the OIG had provided inconsistent guidance to Mr. Garcia on responding to questions regarding the Texas matter. Mr. Wallace attached a copy of eight questions from Senator Lieberman to Mr. Garcia. I responded to Mr. Wallace via e-mail in which I stated that I had been asked for guidance on what Mr. Garcia could say if asked a question about the Texas matter at his confirmation hearing, and that I had provided guidance reflected in my June 4th e-mail to Ms. Clark. I further stated that I was unaware that Mr. Garcia ever had received any written questions on the matter and had not seen or cleared on any of his written responses. I also stated that I heard nothing more about Mr. Garcia's response to questions on the Texas matter until the afternoon of June 13th, when the Assistant Inspector General for Investigations, Ms. Redman, had received oral questions from some of the Committee's minority staff regarding Mr. Garcia's responses. Finally, I stated that the OIG investigation was closed, there was no criminal enforcement action and that Mr. Garcia could answer any questions about the Texas matter. I heard nothing further from Mr. Wallace.

Late that evening (June 16th), I had conversations with Ms. Clark and with Mr. Tim Haugh, Director of Congressional Relations, Bureau of Immigration and Customs Enforcement, about questions Mr. Garcia had received from the Senate Committee on Governmental Affairs and which Mr. Garcia intended to respond to that day. My conversations were primarily with Mr. Haugh, who provided me a copy of draft responses to those questions. I did not review or comment on all of the responses. I did however, request that with respect to questions that implicated OIG statements, Mr. Garcia refer to my June 4th e-mail in his responses.

(3) Please indicate specifically whether any communications you had with persons outside the OIG about Mr. Garcia's responses occurred before June 4, 2003.

Response: Please see answer above.

(4) Please indicate whether you are aware of any other person employed by the OIG discussing this matter with DHS personnel acting on Mr. Garcia's behalf. If you are aware of any such discussions, please indicate who had the discussion, who initiated it, when it occurred (and specifically whether it was before June 4, 2003) and, to the extent you know, the contents of the discussion.

Response: I am unaware of any other person employed by the OIG having such discussions other than my conversations on June 2nd and possibly June 3rd as discussed above.

(5) Mr. Garcia attached your e-mail to Lucy Clark to substantiate his assertion that the IG's office "directed" him not to respond to the questions sent to him.

(a) Please provide in as much detail as you can recall the contents of any communications you had with Ms. Clark that led to you drafting the e-mail provided to the Committee. Who initiated the conversation? What specifically did Ms. Clark tell you about the questions sent to Mr. Garcia? What did she ask you to do?

Response: Please see my response to question 2 above. As stated, I did not know that Mr. Garcia had received any written questions nor that he had appeared for a Committee staff interview on June 2, 2003.

(b) Was anyone other than Ms. Clark involved in these communications? If so, state who was involved (including the person's title) and the nature and content of their involvement.

Response: Please see my response to questions above.

(c) Did you tell Ms. Clark that you were "directing" Mr. Garcia to refer all inquiries regarding the matter to your office?

Response: I did not use the terms "direct" or "directing." However, in my conversations with Ms. Clark, I believe it was clear that the OIG did not ant DHS personnel discussing a matter that was under criminal investigation by the OIG without first coordinating with the OIG.

(d) Did you believe your e-mail was "directing" Mr. Garcia to refer all inquiries regarding the matter to your office?

Response: Please see my response above.

(e) The question attached to your e-mail does not use language encompassing all questions related to the Texas matter, but rather asks only what action Mr. Garcia is currently taking on it. The bulk of my questions, in contrast, asked about past events, not Mr. Garcia's current actions. Did you tell Ms. Clark that Mr. Garcia should refer all Congressional questions, including seeking Mr. Garcia's knowledge about underlying events, to the IG's office.

Response: My conversations with Ms. Clark did not involve that level of specificity. I was unaware of your prior questions to Mr. Garcia at the time I had my conversations on June 2nd-June 4th.

(f) Did you believe the attachment to your e-mail suggested that Mr. Garcia should not answer the questions reprinted at the bottom of page 1 of this letter?

Response: At the time I sent the e-mail, I was not aware that specific questions were pending or had been posed. My advice was inthe context of a potential inquiry along the lines stated in my June 4th e-mail.

(g) Did Ms. Clark (or any other person involved in these communications with you) ask you to provide a different answer than the one you gave to her? If so, that was her or their proposal, and why did you not agree to it? Please describe in full the discussion on this matter.

Response: At no time during our conversations on June 2nd–4th did Ms. Clark or anyone else ask me to provide a different answer than the one I provided.

(6) Did you ever direct Mr. Garcia or anyone inquiring on his behalf not to answer questions from Congress on the Texas matter? (If your previous answers dispose of this and/or any of the following questions in their entirety, feel free to so indicate).

Response: No. Please see my responses to questions above.

(7) Are you aware of any other OIG personnel directing Mr. Garcia or anyone inquiring on his behalf not to a answer questions from Congress on the Texas matter? If so, please identify the individuals involved, when they issued the direction, to whom

they gave it, and the content of any communications related to such direction.

Response: No. Please see my responses to questions above.

(8) Do you believe you or anyone in the IG's office had the authority to "direct" Mr. Garcia not to answer these questions? If so, please state the basis of that authority.

Response: No.

(9) Did you ever tell Mr. Garcia or anyone inquiring on his behalf that it would be "inappropriate to offer comment" in response to Congressional questions regarding BICE's involvement in the Texas matter? If so, please identify the person to whom you made this statement, when you made it and the basis for your making that statement.

Response: I do not remember if I used those exact words. However, it would have been reasonable for Ms. Clark to infer that I believed it would be prudent for Mr. Garcia to check with the OIG before offering comment about the OIG's investigation of BICE's involvement in the Texas matter.

At the time, the OIG had an open criminal investigation. Generally, we seek to avoid public discussion of open criminal matters to avoid jeopardizing the success of a potential future prosecution, impeding our ability to gather all relevant information, affecting the impartiality and perceived impartiality of our work, and other such concerns. We also try to discourage speculation about the outcome of a pending investigation.

(10) Had you seen Mr. Garcia's answers to the questions sent to him by the Committee prior to receiving this letter? If so, in what context did you see them? Who showed them to you and when? Were you shown any of Mr. Garcia's written responses before he sent them to the Committee? Regardless of when you saw them, did you believe the answers to be accurate in their representation of the IG office's statements and views? If not, did you communicate that belief to anyone in DHS? If so, to whom? When? What were the contents of that conversation?

Response: I saw a draft of Mr. Garcia's June 16th answers on the evening of June 16th; I did not see the final document until after it had been sent to the Committee. I believe the responses received by the Committee are accurate in their representation of OIG statements, namely, I sent the June 4, 2003, email to Ms. Clark. I did not offer any comment on the responses in any other respect. I did not see the written responses to any of the other sets of questions until provided them by Committee's minority staff in the course of responding to these questions.

Examining the responses after the fact, I believe that the scope of the OIG guidance may have been misunderstood. The OIG had not intended, and did not direct that no Congressional requests be answered. Instead, we asked that questions be referred to the OIG because the OIG had an open criminal investigation. We did not intend that to be the end of the dialogue with the Congress.

(11) Please provide any additional information you believe might be helpful to clarify the Committee's record on this matter.

Response: Legal authority supports the general position that an OIG can withhold certain confidential information from Congress during the course of an open criminal investigation. See 13 Op. Off. Legal Counsel 77 (1989). In my experience, I have found Congressional staff members sensitive to these issues and willing to accommodate OIG concerns.

Sincerely,

RICHARD N. REBACK,
Counsel to the Acting Inspector General.

DEPARTMENT OF HOMELAND SECURITY, OFFICE OF INSPECTOR GENERAL,
Washington, DC, June 26, 2003.

Hon. JOSEPH I. LIEBERMAN,
Ranking Minority Member, Senate Office Building, U.S. Senate, Washington, DC.

DEAR SENATOR LIEBERMAN: Thank you for your letter to me dated June 23, 2003, in which you asked me to clarify a matter before the Senate Governmental Affairs Committee, specifically the Committee's consideration of the nomination of Michael Garcia to serve as Assistant Secretary in the Department of Homeland Security. The following responses to your questions are provided below:

(1) Did you have any communications with Mr. Garcia about how to respond to questions regarding the Texas matter? If so, please state when each communication occurred, who initiated it and who else was present, and please describe the content of the communication.

Response: No.

(2) Did you have communications with any DHS official or employee seeking information on Mr. Garcia's behalf on how to respond to Congressional information requests about the Texas matter or otherwise involved in the drafting of Mr. Garcia's responses? If so, please identify the person with whom you had each communication (including his or her title), state who initiated the communication, indicate when the communication occurred, and describe the content of the communication.

Response: No, not until June 16th and that conversation was with Mark Wallace after he had sent responses to the Committee on Mr. Garcia's behalf.

(3) Please indicate specifically whether any communications you had with persons outside the OIG about Mr. Garcia's responses occurred before June 4, 2003.

Response: I had no communications outside the OIG prior to June 4, 2003, regarding Mr. Garcia's responses.

(4) Please indicate whether you are aware of any other person employed by the OIG discussing this matter with Mr. Garcia or with DHS personnel acting on Mr. Garcia's behalf. If you are aware of any such discussions, please indicate who had the discussion, who initiated it, when it occurred (and specifically whether it was before June 4, 2003) and, to the extent you know, the contents of the discussion.

Response: I am aware that OIG Counsel Richard Reback was contacted by DHS General Counsel Lucy Clark on June 4th or perhaps June 3rd; during which contact Ms. Clark sought advice from Counsel Reback as to what Mr. Garcia should say if asked about the OIG Texas investigation. Mr. Reback advised me that Ms. Clark initiated contact with him and he provided an email to her in response as to suggested language Mr. Garcia might use. That is the same email previously provided to your staff. Mr. Reback showed me his proposed email before he sent it and I concurred with its contents.

(5) Did you ever direct Mr. Garcia or anyone inquiring on his behalf not to answer questions from Congress on the Texas matter? If so, please describe when that happened, to whom you gave that direction, who initiated the communication, and the details of your direction.

Response: No direction was provided by me to Mr. Garcia or anyone acting on his behalf on any matter.

(6) Are you aware of any OIG personnel directing Mr. Garcia or anyone inquiring on his behalf not to answer questions from Congress on the Texas matter? If so, please describe when that happened, who gave the direction and to whom that direction was given, who initiated the communication, and the details of the direction.

Response: I am not aware of any OIG contact with Mr. Garcia or anyone on his behalf directing him as to what to say or not to say.

(7) Do you believe you or anyone in the IG's office had the authority to "direct" Mr. Garcia not to answer these questions? If so, please state the basis of that authority.

Response: No, I do not believe the OIG has the authority to "direct" Mr. Garcia or anyone else in DHS to answer or not answer questions from Congress.

(8) Did you ever tell Mr. Garcia or anyone inquiring on his behalf that it would be "inappropriate to offer comment" in response to Congressional questions regarding BICE's involvement in the Texas matter? If so, please identify the person to whom you made this statement, when you made it and the basis for your making that statement.

Response: No, I never made that statement to Mr. Garcia or anyone on his behalf.

(9) Had you seen or discussed Mr. Garcia's answers to the questions sent to him by the Committee prior to receiving this letter? If so, in what context did you see them? Who showed them to you and when? Were you shown any of Mr. Garcia's written responses before he sent them to the Committee? Regardless of when you saw them, did you believe the answers to be accurate in their representation of the IG office's statements and views? If not, did you communicate that belief to anyone in DHS? If so, to whom? When? What were the contents of that conversation?

Response: the first time I saw any questions for Mr. Garcia was on the morning of June 16th. Those questions were e-mailed to me by Mark Wallace, who identified himself as Mr. Garcia's Principal Legal Advisor. He sought assistance in preparing responses to those questions on Mr. Garcia's behalf and asked for "urgent" help at 9:41 am. I did not see any responses he drafted to those questions until the morning of June 17th. A faxed copy of his responses was under my door when I arrived at work. I e-mailed Mr. Reback at 8:32 am on June 17th and advised him that the responses prepared by Mr. Wallace to Questions 2 and 3 were not accurate as they purported to represent a conversation Wallace and I had the morning of June 16th. I was subsequently told by Mr. Reback that those responses did not get sent to the committee; instead a new (second) set of responses was drafted by the night before and those responses were the ones sent to you by Lucy Clark. The set of responses you received was accurate.

(10) You indicated to my staff that on Friday, June 13, you had a conversation with the individual who drafted Mr. Garcia's responses to the questions regarding the Texas matter and that you told him that the IG's office had not "directed" Mr. Garcia not to respond to the questions. To the extent that you have not already done so in response to the questions above, please answer the following questions with respect to that conversation:

(a) With whom did you have this conversation (please identify the individual's name and title)?

Response: I did say in a meeting with your staff on June 19th that I had such a conversation on Friday, June 13th. However, I was mistaken and realized that mistake in reviewing my e-mails and telephone notes. On the afternoon and early evening of Friday, June 13th I had several telephone conversations with Kevin Landy of your staff from whom I learned for the first time that questions and answers had been provided to the Committee by Mr. Garcia. The conversation to which you refer actually occurred on Monday, June 16th between 9:41 and 9:54 am between myself and Mark Wallace, Principal Legal Advisor to Mr. Garcia.

(b) Because Mr. Garcia sent answers to the questions on that date (DHS staff emailed them to Committee staff at 12:29 p.m.), please identify to the most precise extent you can recall when in the day that conversation occurred.

Response: as indicated above, I misspoke and I did not have any conversations with Mr. Wallace until Monday, June 16th, not Friday, June 13th. My June 13th conversations were with Kevin Landy, not Mark Wallace.

(c) Who initiated the conversation?

Response: the conversation on June 16th was initiated by Mark Wallace. He called the main number, asked for Mr. Reback, then Mr. Skinner, and finally me after learning the other two were not available.

(d) Who else was involved in it?

Response: No one else was involved in this conversation.

(e) Please describe in the greatest detail possible, the contents of the conversation.

Response: Mr. Wallace was very agitated and stated that the OIG had provided answers inconsistent to those he provided on Mr. Garcia's behalf. I asked him to which questions he was referring and he said he submitted a number of responses for the record on Friday (June 13th) and also prior to Mr. Garcia's hearing. I told him that he should have coordinated those responses with the OIG because his responses, as described to me by Kevin Landy on the 13th, were not accurate. He said his answers were accurate, mine were not, and this inconsistency would only make me and the OIG "look bad." I told Wallace that no one had "directed" Garcia or anyone else as to what to say and I was not going to state otherwise. He said we had directed Garcia in the form of Mr. Reback's email to Lucy Clark and I disputed that claim. He became quite angry and demanded that we make our responses consistent with his. I told him that he would not be in this situation if he had cleared his answers with the OIG prior to submission. I further said it is not a good idea to speak for the OIG; that is our job. He insisted that "direct" is the same thing as "ask" if it comes from the OIG and I told him that was not correct and that it was not his right to interpret what he thought the OIG meant. Further, I told Wallace that Mr. Reback's email was clear as to the position of the OIG. The conversation ended as abruptly as it had begun.

(f) Did the individual show you or describe to you my questions to Mr. Garcia or the answers he had given or proposed to give? If so, what did he say about them?

Response: Mr. Wallace did not share any prior responses with me. I saw responses for the first time on the morning of June 17th, which were not correct and were not ultimately submitted to the committee. Those responses were to questions Wallace said he received from you sometime between the 13th and the 16th. He did orally confirm during our conversation of the 16th that he was being questioned by you, in writing, as to responses he submitted on Mr. Garcia's behalf on the 13th, because I told him I understood that he had submitted questions that we had not seen.

(g) Did you tell the individual with whom you spoke that the IG's office had not "directed" Mr. Garcia not to respond to questions about the Texas matter?

Response: Yes, I was very adamant on that point and that was why he called me on June 16th. He said we needed to be consistent with responses he had already submitted and that we had "directed" Mr. Garcia not to answer questions. I told Wallace that was flat-out incorrect and no one in the OIG had had any communication with Mr. Garcia, let alone "directed" him on any matter, nor did we know until the 13th (from Kevin Landy to me) that any questions had been submitted in the first place.

(h) What did you tell the individual with whom you spoke about whether the IG's office had authority to give such a direction?

Response: I told Wallace that he well knew from his time in the OIG community (he previously worked at FEMA) that an OIG cannot direct anyone (other than OIG employees) to do anything.

(i) What did that individual ask you to do or say?

Response: Wallace demanded that we assist him in drafting responses to new questions he had received because it was our fault he had gotten the questions. He said it was the OIG's fault that Mr. Garcia was now in this situation because we were not consistent in our responses.

(j) What did you say in response?

Response: I told Wallace that if we had seen his draft responses before he sent them then we could have prevented him from using such a poor choice of language. Prior coordination would have resulted in consistent responses.

(11) Please provide any additional information you believe might be helpful to clarify the Committee's record on this matter.

Response: Mr. Wallace left DHS employ on June 18th. He advised Mr. Reback that he had accepted a position as Deputy Campaign Manager for the President's re-election campaign.

Sincerely,

ELIZABETH M. REDMAN,
Assistant Inspector General for Investigations, Office of Inspector General, Department of Homeland Security.

DEPARTMENT OF HOMELAND SECURITY, BUREAU OF IMMIGRATION AND CUSTOMS ENFORCEMENT,
Washington, DC, July 30, 2003.

Hon. JOSEPH LIEBERMAN,
U.S. Senate,
Washington, DC.

DEAR SENATOR LIEBERMAN: This letter is in response to your letter of July 8, 2003, requesting further clarification regarding information previously provided in response to questions for the record involving the Air and Marine Interdiction Coordination Center.

Please find enclosed responses to each of your questions. Thank you for the opportunity to address your further questions regarding this matter. I would be happy to discuss this matter with you further if you feel such a meeting would be helpful.

Sincerely,

MICHAEL J. GARCIA,
Acting Assistant Secretary.

Enclosure.

(1) On May 30, 2003, when you first responded to my questions that because BICE had referred the underlying issues to the Office of the Inspector General, "it would be inappropriate to offer comment on the questions above," did you believe you had been "directed" by the IG's office not to answer the questions? If so, what was the basis for that belief? Who told you about such direction and when?

Response: I think it would be helpful in clarifying the record to set forth the responses made to your inquiries regarding the Air and Marine Interdiction Coordination Center ("AMICC") and in doing this to detail the substance and chronology of those answers and the basis for the position taken.

On May 30, 2003, I responded to the first set of questions regarding events at AMICC by stating that the matter had been referred to the Inspector General and that "[t]herefore it would be inappropriate to offer comment on the questions above." At this time I based my statement on the fact that this was a potential criminal investigation and on my experience as a Federal prosecutor. In sum, I was motivated by the belief that it would be inappropriate to offer my comments on this ongoing IG matter. I was also aware that before the House Select Homeland Security Committee on May 20, 2003, Secretary Ridge had stated, "we thought it was very appropriate, based on the multiple inquiries that we received from members of Congress, including yours, that we deploy the means with which Congress has given us. And that's an inspector general within our department." He went on to say ". . . it's not appropriate to be passing that information out right now" when referring to a request to release the audiotapes. My responses were reviewed by the Department of Homeland Security prior to being sent to the Committee. On June 2, 2003, I was interviewed by staff members for the Committee. At that time, Minority Counsel asked me about my May 30 answers to the AMICC questions, specifically my basis for declining to answer with specifics. I explained that I based this response on my experience as a prosecutor and my concern about commenting on an ongoing, potentially criminal, investigation. Minority Counsel disagreed with this analogy—my experience as a Federal prosecutor—and stated that the law regarding inquiries by Congress made such comment possible. I replied that I was not aware of that legal authority.

As a result of the statements by Minority Counsel and the continuing interest in this area of inquiry by the Committee as manifested by his questions, I asked my Principal Legal Advisor to get clarification. I understood that he worked through Lucy Clark, Chief Legal Counselor to DHS. I used this avenue of communication with the IG—through counsel—given that the most appropriate medium for communicating with an agency conducting an ongoing criminal investigation into activities by a component of my agency is through legal counsel.

A subsequent e-mail (previously provided to the Committee) authorized by the Office of Inspector General stated: "Attached is the language Mr. Garcia can use if questioned on the Texas State legislators issue." The attachment read: "My office referred this matter to the Department's Office of Inspector General (OIG) on the evening of May 15, 2003. The OIG has asked that any questions relating to this matter be directed to them." I received a copy of this e-mail prior to my confirmation hearing on June 5, 2003. It is my understanding that the OIG counsel who provided this e-mail knew that this guidance was being sought in the context of my confirmation hearing. I also received confirmation from Lucy Clark that it would be inappropriate to make any comments and I should refer any questions on this matter during the confirmation process to the OIG. (See Letter from Lucy Clark to Senator JOSEPH LIEBERMAN, dated June 16, 2003). The AMICC matter was not raised at the June 5, 2003 hearing.

On June 13, I submitted responses to your post-hearing questions. At that time, in response to the question regarding why I believed it inappropriate to comment, I responded, "I received direction from the Inspector General's (IG's) Office to refer all inquiries regarding this matter to that office." In response to the next question, "Did the Office of the Inspector General ask you not to comment?" I responded, "As noted above, the IG's office directed that it would not be appropriate to comment on this issue and that all inquiries be directed to that office." I based these answers on the e-mail from the IG counsel referenced above which stated that the OIG "has asked that any question relating to this matter be directed to them" as well as the guidance from Lucy Clark, who I knew to be in contact with the IG's office, that it would be inappropriate to make any comments on this matter during the confirmation process other than to refer such questions to the OIG. These answers were again cleared at the Department level.

Later that evening of June 13, 2003, I received additional questions on this issue. Those questions referenced a conversation between your staff and the OIG to the effect that referring questions to the OIG regarding an OIG criminal investigation was not consistent with the policy of the OIG and that the Assistant IG conducting the investigation had stated that no one at the IG's office had ever had any communications with me. You then posed several questions related to this "contradiction."

I responded to the first question related to any communications with the IG's office by providing the e-mail discussed above and outlined the method of communication I used to obtain that guidance, namely through my Principal Legal Advisor and the DHS Chief Legal Counselor. While I never had any direct communication with the OIG on this matter, the communication from the OIG's Chief Counsel clearly was intended as guidance for "Mr. Garcia" in the confirmation process. I also noted that my answers were cleared through the Chief Legal Counselor for DHS based upon her understanding of her direct communications with the OIG.

This round of questions raised for the first time an issue with respect to the clear guidance offered by that OIG e-mail and the Chief Legal Counselor. Let me state that I believe that this guidance was the topic of much discussion, at the time, in order to attempt to ensure a coordinated approach to Congress. I understood that my Principal Legal Advisor, as well as Tim Haugh of my Congressional Affairs Office, discussed the issue of referring to the OIG questions regarding the investigation with the OIG Chief Counsel in order to clarify the position and to insure that the responses were accurate. At this time, I also answered the substantive questions about the AMICC matter. My understanding is that both the OIG's Chief Counsel and the Assistant IG assigned to investigate this matter agree that the June 16 responses are accurate with respect to communications with that office.

(2) According to Richard Reback, Counselor to the Acting Inspector General, Lucy Clark, the DHS Chief Legal Counselor, first called him on the afternoon of June 2, 2003, and spoke with him a final time on June 4, 2003. On June 4, Mr. Reback sent Lucy Clark the e-mail which you provided to the Committee on June 16.

(a) Were you aware of these conversations between Lucy Clark and Richard Reback? If so, when did you learn of the conversations, from whom, and what were you told about the conversations?

(b) Did you ever see the text of the e-mail that Mr. Reback sent on June 4? If so, when did you first see it, who showed it to you, and how did you interpret the guidance it contained?

Response: I was aware that Lucy Clark was in contact with Richard Reback prior to my June 5 confirmation hearing. Prior to my June 5 confirmation, I received a copy of this e-mail, I believe through my Principal Legal Advisor. On advice of DHS counsel, I interpreted this e-mail and the guidance that it would be inappropriate to answer any questions other than to refer the questioner to the OIG as directed in the e-mail.

(3) On what did you base your statement that you had been directed not to answer the questions?

Response: I based my answer on the e-mail from the OIG counsel stating that I should respond to questions by stating "The OIG has asked that any questions relating to this matter be directed to them," and on advice of the Chief Legal Counselor that "in the context of his confirmation hearing, the OIG responded [in response to a request from the Office of General Counsel] that Mr. Garcia should refer all questions related to this matter to the OIG." Moreover, I was advised "it would be inappropriate for him to make any comments on this matter during the confirmation process other than to refer such questions to the OIG." (See, Letter of Lucy Clark, Chief Legal Counsel to DHS, to Senator Joseph Lieberman, dated June 16, 2003.)

(4) Lisa Redman says she told Mark Wallace on the morning of June 16 that he had misrepresented the position of the Office of the Inspector General in preparing your earlier answers. She refused his request to change her responses to make them consistent with your answers. The answers you submitted later that night did not reflect this conversation, but instead held to the answers the IG's office had rejected. The questions I sent you on June 13 specifically noted that the IG's office had denied having the communications you earlier described.

(a) Were you ever aware of the conversation between Mark Wallace and Lisa Redman? If so, when did you learn of the conversation, from whom, and what were you told about the conversation?

Response: At some point on June 16, I became aware that the ICE Principal Legal Advisor was engaged in conversation with the Office of Inspector General and was in contact with the Department's Chief Legal Counselor. I was not aware of the substance of the particular conversation referenced in your July 8 questions. I was aware of the conflicting interpretations of the OIG policy as outlined in your June 13 letter. As I understood it, the point of the conversations between the Department's Chief Legal Counselor, my Principal Legal Advisor, and the Office of Inspector General were aimed at clarifying the OIG position regarding questions related to the Texas matter and to ensure that the answers submitted on June 16 were accurate. I understand that the OIG agrees that the June 16 answers are accurate.

(b) Why did you claim in your answers of June 16 that Mr. Reback's e-mail was the basis for your understanding that you had been "directed" not to answer questions on the Texas matter, despite Lisa Redman's disavowal of that claim?

Response: Mr. Reback's earlier e-mail (stating that I could use the following questions if asked about the State legislator issue: "The Office of Inspector General (OIG) has asked that any questions relating to this matter be directed to them.") was the primary basis for my earlier answers, in addition to the guidance of the Department's Chief Legal Counselor. At the time I answered the June 13 questions, I had no indication that Ms. Redmon or anyone else at the OIG interpreted that guidance in any other way nor, given the plain language of that text, did I have any reason to do so. The June 16 questions were directed to the basis for my June 13 answers. I understand that Ms. Redmon of the OIG did not express her view regarding OIG policy until June 16—not June 13 as she had erroneously claimed previously.

(c) Why did your answers of June 16 refer to the e-mail Lucy Clark received from Richard Reback, but fail to mention the conversation Mark Wallace had with Lisa Redman?

Response: The e-mail from Reback appeared to state plainly the OIG position ("The Office of Inspector General (OIG) has asked that any questions relating to this matter be directed to them."). At no time prior to June 16 did I have any indication that Ms. Redmon interpreted that guidance to mean I was free to answer questions based upon my personal knowledge or what others had said to me. Nor was such leeway in any way apparent from the text of the e-mail. My June 16 answers were in response to questions aimed at tracking the basis for my June 13 responses (and as stated the basis for those was the Reback e-mail and guidance from Lucy Clark).

Please indicate whether you are aware of any other person employed by the IG's office discussing this matter with you or with DHS personnel acting on your behalf. If you are aware of any such discussions, please indicate who had the discussion, who initiated it, when it occurred, and, to the extent you know, the contents of the discussion.

Response: No, only Lisa Redman and Richard Reback.

(6) What role did Mark Wallace play in drafting each set of your written answers? Who else contributed to the drafting of the answers relating to this matter? What efforts did you make to independently confirm the accuracy of the answers you provided on May 30, June 13, and June 16 with respect to the Texas matter?

Response: as stated, following standard procedure, the written answers like all testimony were cleared through the following DHS offices: Legislative Affairs, Office of General Counsel, and Office of the Secretary. Additionally, ICE Legislative Affairs (Tim Haugh, Acting Director, and ICE Legal (Mark Wallace, Principal Legal Advisor) reviewed the draft answers. In answering the questions related to the Texas matter, I relied upon the advice of legal counsel, the OIG e-mail, and the fact that the answers were "cleared" through DHS.

(7) With respect to each of the answers you provided on May 30, June 13, and June 16 relating to the Texas matter, do you now believe the answers you submitted were accurate? Please explain the basis for your conclusions.

Response: Yes—for the reasons explained above.

Based on what you now know, do you still believe that "the IG's office directed that it would not be appropriate to comment on this issue"? If so, how do you explain the statements to the contrary by officials from the Office of the Inspector General? Please explain the basis for your conclusion.

Response: The Office of Inspector General stated in an e-mail in response to a request for guidance as follows: "Attached is the language Mr. Garcia can use if questioned on the Texas State legislators issue." The attachment read: "My office referred this matter to the department's Office of inspector General (OIG) on the evening of May 15, 2003. The OIG has asked that any questions relating to this matter be directed to them." I believe that I took the appropriate step by having counsel seek guidance from the AMICC regarding the appropriate answer to questions related to an investigation the OIG was conducting. Given that the OIG guidance at the time "asked" for question to be "directed to them" and an OIG only subsequently suggested different guidance, I believe that directing questions to the OIG was appropriate at the time. I also believe that better communication between OIG and ICE, especially when presented with an inquiry from Congress, is critical and I am committed to facilitating such communication in the future.

(9) Both the IG's Counsel and the Assistant IG for Investigations have stated that they don't have the authority to direct a Department employee not to answer Congressional inquiries. Do you still believe that an IG's office has the authority to direct you not to provide information to Congress? If so, what is the legal basis for that claim?

Response: I will be guided by the OIG's interpretation regarding its authority and will ensure proper coordination with that office.

(10) As you may know, Congress has frequently conducted inquiries into agency matters in which there were also IG investigations. Do you nevertheless believe that the pendency of an IG investigation precludes you or other agency officials from responding to Congressional information requests? If so, what is the legal basis for that claim?

Response: I would be guided by the OIG with respect to commenting on such matters. Again, I believe better internal coordination on this issue would avoid any conflict in providing responsive answers to Congress.

(11) Please provide any additional information you believe might be helpful to clarify the Committee's record on this matter.

Response: I would add that at all times in responding to your questions I was guided by a sincere desire not to in any way interfere with an ongoing criminal investigation, one of high sensitivity and one which I had referred to the IG. At no time did I intend to evade answers or to in any way challenge the authority of Congress to inquire into such matters. I responded based upon what I reasonably believed was the guidance from the OIG and counsel. I would be happy to discuss this matter with you further if you feel that such a meeting would be helpful.

Mr. FRIST. Mr. President, as the 108th Congress draws to a close, I would like to take a few moments to reflect on the tremendous progress this Senate has made in moving America forward. Leading the Senate is an honor and a pleasure, made all the more so by working with such talented people. I thank my fellow Senators for their dedication. It has been an exceptional legislative year.

Back in January, we set an ambitious agenda. We resolved to put the economy back on track; lend critical support to the war on terror; and promote public health here at home and abroad. Our mission was to expand freedom and opportunity, and strengthen America's security.

In 11 short months we have made major strides towards those goals. And we did so by respecting the longstanding Senate values of civility and trust, by building strong and reliable relationships, and by committing ourselves to action. Each of us can go home this holiday season proud of our accomplishments.

We first set to work passing spending bills left undone by the previous Congress. We passed 11 of those bills in just 3 weeks.

We also passed a budget to establish a blueprint for creating jobs, investing in homeland security and education, providing Medicare prescription drug coverage and offering health insurance for our most vulnerable citizens, America's children.

With that unfinished business of the last Congress complete, we turned our attention to the President's jobs and growth agenda.

Under the President's leadership, we passed $350 billion in tax relief, the third largest tax cut in history. We cut taxes, across the board, for 136 million hard-working, tax-paying Americans.

For America's families, we increased the child tax credit from $600 per child to $1000 per child, and made sure that money was sent out right away. As a result, this summer, 25 million families received checks from the United States Treasury of up to $400 per child. In total, we returned $13.7 billion to families across the country.

But that was just the start.

Under the Jobs and Growth Act of 2003, a family of four making $40,000 will see their taxes reduced by $1,133 this year.

Of the $350 billion in tax cuts and fiscal relief, nearly $200 billion, fully 60 percent, is provided this year and next.

Some critics of the tax cut say $1,300 is not a lot of money, that it would not make much difference if the bureaucrats took it away again. Tell that to the family working hard to raise their children, keep up with household expenses, and have a something left over for a family vacation. I am fairly certain the United States Treasury did not get a flurry of child tax credit checks in the mail from families who said they didn't need it.

Small business owners, too, got a major boost from the tax package. Twenty-three million small business owners who pay taxes at the individual rate saw their taxes lowered. And we quadrupled the expense deduction for small business investment.

Small business owners are the heart of the American marketplace. Workers and consumers depend on the small business sector to generate jobs, products, and services. These innovators create 60 to 80 percent of new jobs nationwide, and they generate more than 50 percent of the gross domestic product.

By cutting their taxes and encouraging investment, we have helped unleash their tremendous economic power.

Taken together, this year's tax cut and the tax cuts of 2001 are providing an astonishing $1.7 trillion in tax relief over the next decade. And we are already beginning to see the results. We are now in the midst of a strong economic recovery. Consumers have more money in their pockets. And businesses are, once again, optimistic about the direction of the economy.

Economic growth in the third quarter soared at an incredible 8.2 percent annual rate. This is the largest third quarter increase since 1984.

Real disposable income is up 7.2 percent for the third quarter, and consumer spending is up a whopping 6.6 percent, the biggest third quarter growth since 1988.

Last month, sales of previously owned homes hit their third-highest level on record. The National Association of Realtors reports that previously owned home sales rose 3.6 percent to a record annual rate of nearly 7 million units in September. Meanwhile, housing starts are nearing a 17 year high.

The association credits this phenomenal growth to "the powerful fundamentals that are driving the housing market, household growth, low interest rates and an improving economy."

This is great news for America's families and for America's businesses. When a family buys a home, that not only benefits the community, it sets off a chain of purchases that fuel the economy: living room furniture, kitchen appliances, washer and dryer, and on and on. In short, many other industries benefit from the one family's momentous and gratifying decision to buy a home.

Not only is individual consumption up, the business sector is showing impressive signs of recovery, as well. Nonresidential investment is up more than 10 percent. Business investment went up 11.1 percent in the third quarter, and productivity soared by 8.1 percent, its highest level in two decades.

Businesses are rebuilding their inventories and retooling their factories. And all of this economic activity is ultimately leading to more jobs. Indeed, the labor market appears to be stabilizing and the economy is finally creating much needed jobs.

Over the past 3 months, 286,000 new jobs have come on line. In October alone, 126,000 jobs were added.

Meanwhile, since the tax cut, initial claims for unemployment insurance have gone down more than 10 percent. For the seek ending November 1, unemployment claims hit a 34-month low.

There is more progress to be made on this front, but we are on our way towards putting Americans back to work.

And, finally, there is good news for individual State treasuries. Their budget gap of nearly $20 billion at the beginning of last fiscal year has now declined to a budget gap of less than $3 billion for the beginning of this fiscal year. States are beginning to see "revenue surprises" in their estimates.

Consumers and businesses, alike, are optimistic about the America's economic direction. Inflation and interest rates are low. American taxpayers have more of their hard earned money to spend and save as they choose.

We will continue to champion policies that strengthen the economy and create jobs. We will continue to pursue fair and free trade policies that increase consumer buying power and stoke the economic furnace.

This session we passed the free trade agreements with Chile and Singapore. Simultaneously, export grew 9.3 percent in the third quarter, another marker of our renewed economy.

We will continue to fulfill our mission to maximize freedom and expand opportunity.

Which leads me to national security. Our mission to expand freedom and opportunity applies not just to our economy, but to our national security, as well. Freedom cannot find its fullest expression under the threat of terror. But, likewise, terror can not spread where freedom reigns.

That is why, this year, America took the extraordinary action of toppling Saddam Hussein and his terrorist-sponsoring regime. In 3 short weeks, the men and women of the United States military, with the support of 49 nations, swept to Baghdad, ending three decades of ruthless Ba'ath Party rule and support for terror.

In the months since, our soldiers have worked tirelessly, under dangerous conditions, to help the Iraqi people build a democracy.

Our soldiers have rebuilt schools, hospitals, electrical grids, pipelines, and roads. They are training Iraqi police forces to patrol the streets and hunt down terrorists. Everyday, our troops are helping the people of Iraq and Afghanistan move toward becoming free and open societies.

To support their efforts, we passed the President's $87 billion war supplemental. We did so because we recognize that investing in the future of Iraq and Afghanistan is an investment in our security. September 11 taught us a cruel lesson. We learned that we cannot wait while storms gather. As the President has said, "the Middle East region will either become a place of progress and peace, or it will remain a source of violence and terror."

This Senate took bold action to support the war on terror because we are determined that progress and peace take root.

The Middle East is not the only region where we are working to bring stability. This session, we passed the Burmese Freedom Act and the Clean Diamond Act.

And we also took the historic action of dedicating $15 billion to drive back the HIV/AIDS virus.

As a Senator, as a doctor, and as a medical missionary, I am especially gratified by the Senate's demonstration of compassion on this issue. Millions of lives around the world have been cut short by the scourge of one tiny virus. Countries have seen entire swaths of their populations wiped out and children orphaned, because of the HIV virus that causes AIDS.

By passing the Global HIV/AIDS bill, we help to prevent 7 million new infections; provide antiretroviral drugs for 2 million HIV-infected people; care for 10 million HIV-infected individuals and AIDS orphans; and bring hope to millions of people around the world who are living in the shadow of this devastating disease.

Our work in passing this critical legislation demonstrates that we are a country that places a high value on life. History will judge how we chose to respond. We can proudly say that we made the right choice and took the necessary actions to put an end to one of the worst plagues in recorded history.

We also made the right choice to end partial birth abortion. Partial birth abortion is a fringe procedure. It is not taught in medical schools. And now, it never will be. With an overwhelming majority, we voted to end an immoral procedure, and said "yes" to life.

Indeed, this Senate can be proud of our efforts to protect the most vulnerable among us. In January, we passed legislation to establish a national AMBER Alert. Law enforcement will now have another tool to work with the public to find missing children. In June, we passed legislation to protect victims of child abuse. We also voted to extend welfare reform to help lift families out of poverty.

But perhaps the most historic and far reaching legislative accomplishment of the 108th Senate happened this morning, when an overwhelming, bipartisan majority voted to enact prescription drug coverage for our nation's 40 million seniors and individuals with disabilities.

For the first time in its 40-year history, Medicare will offer true, comprehensive health care coverage. This worthy program will finally be able to keep pace with modern medicine.

I am deeply thankful for the cooperation, hard work and dedication of my colleagues to overcome years of partisan gridlock and finally offer America's seniors the security they need and the choices they deserve.

Medicare reform, the Jobs and Growth tax cuts, the Iraqi war supplemental, the global HIV bill—we set our sights high and we more than exceeded expectations.

We are moving America forward, and we will continue to do so in the coming months. There is much yet to be done.

Critically, we must pass the energy bill. We have been debating national energy for three years. During the last Congress, we spent a total of 7 weeks debating energy on the Senate floor. In this Congress, we spent more time debating energy than any other bill. And yet, despite all of this, a few in the Senate continue to obstruct progress. And while they insist on more debate, natural gas prices continue to rise.

U.S. chemical companies are closing plants, laying off workers, and looking to expand production abroad. The U.S. is expected to import approximately $9 billion more in chemicals than it exports this year. American consumers are getting hit with higher electric bills, and small businesses are struggling to contain costs. All because of rising energy prices. We must pass the energy plan.

Not only will it lower prices, it will save jobs and create thousands more. It is estimated that this energy package will create at least half of a million jobs. The Alaskan pipeline alone will create at least 400,000. The hundreds of millions of dollars that will be invested in research and development of new technologies will not only benefit the environment, but will create new jobs in engineering, math, chemistry, physics, and science.

We cannot allow the obstruction of a few in the Senate continue to harm the interests of millions of Americans. And I use the word "obstruction," because we have seen it used to an alarming degree in this Congress, nowhere more so than in the consideration of the President's judicial nominees.

Only 2 weeks ago, we had an historic, around the clock, 40 hour debate. And after 40 full hours of debate, the minority continued to block an up or down vote. This is partisan obstruction pure and simple. A minority of Senators is denying all 100 our Constitutional duty to advise and consent.

When we return in January, we will continue to press this issue. Nothing less than the United States Constitution is at stake.

We will also continue to press for policies that expand and strengthen our economy. This session, we passed smart, pro-growth fiscal policy. We are already beginning to see the results. But there is still much to do.

Frivolous lawsuits are clogging the State courts, wasting taxpayer dollars, and inhibiting the innovation and entrepreneurship so critical to creating jobs. When it comes to medical malpractice, frivolous lawsuits are destroying access to quality health care and, literally, imperiling lives.

America is country that values fairness, and we will return fairness to the litigation process.

We will also work to return fairness to the tax system. We will continue to press for reforms that simplify the tax code. Tax payers shouldn't have to hire a consultant to file a tax return.

We will also begin the exciting work of constructing the long awaited National Museum for African American History and Culture. America will finally have a museum worthy of America's sons and daughters who sacrificed so much and have given so profoundly.

There is much more to do in the year ahead, and I will speak to that when we resume in January.

Each day I walk into this great institution, I am humbled and inspired, humbled by the great men and women who have come before, and inspired by their example.

In his 1862 address to Congress, President Lincoln told the assembled legislators that America is the world's last, best hope. Those words have never been more true than they are today. I am confident that we will face the challenges ahead with honor and courage, for the simple reason that we are Americans.

LEGISLATIVE SESSION

The **PRESIDING OFFICER**. Under the previous order, the Senate will resume legislative session.

ORDERS FOR TUESDAY, DECEMBER 9, 2003

Mr. **McCONNELL**. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 10 a.m., Tuesday, December 9. I further ask that following the prayer and pledge, the morning hour be deemed expired, the Journal of proceedings be approved to date, the time for the two leaders be reserved for their use later in the day, and the Senate then begin a period of morning business with Senators permitted to speak for up to 10 minutes each.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

PROGRAM

Mr. **McCONNELL**. The Senate will reconvene on Tuesday, December 9, and it is our hope that we will be able to consider the omnibus appropriations conference report that day. The conference report has been filed and this will give ample time for Members to review that measure. We will also consider any legislative or executive items that can be cleared by unanimous consent. I hope among those will be some of these 95 innocent nominees who were caught up in the obstructionism in the Senate. Hopefully, during the Thanksgiving recess, we will come back with a different attitude and clear the nominees. One issue we need to address is the pension rate bill, and we will continue to work toward finishing that bill when we return.

I will announce, no rollcall votes will occur that day. So obviously on that day what we will be able to do will be done by consent.

We wish everyone a pleasant Thanksgiving holiday and hope when we come back on December 9 we will be able to do some of the Nation's unfinished business.

ADJOURNMENT UNTIL TUESDAY, DECEMBER 9, 2003, AT 10 A.M.

Mr. **McCONNELL**. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the provisions of H. Con. Res. 339.

There being no objection, the Senate, at 6:15 p.m., adjourned until Tuesday, December 9, 2003, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate November 25, 2003:

DEPARTMENT OF TRANSPORTATION

LINDA MORRISON COMBS, OF NORTH CAROLINA, TO BE AN ASSISTANT SECRETARY OF TRANSPORTATION, VICE DONNA R. MCLEAN, RESIGNED.

SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION

JACK EDWIN MCGREGOR, OF CONNECTICUT, TO BE A MEMBER OF THE ADVISORY BOARD OF THE SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION, VICE VINCENT J. SORRENTINO.

SCOTT KEVIN WALKER, OF WISCONSIN, TO BE A MEMBER OF THE ADVISORY BOARD OF THE SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION, VICE ANTHONY S. EARL.

DEPARTMENT OF THE TREASURY

MARK J. WARSHAWSKY, OF MARYLAND, TO BE AN ASSISTANT SECRETARY OF THE TREASURY, VICE RICHARD CLARIDA, RESIGNED.

INTER-AMERICAN FOUNDATION

ROGER W. WALLACE, OF TEXAS, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE INTER-AMERICAN FOUNDATION FOR A TERM EXPIRING OCTOBER 6, 2008, VICE FRED P. DUVAL.

THE JUDICIARY

MARCIA G. COOKE, OF FLORIDA, TO BE UNITED STATES DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF FLORIDA, VICE WILKIE D. FERGUSON, JR., DECEASED.

CURTIS V. GOMEZ, OF VIRGIN ISLANDS, TO BE JUDGE FOR THE DISTRICT COURT OF THE VIRGIN ISLANDS FOR A TERM OF TEN YEARS, VICE THOMAS K. MOORE, TERM EXPIRED.

IN THE ARMY

THE FOLLOWING NAMED OFFICERS FOR REGULAR APPOINTMENT IN THE GRADES INDICATED IN THE UNITED STATES ARMY MEDICAL CORPS UNDER TITLE 10, U.S.C., SECTIONS 531 AND 3064:

To be colonel

DAVID S FEIGIN, 9632
VICTOR B LEBEDOVYCH, 0178
ROBERT A VIGERSKY, 8894

To be lieutenant colonel

ANTONIO G BALINGIT, 4375
LEON R BYBEE, 7203
CRAIG HARTRANFT, 2487
DEAN A INOUYE, 6744
JEROME H KIM, 7082
WILLARD F QUIRK, 8481

To be major

DIANE DEVITA, 2725
JOHN E HARTMANN, 1098

THE FOLLOWING NAMED OFFICERS FOR REGULAR APPOINTMENT IN THE GRADE INDICATED IN THE UNITED STATES ARMY DENTAL CORPS UNDER TITLE 10, U.S.C., SECTIONS 531 AND 3064:

To be lieutenant colonel

JOSEPH L. CRAVER, 6611
WILLIAM HANN, 8334

THE FOLLOWING NAMED OFFICER FOR REGULAR APPOINTMENT IN THE GRADE INDICATED IN THE UNITED STATES ARMY CHAPLAIN CORPS UNDER TITLE 10, U.S.C., SECTIONS 531 AND 3064:

To be major

CAROL ANN MITCHELL, 3665

THE FOLLOWING NAMED OFFICERS FOR REGULAR APPOINTMENT IN THE GRADES INDICATED IN THE UNITED STATES ARMY VETERINARY CORPS UNDER TITLE 10, U.S.C., SECTIONS 531, AND 3064:

To be major

CAROL A. BOSSONE, 8800

To be captain

ROBERT S. DOLE, 3858
CHRISTOPHER S. GAMBLE, 3216
CURTIS M. KLAGES, 0582

THE FOLLOWING NAMED OFFICERS FOR REGULAR APPOINTMENT IN THE GRADES INDICATED IN THE UNITED STATES ARMY MEDICAL SERVICE CORPS UNDER TITLE 10, U.S.C., SECTIONS 531 AND 3064:

To be major

CONSTANCE A BELL, 9197
ROBERT C CONRAD, 2027
EMERY B FEHL, 9481
RICHARD GONZALES, 0770
VICKIE L TUTEN, 0451
HOBERT W WELLS III, 6570

To be captain

MICHAEL V ARNETT, 7676
DREW G BELNAP, 8778
JOHN H BODEN, 4619
MATTHEW A BORGMAN, 5952
ALEXANDER W BROWN, 7451
CRAIG M BUSH, 7034
MICHAEL S CAHILL, 6186
BRIAN J CARR, 1040
MATTHEW S CHAMBERS, 8084
STUART J COHEN, 3236
ROBERT J CORNFELD, 2938
CARLOS E CORREDOR, 1167
MARK S CRAIG, 5533
KEVIN M CRON, 8874
KEVIN L CUMMINGS, 3866
DAVID A DJURIC, 9829
PATRICK A GARLAND, 0493
ANDREW R GILBERT, 4070
WILLIAM P GORDON JR., 6041
KARA M HACK, 1835
JORDAN M HALL, 7651
BRANDON G HAMILTON, 1610
TRISTAN M HARRISON, 4358
NATHAN E HARTVIGSEN, 7715
CHRISTOPHER C HIGGINS, 3913
THOMAS N HOFFMANN, 3937
JOHN D HORTON, 1526
BRUCE L JAMES, 5202
BRYAN M JOHNSON, 5359
ERIK R JOHNSON, 0587
ANDREW KAGEL, 5249
THERESA A KEHL, 3918
MICHAEL J KILBOURNE, 7321
CAMILO Y KIM, 4424
EUGENE H KIM, 5615
ADRIAN T KRESS, 6819
MICHAEL J LICATA, 6479
JEFFREY R LIMJUCO, 5802
JEFFREY R LIVEZEY, 9137
ROMARIUS L LONGMIRE, 5774
ERIK S MANNINEN, 3834
ALEX J MCKINLAY, 2335
BRIAN C MCLEAN, 4711
MARCY MEYER, 5340
PAUL M MICHAUD, 7219
CHRISTOPHER S MURPHY, 2411
DAYNE M NELSON, 0065
PHU T NGUYEN, 0730
ROBERT L OAK, 9462
JOSHUA C PACKARD, 4381
JISOO PARK, 4435
JENNIFER H PERKINS, 6467
MICHAEL P PERKINS, 1194
NADER Z RABIE, 6339
HIPOLITO C REY, 9075
JAMIE C RIESBERG, 6324
JOSHUA S RITENOUR, 4919
THOMAS M ROUNTREE, 0586
DENNIS M SARMIENTO, 2998
DANIEL C SESSIONS, 6077
BENJAMIN H SMITH, 4010
DARREN C SPEARMAN, 4691
KAREN B TARM, 6526
DANIEL J TOLSON, 1842
CHRISTOPHER J TUCKER, 4995
AMY E VERTREES, 6279
DUVEL W WHITE, 1367
TODD A WICHMAN, 2598
SCOTT G WILLIAMS, 1802
AGNIESZKA O WOJCIEHOWSKI, 2589
DAVID A WONDERLICH, 1405
KIMBERLY J WONDERLICH, 2642

YANG XIA, 7580

THE FOLLOWING NAMED OFFICERS FOR REGULAR APPOINTMENT IN THE GRADES INDICATED IN THE UNITED STATES ARMY MEDICAL SPECIALIST CORPS UNDER TITLE 10, U.S.C., SECTIONS 531 AND 3064:

To be major

DANIEL G RENDEIRO, 1420

To be captain

ROGER J BANNON, 7474
WILLIAM J BOWMAN, 0979
RICHARD CAPO, 3781
MICHAEL J COOTE, 4323
GEORGE J DEVITA, 2353
MICHAEL E FRANCO, 7437
EDWARD A HAIRSTON, 1893
DANNY H HEIDENREICH, 8848
CYNTHIA A JONES, 1965
LARRY T LINDSAY, 1525
LARRY T LONG, 2154
ROBERTO E MARIN, 7674
GAIL L MAXWELL, 8150
MICHAEL K MCELHERAN, 1754
DONNA F MOULTRY, 7666
JAMES G PAIRMORE, 3880
DENIS L ROBERT, 5627
MARTIN P ROSE, 8821
RAYMOND A STERLING, 9866
RANDY B THOMAS, 2692
YUN Y UGAITAFA, 5841

To be first lieutenant

DIANE K PATTERSON, 6903

THE FOLLOWING NAMED OFFICERS FOR REGULAR APPOINTMENT IN THE GRADES INDICATED IN THE UNITED STATES ARMY NURSE CORPS UNDER TITLE 10, U.S.C., SECTIONS 531 AND 3064:

To be captain

MICHAEL T ENDRES, 5893
LISA G JACKSON, 8253
DETRA T JACKSONCONNER, 2983
ROBERT E LAJERET, 7451
TERRENCE M MARK, 7750
STACEY E NAPPERREED, 3736
ANGELA R REDMOND, 7516
EDITHA D RUIZ, 5215
ROBERT D SWINFORD, 0103
PHYLLIS R SYKES, 2168

To be first lieutenant

JAMES A CHERVONI, 4275

IN THE NAVY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be lieutenant commander

CRAIG L ABRAHAM, 0992
EDWARD C AGU, 8512
ROBIN M ALLEN, 3307
BRIAN J ANDERSON, 2812
MICHAEL V BENEDETTO, 0976
FERDINAND B BEREDO, 8740
ROGER L BILLINGS, 9236
RODNEY D BLEVINS, 4720
GEORGE E BRESNIHAN, 5837
CHAD E BUERMELE, 0094
JOHN A CARDILLO, 4423
JASON R CASSANO, 2060
EDWARD M CAVINS, 6195
JAMES CHEATHAM, 5754
KEVIN E CHESHURE, 4625
TODD R CHIPMAN, 9221
WILLIAM H CLARKE, 9016
DENNIS W CONNORS, 1785
SCOTT A DAVIS, 6709
BRENT L DESSING, 0579
KIRK B DIAL, 5260
STANLEY S DIMIRACK, 8851
FREDERICK M DINI, 8894
DEBBIE R DOLIC, 5898
PAMELA C DOZIER, 7808
MICHAEL A DUBE, 4154
JOHN S DUENAS, 1553
CHIPMAN S ELLIOTT, 3013
JOSEPH C ESPINO, 3939
JAMES G FABBY, 8553
JOSE L FELIZ, 9543
TERREL J FISHER, 0116
JASON B FITCH, 7648
KENNETH L FLAHERTY, 1234
PHILLIP K FRAME JR., 2248
NATASHA A GAMMON, 8866
MARK R GARRIGUS, 8554
EDMOND J GAWARAN, 9237
JAMES R S GAYTON, 3065
TONY V GILES, 5264
TRAVIS N GOODWIN, 8888
TROY M GRONBERG, 4655
ANTONIO B HARLEY, 5948
DOUGLAS W HAROLD, 5423
MICHAEL E HAVENS, 5433
TERENCE B HAYES, 4805
JULIE M HUNTER, 2105
JEFF T IHLENFIELD, 3899
MICHAEL N JEFFERSON, 2845
HOMER L JOHNSON JR., 3479
JAYSON E KIELAR, 6816
WALTER R LEAVY, 6940
WILLIAM N LI, 3611
JADON LINCOLN, 3449
JOHN S LUGO, 7901
DOUGLAS S MACKENZIE, 0092
ALEXANDER S MAITRE, 2989
JEFFERSON E MCCOLLUM, 7658
JOSEPH A MCGAHA, 6681
WILLIAM P MCKINLEY, 5090
GARY MILTON, 9264
THOMAS J NEVILLE III, 7650
COLIN J OBRIEN, 7761
ARVIS OWENS, 8191
ROBERT D PEREZ, 9466
CRAIG A RETZLAFF, 9160
MARK A REYES, 6896
WILLIAM M REYNOLDS, 8352
DAVID J RHONE, 6386
MARK C RICE, 7910
KIMBERLY C ROBERTSON, 5123
CHRISTOPHER M RODRIGUES, 8565
JOAQUIN A SANCHEZ, 5008
JOSE L SANCHEZ, 2248
TERRENCE SIMMONS, 3516
LANDON C SMITH JR., 5792
DONALD M STYER, 3454
JOHN G TENCER III, 1024
JOEL D M TIU, 8688
AARON S TRAVER, 7936
MILTON W TROY III, 8878
JAY S TUCKER, 2038
DENNIS J TURNER, 8244
MARCO A TURNER, 6748
DONALD C TYER, 4491
LEROY H WEBER, 4579
KEITH A WEIDENBACH, 1051
BRETT K WILCOX, 0253
ROBERT R WINTERS, 6130
CHRISTOPHER M WISE, 6055
JOSEPH P WOODS, 9732
SARAH L WRIGHT, 4386

IN THE ARMY

THE FOLLOWING ARMY NATIONAL GUARD OF THE UNITED STATES OFFICER FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be brigadier general

COL. FRANK R. CARLINI, 3070

THE JUDICIARY

JUAN R. SANCHEZ, OF PENNSYLVANIA, TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF PENNSYLVANIA, VICE JAY C. WALDMAN, DECEASED.

* * *

CONFIRMATIONS

Executive nominations confirmed by the Senate November 25, 2003:

DEPARTMENT OF HOMELAND SECURITY

MICHAEL J. GARCIA, OF NEW YORK, TO BE AN ASSISTANT SECRETARY OF HOMELAND SECURITY.

JAMES M. LOY, OF VIRGINIA, TO BE DEPUTY SECRETARY OF HOMELAND SECURITY.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSULTED COMMITTEE OF THE SENATE.

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. WILLIAN WELSER III

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be brigadier general

COLONEL PAUL F. CAPASSO
COLONEL FLOYD L. CARPENTER
COLONEL WILLIAM A. CHAMBERS
COLONEL PAUL A. DETTMER
COLONEL DAVID K. EDMONDS
COLONEL JACK B. EGGINTON
COLONEL DAVID J. EICHHORN
COLONEL DAVID W. EIDSAUNE
COLONEL BURTON M. FIELD
COLONEL ALFRED K. FLOWERS
COLONEL RANDAL D. FULLHART
COLONEL MARKE F. GIBSON
COLONEL ROBERT H. HOLMES
COLONEL STEPHEN L. HOOG
COLONEL LARRY D. JAMES
COLONEL RALPH J. JODICE II
COLONEL JAN MARC JOUAS
COLONEL JAY H. LINDELL
COLONEL KAY C. MCCLAIN
COLONEL ROBERT H. MCMAHON
COLONEL STEPHEN P. MUELLER
COLONEL WILLIAM J. REW
COLONEL KATHERINE E. ROBERTS
COLONEL KIP L. SELF
COLONEL MICHAEL A. SNODGRASS
COLONEL DAVID M. SNYDER
COLONEL LARRY O. SPENCER
COLONEL ROBERT P. STEEL
COLONEL THOMAS J. VERBECK
COLONEL JAMES A. WHITMORE
COLONEL BOBBY J. WILKES
COLONEL ROBERT M. WORLEY II

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be brigadier general

COL. STEPHEN L. LANNING

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be major general

BRIGADIER GENERAL ROBIN E. SCOTT

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. LARRY J. DODGEN

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. JOHN M. CURRAN

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be major general

BRIG. GEN. KEITH M. HUBER

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be major general

BRIG. GEN. DENNIS E. HARDY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADES INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be major general

BRIG. GEN. JAMES R. SHOLAR

To be brigadier general

COL. HENRY J. OSTERMANN

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be vice admiral

REAR ADM. WALTER B. MASSENBURG

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be rear admiral

REAR ADM. (LH) ROBERT E. COWLEY III
REAR ADM. (H) STEVEN W. MAAS

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be rear admiral (lower half)

CAPT. BRIAN G. BRANNMAN

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVAL RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

TO BE REAR ADMIRAL (LOWER HALF)

CAPT. RAYMOND K. ALEXANDER

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be rear admiral

REAR ADM. (LH) DONALD K. BULLARD
REAR ADM. (LH) ALBERT M. CALLAND III
REAR ADM. (LH) ROBERT T. CONWAY, JR.
REAR ADM. (LH) JOHN J. DONNELLY
REAR ADM. (LH) BRUCE B. ENGLEHARDT
REAR ADM. (LH) CHARLES S. HAMILTON II
REAR ADM. (LH) JOHN C. HARVEY, JR.

REAR ADM. (LH) CARLTON B. JEWETT
REAR ADM. (LH) MATTHEW G. MOFFIT
REAR ADM. (LH) MICHAEL P. NOWAKOWSKI
REAR ADM. (LH) HAROLD D. STARLING II
REAR ADM. (LH) JAMES STAVRIDIS
REAR ADM. (LH) MICHAEL C. TRACY
REAR ADM. (LH) JOHN J. WAICKWICZ

AIR FORCE NOMINATION OF GARY H. SHARP.

AIR FORCE NOMINATION OF JEFFREY N. LEKNES.

AIR FORCE NOMINATION OF SAMUEL B. ECHAURE.

AIR FORCE NOMINATIONS BEGINNING THOMAS E. JAHN AND ENDING RODNEY D. LEWIS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON OCTOBER 23, 2003.

AIR FORCE NOMINATIONS BEGINNING SAMUEL C. FIELDS AND ENDING KEVIN C. ZEECK, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON OCTOBER 23, 2003.

AIR FORCE NOMINATION OF ROBERT G. CATES III.

AIR FORCE NOMINATION OF MARY J. QUINN.

AIR FORCE NOMINATIONS BEGINNING CHRISTOPHER C. ERICKSON AND ENDING MARK A. MCCLAIN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON NOVEMBER 17, 2003.

ARMY NOMINATION OF LANCE A. BETROS.

ARMY NOMINATIONS BEGINNING THOMAS B. SWEENEY AND ENDING PAUL L. ZANGLIN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON OCTOBER 30, 2003.

ARMY NOMINATIONS BEGINNING JOHN D. MCGOWAN II AND ENDING KENNETH E. NETTLES, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON NOVEMBER 17, 2003.

ARMY NOMINATIONS BEGINNING VERNAL G. ANDERSON AND ENDING DONALD J. KERR, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON NOVEMBER 17, 2003.

ARMY NOMINATIONS BEGINNING GASTON P. BATHALON AND ENDING PAULA J. RUTAN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON NOVEMBER 17, 2003.

ARMY NOMINATION OF WILLIAM B. CARR, JR.

ARMY NOMINATIONS BEGINNING JOHN E. ATWOOD AND ENDING WILLIAM E. ZOESCH, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON NOVEMBER 17, 2003.

ARMY NOMINATIONS BEGINNING CHERYL KYLE AND ENDING TERRY C. WASHAM, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON NOVEMBER 17, 2003.

ARMY NOMINATIONS BEGINNING MICHAEL A. BULEY AND ENDING GARY M. ZAUCHA, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON NOVEMBER 17, 2003.

ARMY NOMINATION OF GARY R. MCMEEN.

COAST GUARD NOMINATIONS BEGINNING JEFFREY L. BUSCH AND ENDING JOHN S. WELCH, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON NOVEMBER 3, 2003.

COAST GUARD NOMINATIONS BEGINNING WILLIAM D. ADKINS AND ENDING MICHAEL S. ZIDIK, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON NOVEMBER 3, 2003.

MARINE CORPS NOMINATION OF MICHAEL S. NISLEY.

MARINE CORPS NOMINATIONS BEGINNING LEONARD HALIK III AND ENDING ERNEST R. HINES, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 11, 2003.

MARINE CORPS NOMINATION OF DAVID B. MOREY.

NAVY NOMINATION OF PATRICK J. MORAN.

NAVY NOMINATION OF LAWRENCE J. CHICK.

NAVY NOMINATION OF ROBERT E. VINCENT II.

NAVY NOMINATIONS BEGINNING RODNEY A BOLLING AND ENDING JAY S VIGNOLA, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON NOVEMBER 3, 2003.

PUBLIC HEALTH SERVICE NOMINATIONS BEGINNING VINCENT A. BERKLEY AND ENDING JAMES A. SYMS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON OCTOBER 2, 2003.

EXTENSIONS OF REMARKS

RECOGNIZING CHRISTOPHER STROUP FOR ACHIEVING THE RANK OF EAGLE SCOUT

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 25, 2003

Mr. GRAVES. Mr. Speaker, I proudly pause to recognize Christopher Stroup, a very special young man who has exemplified the finest qualities of citizenship and leadership by taking an active part in the Boy Scouts of America, Troop 247, and in earning the most prestigious award of Eagle Scout.

Christopher has been very active with his troop, participating in many scout activities. Over the twelve years Christopher has been involved with scouting, he has earned 33 merit badges and has held numerous leadership positions, serving as patrol leader and den chief. Christopher is also a member in the Order of the Arrow and the Tribe of Mic-O-Say.

For his Eagle Scout project, Christopher planned the design, obtained the needed materials, and constructed storage cabinets for the science department of Oak Park High School in the North Kansas City School District.

Mr. Speaker, I proudly ask you to join me in commending Christopher Stroup for his accomplishments with the Boy Scouts of America and for his efforts put forth in achieving the highest distinction of Eagle Scout.

CONFERENCE REPORT ON H.R. 1, MEDICARE PRESCRIPTION DRUG, IMPROVEMENT, AND MODERNIZATION ACT OF 2003

SPEECH OF

HON. DENNIS MOORE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 21, 2003

Mr. MOORE. Mr. Speaker, I rise today to oppose this legislation. This is a very difficult vote for me, as I have worked for years to add a prescription drug benefit to Medicare. I have had little more than 24 hours to examine this 676-page conference report, but what I know about H.R. 1 is this: seniors will pay dearly for a weak benefit that undermines their traditional Medicare benefits.

The benefit provided to seniors under H.R. 1 is very weak and does not even take effect until 2006. What insurance plan on earth, except one designed by Congress, would create a "donut hole" that is designed specifically to stop coverage for seniors when they need it? I believe that American seniors will rebel when they find out what Congress is offering them, especially if they compare it to the benefit that Members of Congress themselves receive. This conference report asks seniors to pay a monthly premium of $35, which is in addition to their existing Medicare premium ($66.60 per month in 2004). Additionally, seniors will pay the first $250 of their drug costs each year, after which Medicare would then start paying 75% of drug costs. But as seniors' drug costs increase, the benefit disappears. When total annual drug costs reach $2,250, government support would stop. Seniors would be responsible for the next $2,850 in drug costs. Only when their drug bill for the year reached $5,100 would Medicare begin paying 95% of all further costs.

This, Mr. Speaker, is the infamous "donut hole" into which thousands of unexpecting seniors will fall each year. In their effort to create legislation that seems to cover every senior, but actually does not, this legislation eliminates coverage when seniors need help paying for drugs. Even worse, this gap increases to over $5,000 by the year 2013.

Seniors will be angry—justifiably—when they begin to understand this donut hole and the deceptive nature of the drug benefit. They might ask why it is there. Some will answer that it was necessary in order to fit the benefit inside the $400 billion budget. This is true, but only because this legislation does not take any action to address the high cost of prescription drugs.

A more generous benefit could have been created for seniors had the Republican leadership chosen to take some action to increase the affordability of prescription drugs. Under the conference report, the Secretary of Health and Human Services is prohibited by law from leveraging the buying power of 40 million Medicare beneficiaries to get drugs at lower prices for Medicare, just as the Veterans Administration does for 25.8 million American veterans, including 252,791 veterans in Kansas. Secretary of HHS Tommy Thompson told me two days before the vote that he would gladly exercise authority to negotiate lower prices if he had it. But the bill specifically denied him that authority. Many people covered by insurance are able to get a better price due to the fact that they can band together and demand discounts from manufacturers.

Additionally, this conference report fails to allow seniors to reimport medicine from industrialized countries where drugs are significantly cheaper. This despite the fact that a majority of the House approved this concept in passing H.R. 2427, the Pharmaceutical Market Access Act, by a bipartisan vote of 243–186, on July 25, 2003. H.R. 1 contains a provision allowing Canada-only reimportation, but added a "poison pill" requiring the Secretary of HHS to certify reimportation—something that Secretary Thompson has repeatedly said he will not do. Americans should not have to travel to Canada to obtain reasonably priced drugs that in many cases were developed in part with U.S. tax dollars by U.S. companies and manufactured in U.S.-certified facilities. This policy would save American seniors significantly over the next ten years, and remove the unfair situation in which American seniors often pay double or even more for the same drugs than seniors in other industrialized nations.

The legislation includes several other objectionable provisions. The provisions allowing for premium support will undermine the Medicare program. Although promoted as a "demonstration," up to 7 million beneficiaries could be forced to participate starting in 2010. Under premium support, private plans will be allowed to offer health and drug benefits to attract low-cost young and healthy seniors from Medicare, leaving older and sicker seniors behind. The seniors left in Medicare will see their costs rise, forcing more seniors out of the program. This is called by some the "Medicare death spiral," and it is proof that the conference report puts the profits of pharmaceutical and insurance companies ahead of the needs of our seniors and the disabled.

The H.R. 1 conference report contains drastic cuts to our nation's cancer care system. This legislation will deprive America's cancer care system of $1 billion a year. A cut like this will be devastating to cancer care. If this happens, many cancer centers will close, others will have to admit fewer patients, and still others will lay off oncology nurses and other critical support staff. Legislation intended to increase access to prescription drug coverage will do the opposite for cancer patients, reducing their ability to get needed cancer care.

Mr. Speaker, today I am forced to vote against this flawed bill, despite the fact that this legislation includes important payment increases for Medicare providers. I regret that these needed payments were included in this legislation in order to build support for this inadequate benefit. I have long supported adequate funding for Medicare providers in Kansas, and I have supported legislation in this Congress and previous Congresses that would erase the cuts approved in the 1997 Balanced Budget Act. Additionally, I signed as a cosponsor of H.R. 3549, introduced by Rep. Baron Hill, legislation that would provide payment increases for doctors, hospitals, home health providers and others who need and deserve adequate Medicare payments. These provisions were included in the larger H.R. 1 and should be enacted now, separately.

If this legislation, despite its great flaws and incomplete benefit, is signed into law, I will continue to fight for needed changes. And I will do all that I can to ensure that the Medicare prescription drug benefit represents what seniors need and expect.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

INTRODUCTION OF H. CON. RES. 330

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 25, 2003

Mr. LANTOS. Mr. Speaker, yesterday my good friend from Connecticut, Rep. CHRISTOPHER SHAYS, and I introduced H. Con. Res. 330, The International Human Rights Equality Act. I would like to specially thank my good friend from Massachusetts, Rep. BARNEY FRANK, and my good friend from Ohio, Rep. DENNIS KUCINICH, for their support at our press conference yesterday on the occasion of the introduction.

Our landmark legislation shines a bright light on one of the most underreported and unrecognized areas of egregious human rights violations, the international persecution of individuals based on their real or perceived sexual or gender identity.

Supported by 44 of our colleagues, we believe very strongly that we must send a clear message that gay, lesbian, bisexual and transgendered people must be treated with the same dignity and respect as every human being, and not with hatred and violence that they face in all too many places in the world.

Ongoing persecutions against the LGBT community include arbitrary arrests, rape, torture, imprisonment, extortion, and even extra judicial executions.

The scope of these human rights violations is staggering, and for the victims, there are few avenues for relief. Some countries create an atmosphere of impunity for rapists and murderers of gays and lesbians by failing to prosecute or even to investigate violence targeted at these individuals because of their sexual orientation. Not only do some countries refuse to sanction these abuses, but often, agents of the State perpetrate them. And believe it or not, at the outset of the 21st Century there are still countries that advocate the death penalty for people who are gay, lesbian, bisexual or transgendered.

We simply cannot ignore the number and frequency of such grievous crimes any longer. As our legislation makes clear, the international community has long established a legal framework for the protection of international human rights, based on the individual human being. The world community voluntarily agreed upon these legal instruments, and we have to demand vigorously that the parties to those treaties fulfill their obligations. We must demand that all countries obey international norms, particularly those countries that have become a party to international human rights treaties. None of these instruments, which are the foundation for a peaceful and civilized world community, exempt anybody from the protection of their human rights because of gender, race, origin or age, and most certainly there are no exceptions from full protection on the basis of sexual orientation or gender identity.

Our legislation urges the Administration to develop a new strategy in our foreign policy to directly combat these outrageous violations, and tear away the veil of silence or ignorance on those tragic developments all over the world, which have a devastating impact on the lives of each individual affected.

Our Resolution details just a few examples of violence against gay, lesbian, bisexual and transgendered individuals in countries as wide ranging as Mexico, Egypt, Saudi Arabia, Uganda, Uzbekistan, Nepal, among others.

My colleagues and I are committed to protecting human rights wherever they come under attack. I will work hard to create a broad bipartisan coalition to support this legislation in this Congress and beyond.

Our legislation has the wide support of the human rights community, and I would particularly like to thank Amnesty International, the Human Rights Campaign, Human Rights Watch and the International Gay and Lesbian Human Rights Commission, as well as National Latina/o Lesbian, Gay, Bisexual & Transgender Organization (LLEGÓ), for their input and support.

TRIBUTE TO MAYOR JAMES RAINWATER

HON. JACK KINGSTON

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 25, 2003

Mr. KINGSTON. Mr. Speaker, it is with a solemn heart that I take this opportunity to pay tribute to the life of James Rainwater, mayor of Valdosta, GA, who passed away recently at the age of 62. James is survived by his two daughters, a son-in-law and two grandchildren: Jamie Rainwater, Michael and Robin Woodruff, Blake and Jarred Woodruff.

Jimmy Rainwater began his political career as a councilman in 1986 before he took the Mayor's seat two years later. With nearly 16 years in office, Jimmy Rainwater served as Valdosta's Mayor longer than anyone in the city's past. When he entered the office of Mayor, he addressed and solved many problems that were plaguing the city, from poor quality drinking water to slow growth of industry to the low morale of the city employees and departments. From 1988 to 2003, Mayor Rainwater saw Valdosta grow to become home of Valdosta State University and achieve metropolitan status. He helped save Moody Air Force Base from closing and saw the accreditation of the police and fire departments.

Jimmy Rainwater wasn't just a mayor in the traditional sense of an official who presides over City Council and attends to the business of the city. He was devoted to these tasks. He rarely missed a council meeting. He often worked the phones and personally visited people to get things done. But there was more to his tenure as mayor than just attending to the business of the city.

Jimmy Rainwater seemed to attend almost everything. Wearing a pair of his many cowboy boots, he was a familiar figure at business grand openings and ground breakings, in the newspaper and on local television, in neighborhoods and community events, at banquets, dinners and suppers, charity balls and organizational fundraisers. He presented awards and proclamations, attended funerals and retirements, church services and military changes of command.

Mr. Speaker, Jimmy Rainwater was a fine American leader who will be sorely missed. It is my honor to rise and pay tribute to Jimmy Rainwater.

CONTRIBUTIONS OF JACK AND ELEANOR BUELL

HON. C.L. "BUTCH" OTTER

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 25, 2003

Mr. OTTER. Mr. Speaker, I rise today to honor the contributions of Jack and Eleanor Buell of St. Maries, Idaho, to the 2003 Capitol Holiday Tree. For the first time in history, Idaho has the distinct honor of supplying the nation's Christmas tree. The magnificent Engelmann spruce was harvested from the Boise National Forest, visited 53 Idaho communities, and now is on its way to the Capitol. This historic journey was made possible by the tremendous generosity of Jack and Eleanor Buell. Owners of Buell Trucking, they donated the truck, custom-made trailer and driver for the Capitol Holiday Tree and the 70 companion trees that will be displayed throughout Washington, DC. This has been a wonderful gesture of volunteerism by Jack and Eleanor, and it is indicative of the way they live. Jack is a long-time Commissioner in Benewah County, where he and Eleanor have given to their community and the State of Idaho time and again. The citizens of St. Maries, Benewah County, and the State of Idaho have for years owed a debt of gratitude to Jack and Eleanor Buell. Mr. Speaker, for their efforts to make the Capitol Holiday Tree possible, the nation owes them our thanks as well.

INCREASING THE WAIVER REQUIREMENT FOR CERTAIN LOCAL MATCHING REQUIREMENTS TO AMERICAN SAMOA, GUAM, THE VIRGIN ISLANDS, OR THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS

SPEECH OF

HON. MADELEINE Z. BORDALLO

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 18, 2003

Ms. BORDALLO. Mr. Speaker, I rise today to express my support for this legislation. As has been stated, this legislation would provide needed relief to Guam, American Samoa, the U.S. Virgin Islands, and the Commonwealth of the Northern Mariana Islands by increasing the matching waiver requirement for federal grants. The House's passage of this bill today would be timely given the fact that our territorial governments continue to face declining revenues.

The difficult economic conditions in the territories make it particularly challenging for us to access federal grants, given the matching requirements and the current inflexibility in waiving these requirements.

I am pleased this legislation not only increases the waiver requirement from the current threshold of two hundred thousand dollars to five hundred thousand dollars, but it also clarifies that this waiver requirement applies across the board—to all federal agencies and departments—and not just for grants administered by the Department of the Interior.

While this legislation seeks to correct this inconsistency in the application of law, I remain concerned about another inconsistency. I am aware of conflicting and varying application of the waiver requirement among federal agencies and departments with respect to the grant recipient. The non-profit organizations in the territories fulfill a significant role in our communities. Nonprofits help meet the needs of the homeless, the disadvantaged, and those whose lives are buffeted by tough economic times. Their work is often supported by federal grants. Without such federal assistance, the non-profit organizations in the territories would struggle to meet their missions and most would not be able to maintain the current level of assistance to our communities.

On Guam alone, we have a sizable non-profit community. Organizations like Guma Mami, Erica's House, Catholic Social Services, and Sanctuary all work for example to help the needy, shelter and clothe the homeless, and provide services to at-risk youth. Others like the Manenngon Foundation and Pa'a Taotao Tano work to preserve our Chamorro culture. Given their limited resources and the matching fund requirements, their access to federal funding is critical to their success.

Therefore, I remain hopeful that federal agencies will apply the waiver not just to grants awarded to the territorial governments, but also to non-profit organizations and other eligible nongovernmental entities in the territories.

Furthermore, while I recognize that current law, for good reason, allows any federal agency or department to consolidate grants to the territories, I would hope that this authority would not be used to reduce the number of grants that would otherwise be subject to the matching waiver requirement. Federal agencies should not consolidate grants to escape the full application of the matching waiver requirement, or to reduce the waiver's impact on what would otherwise be separate grant awards. This is the intent of the authors of this bill. This has specific application to Guam, where disaster public assistance grants to separate Government of Guam agencies should each receive the waiver of the local matching funds that are required for their individual disaster assistance, rather than one waiver for the whole Government of Guam for all public assistance grants.

This legislation will also require the Secretary of the Interior to study and report on its implementation. I trust that, if enacted, the Secretary will pay particular attention to these concerns and that the report will address the application of the waiver with respect to non-profit organizations and the consolidation authority.

This legislation is important for the economic development of the territories because it will make access to federal grants easier for cash-strapped governments.

I want to recognize the hard work and valuable contributions that my predecessor, Robert Underwood, made on this issue. Mr. Underwood worked alongside our colleague from American Samoa, Mr. FALEOMAVAEGA, in crafting this legislation in the 107th Congress. Although the bill was reported out of the Committee on Resources last year, it unfortunately did not make it to the floor.

I am grateful we have reached that point in the process today and I look forward to timely consideration in the other body. I want to commend my colleague from American Samoa, ENI FALEOMAVAEGA, for his persistence in promoting the interests of the territories and in particular for his introduction of this legislation. I also want to recognize the contributions of Congresswoman DONNA CHRISTENSEN from the U.S. Virgin Islands on this bill. This has been a unified effort by the Delegates from the insular areas. Finally, I want to thank Chairman RICHARD POMBO and Ranking Member NICK RAHALL for their help in moving this legislation. The territories have benefited from their leadership in the Resources Committee.

INTEREST GROUPS RALLY TO SUPPORT H. CON. RES. 330

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 25, 2003

Mr. LANTOS. Mr. Speaker, my friend and distinguished colleague from Connecticut, Rep. CHRISTOPHER SHAYS, and I recently introduced H. Con. Res. 330. On the occasion of the introduction of our bill, we were joined by several important representatives from the NGO community, who eloquently expressed the wide support our legislation has already received. I would like to include their outstanding statements at this point in the CONGRESSIONAL RECORD, with my deepest gratitude for their support and advice.

STATEMENT BY MICHAEL HEFLIN, DIRECTOR, AMNESTY INTERNATIONAL USA OUTFRONT PROGRAM

On behalf of Amnesty International I would like to commend Congressmen Tom Lantos and Christopher Shays for their strong leadership on this issue as well as the more than forty other members of Congress who have agreed to be original co-sponsors of this historic resolution. Amnesty International and other human rights organizations have documented the widespread abuse of the fundamental human rights of lesbian, gay, bisexual and transgender people throughout the world. These abuses include the imprisonment, torture and in some cases killing of lesbian, gay, bisexual and transgender people by their own governments. Some 70 countries still criminalize homosexuality. Sentences for conviction under these statutes vary, but often include lengthy jail sentences and in some cases include torture or even imposition of the death penalty as a legally sanctioned punishment. As we sit here this morning, there are many who sit in jail cells and face the prospect of torture simply because of their sexual orientation or gender identity. In Egypt, for example, over the past two years, Amnesty International and other human rights groups have documented the arrest of over 100 men simply on the basis of their alleged sexual orientation. Ironically, Egypt is one the few countries in the Middle East that does not explicitly outlaw homosexuality but has charged the men under a vaguely worded law prohibiting "habitual debauchery." Many of these men report having been brutally tortured while imprisoned. We also believe this number is only the tip of the iceberg and there are probably many cases that we have not yet documented. Of those arrested, some have now been freed but the arrests continue. At this moment, Amnesty considers at least 15 men in Egyptian prisons to be "prisoners of conscience" in jail solely on the basis of their alleged sexual orientation. Egypt is not alone and similar arrests have also been made in many other countries in recent years including Malaysia, Uganda, Uzbekistan, and Saudi Arabia, just to name a few. Even when not criminalized, discrimination and violence against lesbian, gay, bisexual, and transgender people by both governmental authorities and civilians remains widespread throughout much of the world. Too often states fail to hold the perpetrators of such violence accountable, creating a climate of impunity—in violation of international human rights standards that require states to protect the human rights of all of their citizens. In recent years, Amnesty International has documented patterns of violence including murder and physical assault, particularly targeted against transgender people and gay men in a number of countries, including for example, Honduras, Guatemala, and Ecuador. In many of these cases the police were complicit or did nothing to investigate these crimes or hold those responsible accountable. Lesbians often face a double layer of discrimination and abuse resulting from both their gender and their sexual orientation. These violations are often particularly difficult to document because they most often occur in the community and the family, but include forced marriage and sometimes even rape employed as a method to cure lesbians of their deviant sexuality. The United States has not been a leader either at home or abroad in advancing lesbian, gay, bisexual and transgender human rights. While this resolution recognizes the need to continue to make progress in this country toward the full recognition of the basic human rights of lesbian, gay, bisexual and transgender people, it also spells out the U.S. government's obligation to combat human rights violations against lesbian, gay, bisexual and transgender people around the world. Despite the U.S. government's overall lack of leadership on these issues, some progress is being made. Over the last few years the State Department has begun to document some of these abuses in its annual reports. We hope that this resolution will encourage the State Department to continue to make improvements in its documentation of lesbian, gay, bisexual, and transgender rights abuses around the world. We also believe much more can and must be done by the U.S. government if it is to play a leadership role in protecting global lesbian, gay, bisexual and transgender human rights. Through this resolution, we are calling for the U.S. government to develop a comprehensive strategy for combating these abuses. This strategy must include the U.S. government's taking a positive and proactive position in favor of lesbian, gay, bisexual and transgender human rights when these issues are discussed and debated in international forums. It is only through adoption of the recommendations of this resolution, including development of such a comprehensive strategy, that the U.S. government can begin to fulfill its obligations under international human rights standards to advance the human rights of all people.

STATEMENT BY CHRISTOPHER LABONTE, DEPUTY DIRECTOR FOR LEGISLATION, HUMAN RIGHTS CAMPAIGN

Good Morning. It has often been said that with great power comes great responsibility. As one of the most fortunate and powerful countries on the planet, the United States has a tremendous responsibility to speak out and protect those who may not be able to protect themselves. It's sad to say that there are currently 80 countries within our global village that have enforceable laws against GLBT people, many resulting in inhumane punishment including imprisonment, torture and even execution. In many of those countries—Saudi Arabia, Yemen, Mauritania and Iran—GLBT people face possible execution simply because of who they are, and who they love. Today, the Human Rights Campaign is proud to stand shoulder to shoulder with our friends Representative Tom Lantos and Representative Christopher Shays, who have introduced a resolution condemning all violations of internationally recognized human rights norms based on the real or perceived sexual orientation or gender identity of an individual. The resolution also recognizes that the protection of sexual orientation and gender identity is not a special category of human rights, but is fully embedded in the overall human rights norms set forth in international law. Finally, the resolution calls on the Department of State to improve its own documentation of human rights abuses on the basis of sexual orientation and gender identity, to give these violations the same consideration as other human rights abuses and to develop a comprehensive strategy to combat such abuses abroad. This nation was founded on the principle that all people were created equal and had the same right to life, liberty and the pursuit of happiness. When we speak out as a nation against the torture, violence and cruelty that plague so many of the world's GLBT people, we are fulfilling the truest vision of our nation. At the Human Rights Campaign, we look forward to a day when resolutions like this will not be necessary—when the world's GLBT people will be free to live their lives openly and honestly, as any other citizen of the world does. In the meantime, we hope that Congress will act to adopt this important resolution to take a stand against the violent mistreatment that GLBT people face within our global community. Thank you very much.

RECOGNIZING THE GRUNDY COUNTY COURTHOUSE FOR THEIR 100TH ANNIVERSARY

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 25, 2003

Mr. GRAVES. Mr. Speaker, I proudly pause to recognize the 100th Anniversary of the Grundy County Courthouse in Trenton, Missouri.

In 1901, county officials secured $60,000 to build a new courthouse and jail. Plans were laid out and the building was erected at the same location as the original courthouse, built in 1840. In December 1903, the Cornerstone Ceremony marked the completion of the Courthouse. The building has stood for 100 years as the Grundy County temple of justice. There have been nine judges that have served the Grundy County Circuit Court since the courthouse opened in 1903.

On December 19, 2003, county officials will open a time capsule, placed in the cornerstone in 1903. These artifacts will tell of the county forefathers and leaders of the community. A new time capsule will be placed in the courthouse yard to commemorate the 100th Anniversary and to mark this momentous occasion.

Mr. Speaker, I proudly ask you to join me in recognizing the Grundy County Courthouse in Trenton, Missouri, for their 100th Anniversary and for their many contributions to the 6th District and the State of Missouri.

H.R. 6—CONFERENCE REPORT

HON. DENNIS MOORE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 25, 2003

Mr. MOORE. Mr. Speaker, while I voted for the conference report on the omnibus energy bill, H.R. 6, the final version of this bill is far from perfect. We need a comprehensive energy policy that increases our national security by decreasing our dependence on foreign oil and improving public health and the condition of our environment by promoting clean, renewable energy sources and energy efficiency technologies.

I voted for the conference report for H.R. 6 because it: excluded drilling for oil and gas in Alaska's Arctic National Wildlife Refuge; mandated more than doubling the use of renewable fuels in gasoline, primarily ethanol, to 5 billion gallons a year by 2012; allowed the Federal Energy Regulatory Commission, FERC, to establish a nationwide electricity reliability standard for power companies to help balance supply and demand in the power grid; and included H.R. 1331, legislation I have introduced the past three Congresses to reduce our country's dependence on foreign oil and reduce natural gas bills by extending a tax credit for production of unconventional fuels. This is of special interest to Kansas. Eastern Kansas has one of the nation's bigger reserves of coal bed methane, possibly two-thirds the size of the Hugoton gas field in southwest Kansas, the nation's largest.

The ethanol provisions in the conference report are estimated to create an estimated $51 billion in new farm income by 2012, adding as much as 30 cents per bushel to the value of corn. This increase in the value of corn, soybeans and other feedstock will reduce the need for farm payments by an estimated $5.9 billion by 2012. The ethanol provision functions as a rural economic stimulus package by creating the need for $5.3 billion in new investment for renewable fuel production facilities in rural America, including Garnett, Kansas. The Renewable Fuel Standard is estimated to create 214,000 new U.S. jobs, mostly in rural America.

Though I wish it did even more, the conference report does encourage the increased use of renewable energy sources such as wind and biomass through tax incentives. The conference report encourages a diversified portfolio for America's energy resource needs including traditional oil and gas, nuclear, and renewable energy like ethanol, biodiesel, wind, hydropower, and biomass. Over the long-term, renewable energy especially will be a huge asset to American agriculture and rural development.

Our founding fathers made compromise one of the most important tools to the legislative process. Compromise is sometimes frustrating. And though I voted for the conference report for H.R. 6, there are several provisions I do not support. One of the most disconcerting is a provision that lets the companies that created and produced the gasoline additive MTBE off the hook for contaminating groundwater. Now, state and local taxpayers will pay cleanup costs for many contaminated sites. The bill nullifies lawsuits by cities, states and others filed on or after September 5, 2003, seeking compensation for contamination of groundwater by MTBE. In the same vein under this bill, taxpayers, rather than polluters, will pay up to $2 billion to clean up leaking underground storage tanks containing gasoline and other toxic chemicals even at sites where viable responsible parties are identifiable.

This bill also authorizes a $1.1 billion nuclear reactor in Idaho, with a potential exemption from normal federal project management rules, to demonstrate hydrogen production technologies that are not projected to be cost justified. It also repeals the Public Utility Holding Company Act, the primary statute that protects consumers from market manipulation and economic concentration in the electricity sector.

Our nation needs to have comprehensive energy legislation enacted into law. Doing so is essential to economic recovery, job creation and environmental protection, as we rebuild our economy while continuing to improve air quality. We have paid for the lack of a balanced energy policy with blackouts and job losses that occurred when natural gas prices doubled. The conference report for H.R. 6 is a good start in easing that pressure by ensuring that fuel diversity remains at the core of U.S. energy policy. As a country, we still need to have a meaningful dialogue to find ways to combat global warming, increase vehicle fuel efficiency and reduce U.S. oil consumption. Although I voted for this legislation, I will continue to fight to ensure environmental protections are not an afterthought in addressing our energy needs.

PROFILE IN LEADERSHIP

HON. JACK KINGSTON

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 25, 2003

Mr. KINGSTON. Mr. Speaker, it is an honor to stand here today and pay tribute to one of Georgia's truly outstanding citizens. I would like to recognize William Megathlin's contribution to society by presenting this article to the rest of Congress.

[From "Compass", Summer 2003]

PROFILE IN LEADERSHIP—WILLIAM L. MEGATHLIN

Bill Megathlin briefly stretches his lanky frame behind his office desk, pulling his trademark suspenders taut for a moment, then leans forward, making his visitor feel at home. The assistant to the president for strategic initiatives is uncomfortable talking about his leadership skills but not averse to giving a bit of background information.

A native of Miami, Megathlin earned his bachelor's degree in psychology from Presbyterian College in Clinton, South Carolina. He went on for a master's degree and a doctorate in counseling at the University of Georgia.

His doctoral dissertation focused on training correctional officers at the Atlanta Federal Penitentiary in basic communication skills to better influence inmate behavior. The study, funded by a grant from the Federal Bureau of Prisons, demonstrated such a positive effect on officers and inmates alike that the training method was adopted by other federal and state institutions.

Megathlin launched his academic career at Mississippi State University as an assistant professor of counselor education. During his tenure at MSU, he also worked as a consultant with state and federal criminal Justice agencies.

Though he enjoyed preparing college students to become effective counselors, his heart was in corrections and law enforcement. So when he was offered a position in the highly regarded Department of Criminal Justice at Sam Houston State University, he and his wife Carol were off to Huntsville, Texas.

In 1971, Megathlin's brother John, suffered a serious head injury in an automobile accident outside Metter. So severe were his injuries that he was rushed to Memorial Hospital in Savannah. Bill and Carol drove through the night to Savannah after hearing of the accident. They spent a few days visiting John in the hospital. John eventually made a complete recovery and the Megathlins spent some time exploring Savannah. They were intrigued.

While in the city, Megathlin visited Armstrong State College. He discovered that a new criminal justice program was in the process of being established under the leadership of Jim Witt. A few letters, phone calls, and an interview later, Megathlin was hired as one of two new professors in the fledgling program. Several years later, when Witt took a sabbatical, Megathlin was tapped to serve as interim chairman of the department.

"In those days," Megathlin recalls, "there were large numbers of students pursuing criminal justice degrees, and local and state agencies were hungering for involvement with the university and for the opportunity to work with students and faculty. They were anxious to reach out to academics to help them address some of their challenges. That was very attractive.

"It was a great time for me professionally. Career-wise, I got more involved with administrative responsibilities."

When former president Robert A. Burnett arrived, he combined the departments of criminal justice and political science into the Department of Government under Megathlin.

"Bob Burnett was good for the university and for me," Megathlin said. "He was one of those people involved in the business of administration who makes it a team effort. Over the years, I've been fortunate to work with people who make me look good."

When former vice-president Frank A. Butler created a division of academic and enrollment services, he named Megathlin as dean to spearhead the reorganization.

Contacted at his Atlanta office, Butler, now vice chancellor of the University System of Georgia's Office of Academics, Faculty, and Student Affairs said, "We were able to create a good climate for student enrollment thanks to Bill. He was a major part of the idea creating cadre."

Butler gives Megathlin much of the credit for increasing the college's enrollment past the 3,000 mark in the late '80's. "He doesn't make things take forever," Butler said. "He cuts to the chase and gets results."

Over time, new functions were added to the academic and enrollment division that didn't always form a neat fit, but Megathlin found ways to make them work. In the process, he was in position to influence many aspects of the growing university.

With the arrival of President Thomas Z. Jones, Megathlin again found himself in the middle of reorganization. To help move his vision for the university forward, Jones asked Megathlin to become his assistant for strategic initiatives.

In his new role, Megathlin can often be found in Atlanta, making AASU's case to legislators and regents for buildings such as University Hall, the Science Center, the future academic building, and the planned renovation of the Lane Library.

Forrest Lott, principle in Lott + Barber Architects, has worked with Megathlin on the construction of University Hall and the Science Center, as well as on the refurbishing of Solms and Hawes halls. "One of the things about Bill," Lott said, "is that he recognizes the skills and abilities of each of the team members and relies on them to do their part. He doesn't try to be the architect . . . That gets everyone pulling in the right direction." Lott was impressed by Megathlin's professionalism. "Whenever there was an issue related to any of the projects we worked with him on, he made it go away instantly," the architect said.

Megathlin also serves as the link to Georgia's leadership structure. "It is important that the state's leaders know what Armstrong Atlantic is all about," he explained. "To his credit, the president has made that a high priority for the university."

State Senator Eric Johnson has known Megathlin for fifteen years and has worked with him in the legislature on educational issues affecting AASU and the First District. Mention the educator and words like "gentleman" and "integrity" immediately slip into the legislator's conversation. Johnson summed up his observations by saying, "When Bills asks for something, you know it's important and you know it's been prioritized. He always knows what is reasonable and possible."

Megathlin doesn't talk much about his personal leadership style, but he did volunteer this: "You have to make things happen and not just wait for them to happen. That's probably the key to leadership."

TRIBUTE TO ROGER MADSEN

HON. C.L. "BUTCH" OTTER

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 25, 2003

Mr. OTTER. Mr. Speaker, I rise today to bring to the attention of the House an individual who is truly a servant of the people, a man who I am honored to call my friend and a person I had the benefit of working with while he served in the Idaho State Senate and as a gubernatorial appointee. Almost nine years ago, Roger Madsen was named director of the Idaho Department of Labor. In that capacity, we worked closely on Idaho's Workforce Development Cabinet and later created Idaho's Workforce Development Council. With Roger's dedication and vision, Idaho has been recognized as a leader in workforce development at the national level. This year, the National Association of State Workforce Agencies presented Director Madsen with its 2003 President's Award. The award may be given to an organization or individual to recognize extraordinary service to America's workforce development system. Roger's commitment to the workforce system in Idaho is commendable, and we are truly fortunate to have someone of his caliber dedicate his life to public service. His integrity, innovation and devotion to his work and the people of Idaho set a high standard for excellence. He has become an invaluable asset for our state, and an example of selflessness that all of us would do well to emulate. I want to take this opportunity to personally thank Roger for all he has done for Idaho and its citizens.

CELEBRATING THE 65TH ANNIVERSARY OF CALVO'S INSURANCE, AND ITS IMPORTANT CONTRIBUTION TO THE DEVELOPMENT OF GUAM

HON. MADELEINE Z. BORDALLO

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 25, 2003

Ms. BORDALLO. Mr. Speaker, I rise today to congratulate the Calvo family of Guam as they celebrate the 65th anniversary of Calvo's Insurance. The name Calvo has long been synonymous with integrity, austerity, leadership, service to community, and entrepreneurial spirit. As a locally-owned small business, Calvo Enterprises has grown by never losing touch with its consumer base in Guam and constantly updating its business model to accommodate the ever-changing nature of commerce and society in Guam.

In 1938, Calvo's Insurance founder Eduardo "Jake" Calvo began selling fire and typhoon policies out of his home in Hagatna. A banker by trade, Jake Calvo built upon his rapport with the local community in securing the trust of insurance policy holders throughout Guam. By forging personal relationships with clients and exemplifying the importance of delivering meaningful products to the people of Guam, Calvo's Insurance has grown to become one of the most important and recognized companies in Guam.

The legacy of Jake Calvo has endured nearly four decades since his passing. In succeeding him, Jake Calvo's three sons, Paul M. Calvo, Edward M. Calvo and Thomas J. M. Calvo, carefully maintained the business standards of their father. Today, Calvo's Insurance is Guam's oldest and largest insurance agency.

I would be remiss not to mention that Paul M. Calvo also served as Governor of Guam from 1979–1983 and helped develop a successful formula for economic growth in Guam.

He subsequently incorporated this experience in helping to develop an astute and forward-thinking business model for the family business. Now known as Calvo Enterprises, the Calvo family has diversified its positions in Guam's business sector, operating successful small businesses in local media, distributorships, restaurants, real estate, and retail.

I also want to take this time to congratulate the current General Manager of Calvo's Insurance, Paul Calvo, on this momentous anniversary. Exemplifying the spirit of his late grandfather, Paul began as an underwriter for the family business and worked his way up through administrative and management positions before being placed in charge of the day-to-day activities of Calvo's Insurance. His leadership in the wake of Supertyphoons Chata'an and Pongsona in 2002 was crucial to the prompt dispatch of insurance adjusters and subsequent processing of insurance claims throughout Guam.

To Calvo Enterprises and the entire Calvo family, congratulations! Thank you for your many years of leadership in the local business community, and I wish you continued success.

EVEN MORE GROUPS RALLY TO SUPPORT H. CON. RES. 330

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 25, 2003

Mr. LANTOS. Mr. Speaker, H. Con. Res. 330, the International Human Rights Equality Act, addresses one of the most underreported areas of human rights violations, the persecution of an individual solely on the basis of sexual orientation or gender identity.

At our recent press conference, Martin Ornelas-Quintero, Executive Director, of the National Latina/o Lesbian, Gay, Bisexual and Transgender Organization, eloquently highlighted the global prevalence of these violations. I ask that his statement be included at this point in the CONGRESSIONAL RECORD.

STATEMENT BY MARTN ORNELAS-QUINTERO, EXECUTIVE DIRECTOR, THE NATIONAL LATINA/O LESBIAN, GAY, BISEXUAL & TRANSGENDER ORGANIZATION (LLEGÓ)

Good morning. I want to thank Congressman Lantos and resolution co-sponsor Congressman Shays for their work, and also all the human rights organizations here today that stand together in support of this important resolution. My name is Martín Ornelas-Quintero, executive director of LLEGÓ, the National Latina/o Lesbian, Gay, Bisexual and Transgender organization. I would like to read an excerpt from a letter sent by LLEGÓ to the honorable Richard Maduro, president of Honduras in September of this year

In the city of San Pedro Sula, the lesbian, gay, bisexual, transgender and transsexual community is confronting persecution, harassment, mistreatment and humiliation because of this attempt to defend the human rights of other LGBTT community members. Specifically, we wanted to bring attention to the case of La China.

La China, born as Elkyn Suarez—along with the LGBTT community members, demands that the police of San Pedro Sula begin to conduct more exhaustive investigations into the deaths of members of the LGBTT community so that these murders do not go unpunished, as they have in the past.

Ms. Suarez was a witness to the murder of David Yanez and has served as a witness for the state during the prosecution case. Under international scrutiny, Elkyn has maintained her composure and courage to confront representatives of the police force who, instead of protecting the citizens of San Pedro Sula, have violated their promise to protect the law and have become criminals themselves. –We are aware that the Honduran government has measures at their disposal to protect witnesses in criminal cases. We in the international community want to make sure these measures are available for all inhabitants of Honduras with regard to their sexual orientation or gender identity.

We make a call to the community to support and bring attention to this case and the need for the Honduran government to protect all of its citizens. We are aware that in the case of La China Suarez, the police offered its protection for a limited time and have withdrawn it. Given the threatening conditions the LGBTT community of San Pedro Sula lives in every day, we want to emphasize the necessity for this protection to continue until all the individuals related to the case are found and judged. Our greatest concern at the moment is the life of Ms. Suarez, and we would appreciate support and assistance in facilitating her protection" (Letter to Honorable Licenciado Ricardo Maduro, Presidente de la República, y la Honorable Aguas Ocaña Navarro, Primera Dama de Honduras, dated September 15, 2003).

Ms. Suarez, a Honduran transgender woman, witnessed the murder of another transgender woman by two police officers. After testifying against the men, Ms. Suarez was reluctantly given witness protection. Unfortunately, Ms. Suarez, who was unemployed at the time, had to find money not only for her own food and shelter needs, but had to feed and provide lodging for her "protectors." The two police officer, although accused and charged, "miraculously" slipped out of police custody. Also, "miraculously," witness protection services for Ms. Suarez were curtailed. Finding her life in danger, she fled—with the help of Amnesty International and LLEGÓ—to Guatemala. There, the paramilitary tried to kill her. Again, with assistance from Amnesty and LLEGÓ, she fled to the Netherlands, where she today waits to be granted asylum. This is just one example of the dangers LGBTT people face everyday all over the world. We cannot sit idly while our brothers and sisters are being harassed, tortured and murdered often for simply being who they are. This is why we applaud and wholeheartedly endorse the resolution introduced today by Congressman Tom Lantos and Congressman Christopher Shays."

RECOGNIZING CARL HOWARD FOR ACHIEVING THE RANK OF EAGLE SCOUT

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 25, 2003

Mr. GRAVES. Mr. Speaker, I proudly pause to recognize Carl Howard, a very special young man who has exemplified the finest qualities of citizenship and leadership by taking an active part in the Boy Scouts of America, Troop 247, and in earning the most prestigious award of Eagle Scout.

Carl has been very active with his troop, participating in many scout activities. Over the ten years Carl has been involved with scouting, he has earned 40 merit badges, as well as the World Conservation Award, the Arrow of Light, and God and Country. He has held numerous leadership positions, serving as assistant patrol leader and den chief. Carl is also a Tom-Tom Beater in the Tribe of Mic-O-Say.

For his Eagle Scout project, Carl obtained the needed supplies and coordinated a group of scouts in painting the baseball dugouts at Waterwell Park in Kansas City, Missouri. The project was completed to repair damage from a flood.

Mr. Speaker, I proudly ask you to join me in commending Carl Howard for his accomplishments with the Boy Scouts of America and for his efforts put forth in achieving the highest distinction of Eagle Scout.

FILING OF FY 2004 OMNIBUS APPROPRIATIONS ACT

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 25, 2003

Mr. WOLF. Mr. Speaker, I wish the record to reflect my deep disappointment with the Justice Department and Attorney General John Ashcroft for supporting language in the FY 2004 omnibus appropriations bill reducing the amount of time background record checks for gun sales are maintained. As the son of a police officer, I believe this change could be detrimental to public safety and ultimately result in people dying.

When the FY 2004 Commerce-Justice-State (CJS) appropriations bill was debated in full committee this summer, several amendments dealing with firearms and firearms purchases were offered "en bloc" and adopted. One of the amendments in the package called for the immediate destruction of gun sale background check records. I did not support this package of amendments since neither the Justice Department nor Attorney General Ashcroft, the nation's chief law enforcement officer, would—or could—tell me if these provisions would impact the ability of law enforcement to stop criminals, or worse, terrorists. As chairman of the CJS subcommittee, I repeatedly asked for a formal position from the Justice Department about how the proposed amendments would affect law enforcement efforts but never got an answer.

As House and Senate negotiators met to discuss the final version of the FY 2004 CJS bill—now folded into the omnibus spending bill—the provision calling for the "immediate" destruction of the background records was dropped. Now, at the eleventh hour of wrapping up the FY 2004 appropriations process, the Justice Department is actively supporting a "compromise" that would reduce the time background records are held from the current law standard of up to 90 days to 24 hours. This extreme change comes despite the fact that there is still no explanation or detail about what impact such a change would have on protecting mothers and fathers, daughters and sons, from criminals and terrorists.

It is irresponsible to tack such a provision into a year-end spending bill without knowing and understanding the full impacts. According to the FBI, in 2002 more than 3,500 guns were sold and then later had to be retrieved because information came in after the sale was allowed to proceed which would have prohibited the sale. I repeat: 3,500 guns on the street which shouldn't have been there. It is chilling to think what would happen if a 24-hour system were in place.

Moreover, any proposal for such a drastic change should be fully aired before the Congress and interested parties. It should be noted that the International Association of Chiefs of Police continues to stand by its September 2001 letter to the FBI stating that the 90-day records retention period should not be shortened.

Under current law, licensed dealers generally are not to transfer firearms to an individual until the search determines that the transfer will not violate applicable federal or state law. Persons prohibited by federal law from receiving a firearm include convicted felons, fugitives, unlawful drug users, and aliens illegally or unlawfully in the United States. If the background check is not completed within three business days, the dealer is not prohibited from transferring the firearm. Current law regarding retention of gun purchase checks says that information on sales that have been allowed to proceed can be kept for up to 90 days in the FBI's National Instant Criminal Background Check System (NICS) audit log, after which the records must be destroyed.

The audit log contains information related to each background check requested by a licensed firearms dealer, including the NICS response (e.g., proceed or denied) and the history of all activity related to the transaction. According to the NICS regulations, information on allowed firearms sales is used only for purposes related to ensuring the proper operation of the system or conducting audits of the use of the system.

I submit for the RECORD a Washington Post article from November 18 with the headline, "FBI Curbed in Tracking Gun Buyers," which reports on a "new FBI background-check system that notifies counterterrorism agents when suspects on its terrorist watch list attempt to buy guns, but regulations prohibit those officials from obtaining details if the transaction occurs." The article states that 13 alleged terrorists have been allowed to buy guns.

A follow-up Post article from November 22 reports that the Justice Department has ordered the FBI to increase scrutiny of suspected terrorists who attempt to buy guns, but gives the FBI only three days to run additional checks on prospective gun buyers listed on the Violent Gang and Terrorist Organizations File."

We are fighting a war on terrorism—and as chairman of the CJS subcommittee I have offered unwavering support to the Justice Department and the nation's federal law enforcement 4 activities—yet terrorist manuals recovered by law enforcement contain guidance on how easy it is to buy guns in the United States. Even the Justice Department's website contains the al Qaeda training manual which includes the following: "The confrontation that we are calling for with the apostate regimes does not know Socratic debates . . ., Platonic ideals . . ., nor Aristotelian diplomacy. But it knows the dialogue of bullets, the ideals of assassination, bombing, and destruction, and the diplomacy of the cannon and machine-guns."

It continues with "Second Issue: The importance of establishing a tactical plan for the assassination operation that consists of the operational factors themselves (members, weapons, hiding places . . .) and factors of the operation (time, place). In this example, we shall explain in detail the part related to the security plan. The part related to operational tactics will be explained in the lesson on special operational tactics."

That's how the terrorists train and that scenario is one about which I have long been concerned. In September 1998 I saw the need to address the growing threat of terrorism in the world and authored legislation which created the National Commission on Terrorism chaired by Ambassador Paul Bremer, That was less than a month after two U.S. embassies in East Africa were bombed by terrorists linked to Osama bin Laden. I had raised with our colleagues then the concern that Sudan was harboring bin Laden. Quite frankly I have been frustrated in my attempts to get Congress and administrations past and present to be proactive in combating the terrorist threat.

Now comes this firearms regulation change which I believe could play into terrorists' hands. Obtaining weapons is a critical part of their plan. It is abundantly clear that we need to change some of our laws, but not in ways that make it easier for terrorists to buy weapons in the United States.

We all remember the terror of 9/11. Our nation and the world changed forever on that day when 3,000 died, including 30 from my congressional district. We all remember the terror that gripped the Washington area a year later when snipers killed 14 and wounded six others, including a young child. Shouldn't we be doing everything we can to assist law enforcement officers in rooting out terrorists, rather than tying their hands?

HONORING LTC ROBERT D. COULDRY FOR HIS 36 YEARS OF SERVICE TO THE 139TH AIRLIFT WING

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 25, 2003

Mr. GRAVES. Mr. Speaker, I proudly pause to recognize LTC Robert D. Couldry of the 139th Airlift Wing stationed at Rosecrans Memorial Airport, St. Joseph, Missouri. Lieutenant Colonel Couldry has exemplified the finest qualities of leadership and service and is being honored for his 36-year commitment to the Missouri Air National Guard and to the citizens of Missouri.

Lieutenant Colonel Couldry enlisted in the Missouri Air National Guard in 1967 and was commissioned in 1979. His dedication to service became evident early on in his career. Lieutenant Colonel Couldry's contributions to the 139th Aerial Port Squadron have spanned over 25 years, where he led the formation of the Aerial Port Standardization and Evaluation Quality Control program.

In his position as the 139th Airlift Wing Inspector General officer, Lieutenant Colonel Couldry developed the first 139th Airlift Wing Inspector General Program and associated Wing Inspector General Operating Instructions. His diverse background and knowledge helped make this program successful and improved operation through staff education.

In addition to his service in the Missouri Air National Guard, Lieutenant Colonel Couldry also served his state as the superintendent of schools for Mid-Buchanan School District.

Mr. Speaker, I proudly ask you to join me in commending the career of LTC Robert D. Couldry, who exemplifies the qualities of dedication and service to Northwest Missouri and the United States of America.

INTRODUCTION OF H.R 3541, THE IMPLEMENTS OF TORTURE EXPORT CONTROL ACT OF 2004

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 25, 2003

Mr. LANTOS. Mr. Speaker, last Thursday I introduced the Implements of Torture Export Control Act of 2004, a bill to make it impossible for those who torture people abroad to misuse U.S. produced equipment for that purpose. This measure is similar to an amendment that was adopted on a bipartisan basis in the Committee on International Relations in the 107th Congress as part of legislation to reform the U.S. export control system.

Mr. Speaker, I introduced H.R. 3541 out of concern that the U.S. and other Western nations are exporting crime control and torture equipment to human rights abuses around the world. This bill would write into law a standard that should be an axiom of U.S. human rights foreign policy: the United States, while it seeks to improve respect for the basic human rights of person throughout the world, ought not to sell to torturers implements that make it easier for them to inflict pain and suffering on their helpless victims.

Mr. Speaker, in the right hands, crime control equipment can protect the innocent. In the wrong hands, it is used on the innocent. Amnesty International reports that governments that regularly use torture against detained persons frequently use crime control equipment from the U.S. and other Western suppliers as ready-made implements of torture. Existing export regulations require general licenses for the export of many types of crime control equipment, leaving whole categories of criminal equipment free to be exported without any specific review. It is true that most of this equipment, including electroshock discharge weapons, can be purchased domestically by private U.S. citizens for "self-defense" purposes. However, private U.S. citizens—as well as U.S. law enforcement officials—can be reliably prosecuted for any abuse of these implements as torture tools. Exports of these same items, however, to countries that use torture as part of official or condoned practice should be regulated because they may have unreliable or nonexistent systems of judicial accountability for torture abuse.

No U.S. exporter should ever want to sell its products to governments, or government-supported groups, that will use the labor of American workers to torture their citizens. But U.S. exporters do not have the resources to know the totality of the practices of their prospective customers. It is up to the U.S. Government to ensure that American products do not go to abusive governments.

Mr. Speaker, H.R. 3541 would do a number of things:

It would require that the Secretary of Commerce create a list of crime control an detection instruments and equipment especially susceptible to abuse as implements of torture.

It would require that an individual export license of all such items unless the export is to a major ally, and requires that applications are reviewed by human rights experts in the U.S. government.

It would prohibit export of all such items to any country if the government of such country has engaged in acts of torture until the Secretary of State has determined stopped such acts for the previous twelve months. To allow legitimate trade, however, such items could be exported to a particular end-user if the Secretary of State has determined that such end user has not engaged in acts of torture.

Perhaps most importantly, the bill completely prohibits the export of certain equipment that is particularly susceptible to abuse as equipment of torture, such as electroshock stun belts, leg irons and other restraints that have sharp or serrated edges, batons or clubs fitted with spikes and other items that are similarly susceptible to misuse.

Mr. Speaker, in 1979, the Congress recognized that crime control equipment required special review, but current law needs updating and reform. I urge all my colleagues to support this common-sense addition to the Export Administration Act, and ensure that American crime control products are not abused instead to torture the innocent.

TRIBUTE TO GEORGIA LORETTA JONES ELAM

HON. JAMES E. CLYBURN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 25, 2003

Mr. CLYBURN. Mr. Speaker, I rise today to pay tribute to Georgia Loretta Jones Elam, a resident of the Sixth Congressional District, and a longtime friend of mine and my family.

Born and raised in Hartsville, South Carolina, Mrs. Elam finished her elementary education in record time and entered my alma mater, South Carolina State College, now University, at the tender age of 14. After her dreams of becoming a Chemist were thwarted because of gender stereotypes of the 1920's, she entered the field of Home Economics. Upon graduating with her Bachelors degree, Mrs. Elam taught at South Carolina State College where most of her students were older than she. She went on to Columbia University in 1949 where she earned her Master's. Throughout her career, Mrs. Elam taught at seven institutions in the State of South Carolina. Most notably, she taught for 31 years at C.A. Johnson High School in Columbia, South Carolina. She also participated in workshops to further her education at University of Georgia, Winthrop College, and the University of South Carolina.

It was during her tenure at C.A. Johnson High School that Mrs. Elam started the first day care center in a public school in South Carolina. It was her innovative idea to give her Child Care and Development students the opportunity to have them care for real children instead of dolls that led her to start the day care center. Also while at C.A. Johnson, Mrs. Elam served as Head of the Home Economics Department, advisor to the New Homemakers of America—the predecessor of Future Homemakers of America—the cheerleads, the pep squad and the modern dance club.

Always a leader, be it in her professional life or that of her community, Mrs. Elam was given the Teacher of the Year award by the South Carolina Home Economics Association in 1975. She was also honored with a Distinguished Service Award by the Association of Vocational Home Economics Teachers in 1978. And, giving further credence to her merits as a leader, Mrs. Elam was named Boss of the Year in 1979 by the Midlands Chapter of the American Business Women's Association.

While this lively 90-year-old worked in the field of Home Economics for over half a Century, her dedication goes far beyond the parameters of her job requirements. Mrs. Elam has been an ardent community leader and continues to be very active in her church, Bethel A.M.E. She has been involved in numerous political campaigns over the years, and never turns down an opportunity to volunteer with church programs that have anything to do with youth or her congregation. Mrs. Elam has served as Director of Christian Education, which meant leading vacation bible school for many years, and also served as leader of the scouting program, and sponsor of the Young People's Gospel choir which she founded. For many years, she presented "Golgatha," a religious pageant which she wrote and directed.

In 1995, Rev. Ronnie Brailsford made her a Steward at Bethel A.M.E. Her actions of devotion to others, particularly the young people in her community, should be an inspiration to us all.

Mrs. Elam is the widow of Leon M. Elam. She has one daughter, Loretta E. Taylor who is married to John B. Taylor of Wilmington, Delaware; three grandchildren, and one great-grandchild. Mrs. Elam also has two siblings, Elise Martin and Gottleib Harvest, both of Columbia, South Carolina, where Mrs. Elam herself now resides.

Mr. Speaker, I ask that you and my colleagues join me in honoring Georgia Loretta Jones Elam for her selfless dedication to citizens, particularly young people, across the State of South Carolina. She is a pillar of the community, and I wish her good luck and Godspeed.

PERSONAL EXPLANATION

HON. LORETTA SANCHEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 25, 2003

Ms. LORETTA SANCHEZ of California. Mr. Speaker, on Tuesday, November 22, 2003, I was unavoidably detained and unable to cast my vote.

I request that the CONGRESSIONAL RECORD reflect that had I been present and voting, I would have voted as follows:

(1) Rollcall No. 670: "no" (on Table Motion to Reconsider H.R. 1).

VETERANS BENEFITS ACT OF 2003

SPEECH OF

HON. LANE EVANS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 20, 2003

Mr. EVANS. Mr. Speaker, I rise in strong support of H.R. 2297, as amended. This bill is a compromise agreement that was carefully negotiated between the House and Senate, and contains a number of important measures to assist this Nation's veterans and their families. I want to take a moment to recognize and thank Chairman CHRIS SMITH, Benefits Subcommittee Chairman HENRY BROWN and Benefits Ranking Democratic Member MICHAEL MICHAUD for working with me to successfully craft this bipartisan, bicameral benefits package. I appreciate your leadership, professionalism and all of your hard work in guiding this legislation through the process and into law.

I also would like to thank the staff members of the House Committee on Veterans Affairs for their work in preparing this legislative package and for their work throughout the year—Patrick Ryan, Darryl Kehrer, Paige McManus, Devon Seibert and Kingston Smith of the majority staff and Jim Holley, Mary Ellen McCarthy, Geoffrey Collver and Leah Booth of my Democratic staff. Likewise, I would like to thank Chairman ARLEN SPECTER and Ranking Member BOB GRAHAM of the Senate Veterans Affairs Committee, as well as the Senate staff who worked diligently on this conference agreement—Mary Schoelen, Ted Pusey, Jon Towers and Chris McNamee.

Mr. Speaker, last week on November 11th we celebrated and honored the sacrifices and heroic deeds of our Nation's veterans with speeches and parades. Indeed, it is appropriate, necessary even, that we recognize and honor the many sacrifices of the brave men and women in uniform who have so gallantly served our nation. Mr. Speaker, speeches and parades are nice but they are not enough. Today, however, we match our complimentary words with actual deeds. We celebrate and honor those who have served the country and protected our freedoms by passing this legislative package, which truly honors their service and provides them and their families with important benefits that they most certainly have earned.

Mr. Speaker, I am very proud that this legislative package contains a number of measures that I introduced or of which I am an original cosponsor. Additionally, I commend all the Members of the House Veterans Affairs Committee on both sides of the aisle who have worked diligently this session to bring important measures forward. This compromise agreement contains many bills introduced by Committee members. Indeed, crafting and passing this benefits package has truly been a bipartisan effort.

I am pleased the provision to provide the Department of Veterans Affairs (VA) benefits to children with spina bifida whose veteran parent was exposed to Agent Orange in Korea is drawn from my bill H.R. 533. During a hearing the Committee received moving testimony from Michael Ruzalski, a young man severely disabled by spina bifida. Michael's father John served in the region of Korea's Demilitarized Zone (DMZ) during the time that the Department of Defense acknowledges Agent Orange was used there. Congress has authorized benefits for children of veterans affected by such exposure in Vietnam. The children of veterans who served in the Korean DMZ are no less deserving. When military service results in harm to the children of our Nation's veterans, our country should assume the responsibility to compensate them for their disabilities.

A provision to remove unnecessary and arbitrary time barriers for certain former prisoners of war to qualify for service-connection of their disabilities on a presumptive basis is drawn from H.R. 1838, which I introduced. I believe that we should consider additional presumptive conditions for former prisoners of war and will continue to support legislation to accomplish that end. Nonetheless, we need to take action now to assure those prisoners of war who were interred in Iraq for less than 30 days, as well as those from earlier conflicts, that no durational requirement will be imposed for certain psychiatric and physical disabilities which may follow a brief period of internment.

The package includes a provision to permanently authorize the VA home loan program for members of the National Guard and Reserve. It also lowers their home loan fees. This provision is drawn from H.R. 1257, which I introduced with the Ranking Member of the Subcommittee on Benefits, Mr. Michaud. Now more than ever, our Reserve and National Guard forces are an integral component of our national defense policy. Making this program permanent for members of the National Guard and Reserve is the right thing to do, it's also the right thing to do financially—as Reservists have an exemplary record of repayment on VA home loans.

I am also pleased that this package contains provisions that provide long overdue benefits for our Gold Star Wives. Specifically, it provides that remarriage of the surviving spouse of a veteran after attaining age 57 would not result in termination of dependency and indemnity compensation (DIC), home loan, or education benefits eligibility.

This legislative package would also repeal current law restricting a surviving spouse or dependent children to receiving no more than two years of accrued benefits if the veteran dies while a claim for VA periodic monetary benefits is being processed. I have worked to end this unfair restriction for a number of years. This provision is drawn from a bill I introduced a few years ago. I am pleased to finally have succeeded in repealing this two-year cut off.

The provisions reinstating VA's vendee loan program that previously passed the House are included in H.R. 2297. I would note that the language has been changed slightly. The change is intended to assure that VA will be required to operate a vendee loan program through September 30, 2013. I believe that these changes are necessary after reviewing an opinion of the Comptroller General concerning VA's authority to terminate the program.

H.R. 2297, as amended also contains a number of important measures that aim to expand self-employment training opportunities and provide valuable career and employment counseling to servicemembers transitioning from the military to civilian life. The bill also provides a substantial increase in monthly payments under the survivors' and dependents' educational assistance program. This action is consistent with my goals to improve and restore all veterans' education benefits to the necessary levels. As we all know, we have much to do in the area of veterans' education programs to keep up with the ever-increasing costs of higher education.

Another important measure that I am pleased the negotiated bill contains is the provision to authorize certain contracting opportunities for service-disabled veteran owned and controlled small businesses. A fair opportunity is all that veterans request. This provision should lead to improved results with respect to federal contracting with disabled veterans. However, improved results will also require increased efforts by the Administration to reach out to disabled-veteran owned and controlled small businesses. Indeed, federal agencies have a 3 percent contracting goal for service-disabled veteran small businesses, and currently not one federal agency comes close to meeting this goal. Hopefully, this provision will allow all federal agencies to improve their record in this area, as well as provide more opportunities for veteran entrepreneurs and a much-needed spark to the small business sector of this economy.

I am also pleased that in this package we have included provisions to permit state cemeteries to receive VA burial plot allowances for burial of all eligible veterans, including peace time veterans; allow a remarried surviving spouse to retain eligibility for burial in a national cemetery based on a prior marriage to a deceased veteran; and make permanent the State Cemetery Grants Program. We must do all we can to provide a dignified final resting place for our veterans and be attentive and caring to the surviving family members.

Mr. Speaker, this bill also authorizes the receipt of full compensation, dependency and indemnity compensation (DIC) and burial benefits to eligible members of the New Philippine Scouts, and other individuals who served in the organized military forces of the Commonwealth of the Philippines, including organized guerilla units, if the individual to whom the benefit is payable resides in the United States and is either a citizen of the U.S. or an alien lawfully admitted for permanent residence. The bill also extends the authority of the Secretary of Veterans Affairs to maintain a regional office in Manila, Philippines, through December 31, 2009. I want to thank Representatives BOB FILNER and JUANITA MILLENDER-MCDONALD for their tireless work on this important issue.

On another important matter contained in this legislative package, I would like to express my thanks and applaud the actions of my friend and colleague Representative TED STRICKLAND of Ohio. Representative STRICKLAND, along with Senator BILL NELSON of Florida, introduced legislation to clarify the prohibition on assignment of veterans' benefits. This provision would protect veterans, their survivors' and dependents from unscrupulous business entities that attempt to prey on unsuspecting or elderly beneficiaries. Mr. STRICKLAND's language would make clear that certain arrangements, including opening joint bank accounts that remove control and choice from the veteran over the receipt of veterans' benefits, are illegal.

I am also pleased that the bill removes a provision that the VA has indicated could limit benefits to veterans. This language was contained in section 5103 of title 38, United States Code and was intended to provide claimants with one year to submit information or evidence requested by the Secretary of Veterans Affairs. Unfortunately, the language used in that section "no benefits may be paid" could be interpreted to bar consideration of evidence that a claimant submitted in connection with an appeal. That language has now been removed, so that no claimant should lose benefits as a result of its application. The bill also permits the VA to decide claims in less than one year. If the claim is denied and evidence supporting the claim is submitted within the year, the Secretary is required to consider the evidence.

Mr. Speaker, H.R. 2297, as amended, contains many provisions that will make a difference in the lives of this nation's veterans and their families. It is a good bill, and I urge all Members to show their support for the men and women who have worn the uniform in defense of our country by voting to pass this legislative package.

CONFERENCE REPORT ON H.R. 2622, FAIR AND ACCURATE CREDIT TRANSACTIONS ACT OF 2003

SPEECH OF

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 21, 2003

Mr. OXLEY. Mr. Speaker, I am inserting for the RECORD an exchange of correspondence between myself and the gentleman from Wisconsin (Mr. SENSENBRENNER), the Chairman of the Committee on the Judiciary, regarding his committee's jurisdictional interest in the Senate amendment to H.R. 2622, the Fair and Accurate Credit Transactions Act of 2003.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE JUDICIARY,
Washington, DC, November 19, 2003.
Hon. MIKE OXLEY,
Chairman, Committee on Financial Services, House of Representatives, Washington, DC.

DEAR CHAIRMAN OXLEY: In recognition of the desire to expedite conference consideration of H.R. 2622, the "Fair and Accurate Credit Transactions Act of 2003," I will not request that Members of the Committee on the Judiciary be appointed as additional conferees. However, certain of the provisions contained in the Senate-passed version of H.R. 2622 do fall within the Rule X jurisdiction of the Committee on the Judiciary, and the Committee on the Judiciary takes this action with the understanding that the Committee's jurisdiction over these provisions is in no way diminished or altered.

Section 115 of the Senate version of H.R. 2622 makes some minor amendments to 18 U.S.C. 1028, the existing identity theft provision in the criminal code. These amendments add possession of false identification documents to the criminal prohibition and increase the penalty from the 3 to 5 years.

Section 151 of the Senate version of H.R. 2622 adds new provisions to §609 of the Fair Credit Reporting Act that provide for a new right to consumer victims of identity theft to obtain records from businesses of fraudulent transactions conducted in their name. The right is only enforceable by the public agencies under existing law. However, new §609(e)(9) provides for a new affirmative defense for the businesses so that they can show they have searched for the records and do not have any.

Section 156 of the Senate version of H.R. 2622 amends the current statute of limitations under the Fair Credit Reporting Act. Under current law, the statute allows the claim to be brought until the later of two years from the date on which the liability arises or two years from the date of discovery if there has been willful misrepresentation. The bill would change this to the earlier of two years from the date of discovery, irrespective of misrepresentation, or five years from the date on which the liability arises.

I understand that our staffs have worked out a mutually acceptable resolution of these provisions that will be included in the conference report. I appreciate your willingness to work together on these provisions. I would appreciate your including this letter in the Congressional Record during consideration of the conference report on H.R. 2622 on the House floor. I appreciate your attention to these matters.

Sincerely,
F. JAMES SENSENBRENNER, JR.,
Chairman.

COMMITTEE ON FINANCIAL SERVICES,
Washington, DC, November 20, 2003.
Hon. F. JAMES SENSENBRENNER, JR.,
Chairman, Committee on the Judiciary, House of Representatives, Washington, DC.

DEAR CHAIRMAN SENSENBRENNER: Thank you for your recent letter regarding your committee's jurisdictional interest in certain provisions of the Senate amendment to H.R. 2622, the Fair and Accurate Credit Transactions Act of 2003. I appreciate your willingness to forgo the appointment of additional conferees on those provisions in an effort to expedite the conference on this important legislation. I agree that your decision not to seek additional conferees on those sections in no way diminishes or alters the jurisdiction of the Committee on the Judiciary with respect to those provisions.

You are correct that our staffs have worked closely to ensure that those issues were resolved to our mutual satisfaction and I greatly appreciate your cooperation in this effort. I will include a copy of your letter and this response in the Congressional Record during House consideration of the conference report.

Again, thank you for your cooperation.

Yours truly,
MICHAEL G. OXLEY,
Chairman.

TRIBUTE TO MR. JOHN MUTKA

HON. PETER J. VISCLOSKY

OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, November 25, 2003

Mr. VISCLOSKY. Mr. Speaker, it is with great pleasure that I congratulate one of the most dedicated and hardworking citizens of the First Congressional District of Indiana, Mr. John Mutka. John has spent the past 40 years of his life working as a sports writer and columnist for the Post Tribune newspaper in Northwest Indiana. He will retire on Monday, November 24, 2003. His career in journalism has allowed him the opportunity to reach out to numerous people, and therefore has made a positive impact within his community.

John is an institution in Northwest Indiana, a household name to the thousands of residents who have read his work for the past 40 years. He is also known statewide and nationally for his excellence in sports journalism. This year, John was named Sportswriter of the Year by the National Sportswriters and Sportscasters Association. Also this year, he was honored by being inducted into the Indiana Sportswriters and Sportscasters Hall of Fame, and subsequently earned a Lifetime Achievement Award at the Lake County Sportsmanship banquet.

John has given his time and efforts generously throughout his career. Along with his many accomplishments, John has also been recognized by the Indiana High School Athletic Association, the Indiana Football Coaches Association, and the Indiana Basketball Coaches Association for his dedication and hard work.

Mr. Speaker, John exemplifies the values of all great Hoosiers through his dedication, his work ethic, his loyalty and humility. His continued commitment and devotion to all of Northwest Indiana is worthy of the highest commendation. I respectfully ask that you and my other distinguished colleagues join me in congratulating him on his well-deserved retirement, and continued success in all his future endeavors.

EXPRESSING CONDOLENCES TO THE HSBC FAMILY

HON. VITO FOSSELLA

OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, November 25, 2003

Mr. FOSSELLA. Mr. Speaker, I rise today to express my deepest condolences and sympathy to the victims of the tragic terrorist attacks in Istanbul, Turkey yesterday. Following the attacks last weekend on two synagogues in Istanbul, yesterday's attacks are further evidence of the war on terrorism our country and our allies are facing. I am pleased the House passed H. Res. 453 today expressing condolences to the families of the individuals murdered and to those injured in the terrorist attacks. We must continue to stand in solidarity with Turkey in the fight against terrorism.

In addition, on behalf of my New York Delegation and all my colleagues, I would like to express my profound regret to the more than 40 employees at HSBC who were injured. As of today, many of those employees are still in critical condition, while it has cost others their own lives.

Often referred to as the "World's Local Bank", HSBC employs people in over 80 countries, including 50,000 in the United States, with over 400 offices in my home state of New York and in Staten Island. While the headquarters was attacked as a symbol of global commerce, I take my hat off to the HSBC employees in Turkey for re-opening their office today and for their leadership in committing to stay in Turkey and not backing down in the face of terrorism. Again, I extend my deepest sympathies to the entire HSBC family on the tragic loss of their colleagues.

PEARL COLEMAN KIDD

HON. EDDIE BERNICE JOHNSON

OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, November 25, 2003

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I appreciate this opportunity to tell my colleagues about a proud American and a beloved Dallas resident: Pearl Coleman Kidd. Mrs. Kidd was well known to generations of Dallas Metroplex residents who grew up coming to know and respect her for her remarkable contributions to our community.

Pearl Coleman Kidd was born in 1922 in Pulaski, Tennessee. After marrying Foster Kidd, the couple moved to Dallas in 1953. Two of our nation's core values, family and community, were also central commitments for Pearl Coleman Kidd. She loved Foster Kidd, her husband of 50 years. They rejoiced in their daughters Cheryl Kidd and Dr. Jocelyn Kidd of Dallas. Mrs. Kidd was also an active community volunteer. She was a devoted member of the New Hope Baptist Church.

It was through her endeavors in our community that Mrs. Kidd was able to volunteer in many Dallas Metroplex organizations. She received numerous awards for her contributions.

Mr. Speaker, Mrs. Kidd was an American treasure. Throughout her long life she gave tirelessly of herself for the advancement of her race and of all persons in need. Mrs. Kidd passed on October 16, 2003. Though our community is diminished by her loss, I ask that my colleagues join me, her family, and friends, in celebrating the remarkable life of this woman who truly symbolized our community and America at its best.

IN MEMORY OF NARAYAN D. KESHAVAN

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 25, 2003

Mr. ACKERMAN. Mr. Speaker, I rise today to pay tribute to the memory of Narayan Keshavan who passed away suddenly and unexpectedly last week.

Keshavan worked for me from January of 1998 until June of 2001. During much of that time I was the Co-chair of the Congressional Caucus on India and Indian-Americans and Keshavan helped me stay abreast of the issues facing India and Indian-Americans and stay in contact with the vibrant community here.

Keshavan had a love for two countries. His adopted home, the United States and his ancestral home, India. So few people modestly and selflessly served to help U.S.-India relations through such dramatic periods of growth and change. Keshavan was an early and vocal advocate for a different kind of relationship between the oldest and largest democracies in the world. He saw the possibility—in fact the necessity—of India and the United States working closely together well before it was evident to leaders in either country. In a clear example of bringing the two cultures closer together, Kesh was one of the Indian-Americans who made the October 23, 2003 First Deepavali Event at the White House happen.

Born May 31, 1950 in Hyderabad, India, Keshavan was a graduate of Andhra University (Visakahapatnam, India) where he received a BA in Pharmacy and Osmania University (Hyderabad, India) with a BA and MA in journalism. Over his impressive career as a journalist, Kesh was respected for his vision and commitment to politics and Indo-U.S. Relations.

In addition to working for the Congressional Caucus on India and Indian-Americans, he was the Founder and Executive Director of the Indian-American Republican Council, and President of the Indian-American Forum for Political Education (NYC and LI chapter). He also was a founder of the Indo-U.S. Parliamentary Forum. He served as a mentor to countless individuals of all ages and faiths, deeply touching the lives of many here and in India, even those he knew only a short time. People loved Kesh for his honesty, intelligence, and humor.

Kesh, passed away on Thursday, November 13 after he appeared on CNN in a interview with Lou Dobbs where he defended India in the growing political issue of outsourcing. Keshavan is survived by his father and sister.

I ask all my colleagues to join me in paying tribute to a journalist, public servant, and tireless community activist, Narayan Keshavan.

THE IMPACT OF LEFT-WING SPECIAL INTEREST GROUPS ON THE JUDICIAL NOMINATION PROCESS

HON. MARK E. SOUDER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 25, 2003

Mr. SOUDER. Mr. Speaker, over the last three days I have commented on Democratic Congressional staff memos that show how left-wing special interest groups are trying to hijack the appointment of federal judges. Today, I am introducing four more such memos. Besides confirming the fact that these groups are demanding, and apparently receiving, the power to delay or even block President Bush's nominees, they expose the double standard these groups apply to women and minority nominees who don't share their extreme political views. One memo shows that these groups identified Miguel Estrada, a nominee who received the American Bar Association's highest rating, as "especially dangerous" because, among other things, "he is Latino." Another memo reports that liberal lobbyists and their supporters in Congress proposed "a strategy for dealing with conservative Latino Circuit Court nominees." That memo also reveals that these lobbyists were using their contacts in the "Latino media" to undermine Mr. Estrada and others like him. Nominees Caroline Kuhl and Priscilla Owen were also singled out for opposition.

It is both ironic and tragic that these groups, which so loudly proclaim their support for the "civil rights" of women and minorities, would deny a judicial appointment to any minority or woman candidate who exercises his or her civil right to hold different opinions. It is time for these groups to stop blocking nominees who don't conform to their ideological stereotypes.

MEMORANDUM

To: [Member of Congress]
Date: November 6, 2001
Re: Meeting with Civil Rights Leaders, Tuesday, November 6, at 5 p.m. [Congressional Office Building]

Following up on a meeting in mid-October, you are scheduled to meet with leaders of several civil rights organizations to discuss their serious concerns with the judicial nomination process. The leaders will likely include: Ralph Ncas (People For the American Way), Kate Michelman (NARAL), Nan Aron (Alliance for Justice), Wade Henderson (Leadership Conference on Civil Rights), Leslie Proll (NAACP Legal Defense & Education Fund), Nancy Zirkin (American Association of University Women), Marcia Greenberger (National Women's Law Center), and Judy Lichtman (National Partnership). The meeting will take place in [Congressional Office Building] with [2 Members of Congress] also present.

Today's meeting is likely to touch on a number of related issues. The primary focus will be on identifying the most controversial and/or vulnerable judicial nominees. The groups would like to postpone action on these nominees until next year, when (presumably) the public will be more tolerant of partisan dissent. They would also like to develop a strategy for moving these nominees. Among their priorities: (1) they want to ensure that they receive adequate notice before controversial nominees are scheduled for hearings; (2) they think [Member of Congress] should use controversial nominees as bargaining chips, just as the Republicans did; and (3) they are opposed to holding hearings during recess. Although [Member of Congress] has resisted these moves so far, they are reasonable requests in our estimation.

There will likely be a discussion about how to respond effectively to recent Republican charges that the pace of judicial nominations is too slow. The Republicans have continued to hold-up the appropriations bills. As of Friday, it was their intention to launch a new campaign this week, charging the Democrats with hindering the war effort by not confirming judges who are needed to approve wire taps and search warrants. This claim is deeply flawed, because the Committee has been especially quick to move along district court judges and the White House has not nominated people to fill more than half of the current vacancies.

Under separate cover, I will provide a table that evaluates the current Court of Appeals nominees who are pending, as well as a few noteworthy district court nominees. N.B.: These are my designations, and they are preliminary. The groups may feel somewhat differently.

MEMORANDUM

To: [Member of Congress]
Date: November 7, 2001
Re: Meeting with Civil Rights Leaders Yesterday to Discuss Judges

Due to the floor activity last night, you missed a meeting with [Member of Congress] and representatives of various civil rights groups. This was intended to follow-up a meeting in [Member of Congress's] office in mid-October, when the groups expressed serious concern with the quick hearing for Charles Pickering and the pace of judicial nominations generally.

Yesterday's meeting accomplished two objectives. First, the groups advocated for some procedural ground rules. These include: (1) only one hearing per month (2) no more than three judges per hearing; (3) giving Committee Democrats and the public more advance notice of scheduled nominees; (4) no recess hearings; and (5) a commitment that nominees voted down in Committee will not get a floor vote. Earlier yesterday. [Member of Congress's] staff committed to the third item in principle.

Second, yesterday's meeting focused on identifying the most controversial and/or vulnerable judicial nominees, and a strategy for targeting them. The groups singled out three—Jeffrey Sutton (6th Circuit); Priscilla Owen (5th Circuit); and Caroline Kuhl (9th Circuit)—as a potential nominee for a contentious hearing early next year, with a eye to voting him or her down in Committee. They also identified Miguel Estrada (D.C. Circuit) as especially dangerous, because he has a minimal paper trail, he is Latino and the White House seems to be grooming him for a Supreme Court appointment. They want to hold Estrada off as long as possible.

Attached is a table that I compiled, evaluating the 19 Court of Appeals nominees and a few of the controversial district court nominees.

Based on input from the groups, I would place the appellate nominees in the categories below.

Asterisks indicate that a [Member of Congress] has placed a hold on the nominee.

GOOD

Clifton (9th Cir.)*

Melloy (8th Cir.)
O'Brien (10th Cir.)
Howard (1st Cir.)
B. Smith (3rd Cir.)

BAD

Shedd (4th Cir.)
Roberts (D.C. Cir.)
L. Smith (8th Cir.)
Pickenng (5th Cir.)
Tymkovich (10th Cir.)
Gibbons (6th Cir.)
Steel (11th Cir.)

UGLY

Boyle (4th Cir.)*
Owen (5th Cir.)
Sutton (6th Cir.)*
Cook (6th Cir.)*
McConnell (10th Cir.)
Estrada (D.C. Cir.)
Kuhl (9th Cir.)*

MEMORANDUM

To: [Member of Congress]
Subject: Judges and the Latino Community
Date: February 28, 2002

Ralph Neas called to let us know that he had lunch with Andy Stern of SEU. Andy wants to be helpful as we move forward on judges, and he has great contacts with Latino media outlets—Univision and others. Ralph told Andy that you are anxious to develop a strategy for the Supreme Court and a strategy for dealing with conservative Latino Circuit Court nominees that are hostile to constitutional and civil rights. Ralph and Andy discussed the possibility of a relatively small meeting to discuss media strategy, and Andy believes there are several Latino media leaders who share our concerns and would like to meet with you. Ralph proposes that you meet with key Latino media leaders, Raul, Antonia, Wade, and Ralph, and I think this is a very good idea.

Would you like to have such a meeting to discuss media strategy and the Latino community? If so, Ralph and Andy will take the lead in getting everyone to DC.

Decision:

Yes, I want to meet with them ____
No, I don't want to meet ____

MEMORANDUM

To: [Member of Congress]
Date: June 3, 2002
Re: Meeting with Civil Rights Leaders to Discuss Judicial Nominations Strategy

[Member of Congress] has invited invited you and [Member of Congress] to attend a meeting with civil rights leaders to discuss their priorities as the Judiciary Committee considers judicial nominees in the coming months. For example, they believe that the Committee's current pace for nominations hearings (every two weeks) is too quick; and they need more time to consider the record of Judge Dennis Shedd, a controversial 4th Circuit nominee whom [Member of Congress] is backing.

This meeting is intended to follow-up your meetings in [Member of Congress's] office last fall. The guest list will be the same: Kate Michelman (NARAL), Nan Aron (Alliance for Justice), Wade Henderson (Leadership Conference on Civil Rights), Ralph Neas (People For the American Way), Nancy Zirkin (American Association of University Women), Marcia Greenberger (National Women's Law Center), and Judy Lichtman (National Partnership). The meeting has been tentatively scheduled for late Wednesday morning.

Assuming your schedule permits, do you want to accept [Member of Congress's] invitation and attend the meeting?

HOUSE OF REPRESENTATIVES—*Monday, December 8, 2003*

The House met at 9:30 a.m. and was called to order by the Speaker pro tempore (Mr. BOOZMAN).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
December 8, 2003.

I hereby appoint the Honorable JOHN BOOZMAN to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Represenatives.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Monahan, one of its clerks, announced that the Senate has passed bills of the following titles in which the concurrence of the House is requested:

S. 99. An act for the relief of Jaya Gulab Tolani and Hitesh Gulab Tolani.

S. 103. An act for the relief of Lindita Idrizi Heath.

S. 460. An act to amend the Immigration and Nationality Act to authorize appropriations for fiscal years 2004 through 2010 to carry out the State Criminal Alien Assistance Program.

S. 541. An act for the relief of Ilko Vasilev Ivanov, Anelia Marinova Peneva, Marina Ilkova Ivanova, and Julia Ilkova Ivanova.

S. 573. An act to amend the Public Health Service Act to promote organ donation, and for other purposes.

S. 648. An act to amend the Public Health Service Act with respect to health professions programs regarding the practice of pharmacy.

S. 848. An act for the relief of Daniel King Cairo.

S. 854. An act to authorize a comprehensive program of support for victims of torture, and for other purposes.

S. 1130. An act for the relief of Esidronio Arreola-Saucedo, Maria Elena Cobian Arreola, Nayely Bibiana Arreola, and Cindy Jael Arreola.

S. 1402. An act to authorize appropriations for activities under the Federal railroad safety laws for fiscal years 2004 through 2008, and for other purposes.

S. 1683. An act to provide for a report on the parity of pay and benefits among Federal law enforcement officers and to establish an exchange program between Federal law enforcement employees and State and local law enforcement employees.

S. 1881. An act to amend the Federal Food, Drug, and Cosmetic Act to make technical corrections relating to the amendments made by the Medical Device User Fee and Modernization Act of 2002, and for other purposes.

S. 1920. An act to extend for 6 months the period for which chapter 12 of title 11 of the United States Code is reenacted.

The message also announced that the Senate has agreed to the House amendment with an amendment.

S. 877. An act to regulate interstate commerce by imposing limitations and penalties on the transmission of unsolicited commercial electronic mail via the Internet.

MORNING HOUR DEBATES

The SPEAKER pro tempore. Pursuant to the order of the House of January 7, 2003, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 30 minutes, and each Member, except the majority leader, the minority leader, or the minority whip, limited to not to exceed 5 minutes.

The Chair recognizes the gentleman from Oregon (Mr. BLUMENAUER) for 5 minutes.

PLENTY IS WRONG WITH THE WAL-MART PICTURE

Mr. BLUMENAUER. Mr. Speaker, a drama is taking place about the future, not just of America's economy, but the global marketplace. A metaphor for this drama is the role that Wal-Mart, the world's largest retailer, plays. Since its founding by Sam Walton in 1962, it has grown to be larger than the economies of 170 nations.

By rigorous cost containment and careful attention to detail, it has forced suppliers to be competitive and more effective. It has given Americans lower prices, and some experts even say has held down inflation. What could be wrong with this picture? Well, plenty.

First of all, there are the costs to communities. It appears that communities lose far more jobs with Wal-Mart than they gain. Depending upon that community and whether or not those jobs lost are unionized, the jobs that they do get are $2 to $10 an hour less than those destroyed. Much of the opposition is to the impact that Wal-Mart has on the fabric of the communities it operates in, often at the outskirts of town, drawing away from the vitality of the main street where businesses, slowly, are strangled.

The impact can even be devastating for its suppliers, as detailed in a cover story in this month's Fast Company magazine, discussing the impact on Huffy Bikes and Vlasic Pickles, where companies end up being squeezed and often cannibalizing themselves. Finally, there are grave questions about the treatment of workers in the factories around the world that supply Wal-Mart.

There appears to be a corrosive impact on Wal-Mart itself: It is not just anti-union, but blatantly so, firing workers who are sympathetic to unions. There is illegal coercion of their own employees who may be interested in unions, and illegal roadblocks to people who would organize.

Last June in the Wall Street Journal, there was a story about Wal-Mart firing workers earning $9.50/hour just because they were at the upper end of Wal-Mart's already low pay scale.

There is strong evidence that the corporate culture that knows every detail of its supply chain refuses to correct abuses that have been widely reported in its own operation.

Last year in Oregon, a jury found that company managers had coerced hundreds of employees to work overtime without compensation, as Wal-Mart managers were tampering with time cards, and forcing employees to work off the clock. This appears not to be an isolated example. Already Wal-Mart has settled overtime suits in Colorado and New Mexico, and there are more than 40 other cases pending across the country.

Equally as distressing was the raid this fall of 61 Wal-Mart stores where it appears they were contracting with companies to clean their stores who systematically used illegal immigrants. These employees were cheated out of overtime by these companies that often failed to pay their taxes. A systemic pattern by a company known for insisting on detailed, private financial information from its suppliers, but unable or unwilling to make sure that its own contractors follow the law. This raises huge questions about their 10,000 overseas contractors and subcontractors, about whether or not Wal-Mart has complied with its own vague code of conduct, especially since Wal-Mart is the only major retailer that refuses to allow independent auditing of its factories overseas.

Mr. Speaker, it is time for Wal-Mart to open up to independent monitoring abroad, to stop cheating its employees at home, and to become a force to lift standards, to make our world a better place.

To help them, Congress ought to start now investigating the practices of America's largest retailer, particularly as it relates to labor and employment. Communities should help Wal-Mart by

☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

not cutting corners and cutting their own throats in competition for another store, and instead establish reasonable land use and planning regulations for Wal-Mart developments.

Most important, consumers should begin to consider whether the lowest price is worth any cost: to the poor of the world, to suppliers here at home, to the health of our main streets, and the abuse of Wal-Mart workers, and Americans denied basic organizing rights. There is a Wal-Mart Day of Action planned next month for January 14. This will give us all an opportunity to consider whether the lowest price, regardless of its cost, is worth it.

HONORING JUDGE HERBERT CHOY

The SPEAKER pro tempore. Pursuant to the order of the House of January 7, 2003, the gentleman from California (Mr. COX) is recognized during morning hour debates for 5 minutes.

Mr. COX. Mr. Speaker, today, in San Francisco, the Ninth Circuit Court of Appeals is going to honor one of its most distinguished judges by hanging his portrait in historic Courtroom One in the courthouse on 7th Street in San Francisco. That jurist is Herbert Y.C. Choy. I am very privileged to have worked for him in my first job upon graduation from law school as his law clerk.

Today, some 31 generations of Choy law clerks will honor him, along with Chief Judge Mary Schroeder of the Ninth Circuit Court of Appeals; Richard Clifton, the successor to Judge Choy in the Ninth Circuit courthouse in Honolulu; and also one of his law clerks, John McCuckin, who is now executive vice president of Union Bank, and many, many others from around the country who honor and treasure and respect Judge Choy and his wife, Helen.

Judge Choy is the first Asian American ever appointed to the Federal bench. He is the first Asian American not only on an article 3 court, but on any court. He is the first Korean American to be appointed to the Federal bench, and he is the first Hawaiian ever to be appointed to serve representing the State of Hawaii on the Ninth Circuit Court of Appeals.

Judge Choy is the son of immigrants who came to Hawaii, came to the United States from Korea, as part of a great wave to work on Hawaii's sugar plantations. The Hawaiians of Korean ancestry are celebrating their centennial of that great immigration wave this year. As someone who was part of the immigration experience, Judge Choy always paid particular attention, he said, to immigration cases to make sure they were decided fairly, and on the Ninth Circuit Court of Appeals, immigration cases are a significant portion of the total caseload.

When he graduated from the University of Hawaii, Judge Choy blazed another trail. He went back East to Boston to attend Harvard Law School where he distinguished himself as a scholar. When he graduated in 1941, as a Hawaiian on the East Coast of the United States of America, he was horrified, as were all Americans, when 6 months later, an anniversary that we recognized last week, on December 7, 1941 saw the attack on Pearl Harbor. Judge Choy, who had just graduated from law school, joined the United States Army, and served this country with distinction. He joined the Judge Advocate General Corps, prefiguring his work in private practice, beginning in 1946 at the end of World War II, as a lawyer. He became the Nation's first Korean American attorney, and practiced with the firm of Fong & Miho, later known as Fong, Miho, Choy & Robertson. Hiriam Robertson, a distinguished Member of this Congress, was his law partner.

He went on to serve Hawaii as attorney general, beginning in 1957, and he was nominated by the President of the United States in 1971, elevated to the Federal bench, to the United States Court of Appeals, the largest and busiest of the Nation's appellate courts.

When he became the first Asian American on the Federal bench, it was not remarked upon in that way. Rather, people recognized that this was a first of another sort, this was one of the most remarkable people from any background nominated to the Federal bench, and as his law clerk and as so many of his law clerks gathering to honor him can attest, he was unique, and remains unique, in his capacity to inspire others through a quiet dignity, through leadership, scholarship that is not intimidating, but compassionate. He is scrupulously honest. I have known honest people in my life who have been examples for me, certainly my own parents, but never have I seen someone who is so scrupulously honest as Judge Choy.

Mr. Speaker, we honor today a man whose life in the United States of America symbolizes the importance of the rule of law and that vital pillar of our American republic depends upon people of character. There is no finer example of honesty, integrity, impartiality, and equality before the law than this man, Judge Choy, whom we honor today here in this Congress and in the courthouse in San Francisco. To Judge Choy, to his wife, Helen, and all of the Federal family, as he is want to call them, congratulations. This is a wonderful occasion to honor a wonderful man.

CONGRESS BORROWS TO FUND PROJECTS

The SPEAKER pro tempore. Pursuant to the order of the House of January 7, 2003, the gentleman from Oregon (Mr. DEFAZIO) is recognized during morning hour debates for 5 minutes.

Mr. DEFAZIO. Mr. Speaker, today Congress will take up one of the largest single aggregate spending bills in the history of our Nation. There are billions more for foreign aide, there are many questionable projects and priorities; but what is most glaring about this legislation is what is not in it.

The interesting thing is that much of the money that funds the agencies and the projects under this bill will be borrowed. And Americans, working Americans, for the next 30 years, will be paying that bill. But there is one glaring oversight, one thing that is left out where we would not have had to borrow money, and that is to take care of the long-term unemployed here in the United States of America.

□ 0945

Why would we not have to borrow money to take care of them? Because there is $20 billion in the unemployment trust fund, taxes that were paid in by employers and employees, that were set aside to take care of Americans in a time of need when they have lost their job and they cannot find another job through no fault of their own. $20 billion is there. So out of the hundreds of billions of dollars in this bill that will be borrowed and spent elsewhere, including foreign aid, we could have taken care of the unemployed in the United States at no additional cost.

So why is it that they have been omitted for the second year in a row? Last year we notified the Republican leadership and the President that unemployment is a problem outside the Beltway of Washington, D.C. People are exhausting their benefits and they need help. That fell on deaf ears here in the House. The Republican leaders refused to bring forward legislation to help the long-term unemployed. Finally, sometime between Christmas and New Year's, when these people were receiving notices that their benefits would no longer be coming, Merry Christmas, the President woke up and asked the Congress when it reconvened in January to extend benefits further.

Unfortunately, the leaders, again, here in the Congress, the Republican leaders, chose to bury deep in that reauthorization of extended unemployment benefits something called a look-back provision. What it says is if half the people in your State are unemployed today, you can get extended benefits. But if a year from today, you still only have half the people in your State unemployed, those benefits will expire. The look-back provision says your unemployment has to get worse before we will extend benefits again. Oregon and many other States are falling into this trap now. Our economy has not gotten significantly better. There are still many thousands of Oregonians unemployed who cannot find work. Many of them fall into this category of long-term unemployed. Thousands of them are going to see their benefits expire this month and tens of thousands more over the next couple of months. But because of this so-called look-back provision, they are no longer eligible to get unemployment benefits.

This is just extraordinary that this Congress would again think about leaving town for the Christmas and New Year's holidays and into the next year without authorizing extended unemployment benefits for tens of thousands of Oregonians and other Americans at no additional cost to taxpayers, just spending down those reserves in the unemployment trust fund.

But Congress, the Republican leaders, do not want to do that because that would make the obscene deficit look just a tiny bit bigger. We would not have to borrow that money to pay those benefits; but it would make their $300 billion or $500 billion, however you want to calculate it, if you calculate the fact that they are borrowing and spending every penny that is flowing into Social Security this year, no more lockbox around here, that money will be spent and borrowed and spent and borrowed and spent. But if you exclude that, we are in the $300 billion range, the largest deficit in the history of the United States and spending down the unemployment trust fund would, on paper, make it look bigger; but it would not be anything that would be borrowing to obligate future generations of Americans, unlike the hundreds of billions of other spending in this bill.

So Congress wants to do one thing for this country and one thing for some of the people who have the most merit and are hurting through no fault of their own in this so-called jobless recovery, people whose jobs have been exported, in the case of my district to Canada, Mexico and China, under the trade policies of this administration and, yes, the past administration, which I opposed. These people want to work. They are productive people. They are hardworking people. They are willing to work. They just cannot find a job in the jobless recovery. So let us just give them a little bit of help in the interim so they do not lose their home, so they can feed their kids, so they can keep the lights on.

Do not go home, Congress, until you extend unemployment benefits for all Americans.

HOUSE CONTINUES LATE-NIGHT VOTING TRADITION IN PASSING MEDICARE BILL

The SPEAKER pro tempore (Mr. BOOZMAN). Pursuant to the order of the House of January 7, 2003, the gentleman from Ohio (Mr. BROWN) is recognized during morning hour debates for 5 minutes.

Mr. BROWN of Ohio. Mr. Speaker, this is the people's House, conducting the public's business openly, or at least it used to be the people's House. At 2:54 a.m. on a Friday in March, the House cut veterans benefits by three votes. At 2:39 a.m. on a Friday in April, House Republicans slashed education and health benefits by five votes. At 1:56 a.m. on a Friday in May, the House passed the Leave No Millionaire Behind tax cut bill by a handful of votes. At 2:33 a.m. on a Friday in June, the House GOP passed a Medicare privatization and prescription drug bill by one vote. At 12:57 a.m. on a Friday in July, the House eviscerated Head Start by one vote. And then after returning from summer recess at 12:12 a.m. on a Friday in October, the House voted $87 billion for Iraq. Always in the middle of the night, always after the press had passed their deadlines, always after the American people had turned off the news and gone to bed.

With that track record, Mr. Speaker, we should not be terribly surprised that when the House passed legislation privatizing Medicare and forcing the most sweeping changes to Medicare in its 38-year history, we should not be terribly surprised that this Republican House of Representatives passed that bill at 5:55 in the early morning, Saturday morning, hours. The Republican leadership delivered this 1,100-page Medicare bill to House Members on Friday morning at 1:46 a.m. We voted on it 25 hours later.

But I do not really blame my Republican colleagues. If I had produced this bill, I would not want to give people much time to look at it either. When Republican leaders sit down behind closed doors with the insurance industry and with the drug industry and write a bill to privatize Medicare, of course they do not want the public to know much about it.

This bill is not a prescription drug bill. We could have agreed bipartisanly to deliver a $400 billion drug benefit to our Nation's seniors. This bill is a Medicare privatization bill, written by the drug industry, written by the insurance industry, for the drug industry and for the insurance industry. This bill forces seniors to join an HMO or pay more for the coverage they have now. And we know how HMOs have treated seniors in county after county after county in this country. This bill creates a $20 billion, that is with a B, $20 billion slush fund for HMOs and stacks the deck so resolutely against the core Medicare program that privatization is inevitable. This bill jeopardizes employer-sponsored retiree coverage for the 12 million-plus seniors who have this coverage. Several million seniors who now have prescription drug coverage as retirees are going to lose that coverage when their employers drop it. That is a certainty.

This bill leaves such huge coverage gaps in coverage that the average senior will run out of drug benefits by August each year, but will be required to pay premiums through December. So they will not get a benefit in July, but they will pay the $35, $45, $50, $60 premium. They will not get a benefit in August, but they will be paying the $35, $45, $50, $60 premium. They will not get a benefit in September, but they will pay the premium. They will not get the benefit in October, but they will pay the premium. That is what the Republican privatization Medicare bill is all about, written by the drug companies for the drug companies, written by the insurance industry for the insurance industry.

Mr. Speaker, most of these damaging provisions do not go into effect until after the 2004 elections, but this is the people's House. We should conduct our business openly. We should be honest with people whom we serve. We should throw the drug companies and insurance companies out of our offices so they are not writing this privatization legislation. The American people deserve better.

MEDICARE

The SPEAKER pro tempore. Pursuant to the order of the House of January 7, 2003, the gentleman from New Jersey (Mr. PALLONE) is recognized during morning hour debates for 5 minutes.

Mr. PALLONE. Mr. Speaker, I want to follow up on what my colleague from Ohio said with regard to this Medicare bill that was passed in the middle of the night after the board was held open for 3 hours, even though most Members had voted. I want to say I was back in my district, of course, during the last 2 weeks during the Thanksgiving recess, and my constituents in New Jersey and throughout the State are outraged over this Medicare bill. They see it as nothing more than an effort to privatize Medicare, to change the traditional Medicare program and not to provide them with any kind of meaningful drug benefit. But what is the most amazing, Mr. Speaker, is what we have learned in the 2 weeks since that vote was taken, what we have learned about the arm-twisting that took place to try to influence Members on the Republican side to vote for the bill as opposed to against the bill, and what we have learned about provisions in the bill that many Members were not even aware of that make the legislation even worse.

I just wanted to talk about those two things this morning. First of all, there is now an investigation by the Justice Department into the bribery, alleged bribery or undue influence that was placed on Congressman SMITH in an effort by the Republican leadership to get him to change his vote against the Medicare bill and in favor of the bill. He ended up voting against the bill, refused to switch; but supposedly he was told that if he did not switch that $100,000 would not be available from the Republican campaign war chest for his son who was running as a successor for him to Congress. He was told that there would not be support for his son running as a Member of Congress if he did not change his vote.

Statements were made to that effect on the floor of the House of Representatives that suggest that somehow votes are for sale by the Republican Party on the House floor, here in the House of Representatives in these halls, in this Congress that we so dearly value. Bribery, allegations of bribery, and now the Justice Department is investigating it, in an effort to try to twist arms and get Republicans who wanted to vote against this bill because they knew that was the right thing to do and they were trying to convince them to vote the other way.

In addition, those of you who may have read the New York Times yesterday, front-page article talking about how the bill does not allow for seniors to buy MediGap coverage, I knew that this bill was bad and there are a lot of bad provisions in this bill and my colleague from Ohio has pointed out many of them; but many of us were not aware of the fact that the bill precluded MediGap insurance.

Do you know why it precludes MediGap insurance? Because it does not want seniors who are in traditional Medicare, the Republican leadership, the President, the Republican President, do not want seniors who are in traditional Medicare to be able to supplement and buy MediGap insurance. Why would that be? That is because they do not want them in traditional Medicare. They want to force them to go into an HMO to get their drug benefit or force them to buy some kind of drug-only policy which is going to be tremendously prohibitive. So seniors who traditionally have purchased MediGap coverage, supplemental insurance to cover the things that are not provided for in Medicare, are now going to be told, you cannot do that anymore. Imagine, you are a senior citizen, you do not want to join an HMO, you are very concerned about the cost of a drug-only policy which may not even be available in your area, but you cannot supplement your traditional Medicare by buying a MediGap policy, perhaps, that would provide for a nice drug benefit or would make it easier for you in the long run not to expend a lot of money out of pocket. They are now precluding you from doing this.

It is amazing to me. The Republicans talk about choice, that the reason that they wanted to privatize Medicare and do what they are doing with this bill is because they wanted seniors to have choices; but in effect, what they have done is limit seniors' choices. If seniors cannot even buy supplemental MediGap coverage, what kind of choice is that? No choice of a doctor because in order to get the drug benefit you have to join an HMO; but even if you want to supplement your insurance in traditional Medicare, you cannot do it anymore. They are not going to allow Medigap policies anymore.

It is amazing to me when you look at this legislation what went on. A middle-of-the-night vote, twisting arms, bribing Members of Congress, it looks like, allegations are being made at this point, and no choices at all because you are forced essentially into an HMO. And for what? A Medicare prescription drug benefit that is almost completely useless because, as we have said before, you would have to spend so much money out of pocket, probably over $4,000 out of pocket in order to get $5,000 worth of coverage.

We do not even know what the premium is going to be. The premium for the drug benefit could be $85, $100 a month for all we know. And you are going to have a $275 deductible or perhaps a higher deductible. You are only going to get coverage up to something like $2,000 or so and after that you are going to have to pay out of pocket even though you are continuing to pay the premiums, up to $5,000. It does not even go into effect until 2006. No cost containment whatsoever. It is just amazing. We have got to continue to point out the bad aspects of this bill.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess until 11 a.m. today.

Accordingly (at 10 a.m.), the House stood in recess until 11 a.m.

☐ 1100

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. THORNBERRY) at 11 a.m.

PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

In this season of expectation and winter surprises, the words of the prophet Baruch cut through the ages and blanket the earth:

"My people, take off your robe of mourning and lament; put on the splendor of glory from God forever: Wrapped in the cloak of justice from God, show forth the glory of the Lord's eternal name: For God will show all the earth your splendor."

Lord our God, be with the Congress of the United States today. May its work prove to all, You guide Your people always and are present to their deepest needs. By the lasting effects of decisions made here, Your splendor, as our judge, will be revealed.

For You, the Lord, will lead this Nation in joy and fulfillment. By the light of Your glory, You will befriend us with mercy and justice now and forever. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Ohio (Mr. CHABOT) come forward and lead the House in the Pledge of Allegiance.

Mr. CHABOT led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 3633

Mr. LAHOOD. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of H.R. 3633.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, DC, November 26, 2003.

Hon. J. DENNIS HASTERT,
The Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, the Clerk received the following message from the Secretary of the Senate on November 26, 2003 at 10:22 a.m.:

That the Senate passed without amendment H.R. 1437.

That the Senate passed without amendment H.R. 1813.

That the Senate passed without amendment H.R. 3287.

That the Senate passed without amendment H.R. 3348.

That the Senate passed without amendment H.J. Res. 80.

That the Senate agreed to House amendment to S. 459.

With best wishes, I am
Sincerely,

JEFF TRANDAHL,
Clerk.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 4 of rule 1, Speaker pro tempore THORNBERRY signed the following enrolled bills and joint resolution on Monday, December 1, 2003:

H.R. 1437, to improve the United States Code;

H.R. 1813, to amend the Torture Victims Relief Act of 1998 to authorize appropriations to provide assistance for domestic and foreign centers and programs for the treatment of victims of torture, and for other purposes;

H.R. 2622, to amend the Fair Credit Reporting Act, to prevent identity theft, improve resolution of consumer disputes, improve the accuracy of consumer records, make improvements in the use of, and consumer access to, credit information, and for other purposes;

H.R. 3287, to award Congressional Gold Medals posthumously on behalf of Reverend Joseph A. DeLaine, Harry and Eliza Briggs, and Levi Pearson in recognition of their contributions to the Nation as pioneers in the effort to desegregate public schools that led directly to the landmark desegregation case of Brown et al. v. The Board of Education of Topeka et al;

H.R. 3348, to reauthorize the ban on undetectable firearms;

H.J. Res. 80, appointing the day for the convening of the second session of the One Hundred Eighth Congress;

S. 459, to ensure that a public safety officer who suffers a fatal heart attack or stroke while on duty shall be presumed to have died in the line of duty for purposes of public safety officer survivor benefits;

and the following enrolled bill and joint resolution on Wednesday, December 3, 2003:

H.R. 2297, to amend title 38, United States Code, to improve benefits under laws administered by the Secretary of Veterans Affairs, and for other purposes;

H.J. Res. 63, to approve the Compact of Free Association, as amended, between the Government of the United States of America and the Government of the Federated States of Micronesia, and the Compact of Free Association, as amended, between the Government of the United States of America and the Government of the Republic of the Marshall Islands, and to appropriate funds to carry out the amended compacts;

and the Speaker signed the following enrolled bill on Saturday, December 6, 2003:

H.R. 1, to amend title XVIII of the Social Security Act to provide for a voluntary program for prescription drug coverage under the Medicare program, to modernize the Medicare program, to amend the Internal Revenue Code of 1986 to allow a deduction to individuals for amounts contributed to health savings security accounts and health savings accounts, to provide for the disposition of unused health benefits in cafeteria plans and flexible spending arrangements, and for other purposes.

CONGRATULATING THE ELDER FOOTBALL TEAM

(Mr. CHABOT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CHABOT. Mr. Speaker, on the blustery evening of November 29, 2003, the Elder High School football team won their second consecutive Ohio State championship under the guidance of Coach Doug Ramsey, becoming just the fourth school ever to win back-to-back Division I championships.

While last year's championship run was epitomized by hard-fought, closely-contested victories, this year's Panther team dominated the playoffs, except for the very close one-point win over a very tough Coleraw High School team. The dynamic leadership of quarterback Rob Florian and the sensational running of Bradley Glatthaar spearheaded the offense, while Elder's swarming defense held opposing teams to just seven points in four of the five playoff games. As always, thousands of Elder faithful traveled across the State, braving the cold, to support the Panthers throughout the playoffs.

Mr. Speaker, the hard work and sacrifice of the young men at Elder have brought pride and honor to Price Hill and to our entire community. Football fans throughout the Cincinnati area congratulate the Panthers and share in their celebration. Way to go, Elder Panthers. And from a LaSalle Lancer, it might be a tough thing to do, but we are real proud of you, Elder. God bless you.

CALLING UPON RETAILERS TO REMOVE VIOLENT AND DEGRADING VIDEO GAMES FROM STORE SHELVES

(Mr. DEUTSCH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DEUTSCH. Mr. Speaker, I rise today to bring to this Chamber's attention a disturbing trend in video game entertainment: Grand Theft Auto: Vice City, a video game made by Rockstar Games, Inc., contains violent and discriminatory messages, urging the player to "kill the Haitians" and "kill the Cubans."

As an elected official who represents an ever-expanding population of Haitian Americans and Cuban Americans, I am deeply disturbed by the inflammatory and anti-immigration message contained in this video game. These messages run counter to the very principles on which this Nation was founded: as a haven for all of those who seek freedom and equality.

I stand before the House today calling on my colleagues to join me, along with many elected officials, to urge retailers to remove this divisive product from their shelves and Internet Web sites immediately.

The Haitian and Cuban communities in America represent a core of law-abiding, hard-working model citizenry that embrace family and community. They are valuable segments of our society who, as others before them, seek to live the American dream.

It is shocking and disheartening to know that games with such dehumanizing messages against these groups are routinely sold to children across the Nation. This sort of insensitivity and degradation cannot be tolerated.

I urge my colleagues to join me in calling upon retailers to remove this game.

ACKNOWLEDGING ADMIRABLE CALIFORNIANS

(Mrs. BLACKBURN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BLACKBURN. Mr. Speaker, today I rise to congratulate Governor Schwarzénegger on his efforts to "clean house" in California. Since he took office last month, he has been implementing many reforms to California's economic and security problems. He has rescinded a $4 billion car tax, called for a constitutional amendment to limit State spending, and worked with the legislature to repeal the law that allows illegal aliens to obtain driver's license. Instead of hiding his head in the sand as his predecessor did, he has shown the courage to balance the State's budget without raising taxes and to protect the security of the State.

I would also like to speak on another admirable Californian, Judge Janice Brown. Judge Brown is the daughter of a sharecropper who has beat the odds to become one of the finest judges in America. Critics claim she is an extreme conservative who is outside of America's mainstream, but they are the ones who are outside the mainstream. These critics have intentionally disregarded her judicial opinions that have upheld due process rights for criminal defendants and consumer protection for Californians. This body must stand with Californians, like Governor Schwarzenegger and Judge Brown, who are working to make a difference.

MISSED OPPORTUNITIES

(Mr. EMANUEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EMANUEL. Mr. Speaker, today, as the President signs the Medicare Reform Act dealing with prescription drugs, although this is going to be hailed around in Washington as a great day, we missed an opportunity to save our seniors dramatically on the cost of prescription drugs.

We could have included a provision that allowed prescription drugs to be purchased in Canada or Europe where prices are 40 to 50 percent cheaper, saving for seniors, on average, a good deal of money, as well as taxpayers a good deal of money. We could have included a provision to allow a Sam's Club-like bulk negotiating which the Veterans' Administration does for veterans, and we could have done that for Medicare, for 41 million Americans, to reduce prices. Either way, either of these issues, either through open markets and market access, allowing competition to bring prices down and give consumers choice, or allowing bulk price negotiations, which is what happens if you have a Sam's Club. In either manner, we in the government prevented that from happening and are forcing our seniors into higher prices and forcing our taxpayers to play inflated prices.

We have an obligation to the taxpayers to give them the best and most affordable prices for their taxpayer money, and we took a pass today on that legislation.

INFAMOUS DAYS IN OUR NATION'S HISTORY

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, yesterday was the anniversary of the attack on Pearl Harbor. That day, President Franklin Delano Roosevelt said, was "a day that will live in infamy." More than 2,400 Americans died that day, 1,100 were wounded, and that day changed America forever.

But despite being attacked on our own soil, the American people responded with courage and resolution.

This same courage showed its face on September 11, 2001. That same resolution continues to drive us in the war on global terrorism today.

As President Bush said this weekend honoring Pearl Harbor, "America's liberty is sustained by the courage of the American people. Every generation of Americans has answered the call to protect the blessings of freedom and democracy. With the help of our friends and allies, the brave men and women of our Armed Forces are now engaged in a global war on terrorism. And as in the aftermath of the terrible attack on Pearl Harbor, our Nation will stay the course, and we will prevail."

UNEMPLOYMENT INSURANCE

(Ms. SOLIS asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. SOLIS. Mr. Speaker, here we go again. Last year, President Bush and the Republican Congress refused to extend unemployment insurance before it expired, leaving millions out in the cold. This year, they are, again, showing little interest in providing relief to those searching for jobs. To me, that is wrong.

Despite modest gains in the economy, the job market remains abysmal. Over 1.1 million Californians remain out of work, looking for jobs. Long-term unemployment last month was the highest in 20 years, with over 20 percent of those without jobs looking for work for more than 6 months.

This is especially true in my district where unemployment rates remain very high. In East Los Angeles, the area that I represent, the unemployment rate is well over 10.7 percent, and in the year 2001 it was 8.3, so it has gone up. In the city that I live in, in El Monte, it was at 6.7 in the year 2001. Now, it is at 8.7. It has not gone down.

While the President hails the recent uptick in the economic figures, he fails to mention the unemployment among Latinos and other minorities which continues to rise.

Let us leave no family behind and provide unemployment insurance benefits for all.

SOUTH CAROLINA POLICY COUNCIL

(Mr. WILSON of South Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILSON of South Carolina. Mr. Speaker, last week, the visionary Grover Norquist, President of Americans for Tax Reform, honored the South Carolina Policy Council with the rare and prestigious Dragon Slayer Award. President Edward T. McMullen, Jr., received a symbolic sword for the Council's efforts in fighting tax increases in South Carolina.

Since 1986, the South Carolina Policy Council has educated South Carolina's legislature and citizens about State and local public policy based on the traditional values of individual liberty and responsibility, free enterprise, and limited government.

In addition to President McMullen, I would like to give a special thanks to the dedicated staff of Administrative Assistant Marion Harsey, Vice President for Development India Hazzard; Vice President for Public Affairs Ashley Landess; Vice President for Policy Gerry Dickenson; Chairman of the Board Jake Rasor; and the courageous analyst Hal Eberle.

The Palmetto State is truly blessed to have such talented people working on public policy, and I ask all of my colleagues to join me in thanking the South Carolina Policy Council for their vital service.

In conclusion, God bless our troops, September 11, and the current December 7.

MILLIONS OF AMERICANS WITHOUT WORK THIS HOLIDAY SEASON

(Mr. GREEN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GREEN of Texas. Mr. Speaker, I rise today on behalf of the American worker. As we wrap up our work for the year, 8.7 million Americans are without jobs this holiday season.

The administration keeps promising economic growth will bring job growth. Yet, even on the heels of an impressive third quarter of economic growth, the job market has not taken off.

□ 1115

The Labor Department reports that only 57,000 jobs were added to the economy last month, a figure that represents only one-third of economists' prior expectations.

We all know there are deeper economic problems contributing to the loss of American jobs. Our trade policies have produced record-level trade deficits and have only encouraged American companies to send good-paying jobs overseas where they take advantage of cheap labor.

However, as we sit here with 1 day left in the session, we need to do what we can today to help better the lives of the American workers. We all know that the administration talks about cutting taxes and putting money in our pockets, but typically the American working class gets very little of this extra money. What I want to know is if the administration is so intent on putting money in our pockets, why they are eliminating the overtime provisions that are in this omnibus bill we are talking about today. Why will they not extend the unemployment benefits? These are policies that give America's workers more money every single pay period. And if there is ever a need for extra cash, it is during the holiday season.

THE ALIEN ACCOUNTABILITY ACT

(Mr. ISSA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ISSA. Mr. Speaker, I rise to make my colleagues aware of H.R. 3651, a bill I dropped just today at the end of 3 years of service in the House. It is titled the Alien Accountability Act. I can only apologize to the House that I was not able to bring it to the House sooner.

It deals with the 8½ million people who are here in America outside our laws. It deals in a post-September 11 era with a challenge that America has been trying to face to know who is here, why they are here, and whether or not they threaten Americans, all Americans.

This is not a partisan issue. I call on my colleagues to join me in supporting the Alien Accountability Act to once and for all bring to the awareness of civil authorities the 8½ million people that are here, according to our census, outside the law and find a way to register these people and to bring about some equitable conclusion to what has been a failed system of illegal immigration.

CELEBRATING BANKERS LIFE AND CASUALTY COMPANY 125TH ANNIVERSARY

(Mr. DAVIS of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DAVIS of Illinois. Mr. Speaker, I rise to congratulate Bankers Life and Casualty Company on their 125th anniversary, which will occur on January 17, 2004. Established in 1879, Bankers Life and Casualty Company is one of the most esteemed insurance companies in the United States. Headquartered in Chicago, it is the oldest health and life insurance company in the city and is currently the largest tenant in the world-famous Merchandise Mart. Through Bankers' dedicated work over more than a century, thousands of Chicagoland employees have helped millions of people across the country achieve their vision of living happy, active, and financially secure lives.

I congratulate them for 125 years of service to the residents of America.

INCREASED EARMARKS IN THE OMNIBUS BILL

(Mr. FLAKE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FLAKE. Mr. Speaker, I rise today to talk about the omnibus bill that we will be passing later today, and I rise with great reluctance to criticize the bill. This Republican Congress has increased the number of earmarks in bills by about four-fold in just the past couple of years. This is no way to do business.

We speak a great deal and at great length in this House about rooting out waste, fraud, and abuse in the Federal agencies in the way we spend money with the Federal Government. I would suggest that we look no further than the earmarks that we propose in this bill and other spending bills to root out waste, fraud, and abuse.

Most of these earmarks simply benefit one Member, one project. It is typically referred to as pork-barrel spending. We as Republicans have decried this practice for years, and now we seem to have embraced it.

Mr. Speaker, I think we need to turn a different direction and realize that if we want fiscal restraint, if we want to return to balanced budgets, then we have to do something about this kind of spending.

REPORT ON RESOLUTION WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 2673, CONSOLIDATED APPROPRIATIONS ACT, 2004

Mr. LINDER, from the Committee on Rules, submitted a privileged report (Rept. No. 108–402) on the resolution (H. Res. 473) waiving points of order against the conference report to accompany the bill (H.R. 2673) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for the fiscal year ending September 30, 2004, and for other purposes, which was referred to the House Calendar and ordered to be printed.

WAIVING REQUIREMENT OF CLAUSE 6(a) OF RULE XIII WITH RESPECT TO CONSIDERATION OF CERTAIN RESOLUTIONS

Mr. LINDER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 465 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 465

Resolved, That the requirement of clause 6(a) of rule XIII for a two-thirds vote to consider a report from the Committee on Rules on the same day it is presented to the House is waived with respect to any resolution reported on or before the legislative day of January 31, 2004, providing for consideration or disposition of any of the following measures:

(1) A bill or joint resolution making continuing appropriations for the fiscal year 2004, any amendment thereto, or any conference report thereon.

(2) A bill or joint resolution making general appropriations for the fiscal year ending September 30, 2004, any amendment thereto, or any conference report thereon.

The SPEAKER pro tempore (Mr. THORNBERRY). The gentleman from Georgia (Mr. LINDER) is recognized for 1 hour.

Mr. LINDER. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentlewoman from New York (Ms. SLAUGHTER), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, H. Res. 465 is a rule that waives clause 6(a) of rule XIII with respect to same-day consideration against certain resolutions reported from the Committee on Rules. Specifically, this rule waives the requirement for two-thirds majority vote by the House to consider a rule on the same-day that it has been reported by the Committee on Rules.

This rule's waiver applies to any special rule reported by the Committee on Rules on or before the legislative day of January 31, 2004, providing for the consideration of disposition of any of the following:

First, a bill or joint resolution making further continuing appropriations for the fiscal year 2004, or any amendment thereto, or any conference report thereon; or, second, a bill or joint resolution making general appropriations for the fiscal year ending September 30, 2004, any amendment thereto, or any conference report thereon.

Mr. Speaker, the Committee on Rules reported this same-day rule on November 21 in order to provide some flexibility to the House leadership in terms of bringing the consolidated appropriations bill to the floor. On November 25, the text of the conference report on H.R. 2673, the Consolidated Appropriations Act of 2004, was printed in the CONGRESSIONAL RECORD for review by House Members. While the rule before the House today permits consideration of a number of appropriations options, the purpose of processing of this rule today is to expedite the consideration of the remaining fiscal year 2004 appropriations bills in the House. Once this rule is adopted, the House will be able to consider a consolidated appropriations rule and the underlying conference report without delay.

This consolidated bill includes the Foreign Operations bill, the Transportation-Treasury bill, the Agriculture bill, the VA–HUD bill, the Commerce-Justice bill, the District of Columbia bill, and the Labor-HHS bill. I commend the hard work of the gentleman from Florida (Mr. YOUNG) and the Committee on Appropriations for their efforts in crafting this important funding bill. As I stated, the provisions of the consolidated appropriations bill were printed in the CONGRESSIONAL RECORD almost 2 weeks ago, and the passage of the same-day rule will provide for prompt consideration of these important funding bills this afternoon.

Mr. Speaker, I urge my colleagues to join me in supporting the passage of this rule.

Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, Christmas has come early for President Bush and his high-dollar friends, but for millions of American families, it looks like the Grinch will be stealing Christmas. The media has widely reported that the President won victory after victory in negotiations over the details of this omnibus appropriations bill. But any Presidential victory comes at a very high cost.

America's working families and those struggling to stay afloat in the swift currents of unemployment will be stuck with the tab. The unemployment rate was essentially unchanged from October to November and almost 9 million Americans still cannot find work, including 6.2 percent of the New Yorkers who were unemployed.

Across the Nation, the number of Americans filing for the first time for unemployment benefits is up. New claims for unemployment have risen in 47 States and territories. One economist described last Friday's unemployment report as "getting just the Christmas present you want but two sizes too small." The President assured the country that his massive tax cuts would create 300,000 jobs a month. But unfortunately for the millions of men and women looking for work, only 57,000 new jobs were created in November. That is the "two sizes too small." The real effects of the administration's tax giveaways were more money to the wealthiest and a staggering Federal deficit.

Only a few days before the Christmas holiday and the beginning of a new year, unemployment benefits for thousands and thousands of Americans will run out. After December 20, thousands more will no longer be eligible for an extension of benefits. Today is our last opportunity before that happens to extend the unemployment benefits, to throw a small life preserver to those still caught in the swift currents of steady unemployment flowing through our murky economy.

Just this morning in the Committee on Rules hearing, the chairman of the Committee on Appropriations agreed that unemployment benefits should be extended. We are spending $87 billion on Iraq, $150 billion this year, and we should be able to extend the unemployment benefits, especially considering that there is a surplus of unemployment funds.

We need to fight with all our might to protect American jobs, particularly the manufacturing jobs. Since January 2001, the United States has lost 2.4 million manufacturing jobs. We should be exporting American products, not our jobs. The Manufacturing Extension Partnership, MEP, is a nationwide network of centers devoted to providing small and medium size manufacturers with assistance, information, and access to business experts. We should be promoting this program, but instead this bill slashes the budget by 63 percent. It is absurd that we are considering cutting this valuable program while thousands of manufacturing jobs are lost every day. MEP has proven its value in boosting productivity in sales and employment. Slashing this program will cost small manufacturers almost $2 billion in sales and cost 28,000 workers their employment.

Despite the strong opposition of both elected bodies of Congress, President Bush was successful in killing legislative protections against limitations on overtime pay. Relaxing the overtime pay rules makes it easier for companies to force workers to put in more than 40 hours a week without additional pay. And under the broad rules proposed by this administration, many nurses will be ineligible for overtime pay, and even manual laborers would be classified as executives, which would end their eligibility for overtime pay.

These new regulations could make at least 8 million workers ineligible for the overtime, the money with which many pay their bills and take care of their families. Millions of them rely on that just to scrape by each month. And protecting the worker's right to overtime pay is such an important issue that people from across my district are asking me to oppose this entire bill because it does not include overtime pay protection.

I need to add that the overtime pay protection passed handsomely both Houses of Congress, and we instructed our conferees to keep it in the bill; but mysteriously it disappeared. A man from Tonawanda said last week to us no worker should lose his overtime pay since it is essential to their lives.

This massive bill is yet another example of the disturbing disregard for women's health. The President's authority to enforce his global gag rule remains unchallenged. Under the Mexico City Policy, the United States Government uses family-planning dollars to impose itself between women and their doctors. The U.S. muzzles health care workers. Clinics are prohibited from mentioning or counseling women about abortion. Doctors and nurses are forced to forfeit the right to provide complete, accurate medical information and advice to their patients.

Mr. Speaker, for the first time in half a century, the Republican Party controls both Houses of Congress and the executive, despite an authoritarian leadership style, inefficiency, and squabbling have produced a job that is less than half complete. The current fiscal year began over 2 months ago, and only three of the 13 measures that pay for functioning of the Federal Government were law by October 1 of fiscal year 2004. And right now only 6 of the 13 bills are law.

With this special rule, we will end the first session of the 108th Congress in a single day of hurried legislative activity.

□ 1130

Rather than wisely investing the body's time in deliberating the details of each of the seven remaining bills, we will spend 1 hour debating the merits of this massive conglomerate report. When substantive debate among Members is silenced, the millions of Americans that we represent are silenced and disenfranchised. Particularly, that is what happens, when one party of the House is excluded from all deliberations. This is not an attribute of a deliberative democracy.

Mr. Speaker, I hope that during the coming second session that comity and genuine bipartisan collaboration will replace arm-twisting and exclusion. I hope that character, decency, virtue, and respect are more than words on a page. I hope that we all will embrace the right of all Members elected here to fully participate in a truly deliberative process and of all the people to be fully represented in their national legislature. A natural result of the decline of deliberative democracy is the decline in the quality of our laws and the decline of public support for them and the decline of the standard of living in the United States. I urge my colleagues to vote against the previous question.

Mr. Speaker, I reserve the balance of my time.

Mr. LINDER. Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I yield 4½ minutes to the gentleman from Massachusetts (Mr. McGOVERN).

Mr. McGOVERN. Mr. Speaker, I rise in opposition to this martial law rule. This rule will allow us to consider a seriously flawed omnibus appropriations bill and nothing else.

After today, the House will not come back to work for legislative business until January 20. The time between now and January 20 that Congress will be out of session might not seen seem that important to some, but for hundreds of thousands of Americans it will be a terrible time indeed; that is because their Federal unemployment assistance is due to expire.

Mr. Speaker, even with the modest job gains made over the past few months, the U.S. economy has 2.4 million fewer jobs today compared to 2½ years ago. There are more than 2 million workers who have been unemployed for more than 6 months; and to make a bad situation worse, over 400,000 jobless American will not be eligible for unemployment compensation after the first of the year.

Americans continue to be unemployed at alarmingly high rates. Just last week, we saw job numbers that fell well below expectations. And the percentage of Americans exhausting their unemployment benefits without finding a job has reached its highest level on record.

Mr. Speaker, jobless Americans need help and they need it now. But while unemployed Americans continue to struggle to find work, this Republican-controlled Congress is preparing to leave town for the year. Like last year, Members of Congress will be free to go home to their families and constituents. Like last year, Members will have a nice holiday. And just like last year, the Republican-controlled Congress is letting unemployment insurance expire during the Christmas season. For hundreds of thousands of Americans, this

Republican Congress will be their Grinch who stole Christmas. And I have little hope that Congress's heart will grow any time soon; that is, unless we act today.

The facts are clear. It is clear we will not be back in session until late January; and it is clear that during that time, hundreds of thousands of jobless Americans will lose their unemployment insurance. We should not turn our backs on these people and their families in our rush to adjourn.

Now, I am sure that there is a bipartisan consensus to extend unemployment benefits. I am sure that if we brought up a bill to do that, a majority would support it; and if not, we could just hold the vote open for 3 hours or 4 hours until a majority appeared. That seems to be the new precedent around here. But the leadership does not want it. And in today's House of Representatives, what the leadership wants, the leadership gets. To heck with democracy.

Unemployed Americans deserve better than this.

Mr. Speaker, since this may be our last opportunity to speak this year, let me conclude with a few words about the process that has dominated during this session.

I have worked in this House for 20 years, both as a staffer and as a Member. Never have I seen so much disregard for the rules, the traditions, and the well-being of this House. We have seen huge pieces of legislation come to this floor for consideration without allowing Members the time to read what they are voting on. We have seen conference reports appear without a conference committee ever having met. We have seen conference committees that meet, but shut Democrats out. We have seen conference reports come to the floor, like the one that we are going to deal with today, that undo the work of the both the full House and Senate. These bills drop provisions that were supported by both bodies and add things that we never voted on. And we have seen rollcall votes held open for hours and hours until the leadership gets the result they want by any means necessary.

I am honored to hold the seat on the Committee on Rules that my old boss, Joe Moakley, had; and it saddens me that the Committee on Rules has become a place not to manage debate, but to stifle it. It has been used as a weapon against Members of both parties. I have been approached many times by Republican colleagues expressing their sympathy and their outrage with the action of their Republican leadership, and I appreciate their kind words. But I say to my friends on the other side, I do not need your sympathy. I need your vote.

Until Members on the other side stand up to their leadership, stand up for democracy in this House, stand up for the precedents and the traditions of this body, things will get worse, not better. This House is broken. And I urge my colleagues to think long and hard during this holiday season about how we can fix it.

Vote no on the previous question.

Mr. LINDER. Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I yield 2½ minutes to the gentlewoman from Oregon (Ms. HOOLEY).

Ms. HOOLEY of Oregon. Mr. Speaker, I rise in opposition to the martial law rule.

In Oregon, the recession much earlier than the rest of the country. My State has had the dubious distinction of having the highest rate of unemployment in the country for much of the last 3 years. During that time, Oregon has lost 57,000 jobs, a lot of jobs from a State like mine.

Unemployment benefits are intended as a safety net to carry people from one job to the next. They do not provide 100 percent of a person's previous salary, and they require sacrifice to make it work, but the benefits are absolutely vital for families to make ends meet. And not only do those benefits provide a level of security to families, unemployment benefits are also a stimulus to our local economies. When you take spending power from people, businesses hurt. Each dollar spent on unemployment benefits results in boosting the economy by $1.73. But unless Congress takes action today, almost 40,000 Oregonians will lose their unemployment benefits in the first half of next year. Benefits that are needed to pay their rent, pay their mortgage, pay for food, pay utility bills.

Eleven thousand Oregonians exhausted their benefits last month and that number is going to continue to grow unless Congress acts today. The Federal Government Unemployment Trust Funds have a balance of roughly $20 billion, more than enough to continue and improve the extended benefits program. These funds were paid into that unemployment compensation system just for the purpose of helping dislocated workers during difficult economic times. This is money that is there. This is the only thing that money can be used for. It does not add to the debt. This is something we need to do.

I urge my colleagues in joining me to defeat the previous question on the martial law rule for the omnibus spending bill so we can bring up an unemployment extension bill.

Mr. LINDER. Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I yield 3½ minutes to the gentleman from Michigan (Mr. LEVIN).

Mr. LEVIN. Mr. Speaker, this is not a happy moment. This is not a happy moment. We are forced to come up here and ask that the previous question be defeated so that we can give to people who are unemployed, who need unemployment comp, who are looking for work, an additional 13 weeks. And all we get from the Republican side is reserving the balance of their time.

There are 9 million unemployed in this country; and here is what is going to happen: December 20, if you are laid off, or I should say if you are drawing benefits, you can continue to receive your extended benefits. But, if you exhaust your benefits on December 21, you are out in the cold. That is the holiday message from the majority in this House. It is unconscionable. All kinds of excuses.

The gentleman from Texas (Mr. DELAY) has said, Every indicator is better than in 1993. But the job picture is entirely worse. Job creation is entirely, dramatically less.

Then I heard: Leave it to the Senate. They are not going to act.

Where are my colleagues from Michigan on the Republican side? Because of a bipartisan action in Lansing, people who needed it could draw up to 65 weeks; and now, someone laid off on December 21, or I should say who is exhausting their benefits, is out in the cold. Not one more week.

We should not have to be coming here, Mr. Speaker. Times are tough. I talked to building trade leaders an hour ago. Unemployment is going up in the building trades in Michigan and in lots of other places, and there is nothing but a cold shoulder from the leadership of this House. And I say to the Speaker, whom it is now being said about, that he can patrol this floor and get the votes, where is your leadership?

We should not have to be here today, the gentleman from New York (Mr. RANGEL), myself and others. This should be a bipartisan effort, and I hope in the next 24, no, it is not 24, it is 5 or 6 hours, that you, on the Republican side, will keep faith with the American people, those who are working and those who are not working through no fault of their own. Do not reserve your time. Come here with a bill.

Mr. LINDER. Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I yield 2 minutes to the gentleman from Oregon (Mr. DEFAZIO).

Mr. DEFAZIO. Mr. Speaker, unemployed Americans are about to get their annual Christmas gift from the Republican majority, and that is the end of their unemployment benefits.

This is not the first time this happened. Last year, Congress went home without extending unemployment benefits for those who, through no fault of their own, cannot find a job and have exhausted their benefits.

Now they say, well, we just cannot afford it. They can afford hundreds of billions of dollars of other things in this bill, foreign aid other things, much of it borrowed, but they cannot find the money for unemployed Americans. Well, that is actually a lie because there is $20 billion in the unemployment trust fund.

They do not even have to borrow the money to help unemployed Americans like they are going to borrow to help many of the special interests. All they have to do is agree to spend some of the taxes paid and on deposit to help unemployed Americans, paid by workers, paid by employers. That is why that money is there.

Every week, 400 Oregonians exhaust their benefits in this jobless recovery. Nationwide, tens of thousands of Americans are losing their unemployment benefits. They cannot find work through no fault of their own. They want to work. They want to work, but they cannot find a job. Their job has exported to China or to Mexico or from my district, some of them even to Canada. They cannot find a decent paying job. And now what is the Republican majority going to do? They are going to go home without extending unemployment benefits for these people. Many will lose the benefits Christmas week or New Year's week or in the month following. They may not be able to make the payments on their house. They are not going to be able to help their kids get the things they need to go to school, to feed their family, to pay their electric bills. These are basics.

We cannot find that money. We have the money. It is sitting in the bank. All we have to do is agree to spend it.

We have to stop pretending that everything is good with the economy, that America's just booming ahead again. We have what is called "a jobless recovery" in this country, and those are real people who do not have jobs. They are real people in my district. And Congress could do something real for them today. It is just choosing not to. It will help the special interests but not working Americans.

□ 1145

Mr. LINDER. Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. RANGEL).

Mr. RANGEL. My colleagues, I do not know why the majority is reserving their time. Some pretty rough accusations have been made against them as a party. It would just seem to me that there should be enough sensitivity if not to respond to us then at least to respond to those 9 million people who are without work and without hope for the future.

I can understand the majority in trying to eliminate all taxes for corporations and the rich. I can understand them trying to dismantle the Social Security System and the Medicare system. These are things they have dedicated themselves to doing and can be described as being Republican and Democratic positions. But how can someone out of work be the victim of partisanship? How can they determine whether they are Republican or Democrat? How can they benefit when a kid has to be withdrawn from school because of their parents' failure to pay their tuition, or their mortgage is forced to be foreclosed on?

It seems to me that at this time of the year we can at least join ranks to take care of those people who want to work each and every day. If we can spend $1 billion a week rebuilding Baghdad, we should at least give some token of appreciation for those people who have worked hard to build this Nation, to make her as strong as she is by giving to them out of their own trust funds that this Congress established to protect them; that we have the compassion, no, not the compassion, we have the responsibility to respond to their needs.

Sometimes I am so proud to be a Member of this body, but it is becoming increasingly more difficult to go to town hall meetings and to not ask why we tolerate the Republicans doing these things. Why does this institution, this great institution that we inherited, allow such pain and suffering to go to the least among us? It is wrong.

We should vote "no" on the previous question, and I hope we hear sometime this morning from the majority.

Mr. LINDER. Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I yield 2 minutes to the gentlewoman from California (Ms. WOOLSEY).

Ms. WOOLSEY. Mr. Speaker, I too am in opposition to this martial law rule because it fails to bring attention to the hardworking families that are struggling every day in this Nation to meet their needs and to take care of their children. The economy is letting them down. The economy continues to suffer. The job market is weak. These families are why we must absolutely extend the unemployment benefits and why we must do it now. Not later, but now.

Mr. Speaker, families must have the means to be healthy, they must be safe when their jobs are no longer secure, and that is why we must extend these unemployment benefits before we adjourn Congress this year, before we leave here for our holidays. We are highly paid. We are employed. Yet we are going to leave and enjoy our holidays, and it will be absolutely irresponsible if we do not extend the unemployment benefits.

If it is not irresponsible, Mr. Speaker, it is certainly hardhearted, because we need 26 weeks' more extension for those who have already lost their jobs or who are going to lose their jobs or for those who have unemployment benefits that have lapsed. If we do not give unemployed workers the help they need today, an estimated 500,000 or 900,000, over half a million of the Nation's jobless, will be without benefits by the time we return from our holidays in January; holidays that we have been able to enjoy because we are highly paid and we are employed, until at least November of every other year.

Why are we not taking care of those who do not have the benefits that we have? I urge my colleagues to join me in supporting the extension of benefits and vote against the martial law rule.

Mr. LINDER. Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. ANDREWS).

Mr. ANDREWS. Mr. Speaker, I thank the gentlewoman for yielding me this time. In 1971, when I was 14 years old, in the spring of that year, one day my father came home from work from the shipyard at which he had worked for nearly 40 years and he brought home with him that day a layoff notice from the shipyard because we were no longer making enough money building the ships. That was a summer where he applied for a lot of jobs. He had to make, as I recall, a weekly visit to the unemployment office to pick up his check; and his benefits ran out in the fall of 1971.

I was not quite old enough to understand what that meant, but I was old enough to remember the stress and anxiety my mother and father felt that fall; and I was also old enough to remember that somehow or another there was some good news that came that fall because the unemployment checks that my dad was picking up once a week were going to keep going for a while, to get us through the holiday season that year in 1971. He hung in there. He eventually got a part-time job and worked every day for the rest of his life, until he died in 1985 at the age of 75 years old. Government reached out and helped us that holiday season 32 years ago.

Mr. Speaker, I know there are 1.3 million American families who feel today like we felt that day 32 years ago, not knowing whether the money was going to be there for us to have any kind of holiday at all, much less the money to pay our rent for the next month, to pay for our heat for the next month to survive on into the next year.

There was money around here to pay for a solar heating experiment for a Hooters restaurant down South, there was plenty of money, necessary money in my opinion, to rebuild the wreckage of postwar Baghdad, there is certainly enough money for the 1.3 million American families who have already exhausted their unemployment benefits.

Defeat the previous question. Let us bring this issue to the floor.

Mr. LINDER. Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I yield 2½ minutes to the gentleman from Washington State (Mr. MCDERMOTT).

Mr. MCDERMOTT. Well, Merry Christmas, Mr. Speaker. We are here, and we are going to have a party down at the White House tonight, and everybody is going to be full of happiness and gemitlichkeit, but the workers of this country are not going to get anything done by the Republican legislature.

The leadership of the Republican Congress is ignoring the need to extend benefits this year, just like they did last year. We will be back in January; and there will be all this clamor about, oh, we have to do something about unemployment. We know it now. We not only need to extend these benefits, but we need to fix a quirk in the law that keeps people in Washington State from even getting it if we would extend it.

Now, the administration likes to trumpet, oh, the stock market is up and there are a few jobs here and there, but this economic recovery is a mile wide and an inch deep. Two out of every three people will not find a job. That is the statistic out of the Department of Labor in the Bush administration. We know there are no jobs out there. We say, well, try harder. Go work harder. Walk around.

Mr. Speaker, no matter how dedicated you are, how willing you are to accept a job, if there is no chance, it sounds to me like, you know, it is like being on the Titanic and looking down to see how many life boats there are and saying, well, I guess I am not getting into one, but I guess maybe the ship will make it.

Washington State remains one of the hardest hit States in the Nation, despite being a diverse economy that is a model and a microcosm of America. Too many people are falling through the cracks, and the leadership of the Republican Party does not care. They want martial law in here in this Congress. They would be willing to put martial law out on the streets if the unemployed in this country rose up.

For every person we know who is unemployed, there are many more who have been given up, dropped out of sight and out of reach. Washington citizens from all walks of life look to us for leadership, look to us for a helping hand in time of hardship. They deserve it, and for the good of America we cannot turn our backs on our own people.

Now, we can go have that party down at the White House, and there will be bands playing and violins, and lots of drinks and good food; but it is sort of like Old England. It is Scrooge's business. Let us have a party, but we will not worry about the people out on the streets.

Vote against the previous question and make this leadership bring up unemployment.

Ms. SLAUGHTER. Mr. Speaker, I yield myself the balance of my time.

We are about to adjourn sine die and close the first session of the 108th Congress with no more legislative business until January 20th of next year. And just like last year at this time, we are again callously turning our backs on millions of unemployed Americans whose Federal unemployment benefits are set to expire shortly after Christmas.

It is very interesting how the Republican leadership can find billions of dollars to make their rich friends even richer, but cannot find it in their hearts to help jobless workers through this rough time with money that is already there for them. They can find $87 billion to fund the war in Iraq, but nothing for those here without jobs.

Mr. Speaker, I am going to call for a "no" vote to defeat the previous question on this rule so we can try to do something to help the unemployed American workers. If the previous question is defeated, I will offer an amendment so we can immediately take up legislation to extend the expiring Federal unemployment benefits. And I want to state again: the money is there. It does not have to be borrowed. It has been paid in. It simply requires Federal action to allow the States to expend it.

Mr. Speaker, this legislation will continue the extended unemployment benefits program for the first 6 months of next year. The bill would also increase to 26 weeks the amount of benefits provided under that program, which is up from 13 weeks. This would provide new help to the 1.4 million workers who have already exhausted their extended benefits and have yet to find work.

This measure is identical to the text of H.R. 3244, the Rangel-Cardin unemployment extension, and also contains the text of H.R. 3554, authored by the gentleman from Washington (Mr. MCDERMOTT), which would fix a flaw in the current law that prevents those States with exceptionally high long-term unemployment rates from continuing to receive extra benefits.

There is so much talk today about our economy and claims that things are looking good. However, new jobs are not forthcoming at this time and do not appear to be coming anytime soon. Americans continue to be unemployed at alarmingly high rates. The percentage of Americans exhausting their unemployment benefits without finding a job has reached the highest level on record. More than 2 million workers have been unemployed for more than 6 months. Jobs are disappearing every day with no relief in sight. These Americans need relief, and they need it immediately.

If we do not fix this today, over 400,000 jobless Americans will not be eligible for unemployment compensation after the first of the year. More than 2 million more will lose the benefits in the first 6 months of next year. And, Mr. Speaker, the House will probably adjourn sine die today or later this week, so this is the only opportunity we have to help unemployed Americans this year. Let us not abandon them today.

I want to emphasize that voting against the previous question will not stop the omnibus appropriations conference report from coming to the floor today.

Voting "no" on the previous question will still allow that bill to be considered. But a "no" vote will allow the House to vote on legislation that will help our Nation's unemployed workers.

However, a "yes" vote on the previous question you will stop any opportunity for this House to extend desperately needed unemployment assistance to hundreds of thousands of our constituents and their families. Do you really want to go home and tell these people that you failed to do your job and failed to help them in their time of need?

Make no mistake, this vote will give the House the opportunity to vote today to extend Federal unemployment benefits and to give relief to those hardest hit by our Nation's grim employment situation. I urge a "no" vote on the previous question.

Mr. Speaker, I ask unanimous consent that the text of the amendment be printed in the RECORD immediately before the vote on the previous question.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I am here today to echo the sentiment of my Democratic colleagues about where our priorities are. As Congress comes to a close for 2003, I want to emphasize the needs of the middle class, of the unemployed and of the families struggling to make ends meet.

I am here to vote "no" on the Previous Question on both the Martial Law Rule and the Rule for the Omnibus Appropriations bill. I am doing this to allow the House to consider legislation that would continue to extend unemployment benefits through the first six months of next year.

By voting no, we can consider H.R. 3568, a bill that would also increase to 26 weeks the amount of benefits provided under that program—up from 13 weeks—and help the 1.4 million workers who have already exhausted their extended benefits.

Already this year, the Bush Administration has cut education spending, giving the rich more tax breaks, and taken away the child tax credit for the middle class. We need to be taking steps to change this selfish economic policy and focus on creating jobs and incentives to employ more people and assist those during the transition.

Right now we know that job creation will need to be far greater, more sustained and more robust to start to undo the damage of the recession created by the Bush Administration. Already, President Bush is on track to have the worst job creation record of any modern President. With a current unemployment rate of 5.9 percent, it is a 44 percent increase than the rate when President Bush took office in January 2001. This means 2.7 million more Americans are without a job because of our irresponsible economic practices.

Extending unemployment benefits is one of the first steps to correcting the administration's poor economic planning. Economists have estimated that each dollar of unemployment benefits leads to $1.75 in economic growth.

Last year, the Republicans went home for the holidays and left 800,000 jobless Americans fearing for their terminated benefits. This year, we have two million Americans out of work for over six months, and benefits will expire for 90,000 workers every week unless we do something about this now.

This is something we must do for our constituents who are struggling to make ends meet because of circumstances that are out of their control. From my own district in Houston, I have received over 150 pleading requests to not adjourn without passing the unemployment benefit extension. This Administration needs to come up with economic policies that will create jobs, and in the interim they must provide support to unemployed workers by immediately extending Federal unemployment benefits. We need to take better care of our working families and make this a priority.

□ 1200

The text of the material previously referred to by Ms. SLAUGHTER is as follows:

PREVIOUS QUESTION FOR H. RES. 465—RULE ON WAIVING 2/3RDS FOR OMNIBUS/C/R AND/OR APPROPRIATIONS MEASURES

At the end of the resolution add the following new section:

SEC. 2. Immediately after disposition of this resolution, it shall be in order without intervention of any point of order to consider in the House the bill (H.R. 3568) to provide extended unemployment benefits to displaced workers, and to make other improvements in the unemployment insurance system. The bill shall be considered as read for amendment. The previous question shall be considered as ordered on the bill to final passage without intervening motion except: (1) one hour of debate equally divided and controlled by the Chairman and ranking Minority Member of the Committee on Ways and Means; and (2) one motion to recommit with or without instructions.

Mr. LINDER. Mr. Speaker, I urge Members to support the previous question and the rule, I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore (Mr. THORNBERRY). The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Ms. SLAUGHTER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

Pursuant to clause 9 of rule XX, the Chair will reduce to 5 minutes the minimum time for electronic voting, if ordered, on the question of adoption of the resolution.

The vote was taken by electronic device, and there were—yeas 211, nays 179, not voting 44, as follows:

[Roll No. 672]

YEAS—211

Akin
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Bereuter
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Buyer
Calvert
Camp
Cannon
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole
Collins
Cox
Crane
Crenshaw
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
DeLay
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Everett
Feeney
Flake
Foley
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Gordon
Goss
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCotter
McCrery
McHugh
McInnis
McKeon
Mica
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Porter
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Sensenbrenner
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (FL)

NAYS—179

Abercrombie
Ackerman
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Ballance
Becerra
Bell
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Carson (IN)
Case
Clay
Clyburn
Conyers
Cooper
Costello
Cramer
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dooley (CA)
Doyle
Edwards
Emanuel
Eshoo
Etheridge
Evans
Farr
Ford
Frank (MA)
Frost
Gonzalez
Green (TX)
Grijalva
Gutierrez
Hall
Harman
Hill
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
Lampson
Langevin
Larsen (WA)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Majette
Maloney
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Mollohan
Moore
Moran (VA)
Murtha
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Reyes
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Watson
Watt
Weiner
Woolsey
Wu
Wynn

NOT VOTING—44

Aderholt
Bachus
Burr
Burton (IN)
Cantor
Capuano
Cardin
Cardoza
Carson (OK)
Cubin
Deal (GA)
Doggett
Engel
Fattah
Ferguson
Filner
Fletcher
Gallegly
Gephardt
Goodlatte
Hastings (FL)
Hinchey
Janklow
Johnson (CT)
Johnson, E. B.
Lantos
Larson (CT)
Lynch
Markey
Meehan
Miller (FL)
Miller, George
Nadler
Rangel
Regula
Royce
Rush
Scott (GA)
Sessions
Tierney
Waters
Waxman
Wexler
Young (AK)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. THORNBERRY)(during the vote). Members are reminded that 2 minutes remain in this vote.

□ 1221

Messrs. WYNN, PASCRELL and CRAMER changed their vote from "yea" to "nay."

Mr. BARTLETT of Maryland changed his vote from "nay" to "yea."

So the previous question was ordered.

The result of the vote was announced as above recorded.

Stated for:

Mr. FERGUSON. Mr. Speaker, on rollcall No. 672, I was unavoidably detained. Had I been present, I would have voted "yea."

Stated against:

Mr. FILNER. Mr. Speaker, on rollcall No. 672, due to urgent constituent support commitments in my congressional district, I missed the vote. Had I been present, I would have voted "nay."

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, on rollcall No. 672, I missed due to unavoidable circumstances. Had I been present, I would have voted "nay."

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Ms. SLAUGHTER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 212, noes 182, not voting 40, as follows:

[Roll No. 673]

AYES—212

Aderholt
Akin
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Bereuter
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Calvert
Cannon
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole
Collins
Cox
Crane
Crenshaw
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
DeLay
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Dreier
Duncan
Dunn
Ehlers
English
Everett
Feeney
Ferguson
Flake
Foley
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goss
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Hobson
Hoekstra
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCotter
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Porter
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (FL)

NOES—182

Abercrombie
Ackerman
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Ballance
Becerra
Bell
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardoza
Carson (IN)
Case
Clay
Clyburn
Conyers
Cooper
Costello
Cramer
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dooley (CA)
Doyle
Edwards
Emanuel
Eshoo
Etheridge
Evans
Farr
Fattah
Ford
Frank (MA)
Frost
Gonzalez
Gordon
Green (TX)
Grijalva
Gutierrez
Harman
Hill
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
Lampson
Langevin
Larsen (WA)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Majette
Maloney
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Mollohan
Moore
Moran (VA)
Murtha
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Reyes
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Watson
Watt
Weiner
Woolsey
Wu
Wynn

NOT VOTING—40

Bachus
Burr
Burton (IN)
Buyer
Camp
Cantor
Cardin
Carson (OK)
Cubin
Deal (GA)
Doggett
Emerson
Engel
Filner
Fletcher
Gallegly
Gephardt
Goodlatte
Hastings (FL)
Herger
Hinchey
Janklow
Johnson (CT)
Johnson, E. B.
Lantos
Larson (CT)
Lynch
Markey
Meehan
Miller, George
Nadler
Rangel
Regula
Rush
Scott (GA)
Tierney
Waters
Waxman
Wexler
Young (AK)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are reminded that 2 minutes remain in this vote.

☐ 1230

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated against:

Mr. FILNER. Mr. Speaker, on rollcall No. 673, due to urgent constituent support commitments in my congressional district, I missed the vote. Had I been present, I would have voted "no."

PERSONAL EXPLANATION

Mr. LARSON of Connecticut. Mr. Speaker, I would like to submit this statement for the RECORD and regret that I was unavoidably detained on Monday, December 8, 2003, during rollcall vote Nos. 672 and 673 on H. Res. 493, a resolution waiving a requirement of clause 6(a) of rule XIII with respect to consideration of certain resolutions reported from the Committee on Rules. Had I been present, I would have voted "nay" on rollcall vote No. 672 and "nay" on rollcall vote No. 673.

PERSONAL EXPLANATION

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, earlier today I was unavoidably detained and missed two recorded votes on the House floor.

I ask unanimous consent that my statement appear in the RECORD that had I not been unavoidably detained earlier this morning, I would have voted "no" on rollcall vote No. 672 (Previous Question) and "no" on rollcall vote No. 673 (Passage of Martial Law Rule).

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Williams, one of his secretaries.

HONORING CONGRESSMAN JOE SKEEN

(Mrs. WILSON of New Mexico asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. WILSON of New Mexico. Mr. Speaker, it is my sad duty to inform my colleagues and Members of this House that last evening Congressman Joe Skeen of New Mexico passed away from complications associated with Parkinson's disease. His funeral will be held on Thursday, December 12, at 2 p.m. in Roswell, New Mexico. I know that many Members of this House were close personal friends of Joe, enjoyed his company and his sense of humor and his deep commitment to this country. After the final business of today, there will be a 1-hour special order on the House floor to allow Members to honor their friend.

Mr. HOYER. Mr. Speaker, will the gentlewoman yield?

Mrs. WILSON of New Mexico. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Speaker, I thank the gentlewoman for rising and for yielding as well. I had not heard of Joe's passing.

When I came to the Congress of the United States in 1981, my office was two doors from Joe Skeen's. As we all do, we had the opportunity to walk down the fifth floor corridor of the Longworth building to vote and we talk and get to know one another. And Suzanne, his chief of staff, and I became good friends, and Joe became an extraordinarily good friend. Joe chaired a subcommittee of the Committee on Appropriations.

Mr. Speaker, Joe Skeen was one of those Members who added greatly to the comity of this body. He had deep convictions, but he also had a deep respect for those with whom he served. Joe Skeen will be missed by New Mexico, by his family, but he will also be missed by this House and by the American people. At a time when the relations between the parties is not what really it ought to be in this House, and perhaps in this country, Joe Skeen was one of those who demonstrated that differences on policy did not need to be accompanied by enmity between the Members of this House. He will be sorely missed. And I thank the gentlewoman for giving me this opportunity to say how loved Joe Skeen was by all who knew him.

Mr. DICKS. Mr. Speaker, will the gentlewoman yield?

Mrs. WILSON of New Mexico. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Speaker, I would just like to make a comment. I served with Joe Skeen on the Interior Subcommittee of the Committee on Appropriations. He was our chairman, did an outstanding job. We worked together on a very bipartisan basis. And even though he was struggling somewhat, he was there every day, worked hard, did a great job on the Interior bill. Every member of the committee on both sides of the aisle, all the staff, loved Joe Skeen because he was such a decent warm human being, and he will be missed. But his work will be remembered, and he did a lot of great things for our country as chairman of the Interior Subcommittee of the Committee on Appropriations. We will miss Joe Skeen.

Mr. UDALL of New Mexico. Mr. Speaker, will the gentlewoman yield?

Mrs. WILSON of New Mexico. I yield to the gentleman from New Mexico.

MR. UDALL of New Mexico. Mr. Speaker, the tenor here of the Members, I think, is very appropriate to the man that Joe Skeen was. And I had the opportunity, as the gentlewoman knows, to serve with him here for the 5 years that he was here, and I always felt that he was a good friend. He was very serious about New Mexico. And whenever I had any question about New Mexico issues or any other issues, for that matter, he was somebody that I could go to the other side of the aisle and sit down with and talk with and visit with. So it is with great sadness, I think, that all New Mexicans feel his passing away. And I think all Members of Congress that have served here with him know that he was of the old school. He cared very much about bipartisanship. He cared about this institution. He was somebody that, I think many years hence, we will remember him and regret his passing.

So I thank the gentlewoman for yielding and look forward to participating with her later in the day in the special order.

Mrs. WILSON of New Mexico. Mr. Speaker, I thank my colleague from New Mexico for his comments. Again, there will be an opportunity for Members to remember Joe and his contributions to this House and to this Nation later on this afternoon.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1078

Mr. WELDON of Florida. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of H.R. 1078.

The SPEAKER pro tempore (Mr. THORNBERRY). Is there objection to the request of the gentleman from Florida?

There was no objection.

WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 2673, CONSOLIDATED APPROPRIATIONS ACT, 2004

Mr. HASTINGS of Washington. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 473 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 473

Resolved, That upon adoption of this resolution it shall be in order to consider the conference report to accompany the bill (H.R. 2673) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for the fiscal year ending September 30, 2004, and for other purposes. All points of order against the conference report and against its consideration are waived. The conference report shall be considered as read.

The SPEAKER pro tempore. The gentleman from Washington (Mr. HASTINGS) is recognized for 1 hour.

Mr. HASTINGS of Washington. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Texas (Mr. FROST), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 473 is a rule waiving all points of order against the conference report to accompany H.R. 2673, the Consolidated Appropriations Act, 2004, and against its consideration. The rule provides that the conference report shall be considered as read.

The Consolidated Appropriations Act for fiscal year 2004 fully complies with the fiscal parameters of the budget resolution and contains $328.1 billion in discretionary spending and $820 billion in total spending including mandatory funds.

Mr. Speaker, the bill also includes an across-the-board reduction of .59 percent in all programs, projects and activities, except for Defense and Military Construction funds.

The Committee on Appropriations is to be commended for moving with dispatch to make this conference report available so that the House can complete its work on funding measures before the conclusion of the First Session. Accordingly, Mr. Speaker I urge my colleagues to support both the rule and the underlying conference report.

Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, for months the Republicans who control the Federal Government have held hostage some of the foremost priorities of the American people. Key national needs like education, veterans' health care, law enforcement have all been relegated to the back burner while Republican leaders fought amongst themselves over how best to privatize Medicare and reward big drug companies.

But today, my Republican friends undoubtedly will come down to the floor and proclaim that this giant $820 billion spending bill finishes their work for the year. In response, millions of Americans still struggling through the aftermath of the last Republican recession will respond "What about us?"

It is a fair question, Mr. Speaker. What about the 2.4 million American jobs that have been lost since the Republican Party first took over the government 3 years ago? What about the 90,000 Americans who will lose their unemployment insurance eligibility just 3 days after Christmas or the 2.1 million unemployed workers who will lose access to extended insurance over the first 6 months of next year?

In my home State of Texas, over 130,000 people will lose unemployment insurance if this Republican Congress does not act to help them, according to the Joint Economic Committee's analysis of the data from the Labor Department. Republican leaders often try to spin away statistics like this, but the truth is the Bush Presidency has seen this Nation suffer through the longest job slump since the Great Depression, and the picture is still grim for millions of Americans trying to find good jobs to support their families.

While the number of jobs in America has shrunk by 2.4 million, the working-age population in America has grown by 4.5 million. As a result, America's "jobs deficit" has shot up to 6.9 million on the Republican watch. That has put American workers in a huge hole and left three unemployed workers for every one job that becomes available.

Despite these facts, Mr. Speaker, Republican leaders are, once again, planning to adjourn for the holidays without extending unemployment insurance, just like they did last year. Mr. Speaker, there is no reason to treat the American people with such callousness. It would be only fair to provide them with the help that they need before Congress goes home for the holidays. Even the gentleman from Florida (Mr. YOUNG), chairman of the Committee on Appropriations, supports doing it, as he said this morning in the Committee on Rules. After all, the Republican Congress has already done huge favors for their biggest supporters. Over the last 3 years, they have squandered trillions of dollars on tax breaks for the wealthiest few, driving the national deficit above $500 billion on an annual basis and raising the debt tax on all Americans. And today, President Bush will sign the Republican "wither-on-the-vine" Medicare bill. This monstrosity spends billions to subsidize HMOs and drug companies, but it actually reduces seniors' choices and it makes it illegal for them to reduce the huge out-of-pocket cost that the Republican bill does not cover. It will not let retirees cover these drug costs with the employer-provided drug coverage that they already have, even though the Republican bill may only cover selected medicines, regardless of what their doctor says they need. And it will not let seniors buy Medigap policies to cover their $3,600 in out-of-pocket expenses either.

Mr. Speaker, that is an outrage, and it comes on top of a $12 billion slush fund for HMOs and $139 billion in windfall profits for big drug companies. So why, Mr. Speaker, will Republicans not spend just a tiny fraction of that to help Americans still suffering from the latest Republican recession? Why will they not use their legislation on the floor today, an $820 billion collection of several different spending bills, to provide desperately-needed relief over the holidays to Americans who still cannot find a job?

□ 1245

After all, the omnibus spending bill provides plenty of assistance to others. For the big drug companies, Republican leaders have dropped drug reimportation language passed by the House and Senate, meaning that drug prices will still be astronomically higher for America's seniors than for people in other countries.

For some of the Bush administration's biggest corporate backers, Republicans have dropped overtime protection for workers, meaning that millions of Americans will get paid less, even as they are forced to work more. And they are spending $13 million on vouchers to subsidize private schools for a few, taking desperately needed resources from the public schools that serve all American children.

Despite all this, Mr. Speaker, there are still many worthwhile parts to this massive spending bill. For instance, Democrats and veterans groups have finally forced Republicans to increase funding for veterans medical care that would still fall short of what they need. And to help communities protect children against abduction, this bill includes $24 million for the national Amber Alert Program that I first introduced earlier this year. It also includes vital resources to address important transportation issues in north Texas.

So why can this Republican Congress not do just one more good deed before the holidays? Mr. Speaker, why not help the 1.4 million workers who cannot find work, who have already exhausted their extended benefits and have yet to find work?

Republican leaders may not care about helping them, but that does not have to stop this Congress from doing the right thing. If Republican Members will join Democrats in opposing the important parliamentary vote known as the previous question, then we can amend the rule and pass commonsense assistance for Americans still unable to find work in this jobless recovery. Otherwise, while Republicans are enjoying their vacations, hundreds of thousands of jobless Americans will spend the holidays preparing to lose the unemployment insurance they need to support their families.

Mr. Speaker, I reserve the balance of my time.

Mr. HASTINGS of Washington. Mr. Speaker, I reserve my time.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentlewoman from the District of Columbia (Ms. NORTON).

Ms. NORTON. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, this morning's news talks about the elections in Russia. At the same time it speaks about elections, it talks about the steady erosion of democratic freedoms embodied in these elections, and it says there is mounting national and international criticism of those elections because of the denial of democracy as defined by free societies, which is because of the heavy hand of the Putin majority.

We are blind if we do not see analogous denials of democracy American-style wrapped up in this omnibus bill. Is it democracy when, for the first time, we hold open votes unconscionably long, pressure Members, it has been alleged illegally, with threats or bribes until you win what the vote shows you had already lost? We have done that at least a half a dozen times, ranging from 25 minutes to 3 hours.

Is it democracy when you reverse the votes of the House, as we have done on the overtime provision?

Is it democracy when we have one-party conferences, locking out the other party?

Is it democracy when there are in this bill, a major bill, provisions for which there have been no votes at all? Like the D.C. voucher provision, there was no vote in the Senate because they had no votes. The ultimate abuse is they removed the few routine accountability provisions that by voice vote did get in the bill for D.C. vouchers. One was that teachers have to have a college degree.

Is it democracy when you lard the bill with Republican pork, defunding the No Child Left Behind bill while your own school districts are screaming because they have had to cut their own school funding?

I must say, if we pass this bill, it will be an appropriate way to end this session, because this entire session has been a monument, as this bill is, to the denial of democracy.

In this session, Mr. Speaker, we have crossed the line. We have crossed the line between the kind of contentiousness that has gone on for 200 years in this House to one-party rule in the people's House. The way to begin to remedy this, and we must remedy this now, we must not carry this procedure, this way of conducting business, into the next year; the way to remedy this outrage is to vote against this bill.

Mr. HASTINGS of Washington. Mr. Speaker, I reserve my time.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from Maryland (Mr. HOYER).

Mr. HOYER. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, today the leadership of this House breathes life back into the spirit of Ebeneezer Scrooge and for the second year in a row ignores the plight of America's unemployed during the holiday season. The majority's failure to extend emergency unemployment benefits for the long-term unemployed is not only unconscionable; it is cold-hearted.

In May, President Bush said, "My economic plan is summed up in one word: jobs." But the truth is, even after 4 straight months of anemic job growth, President Bush is on course to become the first President since Herbert Hoover to preside over a net jobs loss during his 4-year term.

Yes, the economy added 57,000 jobs in November, but here is what they do not say: the economy has to create 150,000 jobs a month just to keep pace with the new folks coming into the employment arena. Overall, there are 8.7 million unemployed Americans today; and nearly one-fourth of them, Mr. Speaker, some 2 million people, have been jobless for more than 26 weeks.

Mr. Speaker, that is the highest percentage of long-term unemployment since July of 1983, 20 years ago; and there are about 4.2 million other workers who want a job, but are not even counted among the unemployed.

The reality is this: if the President and Congressional Republicans refuse to extend Federal temporary unemployment benefits, which are scheduled to be phased out beginning December 21, an estimated 80,000 to 90,000 jobless workers who exhaust their State benefits every week will be completely cut off. That is 80,000 to 90,000 people per week.

That is not only callous; it is unnecessary. We have the funding to extend these benefits. That is right, there is $20 billion in the Federal fund dedicated to unemployment benefits, which is financed by unemployment taxes deducted from workers' paychecks.

Mr. Speaker, I know the President and our Republican colleagues would like nothing more than to pronounce our economy healed and to unfurl the banner reading "Mission Accomplished," but it is plain that millions of Americans continue to be hurt. The least we can do is reach out a helping hand.

Mr. Speaker, we did this last year, and we left 800,000 people on December 31, 2002, falling off the unemployment roles. With the money in the pot to help them, why do we leave this day without addressing this problem? There is no explanation, Mr. Speaker. I predict to you that the President will, 2 weeks from now, say, oh, my goodness, we should have done that.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the distinguished ranking member for yielding me time.

I wish that we would donate our time and dedicate ourselves to the wishes of the American people.

Hubert Humphrey said that this Constitution was organized to create a more perfect Union, and the challenge of creating a more perfect Union is a continued agitation and criticism, not because we are disloyal to this country and to the American people, but because we care about a more perfect Union.

In the backdrop of a 4-hour vote before we left for the Thanksgiving work recess, I come to the floor of the House now. We have an omnibus appropriations bill that has barely been before the Members of Congress for any kind of review. For 4 hours a vote was left open, in complete disregard for the rules of this House and what the Madison Papers and our Founding Fathers wanted to establish, a Republic and also a democracy.

Today we come with a martial law that allows us on one day to just put on the floor of the House a huge and large and massive interpretation of the appropriations for 2004. And then we have a situation where issues that clearly the American people are against, such as eliminating overtime opportunities for working men and women are sneaked into the appropriations bill, and then where thousands of petitions from around the country were brought to this government about not allowing large media conglomerates to buy up stations to the disregard of the first amendment. And lo and behold, there is a sneak provision in here that allows that to happen.

Then, of course, there is a provision that affects many seniors who were implementing lower-cost drugs by drug reimportation. Clearly those drugs were safe, because seniors have been doing it for a very long time. That has been sneaked into the bill, meaning that we have eliminated that opportunity so that seniors can again suffer. They suffer first with a Medicare bill that is going to implode and not be in business until 2006 and cost thousands of Texans to lose their benefits, and they will suffer.

Then if we talk about international efforts, I was in Ethiopia this past summer, and one of the things they were begging for is, they appreciated the famine relief, but they wanted to be able to be taught to fish. If you teach someone to fish they may not be hungry tomorrow, but if you give them a fish today, they may be hungry tomorrow. It takes very low dollars for what we call food security, teaching them agricultural skills and new technology.

Then, of course, I have been concerned with the Columbia 7 tragedy, that NASA focus its concepts on safety. In all of the NASA budget, I do not know if there is a line item that boosts the resources for making sure that NASA pays attention to safety issues.

We could have done this, Mr. Speaker, if we had deliberated on this appropriations bill. If we did not have the martial law, if we paid attention to the rules of the House, we might be able to do this. But, unfortunately, it seems we cannot.

So I ask my colleagues to vote against this rule so we can get back to work on behalf of the American people.

Mr. Speaker, I rise today in opposition to the rule on H.R. 2673, the Omnibus appropriations Conference report. While the Omnibus includes a significant amount for agriculture appropriations, the omnibus fails to include the House provisions to prohibit the FDA from spending funds to prevent individuals and pharmacists from importing FDA-approved prescription drugs. In addition, this portion of the bill delays for two years the mandatory country-of-origin labeling for all produce, meat or meat products except for farm-raised fish and wild fish.

In addition, the omnibus permanently limits the ability of the FCC to grant licenses for a commercial TV broadcast station if the granting of that license would result in such party having an aggregate national audience reach exceeding 39 percent (the House and Senate bills barred the FCC from increasing the share of the national market one broadcasting company can own, which currently is 35 percent. The omnibus also includes provisions that prohibit the implementation of a background check system that does not include a requirement to destroy gun purchase records within 24 hours.

I am rather disturbed Mr. Speaker, by the portion appropriating $139.8 billion for the Department of Labor, Health and Human Services, Education, and related agencies. While I am pleased that there is money for Texas Southern University, a predominantly black university in my district for their minority engineering program within the college of Science and Technology, I was rather disturbed that the Democratic members were shut out from receiving individual earmarks for their districts because they voted against the bill when it came to the House floor. This not only goes against fundamental fairness Mr. Speaker, but when you penalize individual members by not giving them much needed money for their districts, you hurt their constituents. This is bad for this institution, and bad for the country. The omnibus also falls $7.8 billion short of the No Child Left Behind Authorization levels and provides $55.7 billion for the Education Department ($12.4 billion for the Title I program.

The omnibus fails to include the House and Senate adopted provisions to block the Department of Labor from issuing rules that would take away the rights of some white-collar workers to overtime pay.

The omnibus also fails to include House provisions that would have limited the Administration's ability to outsource some federal jobs and includes only some limitations to programs funded by the Transportation-Treasury bill.

I urge members to vote against this rule.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from Washington (Mr. INSLEE).

Mr. INSLEE. Mr. Speaker, last night while I was enjoying sumptuous airline fare on the red-eye to come out here to vote on this, the lady sitting next to me was reading a book called "Nickel and Dimed." It is a book about people who are struggling; who are employed, but who are struggling to keep their souls and their families together in today's economically challenged times. And nobody, nobody who has read this book would vote for this rule.

The reason is that we can quote all the rosy statistics that we can, but the fact of the matter is if we leave this floor and go out to the food banks in our districts, in every district in America, the food banks are jammed, the lines are long, people are still having problems feeding their children.

As I was talking to a business owner the other day in Seattle, he says, I hear these statistics, but I do not see the customers. The fact of the matter is, we still have people in pain, and this rule keeps them in that economically devastated condition.

There are two reasons it does this: one, it guts the effort we had on a bipartisan basis in the Senate and at least a little bit here on this floor when, in a democratic process, we voted with the majority to stop the President of the United States from stealing people's time with their families by gutting overtime protection.

Over 8 million Americans are going to lose the right to overtime, and, more importantly, lose the right to control their own time with their families if this rule passes. That is wrong. It is a violation of the democratic spirit for us to vote to stop the President from taking family time away from their families, with people going into a dark room and stripping that protection out. It is wrong, and we should fix it right here.

□ 1300

But second is the unemployment. We have heard that we have had some modestly encouraging news, that there has been some jobs created in the recent past, and that is great. But the fact of the matter is, there have been 2.4 million jobs lost during this administration's tenure. And the way I figure it, if we look at the jobs that have been created, we have only got about 2.3 million jobs to go to get our nose above dead even.

Now, the majority's approach to this is we sort of have the U.S. economy with 2.4 million jobs lost kind of down in a deep well. The majority is starting to look at that American worker down in that deep well, and we have winched them up about 6 inches off the floor and said, you are on your own now. We have a long ways to go before we can say that we are out of the woods economically.

This bill does not cut the mustard. This bill gives Scrooge a bad name. At least he had an epiphany.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Mr. Speaker, I would like to bring the body's attention to another provision in this omnibus appropriations bill. I know there are several that are objectionable, and this one may not get any further discussion, but I think it merits it.

There is a provision in this bill that says that all of the records of firearm purchases have to be destroyed within 24 hours.

Now, we know that there have been more than 3,500 firearms purchased by people who should not have purchased them, and that the FBI has been able to retrieve those guns because the records are currently kept for 90 days. They retrieve them if the person that purchased it is a fugitive, is a felon, has a history of serious mental illness, is an illegal alien, any number of reasons that they should not be purchasing guns, lawfully, in the United States. So 3,500 guns have been retrieved because we have kept the records available for 90 days. Now, they have to be destroyed within 24 hours.

Now, the National Rifle Association thinks this is a good thing, but our law enforcement organizations do not. FBI agents will tell us this is very serious, what this bill would do. In fact, the al Qaeda training manual cites the fact that you can go in and buy a gun in the United States, and as long as you have not been a convicted felon in the past, you can buy that and the records will be destroyed. And, in fact, as the Washington Post said in an article last week, that is true, that if a person gets hold of a gun, their records have to be destroyed as a result of this bill. If they are denied, then the records can be pursued. But if they lawfully purchased it, the records are destroyed, which means that we are deliberately tying the hands of law enforcement agencies.

Now, is it not appropriate that we be able to consult the list of violent gang members and terrorists when they try to buy a gun? Absolutely, is the answer. Yet, this bill says, within 24 hours, even if it is a holiday, a weekend, even if it is in some rural area where they do not have the resources to check what they need to be able to check, it has to be destroyed within 24 hours.

Mr. Speaker, we are going to look back and find this provision as one of the most dangerous that this House has passed, and the most irresponsible and irrational. We should not be doing this. It was another one of these things snuck into the conference report. I strongly urge Members, unless we can take this out, this bill should not be supported in its present form.

Mr. HASTINGS of Washington. Mr. Speaker, I am pleased to yield 1 minute to the gentleman from Arizona (Mr. FLAKE).

Mr. FLAKE. Mr. Speaker, I thank the gentleman for yielding me this time. I rise in reluctant opposition to this rule and to this bill.

We, in the House, have specific rules against approving spending that is not approved in either a House or Senate version and then comes to the floor in a bill like this, yet we routinely waive the rules and waive all points of order against this kind of spending. This is to our shame. I am ashamed that we are doing this today. This bill has about, at last count I believe about 7,000 earmarks within it for particular spending items. Under Republican control, we have gone, I believe, in 1994 from about 2,000 earmarks per year to over 10,000, and that is not the way that we ought to conduct business. I think that it is going to come back to bite us. It well ought to.

With that, I think that we ought to oppose this rule because it goes against procedures that we have established in the House, and we ought to vote against the bill as well.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland (Mr. CARDIN).

Mr. CARDIN. Mr. Speaker, I thank the gentleman from Texas for yielding me this time. I would hope that we will defeat the previous question so that we can bring up the unemployment compensation extension.

Last year, Congress left town without extending unemployment benefits, but at least we came back and did it retroactively.

Now, some are saying that our unemployment is not as bad or not bad enough for us to extend the Federal unemployment benefits. They are saying it is time for the extended benefit program to end.

But let us look at the facts. Never before has Congress allowed the termination of this program when the unemployment rate is higher than when the program started; at least up until now. Congress has never terminated the program with the unemployment benefits when the economy still has 2.4 million fewer jobs today than when the recession began. Congress has never stopped the extension of the program where the long-term unemployment rates have tripled. Yet, there has been no offer to give any help. Congress has never allowed the extended benefit program to expire when the exhaustion rate for regular unemployment benefits is the highest since we have been keeping these records. Yet, we are talking about leaving town without extending unemployment benefits. Congress has never refused to extend unemployment benefits when there is $20 billion in the Federal Unemployment Trust Account, enough money to pay for extended benefits without going into debt, yet we are talking about leaving town today without extending the Federal unemployment benefits.

The Washington Post got it right when it compared this to the last recession. It said, "But in 1993, employment had grown for 22 of the 23 previous months, and the overall number of jobs was above the prerecession level. This time around, employment has grown for only 4 months in a row, following 6 straight months of job losses. Overall, the number of jobs is down 2.4 million since the current downturn started in early 2001."

Mr. Speaker, it would be wrong for us to leave town without helping those people who do not have jobs through no fault of their own. Unemployment compensation is not a luxury. We need to do it now.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is probably the House's final work day this year, but

Republican leaders are, once again, callously turning their backs on the millions of unemployed Americans whose Federal unemployment insurance will expire just days after Christmas. The Republican leadership has found billions of dollars to extend tax breaks for corporations, but they keep refusing to help the jobless Americans who are still suffering from the last Republican recession.

To give Republicans one last chance to do the right thing, I will oppose the previous question on this rule so that we can immediately take up legislation to extend the expiring Federal unemployment benefits.

This commonsense legislation would continue the extended unemployment benefits program through the first 6 months of next year. It would increase to 26 weeks the amounts of benefits provided under the program, up from 13 weeks. It would provide new help to the 1.4 million workers who have already exhausted their extended benefits and have yet to find work.

Mr. Speaker, this legislation is identical to the text of H.R. 3244, the Rangel-Cardin unemployment extension, and it also contains the text of H.R. 3554 by the gentleman from Washington (Mr. MCDERMOTT) which would fix a flaw in the current law that prevents those States with exceptionally high, long-term unemployment rates from continuing to receive the help their citizens need.

Mr. Speaker, Americans still face a difficult jobs market. Since President Bush took office, the economy has lost 2.4 million jobs. That is the worst jobs record for a President since Herbert Hoover and the Great Depression. The percentage of Americans exhausting their unemployment benefits without finding a job has reached its highest level on record. These Americans need relief and they need it immediately. If we do not extend unemployment benefits, then more than 2 million workers will lose benefits in the first 6 months of next year, including over 130,000 in my State of Texas alone.

I want to stress that this vote is not intended to stop the omnibus conference report from consideration in the House. Voting "no" on the previous question will still allow that bill to move forward today. But a "no" vote will allow the House to vote on legislation to help provide some much-needed relief to our Nation's unemployed workers, particularly during this holiday season. However, if Members vote "yes" on the previous question, they will kill any chance for extending unemployment assistance that is so desperately needed by millions of our constituents and their families.

Let us be clear. This vote will give the House the opportunity to vote today on extended Federal unemployment benefits and on giving relief to those hardest hit to the President's dismal economic record. I urge a "no" vote on the previous question.

Mr. Speaker, I ask unanimous consent that the text of the amendment be printed in the RECORD immediately before the vote on the previous question.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. FROST. Mr. Speaker, I yield back the balance of my time.

Mr. HASTINGS of Washington. Mr. Speaker, I yield myself such time as I may consume.

This is a rule that provides for the consideration of the consolidated spending bill. It is something that we must do in this Congress to fund the government. That is what this rule is all about. I urge support of that.

Mr. KUCINICH. Mr. Speaker, I rise today to urge my colleagues to vote "no" on the previous question so that this Congress can extend unemployment benefits to the millions of Americans who cannot find work in an economy with almost three unemployed workers for every job opening.

Because of previous inaction, it is now "zero hour" for American families who are set to exhaust their State unemployment benefits. If we do not extend the Federal unemployment insurance program today, roughly half a million people who would have been eligible for the Federal extension program will not be receiving a paycheck or an unemployment check in January.

These workers form the ranks of America's 2 million long-term unemployed workers. They have been out of work for at least half a year and they comprise almost a quarter of the unemployed, a larger share of those out of work than at any time since July 1983. A recent survey by the National Employment Law Project noted that over half of the long-term unemployed had cut back on food purchases for their families, borrowed money to pay basic bills, and postponed necessary medical treatment.

We can held these families today. The economic situation in this country has simply not improved enough to justify the end to the Federal unemployment extension program. Already, three of every four Federal unemployment recipients exhaust their benefits without finding a job.

We must not punish millions of American families simply for losing their jobs at the wrong time of year, in the wrong month of the Congressional calendar. Vote "no" on the previous question.

Ms. MILLENDER-MCDONALD. Mr. Speaker, I rise to speak today to object to consideration of the Omnibus Appropriations bill. I am specifically concerned with provisions in this legislation that would result in the removal of overtime pay protection for many American workers.

A few months ago, this House voted to instruct conferees to remove unfair provisions on overtime pay. Despite the will of a majority of Members, those provisions still remain in this bill. This does not reflect the true position of the House of Representatives.

Mr. Speaker, I am speaking on what has been called "the Harkin amendment." This amendment to the FY2004 Labor-HHS appropriations bill would have prohibited the Department of Labor from issuing regulations that would disqualify overtime protection to workers protected under current law.

The opponents of overtime pay protection would require employees to work more than 40 hours weekly without being paid time and a half for their work. The Department of Labor claims that only 644,000 current workers will lose overtime pay benefits under the provisions of this legislation.

In sharp contrast, the Economic Policy Institute reports that over eight million eligible workers are earning overtime, and will be adversely affected by these regulations. This figure includes 5.5 million workers paid hourly and 2.5 million salaried employees. We all know that we live in a time of scarce resources and few job opportunities. Therefore, this drastic pay cut, especially during the holiday season, is fundamentally unfair and wrong for American workers.

Over 1.4 million Americans are also faced with the expiration of their unemployment benefits at the end of this month. We cannot in good conscience go home to celebrate the holidays with our families while unemployed Americans face a grim future and a bleak holiday season.

Mr. Speaker, I urge the Members of this body to take action today that will give hope to American workers, and protect the wages they earn and extend the benefits they deserve.

The amendment previously referred to by Mr. FROST is as follows:

PREVIOUS QUESTION FOR H. RES. 473, RULE FOR CONFERENCE REPORT ON H.R. 2673, AGRICULTURE/OMNIBUS APPROPRIATIONS FY04

At the end of the resolution add the following new section:

SEC. 2. "Immediately after disposition of the conference report on H.R. 2673, it shall be in order without intervention of any point of order to consider in the House the bill (H.R. 3568) to provide extended unemployment benefits to displaced workers, and to make other improvements in the unemployment insurance system. The bill shall be considered as read for amendment. The previous question shall be considered as ordered on the bills to final passage without intervening motion except: 1) one hour of debate equally divided and controlled by the Chairman and ranking Minority Member of the Committee on the Ways and Means; and 2) one motion to recommit with or without instructions.

Mr. HASTINGS of Washington. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FROST. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

Pursuant to clause 9 of rule XX, the Chair will reduce to 5 minutes the minimum time for electronic voting, if ordered, on the question of adoption of the resolution.

The vote was taken by electronic device, and there were—yeas 214, nays 189, not voting 31, as follows:

[Roll No. 674]

YEAS—214

Aderholt
Akin
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Bereuter
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole
Collins
Cox
Crane
Crenshaw
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Everett
Feeney
Ferguson
Flake
Foley
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Harris
Hart
Hastings (WA)
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCotter
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Porter
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Tancredo
Tauzin
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (FL)

NAYS—189

Abercrombie
Ackerman
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Ballance
Becerra
Bell
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Case
Clay
Clyburn
Cooper
Costello
Cramer
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dooley (CA)
Doyle
Edwards
Emanuel
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Ford
Frank (MA)
Frost
Gonzalez
Gordon
Green (TX)
Grijalva
Gutierrez
Hall
Harman
Hastings (FL)
Hill
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kleczka
Lampson
Langevin
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Majette
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Mollohan
Moore
Moran (VA)
Murtha
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sandlin
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Waters
Watson
Watt
Weiner
Woolsey
Wu
Wynn

NOT VOTING—31

Burr
Burton (IN)
Carson (OK)
Conyers
Cubin
Doggett
Filner
Fletcher
Gallegly
Gephardt
Hayes
Houghton
Janklow
John
Kucinich
Lantos
Lynch
Meehan
Miller, George
Nadler
Pelosi
Portman
Regula
Rush
Sanders
Sullivan
Sweeney
Taylor (NC)
Waxman
Wexler
Young (AK)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LATOURETTE) (during the vote). Members are advised there are 2 minutes remaining in this vote.

☐ 1334

Mr. WYNN changed his vote from "yea" to "nay."

Mr. SAXTON changed his vote from "nay" to "yea."

So the previous question was ordered.

The result of the vote was announced as above recorded.

Stated for:

Mr. HAYES. Mr. Speaker, on rollcall No. 674, I was unavoidably detained. Had I been present, I would have voted "yea."

Mr. SWEENEY. Mr. Speaker, on rollcall No. 674, I was unavoidably detained. Had I been present, I would have voted "yea."

Mr. PORTMAN. Mr. Speaker, on December 8, 2003, I was unavoidably detained at a meeting and missed the vote on rollcall No. 674, Ordering Previous Question on H. Res. 473, the Rule to accompany H.R. 2673, the Fiscal Year 2004 Agriculture Appropriations Act.

Had I been present, I would have voted "yea."

Stated against:

Mr. FILNER. Mr. Speaker, on rollcall No. 674, due to urgent constituent support commitments in my Congressional District, I missed the vote. Had I been present, I would have voted "no."

The SPEAKER pro tempore (Mr. LATOURETTE). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. FROST. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 216, noes 189, not voting 29, as follows:

[Roll No. 675]

AYES—216

Aderholt
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Bereuter
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole
Collins
Cox
Crane
Crenshaw
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Everett
Ferguson
Foley
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCotter
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Porter
Portman
Pryce (OH)

Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Sweeney
Tancredo
Tauzin
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (FL)

NOES—189

Abercrombie
Ackerman
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Ballance
Becerra
Bell
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Case
Clay
Clyburn
Conyers
Cooper
Costello
Cramer
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dooley (CA)
Doyle
Edwards
Emanuel
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Flake
Ford
Frank (MA)
Frost
Gonzalez
Gordon
Green (TX)
Grijalva
Gutierrez
Harman
Hastings (FL)
Hill
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
Lampson
Langevin
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Majette
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meek (FL)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Mollohan
Moran (VA)
Murtha
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sandlin
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Waters
Watson
Watt
Weiner
Woolsey
Wu
Wynn

NOT VOTING—29

Akin
Burr
Burton (IN)
Carson (OK)
Cubin
Doggett
Feeney
Filner
Fletcher
Gallegly
Gephardt
Houghton
Janklow
John
Lantos
Lynch
Meehan
Meeks (NY)
Miller, George
Moore
Nadler
Northup
Pelosi
Rush
Sanders
Taylor (NC)
Waxman
Wexler
Young (AK)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised there are 2 minutes remaining in this vote.

□ 1343

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated against:

Mr. FILNER. Mr. Speaker, on rollcall No. 675, due to urgent constituent support commitments in my congressional district, I missed the vote. Had I been present, I would have voted "no."

GENERAL LEAVE

Mr. YOUNG of Florida. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the conference agreement accompanying H.R. 2673, and that I may include tabular and extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

CONFERENCE REPORT ON H.R. 2673, CONSOLIDATED APPROPRIATIONS ACT, 2004

Mr. YOUNG of Florida. Mr. Speaker, pursuant to House Resolution 473, I call up the conference report on the bill (H.R. 2673) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for the fiscal year ending September 30, 2004, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 473, the conference report is considered read.

(For conference report and statement, see proceedings of the House of November 25, 2003, Book II, at page H 12323.)

The SPEAKER pro tempore. The gentleman from Florida (Mr. YOUNG) and the gentleman from Wisconsin (Mr. OBEY) each will control 30 minutes.

The Chair recognizes the gentleman from Florida (Mr. YOUNG).

□ 1345

Mr. YOUNG of Florida. Mr. Speaker, I yield myself such time as I may consume.

I call attention to the fact that this conference report was filed on November 25, nearly 2 weeks ago, so that every Member has had 2 weeks, if they wanted to, to review this bill to see what was in it and to see what was not in it.

Something that I always enjoy reporting to the House and reminding the House of, and they probably get tired of hearing me say it, is that we passed all of our bills in the House, all of our appropriation bills, before the August recess, except for two; and those last two we passed on September 9, the first week back after the August district work period. So the House has done its job. It has done a good job. What we are doing here today is we are passing an omnibus appropriation bill that includes seven bills that we have already passed in the House. I say that again: these seven bills that are in this package already passed the House once. So this is now the omnibus bill; this is the conference report on that omnibus bill.

I will not take a lot of time to say what the seven bills are that are included because I think everyone knows what those final seven bills are. But I want to say that there are some important items that need to be passed now, today, and not in January or February. Because if we were to operate under a continuing resolution until late January or sometime in February, there are some important funding issues that would not be resolved.

For example, the $2.9 billion increase in medical care for veterans is a very important issue, and one that the House agreed to strongly. That increase will not take any effect whatsoever until such time as this bill passes. A CR will not provide for that 2.9 additional billions of dollars for veterans health care.

The same factor applies for education money. The same increase would not be available under a CR that is available under this bill.

For the FBI, counterterrorism and embassy security and other security issues of these types, the increased money that we made available for security in those areas would not be available under a CR. And the list goes on. The list is lengthy.

So, Mr. Speaker, it is important that we pass this bill today, and I hope that we pass it with large numbers, large enough so that our friends at the other end of the Capitol understand that we are serious about this government of ours functioning; that we are serious about the issues that we brought to the attention of the Congress and that we intend to see them implemented.

Now, Mr. Speaker, if there is anybody who wants to find something at fault, something to complain about in this bill, they can do it, because there are seven bills. I am sure there will be something there each of us may not like. But I tell my colleagues that it is the best product that we could provide for, considering the fact that we were negotiating with Republicans and Democrats in the House, we were negotiating with the Senate Republicans and Democrats, we were negotiating with the leadership, and we were negotiating with the White House. I think all in all we have come to a pretty good conclusion considering the fact that we were able to bring most of those issues together and to bring a bill that we believe we can pass with a great number today.

Mr. Speaker, I am pleased to bring to the House the conference report on the Consolidated Appropriations bill for fiscal year 2004.

Included in this bill are the following appropriations bills: Agriculture; Commerce, Justice, State and Judiciary; District of Columbia; Foreign Operations; Labor, Education and Health and Human Services; Transportation and Treasury; and Veterans Affairs and Housing and Urban Development.

So as you can see, this bill is a tremendously important bill. I'm sure it will not please everyone in all respects but it does address many important needs of this country.

I believe we have done an extraordinary job in holding spending to appropriate levels—the bill totals $328.1 billion in discretionary funding. It is a fiscally responsible bill that complies with the fiscal parameters prescribed by the President limiting total discretionary spending to $786 billion or approximately 3 percent increase over last year's comparable levels. Additional spending has been offset by a $1.8 billion rescission from any unobligated balances in the Department of Defense, as well as from P.L. 107–38 and P.L. 107–117, the $40 billion post 9/11 supplemental, exempting from cuts any relief funds for New York, Washington, D.C. area, and rural Pennsylvania. It also includes an across the board reduction of .59 percent to all programs, projects and activities exempting Defense and Military Construction funds.

I would like to highlight a few items that I believe are of interest to many Members:

Veterans Medical Care is increased by $2.9 billion over last year, the largest onetime increase ever.

D.C. School Choice—$40 million is provided to expand school choice in the District of Columbia, including $13 million to improve public education, $13 million to expand charter schools, and $14 million to provide opportunity scholarships for students in the District of Columbia.

Special Education Grants are funded at $10.1 billion, $1.2 billion more than last year, and over three times the amount provided in 1995.

Election Reform—Provides an additional $1 billion for programs under the Help America Vote Act.

International HIV/AIDS Assistance—Provides $2.4 billion in international assistance for HIV/AID, TB and Malaria, the highest level in history.

Millennium Challenge Account—Provides $1 billion for the Millennium Challenge Corporation.

Highway Spending—Total highway spending amounts to $33.8 billion, an increase of $4.5 billion over the President's request and $6.1 billion over the FY03 guaranteed amount.

Convention Security—$50 million is provided for security expenses at the national party conventions in Boston and New York City.

Embassy Security—$200 million is provided for worldwide embassy security upgrades.

FBI—$513 million in increases are provided for the FBI to fight terrorism.

NIH—the bill continues our commitment to the NIH by providing an increase of $1 billion over last year.

National Service Corporation is funded at $584 million, $200 million above last year.

Faith- and Community-Based Initiatives are increased including the Compassion Capital Fund at $48 million and Mentoring Children of Prisoners at $50 million.

Social Security—Provides a 6.1 percent increase to the Social Security Administration to improve service delivery of Social Security benefits and accelerate the time it takes to process disability claims.

I believe we've have reached a point of no return—we must now pass this bill and turn our attention to the FY 2005 budget process.

I encourage all Members to support this important bill.

Mr. Speaker, I submit for the RECORD detailed information on each of the appropriation bills in this omnibus legislation.

DIVISION A--DEPARTMENT OF AGRICULTURE, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS BILL - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
TITLE I - AGRICULTURAL PROGRAMS						
Production, Processing, and Marketing						
Office of the Secretary	3,320	10,068	3.468	10,046	5,092	+1,772
Executive Operations:						
Chief Economist	8,510	12,264	8,716	8,707	8,707	+197
National Appeals Division	13,670	14,242	13,670	13,997	13,670	---
Office of Budget and Program Analysis	7,270	7,980	7,749	7,544	7,740	+470
Homeland Security staff	---	1,479	---	910	499	+499
Office of the Chief Information Officer	14,993	31,334	14,993	15,710	15,493	+500
Common computing environment	132,289	177,714	100,999	118,789	119,289	-13,000
Office of the Chief Financial Officer	5,496	7,902	5,785	5,496	5,684	+188
Working capital fund	11,922	---	---	---	---	-11,922
Total, Executive Operations	194,150	252,915	151,912	171,153	171,082	-23,068
Office of the Assistant Secretary for Civil Rights	397	808	808	794	808	+411
Office of Civil Rights	---	17,550	---	15,445	17,450	+17,450
Office of the Assistant Secretary for Administration	660	793	678	673	673	+13
Agriculture buildings and facilities and rental payments	(186,879)	(199,332)	(156,091)	(187,022)	(156,469)	(-30,410)
Payments to GSA	120,796	124,332	123,532	123,910	123,910	+3,114
Building operations and maintenance	32,327	41,000	32,559	32,559	32,559	+232
Repairs, renovations, and construction	33,756	34,000	---	30,553	---	-33,756
Hazardous materials management	15,583	15,713	15,713	15,611	15,611	+28
Departmental administration	37,629	27,578	40,597	23,031	23,031	-14,598
Office of the Assistant Secretary for Congressional Relations	3,796	4,186	3,796	3,825	3,796	---
Office of Communications	9,031	10,084	9,245	9,228	9,228	+197
Office of the Inspector General	73,417	81,895	78,114	75,781	77,281	+3,864
Office of the General Counsel	34,700	37,328	34,700	35,343	34,700	---
Office of the Under Secretary for Research, Education and Economics	584	792	597	596	596	+12
Economic Research Service	68,674	76,657	71,402	69,902	71,402	+2,728
National Agricultural Statistics Service	138,448	136,182	129,800	128,922	128,922	-9,526
Census of Agriculture	(41,274)	(25,279)	(25,279)	(25,279)	(25,279)	(-15,995)
Agricultural Research Service:						
Salaries and expenses	1,035,130	987,303	1,014,000	1,045,533	1,088,892	+53,762
Buildings and facilities	118,703	24,000	35,900	46,000	63,810	-54,893
Supplemental appropriations (P.L. 108-11)	110,000	---	---	---	---	-110,000
Total, Agricultural Research Service	1,263,833	1,011,303	1,049,900	1,091,533	1,152,702	-111,131
Cooperative State Research, Education, and Extension Service:						
Research and education activities	616,792	514,228	597,372	617,575	621,447	+4,655
Native American Institutions Endowment Fund	(7,054)	(9,000)	(9,000)	(9,000)	(9,000)	(+1,946)
Extension activities	450,520	422,268	439,742	450,084	441,731	-8,789
Integrated activities	46,439	62,865	62,942	46,711	50,493	+4,054
Outreach for socially disadvantaged farmers	3,470	4,003	8,470	3,470	5,970	+2,500
Total, Cooperative State Research, Education, and Extension Service	1,117,221	1,003,364	1,108,526	1,117,840	1,119,641	+2,420
Office of the Under Secretary for Marketing and Regulatory Programs	725	791	725	736	725	---
Animal and Plant Health Inspection Service:						
Salaries and expenses	682,757	694,897	725,502	705,552	720,580	+37,823
Buildings and facilities	9,924	4,996	4,996	4,996	4,996	-4,928
Total, Animal and Plant Health Inspection Service	692,681	699,893	730,498	710,548	725,576	+32,895
Agricultural Marketing Service:						
Marketing Services	75,210	75,071	75,953	75,263	75,430	+220
Standardization user fees	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	---
(Limitation on administrative expenses, from fees collected)	(61,619)	(62,577)	(62,577)	(62,577)	(62,577)	(+958)
Funds for strengthening markets, income, and supply (transfer from section 32)	14,910	15,392	15,392	15,392	15,392	+482
Payments to states and possessions	1,338	1,347	1,347	3,338	3,338	+2,000
Total, Agricultural Marketing Service	91,458	91,810	92,692	93,993	94,160	+2,702
Grain Inspection, Packers and Stockyards Administration:						
Salaries and expenses	39,690	41,688	39,690	35,638	35,890	-3,800
Limitation on inspection and weighing services	(42,463)	(42,463)	(42,463)	(42,463)	(42,463)	---

DIVISION A--DEPARTMENT OF AGRICULTURE- FOOD AND DRUG ADMINISTRATION- AND RELATED AGENCIES APPROPRIATIONS BILL - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
Office of the Under Secretary for Food Safety	599	792	599	611	599	---
Food Safety and Inspection Service	754,821	797,149	785,261	783,761	784,511	+29,690
Lab accreditation fees 1/	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	---
Total, Production, Processing, and Marketing	4,728,296	4,518,671	4,504,812	4,582,032	4,629,945	-98,351
Farm Assistance Programs						
Office of the Under Secretary for Farm and Foreign Agricultural Services	618	916	636	635	635	+17
Farm Service Agency:						
Salaries and expenses	970,389	1,016,836	1,016,836	988,768	988,768	+18,379
(Transfer from export loans)	(829)	(985)	(985)	(846)	(846)	(+17)
(Transfer from P.L. 480)	(1,019)	(2,975)	(2,975)	(1,075)	(1,075)	(+56)
(Transfer from ACIF)	(277,361)	(290,136)	(290,136)	(283,020)	(283,020)	(+5,659)
Subtotal, transfers from program accounts	(279,209)	(294,096)	(294,096)	(284,941)	(284,941)	(+5,732)
Total, Salaries and expenses	(1,249,598)	(1,310,932)	(1,310,932)	(1,273,709)	(1,273,709)	(+24,111)
State mediation grants	3,974	4,000	3,974	3,974	3,974	---
Dairy indemnity program	100	100	100	100	100	---
Subtotal, Farm Service Agency	974,463	1,020,936	1,020,910	992,842	992,842	+18,379
Agricultural Credit Insurance Fund Program Account:						
Loan authorizations:						
Farm ownership loans:						
Direct	(130,000)	(140,149)	(133,143)	(129,158)	(129,158)	(-842)
Guaranteed	(1,000,000)	(1,000,000)	(950,000)	(950,000)	(950,000)	(-50,000)
Subtotal	(1,130,000)	(1,140,149)	(1,083,143)	(1,079,158)	(1,079,158)	(-50,842)
Farm operating loans:						
Direct	(605,000)	(650,000)	(617,503)	(601,068)	(617,503)	(+12,503)
Unsubsidized guaranteed	(1,700,000)	(1,400,000)	(1,330,000)	(1,200,000)	(1,200,000)	(-500,000)
Subsidized guaranteed	(400,000)	(266,249)	(252,937)	(266,249)	(266,249)	(-133,751)
Subtotal	(2,705,000)	(2,316,249)	(2,200,440)	(2,067,317)	(2,083,752)	(-621,248)
Indian tribe land acquisition loans	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	---
Boll weevil eradication loans	(100,000)	(60,000)	(100,000)	(100,000)	(100,000)	---
Total, Loan authorizations	(3,937,000)	(3,518,398)	(3,385,583)	(3,248,475)	(3,264,910)	(-672,090)
Loan subsidies:						
Farm ownership loans:						
Direct	14,995	30,945	29,398	28,518	28,518	+13,523
Guaranteed	7,451	5,400	5,130	5,130	5,130	-2,321
Subtotal	22,446	36,345	34,528	33,648	33,648	+11,202
Farm operating loans:						
Direct	103,744	93,730	89,044	86,674	89,044	-14,700
Unsubsidized guaranteed	53,540	46,620	44,289	39,960	39,960	-13,580
Subsidized guaranteed	46,893	34,000	32,300	34,000	34,000	-12,893
Subtotal	204,177	174,350	165,633	160,634	163,004	-41,173
Indian tribe land acquisition	178	---	---	---	---	-178
Total, Loan subsidies	226,801	210,695	200,161	194,282	196,652	-30,149

DIVISION A--DEPARTMENT OF AGRICULTURE- FOOD AND DRUG ADMINISTRATION- AND RELATED AGENCIES APPROPRIATIONS BILL - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
ACIF expenses:						
Salaries and expense (transfer to FSA)	277,361	290,136	290,136	283,020	283,020	+5,659
Administrative expenses	7,948	8,000	8,000	7,948	7,948	---
Total, ACIF expenses	285,309	298,136	298,136	290,968	290,968	+5,659
Total, Agricultural Credit Insurance Fund	512,110	508,831	498,297	485,250	487,620	-24,490
(Loan authorization)	(3,937,000)	(3,518,398)	(3,385,583)	(3,248,475)	(3,264,910)	(-672,090)
Total, Farm Service Agency	1,486,573	1,529,767	1,519,207	1,478,092	1,480,462	-6,111
Risk Management Agency	70,248	78,488	71,509	71,422	71,422	+1,174
Total, Farm Assistance Programs	1,557,439	1,609,171	1,591,352	1,550,149	1,552,519	-4,920
Corporations						
Federal Crop Insurance Corporation:						
Federal crop insurance corporation fund	2,886,000	3,368,000	3,368,000	3,368,000	3,368,000	+482,000
Commodity Credit Corporation Fund:						
Reimbursement for net realized losses	16,285,000	17,275,000	17,275,000	17,275,000	17,275,000	+990,000
Hazardous waste management (limitation on administrative expenses)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	---
Total, Corporations	19,171,000	20,643,000	20,643,000	20,643,000	20,643,000	+1,472,000
Total, title I, Agricultural Programs	25,456,735	26,770,842	26,739,164	26,775,181	26,825,464	+1,368,729
(By transfer)	(279,209)	(294,096)	(294,096)	(284,941)	(284,941)	(+5,732)
(Loan authorization)	(3,937,000)	(3,518,398)	(3,385,583)	(3,248,475)	(3,264,910)	(-672,090)
(Limitation on administrative expenses)	(109,082)	(110,040)	(110,040)	(110,040)	(110,040)	(+958)
TITLE II - CONSERVATION PROGRAMS						
Office of the Under Secretary for Natural Resources and Environment	745	918	745	761	745	---
Natural Resources Conservation Service:						
Conservation operations	819,641	703,605	850,004	826,635	853,004	+33,363
Watershed surveys and planning	11,124	5,000	11,124	10,000	10,562	-562
Watershed and flood prevention operations	109,285	40,000	90,000	55,000	87,000	-22,285
Watershed rehabilitation program	29,805	10,000	40,000	29,805	29,805	---
Resource conservation and development	50,668	49,943	52,894	51,000	51,947	+1,279
Farm bill technical assistance	---	432,160	---	---	---	---
Total, Natural Resources Conservation Service	1,020,523	1,240,708	1,044,022	972,440	1,032,318	+11,795
Total, title II, Conservation Programs	1,021,268	1,241,626	1,044,767	973,201	1,033,063	+11,795
TITLE III - RURAL DEVELOPMENT PROGRAMS						
Office of the Under Secretary for Rural Development	636	913	636	651	636	---
Rural Development:						
Rural community advancement program	901,837	477,864	706,006	767,479	757,425	-144,412
Tree assistance (sec. 747)	---	---	-5,000	---	---	---
(Transfer out)	(-29,805)	---	---	(-30,000)	(-28,000)	(+1,805)
Total, Rural community advancement program	901,837	477,864	701,006	767,479	757,425	-144,412
RD expenses:						
Salaries and expenses	144,789	147,520	146,495	140,922	141,869	-2,920
(Transfer from RHIF)	(429,564)	(482,787)	(447,151)	(439,453)	(443,302)	(+13,738)
(Transfer from RDLFP)	(4,163)	(4,850)	(4,283)	(4,283)	(4,272)	(+109)
(Transfer from RETLP)	(37,587)	(41,562)	(38,166)	(37,920)	(37,853)	(+266)
(Transfer from RTB)	(3,062)	(3,462)	(3,182)	(3,182)	(3,171)	(+109)
Subtotal, Transfers from program accounts	(474,376)	(532,661)	(492,782)	(484,838)	(488,598)	(+14,222)
Total, RD expenses	(619,165)	(680,181)	(639,277)	(625,760)	(630,467)	(+11,302)
Total, Rural Development	1,046,626	625,384	847,501	908,401	899,294	-147,332

DIVISION A--DEPARTMENT OF AGRICULTURE- FOOD AND DRUG ADMINISTRATION- AND RELATED AGENCIES APPROPRIATIONS BILL - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
Rural Housing Service:						
Rural Housing Insurance Fund Program Account:						
Loan authorizations:						
Single family (sec. 502)	(1,037,868)	(1,366,462)	(1,366,462)	(1,359,417)	(1,366,462)	(+328,594)
Unsubsidized guaranteed	(2,845,318)	(2,725,172)	(2,725,172)	(2,725,172)	(2,725,172)	(-120,146)
Subtotal, Single family	(3,883,186)	(4,091,634)	(4,091,634)	(4,084,589)	(4,091,634)	(+208,448)
Housing repair (sec. 504)	(35,000)	(35,003)	(35,003)	(35,004)	(35,004)	(+4)
Rental housing (sec. 515)	(115,805)	(70,830)	(116,545)	(115,052)	(116,545)	(+740)
Site loans (sec. 524)	(5,046)	(5,045)	(5,045)	(5,045)	(5,045)	(-1)
Multi-family housing guarantees (sec. 538)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	---
Multi-family housing credit sales	(2,000)	(1,500)	(1,500)	(1,500)	(1,500)	(-500)
Single family housing credit sales	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	---
Self-help housing land develop. (sec. 523)	(5,011)	(5,000)	(5,000)	(1,623)	(2,400)	(-2,611)
Total, Loan authorizations	(4,156,048)	(4,319,012)	(4,364,727)	(4,352,813)	(4,362,128)	(+206,080)
Loan subsidies:						
Single family (sec. 502)	201,035	126,018	126,018	126,018	126,018	-75,017
Unsubsidized guaranteed	32,388	39,903	39,903	39,903	39,903	+7,515
Subtotal, Single family	233,423	165,921	165,921	165,921	165,921	-67,502
Housing repair (sec. 504)	10,786	9,612	9,612	9,612	9,612	-1,174
Rental housing (sec. 515)	53,649	30,464	50,126	49,484	50,126	-3,523
Site loans (sec. 524)	55	---	---	---	---	-55
Multi-family housing guarantees (sec. 538)	4,471	5,950	5,950	5,950	5,950	+1,479
Multi-family housing credit sales	928	663	663	663	663	-265
Single family housing credit sales	---	---	---	---	---	---
Self-help housing land develop. (sec. 523)	220	154	154	50	75	-145
Total, Loan subsidies	303,532	212,764	232,426	231,680	232,347	-71,185
RHIF administrative expenses (transfer to RD).	429,564	482,787	447,151	439,453	443,302	+13,738
Rental assistance program:						
(Sec. 521)	715,419	734,100	725,100	715,381	578,100	-137,319
(Sec. 502(c)(5)(D))	5,862	5,900	5,900	5,900	5,900	+38
Total, Rental assistance program	721,281	740,000	731,000	721,281	584,000	-137,281
Total, Rural Housing Insurance Fund	1,454,377	1,435,551	1,410,577	1,392,414	1,259,649	-194,728
(Loan authorization)	(4,156,048)	(4,319,012)	(4,364,727)	(4,352,813)	(4,362,128)	(+206,080)
Mutual and self-help housing grants	34,772	34,000	34,772	34,000	34,000	-772
Rural housing assistance grants	42,222	41,500	42,222	46,222	46,222	+4,000
Farm labor program account	36,071	35,018	36,307	33,015	36,307	+236
Subtotal, grants and payments	113,065	110,518	113,301	113,237	116,529	+3,464
Total, Rural Housing Service	1,567,442	1,546,069	1,523,878	1,505,651	1,376,178	-191,264
(Loan authorization)	(4,156,048)	(4,319,012)	(4,364,727)	(4,352,813)	(4,362,128)	(+206,080)
Historic barn preservation program	---	---	---	2,000	---	---
Rural Business-Cooperative Service:						
Rural Development Loan Fund Program Account:						
(Loan authorization)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	---
Loan subsidy	19,179	17,308	17,308	17,308	17,308	-1,871
Administrative expenses (transfer to RD)	4,163	4,850	4,283	4,283	4,272	+109
Total, Rural Development Loan Fund	23,342	22,158	21,591	21,591	21,580	-1,762
Rural Economic Development Loans Program Account:						
(Loan authorization)	(14,967)	(15,002)	(16,120)	(15,002)	(15,002)	(+35)
Direct subsidy	3,176	2,792	3,000	2,792	2,792	-384
Rural cooperative development grants	8,941	11,000	13,000	8,967	24,000	+15,059
Rural empowerment zones and enterprise communities grants	14,870	---	10,967	14,370	12,667	-2,203
Renewable energy program	---	3,000	23,000	23,000	23,000	+23,000
Total, Rural Business-Cooperative Service	50,329	38,950	71,558	70,720	84,039	+33,710
(Loan authorization)	(54,967)	(55,002)	(56,120)	(55,002)	(55,002)	(+35)

DIVISION A--DEPARTMENT OF AGRICULTURE- FOOD AND DRUG ADMINISTRATION- AND RELATED AGENCIES APPROPRIATIONS BILL - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
Rural Utilities Service:						
Rural Electrification and Telecommunications Loans Program Account:						
Loan authorizations:						
Electric:						
Direct, 5%	(121,103)	(240,000)	(240,000)	(240,000)	(240,000)	(+118,897)
Direct, Municipal rate	(100,000)	(100,000)	(1,000,000)	(1,000,000)	(1,000,000)	(+900,000)
Direct, FFB	(2,600,000)	(1,500,000)	(2,000,000)	(2,000,000)	(2,000,000)	(-600,000)
Direct, Treasury rate	(1,150,000)	(700,000)	(750,000)	(750,000)	(750,000)	(-400,000)
Guaranteed electric	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	---
Guaranteed underwriting	(1,000,000)	---	---	(1,000,000)	(1,000,000)	---
Subtotal, Electric	(5,071,103)	(2,640,000)	(4,090,000)	(5,090,000)	(5,090,000)	(+18,897)
Telecommunications:						
Direct, 5%	(75,029)	(145,000)	(145,000)	(145,000)	(145,000)	(+69,971)
Direct, Treasury rate	(300,000)	(250,000)	(300,000)	(250,000)	(250,000)	(-50,000)
Direct, FFB	(120,000)	(100,000)	(120,000)	(120,000)	(120,000)	---
Subtotal, Telecommunications	(495,029)	(495,000)	(565,000)	(515,000)	(515,000)	(+19,971)
Total, Loan authorizations	(5,566,132)	(3,135,000)	(4,655,000)	(5,605,000)	(5,605,000)	(+38,868)
Loan subsidies:						
Electric:						
Direct, 5%	6,870	---	---	---	---	-6,870
Direct, Municipal rate	4,004	---	---	---	---	-4,004
Guaranteed electric	79	60	60	60	60	-19
Subtotal, Electric	10,953	60	60	60	60	-10,893
Telecommunications:						
Direct, 5%	1,275	---	---	---	---	-1,275
Direct, Treasury rate	149	125	125	125	125	-24
Subtotal, Telecommunications	1,424	125	125	125	125	-1,299
Total, Loan subsidies	12,377	185	185	185	185	-12,192
RETLP administrative expenses (transfer to RD)	37,587	41,562	38,166	37,920	37,853	+266
Total, Rural Electrification and Telecommunications Loans Program Account	49,964	41,747	38,351	38,105	38,038	-11,926
(Loan authorization)	(5,566,132)	(3,135,000)	(4,655,000)	(5,605,000)	(5,605,000)	(+38,868)
Rural Telephone Bank Program Account:						
(Loan authorization)	(174,615)	---	---	(173,503)	(173,503)	(-1,112)
Direct loan subsidy	2,394	---	---	---	---	-2,394
RTB administrative expenses (transfer to RD)	3,062	3,462	3,182	3,182	3,171	+109
Total, Rural Telephone Bank Program Account	5,456	3,462	3,182	3,182	3,171	-2,285
High energy costs grants (by transfer)	(29,805)	---	---	(30,000)	(28,000)	(-1,805)
Distance learning, telemedicine and broadband program:						
Loan authorizations:						
Distance learning and telemedicine	(300,000)	(50,000)	(300,000)	(300,000)	(300,000)	---
Broadband telecommunications	(80,000)	(336,000)	(336,000)	(647,000)	(602,000)	(+522,000)
Total, Loan authorizations	(380,000)	(386,000)	(636,000)	(947,000)	(902,000)	(+522,000)
Loan subsidies:						
Distance learning and telemedicine:						
Grants	46,636	25,000	25,000	40,000	39,000	-7,636
Broadband telecommunications						
Direct	---	9,116	9,116	15,116	13,116	+13,116
Grants	9,935	2,000	8,000	10,000	9,000	-935
Total, Loan subsidies and grants	56,571	36,116	42,116	65,116	61,116	+4,545
Total, Rural Utilities Service	111,991	81,325	83,649	106,403	102,325	-9,666
(Loan authorization)	(6,120,747)	(3,521,000)	(5,291,000)	(6,725,503)	(6,680,503)	(+559,756)

DIVISION A--DEPARTMENT OF AGRICULTURE- FOOD AND DRUG ADMINISTRATION- AND RELATED AGENCIES APPROPRIATIONS BILL - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
Total, title III, Rural Economic and Community Development Programs	2,777,024	2,292,641	2,527,222	2,593,826	2,462,472	-314,552
(By transfer)	(504,181)	(532,661)	(492,782)	(514,838)	(516,598)	(+12,417)
(Loan authorization)	(10,331,762)	(7,895,014)	(9,711,847)	(11,133,318)	(11,097,633)	(+765,871)
TITLE IV - DOMESTIC FOOD PROGRAMS						
Office of the Under Secretary for Food, Nutrition and Consumer Services	599	786	599	611	599	---
Food and Nutrition Service:						
Child nutrition programs	5,830,506	6,819,340	6,718,780	6,718,780	6,717,780	+887,274
Transfer from section 32	4,745,663	4,599,101	4,699,661	4,699,661	4,699,661	-46,002
Discretionary spending	3,974	---	---	---	---	-3,974
Total, Child nutrition programs	10,580,143	11,418,441	11,418,441	11,418,441	11,417,441	+837,298
Special supplemental nutrition program for women, infants, and children (WIC)	4,696,000	4,769,232	4,588,310	4,639,232	4,639,232	-56,768
Food stamp program:						
Expenses	22,772,692	24,208,981	24,203,176	26,403,176	26,403,176	+3,630,484
Reserve	2,000,000	2,000,000	2,000,000	2,000,000	3,000,000	+1,000,000
Nutrition assistance for Puerto Rico and Samoa	1,401,000	1,397,000	1,402,805	1,402,805	1,402,805	+1,805
The emergency food assistance program	140,000	140,000	140,000	140,000	140,000	---
Total, Food stamp program	26,313,692	27,745,981	27,745,981	29,945,981	30,945,981	+4,632,289
Commodity assistance program	163,431	166,072	166,072	145,740	150,000	-13,431
Food donations programs:						
Needy family program	1,074	---	---	---	---	-1,074
Nutrition programs administration	135,672	144,849	140,512	138,304	138,304	+2,632
Total, Food and Nutrition Service	41,890,012	44,244,575	44,059,316	46,287,698	47,290,958	+5,400,946
Total, title IV, Domestic Food Programs	41,890,611	44,245,361	44,059,915	46,288,309	47,291,557	+5,400,946
TITLE V - FOREIGN ASSISTANCE AND RELATED PROGRAMS						
Foreign Agricultural Service:						
Salaries and expenses, direct appropriation	129,103	140,798	133,924	131,648	132,148	+3,045
(Transfer from export loans)	(3,203)	(3,327)	(3,327)	(3,306)	(3,306)	(+103)
(Transfer from P L. 480)	(1,026)	(1,066)	(1,066)	(1,059)	(1,059)	(+33)
Total, Salaries and expenses program level	(133,332)	(145,191)	(138,317)	(136,013)	(136,513)	(+3,181)
Public Law 480 Program and Grant Accounts:						
Program account:						
Loan authorization, direct	(154,664)	(132,000)	(132,000)	(131,670)	(132,000)	(-22,664)
Loan subsidies	115,416	103,887	103,887	103,887	103,887	-11,529
Ocean freight differential grants	24,995	28,000	28,000	28,000	28,000	+3,005
Title II - Commodities for disposition abroad:						
Program level	(1,192,200)	(1,185,000)	(1,192,000)	(1,192,000)	(1,192,000)	(-200)
Appropriation	1,192,200	1,185,000	1,192,000	1,192,000	1,192,000	-200
Supplemental appropriations (P.L. 108-11)	369,000	---	---	---	---	-369,000
Salaries and expenses:						
Foreign Agricultural Service (transfer to FAS)	1,026	1,066	1,066	1,059	1,059	+33
Farm Service Agency (transfer to FSA)	1,019	2,975	2,975	1,075	1,075	+56
Subtotal	2,045	4,041	4,041	2,134	2,134	+89
Total, Public Law 480:						
Program level	(1,192,200)	(1,185,000)	(1,192,000)	(1,192,000)	(1,192,000)	(-200)
Appropriation	1,703,656	1,320,928	1,327,928	1,326,021	1,326,021	-377,635
CCC Export Loans Program Account (administrative expenses):						
Salaries and expenses (Export Loans):						
General Sales Manager (transfer to FAS)	3,203	3,327	3,327	3,306	3,306	+103
Farm Service Agency (transfer to FSA)	829	985	985	846	846	+17
Total, CCC Export Loans Program Account	4,032	4,312	4,312	4,152	4,152	+120

DIVISION A--DEPARTMENT OF AGRICULTURE, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS BILL - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
McGovern-Dole international food for education and child nutrition program grants	---	50,000	56,874	25,000	50,000	+50,000
Total, title V, Foreign Assistance and Related Programs	1,836,791	1,516,038	1,523,038	1,486,821	1,512,321	-324,470
(By transfer)	(4,229)	(4,393)	(4,393)	(4,365)	(4,365)	(+136)
TITLE VI - RELATED AGENCIES AND FOOD AND DRUG ADMINISTRATION						
DEPARTMENT OF HEALTH AND HUMAN SERVICES						
Food and Drug Administration						
Salaries and expenses, direct appropriation	1,373,714	1,394,617	1,389,234	1,384,213	1,386,962	+13,248
Prescription drug user fee act	(222,900)	(249,825)	(249,825)	(249,825)	(249,825)	(+26,925)
Medical device user fee act	(25,125)	(29,190)	(29,190)	(29,190)	(31,654)	(+6,529)
Animal drug user fee act	---	(5,000)	---	---	(5,000)	(+5,000)
Subtotal	(1,621,739)	(1,678,632)	(1,668,249)	(1,663,228)	(1,673,441)	(+51,702)
Mammography clinics user fee (outlay savings)	(16,112)	(16,576)	(16,576)	(16,576)	(16,576)	(+464)
Export and color certification	(6,378)	(6,649)	(6,649)	(6,649)	(6,649)	(+271)
Payments to GSA	(108,269)	(120,045)	(120,045)	(119,152)	(119,594)	(+11,325)
Buildings and facilities	7,948	11,500	6,000	7,948	7,000	-948
Total, Food and Drug Administration	1,381,662	1,406,117	1,395,234	1,392,161	1,393,962	+12,300
INDEPENDENT AGENCIES						
Commodity Futures Trading Commission	85,426	88,435	88,435	88,435	90,435	+5,009
Farm Credit Administration (limitation on administrative expenses)	(38,400)	(40,900)	(40,900)	(40,900)	(40,900)	(+2,500)
Total, title VI, Related Agencies and Food and Drug Administration	1,467,088	1,494,552	1,483,669	1,480,596	1,484,397	+17,309
TITLE VII - GENERAL PROVISIONS						
Hunger fellowships	2,981	---	3,000	2,981	3,000	+19
National Sheep Industry Improvement Center revolving fund	496	---	499	499	499	+3
Child and adult care feeding program	21,857	---	---	---	---	-21,857
P.L. 480 Title II	248,375	---	---	---	---	-248,375
Tree assistance (sec. 747)	---	---	5,000	---	15,000	+15,000
Northern Great Plains Regional Authority	---	---	---	3,000	1,500	+1,500
Denali Commission	---	---	---	2,000	1,000	+1,000
Food stamp program freeze	---	---	---	2,000	2,000	+2,000
Reduction in travel amounts	---	---	---	-6,000	---	---
CCC tree assistance program (P.L. 108-83)	9,700	---	---	---	---	-9,700
CCC Mormon cricket infestation (P.L. 108-83)	20,000	---	---	---	---	-20,000
Total, title VII, General provisions	303,409	---	8,499	4,480	22,999	-280,410
Grand total:						
New budget (obligational) authority	74,752,926	77,561,060	77,386,274	79,602,414	80,632,273	+5,879,347
(By transfer)	(787,619)	(831,150)	(791,271)	(804,144)	(805,904)	(+18,285)
(Loan authorization)	(14,423,426)	(11,545,412)	(13,229,430)	(14,513,463)	(14,494,543)	(+71,117)
(Limitation on administrative expenses)	(147,482)	(150,940)	(150,940)	(150,940)	(150,940)	(+3,458)

1/ In addition to appropriation.

DIVISION B--DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS BILL - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
TITLE I - DEPARTMENT OF JUSTICE AND RELATED AGENCY						
RELATED AGENCY						
Foreign terrorist tracking task force	---	---	---	72,607	---	---
DEPARTMENT OF JUSTICE						
General Administration						
Salaries and expenses	90,477	133,772	106,664	116,171	106,687	+16,210
Supplemental appropriations (P.L. 108-11)	5,000	---	---	---	---	-5,000
Joint automated booking system	15,869	---	---	23,176	19,176	+3,307
Automated Biometric Identification System-Integrated Identification system integration	8,941	---	---	---	5,100	-3,841
Identification systems integration	---	34,077	20,677	---	---	---
Legal activities office automation	15,838	---	30,136	66,240	27,034	+11,196
Narrowband communications	63,936	140,083	103,171	103,171	103,171	+39,235
Transfer from Treasury	7,391	---	---	---	---	-7,391
Counterterrorism fund	993	---	1,000	---	1,000	+7
Supplemental appropriations (P.L. 108-11)	20,000	---	---	---	---	-20,000
Administrative review and appeals	190,290	197,420	193,530	194,111	193,530	+3,240
Detention trustee	768,578	810,125	810,125	849,876	814,097	+45,519
Supplemental appropriations (P.L. 108-11)	40,000	---	---	---	---	-40,000
Office of Inspector General	51,599	62,029	56,245	60,840	60,840	+9,241
Supplemental appropriations (P.L. 108-11)	2,500	---	---	---	---	-2,500
Total, General administration	1,281,412	1,377,506	1,321,548	1,413,585	1,330,635	+49,223
United States Parole Commission						
Salaries and expenses	10,420	11,051	10,609	10,718	10,609	+189
Legal Activities						
General legal activities:						
Direct appropriation	605,368	663,350	618,537	630,641	618,537	+13,169
Radiation exposure compensation act	1,983	---	---	---	---	-1,983
Non-defense	---	1,996	1,996	1,996	1,996	+1,996
Subtotal	607,351	665,346	620,533	632,637	620,533	+13,182
Vaccine injury compensation trust fund (permanent)	4,002	4,028	4,028	4,028	4,028	+26
Legal activities office automation	---	33,240	---	---	---	---
Antitrust Division	133,133	141,898	128,133	141,898	133,133	---
Offsetting fee collections - current year	-133,133	-112,000	-112,000	-112,000	-112,000	+21,133
Direct appropriation	---	29,898	16,133	29,898	21,133	+21,133
United States Attorneys	1,493,993	1,556,784	1,526,253	1,507,879	1,526,253	+32,260
United States Trustee System Fund	155,736	175,172	166,157	170,168	166,157	+10,421
Offsetting fee collections	-149,736	-167,172	-158,157	-162,168	-158,157	-8,421
Interest on U.S. securities	-6,000	-8,000	-8,000	-8,000	-8,000	-2,000
Direct appropriation	---	---	---	---	---	---
Foreign Claims Settlement Commission	1,129	1,212	1,205	1,207	1,206	+77
United States Marshals Service:						
Salaries and expenses (non-CSE)	676,051	720,806	678,672	602,274	719,777	+43,726
Supplemental appropriations (P.L. 108-11)	8,000	---	---	---	---	-8,000
Construction	15,028	---	---	25,964	14,066	-962
Total, United States Marshals Service	699,079	720,806	678,672	628,238	733,843	+34,764
Fees and expenses of witnesses	175,645	156,145	156,145	156,145	156,145	-19,500
Community Relations Service	9,412	9,526	9,526	9,526	9,526	+114
Assets forfeiture fund	21,759	22,949	21,759	22,949	21,759	---
Total, Legal activities	3,012,370	3,199,934	3,034,254	2,992,507	3,094,426	+82,056
Interagency Law Enforcement						
Interagency crime and drug enforcement	369,712	541,844	---	415,010	---	-369,712
Interagency law enforcement support	---	---	---	551,784	---	---
Total, Interagency law enforcement	369,712	541,844	---	966,794	---	-369,712

DIVISION B--DEPARTMENTS OF COMMERCE- JUSTICE- AND STATE- THE JUDICIARY- AND RELATED AGENCIES APPROPRIATIONS BILL - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
Federal Bureau of Investigation						
Salaries and expenses	3,680,923	4,149,465	4,086,626	3,395,885	4,076,694	+395,771
Supplemental appropriations (P.L. 108-11)	367,192[1]	---	---	---	---	-367,192
Counterintelligence and national security	472,211	490,104	490,104	490,104	490,104	+17,893
Direct appropriation	4,520,326	4,639,569	4,576,730	3,885,989	4,566,798	+46,472
Foreign terrorist tracking task force	61,597	---	61,597	---	61,597	---
Construction	1,242	---	1,242	44,791	11,174	+9,932
Total, Federal Bureau of Investigation	4,583,165	4,639,569	4,639,569	3,930,780	4,639,569	+56,404
Drug Enforcement Administration						
Salaries and expenses	1,639,223	1,677,304	1,719,888	1,603,780	1,719,888	+80,665
Diversion control fund	-88,450	-118,561	-118,561	-91,499	-118,561	-30,111
Subtotal	1,550,773	1,558,743	1,601,327	1,512,281	1,601,327	+50,554
Interagency drug enforcement	---	---	556,465	---	556,465	+556,465
Total, Drug Enforcement Administration	1,550,773	1,558,743	2,157,792	1,512,281	2,157,792	+607,019
Bureau of Alcohol, Tobacco and Firearms	788,273	838,987	831,199	829,593	836,087	+47,814
GREAT grants	12,915	13,000	---	---	---	-12,915
Total	801,188	851,987	831,199	829,593	836,087	+34,899
Federal Prison System						
Salaries and expenses	4,044,788	4,677,214	4,461,257	3,872,791	4,461,257	+416,469
Buildings and facilities	396,632	---	202,840	345,805	397,700	+1,068
Rescission	---	-187,900	---	---	---	---
Federal Prison Industries, Incorporated (limitation on administrative expenses)	3,407	3,429	3,429	3,429	3,429	+22
Total, Federal Prison System	4,444,827	4,492,743	4,667,526	4,222,025	4,862,386	+417,559
Office of Justice Programs						
Management and administration	---	---	---	29,000	---	---
Justice assistance	199,983	2,136,423	209,131	136,500	190,125	-9,858
(By transfer)	(6,632)	---	(6,632)	---	(6,632)	---
Rescission	---	-11,622	---	---	---	---
Total, Office of Justice Programs	199,983	2,124,801	209,131	165,500	190,125	-9,858
State and local law enforcement assistance:						
Local law enforcement block grant	397,400	---	400,000	150,000	225,000	-172,400
Boys and Girls clubs (earmark)	(79,480)	---	(80,000)	(80,000)	(80,000)	(+520)
National Institute of Justice (earmark)	(19,870)	---	(20,000)	---	(10,000)	(-9,870)
USA FREEDOM corps (earmark)	(2,981)	---	(5,000)	---	(2,981)	---
Indian assistance	17,883	---	13,000	18,000	15,000	-2,883
Tribal prison construction	(4,968)	---	---	---	(2,000)	(-2,968)
Indian tribal courts program	(7,948)	---	(8,000)	---	(8,000)	(+52)
Indian grants	(4,968)	---	(5,000)	---	(5,000)	(+32)
State criminal alien assistance program	248,375	---	400,000	250,000	300,000	+51,625
Cooperative agreement program	4,968	---	2,500	---	2,000	-2,968
Byrne grants (formula)	496,750	---	500,000	500,000	500,000	+3,250
Byrne grants (discretionary)	149,933	---	115,000	88,575	159,117	+9,184
Juvenile crime block grant	188,765	---	---	---	---	-188,765
Drug courts	44,708	---	55,000	43,500	38,500	-6,208
State prison drug treatment	64,577	---	70,000	---	---	-64,577
Other crime control programs	5,653	---	5,361	5,000	3,892	-1,761
Assistance for victims of trafficking	9,935	---	10,000	---	10,000	+65
Violence against women prevention and prosecution	387,629	---	---	406,000	---	-387,629
Prescription drug monitoring	7,451	---	10,000	---	7,000	-451
Prison rape prevention	12,915	---	60,000	---	37,175	+24,260
Terrorism prevention and response training	14,902	---	---	---	---	-14,902
Prior year unobligated balances	-20,854	---	---	---	---	+20,854
Associated outlays	---	---	---	---	---	---
Total, State and local law enforcement	2,030,990	---	1,640,861	1,461,075	1,297,684	-733,306
Weed and seed program fund	58,542	---	51,811	58,542	58,542	---

DIVISION B--DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS BILL - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
Community oriented policing services:						
Hiring	198,700	---	---	200,000	120,000	-78,700
Training and technical assistance	20,528	20,662	20,662	---	---	-20,528
Bullet proof vests	25,279	---	25,000	25,000	25,000	-279
Tribal law enforcement	34,773	30,000	30,000	20,000	25,000	-9,773
Meth hot spots	56,761	20,000	60,000	---	54,050	-2,711
Police corps	14,903	---	28,315	15,000	15,000	+97
COPS technology	188,719	50,000	100,000	83,960	158,407	-30,312
Interoperable communications	19,870	---	---	140,000	85,000	+65,130
Supplemental appropriations (P.L. 108-11)	54,750	---	---	---	---	-54,750
Criminal records upgrade	39,740	---	56,924	---	30,000	-9,740
DNA backlog/crime lab	81,009	---	174,353	19,050	100,000	+18,991
Paul Coverdell forensics science	---	---	5,000	15,000	10,000	+10,000
Crime identification technology	68,626	---	---	36,626	24,226	-44,400
Gun violence reduction	44,708	---	45,000	15,000	30,000	-14,708
Southwest border prosecutors	39,740	---	40,000	15,000	30,000	-9,740
Project sentry	9,935	---	---	10,000	---	-9,935
Offender reentry	14,837	---	13,504	5,000	5,000	-9,837
Safe schools initiative	15,111	---	---	17,000	4,600	-10,511
Police integrity grants	16,853	16,963	17,000	5,000	10,000	-6,853
DC Circuit Court and fugitive apprehension	---	---	41,105	---	---	---
Management and administration	32,782	26,130	26,130	35,000	30,000	-2,782
Rescission	---	-6,378	---	---	---	---
Associated outlays	---	---	---	---	---	---
Total, Community oriented policing services	977,624	157,377	682,993	656,636	756,283	-221,341
Violence against women prevention and prosecution	---	---	387,629	---	387,629	+387,629
Juvenile justice programs	273,517	---	462,282	232,330	352,700	+79,183
(Transfer out)	(-6,632)	---	(-6,632)	---	(-6,632)	---
Public safety officers benefits:						
Death benefits	49,054	49,054	49,054	49,054	49,054	---
Disability and education benefits	3,974	---	7,500	7,500	3,000	-974
Total, Public safety officers benefits program	53,028	49,054	56,554	56,554	52,054	-974
Total, Office of Justice Programs	3,593,684	2,331,232	3,491,261	2,630,637	3,095,017	-498,667
United States Attorneys (sec. 111)	---	---	---	---	15,000	+15,000
Local law enforcement block grant (sec. 113)	---	---	---	---	550	+550
Rescission (sec. 114)	---	---	---	---	-100,000	-100,000
Total, title I, Department of Justice	19,647,551	19,004,609	20,153,758	18,581,527	19,942,071	+294,520
Appropriations	(19,647,551)	(19,210,509)	(20,153,758)	(18,581,527)	(20,042,071)	(+394,520)
Rescission	---	(-205,900)	---	---	(-100,000)	(-100,000)
(Transfer out)	(-6,632)	---	(-6,632)	---	(-6,632)	---
(By transfer)	(6,632)	---	(6,632)	---	(6,632)	---
TITLE II - DEPARTMENT OF COMMERCE AND RELATED AGENCIES						
TRADE AND INFRASTRUCTURE DEVELOPMENT						
RELATED AGENCIES						
Office of the United States Trade Representative						
Salaries and expenses	34,772	36,994	41,994	36,994	41,994	+7,222
European communities music licensing dispute (P.L. 108-11)	3,300	---	---	---	---	-3,300
International Trade Commission						
Salaries and expenses	53,649	58,295	57,000	58,295	58,295	+4,646
Total, Related agencies	91,721	95,289	98,994	95,289	100,289	+8,568
DEPARTMENT OF COMMERCE						
International Trade Administration						
Operations and administration	367,838	395,123	395,123	375,053	395,123	+27,285
Offsetting fee collections	-8,000	-13,000	-13,000	-3,000	-13,000	-5,000
Direct appropriation	359,838	382,123	382,123	372,053	382,123	+22,285

DIVISION B--DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS BILL - FY 2004 (H R 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
Bureau of Industry and Security						
Operations and administration	59,088	78,169	61,000	73,060	61,000	+1,912
CWC enforcement	7,203[1]	---	7,203	---	7,203	---
Total, Bureau of Industry and Security	66,291	78,169	68,203	73,060	68,203	+1,912
Economic Development Administration						
Economic development assistance programs	288,115	331,027	288,115	357,115	288,115	---
Salaries and expenses	30,565	33,377	30,565	30,565	30,565	---
Total, Economic Development Administration	318,680	364,404	318,680	387,680	318,680	---
Minority Business Development Agency						
Minority business development	28,718	29,487	29,000	28,718	28,859	+141
Total, Trade and Infrastructure Development	865,248	949,472	897,000	956,800	898,154	+32,906
ECONOMIC AND INFORMATION INFRASTRUCTURE						
Economic and Statistical Analysis						
Salaries and expenses	71,689	84,756	75,000	84,756	75,000	+3,311
Bureau of the Census						
Salaries and expenses	181,811	220,908	220,908	181,811	194,811	+13,000
Periodic censuses and programs	369,067	441,053	441,053	369,067	436,053	+66,986
Total, Bureau of the Census	550,878	661,961	661,961	550,878	630,864	+79,986
National Telecommunications and Information Administration						
Salaries and expenses	14,604	18,869	14,604	15,042	14,604	---
Public telecommunications facilities, planning and construction	43,273	2,538	2,538	55,000	22,000	-21,273
Information infrastructure grants	15,402	---	15,402	15,500	15,000	-402
Total, National Telecommunications and Information Administration	73,279	21,407	32,544	85,542	51,604	-21,675
United States Patent and Trademark Office						
Current year fee funding	1,015,229	1,203,055	1,138,700	1,217,460	1,222,460	+207,231
Prior year carryover	166,771	---	100,000	---	---	-166,771
New fees (proposed legislation)	---	192,000	---	---	---	---
Total, Patent and Trademark Office	1,182,000	1,395,055	1,238,700	1,217,460	1,222,460	+40,460
Offsetting fee collections	-1,015,229	-1,203,055	-1,238,700	-1,217,460	-1,222,460	-207,231
Total, Economic and Information Infrastructure	862,617	960,124	769,505	721,176	757,468	-105,149
SCIENCE AND TECHNOLOGY						
Technology Administration						
Office of Technology Policy						
Salaries and expenses	9,822	8,015	7,822	---	6,411	-3,411
NTIS revolving fund	---	---	---	---	---	---
National Institute of Standards and Technology						
Scientific and technical research and services	357,075	379,849	357,862	383,375	344,366	-12,709
Industrial technology services	284,760	39,607	39,607	369,223	218,782	-65,978
Construction of research facilities	65,670	69,590	62,590	84,630	64,954	-716
Working capital fund	---	7,772	---	7,772	---	---
Total, National Institute of Standards and Technology	707,505	496,818	460,059	845,000	628,102	-79,403

DIVISION B--DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS BILL - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
National Oceanic and Atmospheric Administration						
Operations, research, and facilities	2,298,481	2,389,300	2,180,454	2,696,520	2,686,520	+388,039
(By transfer from Promote and Develop Fund)	(65,000)	(75,000)	(79,251)	(52,000)	(62,000)	(-3,000)
(By transfer from Coastal zone management)	---	3,000	---	---	---	---
Deobligations returned	---	---	---	-15,000	-15,000	-15,000
Total, Operations, research, and facilities	2,298,481	2,392,300	2,180,454	2,681,520	2,671,520	+373,039
International fisheries commissions	---	---	---	20,743	---	---
Litigation and settlement fund	---	---	---	5,000	---	---
Procurement, acquisition and construction	754,096	842,399	794,059	990,127	990,127	+236,031
Supplemental appropriations (P.L. 108-11)	65,000	---	---	---	---	-65,000
Total, Procurement, acquisition and construction	819,096	842,399	794,059	990,127	990,127	+171,031
Pacific coastal salmon recovery	129,155	90,000	90,000	90,000	90,000	-39,155
Coastal zone management fund	-3,000	-3,000	-3,000	-3,000	-3,000	---
Fishermen's contingency fund	1	956	---	1	---	-1
Foreign fishing observer fund	1	191	---	1	---	-1
Fisheries finance program account	-8,000	-4,000	-7,000	-5,000	-8,000	---
Total, National Oceanic and Atmospheric Administration	3,235,734	3,318,846	3,054,513	3,779,392	3,740,647	+504,913
Total, Science and Technology	3,953,061	3,823,679	3,522,394	4,624,392	4,375,160	+422,099
Departmental Management						
Salaries and expenses	44,662	57,191	44,662	44,662	47,289	+2,627
Office of Inspector General	20,501	23,378	22,000	21,116	21,116	+615
Total, Departmental management	65,163	80,569	66,662	65,778	68,405	+3,242
Tourism promotion (sec. 210)	49,675	---	---	---	---	-49,675
EDA conveyance (sec. 209)	---	---	---	1,000	1,000	+1,000
Extension of steel loan guarantees (Sec. 211)	---	---	---	---	---	---
Procurement, acquisition and construction (sec. 212)	---	---	---	---	6,129	+6,129
Lobster (sec. 213)	---	---	---	---	500	+500
Non-pollock west coast groundfish (sec. 214)	---	---	---	---	500	+500
Total, Department of Commerce	5,704,043	5,718,555	5,156,567	6,273,857	6,007,027	+302,984
Rescission (sec. 215)	---	---	---	---	-100,000	-100,000
Total, title II, Department of Commerce and related agencies	5,795,764	5,813,844	5,255,561	6,369,146	6,007,316	+211,552
Appropriations	(5,795,764)	(5,813,844)	(5,255,561)	(6,369,146)	(6,107,316)	(+311,552)
Rescission	---	---	---	---	(-100,000)	(-100,000)
(By transfer)	(65,000)	(75,000)	(79,251)	(52,000)	(62,000)	(-3,000)
TITLE III - THE JUDICIARY						
Supreme Court of the United States						
Salaries and expenses:						
Salaries of justices	1,872	1,896	1,896	1,896	1,896	+24
Other salaries and expenses	43,586	55,581	53,464	57,518	53,464	+9,878
Supplemental appropriations (P.L. 108-11)	1,535	---	---	---	---	-1,535
Total, Salaries and expenses	46,993	57,477	55,360	59,414	55,360	+8,367
Care of the building and grounds	41,355	4,658	10,591	4,658	10,591	-30,764
Total, Supreme Court of the United States	88,348	62,135	65,951	64,072	65,951	-22,397
United States Court of Appeals for the Federal Circuit						
Salaries and expenses:						
Salaries of judges	2,225	2,237	2,237	2,237	2,237	+12
Other salaries and expenses	17,970	20,185	18,428	18,425	18,425	+455
Supplemental appropriations (P.L. 108-11)	973	---	---	---	---	-973
Total, Salaries and expenses	21,168	22,422	20,665	20,662	20,662	-506

DIVISION B--DEPARTMENTS OF COMMERCE- JUSTICE- AND STATE- THE JUDICIARY- AND RELATED AGENCIES APPROPRIATIONS BILL - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
United States Court of International Trade						
Salaries and expenses:						
Salaries of judges	1,678	1,721	1,721	1,721	1,721	+43
Other salaries and expenses	11,931	12,485	12,347	11,489	12,347	+416
Supplemental appropriations (P.L. 108-11)	50	---	---	---	---	-50
Total, Salaries and expenses	13,659	14,206	14,068	13,210	14,068	+409
Courts of Appeals, District Courts, and Other Judicial Services						
Salaries and expenses:						
Salaries of judges and bankruptcy judges	263,854	274,504	274,504	274,504	274,504	+10,650
Other salaries and expenses	3,513,161	3,913,848	3,729,672	3,619,517	3,719,672	+206,511
Supplemental appropriations (P.L. 108-83)	12,187	---	---	---	---	-12,187
Direct appropriation	3,789,202	4,188,352	4,004,176	3,894,021	3,994,176	+204,974
Vaccine Injury Compensation Trust Fund	2,766	3,293	3,293	3,293	3,193	+427
Defender services	534,961	635,481	613,948	595,006	604,477	+69,516
Supplemental appropriations (P.L. 108-83)	17,228	---	---	---	---	-17,228
Fees of jurors and commissioners	54,281	53,181	53,181	53,181	57,822	+3,541
Supplemental appropriations (P.L. 108-83)	2,778	---	---	---	---	-2,778
Court security	266,655	311,171	288,941	266,058	277,500	+10,845
Total, Courts of Appeals, District Courts, and Other Judicial Services	4,667,871	5,191,478	4,963,539	4,811,559	4,937,168	+269,297
Administrative Office of the United States Courts						
Salaries and expenses	63,087	71,908	66,968	63,717	66,000	+2,913
Federal Judicial Center						
Salaries and expenses	20,720	21,660	21,440	22,434	21,440	+720
Judicial Retirement Funds						
Payment to Judiciary Trust Funds	35,300	29,000	29,000	29,000	29,000	-6,300
United States Sentencing Commission						
Salaries and expenses	12,011	13,200	12,746	12,011	12,354	+343
General Provisions						
Judges pay raise (sec. 304)	---	4,000	---	4,000	---	---
Judges pay raise (sec. 305)	---	---	---	36,000	---	---
Total, General provisions	---	4,000	---	40,000	---	---
Total, title III, the Judiciary	4,922,164	5,430,009	5,194,377	5,076,665	5,168,643	+244,479
TITLE IV - DEPARTMENT OF STATE AND RELATED AGENCY						
Administration of Foreign Affairs						
Diplomatic and consular programs	3,248,008	3,516,843	3,453,260	3,280,405	3,420,000	+171,992
(Transfer out)	(-4,000)	(-4,000)	(-4,000)	(-4,000)	(-4,000)	---
Supplemental appropriations (P.L. 108-11)	98,420	---	---	---	---	-98,420
Worldwide security upgrades	549,405	646,701	646,701	594,373	646,701	+97,296
(Transfer out)	---	---	---	(-20,000)	---	---
Worldwide IT infrastructure	---	---	---	---	40,000	+40,000
Total, Diplomatic and consular programs	3,895,833	4,163,544	4,099,961	3,874,778	4,106,701	+210,868
Capital investment fund	182,119	157,000	142,000	207,000	80,000	-102,119
Office of Inspector General	29,074	31,703	29,777	31,703	31,703	+2,629
(By transfer)	---	---	---	(20,000)	---	---
Educational and cultural exchange programs	243,712	345,348	345,346	255,292	320,000	+76,288
Representation allowances	6,443	9,000	9,000	6,643	9,000	+2,557
Protection of foreign missions and officials	10,929	10,000	10,000	10,000	10,000	-929
Embassy security, construction, and maintenance	505,195	653,000	532,935	483,470	530,000	+24,805
Supplemental appropriations (P.L. 108-11)	149,500	---	---	---	---	-149,500
Worldwide security upgrades	750,093	861,400	861,400	933,122	861,400	+111,307
Emergencies in the diplomatic and consular service	6,458	1,000	1,000	1	1,000	-5,458
Supplemental appropriations (P.L. 108-11)	50,000	---	---	---	---	-50,000
(By transfer)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	---
(Transfer out)	(-1,000)	(-1,000)	(-1,000)	(-1,000)	(-1,000)	---

DIVISION B--DEPARTMENTS OF COMMERCE- JUSTICE- AND STATE- THE JUDICIARY- AND RELATED AGENCIES APPROPRIATIONS BILL - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
Repatriation Loans Program Account:						
Direct loans subsidy	608	612	612	612	612	+4
Administrative expenses	603	607	607	607	607	+4
(By transfer)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	---
Total, Repatriation loans program account	1,211	1,219	1,219	1,219	1,219	+8
Payment to the American Institute in Taiwan	18,330	19,773	18,782	19,893	18,782	+452
Payment to the Foreign Service Retirement and Disability Fund	138,200	134,979	134,979	134,979	134,979	-3,221
Total, Administration of Foreign Affairs	5,987,097	6,387,964	6,186,399	5,958,100	6,104,784	+117,687
International Organizations						
Contributions to international organizations, current year assessment	860,371	1,010,463	1,010,463	921,888	1,010,463	+150,092
Contributions for international peacekeeping activities, current year	669,331	550,200	550,200	482,649	454,842	-214,489
Total, International Organizations and Conferences	1,529,702	1,560,663	1,560,663	1,404,537	1,465,305	-64,397
International Commissions						
International Boundary and Water Commission, United States and Mexico:						
Salaries and expenses	25,316	31,562	25,668	28,312	26,000	+684
Construction	5,415	8,901	5,500	8,201	3,551	-1,864
American sections, international commissions	9,410	11,204	8,944	10,942	8,944	-466
International fisheries commissions	16,989	20,043	16,989	---	19,300	+2,311
Total, International commissions	57,130	71,710	57,101	47,455	57,795	+665
Other						
International Center for Middle Eastern-Western dialogue	---	---	---	7,000	7,000	+7,000
Payment to the Asia Foundation	10,376	9,250	10,376	---	13,000	+2,624
Eisenhower Exchange Fellowship program	497	500	500	500	500	+3
Israeli Arab scholarship program	373	375	375	375	375	+2
East-West Center	17,883	14,280	---	19,000	17,880	-3
National Endowment for Democracy	41,727	36,000	42,000	36,000	40,000	-1,727
Total, Department of State	7,644,785	8,080,742	7,857,414	7,472,967	7,706,639	+61,854
RELATED AGENCY						
Broadcasting Board of Governors						
International Broadcasting Operations	465,850	525,204	552,105	518,149	546,038	+80,188
Supplemental appropriations (P.L. 108-11)	30,500	---	---	---	---	-30,500
Broadcasting to Cuba	24,834	26,901	---	28,101	---	-24,834
Broadcasting capital improvements	12,657	11,395	11,395	11,395	11,395	-1,262
Total, Broadcasting Board of Governors	533,841	563,500	563,500	557,645	557,433	+23,592
Total, title IV, Department of State and Related Agency	8,178,626	8,644,242	8,420,914	8,030,612	8,264,072	+85,446
(Transfer out)	(-5,000)	(-5,000)	(-5,000)	(-25,000)	(-5,000)	---
(By transfer)	(5,000)	(5,000)	(5,000)	(25,000)	(5,000)	---
TITLE V - RELATED AGENCIES						
Antitrust Modernization Commission						
Salaries and expenses	---	---	1,499	---	1,200	+1,200
Commission for the Preservation of America's Heritage Abroad						
Salaries and expenses	496	499	499	659	496	---
Commission on Civil Rights						
Salaries and expenses	9,037	9,096	9,096	9,096	9,096	+59
Commission on International Religious Freedom						
Salaries and expenses	2,865	3,000	3,000	2,000	3,000	+135

DIVISION B--DEPARTMENTS OF COMMERCE- JUSTICE- AND STATE- THE JUDICIARY- AND RELATED AGENCIES APPROPRIATIONS BILL - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
Commission on Ocean Policy						
Salaries and expenses	1,987	---	---	---	---	-1,987
Commission on Security and Cooperation in Europe						
Salaries and expenses	1,572	1,615	1,615	1,615	1,615	+43
Congressional-Executive Commission on the People's Republic of China						
Salaries and expenses	1,371	1,800	1,800	1,400	1,800	+429
Equal Employment Opportunity Commission						
Salaries and expenses	306,815	334,754	328,400	334,754	328,400	+21,585
Supplemental appropriations (P.L. 108-11)	15,000	---	---	---	---	-15,000
Federal Communications Commission						
Salaries and expenses	270,987	280,798	278,958	277,798	273,958	+2,971
Offsetting fee collections - current year	-269,000	-251,984	-269,000	-251,984	-272,958	-3,958
Direct appropriation	1,987	28,814	9,958	25,814	1,000	-987
Federal Trade Commission						
Salaries and expenses	176,553	191,132	183,041	189,032	186,041	+9,488
Offsetting fee collections - current year	-150,000	-112,000	-112,000	-112,000	-112,000	+38,000
Offsetting fee collections, telephone database	-18,100	-18,000	-20,100	-18,000	-23,100	-5,000
Direct appropriation	8,453	61,132	50,941	59,032	50,941	+42,488
HELP Commission						
Salaries and expenses	---	---	---	---	3,000	+3,000
Legal Services Corporation						
Payment to the Legal Services Corporation	336,645	329,300	338,848	338,848	338,848	+2,203
Marine Mammal Commission						
Salaries and expenses	3,030	1,856	1,856	3,066	1,856	-1,174
National Commission on Terrorism Attacks Upon the United States						
Salaries and expenses (P.L. 108-11)	11,000	---	---	---	---	-11,000
National Veterans Business Development Corporation						
Salaries and expenses	1,987	2,000	2,000	2,000	2,000	+13
Securities and Exchange Commission						
Salaries and expenses	745,789	841,507	841,500	841,500	811,500	+65,711
Prior year unobligated balances	-29,439	---	-103,000	---	-120,000	-90,561
Direct appropriation	716,350	841,507	738,500	841,500	691,500	-24,850
Small Business Administration						
Salaries and expenses	312,413	360,155	326,592	332,413	325,750	+13,337
Office of Inspector General	12,341	14,500	13,000	12,341	13,000	+659
Business Loans Program Account:						
Direct loans subsidy	3,702	1,910	1,910	1,910	1,910	-1,792
Guaranteed loans subsidy	84,805	94,860	84,805	85,758	79,132	-5,673
Administrative expenses	128,161	129,000	129,000	129,000	128,000	-161
Total, Business loans program account	216,668	225,770	215,715	216,668	209,042	-7,626
Disaster Loans Program Account:						
Direct loans subsidy	72,665	79,109	72,665	79,109	56,188	-16,477
Administrative expenses	117,585	118,354	117,585	111,141	114,363	-3,222
Gainsharing	---	3,000	---	---	---	---
Total, Disaster loans program account	190,250	200,463	190,250	190,250	170,551	-19,699
Total, Small Business Administration	731,672	800,888	745,557	751,672	718,343	-13,329

DIVISION B--DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS BILL - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
State Justice Institute						
Salaries and expenses	2,981	---	3,000	5,000	2,250	-731
United States - China Economic and Security Review Commission						
Salaries and expenses	---	---	---	2,000	2,000	+2,000
Total, title V, Related agencies	2,153,248	2,416,261	2,236,569	2,378,456	2,157,345	+4,097
TITLE VII - RESCISSIONS						
DEPARTMENT OF JUSTICE						
General Administration						
Working Capital fund (rescission)	-78,000	---	---	-499	-67,326	+10,674
Counterterrorism fund (rescission)	---	---	---	-50,000	-40,000	-40,000
Legal Activities						
Assets forfeiture fund (rescission)	-50,87[illegible]	---	---	-499	-61,608	-10,734
Federal Prison System						
Buildings and facilities (rescission)	---	---	---	---	-51,895	-51,895
Office of Justice Programs						
State & local law enforcement assistance (rescission)	---	---	-24,122	-9,500	-21,600	-21,600
Community oriented policing services (rescission)	---	---	-6,378	---	-6,378	-6,378
Juvenile justice programs (rescission)	---	---	---	---	-15,900	-15,900
Immigration and Naturalization Service						
Immigration emergency fund (rescission)	-580	---	---	---	---	+580
DEPARTMENT OF COMMERCE						
National Institute of Standards and Technology						
Construction of research facilities (rescission)	---	---	---	-3,000	---	---
National Oceanic and Atmostpheric Administration						
Coastal impact assistance (rescission)	-7,000	---	---	---	---	+7,000
NERRS construction (rescission)	---	---	---	---	-2,500	-2,500
Departmental Management						
Emergency oil and gas guaranteed loan program account (rescission)	-920	---	---	---	---	+920
Emergency steel guaranteed loan program account (rescission)	---	-97,000	---	---	---	---
Travel and tourism (rescission)	---	---	---	---	-40,000	-40,000
RELATED AGENCIES						
Federal Communications Commission						
Salaries and expenses (rescission)	-5,700	---	---	---	---	+5,700
Small Business Administration						
Salaries and expenses (rescission)	-13,750	---	---	---	---	+13,750
Business Loans Program Account:						
Guaranteed loans subsidy (rescission)	-10,500	---	---	---	---	+10,500

DIVISION B--DEPARTMENTS OF COMMERCE- JUSTICE- AND STATE- THE JUDICIARY- AND RELATED AGENCIES APPROPRIATIONS BILL - FY 2004 (H R 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs Enacted
GENERAL PROVISIONS						
Across-the-board cut (.465%) (rescission) (sec. 638)..	---	---	---	---	-188,731	-188,731
Total, title VII, Rescissions..................	-167,324	-97,000	-30,500	-63,498	-495,938	-328,614
Grand total:						
New budget (obligational) authority.........	40,530,029	41,211,965	41,230,679	40,372,908	41,041,509	+511,480
Appropriations..........................	(40,697,353)	(41,514,865)	(41,261,179)	(40,436,406)	(41,737,447)	(+1,040,094)
Rescissions.............................	(-167,324)	(-302,900)	(-30,500)	(-63,498)	(-695,938)	(-528,614)
(Transfer out)............................	(-11,632)	(-5,000)	(-11,632)	(-25,000)	(-11,632)	---
(By transfer).............................	(76,632)	(80,000)	(90,883)	(77,000)	(73,632)	(-3,000)

DIVISION C--DISTRICT OF COLUMBIA APPROPRIATIONS BILL - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
TITLE I						
FEDERAL FUNDS						
Federal payment for Resident Tuition Support	16,889	17,000	17,000	17,000	17,000	+111
Federal payment for Emergency Planning and Security Costs in the District of Columbia	14,902	15,000	15,000	15,000	11,000	-3,902
Federal payment to the District of Columbia Courts	160,890	163,819	163,819	172,104	167,765	+6,875
Defender Services in District of Columbia Courts	16,989	32,000	32,000	32,000	32,000	+15,011
Unobligated Balance	(16,400)	---	---	---	---	(-16,400)
Defender Services program level	(33,389)	(32,000)	(32,000)	(32,000)	(32,000)	(-1,389)
Federal payment to the Court Services and Offender Supervision Agency for the District of Columbia	153,701	166,525	163,081	173,396	168,435	+14,734
Federal payment to the District of Columbia Water and Sewer Authority	49,675	15,000	35,000	25,000	30,000	-19,675
Federal payment for Hospital Bioterrorism Preparedness in the District of Columbia	9,935	---	---	10,000	7,500	-2,435
Federal payment for the Anacostia Waterfront Initiative /1	4,968	10,000	4,300	6,000	5,000	+32
Federal payment to the Criminal Justice Coordinating Council /2	---	1,300	1,300	---	1,300	+1,300
Federal payment for Capital Development in the District of Columbia	10,084	---	8,000	5,000	8,150	-1,934
Federal payment for Public School Facilities	---	---	4,500	---	4,500	+4,500
Federal payment for Childrens Hospital /2	---	---	---	10,000	---	---
Federal payment for St. Coletta /2	---	---	---	2,000	---	---
Federal payment for the Family Literacy Program	3,974	---	2,000	---	2,000	-1,974
Federal payment for Transportation Assistance	---	---	---	3,500	3,500	+3,500
Federal payment for Foster Care Improvements in the District of Columbia	---	---	---	14,000	14,000	+14,000
Federal Payment to the Office of the Chief Financial Officer of the District of Columbia	40,535	---	10,000	33,000	32,350	-8,185
Federal Payment for emergency personnel cross training	---	---	---	---	500	+500
Federal payment for School Improvement	---	---	10,000	27,000	40,000	+40,000
Federal payment to the District of Columbia Department of Transportation	993	---	---	---	---	-993
Federal payment for Waterfront Improvements	2,285	---	---	---	---	-2,285
Federal payment for Asbestos Remediation	993	---	---	---	---	-993
Federal payment to the Fire and Emergency Medical Services Department	1,987	---	---	---	---	-1,987
Federal payment for Special Education	2,981	---	---	---	---	-2,981
Federal payment to the District of Columbia for Public Charter School Facilities	16,889	---	---	---	---	-16,889
Total, Federal funds to the District of Columbia	508,670	420,644	466,000	545,000	545,000	+36,330

1/ Funds are for the Anacostia Riverwalk and Trail construction.

2/ $298,000, $4,967,000, and $1,987,000 respectively is included in FY2003 under Federal payment to the Chief Financial Officer of the District of Columbia.

DISTRICT OF COLUMBIA FUNDS

Operating Expenses

Governmental direction and support	(303,673)	(284,415)	(284,415)	(284,415)	(284,415)	(-19,258)
Economic development and regulation	(244,358)	(276,647)	(276,647)	(276,647)	(276,647)	(+32,289)
Public safety and justice	(622,531)	(745,958)	(745,958)	(745,958)	(745,958)	(+123,427)
Public education system	(1,206,169)	(1,157,841)	(1,157,841)	(1,157,841)	(1,157,841)	(-48,328)
Human support services	(2,451,818)	(2,360,067)	(2,360,067)	(2,360,067)	(2,360,067)	(-91,751)
Public Works	(320,357)	(327,046)	(327,046)	(327,046)	(327,046)	(+6,689)
Reserve	(70,000)	---	---	---	---	(-70,000)
Cash Reserve	---	(50,000)	(50,000)	(50,000)	(50,000)	(+50,000)
Repayment of Loans and Interest	(260,951)	(311,504)	(311,504)	(311,504)	(311,504)	(+50,553)
Repayment of General Fund Recovery Debt	(39,300)	---	---	---	---	(-39,300)
Payment of Interest on Short-Term Borrowing	(1,000)	(3,000)	(3,000)	(3,000)	(3,000)	(+2,000)
Certificates of Participation	(7,950)	(4,911)	(4,911)	(4,911)	(4,911)	(-3,039)
Settlements and Judgments	(22,822)	(22,522)	(22,522)	(22,522)	(22,522)	(-300)
Wilson Building	(4,194)	(3,704)	(3,704)	(3,704)	(3,704)	(-490)
Workforce Investments	(48,186)	(22,308)	(22,308)	(22,308)	(22,308)	(-25,878)
Non-Departmental Agency	(5,799)	(19,639)	(19,639)	(19,639)	(19,639)	(+13,840)
Pay-As-You-Go Capital	---	(11,267)	(11,267)	(11,267)	(11,267)	(+11,267)
Tax Increment Financing Program	---	(1,940)	(1,940)	(1,940)	(1,940)	(+1,940)
Medicaid Disallowance	---	(57,000)	(57,000)	(57,000)	(57,000)	(+57,000)
Emergency Planning and Security Costs	(15,000)	---	---	---	---	(-15,000)
Total, operating expenses, general fund	(5,624,108)	(5,659,769)	(5,659,769)	(5,659,769)	(5,659,769)	(+35,661)

DIVISION C--DISTRICT OF COLUMBIA APPROPRIATIONS BILL - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
Enterprise and Other Funds						
Water and Sewer Authority	(253,743)	(259,095)	(259,095)	(259,095)	(259,095)	(+5,352)
Washington Aqueduct	(57,847)	(55,553)	(55,553)	(55,553)	(55,553)	(-2,294)
Stormwater Permit Compliance enterprise fund	(3,100)	(3,501)	(3,501)	(3,501)	(3,501)	(+401)
Lottery and Charitable Games enterprise fund	(232,881)	(242,755)	(242,755)	(242,755)	(242,755)	(+9,874)
Sports and Entertainment Commission	(20,510)	(13,979)	(13,979)	(13,979)	(13,979)	(-6,531)
District of Columbia Retirement Board	(13,388)	(13,895)	(13,895)	(13,895)	(13,895)	(+507)
Washington Convention Center enterprise fund	(78,700)	(69,742)	(69,742)	(69,742)	(69,742)	(-8,958)
National Capital Revitalization Corporation	(6,745)	(7,849)	(7,849)	(7,849)	(7,849)	(+1,104)
Total, Enterprise Funds	(666,914)	(666,369)	(666,369)	(666,369)	(666,369)	(-545)
Total, operating expenses	(6,291,022)	(6,326,138)	(6,326,138)	(6,326,138)	(6,326,138)	(+35,116)
Capital Outlay						
General fund	(670,520)	(904,913)	(904,913)	(904,913)	(904,913)	(+234,393)
Water and Sewer Fund	(342,458)	(199,807)	(199,807)	(199,807)	(229,807)	(-112,651)
Total, Capital Outlay	(1,012,978)	(1,104,720)	(1,104,720)	(1,104,720)	(1,134,720)	(+121,742)
Total, District of Columbia funds	(7,304,000)	(7,430,858)	(7,430,858)	(7,430,858)	(7,460,858)	(+156,858)
Grand total:						
Federal Funds to the District of Columbia	508,670	420,644	466,000	545,000	545,000	+36,330
District of Columbia funds	(7,304,000)	(7,430,858)	(7,430,858)	(7,430,858)	(7,460,858)	(+156,858)

DIVISION D--FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
TITLE I - EXPORT AND INVESTMENT ASSISTANCE						
EXPORT-IMPORT BANK OF THE UNITED STATES						
Subsidy appropriation	509,566	---	---	---	---	-509,566
Administrative expenses	67,856	75,395	71,395	74,395	72,895	+5,039
Inspector General	---	1,200	---	1,000	---	---
Negative subsidy	-13,000	-34,000	-34,000	-34,000	-34,000	-21,000
Total, Export-Import Bank of the United States	564,422	42,595	37,395	41,395	38,895	-525,527
OVERSEAS PRIVATE INVESTMENT CORPORATION						
Noncredit account:						
Administrative expenses	39,626	42,385	41,385	41,385	41,385	+1,759
Insurance fees and other offsetting collections	-306,000	-272,000	-272,000	-272,000	-272,000	+34,000
Subsidy appropriation	23,844	24,000	24,000	24,000	24,000	+156
Total, Overseas Private Investment Corporation	-242,530	-205,615	-206,615	-206,615	-206,615	+35,915
FUNDS APPROPRIATED TO THE PRESIDENT						
Trade and development agency	46,706	60,000	50,000	50,000	50,000	+3,294
Total, title I, Export and investment assistance	368,598	-103,020	-119,220	-115,220	-117,720	-486,318
TITLE II - BILATERAL ECONOMIC ASSISTANCE						
FUNDS APPROPRIATED TO THE PRESIDENT						
United States Agency for International Development						
Child survival and health programs fund	1,824,563	1,495,000	2,235,830	1,435,500	1,835,000	+10,437
UNICEF	(120,000)	---	(120,000)	---	---	(-120,000)
Global AIDS initiative/Coordinator	---	---	(870,830)	---	---	---
(Transfer out)	(-5,961)	---	(-6,000)	(-6,000)	(-6,000)	(-39)
Emergency supplemental (P.L. 108-11)	90,000	---	---	---	---	-90,000
Global AIDS initiative	---	450,000	---	[illegible],000	491,000	+491,000
(Transfer out)	---	---	---	(-20,000)	(-15,000)	(-15,000)
Development assistance	1,379,972	1,345,000	1,317,000	1,423,000	1,385,000	+5,028
(Transfer out)	---	(-21,000)	(-21,000)	(-21,000)	(-21,000)	(-21,000)
International disaster assistance	288,115	235,500	315,500	235,500	255,500	-32,615
Emergency supplemental (P.L. 108-11)	143,800	---	---	---	---	-143,800
Famine fund	---	200,000	---	100,000	---	---
Transition Initiatives	49,675	55,000	55,000	55,000	55,000	+5,325
Development Credit Authority:						
(By transfer)	---	(21,000)	(21,000)	(21,000)	(21,000)	(+21,000)
Administrative expenses	7,542	8,000	8,000	8,000	8,000	+458
Subtotal, development assistance	3,783,667	3,788,500	3,931,330	4,246,000	4,029,500	+245,833
Payment to the Foreign Service Retirement and Disability Fund	45,200	43,859	43,859	43,859	43,859	-1,341
Operating expenses of the U.S. Agency for International Development	568,282	604,100	604,100	604,100	604,100	+35,818
Emergency supplemental (P.L. 108-11)	24,500	---	---	---	---	-24,500
(By transfer)	(5,961)	---	(6,000)	(6,000)	(6,000)	(+39)
(By transfer)	---	---	(15,000)	---	---	---
(Transfer out) of Iraq Relief Fund	---	---	(-15,000)	---	---	---
Emergency supplemental (P.L. 108-11) (Transfer to U.S. AID Office of Inspector General)	(-3,500)	---	---	---	---	(+3,500)
Capital Investment Fund	42,721	146,300	49,300	100,000	82,200	+39,479
Operating expenses of the U.S. Agency for International Development Office of Inspector General	33,084	35,000	35,000	35,000	35,000	+1,916
Emergency supplemental (P.L. 108-11) (By transfer)	(3,500)	---	---	---	---	(-3,500)
Total, U.S. Agency for International Development	4,497,454	4,617,759	4,663,589	5,028,959	4,794,659	+297,205
Other Bilateral Economic Assistance						
Economic support fund:						
Israel	596,100	480,000	480,000	1,055,000	480,000	-116,100
Egypt	611,002	575,000	575,000	---	575,000	-36,002
Other	1,048,142	1,480,000	1,185,500	1,360,000	1,077,500	+29,358
Economic support fund (P.L. 108-11)	2,422,000	---	---	---	---	-2,422,000
Pakistan debt relief	---	---	---	---	---	---

DIVISION D--FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
Loan guarantees to Egypt:						
(Limitation on guaranteed loans) (P.L. 108-11)	(2,000,000)	---	---	---	---	(-2,000,000)
Loan guarantees to Turkey:						
(Limitation on guaranteed loans) (P.L. 108-11)	(8,500,000)	---	---	---	---	(-8,500,000)
Subtotal, Economic support fund	4,677,244	2,535,000	2,240,500	2,415,000	2,132,500	-2,544,744
International Fund for Ireland	24,837	---	19,600	---	18,500	-6,337
Assistance for Eastern Europe and the Baltic States	521,587	435,000	452,000	445,000	445,000	-76,587
Assistance for the Independent States of the former Soviet Union	755,060	576,000	576,000	596,000	587,000	-168,060
US emergency fund for complex international crises	---	100,000	---	---	---	---
Iraq relief and reconstruction fund (P.L. 108-11)	2,475,000	---	---	---	---	-2,475,000
(Transfer authority) (P.L. 108-11)	(200,000)	---	---	---	---	(-200,000)
Loan guarantees to Israel:						
(Limitation on guaranteed loans) (P.L. 108-11)	(9,000,000)	---	---	---	---	(-9,000,000)
Total, Other Bilateral Economic Assistance	8,453,728	3,646,000	3,288,100	3,456,000	3,183,000	-5,270,728
INDEPENDENT AGENCIES						
Inter-American Foundation						
Appropriation	16,095	15,185	15,185	16,334	16,334	+239
African Development Foundation						
Appropriation	18,568	17,689	17,689	18,689	18,689	+121
Peace Corps						
Appropriation	295,069	359,000	314,000	310,000	310,000	+14,931
(By transfer)	---	---	---	(20,000)	(15,000)	(+15,000)
Millenium Challenge Corporation						
Appropriation	---	1,300,000	800,000	1,000,000	650,000	+650,000
Department of State						
International narcotics control and law enforcement	195,720	284,550	241,700	284,550	241,700	+45,980
(Transfer out)	---	---	---	(-37,000)	---	---
Emergency supplemental (P.L. 108-11)	25,000	---	---	---	---	-25,000
Andean Counterdrug Initiative	695,450	731,000	731,000	660,000	731,000	+35,550
Emergency supplemental (P.L. 108-11)	34,000	---	---	---	---	-34,000
(By transfer)	(92,396)	---	---	(54,000)	(17,000)	(-75,396)
Emergency supplemental (P.L. 108-11) (By transfer)	(20,000)	---	---	---	---	(-20,000)
Migration and refugee assistance	781,885	760,197	760,197	760,197	760,197	-21,688
United States Emergency Refugee and Migration Assistance Fund	25,831	40,000	15,831	40,000	30,000	+4,169
Emergency supplemental (P.L. 108-11)	80,000	---	---	---	---	-80,000
Nonproliferation, anti-terrorism, demining and related programs	304,408	385,200	335,200	385,200	353,500	+49,092
(By transfer)	---	---	---	(15,000)	---	---
Emergency supplemental (P.L. 108-11)	28,000	---	---	---	---	-28,000
Subtotal, Department of State	2,170,294	2,200,947	2,083,928	2,129,947	2,116,397	-53,897
Department of the Treasury						
International Affairs Technical Assistance	10,730	14,000	19,000	12,000	19,000	+8,270
Debt restructuring	---	395,000	95,000	195,000	95,000	+95,000
Subtotal, Department of the Treasury	10,730	409,000	114,000	207,000	114,000	+103,270
Total, title II, Bilateral economic assistance	15,461,938	12,565,580	11,296,491	12,166,929	11,203,079	-4,258,859
Appropriations	(10,139,638)	(12,565,580)	(11,296,491)	(12,166,929)	(11,203,079)	(+1,063,441)
Emergency appropriations	(5,322,300)	---	---	---	---	(-5,322,300)
(By transfer)	(121,857)	(21,000)	(42,000)	(116,000)	(59,000)	(-62,857)
(Transfer out)	(-9,461)	(-21,000)	(-42,000)	(-84,000)	(-42,000)	(-32,539)

DIVISION D--FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
TITLE III - MILITARY ASSISTANCE						
FUNDS APPROPRIATED TO THE PRESIDENT						
International Military Education and Training	79,480	91,700	91,100	91,700	91,700	+12,220
Foreign Military Financing Program:						
Grants:						
Israel	2,086,350	2,160,000	2,160,000	3,460,000	2,160,000	+73,650
Egypt	1,291,550	1,300,000	1,300,000	---	1,300,000	+8,450
Other	667,632	954,000	854,000	924,000	834,000	+166,368
Emergency supplemental (P.L. 108-11)	2,059,100	---	---	---	---	-2,059,100
(Transfer out)	---	---	---	(-32,000)	(-17,000)	(-17,000)
Subtotal, grants	6,104,632	4,414,000	4,314,000	4,384,000	4,294,000	-1,810,632
(Limitation on administrative expenses)	(38,000)	(40,000)	(40,000)	(40,000)	(40,500)	(+2,500)
(Transfer out)	(-92,396)	---	---	---	---	(+92,396)
Emergency supplemental (P.L. 108-11) (Transfer out)	(-20,000)	---	---	---	---	(+20,000)
Total, Foreign Military Financing	6,104,632	4,414,000	4,314,000	4,384,000	4,294,000	-1,810,632
Peacekeeping operations	114,252	94,900	85,000	84,900	74,900	-39,352
Emergency supplemental (P.L. 108-11)	100,000	---	---	---	---	-100,000
Total, title III, Military assistance	6,398,364	4,600,600	4,490,100	4,560,600	4,460,600	-1,937,764
Appropriations	(4,239,264)	(4,600,600)	(4,490,100)	(4,560,600)	(4,460,600)	(+221,336)
Emergency appropriations	(2,159,100)	---	---	---	---	(-2,159,100)
(Transfer out)	(-112,396)	---	---	(-32,000)	(-17,000)	(+95,396)
(Limitation on administrative expenses)	(38,000)	(40,000)	(40,000)	(40,000)	(40,500)	(+2,500)
TITLE IV - MULTILATERAL ECONOMIC ASSISTANCE						
FUNDS APPROPRIATED TO THE PRESIDENT						
International Financial Institutions						
World Bank Group						
Contribution to the International Bank for Reconstruction and Development:						
Global Environment Facility	146,852	184,997	107,500	170,997	139,240	-7,612
Contribution to the International Development Association	844,475	976,825	850,000	976,825	913,200	+68,725
Contribution to Multilateral Investment Guarantee Agency	1,620	4,002	4,002	1,124	1,124	-496
(Limitation on callable capital subscriptions)	(7,610)	(16,340)	(16,340)	(16,340)	---	(-7,610)
Total, World Bank Group	992,947	1,165,824	961,502	1,148,946	1,053,564	+60,617
Contribution to the Inter-American Development Bank:						
Contribution to the Inter-American Investment Corporation	18,233	30,898	---	898	---	-18,233
Contribution to the Enterprise for the Americas Multilateral Investment Fund	24,431	32,614	25,000	30,614	25,000	+569
Total, Inter-American Development Bank	42,664	63,512	25,000	31,512	25,000	-17,664
Contribution to the Asian Development Bank:						
Contribution to the Asian Development Fund	97,250	151,921	151,921	136,921	144,421	+47,171
Contribution to the African Development Bank:						
Paid-in capital	5,071	5,105	5,105	5,105	5,105	+34
(Limitation on callable capital subscriptions)	(79,603)	(79,610)	(79,610)	(79,610)	(79,610)	(+7)
Contribution to the African Development Fund	107,371	118,081	107,371	118,081	112,725	+5,354
Total, African Development Bank	112,442	123,186	112,476	123,186	117,830	+5,388
Contribution to the European Bank for Reconstruction and Development:						
Paid-in capital	35,572	35,431	35,431	35,431	35,431	-141
(Limitation on callable capital subscriptions)	(123,328)	(122,085)	(122,085)	(122,085)	(122,085)	(-1,243)
Contribution to the International Fund for Agricultural Development	14,906	15,004	15,004	15,004	15,004	+98
Total, International Financial Institutions	1,295,781	1,554,878	1,301,334	1,491,000	1,391,250	+95,469

DIVISION D--FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
International Organizations and Programs						
Appropriation	193,882	314,550	194,550	322,550	321,650	+127,768
Total, title IV, Multilateral economic assistance	1,489,663	1,869,428	1,495,884	1,813,550	1,712,900	+223,237
(Limitation on callable capital subscript)	(210,541)	(218,035)	(218,035)	(218,035)	(201,695)	(-8,846)
Grand total:						
New budget (obligational) authority	23,718,563	18,932,588	17,163,255	18,425,859	17,258,859	-6,459,704
(By transfer)	(121,857)	(21,000)	(42,000)	(116,000)	(59,000)	(-62,857)
(Transfer out)	(-121,857)	(-21,000)	(-42,000)	(-116,000)	(-59,000)	(+62,857)
(Limitation on administrative expenses)	(38,000)	(40,000)	(40,000)	(40,000)	(40,500)	(+2,500)
(Limitation on callable capital subscript)	(210,541)	(218,035)	(218,035)	(218,035)	(201,695)	(-8,846)
(Emergency Supplemental (P.L. 108-11))	(7,481,400)	---	---	---	---	(-7,481,400)

DIVISION E--DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
TITLE I - DEPARTMENT OF LABOR						
Employment and Training Administration						
Training and employment services	2,737,161	2,488,986	2,614,039	2,677,588	2,697,654	-39,507
Advance appropriation, FY 2005	2,463,000	2,463,000	2,463,000	2,463,000	2,463,000	---
Total	5,200,161	4,951,986	5,077,039	5,140,588	5,160,654	-39,507
Community service employment for older Americans	442,306	440,200	440,200	442,306	441,253	-1,053
Federal unemployment benefits and allowances (indefinite)	972,200	1,338,200	1,338,200	1,338,200	1,338,200	+366,000
State unemployment insurance and employment service operations	142,520	144,452	142,520	142,520	142,520	---
Trust funds	3,452,861	3,502,331	3,472,861	3,478,032	3,466,861	+14,000
Total	3,595,381	3,646,783	3,615,381	3,620,552	3,609,381	+14,000
Advances to the Unemployment Trust Fund and other funds	463,000	467,000	467,000	467,000	467,000	+4,000
Program administration	120,635	115,824	115,824	115,824	115,824	-4,811
Trust funds	53,876	67,541	56,503	63,137	57,820	+3,944
Total	174,511	183,365	172,327	178,961	173,644	-867
Total, Employment and Training Administration	10,847,559	11,027,534	11,110,147	11,187,607	11,190,132	+342,573
Employee Benefits Security Administration						
Salaries and expenses	116,283	128,605	128,605	121,316	124,962	+8,679
Pension Benefit Guaranty Corporation						
Pension Benefit Guaranty Corporation fund: Trust funds	12,965	16,553	16,553	16,553	16,553	+3,588
Employment Standards Administration						
Salaries and expenses	379,097	395,697	395,697	390,045	392,872	+13,775
Trust funds	2,016	2,056	2,056	2,016	2,036	+20
Total	381,113	397,753	397,753	392,061	394,908	+13,795
Special benefits	163,000	163,000	163,000	163,000	163,000	---
Special benefits for disabled coal miners:						
Direct appropriation	408,177	397,000	397,000	397,000	397,000	-11,177
Appropriation available from prior year advance	-108,000	-97,000	-97,000	-97,000	-97,000	+11,000
Total, fiscal year 2004 appropriation	300,177	300,000	300,000	300,000	300,000	-177
New advance, 1st quarter, FY 2005	97,000	88,000	88,000	88,000	88,000	-9,000
Total, special benefits for disabled coal miners	397,177	388,000	388,000	388,000	388,000	-9,177
Energy employees occupational illness compensation fund	104,867	55,074	55,074	55,074	55,074	-49,793
Black Lung Disability Trust Fund:						
Definite	1,034,644	1,042,644	1,042,644	1,042,644	1,042,644	+8,000
Indefinite	356	356	356	356	356	---
Total	1,035,000	1,043,000	1,043,000	1,043,000	1,043,000	+8,000
Total, Employment Standards Administration	2,081,157	2,046,827	2,046,827	2,041,135	2,043,982	-37,175
Occupational Safety and Health Administration						
Salaries and expenses	450,310	450,008	450,008	463,324	460,786	+10,476
Mine Safety and Health Administration						
Salaries and expenses	272,956	266,767	266,767	270,711	270,826	-2,130
Bureau of Labor Statistics						
Salaries and expenses	420,672	437,152	437,152	445,113	447,088	+26,416
Trust funds	71,561	75,110	75,110	75,110	75,110	+3,549
Total	492,233	512,262	512,262	520,223	522,198	+29,965

DIVISION E--DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
Office of Disability Employment Policy	47,178	47,333	47,333	47,333	47,333	+155
Departmental Management						
Salaries and expenses	387,533	273,219	252,701	351,295	352,514	-35,019
Trust funds	308	317	317	314	316	+8
Total	387,841	273,536	253,018	351,609	352,830	-35,011
Veterans Employment and Training	25,508	26,550	26,550	26,550	26,550	+1,042
Trust funds	187,311	193,443	193,443	193,443	193,443	+6,132
Total	212,819	219,993	219,993	219,993	219,993	+7,174
Office of Inspector General	56,291	60,896	60,896	59,291	60,094	+3,803
Trust funds	5,561	5,899	5,899	5,561	5,730	+169
Total	61,852	66,795	66,795	64,852	65,824	+3,972
Total, Departmental Management	662,512	560,324	539,806	636,454	638,647	-23,865
Working Capital Fund	---	20,000	18,000	9,700	13,850	+13,850
Total, Title I, Department of Labor	14,983,153	15,076,213	15,136,308	15,314,356	15,329,269	+346,116
Appropriations, fiscal year 2004	(12,531,153)	(12,622,213)	(12,682,308)	(12,860,356)	(12,875,269)	(+344,116)
Appropriations available from prior advances	(-108,000)	(-97,000)	(-97,000)	(-97,000)	(-97,000)	(+11,000)
Advance appropriations, fiscal year 2005	(2,560,000)	(2,551,000)	(2,551,000)	(2,551,000)	(2,551,000)	(-9,000)
TITLE II - DEPARTMENT OF HEALTH AND HUMAN SERVICES						
Health Resources and Services Administration						
Health resources and services	6,430,558	5,665,996	6,252,256	5,939,824	6,698,437	+267,879
Evaluation tap funding (non-add)	(25,000)	---	---	(25,000)	(29,500)	(+4,500)
Health education assistance loans program: Administrative expenses	3,889	3,389	3,389	3,389	3,389	-500
Vaccine injury compensation program trust fund	85,918	66,000	66,000	66,000	66,000	-19,918
HRSA administration	2,972	2,991	3,472	2,972	3,222	+250
Total, HRSA	6,523,337	5,738,376	6,325,117	6,012,185	6,771,048	+247,711
Centers for Disease Control and Prevention						
Disease control, research, and training	4,284,640	4,267,330	4,588,671	4,494,496	4,545,472	+260,832
Evaluation tap funding (non-add)	(210,399)	(51,982)	(13,226)	(212,134)	(212,134)	(+1,735)
National Institutes of Health						
National Cancer Institute	4,592,348	4,770,519	4,770,519	4,770,519	4,770,519	+178,171
National Heart, Lung, and Blood Institute	2,793,733	2,867,995	2,867,995	2,897,595	2,897,145	+103,412
National Institute of Dental and Craniofacial Research	371,636	382,396	382,396	386,396	385,796	+14,160
National Institute of Diabetes and Digestive and Kidney Diseases	1,622,730	1,670,007	1,670,007	1,683,007	1,682,457	+59,727
National Institute of Neurological Disorders and Stroke	1,456,476	1,468,926	1,468,926	1,510,926	1,510,776	+54,300
National Institute of Allergy and Infectious Diseases	3,706,139	4,335,255	4,335,255	4,335,255	4,335,155	+629,016
National Institute of General Medical Sciences	1,847,000	1,923,133	1,923,133	1,917,033	1,916,333	+69,333
National Institute of Child Health and Human Development	1,205,927	1,245,371	1,245,371	1,251,185	1,250,585	+44,658
National Eye Institute	633,148	648,299	648,299	657,199	657,199	+24,051
National Institute of Environmental Health Sciences	614,239	630,774	630,774	637,074	636,974	+22,735
National Institute on Aging	993,598	994,411	994,411	1,031,411	1,031,311	+37,713
National Institute of Arthritis and Musculoskeletal and Skin Diseases	486,143	502,778	502,778	505,000	504,300	+18,157
National Institute on Deafness and Other Communication Disorders	370,382	380,377	380,377	384,577	384,477	+14,095
National Institute of Nursing Research	130,584	134,579	134,579	135,579	135,555	+4,971
National Institute on Alcohol Abuse and Alcoholism	416,051	430,121	430,121	431,521	431,471	+15,420
National Institute on Drug Abuse	961,721	995,614	995,614	997,614	997,414	+35,693
National Institute of Mental Health	1,341,014	1,382,114	1,382,114	1,391,114	1,390,714	+49,700
National Human Genome Research Institute	464,995	478,072	478,072	482,372	482,222	+17,227
National Institute for Biomedical Imaging and Bioengineering	278,279	282,109	282,109	289,300	288,900	+10,621
National Center for Research Resources	1,138,821	1,053,926	1,053,926	1,186,483	1,186,183	+47,362
National Center for Complementary and Alternative Medicine	113,407	116,202	116,202	117,902	117,752	+4,345

DIVISION E--DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
National Center on Minority Health and Health Disparities	185,714	192,724	192,724	192,824	192,724	+7,010
John E. Fogarty International Center	63,465	64,266	64,266	65,900	65,800	+2,335
National Library of Medicine	300,135	316,040	316,040	311,835	311,635	+11,500
Evaluation tap funding (non-add)	(8,200)	---	---	(8,200)	(8,200)	---
Office of the Director	266,232	317,983	317,983	323,483	329,707	+63,475
Buildings and facilities	628,687	80,000	80,000	89,500	89,500	-539,187
Total, N.I.H.	26,982,604	27,663,991	27,663,991	27,982,604	27,982,604	+1,000,000
Substance Abuse and Mental Health Services Administration						
Substance abuse and mental health services	3,137,540	3,393,315	3,329,000	3,157,540	3,253,763	+116,223
Evaluation tap funding (non-add)	(74,200)	(16,000)	(16,000)	(117,050)	(117,050)	(+42,850)
Agency for Healthcare Research and Quality						
Healthcare research and quality	---	---	---	---	---	---
Evaluation tap funding (non-add)	(303,695)	(279,000)	(303,695)	(303,695)	(303,695)	---
Total, Public Health Service	40,928,121	41,063,012	41,906,779	41,646,825	42,552,887	+1,624,766
Centers for Medicare and Medicaid Services						
Grants to States for Medicaid	158,692,155	176,753,583	182,753,583	176,753,583	182,753,583	+24,061,428
Appropriation available from prior year advance	-46,601,937	-51,861,386	-51,861,386	-51,861,386	-51,861,386	-5,259,449
Total, adjusted appropriation	112,090,218	124,892,197	130,892,197	124,892,197	130,892,197	+18,801,979
New advance, 1st quarter, FY 2005	51,861,386	58,416,275	58,416,275	58,416,275	58,416,275	+6,554,889
Total, grants to States for Medicaid	163,951,604	183,308,472	189,308,472	183,308,472	189,308,472	+25,356,868
Payments to health care trust funds	81,462,700	95,084,100	95,084,100	95,084,100	95,084,100	+13,621,400
Program management (trust funds)	2,564,891	2,733,507	2,698,025	2,707,603	2,664,994	+100,103
Total, Center for Medicare & Medicaid Services	247,979,195	281,126,079	287,090,597	281,100,175	287,057,566	+39,078,371
Appropriations, fiscal year 2004	(242,719,746)	(274,571,190)	(280,535,708)	(274,545,286)	(280,502,677)	(+37,782,931)
Appropriations available from prior advances	(-46,601,937)	(-51,861,386)	(-51,861,386)	(-51,861,386)	(-51,861,386)	(-5,259,449)
Advance appropriations, FY 2005	(51,861,386)	(58,416,275)	(58,416,275)	(58,416,275)	(58,416,275)	(+6,554,889)
Administration for Children and Families						
Payments to States for Child Support Enforcement and Family Support Programs	4,036,800	4,525,270	4,525,270	4,572,270	4,572,270	+535,470
Less funds advanced in previous years	-1,100,000	-1,100,000	-1,100,000	-1,100,000	-1,100,000	---
Total, adjusted appropriation	2,936,800	3,425,270	3,425,270	3,472,270	3,472,270	+535,470
New advance, 1st quarter, FY 2005	1,100,000	1,200,000	1,200,000	1,200,000	1,200,000	+100,000
Total	4,036,800	4,625,270	4,625,270	4,672,270	4,672,270	+635,470
Low income home energy assistance:						
Emergency allocation:						
Contingent non-emergency funding	---	300,000	100,000	---	100,000	+100,000
Contingent emergency funding	---	---	---	---	---	---
Current appropriation	1,688,950	1,700,000	1,700,000	2,000,000	1,800,000	+111,050
Total	1,688,950	2,000,000	1,800,000	2,000,000	1,900,000	+211,050
Refugee and entrant assistance	478,048	461,626	461,853	428,056	450,276	-27,772
Payments to States for the Child Care and Development Block Grant	2,086,344	2,099,729	2,099,729	2,099,729	2,099,729	+13,385
Social Services Block Grant	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000	---
Children and families services programs	7,245,276	7,287,382	7,214,670	7,382,457	7,416,097	+170,821
Advance appropriation, FY 2005	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	---
Evaluation tap funding (non-add)	(6,000)	---	---	(6,000)	(6,000)	---
Total	8,645,276	8,687,382	8,614,670	8,782,457	8,816,097	+170,821
Promoting Safe and Stable Families	305,000	305,000	305,000	305,000	305,000	---
Discretionary portion	99,350	199,978	100,000	99,350	100,000	+650
Payments to States for foster care and adoption assistance	6,609,000	6,813,900	6,813,900	6,813,900	6,813,900	+204,900
Less funds advanced in previous years	-1,754,000	-1,745,600	-1,745,600	-1,745,600	-1,745,600	+8,400
Total, adjusted appropriation	4,855,000	5,068,300	5,068,300	5,068,300	5,068,300	+213,300

DIVISION E--DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
New advance, 1st quarter, FY 2005	1,745,600	1,767,700	1,767,700	1,767,700	1,767,700	+22,100
Total, Payments to States for foster care	6,600,600	6,836,000	6,836,000	6,836,000	6,836,000	+235,400
Total, Administration for Children and Families	25,640,368	26,914,985	26,542,522	26,922,862	26,879,372	+1,239,004
Administration on Aging						
Aging services program	1,367,057	1,343,701	1,377,421	1,361,193	1,381,689	+14,632
Office of the Secretary						
General departmental management	345,160	348,100	343,284	344,808	357,358	+12,198
Trust funds	5,813	5,851	5,813	5,851	5,851	+38
Total	350,973	353,951	349,097	350,659	363,209	+12,236
Evaluation tap funding (NA)	(21,552)	(21,552)	(21,552)	(21,552)	(21,552)	---
Office of Inspector General	36,808	39,497	39,497	39,497	39,497	+2,689
Office for Civil Rights	30,131	30,936	30,936	30,936	30,936	+805
Trust funds	3,292	3,314	3,314	3,314	3,314	+22
Total	33,423	34,250	34,250	34,250	34,250	+827
Policy research	2,483	2,499	2,483	---	---	-2,483
Evaluation tap funding (NA)	(18,000)	(21,000)	(18,000)	(23,499)	(20,750)	(+2,750)
Medical Benefits for Commissioned Officers:						
Expenses (indefinite)	310,017	303,392	329,868	329,868	329,868	+19,851
Discretionary funding	---	12,973	---	---	---	---
Total	310,017	316,365	329,868	329,868	329,868	+19,851
Public Health and Social Services Emergency Fund	1,887,247	1,896,149	1,776,846	1,856,040	1,776,846	-110,401
Total, Office of the Secretary	2,620,951	2,642,711	2,532,041	2,610,314	2,543,670	-77,281
Net total, Title II, Department of Health and Human Services	318,535,692	353,090,488	359,449,360	353,641,369	360,415,184	+41,879,492
Appropriations, fiscal year 2004	(311,884,643)	(345,013,499)	(351,372,371)	(345,564,380)	(352,338,195)	(+40,453,552)
Appropriations	(309,310,647)	(342,270,827)	(348,665,219)	(342,847,612)	(349,664,036)	(+40,353,389)
Contingent emergency funding	---	---	---	---	---	---
Trust funds	(2,573,996)	(2,742,672)	(2,707,152)	(2,716,768)	(2,674,159)	(+100,163)
Appropriations available from prior advances	(-49,455,937)	(-54,706,986)	(-54,706,986)	(-54,706,986)	(-54,706,986)	(-5,251,049)
Advance appropriations, FY 2005	(56,106,986)	(62,783,975)	(62,783,975)	(62,783,975)	(62,783,975)	(+6,676,989)
Total, discretionary FY 2004	58,683,053	59,462,254	59,794,650	59,939,659	60,713,474	+2,030,421
TITLE III - DEPARTMENT OF EDUCATION						
Education for the disadvantaged	4,710,972	6,800,699	7,123,699	6,724,055	7,145,221	+2,434,249
Advance appropriation, FY 2005	9,027,301	7,383,301	7,383,301	7,383,301	7,383,301	-1,644,000
Total	13,738,273	14,184,000	14,507,000	14,107,356	14,528,522	+790,249
Impact aid	1,188,226	1,015,500	1,238,324	1,193,226	1,236,824	+48,598
School improvement programs	4,448,092	3,607,834	4,362,637	4,296,453	4,399,208	-48,884
Advance appropriation, FY 2005	1,435,000	1,435,000	1,435,000	1,435,000	1,435,000	---
Total	5,883,092	5,042,834	5,797,637	5,731,453	5,834,208	-48,884
Indian education	121,573	122,368	121,573	121,573	121,573	---
Innovation and improvement	1,099,049	807,400	807,959	782,133	1,106,811	+7,762
Safe schools and citizenship education	554,925	426,250	495,068	818,547	862,813	+307,888
Advance appropriation, FY 2005	330,000	330,000	330,000	---	---	-330,000
Total	884,925	756,250	825,068	818,547	862,813	-22,112
English language acquisition	685,515	665,000	685,515	669,000	685,258	-257
Special education	4,361,417	5,618,104	5,977,790	6,825,464	5,894,072	+1,532,655
Advance appropriation, FY 2005	5,672,000	5,072,000	5,072,000	5,402,000	5,413,000	-259,000
Total	10,033,417	10,690,104	11,049,790	12,227,464	11,307,072	+1,273,655
Rehabilitation services and disability research	420,641	418,751	415,003	420,198	429,143	+8,502
Mandatory	2,533,492	2,584,162	2,584,162	2,584,162	2,584,162	+50,670
Total	2,954,133	3,002,913	2,999,165	3,004,360	3,013,305	+59,172

DIVISION E--DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
Special Institutions for Persons With Disabilities:						
American Printing House for the Blind	15,399	14,000	16,500	16,500	16,500	+1,101
National Technical Institute for the Deaf	53,699	50,781	53,867	53,800	53,800	+101
Gallaudet University	97,798	94,446	100,600	100,800	100,800	+3,002
Total	166,896	159,227	170,967	171,100	171,100	+4,204
Vocational and adult education	1,322,209	806,532	1,310,430	1,310,490	1,330,690	+8,481
Advance appropriation, FY 2005	791,000	791,000	791,000	791,000	791,000	---
Total	2,113,209	1,597,532	2,101,430	2,101,490	2,121,690	+8,481
Student financial assistance	13,363,072	14,518,500	14,247,432	14,174,115	14,090,430	+727,358
Student aid administration	104,703	947,010	120,010	104,703	118,010	+13,307
FDSL reclassification	---	-795,000	---	---	---	---
Higher education	2,086,496	1,897,938	1,974,036	1,969,982	2,094,511	+8,015
National security education trust fund	---	8,000	---	---	---	---
Howard University	238,440	237,474	242,770	238,440	240,180	+1,740
College housing and academic facilities loans program	757	774	774	774	774	+17
Historically Black College and University capital financing, program account	207	210	210	210	210	+3
Institute of Education Sciences	447,956	375,915	500,599	532,956	478,717	+30,761
Departmental Management:						
Program administration	409,863	434,494	434,494	349,730	425,000	+15,137
Office for Civil Rights	85,715	91,275	91,275	77,884	89,275	+3,560
Office of the Inspector General	40,734	48,137	48,137	37,661	47,137	+6,403
Total	536,312	573,906	573,906	465,275	561,412	+25,100
Total, Title III, Department of Education	55,646,251	55,807,855	57,964,165	58,414,157	58,573,420	+2,927,169
Appropriations, fiscal year 2004	(38,390,950)	(40,796,554)	(42,952,864)	(43,402,856)	(43,551,119)	(+5,160,169)
Advance appropriations, FY 2005	(17,255,301)	(15,011,301)	(15,011,301)	(15,011,301)	(15,022,301)	(-2,233,000)
Total, discretionary FY 2004	53,112,759	53,223,693	55,380,003	55,829,995	55,989,258	+2,876,499
TITLE IV - RELATED AGENCIES						
Armed Forces Retirement Home:						
Operation and maintenance	61,839	63,296	63,296	63,296	63,296	+1,457
Capital program	5,732	1,983	1,983	1,983	1,983	-3,749
Total, AFRH	67,571	65,279	65,279	65,279	65,279	-2,292
Corporation for National and Community Service:						
Domestic Volunteer Service Programs, operating expenses	353,888	364,663	352,836	355,187	356,443	+2,555
Corporation for Public Broadcasting:						
Advance appropriation, fiscal year 2006	390,000	---	330,000	400,000	400,000	+10,000
Digitalization	48,427	---	---	55,000	50,000	+1,573
Interconnection	---	---	---	10,000	10,000	+10,000
Federal Mediation and Conciliation Service	41,156	42,885	43,385	43,385	43,385	+2,229
Federal Mine Safety and Health Review Commission	7,131	7,774	7,774	7,774	7,774	+643
Institute of Museum and Library Services	243,889	242,024	238,126	243,889	262,596	+18,707
Medicare payment advisory commission (trust funds)	8,529	9,300	9,000	9,000	9,300	+771
National Commission on Libraries & Information Science	1,003	1,000	1,000	1,000	1,000	-3
National Council on Disability	2,839	2,830	2,830	3,339	3,039	+200
National Labor Relations Board	237,429	243,073	239,429	246,073	244,073	+6,644
National Mediation Board	11,241	11,421	11,421	11,421	11,421	+180
Occupational Safety and Health Review Commission	9,610	10,115	10,115	9,610	9,863	+253
Railroad Retirement Board:						
Dual benefits payments account	123,194	119,000	111,000	119,000	111,000	-12,194
Federal payments to the Railroad Retirement Accounts	150	150	150	150	150	---
Limitation on trust fund transfer:						
Administrative expenses	99,350	99,820	101,300	99,350	101,300	+1,950
Office of Inspector General	6,322	6,600	6,600	6,322	6,600	+278
Total	229,016	225,570	219,050	224,822	219,050	-9,966

DIVISION E--DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
Social Security Administration						
Payments to social security trust funds	20,400	21,658	21,658	21,658	21,658	+1,258
Supplemental security income program:						
Mandatory	31,879,392	34,328,000	34,328,000	34,336,000	34,336,000	+2,456,608
Discretionary	2,825,000	3,034,000	2,973,300	3,034,000	2,973,300	+148,300
Subtotal	34,704,392	37,362,000	37,301,300	37,370,000	37,309,300	+2,604,908
Appropriation available from prior year advance	-10,790,000	-11,080,000	-11,080,000	-11,080,000	-11,080,000	-290,000
Total, fiscal year 2004 appropriation	23,914,392	26,282,000	26,221,300	26,290,000	26,229,300	+2,314,908
User fee activities	111,000	120,000	120,000	120,000	120,000	+9,000
New advance, 1st quarter, FY 2005	11,080,000	12,590,000	12,590,000	12,590,000	12,590,000	+1,510,000
Total, supplemental security income program	35,105,392	38,992,000	38,931,300	39,000,000	38,939,300	+3,833,908
Limitation on administrative expenses: Trust funds	7,885,137	8,530,000	8,361,800	8,530,000	8,361,800	+476,663
Office of Inspector General	20,863	25,000	24,500	20,863	24,500	+3,637
Trust funds	61,597	65,000	63,700	61,597	63,700	+2,103
Total	82,460	90,000	88,200	82,460	88,200	+5,740
Adjustment: Trust fund transfers from general revenues	-2,936,000	-3,154,000	-3,093,300	-3,154,000	-3,093,300	-157,300
Total, Social Security Administration	40,157,389	44,479,658	44,309,658	44,480,118	44,317,658	+4,160,269
Appropriations, fiscal year 2004	(39,867,389)	(42,969,658)	(42,799,658)	(42,970,118)	(42,807,658)	(+2,940,269)
Advance appropriations, FY 2005	(11,080,000)	(12,590,000)	(12,590,000)	(12,590,000)	(12,590,000)	(+1,510,000)
United States Institute of Peace: Operating expenses	16,256	17,200	17,200	17,200	17,200	+944
Total, Title IV, Related agencies	41,825,374	45,722,792	45,857,103	46,183,097	46,028,081	+4,202,707
Appropriations, fiscal year 2004	(41,145,374)	(44,212,792)	(44,017,103)	(44,273,097)	(44,118,081)	(+2,972,707)
Appropriations available from prior advances	(-10,790,000)	(-11,080,000)	(-11,080,000)	(-11,080,000)	(-11,080,000)	(-290,000)
Advance appropriations, FY 2005	(11,080,000)	(12,590,000)	(12,590,000)	(12,590,000)	(12,590,000)	(+1,510,000)
Advance appropriations, FY 2006	(390,000)	---	(330,000)	(400,000)	(400,000)	(+10,000)
Total, discretionary FY 2004	9,635,432	9,862,984	9,997,295	10,315,289	10,160,273	+524,841
Grand total	430,990,470	469,697,348	478,406,936	473,552,979	480,345,954	+49,355,484
Appropriations, fiscal year 2004	(392,466,730)	(430,482,416)	(439,045,652)	(433,997,486)	(440,941,236)	(+48,474,506)
Trust funds	(11,485,390)	(12,162,642)	(11,978,994)	(12,103,203)	(11,941,428)	(+456,038)
Total, fiscal year 2004	(403,952,120)	(442,645,058)	(451,024,646)	(446,100,689)	(452,882,664)	(+48,930,544)
Appropriations available from prior advances	(-60,353,937)	(-65,883,986)	(-65,883,986)	(-65,883,986)	(-65,883,986)	(-5,530,049)
Advance appropriations, FY 2005	(87,002,287)	(92,936,276)	(92,936,276)	(92,936,276)	(92,947,276)	(+5,944,989)
Advance appropriations, FY 2006	(390,000)	---	(330,000)	(400,000)	(400,000)	(+10,000)

DIVISION F--DEPARTMENTS OF TRANSPORTATION AND TREASURY AND INDEPENDENT AGENCIES APPROPRIATIONS BILL - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs Enacted
TITLE I - DEPARTMENT OF TRANSPORTATION						
Office of the Secretary						
Salaries and expenses	87.574	108.931	93.577	91.276	80.903	-6,671
Immediate Office of the Secretary	(2.211)	---	(2.212)	(2.500)	(2.210)	(-1)
Immediate Office of the Deputy Secretary	(809)	---	(841)	(706)	(700)	(-109)
Immediate office of the Secretary and Deputy Secretary	---	---	---	---	---	---
Office of the General Counsel	(15,657)	---	(15,560)	(15,403)	(15,403)	(-254)
Office of the Assistant Secretary for Policy	---	---	---	---	---	---
Office of the Assistant Secretary for Aviation and International Affairs	---	---	---	---	---	---
Office of the Under Secretary for Transportation Policy	(12,452)	---	(12,717)	(12,312)	(12,312)	(-140)
Office of the Assistant Secretary for Budget and Programs	(8,375)	---	(8.630)	(8.536)	(8,536)	(+161)
Office of the Assistant Secretary for Governmental Affairs	(2,453)	---	(2,518)	(2,477)	(2,300)	(-153)
Office of the Assistant Secretary for Administration	(29,071)	---	(28,882)	(28,882)	(24,612)	(-4,459)
Office of Public Affairs	(1.926)	---	(1,982)	(1,915)	(1,915)	(-11)
Executive Secretariat	(1,391)	---	(1,447)	(1,458)	(1,447)	(+56)
Board of Contract Appeals	(611)	---	(730)	(700)	(700)	(+89)
Office of Small and Disadvantaged Business Utilization	(1,304)	---	(1,268)	(1,268)	(1,268)	(-36)
Office of Intelligence and Security	---	---	(225)	(1,792)	(2,000)	(+2,000)
Office of the Chief Information Officer	(13,187)	---	(16,565)	(13,327)	(7,500)	(-5,687)
Transfer to Homeland Security	(-1,873)	---	---	---	---	(+1,873)
Subtotal	(87,574)	---	(93,577)	(91,276)	(80,903)	(-6,671)
Office of civil rights	8,643	8,569	8,569	8,569	8,569	-74
Transportation planning, research, and development	20,864	10,836	8,336	15,836	20,864	---
Working capital fund	(131,766)	---	(116,715)	(116,715)	(116,715)	(-15,051)
Minority business resource center program	894	900	900	900	900	+6
(Limitation on guaranteed loans)	(18,367)	(18,367)	(18,367)	(18,367)	(18,367)	---
Minority business outreach	2,981	3,000	3,000	3,000	3,000	+19
New headquarters building	---	45,000	45,000	---	---	---
Payments to air carriers (Airport & Airway Trust Fund)	51,761	---	---	52,000	52,000	+239
Reimbursement for general aviation losses, DCA airport	---	---	---	---	---	---
Total, Office of the Secretary	172,717	177,236	159,382	171,581	166,236	-6,481
Federal Aviation Administration						
Operations	7,023,070	7,590.648	7,532,000	7.535.648	7,530,925	+507.855
Facilities & equipment (Airport & Airway Trust Fund)	2,961,645	2,916,000	2,900,000	2,916,000	2,910,000	-51,645
Rescission (Airport and Airway Trust Fund)	-20,000	---	---	---	-30,000	-10,000
Subtotal, F&E	2,941,645	2,916,000	2,900,000	2,916,000	2,880,000	-61,645
Research, engineering, and development (Airport and Airway Trust Fund)	147,485	100,000	108,000	118,939	119,439	-28,046
Grants-in-aid for airports (Airport and Airway Trust Fund):						
(Liquidation of contract authorization)	(3,100,000)	(3,400,000)	(3,425,000)	(3,400,000)	(3,400,000)	(+300,000)
(Limitation on obligations)	(3,377,900)	(3,400,000)	---	(3,400,000)	(3,400,000)	(+22,100)
(Small community air service pilot program)	(20,000)	---	---	---	(20,000)	---
Subtotal, Grants-in-aid	(3,377,900)	(3,400,000)	---	(3,400,000)	(3,400,000)	(+22,100)
Aviation insurance revolving fund	---	---	---	---	---	---
Total, Federal Aviation Administration	10,132,200	10,606,648	10,540,000	10,570,587	10,560,364	+428,164
(Limitations on obligations)	(3,377,900)	(3,400,000)	---	(3,400,000)	(3,400,000)	(+22,100)
Rescissions	-20,000	---	---	---	-30,000	-10,000
Rescissions of contract authority	---	---	---	---	---	---
Subtotal	(13,490,100)	(14,006,648)	(10,540,000)	(13,970,587)	(13,930,364)	(+440,264)

DIVISION F--DEPARTMENTS OF TRANSPORTATION AND TREASURY AND INDEPENDENT AGENCIES APPROPRIATIONS BILL - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
Federal Highway Administration						
Limitation on administrative expenses	(314,071)	(338,834)	(359,458)	(337,834)	(337,604)	(+23,533)
(Border enforcement program)	(106,897)	---	---	---	---	(-106,897)
Federal-aid highways (Highway Trust Fund):						
(Limitation on obligations)	(27,653,143)	(29,293,948)	(33,385,000)	(33,843,000)	(33,843,000)	(+6,189,857)
Revenue aligned budget authority	---	---	---	---	---	---
RABA transfer to FMCSA	---	---	---	---	---	---
Miscellaneous additional limitations on obligations	(3,940,157)	---	---	---	---	(-3,940,157)
Subtotal (limitations on obligations) (HTF)	(31,593,300)	(29,293,948)	(33,385,000)	(33,843,000)	(33,843,000)	(+2,249,700)
(Exempt obligations)	(884,329)	(931,297)	(931,297)	(931,297)	(931,297)	(+46,968)
(Liquidation of contract authorization)	(32,000,000)	(30,000,000)	(34,000,000)	(34,000,000)	---	(-32,000,000)
Miscellaneous appropriations (rescission)	-5,609	---	---	---	---	+5,609
Miscellaneous rescission of contract authority	-250,000	---	---	-156,000	-207,000	+43,000
Public Private Partnerships (Highway Trust Fund)	---	---	---	---	---	---
TEA-21 Re-designations, etc. (sec. 112)	---	---	---	---	---	---
State of Wisconsin P.L. 107-87 (sec. 113)	---	---	---	---	---	---
Wisconsin ITS Projects (sec. 114)	---	---	---	---	---	---
Ohio River Bridges	---	---	---	---	---	---
Alameda corridor (sec. 115)	---	---	157,000	---	---	---
Kentucky Highlands	---	---	---	---	---	---
Federal aid highways (Highway trust fund)	---	---	400,000	---	---	---
Appalachian development highway system	186,778	---	---	150,000	125,000	-61,778
Total, Federal Highway Administration	186,778	---	557,000	150,000	125,000	-61,778
(Limitations on obligations)	(31,593,300)	(29,293,948)	(33,385,000)	(33,843,000)	(33,843,000)	(+2,249,700)
(Exempt obligations)	(884,329)	(931,297)	(931,297)	(931,297)	(931,297)	(+46,968)
Rescissions	-5,609	---	---	---	---	+5,609
Rescissions of contract authority	-250,000	---	---	-156,000	-207,000	+43,000
Net total, FHWA	(32,408,798)	(30,225,245)	(34,873,297)	(34,768,297)	(34,692,297)	(+2,283,499)
Federal Motor Carrier Safety Administration						
Motor carrier safety (limitation on administrative expenses) (limitation on obligations)	(116,700)	(224,406)	(236,753)	(245,972)	(176,070)	(+59,370)
National motor carrier safety program (Highway Trust Fund):						
(Liquidation of contract authorization)	(190,000)	(222,594)	(190,000)	(190,000)	(190,000)	---
(Limitation on obligations)	(188,765)	(222,594)	(190,000)	(190,000)	(190,000)	(+1,235)
RABA transfer from FHWA	---	---	---	---	---	---
Border inspection station construction (Highway Trust fund)	---	---	---	(47,000)	---	---
Total, Federal Motor Carrier Safety Admin	---	---	---	---	---	---
(Limitations on obligations)	(305,465)	(447,000)	(426,753)	(482,972)	(366,070)	(+60,605)
National Highway Traffic Safety Administration						
Operations and research	137,389	126,058	134,178	---	---	-137,389
Operations and research (HTF)	---	---	---	(148,102)	(150,545)	(+150,545)
Operations and research (Highway trust fund):						
(Liquidation of contract authorization)	(72,000)	(88,452)	(72,000)	(72,000)	(72,000)	---
(Limitation on obligations)	(71,532)	(88,452)	(72,000)	(72,000)	(72,000)	(+468)
National Driver Register (Highway trust fund)	1,987	3,600	3,600	3,600	3,600	+1,613
Subtotal, Operations and research	(210,908)	(218,110)	(209,778)	(223,702)	(226,145)	(+15,237)
Highway traffic safety grants (Highway Trust Fund):						
(Liquidation of contract authorization)	(225,000)	(447,000)	(225,000)	(225,000)	(225,000)	---
(Limitation on obligations):						
Highway safety programs (Sec. 402)	(163,928)	(387,000)	(165,000)	(165,000)	(165,000)	(+1,072)
Occupant protection incentive grants (Sec. 405)	(19,870)	---	(20,000)	(20,000)	(20,000)	(+130)

DIVISION F--DEPARTMENTS OF TRANSPORTATION AND TREASURY AND INDEPENDENT AGENCIES APPROPRIATIONS BILL - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
Alcohol-impaired driving countermeasures grants (Sec. 410)	(39,740)	---	(40,000)	(40,000)	(40,000)	(+260)
Emergency medical services grants (Sec. 407)	---	(10,000)	---	---	---	---
State traffic safety info system improvement grants (Sec. 412)	---	(50,000)	---	---	---	---
Subtotal, limitation on obligations	(223,538)	(447,000)	(225,000)	(225,000)	(225,000)	(+1,462)
Total, National Highway Traffic Safety Admin.	139,376	129,658	137,778	3,600	3,600	-135,776
(Limitations on obligations)	(295,070)	(535,452)	(297,000)	(445,102)	(447,545)	(+152,475)
Total budgetary resources	(434,446)	(665,110)	(434,778)	(448,702)	(451,145)	(+16,699)
Federal Railroad Administration						
Safety and operations	116,600	131,175	130,922	130,825	130,825	+14,225
Railroad research and development	29,134	35,025	28,225	34,225	34,025	+4,891
Amtrack RRIF repayment deferment	---	---	---	3,000	3,000	+3,000
Pennsylvania Station Redevelopment project (advance appropriation	19,870	---	---	---	---	-19,870
Next generation high-speed rail	30,252	23,200	28,250	29,350	37,400	+7,148
Alaska Railroad rehabilitation	21,857	---	---	25,000	25,000	+3,143
Grants to the National Railroad Passenger Corporation	1,043,175	900,000	900,000	1,346,000	1,225,000	+181,825
Total, Federal Railroad Administration	1,260,888	1,089,400	1,087,397	1,568,400	1,455,250	+194,362
Federal Transit Administration						
Administrative expenses	14,505	76,500	14,500	14,600	15,100	+595
Administrative expenses (Highway Trust Fund, Mass Transit Account) (limitation on obligations)	(58,020)	---	(58,000)	(58,400)	(60,400)	(+2,380)
Subtotal, Administrative expenses	(72,525)	(76,500)	(72,500)	(73,000)	(75,500)	(+2,975)
Formula grants	762,809	---	767,800	767,800	767,800	+4,991
Formula grants (Highway Trust Fund) (limitation on obligations)	(3,051,237)	(5,615,406)	(3,071,200)	(3,071,240)	(3,071,200)	(+19,963)
Subtotal, Formula grants	(3,814,046)	(5,615,406)	(3,839,000)	(3,839,040)	(3,839,000)	(+24,954)
University transportation research	1,192	---	1,200	1,200	1,200	+8
University transportation research (Highway Trust Fund, Mass Transit Acct) (limitation on obligations)	(4,769)	---	(4,800)	(4,800)	(4,800)	(+31)
Subtotal, University transportation research	(5,961)	---	(6,000)	(6,000)	(6,000)	(+39)
Transit planning and research	24,043	---	24,200	24,400	25,200	+1,157
Transit planning and research (Highway Trust Fund, Mass Transit Account) (limitation on obligations)	(97,164)	---	(97,800)	(97,600)	(100,800)	(+3,636)
Flexible funding	---	---	---	---	---	---
Subtotal, Transit planning and research	(121,207)	---	(122,000)	(122,000)	(126,000)	(+4,793)
Rural transportation assistance	(5,216)	---	(5,250)	(5,250)	(5,250)	(+34)
National transit institute	(3,974)	---	(4,000)	(4,000)	(4,000)	(+26)
Transit cooperative research	(8,196)	---	(8,250)	(8,250)	(8,250)	(+54)
Metropolitan planning	(59,993)	---	(60,386)	(60,386)	(60,386)	(+393)
State planning	(12,532)	---	(12,614)	(12,614)	(12,614)	(+82)
National planning and research	(31,295)	---	(31,500)	(31,500)	(35,500)	(+4,205)
Subtotal, Transit planning and research	(121,206)	---	(122,000)	(122,000)	(126,000)	(+4,794)
Trust fund share of expenses (Highway Trust Fund) (liquidation of contract authorization)	(5,781,000)	(320,594)	(5,807,020)	(5,844,000)	(5,847,200)	(+66,200)
Capital investment grants	603,253	1,213,500	599,280	628,000	627,500	+24,247
Capital investment grants (Highway Trust Fund, Mass Transit Account) (limitation on obligations)	(2,413,013)	(320,594)	(2,507,220)	(2,512,000)	(2,510,000)	(+96,987)
Flexible funding	---	---	---	---	---	---
Subtotal, Capital investment grants	(3,016,266)	(1,534,094)	(3,106,500)	(3,140,000)	(3,137,500)	(+121,234)

DIVISION F--DEPARTMENTS OF TRANSPORTATION AND TREASURY AND INDEPENDENT AGENCIES APPROPRIATIONS BILL - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
Fixed guideway modernization	(1,214,400)	---	(1,214,400)	(1,214,000)	(1,206,506)	(-7,894)
Buses and bus-related facilities	(607,200)	---	(677,700)	(607,200)	(607,200)	---
New starts	(1,214,400)	---	(1,214,400)	(1,318,800)	(1,323,794)	(+109,394)
Subtotal	(3,036,000)	---	(3,106,500)	(3,140,000)	(3,137,500)	(+101,500)
Job access and reverse commute grants	29,805	---	17,000	25,000	25,000	-4,805
(Highway Trust Fund, Mass Transit Account) (limitation on obligations)	(119,220)	---	(68,000)	(100,000)	(100,000)	(-19,220)
Subtotal, Job access and reverse commute grants	(149,025)	---	(85,000)	(125,000)	(125,000)	(-24,025)
Total, Federal Transit Administration	1,435,607	1,290,000	1,423,980	1,461,000	1,461,800	+26,193
(Limitations on obligations)	(5,743,423)	(5,936,000)	(5,807,020)	(5,844,040)	(5,847,200)	(+103,777)
Total budgetary resources, FTA	(7,179,030)	(7,226,000)	(7,231,000)	(7,305,040)	(7,309,000)	(+129,970)
Saint Lawrence Seaway Development Corporation						
Operations and maintenance (Harbor Maintenance Trust Fund)	13,994	14,400	14,700	14,400	14,400	+406
Maritime Administration						
Maritime security program	98,058	98,700	98,700	98,700	98,700	+642
Operations and training	92,093	104,400	105,897	106,000	106,997	+14,904
Ship disposal	11,088	11,422	14,000	18,422	16,211	+5,123
Vessel operations revolving fund	---	---	---	---	---	---
Maritime Guaranteed Loan (Title XI) Program Account:						
Administrative expenses	4,099	4,498	---	4,498	4,498	+399
Supplemental appropriations (P.L. 108-11)	25,000	---	---	---	---	-25,000
Total, Maritime Administration	230,338	219,020	218,597	227,620	226,406	-3,932
Rescissions	---	---	---	---	-4,107	-4,107
Net total, Maritime Administration	230,338	219,020	218,597	227,620	222,299	-8,039
Research and Special Programs Administration						
Research and special programs	40,714	51,000	47,018	42,516	46,441	+5,727
Pipeline safety:						
Pipeline Safety Fund	56,370	48,336	55,054	50,429	53,305	-3,065
Oil Spill Liability Trust Fund	7,423	18,741	9,000	17,183	13,000	+5,577
Subtotal, Pipeline safety program (incl reserve)	63,793	67,077	64,054	67,612	66,305	+2,512
Emergency preparedness grants:						
Emergency preparedness fund	199	200	200	200	200	+1
Limitation on emergency preparedness fund	(14,300)	---	(14,300)	(14,300)	(14,300)	---
Total, Research and Special Programs Admin	104,706	118,277	111,272	110,328	112,946	+8,240
Office of Inspector General						
Salaries and expenses	54,912	55,000	55,000	56,000	56,000	+1,088
Surface Transportation Board						
Salaries and expenses	19,324	19,521	19,521	19,521	19,521	+197
Offsetting collections	-1,000	-1,050	-1,050	-1,050	-1,050	-50
Total, Surface Transportation Board	18,324	18,471	18,471	18,471	18,471	+147
Bureau of Transportation Statistics						
Office of airline information (Airport & Airway Trust Fund)	---	3,971	---	---	---	---
Net total, title I, Department of Transportation	13,474,231	13,722,081	14,323,577	14,195,987	13,959,366	+485,135
Appropriations	(13,749,840)	(13,722,081)	(14,323,577)	(14,351,987)	(14,200,473)	(+450,633)
Emergency	---	---	---	---	---	---
Offsets for new user fees	---	---	---	---	---	---
Rescissions	(-25,609)	---	---	---	(-34,107)	(-8,498)
Rescission of contract authority	(-250,000)	---	---	(-156,000)	(-207,000)	(+43,000)
(By transfer)	---	---	---	---	---	---
(Transfer authority)	---	---	---	---	---	---

DIVISION F--DEPARTMENTS OF TRANSPORTATION AND TREASURY AND INDEPENDENT AGENCIES APPROPRIATIONS BILL - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
(Limitations on obligations)................	(41,315,158)	(39,612,400)	(39,915,773)	(44,015,114)	(43,903,815)	(+2,588,657)
(Exempt obligations)........................	(884,329)	(931,297)	(931,297)	(931,297)	(931,297)	(+46,968)
Net total budgetary resources...........	(55,673,718)	(54,265,778)	(55,170,647)	(59,142,398)	(58,794,478)	(+3,120,760)
Transportation discretionary total....................	13,474,231	13,722,081	14,323,577	14,195,987	13,959,366	+485,135
TITLE II - DEPARTMENT OF THE TREASURY						
Departmental Offices................................	157,669	166,875	175,809	174,809	176,109	+18,440
Department-wide systems and capital investments programs...	36,653	36,928	36,653	36,928	36,400	-253
Office of Inspector General...........................	11,092	---	12,792	12,687	13,000	+1,908
Treasury Inspector General for Tax Administration.....	124,198	---	128,034	128,034	128,034	+3,836
Treasury Inspector General...........................	---	134,949	---	---	---	---
Air Transportation Stabilization Program Account......	6,002	2,538	2,538	2,538	2,538	-3,464
Treasury Building and Annex Repair and Restoration....	28,744	25,000	25,000	25,000	25,000	-3,744
Expanded Access to Financial Services.................	1,987	---	---	---	---	-1,987
Financial Crimes Enforcement Network..................	51,416	57,571	57,571	57,571	57,571	+6,155
Interagency Law Enforcement:						
Interagency crime and drug enforcement............	106,877	---	---	---	---	-106,877
Financial Management Service..........................	220,634	228,606	228,558	228,558	228,558	+7,924
Alcohol and Tobacco Tax and Trade Bureau..............	79,480	80,000	80,000	80,000	80,000	+520
Bureau of the Public Debt.............................	188,833	173,698	173,652	173,652	173,652	-15,181
Payment of government losses in shipment..............	1,000	500	500	500	500	-500
Internal Revenue Service:						
Processing, Assistance, and Management............	3,930,064	4,074,694	4,037,834	4,048,238	4,033,000	+102,936
Tax Law Enforcement...............................	3,849,884	4,227,808	4,221,408	4,172,808	4,196,000	+346,116
Information Systems...............................	1,621,833	1,670,039	1,628,739	1,590,962	1,590,962	-30,871
Business systems modernization....................	363,621	429,000	429,000	429,000	390,000	+26,379
Health Insurance Tax Credit Administration........	69,545	35,000	35,000	35,000	35,000	-34,545
Subtotal..	9,834,947	10,436,541	10,351,981	10,276,008	10,244,962	+410,015
Total, title II, Department of the Treasury...	10,849,532	11,343,206	11,273,088	11,196,285	11,166,324	+316,792
Appropriations............................	10,849,532	11,343,206	11,273,088	11,196,285	11,166,324	+316,792
Emergency funding.........................	---	---	---	---	---	---
Rescissions...............................	---	---	---	---	---	---
TITLE III - EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT						
Compensation of the President and the White House Office:						
Compensation of the President.....................	450	---	450	450	450	---
Salaries and Expenses.............................	50,385	---	66,057	61,937	69,168	+18,783
Homeland Security Council.............................	19,272	---	---	8,331	---	-19,272
Executive Residence at the White House:						
Operating Expenses................................	12,149	---	12,501	12,501	12,501	+352
White House Repair and Restoration................	1,192	---	4,225	4,225	4,225	+3,033
Council of Economic Advisers..........................	3,739	---	4,000	4,502	4,502	+763
Office of Policy Development..........................	3,230	---	4,109	4,109	4,109	+879
National Security Council.............................	7,770	---	9,000	10,551	10,551	+2,781
Office of Administration..............................	90,910	---	82,826	77,164	82,826	-8,084
The White House.......................................	---	183,770	---	---	---	---
Office of Management and Budget.......................	61,988	77,417	62,272	75,417	67,159	+5,171
Office of National Drug Control Policy:						
Salaries and expenses.............................	26,284	27,290	28,790	27,997	27,997	+1,713
Counterdrug Technology Assessment Center..........	47,688	40,000	40,000	42,000	42,000	-5,688
Subtotal..	73,972	67,290	68,790	69,997	69,997	-3,975
Federal Drug Control Programs:						
High Intensity Drug Trafficking Areas Program.....	224,879	206,350	226,350	226,350	226,350	+1,471
Other Federal Drug Control Programs...............	221,749	250,000	230,000	174,000	229,000	+7,251
Unanticipated Needs...................................	993	1,000	1,000	1,000	1,000	+7
Special Assistance to the President and the Official Residence of the Vice President:						
Salaries and Expenses.............................	4,040	4,461	4,461	4,461	4,461	+421
Operating expenses................................	322	331	331	331	331	+9
Total, title III, Executive Office of the President and Funds Appropriated to the President..	777,040	790,619	776,372	735,326	786,630	+9,590
Appropriations............................	777,040	790,619	776,372	735,326	786,630	+9,590
Rescission................................	---	---	---	---	---	---

DIVISION F--DEPARTMENTS OF TRANSPORTATION AND TREASURY AND INDEPENDENT AGENCIES APPROPRIATIONS BILL - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
TITLE IV - INDEPENDENT AGENCIES						
Architectural and Transportation Barriers Compliance Board:						
Salaries and expenses	5,160	5,401	5,401	5,401	5,401	+241
National Transportation Safety Board:						
Salaries and expenses	71,979	71,480	76,679	72,170	73,499	+1,520
Emergency fund	---	600	600	600	600	+600
Committee for Purchase From People Who Are Blind or Severely Disabled	4,628	4,629	4,725	4,725	4,725	+97
Federal Election Commission	49,542	50,440	50,440	50,440	51,240	+1,698
Election Assistance Commission:						
Salaries and expenses	2,000	10,000	5,000	---	1,200	-800
Election reform programs	833,000	490,000	495,000	1,500,000	500,000	-333,000
Federal Labor Relations Authority	28,762	29,611	29,611	29,611	29,611	+849
Federal Maritime Commission	16,591	18,471	18,471	18,471	18,471	+1,880
General Services Administration:						
Federal Buildings Fund:						
Appropriations	373,269	217,000	247,350	407,000	446,000	+72,731
Limitations on availability of revenue:						
Construction and acquisition of facilities	(717,488)	(400,568)	(406,168)	(659,668)	(708,268)	(-9,220)
Repairs and alterations	(951,529)	(1,012,729)	(1,010,454)	(1,000,939)	(991,300)	(+39,771)
Installment acquisition payments	(178,960)	(169,745)	(169,745)	(169,745)	(169,745)	(-9,215)
Rental of space	(3,113,211)	(3,388,187)	(3,308,187)	(3,278,187)	(3,280,187)	(+166,976)
Building Operations	(1,526,459)	(1,608,708)	(1,608,708)	(1,608,708)	(1,608,708)	(+82,249)
Subtotal, limitations	(6,487,647)	(6,579,937)	(6,503,262)	(6,717,247)	(6,758,208)	(+270,561)
Repayment of Debt	(79,685)	(54,256)	(54,256)	(54,256)	(54,256)	(-25,429)
Rental income to fund	---	---	---	---	---	---
Total, Federal Buildings Fund	373,269	217,000	247,350	407,000	446,000	+72,731
(Limitations)	(6,567,332)	(6,634,193)	(6,557,518)	(6,771,503)	(6,812,464)	(+245,132)
Policy and Citizen Services	65,873	---	---	---	---	-65,873
Governmentwide policy	---	74,031	56,383	61,781	56,383	+56,383
Operating Expenses	72,027	85,083	79,110	85,083	88,110	+16,083
Office of Inspector General	37,670	39,169	39,169	39,169	39,169	+1,499
Electronic Government (E-Gov) Fund	4,968	45,000	1,000	5,000	3,000	-1,968
Allowances and Office Staff for Former Presidents	3,317	3,393	3,393	3,393	3,393	+76
Election Reform Reimbursements	14,902	---	---	---	---	-14,902
Election Reform Payments	650,000	---	---	---	---	-650,000
Federal building project (sec. 408)	---	---	---	13,669	14,000	+14,000
San Joaquin conveyance (sec. 412)	---	---	---	---	-1,000	-1,000
Total, General Services Administration	1,222,026	463,676	426,405	615,095	649,055	-572,971
Merit Systems Protection Board:						
Salaries and Expenses	31,819	35,503	32,877	35,503	32,877	+1,058
Limitation on administrative expenses	2,609	---	2,626	---	2,626	+17
Morris K. Udall Foundation:						
Morris K. Udall Trust Fund	1,983	372	1,300	1,996	1,996	+13
Environmental Dispute Resolution Fund	1,300	700	1,300	1,309	1,309	+9
National Archives and Records Administration:						
Operating expenses	248,251	294,105	255,191	258,191	256,700	+8,449
Electronic records archive	---	---	35,914	---	35,914	+35,914
Reduction of debt	-7,186	-7,810	-7,810	-7,810	-7,810	-624
Repairs and Restoration	14,116	6,458	6,458	13,483	13,708	-408
National Historical Publications and Records Commission: Grants program	6,458	5,000	10,000	5,000	10,000	+3,542
Total, National Archives and Records Admin	261,639	297,753	299,753	268,864	308,512	+46,873
Office of Government Ethics	10,468	10,738	10,738	10,738	10,738	+250
Office of Personnel Management:						
Salaries and Expenses	128,644	118,748	119,498	118,748	119,498	-9,146
Limitation on administrative expenses	120,006	135,914	126,854	135,914	135,914	+15,908
Office of Inspector General	1,509	1,498	1,498	1,498	1,498	-11
Limitation on administrative expenses	10,815	14,427	14,427	14,427	14,427	+3,612
Government Payment for Annuitants, Employees Health Benefits	6,853,000	7,219,000	7,219,000	7,219,000	7,219,000	+366,000
Government Payment for Annuitants, Employee Life Insurance	34,000	35,000	35,000	35,000	35,000	+1,000

DIVISION F--DEPARTMENTS OF TRANSPORTATION AND TREASURY AND INDEPENDENT AGENCIES APPROPRIATIONS BILL - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
Payment to Civil Service Retirement and Disability Fund	9,410,000	9,987,000	9,987,000	9,987,000	9,987,000	+577,000
Human Capital Performance Fund	---	500,000	2,500	---	1,000	+1,000
Total, Office of Personnel Management	16,557,974	18,011,587	17,505,777	17,511,587	17,513,337	+955,363
Office of Special Counsel	12,368	13,504	13,504	13,504	13,504	+1,136
Postal Service:						
Payment to the Postal Service Fund	28,811	29,000	29,000	29,000	29,000	+189
Advance appropriation, FY 2002/2003	47,309	31,014	31,014	31,014	31,014	-16,295
Advance appropriation, FY 2004	30,812	36,521	36,521	36,521	36,521	+5,709
Total, Postal Service:						
Fiscal year 2002/2003	76,120	60,014	60,014	60,014	60,014	-16,106
Fiscal year 2004	30,812	36,521	36,521	36,521	36,521	+5,709
United States Tax Court	37,063	40,187	40,187	40,187	40,187	+3,124
White House Commission on the National Moment of Rememberance	248	250	250	250	250	+2
Total, title IV, Independent Agencies	19,258,111	19,651,437	19,117,179	20,276,986	19,355,673	+97,562
Title V - General Provisions, This Act						
Surface transportation projects (Sec. 330)	90,011	---	---	---	---	-90,011
Excess stabilization resources (rescission) (Sec. 333)	-90,000	---	---	---	---	+90,000
LRFA program (rescission) (Sec. 343)	-690	---	---	---	---	+690
Iowa rail infrastructure rehab project (Sec. 343)	686	---	---	---	---	-686
Misc. highway projects (Highway Trust Fund)(Sec. 344)	283,147	---	---	---	---	-283,147
Value pricing pilot project (rescission) (Highway Trust Fund) (Sec. 364)	-8,000	---	---	---	---	+8,000
Aviation ops sustainment-Midway Island (Sec. 371)	3,477	---	---	---	---	-3,477
Administrative accounts adjustments	---	---	---	-128,076	---	---
Payments to air carriers (Airport & Airway Trust Fund)	---	---	63,000	---	---	---
Total, General provisions	278,631	---	63,000	-128,076	---	-278,631
Grand total	44,637,545	45,507,343	45,553,216	46,276,508	45,267,993	+630,448
Appropriations	(44,933,723)	(45,439,808)	(45,485,681)	(46,364,973)	(45,441,565)	(+507,842)
Emergency	---	---	---	---	---	---
Offset for new user fees	---	---	---	---	---	---
Rescissions	(-124,299)	---	---	---	(-34,107)	(+90,192)
Rescission of contract authority	(-250,000)	---	---	(-156,000)	(-207,000)	(+43,000)
(By transfer)	---	---	---	---	---	---
(Transfer authority)	---	---	---	---	---	---
(Limitation on obligations)	(41,315,158)	(39,612,400)	(39,915,773)	(44,015,114)	(43,903,815)	(+2,588,657)
(Rescissions of limitations on obligations)	---	---	---	---	---	---
(Exempt obligations)	(884,329)	(931,297)	(931,297)	(931,297)	(931,297)	(+46,968)
Net total budgetary resources	(86,837,032)	(86,051,040)	(86,400,286)	(91,222,919)	(90,103,105)	(+3,266,073)
Discretionary total	26,903,488	26,975,843	26,887,286	27,573,558	26,564,243	-339,245

DIVISION G--VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT AND INDEPENDENT AGENCIES APPROPRIATIONS BILL - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
TITLE I						
DEPARTMENT OF VETERANS AFFAIRS						
Veterans Benefits Administration						
Compensation and pensions	28,949,000	29,845,127	29,845,127	29,845,127	29,845,127	+896,127
Readjustment benefits	2,264,808	2,529,734	2,529,734	2,529,734	2,529,734	+264,926
Veterans insurance and indemnities	27,530	29,017	29,017	29,017	29,017	+1,487
Veterans housing benefit program fund program account (indefinite)	437,522	305,834	305,834	305,834	305,834	-131,688
(Limitation on direct loans)	(300)	(300)	(300)	(300)	(300)	---
Credit subsidy	-98,000	---	---	---	---	+98,000
Administrative expenses	167,114	154,850	154,850	154,850	154,850	-12,264
Education loan fund program account	1	1	1	1	1	---
(Limitation on direct loans)	(3)	(3)	(3)	(3)	(3)	---
Administrative expenses	70	---	70	70	70	---
Vocational rehabilitation loans program account	55	52	52	52	52	-3
(Limitation on direct loans)	(3,626)	(3,938)	(3,938)	(3,938)	(3,938)	(+312)
Administrative expenses	287	300	300	300	300	+13
Native American Veteran Housing Loan Program Account	554	571	571	571	571	+17
Total, Veterans Benefits Administration	31,748,941	32,865,486	32,865,556	32,865,556	32,865,556	+1,116,615
Veterans Health Administration						
Medical services	---	---	16,443,220	---	17,867,220	+17,867,220
Medical administration	---	---	4,854,000	---	5,000,000	+5,000,000
Medical facilities	---	---	4,000,000	---	4,000,000	+4,000,000
Medical and prosthetic research	397,400	408,000	408,000	413,000	408,000	+10,600
Medical care	23,889,304	25,218,080	---	25,688,080	---	-23,889,304
Delayed obligation	---	---	---	1,100,000	---	---
Rescission	---	---	---	-270,000	-270,000	-270,000
Medical administration and miscellaneous operating expenses	74,230	79,140	---	79,146	---	-74,230
Medical care cost recovery collections:						
Offsetting receipts	-1,386,000	-1,800,000	---	-1,564,000	-1,564,000	-178,000
Appropriations (indefinite)	1,386,000	1,800,000	---	1,564,000	1,564,000	+178,000
Total, Veterans Health Administration	24,360,934	25,705,220	25,705,220	27,010,226	27,005,220	+2,644,286
Offsetting receipts	(-1,386,000)	(-1,800,000)	---	(-1,564,000)	(-1,564,000)	(-178,000)
Total available to VHA	(25,746,934)	(27,505,220)	(25,705,220)	(28,574,226)	(28,569,220)	(+2,822,286)
Departmental Administration						
General operating expenses	1,245,849	1,283,272	1,283,272	1,283,272	1,283,272	+37,423
Supplemental Appropriations (P.L. 108-11)	100,000	---	---	---	---	-100,000
National Cemetery Administration	132,284	144,203	144,223	144,203	144,203	+11,919
Office of Inspector General	57,623	61,750	61,750	62,250	62,000	+4,377
Construction, major projects	99,128	272,690	274,690	272,690	272,690	+173,562
Construction, minor projects	224,531	252,144	252,144	252,144	252,144	+27,613
Grants for construction of State extended care facilities	99,350	102,100	102,100	102,100	102,100	+2,750
Grants for the construction of State veterans cemeteries	31,792	32,000	32,000	32,000	32,000	+208
Total, Departmental Administration	1,990,557	2,148,159	2,150,179	2,148,659	2,148,409	+157,852
Total, title I, Department of Veterans Affairs	58,100,432	60,718,865	60,720,955	62,024,441	62,019,185	+3,918,753
(Limitation on direct loans)	(3,929)	(4,241)	(4,241)	(4,241)	(4,241)	(+312)
Consisting of:						
Mandatory	(31,580,860)	(32,709,712)	(32,709,712)	(32,709,712)	(32,709,712)	(+1,128,852)
Discretionary	(26,519,572)	(28,009,153)	(28,011,243)	(29,314,729)	(29,309,473)	(+2,789,901)
Medical care collection fund	(1,386,000)	(1,800,000)	---	(1,564,000)	(1,564,000)	(+178,000)
Total Discretionary (excluding MCCF)	(25,133,572)	(26,209,153)	(28,011,243)	(27,750,729)	(27,745,473)	(+2,611,901)

DIVISION G--VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT AND INDEPENDENT AGENCIES APPROPRIATIONS BILL - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
TITLE II						
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT						
Public and Indian Housing						
Housing Certificate Fund:						
Direct appropriation	12,938,913	---	14,380,606	14,233,606	15,171,482	+2,232,569
Advance appropriations provided in previous acts	4,172,700	---	4,200,000	4,200,000	4,200,000	+27,300
Advance appropriations provided in current year	4,200,000	---	4,200,000	4,200,000	4,200,000	---
Subtotal	21,311,613	---	22,780,606	22,633,606	23,571,482	+2,259,869
Appropriations	(17,111,613)	---	(18,580,606)	(18,433,606)	(19,371,482)	(+2,259,869)
Advance appropriations prov. in current year	(4,200,000)	---	(4,200,000)	(4,200,000)	(4,200,000)	---
Housing assistance for needy families:						
Direct appropriation	---	8,335,201	---	---	---	---
Advance appropriations provided in previous acts	---	4,200,000	---	---	---	---
Advance appropriations provided in FY 2004	---	4,200,000	---	---	---	---
Subtotal /1	---	16,735,201	---	---	---	---
Appropriations, FY 2004 /1	---	(12,535,201)	---	---	---	---
Advance appropriations, FY 2004 /1	---	(4,200,000)	---	---	---	---
Project based rental assistance /1	---	4,823,405	---	---	---	---
Rescission of unobligated balances	-1,600,000	-300,000	-1,372,000	-1,372,000	-2,844,000	-1,244,000
Public housing capital fund	2,712,255	2,641,000	2,712,255	2,641,000	2,712,255	---
Public housing operating fund	3,576,600	3,574,000	3,600,000	3,576,600	3,600,000	+23,400
Revitalization of severely distressed public housing	570,269	---	50,000	195,115	150,000	-420,269
Native American housing block grants	644,782	646,600	661,600	646,600	654,100	+9,318
Indian housing loan guarantee fund program account	5,266	1,000	5,300	5,300	5,300	+34
(Limitation on guaranteed loans)	(197,243)	(27,473)	(197,243)	(197,243)	(197,243)	---
Native Hawaiian housing block grant	---	10,000	---	---	---	---
Native Hawaiian housing loan guarantee fund	1,028	1,000	1,000	1,035	1,035	+7
(Limitation on guaranteed loans)	(39,712)	(35,348)	(35,348)	(39,712)	(39,712)	---
Total, Public and Indian Housing	27,221,813	28,132,206	28,438,761	28,327,256	27,850,172	+628,359
Appropriations	(23,021,813)	(23,932,206)	(24,238,761)	(24,127,256)	(23,650,172)	(+628,359)
Rescissions	(-1,600,000)	(-300,000)	(-1,372,000)	(-1,372,000)	(-2,844,000)	(-1,244,000)
Advance appropriations, FY 2003 and FY 2004	(4,200,000)	(4,200,000)	(4,200,000)	(4,200,000)	(4,200,000)	---
Community Planning and Development						
Housing opportunities for persons with AIDS	290,102	297,000	302,000	291,000	296,500	+6,398
Rural housing and economic development	24,837	---	25,000	25,000	25,000	+163
Empowerment zones / enterprise communities	29,805	---	15,000	---	15,000	-14,805
Community development fund	4,904,909	4,716,000	4,959,000	4,950,600	4,950,000	+45,091
Colonias initiative (legislative proposal)	---	16,000	---	---	---	---
Urban development action grant (rescission)	---	-30,000	-30,000	-30,000	-30,000	-30,000
Section 108 loan guarantees:						
(Limitation on guaranteed loans)	(275,000)	---	---	(275,000)	(275,000)	---
Credit subsidy	6,284	---	---	6,325	6,325	+41
Administrative expenses	993	---	---	1,000	1,000	+7
Brownfields redevelopment	24,837	---	25,000	25,000	25,000	+163
HOME investment partnerships program	1,987,000	2,197,000	2,064,100	1,975,000	2,017,500	+30,500
Homeless assistance grants	1,217,037	1,325,000	1,242,000	1,325,000	1,267,000	+49,963
Samaritan housing initiative (legislative proposal)	---	50,000	---	---	---	---
Total, Community planning and development	8,485,804	8,571,000	8,602,100	8,568,925	8,573,325	+87,521
Housing Programs						
Housing for special populations	1,027,081	---	---	1,033,801	---	-1,027,081
Housing for the elderly /2	---	773,636	773,320	---	778,320	+778,320
Housing for persons with disabilities /2	---	250,515	250,570	---	250,570	+250,570
Housing counseling assistance	---	45,000	---	---	---	---
Rental housing assistance (rescission)	-100,000	-303,000	-303,000	-303,000	-303,000	-203,000
Manufactured housing fees trust fund	12,915	17,000	13,000	13,000	13,000	+85
Offsetting collections	-13,000	-17,000	-13,000	-13,000	-13,000	---
Total, housing programs	926,996	766,151	720,890	730,801	725,890	-201,106
Federal Housing Administration						
FHA - Mutual mortgage insurance program account:						
(Limitation on guaranteed loans)	(165,000,000)	(185,000,000)	(185,000,000)	(185,000,000)	(185,000,000)	(+20,000,000)
(Limitation on direct loans)	(100,000)	(50,000)	(50,000)	(50,000)	(50,000)	(-50,000)
Administrative expenses	345,568	359,000	359,000	359,000	359,000	+13,432
Negative subsidy	-2,753,000	-2,921,000	-2,921,000	-2,921,000	-2,921,000	-168,000
Administrative contract expenses	85,163	85,000	85,000	85,000	85,000	-163
Additional contract expenses	993	1,000	1,000	1,000	1,000	+7

DIVISION G--VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT AND INDEPENDENT AGENCIES APPROPRIATIONS BILL - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
FHA - General and special risk program account:						
(Limitation on guaranteed loans)	(23,000,000)	(25,000,000)	(25,000,000)	(25,000,000)	(25,000,000)	(+2,000,000)
(Limitation on direct loans)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	---
Administrative expenses	222,262	229,000	229,000	229,000	229,000	+6,738
Negative subsidy	-225,000	-225,000	-225,000	-225,000	-225,000	---
Subsidy	14,902	15,000	15,000	15,000	15,000	+98
Non-overhead administrative expenses	93,170	93,700	93,780	93,700	93,780	+610
Additional contract expenses	3,974	4,000	4,000	4,000	4,000	+26
2003 Supplemental (P.L. 108-83)	-5,000	---	---	---	---	+5,000
Total, Federal Housing Administration	-2,216,968	-2,359,300	-2,359,220	-2,359,300	-2,359,220	-142,252
Guarantees of mortgage-backed securities loan guarantee program account:						
(Limitation on guaranteed loans)	(200,000,000)	(200,000,000)	(200,000,000)	(200,000,000)	(200,000,000)	---
Administrative expenses	10,276	10,695	10,695	10,695	10,695	+419
Offsetting receipts	-358,000	-318,000	-318,000	-318,000	-318,000	+40,000
Policy Development and Research						
Research and technology	46,695	51,000	47,000	47,000	47,000	+305
Fair Housing and Equal Opportunity						
Fair housing activities	45,601	50,000	46,000	50,000	48,000	+2,399
Office of Lead Hazard Control						
Lead hazard reduction	174,856	136,000	130,000	175,000	175,000	+144
Management and Administration						
Salaries and expenses	526,852	537,000	547,000	535,400	547,000	+20,148
Transfer from:						
Limitation on FHA corporate funds	(544,639)	(564,000)	(564,000)	(564,000)	(564,000)	(+19,361)
GNMA	(10,276)	(10,695)	(10,695)	(10,695)	(10,695)	(+419)
Community Development Loan Guarantees Program	(993)	---	---	(1,000)	(1,000)	(+7)
Native American Housing Block Grants	(149)	(150)	(150)	(150)	(150)	(+1)
Indian Housing Loan Guarantee Fund Program	(199)	(250)	(250)	(250)	(250)	(+51)
Native Hawaiian Housing Loan Guarantees	(35)	(35)	(35)	(35)	(35)	---
Total, Salaries and expenses	(1,083,143)	(1,112,130)	(1,122,130)	(1,111,530)	(1,123,130)	(+39,987)
Working capital fund	274,504	276,300	90,000	240,000	235,000	-39,504
Office of Inspector General	73,674	76,080	76,080	78,000	77,000	+3,326
(By transfer, limitation on FHA corporate funds)	(23,343)	(24,000)	(24,000)	(24,000)	(24,000)	(+657)
Total, Office of Inspector General	(97,017)	(100,080)	(100,080)	(102,000)	(101,000)	(+3,983)
Consolidated fee fund (rescission)	-8,000	---	---	---	---	+8,000
Office of Federal Housing Enterprise Oversight	29,805	39,915	32,415	49,915	39,915	+10,110
Offsetting receipts	-30,000	-39,915	-32,415	-49,915	-39,915	-9,915
Total, title II, Department of Housing and Urban Development	35,203,908	35,929,132	36,031,306	36,085,777	35,611,862	+407,954
Appropriations	(36,090,908)	(35,883,047)	(37,045,721)	(37,117,692)	(38,105,777)	(+2,014,869)
Rescissions	(-1,708,000)	(-633,000)	(-1,705,000)	(-1,705,000)	(-3,177,000)	(-1,469,000)
Negative subsidy	(-2,978,000)	(-3,146,000)	(-3,146,000)	(-3,146,000)	(-3,146,000)	(-168,000)
Offsetting collections	(-401,000)	(-374,915)	(-363,415)	(-360,915)	(-370,915)	(+30,085)
Advance appropriations	(4,200,000)	(4,200,000)	(4,200,000)	(4,200,000)	(4,200,000)	---
Net Total	31,003,908	31,729,132	31,831,306	31,885,777	31,411,862	+407,954
(Limitation on direct loans)	(150,000)	(100,000)	(100,000)	(100,000)	(100,000)	(-50,000)
(Limitation on guaranteed loans)	(388,511,955)	(410,062,821)	(410,232,591)	(410,511,955)	(410,511,955)	(+22,000,000)
(Limitation on corporate funds)	(579,634)	(599,130)	(599,130)	(600,130)	(600,130)	(+20,496)

1/ The FY 2003 Act provides funds for Housing assistance for needy families under the Housing certificate fund account

2/ The FY 2003 Act provides funds for Housing for special populations and housing for the elderly in the Housing for special populations account

DIVISION G--VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT AND INDEPENDENT AGENCIES APPROPRIATIONS BILL - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
TITLE III						
INDEPENDENT AGENCIES						
American Battle Monuments Commission						
Salaries and expenses	35,017	32,400	47,276	35,000	41,300	+6,283
Chemical Safety and Hazard Investigation Board						
Salaries and expenses	6,408	8,000	8,550	8,000	8,250	+1,842
Emergency fund	---	---	450	---	450	+450
Total	6,408	8,000	9,000	8,000	8,700	+2,292
Department of the Treasury						
Community Development Financial Institutions						
Community development financial institutions fund program account	74,512	51,000	51,000	70,000	61,000	-13,512
Consumer Product Safety Commission						
Salaries and expenses	56,629	60,000	60,000	60,000	60,000	+3,371
Corporation for National and Community Service						
National and community service programs operating expenses	326,211	472,742	363,452	452,575	553,225	+227,014
National Service Trust	100,000	120,000	110,771	---	---	-100,000
Salaries and expenses	---	---	---	25,000	25,000	+25,000
Rescission	-48,000	---	---	---	---	+48,000
Office of Inspector General	5,961	5,000	6,000	6,500	6,250	+289
Total	384,172	597,742	480,223	484,075	584,475	+200,303
U.S. Court of Appeals for Veterans Claims						
Salaries and expenses	14,233	16,220	15,938	16,220	15,938	+1,705
Department of Defense - Civil						
Cemeterial Expenses, Army						
Salaries and expenses	32,234	25,961	25,961	32,000	29,000	-3,234
Department of Health and Human Services						
National Institute of Health						
National Institute of Environmental Health Sciences	83,528	78,774	80,000	78,774	78,774	-4,754
Centers for Disease Control and Prevention						
Agency for Toxic Substances and Disease Registry						
Toxic substances and environmental public health	82,262	73,467	73,467	73,467	73,467	-8,795
Total, Department of Health and Human Services	165,790	152,241	153,467	152,241	152,241	-13,549
Environmental Protection Agency						
Science and Technology	715,579	731,483	759,815	715,579	786,324	+70,745
Transfer from Hazardous Substance Superfund	85,608	44,697	44,697	45,000	44,697	-40,911
Subtotal, Science and Technology	801,187	776,180	804,512	760,579	831,021	+29,834
Environmental Programs and Management	2,097,879	2,219,659	2,193,102	2,219,659	2,293,578	+195,699
Office of Inspector General	35,766	36,808	36,808	36,808	37,558	+1,792
Transfer from Hazardous Substance Superfund	12,659	13,214	13,214	13,214	13,214	+555
Subtotal, OIG	48,425	50,022	50,022	50,022	50,772	+2,347
Buildings and facilities	42,639	42,918	42,368	42,918	40,000	-2,639

DIVISION G--VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT AND INDEPENDENT AGENCIES APPROPRIATIONS BILL - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
Hazardous Substance Superfund	1,264,614	1,389,716	1,275,000	1,165,000	1,265,000	+386
Delayed obligation	---	---	---	100,000	---	---
Transfer to Office of Inspector General	-12,659	-13,214	-13,214	-13,214	-13,214	-555
Transfer to Science and Technology	-85,608	-44,697	-44,697	-45,000	-44,697	+40,911
Subtotal, Hazardous Substance Superfund	1,166,347	1,331,805	1,217,089	1,206,786	1,207,089	+40,742
Leaking Underground Storage Tank Program	71,843	72,545	79,845	72,545	76,000	+4,157
Oil spill response	15,480	16,209	16,209	16,200	16,209	+729
State and Tribal Assistance Grants	2,692,000	1,918,500	2,419,750	2,684,000	2,721,600	+29,600
Categorical grants	1,142,905	1,202,700	1,182,200	1,130,000	1,175,200	+32,295
Subtotal, STAG	3,834,905	3,121,200	3,601,950	3,814,000	3,896,800	+61,895
Total, EPA	8,078,705	7,630,538	8,005,097	8,182,718	8,411,469	+332,764
Executive Office of the President						
Office of Science and Technology Policy	5,333	7,027	7,027	7,027	7,027	+1,694
Council on Environmental Quality and Office of Environmental Quality	3,011	3,238	3,238	3,238	3,238	+227
Total	8,344	10,265	10,265	10,265	10,265	+1,921
Federal Deposit Insurance Corporation						
Office of Inspector General (transfer)	(30,848)	(30,125)	(30,125)	(30,848)	(30,125)	(-723)
General Services Administration						
Federal Citizen Information Center Fund	11,466	17,643	12,500	14,000	14,000	+2,534
Interagency Council on the Homeless						
Operating expenses	1,490	---	1,500	1,500	1,500	+10
National Aeronautics and Space Administration						
Human space flight	6,165,658	---	---	---	---	-6,165,658
2003 Supplemental (P.L. 108-83)	50,000	---	---	---	---	-50,000
Space flight capabilities	---	7,782,100	7,806,100	7,582,100	7,512,100	+7,512,100
Science, aeronautics and technology	9,147,815	---	---	---	---	-9,147,815
Science, aeronautics and exploration	---	7,660,900	7,707,900	7,730,507	7,929,900	+7,929,900
Office of Inspector General	25,434	26,300	26,300	26,300	27,300	+1,866
Total, NASA	15,388,907	15,469,300	15,540,300	15,338,907	15,469,300	+80,393
National Credit Union Administration						
Central liquidity facility:						
(Limitation on direct loans)	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)	---
(Limitation on administrative expenses, corporate funds)	(309)	(310)	(310)	(310)	(310)	(+1)
Community Development Revolving Loan Fund	993	1,000	1,000	1,500	1,200	+207
National Science Foundation						
Research and related activities	3,988,902	4,038,360	4,233,360	4,152,540	4,208,600	+219,698
Defense function	67,558	68,000	68,000	68,070	68,000	+442
Subtotal	4,056,460	4,106,360	4,301,360	4,220,610	4,276,600	+220,140
Major research equipment and facilities construction	148,538	202,330	192,330	149,680	155,900	+7,362
Education and human resources	903,171	938,040	910,680	975,870	944,550	+41,379
Salaries and expenses	189,115	225,700	215,900	225,700	220,000	+30,885
National Science Board	3,477	---	3,800	3,900	3,900	+423
Office of Inspector General	9,190	8,770	10,000	10,000	10,000	+810
Total, NSF	5,309,951	5,481,200	5,834,070	5,585,760	5,610,950	+300,999

DIVISION G--VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT AND INDEPENDENT AGENCIES APPROPRIATIONS BILL - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
Neighborhood Reinvestment Corporation						
Payment to the Neighborhood Reinvestment Corporation..	104,317	115,000	115,000	115,000	115,000	+10,683
Selective Service System						
Salaries and expenses..	26,308	28,290	28,290	26,308	26,308	---
Total, title III, Independant agencies..........	29,699,476	29,696,800	30,190,887	30,133,494	30,612,646	+913,170
Appropriations................................	(29,747,476)	(29,696,800)	(30,190,887)	(30,133,494)	(30,612,646)	(+865,170)
Rescissions.................................	(-48,000)	---	---	---	---	(+48,000)
(By transfer)......................................	(30,848)	(30,125)	(30,125)	(30,848)	(30,125)	(-723)
(Limitation on direct loans)....................	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)	---
(Limitation on corporate funds).................	(309)	(310)	(310)	(310)	(310)	(+1)
Grand total (net).................................	123,003,816	126,344,797	126,943,148	128,243,712	128,243,693	+5,239,877
Appropriations................................	(123,938,816)	(126,298,712)	(127,957,563)	(128,445,627)	(131,007,608)	(+7,068,792)
Rescissions.................................	(-1,756,000)	(-633,000)	(-1,705,000)	(-1,975,000)	(-3,447,000)	(-1,691,000)
Negative subsidy............................	(-2,978,000)	(-3,146,000)	(-3,146,000)	(-3,146,000)	(-3,146,000)	(-168,000)
Offsetting collections......................	(-401,000)	(-374,915)	(-363,415)	(-380,915)	(-370,915)	(+30,085)
Advance appropriations......................	(4,200,000)	(4,200,000)	(4,200,000)	(4,200,000)	(4,200,000)	---
(By transfer)......................................	(30,848)	(30,125)	(30,125)	(30,848)	(30,125)	(-723)
(Limitation on direct loans)....................	(1,653,929)	(1,604,241)	(1,604,241)	(1,604,241)	(1,604,241)	(-49,688)
(Limitation on guaranteed loans)................	(388,511,955)	(410,062,821)	(410,232,591)	(410,511,955)	(410,511,955)	(+22,000,000)
(Limitation on corporate funds).................	(579,943)	(599,440)	(599,440)	(600,440)	(600,440)	(+20,497)

DIVISION H--MISCELLANEOUS APPROPRIATIONS AND OFFSETS (H.R. 2673)
(Amounts in thousands)

	Conference
DIVISION H - MISCELLANEOUS APPROPRIATIONS AND OFFSETS	
DEPARTMENT OF HOMELAND SECURITY	
PREPAREDNESS AND RECOVERY	
Emergency Preparedness and Response	
Disaster relief (emergency rescission) (Sec. 102(a))..	-225,000
DEPARTMENT OF AGRICULTURE	
Forest Service	
Wildland fire management (emergency) (Sec. 102(b))....	25,000
State and private forestry (emergency) (Sec. 102(c))..	25,000
Conservation Programs	
Natural Resources Conservation Service (Sec. 102(d)):	
Emergency watershed protection program (emergency)	150,000
Tree assistance program (emergency) (Sec. 102(e)).....	12,500
Emergency conservation prog. (emergency) (Sec. 102(f))	12,000
Commodity Credit Corporation Fund:	
Livestock indemnity prog. (emergency) (Sec.102(g))	500
DEPARTMENT OF JUSTICE	
Office of Justice Programs	
State and local law enforcement assistance:	
Byrne grants (discretionary) (Sec. 103)...........	50,000
Other Justice programs (Sec. 107)................	2,250
RELATED AGENCY	
Abraham Lincoln Study Abroad Fellowship Commission (Sec. 104)....................	500
THE JUDICIARY	
Supreme Court of the United States	
Care of the building and grounds (Sec. 106)..........	16,000
DEPARTMENT OF DEFENSE	
Procurement	
Shipbuilding and conversion, Navy (by transfer) (Sec. 108).......................	(68,600)
Other Department of Defense Programs	
Defense Health program (by transfer) (Sec. 108).......	(6,000)
Iraq Freedom Fund (transfer authority) (Sec. 114).....	(120,000)
DEPARTMENT OF ENERGY	
Science (Sec. 130) (Sec. 131).........................	51,250
Energy supply (Sec. 132)..............................	5,000

DIVISION H--MISCELLANEOUS APPROPRIATIONS AND OFFSETS (H.R. 2673)
(Amounts in thousands)

	Conference
DEPARTMENT OF THE ARMY	
Corps of Engineers - Civil	
Construction, general (Sec. 133)	13,750
BILATERAL ECONOMIC ASSISTANCE	
INDEPENDENT AGENCY	
Millenium Challenge Corporation	
Millenium Challenge Corporation (Sec. 134)	350,000
DEPARTMENT OF THE INTERIOR	
Departmental Offices	
U.S. Office for Native Hawaiian Relations (Sec. 148)	100
UNITED STATES SENATE	
China Interparliamentary Group (Sec. 153)	100
Russia Interparliamentary Group (Sec. 154)	100
DEPARTMENT OF LABOR	
Pension Benefit Guaranty Corporation	
Republic Steel Retirement Plan benefits (Sec. 157)	4,000
DEPARTMENT OF DEFENSE	
Department of Defense Family Housing Improvement Fund (Sec. 158)	9,692
Foreign Currency Fluctuations, Construction, Defense (rescission) (Sec. 158)	-9,692
INDEPENDENT AGENCY	
Election Assistance Commission	
Election reform programs (Sec. 159)	1,000,000
DEPARTMENT OF TRANSPORTATION	
Miscellaneous projects (Highway Trust Fund) (Sec. 162)	50,000
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT	
Community Development Fund (Sec. 165)	10,000

DIVISION H--MISCELLANEOUS APPROPRIATIONS AND OFFSETS (H.R. 2673)
(Amounts in thousands)

	Conference
GOVERNMENT-WIDE	
Miscellaneous appropriations (Sec. 167)	55,000
Department of Defense, P.L. 107-38 and P.L. 107-117 rescissions (Sec. 168)	-1,800,000
Across the board rescissions (Sec. 168)	-2,761,000
Across the board rescissions (emergency) (Sec. 168)	-4,000
Grand total:	
New budget (obligational) authority	-2,956,950
Appropriations	(1,617,742)
Rescissions	(-4,795,692)
Emergency appropriations	(225,000)
Emergency Rescissions	(-4,000)
(By transfer)	(74,600)
(Transfer authority)	(120,000)

Mr. Speaker, I reserve the balance of my time.

Mr. OBEY. Mr. Speaker, I yield 2½ minutes to the distinguished gentlewoman from Connecticut (Ms. DELAURO).

Ms. DELAURO. Mr. Speaker, only a few weeks after Congress eliminated the guarantee of health care under Medicare for every senior in America, just in time for the holidays we are telling every working person in this country that another guarantee is also a thing of the past: overtime pay.

The passage of the Fair Standards Labor Act nearly 70 years ago safeguarded workers' rights in this country. It promised workers time and a half for the time they worked beyond the 40-hour workweek: a little extra cash to put a roof over their families' heads, to buy groceries, and pay their medical bills. On average, these extra wages account for roughly 25 percent of their total earnings.

This bill, in clear defiance of the will of both Chambers of Congress, breaks that promise. This bill allows the Department of Labor to gut the Fair Standards Labor Act, effectively repealing the 40-hour workweek and forcing 8 million Americans, including police officers, firefighters, construction workers, nurses, and EMTs, to take a second job to make up for those lost earnings; this at a time when we already have millions of people out of work, where income is declining, poverty is increasing, and health care costs are rising.

This bill opens the door to mandatory overtime, allowing employers to force millions of workers to stay late with little notice and without adequately compensating them. It will leave countless working women the worse off, spending less time with their families as they put more of their hard-earned wages to afford increased child care and transportation costs.

The Republican majority has moved effectively to tear up our country's long-standing contract with the working people of this country, a contract that says that hard work deserves to be rewarded, especially when that work is above and beyond the call of duty, after normal working hours. By ending overtime pay, by denying a fair extension of unemployment benefits, this bill embodies that assault on America's working families.

Mr. Speaker, I urge my colleagues to stand up for those families today, to make a difference in their lives, and say "no" to this bill and oppose it.

Mr. YOUNG of Florida. Mr. Speaker, I yield myself 10 seconds to say that this is an appropriation bill, and the issues that the gentlewoman discussed are not within our jurisdiction and are not in this bill.

Mr. Speaker, I yield 2 minutes to the gentleman from Oklahoma (Mr. ISTOOK), the distinguished chairman of the Subcommittee on Transportation.

Mr. ISTOOK. Mr. Speaker, I thank the gentleman from Florida for yielding me this time, and I rise in support in particular of the section on transportation, treasury, and independent agencies, which is included as division F of this bill. This is the first time that this body packaged together this particular grouping of agencies, including transportation, the Treasury Department, the executive office of the President, and independent agencies, such as the General Services Administration and the Office of Personnel Management. I am pleased to say that with the help of my hardworking colleague, the gentleman from Massachusetts (Mr. OLVER), and with good staff and with the good cooperation of the Senate, we have met the challenges of that particular grouping.

This is a good effort, Mr. Speaker. This portion of the conference report contains $89.8 billion. That is just 3.7 percent above the level enacted for fiscal year 2003. Nondefense discretionary spending is below the President's budget request and below the fiscal year 2003 level.

However, we are able to establish important priorities. In particular, Federal aid to highways will receive a $2 billion increase. Even within the overall constraints, a $2 billion increase for highways, going from $31.8 billion to $33.8 billion. That addresses the most critical transportation needs in the entire country. It also provides much-needed jobs and will assist in relieving congestion in the overburdened highway system.

In addition, it provides significantly more money for the IRS tax law enforcement programs. The return to Treasury on the investment in law enforcement is enormous; and we have given it, appropriately, a top priority.

Other programs in the bill receive sufficient funding to continue operations but not enough for frills.

Mr. Speaker, this bill is very important for transportation in the country, whether we are talking about road, rail, mass transit, or any other system. I appreciate the effort to work together cooperatively with both sides of the aisle on that, and I ask that this bill be approved.

Mr. Speaker, I rise to speak in support of the Transportation, Treasury, and Independent Agencies Appropriations Act, 2004, which is included as division F of this bill. This is the first time this body has had to package together the funding priorities of the Transportation Department, the Treasury Department, the Executive Office of the President, and independent agencies such as the Office of Personnel Management and the General Services Administration. Dealing with fundamental financial and personnel policy issues while trying to provide for the Nation's infrastructure has proven to be a formidable challenge. But I am proud to say that, with the help of my hard-working colleague from Massachusetts, Mr. OLVER, and with the good cooperation of the Senate, we have met that challenge.

This is a good Transportation and Treasury bill, Mr. Speaker. Within very tight fiscal constraints, it strikes a good balance between the programs of those departments. It provides for critical, core programs but trims back new initiatives.

That portion of this conference report contains $89.8 billion in budgetary resources. That is just 3.7 percent above the level enacted for fiscal year 2003. Non-defense discretionary spending is below the President's budget request and below the fiscal year 2003 level.

However, this part of the bill does establish priorities. In particular, the federal-aid highways program will receive a $2 billion increase, going from $31.8 billion to $33.8 billion. This addresses the most crucial transportation issue in America. This will provide much-needed jobs around the country, and assist in providing congestion relief on our overburdened highway system. In addition, the bill provides almost $350 million—9 percent—more for IRS's tax law enforcement program in the coming year. Given the budget problems facing the Nation, every additional tax dollar the IRS collects is critical. The return to the Treasury on this investment is enormous, so we have given it a top priority.

Let me make special note of one of our most critical grant programs, the election reform grants authorized by the Help America Vote Act of 2002. These grants go out to all States, to help them meet Federal deadlines for upgrading voting machines. Given their budget situation, many States will have a difficult if not impossible time meeting the deadline without Federal help. This bill provides $1.5 billion for those grants, which is $1 billion above the House-passed level. The funding in this bill will bring total assistance for election reform to $3 billion.

Other programs in the bill receive sufficient funding to continue their operations throughout the year, but they won't have enough for frills. The IRS's operating budget would rise by 3 percent. The FAA's by 7 percent. The Executive Office of the President receives an increases of only 1 percent. The essential air service program receives $102 million, which will sustain their current operations. The Airport Improvement Program is at $3.4 billion, which is also the FY 03 level. Amtrak, which requested $1.8 billion, will receive $1.225 billion, essentially the same amount as in the current year.

The bill has a number of important oversight initiatives that I'd like to highlight as well.

For Amtrak, the bill continues the strong oversight provisions first included in last year's appropriations bill. In addition, we have added a new provision authorizing the Surface Transportation Board to continue commuter rail service if Amtrak ceases operations, and providing $60 million to the Secretary for these purposes.

In FAA, the bill provides additional resources for contract audits of major procurements and fences the funds only for that purpose. According to the IG, FAA has been negligent in performing these valuable audits. With major new acquisitions facing the agency, the bill requires FAA to do a better job at reviewing contractor proposals and bid prices and gives them money for that purpose.

In the Federal Transit Administration, the bill directs FTA to ensure that alternative modes or alignments are analyzed as part of the planning process for new starts, and that they fully support the mode chosen by weighing all viable alternatives and using quantitative measures, rather than pre-ordaining expensive light-rail as their choice for transit. We need to make sure that, when the Federal Government is asked to pay 50 percent or more of the money, local communities have done their homework in studying alternatives that will most effectively deal with the problems.

In short, Mr. Speaker, this is a very good compromise. It involved some give and take by both sides, but we were able to preserve the most critical aspects of the House-passed bill. It deserves every Member's support.

Mr. OBEY. Mr. Speaker, I yield 2½ minutes to the gentleman from Maryland (Mr. HOYER), the distinguished minority whip.

Mr. HOYER. Mr. Speaker, I thank the gentleman for yielding me this time, and initially I would like to submit for the RECORD at this point in time my remarks with reference to the Office of Federal Detention Trustee.

Mr. Speaker, I thank the distinguished gentleman from Virginia, Mr. WOLF, the chairman of the Commerce, Justice, State Appropriations Subcommittee, for the opportunity to discuss the roles and authorities of the Federal Detention Trustee.

It is my understanding that the language in the report addressing the building of detention facilities by the Office of Federal Detention Trustee clearly indicates that the Office does not have the authority to solicit contracts to build a new detention facility and directs the Office to withdraw any solicitation for such activities.

While the language is report language and is not binding, I believe it is sufficient to prevent the Office of Federal Detention Trustee from going forward with its plans to solicit contracts to build a new detention facility.

Chairman WOLF has committed to working with me to ensure that the Detention Trustees abides by the clear intent of the Congress that contracting for a new facility is not an allowable use of funds.

Mr. WOLF. Mr. Speaker, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Virginia.

Mr. WOLF. Mr. Speaker, I thank the gentleman for yielding to me, and I too wish to submit a statement for the RECORD regarding the Office of Federal Detention Trustee.

On discussion of the role of the Office of Federal Detention Trustee at the Department of Justice, the statement of managers clearly indicates that the Office does not have the authority to solicit contracts to build a new detention facility. I would also point out that the committee revised the bill language to strike any reference to construction. I am fully aware that many States, including Maryland, Louisiana, Ohio, and others have excess prison bed space capacity. It was never the intention of the Congress to allow the Detention Trustee to build additional facilities, but to take advantage of existing State and local excess prison bed space. The committee will work with Mr. HOYER of Maryland and other concerned Members in the coming year to address these concerns.

Mr. HOYER. Mr. Speaker, reclaiming my time, I rise again, as I always do, to say that the chairman of our committee is extraordinarily fair. I wish I could vote for this bill. I voted for many of the bills that are in here, as the chairman knows.

But, Mr. Speaker, we have a very bad process that is going on here. We act in the House, the Senate acts the same way, and it goes to conference and magically it disappears, or it comes back here 180 degrees different. This is a corruption of the democratic process. It has ignored the will of the House and the Senate on outsourcing, Cuba travel, drug reimportation, school vouchers in the District of Columbia. Funding in the omnibus for the No Child Left Behind is too low; funding for NIH represents a real reduction. The congressional branch does not work, Mr. Speaker, for the executive.

I would urge the majority party, my friends on the other side, to let the executive department know that this is a democracy. It is not a kingdom; it is not a dictatorship. And just because the House passes something, the Senate passes something, and they do not like it, that does not mean the Congress of the United States ought to turn tail and run. Mr. Speaker, I would hope that we would be able to resolve some of these issues that the House and the Senate have agreed upon. I agree with the chairman, some of these are authorizing matters; but both Houses agreed and the White House did not like it, so it was dropped.

The outsourcing is particularly, in my opinion, egregious because we had a conference. The chairman, as always, was fair and open. Senator STEVENS was fair and open. We had an agreement. That agreement was adopted in an open conference, and lo and behold it has disappeared. It was totally changed. It has undermined the very protections for Federal employees we wanted to build in the bill.

Mr. Speaker, if the gentleman from Florida (Mr. YOUNG) was in charge, and he is in charge of our committee, no doubt about that; but if he made the final decisions, this would not have happened, and I know that and I lament it.

Mr. YOUNG of Florida. Mr. Speaker, I yield myself such time as I may consume to advise the gentleman that I am happy to report that one of the major issues he was concerned about, the election reform program and to help the States, that money is in this package.

Mr. HOYER. Mr. Speaker, will the gentleman yield?

Mr. YOUNG of Florida. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Speaker, I thank the gentleman for making that observation. He is absolutely right. And I want to make the public aware of the fact that we differ from time to time on partisan issues, but if the chairman of this committee, the gentleman from Florida (Mr. YOUNG), had not been such a tenacious supporter both of revising and reforming our election apparatus and then funding it, it would not be there.

I want to thank the chairman profusely, because I think he, as he knows, and I think the gentleman from Illinois (Mr. HASTERT), our Speaker, has also been very responsible for this bipartisan accomplishment, and I thank the gentleman for his support. It is an important step. There are a lot of good things in this bill, and I would like to support it.

Mr. YOUNG of Florida. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. BONILLA), the chairman of the Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies.

Mr. BONILLA. Mr. Speaker, I rise in strong support of the conference agreement; and as we consider this bill, I would like to take a minute to recognize one of the star players behind the scenes.

Lots of folks out there watch us on television and in committee hearings and markups and think that the Members of the House are the ones that actually do all the work, cross all the T's, dot all the I's, and check all the legalese, and we do check all that; but the people that do the work day in and day out are the great staff members of the committees and subcommittees. I am losing a key member of this team, the clerk for my agriculture appropriations subcommittee, and his name is Hank Moore.

As many of my colleagues know, Hank has announced he will not be with us next year as we work our way through this process. He has decided after 30 years of working here for the Federal Government that he would like to spend more time with his family and is retiring.

Mr. Speaker, most Americans probably do not realize, as I did not when I first arrived in the House of Representatives, that this bill is 1,200 pages long. There are countless paragraphs, clauses, commas, sections, outlays, all kinds of terms that are put in this bill; and it has to be done right year in and year out. And while many of us are dealing with the substance of big issues as we develop these bills each year, good members of the staff, like Hank Moore, are there on weekends, late at night making sure that all of the language is exactly right every step of the way.

As I have worked with Hank, and I frequently use football terms on occasion, but I want him to know that I have always been very grateful that every time I turned around, the ball was there. Every time. It made my job a lot easier, and it made the job of a lot of folks that preceded me in the Committee on Appropriations a lot easier. I want to wish him well, and his family, and let him know that we will miss him.

Mr. Speaker, I am pleased to bring before the House today the conference report on H.R. 2673, providing appropriations for Agriculture, Rural Development, the Food and Drug Administration and Related Agencies for fiscal year 2004, and for other purposes.

I want to acknowledge the good work of the gentlewoman from Ohio, Ms. KAPTUR, my ranking member, who has contributed greatly to this process. It has been a pleasure working with her and all the members of the subcommittee on both sides of the aisle.

I believe we have produced a good bipartisan conference agreement that does a lot to advance important nutrition, research, and rural development programs and still meets our conference allocations on discretionary and mandatory spending.

My goal this year has been to produce a bipartisan bill, and I believe we have done a good job in reaching that goal.

This conference agreement does have significant increases over fiscal year 2003 for programs that have always enjoyed strong bipartisan support. Those increases include:

Agricultural Research Service, $54 million for Salaries and Expenses; Cooperative State Research, Education, and Extension Service, $2 million; Animal and Plant Health Inspection Service, $33 million; Food Safety and Inspection Service, $30 million; Farm Service Agency, $18 million; Federal Crop Insurance Corporation Fund, $482 million; Reimbursement for net realized losses of the Commodity Credit Corporation, $990 million; Natural Resources Conservation Service, $12 million; Rural Cooperative Development Grants, $15 million; Renewable Energy Program, $23 million; Broadband Telecommunications Loan Authorization, $522 million; Domestic Food Programs, $5.4 billion, including Child Nutrition Programs, $837 million and Food Stamp Program, $3.6 billion in program expenses as well as $1.0 billion in reserve to respond to economic conditions; Foreign Assistance and Related Programs, including P.L. 480, $45 million—excluding last year's supplemental appropriation; and Food and Drug Administration, $12 million.

Mr. Speaker, we all refer to this bill as an agriculture bill, but it does far more than assist basic agriculture. It also supports human nutrition, the environment, and food, drug, and medical safety. This is a bill that will deliver benefits to every one of our citizens every day. I would say to all Members that they can support this conference agreement and tell all of their constituents that they voted to improve their lives while maintaining fiscal responsibility.

The conference agreement is a bipartisan product with a lot of hard work and input from both sides of the aisle. I would like to thank the gentleman from Florida, Chairman YOUNG, and the gentleman from Wisconsin, Mr. OBEY, who serve as the distinguished chairman and ranking member of the Committee on Appropriations. I would also like to thank all my subcommittee colleagues: the gentleman from New York, Mr. WALSH; the gentleman from Georgia, Mr. KINGSTON; the gentleman from Washington, Mr. NETHERCUTT; the gentleman from Iowa, Mr. LATHAM; gentlewoman from Missouri, Mrs. EMERSON; the gentleman from Virginia, Mr. GOODE; the gentleman from Illinois, Mr. LAHOOD; the gentlewoman from Connecticut, Ms. DELAURO; the gentleman from New York, Mr. HINCHEY; the gentleman from California, Mr. FARR; and the gentleman from Florida, Mr. BOYD. In particular, I want to thank the gentlewoman from Ohio, Ms. KAPTUR; the distinguished ranking member of the subcommittee, for all her good work on this bill this year and the years in the past.

Mr. Speaker, we have tried our best to put together a good, solid bill that works for all America. Much of it is compromise, to be sure, but I believe it is a good compromise and good policy.

In closing, I would like to thank the subcommittee staff for all their hard work: Hank Moore, the subcommittee clerk; Martin Delgado; Maureen Holohan; Joanne Perdue; Martha Foley of the staff of the gentleman from Wisconsin, Mr. OBEY; and Walt Smith, from my personal office. Without their good work, we would not have a bill here today.

Mr. Speaker, I urge all my colleagues to support this conference agreement.

Mr. Speaker, we have worked hard to bring a good conference agreement to the House. We have made prudent recommendations for the use of the budgetary allocation available to us, and we have done yeoman work in keeping the bill free of contentious issues that have caused concern in prior years. I think we have a very good conference agreement. In closing, I would certainly hope that all Members would support this agreement.

Mr. Speaker, I submit for the RECORD detailed information regarding the Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies included in this omnibus legislation.

DEPARTMENT OF AGRICULTURE, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS BILL - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
TITLE I - AGRICULTURAL PROGRAMS						
Production, Processing, and Marketing						
Office of the Secretary	3,320	10,068	3,468	10,046	5,092	+1,772
Executive Operations:						
Chief Economist	8,510	12,264	8,716	8,707	8,707	+197
National Appeals Division	13,670	14,242	13,670	13,997	13,670	---
Office of Budget and Program Analysis	7,270	7,980	7,749	7,544	7,740	+470
Homeland Security staff	---	1,479	---	910	499	+499
Office of the Chief Information Officer	14,993	31,334	14,993	15,710	15,493	+500
Common computing environment	132,289	177,714	100,999	118,789	119,289	-13,000
Office of the Chief Financial Officer	5,496	7,902	5,785	5,496	5,684	+188
Working capital fund	11,922	---	---	---	---	-11,922
Total, Executive Operations	194,150	252,915	151,912	171,153	171,082	-23,068
Office of the Assistant Secretary for Civil Rights	397	805	808	794	808	+411
Office of Civil Rights	---	17,550	---	15,445	17,450	+17,450
Office of the Assistant Secretary for Administration	660	793	678	673	673	+13
Agriculture buildings and facilities and rental payments	(186,879)	(199,332)	(156,091)	(187,022)	(156,469)	(-30,410)
Payments to GSA	120,796	124,332	123,532	123,910	123,910	+3,114
Building operations and maintenance	32,327	41,000	32,559	32,559	32,559	+232
Repairs, renovations, and construction	33,756	34,000	---	30,553	---	-33,756
Hazardous materials management	15,583	15,713	15,713	15,611	15,611	+28
Departmental administration	37,629	27,578	40,597	23,031	23,031	-14,598
Office of the Assistant Secretary for Congressional Relations	3,796	4,186	3,796	3,825	3,796	---
Office of Communications	9,031	10,084	9,245	9,228	9,228	+197
Office of the Inspector General	73,417	81,895	78,114	75,781	77,281	+3,864
Office of the General Counsel	34,700	37,328	34,700	35,343	34,700	---
Office of the Under Secretary for Research, Education and Economics	584	792	597	596	596	+12
Economic Research Service	68,674	76,657	71,402	69,902	71,402	+2,728
National Agricultural Statistics Service	138,448	136,182	129,800	128,922	128,922	-9,526
Census of Agriculture	(41,274)	(25,279)	(25,279)	(25,279)	(25,279)	(-15,995)
Agricultural Research Service:						
Salaries and expenses	1,035,130	987,303	1,014,000	1,045,533	1,088,892	+53,762
Buildings and facilities	118,703	24,000	35,900	46,000	63,810	-54,893
Supplemental appropriations (P.L. 108-11)	110,000	---	---	---	---	-110,000
Total, Agricultural Research Service	1,263,833	1,011,303	1,049,900	1,091,533	1,152,702	-111,131
Cooperative State Research, Education, and Extension Service:						
Research and education activities	616,792	514,228	597,372	617,575	621,447	+4,655
Native American Institutions Endowment Fund	(7,054)	(9,000)	(9,000)	(9,000)	(9,000)	(+1,946)
Extension activities	450,520	422,268	439,742	450,084	441,731	-8,789
Integrated activities	46,439	62,865	62,942	46,711	50,493	+4,054
Outreach for socially disadvantaged farmers	3,470	4,003	8,470	3,470	5,970	+2,500
Total, Cooperative State Research, Education, and Extension Service	1,117,221	1,003,364	1,108,526	1,117,840	1,119,641	+2,420
Office of the Under Secretary for Marketing and Regulatory Programs	725	791	725	736	725	---
Animal and Plant Health Inspection Service:						
Salaries and expenses	682,757	694,897	725,502	705,552	720,580	+37,823
Buildings and facilities	9,924	4,996	4,996	4,996	4,996	-4,928
Total, Animal and Plant Health Inspection Service	692,681	699,893	730,498	710,548	725,576	+32,895
Agricultural Marketing Service:						
Marketing Services	75,210	75,071	75,953	75,263	75,430	+220
Standardization user fees	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	---
(Limitation on administrative expenses, from fees collected)	(61,619)	(62,577)	(62,577)	(62,577)	(62,577)	(+958)
Funds for strengthening markets, income, and supply (transfer from section 32)	14,910	15,392	15,392	15,392	15,392	+482
Payments to states and possessions	1,338	1,347	1,347	3,338	3,338	+2,000
Total, Agricultural Marketing Service	91,458	91,810	92,692	93,993	94,160	+2,702
Grain Inspection, Packers and Stockyards Administration:						
Salaries and expenses	39,690	41,688	39,690	35,638	35,890	-3,800
Limitation on inspection and weighing services	(42,463)	(42,463)	(42,463)	(42,463)	(42,463)	---

DEPARTMENT OF AGRICULTURE, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS BILL - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
Office of the Under Secretary for Food Safety	599	792	599	611	599	---
Food Safety and Inspection Service	754,821	797,149	785,261	783,761	784,511	+29,690
Lab accreditation fees 1/	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	---
Total, Production, Processing, and Marketing	4,728,296	4,518,671	4,504,812	4,582,032	4,629,945	-98,351
Farm Assistance Programs						
Office of the Under Secretary for Farm and Foreign Agricultural Services	618	916	636	635	635	+17
Farm Service Agency:						
Salaries and expenses	970,389	1,016,836	1,016,836	988,768	988,768	+18,379
(Transfer from export loans)	(829)	(985)	(985)	(846)	(846)	(+17)
(Transfer from P.L. 480)	(1,019)	(2,975)	(2,975)	(1,075)	(1,075)	(+56)
(Transfer from ACIF)	(277,361)	(290,136)	(290,136)	(283,020)	(283,020)	(+5,659)
Subtotal, transfers from program accounts	(279,209)	(294,096)	(294,096)	(284,941)	(284,941)	(+5,732)
Total, Salaries and expenses	(1,249,598)	(1,310,932)	(1,310,932)	(1,273,709)	(1,273,709)	(+24,111)
State mediation grants	3,974	4,000	3,974	3,974	3,974	---
Dairy indemnity program	100	100	100	100	100	---
Subtotal, Farm Service Agency	974,463	1,020,936	1,020,910	992,842	992,842	+18,379
Agricultural Credit Insurance Fund Program Account:						
Loan authorizations:						
Farm ownership loans:						
Direct	(130,000)	(140,149)	(133,143)	(129,158)	(129,158)	(-842)
Guaranteed	(1,000,000)	(1,000,000)	(950,000)	(950,000)	(950,000)	(-50,000)
Subtotal	(1,130,000)	(1,140,149)	(1,083,143)	(1,079,158)	(1,079,158)	(-50,842)
Farm operating loans:						
Direct	(605,000)	(650,000)	(617,503)	(601,068)	(617,503)	(+12,503)
Unsubsidized guaranteed	(1,700,000)	(1,400,000)	(1,330,000)	(1,200,000)	(1,200,000)	(-500,000)
Subsidized guaranteed	(400,000)	(266,249)	(252,937)	(266,249)	(266,249)	(-133,751)
Subtotal	(2,705,000)	(2,316,249)	(2,200,440)	(2,067,317)	(2,083,752)	(-621,248)
Indian tribe land acquisition loans	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	---
Boll weevil eradication loans	(100,000)	(60,000)	(100,000)	(100,000)	(100,000)	---
Total, Loan authorizations	(3,937,000)	(3,518,398)	(3,385,583)	(3,248,475)	(3,264,910)	(-672,090)
Loan subsidies:						
Farm ownership loans:						
Direct	14,995	30,945	29,398	28,518	28,518	+13,523
Guaranteed	7,451	5,400	5,130	5,130	5,130	-2,321
Subtotal	22,446	36,345	34,528	33,648	33,648	+11,202
Farm operating loans:						
Direct	103,744	93,730	89,044	86,674	89,044	-14,700
Unsubsidized guaranteed	53,540	46,620	44,289	39,960	39,960	-13,580
Subsidized guaranteed	46,893	34,000	32,300	34,000	34,000	-12,893
Subtotal	204,177	174,350	165,633	160,634	163,004	-41,173
Indian tribe land acquisition	178	---	---	---	---	-178
Total, Loan subsidies	226,801	210,695	200,161	194,282	196,652	-30,149

DEPARTMENT OF AGRICULTURE, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS BILL - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
ACIF expenses:						
Salaries and expense (transfer to FSA)....	277,361	290,136	290,136	283,020	283,020	+5,659
Administrative expenses..................	7,948	8,000	8,000	7,948	7,948	---
Total, ACIF expenses......	285,309	298,136	298,136	290,968	290,968	+5,659
Total, Agricultural Credit Insurance Fund...	512,110	508,831	498,297	485,250	487,620	-24,490
(Loan authorization)....................	(3,937,000)	(3,518,398)	(3,385,583)	(3,248,475)	(3,264,910)	(-672,090)
Total, Farm Service Agency.................	1,486,573	1,529,767	1,519,207	1,478,092	1,480,462	-6,111
Risk Management Agency..............................	70,248	78,488	71,509	71,422	71,422	+1,174
Total, Farm Assistance Programs................	1,557,439	1,609,171	1,591,352	1,550,149	1,552,519	-4,920
Corporations						
Federal Crop Insurance Corporation:						
Federal crop insurance corporation fund...........	2,886,000	3,368,000	3,368,000	3,368,000	3,368,000	+482,000
Commodity Credit Corporation Fund:						
Reimbursement for net realized losses............	16,285,000	17,275,000	17,275,000	17,275,000	17,275,000	+990,000
Hazardous waste management (limitation on administrative expenses).......................	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	---
Total, Corporations...........................	19,171,000	20,643,000	20,643,000	20,643,000	20,643,000	+1,472,000
Total, title I, Agricultural Programs...........	25,456,735	26,770,842	26,739,164	26,775,181	26,825,464	+1,368,729
(By transfer)....	(279,209)	(294,096)	(294,096)	(284,941)	(284,941)	(+5,732)
(Loan authorization)........................	(3,937,000)	(3,518,398)	(3,385,583)	(3,248,475)	(3,264,910)	(-672,090)
(Limitation on administrative expenses).....	(109,082)	(110,040)	(110,040)	(110,040)	(110,040)	(+958)
TITLE II - CONSERVATION PROGRAMS						
Office of the Under Secretary for Natural Resources and Environment.....................................	745	918	745	761	745	---
Natural Resources Conservation Service:						
Conservation operations	819,641	703,605	850,004	826,635	853,004	+33,363
Watershed surveys and planning	11,124	5,000	11,124	10,000	10,562	-562
Watershed and flood prevention operations.........	109,285	40,000	90,000	55,000	87,000	-22,285
Watershed rehabilitation program.................	29,805	10,000	40,000	29,805	29,805	---
Resource conservation and development............	50,668	49,943	52,894	51,000	51,947	+1,279
Farm bill technical assistance...................	---	432,160	---	---	---	---
Total, Natural Resources Conservation Service...	1,020,523	1,240,708	1,044,022	972,440	1,032,318	+11,795
Total, title II, Conservation Programs..........	1,021,268	1,241,626	1,044,767	973,201	1,033,063	+11,795
TITLE III - RURAL DEVELOPMENT PROGRAMS						
Office of the Under Secretary for Rural Development...	636	913	636	651	636	---
Rural Development:						
Rural community advancement program.....	901,837	477,864	706,006	767,479	757,425	-144,412
Tree assistance (sec. 747)....................	---	---	-5,000	---	---	---
(Transfer out)................................	(-29,805)	---	---	(-30,000)	(-28,000)	(+1,805)
Total, Rural community advancement program..	901,837	477,864	701,006	767,479	757,425	-144,412
RD expenses:						
Salaries and expenses........................	144,789	147,520	146,495	140,922	141,869	-2,920
(Transfer from RHIF)..........................	(429,564)	(482,787)	(447,151)	(439,453)	(443,302)	(+13,738)
(Transfer from RDLFP).........................	(4,163)	(4,850)	(4,283)	(4,283)	(4,272)	(+109)
(Transfer from RETLP).........................	(37,587)	(41,562)	(38,166)	(37,920)	(37,853)	(+266)
(Transfer from RTB)...........................	(3,062)	(3,462)	(3,182)	(3,182)	(3,171)	(+109)
Subtotal, Transfers from program accounts.	(474,376)	(532,661)	(492,782)	(484,838)	(488,598)	(+14,222)
Total, RD expenses..........................	(619,165)	(680,181)	(639,277)	(625,760)	(630,467)	(+11,302)
Total, Rural Development........................	1,046,626	625,384	847,501	908,401	899,294	-147,332

DEPARTMENT OF AGRICULTURE, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS BILL - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
Rural Housing Service:						
Rural Housing Insurance Fund Program Account:						
Loan authorizations:						
Single family (sec. 502)	(1,037,868)	(1,366,462)	(1,366,462)	(1,359,417)	(1,366,462)	(+328,594)
Unsubsidized guaranteed	(2,845,318)	(2,725,172)	(2,725,172)	(2,725,172)	(2,725,172)	(-120,146)
Subtotal, Single family	(3,883,186)	(4,091,634)	(4,091,634)	(4,084,589)	(4,091,634)	(+208,448)
Housing repair (sec. 504)	(35,000)	(35,003)	(35,003)	(35,004)	(35,004)	(+4)
Rental housing (sec. 515)	(115,805)	(70,830)	(116,545)	(115,052)	(116,545)	(+740)
Site loans (sec. 524)	(5,046)	(5,045)	(5,045)	(5,045)	(5,045)	(-1)
Multi-family housing guarantees (sec. 538)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	---
Multi-family housing credit sales	(2,000)	(1,500)	(1,500)	(1,500)	(1,500)	(-500)
Single family housing credit sales	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	---
Self-help housing land develop. (sec. 523)	(5,011)	(5,000)	(5,000)	(1,623)	(2,400)	(-2,611)
Total, Loan authorizations	(4,156,048)	(4,319,012)	(4,364,727)	(4,352,813)	(4,362,128)	(+206,080)
Loan subsidies:						
Single family (sec. 502)	201,035	126,018	126,018	126,018	126,018	-75,017
Unsubsidized guaranteed	32,388	39,903	39,903	39,903	39,903	+7,515
Subtotal, Single family	233,423	165,921	165,921	165,921	165,921	-67,502
Housing repair (sec. 504)	10,786	9,612	9,612	9,612	9,612	-1,174
Rental housing (sec. 515)	53,649	30,464	50,126	49,484	50,126	-3,523
Site loans (sec. 524)	55	---	---	---	---	-55
Multi-family housing guarantees (sec. 538)	4,471	5,950	5,950	5,950	5,950	+1,479
Multi-family housing credit sales	928	663	663	663	663	-265
Single family housing credit sales	---	---	---	---	---	---
Self-help housing land develop. (sec. 523)	220	154	154	50	75	-145
Total, Loan subsidies	303,532	212,764	232,426	231,680	232,347	-71,185
RHIF administrative expenses (transfer to RD)	429,564	482,787	447,151	439,453	443,302	+13,738
Rental assistance program:						
(Sec. 521)	715,419	734,100	725,100	715,381	578,100	-137,319
(Sec. 502(c)(5)(D))	5,862	5,900	5,900	5,900	5,900	+38
Total, Rental assistance program	721,281	740,000	731,000	721,281	584,000	-137,281
Total, Rural Housing Insurance Fund	1,454,377	1,435,551	1,410,577	1,392,414	1,259,649	-194,728
(Loan authorization)	(4,156,048)	(4,319,012)	(4,364,727)	(4,352,813)	(4,362,128)	(+206,080)
Mutual and self-help housing grants	34,772	34,000	34,772	34,000	34,000	-772
Rural housing assistance grants	42,222	41,500	42,222	46,222	46,222	+4,000
Farm labor program account	36,071	35,018	36,307	33,015	36,307	+236
Subtotal, grants and payments	113,065	110,518	113,301	113,237	116,529	+3,464
Total, Rural Housing Service	1,567,442	1,546,069	1,523,878	1,505,651	1,376,178	-191,264
(Loan authorization)	(4,156,048)	(4,319,012)	(4,364,727)	(4,352,813)	(4,362,128)	(+206,080)
Historic barn preservation program	---	---	---	2,000	---	---
Rural Business-Cooperative Service:						
Rural Development Loan Fund Program Account:						
(Loan authorization)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	---
Loan subsidy	19,179	17,308	17,308	17,308	17,308	-1,871
Administrative expenses (transfer to RD)	4,163	4,850	4,283	4,283	4,272	+109
Total, Rural Development Loan Fund	23,342	22,158	21,591	21,591	21,580	-1,762
Rural Economic Development Loans Program Account:						
(Loan authorization)	(14,967)	(15,002)	(16,120)	(15,002)	(15,002)	(+35)
Direct subsidy	3,176	2,792	3,000	2,792	2,792	-384
Rural cooperative development grants	8,941	11,000	13,000	8,967	24,000	+15,059
Rural empowerment zones and enterprise communities grants	14,870	---	10,967	14,370	12,667	-2,203
Renewable energy program	---	3,000	23,000	23,000	23,000	+23,000
Total, Rural Business-Cooperative Service	50,329	38,950	71,558	70,720	84,039	+33,710
(Loan authorization)	(54,967)	(55,002)	(56,120)	(55,002)	(55,002)	(+35)

DEPARTMENT OF AGRICULTURE, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS BILL - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
Rural Utilities Service:						
Rural Electrification and Telecommunications Loans Program Account:						
Loan authorizations:						
Electric:						
Direct, 5%	(121,103)	(240,000)	(240,000)	(240,000)	(240,000)	(+118,897)
Direct, Municipal rate	(100,000)	(100,000)	(1,000,000)	(1,000,000)	(1,000,000)	(+900,000)
Direct, FFB	(2,600,000)	(1,500,000)	(2,000,000)	(2,000,000)	(2,000,000)	(-600,000)
Direct, Treasury rate	(1,150,000)	(700,000)	(750,000)	(750,000)	(750,000)	(-400,000)
Guaranteed electric	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	---
Guaranteed underwriting	(1,000,000)	---	---	(1,000,000)	(1,000,000)	---
Subtotal, Electric	(5,071,103)	(2,640,000)	(4,090,000)	(5,090,000)	(5,090,000)	(+18,897)
Telecommunications:						
Direct, 5%	(75,029)	(145,000)	(145,000)	(145,000)	(145,000)	(+69,971)
Direct, Treasury rate	(300,000)	(250,000)	(300,000)	(250,000)	(250,000)	(-50,000)
Direct, FFB	(120,000)	(100,000)	(120,000)	(120,000)	(120,000)	---
Subtotal, Telecommunications	(495,029)	(495,000)	(565,000)	(515,000)	(515,000)	(+19,971)
Total, Loan authorizations	(5,566,132)	(3,135,000)	(4,655,000)	(5,605,000)	(5,605,000)	(+38,868)
Loan subsidies:						
Electric:						
Direct, 5%	6,870	---	---	---	---	-6,870
Direct, Municipal rate	4,004	---	---	---	---	-4,004
Guaranteed electric	79	60	60	60	60	-19
Subtotal, Electric	10,953	60	60	60	60	-10,893
Telecommunications:						
Direct, 5%	1,275	---	---	---	---	-1,275
Direct, Treasury rate	149	125	125	125	125	-24
Subtotal, Telecommunications	1,424	125	125	125	125	-1,299
Total, Loan subsidies	12,377	185	185	185	185	-12,192
RETLP administrative expenses (transfer to RD)	37,587	41,562	38,166	37,920	37,853	+266
Total, Rural Electrification and Telecommunications Loans Program Account	49,964	41,747	38,351	38,105	38,038	-11,926
(Loan authorization)	(5,566,132)	(3,135,000)	(4,655,000)	(5,605,000)	(5,605,000)	(+38,868)
Rural Telephone Bank Program Account:						
(Loan authorization)	(174,615)	---	---	(173,503)	(173,503)	(-1,112)
Direct loan subsidy	2,394	---	---	---	---	-2,394
RTB administrative expenses (transfer to RD)	3,062	3,462	3,182	3,182	3,171	+109
Total, Rural Telephone Bank Program Account	5,456	3,462	3,182	3,182	3,171	-2,285
High energy costs grants (by transfer)	(29,805)	---	---	(30,000)	(28,000)	(-1,805)
Distance learning, telemedicine and broadband program:						
Loan authorizations:						
Distance learning and telemedicine	(300,000)	(50,000)	(300,000)	(300,000)	(300,000)	---
Broadband telecommunications	(80,000)	(336,000)	(336,000)	(647,000)	(602,000)	(+522,000)
Total, Loan authorizations	(380,000)	(386,000)	(636,000)	(947,000)	(902,000)	(+522,000)
Loan subsidies:						
Distance learning and telemedicine:						
Grants	46,636	25,000	25,000	40,000	39,000	-7,636
Broadband telecommunications:						
Direct	---	9,116	9,116	15,116	13,116	+13,116
Grants	9,935	2,000	8,000	10,000	9,000	-935
Total, Loan subsidies and grants	56,571	36,116	42,116	65,116	61,116	+4,545
Total, Rural Utilities Service	111,991	81,325	83,649	106,403	102,325	-9,666
(Loan authorization)	(6,120,747)	(3,521,000)	(5,291,000)	(6,725,503)	(6,680,503)	(+559,756)

DEPARTMENT OF AGRICULTURE, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS BILL - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
Total, title III, Rural Economic and Community Development Programs	2,777,024	2,292,641	2,527,222	2,593,826	2,462,472	-314,552
(By transfer)	(504,181)	(532,661)	(492,782)	(514,838)	(516,598)	(+12,417)
(Loan authorization)	(10,331,762)	(7,895,014)	(9,711,847)	(11,133,318)	(11,097,633)	(+765,871)
TITLE IV - DOMESTIC FOOD PROGRAMS						
Office of the Under Secretary for Food, Nutrition and Consumer Services	599	786	599	611	599	---
Food and Nutrition Service:						
Child nutrition programs	5,830,506	6,819,340	6,718,780	6,718,780	6,717,780	+887,274
Transfer from section 32	4,745,663	4,599,101	4,699,661	4,699,661	4,699,661	-46,002
Discretionary spending	3,974	---	---	---	---	-3,974
Total, Child nutrition programs	10,580,143	11,418,441	11,418,441	11,418,441	11,417,441	+837,298
Special supplemental nutrition program for women, infants, and children (WIC)	4,696,000	4,769,232	4,588,310	4,639,232	4,639,232	-56,768
Food stamp program:						
Expenses	22,772,692	24,208,981	24,203,176	26,403,176	26,403,176	+3,630,484
Reserve	2,000,000	2,000,000	2,000,000	2,000,000	3,000,000	+1,000,000
Nutrition assistance for Puerto Rico and Samoa	1,401,000	1,397,000	1,402,805	1,402,805	1,402,805	+1,805
The emergency food assistance program	140,000	140,000	140,000	140,000	140,000	---
Total, Food stamp program	26,313,692	27,745,981	27,745,981	29,945,981	30,945,981	+4,632,289
Commodity assistance program	163,431	166,072	166,072	145,740	150,000	-13,431
Food donations programs:						
Needy family program	1,074	---	---	---	---	-1,074
Nutrition programs administration	135,672	144,849	140,512	138,304	138,304	+2,632
Total, Food and Nutrition Service	41,890,012	44,244,575	44,059,316	46,287,698	47,290,958	+5,400,946
Total, title IV, Domestic Food Programs	41,890,611	44,245,361	44,059,915	46,288,309	47,291,557	+5,400,946
TITLE V - FOREIGN ASSISTANCE AND RELATED PROGRAMS						
Foreign Agricultural Service:						
Salaries and expenses, direct appropriation	129,103	140,798	133,924	131,648	132,148	+3,045
(Transfer from export loans)	(3,203)	(3,327)	(3,327)	(3,306)	(3,306)	(+103)
(Transfer from P.L. 480)	(1,026)	(1,066)	(1,066)	(1,059)	(1,059)	(+33)
Total, Salaries and expenses program level	(133,332)	(145,191)	(138,317)	(136,013)	(136,513)	(+3,181)
Public Law 480 Program and Grant Accounts:						
Program account:						
Loan authorization, direct	(154,664)	(132,000)	(132,000)	(131,670)	(132,000)	(-22,664)
Loan subsidies	115,416	103,887	103,887	103,887	103,887	-11,529
Ocean freight differential grants	24,995	28,000	28,000	28,000	28,000	+3,005
Title II - Commodities for disposition abroad:						
Program level	(1,192,200)	(1,185,000)	(1,192,000)	(1,192,000)	(1,192,000)	(-200)
Appropriation	1,192,200	1,185,000	1,192,000	1,192,000	1,192,000	-200
Supplemental appropriations (P.L. 108-11)	369,000	---	---	---	---	-369,000
Salaries and expenses:						
Foreign Agricultural Service (transfer to FAS)	1,026	1,066	1,066	1,059	1,059	+33
Farm Service Agency (transfer to FSA)	1,019	2,975	2,975	1,075	1,075	+56
Subtotal	2,045	4,041	4,041	2,134	2,134	+89
Total, Public Law 480:						
Program level	(1,192,200)	(1,185,000)	(1,192,000)	(1,192,000)	(1,192,000)	(-200)
Appropriation	1,703,656	1,320,928	1,327,928	1,326,021	1,326,021	-377,635
CCC Export Loans Program Account (administrative expenses):						
Salaries and expenses (Export Loans):						
General Sales Manager (transfer to FAS)	3,203	3,327	3,327	3,306	3,306	+103
Farm Service Agency (transfer to FSA)	829	985	985	846	846	+17
Total, CCC Export Loans Program Account	4,032	4,312	4,312	4,152	4,152	+120

DEPARTMENT OF AGRICULTURE, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS BILL - FY 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	House	Senate	Conference	Conference vs. Enacted
McGovern-Dole international food for education and child nutrition program grants	---	50,000	56,874	25,000	50,000	+50,000
Total, title V, Foreign Assistance and Related Programs	1,836,791	1,516,038	1,523,038	1,486,821	1,512,321	-324,470
(By transfer)	(4,229)	(4,393)	(4,393)	(4,365)	(4,365)	(+136)
TITLE VI - RELATED AGENCIES AND FOOD AND DRUG ADMINISTRATION						
DEPARTMENT OF HEALTH AND HUMAN SERVICES						
Food and Drug Administration						
Salaries and expenses, direct appropriation	1,373,714	1,394,617	1,389,234	1,384,213	1,386,962	+13,248
Prescription drug user fee act	(222,900)	(249,825)	(249,825)	(249,825)	(249,825)	(+26,925)
Medical device user fee act	(25,125)	(29,190)	(29,190)	(29,190)	(31,654)	(+6,529)
Animal drug user fee act	---	(5,000)	---	---	(5,000)	(+5,000)
Subtotal	(1,621,739)	(1,678,632)	(1,668,249)	(1,663,228)	(1,673,441)	(+51,702)
Mammography clinics user fee (outlay savings)	(16,112)	(16,576)	(16,576)	(16,576)	(16,576)	(+464)
Export and color certification	(6,378)	(6,649)	(6,649)	(6,649)	(6,649)	(+271)
Payments to GSA	(108,269)	(120,045)	(120,045)	(119,152)	(119,594)	(+11,325)
Buildings and facilities	7,948	11,500	6,000	7,948	7,000	-948
Total, Food and Drug Administration	1,381,662	1,406,117	1,395,234	1,392,161	1,393,962	+12,300
INDEPENDENT AGENCIES						
Commodity Futures Trading Commission	85,426	88,435	88,435	88,435	90,435	+5,009
Farm Credit Administration (limitation on administrative expenses)	(38,400)	(40,900)	(40,900)	(40,900)	(40,900)	(+2,500)
Total, title VI, Related Agencies and Food and Drug Administration	1,467,088	1,494,552	1,483,669	1,480,596	1,484,397	+17,309
TITLE VII - GENERAL PROVISIONS						
Hunger fellowships	2,981	---	3,000	2,981	3,000	+19
National Sheep Industry Improvement Center revolving fund	496	---	499	499	499	+3
Child and adult care feeding program	21,857	---	---	---	---	-21,857
P.L. 480 Title II	248,375	---	---	---	---	-248,375
Tree assistance (sec. 747)	---	---	5,000	---	15,000	+15,000
Northern Great Plains Regional Authority	---	---	---	3,000	1,500	+1,500
Denali Commission	---	---	---	2,000	1,000	+1,000
Food stamp program freeze	---	---	---	2,000	2,000	+2,000
Reduction in travel amounts	---	---	---	-6,000	---	---
CCC tree assistance program (P.L. 108-83)	9,700	---	---	---	---	-9,700
CCC Mormon cricket infestation (P.L. 108-83)	20,000	---	---	---	---	-20,000
Total, title VII, General provisions	303,409	---	8,499	4,480	22,999	-280,410
Grand total:						
New budget (obligational) authority	74,752,928	77,561,060	77,386,274	79,602,414	80,632,273	+5,879,347
(By transfer)	(787,619)	(831,150)	(791,271)	(804,144)	(805,904)	(+18,285)
(Loan authorization)	(14,423,426)	(11,545,412)	(13,229,430)	(14,513,463)	(14,494,543)	(+71,117)
(Limitation on administrative expenses)	(147,482)	(150,940)	(150,940)	(150,940)	(150,940)	(+3,458)

1/ In addition to appropriation.

☐ 1400

Mr. OBEY. Mr. Speaker, I yield 2¾ minutes to the gentlewoman from Ohio (Ms. KAPTUR), the ranking member of the Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies.

Ms. KAPTUR. Mr. Speaker, I thank the gentleman for yielding me this time.

I also want to express my deep appreciation from the Democratic side of the aisle for the over two decades of professional and honest service that Hank Moore has devoted to the people of this country. I thank him for his professionalism and courtesy throughout, and wish him well in the months and years ahead. The Committee on Appropriations will always be his home, and we hope he returns to see us.

I also dedicate my remarks today to Mr. Joe Skeen, who passed this past weekend in New Mexico, and to his wife, Mary, and family. It was a joy to work with him. He was a man who did not lead by partisanship, but by a deep concern for our country. Our Nation and its people are better for the years he devoted here. His perseverance, honesty and intelligence have made their mark. He and his good sense of humor will never be forgotten.

Mr. Speaker, as the ranking member of the subcommittee, I would like to discuss some issues regarding this conference report. In working with the gentleman from Texas (Mr. BONILLA), it was not easy to make some of the decisions we were faced with. But first and foremost, I would like to focus on the fact that so many of the decisions, unfortunately because of the time constraints, that relate to Agriculture and the Food & Drug Administration happened behind closed doors and without full sunlight. Therefore, it makes it very difficult to support this bill in its entirety.

In terms of the funding levels, the Agriculture division of this bill is $62 million lower than both the House and Senate bills. It is almost $1 billion below last year's bill, a reduction of almost 5 percent, even though mandatory programs, which do not have the control of this committee exerted upon them, have increased by 12 percent.

On conservation, such an important issue, as we increase in population and as resources become more dear, we find the conference report cuts $70 million more from Farm Bill conservation programs for a total reduction of over $490 million.

Finally, I want to focus on rural housing, also reduced, and I am deeply concerned that our prescription drug title to permit the importation of prescription drugs that are safe into our country was also dropped, even though we asked that it be included, and the House so voted.

I wanted to end by saying that behind closed doors, just a few weeks ago, the country of origin labeling provisions were eliminated from this bill, 2 years past their scheduled implementation date, not just for meat, but produce was added. I would like the American people to know, if we look at the over 600 people who just got sick in Pittsburgh at Chi-Chi's restaurants, one of the ways we get at that problem is by tough country of origin labeling on produce as well as on meat. Behind closed doors, our attempt to do that was absolutely subverted. It is with great disappointment that I come to the floor today and say this bill could have been a lot better than what is before Congress today.

Mr. YOUNG of Florida. Mr. Speaker, I yield 3 minutes to the gentleman from Arizona (Mr. KOLBE), the chairman of the Subcommittee on Foreign Operations, Export Financing and Related Programs.

Mr. KOLBE. Mr. Speaker, I am pleased to present the conference report for the fiscal year 2004 Foreign Operations, Export Financing and Related Programs bill which is incorporated as Division D in this Consolidated Appropriations Act.

Mr. Speaker, the foreign operations section significantly furthers our foreign policy objectives and U.S. strategic interests abroad. It is a bill that is innovative and provides increased resources to combat the pandemic of HIV/AIDS. It also creates a new paradigm for foreign assistance, the Millennium Challenge Corporation.

The conference report before the House provides $17.235 billion for foreign operations. This is $115 million more the House bill which passed last July, but nearly $1.2 billion below the amount contained in the Senate-passed bill. Therefore, with this tight allocation, we have made some tough choices and set priorities.

For HIV/AIDS, tuberculosis and malaria, this conference agreement provides $2.4 billion. When combined with the amounts in the Labor/HHS bill, that is $805 million more than fiscal year 2003, $362 million above the President's request and $325 million more than the House-passed bill.

It provides $400 million to the Global Fund to fight AIDS, TB and malaria, and includes language that gives other donors an incentive to contribute. This bill strongly supports our new AIDS coordinator, Ambassador Randy Tobias, and provides for one additional country outside Africa and the Caribbean to be added to the HIV/AIDS Initiative.

This agreement both creates and appropriates funds for the new Millennium Challenge Corporation. The consolidated appropriations bill provides $1 billion for this exciting, new and innovative model to provide foreign assistance, one that seeks to give a boost to poor nations to enable them to break out of the cycle of poverty. Many have talked about the need to change the way U.S. foreign assistance is provided. President Bush came forward with leadership and vision, and this bill makes that vision a reality.

The MCC is a key component of President Bush's new compact for global development, which links greater contributions from developed nations to greater responsibility from developing nations.

There are a number of important programs and initiatives supported by this foreign operations conference report, too numerous to delineate in the time allotted to me. They include funds for Israel, Egypt, Jordan, for the Andean Counterdrug Initiative, Child Survival and Health Programs Fund, Development Assistance, the Eastern Europe and Baltic States, and the Independent States of the Former Soviet Union.

There are a number of structural changes and process improvements in the bill. These changes support the role of Congress in reviewing foreign assistance. There are a number of management improvements in agencies like USAID which help ensure that taxpayer dollars are well spent.

This conference agreement on foreign assistance presents a very good bill which is an important component of this consolidated measure. It does not do everything that we have been asked to do by the administration and others in Congress, but we have necessarily made reductions and sought efficiencies. It is a conference agreement that all Members should support.

Finally, I want to mention two members of our staff who worked very hard on this bill, along with our outstanding committee staff. Rob Blair served on the detail from the Department of State, and Sean Mulvaney of my staff took the lead in developing the Millennium Challenge Corporation.

Mr. Speaker, this is an important piece of legislation, and I urge its support.

Mr. Speaker, I am pleased to present the conference report for the Fiscal Year 2004 Foreign Operations, Export Financing and Related Programs bill, which is incorporated as Division D of this Consolidated Appropriations Act.

Mr. Speaker, the foreign operations section significantly furthers our foreign policy objectives and U.S. strategic interests abroad. It is a bill that is innovative and provides increased resources to combat the pandemic of HIV/AIDS. It also creates a new paradigm for foreign assistance, the Millennium Challenge Corporation.

The conference agreement before this house provides $17.235 billion for Foreign Operations. This is $115 million more than the House bill which passed last July, but $1.167 billion below the amount contained in the Senate passed bill. Within that tight allocation, we have made some tough choices and set priorities.

For HIV/AIDS, tuberculosis and malaria, this conference agreement provides $2.4 billion. When combined with the amounts in Labor/HHS that is $805 million more than FY2003, $362 million above the President's budget request, and $325.7 million more than the House passed bill. That this bill provides $400 million to the Global Fund to fight AIDS, TB and malaria and includes language that gives other donors an incentive to contribute. This bill strongly supports our new AIDS Coordinator, Ambassador Randy Tobias, and provides for one additional country outside Africa and the Caribbean to be added to the HIV/AIDS Initiative.

This agreement both creates and appropriates funds for the new Millennium Challenge Corporation. The consolidated appropriations bill provides $1 billion for this exciting, new and innovative model to provide foreign assistance—one that seeks to give a boost to enable them to break out of the cycle of poverty. Many have talked about the need to change the way that U.S. foreign assistance is provided. President Bush came forward with leadership and vision, and this bill makes that vision a reality.

The MCC—as it is known for short—is a key component of President Bush's "new compact for global development," which links greater contributions from developed nations to greater responsibility from developing nations.

New resources will flow to those low-income countries that possess a demonstrated commitment to good governance, economic freedom, and investments in their own people. In eligible countries, the new MCC will target investments to overcome the greatest obstacles to economic growth and reduce poverty.

The MCC departs from traditional foreign assistance and draws on lessons learned about development over the past 50 years;

First, that aid is more likely to result in successful sustainable economic development in countries that are pursuing sound political, economic and social policies;

Second, that development plans supported by a broad range of stakeholders, and for which countries have primary responsibility, engender country ownership and are more likely to succeed;

And, finally, that integrating oversight and evaluation into the design of activities boosts aid effectiveness.

I wish to commend the leadership of Chairman HYDE and Mr. LANTOS and the House International Relations Committee, and their Senate Foreign Relations Committee counterparts for their strong support for this initiative.

There are a number of important programs and initiatives supported by this foreign operations conference report. Let me name just a few:

The agreement includes $2.132 billion for the economic support fund. Included is $480 million for Israel, $575 million for Egypt, and $250 million for Jordan.

The agreement provides $241 million for International Narcotics control and law enforcement, and an additional $731 million for the Andean Counterdrug Intitiative—$71 million more than the Senate bill.

The agreement provides $1.835 billion for the Child Survival and Health Programs Fund, and $1.385 billion for Development Assistance.

The conference report includes $445 million for assistance to Eastern Europe and the Baltic States, and $587 million for assistance for the Independent States of the Former Soviet Union. This is one area where reductions have been made as this agreement provides $245 million less for these nations than the FY2003 bill.

The conference agreement provides $353.5 million for nonproliferation, anti-terrorism and demining, an increase of $49.1 million over 2003.

The conference agreement provides $4.450.1 billion for Military Assistance programs. This represents an increase of $221.3 million above FY2003. We have provided $2.160 billion in military assistance for Israel, $1.3 billion for Egypt and $206 million for Jordan. We have fully funded the budget request for international military education and training at $91.7 million.

The conference agreement provides $1.713 billion for multilateral economic assistance, an increase of $223.2 million above FY2003. Included in the agreement is $321.7 million for international organizations and programs, and $913.2 million for the international development association.

Mr. Speaker, there are a number of structural changes and process improvements in the agreement. These changes support the role of Congress in reviewing foreign assistance. There are a number of management improvements in agencies like USAID, which help ensure that taxpayers' dollars are well spent.

We have endeavored to accommodate requests from colleagues, though, as always, we have strived to keep foreign assistance free of earmarks. However, I acknowledge that when faced with a Senate bill that included over 200 amendments, this task becomes increasingly more challenging.

Mr. Speaker, this conference agreement on foreign assistance presents a very good bill. It is a very important component of this overall consolidated measure. It does not do everything we have been asked by the administration and others in the Congress. We have necessarily made reductions and sought efficiencies. It is a conference agreement that I think all members of this body should support. It represents a bipartisan bill that supports our President and Nation.

Before closing, I would like to mention two members of our staff who worked very hard on this bill, along with our outstanding committee staff. Rob Blair served on detail from the Department of State and put in some outstanding work for us on the HIV/AIDS and global health issues. He left our subcommittee as detailee only a few days ago and already he is sorely missed. And, I would be remiss if I did not mention Sean Mulvaney of my staff who took the lead on the Millennium Challenge Corporation, and authored the legislation in Title VI of this agreement. As he consistently demonstrates on such issues as trade and international economics, Sean brings a personal commitment and intellectual rigor and honesty to his job. This overall agreement is a better product based on Sean's professionalism and expertise.

I would, of course, also like to thank my ranking member, Mrs. LOWEY; and the minority staff, Mark Murray and Joe Weinstein; and our subcommittee's staff, Charlie Flickner, Alice Hogans, Scott Gudes and Lori Maes.

Mr. Speaker, in closing this is an important piece of legislation, with many priority initiatives of the President and the Congress. I hope that our colleagues in the other body will not delay further the delivery of these important programs, such as the effort to save the lives of those infected with HIV and AIDS.

I urge adoption of the conference report.

Mr. OBEY. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. EMANUEL).

Mr. EMANUEL. Mr. Speaker, I rise in opposition to this appropriations bill.

While there are some positive steps taken in this bill in the area of transportation and medical facilities, once again, the public trust is being turned over whole hog to special interests. Taxpayers are being asked to subsidize important special interests, just like we did in the prescription drug bill and as we did in the energy bill. Under those pieces of legislation, taxpayers are being overcharged 40 percent by the pharmaceutical industry when we could have competitive pricing. And in the energy bill, somewhere close to $20 billion, taxpayers are subsidizing the energy industry, the most profitable industry, and underwriting their business mission. They want to drill for oil, they should do it without taxpayers subsidizing their activities.

Today, this bill is cut from the same cloth as the prescription drug and the energy legislation. This measure contains $50 million to build an indoor rain forest, $725,000 for a "Please Touch Museum," $90,000 for olive fruit fly research in Montpelier, France, $75,000 for a North Pole Transit System, all this while we refuse to increase college assistance and Pell Grants for middle-class families, while we refuse to increase funding for the Leave No Child Behind in the area of education.

Sadly, for middle-class families and taxpayers, the culture of dependency, the culture of welfare has dominated these three bills, whether they be the prescription drug bill, the energy bill, or this appropriation bill. We must end welfare as we know it. The culture of dependency that has been dominated by corporate and special interests, and have turned the government, whole cloth, into a subsidy and ATM machine for the special interests.

Mr. Speaker, this is another missed opportunity to end this new form of welfare that is being abused in government. For these reasons, I urge Members to vote against this appropriations bill.

Mr. YOUNG of Florida. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio (Mr. REGULA), the chairman of the Subcommittee on Labor, Health and Human Services, Education and Related Agencies.

Mr. REGULA. Mr. Speaker, I strongly urge Members to support this bill, but I just want to address a few of the highlights in the Labor, HHS, and Education portions.

One, the Department of Education gets an increase of 4.8 percent which is above the overall rate of inflation, and, I think, recognizes the importance of education. Special education has an additional $200 million over the House-passed number, for a total increase of $1.2 billion over last year.

Reading programs have been increased in the overall bill, as has improving teacher quality, which I think is extremely important. We have a number of programs in here that are important from the standpoint of improving teacher quality, including increasing the number of math and science teachers. Pell Grants are maintained at the highest level ever. Impact Aid is $48 million over last year. Afterschool programs are $400 million over the President's request because we recognize the importance of these programs to young people. TRIO and Gear-Up are increased, Head Start is increased $148 million over last year, and we maintained comprehensive school reform. That is particularly important in addressing the dropout rate.

Community health centers are expanded. I think most of us know from experience that these are an important part of a community's health program, to have funding for these health centers, and we provide funds to expand them.

National Institutes of Health, we give them an increase of more than 7 percent if we take into account onetime costs in fiscal year 2003. The same is true for a number of activities, such as international HIV, infectious disease, homeland security biodefense. In addition, LIHEAP is fund at $1.9 billion.

I am particularly pleased that in the Labor Department, we are supporting job training programs. The worker training programs are extremely important, particularly as people shift to new types of employment. As the overall job economy changes in our society, it is important that we have a place that people can go and know that there is hope for getting a new job or getting a better job or getting an opportunity. I am glad we were able to do that in this bill.

Overall, I think the Labor-HHS portion of the bill is very responsive to the needs of our people. It is less than 4 percent overall, which is lower than the rate of inflation. It is about 3.4 percent over last year.

Mr. Speaker, given the fact that these programs are very important to people, touch the lives of 280 million Americans in one way or another, the subcommittee and the conference committee tried to address these challenges in the most effective way possible. I urge support of the bill.

Mr. Speaker, Division E of this conference agreement provides funding for a broad range of programs and activities affecting the lives of nearly every American. It provides help to workers looking for retraining or enhancing their job skills, assistance for teachers working hard to educate our children, support for families in need of health services, and funding for scientists seeking to understand and cure disease. The agreement totals $139 billion in discretionary spending, an increase of less than 4 percent over 2003.

In the area of education, I want to begin by laying out a few basic facts. Federal funds for education have more than doubled over the past 8 years. Discretionary appropriations for the U.S. Department of Education have climbed from $23 billion in FY1996 to $55.7 billion in this bill. This is an increase of 141 percent. The problem in American education is not lack of spending. It is lack of accountability for results. With the help of the reforms put in place by the No Child Left Behind Act, being implemented by good teachers and principals and caring parents all across this country, we are changing things for the better.

I will give a few examples of how this bill takes a focused approach to improving education for our Nation's children. First, funding for Special Education for disabled children is increased by $1.2 billion in this bill, bringing total funding to $10 billion. Meeting our Federal commitment in this program has been a priority for the Congress for the past 8 years, and this bill continues that progress.

Second, Title I, which helps children from low-income homes achieve academic success, is increased by nearly $700 million to a total of $12.35 billion. Coupled with the new accountability standards in No Child Left Behind, Title I has the potential to change "business as usual" at our public schools.

Third, reading programs, which use sound scientific evidence to help children learn to read effectively, are funded at over $1 billion, representing a tripling of these funds in just 3 years. These programs are important because we know that many children are placed in special education simply because they have not been taught to read properly. By investing in sound reading programs, we can ensure that every child gets the help to excel in reading at a young age.

TCHR QUALITY—COMPREHENSIVE SCHOOL REFORM

There are many other good education programs funded in this bill. We have increased funding for training teachers, especially math and science teachers, so that our future workforce can compete in the high-tech, global marketplace. We have included funds for after school and mentoring activities. We have increased funding for student aid programs and other higher education programs to help all students have a chance to realize the dream of graduating from college. Seventy-one education programs have been increased above last year's level in this bill. At the same time, other programs have been cut or eliminated from the budget entirely because they have not proven their results or because they duplicate other programs.

Our conference bill also invests in important health service and research programs. Community health centers, which are the backbone of medical care in many communities, receive an increase of $120 million, which puts our efforts ahead of the benchmark anticipated in the President's 5-year expansion plan. Maintaining the congressional commitment to supporting the important care provided by our pediatric hospitals, the conference agreement provides a $13 million increase for the graduate medical education program for children's hospitals. To ensure that we have enough health care providers for these community clinics and hospitals, we have preserved the health professions and nurse training programs in the face of drastic reductions proposed by the administration.

I'm pleased to report that we were able to provide more than a 30 percent increase for the abstinence education program, which I know many of our Members believe is very important to strengthen their communities.

We continue our commitment to biomedical research to provide the breakthroughs necessary to improve the quality of care we can give our citizens and provide answers to families who are desperate for help. The conference agreement provides over a 3 percent increase for the National Institutes of Health. This year's increase follows the successful campaign to double funding for NIH—in the previous 5 years, the NIH appropriation jumped from $13.6 billion to almost $27 billion. I am confident that the roadmap for future NIH investments developed by the new director of NIH will mold and discipline this investment to ultimately make possible better health care for our communities.

The conference agreement includes $100 million to fund a new substance abuse treatment voucher program, Access to Recovery, which will open new pathways to people who need treatment for addiction. By investing in this new initiative, Congress is giving hope to those who are lost in the cycle of addiction. This program will increase treatment capacity and access to providers by giving vouchers to those most in need.

In the area of faith-based programming, the conference agreement provides a 30 percent increase over last year. Increasing the capacity of small faith-based groups to provide outreach and services to our communities means that more people in need will be served. Programs in this bill with a faith component provide a wide-range of services including mentoring, substance abuse treatment, refugee services, child abuse prevention, and many others.

To provide services to families and individuals who care for their elderly loved ones, $160 million is provided for the Family Caregiver Program within the Administration on Aging. This program provides information, assistance, counseling, respite and supplemental services to the millions of caregivers who are the most important long-term care resource in the country. This support allows our Nation's elderly to remain at home for as long as possible.

For the Low Income Home Energy Assistance Program, the agreement provides $1.9 billion. Within those funds, the conferees have included $100 million to meet the additional home energy assistance needs arising from a natural disaster or other emergency.

While much more could be said about how this bill will benefit the American people, I will stop here and simply say, it is a responsible bill, crafted during tight budget times, that tries to direct resources to programs that work for people most in need. I want to thank Chairman YOUNG for his assistance in forging this agreement. We had some tough issues to resolve with the other body. Of the nearly 600 programs and activities funded in the bill, 61 percent of them were at different levels between the two bodies. On top of that, several difficult policy items had to be resolved.

I also say to my friend, Mr. OBEY, this year has been difficult for both of us. I respect your deep commitment to the programs in this bill and understand the reason for your opposition. I trust that in the future, we can again be partners.

Mr. OBEY. Mr. Speaker, I yield myself 12 minutes.

Mr. Speaker, this bill is a pitiful Christmas tree with such a bad smell that it smells more like a garbage truck than something appropriate to Christmas. It spectacularly insults the judgment of both the House and the Senate on a number of items.

Both Houses of the Congress voted to provide overtime protections for workers because the administration is trying to take those protections away from 8 million workers.

□ 1415

This bill, without one minute of comment in the conference committee, arbitrarily at the instruction of the Republican leadership rips out those protections.

Both Houses voted on a bipartisan basis to cap the number of television stations that could be owned by media conglomerates around the country. In the Senate, that amendment was offered by a Republican, Senator STEVENS, and in the House it was offered by me. The House and Senate adopted both of them. Despite that fact, again, without a moment's discussion in the conference committee, at the instruction of the leadership, this conference committee has ripped out the judgment of both Houses on that score; and they have come back with a nice cozy insider arrangement that protects all of the major media giants from having to do anything inconvenient. So much for pluralism and democracy.

This House voted to instruct the conferees to allow for drug reimportation. This conference committee has stripped that out. This House earlier reached a compromise in the DOD bill and in Interior on outsourcing. This conference again arbitrarily changes that bipartisan agreement.

Fifthly, there are incredible numbers of American workers who have been unemployed for an extended period of time, and yet this Congress refuses to, in this same omnibus bill, extend long-term coverage for the unemployed. This Congress ought to be ashamed of itself on that score.

This bill gratuitously amends and guts a key provision of the Clean Air Act.

And then on funding levels, this bill on education falls $7 billion below the amount promised under the No Child Left Behind Act. It falls $350 million below the Republican-passed House budget resolution in the funding level it provides for title I, which is the main education program that helps disadvantaged children to try to improve their academic performance. And it falls $1 billion below the amount that was promised in the House budget resolution for helping to educate handicapped children.

In the National Institutes of Health, the committee pretends that it is above the bill that left the House; but by the time you take into account the across-the-board cut that is required in the bill and other financial transactions, this bill is in reality $118 million below the President for the National Institutes of Health, $145 million below the House-passed bill, and $182 million below the Senate-passed bill. It on substance short-sheets and short-changes some of the most basic obligations of government. Yet this conference finds room for over 7,000 individual Member pieces of pork which cost the taxpayers over $7.5 billion.

In 1995, the last year that I chaired the Committee on Appropriations, the House provided virtually no earmarks in the Labor-Health-Education bill. There are well over 1,200 of those special earmarks this year.

In the VA-HUD bill, we have a $1.1 billion plug for projects. $1.1 billion is being spent for earmarked projects. One-quarter of the amount that is reserved for the House goes to three Members, one from New York, one from West Virginia, one from Alaska. If you take a look at the way these projects are distributed, if we distributed the earmarks evenly with every Member getting an equal amount in the Labor-Health-Education bill, for instance, there would be about $2 million per constituent provided for each Member's district. But it is not provided equally.

So if you are from Indiana, if we simply went by basic formulas, Indiana would get about $18 million in special earmarks, but it does not. In this bill, Indiana taxpayers get about 62 cents per capita by way of special earmarks. If you represent Oregon, you bring home to your constituents in this bill about 64 cents per capita in earmarks. North Carolina, you bring home about 85 cents per capita in earmarks. California, about a dollar. But in that same Labor-Health bill, if you are from Alaska, you bring home $47 per person. And then if you look at what else Alaska gets, they get $123 per person in the VA-HUD bill, they get $192 per person in the Transportation bill, and they get $220 per person from the Commerce-Justice bill. That means that special grants to Alaska wind up totaling $638 per person in comparison to the table scraps that I just explained for States like Indiana, Michigan, North Carolina, California and the like.

Mr. Speaker, the appropriations process used to be the main task of government. The main task of the Congress each year was to pass the 13 appropriation bills which funded all of the financial activities of government. The appropriation bills used to provide an opportunity for a debate on priorities. Instead, what has happened is that the number of earmarks, the number of pieces of pork have become so numerous that Members of Congress have changed their focus and today instead of asking "Where's the beef?" in terms of funding levels for education or for health care or for science, instead they are asking, "Where's the pork and how much did I get?"

And what has happened is that these projects are now being used to entice Members into only asking one question: How much did I get in pork? Rather than what were we able to do to improve the program funding for education or health care or environmental protection or you name it. I think that fundamentally corrupts the appropriations process, I think it makes us all simply ATM machines rather than policymakers, and I think it does no credit whatsoever to the Congress as an institution.

I want to point out, in a troubled agency like NASA, in 1995 there were two special earmarks that were provided. Today there are 104. Over the past few years since 1998, $1.7 billion has been diverted from regular NASA appropriations, a very troubled agency with serious safety problems; $1.7 billion has been diverted from those regular programs to industrial parks or museums or other local projects.

In the Commerce-Justice bill in 1995, there were 45 projects costing the taxpayer $104 million. Last year, Mr. Speaker, there were 996, costing the taxpayer over $1 billion. There has been a 4,200 percent increase in earmarks for the Justice Department over that same period of time.

So, Mr. Speaker, I am going to urge that we vote "no" on this bill. This bill is a gratuitous insult to every worker who is entitled to overtime pay. It is an outrageous neglect of the workers who ought to see their elected representatives pushing for expanded unemployment compensation for the long-term unemployed. This bill falls seriously short of the funding that this Congress itself promised in the Republican budget resolution just 5 months ago for education. It falls far short of where we need to be in the area of health care. It falls half a billion dollars short of where we ought to be in providing aid to our local and State levels of government for law enforcement assistance. And I think the way in which the earmarking process has gradually moved from something which was a tolerable and understandable effort on the part of the Congress to shift a small number of financing decisions to Congress into a decision-making process in which the total dominant consideration is simply congressional pork rather than substance in programs. I think when we do that, we fundamentally erode the confidence that each individual Member has in this institution, and I think we erode the confidence that every taxpayer has in this institution. I regret that.

This bill is a spectacular example of legislation and political pressure run amuck, and I would urge a "no" vote on the legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. YOUNG of Florida. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from New Jersey (Mr. FRELINGHUYSEN), chairman of the Subcommittee on the District of Columbia.

Mr. FRELINGHUYSEN. I thank the gentleman from Florida for yielding me this time.

Mr. Speaker, the consolidated appropriations conference report before us this afternoon also contains the fiscal year 2004 District of Columbia appropriations bill. This portion of the conference report totals $8 billion, including $545 million for Federal payments to various District programs and projects, $1.8 billion in Federal grants to District agencies, and $5.7 billion in local funds for operating expenses and capital outlays of the District government.

There is much to be proud of in this bill. I believe it reflects Congress' commitment to helping our Nation's capital. This is where we all work and where many of us live. Of the $545 million in Federal payments to various programs and projects, 68 percent of these funds, or $368 million, is for funding of the D.C. courts, public defender services, and the court services and offender supervision agency. These are District functions which we took over as a Federal responsibility in 1997.

The remaining 32 percent, or $177 million, are for programs and projects that directly benefit the District. These include the very popular tuition assistance program for District college-bound students, $17 million; $11 million to reimburse the District for added emergency planning and security costs related to the presence of the Federal Government in the District; $40 million for a three-prong school choice program, promises we delivered upon; $42 million for capital development projects in the District; $5 million for the Anacostia waterfront; $4.5 million for public school facility improvements; and $14 million to improve foster care in the District. These are all initiatives we can be proud of as we vote in favor of this bill this afternoon. I ask that Members support the overall omnibus.

In particular, I want to highlight the funding level for school choice.

When the District of Columbia appropriations bill was on the House floor back in September, there was much criticism that the bill was walking away from the District's request of additional funding for public schools and public charter schools.

While that was true at the time due to the fiscal constraints of the bill, I stated then and at every opportunity after that it was not my intention that that be the case when we come out of conference with the Senate. I fully supported the Mayor's approach and worked with Chairman YOUNG towards a conference allocation that was sufficient to address all three sectors of education in the city. The conference agreement reflects this commitment and provides $13 million for each of the three sectors of education the District leaders requested—scholarships, public schools, and charter schools. We need to provide parents greater choices for parents and their children.

In summary, the fiscal year 2004 District of Columbia Appropriations division is fiscally responsible and balanced and deserves bipartisan support.

I thank Chairman YOUNG for his leadership through a difficult conference.

Mr. YOUNG of Florida. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Ohio (Mr. BOEHNER), chairman of the Committee on Education and the Workforce.

Mr. BOEHNER. Mr. Speaker, let me thank my colleague and the chairman of the Committee on Appropriations for yielding me the time and congratulate him and all of his committee members on a job well done. We can look at a lot of the things that we do around here as though it were a half a glass of water. We just heard a description of the bill from our colleague and friend from Wisconsin describing the glass half empty. I would suggest to all of you that we should really look at this bill today before us as a glass that is half full. The committee, under very difficult circumstances, had a lot of decisions to make; and I think they have made them very well.

In the area of education, an area that I am very interested in as the chairman of the Committee on Education and the Workforce, when we passed the No Child Left Behind Act in a broad bipartisan way, our commitment was to adequately fund the reforms in education. There was never any discussion about fully funding to the authorized levels. The commitment was to adequately fund our efforts to renew American education.

□ 1430

In this bill we continue that effort. In the area of Title I, we increase Title I spending by $700 million to $12.4 billion annually. This is more in the last 2 years than we saw in 8 years under former President Clinton in terms of increases to Title I. We should be very proud of that commitment.

Another major area of our concern in education comes to children with special needs, the Individuals With Disabilities Education Act, where we attempt to fund a portion of the cost for those students that have special needs in our local schools. Congress has been involved in this since 1975, and from 1975 to 1995, as this chart will show, we move spending from zero to about just a little over $3 billion. And since 1995, we are not only just shy of $10 billion, but in this conference agreement the number is now $10.1 billion; $10.1 billion, over a 300 percent increase since 1995. That is something that I think this Congress ought to be very proud of.

Let me make one other point about the bill we have before us. And the gentleman from New Jersey (Mr. FRELINGHUYSEN) who just spoke, who chairs the District of Columbia Subcommittee of the Committee on Appropriations, and that is the effort to help children in the District of Columbia who are stuck in very bad schools, and the gentleman from New Jersey (Mr. FRELINGHUYSEN) and the gentleman from Virginia (Mr. TOM DAVIS) and I worked diligently over the course of this year to help the Mayor and the School Board who requested our help in helping children that were stuck in failing schools. Of all the big urban systems around the country that have problems, and there are a lot of them, there is none that have bigger problems than the schools right here in the District of Columbia. The children here deserve as good a shot at an education as the children in our own districts. And for those children who are trapped in very bad schools, we believe they ought to have some choice. They ought to have a chance to go to a real school and get a real education. And the $13 million that is in this bill will help about 1,700 students here in the District of Columbia be able to choose a school of their choice, and I do believe this is good for those children, and it will be good for the DC schools because when we bring competition into where children can actually go to school, we have seen the public schools do improve. And I want to thank the gentleman from New Jersey (Mr. FRELINGHUYSEN) and the gentleman from Virginia (Mr. TOM DAVIS), and certainly, again, I want to thank the gentleman from Florida (Mr. YOUNG) and his cardinals and the members of his committee for a job well done.

Mr. OBEY. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, once again we have heard the gentleman in the well, on behalf of the Republican Party, try to make the case that somehow the Republican Party was responsible for the education budget increases of the last 2 years. For the Republicans to take credit for increases in education spending over the last 8 years, Mr. Speaker, is like Saddam Hussein taking credit for providing the Third Infantry Division safe passage to Baghdad.

The fact is that the majority party leadership fought every step of the way to prevent us from being able to eventually add the $19 billion in education funding that we provided, because of Democratic pressure over the past 8 years, $19 billion above the amount that the Republicans tried to put in their own education bill when those bills were before the House.

The Republican Party leadership fought us every step of the way. That increase in $19 billion happened over their dead bodies, politically speaking, and in spite of every trick that their leadership could concoct to stop it from happening. They refused to give the subcommittees an allocation that would allow meaningful increases. They broke every arm on their side of the aisle to force people to vote for lower funding levels when the bills went to the floor. When that technique failed, they refused to allow the bills to be considered on the floor. When that did not work, and when they finally had to go to conference, and often they had the conference legislation that had never even been considered in the House because of the inadequacy of their allocation, they then blocked the conferees from reaching agreement between the two Houses because the funding levels for education would be too high in their judgment. They relented only at the very last minute when conceding on education funding that increases that we were asking for was the only way to end the session and get the Congress out of town.

On one occasion they even agreed to allow a funding level for education to be reported out of the conference and then decided they could not tolerate such a high level of support and forced the bill back into conference to strip out increases in education funding. For the Republican Party members of this House to claim that somehow they were responsible for those education budget increases, makes Pinocchio look like Honest Abe by comparison. The credibility gap that we have on the Republican side of the aisle has grown faster than Pinocchio's nose. So I just want to suggest, Mr. Speaker, that it is crocodile tears to hear the Republicans profess that they really are friends of education.

I also would like to point out one other thing, a newspaper ad which appeared in the Washington Post today. It reads "The most outrageous Christmas list in America." It says "It's called the omnibus. No, it's not Santa's sleigh, but it is laden with presents. It's coming to Washington D.C. this week. And you better believe the Bush Administration's best friends have front row seats.

"Having failed to pass seven of the Federal Government's 13 budget bills, the White House and Republican congressional leaders have rolled them all into one massive package dubbed 'the omnibus.'

"So who does President Bush think is naughty and nice? Apparently no one is more deserving than Rupert Murdoch and his fellow network moguls. Despite the wishes of Congress and the vast majority of Americans, the President insists the omnibus include a relaxation of media antitrust rules. Now, the biggest networks will be able to acquire more of the hugely profitable local stations they desire.

"American workers, on the other hand, must have been very naughty. The omnibus bill eliminates extended unemployment benefits for millions of jobless. And 8 million workers who currently have Federal overtime protection lose their right to extra pay for those extra hours."

That is the problem with this bill, Mr. Speaker, and I urge a "no" vote.

Mr. Speaker, I reserve the balance of my time.

Mr. YOUNG of Florida. Mr. Speaker, I have only myself left for a brief statement and the majority leader will close for our side.

Mr. OBEY. Mr. Speaker, if the gentleman has two remaining speakers, I would ask him to use one of them now, and then I will close.

Mr. YOUNG of Florida. Mr. Speaker, I yield myself 1 minute.

I extend best holiday greetings and a Merry Christmas to the gentleman from Wisconsin (Mr. OBEY) and to say what a pleasure it is to work with him. He is an honorable opponent. We have many disagreements, but we work together for what we think is the best interest of country and the institution of the House and the Committee on Appropriations. His staff and our staff worked together extremely well. Jim Dyer, as our clerk and chief of staff, and Scott Lilly on the gentleman from Wisconsin's (Mr. OBEY) side worked together very well, and we have a lot of staff and they do work together very well. We try to deal with our differences in a very respectful manner, and I think that the actions over the years have proved that. So I wish all of our colleagues a very Merry Christmas.

Mr. Speaker, I reserve the balance of my time, and I hope that the gentleman from Wisconsin (Mr. OBEY) would conclude, yield back his time, and then we will close.

Mr. OBEY. Mr. Speaker, the gentleman has one remaining speaker?

Mr. YOUNG of Florida. Mr. Speaker, the majority leader, and I will close.

Mr. OBEY. Mr. Speaker, I am waiting until the gentleman has one speaker. He does not have the right to two closing speeches. I have got the right to have the second to the last speech.

Mr. YOUNG of Florida. Mr. Speaker, I reserve the balance of my time.

Mr. OBEY. Mr. Speaker, I understand the gentleman indicates he has two remaining speakers; so I reserve the balance of my time.

Mr. YOUNG of Florida. Mr. Speaker, to accommodate the gentleman from Wisconsin (Mr. OBEY), I yield such time as he may consume to the gentleman from Texas (Mr. DELAY), the distinguished majority leader.

Mr. DELAY. Mr. Speaker, I thank the gentleman for yielding me this time.

The conference report before us, one of the last bills that the House will pass before we recess for the year, in my opinion, is a fitting end to the legislative session. This omnibus represents the values of discipline, innovation, and conviction we all treasure, values also embodied in the man that we have most to thank for it, and that is the gentleman from Florida (Chairman YOUNG) of the Committee on Appropriations.

When we pass this bill this afternoon, we will have funded vital priorities, made difficult and important choices, and reaffirmed our commitment to fiscal discipline. For a year that began with a struggling economy and pressing needs at home and abroad, that we have held the growth of discretionary spending to 3 percent is a titanic achievement in fiscal restraint.

I know there has been a lot written, most of it false, about the spending habits of this body. But we have to look at what is going on here. Yes, spending has been out of control for a while, but we started ratcheting it down and we have ratcheted down, ratcheted down to where spending for 2004 will have an increase of only 3 percent. That is the lowest increase in spending in the 9 years we have been in the majority. I think that is significant and important, and we have the Committee on Appropriations, the chairman, to thank for that.

And as far as the projects and earmarks are concerned, they cannot on the one hand decry the fact that they are not getting projects and earmarks and on the other hand argue that this bill is full of projects and earmarks and urge people to oppose the bill because it has earmarks. There is a fundamental difference in how we approach earmarks that has been going on for the last few years. We learned early on in the majority, when we had a Democratic President, that the Congress, being the third branch of government, had the right to direct spending to our districts, rather than wait on some bureaucrat to decide whether it was a useful project or not. The same is going on now. This Congress can state, through earmarks, the importance of spending in certain parts of the country and in our districts.

I will give the Members a perfect example in this bill. There is money that goes to M.D. Anderson Hospital in Houston, Texas. Some may call that pork, but I will tell the Members what, the thousands of people that are relying on M.D. Anderson to cure them of their cancer do not think of that earmark as pork. They think it is real, it is important, it is important for their health, and it is important for their family and the length of time that they may be on this earth. It is not pork. It is an earmark. And they do not have to wait around for some bureaucrat to wait around and decide whether it is important or not. It is in the bill. The Congress is stating that that money should go to M.D. Anderson as a vital expenditure of taxpayers' money. There are all kinds of stories like that all over this country. And many Members have stood up for the good spending that they think is important in their districts. So I am not ashamed of the fact that there are earmarks in this bill.

Secondly, the real opposition is coming because there is not enough spending, and I say to my colleagues if they want to show real fiscal restraint, we are doing it here in this bill, and we are doing it within the budget that we passed this year. This bill is within the budget we passed. Actually, the Medicare bill, the $400 billion prescription drug benefit, is within the budget that we passed. And it was an agreement between the House and the Senate and the White House to hold the line on spending, and we have done it. Yet opposition is decrying the fact that we are not spending enough. And if they were in charge, they would be spending much more than what we are spending in this omnibus bill. So I am not ashamed of the spending. I think the priorities were set and set well, and I give credit to the appropriators and the hard work that they have done.

☐ 1445

But this bill is a success for this House and the American people, not only for the money it does not spend, but the money it does spend. Included in all the pages of numbers and dollar signs, there are real programs that will benefit real people.

First and foremost, the omnibus includes funding for a school choice initiative in Washington, D.C. Thanks to this program, 1,700 low-income children will be given a chance finally to attend schools that their parents choose, just like children in higher tax brackets always have. District children who have today been held captive by failed schools and bureaucrats will be given a chance to obtain the freedom, hope, and opportunity that a good education provides all of us.

This bill also helps America's veterans to the tune of $2.9 billion in a funding increase in veterans medical benefits over last year. I thank the appropriators for working with the veterans community to meet this very fundamental obligation.

I also want to thank negotiators for acknowledging and maintaining America's national commitment to defend the dignity of human life with the inclusion of the amendment of the gentleman from Florida (Mr. WELDON) banning the patenting of human organisms.

Mr. Speaker, this bill is full of similar provisions, sound, disciplined policies, funded at responsible, reasonable levels. It is a spending bill worthy of the national challenges it meets, and I urge all Members to support its passage today.

Mr. OBEY. Mr. Speaker, I yield myself 3⅓ minutes.

Mr. Speaker, I simply want to say that I agree very much with the remarks of the distinguished majority leader that this legislation is a fitting close to this session, because this congressional session has been marked from start to finish with an iron-hard determination to do what was necessary to deliver the most to those who have the most in this society.

We started with tax cuts which aimed a huge percentage of the benefits to those who are most well-off in our society, giving huge benefits to the most well-off 1 percent who earn more than $330,000 a year. Yet this same Congress denied tax cuts to persons whose income is so limited that they had to apply for the Earned Income Tax Credit. They were not allowed to come to the table to get their share of the tax cut.

This is the same Congress which, even as it walks out the door, having provided in the energy bill fiscal health to companies like Hooters, this is the same Congress that now says, "Oh, but, by the way, no, we will not provide a last-minute bit of help to workers who have been out of work for an extended period of time." They refuse to allow States to provide additional unemployment compensation for the long-term unemployed.

This truly is a fitting close to the CONGRESSIONAL RECORD, which we have sadly seen since the beginning of January.

With respect to the gentleman's comments about this Congress being a paragon of fiscal responsibility and virtue, I simply want to announce that I am perfectly willing right here and now to give the majority leader the Pulitzer Prize for fiction, because this is the same Congress and this is the same White House that has shown so much fiscal responsibility that in 3 short years they have taken us from a $230 billion surplus to a record $375 billion-plus deficit. That is some fiscal responsibility. I think Mr. Webster would weep if we asked him to put that definition in the dictionary.

I want to say one more time, Mr. Speaker, with all of the gifts that are given in the energy bill to the special interests, with all of the gifts that are given in this bill to many special interests throughout the land, with all of the gifts that were given to special interests in the tax bill, it seems to me that we could at least provide some additional benefits to the long-term unemployed. But, no, no, no, that does not fit in the Christmas plans for the Scrooges who are running the other party on the other side of the aisle.

The motto for this Congress when it comes to working people ought to be "Bah, humbug," because that is what the record looks like.

Mr. Speaker, I ask for a "no" vote.

Mr. Speaker, I include for the RECORD the following article from the December 8 edition of the National Journal's Congress Daily AM bulletin, which comments on the choice of the Appropriation process by the majority party.

[From the Congress Daily AM, Dec. 8, 2003]

THE TRIUMPH OF PETTINESS

(By David Hess)

The partisan bitterness that has suffused Congress over the past decade has reached a new level. Democrats have long grumbled about power-mad Republicans who will stoop to anything to exert their will. Republicans grouse about fault-finding, obstructionist Democrats and speak of getting even for long-ago Democratic abuses. But up to this point, in the rough and tumble of parliamentary skirmishing, both sides have largely refrained from sweeping, systematic legislative blackmail.

Now the wraps are off even that. Furious about opposition to key spending bills, Republican leaders have dropped the hammer on hometown projects—known as "earmarks"—sponsored mostly by Democrats but also by some Republicans who have balked at runaway spending in some of the bills.

The first round of earmark trashing came in a big bill funding the Labor Department and HHS; that legislation contains about $180 million for local projects. The second came when the GOP leadership wreaked vengeance on 100 members of both parties who voted last summer against the VA–HUD spending bill; approximately $750 million in earmarks are in that legislation. After some finagling, House Labor-HHS Appropriations Subcommittee ranking member David Obey, D–Wis., managed to restore about $20 million worth of Democrats' projects and program enhancements in the Labor-HHS spending bill. But major damage to the House's sense of comity had been done.

"If they don't support the bills [in committee and on the floor], then they shouldn't expect to get their projects," said Rep. Ralph Regula, R–Ohio, a senior member of the House who chairs the Labor-HHS Appropriations Subcommittee.

Coming from regula—who for 40 years has served with distinction from the Ohio General Assembly to the U.S. House and enjoys a reputation as a fair and decent legislator—that was a stunning remark. For it bespeaks a vindictive attitude, prevalent now in the House in both parties, that poisons the diminishing fount of civility in an institution at its best when each party respects the other's right to act in principled opposition—without fear of petty retribution—on the issues of the times.

Beyond that, this brand of political blackmail is misguided. It is the scattershot tactic of ruthless partisans lashing out in fury to inflict damage on critics who have every right—if not the duty to their constituents' interests—to express their criticism of policy choices. And who exactly is being punished? Certainly not the members who dared oppose the legislation on policy grounds. The real victims are the folks back home, Republicans as well as Democrats and independents, taxpayers all, who stand to benefit from the earmarked projects.

In Racine, Wis., for example, citizens will go without a $400,000 water-treatment process to screen out a dangerous pathogen, cryptosporidium, which causes serious and even lethal intestinal disease. Rep. Paul Ryan, R–Wisc., the project's sponsor, had voted against the FY04 VA–HUD bill because it cut spending for veterans below the amount provided in the Republicans' budget resolution.

Then there's the case of Rep. Maurice Hinchey, D–N.Y., a member of the Appropriations Committee, who in last year's Labor-HHS spending bill managed to secure funding for four projects—two for hospitals, two for universities—worth a total of $1.3 billion. This year he voted against both the Labor-HHS and VA-HUD bills, on policy grounds, when they reached the House floor. He paid a stiff price for his opposition votes. Only one project, $150,000 in the Labor-HHS bill to expand an emergency room in Newburgh's St. Luke's Hospital, made the cut. Hinchey is not even certain it would have survived, had New York's senators not supported the project.

The lame excuse is often made that the exigencies of party discipline require stern measures to whip the members into line. But what about the power of good policy ideas and moral suasion to convince, rather than bludgeon, balky members who harbor reasonable doubts about the impact of pending legislation on their districts? Or the effect on principled advocates, liberal and conservative alike, who oppose on deeply felt philosophical grounds the options dictated by party leaders? Are the leaders so hell-bent on winning they must resort to strong-arm tactics, rather than persuasion and the often-small compromises that win over reluctant members?

In reflecting on the head-bashing partisanship so manifest in Congress, this writer wonders what his later mother—a stalwart, lifelong Republican—would have thought about such behavior by the leaders of her party. The GOP embodied the values she held dear: individualism, self-dependence, fiscal integrity, personal enterprise, fair play and charity for the worthy. She would have given short shrift to the small-minded, mean-spirited, punitive and divisive tactics this sort of blackmail entails.

Mr. OBEY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. YOUNG of Florida. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, again I appreciate the opportunity to work with the gentleman from Wisconsin (Mr. OBEY), as we bring closure to these final seven appropriations bills which the House had already passed once, as I have said before.

There are several important issues: one, as the majority leader said, is we are within the budget. There are a lot of good increases that we have called attention to, in health care, in education, in veterans care, in embassy security, in counterterrorism activities and all. But we offset those increases with rescissions, so that we were able to stay within the budget.

This is a must-pass bill. Appropriations bills have to pass. They are about the only bills here that have to pass. That is why sometimes they attract some riders that actually cause us more problems in negotiations than the appropriations bills themselves. But it is a give-and-take. Republicans and Democrats in the House, Republicans and Democrats in the Senate, leadership of both parties, the administration, the President, we brought all of those divergent groups together and we came up with a package, and that is what is before us today.

For those who are concerned that we did not spend enough money, we did; but we offset. We could have spent more, because we had requests from Members for over $50 billion worth of Member-adds. For those fiscal conservatives in our body, we found a way to say no to almost all of those requests, the $50 billion. But we bring about as good a fiscally conservative bill that meets the needs of the country as we possibly could.

So, again, Mr. Speaker, as we get ready to pass this bill and hope and pray that the other body will see fit to do similar so that our agencies can get about their business, I want to thank you for the exemplary way in which you conducted this session today, I want to wish you a Merry Christmas, and I want to wish all the Members a Merry Christmas. We look forward to seeing you next year, when we start this appropriations process all over again.

Mr. Speaker, I ask for a "yes" vote.

Mr. CONYERS. Mr. Speaker, I rise in opposition to the conference report on H.R. 2673. This omnibus appropriations bill, which was thrown together at the last minute, underfunds important programs and proposes dangerous new policies. As Ranking Member of the House Judiciary Committee, I would like to detail my many concerns with this legislation.

LAW ENFORCEMENT GRANTS

The conference report would significantly underfund Federal grants for enhanced law enforcement efforts, for both state and local law enforcement assistance and the Community Oriented Policing Services program ("COPS"). For instance, with respect to actual state and local law enforcement assistance grants (Local Law Enforcement Block Grants, State Criminal Alien Assistance Program, Byrne Grants, Justice Assistance Grants, drug courts, etc.), the Justice Department received $2 billion. This conference report would provide only $1.3 billion, a drastic cut of $700 million (35 percent). This means that important programs like police block grants, the Boys and Girls Clubs, Project ChildSafe, and others will be slashed.

Developed by the Clinton Administration in 1994, COPS has community policing as its cornerstone; police officers concentrate on specific neighborhoods and gain the trust of community residents to prevent and solve crimes. Targeting youth violence has been a major priority for COPS; instead of locking up juveniles after they have committed offenses, the presence of cops on the beat and in schools helps to keep them out of trouble in the first place. In addition to putting cops on the street and in schools, the COPS program has reduced domestic violence, gang violence, and drug-related crimes by helping to create and organize community groups, victims' groups, treatment centers, and community police in various regions around the country. It is also important to note that local law enforcement is a critical component in the war on terrorism; local police in the everyday course of patrol may be the first to learn about potential terrorist acts or terrorists.

Its success has led to COPS being praised by law enforcement and politicians on both sides of the aisle. Fraternal Order of Police, the largest law enforcement organization in the United States, has stated that "[COPS] is a program that works and one that has had a positive impact on our nation today." Also, during his confirmation hearings, Attorney General John Ashcroft promised to continue supporting COPS and, as a Senator, cosponsored legislation to reauthorize it. Finally, Representative JIM KOLBE, a member of the Appropriations Subcommittee on Commerce-Justice-State-Judiciary, has noted that COPS "has always played a vital role in community safety and [he was] glad to see Federal money funding such a position." This is why it should not be surprising that, initially intended to fund 100,000 officers, the program funded 116,573 officers in September 2002 alone.

The Republican leadership, however, refuses to acknowledge the successes of COPS. Overall, this bill provides $756 million for COPS, a drastic cut from the FY03 level of $978 million. More specifically, the conference report provides only $120 million for the hiring of officers, which is the program's most important component; in FY03, this portion received $199 million (the Senate bill would have given $200 million for hiring). In the September 2003 issue of Washington Monthly, the Chief of the Richmond Police Department, Andre Parker, said he was "dismayed at the current Administration's attitude toward local law enforcement. . . . [It] has not seemed to grasp what we face." It is clear that the Republicans are giving law enforcement and community policing the short shrift.

If we take away funds now, our local communities who have used COPS money to hire police officers will be devastated; many already are hard-pressed financially because of the slowdown in the economy. So there is no question in my mind that reducing funds will lead to police layoffs and an increase in the cycle on crime and violence.

BIOMEDICAL RESEARCH

The conference report also would stifle research on life-saving drugs and treatments. This is because of the report includes an amendment by Representative DAVE WELDON that prohibits the PTO from issuing patents "encompassing or directed to" human organisms (section 634 of Division B). While this provision has been marketed as targeted toward human cloning, it would have a much broader effect.

Arguably, any medical treatment is "directed to or encompasses" human organisms. This is broad and vague prohibition could prevent patents on, and thus discourage research into, drugs and treatments for Alzheimer's, in vitro fertilization, and virtually any other area of medicine that pertains to the human body. This poorly-drafted provision is an example of why Congress should not legislate on medical practices and should not make important policy decisions without the input of experts in the field.

GUN SAFETY

The Republican leadership also caved to the gun industry by preventing the Bureau of Alcohol, Tobacco, Firearms, and explosives ("ATF") from enforcing gun safety laws. For instance, the conference report includes proposals from Representative TODD TIAHRT that:

Impose a 24-hour limit on destruction of records of approved firearm purchases (section 618 of Division B). The current rule permits the retention of records for 90 days. The new proposal would undermine audits of the system to ensure it is working properly and undermine the ability to retrieve firearms that have been transferred to criminals and other prohibited owners. A June 2002 study by the General Accounting Office stated that 228 of the 235 (97 percent) firearm retrievals initiated during the first 6 months of the current 90-day rule could not have been done under a 24-hour rule; in other words, the new rule would permit 228 prohibited persons (i.e. felons, domestic violence misdemeanants, fugitives) to keep their illegal guns.

Prohibit the ATF from releasing to the public information regarding sales and dispositions of firearms kept by gun dealers and manufacturers, as well as any records of multiple handgun sales (where 2 or more handguns are sold to the same buyer within 5 days) or gun tracing information reported to ATF (title I of Division B). Community residents no longer would be aware of neighbors stockpiling mass quantities of firearms.

Prohibit ATF from requiring dealers to provide a physical inventory (title I of Division B). This precludes the ATF from finalizing a rule it proposed in August 2000 to require annual inventories. The purpose of the proposed rule was to allow dealers to identify missing firearms and report them as such. Had the ATF's proposal been in effect, we could have avoided the situation that occurred in the Washington, DC, sniper case where Bull's Eye Shooter Supply (the dealer from whom the snipers allegedly stole an assault rifle) asserted they did not know the gun was stolen until the ATF traced it to the store.

Prevent ATF from computerizing records of gun dealers who go out of business (title I of Division B). Computerized records are critical with respect to being able to trace guns used in crimes. As a result of this amendment, a gun used in one crime could not be connected to another crime; depriving law enforcement of valuable evidence.

In essence, the conference report would reverse Clinton Administration policies that led to a substantial decrease in the number of gun dealers from 245,000 in 1994 to 58,500 now. By making it easier to be a gun dealer, the conference report would make gun shops as prevalent as 7–Eleven; there would be one on every corner in every neighborhood in America, open all day and night. Moreover, as Kristen Rand, Legislative Director of the Violence Policy Center, noted on July 23, 2003, "Representative TIAHRT's proposal would aid criminal gun traffickers and at the same time devastate ATF's already weak oversight authority." Make no mistake about it, the only winners under this proposal are criminals and the NRA.

Beyond these matters relating to Judiciary Committee jurisdiction, I am troubled by the conference reports treatment of other programs and initiatives important to everyday Americans.

In a reversal of prior votes of the House and Senate, the conference report would encourage media monopolies. In June 2003, the Federal Communications Commission raised the broadcast ownership cap from 35 percent of the national market to 45 percent of the market. This decision was widely criticized by Congress and the public, so much so that the House passed by a vote of 400–21 an appropriations bill that prevented the FCC from increasing the 35 percent cap. Similarly, the Senate Appropriations agreed by a vote of 29–0 to overturn the FCC decision, using an appropriations bill to retain the cap at 35 percent. Despite these prior votes, the Republican's engaged in backroom dealing to craft a conference report that lifts the cap to 39 percent (section 629 of Division B). This simply is bad policy that will encourage consolidation and discourage the diversity of voices in the media that drives our democracy.

The legislation fails to block a Labor Department regulation that would deny overtime pay to approximately 8 million workers across the country. Both the House and Senate had agreed to prevent this anti-worker provision from becoming effective, but the Republican leadership has turned its back on working Americans.

The House had agreed to permit drug reimportation so Americans with medical needs could reap the benefits of lower drug costs. By reneging on this promise, the Republican leadership is putting the needs of billion dollar corporations ahead of the needs of the sick.

In a blow to public education and home rule, the Republican leadership is authorizing funds for a school voucher program for the District of Colombia. This program will drain needed funds from already-suffering public schools, depriving school-aged children of the education they need and deserve.

Despite public rhetoric about how much it supports our troops, the Republican leadership thinks nothing of our men and women in uniform when they return from the front. The conference report provides veterans' medical programs with $700 million less than the Republican leadership promised in the budget resolution and $900 million less than the veterans groups had sought.

Continuing the Majority's attack on the environment, the Republican leadership weakens the Clean Air Act and prevents 49 states (all except California) from adopting stricter emissions control laws for small engines.

Despite public statements by the President and congressional leaders to support AIDS prevention and treatment, the conference report actually provides less money for AIDS programs than the President's request and other bills. The report requires the National Institutes of Health ("NIH") to return to the treasury a large portion of non-research funds. As a result, the NIH receives $118 million less than the President's request, $145 million less than the House level, and $182 million less than the Senate level. This translates into an actual cut from current funding levels for AIDS programs.

The Bush Administration touted its "No Child Left Behind" package and signed it with great fanfare; not surprisingly, it sought virtually no funds for the program in its next budget. Now, the conference report gives $24.5 billion, which is $7.8 billion lower than the amount authorized in the actual bill. This gives schools just enough money to cover inflation and fails to give funding to cover costs incurred in complying with Federal mandates.

The Republican leadership claims to be concerned about domestic security, but now it underfunds the very Department created to provide that security. For example, the 0.59 percent across-the-board budget cut applies to the Department of Homeland Security, such that the planned increase for border protection will have to be cut by two-thirds.

For these reasons, I urge my colleagues to vote "no" on this conference report.

Ms. KILPATRICK. Mr. Speaker, I rise in opposition to the conference report on H.R. 2673. Had this been the product of the appropriations committees of the two chambers, I would gladly lend my support to the passage of this funding bill. But the meddling of the Republican Leadership and administration that wants what it wants when it wants it made for legislative product that is not worthy of support.

When I came to Congress in 1996, I made a commitment to my Michigan constituents to put people first. This bill fails to meet that test. This bill fails that test, and I would like to explain my reasons for opposing its passage.

H.R. 2673 excludes a provision to that would prohibit the Department of Labor from issuing a regulation denying overtime pay to more than 8 million workers. The provision to protect the pay of middle-income working Americans was agreed to by a majority of both bodies, and the Republican Leadership removed this provision.

The bill shortchanges education. It provides $39 million less for education than what the House originally passed, after subtracting $318 million in earmarked projects added in conference. The bill does not meet the promises of the "No Child Left Behind Act"—providing $7.8 billion less than was promised. It shortchanges help with the basics of math and reading by $6.2 billion when compared to the level promised in No Child Left Behind, leaving more than 2 million children behind. It also shortchanges funding for after-school centers by $751 million.

The measure includes $14 million for a new private school voucher program for the District of Columbia. Private school vouchers drain much-needed funding away from public education where all children can benefit.

This funding bill funds state and local law enforcement at $500 million below the level funded last year, even though state and local law enforcement are on the frontlines in keeping our communities safe.

The conference agreement abandoned the bipartisan agreement between both chambers of Congress to block the Federal Communications Commission regulations permitting broadcast networks to expand. The FCC issued rules raising the ceiling on media ownership from 35 to 45 percent. Even though House and Senate conferees originally agreed to keeping the current (35 percent) limit, the White House forced a compromise at 39 percent, which would accommodate to giant media interests.

The bill funds the Manufacturing Extension Partnership (MEP) at just $39 million, a sharp decrease from the fiscal year 2003 level of $106 million. The MEP offers small manufacturers a range of services from plant modernization to employee training. These modernization efforts help our beleaguered small and mid-sized American manufacturers stay competitive.

This bill forgets about the unemployed in America. Long-term unemployment in November surpassed a 20-year high. Two million Americans remain out of work and have been out of work for over six months. But the majority in this Chamber is ignoring the calls of the jobless for extending unemployment insurance benefits. Congress will be leaving town this week and after December 21, a half a million workers who are jobless through no fault of their own will lose unemployment benefits.

For these reasons, I urge my colleagues to join me in opposing the passage of this bill.

Mr. FILNER. Mr. Speaker and colleagues, I must express my extreme disappointment and dismay at the amount of funding in the Consolidated Appropriations Act for FY2004 for the health care of our nation's veterans.

For almost an entire year, the Members of the House Veterans Affairs Committee (both Democratic and Republican) have been fighting for a budget that is worthy of our veterans. The $26.3 billion that is included for the FY2004 VA Medical Care Budget in this appropriations bill is approaching a billion less than the figure recommended by the House VA Committee and by the Independent Budget, the budget that is drafted by veterans. One billion dollars would fund approximately 5000 doctors or 10,000 nurses or 3 million additional outpatient visits.

As many of you know, VA Secretary Anthony Principi has been forced, because of lack of funds, to refuse enrollment to many veterans in the VA health care system. Waiting lists for health care appointments include tens of thousands of veterans who are waiting more than six months for their first health care appointment at the VA. This is not the message that we want to send to our troops who are fighting in Afghanistan and Iraq. Now, at this time more than ever, we must place veterans as a top priority. This appropriations bill does not do that.

Veterans' health care is one of our most important funding issues. We hope and pray that we do not have veterans from the current conflict who become ill with Gulf War illnesses. But we must be prepared for that possibility. We must also not forget the warriors of the first Gulf War who are sick and still waiting to learn the cause and the cure for their illnesses. We must be ready to give treatment and care to all the men and women who have sacrificed for our country. We cannot guarantee that with the budget figures in this bill.

It is time to stop this frustrating and ineffective funding for veterans' health care. It is time to change the process of funding VA medical care. Congressman LANE EVANS, Ranking Democratic Member of the House VA Committee, has introduced a bill (H.R. 2318), which I have co-sponsored, to automatically increase VA health care funding each year to accommodate inflation and new enrollees. We must change from our current practice of discretionary funding for VA health care to mandatory (or assured) funding, the way we fund many other veterans' benefits. That change would do away with the fight we have to make each year in Congress for our veterans—a fight that, unfortunately, we often end up losing.

We have the resources. It is a question of priorities. It is a question of will. Join me in vowing that this will be the last year we end up with less money than is needed for veterans' health care. Join me in pushing for passage of assured funding for our nation's veterans.

Ms. ESHOO. Mr. Speaker, I rise to urge my colleagues to vote against the Conference Report on the Fiscal Year 2004 Consolidated Appropriations bill.

This Conference Report does a disservice to our constituents and to our country's democratic principles because it fails to respect the votes of Members of Congress and abuses the appropriations process.

For example:

It weakens the prohibition against the new FCC media ownership rules, despite the fact that stronger restrictions were agreed to by both Houses of Congress.

It allows the Labor Department's new overtime regulations to go forward, flouting the will of the House and Senate and jeopardizing overtime pay for over 8 million workers.

It underfunds the No Child Left Behind Act by $8 billion.

Net funding for the NIH is $145 million less than passed by the House and $182 million less than the Senate supported.

This bill fails in other important ways:

It cuts funds for state and local law enforcement by $500 million.

It implements a controversial school voucher program in the District of Columbia.

It provides $230 million less for veterans' benefits than Republicans have promised.

It rescinds $1.8 billion in appropriations—largely from the Department of Homeland Security.

Because of these and many other serious flaws, I cannot in good conscience support this bill and I urge my colleagues to oppose the Conference Report. We could be doing so much more for our country.

Mr. CASE. Mr. Speaker, I rise in opposition to what I believe to have been the unwarranted omission of language from the Omnibus Appropriations Conference Report, originally included in the Senate version of the Agriculture Appropriations bill, that would have designated funds to assist electric ratepayers on the Island of Kaua'i, Hawai'i.

The Rural Community Advancement Program in Division A of the Omnibus Conference Report contained a directive to the Secretary of Agriculture to provide grant assistance to the not-for-profit, consumer-owned Kaua'i Island Utility Cooperative under the "Rural Utilities Service, High Energy Costs Grants Account".

The Senate language was designed to provide a small amount of vitally needed assistance to families and small businesses on this economically challenged island. The poverty rate on Kaua'i runs at about twenty (20) percent. While unemployment has slightly declined to a somewhat low of 5.3 percent, the jobs available are overwhelmingly very low-paying jobs. With a current electric rate of nearly 27 cents per kilowatt hour, many among the "working poor" face a daily decision whether to turn on a few lights, or put food on the table for their family.

Twenty-seven cents per KWh is the highest cost for electricity anywhere in the United States except for two or three very small, remote villages in Alaska. A very large portion of families on Kaua'i must actually rely on the Food Bank to adequately feed their families.

The Senate provision would simply have designated, from within funds otherwise appropriated for the High Energy Costs Grants Account, an amount to offset the expenses incurred recently when island residents took over the utility system as a means to help gradually lower the punishing electric costs being charged by an off-island investor-owned company.

The Senate provision for the cooperative on Kaua'i was just one of several items dropped from the final conference agreement. I understand that the conference committee took a position against hard earmarked projects, relying instead on the Secretary to hopefully recognize the needs and make these allocations within the existing programs at the Department of Agriculture.

Mr. Speaker, this language would have guaranteed an enormous impact on the Kaua'i community, and I am very concerned that it was not included in the measure before us today. I can only hope that the Secretary does in fact heed the intent of this language, and I will continue to work with my colleagues on both sides of the aisle and both sides of the Capitol to assure my constituents this badly-needed relief.

Mr. LARSON of Connecticut. Mr. Speaker, although I have objections to the overall bill and I oppose the overall conference report on H.R. 2673, the Consolidated Appropriation Act 2004, I rise today to support the additional $1 billion dollars in funding that has been included in the Omnibus spending bill for the Help America Vote Act (HAVA). This funding is in addition to the $500 million request by the President and approved by the House in the Transportation, Treasury, and Independent Agencies Appropriations Act of 2004 section of this Omnibus spending bill.

HAVA was signed by the President over a year ago in response to the frustrations experienced by both voters and candidates during the 2000 election cycle. Reportedly, between four to six million Americans went to the polls in November 2000 and for a variety of reasons they were denied their right to vote and to have their vote counted. The causes for this denial of democracy range from faulty machinery to wrongful purges from voter lists to poorly designed ballots.

Thanks to the leadership of the bill's cosponsors, my House Administration colleague, Chairman BOB NEY, and former Ranking Member STENY HOYER, with HAVA we now have the foundation for a much more efficient voting system, and the much needed increase in funding over the $500 million requested by the President necessary for its full implementation.

The additional funding for HAVA will be used to educate voters about voting procedures as well as about their rights; make polling places more accessible to people with disabilities; create statewide voter registration databases that can be more effectively managed and updated; improve ballot review procedures, allowing voters to ensure that the ballots they cast are accurate; and create provisional balloting systems to guarantee that no eligible voter is ever turned away at the polls.

Lastly, I would like to commend the chief sponsors of HAVA in the Senate, Senators CHRIS DODD (D–CT) and MITCH MCCONNELL (R–KY), for their bipartisan efforts to secure the additional funding in the other body. But the fight is far from over; the Senate needs to confirm the four nominees chosen to run the new Election Assistance Commission (EAC). In addition to being charged with overseeing the full implementation of HAVA, the EAC will function as the clearinghouse for information on election management. This information will be necessary to ensure that the 2004 election cycle runs smoothly, and I would urge the other body to act on these critical nominations as quickly as possible.

Mr. HOLT. Mr. Speaker, I rise in reluctant support of the omnibus appropriations bill. While there were several important reasons for me to vote in favor of this legislations, this bill also had several deep flaws.

I would like to point to several positive items that I have worked for and was able to achieve through this appropriations bill. The bill contains a $50 million increase for the Department of Education's Math and Science Partnerships, which will help bring universities and the private sector together with local school teachers to provide long term teacher training. I hope this will put us on the path of reaching the authorized level of $400 million.

I am also glad to see that the conferees retained a version of the CORZINE amendment, which would restore cuts in student aid by blocking the implementation of recent Department of Education changes to financial aid eligibility formulas. The Department's changes would have drastically increased the expected family contributions by underestimating their level of state and local tax payments. In fact, the Department of Education recently determined that the changes in the state and local tax allowances will cause 84,000 students to lose their Pell Grants entirely, and will reduce Pell Grants overall by $270 million. I was happy to work with Congressman RICK KELLER and seventy-five other Members of Congress on a letter to Labor-HHS conferees supporting the CORZINE amendment freezing those changes.

I am grateful that the conferees included language to begin a program intended to provide the public with science-based evidence on the safety of foods produced with biotechnology for human consumption.

I have fought on behalf of New Jersey's birth defects registry program and led a bipartisan effort by our delegation to increase funding for birth defects registries. I am therefore pleased to see that this bill does increase the overall level of birth defects funding through the CDC. Funding for birth defects is now $113 million, a rather sizeable increase of $15 million from the previous fiscal year and $26 million over the Administration's budget request.

The bill also provides $1.225 billion for Amtrak, which provides critical rail service for residents in my district and throughout the Northeast. It also directs Amtrak to continue providing fare discounts to veterans and members of the military.

The budget for the National Science Foundation (NSF) is increased $300 million over last year's level and $130 million over the budget request, bringing FY04 funding to $5.6 billion, the largest NSF budget ever. This will mean a great deal for improving funding for research and development.

The bill also includes $12.1 billion for Section 8 voucher renewals for affordable housing, $810 million more than FY03 and $205 million more than the request. This will fully fund all authorized vouchers based on a 96% lease up rate and the most current cost estimates. I have heard from many constituents about their need for and support of this program.

Once again however, the rhetoric from the House leadership is not being met with adequate resources for education. Congress has passed a sweeping reform of the Elementary and Secondary Education Act, created several new programs and mandates, but we don't seem willing to provide the necessary funding. We cannot expect our schools to meet the so-called "adequate yearly progress" standard if we cannot provide them the resources they need to do so.

While funding for "No Child Left Behind" programs is nominally above last year's level, it is only sufficient to cover inflation and provides local schools with no additional resources to meet federal mandates. This bill provides $7.8 billion less than the amount promised for fiscal year 2004 by the highly touted "No Child Left Behind" authorization.

Overall funding for the Department of Education is at $55.7 billion, only $279 million above the level contained in the House-passed bill. That increase, however, includes $318 million in special, member-specific education projects. As a result, regular formula grant or merit-based programs are actually funded less than the level contained in the House bill.

Further, the bill authorizes funds for a voucher program for D.C. schools. This is a poor policy decision that deprives citizens of the District of Columbia of making the decision for themselves and the school system from receiving much needed federal funding.

The bill also fails to provide the resources necessary to increase students' access to higher education. The bill keeps the maximum Pell grant award at $4,050, the same as last year, even as the cost of college is going up all over the country.

The omnibus bill will hurt those who have left school and are now in the workforce. A prohibition against the Labor Department's new overtime regulation was dropped entirely despite the fact that it has the support of solid majorities in both Houses. Allowing this new rule to go through will deny overtime pay to more than 8 million American workers. These are employees who rely on overtime to make ends meet, and it speaks volumes that the Republican leadership is willing to deny hard-working, middle class families that additional pay they earn.

Further, I am concerned that because I opposed the House-passed bill on the principle that we cannot under-fund education and healthcare in this country, the leadership will now punish my constituents. Important projects will not be funded simply because of politics. For example, funding has been denied to naturally occurring retirement communities where the elderly can stay and receive services and $E=Mc^2$, which provides important training to science teachers, will not be funded either.

Mr. Speaker, I again want to say that I reluctantly support this bill in order to keep our government functioning and to fund important new initiatives. I hope that next year we will be able to work in a bipartisan manner so that we can best provide for the needs of all the Americans we proudly represent.

Mr. RAHALL. Mr. Speaker, I rise today to discuss the Fiscal Year 2004 Omnibus Appropriations bill. I will vote in favor of this bill because it includes federal funding for a great number of very worthwhile projects in my district of southern West Virginia, many of which I personally sought and others that were provided by the esteemed senior Senator from my state, West Virginia's great champion, Senator ROBERT C. BYRD.

On my account, these projects include funding for technological infrastructure in a historically underserved area, transportation planning and congestion relief funding, funding to help educate the blind, federal assistance for wastewater treatment, and maritime safety training dollars for port security.

In addition, it is with tremendous gratitude for his efforts that West Virginia thanks Senator BYRD for providing much-needed funding of projects such as a road building effort that will enable veterans to access their medical center. He also provided funding for our universities and colleges, funding for economic revitalization efforts, and federal dollars for a great number of other worthwhile endeavors.

However, I cast my vote with great misgivings.

As a result of White House meddling, this bill recklessly strips overtime protection provisions that a tremendous majority of Americans favor and that overwhelmingly passed both the House and the Senate. To do the President's bidding on behalf of his big corporate friends, the Republican leadership in the House and the Senate made sure in this bill that the Department of Labor can gut more than 60 years of worker protections.

As a result of White House meddling, this bill unwisely fails to fund the No Child Left Behind initiative while actually even cutting many programs such as teacher quality grants, technology grants, safe and drug-free schools, and reading first grants.

As a result of White House meddling, this bill unfairly freezes funding for child care and wrongly imposes more stringent work requirements for parents receiving Temporary Assistance for Needy Families.

There are also a host of other shortcomings and deficiencies in this bill.

But this is what happens when the Republican leadership of the House and Senate fail once again to complete their Constitutionally-required appropriations bills in a timely manner. A bunch of different bills get rolled into one rather than being considered individually on their respective merits. Then, the White House threatens, as it did here, to veto the entire bill, which would leave many federal agencies without funds and therefore leave many needy people without protection, unless the President once again gets exactly what he and his rich friends want.

Mr. GRAVES. Mr. Speaker, I rise to discuss the importance of the State Assisted Fair Bid provision in the FY2004 Transportation Appropriations bill. The Conference Report contains a provision that will establish a pilot program to assist states that choose to contract with the private sector to provide intercity passenger rail service. I anticipate there will be at least two or three demonstration projects under this proposal in fiscal year 2004. The report provides the Secretary with up to $2.5 million to assist the states in implementing the competitive process. I have spoken with Appropriations Chairman YOUNG, and he has assured me that the funding may be used for any purpose in the implementation of a Fair Bid Demonstration project, including providing insurance to states and operators in a manner that results in the lowest possible insurance costs. Furthermore, I understand that the Secretary is encouraged to use a portion of the $2.5 million in grant money provided to the states to subsidize alternative insurance arrangements as a part of the Demonstration Projects.

I want to be clear in my understanding that the states have a great deal of latitude in proposing Demonstration Projects under this provision. The only statutory requirement is that the state must assist the intercity service with a subsidy of some nature. My friend, Chairman YOUNG, has assured me that this is so. Obviously, all of the current state-assisted operations, which are commonly known as 403(b) service, and are now being operated under contract with Amtrak, are eligible. One example of this service that comes to mind is my state's Missouri Mule, which operates between St. Louis and Kansas City. The state of Missouri attempted a competitive bid for the Missouri Mule service last year when Amtrak increased the state subsidy requirement. The process failed, because Amtrak refused to make facilities and equipment, or even access to its national reservation system, available to any bidder on reasonable terms. In many ways, it is the Missouri Mule example that resulted in the Fair Bid language being contained in this bill. Certainly, the Missouri Mule will be a candidate under this new provision.

However, there are many other candidates. The North Carolina Piedmont and Carolinian provide another example of such trains. The Amtrak Cascades Service between Vancouver, British Columbia and Eugene, Oregon is a 464-mile corridor that is subsidized by the Washington and Oregon DOTs. Services that are not current 403(b) services would also be eligible should the state choose to provide a subsidy. In another more general example, the State of Florida is interested in new conventional intercity passenger rail service along the East Coast, but Amtrak has declined to initiate the operation. In cooperation with the track owner, the state has the option of putting that service out to competitive bid.

Another example is New York's Empire service between Albany and New York City. That service is currently not subsidized, but Amtrak has requested a subsidy from the state as a condition of operating New York's remanufactured 125 mile per hour turbo trains. The Empire corridor could be put out to competitive bid under the terms of this provision.

Mr. ETHERIDGE. Mr. Speaker, I rise in opposition to the conference report on H.R. 2673. This bill would provide funds, for the fiscal year that began on October 1, for eleven of the fifteen Cabinet departments, several independent government agencies, and the District of Columbia government.

I will oppose this bill because it is a combination of missed opportunities and misplaced priorities. This bill has many shortcomings, but let me focus on three key areas: agriculture, education and homeland security.

Mr. Speaker, I grew up on a tobacco farm, and my district is one of the leading tobacco producing districts in the country. As a Member of the House Agriculture Committee, I know that our farmers are hurting. North Carolina's farm families are watching a way of life that has sustained us for generations vanish without any assistance from the federal government to transition into the future. I have been working throughout this Congress on a bipartisan basis to pass a buyout of the federal tobacco quota program to aid that transition. Having worked to achieve consensus legislation, my colleagues and I sought to attach buyout legislation to this omnibus appropriations bill, the last legislative vehicle of the First Session of the 108th Congress. But the Republican Leadership rejected this effort. As a last ditch effort, I wrote to Speaker HASTERT and asked him to include Congressman WALTER JONES's bill to freeze quota levels that determine how much tobacco farmers can produce. Again, we were denied.

Our tobacco farmers deserve better, and I will vote No to protest the shabby treatment they have gotten from the Republican Congressional Leadership.

As the former Superintendent of North Carolina's public schools, my life's work has been the improvement of educational opportunities for all of our children. In the U.S. House, I chair the Democratic Caucus's special Task Force on Education and Job Training. In the 107th Congress, I voted for the President's landmark No Child Left Behind (NCLB) education reform law because the Administration promised to provide the resources to make the tough new reforms work. Unfortunately, the Administration has broken that promise, and I have been forced to introduce legislation to require full funding for NCLB. This omnibus appropriations bill continues to break the promise of NCLB to our children, their parents, our teachers, taxpayers and schools. The bill shortchanges NCLB by $7.8 billion in fiscal year 2004 alone. This bill also contains misguided private school vouchers in the District of Columbia. Vouchers are bad public policy because they take taxpayer dollars to pay for private school tuition. That is just plain wrong, and I have consistently opposed vouchers throughout my service in public office.

Our children deserve better, and I will vote against this bill because of the harm it does to our schools.

Finally, Mr. Speaker, as a center for the military, agriculture, technology and transportation sectors, North Carolina plays a prominent role in the ongoing effort to secure the homeland against the threat of additional terrorist attacks. As a Member of the House Select Committee on Homeland Security, I have worked throughout this Congress to bolster our nation's homeland security. Although this bill does not fund the Department of Homeland Security, two important provisions of the bill will negatively impact its operation. This legislation forces the rescission of $1.8 billion in prior year supplemental appropriations and a significant portion of those funds are in DHS. In addition, the across-the-board cut contained in this bill will have a dramatic impact on certain areas. For example, the needed increase of 570 Customs and Immigration agents for improving border protection will have to be cut by nearly two-thirds. Also, the bill cuts state and local law enforcement funds by $500 million below last year's level at a time when our state and local governments face massive budget shortfalls.

Our communities deserve better, and I will vote against this bill because of its shortsighted treatment of our homeland security.

In conclusion, Mr. Speaker, there are many provisions of this bill I do support. I strongly support each of the projects for North Carolina's Second Congressional District that are funded in this bill. But the Republican Leadership chose to craft this bill through an indefensible and incoherent process. The result is a bill that can be summed up as a missed opportunities and misplaced priorities.

The people of my district and this country deserve better. I will vote against final passage of this legislation, and I urge my colleagues to join me in doing so.

Mr. SWEENEY. Mr. Speaker, because this bill is coming to the floor as a conference report, I am unable to offer a very important amendment. My amendment would require the Federal Communications Commission (FCC) to complete and issue its rulemaking in CC Docket 02–33 within 60 days of passage of this bill. This is proceeding pending at the FCC to determine whether broadband facilities provided by telephone companies should be regulated as telephone services under Title II of the Communications Act or as information services under Title I of the Communications Act.

The FCC adopted the Notice of Proposed Rulemaking on February 14, 2002. Comments were filed on May 3, 2002 and reply comments on July 1, 2002. The FCC, however, has been sitting on its hands for the last 16 months.

This is the same agency that, once it voted on its triennial review report and order spent another six months before actually releasing the text of the order. The FCC has not ruled on the petitions for reconsideration pending on the triennial review. My amendment will also require the FCC to rule on these petitions for reconsideration within 60 days of passage of this bill. Unfortunately, the FCC's Nero seems to be fiddling again while the telecommunications industry's Rome is burning.

The Industry is in state of regulatory stasis concerning broadband. Companies do not know what the broadband rules will be, so they cannot make sound decisions as to when, where, and even whether to deploy broadband. This is an industry that has lost more than 500,000 jobs during its current economic slide.

This inaction is inexcusable. The delay is further harming an industry already seriously wounded. There is little doubt that ubiquitous deployment of broadband will boost the U.S. economy, and particularly the moribund telecommunications sector. A recently updated study by Robert Crandall, Charles Jackson, and Hal Singer states that "the cumulative increase in capital expenditures associated with the ubiquitous adoption of current generation (broadband) technologies will result in the cumulative increase in gross domestic product (GDP) of $179.7 billion (over nineteen years) and will sustain an additional 61,000 jobs per year." Yet, the FCC continues to ignore the negative economic impact its indecision has on the industry.

All my amendment does is require the FCC to complete something it should have done over a year ago. We've given the FCC enough time. The American people are waiting and the U.S. Congress has had enough of the FCC's paralysis.

Mr. KUCINICH. Mr. Speaker, I rise today in strong opposition to the Omnibus Appropriations Act of 2004. In almost every areas of concern for families, this bill is grossly inadequate and detrimental to America's future.

For our Nation's children and schools, the funding shortfalls in the Omnibus are legion. At a time when we are demanding more of our public schools, and as State and local education budgets continue to be cut, funding for No Child Left Behind is frozen. At a time when the average Pell Grant is worth about $50 less in real terms than it was in 1975, the size of the maximum grant is frozen.

The Omnibus also freezes funding for the 21st Century Community Learning Centers program, the main source of Federal funding for after school programs. Over 1 million children will not have after school opportunities under this bill. This bill even falls $1 billion short of the level promised in the Republican budget resolution and authorization bill passed earlier this year for IDEA, which educates disabled children. Again, this funding shortfall is passed directly on to local school districts.

For as many as 8 million workers, this bill also represents the end of overtime pay—but not the end of overtime hours. Although this body voted to strip the administration's plan to eliminate overtime coverage for millions of Americans, the Omnibus continues forward with a regulatory agenda determined to make Americans—from paralegals to paramedics—work longer hours for less pay.

Finally, last July this Congress took a giant step forward in overwhelmingly voting to eliminate funding for section 213 of the PATRIOT Act, a provision what allows for so-called "sneak and peak" searches, or searches of property without the advanced notification of the person being searched. This action spoke to the anxiety of millions of Americans who believe the PATRIOT Act must be repealed or revised to restore fundamental civil liberties in this Nation. Again, the result of this bi-partisan vote is starkly absent from the Omnibus.

Not only does the Omnibus cut education, it defies the will of the House on overtime pay and civil liberties. Our children and our families suffer and the integrity of the U.S. Constitution remains at risk. Vote against the Omnibus Conference Report.

Mr. POMEROY. Mr. Speaker, I will be casting my vote against this bill today because of many serious flaws in this legislation, flaws that were included in the bill despite widespread, overwhelming opposition. Additionally, the bill tragically underfunds several key programs, such as funding for education reform and veterans.

Included in this legislation is language to delay the implementation of country-of-origin labeling until 2006. Country-of-origin labeling was required by the 2002 Farm Bill and is necessary to give U.S. consumers important information and give U.S. producers credit for the considerable investment they have made in the quality and safety of their products.

Included in this legislation are provisions that could make 8 million women and men lose the overtime pay that they use to feed their families, pay for medicine, and educate their children. These provisions were not approved by a majority of the House and Senate.

Included in this legislation today is language to allow television networks to own as much as 39 percent of a market. Shortly after the Federal Communications Commission made its decision to allow television networks to own stations reaching as much as 45 percent of the country earlier this year, both chambers of Congress went on record for supporting lowering the limit to 35 percent.

In addition, while I support the intentions of last year's education reform promise to leave no child behind, I am also convinced that the success of this new law will be determined in part by the investment made in this historic reform effort. I am deeply disappointed that this funding plan falls more than $7.8 billion short of the resources promised.

I am pleased to have supported the inclusion of a number of important North Dakota projects in this legislation. However, the House could and should consider clean legislation that does not contain those provisions not supported by a majority of representatives. I hope this bill is taken up again in January without these objectionable provisions.

Mr. RODRIGUEZ. Mr. Speaker, I rise today to express my disappointment that the omnibus appropriations package before us, H.R. 2673, does not include provisions passed by both houses of Congress to protect workers' overtime pay nor does it extend the Temporary Extended Unemployment Compensation (TEUC) program.

Mr. Speaker, there we are again, the holiday season is upon us and once more, it is time to buy presents for our loved ones. Whether we are celebrating Christmas, Chanukah, Kwanzaa or simply the holiday season, it is a time for sharing gifts, festive meals and caring for others. Unfortunately, the appropriations package before us will strip workers of their overtime rights and does not extend TEUC benefits, possibly resulting in Santa Claus not making stops at everyone's house next year.

Millions of families continue to struggle through the rough fringes of our economy. Currently the official U.S. unemployment rate is at 5.9 percent representing more than 8.5 million unemployed workers, and the rate for Hispanics has moved up to 7.4 percent. As much as these can be seen as mere figures, we must realize that they are more than just numbers. They represent human beings: someone who needs work and whose family may need food and clothing. These are not luxuries; they are the essentials.

Too many Americans are going to wake up New Year's morning to find out that their unemployment insurance has run dry. In the past 2 years, we've seen some 3 million jobs disappear.

Mr. Speaker, we had an opportunity to extend the reauthorization of the TEUC program and we failed to do it.

I joined the efforts to extend those benefits so that working families still looking for jobs can enter the New Year with some place of mind. The leadership in this House, however, saw it differently and blocked our efforts to extend help to out-of-work Americans. They reportedly said the economy's doing so much better than unemployed workers don't need any extra help. Sadly, this failure not only hurts families but also the economy. Worse yet, it comes just a few weeks after these same leaders approved a $12 billion handout to insurance companies.

That's not all. Even those who are fortunate to have jobs have come under attack by the leadership of this House. On March 31, 2003, the Bush administration proposed changes to the overtime pay rules that require additional pay for workers who put in more than 40 hours per week. These changes will impact up to 8 million employees who could find themselves working longer without any additional pay.

Once again, Mr. Speaker, we had an opportunity to include provisions in this massive appropriations package to ensure that the rights of over 8 million workers to receive overtime for their hard work were protected, and we failed.

The new rules will impact workers who make between $22,101 and $65,000 per year. These middle class workers, from journalists to medical technicians, often rely on the extra money they get for overtime and appreciate there being some limit on the time they are expected to work.

Congress votes to stop this change in labor policy, though the vote was particularly close. Despite this action from Congress, the Bush administration has continued to push for the changes. The President even issued a veto threat against this massive appropriations bill if it included any attempt to maintain the overtime protections for these workers and their families.

As we enter the holiday season, it's sad that there's so little compassion for Americans struggling to find jobs and make ends meet. Clearly, the battle for America's working families is not over.

Mr. LANTOS. Mr. Speaker, last summer this House in an overwhelming bipartisan fashion adopted H.R. 1950, the foreign relations authorization bill which, among other provisions, authorized the establishment of the Millennium Challenge Account (MCA) and the creation of a Millennium Challenge Corporation (MCC).

Today, this House will consider the conference report for the Foreign Operations Appropriations bill as a part of the Omnibus Appropriations bill that we are considering. In it will be authorizing language for the MCA and the MCC which largely reflects many of the priorities and structures incorporated in the MCA bill that Democrats and Republicans so painstakingly crafted in the Committee on International Relations.

Mr. Speaker, I rise today to highlight one specific aspect in the creation of a Millennium

Challenge Corporation. I believe that the MCC will face a variety of management issues as it begins to administer the MCA. It is critical that the corporation have access to the best advice available to help frame its initial organizational structure and guide its subsequent operations, particularly in developing and fine-tuning policies, procedures and processes.

I strongly encourage the chief executive officer or the interim CEO of the corporation to seek advice from organizations with managerial expertise—such as the National Academy of Public Administration (NAPA)—in designing and launching the Millennium Challenge Corporation. The report, which accompanied the MCC legislation reported from the Committee on International Relations made such recommendation, and I believe that it is important that we take note of this counsel since we are passing this legislation in a somewhat different from today.

Mr. Speaker, I also would like to make a brief comment on section 534 of the Foreign Operations Appropriations Act for fiscal year 2004 as it relates to assistance to Lebanon.

Mr. Speaker, last year, this House adopted the conference report to H.R. 1646, the Foreign Relations Authorization Act of 2003, which became Public Law 107–228, included section 1224, a provision restricting foreign assistance to Lebanon until it fully took control of its borders. This provision, which derives from an amendment I offered to the bill and which prevailed on the House floor, reads as follows:

SEC. 1224. ASSISTANCE TO LEBANON.

(a) PROHIBITION—Notwithstanding any other provision of law, $10,000,000 of the amounts made available for fiscal year 2003 or any subsequent fiscal year that are allocated for assistance to Lebanon under chapter 4 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2346 et seq.; relating to the economic support fund) may not be obligated unless and until the President certifies to the appropriate congressional committees that—

(1) the armed forces of Lebanon have been deployed to the internationally recognized border between Lebanon and Israel; and

(2) the Government of Lebanon is effectively asserting its authority in the area in which such armed forces have been deployed.

(b) REQUIREMENT RELATING TO FUNDS WITHHELD—Notwithstanding any other provision of law, any funds withheld pursuant to subsection (a) may not be programmed in order to be used for a purpose other than for assistance to Lebanon until the last month of the fiscal year in which the authority to obligate such funds lapses.

Section 534 of the FY2004 Foreign Operations Appropriations Act, which is contained in this conference report, provides a special authority to provide assistance to Lebanon "notwithstanding any other provision of law." I note that in trying to look at congressional intent to determine how to interpret this "battle of the notwithstandings," I note that identical language to section 534 was contained in past foreign operations appropriations acts prior to the enactment of section 1224 of 2003 the Foreign Relations Authorizations Act of 2003. Section 534 and its predecessors were originally clearly designed to deal with issues other than the restriction in section 1224. Moreover, there is no legislative history that would suggest that section 534 was meant to override section 1224. Finally, I understand that in a similar situation last year, after careful consideration, the administration decided not to use identical language in the FY 2003 Foreign operations Act to override section 1224, even though that act was enacted after the Foreign Relations Authorization Act of 2003.

On this basis, and particularly in view of the soon to be enacted Syria Accountability Act, which addresses the reasons that Lebanon is unable to deploy its troops to the border, I believe that congressional intent is clear that section 534 of the FY2004 Foreign Operations Act cannot be used to override section 1224 of the Foreign Relations Authorization Act of 2003.

Mr. UDALL of Colorado. Mr. Speaker, I will vote against this conference report. I can support neither the process by which it was assembled nor the misshapen result of that process.

Once again the House is being asked to vote on a massive omnibus measure that rolls together the thousands of specific accounts that properly should be included in no fewer than seven separate regular appropriations bills. This is exactly what happened last year, and it is just as objectionable now as it was then.

I do not blame our appropriations committee for this. I have the greatest respect for both its Chairman, the gentleman from Florida, Mr. YOUNG, and its ranking member, the gentleman from Wisconsin, Mr. OBEY. They and their colleagues did their work, and the House passed all of the regular appropriations bills, in a timely fashion.

Unfortunately, however, the Senate did not follow suit—and the leadership of both chambers insisted on taking control of the process in order to accommodate the desires of the Bush Administration. As a result, the bill before us today not only has provisions not considered by either chamber, it also omits some things that were approved by both bodies. And while it does provide essential funding for many purposes, in several important respects it falls far short of what is needed.

For example, one of my biggest concerns is how this conference report deals with important scientific facilities of two agencies—the National Oceanic Atmospheric Administration (NOAA) and the National Institute of Standards and Technology (NIST)—in Colorado.

I voted against the commerce department funding bill when the House considered it earlier this year because it included severe reductions in funding for these facilities. I could not support such cuts, not just because these facilities employ so many Coloradans, but also because the work done there is so important for our country.

Still, even though that part of the House bill was seriously inadequate, I hoped that the Senate would not make the same mistake and that the conference report would more appropriately recognize the needs of these facilities—but, as I have reviewed the conference report, that hope has faded.

NOAA LABORATORY FUNDING

The conference report isn't as clear as it could be. For instance, it hasn't been possible to determine whether or not the report includes $4.5 million to pay rent for NOAA's Boulder labs. In fact, even NOAA's budget office isn't sure whether or not that money was included.

Similarly, it isn't readily apparent how the research funding breaks down and at what levels the Colorado labs are funded—apparently program accounts have been padded with an "administrative charge," though we don't know the amount, there are across-the-board rescissions that also affect program accounts, and there are huge numbers of earmarks in the bill that take from program funds. Furthermore, it isn't yet clear whether or not jobs will be lost at NOAA.

One thing that is possible to discern—through inference—is that NOAA's Space Environment Center (SEC) is funded at $5.3 million. This is barely two-thirds of the base funds needed by SEC, which suffered similar shortfalls last year, and 40 percent less than the President's $8.3 million FY04 request.

This is more than disappointing—in my opinion, it is irresponsible. Let me briefly explain what leads me to that conclusion.

In October, the Science Committee's Environment, Technology, and Standards Subcommittee held a hearing to fully examine the issue of space weather and who should be responsible for its forecasting. We heard testimony from representatives of NOAA, the Air Force, and NASA, along with officials from the electric power, satellite, and airline industries, which are the predominant users of the SEC's forecasts.

From that hearing, it was clear that:

The services that NOAA's SEC provides are relied upon heavily by government and many critical private sector industries;

The SEC functions cannot be easily transferred to another agency without huge expenditures and temporary to intermediate loss of forecasting services; and

Even at the House approved funding level of $5.3 million, the SEC would have to significantly reduce current services at a time when our industries are more vulnerable to space weather.

With our country increasingly vulnerable to these solar events, it is short-sighted and penny-pinching to reduce the services provided by the SEC.

NATIONAL INSTITUTE FOR STANDARDS AND TECHNOLOGY (NIST)

The numbers for NIST are no more satisfactory. The overall Scientific and Technical Research and Services (STRS) account is funded at a lower level than both the House and Senate bills, and this lower level also includes $15.5 million in earmarks. The lab account thus will provide only minimal funding to cover mandatory cost-of-living increases, at the same time new responsibilities are being assigned to NIST.

With approximately 55 percent of NIST's STRS budget devoted to personnel compensation and benefits, these cuts in the lab account will lead to more job losses at NISt, only continuing the steady decrease in the number of NIST staff in the laboratories since 1994.

Funding for direly needed construction at Boulder's NIST laboratories is again less than is needed. The NIST Boulder laboratories have contributed to great scientific advances through its key facilities, but these facilities are now over fifty years old, and if they are to continue to make important contributions, they need help.

Of the millions of dollars of work that was shown to be necessary in NIST's 1998 Facilities Improvement Plan, only about $11 million has been appropriated over the years—for the design of an electrical system upgrade at the Boulder facilities and for the first phase of construction of a new central utility plant. The central utility plan still needs $22.6 million, and the electrical services improvements need $5.5 million, yet the conference report includes $23.5 million in earmarks in the NIST construction account. Only about $20 million of about $65 million is left in the report for construction, and it's unclear how that total will be divided between NIST's Gaithersburg and Boulder labs.

NOAA and NIST are not the only Commerce Department accounts that are shortchanged by the conference report—and the damage goes beyond federal agencies to hurt the private sector too.

MANUFACTURING EXTENSION PROGRAM

The conference report cuts by more than two-thirds the Manufacturing Extension Program, which assists thousands of small and medium-sized manufacturers across this country. This cut effectively guts the program, which was the Bush Administration's intent. With manufacturing jobs still being lost every month and high-tech companies struggling, now is not the time to turn our back on the manufacturing community and our small high-tech entrepreneurs.

It is one thing to make government more lean; it is another thing to cut programs and jobs year in and year out at facilities all over the country—not because there is fat to cut at these facilities, but because the Subcommittee allocation simply doesn't provide enough money to go around. This conference report continues the pattern of bleeding NIST and NOAA dry—agencies that do so much to support our nation's economy and the public's well-being.

Of course, the conference report does include funding for programs to assist veterans, housing programs, and many other worthwhile purposes, including necessary investments in transportation infrastructure—things that I definitely support.

Some of the transportation items are of special importance for Colorado. These include: $8 million for the Boardway Bridge/I–25 interchange complex; $4 million for work on the Santa Fe/C–470 corridor; $3 million for the McCaslin Boulevard/U.S. 36 interchange; $3 million for repairs to the Red Cliff/Arch bridge; $2.5 million for implementation of the incident management plan for Interstate 70; $2.5 million for the Colorado I–225 and Colfax Avenue interchange; $800,000 for the U.S. 36, Wadsworth, and State Highway 128 interchange; $800,000 for the I–70 and State Highway 58 interchange; $500,000 for the Wadsworth Blvd/SH121/Grandview grade separation project; $500,000 for the East 104th Ave. and U.S. 85 intersection improvements; $500,000 for the U.S. 6 and State Highway 121 interchange; $450,000 for the U.S. 36, I–270 interchange; $400,000 for work on State Highway 149; and $200,000 for work on I–76 between Fort Morgan and Brush. In addition, the conference report includes $14 million for buses and bus facility projects of the Colorado Transit Coalition, whose request I strongly supported.

If we had the chance to consider separate final bills for these purposes, I would be glad to support them. But instead they have been rolled into this conference report, with all the serious deficiencies I have mentioned.

And those deficiencies are not the only ones—the conference report before us has other serious defects as well, such as the fact that it does nothing to prevent administrative actions that threaten the right of many workers to receive overtime pay to which they are now entitled, and the omission of the provision passed by both Chambers to make it easier for Americans to travel to Cuba.

The bottom line, Mr. Speaker, is that these many deficiencies make it impossible for me to vote for this conference report.

Mr. BLUMENAUER. Mr. Speaker, it is a sad commentary on the performance of the Republican leadership who control the White House and both Houses of Congress that they still cannot get the appropriations work done on time. I voted against several of these measures as stand-alone bills. Rolling them together and adding special interest provisions has not made them any better.

Indeed, in several instances this bill represents a repudiation of the will of the public and express decisions of Congress. Examples include the fact that a bipartisan majority of Congress had already voted to prevent the Bush administration regulations that would deny overtime pay to 8 million employees. This bill strips the ban. Additionally, this bill abandons an overwhelming bipartisan agreement of both bodies of Congress to block Federal Communications Commission (FCC) regulations permitting broadcast networks to expand their reach and consolidate the industry.

This omnibus appropriations bill spends too much on the wrong things and shortchanges critical needs such as education, veterans' healthcare, and state and local law enforcement. It's made all the worse that this funding is borrowed money that will add to our budget deficit. I vote "no."

Mr. EVANS. Mr. Speaker, I rise in opposition to the bill, H.R. 2673, FY 2004 Consolidated Appropriations Act.

Mr. Speaker, this is a disappointing bill in many ways. Not only is it inadequately funded, it is not timely.

For the second year in a row, we will fail to provide the Nation's largest federal health care system, the Veterans Health Administration, with a timely and adequate budget. After another year of fierce battles over funding, we are not likely to pass a budget for veterans' health care until we return in January—after almost a third of the fiscal year is gone. In the worst case scenario, the veterans' health care system will subsist on a continuing resolution through the rest of the fiscal year.

Not only will the budget be late, which wreaks havoc on VA's ability to plan effectively to meet the demands of its burgeoning workload, it will be greatly inadequate and, far less than the $1.8 billion additional funding we promised veterans in the budget last April. What will this likely mean for veterans who rely upon the VA as their health care provider?

Increases in waiting time: VA's workload has increased each year since 1997. Wait times reached a crisis point of hundreds of thousands of veterans waiting more than six months for care, around the beginning of the last fiscal year. VA's budget, on the other hand has not kept pace with the rate of growth in enrollees or medical inflation. VA began to make progress addressing waiting times for its major clinics last year, but with another late and insufficient budget it is likely that waits will be on the rise again.

Possible additional curtailments in enrollment: For the first time since 1997, last January, the Secretary chose to prohibit new veterans in Priority 8—some of whom make as little as $25,000 each year—to enroll in VA for their health care. Fiscal pressure may drive additional prohibitions.

New fees and additional copayments for veterans: Every year, this Administration has proposed new entrance fees and increased copayments for veterans as a means of making its inadequate budgets balance by deterring veterans' utilization of health services and enhancing its scarce revenues.

Continued inabilities to recruit scarce clinical personnel: For the second consecutive year, VA will have missed the prime time in the academic cycle for recruiting physicians—this is particularly damaging for recruitment of those in high-demand specialties. VA has held hundreds of these positions vacant and was relying on a timely and adequate budget, in addition to legislation, to help with these vacancies. Nurse and pharmacist shortages also continue to be problematic.

Inabilities to prepare for returning troops: VA must shore up programs, such as its renowned post-traumatic stress disorder treatment, readjustment counseling, prosthetics, and other programs for special disabilities in order to meet the needs of new veterans returning from Iraq and Afghanistan.

This Congress must now seriously consider the question, "Is this really the best we can do for our veterans in a time of war?"

Our answer must be an unqualified, "no!"

The time has come for us to assure that an adequate and timely budget is available to our veterans' health care system at the start of each new fiscal year. The time has come for a rational way of determining VA's budgetary needs. The time has come for us to support, H.R. 2318, "Assured Funding for Veterans Health Care Act of 2003." This bill would automatically fund the veterans' health care system by the number of enrolled veterans and the anticipated changes in the hospital inflation rates for each year.

We really can do better by our Nation's veterans.

Ms. HOOLEY of Oregon. Mr. Speaker, there are a number of things both good and bad in this Omnibus Appropriations bill that we're considering today. I want to talk specifically about an issue that is extremely important to me and the people I represent, and one that I've been working on for years.

Our farmers grow the best produce and raise the best livestock in the world. And American consumers know this. Studies have shown that Americans want to buy American commodities, and are even willing to pay a premium to do so. Yet while a consumer can go into a department store and know that their shirt is made in this country, they can't go into the grocery store and have the same certainty about the food they are going to serve their families.

U.S. producers need mandatory labeling in order to compete in the marketplace. Product differentiation is the only way consumers can exercise their choice between purchasing either domestic beef or beef produced by foreign competitors. Our nation's farmers and ranchers produce the best and safest commodities in the world, and our nation's consumers deserve the chance to determine where their food is born, raised, and processed.

For these reasons we had country of origin labeling provisions added to the Farm Bill last Congress. Unfortunately this bill throws another hurdle in front of our consumers and our farmers, delaying implementation of this important law.

Country of Origin Labeling is good for Americans farmers and good for Americans consumers. I am extremely disappointed that the conferees included these delays on country of origin labeling.

Mr. TAUZIN. Mr. Speaker, I rise today in opposition to an authorization provision contained in the conference report we are considering today. This provision—inserted in the eleventh hour—would limit a television broadcaster's potential national audience reach to 39 percent. Not only is this bad public policy, but this provision is more susceptible to a First Amendment challenge than the FCC restriction it replaces. The DC Circuit rule in its 2002 Fox Television decision that the FCC failed to justify its old limitation. The court made it clear that any broadcast ownership limit is subject to at least rational-basis scrutiny under the First Amendment. Consequently, the FCC conducted an exhaustive study and developed a comprehensive record which concluded that a 45-percent limit was supportable. This bill ignores the FCC's findings, as well as the Fox decision, and plucks a 39-percent figure out of thin air. An act of Congress is afforded more deference than an FCC rulemaking, but it is still subject to First Amendment scrutiny. With absolutely no record to support this limit, the provision might very well not withstand judicial review, potentially leaving us with no restriction whatsoever.

The bill's ownership provision is also rooted in a misunderstanding of the FCC's new rule, current levels of concentration, and the state of competition. The FCC's rule measures potential audience reach, not the number of television stations an entity owns. No broadcaster owns anywhere near 45 percent of the nation's more than 1,700 full-power, commercial and non-commercial television stations. In fact CBS and FOX only own approximately 2 percent—the ruling by the FCC's would allow them to purchase only a handful more stations—while NBC owns less than 2 percent, and ABC owns less than 1 percent.

Mr. Speaker, the FCC rule limits a broadcaster to owning television stations whose signals, in the aggregate, serve areas encompassing no more than 45 percent of the nation's television households. This does not mean that viewers are watching the broadcaster's stations, only that the stations' signals are potentially available in the viewers' areas. No broadcaster's actual audience share is close to 45 percent. Even CBS, which currently leads the ratings race, only garners about a 14-percent audience share during primetime. And in fact, the vast majority of the stations carrying CBS programming are independent affiliates not owned by CBS. In terms of actual viewership, no major broadcast network owns stations that, in the aggregate, exceed 3.4 percent of the national viewing audience.

To win viewers, each network still must compete with many other broadcasters, each of which would also theoretically own stations with signals available to 45 percent of the country. Indeed, there are now seven major broadcast networks—ABC, NBC, CBS, FOX, UPN, WB, and PAX—as well as foreign-language networks, and many independent broadcasters. Moreover, 85 percent of television households now subscribe to cable or satellite service with access to both broadcast and non-broadcast programming, and entities other than ABC, NBC, CBS or FOX own approximately 75 percent of the more than 100 channels of programming received in the average home. Also, keep in mind that the FCC's local ownership rules still protect localism and diversity by requiring a minimum number of independent voices in each market. In this context, the drummed-up fear over the FCC's rule is almost as ludicrous as would be the fear over the national availability of Starbucks. Starbucks, it sometimes appears, can be found on every corner. But Starbucks' seemingly ubiquitous presence does not mean that consumers can't drink other brands of coffee, or forgo coffee altogether in favor of tea, juice, soda, or any other beverage.

The FCC granted broadcasters the added flexibility to help preserve free, over-the-air television, which is losing ground to cable and satellite service. Since 2002, cable programming has had more primetime viewers than broadcast programming, and its lead is increasing. This is particularly significant because broadcasters depend exclusively on advertising, while cable and satellite providers benefit not only from rapidly increasing advertising revenue, but subscription revenue, as well. By preventing broadcasters from making limited and reasonable acquisitions to improve their economies of scale and operating efficiencies, we jeopardize the continued viability of free television broadcasting.

Adding insult to injury, this bill will forbid the FCC from raising or lowering the 39 percent limit as market conditions continue to change. In fact, the bill eliminates the FCC's authority to periodically review even "rules relating to the 39 percent national audience reach limitation." Eliminating the FCC's discretion over the national audience-reach limit in this manner is unwise. Congress created the FCC to avoid having to pass legislation every time conditions change. By requiring Congress to act whenever fine-tuning becomes necessary is not only impractical, but it stifles the media marketplace. Moreover, the rush to judgment is not even necessary here, as the Third Circuit has prevented the FCC's rule from taking effect while the court considers it on appeal. Unfortunately Mr. Speaker, the provision contained in this bill may just be yet another nail in the coffin of free, over-the-air television, as broadcasters find it increasingly difficult to grow when faced with the tightened broadcast ownership cap, and as business models continue to turn toward cable and satellite service.

Mr. SKELTON. Mr. Speaker, the House is meeting today—69 days after the beginning of the fiscal year—to debate H.R. 2673, a colossal $328 billion spending bill that includes 7 of the 13 annual appropriations measures for fiscal year 2004.

The gentleman from Florida, Mr. YOUNG, and the gentleman from Wisconsin, Mr. OBEY, have worked diligently this year to pass the annual spending bills one-by-one. However, as it became apparent that the Congress could not approve these measures individually, congressional leaders began working to fit them together into one catch-all bill, like the pieces of a $328 billion puzzle. Unfortunately, the pieces of this puzzle are not fitting together in a way that benefits the American people.

I will oppose H.R. 2673 because it breaks promises Congress made regarding education, it cuts necessary Federal funds for State and local law enforcement, and fails to extend unemployment benefits for thousands of Missouri workers who are currently out of work this holiday season.

Education remains a top priority of the people of Missouri. When I am back home, I frequently visit schools to meet with students and teachers. At nearly every location, teachers and administrators inform me of the difficulties they have when it comes to unfunded Federal mandates burdening their districts. School districts throughout the Show-Me State and the Nation are experiencing tough times as the poor economic conditions and the fiscal choices made by this Congress are leading to decreased revenue for schools. The professionals who teach our children and grandchildren deserve to have the resources they need to get the job done. When the Congress approves legislation authorizing specific legislative initiatives, we ought to fully fund them.

H.R. 2673 provides $7.8 billion less than Congress promised in the No Child Left Behind Act and falls 45 percent short in special education funding promised under the Individuals With Disabilities Education Act (IDEA) reauthorization bill that passed earlier this year. It also freezes Pell Grant awards at a time when State universities are drastically increasing tuition costs and underfunds by 18 percent the funds necessary for Impact Aid. H.R. 2673 also establishes a private school voucher program for students who live in the District of Columbia, moving Congress a step closer to abandoning our historical commitment to public schools and establishing the first Federal subsidies for getting a private school education.

As a former prosecuting attorney and juvenile officer, I have worked closely with law enforcement officials. Law enforcement personnel play a critical role in protecting Missouri communities from the scourge of methamphetamine abuse and other crimes and from the threats posed by terrorism. Congress has a duty to provide adequate funding for those who protect us in our hometowns. Under H.R. 2673, State and local law enforcement is funded at $500 million below last year's levels.

As the holidays approach, millions of Americans are still facing unemployment. While economic news has indicated that the numbers of jobless Americans decreasing, Congress must work to extend unemployment benefits to those who are not so fortunate. Time and again, we have worked in a bipartisan manner to assist unemployed Americans. I am disappointed that the House leadership has failed in this regard, especially at this time of year.

Mr. Speaker, H.R. 2673 shortchanges teachers and students, law enforcement personnel, and unemployed Missourians. Appropriations bills should speak to our priorities as a nation. I cannot support this measure that sets our country on a course of misplaced priorities.

Mr. SANDERS. Mr. Speaker, I would like to commend Subcommittee Chairman ISTOOK, Subcommittee Ranking Member OLVER, Chairman YOUNG and Ranking Member OBEY for including a provision I have been fighting for during the last several years to protect workers negatively impacted by illegal, age discriminatory cash balance pension plans.

Mr. Speaker, as you know, on September 9, 2003, this House overwhelmingly passed by a vote of 258 to 160 an amendment I offered to the Fiscal Year 2004 Transportation-Treasury Appropriations bill barring the Treasury Department from helping to overturn the court decision in the Southern District of Illinois brought by IBM employees against IBM's cash balance pension plan.

The Federal court in that case has determined that, as many of us in this House have argued, IBM's cash balance plan and indeed all cash balance plans inherently violate current Federal anti-age discrimination law. By its terms, my amendment barred Treasury from opposing the IBM employees in that case. One of the intended effects of my amendment was also to bar Treasury from finalizing the proposed regulations on cash balance plans—regulations that were improper because they are contrary to the requirements of Federal age discrimination statutes.

On October 23, 2003, the Senate passed a similar amendment by Senator HARKIN barring Treasury from finalizing these illegal regulations. These two amendments served as the foundation for the final legislative language which requires the Secretary to submit to the Congress proposed legislation to remedy the harm that these cash balance plans do to older workers. This legislative language also bars the Treasury Department from finalizing its illegal regulations on cash balance pension plans.

Now, I understand that report language has been added that attempts to rewrite the legislative history of this provision by stating that the intent of this legislative language is not to call into question the validity of cash balance plans.

Well, Mr. Speaker, that is exactly the intent of this provision. There is no doubt. This legislative provision is included in the final bill before the House because Members of this body and the other body have grave doubts about the legality of cash balance pension plans.

While this report language in no way dilutes the effect of the legislative ban on Treasury finalizing its cash balance regulations, it is a cynical attempt to hoodwink the courts considering the validity of these cash balance plans into believing that Congress has not spoken on this issue. It was no doubt carefully crafted by lobbyists with the express intent of using it in a legal brief.

Mr. Speaker, the debate on my amendment and Senator HARKIN's are clear. None of us in this Chamber are fooled by this non-binding report language and I trust that the esteemed courts of this country will not be either.

Mr. SERRANO. Mr. Speaker, we are nearing the finish of this session of the 108th Congress, and I am sure most Members will be heartily glad to see it end.

Today, we are considering an Omnibus bill making appropriations for departments and agencies that ought to be funded in seven separate appropriations bills, which have been held up by various obstacles, including insufficient allocations and controversial riders—or riders to stop controversial administration policies.

On the matter that should be in a separate bill for the Departments of Commerce, Justice, and State, the Federal Judiciary, and several important related agencies, we began with a bad budget allocation that has gotten worse and will be further reduced by across-the-board cuts, both within our division of the Omnibus and across the government.

I must say that our chairman, the gentleman from Virginia (Mr. WOLF) is not to blame for the deficiencies in our portion of this bill. Throughout the process, he has been very fair and has sought to produce the best possible bill, given the limited resources his leadership gave him to work with. For that, I thank him very much.

I also cannot thank the staff enough for all their hard work, long hours, and time away from their families. Mike Ringler, Leslie Albright, Christine Ryan Kojac, and John Martens for the majority, as well as Anne Marie Goldsmith and Alan Lang, this year's detailees, have worked closely with Rob Nabors and David Pomerantz of the Democratic staff and Lucy Hand, Nadine Berg, and Diaraf Thiouf of my staff and my Presidential Management Interns Pete Balfe and Erin McKevitt.

However, the allocation is still too small, and I am seriously concerned about its impact on very important government functions in law enforcement, the judiciary, foreign affairs, and other areas. I am alarmed that the amounts we have worked out in conference with the Senate will be reduced by across-the-board cuts. We fought hard for adequate funding, for example, for the FBI and other law enforcement, but even those amounts face devastating cuts.

Among the most worrisome deficiencies are the State and local law enforcement programs. Most of them are at barely acceptable levels, before the across-the-board cuts, but the Local Law Enforcement Block Grant, funded at nearly $400 million last year, falls to $225 million this year, before the across-the-board cuts. Even relatively small programs had to be cut, such as the Police Integrity grants, which falls from nearly $17 million in fiscal year 2003 to $10 million. We are asking State and local governments to do more to protect our people, as the resources available to support this work decline.

Another alarming problem is the Manufacturing Extension Partnership (MEP) program, which this year falls from over $106 million to just under $40 million, before the across-the-board cuts. This is a severe blow to a very important program, at a time when manufacturers need help. I can only hope that in fiscal year 2005 we can get back to a more appropriate level.

One last agency I would like to mention is the Legal Services Corporation (LSC) We had tried to stabilize LSC's funding this year, but across-the-board cuts will undercut that goal. Beyond that, there is growing concern that limits on the uses of private money donated to independent LSC grantees are hurting America's low-income families and imposing unwarranted government restrictions on the private sector. The administration does not tolerate such interference with the privately funded religious activities of its faith-based grantees. It—and we—would not tolerate such interference with privately funded secular activities also dedicated to helping families in need. I am hopeful that next year we can address these restrictions on privately donated funds. At this point, Mr. Speaker, I ask unanimous consent to submit for the RECORD letters I have received on this issue.

I am also alarmed by the process that got us to this point. The Republican leadership has imposed policies that are not supported by the majority of the American people, the Congress, or the conferees—in our subcommittee's division, the dead-of-night "compromise" on media ownership. The gun provisions are also different from what was agreed to by the conferees.

Mr. Speaker, if we can find $87 billion for a war we didn't have to fight, we ought to be able to find the resources to support our domestic law enforcement agencies with the personnel and resources they need; the commercial, statistical, and environmental activities of our Commerce Department; our foreign policy establishment; and such crucial agencies as the Federal Communications Commission (FCC), the Federal Trade Commission (FTC), the Securities and Exchange Commission (SEC), and the Small Business Administration (SBA).

Mr. Speaker, in the end, however most Members vote on the Omnibus Appropriations bill—and I recognize that many crucial programs would suffer under a long-term continuing resolution—I must emphasize that the resource allocation that has yielded Division B of the Omnibus, which funds the agencies in the jurisdiction of the Commerce, Justice, State, Judiciary, and Related Agencies Subcommittee, is grossly inadequate and may prove damaging to the national interest.

NOVEMBER 20, 2003.

Hon. FRANK R. WOLF,
Chairman, Subcommittee on Commerce, Justice, State and Judiciary, Committee on Appropriations, Washington, DC.

Hon. JOSÉ E. SERRANO,
Ranking Member, Subcommittee on Commerce, Justice, State, and Judiciary, Committee on Appropriations, Washington, DC.

DEAR CHAIRMAN WOLF AND CONGRESSMAN SERRANO: We write to thank for your tremendous leadership on behalf of America's families by supporting increased funding for the Legal Services Corporation in the Fiscal Year 2004 Commerce, Justice, State, the Judiciary and Related Agencies Appropriations Bill introduced in your Subcommittee.

However, we also write to express our regret that for the past several years this bill has included a restriction that severely limits the manner in which independent civil legal aid programs funded by LSC can spend their own private, state and local funds.

This "private money" restriction annually encumbers more than $300 million in non-federal money, and harms communities in two distinct ways. First, the restriction imposes costly government obstacles to private philanthropy. Second, the restriction closes the doors of justice to many low-income individuals and families unable to afford necessary legal representation in civil matters.

The undersigned groups write to express our support for amending the LSC appropriation in order to end this governmental interference with non-federal funding for legal aid nonprofits. We urge you to continue your tremendous leadership on behalf of America's families by guiding efforts to end this unfairness.

In particular, we hope you will support removal of the private money restriction because the restriction improperly interferes with the right of private philanthropies and other non-federal donors—including state and local governments—to determine the purposes for which their charitable donations will be used. In addition, the restriction interferes with the right of non-federal donors to select those local institutions best equipped to carry out the purposes of their charitable donations.

By removing the private money restriction, but keeping intact restrictions that control activities financed with federal LSC funds, Congress would properly place independent LSC recipients in the same position as nonprofit grantees of other federal entities which are permitted to use their non-federal funds free of unwarranted restrictions. This would bolster the mission of LSC as a model public-private partnership dedicated to supporting independent and accountable local programs that set their own priorities based on community need.

Furthermore, Congress's removal of the LSC private money restriction may well encourage increased charitable donations to the more than 150 independent LSC recipients that serve the working poor, veterans, the elderly, victims of domestic violence, family farmers and people with disabilities in every county and Congressional District in the Nation.

Thank you very much for your support and continued leadership on behalf of America's families.

Sincerely,

Brennen Center for Justice at NYU School of Law; International Union, UAW; National Legal Aid and Defender Association; Center for Law and Social Policy; National Organization of Legal Services Workers, UAW Local 2320; National Immigration Law Center; Open Society Policy Center; Association of the Bar of the City of New York; Community Service Society of New York;

National Council of La Raza; Council on Foundations Independent Sector; National Council of Nonprofit Associations; National Committee for Responsive Philanthropy; OMB Watch; Charity Lobbying in the Public Interest; Alliance for Justice; Nonprofit Coordinating Committee of New York.

COMMITTEE ON THE JUDICIARY,
Washington, DC, September 23, 2003.

Hon. JOSÉ SERRANO,
Ranking Member, Subcommittee on Commerce, Justice, State, Judiciary and Related Agencies, Committee on Appropriations, House of Representatives, Washington, DC.

DEAR CONGRESSMAN SERRANO. We greatly appreciate your efforts to secure additional funding for the Legal Services Corporation in the 2004 Commerce, Justice, State, the Judiciary and Related Agencies Appropriations bill (CJS). You know as well as any of us the importance of providing affordable legal services to our country's most needy.

We write today because, like you, we are increasingly concerned about an unfair and unnecessary provision in the CJS Appropriations bill that restricts the use of private and other non-federal funds by independent legal service providers funds in part by LSC. The "private money restriction" encumbers more than $300 million annually in non-federal funds—money that could be used to provide critical legal assistance to our society's most vulnerable individuals and families. The private money restriction burdens independent legal service providers with unwarranted costs; it impedes private charitable initiatives, and it undermines our Nation's promise of equal justice for all.

It is our hope that the Committee on Appropriations will revisit the private money restriction when it considers the 2005 CJS Appropriations bill. We urge you to continue your leadership on behalf of America's families by guiding efforts in your Subcommittee to end this unfairness.

Sincerely,

John Conyers Jr., Howard L. Berman, Rick Boucher, Robert C. Scott, Zoe Lofgren, Maxine Waters, William D. Delahunt, Tammy Baldwin.

Adam B. Schiff, Jerrold Nadler, Melvin L. Watt, Sheila Jackson-Lee, Martin T. Meehan, Robert Wexler, Anthony D. Weiner, Linda T. Sánchez.

Mr. DUNCAN. Mr. Speaker, the conference report (108–401) for H.R. 2673, the Consolidated Appropriations Act of 2004, contains very important language within the FAA, operations section regarding improving our existing commercial air fleet's flight data and cockpit voice recorder standards.

Specifically, this language request that the FAA seriously review the potential of transferring the U.S. military's deployable flight data recorder technology into our commercial air fleet.

I am very pleased that this language was included as it reflects the goals I am seeking to implement within the legislation that I introduced earlier this year, H.R. 2632, the Safe Aviation Flight Enhancement (SAFE) Act.

Congress has previously showed interest in the deployable technology and requested within the FY2001 Transportation Appropriations Bill, that the FAA issue a report to Congress on the benefits and advisability of using deployable flight recorders in the commercial fleet. This report was issued in the December 4, 2001 Future Flight Data Collection Committee Final Report and detailed the United States military's successful use of the deployable recorder technology, concluding that it would be acceptable to incorporate the deployable recorder technology within the NTSB's 1999 recommendation to improve flight recorder standards.

The 1999 NTSB recommendations that the FAA's report is referring to were issued as a result of a history of delay in black box recovery and lost data due to crash damages in some of our countries most recent and devastating air accidents.

Following a series of air accidents where critical flight recorder information was lost, the NTSB issued recommendations A–99–16 through 18, which called on the FAA to require improved recorder capabilities and the installation of two sets of combination flight data and cockpit voice recorders in commercial aircraft to ensure the survival and recovery of at least one set of recorders.

It is important to note that the intention of the Conferee's language on deployable recorders within the FAA, operations section of the FY2004 Omnibus appropriations conference report is that the FAA evaluate the deployable technology within the context of incorporating the deployable recorder system as one of the two combination recorder systems recommended in the NTSB's 1999 recommendations.

I am hopeful that the FAA will move swiftly on this, since 4 years have passed and these recommendations have yet to be addressed.

The terrorist attacks of 9/11 opened the Nation's eyes to the face that our skies are vulnerable to more than mechanical or human error. One of our best examples of what can occur when we do not have immediate access to this information following a crash was demonstrated in the aftermath of the TWA 800 crash. This accident clearly illustrated the pressures investigators are under to rule out the potential of terrorism and quickly identify the safety concerns. At the outset of TWA 800 crash investigation, there was intense speculation that a ground-to-air missile was the cause of this disaster. For every day that went by as we search the ocean floor for the recorders, the speculation and questions mounted about the potential of terrorism. Ultimately, it took 7 days and millions of dollars to recover those fight recorders from the bottom of the ocean and eventually, investigators and explosive's experts led us to the understanding that it was an accidental fuel tank explosion, not terrorism that was responsible for the crash.

Post 9/11, we cannot afford to be faced with a similar situation of uncertainty. Our national security teams and transportation safety officials must have immediate access to the flight recorders to determine the appropriate response.

The deployable technology presents us with ability to ensure immediate and complete access to the flight recorders today, as our United States Navy has successfully tested, developed and used the deployable recorder technology for years on aircraft including the Navy's F/A–18EF Super Hornet fleet. The deployable technology is capable of meeting the needs of the commercial industry and is designed to "deploy" from the aircraft during a accident, which allows it to land outside of the crash impact site, thus avoiding becoming ensnared within the aircraft wreckage and the direct impact forces and fire intensity of the crash. The deployable recorder is also designed to float indefinitely in cases of a water crash.

The use of the deployable recorder in the commercial air fleet would provide the same benefits that it does for the military and would present an obvious way to maximize our ability to ensure the survivability and quick recoverability of flight recorders.

Again, I am pleased that Congress addressed this very important issue to encourage the FAA to move expeditiously in formulating regulations to address the need for improved flight recorders and that Congress would like the deployable technology to be considered within the context of the dual-combination recorder recommendation issued by the NTSB in 1999.

Such improvements will help us ensure that our safety and security officials will have immediate and complete access to the recorders following an aviation crash and make great strides in protecting the American people.

Mr. WELDON of Florida. Mr. Speaker, on July 22, 2003, I introduced an amendment to provide congressional support for the current U.S. Patent and Trademark Office (USPTO) policy and practice against approving patent claims directed to human organisms, including human embryos and human fetuses. The House of Representatives approved the amendment without objection on July 22, 2003, as section 801 of the Fiscal Year 2004 Commerce/Justice/State Appropriations Bill. The amendment, now included in the Omnibus appropriations bill as section 634 of H.R. 2673, reads as follows: "None of the funds appropriated or otherwise made available under this Act may be sued to issue patents on claims directed to or encompassing a human organism."

The current Patent Office policy is that "non-human organisms, including animals" are patentable subject matter under 35 U.S.C. 101, but that human organisms, including human embryos and human fetuses, are not patentable. Therefore, any claim directed to a living organism must include the qualification "non-human" to avoid rejection. This amendment provides unequivocal congressional support for this current practice of the U.S. patent office.

House and Senate appropriators agreed on report language in the manager's statement on section 634. The statement reads: "The conferees have included a provision prohibiting funds to process patents of human organisms. The conferees concur with the intent of this provision as expressed in the colloquy between the provision's sponsor in the House and the ranking minority member of the House Committee on Appropriations as occurred on July 22, 2003, with respect to any existing patents on stem cells."

The manager's statement refers to my discussion with Chairman DAVID OBEY, when I explained that the amendment "only affects patenting human organisms, human embryos, human fetuses or human beings." In response to Chairman OBEY's inquiry, I pointed out that there are existing patents on stem cells, and that this amendment would not affect such patents.

Here I wish to elaborate further on the exact scope of this amendment. The amendment applies to patents on claims directed to or encompassing a human organism at any stage of development, including a human embryo, fetus, infant, child, adolescent, or adult, regardless of whether the organism was produced by technological methods (including, but not limited to, in vitro fertilization, somatic cell nuclear transfer, or parthenogenesis). This amendment applies to patents on human organisms regardless of where the organism is located, including, but not limited to, a laboratory or a human, animal, or artificial uterus.

Some have questioned whether the term "organism" could include "stem cells". The answer is no. While stem cells can be found in human organisms (at every stage of development), they are not themselves human organisms. This was considered the "key question" by Senator HARKIN at a December 2, 1998 hearing before the Senate Appropriations Subcommittee on Labor, Health and Human Services and Education regarding embryonic stem cell research. Dr. Harold Varmus, then director of the NIH testified "that pulripotent stem cells are not organisms and are not embryos . . ." Senator HARKIN noted: "I asked all of the scientists who were here before the question of whether or not these stem cells are organisms. And I believe the record will show they all said no, it is not an organism." Dr. Thomas Okarma of the Geron Corporation stated: "My view is that these cells are clearly not organisms . . . in fact as we have said, are not the cellular equivalent of an embryo." Dr. Arthur Caplan agreed with this distinction, saying that a stem cell is "absolutely not an organism." There was a unanimous consensus on this point at the 1998 hearing, among witnesses who disagreed on many other moral and policy issues related to stem cell research.

The term "human organism" includes an organism of the human species that incorporates one or more genes taken from a nonhuman organism. It includes a human-animal hybrid organism (such as a human-animal hybrid organism formed by fertilizing a nonhuman egg with human sperm or a human egg with non-human sperm, or by combining a comparable number of cells taken respectively from human and non-human embryos). However, it does not include a non-human organism incorporating one or more genes taken from a human organism (such as a transgenic plant or animal). In this respect, as well, my amendment simply provides congressional support for the Patent Office's current policy and practice.

This amendment should not be construed to affect claims directed to or encompassing subject matter other than human organisms, including but not limited to claims directed to or encompassing the following: cells, tissues, organs, or other bodily components that are not themselves human organisms (including, but not limited to, stem cells, stem cell lines, genes, and living or synthetic organs); hormones, proteins or other substances produced by human organisms; methods for creating, modifying, or treating human organisms, including but not limited to methods for creating human embryos through in vitro fertilization, somatic cell nuclear transfer, or parthenogensis; drugs or devices (including prosthetic devices) which may be used in or on human organisms.

Jamed Rogan, undersecretary of the U.S. Patent and Trademark Office, has stated in a November 20, 2003, letter to Senate appropriators: "The USPTO understands the Weldon Amendment to provide unequivocal congressional backing for the long-standing USPTO policy of refusing to grant any patent containing a claim that encompasses any member of the species Homo sapiens at any stage of development . . . including a human embryo or human fetus . . . The USPTO's policy of rejecting patent application claims that encompass human lifeforms, which the Weldon Amendment elevates to an unequivocal congressional prohibition,, applies regardless of the manner and mechanism used to bring a human organism into existence (e.g., somatic cell nuclear transfer, in vitro fertilization, parthenogenesis)." Undersecretary Rogan concludes: "Given that the scope of Representative WELDON's amendment . . . is full consistent with our policy, we support its enactment."

The advance of biotechnology provides enormous potential for developing innovative science and therapies for a host of medical needs. However, it is inappropriate to turn nascent individuals of the human species into profitable commodities to be owned, licensed, marketed and sold.

Congressional action is needed not to change the Patent Office's current policy and practice, but precisely to uphold it against any threat of legal challenge. A previous Patent Office policy against patenting living organisms in general was invalidated by the U.S. Supreme Court in 1980, on the grounds that the policy has no explicit support from Congress. In an age when the irresponsible use of biotechnology threatens to make humans themselves into items of property, of manufacture and commerce, Congress cannot let this happen again in the case of human organisms.

I urge my colleagues to support this Omnibus in defense of this important provision against human patenting.

Mr. WAXMAN. Mr. Speaker, I rise today to discuss the privatization provisions of this bill, provisions that govern when federal jobs are given to private contractors under an obscure Office of Management and Budget (OMB) Circular called A–76.

It is becoming increasingly clear that the Bush administration has declared war on federal employees. Under the guise of reform, it has stripped hundreds of thousands of federal employees of basic rights, like the right to appeal unfair treatment and the right to collective bargaining. It has opposed modest cost-of-living increases for rank and file employees while at the very same time supporting large cash bonuses for political employees.

But the Administration's most direct assault on federal employees is the effort to terminate federal jobs and hire private companies to perform the same work. The President's "Competitive Sourcing Initiative" is aggressively forcing federal agencies to allow private contractors to bid for hundreds of thousands of jobs currently being performed by federal employees. Earlier this year, the Administration rewrote the rules governing competitions between public employees and private sector contractors.

The House is on record as rejecting those new rules because those rules so blatantly favored contractors over federal employees. And on a bipartisan basis, appropriations conferees last month agreed to certain basic protections for all federal employees. Unfortunately, after the conference was closed on the Transportation Treasury Appropriations bill, OMB registered last minute objections, and the Republican leadership rewrote the bill to eliminate or truncate those basic protections for federal workers.

For example, the bill, before us no longer includes language giving federal employees the right to contest agency competitive sourcing decisions, and it no longer even requires that an agency achieve significant cost savings on all privatizations. Mr. Speaker, it is time to end the assault on federal workers. Vote no on this bill. We can do better.

Mrs. MCCARTHY of New York. Mr. Speaker, like many of my colleagues, I have concerns with numerous provisions in this omnibus bill. Among them are three that may actually contribute to violent crime in our communities and aid terrorists. These NRA-backed provisions were added in the dead of night to the benefit of gun manufacturers and criminals who obtain guns illegally.

The first weakens the highly successful Brady Bill by requiring federal authorities to destroy all firearm purchase records within 24 hours instead of 90 days as under current law. This provision weakens law enforcement's ability to stop illegal gun purchases and rejects a July 2002 GAO study which concluded that a "next-day destruction policy . . . would have public safety implications and could lessen the efficacy of current operations." Nearly one million illegal gun purchases have been stopped since the Brady law went into effect. Now is not the time to tie the hands of law enforcement officials who tirelessly work to keep guns out of the hands of criminals.

Another provision would protect "bad apple" gun dealers. For example, the snipers who terrorized Maryland, Virginia, and Washington, D.C. obtained the assault rifle used in their sniper attacks from a Tacoma, Washington gun store called Bull's Eye Shooter Supply. After the sniper suspects were apprehended and the gun was recovered and traced, Bull's Eye claimed to have no record of selling the gun, and did not even know it was missing until the shooting spree was over. The snipers' gun was just one of more than 238 firearms "missing" from Bull's Eye's inventory during the previous three years.

This provision would essentially block ATF from requiring gun dealers like Bull's Eye to take regular inventories of their firearms. In August 2000, ATF issued a proposed rule requiring licensed dealers to do annual physical inventories. The rulemaking proceeding is still pending. If anything, Congress should require ATF to issue this rule. Instead, this legislation would block ATF from ever issuing this requirement as a final rule. This would severely hamstring ATF's ability to address what it has stated is a serious problem.

And lastly, language was included to prevent public scrutiny of corrupt gun dealers.

ATF has indicated analysis of crime gun traces and multiple sale reports has yielded a series of gun "trafficking indicators" that can be linked to particular firearms dealers.

ATF has always made this information available to the public through Freedom of Information Act ("FOIA") requests, which allow for vital public oversight of the effectiveness of the Agency. Under the provision in the omnibus appropriations bill, ATF will not be allowed to release trace or multiple sale data, thereby gutting the purposes of FOIA, and effectively shielding the most corrupt firearms dealers from public scrutiny.

The NRA lobbied hard for these favors which do nothing to keep American families safe, but rather advance another well-connected special interest. Worse, they could actually contribute to more illegal gun purchases, meaning more criminals with guns.

We should be working to prevent firearms from falling into the wrong hands. Instead, this Administration and Congressional leadership continues to roll back commonsense gun safety measures that save lives. We can, and must, do better.

Ms. JACKSON-LEE of Texas. Mr. Speaker, the House will consider the conference report on H.R. 2673, the Agriculture Appropriations bill for FY 2004. This has become the omnibus spending bill for enacting the remaining seven appropriations bills—Agriculture, VA–HUD, Labor-HHS, District of Columbia, Commerce-Justice-State, Foreign Operations, and Treasury-Transportation. The bill would fund, for the fiscal year that began two months ago, 11 of the 15 Cabinet departments, several independent government agencies, and the District of Columbia government—and makes up $328 billion of the total discretionary budget for the year. Currently, these departments are operating under a continuing resolution funding the government through January 31, 2004.

This measure is not only an irresponsible way to govern, but more importantly it represents misplaced priorities. This session of Congress has proven again that Republican policies are making it harder for Americans to succeed. Democrats want to put American families first. We will continue to fight to create jobs, make health care more affordable, honor our veterans, and return America to prosperity. The following highlights some of the deficiencies of the omnibus bill.

This measure excludes a provision to block Bush Administration regulations that would deny overtime pay to 8 million employees. This provision to protect the pay of middle-income Americans was agreed upon by a majority of both bodies, and yet was dropped in the backroom deals at the 11th hour at the insistence of the Bush Administration. At a time when people are working harder and longer just to make ends meet, this measure permits a cut in the pay of millions of workers, including firemen and policemen, licensed practical nurses, and air traffic controllers.

Even though education is a top priority of the American people, this measure provides $39 million less for education than the inadequate House bill, after subtracting the $318 million in earmarked projects added in conference. This measure fails to meet the promised education investment promised in the No Child Left Behind Act—providing $7.8 billion less than was promised. Like the House-passed bill, this measure shortchanges help with the basics of math and reading by $6.2 billion compared to that promised in No Child Left Behind—leaving more than 2 million children behind. It also falls $751 million short for after-school centers promised in the No Child Left Behind Act. The additional funds would have provided expanded learning opportunities for 1 million children. The conference report bill falls $352 million short of the $3.3 billion promised (in real terms) to states for improving teacher quality; as a result, approximately 78,000 fewer teachers will receive high quality, federally-supported professional development. This conference report falls 45 percent short in special education funding promised under the IDEA—Individuals with Disabilities Education Act—reauthorization bill passed earlier this year.

Not only does it shortchange education reform, it contains private school vouchers which harm public schools. The measure includes $14 million for a new private school voucher program for the District of Columbia. Private school vouchers drain much-needed resources away from public education where all children can benefit, and reduces accountability.

Mr. Speaker, I am gratified by what is in the bill regarding veterans' health care, paid for by cutting funds to process veterans' benefits and compensation claims. The conference agreement provides $1.1 billion more than the President requested veterans' health care, but still fails to keep the promise made by Republicans in the budget resolution—taking into account the across-the-board cut and not counting rescinded funds. After Republicans voted to cut veterans' health care by $14 billion, they agreed to provide an additional $1.8 billion in the budget resolution because of Democratic pressure.

However, this conference agreement subjects all veterans' programs to a 0.59 percent across-the-board cut—so some of the increase in veterans' health care is in effect paid for through cuts to other veterans' programs. The most dramatic is the cut in funds needed to speed up processing of applications for veteran benefits and compensation. Currently, there are 448,000 claims pending, with the average time to provides a claim at 157 days. The across-the-board cut will reduce funding for the claims administration by $6 million—resulting in an estimated loss of 100 employees needed for veterans claims processing and benefits administration. Unfortunantly, State and Local Law Enforcement was also cut. State and local law enforcement is funded at $500 million below the FY 2003 level, even though state and local law enforcement are on the frontline in keeping our communities safe—dealing with crime and homeland security.

The Omnibus funds the Manufacturing Extension Partnership at just $39 million, a sharp decrease from the FY 2003 level of $106 million. The highly successful Manufacturing Extension Partnership offers small U.S. manufacturers a range of services from plant modernization to employee training. It particularly helps manufacturers adopt advanced manufacturing technologies—based on the latest R&D. These modernization efforts help our beleaguered small and mid-sized American manufacturers stay competitive.

The conference agreement abandons the bipartisan agreement of both bodies of Congress to block FCC regulations permitting broadcast networks to expand. In June, the FCC relazed several media ownership rules and raised the television station cap, saying broadcast networks can buy more stations and expand their reach to 45 percent of the national audience, up from 35 percent. Both the House and the Senate passed provisions to keep the cap at 35 percent, but the conference agreement specifies that the TV station cap will be raised to 39 percent of the national audience—allowing several networks to expand their reach and consolidate the industry. However, Mr. Chairman, even though I will not be supporting this bill, there are some very good things in this bill. I am glad for the AIDS funding which:

Provides a total of $1.646 billion global assistance to combat HIV/AIDs, tuberculosis and malaria, most of which is within the Child Survival and Health Programs Fund. $754 million in global assistance is anticipated in the Labor-HHS appropriations, bringing total funding to $2.4 billion;

International HIV/AIDS, TB and Malaria programs are funded at $754 million are increased $50 million over the request. I like the fact the bill has the Ryan White AIDS program which is increased by $64 million over FY03 with total funding of $2 billion; and

Housing Opportunities for Persons with AIDS (HOPWA) is funded at the president's request of $297 million, $7 million above last year.

SECTION 8 HOUSING

Disabled Housing—Section 811—is funded at the requested level of $250 million.

Includes $12.1 billion for Section 8 voucher renewals, $810 million more than FY03 and $205 million more than the request. This will fully fund all authorized vouchers based on a 96% lease up rate and the most current cost estimates.

HOPE VI MONEY

Appropriates $150,000,000 for the revitalization of severely distressed public housing program (HOPE VI), instead of $195,115,000 as proposed by the Senate and $50,000,000 as proposed by the House.

PUBLIC HOUSING MONEY

Modernization for public housing is funded $2.7 billion, the same as last year's level and $71 million above the request.

Public Housing Operating Subsidies are funded at $3.6 billion, $26 million above the request and $25 million above FY03.

COMMUNITY DEVELOPMENT BLOCK GRANTS

The Community Services Block Grant Act is funded at $735,686,000 including for making payments for financing construction and rehabilitation and loans or investments in private business enterprises owned by community development corporations.

ETHIOPIA

Under the "Child Survival and Health Programs Fund", $34,000,000 shall be made available for family planning, maternal and reproductive health activities in the Democratic Republic of the Congo, Ethiopia, Nigeria, Tanzania, Uganda, Haiti, Georgia, Azerbaijan, Russia, Albania, Romania, and Kazakhstan.

NASA

NASA is funded at the President's request of $15.5 billion, $80 million over last year.

VETERANS' HEALTH

Provides total resources of $28.6B for the Veterans Health Administration: $17.9 billion plus $1.6 billion from the collections fund for Medical Services; $5 billion for Medical Administration; $4 billion for Medical Facilities and $408 million for Medical Research—a total of $1.57 over the budget request.

Fully funds the President's request for Veterans State Extended Care Facilities bringing total funding to $102 million, $3 million above last year's level.

The conference agreement includes $57,000,000 from local funds for making refunds associated with disallowed Medicaid funding as proposed by both the House and Senate.

In conclusion, Mr. Speaker, it is unfortunate that the Democrats were locked out of the appropriations process and that the Democrats were not able to participate, which is one of the many reasons why I cannot support this legislation.

Mr. ROHRABACHER. Mr. Speaker, I am encouraged by the conferees direction regarding NASA at this critical time. In the wake of the Columbia tragedy, NASA's practice of over-promising, over-marketing, and under-estimating the costs for its programs cannot be tolerated any longer.

I applaud Chairman WALSH for his commitment in getting NASA to rethink its priorities relating to human space flight. We must now ensure that the return to flight of the Space Shuttle is not a return to business as usual. I support the Science Committee Chairman's position that we cannot perpetuate the Space Shuttle and Space Station indefinitely, and that any new program has to come with an affordable price tag. I do believe, however, that we need a bold vision for NASA. I think we should return to the Moon, but this time to stay.

When the notion of an Orbital Space Plane was introduced, I welcomed it as a significant sea change in NASA's approach to space transportation development. One year later, however, NASA is still struggling with what it has touted as a simple design. According to NASA, OSP doesn't replace the Shuttle, and it's not clear how OSP night support any future mission. At an estimated cost of $18 billion over the next decade, NASA should not go forward until there is consensus between the Administration and the Hill concerning the direction of the U.S. space program. For too long, we endured costly development programs that failed to deliver results. Unfortunately, OSP is poised to head down the same path. We have been down this road before.

Although the conference report calls for the NASA Administrator to report to Congress on a ISS re-supply plan by June 2004, the conferees do not go far enough in ensuring that Alternative Access to Station Program (AAS) remains viable. Current funding for this program runs out in January 2004, and the work of the private sector involved with this program could be potentially lost. It has been my belief that this program has the potential to address the national need for a viable, near-term cargo transfer capability as an alternative to the Space Shuttle. With the grounding of the Shuttle fleet, America is now at a vital crossroad concerning its ability to access space. NASA seems to be limiting its options in this regard to foreign launch capabilities. And to think several years ago we were concerned with the Russians in the Space Station Program's critical path. We must look to domestic, commercial solutions to address the critical need to resupply the Space Station.

Given my concerns, however, the NASA portion of this appropriations package is a good first step to help NASA prepare for the next chapter in the American space experience.

Mrs. LOWEY. Mr. Speaker, I rise to address the fiscal year 2004 conference agreement on Foreign Operations. The agreement as contained in Division D of this omnibus package represents a bipartisan agreement, and most importantly, provides critical funding for a host of essential programs that are vital to our national security.

I want to thank Chairman KOLBE, and Senators MCCONNELL and LEAHY, for working with me to finalize this agreement. The Foreign Operations portion of this bill represents a fair agreement between the two Houses that stays within our overall allocation of $17.235 billion.

The agreement provides a total of $1.64 billion for HIV/AIDS, an increase over the House level of more than $200 million. We have provided $400 million for the Global Fund to Fight AIDS, TB and Malaria, as well as increased funding for bilateral programs. With the $150 million for the Fund in the Labor HHS bill, the total U.S. contribution to the Global Fund for 2004 will be $550 million.

Funds have been provided to the new Global AIDS coordinator, and we have clarified the authorities under which AIDS funds are provided in order to ensure that programs continue with a balanced approach to HIV/AIDS prevention, awareness and treatment.

It is my understanding that the Labor HHS bill provides $443 million in direct funding for AIDS programs, and an additional unspecified amount in the National Institutes of Health budget for AIDS research. I want to clarify that, while we will hear that total AIDS funding in 2004 will be $2.4 billion, my calculations put us at just over $2.3 billion.

The agreement increases Child Survival funding in every category from amounts provided last year, and funds Basic Education at $326 million. I want to thank Chairman KOLBE for joining with me to acknowledge the importance of Basic Education. Unfortunately our priorities had shifted away from Basic Education in the years leading up to September 11th. This level of funding will continue the reversal of that unfortunate trend by increasing funding by 30% over last year.

The agreement contains $650 million for the Millennium Challenge Corporation and the attendant authorization. While this corporation will be independent, we have built in requirements for the involvement of the State Department and USAID for coordination and decision-making. I have been opposed to the concept of creating a new independent agency, and I remain concerned that little to no attention has been paid to how these funds will be spent, monitored or audited.

The authorization provisions provide Congress with ample opportunity to consult with the Chairman of the Corporation as the effort moves forward.

An additional $350 million for the Millennium Challenge Corporation was added to this bill at the request of the President, and will be paid for with a combination of across-the-board cuts and rescission of unexpended balances from FY 2003 and prior supplementals.

I would like to note that there is no way that these additional funds—bringing the total provided for the MCC to $1 billion—can be spent wisely next year.

In putting together our recommendations for this bill, my top priorities were the core development and health accounts. The President has pledged that all funding for the Millennium Challenge Initiative would be in the form of increases above current foreign aid spending. Given that our 302(b) allocation was $1.7 billion below the President's request, we had to make some critical choices. The bottom line is that we could only afford $650 million for the Millennium Challenge Corporation in our bill.

Apparently, if a program is a "Presidential Initiative," it is not subject to budget targets, or a rational approach to how much can actually be spent wisely in a given year. The addition of the extra $350 million clearly violates the President's pledge that all MCC funding be additive.

As we go forward, I intend to ensure that the President's pledge is kept. Outstanding White House commitments to increase other areas of foreign aid spending and currently unknown requirements for Iraq and Afghanistan will take foreign aid spending well over $20 billion next year. We cannot allow funding for this yet-to-be-formed MCC to take precedence over vital ongoing assistance programs.

The conference agreement contains funding for a host of different countries and programs, which I fully support. I want to thank the Chairman for including the requirement that organizations administering refugee programs adhere to a "sexual code of conduct." Together with funds provided in the recent supplemental, we have made a total of $65 million available specifically for programs to meet the special needs of Afghan women. In addition $11 million is made available for women's leadership training.

With respect to the issues surrounding family planning and reproductive health, I regret that the bill does not reverse the current restrictive Bush Administration policies on family planning. Many of us wanted simply to require that organizations providing assistance in foreign countries not be subject to laws more restrictive than the requirements of U.S. law.

Unfortunately, inclusion of this language would have drawn a Presidential veto. The agreement does provide a total of $466 million for family planning, which is a substantial increase above last year. It also provides at least $34 million to the United Nations Population Fund (UNFPA), based on a Presidential certification. I hope that we can take the President at his word in terms of his commitment to work with China. We should work to reverse its objectionable family planning policies so that funds can flow to UNFPA and so that we do not punish poor women around the world because of the policies of one country.

The agreement contains full funding for Israel, Egypt and Jordan and appropriate conditions on Palestinian statehood and direct assistance. We have also included language urging the United Nations Relief Works Agency to implement the recommendations of the recent GAO report regarding terrorism.

The bill restricts military training to Indonesia unless the President certifies that the Indonesian military is fully cooperating in the FBI investigations into the killing of American citizens in Papua.

The bill funds the request for Colombia but requires certification on compliance with human rights standards and the safety of chemicals used in aerial spray eradication programs.

As with all conference reports, every element in the bill isn't perfect. However, I want to again thank Chairman KOLBE for his friendship and for working with me to accommodate many of my priorities.

Mr. HOLT. Mr. Speaker, I rise to thank the conferees of the Fiscal Year 2004 Agriculture, Rural Development, Food and Drug Administration and Related Agencies Appropriations Bill for their support of a food biotechnology education program. I am aware of the difficult challenges the conferees faced while crafting this bill, and I am pleased that the conferees included language in the conference report that takes us one step closer to full implementation of this program.

I would like to specifically thank Chairman BONILLA, Ranking Member KAPTUR, Chairman GOODLATTE, and Ranking Member STENHOLM for their cooperation and assistance during this process. I hope that we can continue to work together to find funding for this much-needed education program.

Ms. LORETTA SANCHEZ of California. Mr. Speaker, I rise today to express my opposition to the Omnibus Appropriation Bill on which we will be voting today. This is an important bill. It funds 11 federal agencies and appropriates more than $820 billion. And although it contains many important provisions that I support, I regret to say that the bad in this bill far outweighs the good. In process, it was undemocratically constructed, often over-riding the will of the majority in both houses. In substance, it is laden with individual pork projects that benefit few, while it under-funds critical and vital government programs that could benefit many more.

Let's first look at the process. A prohibition against the FCC change in the rules for media ownership was significantly weakened in this Omnibus bill and the Labor Department's new overtime regulation was dropped entirely, despite the fact that both were agreed to by solid majorities in both Houses of Congress.

But these are not the only reasons I have decided to vote against this bill. I oppose this bill both because of the priorities it represents as well as for those it fails to represent.

Remember "No Child Left Behind", the President's education bill that passed with such fanfare earlier this year? This Omnibus bill provides a total of $24.5 billion for this program—$7.8 billion below the amount the Republicans promised for Fiscal Year 2004.

In addition to this broken promise, the Majority has left our veterans behind, too. The veterans medical programs portion of the bill provides $230 million less than Republicans promised in their own budget resolution and $1.7 billion below the amount proposed by veterans' organizations.

This bill does serious damage to several veteran programs. The most dramatic is the cut in funds needed to speed up the processing of applications for these benefits. At the present time, the Department is taking, on average, 157 days to process a claim. The Administration request, which the Committee funded, would have added no additional staff for processing claims. Veterans are not spared the 0.59 percent across the board cut. The cut will reduce funding for the administration of claims by $4 million, which will result in the estimated loss of 100 employees needed for claims processing.

Although the Department of Homeland Security is not funded in this legislation, Homeland Security will be significally affected by two provisions in this bill. This legislation forces the rescission of $1.8 billion in prior year supplemental appropriations, including a significant portion of funds for the Department of Homeland Security.

Homeland Security will feel the sting of the 0.59 percent across-the-board cut and will have a dramatic impact on certain areas in particular. The planned increase of 570 Customs and Immigration agents for improving border protection will have to be cut by nearly two-thirds.

It is true that passing appropriations bills is about making choices, about identifying priorities. I happen to believe that funding Veterans' Services and Homeland Security to protect our borders with additional Customs and Border personnel is a critical piece to this Nation's future.

The Omnibus fails to provide for our children's education. It shuns our veterans in their time of need. It undermines the security of all of our citizens. It was done behind closed doors and thwarts decisions made earlier this year by both Houses.

This bill is a failure of process and substance. I fear this bill will fail the American people. I would urge my colleagues to reject the unfair process and the unwise policies that flawed process has produced.

Mr. DELAHUNT. Mr. Speaker, In a recent speech, the President described democracy as when "governments respond to the will of the people, and not the will of an elite."

Well, Well.

For the past four years, the House has voted to end the ban on travel by Americans to Cuba. This year, the Senate overwhelmingly supported an identical provision.

But it's not in the bill before us now.

The President wants to keep the embargo intact, and believes that respecting the right of Americans to travel to Cuba would be a concession to Castro. A majority in both the House and Senate disagree. Our fundamental rights as Americans should never be viewed as a bargaining chip.

When the Congress clashes with the White House, the President can do what he threatened to do: veto the bill. Sadly, his agents in Congress took a more cowardly path.

Quietly and secretly, they took the conference report and had the provision erased. No debate. No vote. No democracy. All so the President doesn't have to decide whether to fulfill or break his promises to veto the bill.

Recently, during his visit to Britain, the President said that democratic governments honor the aspirations and dignity of their own people. I submit that the best place to lead by example is in this Capitol building.

This is now bigger than the Cuba debate. This is about the fundamental credibility of the legislative branch of our government.

If the outcome is predetermined by the White House, no matter how many rules get broken in the process, then let's suspend the sermons on democracy. If the fix is in, let's stop pretending.

Senator HAGEL has said the White House treats Congress like a nuisance. I ask my colleagues, is that all we are?

If this institution is to be more than a mere nuisance, then allow democracy to work. Here. And now. When the Congress votes to end the Cuba travel ban, send the provision to the President. And let the system work as the founding fathers intended.

That would show what democracy is really all about.

Ms. MCCARTHY of Missouri. Mr. Speaker, I rise today in opposition to H.R. 2673, the Omnibus Appropriations Act of 2003. Despite the adequate funding provided for a number of district priorities, this legislation contains countless flawed provisions which will harm American families.

The Administration's proposal to dramatically alter overtime rules for American workers will make it substantially more difficult for American workers to make ends meet. This provision will take money away from Americans willing to work longer hours to provide for their families.

This legislation also features severe cuts to critical national priorities. State and local law enforcement is funded at $500 million below current levels when we are asking these heroes to do more every day to provide for our homeland security.

The bill also dramatically underfunds our educational needs. The No Child Left Behind Act will receive $7.7 billion less than was authorized by the Act thus there will be fewer resources for programs in teacher training, bilingual education, and Safe and Drug Free Schools. In my own district, the teachers and faculty of Primitivo Garcia Elementary School, located in Westside Kansas City, have been working hard to meet the demands of the No Child Left Behind Act. They are already struggling to help their students succeed with limited Title I resources. This legislation fails to offer the students and faculty of Primitivo and schools across the country the Federal support they need for our children. The measure also fails to address our nation's higher education needs. Programs such as the Pell Grant which offer higher education funding to the neediest American students will not receive enough funding to meet current demands.

The Omnibus measures also does serious funding damage to veteran programs. The most dramatic is the cut in funds needed to speed up the processing of applications for veteran benefits. Currently there are 448,000 claims pending, of which 95,000 have been in the system for more than 6 months without a disposition. On average the Department is taking 157 days to process a claim. The administration request would have added no additional staff for processing claims. The 0.59% across the board cut will reduce funding for the administration of claims by $4 million and that will result in the estimated loss of 100 employees needed for claims processing. This comes at a time when the number of claims is likely to skyrocket as Iraqi war veterans apply for benefits. In my district, the Kansas City VA Medical Center provides quality service to thousands of veterans each year. The hospital's need for skilled health care professionals continues to grow. This bill fails to provide adequate funding to meet these needs.

This legislation includes funding for a number of projects within the Kansas City area. Among the programs and departments receiving funding are a stormwater project in Belton, the Jackson County Sheriff's Department, the Cabot Westside Clinic and the Liberty Memorial Museum, which will use $100,000 for renovation and $50,000 for education. The Omnibus spending bill also includes more than $7 million for transportation projects, such as reconstruction of the Grandview triangle and expansion of the Lewis and Clark Expressway. Other recipients are the Kansas City Region Job Access Program, which will receive $500,000 for their programs to link low income families and welfare recipients to employment centers and employment related services; and the Kansas City Area Transportation Authority, which will use $4.7 million in funding for replacement, upgrades and improvements to basic transit infrastructure, including buses.

As much as I was encouraged that these items were included in the bill, many important projects in Kansas City and around the nation were left unfunded for partisan reasons. In my own district, funding for the St. Vincent Family Service Center's Operation Breakthrough, the Independence School District, and St. Mark's United Inner City Services, all of which received previous Federal funding, were all denied funding because of this partisan vendetta. This is a dangerous precedent and I would urge the appropriators to consider the value of projects independent of partisan politics. The American taxpayers deserve no less.

Mr. Speaker, I oppose this legislation. We can do better. Let's work together to protect the overtime of American workers, adequately provide for our students and veterans, and give communities the support they need.

Mr. STARK. Mr. Speaker, I rise in opposition to this irresponsible Omnibus spending bill. This Republican bill is a stealth attempt to impose an extremist agenda on America—an agenda that most Americans don't support. But, therein lies the Republican's deceitful strategy: to hide numerous controversial provisions in the minutia and complexity of a huge Omnibus bill, then ram it through with less than a few hours of debate.

Let's take a moment to see what this bill actually includes.

It will deny workers their right to overtime. It gives President Bush—despite all his false rhetoric about caring for working families—the green light to impose government regulations denying overtime pay to millions of hard-working Americans. That's right, it takes away worker protections for fair pay.

Does the bill then at least make sure workers who can't find jobs receive extended unemployment benefits? No. Nowhere in this bill is there a dime for working Americans who are unemployed. Why? Well, because Republicans simply refuse to extend unemployment benefits to the over 2 million Americans who are suffering from long-term extended unemployment. These are folks who have been out-of-work for 26 weeks or more unable to find a job. His father, when he was President, extended federal unemployment benefits for these people, but this President Bush doesn't see any need to be that compassionate.

While the President talks about recent minimal job growth as if it was "mission accomplished" on the economy, it isn't enough to make up for the millions of jobs that have disappeared since he took office. There are still 14 million Americans either out of work or making due with part time employment. We must do more to help these families survive. But, nothing is included in this last bill that Congress will consider this year.

Of course this Republican Omnibus doesn't stop at making life harder for working Americans or ignoring Americans out of work. It also goes after America's veterans. It cuts the budget for the Veterans Administration by $443 million. This includes a $15 million cut for medical care. Putting veterans health care on a shoestring budget isn't the way to reward those who have fought for this country or those who have come back critically injured from their duty in Iraq.

This bill also hurts women's reproductive rights. It prevents federal employees from accessing reproductive health services under the health plans they pay into. It prohibits the District of Columbia from offering assistance for low-income women to access needed reproductive services. These women should not be singled out and prevented from exercising their constitutional right to reproductive choice. But, that is exactly the path this bill sets us on.

This bill shortchanges America's public schools. It does this by taking a first step toward a federal program of vouchers for private schools by creating a school voucher demonstration program for Washington, DC. It doesn't matter that this demonstration will take money away from the DC public school system which serves all DC's students, while providing necessary funds for only a few students to attend private schools.

This bill also undermines the diversity of our media marketplace by opening the door for the concentration of corporate power and influence over the public's airwaves. Even though the House and Senate each voted to maintain the existing Federal Communication Commission limitations on media ownership, this bill permits the FCC to allow greater concentration of media ownership. It will diminish the diversity of viewpoints and programming placing our very marketplace of ideas in the hands of a few major media conglomerates.

With Republicans controlling the House, the Senate and the White House, this type of appropriations process in which everything is thrown into one, huge bill should be unnecessary. But, the facts is that this bill exists because the Republican leadership could not get their job done. Congress did not pass 7 of the nation's 13 spending bills that are required to keep the government operating.

But, I also suspect that the Republican leadership has done this on purpose—using the Omnibus bill to all their extreme objectives enacted when they couldn't pass on their own. After all, the House already voted down destroying overtime pay for America's workers. The Senate had been unwilling to vote on school vouchers. And, both the House and Senate voted down new media ownership rules. Yet, they have all reared their ugly heads again in the Omnibus bill that will be the final business the House will consider this year.

If most Americans were allowed to hear a real debate on this shameful and irresponsible bill, they would urge us to vote it down. I urge my colleagues to do just that.

Mr. YOUNG of Florida. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. LaTourette). Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The question is on the conference report.

Pursuant to clause 10 of rule XX, the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 242, nays 176, not voting 17, as follows:

[Roll No. 676]

YEAS—242

Ackerman
Aderholt
Akin
Alexander
Bachus
Baker
Ballenger
Barton (TX)
Bass
Beauprez
Bell
Bereuter
Berkley
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boucher
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carson (IN)
Carter
Case
Chocola
Clyburn
Coble
Cole
Cramer
Crane
Crenshaw
Crowley
Culberson
Cunningham
Davis (AL)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Doolittle
Doyle
Dreier
Dunn
Edwards
Ehlers
Emerson
English
Everett
Fattah
Feeney
Ferguson
Foley
Forbes
Ford
Frelinghuysen
Frost
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gonzalez
Goode
Goodlatte
Gordon
Goss
Granger
Graves
Green (TX)
Greenwood
Hall
Harris
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Herger
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley (OR)
Houghton
Hulshof
Hunter
Hyde
Israel
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Lampson
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lowey
Lucas (KY)
Lucas (OK)
Manzullo
Marshall
McCarthy (NY)
McCotter
McCrery
McHugh
McInnis
McIntyre
McKeon
McNulty
Mica
Miller (MI)
Miller, Gary
Mollohan
Moore
Moran (KS)
Murphy
Murtha
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Ortiz
Osborne
Ose
Oxley
Pastor
Pearce
Pence
Peterson (PA)
Pickering
Pitts
Platts
Pombo
Porter
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Regula
Rehberg
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Ros-Lehtinen
Rothman
Rush
Sabo
Sandlin
Saxton
Schrock
Scott (GA)
Serrano
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spratt
Sullivan
Sweeney
Tauzin
Thomas
Thornberry
Tiahrt
Tiberi
Turner (OH)
Upton
Visclosky
Vitter
Walden (OR)
Walsh
Wamp
Weiner
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wu
Wynn
Young (FL)

NAYS—176

Abercrombie
Allen
Andrews
Baca
Baird
Baldwin
Ballance
Barrett (SC)
Bartlett (MD)
Becerra
Berman
Berry
Blackburn
Blumenauer
Boswell
Boyd
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Castle
Chabot
Clay
Collins
Conyers
Cooper
Costello
Cox
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
DeMint
Deutsch
Dingell
Dooley (CA)
Duncan
Emanuel
Engel
Eshoo
Etheridge
Evans
Farr
Flake
Fossella
Frank (MA)
Franks (AZ)
Garrett (NJ)
Gephardt
Green (WI)
Grijalva
Gutierrez
Gutknecht
Harman
Hastings (FL)
Hefley
Hensarling
Hill
Hinchey
Honda
Hostettler
Hoyer
Inslee
Isakson
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
Langevin
Larsen (WA)
Larson (CT)
Leach
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Majette
Maloney
Markey
Matheson
Matsui
McCarthy (MO)
McCollum
McDermott
McGovern
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (FL)
Miller (NC)
Moran (VA)
Musgrave
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Otter
Owens
Pallone
Paul
Payne
Pelosi
Peterson (MN)
Petri
Pomeroy
Rangel
Rodriguez
Rohrabacher
Ross
Roybal-Allard
Royce
Ruppersberger
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sànchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Schiff
Scott (VA)
Sensenbrenner
Sessions
Shadegg
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Stark
Stearns
Stenholm
Strickland
Stupak
Tancredo
Tanner
Tauscher
Taylor (MS)
Terry
Thompson (CA)
Thompson (MS)
Tierney
Toomey
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Waters
Watson
Watt
Woolsey

NOT VOTING—17

Burton (IN)
Carson (OK)
Cubin
Doggett
Filner
Fletcher
Gallegly
Janklow
Lantos
Lynch
Miller, George
Nadler
Pascrell
Taylor (NC)
Waxman
Wexler
Young (AK)

☐ 1523

Ms. KILPATRICK, Mrs. NAPOLITANO, Mr. ROYCE, and Mr. TOOMEY changed their vote from "yea" to "nay."

Ms. CARSON of Indiana, Mr. GREEN of Texas, and Ms. HOOLEY of Oregon changed their vote from "nay" to "yea."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated against:

Mr. FILNER. Mr. Speaker, on rollcall No. 676, due to urgent constituent support commitments in my Congressional District, I missed the vote. Had I been present, I would have voted "nay."

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 850

Mr. BISHOP of Georgia. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of H.R. 850.

The SPEAKER pro tempore (Mr. LaTourette). Is there objection to the request of the gentleman from Georgia?

There was no objection.

PRIVILEGES OF THE HOUSE—CIRCUMVENTING THE WILL OF THE HOUSE BY HOLDING VOTES OPEN BEYOND A REASONABLE PERIOD

Ms. PELOSI. Mr. Speaker, I rise to a question of privilege of the House and submit a resolution which is at the desk.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read as follows:

Privileged Resolution

Whereas on November 22nd, the Republican Leadership held open the vote on rollcall No. 669 on H.R. 1, the Prescription Drug Conference Report, for nearly three hours, the longest period of time in the history of electronic voting in the U.S. House of Representatives;

Whereas the normal period of time for a recorded vote is 15 minutes, and the Speaker of the House reiterated that policy on January 7, 2003 saying "The Chair wishes to enunciate a clear policy with respect to the conduct of electronic votes . . . The Chair announced, and then strictly enforced, a policy of closing electronic votes as soon as possible after the guaranteed period of 15 minutes", and in addition the Speaker pro tempore on November 22nd announced prior to the vote on Prescription Drugs that it would be a 15-minute vote;

Whereas the amount of time for the vote on H.R. 1 went far beyond anytime considered reasonable under established House practices and customs, and was a deliberate attempt to undermine the will of the House;

Whereas the opponents of H.R. 1, both Republicans and Democrats, were on the prevailing side for more than two and one-half hours and proponents never once held the lead during this period of time, and the sole purpose of holding this vote open was to reverse the position that a majority of the House of Representatives had already taken;

Whereas, according to press reports, a Member of Congress who is retiring was told on the House floor during this extended vote that "business interests would give his son (who seeks to replace him) $100,000 in return for his father's vote. When he still declined, fellow Republican House members told him they would make sure Brad Smith never came to Congress", and such an act is in violation of Section 201 of Title 18 of the United States Code, which prohibits bribery of public officials;

Whereas these actions impugn the dignity and integrity of House proceedings, bring dishonor on Members of Congress, and were a gross violation of the rights of Members who opposed this legislation: Therefore, be it

Resolved, That the House denounces this action in the strongest terms possible, rejects the practice of holding votes open beyond a reasonable period of time for the sole purpose of circumventing the will of the House, and directs the Speaker to take such steps as necessary to prevent any further abuse.

The SPEAKER pro tempore. The resolution constitutes a question of the privileges of the House under rule IX.

The minority leader, the gentlewoman from California (Ms. PELOSI), will be recognized for 30 minutes. It is the Chair's understanding that the gentlewoman from Connecticut (Mrs. JOHNSON) will be the designee of the majority leader and will also be recognized for 30 minutes.

The Chair recognizes the gentlewoman from California (Ms. PELOSI), the minority leader.

Ms. PELOSI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, for more than 200 years, and 200 years ago, the Founding Fathers designed this House of Representatives to serve as the people's House. In the Federalist Papers, James Madison wrote that it is essential to liberty that this House have an intimate sympathy with the people. In the century since, this body has earned its status as the greatest legislative body in the world. Yet perhaps never before have the actions of this body fallen so far short of both the ideals envisioned by the Founders and the sympathies of the people as during last month's vote on the Medicare prescription drug conference report, a vote that will surely be remembered as one of the lowest moments in the history of this august institution.

The American people expected a fair and open airing of issues affecting 40 million older Americans on Medicare, our mothers, our fathers, grandmothers, and grandfathers. Yet Republicans locked House Democrats out of the conference negotiations and, in doing so, locked out the 130 million Americans we represent.

This is a diverse country, but the Democratic Caucus is the only diverse caucus. By shutting out the Democrats, they deny the conference negotiators of the benefit of the thinking of the representatives of the African American community, Hispanic community, the Asian Pacific American community, the whole philosophical diversity within our caucus from the Blue Dogs to the New Dogs to our Progressive Democrats.

□ 1530

The American people expected genuine debate. Yet, Republicans limited floor discussion on the one of the most dramatic changes to Medicare in its history to a mere 2 hours, 2 hours. And this behavior is not limited and confined to the vote on Medicare.

For some reason, and I think it should be obvious what it is, the Republicans insist on having votes that are of great import to the American people, but where they are clearly on the wrong side of the issue, have these votes taken in the middle of the night.

On a Friday in March at 2:54 a.m., the House cut veterans benefits by three votes. At 2:39 a.m. on a Friday in April, House Republicans slashed education and health care by five votes. At 1:56 a.m. on a Friday in May, the House passed the "leave no millionaire behind" tax cut bill by a handful of votes. And at 3:30 a.m. on a Friday in June, the House GOP passed the Medicare privatization and prescription drug bill by one vote. At 12:57 a.m. on a Friday in July, the House passed a Head Start bill by one single vote. And that Head Start bill was to undermine and unravel a very successful Head Start initiative. And then after returning from a summer recess, at 12:12 a.m. on a Friday in October, the House voted $87 billion for Iraq, an issue the Democrats and Republicans were on both sides of the issue. So were the American people. They deserve to hear the debate in the light of day.

I thank the gentleman from Ohio (Mr. BROWN) for this information.

It degrades our democracy when Democrats have no role in the legislation. This legislation affects millions of Americans. No role in the conference negotiations. No chance to offer amendments. No alternatives and limited debates or discussion. It degrades our democracy when secret negotiations, such as those on the energy legislation, rip up provisions supported by both Houses and insert new provisions approved by neither House.

Mr. Speaker, this is not the House our Founders envisioned. Such behavior is unfair. It is un-American, and it is unacceptable. It is not for this that our Founding Fathers sacrificed their lives, their liberty and their sacred honor, so that we could have government of the few, by the few, for the few, behind closed doors.

Why are the Republicans so afraid to subject their agenda to the normal rules of debate? Republicans are afraid of fair and open debate because they know that the American people reject their radical agenda. As President Kennedy said, "A nation that is afraid to let its people judge the truth and falsehood in an open market, is a nation that is afraid of its people."

So afraid of the people were they that, again, this went into the dark of night when we even took the first vote at 3 o'clock in the morning.

A member of the majority in the other body, that would be a Republican in the other party, warned recently, "If you have to twist people's arms over and over to vote for you on issue after issue, then you would be wise to reevaluate your positions."

Of course, Republicans have no intention of reevaluating their reckless positions. As one newspaper editorial observed recently, "It appears the Republicans want to govern the Nation by themselves."

A government of the few, by the few, for the few.

The ancient Greeks had a word for such audacity, hubris. Hubris, the wanton arrogance that leads to the violation of accepted rules of conduct.

In the tragedies of antiquity, mortals who defy the Gods in this manner were punished for their hubris. Indeed, if there were ever an argument for why Republicans must get their punishment at the polls and be defeated at the polls next year, we need only look to their unprecedented abuse of power and their neglect of the will of the people.

Mr. Speaker, Democrats will not stand by while our democracy is denigrated. We will not be silenced. We will not be rolled over. As we preach democracy to the rest of the world and we talk about in glowing terms about our own democracy, we must also speak about the power of example, the example we set in the conduct of our legislative business for the rest of the world.

The Republicans are not setting a good example of democracy for the rest of the world. Republicans must know we will fight this abuse in the committees. We will fight this abuse on the floor. We will fight it every day and every way we can. We will carry this fight all the way to election day. On that day, the American people will reject the Republican's special interest and their shameless abuse of power.

With all regard that I have for the distinguished colleagues on the other side of the aisle who appear to be at the microphones, and I know that the time will be led by the gentlewoman from Connecticut (Mrs. JOHNSON), why is not a member of this House leadership on the Republican side on the floor to respond to this privileged resolution about how the leadership has conducted its business?

We all have a great deal of respect for the Speaker of the House. The majority leader is a forceful personality. The two of those orchestrated what happened that night. We would like them to at least extend the courtesy to Members to be present on the floor as the leader of this party on this floor to respond to the people's need to know as to why, why the will of the majority is not respected here.

We will return the people's House to the American people, and we will once again make this the revered institution worthy of its status as the greatest legislative body in the world.

Mr. Speaker, I reserve the balance of my time.

The SPEAKER pro tempore (Mr. LATOURETTE). The gentlewoman from Connecticut (Mrs. JOHNSON) is the designee of the majority leader.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I regret that the gentlewoman does not consider me a forceful personality or a leader. But I am here to say that, as chairman of one of the major subcommittees that wrote this bill, I consider myself both a leader on Medicare modernization and reform and a forceful personality, because I am dedicated to this issue. I have worked hard on it. And I believe that I am better to be here than any of my leadership.

This was a joint effort. It was late at night. No question. It was a long vote. And it did inconvenience Members. No question. But the stakes were very high. The need of America's seniors for prescription drugs and a modernized Medicare that could deliver state of the art disease management to help those with chronic illness prevent their diseases from progressing. Yes, their need was urgent and intense. The opportunity was enormous. We could not abandon our responsibility to pass real Medicare prescription drug reform and modernization of Medicare's ability to keep pace with quality health care initiatives. And so, yes, we allowed ourselves to be masters of time.

Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. DREIER), the chairman of the Committee on Rules.

Mr. DREIER. Mr. Speaker, I thank my friend for yielding me time.

I would like to pay respects to my California colleague, the very distinguished minority leader, and I certainly respect her right to come forward with this privileged resolution. I would also like to thank my friend, the gentlewoman from Connecticut (Mrs. JOHNSON), for the stellar leadership she has provided, ensuring that we would not only bring about reform of Medicare, but make sure that we are able to provide access for our seniors to affordable prescription drugs.

Mr. Speaker, I think it is very important to note a couple of items. First, on the 2nd of April, 1789, the day after the first Congress was put into place, James Madison who was, in fact, a member of that first Committee on Rules, and I believe that as he talked about what my friend, the gentlewoman from California (Ms. PELOSI) referred to, that intimate sympathy with the people, he did appropriately refer to the fact that this is the greatest deliberative body known to man. And we do have an extraordinary responsibility here to implement the will of the people through this structure we have of a representative democracy.

Now, what I would like to say is that as we look back on that debate, that both of my friends, the gentlewoman from California (Ms. PELOSI) and the gentlewoman from Connecticut (Mrs. JOHNSON) have just addressed, I think it is important to note that our friend, the gentlewoman from California (Ms. PELOSI) came before the Committee on Rules and made a request that we extend the time that is provided under the rules of the House for the debate of a conference report.

Every single Member of this House is well aware of the fact that when a conference report is voted upon, there is a 1-hour provision for debate on that conference report. Now, request was made to extend that. And my friend, the gentlewoman from California (Ms. PELOSI), as she knows, made a rare appearance before the Committee on Rules and requested that we increase the amount of time for debate on that conference report. And in response to her request, the Committee on Rules chose to double the amount of time allowed for the conference report. That amount of time was granted.

I think it is also important to note that the 15-minute provision according to clause 2(a) of rule XX, Mr. Speaker, specifically says the minimum time for a record vote or a quorum call by electronic device shall be 15 minutes. And so I think that there is no one who is claiming that there was a violation of the rules of the House because this was, in fact, in compliance with the rules of the House. And I think that there needs to be recognition that during that 2 hour and 50 minute period a number of votes were changed. And I think it is important for the record to note for the record, Mr. Speaker, that the last three votes that were cast on that bill were, in fact, cast by members of the minority.

I would like to thank my friend for yielding me this time. What I have simply chosen to do here, Mr. Speaker, is make the record clear as to exactly what the rules of the House consist of on this matter.

Ms. PELOSI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, since the distinguished chairman of the Committee on Rules is in the well, I just wish to mention one thing, because in my comments I read a litany of concerns about very important votes were won by a handful or fewer votes in the dark of night. One of these I did not mention was the rule on the FAA bill that came to the floor, and I would like to ask the gentleman if he is proud of the way the Committee on Rules conducted itself on the FAA bill where it burned the book on rule making in this House.

Mr. DREIER. Mr. Speaker, will the gentlewoman yield?

Ms. PELOSI. I yield to the gentleman from California.

Mr. DREIER. Mr. Speaker, I thank the gentlewoman for yielding.

Mr. Speaker, I would respond to my friend by saying that I made it very clear in the record, when our friends were before the Committee on Rules, that I believe that it was wrong for us to proceed with consideration of the FAA conference report in the manner in which we did proceed with. And I said there, and the gentleman from Minnesota (Mr. OBERSTAR) has recognized here on the floor that I said, we will do everything possible to ensure that that does not happen again. And the majority leader, in the colloquy that he had with the gentleman from Maryland (Mr. HOYER) later that week, made it clear that he also wanted to ensure that it would not happen again.

I appreciate my friend for bringing that issue to the forefront.

Ms. PELOSI. Indeed, that rule was an abomination, and I am pleased that the gentleman recognizes that it was wrong.

Mr. Speaker, I yield 5 minutes to the gentleman from New York (Mr. RANGEL), the distinguished ranking member on the Committee on Ways and Means.

Mr. RANGEL. Mr. Speaker, I am really surprised that the eloquent chairman of the Committee on Rules with all of the power of words and influence he has, that after a seething attack on the majority, that he would come into the well and say, but it is all in the rules.

What our leader is talking about is more important than the Medicare bill. She is talking about the civility in this House of Representatives. Every one of us here today are not here just because we are so bright and so intelligent. We are here because some group of Americans have thought that we would represent their interests. They were not talking about blacks and whites or Jews or gentiles or Asian Americans or Hispanics. They were talking about Representatives in the House of Representatives. And they invested in us the right to make judgments as to what would be in their best interest.

How in the world can you come to this floor and take this privilege which has been given to us to protect, not for ourselves but for the next group that will inherit the seats that we are privileged to serve in, and to say when the Speaker of this great House of Representatives, here where we truly represent the people, it is not based on every district being entitled to something because it is a State, it means that they come together. They fight. They argue. And they elect.

□ 1545

And then the Speaker decides who would be appointed to serve on the conference committee so that our voices would be heard with that of the other body. And when you have the votes, you have the votes; and that is the way it goes. If you do not like it, wait until November and then change it. But the audacity of the majority to say that when the Speaker appoints you to the conference it makes no difference what rank you are, it makes no difference if you are the dean of the House, it makes no difference if you are the senior member of the committee of jurisdiction, it makes no difference if the minority leader appoints you to represent, who, us? No, to represent the millions of people that we have been sent here to represent.

And to have the conference committee, to call it a bipartisan conference when they from time to time will let a staff person come in, is not only arrogance but it offends the very office of the Constitution to be able to say it. Now, I have the utmost respect for the gentlewoman from Connecticut (Mrs. JOHNSON) because she has said it right; she thought this precious bill was so important that the rules did not matter. It had to go through the middle of the night, whether there was a conference or not. We had to get this thing through.

Sure, my colleagues had to get it through because there was a goal beyond prescription drugs. And if that is what you want to do with Social Security, if that is what you want to do with health care, I can understand that; and that is why I am not a Republican. But for God's sake, do not disrupt the system. Do not tear away what was left to us. When you got the votes, by golly, use those votes and do what you want to do to your own Members; that does not offend me. But it does offend me if newer Members of Congress believe that is the way this House is supposed to operate.

Sometimes when I go on the other side and I sit with a friend that came here many, many years ago when I did, young Democratic Members say, what are you talking to them for? And I suspect that some of the Republicans that have been here a little while, when they come over here, some of the younger Republican Members would say, why are you talking to a Democrat? And what we would say is, we are talking about our kids or we are talking about our grandkids. We will fight in the committee and we will fight on the floor, but we respect each other.

It is a lack of respect not to me, you can look at me and know how many doors have been closed to me; it does not even bother me. Because in this great country, in this Republic, I can fight and I can win. But when you stack the rules against those who follow me and those who respect this institution; when you start saying it makes no difference who the Speaker assigns to a conference, because we decided that it is too important for us to let Democrats in, well, take a look and see who the Democrats are. Take a look at the diversity on this side. We did not make it this way. Democrats did.

Do you think there is a Republican way for solid health care? Do you think there is a Republican way for Social Security? A Republican way for a better America? Of course not. It is for us together to be working together to try to do it. Would Democrats have contaminated the precious bill, I ask the gentlewoman from Connecticut (Mrs. JOHNSON)? Would we have diverted so much attention for what you were doing, this brilliant piece of work that you did in the darkness of night, brought here early in the morning to have us out here waiting until you could scrub up enough votes?

It was wrong for this Congress, and it would be wrong for any Congress.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield myself such time as I may consume, and I would respond to the gentleman from New York that I do think it is extremely important when half the women, retired women, in America have the opportunity for the peace of mind of knowing that they will pay no more than $1 or $2 for a generic and $3 to $5 for a brand-name prescription and that is all, no matter how many or how high their drug bills go. Yes, I think it is very important not to let the clock outweigh the interest of half of America's retired senior women.

Mr. Speaker, I yield 2 minutes to the gentleman from Louisiana (Mr. TAUZIN), the chairman of the Committee on Energy and Commerce.

Mr. TAUZIN. Mr. Speaker, I thank the gentlewoman from Connecticut for yielding me this time; and, Mr. Speaker, let me first say that this has been a multiyear process. When we began our work in the Committee on Energy and Commerce, we entitled it Patients First, because essentially we wanted to make sure everything we did in the health care agenda thought about patients and did what we could to make patients' lives better in this country.

I recall when we got to the point where we began drafting and working on the Medicare prescription drug bill, when we talked across the aisle, as we often do in the Committee on Energy and Commerce, about whether we could build a consensus bill at the committee level or not, it was pretty clear that we could not; that there was a great difference of opinion as to how to shape Medicare reform and prescription drug legislation. And because there was this huge great difference of opinion, the ranking Democrat, my friend, the gentleman from Michigan (Mr. DINGELL), and I agreed we would have a great debate, and we did. We had many, many hours of debate. We had a 23-hour markup; 23 hours of markup and amendments that went on for a huge amount of time. And that literally, finally produced the Medicare bill that came to the floor along with the Committee on Ways and Means effort that became part of the conference report that we voted on.

This was not a one-night effort. This was not a 3½ hour effort in the middle of the evening. This was a multiyear, very greatly debated issue from top to bottom where we were deeply separated on approach. And I think my mother summed it up best when I talked to her about it after we passed the bill. The approach that we took, that we understand some of the other side did not agree with, and that is a legitimate difference of opinion, the approach we took was that we ought to empower seniors to make choices for themselves about how they got prescription drug coverage; to make choices for themselves about how the health care that they would need in their senior years would be delivered to them and how they would take this new benefit.

There were those on the other side who thought there ought to be one choice only, the Medicare choice. There were those on this side, on our side of the aisle, who believed that Medicare choice ought to be available, and we made sure that it is available, but other choices ought to come.

Now, that is what happened. We can argue about process and procedure all we want. The bottom line is we were separated by a great division, it was settled, and the American public are better for it.

Ms. PELOSI. Mr. Speaker, I yield myself such time as I may consume to note that it is interesting to hear Republican colleagues talk about how urgent this bill was to pass. Then why does it not become effective until 2006? Mr. Speaker, was it so urgent that the rumor had to be around there that they were offering $100,000 to Members to vote with them on the bill? Was it ever that urgent?

Mr. Speaker, I am very pleased to yield 7 minutes to the gentleman from Maryland (Mr. HOYER), our very distinguished whip, a champion for America's seniors, who fought, fought, fought for them on the floor of this House to defeat this Medicare bill. And defeat it he did, for 3 hours, until outside influences weighed in to reverse that outcome.

Mr. HOYER. Mr. Speaker, I thank the minority leader for yielding me this time.

Mr. Speaker, there are many of my colleagues who are new to this House and who do not know its history and do not know perhaps the words of your side of the aisle. So I want to give you a little history. I want to take you back to October 28, 1987. The House was considering a controversial Democratic budget reconciliation bill, which I tell the gentlewoman from Connecticut that we thought was very important. The vote stood at 206 to 205. Twenty-four Members had not voted.

The Speaker of the House, in attempting to pass what he believed to be a very important bill, kept the clock going for less than 30 minutes, a little more than 25; and a vote changed, and we prevailed. Your side was outraged.

Let me remind you of some of the quotes.

I am the minority leader. Excuse me, I am the minority whip. I understand that. The minority whip at that time is now the Vice President of the United States, DICK CHENEY. He was angry. The vote was 206 to 205. This bill, for over 2 hours, had an absolute majority of the House of Representatives supporting it, with 218 Members opposing the bill, the proposition that we fought for.

Thirty minutes. And here is what Mr. CHENEY said about keeping the ballot open: "The Democrats' tactics are the most grievous insult inflicted on the Republicans in my time in the House." October 1987. He was quoted as saying something else. "It was," he said, "the most arrogant, heavy-handed abuse of power I have ever seen in the 10 years I have been here."

Less than 30 minutes, 206 to 205. The Vice President of the United States. The most arrogant abuse of power he had seen. And then the Republican minority whip referred to the Speaker as follows, and listen, my colleagues, particularly those who are new. Referring to the Speaker of the House, he said, "He's a heavy-handed," and he used an epithet that we know as SOB, except he fully articulated it, "and he doesn't know any other way to operate. And he will do anything he can to win at any price. There is no sense of comity left," said DICK CHENEY.

I tell the gentlewoman from Connecticut, this was an important bill, but so was the bill that Speaker Wright was following and trying to pass. DICK CHENEY, with less than 30 minutes, "There is no comity left. The most heavy-handed arrogant abuse of power."

That is what this is about, treating one another with respect and treating the American public with respect. My colleagues had an opportunity to offer their bill. It was offered, we voted on it; and 218 people voted no, and they stuck no for over 2 hours. But my colleagues refused to accept the judgment of democracy. You refused to accept the judgment of this House.

Bob Walker said, "We found out the majority is perfectly willing to change its rules to crush the minority." I know this is not a rule, I say to the gentleman from California (Mr. DREIER); but I also know that at the beginning of this session, the Speaker, whom I respect and would never demean by addressing him in the terms that DICK CHENEY addressed our Speaker, this House's Speaker, said this at the beginning of this session: "The Speaker's policy announced on January 4, 1995, will continue through the 108th Congress." That was Newt Gingrich.

On that occasion, referring to October 30, 1991, the House was considering a bill in the Committee of the Whole under a special rule that placed an overall time limit on the amendment process. We did it in 15 minutes. The Speaker concluded at the beginning of this session, "Each occupant of the Chair will have the full support of the Speaker in striving to close each electronic vote at the earliest opportunity." In this instance it was almost 3 hours. Not 15 minutes, not 17 minutes, not 27 minutes, but 3 hours.

"I just want to serve notice," this gentleman said, "if the majority, which clearly has the rights under sheer voting power, insists on stripping the right away from the minority, then we have an absolute obligation to take the necessary steps to communicate our dissatisfaction with that kind of legislative process and do everything possible to stop it." Newt Gingrich, August 5, 1991.

☐ 1600

Those of you who are new to this House who believe in democracy, who believe that this is the people's House, ought to accord to every one of us, Democrats and Republicans, the respect due a person chosen to represent 650,000-plus Americans in this House, to put up our votes on that board, to have the majority prevail, but to have them prevail in a time frame that does not, as Mr. CHENEY referred to it, reflect "the most arrogant, most heavy-handed abuse of power I have ever seen in my 10 years."

My Republican friends, let me ask something: If keeping the ballot open for 25 minutes is the most arrogant abuse of power that Mr. CHENEY had ever seen, what is keeping it open 3 hours? Ask yourself that question, and then understand why this resolution is on this floor.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania (Mr. GREENWOOD).

Mr. GREENWOOD. Mr. Speaker, I thank the gentlewoman for yielding me this time.

About 5 hours ago, I had what I consider to be one of the greatest moments of my 11-year congressional career as I got to watch the President of the United States sign into law a Medicare reform bill that will finally provide a prescription drug benefit to our seniors and our disabled.

For 38 years, every Congress, Republican, Democrat, every administration, Republican, Democrat, had failed to accomplish this. It was not because most Members of Congress did not want to do it. I dare say every single Democrat sitting in this House and serving in this House wanted to make sure that we got a prescription drug benefit delivered to our elderly and our disabled, and most Republicans wanted to do it for many years. And why did Congress fail year after year? Not because of lack of desire to get the job done, but because the job is extraordinarily difficult.

It is extraordinarily difficult to craft a bill that is conservative enough to get most Republicans and liberal enough to attract some Democrats. It is very, very hard to do. We had to thread a needle, we had to say to the liberal-most Members of Congress, we cannot make you happy, we cannot spend that much money. And we had to say to the most conservative Members of our party, we cannot make you happy. We had to say we are going to do this entitlement, we are going to expand this entitlement, and it is not going to make you happy. We had to thread the needle, and the eye of the needle in this case was so narrow and the size of what we were trying to accomplish so large that yes, it took us an extraordinary amount of time to get this vote done.

The Speaker did not violate a rule of the House. The Speaker is entitled to take as much time as he wishes for a vote. And in this case, in this case, the stakes were high, the cause was great. The gentlewoman from California (Ms. PELOSI) said she will take this message to the election. This is an election-year issue. I say to the gentlewoman, take that message; we will take the message that we provided seniors a benefit.

Ms. PELOSI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, if it is an election-year issue and the other side of the aisle is so proud of their work, why do they not make it effective now, just as they make their reckless tax cuts effective immediately and retroactively?

Mr. Speaker, the customs and traditions of this House have been violated, and there is no person in the leadership of this House to come here to defend the actions taken in this Chamber on November 22. I will say more about that in a moment.

Mr. Speaker, I yield 4 minutes to the gentleman from South Carolina (Mr. CLYBURN), the vice chairman of the House Democratic Caucus.

Mr. CLYBURN. Mr. Speaker, I thank the gentlewoman for yielding me this time, and I thank her for her leadership on this and other issues in this great body.

Mr. Speaker, I was elected 11 years ago. Today I represent a congressional district of 668,000 people. It is an interesting congressional district, about half and half urban and rural. There are people who run the gamut. I represent the poor precincts and census tracts in the congressional district, and I also represent some of the wealthiest.

Last week when I went back home after our Medicare prescription drug vote, and I was asked questions by my constituents, they were asking me things like is it true that in this prescription drug bill the Secretary of HHS is prevented from negotiating on my behalf for lower drug costs? And, of course, I answered them, That is my understanding of the bill. And they have been asking, Is it true that I cannot use my Medigap insurance to cover any shortfalls that may come as a result of prescription drug costs? And, of course, I answered them, It is my understanding that that is true.

And then they want to know from me, Why is it that I did not hear from you about the possibility of these issues before you cast a vote? You are there to represent my interests, and I would like to hear from you about these kinds of things before they come to a vote.

Then I was obliged to tell them that the bill was completed around 1:30 a.m. in the morning, and I was given less than a day to take a look at it, and we finally voted on this after they had gone to bed the next night around 3 a.m. in the morning. Then they want to know the ultimate: If this bill is not to be effective until 2006, what was the rush? What was the rush? There is no good answer for many of us to that question.

I just want to say to my friends on the other side of the aisle, I am the eldest son of a fundamentalist minister who taught me that it is important to maintain balance in one's life, as well as one's efforts. He taught me to be conservative. He said to me very often, if you make a dollar, you ought to be able to save a nickel. He taught me when you leave a room, you turn out the light, you conserve energy. But he also taught me from those Sunday mornings when he stood before his congregation and asked for an offering, he asked them to give liberally. And so I learned that we must balance our liberalism with conservatism, and our conservatism with liberalism, and with proper balance and proper discussions, with proper input from all sides, we will yield much better legislation and much better results. We did not have that opportunity with this bill to have input from all sides to try to get a better and more balanced result.

Mr. Speaker, I believe that the failure on the part of this body to do that sets us up, as the gentlewoman has said, for a very interesting election year, and I am hopeful that this legislation will become the centerpiece of our discussions next year because then we will have a better result.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it is because we felt the urgency of the need the preceding Member alluded to so eloquently, that not only did we have to pass this bill, but we had included in this bill a discount card that will mean that one-half of all low-income seniors all across America will get 100 percent of their drugs paid for in 6 months. There is urgency for this bill because the need for the subsidies are so great, and because of the average spending, we know that within 6 months, one-half of low-income seniors will be 100 percent protected.

Mr. Speaker, I yield 3 minutes to the gentleman from Florida (Mr. SHAW), a member of the Committee on Ways and Means and chairman of the Subcommittee on Social Security.

Mr. SHAW. Mr. Speaker, I thank the gentlewoman for yielding me this time.

Mr. Speaker, I would point out to the minority leader, who has pounded on that 2006 date several times, every one of the Democrat bills that was out there had that same date. Why does it have that date? It has that date because it takes that long to gear up in order to get a bill moving, whether the Democratic bill or the Republican bill.

What is the urgency? I think the gentlewoman from Connecticut pointed this out, and that is within 6 months, low-income people are going to be getting a card that will help them.

This morning when the President signed this bill, he said this bill is going to help those who need help the most. That is exactly what it does. That is exactly what it does. That is the way it ought to be.

When one goes into a court of law, a court of equity, there is an expression, to seek equity, you must do equity. In other words, you have to go into court with clean hands. We have heard during this debate such terms as representing their constituents, neglecting the will of the people, and abuse of office. They have to come here with clean hands if they are to complain.

Did not the minority leader threaten their Members? Why was it one of the Members on the other side of the aisle who was holding out for 3 hours was completely surrounded every single moment by Members of the Democratic Party because he had not yet voted? Why is it that after the time was finally called, four Democrat Members came down to the well of the House and changed their vote?

If you want equity, you have to come with clean hands, and that was not done. We should have passed this bill last year, but the other body refused to take it up because it was under Democratic leadership.

What is the urgency of this bill? If one is a senior, poor, or if you have huge drug expenses and you cannot afford to buy your drugs, by God to that person it is urgent. It is urgent. I would have stayed here 2 or 3 more days if the clock was to be left open, because that is exactly how I felt. I felt this was so important to those people who desperately need this coverage.

I would guess we would have won way over the top within 15 minutes if the minority leader had simply told her Members, you are free on this vote, come here and represent the people, vote for the people, and the gentlewoman's very words, vote for those you represent. That is what we want. That is what we should have gotten; and if we had, we would have been out of here at 3:15, and that is the way it should have been.

I praise the Speaker and those of our leadership who kept the clock open. I understand why those who tried to suppress the vote on their own side and failed are upset. And it did take 3 hours to enlighten some of the Members; but it is important that Democrats came back and changed their vote also.

Ms. PELOSI. Mr. Speaker, I reserve the balance of my time.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield 2 minutes to the gentlewoman from New Mexico (Mrs. WILSON).

Mrs. WILSON of New Mexico. Mr. Speaker, I have been in this House a little over 5 years, and we have managed three times in the House of Representatives to pass a prescription drug bill.

Finally, this year the Senate passed a bill, too, which gave us a historic opportunity to provide a desperately-needed benefit for the people that I represent, and the people that we all represent.

□ 1615

The truth is that Medicare is stuck in a 1960s model of health care, a system that will pay claims instead of improve the quality of people's health. We have a health care system that had to be changed because it will pay $28,000 to amputate the feet of a diabetic and will not pay $29.95 a month for the Glucophage so that they can keep their feet. This system needed reform desperately because the people who rely on it need that medicine. That meant that we had to work hard to find the common ground that could make it through the House and the Senate.

But it was about time. It was about time for a voluntary prescription drug benefit added to Medicare, supported by dozens of interest groups in this country, to provide some equity and some help, particularly to low-income folks who cannot afford their medicine and those who are very sick. That is what we did. This House as a whole and this institution will look back on this day when the President of the United States signed that bill as a tremendous change for health care for seniors in this country, and I thank God for it.

Ms. PELOSI. Mr. Speaker, I reserve the balance of my time.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia (Mr. GINGREY).

Mr. GINGREY. I thank the gentlewoman for yielding me this time.

Mr. Speaker, I want to remind my colleagues from the other side of the aisle that just as in childbirth, our labors in the Congress often start in the morning sunshine and after long hours of painful work in the full light of day then result in a delivery of a beautiful baby in the dark of night. Had this debate commenced in the dark of night, then the delivery would no doubt have been in the light of day.

In any regard, Mr. Speaker, in passage of the Medicare Modernization and Prescription Drug Act of 2003, this President and the leadership of this House have delivered on a promise made to our beloved seniors. Indeed, Mr. Speaker, we, the Republican majority, are the promise keepers on this issue. I am proud to have voted as a physician Member of this body in the affirmative.

The gentleman from South Carolina talked about hearing from his constituents. Mr. Speaker, I have heard from my constituents as well, things like is it true that in this bill the neediest of our seniors, those who are living at or near the poverty level, are helped the most? Is it true that the new Medicare beneficiaries will begin to receive for the first time ever a complete physical examination? Is it true that in order to help save Medicare for our children and grandchildren, the wealthiest seniors will have to pay for the first time more of their part B premium? And finally, Mr. Speaker, is it true that it has taken 38 years to finally provide seniors with prescription drug coverage?

I answer to those seniors a resounding guilty as charged. I am proud of this bill. I thank the gentlewoman for giving me the opportunity to speak.

Ms. PELOSI. Mr. Speaker, I am pleased to yield 1 minute to the very distinguished gentleman from Washington (Mr. INSLEE).

Mr. INSLEE. Mr. Speaker, unfortunately, the majority party is running the Congress the way the Russians run basketball. You remember in 1972 in the Olympic championship in Munich where Americans won the game. We were ahead when the game was over and the clock had run down to zero. But then the Russians prevailed on saying, let's just put a little more time back on the clock. Just like the Republicans when this clock ran down to zero said, let's just put another 3 hours back down on the clock. When they asked the Russian coach how he could justify that outrage, he said, because it was an important game and we wanted to win. That is the explanation we get from the majority party when you corrupted the basic values of this House.

We have been searching for ways to describe this and you can say disappointing, you can say belittling; but the honest thing is it is a corruption of the traditions of this House, and it stinks to high heaven like a mackerel in the moonlight. Your Members need to come to the floor and explain this situation that not only were we violating the rules and the traditions regarding time, but that potentially there was bribery on the floor of this House. We need to get to the bottom of this and end this tyranny and corruption.

Ms. PELOSI. Mr. Speaker, the Republicans also run this Congress like the Republicans run Florida. They cannot accept the result of a vote.

With that, I am pleased to yield 1 minute to the gentleman from Illinois (Mr. EMANUEL).

Mr. EMANUEL. Mr. Speaker, the 3-hour wheel of fortune that we witnessed the other day is reflective of the 3-week wheel of fortune, where the public interest and the public trust had been turned into a piggy bank for the special interests. There are 635 pharmaceutical industry lobbyists, a lobbyist and a half for every Member of Congress. If you walked down the hall, they were usually your shadow in this place. The reason we are talking about the process today is because the process was reflective of the policy and what happened and produced in this legislation, that is, the pharmaceutical industry when it came to dealing with the issue of price and affordability of prescription drugs, the will of the pharmaceutical industry was reflected but not the will of either our taxpayers or our senior citizens who are being forced into a system that requires that they pay 40 percent more than anybody in Canada and Europe.

What we can do for our veterans, we can do for our seniors and get them to use bulk negotiations, which is a free market. Everybody on this side always says, I wish the government would act more like a business. We try to get it to act like a business, and what do you do? You turn your back on it. We can use either way to affect the price here.

This is a debate that has now taken the public interest and the public trust and has turned it into a piggy bank for the special interests.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey (Mr. FERGUSON).

Mr. FERGUSON. I thank the gentlewoman for yielding me this time.

Mr. Speaker, today was a historic day. The gentleman from Pennsylvania (Mr. GREENWOOD) mentioned earlier that President Bush signed into law the most sweeping improvements that our Medicare program has seen in almost 40 years. Soon, because of this legislation, millions of seniors will be able to afford the prescription medications which will dramatically change, improve, yes, and sometimes even save their lives. We should celebrate today that this bill has been signed into law and that finally after years of inaction and obstruction, the leadership of this Republican majority and the several thoughtful Democrats who joined us have kept our promise to our seniors.

But on this historic day, instead of high-minded debate and additional work to benefit our seniors and other Americans, what do we hear from some Members of this body? We hear complaining. We hear complaining because of an inconvenience. It would be an understatement to say that an elderly person who relies on their prescription medications struggles as they try to work through chemotherapy treatment for cancer. Similarly, one could say that it is a big inconvenience for a low-income senior who has to make decisions each month as to whether they will buy their prescription medication or buy their groceries. Indeed, I think each one of us would agree that it is inconvenient, really inconvenient for the 70-year-old woman who works not because she chooses to but because she cannot afford to retire and she continues to work because she needs to pay for her diabetes medication.

Yet the complaint today is not that rules were broken because, of course, we followed the rules of this House. But now what we hear is that it was inconvenient for us to be here working through the night, to be voting until almost 6 a.m. and to stay up all night. And, of course, it is inconvenient for us to do so. It is inconvenient to work all night. It is really inconvenient, of course, to lose a vote on a major piece of legislation. But I think it was worth some of the inconvenience on our part. I think it was worth some of the inconvenience to help some of the neediest and indeed some of the most vulnerable in our society, older Americans who have worked hard and who have sacrificed and who have paid their taxes and paid their dues and made sacrifices to create opportunities for every single one of us. Is it not worth a little bit of inconvenience for us to keep our promises to them? Inconvenient for us, yes. But is it worth it to keep our promises to our seniors? I say yes.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia (Mr. ISAKSON).

Mr. ISAKSON. Mr. Speaker, I thank the gentlewoman from Connecticut for yielding me this time. I, having been a minority leader in the Georgia legislature for a long time, understand that role. But I have to clarify the opening remarks that were made by the leader from my perspective about the time, about the hours of the night and about the comment; and I think I have got it about right, that in the dark of night we passed legislation that benefited a few, referring, I think, to the tax legislation in the past.

Mr. Speaker, at 12:12, 12:15, 2:45, 3 a.m., and 6:45 in the morning, any morning, fishermen leave the wharves of San Francisco, California, to go fish for a living and pay taxes. In the district of the gentleman from New York (Mr. RANGEL), in the garment district they work in those hours for the prime time of the evening to feed their families and pay taxes. In every one of our districts in those hours of the dark of night, Americans who finance this country and run it work doing an important job.

I will submit to you, if you ask them, reforming a Medicare system is important. I think if you asked them if dealing with prescription drugs for their parents and their seniors is important, they would tell you. I do not think any one of us on the campaign trail would ever belittle a fisherman at 6:45 on San Francisco's wharf or someone in the garment district of the gentleman from New York (Mr. RANGEL). We can have our partisan arguments over procedure, but let us not ever belittle hard work for a good purpose because it is the American people that do that on the night shift every night that finance this country and allow you and I to be here.

I am proud to have stood up to cut their taxes and provide benefits to their parents.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield such time as he may consume to the gentleman from Virginia (Mr. CANTOR).

Mr. CANTOR. I thank the gentlewoman for yielding me this time.

Mr. Speaker, this is a great day for America. The American people are celebrating today because the President has signed into law one of the most, if not the most, dramatic improvements to the Medicare program since its inception. Finally, Mr. Speaker, seniors across this country will have an option of a prescription drug benefit. Finally, Mr. Speaker, seniors will be given a choice in designing and selecting a benefit of health care delivery under Medicare. And finally, Mr. Speaker, American families across this country will be able to benefit from health savings accounts, providing them an environment and incentive to save for their own family's health care needs in a tax-free environment.

No, Mr. Speaker, this is not about a system that is broken or a process that has gone awry. This debate today on the floor is about a Republican success, of a vision of how to improve health care for our senior citizens across this great Nation. This bill is about doing what is best for our constituents, in particular, our seniors, Mr. Speaker. America's largest senior advocacy group, the AARP, has endorsed this bill because it sees this bill as a way to move us forward and to bring Medicare into the modern era and provide our seniors with a greater health benefit.

□ 1630

Mr. Speaker, it is Republican-led policies that move this Nation forward today, not Democrat politics that we are witnessing on the floor this evening.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I thank the gentleman for his eloquent remarks.

Ms. PELOSI. Mr. Speaker, I yield 1 minute to the very distinguished gentleman from Illinois (Mr. GUTIERREZ).

Mr. GUTIERREZ. Mr. Speaker, when I came here in 1993, the Republican majority, then the Republican minority, spoke about a balanced budget amendment and that we had to balance the budget not on the backs of future generations. We no longer hear about a balanced budget amendment. They came and they said if they would become the majority that we would have term limits so that Members of Congress could be people legislators and not stay here all of their lives. They no longer talk about term limits.

But astonishingly that night, I could understand those changes. Philosophically and politically they changed their mind and said it was okay to run deficits, it was okay to bust the budget, that these were okay things to do; that it was okay to tell the people that they were only to come here for three terms, 6 years, and then return to their districts, and that was okay but they had a change of mind.

But what happened that night was different because I never recall a single instance in which a member of the Republican majority said that I was offered a $100,000 bribe in order to break my promise to the people, to change my position on a public policy issue. And that is what the debate should be here about tonight, and until we get to the bottom of that matter, it is a shame and a blemish on this House.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield myself such time as I may consume.

This is a great day for America. Today President Bush signed a prescription drug bill that will deliver on a promise that this Congress has talked about for 4 years and has passed three different bills to try to achieve it.

Last year after we passed our second bill, the Senate, controlled by the Democrats, would not even allow a vote, would not even allow a vote. That is why when we had the opportunity to pass a bill that would provide, deliver, prescription drugs as a part of Medicare on the basis of voluntary participation to all seniors all across America, we were determined to take it. Furthermore, it is the first bill that counted all seniors in America as Medicare and seniors first and poor second. That is why we are taking all seniors off Medicaid, bringing them on Medicare's drug benefit so they will get the same benefit all across the country because they are seniors first and poor only second. The Senate bill did not do that. Our bill did that.

And we passed this bill and pushed it through and held the vote open because we wanted to make sure that that half of women retired, living on very low incomes, would get what this bill promises them, $1 or $2 copayments on generics and $3 or $5 on prescriptions, that is all.

But we had to pass this bill for another reason. It does more to improve payments for rural health care providers and to link rural health care to sophisticated medical centers than any legislative initiative from this body ever has done, and without it the physicians out now in the rural towns, who are my husband's age and who are about to retire, will not be replaceable. We will not be able to attract the next generation of physicians to rural health care without the really rather arbitrary policy changes in this bill that reflect our experience in rural health and its inability to attract providers. So we saved rural seniors from not having access to doctors, home health agencies, and hospitals. And, furthermore, we link through these regional health plans rural medicine more tightly into sophisticated medical centers. And, lastly, we passed disease management in this bill for the plans on a mandatory basis and for Medicare as an integral part of it in the years to come, and, thereby, for the first time, built preventative health care into the Medicare structure. It is currently, now, solely an illness treatment program.

With the new reforms the President signed today, and with great leadership from Secretary Tommy Thompson, who deserves tremendous credit, both for understanding the need for rural health to be linked into the modern delivery capability of technology, and who understood also the power that disease management is going to give us to help seniors with chronic illness prevent their chronic illnesses from progressing, and how urgent it is that when a plan like Medicare has one-third of its seniors with five chronic illnesses using 80 percent of program dollars that we do something about it, that we act. For 4 years we have talked and not acted. If acting required holding that vote open, and then we saw at the end, two Republicans changed to "yes" and two changed to "no." What happened was that my friends on the other side of the aisle who understood the importance of this bill both to the quality of care seniors could achieve and to the revitalization of rural medicine then were free to lay their votes on table, and it was those additional votes that made the difference, and I thank them because bipartisanship is hard in this environment, and I understand it. But we did it for America's seniors. We did it together. The President signed it today, and it is an enormous victory for senior health care and the greatest step forward in women's health that this body has ever passed. And I am proud to stand here and say this Congress passed the modernization of Medicare and the inclusion of prescription drugs for our seniors with the President's help, and I thank him.

Ms. PELOSI. Mr. Speaker, I yield myself such time as I may consume.

It is clear that the conduct of the Medicare prescription drug bill is indefensible, and that is why not one member of the elected leadership of the majority could show his face on this floor today to defend that behavior. It is clear.

If we had so much time that night that we could wait, why could we not have time to debate? We had asked the Committee on Rules for more time for debate. Were the Republicans afraid that the American people would find out with further debate that they have a prohibition in the bill from this government negotiating for lower prices for prescription drugs for our seniors? Were they afraid that they would find out if they make $13,470 a year that they pay $4,000 of their first $5,000 for prescription drug benefits, $4,000 of their first $5,000?

I brought this privileged resolution to the floor not because the Republicans had once again abused their power and once again had abused their customs and traditions of this House. I brought this privileged resolution to the House because there were newspaper publications of rumors of bribery, of $100,000 on the floor of this House to a Member of Congress and a threat to that Member of Congress that his son would never come to Congress unless he voted with the Republicans.

The public deserves answers to that question. We will not let this rest. The Republican leadership can run, but they cannot hide from that rumor of bribery taking place on this floor of the House. The Member himself has asserted that, but we could not come to the floor until we had a written documentation of that assertion. That assertion is now documented.

Mr. Speaker, much has been said about the President's signing this historic legislation today. This is not historic legislation. This is an historic missed opportunity to do what is right for America's seniors. It is historic in this respect: 40 years ago when the Democratic Congress and the Democratic President made Medicare the law of the land, only 13 Republicans voted for the Medicare bill. They had been waging war. The Republicans had been waging war on Medicare for 40 years. They had their opportunity to have a full airing of the debate that night so the public could hear what they were up to with their Trojan horse of a piece of legislation. They did not have time to debate. They could not honor our request for more time to discuss this very historic and important legislation. They did have time for bribery on the floor of the House of Representatives.

So, Mr. Speaker, this is an issue about how we conduct the people's business, how we set an example for the rest of the world. It is an example of how people are not accountable for their behavior on this floor by having business conducted here in a way that brings shame and dishonor to this House and not even coming to this floor to listen to the debate or to defend that conduct. This is a very historic day indeed because this is a day when the American people are finding out that the Republicans will go to any length to be the handmaidens of the pharmaceutical industry. They will go to any length to be beholden to the HMOs and the insurance industry, that the Republicans will go to any length to justify the wrong actions that they are taking. So convinced of the correctness of their position that they think that any action is justified. Let that not be the rule that applies to any of us on either side of the aisle.

So, Mr. Speaker, with that I urge my colleagues to support our privileged resolution.

Mr. Speaker, I yield back the balance of my time.

MOTION TO TABLE OFFERED BY MRS. JOHNSON OF CONNECTICUT

Mrs. JOHNSON of Connecticut. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore (Mr. LATOURETTE). The Clerk will report the motion.

The Clerk read as follows:

Mrs. JOHNSON of Connecticut moves that the resolution be laid on the table.

The SPEAKER pro tempore. The motion is not debatable.

The question is on the motion to table offered by the gentlewoman by Connecticut (Mrs. JOHNSON).

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Ms. PELOSI. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 207, nays 182, not voting 45, as follows:

[Roll No. 677]

YEAS—207

Aderholt
Akin
Bachus
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Bereuter
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Buyer
Camp
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole
Collins
Cox
Crane
Crenshaw
Culberson
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Dreier
Dunn
Ehlers
Emerson
English
Feeney
Ferguson
Flake
Foley
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Garrett (NJ)
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
McCotter
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller (MI)
Moran (KS)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Porter
Portman
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (FL)

NAYS—182

Abercrombie
Alexander
Allen
Baird
Baldwin
Ballance
Becerra
Bell
Berkley
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Cardin
Cardoza
Carson (IN)
Case
Clay
Clyburn
Conyers
Cooper
Costello
Cramer
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doyle
Edwards
Emanuel
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Ford
Frank (MA)
Frost
Gonzalez
Gordon
Green (TX)
Grijalva
Gutierrez
Hall
Harman
Hastings (FL)
Hill
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
Lampson
Langevin
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Majette
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Michaud
Millender-McDonald
Miller (NC)
Mollohan
Moore
Moran (VA)
Murtha
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pastor
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)

Snyder
Solis
Spratt
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Waters
Watson
Watt
Weiner
Woolsey
Wu
Wynn

NOT VOTING—45

Ackerman
Andrews
Baca
Baker
Berman
Boucher
Burr
Burton (IN)
Calvert
Capuano
Carson (OK)
Cubin
Cunningham
Davis (FL)
Doggett
Dooley (CA)
Duncan
Everett
Filner
Fletcher
Gallegly
Gephardt
Gerlach
Istook
Janklow
Kennedy (RI)
Lantos
Larsen (WA)
Lynch
Manzullo
Menendez
Miller, Gary
Miller, George
Nadler
Oxley
Pascrell
Quinn
Rohrabacher
Schiff
Stark
Thornberry
Vitter
Waxman
Wexler
Young (AK)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LATOURETTE)(during the vote). Members are advised there are 2 minutes remaining in this vote.

☐ 1704

Messrs. FRANK of Massachusetts, DAVIS of Illinois, and HALL changed their vote from "yea" to "nay."

Messrs. OSBORNE, RYUN of Kansas, GREENWOOD, AKIN, BEAUPREZ, and TANCREDO, and Ms. HART changed their vote from "nay" to "yea."

So the motion to table was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated against:

Mr. FILNER. Mr. Speaker, on rollcall No. 677, due to urgent constituent support commitments in my congressional district, I missed the vote. Had I been present, I would have voted "no."

PERSONAL EXPLANATION

Mr. PASCRELL. Mr. Speaker, the conference report for H.R. 2673 allows disastrous overtime regulations to go through, bows to pressure on FCC media ownership regulations, contains inadequate funding for the manufacturing extension partnership, and includes a flawed public school vouchers program. I have opposed all of these provisions in past votes. While I have strong concerns about these and other provisions contained in and left out of this omnibus appropriations bill, had I been in attendance, I would have cast an "aye" vote on rollcall No. 676 in support of the many important programs this bill funds.

I would have voted "no" on rollcall No. 677, the motion to table the Democratic Leader's Privileged Resolution.

PERSONAL EXPLANATION

Mr. BURTON of Indiana. Mr. Speaker, due to official business outside the Washington, DC, area, I was unable to be present during rollcall votes 673–677. Had I been here I would have voted "yea" for rollcall votes 673–677.

APPOINTMENT OF COMMITTEE OF TWO MEMBERS TO INFORM THE PRESIDENT THAT THE HOUSE HAS COMPLETED ITS BUSINESS OF THE SESSION

Mr. DELAY. Mr. Speaker, I offer a privileged resolution (H. Res. 476) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 476

Resolved, That a committee of two Members of the House be appointed to wait upon the President of the United States and inform him that the House of Representatives has completed its business of the session and is ready to adjourn, unless the President has some other communication to make to them.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to House Resolution 476, the Chair appoints the following Members of the House to the Committee to Notify the President:

The gentleman from Texas (Mr. DELAY);

the gentlewoman from California (Ms. PELOSI).

AUTHORIZING THE SPEAKER, MAJORITY LEADER, AND MINORITY LEADER TO ACCEPT RESIGNATIONS AND TO MAKE APPOINTMENTS AUTHORIZED BY LAW OR BY THE HOUSE FOR THE REMAINDER OF THE 108TH CONGRESS

Mr. DELAY. Mr. Speaker, I ask unanimous consent that for the remainder of the 108th Congress, the Speaker, the Majority Leader, and the Minority Leader be authorized to accept resignations and to make appointments authorized by law or by the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

GRANTING MEMBERS OF THE HOUSE PRIVILEGE TO EXTEND AND REVISE REMARKS IN CONGRESSIONAL RECORD UNTIL LAST EDITION IS PUBLISHED

Mr. DELAY. Mr. Speaker, I ask unanimous consent that Members may have until publication of the last edition of the CONGRESSIONAL RECORD authorized for the first session of the 108th Congress by the Joint Committee on Printing to revise and extend their remarks and to include brief, related extraneous material on any matter occurring before the adjournment of the first session sine die.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 3507

Ms. PELOSI. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of H.R. 3507.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H. Res. 462

Mr. TERRY. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of H. Res. 462.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

CONTROLLING THE ASSAULT OF NON-SOLICITED PORNOGRAPHY AND MARKET ACT OF 2003

Mr. TAUZIN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 877) to regulate interstate commerce by imposing limitations and penalties on the transmission of unsolicited commercial electronic mail via the Internet, with a Senate amendment to the House amendment thereto, and concur in the Senate amendment to the House amendment.

The Clerk read the title of the Senate bill.

The Clerk read the Senate amendment to the House amendment, as follows:

Senate amendment to House amendment:

In lieu of the matter proposed to be inserted by the House amendment to the text of the bill, insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003", or the "CAN-SPAM Act of 2003".

SEC. 2. CONGRESSIONAL FINDINGS AND POLICY.

(a) FINDINGS.—The Congress finds the following:

(1) Electronic mail has become an extremely important and popular means of communication, relied on by millions of Americans on a daily basis for personal and commercial purposes. Its low cost and global reach make it extremely convenient and efficient, and offer unique opportunities for the development and growth of frictionless commerce.

(2) The convenience and efficiency of electronic mail are threatened by the extremely rapid growth in the volume of unsolicited commercial electronic mail. Unsolicited commercial electronic mail is currently estimated to account for over half of all electronic mail traffic, up from an estimated 7 percent in 2001, and the volume continues to rise. Most of these messages are fraudulent or deceptive in one or more respects.

(3) The receipt of unsolicited commercial electronic mail may result in costs to recipients who cannot refuse to accept such mail and who incur costs for the storage of such mail, or for the time spent accessing, reviewing, and discarding such mail, or for both.

(4) The receipt of a large number of unwanted messages also decreases the convenience of electronic mail and creates a risk that wanted electronic mail messages, both commercial and noncommercial, will be lost, overlooked, or discarded amidst the larger volume of unwanted messages, thus reducing the reliability and usefulness of electronic mail to the recipient.

(5) Some commercial electronic mail contains material that many recipients may consider vulgar or pornographic in nature.

(6) The growth in unsolicited commercial electronic mail imposes significant monetary costs on providers of Internet access services, businesses, and educational and nonprofit institutions that carry and receive such mail, as there is a finite volume of mail that such providers, businesses, and institutions can handle without further investment in infrastructure.

(7) Many senders of unsolicited commercial electronic mail purposefully disguise the source of such mail.

(8) Many senders of unsolicited commercial electronic mail purposefully include misleading information in the messages' subject lines in order to induce the recipients to view the messages.

(9) While some senders of commercial electronic mail messages provide simple and reliable ways for recipients to reject (or "opt-out" of) receipt of commercial electronic mail from such senders in the future, other senders provide no such "opt-out" mechanism, or refuse to honor the requests of recipients not to receive electronic mail from such senders in the future, or both.

(10) Many senders of bulk unsolicited commercial electronic mail use computer programs to gather large numbers of electronic mail addresses on an automated basis from Internet websites or online services where users must post their addresses in order to make full use of the website or service.

(11) Many States have enacted legislation intended to regulate or reduce unsolicited commercial electronic mail, but these statutes impose different standards and requirements. As a result, they do not appear to have been successful in addressing the problems associated with unsolicited commercial electronic mail, in part because, since an electronic mail address does not specify a geographic location, it can be extremely difficult for law-abiding businesses to know with which of these disparate statutes they are required to comply.

(12) The problems associated with the rapid growth and abuse of unsolicited commercial electronic mail cannot be solved by Federal legislation alone. The development and adoption of technological approaches and the pursuit of cooperative efforts with other countries will be necessary as well.

(b) CONGRESSIONAL DETERMINATION OF PUBLIC POLICY.—On the basis of the findings in subsection (a), the Congress determines that—

(1) there is a substantial government interest in regulation of commercial electronic mail on a nationwide basis;

(2) senders of commercial electronic mail should not mislead recipients as to the source or content of such mail; and

(3) recipients of commercial electronic mail have a right to decline to receive additional commercial electronic mail from the same source.

SEC. 3. DEFINITIONS.

In this Act:

(1) AFFIRMATIVE CONSENT.—The term "affirmative consent", when used with respect to a commercial electronic mail message, means that—

(A) the recipient expressly consented to receive the message, either in response to a clear and conspicuous request for such consent or at the recipient's own initiative; and

(B) if the message is from a party other than the party to which the recipient communicated such consent, the recipient was given clear and conspicuous notice at the time the consent was communicated that the recipient's electronic mail address could be transferred to such other party for the purpose of initiating commercial electronic mail messages.

(2) COMMERCIAL ELEGTRONIC MAIL MESSAGE.—

(A) IN GENERAL.—The term "commercial electronic mail message" means any electronic mail message the primary purpose of which is the commercial advertisement or promotion of a commercial product or service (including content on an Internet website operated for a commercial purpose).

(B) TRANSACTIONAL OR RELATIONSHIP MESSAGES.—The term "commercial electronic mail message" does not include a transactional or relationship message.

(C) REGULATIONS REGARDING PRIMARY PURPOSE.—Not later than 12 months after the date of the enactment of this Act, the Commission shall issue regulations pursuant to section 13 defining the relevant criteria to facilitate the determination of the primary purpose of an electronic mail message.

(D) REFERENCE TO COMPANY OR WEBSITE.—The inclusion of a reference to a commercial entity or a link to the website of a commercial entity in an electronic mail message does not, by itself, cause such message to be treated as a commercial electronic mail message for purposes of this Act if the contents or circumstances of the message indicate a primary purpose other than commercial advertisement or promotion of a commercial product or service.

(3) COMMISSION.—The term "Commission" means the Federal Trade Commission.

(4) DOMAIN NAME.—The term "domain name" means any alphanumeric designation which is registered with or assigned by any domain name registrar, domain name registry, or other domain name registration authority as part of an electronic address on the Internet.

(5) ELECTRONIC MAIL ADDRESS.—The term "electronic mail address" means a destination, commonly expressed as a string of characters, consisting of a unique user name or mailbox (commonly referred to as the "local part") and a reference to an Internet domain (commonly referred to as the "domain part"), whether or not displayed, to which an electronic mail message can be sent or delivered.

(6) ELECTRONIC MAIL MESSAGE.—The term "electronic mail message" means a message sent to a unique electronic mail address.

(7) FTC ACT.—The term "FTC Act" means the Federal Trade Commission Act (15 U.S.C. 41 et seq.).

(8) HEADER INFORMATION.—The term "header information" means the source, destination, and routing information attached to an electronic mail message, including the originating domain name and originating electronic mail address, and any other information that appears in the line identifying, or purporting to identify, a person initiating the message.

(9) INITIATE.—The term "initiate", when used with respect to a commercial electronic mail message, means to originate or transmit such message or to procure the origination or transmission of such message, but shall not include actions that constitute routine conveyance of such message. For purposes of this paragraph, more than one person may be considered to have initiated a message.

(10) INTERNET.—The term "Internet" has the meaning given that term in the Internet Tax Freedom Act (47 U.S.C. 151 nt).

(11) INTERNET ACCESS SERVICE.—The term "Internet access service" has the meaning given that term in section 231(e)(4) of the Communications Act of 1934 (47 U.S.C. 231(e)(4)).

(12) PROCURE.—The term "procure", when used with respect to the initiation of a commercial electronic mail message, means intentionally to pay or provide other consideration to, or induce, another person to initiate such a message on one's behalf.

(13) PROTECTED COMPUTER.—The term "protected computer" has the meaning given that term in section 1030(e)(2)(B) of title 18, United States Code.

(14) RECIPIENT.—The term "recipient", when used with respect to a commercial electronic mail message, means an authorized user of the electronic mail address to which the message was sent or delivered. If a recipient of a commercial electronic mail message has one or more electronic mail addresses in addition to the address to which the message was sent or delivered, the recipient shall be treated as a separate recipient with respect to each such address. If an electronic mail address is reassigned to a new user, the new user shall not be treated as a recipient of any commercial electronic mail message sent or delivered to that address before it was reassigned.

(15) ROUTINE CONVEYANCE.—The term "routine conveyance" means the transmission, routing, relaying, handling, or storing, through an automatic technical process, of an electronic mail message for which another person has identified the recipients or provided the recipient addresses.

(16) SENDER.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the term "sender", when used with respect to a commercial electronic mail message, means a person who initiates such a message and whose product, service, or Internet web site is advertised or promoted by the message.

(B) SEPARATE LINES OF BUSINESS OR DIVISIONS.—If an entity operates through separate lines of business or divisions and holds itself out to the recipient throughout the message as that particular line of business or division rather than as the entity of which such line of business or division is a part, then the line of business or the division shall be treated as the sender of such message for purposes of this Act.

(17) TRANSACTIONAL OR RELATIONSHIP MESSAGE.—

(A) IN GENERAL.—The term "transactional or relationship message" means an electronic mail message the primary purpose of which is—

(i) to facilitate, complete, or confirm a commercial transaction that the recipient has previously agreed to enter into with the sender;

(ii) to provide warranty information, product recall information, or safety or security information with respect to a commercial product or service used or purchased by the recipient;

(iii) to provide—

(I) notification concerning a change in the terms or features of;

(II) notification of a change in the recipient's standing or status with respect to; or

(III) at regular periodic intervals, account balance information or other type of account statement with respect to,

a subscription, membership, account, loan, or comparable ongoing commercial relationship involving the ongoing purchase or use by the recipient of products or services offered by the sender;

(iv) to provide information directly related to an employment relationship or related benefit plan in which the recipient is currently involved, participating, or enrolled; or

(v) to deliver goods or services, including product updates or upgrades, that the recipient is entitled to receive under the terms of a transaction that the recipient has previously agreed to enter into with the sender.

(B) MODIFICATION OF DEFINITION.—The Commission by regulation pursuant to section 13

may modify the definition in subparagraph (A) to expand or contract the categories of messages that are treated as transactional or relationship messages for purposes of this Act to the extent that such modification is necessary to accommodate changes in electronic mail technology or practices and accomplish the purposes of this Act.

SEC. 4. PROHIBITION AGAINST PREDATORY AND ABUSIVE COMMERCIAL E-MAIL.

(a) OFFENSE.—

(1) IN GENERAL.—Chapter 47 of title 18, United States Code, is amended by adding at the end the following new section:

"§1037. Fraud and related activity in connection with electronic mail

"(a) IN GENERAL.—Whoever, in or affecting interstate or foreign commerce, knowingly—

"(1) accesses a protected computer without authorization, and intentionally initiates the transmission of multiple commercial electronic mail messages from or through such computer,

"(2) uses a protected computer to relay or retransmit multiple commercial electronic mail messages, with the intent to deceive or mislead recipients, or any Internet access service, as to the origin of such messages,

"(3) materially falsifies header information in multiple commercial electronic mail messages and intentionally initiates the transmission of such messages,

"(4) registers, using information that materially falsifies the identity of the actual registrant, for five or more electronic mail accounts or online user accounts or two or more domain names, and intentionally initiates the transmission of multiple commercial electronic mail messages from any combination of such accounts or domain names, or

"(5) falsely represents oneself to be the registrant or the legitimate successor in interest to the registrant of 5 or more Internet Protocol addresses, and intentionally initiates the transmission of multiple commercial electronic mail messages from such addresses,

or conspires to do so, shall be punished as provided in subsection (b).

"(b) PENALTIES.—The punishment for an offense under subsection (a) is—

"(1) a fine under this title, imprisonment for not more than 5 years, or both, if—

"(A) the offense is committed in furtherance of any felony under the laws of the United States or of any State; or

"(B) the defendant has previously been convicted under this section or section 1030, or under the law of any State for conduct involving the transmission of multiple commercial electronic mail messages or unauthorized access to a computer system;

"(2) a fine under this title, imprisonment for not more than 3 years, or both, if—

"(A) the offense is an offense under subsection (a)(1);

"(B) the offense is an offense under subsection (a)(4) and involved 20 or more falsified electronic mail or online user account registrations, or 10 or more falsified domain name registrations;

"(C) the volume of electronic mail messages transmitted in furtherance of the offense exceeded 2,500 during any 24-hour period, 25,000 during any 30-day period, or 250,000 during any 1-year period;

"(D) the offense caused loss to one or more persons aggregating $5,000 or more in value during any 1-year period;

"(E) as a result of the offense any individual committing the offense obtained anything of value aggregating $5,000 or more during any 1-year period; or

"(F) the offense was undertaken by the defendant in concert with 3 or more other persons with respect to whom the defendant occupied a position of organizer or leader; and

"(3) a fine under this title or imprisonment for not more than 1 year, or both, in any other case.

"(c) FORFEITURE.—

"(1) IN GENERAL.—The court, in imposing sentence on a person who is convicted of an offense under this section, shall order that the defendant forfeit to the United States—

"(A) any property, real or personal, constituting or traceable to gross proceeds obtained from such offense; and

"(B) any equipment, software, or other technology used or intended to be used to commit or to facilitate the commission of such offense.

"(2) PROCEDURES.—The procedures set forth in section 413 of the Controlled Substances Act (21 U.S.C. 853), other than subsection (d) of that section, and in Rule 32.2 of the Federal Rules of Criminal Procedure, shall apply to all stages of a criminal forfeiture proceeding under this section.

"(d) DEFINITIONS.—In this section:

"(1) LOSS.—The term 'loss' has the meaning given that term in section 1030(e) of this title.

"(2) MATERIALLY.—For purposes of paragraphs (3) and (4) of subsection (a), header information or registration information is materially falsified if it is altered or concealed in a manner that would impair the ability of a recipient of the message, an Internet access service processing the message on behalf of a recipient, a person alleging a violation of this section, or a law enforcement agency to identify, locate, or respond to a person who initiated the electronic mail message or to investigate the alleged violation.

"(3) MULTIPLE.—The term 'multiple' means more than 100 electronic mail messages during a 24-hour period, more than 1,000 electronic mail messages during a 30-day period, or more than 10,000 electronic mail messages during a 1-year period.

"(4) OTHER TERMS.—Any other term has the meaning given that term by section 3 of the CAN-SPAM Act of 2003.".

(2) CONFORMING AMENDMENT.—The chapter analysis for chapter 47 of title 18, United States Code, is amended by adding at the end the following:

"Sec.

"1037. Fraud and related activity in connection with electronic mail.".

(b) UNITED STATES SENTENCING COMMISSION.—

(1) DIRECTIVE.—Pursuant to its authority under section 994(p) of title 28, United States Code, and in accordance with this section, the United States Sentencing Commission shall review and, as appropriate, amend the sentencing guidelines and policy statements to provide appropriate penalties for violations of section 1037 of title 18, United States Code, as added by this section, and other offenses that may be facilitated by the sending of large quantities of unsolicited electronic mail.

(2) REQUIREMENTS.—In carrying out this subsection, the Sentencing Commission shall consider providing sentencing enhancements for—

(A) those convicted under section 1037 of title 18, United States Code, who—

(i) obtained electronic mail addresses through improper means, including—

(I) harvesting electronic mail addresses of the users of a website, proprietary service, or other online public forum operated by another person, without the authorization of such person; and

(II) randomly generating electronic mail addresses by computer; or

(ii) knew that the commercial electronic mail messages involved in the offense contained or advertised an Internet domain for which the registrant of the domain had provided false registration information; and

(B) those convicted of other offenses, including offenses involving fraud, identity theft, obscenity, child pornography, and the sexual exploitation of children, if such offenses involved the sending of large quantities of electronic mail.

(c) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) Spam has become the method of choice for those who distribute pornography, perpetrate fraudulent schemes, and introduce viruses, worms, and Trojan horses into personal and business computer systems; and

(2) the Department of Justice should use all existing law enforcement tools to investigate and prosecute those who send bulk commercial e-mail to facilitate the commission of Federal crimes, including the tools contained in chapters 47 and 63 of title 18, United States Code (relating to fraud and false statements); chapter 71 of title 18, United States Code (relating to obscenity); chapter 110 of title 18, United States Code (relating to the sexual exploitation of children); and chapter 95 of title 18, United States Code (relating to racketeering), as appropriate.

SEC. 5. OTHER PROTECTIONS FOR USERS OF COMMERCIAL ELECTRONIC MAIL.

(a) REQUIREMENTS FOR TRANSMISSION OF MESSAGES.—

(1) PROHIBITION OF FALSE OR MISLEADING TRANSMISSION INFORMATION.—It is unlawful for any person to initiate the transmission, to a protected computer, of a commercial electronic mail message, or a transactional or relationship message, that contains, or is accompanied by, header information that is materially false or materially misleading. For purposes of this paragraph—

(A) header information that is technically accurate but includes an originating electronic mail address, domain name, or Internet Protocol address the access to which for purposes of initiating the message was obtained by means of false or fraudulent pretenses or representations shall be considered materially misleading;

(B) a "from" line (the line identifying or purporting to identify a person initiating the message) that accurately identifies any person who initiated the message shall not be considered materially false or materially misleading; and

(C) header information shall be considered materially misleading if it fails to identify accurately a protected computer used to initiate the message because the person initiating the message knowingly uses another protected computer to relay or retransmit the message for purposes of disguising its origin.

(2) PROHIBITION OF DECEPTIVE SUBJECT HEADINGS.—It is unlawful for any person to initiate the transmission to a protected computer of a commercial electronic mail message if such person has actual knowledge, or knowledge fairly implied on the basis of objective circumstances, that a subject heading of the message would be likely to mislead a recipient, acting reasonably under the circumstances, about a material fact regarding the contents or subject matter of the message (consistent with the criteria used in enforcement of section 5 of the Federal Trade Commission Act (15 U.S.C. 45)).

(3) INCLUSION OF RETURN ADDRESS OR COMPARABLE MECHANISM IN COMMERCIAL ELECTRONIC MAIL.—

(A) IN GENERAL.—It is unlawful for any person to initiate the transmission to a protected computer of a commercial electronic mail message that does not contain a functioning return electronic mail address or other Internet-based mechanism, clearly and conspicuously displayed, that—

(i) a recipient may use to submit, in a manner specified in the message, a reply electronic mail message or other form of Internet-based communication requesting not to receive future commercial electronic mail messages from that sender at the electronic mail address where the message was received; and

(ii) remains capable of receiving such messages or communications for no less than 30 days after the transmission of the original message.

(B) MORE DETAILED OPTIONS POSSIBLE.—The person initiating a commercial electronic mail message may comply with subparagraph (A)(i) by providing the recipient a list or menu from which the recipient may choose the specific types of commercial electronic mail messages the recipient wants to receive or does not want to receive from the sender, if the list or menu includes an option under which the recipient may choose not to receive any commercial electronic mail messages from the sender.

(C) TEMPORARY INABILITY TO RECEIVE MESSAGES OR PROCESS REQUESTS.—A return electronic mail address or other mechanism does not fail to satisfy the requirements of subparagraph (A) if it is unexpectedly and temporarily unable to receive messages or process requests due to a technical problem beyond the control of the sender if the problem is corrected within a reasonable time period.

(4) PROHIBITION OF TRANSMISSION OF COMMERCIAL ELECTRONIC MAIL AFTER OBJECTION.—

(A) IN GENERAL.—If a recipient makes a request using a mechanism provided pursuant to paragraph (3) not to receive some or any commercial electronic mail messages from such sender, then it is unlawful—

(i) for the sender to initiate the transmission to the recipient, more than 10 business days after the receipt of such request, of a commercial electronic mail message that falls within the scope of the request;

(ii) for any person acting on behalf of the sender to initiate the transmission to the recipient, more than 10 business days after the receipt of such request, of a commercial electronic mail message with actual knowledge, or knowledge fairly implied on the basis of objective circumstances, that such message falls within the scope of the request;

(iii) for any person acting on behalf of the sender to assist in initiating the transmission to the recipient, through the provision or selection of addresses to which the message will be sent, of a commercial electronic mail message with actual knowledge, or knowledge fairly implied on the basis of objective circumstances, that such message would violate clause (i) or (ii); or

(iv) for the sender, or any other person who knows that the recipient has made such a request, to sell, lease, exchange, or otherwise transfer or release the electronic mail address of the recipient (including through any transaction or other transfer involving mailing lists bearing the electronic mail address of the recipient) for any purpose other than compliance with this Act or other provision of law.

(B) SUBSEQUENT AFFIRMATIVE CONSENT.—A prohibition in subparagraph (A) does not apply if there is affirmative consent by the recipient subsequent to the request under subparagraph (A).

(5) INCLUSION OF IDENTIFIER, OPT-OUT, AND PHYSICAL ADDRESS IN COMMERCIAL ELECTRONIC MAIL.—

(A) It is unlawful for any person to initiate the transmission of any commercial electronic mail message to a protected computer unless the message provides—

(i) clear and conspicuous identification that the message is an advertisement or solicitation;

(ii) clear and conspicuous notice of the opportunity under paragraph (3) to decline to receive further commercial electronic mail messages from the sender; and

(iii) a valid physical postal address of the sender.

(B) Subparagraph (A)(i) does not apply to the transmission of a commercial electronic mail message if the recipient has given prior affirmative consent to receipt of the message.

(6) MATERIALLY.—For purposes of paragraph (1), the term "materially", when used with respect to false or misleading header information, includes the alteration or concealment of header information in a manner that would impair the ability of an Internet access service processing the message on behalf of a recipient, a person alleging a violation of this section, or a law enforcement agency to identify, locate, or respond to a person who initiated the electronic mail message or to investigate the alleged violation, or the ability of a recipient of the message to respond to a person who initiated the electronic message.

(b) AGGRAVATED VIOLATIONS RELATING TO COMMERCIAL ELECTRONIC MAIL.—

(1) ADDRESS HARVESTING AND DICTIONARY ATTACKS.—

(A) IN GENERAL.—It is unlawful for any person to initiate the transmission, to a protected computer, of a commercial electronic mail message that is unlawful under subsection (a), or to assist in the origination of such message through the provision or selection of addresses to which the message will be transmitted, if such person had actual knowledge, or knowledge fairly implied on the basis of objective circumstances, that—

(i) the electronic mail address of the recipient was obtained using an automated means from an Internet website or proprietary online service operated by another person, and such website or online service included, at the time the address was obtained, a notice stating that the operator of such website or online service will not give, sell, or otherwise transfer addresses maintained by such website or online service to any other party for the purposes of initiating, or enabling others to initiate, electronic mail messages; or

(ii) the electronic mail address of the recipient was obtained using an automated means that generates possible electronic mail addresses by combining names, letters, or numbers into numerous permutations.

(B) DISCLAIMER.—Nothing in this paragraph creates an ownership or proprietary interest in such electronic mail addresses.

(2) AUTOMATED CREATION OF MULTIPLE ELECTRONIC MAIL ACCOUNTS.—It is unlawful for any person to use scripts or other automated means to register for multiple electronic mail accounts or online user accounts from which to transmit to a protected computer, or enable another person to transmit to a protected computer, a commercial electronic mail message that is unlawful under subsection (a).

(3) RELAY OR RETRANSMISSION THROUGH UNAUTHORIZED ACCESS.—It is unlawful for any person knowingly to relay or retransmit a commercial electronic mail message that is unlawful under subsection (a) from a protected computer or computer network that such person has accessed without authorization.

(c) SUPPLEMENTARY RULEMAKING AUTHORITY.—The Commission shall by regulation, pursuant to section 13—

(1) modify the 10-business-day period under subsection (a)(4)(A) or subsection (a)(4)(B), or both, if the Commission determines that a different period would be more reasonable after taking into account—

(A) the purposes of subsection (a);

(B) the interests of recipients of commercial electronic mail; and

(C) the burdens imposed on senders of lawful commercial electronic mail; and

(2) specify additional activities or practices to which subsection (b) applies if the Commission determines that those activities or practices are contributing substantially to the proliferation of commercial electronic mail messages that are unlawful under subsection (a).

(d) REQUIREMENT TO PLACE WARNING LABELS ON COMMERCIAL ELECTRONIC MAIL CONTAINING SEXUALLY ORIENTED MATERIAL.—

(1) IN GENERAL.—No person may initiate in or affecting interstate commerce the transmission, to a protected computer, of any commercial electronic mail message that includes sexually oriented material and—

(A) fail to include in subject heading for the electronic mail message the marks or notices prescribed by the Commission under this subsection; or

(B) fail to provide that the matter in the message that is initially viewable to the recipient, when the message is opened by any recipient and absent any further actions by the recipient, includes only—

(i) to the extent required or authorized pursuant to paragraph (2), any such marks or notices;

(ii) the information required to be included in the message pursuant to subsection (a)(5); and

(iii) instructions on how to access, or a mechanism to access, the sexually oriented material.

(2) PRIOR AFFIRMATIVE CONSENT.—Paragraph (1) does not apply to the transmission of an electronic mail message if the recipient has given prior affirmative consent to receipt of the message.

(3) PRESCRIPTION OF MARKS AND NOTICES.—Not later than 120 days after the date of the enactment of this Act, the Commission in consultation with the Attorney General shall prescribe clearly identifiable marks or notices to be included in or associated with commercial electronic mail that contains sexually oriented material, in order to inform the recipient of that fact and to facilitate filtering of such electronic mail. The Commission shall publish in the Federal Register and provide notice to the public of the marks or notices prescribed under this paragraph.

(4) DEFINITION.—In this subsection, the term "sexually oriented material" means any material that depicts sexually explicit conduct (as that term is defined in section 2256 of title 18, United States Code), unless the depiction constitutes a small and insignificant part of the whole, the remainder of which is not primarily devoted to sexual matters.

(5) PENALTY.—Whoever knowingly violates paragraph (1) shall be fined under title 18, United States Code, or imprisoned not more than 5 years, or both.

SEC. 6. BUSINESSES KNOWINGLY PROMOTED BY ELECTRONIC MAIL WITH FALSE OR MISLEADING TRANSMISSION INFORMATION.

(a) IN GENERAL.—It is unlawful for a person to promote, or allow the promotion of, that person's trade or business, or goods, products, property, or services sold, offered for sale, leased or offered for lease, or otherwise made available through that trade or business, in a commercial electronic mail message the transmission of which is in violation of section 5(a)(1) if that person—

(1) knows, or should have known in the ordinary course of that person's trade or business, that the goods, products, property, or services sold, offered for sale, leased or offered for lease, or otherwise made available through that trade or business were being promoted in such a message;

(2) received or expected to receive an economic benefit from such promotion; and

(3) took no reasonable action—

(A) to prevent the transmission; or

(B) to detect the transmission and report it to the Commission.

(b) LIMITED ENFORCEMENT AGAINST THIRD PARTIES.—

(1) IN GENERAL.—Except as provided in paragraph (2), a person (hereinafter referred to as the "third party") that provides goods, products, property, or services to another person that violates subsection (a) shall not be held liable for such violation.

(2) EXCEPTION.—Liability for a violation of subsection (a) shall be imputed to a third party

that provides goods, products, property, or services to another person that violates subsection (a) if that third party—

(A) owns, or has a greater than 50 percent ownership or economic interest in, the trade or business of the person that violated subsection (a); or

(B)(i) has actual knowledge that goods, products, property, or services are promoted in a commercial electronic mail message the transmission of which is in violation of section 5(a)(1); and

(ii) receives, or expects to receive, an economic benefit from such promotion.

(c) EXCLUSIVE ENFORCEMENT BY FTC.—Subsections (f) and (g) of section 7 do not apply to violations of this section.

(d) SAVINGS PROVISION.—Except as provided in section 7(f)(8), nothing in this section may be construed to limit or prevent any action that may be taken under this Act with respect to any violation of any other section of this Act.

SEC. 7. ENFORCEMENT GENERALLY.

(a) VIOLATION IS UNFAIR OR DECEPTIVE ACT OR PRACTICE.—Except as provided in subsection (b), this Act shall be enforced by the Commission as if the violation of this Act were an unfair or deceptive act or practice proscribed under section 18(a)(1)(B) of the Federal Trade Commission Act (15 U.S.C. 57a(a)(1)(B)).

(b) ENFORCEMENT BY CERTAIN OTHER AGENCIES.—Compliance with this Act shall be enforced—

(1) under section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818), in the case of—

(A) national banks, and Federal branches and Federal agencies of foreign banks, by the Office of the Comptroller of the Currency;

(B) member banks of the Federal Reserve System (other than national banks), branches and agencies of foreign banks (other than Federal branches, Federal agencies, and insured State branches of foreign banks), commercial lending companies owned or controlled by foreign banks, organizations operating under section 25 or 25A of the Federal Reserve Act (12 U.S.C. 601 and 611), and bank holding companies, by the Board;

(C) banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System) insured State branches of foreign banks, by the Board of Directors of the Federal Deposit Insurance Corporation; and

(D) savings associations the deposits of which are insured by the Federal Deposit Insurance Corporation, by the Director of the Office of Thrift Supervision;

(2) under the Federal Credit Union Act (12 U.S.C. 1751 et seq.) by the Board of the National Credit Union Administration with respect to any Federally insured credit union;

(3) under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) by the Securities and Exchange Commission with respect to any broker or dealer;

(4) under the Investment Company Act of 1940 (15 U.S.C. 80a–1 et seq.) by the Securities and Exchange Commission with respect to investment companies;

(5) under the Investment Advisers Act of 1940 (15 U.S.C. 80b–1 et seq.) by the Securities and Exchange Commission with respect to investment advisers registered under that Act;

(6) under State insurance law in the case of any person engaged in providing insurance, by the applicable State insurance authority of the State in which the person is domiciled, subject to section 104 of the Gramm-Bliley-Leach Act (15 U.S.C. 6701), except that in any State in which the State insurance authority elects not to exercise this power, the enforcement authority pursuant to this Act shall be exercised by the Commission in accordance with subsection (a);

(7) under part A of subtitle VII of title 49, United States Code, by the Secretary of Transportation with respect to any air carrier or foreign air carrier subject to that part;

(8) under the Packers and Stockyards Act, 1921 (7 U.S.C. 181 et seq.) (except as provided in section 406 of that Act (7 U.S.C. 226, 227)), by the Secretary of Agriculture with respect to any activities subject to that Act;

(9) under the Farm Credit Act of 1971 (12 U.S.C. 2001 et seq.) by the Farm Credit Administration with respect to any Federal land bank, Federal land bank association, Federal intermediate credit bank, or production credit association; and

(10) under the Communications Act of 1934 (47 U.S.C. 151 et seq.) by the Federal Communications Commission with respect to any person subject to the provisions of that Act.

(c) EXERCISE OF CERTAIN POWERS.—For the purpose of the exercise by any agency referred to in subsection (b) of its powers under any Act referred to in that subsection, a violation of this Act is deemed to be a violation of a Federal Trade Commission trade regulation rule. In addition to its powers under any provision of law specifically referred to in subsection (b), each of the agencies referred to in that subsection may exercise, for the purpose of enforcing compliance with any requirement imposed under this Act, any other authority conferred on it by law.

(d) ACTIONS BY THE COMMISSION.—The Commission shall prevent any person from violating this Act in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the Federal Trade Commission Act (15 U.S.C. 41 et seq.) were incorporated into and made a part of this Act. Any entity that violates any provision of that subtitle is subject to the penalties and entitled to the privileges and immunities provided in the Federal Trade Commission Act in the same manner, by the same means, and with the same jurisdiction, power, and duties as though all applicable terms and provisions of the Federal Trade Commission Act were incorporated into and made a part of that subtitle.

(e) AVAILABILITY OF CEASE-AND-DESIST ORDERS AND INJUNCTIVE RELIEF WITHOUT SHOWING OF KNOWLEDGE.—Notwithstanding any other provision of this Act, in any proceeding or action pursuant to subsection (a), (b), (c), or (d) of this section to enforce compliance, through an order to cease and desist or an injunction, with section 5(a)(1)(C), section 5(a)(2), clause (ii), (iii), or (iv) of section 5(a)(4)(A), section 5(b)(1)(A), or section 5(b)(3), neither the Commission nor the Federal Communications Commission shall be required to allege or prove the state of mind required by such section or subparagraph.

(f) ENFORCEMENT BY STATES.—

(1) CIVIL ACTION.—In any case in which the attorney general of a State, or an official or agency of a State, has reason to believe that an interest of the residents of that State has been or is threatened or adversely affected by any person who violates paragraph (1) or (2) of section 5(a), who violates section 5(d), or who engages in a pattern or practice that violates paragraph (3), (4), or (5) of section 5(a), of this Act, the attorney general, official, or agency of the State, as parens patriae, may bring a civil action on behalf of the residents of the State in a district court of the United States of appropriate jurisdiction—

(A) to enjoin further violation of section 5 of this Act by the defendant; or

(B) to obtain damages on behalf of residents of the State, in an amount equal to the greater of—

(i) the actual monetary loss suffered by such residents; or

(ii) the amount determined under paragraph (3).

(2) AVAILABILITY OF INJUNCTIVE RELIEF WITHOUT SHOWING OF KNOWLEDGE.—Notwithstanding any other provision of this Act, in a civil action under paragraph (1)(A) of this subsection, the attorney general, official, or agency of the State shall not be required to allege or prove the state of mind required by section 5(a)(1)(C), section 5(a)(2), clause (ii), (iii), or (iv) of section 5(a)(4)(A), section 5(b)(1)(A), or section 5(b)(3).

(3) STATUTORY DAMAGES.—

(A) IN GENERAL.—For purposes of paragraph (1)(B)(ii), the amount determined under this paragraph is the amount calculated by multiplying the number of violations (with each separately addressed unlawful message received by or addressed to such residents treated as a separate violation) by up to $250.

(B) LIMITATION.—For any violation of section 5 (other than section 5(a)(1)), the amount determined under subparagraph (A) may not exceed $2,000,000.

(C) AGGRAVATED DAMAGES.—The court may increase a damage award to an amount equal to not more than three times the amount otherwise available under this paragraph if—

(i) the court determines that the defendant committed the violation willfully and knowingly; or

(ii) the defendant's unlawful activity included one or more of the aggravating violations set forth in section 5(b).

(D) REDUCTION OF DAMAGES.—In assessing damages under subparagraph (A), the court may consider whether—

(i) the defendant has established and implemented, with due care, commercially reasonable practices and procedures designed to effectively prevent such violations; or

(ii) the violation occurred despite commercially reasonable efforts to maintain compliance the practices and procedures to which reference is made in clause (i).

(4) ATTORNEY FEES.—In the case of any successful action under paragraph (1), the court, in its discretion, may award the costs of the action and reasonable attorney fees to the State.

(5) RIGHTS OF FEDERAL REGULATORS.—The State shall serve prior written notice of any action under paragraph (1) upon the Federal Trade Commission or the appropriate Federal regulator determined under subsection (b) and provide the Commission or appropriate Federal regulator with a copy of its complaint, except in any case in which such prior notice is not feasible, in which case the State shall serve such notice immediately upon instituting such action. The Federal Trade Commission or appropriate Federal regulator shall have the right—

(A) to intervene in the action;

(B) upon so intervening, to be heard on all matters arising therein;

(C) to remove the action to the appropriate United States district court; and

(D) to file petitions for appeal.

(6) CONSTRUCTION.—For purposes of bringing any civil action under paragraph (1), nothing in this Act shall be construed to prevent an attorney general of a State from exercising the powers conferred on the attorney general by the laws of that State to—

(A) conduct investigations;

(B) administer oaths or affirmations; or

(C) compel the attendance of witnesses or the production of documentary and other evidence.

(7) VENUE; SERVICE OF PROCESS.—

(A) VENUE.—Any action brought under paragraph (1) may be brought in the district court of the United States that meets applicable requirements relating to venue under section 1391 of title 28, United States Code.

(B) SERVICE OF PROCESS.—In an action brought under paragraph (1), process may be served in any district in which the defendant—

(i) is an inhabitant; or

(ii) maintains a physical place of business.

(8) LIMITATION ON STATE ACTION WHILE FEDERAL ACTION IS PENDING.—If the Commission, or other appropriate Federal agency under subsection (b), has instituted a civil action or an administrative action for violation of this Act, no State attorney general, or official or agency of a State, may bring an action under this subsection during the pendency of that action against any defendant named in the complaint of the Commission or the other agency for any violation of this Act alleged in the complaint.

(9) REQUISITE SCIENTER FOR CERTAIN CIVIL ACTIONS.—Except as provided in section 5(a)(1)(C), section 5(a)(2), clause (ii), (iii), or (iv) of section 5(a)(4)(A), section 5(b)(1)(A), or section 5(b)(3), in a civil action brought by a State attorney general, or an official or agency of a State, to recover monetary damages for a violation of this Act, the court shall not grant the relief sought unless the attorney general, official, or agency establishes that the defendant acted with actual knowledge, or knowledge fairly implied on the basis of objective circumstances, of the act or omission that constitutes the violation.

(g) ACTION BY PROVIDER OF INTERNET ACCESS SERVICE.—

(1) ACTION AUTHORIZED.—A provider of Internet access service adversely affected by a violation of section 5(a)(1), 5(b), or 5(d), or a pattern or practice that violates paragraph (2), (3), (4), or (5) of section 5(a), may bring a civil action in any district court of the United States with jurisdiction over the defendant—

(A) to enjoin further violation by the defendant; or

(B) to recover damages in an amount equal to the greater of—

(i) actual monetary loss incurred by the provider of Internet access service as a result of such violation; or

(ii) the amount determined under paragraph (3).

(2) SPECIAL DEFINITION OF "PROCURE".—In any action brought under paragraph (1), this Act shall be applied as if the definition of the term "procure" in section 3(12) contained, after "behalf" the words "with actual knowledge, or by consciously avoiding knowing, whether such person is engaging, or will engage, in a pattern or practice that violates this Act".

(3) STATUTORY DAMAGES.—

(A) IN GENERAL.—For purposes of paragraph (1)(B)(ii), the amount determined under this paragraph is the amount calculated by multiplying the number of violations (with each separately addressed unlawful message that is transmitted or attempted to be transmitted over the facilities of the provider of Internet access service, or that is transmitted or attempted to be transmitted to an electronic mail address obtained from the provider of Internet access service in violation of section 5(b)(1)(A)(i), treated as a separate violation) by—

(i) up to $100, in the case of a violation of section 5(a)(1); or

(ii) up to $25, in the case of any other violation of section 5.

(B) LIMITATION.—For any violation of section 5 (other than section 5(a)(1)), the amount determined under subparagraph (A) may not exceed $1,000,000.

(C) AGGRAVATED DAMAGES.—The court may increase a damage award to an amount equal to not more than three times the amount otherwise available under this paragraph if—

(i) the court determines that the defendant committed the violation willfully and knowingly; or

(ii) the defendant's unlawful activity included one or more of the aggravated violations set forth in section 5(b).

(D) REDUCTION OF DAMAGES.—In assessing damages under subparagraph (A), the court may consider whether—

(i) the defendant has established and implemented, with due care, commercially reasonable practices and procedures designed to effectively prevent such violations; or

(ii) the violation occurred despite commercially reasonable efforts to maintain compliance with the practices and procedures to which reference is made in clause (i).

(4) ATTORNEY FEES.—In any action brought pursuant to paragraph (1), the court may, in its discretion, require an undertaking for the payment of the costs of such action, and assess reasonable costs, including reasonable attorneys' fees, against any party.

SEC. 8. EFFECT ON OTHER LAWS.

(a) FEDERAL LAW.—(1) Nothing in this Act shall be construed to impair the enforcement of section 223 or 231 of the Communications Act of 1934 (47 U.S.C. 223 or 231, respectively), chapter 71 (relating to obscenity) or 110 (relating to sexual exploitation of children) of title 18, United States Code, or any other Federal criminal statute.

(2) Nothing in this Act shall be construed to affect in any way the Commission's authority to bring enforcement actions under FTC Act for materially false or deceptive representations or unfair practices in commercial electronic mail messages.

(b) STATE LAW.—

(1) IN GENERAL.—This Act supersedes any statute, regulation, or rule of a State or political subdivision of a State that expressly regulates the use of electronic mail to send commercial messages, except to the extent that any such statute, regulation, or rule prohibits falsity or deception in any portion of a commercial electronic mail message or information attached thereto.

(2) STATE LAW NOT SPECIFIC TO ELECTRONIC MAIL.—This Act shall not be construed to preempt the applicability of—

(A) State laws that are not specific to electronic mail, including State trespass, contract, or tort law; or

(B) other State laws to the extent that those laws relate to acts of fraud or computer crime.

(c) NO EFFECT ON POLICIES OF PROVIDERS OF INTERNET ACCESS SERVICE.—Nothing in this Act shall be construed to have any effect on the lawfulness or unlawfulness, under any other provision of law, of the adoption, implementation, or enforcement by a provider of Internet access service of a policy of declining to transmit, route, relay, handle, or store certain types of electronic mail messages.

SEC. 9. DO-NOT-E-MAIL REGISTRY.

(a) IN GENERAL.—Not later than 6 months after the date of enactment of this Act, the Commission shall transmit to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Energy and Commerce a report that—

(1) sets forth a plan and timetable for establishing a nationwide marketing Do-Not-E-Mail registry;

(2) includes an explanation of any practical, technical, security, privacy, enforceability, or other concerns that the Commission has regarding such a registry; and

(3) includes an explanation of how the registry would be applied with respect to children with e-mail accounts.

(b) AUTHORIZATION TO IMPLEMENT.—The Commission may establish and implement the plan, but not earlier than 9 months after the date of enactment of this Act.

SEC. 10. STUDY OF EFFECTS OF COMMERCIAL ELECTRONIC MAIL.

(a) IN GENERAL.—Not later than 24 months after the date of the enactment of this Act, the Commission, in consultation with the Department of Justice and other appropriate agencies, shall submit a report to the Congress that provides a detailed analysis of the effectiveness and enforcement of the provisions of this Act and the need (if any) for the Congress to modify such provisions.

(b) REQUIRED ANALYSIS.—The Commission shall include in the report required by subsection (a)—

(1) an analysis of the extent to which technological and marketplace developments, including changes in the nature of the devices through which consumers access their electronic mail messages, may affect the practicality and effectiveness of the provisions of this Act;

(2) analysis and recommendations concerning how to address commercial electronic mail that originates in or is transmitted through or to facilities or computers in other nations, including initiatives or policy positions that the Federal Government could pursue through international negotiations, fora, organizations, or institutions; and

(3) analysis and recommendations concerning options for protecting consumers, including children, from the receipt and viewing of commercial electronic mail that is obscene or pornographic.

SEC. 11. IMPROVING ENFORCEMENT BY PROVIDING REWARDS FOR INFORMATION ABOUT VIOLATIONS; LABELING.

The Commission shall transmit to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Energy and Commerce—

(1) a report, within 9 months after the date of enactment of this Act, that sets forth a system for rewarding those who supply information about violations of this Act, including—

(A) procedures for the Commission to grant a reward of not less than 20 percent of the total civil penalty collected for a violation of this Act to the first person that—

(i) identifies the person in violation of this Act; and

(ii) supplies information that leads to the successful collection of a civil penalty by the Commission; and

(B) procedures to minimize the burden of submitting a complaint to the Commission concerning violations of this Act, including procedures to allow the electronic submission of complaints to the Commission; and

(2) a report, within 18 months after the date of enactment of this Act, that sets forth a plan for requiring commercial electronic mail to be identifiable from its subject line, by means of compliance with Internet Engineering Task Force Standards, the use of the characters "ADV" in the subject line, or other comparable identifier, or an explanation of any concerns the Commission has that cause the Commission to recommend against the plan.

SEC. 12. RESTRICTIONS ON OTHER TRANSMISSIONS.

Section 227(b)(1) of the Communications Act of 1934 (47 U.S.C. 227(b)(1)) is amended, in the matter preceding subparagraph (A), by inserting ", or any person outside the United States if the recipient is within the United States" after "United States".

SEC. 13. REGULATIONS.

(a) IN GENERAL.—The Commission may issue regulations to implement the provisions of this Act (not including the amendments made by sections 4 and 12). Any such regulations shall be issued in accordance with section 553 of title 5, United States Code.

(b) LIMITATION.—Subsection (a) may not be construed to authorize the Commission to establish a requirement pursuant to section 5(a)(5)(A) to include any specific words, characters, marks, or labels in a commercial electronic mail message, or to include the identification required by section 5(a)(5)(A) in any particular

part of such a mail message (such as the subject line or body).

SEC. 14. APPLICATION TO WIRELESS.

(a) EFFECT ON OTHER LAW.—Nothing in this Act shall be interpreted to preclude or override the applicability of section 227 of the Communications Act of 1934 (47 U.S.C. 227) or the rules prescribed under section 3 of the Telemarketing and Consumer Fraud and Abuse Prevention Act (15 U.S.C. 6102).

(b) FCC RULEMAKING.—The Federal Communications Commission, in consultation with the Federal Trade Commission, shall promulgate rules within 270 days to protect consumers from unwanted mobile service commercial messages. The Federal Communications Commission, in promulgating the rules, shall, to the extent consistent with subsection (c)—

(1) provide subscribers to commercial mobile services the ability to avoid receiving mobile service commercial messages unless the subscriber has provided express prior authorization to the sender, except as provided in paragraph (3);

(2) allow recipients of mobile service commercial messages to indicate electronically a desire not to receive future mobile service commercial messages from the sender;

(3) take into consideration, in determining whether to subject providers of commercial mobile services to paragraph (1), the relationship that exists between providers of such services and their subscribers, but if the Commission determines that such providers should not be subject to paragraph (1), the rules shall require such providers, in addition to complying with the other provisions of this Act, to allow subscribers to indicate a desire not to receive future mobile service commercial messages from the provider—

(A) at the time of subscribing to such service; and

(B) in any billing mechanism; and

(4) determine how a sender of mobile service commercial messages may comply with the provisions of this Act, considering the unique technical aspects, including the functional and character limitations, of devices that receive such messages.

(c) OTHER FACTORS CONSIDERED.—The Federal Communications Commission shall consider the ability of a sender of a commercial electronic mail message to reasonably determine that the message is a mobile service commercial message.

(d) MOBILE SERVICE COMMERCIAL MESSAGE DEFINED.—In this section, the term "mobile service commercial message" means a commercial electronic mail message that is transmitted directly to a wireless device that is utilized by a subscriber of commercial mobile service (as such term is defined in section 332(d) of the Communications Act of 1934 (47 U.S.C. 332(d))) in connection with such service.

SEC. 15. SEPARABILITY.

If any provision of this Act or the application thereof to any person or circumstance is held invalid, the remainder of this Act and the application of such provision to other persons or circumstances shall not be affected.

SEC. 16. EFFECTIVE DATE.

The provisions of this Act, other than section 9, shall take effect on January 1, 2004.

Mr. TAUZIN (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment to the House amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. SENSENBRENNER. Mr. Speaker, I rise in support of the bill S. 877, as returned by the Senate with technical changes. I urge my colleagues to pass once more and send it on to the President.

The House of Representatives passed this legislation previously on November 21, 2003. The changes made herein to the language are not substantive departures from what previously passed the House, but are merely necessary to correct minor errors in the drafting to accurately reflect the will of Congress.

Taking the final legislative step today necessary to put into law a unified federal approach to the problem of unsolicited commercial email or "spam" represents an important moment in protecting children and the "inboxes" of millions of Americans.

The bill provides consumers with more information and choices to stop receiving all forms of unwanted commercial email and provides federal and state officials and providers on Internet access with the tools to go after spammers. As I noted previously, the criminal provisions contained in this legislation are central to its purpose. In order to provide a credible deterrent against spamming, this legislation establishes enhanced criminal penalties for predatory spamming and provides law enforcement personnel far more authority to prosecute spammers whose electronic presence can shift with a keystroke.

I believe this legislation will take a bite out of spam and spammers, and it will have some effect in reducing the type and amount of spam that online users deal with today. However, it is not a panacea. In the midst of speaking about the positive things that S. 877 does, it is important to put all concerned on notice that no legislation, no matter how severe, can stop spam entirely. The most hard core group of problematic spammers already operate sometimes in defiance of multiple laws and it will take time and effort to track down even those within the reach of U.S. jurisdiction. Furthermore, policy makers should be wary of any "soundbite" legislative or regulatory approach to this problem that promises to end all spam—because such an approach would surely have drastic consequences for free speech and the legitimate forms of e-mail that consumers want and use.

Consumers and their Internet service providers can do far more to protect the nation's inboxes from unsolicited e-mail than any law that can be passed here or in state capitals. Already, consumers who take full advantage of existing firewalls, blocking software, and "challenge/response" protocols enjoy a dramatically reduced amount of spam—and many of these options are free or included in the package of services offered by their Internet access provider.

Ultimately, spam will be stopped by a combination of new technology, consumer awareness, ISP filtering, and trusted sender systems for legitimate senders of commercial e-mail—with laws and regulation merely setting the outer boundaries of illegitimate e-mail practices. In the interim, this legislation will help fill the gap. I encourage those plagued by unwanted e-mail today to take advantage of the practices and technologies that are proven to reduce spam as well as the remedies provided under this law and others.

Mr. Speaker, I am pleased that the House today is sending the final version of this important anti-fraud and consumer protection measure on to the President, and the President has indicated he will sign the bill. I urge my colleagues to support the legislation.

Mr. MARKEY. Mr. Speaker, I rise in support of S. 877, spam legislation that we bring to the House Floor today in a final version that incorporates technical and other changes since the House sent to the Senate a compromise bill on November 21.

Mr. Speaker, as I noted in remarks back in November, this legislation reflects a series of agreements between advocates for the two alternative House spam bills—one offered by Chairman TAUZIN, and the other offered by Ms. WILSON and Mr. GREEN of which I am an original cosponsor, as well as a series of compromises with our Senate counterparts. While not a perfect bill, I believe it merits support.

Mr. Speaker, this legislation now contains the Markey amendment on wireless spam, which originated in the House amendments to the Senate-passed bill. The reason I offered this amendment for inclusion in the House-passed bill is that I wanted wireless consumers to have greater protection than that which was accorded in the version of S. 877 which the Senate passed previously.

Indeed, during the summer the Energy and Commerce Committee held a hearing on spam at which I raised the prospect of wireless spam and the likelihood that it was a problem wireless consumers were beginning to see. At that time, neither the Tauzin-Burr spam bill, nor the Wilson-Green spam bill, continued wireless specific provisions to address this issue head-on.

Unsolicited wireless text messages have plagued wireless users in Europe, South Korea, and Japan over the last few years as wireless companies in such countries have offered wireless messaging services. According to published reports that came to our attention as we were deliberating upon the spam issue, NTT DoCoMo estimated that its wireless network processes some 800 million wireless spam messages a day.

As cumbersome and annoying as spam to a desktop computer is, at least a consumer can turn off their computer and walk away. Wireless spam is even more intrusive because spam to wireless phones is the kind of spam that follows you wherever you go and according to U.S. wireless carriers, is already on the rise.

For this reason, in order to safeguard consumer privacy in a way that reflects the more intrusive nature of wireless spam to the user than spam is to a desktop computer, which is immobile and for which the user may pay some type of "per message" fee, the bill tasks the FCC with tackling this issue now, before it overwhelms users and network operators alike. The same type of rules that are applicable to commercial e-mail messages sent to personal computers will clearly also apply to those sent to wireless devices, including mobile phones, and the general provisions of the bill would apply to wireless messages as they would to similar messages sent to a desktop computer. Section 14 of the bill builds upon this legislative foundation and puts in place additional protections and modifications. It requires an FCC rulemaking to assess and put in place additional consumer protections. The bill doesn't needlessly or unduly burden wireline network operators—and wireless carriers should not see such burdens implemented as part of Section 14 to the extent to which they are acting as carriers. Of course, these same wireless carriers may also be senders of spam themselves, and the bill spells out how such messages should be dealt with and includes the FCC proceeding in Section 14 to address issues particular to wireless services.

Again, Mr. Speaker, Federal spam legislation ought to reflect the particular characteristics of wireless technology and use, and this bill will allow the FCC to promulgate rules requiring a consumer "opt-in" for certain wireless e-mail messages. In addition, this proceeding permits the FCC to examine the nature of a consumer's relationship with their wireless phone and service to take into account the potentially unique technical characteristics which may warrant wireless-specific rules.

In addition, the wireless spam provision requests that the FCC consider the ability of an initiator of spam to reasonably determine whether an electronic mail message is a mobile service commercial message. Obviously, as wireless service evolves, more and more consumers will receive Internet e-mails via their commercial mobile service provider's network and directly to their wireless device. If a person has an e-mail address from their commercial mobile service provider and it can be readily identified as a wireless address, such as name@verizonwireless.net or name@wireless.net, then the reasonable ability of a potential spammer to recognize that as such is relatively easy. Hopefully, commercial mobile service providers—and consumers—will see the benefit of having an e-mail address that can be reasonably determined to be a wireless address, so that the prospect of massive amounts of spam to consumers over wireless networks can be thwarted and consumers can enjoy the benefits of entities needing their express prior authorization before sending them wireless spam.

Spam sent to a desktop computer e-mail address, and which is then forwarded over a wireless network to a wireless device, i.e., delivered "indirectly" from the initiator to the wireless device, would be treated by the rest of this bill and not by the additional Section 14 wireless-specific provisions we subject to an FCC rulemaking.

This legislation also represents an improvement in other areas over the Senate-passed bill. For example, the compromise doubles the damage caps in the Senate bill. It also eliminates the knowledge standards for the Federal Communications Commission (FCC), the Federal Trade Commission (FTC) and state Attorney General injunctive relief. The bill provides for rulemaking authority to clarify and tighten the definition of what constitutes a "commercial e-mail." Requires that identifiers and a postal address must be on all commercial e-mails to desktop computers. Finally, the bill also shortens the time frame from which an "opt-out" request would become enforceable.

All of these represent important improvements over the Senate bill.

I want to commend Chairman TAUZIN and Ranking Member DINGELL for their excellent work in this area. I want to salute Representatives HEATHER WILSON and GENE GREEN for spearheading House spam efforts in this session as well as in the previous Congress as the lead sponsors of the House bill.

The SPEAKER pro tempore. Is there objection to the original request of the gentleman from Louisiana?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. TAUZIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on S. 877.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

DEFENSE PRODUCTION ACT REAUTHORIZATION OF 2003

Mr. NEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1680), to reauthorize the Defense Production Act of 1950, and for other purposes, with a Senate amendment to the House amendment thereto, and concur in the Senate amendment to the House amendment.

The Clerk read the title of the Senate bill.

The Clerk read the Senate amendment to the House amendment, as follows:

Senate amendment to House amendment:

Page 6, strike line 1 and all that follows over to and including line 2 on page 7, of the House engrossed amendment, and insert:

SEC. 7. REPORT ON IMPACT OF OFFSETS ON DOMESTIC CONTRACTORS AND LOWER TIER SUBCONTRACTORS.

(a) EXAMINATION OF IMPACT REQUIRED.—

(1) IN GENERAL.—As part of the annual report required under section 309(a) of the Defense Production Act of 1950 (50 U.S.C. App. 2099(a)), the Secretary of Commerce (in this section referred to as the "Secretary") shall—

(A) detail the number of foreign contracts involving domestic contractors that use offsets, industrial participation agreements, or similar arrangements during the preceding 5-year period;

(B) calculate the aggregate, median, and mean values of the contracts and the offsets, industrial participation agreements, and similar arrangements during the preceding 5-year period; and

(C) describe the impact of international or foreign sales of United States defense products and related offsets, industrial participation agreements, and similar arrangements on domestic prime contractors and, to the extent practicable, the first 3 tiers of domestic contractors and subcontractors during the preceding 5-year period in terms of domestic employment, including any job losses, on an annual basis.

(2) USE OF INTERNAL DOCUMENTS.—To the extent that the Department of Commerce is already in possession of relevant data, the Department shall use internal documents or existing departmental records to carry out paragraph (1).

(3) INFORMATION FROM NON-FEDERAL ENTITIES.—

(A) EXISTING INFORMATION.—In carrying out paragraph (1), the Secretary shall only require a non-Federal entity to provide information that is available through the existing data collection and reporting systems of that non-Federal entity.

(B) FORMAT.—The Secretary may require a non-Federal entity to provide information to the Secretary in the same form that is already provided to a foreign government in fulfilling an offset arrangement, industrial participation agreement, or similar arrangement.

(b) REPORT.—

(1) IN GENERAL.—Before the end of the 8-month period beginning on the date of enactment of this Act, the Secretary shall submit to Congress a report containing the findings and conclusions of the Secretary with regard to the examination made pursuant to subsection (a).

(2) COPIES OF REPORT.—The Secretary shall also transmit copies of the report prepared under paragraph (1) to the United States Trade Representative and the interagency team established pursuant to section 123(c) of the Defense Production Act Amendments of 1992 (50 U.S.C. App. 2099 note).

(c) RESPONSIBILITIES REGARDING CONSULTATION WITH FOREIGN NATIONS.—Section 123(c) of the Defense Production Act Amendments of 1992 (50 U.S.C. App. 2099 note) is amended to read as follows:

"(c) NEGOTIATIONS.—

"(1) INTERAGENCY TEAM.—

"(A) IN GENERAL.—It is the policy of Congress that the President shall designate a chairman of an interagency team comprised of the Secretary of Commerce, Secretary of Defense, United States Trade Representative, Secretary of Labor, and Secretary of State to consult with foreign nations on limiting the adverse effects of offsets in defense procurement without damaging the economy or the defense industrial base of the United States or United States defense production or defense preparedness.

"(B) MEETINGS.—The President shall direct the interagency team to meet on a quarterly basis.

"(C) REPORTS.—The President shall direct the interagency team to submit to Congress an annual report, to be included as part of the report required under section 309(a) of the Defense Production Act of 1950 (50 U.S.C. App. 2099(a)), that describes the results of the consultations of the interagency team under subparagraph (A) and the meetings of the interagency team under subparagraph (B).

"(2) RECOMMENDATIONS FOR MODIFICATIONS.—The interagency team shall submit to the President any recommendations for modifications of any existing or proposed memorandum of understanding between officials acting on behalf of the United States and 1 or more foreign countries (or any instrumentality of a foreign country) relating to—

"(A) research, development, or production of defense equipment; or

"(B) the reciprocal procurement of defense items.".

Mr. NEY (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment to the House amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Ohio?

Mr. CARDIN. Mr. Speaker, reserving the right to object, because I believe we are getting near the end of the business of this session of Congress, and at least on this side, we are not aware of whether the majority will allow unanimous consent requests in regard to the unemployment compensation extensions.

As my colleagues know, at the end of this month, we will expire the Federal Unemployment Compensation Program, and 80,000 to 90,000 individuals a week will exhaust their State unemployment benefits and will not be entitled to any Federal relief.

So I was wondering if the gentleman could just advise us as to whether the majority is prepared to allow unanimous consent requests, since there are no further recorded votes, I believe, anticipated today, so that we could at least bring up the extension of the unemployment compensation benefits to deal with the people who cannot find employment.

Mr. NEY. Mr. Speaker, will the gentleman yield?

Mr. CARDIN. I yield to the gentleman from Ohio.

Mr. NEY. Mr. Speaker, on this particular issue I am actually standing in for the gentleman from Ohio (Chairman OXLEY) on this particular unanimous consent bill. As far as the rest, that goes above my pay grade, but I am sure that our side will be more than happy to talk to your side.

Mr. OXLEY. Mr. Speaker, I rise in strong support of S. 1680, the Defense Production Act Reauthorization of 2003, and urge its adoption. The bill before the House is largely the same as H.R. 1280, and passed last spring by the Committee on Financial Services, and is the result of broad bipartisan and bicameral efforts to reauthorize and update this important Act.

Mr. Speaker, when the House acts today to send the bill to the President, it will be completing Congressional action that should have taken place no later than the end of September. The authorities in this Act are too important for the Nation to have been without them for the nine weeks.

That said, Mr. Speaker, what is before the House today is a very good product. First and foremost, it reauthorizes the Defense Production Act for five years. This is important for two reasons: Firstly, as the nation faces the uncertain times ahead, it will be important for the President to have the authorities in the Act, and secondly, because it will give Congress an opportunity to consider some much-needed modernization of the DPA decoupled from reauthorization cycle. It is my intent to ask the President to take the next year to ponder what sorts of modernization of the DPA is necessary, with the idea that any action on those or other recommendations would take place in the first session of the next Congress.

The bill we are considering today also adds as a specific goal of the DPA the protection of the nation's critical infrastructure. Given the increasing dependence of the nation's defense, financial services and in fact the fabric of our daily lives on our critical infrastructure, I believe this addition is both wise and important.

Finally, in addition to some other minor additions, the bill before us increases on a one-time basis the funding ceiling for a program to enhance the nation's ability to produce radiation-hardened electronics for use in, for example, defense satellites. This program is an example of one of the most important aspects of the DPA: creating a U.S. defense production capability where none now exists.

Most important of all of these, Mr. Speaker, is the reauthorization itself. The DPA is the tool that the President uses to meet a specific national security need—protective gear for our troops overseas, or specialized communications equipment—should we have a shortfall in supplies. The DPA is also one of the President's prime tools should there be another terrorist attack, and can be important in the case of natural disasters.

I hope, Mr. Speaker, that we can undertake any needed reforms of the Act at the beginning of the first session of the next Congress, and then extend the authorization beyond 2008 at that point, so that these important authorities remain available to protect America, Americans and, and American interests, uninterrupted.

In closing, Mr. Speaker, I would like to commend the excellent and diligent work of the gentleman from New York (Mr. KING), Chairman of the Subcommittee on Domestic and International Monetary Policy, Trade and Technology, the gentlelady from New York, (Mrs. MALONEY), and the ranking member of the full Committee, the gentleman from Massachusetts (Mr. FRANK), for their assistance in passing this important bill. With that, I yield back the balance of my time and urge immediate passage of S. 1680.

Mr. CARDIN. Mr. Speaker, I withdraw my reservation of objection at this point, and maybe we will have a chance a little bit later to talk about this.

The SPEAKER pro tempore. Is there objection to the original request of the gentleman from Ohio?

There was no objection.

A motion to reconsider was laid on the table.

PARLIAMENTARY INQUIRY

Ms. HOOLEY of Oregon. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentlewoman will state her parliamentary inquiry.

Ms. HOOLEY of Oregon. If the majority leadership agrees with our leadership to bring the unemployment extension bill under unanimous consent, would such a bill be in order for consideration today?

The SPEAKER pro tempore. Under the guidelines consistently issued by successive Speakers, as recorded on page 729 of the House Rules Manual, the Chair is constrained not to entertain the gentlewoman's request until it has been cleared by the bipartisan floor and committee leaderships.

Ms. HOOLEY of Oregon. Mr. Speaker, continuing my inquiry, it is my understanding that the leadership on our side of the aisle would agree to such a unanimous consent agreement on considering an unemployment bill. Can the Chair tell us if the majority leadership has taken a similar position?

The SPEAKER pro tempore. The Chair is not aware of any clearance by the bipartisan leaderships.

Ms. HOOLEY of Oregon. Mr. Speaker, I ask the Chair to recognize me to make a unanimous consent request for the House to consider H.R. 3568, the Emergency Unemployment Compensation Act, recognizing that families will begin to lose unemployment benefits a few days after Christmas unless Congress acts today.

The SPEAKER pro tempore. The Chair will repeat, under the guidelines consistently issued by successive Speakers, as recorded on page 729 of the House Rules Manual, the Chair is constrained not to entertain the gentlewoman's request until it has been cleared by the bipartisan floor and committee leaderships.

GENERAL LEAVE

Mr. NEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on S. 1680.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

AUTHORIZING PRINTING AS HOUSE DOCUMENT TRANSCRIPTS OF PROCEEDINGS OF "THE CHANGING NATURE OF THE HOUSE SPEAKERSHIP: THE CANNON CENTENARY CONFERENCE"

Mr. NEY. Mr. Speaker, I ask unanimous consent that the Committee on House Administration be discharged from further consideration of the concurrent resolution (H. Con. Res. 345) authorizing the printing as a House document of the transcripts of the proceedings of "The Changing Nature of the House Speakership: The Cannon Centenary Conference," sponsored by the Congressional Research Service on November 12, 2003, and ask for its immediate consideration in the House.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 345

Resolved by the House of Representatives (the Senate concurring),

SECTION 1. PRINTING OF DOCUMENT.

(a) IN GENERAL.—The transcripts of the proceedings of "The Changing Nature of the House Speakership: The Cannon Centenary Conference", sponsored by the Congressional

Research Service on November 12, 2003, shall be printed as a House document, in a style and manner determined by the Joint Committee on Printing.

(b) ADDITONAL COPIES FOR HOUSE AND SENATE.—There shall be printed for the use of the House of Representatives and the Senate such aggregate number of copies of the document printed under subsection (a) as the Joint Committee on Printing determines to be appropriate, except that the maximum number of copies which may be printed shall be the number for which the aggregate printing cost does not exceed $65,000.

Mr. LARSON of Connecticut. Mr. Speaker, I am pleased to support the concurrent resolution sponsored by the distinguished Chairman of the Joint Committee on Printing and the House Administration Committee, the gentleman from Ohio [Mr. NEY]. On November 12, 2003, it was my pleasure to attend the Congressional Research Service's conference exploring the transformation of the House speakership during the last 100 years. I was able to attend nearly all of this very interesting conference and was able to gain a much greater understanding of the way the speakership has changed over the years as well as the history of this great institution. I am hopeful that by printing the remarks made at this event and distributing copies to our colleagues, they will also be able to similarly benefit from it as well.

Entitled "The Changing Nature of the House Speakership: The Cannon Centenary Conference," the symposium offered those of us keenly interested in the history of this institution a remarkable insight into the development of the speakership in the modern period. Under the leadership of Daniel Mulhollan, the Director of the Congressional Research Service, participants enjoyed remarks by our distinguished present speaker [Mr. HASTERT], and all the living former speakers, Newt Gingrich, Tom Foley, and Jim Wright. Several other former members of the House, and a number of scholars, delivered remarks, including Dr. Robert Remini, author of the preeminent biographer of Henry Clay, a seminar figure in the development of the speakership during the 19th Century. Dr. Remini's presentation was, as always, especially thoughtful and entertaining, whetting the appetite of all of us eager to read the congressionally authorized history of the House, which he is now writing.

The resolution provides for the printing of the transcript of the conference as a House document, thus ensuring that the remarks and other materials discussed in this historic event will remain available for present and future Members, scholars, and others intrigued by the ongoing history of this honorable institution in which we have the pleasure to serve today.

I want to thank Dan Mulhollan and CRS for organizing the conference, and all who participated. I would also like to commend the chairman and his very able majority staff director for the Joint Committee on Printing, Maria Sophia Robinson, for introducing this printing resolution. I would also like to note the hard work of Mike Harrison who covers Joint Committee on Printing matters for me and whom I consider to be the minority staff director of the Joint Committee for the House. Just last month we expedited a housekeeping bill to resolve a longstanding problem affecting the CONGRESSIONAL RECORD Index Office. I am delighted that we have again moved so quickly to take up another issue under our joint committee's jurisdiction, I would like to call on my colleagues to join in urging the passage of this resolution.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. NEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on the subject of H. Con. Res. 345.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

MENTAL HEALTH PARITY REAUTHORIZATION ACT OF 2003

Mr. SAM JOHNSON of Texas. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1929) to amend the Employee Retirement Income Security Act of 1974 and the Public Health Service Act to extend the mental health benefits parity provisions for an additional year, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore (Mr. RENZI). Is there objection to the request of the gentleman from Texas?

Mr. OWENS. Mr. Speaker, reserving the right to object, although I do not intend to object, but I respectfully ask the gentleman to explain his request, and I yield to him for that purpose.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I thank the gentleman for yielding.

I am pleased to be here to manage House passage of S. 1929, the Mental Health Parity Reauthorization Act of 2003. As chairman of the Subcommittee on Employer-Employee Relations with jurisdiction over employer-provided health care, the issue of mental health parity falls within the purview of this subcommittee. In fact, almost 2 years ago, we held the first House hearing on the issue of mental health.

In 1996, Congress enacted the Mental Health Parity Act to prevent employers and health insurers from establishing annual and lifetime limits on health insurance coverage for mental health benefits, unless similar limits were also established for medical and surgical health coverage. Today, the House will take an important step to extend mental health parity benefits for another year by passing this bipartisan reauthorization legislation, which will be ready for President Bush's signature once we pass it.

Over the past 7 years, the parity law has made significant improvements in mental health coverage. It has done so by striking a good balance, providing important mental health benefits to patients without placing unworkable mandates on employers. The legislation we pass today will preserve current law mental health parity benefits for another year, through December 31, 2004.

□ 1715

Mental health parity benefits offered through the Employee Retirement Income Security Act, ERISA, and Public Health Services Act, were set to expire this December 31. In the coming year, my subcommittee will continue to examine the issue of mental health parity, as expanding this law is one of the many substantive changes proposed for our Nation's health care system.

Before endorsing any changes to current law, the House must carefully study the issue and consequences it may have on our Nation's employer-provided health care system. Any changes to the mental health parity law must be made in a balanced manner that does not jeopardize workers' existing health care benefits or discourage employers from voluntarily providing quality benefits to their employees. Because, as we all know, when employers' costs go up, workers often lose coverage. If the expanded mental health parity law is too burdensome and expensive, it is very likely employers will simply stop offering any type of mental health coverage.

Health insurance costs rose by 15 percent, the highest increase in a decade. In this environment, it is incumbent upon the Congress to carefully study the impact of new mandates before moving forward. However, reauthorization of the 1996 act is an important step to ensure that patients continue to have access to mental health care if they need it. Because of this, I am pleased to offer my strong support to S. 1929. I urge my colleagues to support this important bill.

Mr. OWENS. Mr. Speaker, I thank the gentleman from Texas (Mr. SAM JOHNSON) for his explanation. And continuing under my reservation, I rise in strong support of S. 1929, which extends the Mental Health Parity Act of 1996 for another year.

The original bill was pioneered and introduced by a great champion of mental health, a person of compassion and vision, the late Senator Paul Wellstone.

This legislation is based on a very simple idea: all health insurance plans should provide the same degree of coverage for mental health benefits as provided for medical and surgical benefits. The 1996 act did not require employers to offer mental health benefits; but it was, nevertheless, a huge step forward in the fight to ensure access for all Americans to comprehensive health care. Under the 1996 act, if mental health care benefits are provided, they have to be equal to those offered for medical care.

In particular, both aggregate lifetime caps and annual caps on mental health benefits had to be equal to those caps for the medical and surgical benefits, but if, and only if, the employer offered mental health benefits.

The 1996 act applies to both fully insured state-regulated health plans and self-insured plans. The act does not preempt State statutes that may provide stronger protections for mental health parity.

The 1996 act did not provide a complete parity. Employers and insurers can still restrict mental health benefits by imposing higher copayments and deductibles for mental health benefits than for medical benefits. There remains much room for improvement. We need to expand mental health parity to cover substance abuse disorders, to stop employers from charging different deductibles and co-payments to mental health services, and to stop employers from imposing different limits for inpatient stays and outpatient visits for mental health benefits. Much work remains to be done; but without this action today, the Mental Health Parity Act will expire on December 31.

I urge my colleagues to support this reauthorization of the Mental Health Parity Act, extend these provisions for at least another year; and I urge us to all redouble our efforts to pass comprehensive mental health care parity in the coming year.

Mr. Speaker, further reserving the right to object, I yield to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Speaker, continuing the objection, I do not intend to maintain my objection. I thank the distinguished gentleman from New York (Mr. OWENS), and I thank the distinguished gentleman from Texas (Mr. SAM JOHNSON). I simply want to add my support to what we are doing here today.

I come from Texas; but I know all of our colleagues, wherever they come from, realize that the lack of mental health services and intervention services is really a silent killer. The fact that we are extending the mental health benefits and the mental health parity provision is extremely important to those families who live in silence, suffering, a loved one with mental illness in need of mental health services or the individual themselves.

And I will simply say that we can do no less than to pay tribute to our fallen colleague, Senator Paul Wellstone, who lived his legislative career around the ideas of providing more legislative assistance in creating mental health parity. I hope that we will work in the next year for a comprehensive mental health parity package for all of America.

Let me just simply say on behalf of the work of the Mental Health Association, let me thank them for pressing the point about these needs. I would hope, Mr. Speaker, that as we support this particular legislation today, it will give us enough momentum and enough inspiration to realize that these individuals with broken lives cannot survive without our assistance and without intervention and mental health services.

Mr. Speaker, I do not intend to object, and I yield back to the gentleman from New York (Mr. OWENS), removing my objection.

Mr. OWENS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. RENZI). Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1929

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Mental Health Parity Reauthorization Act of 2003".

SEC. 2. EXTENSION OF MENTAL HEALTH PROVISIONS.

(a) ERISA.—Section 712(f) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1185a(f)) is amended by striking "December 31, 2003" and inserting "December 31, 2004".

(b) PHSA.—Section 2705(f) of the Public Health Service Act (42 U.S.C. 300gg–5(f)) is amended by striking "December 31, 2003" and inserting "December 31, 2004".

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SAM JOHNSON of Texas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on and include extraneous material on S. 1929.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

FEDERAL LAW ENFORCEMENT PAY AND BENEFITS PARITY ACT OF 2003

Mrs. JO ANN DAVIS of Virginia. Mr. Speaker, I ask unanimous consent that the Committee on Government Reform be discharged from further consideration of the Senate bill (S. 1683) to provide for a report on the parity of pay and benefits among Federal law enforcement officers and to establish an exchange program between Federal law enforcement employees and State and local law enforcement employees, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Virginia?

There was no objection.

The Clerk read the Senate bill as follows:

S. 1683

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Law Enforcement Pay and Benefits Parity Act of 2003".

SEC. 2. LAW ENFORCEMENT PAY AND BENEFITS PARITY REPORT.

(a) DEFINITION.—In this section, the term "law enforcement officer" means an individual—

(1)(A) who is a law enforcement officer defined under section 8331 or 8401 of title 5, United States Code; or

(B) the duties of whose position include the investigation, apprehension, or detention of individuals suspected or convicted of offenses against the criminal laws of the United States; and

(2) who is employed by the Federal Government.

(b) REPORT.—Not later than April 30, 2004, the Office of Personnel Management shall submit a report to the President of the Senate and the Speaker of the House of Representatives and the appropriate committees and subcommittees of Congress that includes—

(1) a comparison of classifications, pay, and benefits among law enforcement officers across the Federal Government; and

(2) recommendations for ensuring, to the maximum extent practicable, the elimination of disparities in classifications, pay and benefits for law enforcement officers throughout the Federal Government.

SEC. 3. EMPLOYEE EXCHANGE PROGRAM BETWEEN FEDERAL EMPLOYEES AND EMPLOYEES OF STATE AND LOCAL GOVERNMENTS.

(a) DEFINITIONS.—In this section—

(1) the term "employing agency" means the Federal, State, or local government agency with which the participating employee was employed before an assignment under the Program;

(2) the term "participating employee" means an employee who is participating in the Program; and

(3) the term "Program" means the employee exchange program established under subsection (b).

(b) ESTABLISHMENT.—The President shall establish an employee exchange program between Federal agencies that perform law enforcement functions and agencies of State and local governments that perform law enforcement functions.

(c) CONDUCT OF PROGRAM.—The Program shall be conducted in accordance with subchapter VI of chapter 33 of title 5, United States Code.

(d) QUALIFICATIONS.—An employee of an employing agency who performs law enforcement functions may be selected to participate in the Program if the employee—

(1) has been employed by that employing agency for a period of more than 3 years;

(2) has had appropriate training or experience to perform the work required by the assignment;

(3) has had an overall rating of satisfactory or higher on performance appraisals from the employing agency during the 3-year period before being assigned to another agency under this section; and

(4) agrees to return to the employing agency after completing the assignment for a period not less than the length of the assignment.

(e) WRITTEN AGREEMENT.—An employee shall enter into a written agreement regarding the terms and conditions of the assignment before beginning the assignment with another agency.

The SPEAKER pro tempore. The gentlewoman from Virginia (Mrs. JO ANN DAVIS) is recognized for 1 hour.

Mrs. JO ANN DAVIS of Virginia. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, first I want to say that this is an identical bill to one that I also introduced into the House, and I am very pleased that we are taking up the Senate bill so that we can get it out and do what is right for the law enforcement officers.

Mr. Speaker, I rise today to speak in favor of S. 1683 a bill introduced by Senator GEORGE VOINOVICH to require the Federal Government to conduct study reviewing the pay and benefits for our 128,000 federal law enforcement officers.

This legislation is identical to a bill I introduced this year, H.R. 3205. We are considering the Senate version of this bill, "The Federal Law Enforcement Pay and Benefits Parity Act of 2003," which was approved by the Senate shortly before Thanksgiving, in an effort to speed up enactment of this important piece of legislation. I want to thank the leadership for bringing this matter to the floor today.

It has become obvious over the last 2 years, but bears repeating: Federal law enforcement officers are part of our first line of defense in defending the Nation.

The legislation would require that the government reexamine how we compensate these brave men and women—with the goals of eliminating disparities among various law enforcement agencies, improving recruitment and retention, and ensuring that the Federal Government is keeping pace with State and local law enforcement agencies in terms of compensation.

For an example of why we need to investigate this matter, look no farther than the creation of the Transportation Security Administration, following the September 11th terrorist attacks.

The TSA needed to hire tens of thousands of people very quickly, and the agency wound up cherry picking from other federal agencies, luring law enforcement officers with offers of better pay and benefits. This left the other agencies short-handed, and many still report recruiting problems.

And very shortly, the Homeland Security Department is slated to establish its new pay system, which could once again attract law enforcement officers away from other agencies.

The Civil Service and Agency Organization Subcommittee, which I chair, held a hearing on July 23rd on the subject of law enforcement compensation. It became clear to us that the Federal Government is facing a serious problem in recruiting, retaining and rewarding its law enforcement personnel.

Having the Office of Personnel Management conduct a detailed analysis of the problem and offer some possible solutions is the first step toward fixing this problem.

In addition to requiring OPM to review the classification, compensation and benefits of federal law enforcement officers, S. 1683 also requires the establishment of an employee exchange program involving Federal, State and local law enforcement agents as a way of sharing best practices and maintaining a well-trained force.

Once again, I want to thank the leadership for bringing this bill to the floor today. I urge passage of S. 1683, "The Federal Law Enforcement Pay and Benefits Parity Act of 2003."

Mr. Speaker, I yield back the balance of my time.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FURTHER CONTINUING APPROPRIATIONS, FISCAL YEAR 2004

Mr. YOUNG of Florida. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations be discharged from further consideration of the joint resolution (H.J. Res. 82) making further continuing appropriations for the fiscal year 2004, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

Mr. OBEY. Mr. Speaker, reserving the right to object, I do so for the purpose of yielding to the gentleman from Florida (Mr. YOUNG) so that he may explain what changes this entails to the continuing resolution.

Mr. YOUNG of Florida. Mr. Speaker, I thank the gentleman for yielding. And I would say technically this vehicle is a continuing resolution that goes to January 31, which is the same date as the existing CR. The difference is there were two anomalies that the administration needed to be included, so we would use this as a vehicle.

The two anomalies are these: the first CR is a loan limitation at $3.8 billion for FHA loan commitments. The administration basically ignored this ceiling and committed $5 billion in new mortgage loan guarantees. The program shut down last week because the guaranteed limitation was exceeded. This resolution would set a new guarantee limitation at $7.7 billion, the fiscal year 2003 level.

Exceeding the guarantee limitation level represents an antideficiency act violation. Language is included in the resolution to require certification from the director of the Office of Management and Budget regarding compliance with the terms and conditions set forth in the first CR.

The second anomaly deals with the FAA operations account staff offices. The resolution would allow operations at an annual rate of $141.4 million for the FAA office of security and investigations. Without this authority, furlows of some of the 443 staff would be necessary. The office did not receive a direct fiscal year 2003 appropriation, therefore this special authority is necessary under a CR. The office is responsible for enforcement programs working with ONDCP, TSA, and State and local governments and performs credential and background investigations of employees and contractors in support of the FHA mission.

Mr. OBEY. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. NEY). Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 82

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 121 of Public Law 108–84 is amended by striking "$3,800,000,000" and inserting "$7,667,000,000": *Provided*, That the amendment made by this section shall take effect only after a certification by the Director of the Office of Management and Budget is submitted to the Committees on Appropriations of the House of Representatives and the Senate that the use of the authority provided pursuant to this section will not result in commitments to guarantee new loans for the entire fiscal year at a level in excess of the limitation set forth in the fiscal year 2003 appropriations Act and that the apportionment of loan commitment authority provided for the Federal Housing Administration, General and Special Risk Insurance Fund and the Federal Housing Administration, Mutual Mortgage Insurance Fund is in compliance with the terms and conditions set forth in Public Law 108–84: *Provided further*, That the authority provided under the amendment made by this section shall only apply to new commitments issued after enactment of this section: *Provided further*, That nothing in this section may be construed to pardon or release an officer or employee of the United States Government for an act or acts in violation of section 1341 of title 31, United States Code (the Antideficiency Act) or any other applicable law that occurred prior to enactment of this section.

SEC. 2. Public Law 108–84, as amended, is further amended by adding at the end the following new section:

"SEC. 131. Subject to sections 107(c) and 108 of this joint resolution, for the Federal Aviation Administration Operations Account Staff Offices line of business, at a rate of operations not to exceed $141,411,000.".

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. YOUNG of Florida. Mr. Speaker, I ask unanimous consent that all Members have five legislative days in which to revise and extend their remarks and that I may include extraneous material on H.J. Res. 82.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

PERMISSION FOR COMMITTEE ON GOVERNMENT REFORM TO HAVE UNTIL DECEMBER 19, 2003, TO FILE INVESTIGATIVE REPORT

Mrs. JO ANN DAVIS of Virginia. Mr. Speaker, I ask unanimous consent that the Committee on Government Reform be permitted to file an investigative report by December 19, 2003.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Virginia?

There was no objection.

CARTER G. WOODSON HOME NATIONAL HISTORIC SITE ACT

Mr. RENZI. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1012) to establish the Carter G. Woodson Home National Historic Site in the District of Columbia, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Senate Amendment:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Carter G. Woodson Home National Historic Site Act".

SEC. 2. DEFINITIONS.

As used in this Act:

(1) CARTER G. WOODSON HOME.—The term "Carter G. Woodson Home" means the property located at 1538 Ninth Street, Northwest, in the District of Columbia, as depicted on the map.

(2) HISTORIC SITE.—The term "historic site" means the Carter G. Woodson Home National Historic Site.

(3) MAP.—The term "map" means the map entitled "Carter G. Woodson Home National Historic Site", numbered 876/82338–A and dated July 22, 2003.

(4) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

SEC. 3. CARTER G. WOODSON HOME NATIONAL HISTORIC SITE.

(a) ESTABLISHMENT.—Upon acquisition by the Secretary of the Carter G. Woodson Home, or interests therein, the Secretary shall establish the historic site as a unit of the National Park System by publication of a notice to that effect in the Federal Register.

(b) ADDITIONS TO HISTORIC SITE.—

(1) IN GENERAL.—The Secretary may acquire any of the 3 properties immediately north of the Carter G. Woodson Home located at 1540, 1542, and 1544 Ninth Street, Northwest, described on the map as "Potential Additions to National Historic Site", for addition to the historic site.

(2) BOUNDARY REVISION.—Upon the acquisition of any of the properties described in paragraph (1), the Secretary shall revise the boundaries of the historic site to include the property.

(c) AVAILABILITY OF MAP.—The map shall be available for public inspection in the appropriate offices of the National Park Service, Department of the Interior.

(d) ACQUISITION AUTHORITY.—The Secretary may acquire the Carter G. Woodson Home or any of the properties described in subsection (b)(1), including interests therein, and any improvements to the land by donation, purchase from a willing seller with donated or appropriated funds, or exchange.

(e) ADMINISTRATION.—(1) The Secretary shall administer the historic site in accordance with this Act and with laws generally applicable to units of the National Park System, including the Act of August 25, 1916 (16 U.S.C. 1, 2–4) and the Act of August 21, 1935 (16 U.S.C. 461 et seq.).

(2) GENERAL MANAGEMENT PLAN.—The Secretary shall prepare a general management plan for the historic site not later than three years after the date on which funds are made available for that purpose.

SEC. 4. COOPERATIVE AGREEMENTS.

(a) IN GENERAL.—The Secretary may enter into cooperative agreements with public or private entities to provide public interpretation and education of African-American heritage in the Shaw area of the District of Columbia.

(b) REHABILITATION.—In order to achieve cost efficiencies in the restoration of properties within the historic site, the Secretary may enter into an agreement with public or private entities to restore and rehabilitate the Carter G. Woodson Home and other properties within the boundary of the historic site, subject to such terms and conditions as the Secretary deems necessary.

(c) AGREEMENT WITH THE ASSOCIATION FOR THE STUDY OF AFRICAN-AMERICAN LIFE AND HISTORY.—In order to reestablish the historical connection between the Carter G. Woodson Home and the association Dr. Woodson founded, and to facilitate interpretation of Dr. Woodson's achievements, the Secretary may enter into an agreement with The Association for the Study of African-American Life and History that allows the association to use a portion of the historic site for its own administrative purposes. Such agreement shall ensure that the association's use of a portion of the historic site is consistent with the administration of the historic site, including appropriate public access and rent, and such other terms and conditions as the Secretary deems necessary.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.

Mr. RENZI (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

The SPEAKER pro tempore. Is there objection to the original request of the gentleman from Arizona?

There was no objection.

A motion to reconsider was laid on the table.

CAPTIVE WILDLIFE SAFETY ACT

Mr. RENZI. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1006) to amend the Lacey Act Amendments of 1981 to further the conservation of certain wildlife species, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Senate Amendments:

(1) Page 2, strike out lines 11 through 14 and insert:

"(g) PROHIBITED WILDLIFE SPECIES.—The term 'prohibited wildlife species' means any live species of lion, tiger, leopard, cheetah, jaguar, or cougar or any hybrid of such species.".

(2) Page 3, line 1, strike out **[**live animal of a**]**

(3) Page 3, strike out lines 20 through 22 and insert:

"(A) is licensed or registered, and inspected, by the Animal and Plant Health Inspection Service or any other Federal agency with respect to that species;

(4) Page 4, line 12, after "animals" insert: *listed in section 2(g)*

(5) Page 4, line 14, after "animals" insert: *listed in section 2(g)*

(6) Page 5, line 3, strike out all after "State."

(7) Page 5, after line 3, insert:

"(5) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out subsection (a)(2)(C) $3,000,000 for each of fiscal years 2004 through 2008.".

Mr. RENZI (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendments be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

The SPEAKER pro tempore. Is there objection to the original request of the gentleman from Arizona?

There was no objection.

A motion to reconsider was laid on the table.

EXCHANGE OF CERTAIN LANDS IN THE COCONINO AND TONTO NATIONAL FORESTS IN ARIZONA

Mr. RENZI. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 622) to provide for the exchange of certain lands in the Coconino and Tonto National Forests in Arizona, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Senate Amendments:

(1) Page 3, line 23, after "1976" insert: *(43 U.S.C. 1701 et seq.)*

(2) Page 4, line 17, after "NON-FEDERAL" insert: *LAND*

(3) Page 5, line 6, after "16," insert: *and*

(4) Page 5, line 17, strike out **[**of the**]** and insert: *of*

(5) Page 5, line 22, after "FLPMA" insert: *(43 U.S.C. 1716(b))*

(6) Page 7, line 3, strike out **[**a map**]** and insert: *the map*

(7) Page 10, line 1, after "TO" insert: *NATIONAL*

(8) Page 10, line 3, strike out **[**3(d)(1)**]** and insert: *3(b)(1)*

Mr. RENZI (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendments be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

The SPEAKER pro tempore. Is there objection to the original request of the gentleman from Arizona?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. RENZI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 1012, H.R. 1006, and H.R. 622.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

PRESERVING INDEPENDENCE OF FINANCIAL INSTITUTION EXAMINATIONS ACT OF 2003

Mr. SMITH of Texas. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of the Senate bill (S. 1947) to prohibit the offer of credit by a financial institution to a financial institution examiner, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1947

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Preserving Independence of Financial Institution Examinations Act of 2003".

SEC. 2. OFFER AND ACCEPTANCE OF CREDIT.

(a) IN GENERAL.—Title 18, United States Code, is amended by striking sections 212 and 213 and inserting the following:

"§ 212. Offer of loan or gratuity to financial institution examiner

"(a) IN GENERAL.—Except as provided in subsection (b), whoever, being an officer, director or employee of a financial institution, makes or grants any loan or gratuity, to any examiner or assistant examiner who examines or has authority to examine such bank, branch, agency, organization, corporation, association, or institution—

"(1) shall be fined under this title, imprisoned not more than 1 year, or both; and

"(2) may be fined a further sum equal to the money so loaned or gratuity given.

"(b) REGULATIONS.—A Federal financial institution regulatory agency may prescribe regulations establishing additional limitations on the application for and receipt of credit under this section and on the application and receipt of residential mortgage loans under this section, after consulting with each other Federal financial institution regulatory agency.

"(c) DEFINITIONS.—In this section:

"(1) EXAMINER.—The term 'examiner' means any person—

"(A) appointed by a Federal financial institution regulatory agency or pursuant to the laws of any State to examine a financial institution; or

"(B) elected under the law of any State to conduct examinations of any financial institutions.

"(2) FEDERAL FINANCIAL INSTITUTION REGULATORY AGENCY.—The term 'Federal financial institution regulatory agency' means—

"(A) the Office of the Comptroller of the Currency;

"(B) the Board of Governors of the Federal Reserve System;

"(C) the Office of Thrift Supervision;

"(D) the Federal Deposit Insurance Corporation;

"(E) the Federal Housing Finance Board;

"(F) the Farm Credit Administration;

"(G) the Farm Credit System Insurance Corporation; and

"(H) the Small Business Administration.

"(3) FINANCIAL INSTITUTION.—The term 'financial institution' does not include a credit union, a Federal Reserve Bank, a Federal home loan bank, or a depository institution holding company.

"(4) LOAN.—The term 'loan' does not include any credit card account established under an open end consumer credit plan or a loan secured by residential real property that is the principal residence of the examiner, if—

"(A) the applicant satisfies any financial requirements for the credit card account or residential real property loan that are generally applicable to all applicants for the same type of credit card account or residential real property loan;

"(B) the terms and conditions applicable with respect to such account or residential real property loan, and any credit extended to the examiner under such account or residential real property loan, are no more favorable generally to the examiner than the terms and conditions that are generally applicable to credit card accounts or residential real property loans offered by the same financial institution to other borrowers cardholders in comparable circumstances under open end consumer credit plans or for residential real property loans; and

"(C) with respect to residential real property loans, the loan is with respect to the primary residence of the applicant.

"§ 213. Acceptance of loan or gratuity by financial institution examiner

"(a) IN GENERAL.—Whoever, being an examiner or assistant examiner, accepts a loan or gratuity from any bank, branch, agency, organization, corporation, association, or institution examined by the examiner or from any person connected with it, shall—

"(1) be fined under this title, imprisoned not more than 1 year, or both;

"(2) may be fined a further sum equal to the money so loaned or gratuity given; and

"(3) shall be disqualified from holding office as an examiner.

"(b) Definitions.—In this section, the terms 'examiner', 'Federal financial institution regulatory agency', 'financial institution', and 'loan' have the same meanings as in section 212.".

(b) Technical and Conforming Amendment.—The table of sections of chapter 11 of title 18, United States Code, is amended by striking the matter relating to sections 212 and 213 and inserting the following:

"212. Offer of loan or gratuity to financial institution examiner.
"213. Acceptance of loan or gratuity by financial institution examiner.".

Mr. SENSENBRENNER. Mr. Speaker, on November 24, 2003, the Senate passed unanimously S. 1947, the "Preserving Independence of Financial Institution Examinations Act of 2003." This bipartisan legislation was introduced by Senator HATCH and Senator LEAHY, the Chairman and ranking Member on the Senate Judiciary Committee. The bill would update two provisions of the Federal Criminal Code enacted in the mid-1900s.

As the Nation's banking system has consolidated, it has become extremely difficult for bank examiners to obtain credit cards or mortgages for themselves because of these outdated provisions. This affects the hiring, retention, morale, and work of our Nation's bank examiners.

To alleviate this problem, the bill would amend sections 212 and 213 of title 18 of the United States Code to reflect the changes in our Nation's banking system. Under current law, these sections prohibit examiners from borrowing from banks they have examined, and prohibit a financial institution from extending credit to anyone who examines or has authority to examine that institution. These provisions have been interpreted to cover all kinds of borrowing, including standard credit cards and mortgages.

In a December 4, 2003, letter the Legal Division of the Board of Governors of the Federal Reserve System explained that:

> [under current law] . . . an examiner could commit a crime by obtaining a department store credit card that is ultimately issued by a bank the examiner examined five years ago. Examiners also have encountered difficulty in obtaining home mortgage and other loans at the best available rates because of restrictions on the range of permissible lenders.

The proposed legislation updates the Criminal Code allowing for narrow exceptions to the statutes for bank examiners who hold credit cards and residential home mortgage loans on standard terms from the banks they are examining.

I urge my colleagues to support this legislation.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SMITH of Texas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous materials on S. 1947.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

ARCHERY REVENUE REFORM AND OPPORTUNITY FOR WORKERS ACT

Mr. RYAN of Wisconsin. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means be discharged from further consideration of the bill (H.R. 3652) to amend the Internal Revenue Code of 1986 to modify the taxation of imported archery products, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The Clerk read the bill, as follows:

H.R. 3652

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Archery Revenue Reform and Opportunity for Workers Act".

SEC. 2. MODIFIED TAXATION OF IMPORTED ARCHERY PRODUCTS.

(a) Bows.—Paragraph (1) of section 4161(b) of the Internal Revenue Code of 1986 (relating to bows) is amended to read as follows:

"(1) Bows.—

"(A) In general.—There is hereby imposed on the sale by the manufacturer, producer, or importer of any bow which has a peak draw weight of 30 pounds or more, a tax equal to 11 percent of the price for which so sold.

"(B) Archery equipment.—There is hereby imposed on the sale by the manufacturer, producer, or importer—

"(i) of any part or accessory suitable for inclusion in or attachment to a bow described in subparagraph (A), and

"(ii) of any quiver or broadhead suitable for use with an arrow described in paragraph (2),

a tax equal to 11 percent of the price for which so sold.".

(b) Arrows.—Subsection (b) of section 4161 of the Internal Revenue Code of 1986 (relating to bows and arrows, etc.) is amended by redesignating paragraph (3) as paragraph (4) and inserting after paragraph (2) the following:

"(3) Arrows.—

"(A) In general.—There is hereby imposed on the sale by the manufacturer, producer, or importer of any arrow, a tax equal to 12 percent of the price for which so sold.

"(B) Exception.—In the case of any arrow of which the shaft or any other component has been previously taxed under paragraph (1) or (2)—

"(i) section 6416(b)(3) shall not apply, and

"(ii) the tax imposed by subparagraph (A) shall be an amount equal to the excess (if any) of—

"(I) the amount of tax imposed by this paragraph (determined without regard to this subparagraph), over

"(II) the amount of tax paid with respect to the tax imposed under paragraph (1) or (2) on such shaft or component.

"(C) Arrow.—For purposes of this paragraph, the term 'arrow' means any shaft described in paragraph (2) to which additional components are attached.".

(c) Conforming Amendments.—Section 4161(b)(2) of the Internal Revenue Code is amended—

(1) by inserting "(other than broadheads)" after "point", and

(2) by striking "Arrows.—" in the heading and inserting "Arrow components.—".

(d) Effective Date.—The amendments made by this section shall apply to articles sold by the manufacturer, producer, or importer after February 15, 2004.

Mr. RYAN of Wisconsin. Mr. Speaker, along with my colleague, Representative MATHESON, I am pleased to introduce the Archery Revenue Reform and Opportunity for Workers Act of 2003 (ARROW Act).

Our bill will protect Americans jobs by fixing a mistake in the tax code that allows archery equipment to be imported into the United States without paying the excise tax that American manufacturers pay. Our bill will close this loophole now.

The excise tax on domestically produced arrows is 12.4 percent. The revenue from this excise tax is dedicated to the Pittman-Robertson Aid for Wildlife Restoration Fund that finances the States' wildlife conservation and habitat restoration programs. In 1997, a change in the excise tax inadvertently created a loophole that allows arrows manufactured outside of the United States to be sold in the United States without paying the tax paid by American manufacturers.

Sales of imported arrows and arrow shafts have increased from less than $1 million in 1997 to over $12 million in 2002. By avoiding the excise tax, foreign manufacturers have displaced more than one-third of our domestic production.

The loss of U.S. jobs and the negative impact on domestic small businesses will continue to accelerate, as year-to-date imports through June 30 have increased 35 percent over the same time period in 2002. In addition to the loss of jobs, this loophole is draining funding from the States' conservation and game management programs.

This legislation will close the loophole that allows imported arrows to avoid the excise tax paid by domestic manufacturers. While keeping the current 12.4 percent tax on arrow components, the proposal will impose a tax of 12 percent on the first sale of an arrow assembled from untaxed components. U.S. manufacturers and foreign manufacturers will be treated equally.

Current law also taxes non-hunters, contrary to congressional intent. To relieve non-hunters from the requirement to pay for wildlife management, the legislation would eliminate the current-law tax on bows with draw weights of less than 30 pounds. Those bows are not suitable or, in many States, legal for hunting. To preserve the revenue for the Wildlife Restoration Fund, the bill would retain the current tax on bows that are suitable for hunting.

Finally, the ARROW Act will clarify that broadheads are an accessory taxed at 11 percent rather than as an arrow component taxed at 12.4 percent. This will correct the ambiguity in the 1997 act that led to the misclassification of broadheads.

I urge my colleagues to pass the Archery Revenue Reform and Opportunity for Workers

Act today. This bill will save American jobs and protect funding for the Wildlife Restoration Program (the Pittman-Robertson fund) by simplifying administration and compliance with the excise tax and closing the unintended loophole that allows arrows assembled outside the United States to avoid the excise tax imposed on domestic manufacturers.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. RYAN of Wisconsin. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 3652.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

□ 1730

SERVICEMEMBERS CIVIL RELIEF ACT

Mr. SMITH of New Jersey. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 100) to restate, clarify, and revise the Soldiers' and Sailors' Civil Relief Act of 1940, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Senate Amendment:

Strike out all after the enacting clause and insert:

SECTION 1. RESTATEMENT OF ACT.

The Soldiers' and Sailors' Civil Relief Act of 1940 (50 U.S.C. App. 501 et seq.) is amended to read as follows:

"SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

"(a) SHORT TITLE.—This Act may be cited as the 'Servicemembers Civil Relief Act'.

"(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

"Sec. 1. Short title; table of contents.
"Sec. 2. Purpose.

"TITLE I—GENERAL PROVISIONS

"Sec. 101. Definitions.
"Sec. 102. Jurisdiction and applicability of Act.
"Sec. 103. Protection of persons secondarily liable.
"Sec. 104. Extension of protections to citizens serving with allied forces.
"Sec. 105. Notification of benefits.
"Sec. 106. Extension of rights and protections to Reserves ordered to report for military service and to persons ordered to report for induction.
"Sec. 107. Waiver of rights pursuant to written agreement.
"Sec. 108. Exercise of rights under Act not to affect certain future financial transactions.
"Sec. 109. Legal representatives.

"TITLE II—GENERAL RELIEF

"Sec. 201. Protection of servicemembers against default judgments.
"Sec. 202. Stay of proceedings when servicemember has notice.
"Sec. 203. Fines and penalties under contracts.
"Sec. 204. Stay or vacation of execution of judgments, attachments, and garnishments.
"Sec. 205. Duration and term of stays; codefendants not in service.
"Sec. 206. Statute of limitations.
"Sec. 207. Maximum rate of interest on debts incurred before military service.

"TITLE III—RENT, INSTALLMENT CONTRACTS, MORTGAGES, LIENS, ASSIGNMENT, LEASES

"Sec. 301. Evictions and distress.
"Sec. 302. Protection under installment contracts for purchase or lease.
"Sec. 303. Mortgages and trust deeds.
"Sec. 304. Settlement of stayed cases relating to personal property.
"Sec. 305. Termination of residential or motor vehicle leases.
"Sec. 306. Protection of life insurance policy.
"Sec. 307. Enforcement of storage liens.
"Sec. 308. Extension of protections to dependents.

"TITLE IV—LIFE INSURANCE

"Sec. 401. Definitions.
"Sec. 402. Insurance rights and protections.
"Sec. 403. Application for insurance protection.
"Sec. 404. Policies entitled to protection and lapse of policies.
"Sec. 405. Policy restrictions.
"Sec. 406. Deduction of unpaid premiums.
"Sec. 407. Premiums and interest guaranteed by United States.
"Sec. 408. Regulations.
"Sec. 409. Review of findings of fact and conclusions of law.

"TITLE V—TAXES AND PUBLIC LANDS

"Sec. 501. Taxes respecting personal property, money, credits, and real property.
"Sec. 502. Rights in public lands.
"Sec. 503. Desert-land entries.
"Sec. 504. Mining claims.
"Sec. 505. Mineral permits and leases.
"Sec. 506. Perfection or defense of rights.
"Sec. 507. Distribution of information concerning benefits of title.
"Sec. 508. Land rights of servicemembers.
"Sec. 509. Regulations.
"Sec. 510. Income taxes.
"Sec. 511. Residence for tax purposes.

"TITLE VI—ADMINISTRATIVE REMEDIES

"Sec. 601. Inappropriate use of Act.
"Sec. 602. Certificates of service; persons reported missing.
"Sec. 603. Interlocutory orders.

"TITLE VII—FURTHER RELIEF

"Sec. 701. Anticipatory relief.
"Sec. 702. Power of attorney.
"Sec. 703. Professional liability protection.
"Sec. 704. Health insurance reinstatement.
"Sec. 705. Guarantee of residency for military personnel.
"Sec. 706. Business or trade obligations.

"SEC. 2. PURPOSE.

"The purposes of this Act are—

"(1) to provide for, strengthen, and expedite the national defense through protection extended by this Act to servicemembers of the United States to enable such persons to devote their entire energy to the defense needs of the Nation; and

"(2) to provide for the temporary suspension of judicial and administrative proceedings and transactions that may adversely affect the civil rights of servicemembers during their military service.

"TITLE I—GENERAL PROVISIONS

"SEC. 101. DEFINITIONS.

"For the purposes of this Act:

"(1) SERVICEMEMBER.—The term 'servicemember' means a member of the uniformed services, as that term is defined in section 101(a)(5) of title 10, United States Code.

"(2) MILITARY SERVICE.—The term 'military service' means—

"(A) in the case of a servicemember who is a member of the Army, Navy, Air Force, Marine Corps, or Coast Guard—

"(i) active duty, as defined in section 101(d)(1) of title 10, United States Code, and

"(ii) in the case of a member of the National Guard, includes service under a call to active service authorized by the President or the Secretary of Defense for a period of more than 30 consecutive days under section 502(f) of title 32, United States Code, for purposes of responding to a national emergency declared by the President and supported by Federal funds;

"(B) in the case of a servicemember who is a commissioned officer of the Public Health Service or the National Oceanic and Atmospheric Administration, active service; and

"(C) any period during which a servicemember is absent from duty on account of sickness, wounds, leave, or other lawful cause.

"(3) PERIOD OF MILITARY SERVICE.—The term 'period of military service' means the period beginning on the date on which a servicemember enters military service and ending on the date on which the servicemember is released from military service or dies while in military service.

"(4) DEPENDENT.—The term 'dependent', with respect to a servicemember, means—

"(A) the servicemember's spouse;

"(B) the servicemember's child (as defined in section 101(4) of title 38, United States Code); or

"(C) an individual for whom the servicemember provided more than one-half of the individual's support for 180 days immediately preceding an application for relief under this Act.

"(5) COURT.—The term 'court' means a court or an administrative agency of the United States or of any State (including any political subdivision of a State), whether or not a court or administrative agency of record.

"(6) STATE.—The term 'State' includes—

"(A) a commonwealth, territory, or possession of the United States; and

"(B) the District of Columbia.

"(7) SECRETARY CONCERNED.—The term 'Secretary concerned'—

"(A) with respect to a member of the armed forces, has the meaning given that term in section 101(a)(9) of title 10, United States Code;

"(B) with respect to a commissioned officer of the Public Health Service, means the Secretary of Health and Human Services; and

"(C) with respect to a commissioned officer of the National Oceanic and Atmospheric Administration, means the Secretary of Commerce.

"(8) MOTOR VEHICLE.—The term 'motor vehicle' has the meaning given that term in section 30102(a)(6) of title 49, United States Code.

"SEC. 102. JURISDICTION AND APPLICABILITY OF ACT.

"(a) JURISDICTION.—This Act applies to—

"(1) the United States;

"(2) each of the States, including the political subdivisions thereof; and

"(3) all territory subject to the jurisdiction of the United States.

"(b) APPLICABILITY TO PROCEEDINGS.—This Act applies to any judicial or administrative proceeding commenced in any court or agency in any jurisdiction subject to this Act. This Act does not apply to criminal proceedings.

"(c) COURT IN WHICH APPLICATION MAY BE MADE.—When under this Act any application is required to be made to a court in which no proceeding has already been commenced with respect to the matter, such application may be made to any court which would otherwise have jurisdiction over the matter.

"SEC. 103. PROTECTION OF PERSONS SECONDARILY LIABLE.

"(a) EXTENSION OF PROTECTION WHEN ACTIONS STAYED, POSTPONED, OR SUSPENDED.—Whenever pursuant to this Act a court stays, postpones, or suspends (1) the enforcement of an obligation or liability, (2) the prosecution of a suit or proceeding, (3) the entry or enforcement of an order, writ, judgment, or decree, or (4) the performance of any other act, the court may likewise grant such a stay, postponement, or suspension to a surety, guarantor, endorser, accommodation maker, comaker, or other person who is or may be primarily or secondarily subject to the obligation or liability the performance or enforcement of which is stayed, postponed, or suspended.

"(b) VACATION OR SET-ASIDE OF JUDGMENTS.—When a judgment or decree is vacated or set aside, in whole or in part, pursuant to this Act, the court may also set aside or vacate, as the case may be, the judgment or decree as to a surety, guarantor, endorser, accommodation maker, comaker, or other person who is or may be primarily or secondarily liable on the contract or liability for the enforcement of the judgment or decree.

"(c) BAIL BOND NOT TO BE ENFORCED DURING PERIOD OF MILITARY SERVICE.—A court may not enforce a bail bond during the period of military service of the principal on the bond when military service prevents the surety from obtaining the attendance of the principal. The court may discharge the surety and exonerate the bail, in accordance with principles of equity and justice, during or after the period of military service of the principal.

"(d) WAIVER OF RIGHTS.—

"(1) WAIVERS NOT PRECLUDED.—This Act does not prevent a waiver in writing by a surety, guarantor, endorser, accommodation maker, comaker, or other person (whether primarily or secondarily liable on an obligation or liability) of the protections provided under subsections (a) and (b). Any such waiver is effective only if it is executed as an instrument separate from the obligation or liability with respect to which it applies.

"(2) WAIVER INVALIDATED UPON ENTRANCE TO MILITARY SERVICE.—If a waiver under paragraph (1) is executed by an individual who after the execution of the waiver enters military service, or by a dependent of an individual who after the execution of the waiver enters military service, the waiver is not valid after the beginning of the period of such military service unless the waiver was executed by such individual or dependent during the period specified in section 106.

"SEC. 104. EXTENSION OF PROTECTIONS TO CITIZENS SERVING WITH ALLIED FORCES.

"A citizen of the United States who is serving with the forces of a nation with which the United States is allied in the prosecution of a war or military action is entitled to the relief and protections provided under this Act if that service with the allied force is similar to military service as defined in this Act. The relief and protections provided to such citizen shall terminate on the date of discharge or release from such service.

"SEC. 105. NOTIFICATION OF BENEFITS.

"The Secretary concerned shall ensure that notice of the benefits accorded by this Act is provided in writing to persons in military service and to persons entering military service.

"SEC. 106. EXTENSION OF RIGHTS AND PROTECTIONS TO RESERVES ORDERED TO REPORT FOR MILITARY SERVICE AND TO PERSONS ORDERED TO REPORT FOR INDUCTION.

"(a) RESERVES ORDERED TO REPORT FOR MILITARY SERVICE.—A member of a reserve component who is ordered to report for military service is entitled to the rights and protections of this title and titles II and III during the period beginning on the date of the member's receipt of the order and ending on the date on which the member reports for military service (or, if the order is revoked before the member so reports, or the date on which the order is revoked).

"(b) PERSONS ORDERED TO REPORT FOR INDUCTION.—A person who has been ordered to report for induction under the Military Selective Service Act (50 U.S.C. App. 451 et seq.) is entitled to the rights and protections provided a servicemember under this title and titles II and III during the period beginning on the date of receipt of the order for induction and ending on the date on which the person reports for induction (or, if the order to report for induction is revoked before the date on which the person reports for induction, on the date on which the order is revoked).

"SEC. 107. WAIVER OF RIGHTS PURSUANT TO WRITTEN AGREEMENT.

"(a) IN GENERAL.—A servicemember may waive any of the rights and protections provided by this Act. In the case of a waiver that permits an action described in subsection (b), the waiver is effective only if made pursuant to a written agreement of the parties that is executed during or after the servicemember's period of military service. The written agreement shall specify the legal instrument to which the waiver applies and, if the servicemember is not a party to that instrument, the servicemember concerned.

"(b) ACTIONS REQUIRING WAIVERS IN WRITING.—The requirement in subsection (a) for a written waiver applies to the following:

"(1) The modification, termination, or cancellation of—

"(A) a contract, lease, or bailment; or

"(B) an obligation secured by a mortgage, trust, deed, lien, or other security in the nature of a mortgage.

"(2) The repossession, retention, foreclosure, sale, forfeiture, or taking possession of property that—

"(A) is security for any obligation; or

"(B) was purchased or received under a contract, lease, or bailment.

"(c) COVERAGE OF PERIODS AFTER ORDERS RECEIVED.—For the purposes of this section—

"(1) a person to whom section 106 applies shall be considered to be a servicemember; and

"(2) the period with respect to such a person specified in subsection (a) or (b), as the case may be, of section 106 shall be considered to be a period of military service.

"SEC. 108. EXERCISE OF RIGHTS UNDER ACT NOT TO AFFECT CERTAIN FUTURE FINANCIAL TRANSACTIONS.

"Application by a servicemember for, or receipt by a servicemember of, a stay, postponement, or suspension pursuant to this Act in the payment of a tax, fine, penalty, insurance premium, or other civil obligation or liability of that servicemember shall not itself (without regard to other considerations) provide the basis for any of the following:

"(1) A determination by a lender or other person that the servicemember is unable to pay the civil obligation or liability in accordance with its terms.

"(2) With respect to a credit transaction between a creditor and the servicemember—

"(A) a denial or revocation of credit by the creditor;

"(B) a change by the creditor in the terms of an existing credit arrangement; or

"(C) a refusal by the creditor to grant credit to the servicemember in substantially the amount or on substantially the terms requested.

"(3) An adverse report relating to the creditworthiness of the servicemember by or to a person engaged in the practice of assembling or evaluating consumer credit information.

"(4) A refusal by an insurer to insure the servicemember.

"(5) An annotation in a servicemember's record by a creditor or a person engaged in the practice of assembling or evaluating consumer credit information, identifying the servicemember as a member of the National Guard or a reserve component.

"(6) A change in the terms offered or conditions required for the issuance of insurance.

"SEC. 109. LEGAL REPRESENTATIVES.

"(a) REPRESENTATIVE.—A legal representative of a servicemember for purposes of this Act is either of the following:

"(1) An attorney acting on the behalf of a servicemember.

"(2) An individual possessing a power of attorney.

"(b) APPLICATION.—Whenever the term 'servicemember' is used in this Act, such term shall be treated as including a reference to a legal representative of the servicemember.

"TITLE II—GENERAL RELIEF

"SEC. 201. PROTECTION OF SERVICEMEMBERS AGAINST DEFAULT JUDGMENTS.

"(a) APPLICABILITY OF SECTION.—This section applies to any civil action or proceeding in which the defendant does not make an appearance.

"(b) AFFIDAVIT REQUIREMENT.—

"(1) PLAINTIFF TO FILE AFFIDAVIT.—In any action or proceeding covered by this section, the court, before entering judgment for the plaintiff, shall require the plaintiff to file with the court an affidavit—

"(A) stating whether or not the defendant is in military service and showing necessary facts to support the affidavit; or

"(B) if the plaintiff is unable to determine whether or not the defendant is in military service, stating that the plaintiff is unable to determine whether or not the defendant is in military service.

"(2) APPOINTMENT OF ATTORNEY TO REPRESENT DEFENDANT IN MILITARY SERVICE.—If in an action covered by this section it appears that the defendant is in military service, the court may not enter a judgment until after the court appoints an attorney to represent the defendant. If an attorney appointed under this section to represent a servicemember cannot locate the servicemember, actions by the attorney in the case shall not waive any defense of the servicemember or otherwise bind the servicemember.

"(3) DEFENDANT'S MILITARY STATUS NOT ASCERTAINED BY AFFIDAVIT.—If based upon the affidavits filed in such an action, the court is unable to determine whether the defendant is in military service, the court, before entering judgment, may require the plaintiff to file a bond in an amount approved by the court. If the defendant is later found to be in military service, the bond shall be available to indemnify the defendant against any loss or damage the defendant may suffer by reason of any judgment for the plaintiff against the defendant, should the judgment be set aside in whole or in part. The bond shall remain in effect until expiration of the time for appeal and setting aside of a judgment under applicable Federal or State law or regulation or under any applicable ordinance of a political subdivision of a State. The court may issue such orders or enter such judgments as the court determines necessary to protect the rights of the defendant under this Act.

"(4) SATISFACTION OF REQUIREMENT FOR AFFIDAVIT.—The requirement for an affidavit under paragraph (1) may be satisfied by a statement, declaration, verification, or certificate, in writing, subscribed and certified or declared to be true under penalty of perjury.

"(c) PENALTY FOR MAKING OR USING FALSE AFFIDAVIT.—A person who makes or uses an affidavit permitted under subsection (b) (or a

statement, declaration, verification, or certificate as authorized under subsection (b)(4)) knowing it to be false, shall be fined as provided in title 18, United States Code, or imprisoned for not more than one year, or both.

“(d) STAY OF PROCEEDINGS.—In an action covered by this section in which the defendant is in military service, the court shall grant a stay of proceedings for a minimum period of 90 days under this subsection upon application of counsel, or on the court's own motion, if the court determines that—

“(1) there may be a defense to the action and a defense cannot be presented without the presence of the defendant; or

“(2) after due diligence, counsel has been unable to contact the defendant or otherwise determine if a meritorious defense exists.

“(e) INAPPLICABILITY OF SECTION 202 PROCEDURES.—A stay of proceedings under subsection (d) shall not be controlled by procedures or requirements under section 202.

“(f) SECTION 202 PROTECTION.—If a servicemember who is a defendant in an action covered by this section receives actual notice of the action, the servicemember may request a stay of proceeding under section 202.

“(g) VACATION OR SETTING ASIDE OF DEFAULT JUDGMENTS.—

“(1) AUTHORITY FOR COURT TO VACATE OR SET ASIDE JUDGMENT.—If a default judgment is entered in an action covered by this section against a servicemember during the servicemember's period of military service (or within 60 days after termination of or release from such military service), the court entering the judgment shall, upon application by or on behalf of the servicemember, reopen the judgment for the purpose of allowing the servicemember to defend the action if it appears that—

“(A) the servicemember was materially affected by reason of that military service in making a defense to the action; and

“(B) the servicemember has a meritorious or legal defense to the action or some part of it.

“(2) TIME FOR FILING APPLICATION.—An application under this subsection must be filed not later than 90 days after the date of the termination of or release from military service.

“(h) PROTECTION OF BONA FIDE PURCHASER.—If a court vacates, sets aside, or reverses a default judgment against a servicemember and the vacating, setting aside, or reversing is because of a provision of this Act, that action shall not impair a right or title acquired by a bona fide purchaser for value under the default judgment.

“SEC. 202. STAY OF PROCEEDINGS WHEN SERVICEMEMBER HAS NOTICE.

“(a) APPLICABILITY OF SECTION.—This section applies to any civil action or proceeding in which the defendant at the time of filing an application under this section—

“(1) is in military service or is within 90 days after termination of or release from military service; and

“(2) has received notice of the action or proceeding.

“(b) STAY OF PROCEEDINGS.—

“(1) AUTHORITY FOR STAY.—At any stage before final judgment in a civil action or proceeding in which a servicemember described in subsection (a) is a party, the court may on its own motion and shall, upon application by the servicemember, stay the action for a period of not less than 90 days, if the conditions in paragraph (2) are met.

“(2) CONDITIONS FOR STAY.—An application for a stay under paragraph (1) shall include the following:

“(A) A letter or other communication setting forth facts stating the manner in which current military duty requirements materially affect the servicemember's ability to appear and stating a date when the servicemember will be available to appear.

“(B) A letter or other communication from the servicemember's commanding officer stating that the servicemember's current military duty prevents appearance and that military leave is not authorized for the servicemember at the time of the letter.

“(c) APPLICATION NOT A WAIVER OF DEFENSES.—An application for a stay under this section does not constitute an appearance for jurisdictional purposes and does not constitute a waiver of any substantive or procedural defense (including a defense relating to lack of personal jurisdiction).

“(d) ADDITIONAL STAY.—

“(1) APPLICATION.—A servicemember who is granted a stay of a civil action or proceeding under subsection (b) may apply for an additional stay based on continuing material affect of military duty on the servicemember's ability to appear. Such an application may be made by the servicemember at the time of the initial application under subsection (b) or when it appears that the servicemember is unavailable to prosecute or defend the action. The same information required under subsection (b)(2) shall be included in an application under this subsection.

“(2) APPOINTMENT OF COUNSEL WHEN ADDITIONAL STAY REFUSED.—If the court refuses to grant an additional stay of proceedings under paragraph (1), the court shall appoint counsel to represent the servicemember in the action or proceeding.

“(e) COORDINATION WITH SECTION 201.—A servicemember who applies for a stay under this section and is unsuccessful may not seek the protections afforded by section 201.

“(f) INAPPLICABILITY TO SECTION 301.—The protections of this section do not apply to section 301.

“SEC. 203. FINES AND PENALTIES UNDER CONTRACTS.

“(a) PROHIBITION OF PENALTIES.—When an action for compliance with the terms of a contract is stayed pursuant to this Act, a penalty shall not accrue for failure to comply with the terms of the contract during the period of the stay.

“(b) REDUCTION OR WAIVER OF FINES OR PENALTIES.—If a servicemember fails to perform an obligation arising under a contract and a penalty is incurred arising from that nonperformance, a court may reduce or waive the fine or penalty if—

“(1) the servicemember was in military service at the time the fine or penalty was incurred; and

“(2) the ability of the servicemember to perform the obligation was materially affected by such military service.

“SEC. 204. STAY OR VACATION OF EXECUTION OF JUDGMENTS, ATTACHMENTS, AND GARNISHMENTS.

“(a) COURT ACTION UPON MATERIAL AFFECT DETERMINATION.—If a servicemember, in the opinion of the court, is materially affected by reason of military service in complying with a court judgment or order, the court may on its own motion and shall on application by the servicemember—

“(1) stay the execution of any judgment or order entered against the servicemember; and

“(2) vacate or stay an attachment or garnishment of property, money, or debts in the possession of the servicemember or a third party, whether before or after judgment.

“(b) APPLICABILITY.—This section applies to an action or proceeding commenced in a court against a servicemember before or during the period of the servicemember's military service or within 90 days after such service terminates.

“SEC. 205. DURATION AND TERM OF STAYS; CODEFENDANTS NOT IN SERVICE.

“(a) PERIOD OF STAY.—A stay of an action, proceeding, attachment, or execution made pursuant to the provisions of this Act by a court may be ordered for the period of military service and 90 days thereafter, or for any part of that period. The court may set the terms and amounts for such installment payments as is considered reasonable by the court.

“(b) CODEFENDANTS.—If the servicemember is a codefendant with others who are not in military service and who are not entitled to the relief and protections provided under this Act, the plaintiff may proceed against those other defendants with the approval of the court.

“(c) INAPPLICABILITY OF SECTION.—This section does not apply to sections 202 and 701.

“SEC. 206. STATUTE OF LIMITATIONS.

“(a) TOLLING OF STATUTES OF LIMITATION DURING MILITARY SERVICE.—The period of a servicemember's military service may not be included in computing any period limited by law, regulation, or order for the bringing of any action or proceeding in a court, or in any board, bureau, commission, department, or other agency of a State (or political subdivision of a State) or the United States by or against the servicemember or the servicemember's heirs, executors, administrators, or assigns.

“(b) REDEMPTION OF REAL PROPERTY.—A period of military service may not be included in computing any period provided by law for the redemption of real property sold or forfeited to enforce an obligation, tax, or assessment.

“(c) INAPPLICABILITY TO INTERNAL REVENUE LAWS.—This section does not apply to any period of limitation prescribed by or under the internal revenue laws of the United States.

“SEC. 207. MAXIMUM RATE OF INTEREST ON DEBTS INCURRED BEFORE MILITARY SERVICE.

“(a) INTEREST RATE LIMITATION.—

“(1) LIMITATION TO 6 PERCENT.—An obligation or liability bearing interest at a rate in excess of 6 percent per year that is incurred by a servicemember, or the servicemember and the servicemember's spouse jointly, before the servicemember enters military service shall not bear interest at a rate in excess of 6 percent per year during the period of military service.

“(2) FORGIVENESS OF INTEREST IN EXCESS OF 6 PERCENT.—Interest at a rate in excess of 6 percent per year that would otherwise be incurred but for the prohibition in paragraph (1) is forgiven.

“(3) PREVENTION OF ACCELERATION OF PRINCIPAL.—The amount of any periodic payment due from a servicemember under the terms of the instrument that created an obligation or liability covered by this section shall be reduced by the amount of the interest forgiven under paragraph (2) that is allocable to the period for which such payment is made.

“(b) IMPLEMENTATION OF LIMITATION.—

“(1) WRITTEN NOTICE TO CREDITOR.—In order for an obligation or liability of a servicemember to be subject to the interest rate limitation in subsection (a), the servicemember shall provide to the creditor written notice and a copy of the military orders calling the servicemember to military service and any orders further extending military service, not later than 180 days after the date of the servicemember's termination or release from military service.

“(2) LIMITATION EFFECTIVE AS OF DATE OF ORDER TO ACTIVE DUTY.—Upon receipt of written notice and a copy of orders calling a servicemember to military service, the creditor shall treat the debt in accordance with subsection (a), effective as of the date on which the servicemember is called to military service.

“(c) CREDITOR PROTECTION.—A court may grant a creditor relief from the limitations of

this section if, in the opinion of the court, the ability of the servicemember to pay interest upon the obligation or liability at a rate in excess of 6 percent per year is not materially affected by reason of the servicemember's military service.

"(d) INTEREST.—As used in this section, the term 'interest' includes service charges, renewal charges, fees, or any other charges (except bona fide insurance) with respect to an obligation or liability.

"TITLE III—RENT, INSTALLMENT CONTRACTS, MORTGAGES, LIENS, ASSIGNMENT, LEASES

"SEC. 301. EVICTIONS AND DISTRESS.

"(a) COURT-ORDERED EVICTION.—

"(1) IN GENERAL.—Except by court order, a landlord (or another person with paramount title) may not—

"(A) evict a servicemember, or the dependents of a servicemember, during a period of military service of the servicemember, from premises—

"(i) that are occupied or intended to be occupied primarily as a residence; and

"(ii) for which the monthly rent does not exceed $2,400, as adjusted under paragraph (2) for years after 2003; or

"(B) subject such premises to a distress during the period of military service.

"(2) HOUSING PRICE INFLATION ADJUSTMENT.—(A) For calendar years beginning with 2004, the amount in effect under paragraph (1)(A)(ii) shall be increased by the housing price inflation adjustment for the calendar year involved.

"(B) For purposes of this paragraph—

"(i) The housing price inflation adjustment for any calendar year is the percentage change (if any) by which—

"(I) the CPI housing component for November of the preceding calendar year, exceeds

"(II) the CPI housing component for November of 1984.

"(ii) The term 'CPI housing component' means the index published by the Bureau of Labor Statistics of the Department of Labor known as the Consumer Price Index, All Urban Consumers, Rent of Primary Residence, U.S. City Average.

"(3) PUBLICATION OF HOUSING PRICE INFLATION ADJUSTMENT.—The Secretary of Defense shall cause to be published in the Federal Register each year the amount in effect under paragraph (1)(A)(ii) for that year following the housing price inflation adjustment for that year pursuant to paragraph (2). Such publication shall be made for a year not later than 60 days after such adjustment is made for that year.

"(b) STAY OF EXECUTION.—

"(1) COURT AUTHORITY.—Upon an application for eviction or distress with respect to premises covered by this section, the court may on its own motion and shall, if a request is made by or on behalf of a servicemember whose ability to pay the agreed rent is materially affected by military service—

"(A) stay the proceedings for a period of 90 days, unless in the opinion of the court, justice and equity require a longer or shorter period of time; or

"(B) adjust the obligation under the lease to preserve the interests of all parties.

"(2) RELIEF TO LANDLORD.—If a stay is granted under paragraph (1), the court may grant to the landlord (or other person with paramount title) such relief as equity may require.

"(c) PENALTIES.—

"(1) MISDEMEANOR.—Except as provided in subsection (a), a person who knowingly takes part in an eviction or distress described in subsection (a), or who knowingly attempts to do so, shall be fined as provided in title 18, United States Code, or imprisoned for not more than one year, or both.

"(2) PRESERVATION OF OTHER REMEDIES AND RIGHTS.—The remedies and rights provided under this section are in addition to and do not preclude any remedy for wrongful conversion (or wrongful eviction) otherwise available under the law to the person claiming relief under this section, including any award for consequential and punitive damages.

"(d) RENT ALLOTMENT FROM PAY OF SERVICEMEMBER.—To the extent required by a court order related to property which is the subject of a court action under this section, the Secretary concerned shall make an allotment from the pay of a servicemember to satisfy the terms of such order, except that any such allotment shall be subject to regulations prescribed by the Secretary concerned establishing the maximum amount of pay of servicemembers that may be allotted under this subsection.

"(e) LIMITATION OF APPLICABILITY.—Section 202 is not applicable to this section.

"SEC. 302. PROTECTION UNDER INSTALLMENT CONTRACTS FOR PURCHASE OR LEASE.

"(a) PROTECTION UPON BREACH OF CONTRACT.—

"(1) PROTECTION AFTER ENTERING MILITARY SERVICE.—After a servicemember enters military service, a contract by the servicemember for—

"(A) the purchase of real or personal property (including a motor vehicle); or

"(B) the lease or bailment of such property,

may not be rescinded or terminated for a breach of terms of the contract occurring before or during that person's military service, nor may the property be repossessed for such breach without a court order.

"(2) APPLICABILITY.—This section applies only to a contract for which a deposit or installment has been paid by the servicemember before the servicemember enters military service.

"(b) PENALTIES.—

"(1) MISDEMEANOR.—A person who knowingly resumes possession of property in violation of subsection (a), or in violation of section 107 of this Act, or who knowingly attempts to do so, shall be fined as provided in title 18, United States Code, or imprisoned for not more than one year, or both.

"(2) PRESERVATION OF OTHER REMEDIES AND RIGHTS.—The remedies and rights provided under this section are in addition to and do not preclude any remedy for wrongful conversion otherwise available under law to the person claiming relief under this section, including any award for consequential and punitive damages.

"(c) AUTHORITY OF COURT.—In a hearing based on this section, the court—

"(1) may order repayment to the servicemember of all or part of the prior installments or deposits as a condition of terminating the contract and resuming possession of the property;

"(2) may, on its own motion, and shall on application by a servicemember when the servicemember's ability to comply with the contract is materially affected by military service, stay the proceedings for a period of time as, in the opinion of the court, justice and equity require; or

"(3) may make other disposition as is equitable to preserve the interests of all parties.

"SEC. 303. MORTGAGES AND TRUST DEEDS.

"(a) MORTGAGE AS SECURITY.—This section applies only to an obligation on real or personal property owned by a servicemember that—

"(1) originated before the period of the servicemember's military service and for which the servicemember is still obligated; and

"(2) is secured by a mortgage, trust deed, or other security in the nature of a mortgage.

"(b) STAY OF PROCEEDINGS AND ADJUSTMENT OF OBLIGATION.—In an action filed during, or within 90 days after, a servicemember's period of military service to enforce an obligation described in subsection (a), the court may after a hearing and on its own motion and shall upon application by a servicemember when the servicemember's ability to comply with the obligation is materially affected by military service—

"(1) stay the proceedings for a period of time as justice and equity require, or

"(2) adjust the obligation to preserve the interests of all parties.

"(c) SALE OR FORECLOSURE.—A sale, foreclosure, or seizure of property for a breach of an obligation described in subsection (a) shall not be valid if made during, or within 90 days after, the period of the servicemember's military service except—

"(1) upon a court order granted before such sale, foreclosure, or seizure with a return made and approved by the court; or

"(2) if made pursuant to an agreement as provided in section 107.

"(d) PENALTIES.—

"(1) MISDEMEANOR.—A person who knowingly makes or causes to be made a sale, foreclosure, or seizure of property that is prohibited by subsection (c), or who knowingly attempts to do so, shall be fined as provided in title 18, United States Code, or imprisoned for not more than one year, or both.

"(2) PRESERVATION OF OTHER REMEDIES.—The remedies and rights provided under this section are in addition to and do not preclude any remedy for wrongful conversion otherwise available under law to the person claiming relief under this section, including consequential and punitive damages.

"SEC. 304. SETTLEMENT OF STAYED CASES RELATING TO PERSONAL PROPERTY.

"(a) APPRAISAL OF PROPERTY.—When a stay is granted pursuant to this Act in a proceeding to foreclose a mortgage on or to repossess personal property, or to rescind or terminate a contract for the purchase of personal property, the court may appoint three disinterested parties to appraise the property.

"(b) EQUITY PAYMENT.—Based on the appraisal, and if undue hardship to the servicemember's dependents will not result, the court may order that the amount of the servicemember's equity in the property be paid to the servicemember, or the servicemember's dependents, as a condition of foreclosing the mortgage, repossessing the property, or rescinding or terminating the contract.

"SEC. 305. TERMINATION OF RESIDENTIAL OR MOTOR VEHICLE LEASES.

"(a) TERMINATION BY LESSEE.—The lessee on a lease described in subsection (b) may, at the lessee's option, terminate the lease at any time after—

"(1) the lessee's entry into military service; or

"(2) the date of the lessee's military orders described in paragraph (1)(B) or (2)(B) of subsection (b), as the case may be.

"(b) COVERED LEASES.—This section applies to the following leases:

"(1) LEASES OF PREMISES.—A lease of premises occupied, or intended to be occupied, by a servicemember or a servicemember's dependents for a residential, professional, business, agricultural, or similar purpose if—

"(A) the lease is executed by or on behalf of a person who thereafter and during the term of the lease enters military service; or

"(B) the servicemember, while in military service, executes the lease and thereafter receives military orders for a permanent change of station or to deploy with a military unit for a period of not less than 90 days.

"(2) LEASES OF MOTOR VEHICLES.—A lease of a motor vehicle used, or intended to be used, by a servicemember or a servicemember's dependents for personal or business transportation if—

"(A) the lease is executed by or on behalf of a person who thereafter and during the term of *the lease enters military service under a call or order specifying a period of not less than 180 days (or who enters military service under a call or order specifying a period of 180 days or less and who, without a break in service, receives orders extending the period of military service to a period of not less than 180 days); or*

"(B) the servicemember, while in military service, executes the lease and thereafter receives military orders for a permanent change of station outside of the continental United States or to deploy with a military unit for a period of not less than 180 days.

"(c) MANNER OF TERMINATION.—

"(1) IN GENERAL.—Termination of a lease under subsection (a) is made—

"(A) by delivery by the lessee of written notice of such termination, and a copy of the servicemember's military orders, to the lessor (or the lessor's grantee), or to the lessor's agent (or the agent's grantee); and

"(B) in the case of a lease of a motor vehicle, by return of the motor vehicle by the lessee to the lessor (or the lessor's grantee), or to the lessor's agent (or the agent's grantee), not later than 15 days after the date of the delivery of written notice under subparagraph (A).

"(2) DELIVERY OF NOTICE.—Delivery of notice under paragraph (1)(A) may be accomplished—

"(A) by hand delivery;

"(B) by private business carrier; or

"(C) by placing the written notice in an envelope with sufficient postage and with return receipt requested, and addressed as designated by the lessor (or the lessor's grantee) or to the lessor's agent (or the agent's grantee), and depositing the written notice in the United States mails.

"(d) EFFECTIVE DATE OF LEASE TERMINATION.—

"(1) LEASE OF PREMISES.—In the case of a lease described in subsection (b)(1) that provides for monthly payment of rent, termination of the lease under subsection (a) is effective 30 days after the first date on which the next rental payment is due and payable after the date on which the notice under subsection (c) is delivered. In the case of any other lease described in subsection (b)(1), termination of the lease under subsection (a) is effective on the last day of the month following the month in which the notice is delivered.

"(2) LEASE OF MOTOR VEHICLES.—In the case of a lease described in subsection (b)(2), termination of the lease under subsection (a) is effective on the day on which the requirements of subsection (c) are met for such termination.

"(e) ARREARAGES AND OTHER OBLIGATIONS AND LIABILITIES.—Rents or lease amounts unpaid for the period preceding the effective date of the lease termination shall be paid on a prorated basis. In the case of the lease of a motor vehicle, the lessor may not impose an early termination charge, but any taxes, summonses, and title and registration fees and any other obligation and liability of the lessee in accordance with the terms of the lease, including reasonable charges to the lessee for excess wear, use and mileage, that are due and unpaid at the time of termination of the lease shall be paid by the lessee.

"(f) RENT PAID IN ADVANCE.—Rents or lease amounts paid in advance for a period after the effective date of the termination of the lease shall be refunded to the lessee by the lessor (or the lessor's assignee or the assignee's agent) within 30 days of the effective date of the termination of the lease.

"(g) RELIEF TO LESSOR.—Upon application by the lessor to a court before the termination date provided in the written notice, relief granted by this section to a servicemember may be modified as justice and equity require.

"(h) PENALTIES.—

"(1) MISDEMEANOR.—Any person who knowingly seizes, holds, or detains the personal effects, security deposit, or other property of a servicemember or a servicemember's dependent who lawfully terminates a lease covered by this section, or who knowingly interferes with the removal of such property from premises covered by such lease, for the purpose of subjecting or attempting to subject any of such property to a claim for rent accruing,subsequent to the date of termination of such lease, or attempts to do so, shall be fined as provided in title 18, United States Code, or imprisoned for not more than one year, or both.

"(2) PRESERVATION OF OTHER REMEDIES.—The remedy and rights provided under this section are in addition to and do not preclude any remedy for wrongful conversion otherwise available under law to the person claiming relief under this section, including any award for consequential or punitive damages.

"SEC. 306. PROTECTION OF LIFE INSURANCE POLICY.

"(a) ASSIGNMENT OF POLICY PROTECTED.—If a life insurance policy on the life of a servicemember is assigned before military service to secure the payment of an obligation, the assignee of the policy (except the insurer in connection with a policy loan) may not exercise, during a period of military service of the servicemember or within one year thereafter, any right or option obtained under the assignment without a court order.

"(b) EXCEPTION.—The prohibition in subsection (a) shall not apply—

"(1) if the assignee has the written consent of the insured made during the period described in subsection (a);

"(2) when the premiums on the policy are due and unpaid; or

"(3) upon the death of the insured.

"(c) ORDER REFUSED BECAUSE OF MATERIAL AFFECT.—A court which receives an application for an order required under subsection (a) may refuse to grant such order if the court determines the ability of the servicemember to comply with the terms of the obligation is materially affected by military service.

"(d) TREATMENT OF GUARANTEED PREMIUMS.—For purposes of this subsection, premiums guaranteed under the provisions of title IV of this Act shall not be considered due and unpaid.

"(e) PENALTIES.—

"(1) MISDEMEANOR.—A person who knowingly takes an action contrary to this section, or attempts to do so, shall be fined as provided in title 18, United States Code, or imprisoned for not more than one year, or both.

"(2) PRESERVATION OF OTHER REMEDIES.—The remedy and rights provided under this section are in addition to and do not preclude any remedy for wrongful conversion otherwise available under law to the person claiming relief under this section, including any consequential or punitive damages.

"SEC. 307. ENFORCEMENT OF STORAGE LIENS.

"(a) LIENS.—

"(1) LIMITATION ON FORECLOSURE OR ENFORCEMENT.—A person holding a lien on the property or effects of a servicemember may not, during any period of military service of the servicemember and for 90 days thereafter, foreclose or enforce any lien on such property or effects without a court order granted before foreclosure or enforcement.

"(2) LIEN DEFINED.—For the purposes of paragraph (1), the term 'lien' includes a lien for storage, repair, or cleaning of the property or effects of a servicemember or a lien on such property or effects for any other reason.

"(b) STAY OF PROCEEDINGS.—In a proceeding to foreclose or enforce a lien subject to this section, the court may on its own motion, and shall if requested by a servicemember whose ability to comply with the obligation resulting in the proceeding is materially affected by military service—

"(1) stay the proceeding for a period of time as justice and equity require; or

"(2) adjust the obligation to preserve the interests of all parties.

The provisions of this subsection do not affect the scope of section 303.

"(c) PENALTIES.—

"(1) MISDEMEANOR.—A person who knowingly takes an action contrary to this section, or attempts to do so, shall be fined as provided in title 18, United States Code, or imprisoned for not more than one year, or both.

"(2) PRESERVATION OF OTHER REMEDIES.—The remedy and rights provided under this section are in addition to and do not preclude any remedy for wrongful conversion otherwise available under law to the person claiming relief under this section, including any consequential or punitive damages.

"SEC. 308. EXTENSION OF PROTECTIONS TO DEPENDENTS.

"Upon application to a court, a dependent of a servicemember is entitled to the protections of this title if the dependent's ability to comply with a lease, contract, bailment, or other obligation is materially affected by reason of the servicemember's military service.

"TITLE IV—LIFE INSURANCE

"SEC. 401. DEFINITIONS.

"For the purposes of this title:

"(1) POLICY.—The term 'policy' means any individual contract for whole, endowment, universal, or term life insurance (other than group term life insurance coverage), including any benefit in the nature of such insurance arising out of membership in any fraternal or beneficial association which—

"(A) provides that the insurer may not—

"(i) decrease the amount of coverage or require the payment of an additional amount as premiums if the insured engages in military service (except increases in premiums in individual term insurance based upon age); or

"(ii) limit or restrict coverage for any activity required by military service; and

"(B) is in force not less than 180 days before the date of the insured's entry into military service and at the time of application under this title.

"(2) PREMIUM.—The term 'premium' means the amount specified in an insurance policy to be paid to keep the policy in force.

"(3) INSURED.—The term 'insured' means a servicemember whose life is insured under a policy.

"(4) INSURER.—The term 'insurer' includes any firm, corporation, partnership, association, or business that is chartered or authorized to provide insurance and issue contracts or policies by the laws of a State or the United States.

"SEC. 402. INSURANCE RIGHTS AND PROTECTIONS.

"(a) RIGHTS AND PROTECTIONS.—The rights and protections under this title apply to the insured when—

"(1) the insured,

"(2) the insured's legal representative, or

"(3) the insured's beneficiary in the case of an insured who is outside a State,

applies in writing for protection under this title, unless the Secretary of Veterans Affairs determines that the insured's policy is not entitled to protection under this title.

"(b) NOTIFICATION AND APPLICATION.—The Secretary of Veterans Affairs shall notify the Secretary concerned of the procedures to be used to apply for the protections provided under this title. The applicant shall send the original application to the insurer and a copy to the Secretary of Veterans Affairs.

"(c) LIMITATION ON AMOUNT.—The total amount of life insurance coverage protection provided by this title for a servicemember may not exceed $250,000, or an amount equal to the Servicemember's Group Life Insurance maximum limit, whichever is greater, regardless of the number of policies submitted.

"SEC. 403. APPLICATION FOR INSURANCE PROTECTION.

"(a) APPLICATION PROCEDURE.—An application for protection under this title shall—

"(1) be in writing and signed by the insured, the insured's legal representative, or the insured's beneficiary, as the case may be;

"(2) identify the policy and the insurer; and

"(3) include an acknowledgement that the insured's rights under the policy are subject to and modified by the provisions of this title.

"(b) ADDITIONAL REQUIREMENTS.—The Secretary of Veterans Affairs may require additional information from the applicant, the insured and the insurer to determine if the policy is entitled to protection under this title.

"(c) NOTICE TO THE SECRETARY BY THE INSURER.—Upon receipt of the application of the insured, the insurer shall furnish a report concerning the policy to the Secretary of Veterans Affairs as required by regulations prescribed by the Secretary.

"(d) POLICY MODIFICATION.—Upon application for protection under this title, the insured and the insurer shall have constructively agreed to any policy modification necessary to give this title full force and effect.

"SEC. 404. POLICIES ENTITLED TO PROTECTION AND LAPSE OF POLICIES.

"(a) DETERMINATION.—The Secretary of Veterans Affairs shall determine whether a policy is entitled to protection under this title and shall notify the insured and the insurer of that determination.

"(b) LAPSE PROTECTION.—A policy that the Secretary determines is entitled to protection under this title shall not lapse or otherwise terminate or be forfeited for the nonpayment of a premium, or interest or indebtedness on a premium, after the date on which the application for protection is received by the Secretary.

"(c) TIME APPLICATION.—The protection provided by this title applies during the insured's period of military service and for a period of two years thereafter.

"SEC. 405. POLICY RESTRICTIONS.

"(a) DIVIDENDS.—While a policy is protected under this title, a dividend or other monetary benefit under a policy may not be paid to an insured or used to purchase dividend additions without the approval of the Secretary of Veterans Affairs. If such approval is not obtained, the dividends or benefits shall be added to the value of the policy to be used as a credit when final settlement is made with the insurer.

"(b) SPECIFIC RESTRICTIONS.—While a policy is protected under this title, cash value, loan value, withdrawal of dividend accumulation, unearned premiums, or other value of similar character may not be available to the insured without the approval of the Secretary. The right of the insured to change a beneficiary designation or select an optional settlement for a beneficiary shall not be affected by the provisions of this title.

"SEC. 406. DEDUCTION OF UNPAID PREMIUMS.

"(a) SETTLEMENT OF PROCEEDS.—If a policy matures as a result of a servicemember's death or otherwise during the period of protection of the policy under this title, the insurer in making settlement shall deduct from the insurance proceeds the amount of the unpaid premiums guaranteed under this title, together with interest due at the rate fixed in the policy for policy loans.

"(b) INTEREST RATE.—If the interest rate is not specifically fixed in the policy, the rate shall be the same as for policy loans in other policies issued by the insurer at the time the insured's policy was issued.

"(c) REPORTING REQUIREMENT.—The amount deducted under this section, if any, shall be reported by the insurer to the Secretary of Veterans Affairs.

"SEC. 407. PREMIUMS AND INTEREST GUARANTEED BY UNITED STATES.

"(a) GUARANTEE OF PREMIUMS AND INTEREST BY THE UNITED STATES.—

"(1) GUARANTEE.—Payment of premiums, and interest on premiums at the rate specified in section 406, which become due on a policy under the protection of this title is guaranteed by the United States. If the amount guaranteed is not paid to the insurer before the period of insurance protection under this title expires, the amount due shall be treated by the insurer as a policy loan on the policy.

"(2) POLICY TERMINATION.—If, at the expiration of insurance protection under this title, the cash surrender value of a policy is less than the amount due to pay premiums and interest on premiums on the policy, the policy shall terminate. Upon such termination, the United States shall pay the insurer the difference between the amount due and the cash surrender value.

"(b) RECOVERY FROM INSURED OF AMOUNTS PAID BY THE UNITED STATES.—

"(1) DEBT PAYABLE TO THE UNITED STATES.—The amount paid by the United States to an insurer under this title shall be a debt payable to the United States by the insured on whose policy payment was made.

"(2) COLLECTION.—Such amount may be collected by the United States, either as an offset from any amount due the insured by the United States or as otherwise authorized by law.

"(3) DEBT NOT DISCHARGEABLE IN BANKRUPTCY.—Such debt payable to the United States is not dischargeable in bankruptcy proceedings.

"(c) CREDITING OF AMOUNTS RECOVERED.—Any amounts received by the United States as repayment of debts incurred by an insured under this title shall be credited to the appropriation for the payment of claims under this title.

"SEC. 408. REGULATIONS.

"The Secretary of Veterans Affairs shall prescribe regulations for the implementation of this title.

"SEC. 409. REVIEW OF FINDINGS OF FACT AND CONCLUSIONS OF LAW.

"The findings of fact and conclusions of law made by the Secretary of Veterans Affairs in administering this title are subject to review on appeal to the Board of Veterans' Appeals pursuant to chapter 71 of title 38, United States Code, and to judicial review only as provided in chapter 72 of such title.

"TITLE V—TAXES AND PUBLIC LANDS

"SEC. 501. TAXES RESPECTING PERSONAL PROPERTY, MONEY, CREDITS, AND REAL PROPERTY.

"(a) APPLICATION.—This section applies in any case in which a tax or assessment, whether general or special (other than a tax on personal income), falls due and remains unpaid before or during a period of military service with respect to a servicemember's—

"(1) personal property (including motor vehicles); or

"(2) real property occupied for dwelling, professional, business, or agricultural purposes by a servicemember or the servicemember's dependents or employees—

"(A) before the servicemember's entry into military service; and

"(B) during the time the tax or assessment remains unpaid.

"(b) SALE OF PROPERTY.—

"(1) LIMITATION ON SALE OF PROPERTY TO ENFORCE TAX ASSESSMENT.—Property described in subsection (a) may not be sold to enforce the collection of such tax or assessment except by court order and upon the determination by the court that military service does not materially affect the servicemember's ability to pay the unpaid tax or assessment.

"(2) STAY OF COURT PROCEEDINGS.—A court may stay a proceeding to enforce the collection of such tax or assessment, or sale of such property, during a period of military service of the servicemember and for a period not more than 180 days after the termination of, or release of the servicemember from, military service.

"(c) REDEMPTION.—When property described in subsection (a) is sold or forfeited to enforce the collection of a tax or assessment, a servicemember shall have the right to redeem or commence an action to redeem the servicemember's property during the period of military service or within 180 days after termination of or release from military service. This subsection may not be construed to shorten any period provided by the law of a State (including any political subdivision of a State) for redemption.

"(d) INTEREST ON TAX OR ASSESSMENT.—Whenever a servicemember does not pay a tax or assessment on property described in subsection (a) when due, the amount of the tax or assessment due and unpaid shall bear interest until paid at the rate of 6 percent per year. An additional penalty or interest shall not be incurred by reason of nonpayment. A lien for such unpaid tax or assessment may include interest under this subsection.

"(e) JOINT OWNERSHIP APPLICATION.—This section applies to all forms of property described in subsection (a) owned individually by a servicemember or jointly by a servicemember and a dependent or dependents.

"SEC. 502. RIGHTS IN PUBLIC LANDS.

"(a) RIGHTS NOT FORFEITED.—The rights of a servicemember to lands owned or controlled by the United States, and initiated or acquired by the servicemember under the laws of the United States (including the mining and mineral leasing laws) before military service, shall not be forfeited or prejudiced as a result of being absent from the land, or by failing to begin or complete any work or improvements to the land, during the period of military service.

"(b) TEMPORARY SUSPENSION OF PERMITS OR LICENSES.—If a permittee or licensee under the Act of June 28, 1934 (43 U.S.C. 315 et seq.), enters military service, the permittee or licensee may suspend the permit or license for the period of military service and for 180 days after termination of or release from military service.

"(c) REGULATIONS.—Regulations prescribed by the Secretary of the Interior shall provide for such suspension of permits and licenses and for the remission, reduction, or refund of grazing fees during the period of such suspension.

"SEC. 503. DESERT-LAND ENTRIES.

"(a) DESERT-LAND RIGHTS NOT FORFEITED.—A desert-land entry made or held under the desert-land laws before the entrance of the entryman or the entryman's successor in interest into military service shall not be subject to contest or cancellation—

"(1) for failure to expend any required amount per acre per year in improvements upon the claim;

"(2) for failure to effect the reclamation of the claim during the period the entryman or the entryman's successor in interest is in the military service, or for 180 days after termination of or release from military service; or

"(3) during any period of hospitalization or rehabilitation due to an injury or disability incurred in the line of duty.

The time within which the entryman or claimant is required to make such expenditures and effect reclamation of the land shall be exclusive of the time periods described in paragraphs (2) and (3).

"(b) SERVICE-RELATED DISABILITY.—If an entryman or claimant is honorably discharged and is unable to accomplish reclamation of, and payment for, desert land due to a disability incurred in the line of duty, the entryman or claimant may make proof without further reclamation or payments, under regulations prescribed by the Secretary of the Interior, and receive a patent for the land entered or claimed.

"(c) FILING REQUIREMENT.—In order to obtain the protection of this section, the entryman or claimant shall, within 180 days after entry into military service, cause to be filed in the land office of the district where the claim is situated a notice communicating the fact of military service and the desire to hold the claim under this section.

"SEC. 504. MINING CLAIMS.

"(a) REQUIREMENTS SUSPENDED.—The provisions of section 2324 of the Revised Statutes of the United States (30 U.S.C. 28) specified in subsection (b) shall not apply to a servicemember's claims or interests in claims, regularly located and recorded, during a period of military service and 180 days thereafter, or during any period of hospitalization or rehabilitation due to injuries or disabilities incurred in the line of duty.

"(b) REQUIREMENTS.—The provisions in section 2324 of the Revised Statutes that shall not apply under subsection (a) are those which require that on each mining claim located after May 10, 1872, and until a patent has been issued for such claim, not less than $100 worth of labor shall be performed or improvements made during each year.

"(c) PERIOD OF PROTECTION FROM FORFEITURE.—A mining claim or an interest in a claim owned by a servicemember that has been regularly located and recorded shall not be subject to forfeiture for nonperformance of annual assessments during the period of military service and for 180 days thereafter, or for any period of hospitalization or rehabilitation described in subsection (a).

"(d) FILING REQUIREMENT.—In order to obtain the protections of this section, the claimant of a mining location shall, before the end of the assessment year in which military service is begun or within 60 days after the end of such assessment year, cause to be filed in the office where the location notice or certificate is recorded a notice communicating the fact of military service and the desire to hold the mining claim under this section.

"SEC. 505. MINERAL PERMITS AND LEASES.

"(a) SUSPENSION DURING MILITARY SERVICE.—A person holding a permit or lease on the public domain under the Federal mineral leasing laws who enters military service may suspend all operations under the permit or lease for the duration of military service and for 180 days thereafter. The term of the permit or lease shall not run during the period of suspension, nor shall any rental or royalties be charged against the permit or lease during the period of suspension.

"(b) NOTIFICATION.—In order to obtain the protection of this section, the permittee or lessee shall, within 180 days after entry into military service, notify the Secretary of the Interior by registered mail of the fact that military service has begun and of the desire to hold the claim under this section.

"(c) CONTRACT MODIFICATION.—This section shall not be construed to supersede the terms of any contract for operation of a permit or lease.

"SEC. 506. PERFECTION OR DEFENSE OF RIGHTS.

"(a) RIGHT TO TAKE ACTION NOT AFFECTED.—This title shall not affect the right of a servicemember to take action during a period of military service that is authorized by law or regulations of the Department of the Interior, for the perfection, defense, or further assertion of rights initiated or acquired before entering military service.

"(b) AFFIDAVITS AND PROOFS.—

"(1) IN GENERAL.—A servicemember during a period of military service may make any affidavit or submit any proof required by law, practice, or regulation of the Department of the Interior in connection with the entry, perfection, defense, or further assertion of rights initiated or acquired before entering military service before an officer authorized to provide notary services under section 1044a of title 10, United States Code, or any superior commissioned officer.

"(2) LEGAL STATUS OF AFFIDAVITS.—Such affidavits shall be binding in law and subject to the same penalties as prescribed by section 1001 of title 18, United State Code.

"SEC. 507. DISTRIBUTION OF INFORMATION CONCERNING BENEFITS OF TITLE.

"(a) DISTRIBUTION OF INFORMATION BY SECRETARY CONCERNED.—The Secretary concerned shall issue to servicemembers information explaining the provisions of this title.

"(b) APPLICATION FORMS.—The Secretary concerned shall provide application forms to servicemembers requesting relief under this title.

"(c) INFORMATION FROM SECRETARY OF THE INTERIOR.—The Secretary of the Interior shall furnish to the Secretary concerned information explaining the provisions of this title (other than sections 501, 510, and 511) and related application forms.

"SEC. 508. LAND RIGHTS OF SERVICEMEMBERS.

"(a) NO AGE LIMITATIONS.—Any servicemember under the age of 21 in military service shall be entitled to the same rights under the laws relating to lands owned or controlled by the United States, including mining and mineral leasing laws, as those servicemembers who are 21 years of age.

"(b) RESIDENCY REQUIREMENT.—Any requirement related to the establishment of a residence within a limited time shall be suspended as to entry by a servicemember in military service until 180 days after termination of or release from military service.

"(c) ENTRY APPLICATIONS.—Applications for entry may be verified before a person authorized to administer oaths under section 1044a of title 10, United States Code, or under the laws of the State where the land is situated.

"SEC. 509. REGULATIONS.

"The Secretary of the Interior may issue regulations necessary to carry out this title (other than sections 501, 510, and 511).

"SEC. 510. INCOME TAXES.

"(a) DEFERRAL OF TAX.—Upon notice to the Internal Revenue Service or the tax authority of a State or a political subdivision of a State, the collection of income tax on the income of a servicemember falling due before or during military service shall be deferred for a period not more than 180 days after termination of or release from military service, if a servicemember's ability to pay such income tax is materially affected by military service.

"(b) ACCRUAL OF INTEREST OR PENALTY.—No interest or penalty shall accrue for the period of deferment by reason of nonpayment on any amount of tax deferred under this section.

"(c) STATUTE OF LIMITATIONS.—The running of a statute of limitations against the collection of tax deferred under this section, by seizure or otherwise, shall be suspended for the period of military service of the servicemember and for an additional period of 270 days thereafter.

"(d) APPLICATION LIMITATION.—This section shall not apply to the tax imposed on employees by section 3101 of the Internal Revenue Code of 1986.

"SEC. 511. RESIDENCE FOR TAX PURPOSES.

"(a) RESIDENCE OR DOMICILE.—A servicemember shall neither lose nor acquire a residence or domicile for purposes of taxation with respect to the person, personal property, or income of the servicemember by reason of being absent or present in any tax jurisdiction of the United States solely in compliance with military orders.

"(b) MILITARY SERVICE COMPENSATION.—Compensation of a servicemember for military service shall not be deemed to be income for services performed or from sources within a tax jurisdiction of the United States if the servicemember is not a resident or domiciliary of the jurisdiction in which the servicemember is serving in compliance with military orders.

"(c) PERSONAL PROPERTY.—

"(1) RELIEF FROM PERSONAL PROPERTY TAXES.—The personal property of a servicemember shall not be deemed to be located or present in, or to have a situs for taxation in, the tax jurisdiction in which the servicemember is serving in compliance with military orders.

"(2) EXCEPTION FOR PROPERTY WITHIN MEMBER'S DOMICILE OR RESIDENCE.—This subsection applies to personal property or its use within any tax jurisdiction other than the servicemember's domicile or residence.

"(3) EXCEPTION FOR PROPERTY USED IN TRADE OR BUSINESS.—This section does not prevent taxation by a tax jurisdiction with respect to personal property used in or arising from a trade or business, if it has jurisdiction.

"(4) RELATIONSHIP TO LAW OF STATE OF DOMICILE.—Eligibility for relief from personal property taxes under this subsection is not contingent on whether or not such taxes are paid to the State of domicile.

"(d) INCREASE OF TAX LIABILITY.—A tax jurisdiction may not use the military compensation of a nonresident servicemember to increase the tax liability imposed on other income earned by the nonresident servicemember or spouse subject to tax by the jurisdiction.

"(e) FEDERAL INDIAN RESERVATIONS.—An Indian servicemember whose legal residence or domicile is a Federal Indian reservation shall be taxed by the laws applicable to Federal Indian reservations and not the State where the reservation is located.

"(f) DEFINITIONS.—For purposes of this section:

"(1) PERSONAL PROPERTY.—The term 'personal property' means intangible and tangible property (including motor vehicles).

"(2) TAXATION.—The term 'taxation' includes licenses, fees, or excises imposed with respect to motor vehicles and their use, if the license, fee, or excise is paid by the servicemember in the servicemember's State of domicile or residence.

"(3) TAX JURISDICTION.—The term 'tax jurisdiction' means a State or a political subdivision of a State.

"TITLE VI—ADMINISTRATIVE REMEDIES

"SEC. 601. INAPPROPRIATE USE OF ACT.

"If a court determines, in any proceeding to enforce a civil right, that any interest, property, or contract has been transferred or acquired with the intent to delay the just enforcement of such right by taking advantage of this Act, the court shall enter such judgment or make such order as might lawfully be entered or made concerning such transfer or acquisition.

"SEC. 602. CERTIFICATES OF SERVICE; PERSONS REPORTED MISSING.

"(a) PRIMA FACIE EVIDENCE.—In any proceeding under this Act, a certificate signed by the Secretary concerned is prima facie evidence as to any of the following facts stated in the certificate:

"(1) That a person named is, is not, has been, or has not been in military service.

"(2) The time and the place the person entered military service.

"(3) The person's residence at the time the person entered military service.

"(4) The rank, branch, and unit of military service of the person upon entry.

"(5) The inclusive dates of the person's military service.

"(6) The monthly pay received by the person at the date of the certificate's issuance.

"(7) The time and place of the person's termination of or release from military service, or the person's death during military service.

"(b) Certificates.—The Secretary concerned shall furnish a certificate under subsection (a) upon receipt of an application for such a certificate. A certificate appearing to be signed by the Secretary concerned is prima facie evidence of its contents and of the signer's authority to issue it.

"(c) Treatment of Servicemembers in Missing Status.—A servicemember who has been reported missing is presumed to continue in service until accounted for. A requirement under this Act that begins or ends with the death of a servicemember does not begin or end until the servicemember's death is reported to, or determined by, the Secretary concerned or by a court of competent jurisdiction.

"SEC. 603. INTERLOCUTORY ORDERS.

"An interlocutory order issued by a court under this Act may be revoked, modified, or extended by that court upon its own motion or otherwise, upon notification to affected parties as required by the court.

"TITLE VII—FURTHER RELIEF

"SEC. 701. ANTICIPATORY RELIEF.

"(a) Application for Relief.—A servicemember may, during military service or within 180 days of termination of or release from military service, apply to a court for relief—

"(1) from any obligation or liability incurred by the servicemember before the servicemember's military service; or

"(2) from a tax or assessment falling due before or during the servicemember's military service.

"(b) Tax Liability or Assessment.—In a case covered by subsection (a), the court may, if the ability of the servicemember to comply with the terms of such obligation or liability or pay such tax or assessment has been materially affected by reason of military service, after appropriate notice and hearing, grant the following relief:

"(1) Stay of enforcement of real estate contracts.—

"(A) In the case of an obligation payable in installments under a contract for the purchase of real estate, or secured by a mortgage or other instrument in the nature of a mortgage upon real estate, the court may grant a stay of the enforcement of the obligation—

"(i) during the servicemember's period of military service; and

"(ii) from the date of termination of or release from military service, or from the date of application if made after termination of or release from military service.

"(B) Any stay under this paragraph shall be—

"(i) for a period equal to the remaining life of the installment contract or other instrument, plus a period of time equal to the period of military service of the servicemember, or any part of such combined period; and

"(ii) subject to payment of the balance of the principal and accumulated interest due and unpaid at the date of termination or release from the applicant's military service or from the date of application in equal installments during the combined period at the rate of interest on the unpaid balance prescribed in the contract or other instrument evidencing the obligation, and subject to other terms as may be equitable.

"(2) Stay of enforcement of other contracts.—

"(A) In the case of any other obligation, liability, tax, or assessment, the court may grant a stay of enforcement—

"(i) during the servicemember's military service; and

"(ii) from the date of termination of or release from military service, or from the date of application if made after termination or release from military service.

"(B) Any stay under this paragraph shall be—

"(i) for a period of time equal to the period of the servicemember's military service or any part of such period; and

"(ii) subject to payment of the balance of principal and accumulated interest due and unpaid at the date of termination or release from military service, or the date of application, in equal periodic installments during this extended period at the rate of interest as may be prescribed for this obligation, liability, tax, or assessment, if paid when due, and subject to other terms as may be equitable.

"(c) Affect of Stay on Fine or Penalty.—When a court grants a stay under this section, a fine or penalty shall not accrue on the obligation, liability, tax, or assessment for the period of compliance with the terms and conditions of the stay.

"SEC. 702. POWER OF ATTORNEY.

"(a) Automatic Extension.—A power of attorney of a servicemember shall be automatically extended for the period the servicemember is in a missing status (as defined in section 551(2) of title 37, United States Code) if the power of attorney—

"(1) was duly executed by the servicemember—

"(A) while in military service; or

"(B) before entry into military service but after the servicemember—

"(i) received a call or order to report for military service; or

"(ii) was notified by an official of the Department of Defense that the person could receive a call or order to report for military service;

"(2) designates the servicemember's spouse, parent, or other named relative as the servicemember's attorney in fact for certain, specified, or all purposes; and

"(3) expires by its terms after the servicemember entered a missing status.

"(b) Limitation on Power of Attorney Extension.—A power of attorney executed by a servicemember may not be extended under subsection (a) if the document by its terms clearly indicates that the power granted expires on the date specified even though the servicemember, after the date of execution of the document, enters a missing status.

"SEC. 703. PROFESSIONAL LIABILITY PROTECTION.

"(a) Applicability.—This section applies to a servicemember who—

"(1) after July 31, 1990, is ordered to active duty (other than for training) pursuant to sections 688, 12301(a), 12301(g), 12302, 12304, 12306, or 12307 of title 10, United States Code, or who is ordered to active duty under section 12301(d) of such title during a period when members are on active duty pursuant to any of the preceding sections; and

"(2) immediately before receiving the order to active duty—

"(A) was engaged in the furnishing of healthcare or legal services or other services determined by the Secretary of Defense to be professional services; and

"(B) had in effect a professional liability insurance policy that does not continue to cover claims filed with respect to the servicemember during the period of the servicemember's active duty unless the premiums are paid for such coverage for such period.

"(b) Suspension of Coverage.—

"(1) Suspension.—Coverage of a servicemember referred to in subsection (a) by a professional liability insurance policy shall be suspended by the insurance carrier in accordance with this subsection upon receipt of a written request from the servicemember by the insurance carrier.

"(2) Premiums for suspended contracts.—A professional liability insurance carrier—

"(A) may not require that premiums be paid by or on behalf of a servicemember for any professional liability insurance coverage suspended pursuant to paragraph (1); and

"(B) shall refund any amount paid for coverage for the period of such suspension or, upon the election of such servicemember, apply such amount for the payment of any premium becoming due upon the reinstatement of such coverage.

"(3) Nonliability of carrier during suspension.—A professional liability insurance carrier shall not be liable with respect to any claim that is based on professional conduct (including any failure to take any action in a professional capacity) of a servicemember that occurs during a period of suspension of that servicemember's professional liability insurance under this subsection.

"(4) Certain claims considered to arise before suspension.—For the purposes of paragraph (3), a claim based upon the failure of a professional to make adequate provision for a patient, client, or other person to receive professional services or other assistance during the period of the professional's active duty service shall be considered to be based on an action or failure to take action before the beginning of the period of the suspension of professional liability insurance under this subsection, except in a case in which professional services were provided after the date of the beginning of such period.

"(c) Reinstatement of Coverage.—

"(1) Reinstatement required.—Professional liability insurance coverage suspended in the case of any servicemember pursuant to subsection (b) shall be reinstated by the insurance carrier on the date on which that servicemember transmits to the insurance carrier a written request for reinstatement.

"(2) Time and premium for reinstatement.—The request of a servicemember for reinstatement shall be effective only if the servicemember transmits the request to the insurance carrier within 30 days after the date on which the servicemember is released from active duty. The insurance carrier shall notify the servicemember of the due date for payment of the premium of such insurance. Such premium shall be paid by the servicemember within 30 days after receipt of that notice.

"(3) Period of reinstated coverage.—The period for which professional liability insurance coverage shall be reinstated for a servicemember under this subsection may not be less than the balance of the period for which coverage would have continued under the insurance policy if the coverage had not been suspended.

"(d) Increase in Premium.—

"(1) Limitation on premium increases.—An insurance carrier may not increase the amount of the premium charged for professional liability insurance coverage of any servicemember for the minimum period of the reinstatement of such coverage required under subsection (c)(3) to an amount greater than the amount chargeable for such coverage for such period before the suspension.

"(2) Exception.—Paragraph (1) does not prevent an increase in premium to the extent of any general increase in the premiums charged by that carrier for the same professional liability coverage for persons similarly covered by such insurance during the period of the suspension.

"(e) Continuation of Coverage of Unaffected Persons.—This section does not—

"(1) require a suspension of professional liability insurance protection for any person who

is not a person referred to in subsection (a) and who is covered by the same professional liability insurance as a person referred to in such subsection; or

"(2) relieve any person of the obligation to pay premiums for the coverage not required to be suspended.

"(f) STAY OF CIVIL OR ADMINISTRATIVE ACTIONS.—

"(1) STAY OF ACTIONS.—A civil or administrative action for damages on the basis of the alleged professional negligence or other professional liability of a servicemember whose professional liability insurance coverage has been suspended under subsection (b) shall be stayed until the end of the period of the suspension if—

"(A) the action was commenced during the period of the suspension;

"(B) the action is based on an act or omission that occurred before the date on which the suspension became effective; and

"(C) the suspended professional liability insurance would, except for the suspension, on its face cover the alleged professional negligence or other professional liability negligence or other professional liability of the servicemember.

"(2) DATE OF COMMENCEMENT OF ACTION.—Whenever a civil or administrative action for damages is stayed under paragraph (1) in the case of any servicemember, the action shall have been deemed to have been filed on the date on which the professional liability insurance coverage of the servicemember is reinstated under subsection (c).

"(g) EFFECT OF SUSPENSION UPON LIMITATIONS PERIOD.—In the case of a civil or administrative action for which a stay could have been granted under subsection (f) by reason of the suspension of professional liability insurance coverage of the defendant under this section, the period of the suspension of the coverage shall be excluded from the computation of any statutory period of limitation on the commencement of such action.

"(h) DEATH DURING PERIOD OF SUSPENSION.—If a servicemember whose professional liability insurance coverage is suspended under subsection (b) dies during the period of the suspension—

"(1) the requirement for the grant or continuance of a stay in any civil or administrative action against such servicemember under subsection (f)(1) shall terminate on the date of the death of such servicemember; and

"(2) the carrier of the professional liability insurance so suspended shall be liable for any claim for damages for professional negligence or other professional liability of the deceased servicemember in the same manner and to the same extent as such carrier would be liable if the servicemember had died while covered by such insurance but before the claim was filed.

"(i) DEFINITIONS.—For purposes of this section:

"(1) ACTIVE DUTY.—The term 'active duty' has the meaning given that term in section 101(d)(1) of title 10, United States Code.

"(2) PROFESSION.—The term 'profession' includes occupation.

"(3) PROFESSIONAL.—The term 'professional' includes occupational.

"SEC. 704. HEALTH INSURANCE REINSTATEMENT.

"(a) REINSTATEMENT OF HEALTH INSURANCE.—A servicemember who, by reason of military service as defined in section 703(a)(1), is entitled to the rights and protections of this Act shall also be entitled upon termination or release from such service to reinstatement of any health insurance that—

"(1) was in effect on the day before such service commenced; and

"(2) was terminated effective on a date during the period of such service.

"(b) NO EXCLUSION OR WAITING PERIOD.—The reinstatement of health care insurance coverage for the health or physical condition of a servicemember described in subsection (a), or any other person who is covered by the insurance by reason of the coverage of the servicemember, shall not be subject to an exclusion or a waiting period, if—

"(1) the condition arose before or during the period of such service;

"(2) an exclusion or a waiting period would not have been imposed for the condition during the period of coverage; and

"(3) if the condition relates to the servicemember, the condition has not been determined by the Secretary of Veterans Affairs to be a disability incurred or aggravated in the line of duty (within the meaning of section 105 of title 38, United States Code).

"(c) EXCEPTIONS.—Subsection (a) does not apply to a servicemember entitled to participate in employer-offered insurance benefits pursuant to the provisions of chapter 43 of title 38, United States Code.

"(d) TIME FOR APPLYING FOR REINSTATEMENT.—An application under this section must be filed not later than 120 days after the date of the termination of or release from military service.

"SEC. 705. GUARANTEE OF RESIDENCY FOR MILITARY PERSONNEL.

"For the purposes of voting for any Federal office (as defined in section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431)) or a State or local office, a person who is absent from a State in compliance with military or naval orders shall not, solely by reason of that absence—

"(1) be deemed to have lost a residence or domicile in that State, without regard to whether or not the person intends to return to that State;

"(2) be deemed to have acquired a residence or domicile in any other State; or

"(3) be deemed to have become a resident in or a resident of any other State.

"SEC. 706. BUSINESS OR TRADE OBLIGATIONS.

"(a) AVAILABILITY OF NON-BUSINESS ASSETS TO SATISFY OBLIGATIONS.—If the trade or business (without regard to the form in which such trade or business is carried out) of a servicemember has an obligation or liability for which the servicemember is personally liable, the assets of the servicemember not held in connection with the trade or business may not be available for satisfaction of the obligation or liability during the servicemember's military service.

"(b) RELIEF TO OBLIGORS.—Upon application to a court by the holder of an obligation or liability covered by this section, relief granted by this section to a servicemember may be modified as justice and equity require.".

SEC. 2. CONFORMING AMENDMENTS.

(a) MILITARY SELECTIVE SERVICE ACT.—Section 14 of the Military Selective Service Act (50 U.S.C. App. 464) is repealed.

(b) TITLE 5, UNITED STATES CODE.—

(1) Section 5520a(k)(2)(A) of title 5, United States Code, is amended by striking "Soldiers' and Sailors' Civil Relief Act of 1940" and inserting "Servicemembers Civil Relief Act"; and

(2) Section 5569(e) of title 5, United States Code, is amended—

(A) in paragraph (1), by striking "provided by the Soldiers' and Sailors' Civil Relief Act of 1940" and all that follows through "of such Act" and inserting "provided by the Servicemembers Civil Relief Act, including the benefits provided by section 702 of such Act but excluding the benefits provided by sections 104, 105, and 106, title IV, and title V (other than sections 501 and 510) of such Act"; and

(B) in paragraph (2)(A), by striking "person in the military service" and inserting "servicemember".

(c) TITLE 10, UNITED STATES CODE.—Section 1408(b)(1)(D) of title 10, United States Code, is amended by striking "Soldiers' and Sailors' Civil Relief Act of 1940" and inserting "Servicemembers Civil Relief Act".

(d) INTERNAL REVENUE CODE.—Section 7654(d)(1) of the Internal Revenue Code of 1986 is amended by striking "Soldiers' and Sailors' Civil Relief Act" and inserting "Servicemembers Civil Relief Act".

(e) PUBLIC HEALTH SERVICE ACT.—Section 212(e) of the Public Health Service Act (42 U.S.C. 213(e)) is amended by striking "Soldiers' and Sailors' Civil Relief Act of 1940" and inserting "Servicemembers Civil Relief Act".

(f) ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965.—Section 8001 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7701) is amended by striking "section 514 of the Soldiers' and Sailors' Civil Relief Act of 1940 (50 U.S.C. App. 574)" in the matter preceding paragraph (1) and inserting "section 511 of the Servicemembers Civil Relief Act".

(g) NOAA COMMISSIONED OFFICER CORPS ACT OF 2002.—Section 262(a)(2) of National Oceanic and Atmospheric Administration Commissioned Officer Corps Act of 2002 (33 U.S.C. 3072(a)(2)) is amended to read as follows:

"(2) The Servicemembers Civil Relief Act.".

SEC. 3. EFFECTIVE DATE.

The amendment made by section 1 shall apply to any case that is not final before the date of the enactment of this Act.

Mr. SMITH of New Jersey (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore (Mr. NEY). Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The SPEAKER pro tempore. Is there objection to the original request of the gentleman from New Jersey?

Mr. MICHAUD. Reserving the right to object, Mr. Speaker, I will not object.

Mr. Speaker, I rise in strong support of H.R. 100, the Servicemen Civil Relief Act. I would like to thank the gentleman from New Jersey (Mr. SMITH) and the ranking member, the gentleman from Illinois (Mr. EVANS) and their staff for their work with the other body to finalize this legislation.

H.R. 100 restates, modernizes and improves the Soldiers' and Sailors' Civil Relief Act, recognizing the importance of women in military service. The title is changed to Servicemembers' Civil Relief Act.

With our Nation at war in Iraq and Afghanistan, our Nation's servicemembers are in need of an updated law. This bill will allow for strengthening and expediting the national defense and otherwise exercising the military obligations without undue concern as to the impact of their military service on their civil obligations.

I am pleased this legislation includes recognition of the Federal protection recently extended to members of the National Guard called up for a national purpose under Title 32 of the United States Code.

When our men and women are protecting and serving the Nation, they should be entitled to the protection of the Nation's laws. H.R. 100 provides other legal and administrative protection for our men and women in uniform. It would increase rental eviction protection from $1,200 to $2,400 which will help those serving in high-rent areas of the country.

It would also allow for termination of real property leases in certain situations providing professional liability protections, health insurance, and guaranteed residencies for military purposes.

Mr. Speaker, I know that servicemembers from my State of Maine will appreciate the benefits provided by this bill. I fully support H.R. 100 and urge my colleagues to pass this measure.

Mr. SMITH of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. MICHAUD. I yield to the gentleman from New Jersey.

Mr. SMITH of New Jersey. Mr. Speaker, I want to thank my good friend and colleague from Maine for his explanation and for his good work on this legislation, as well as our good friend and colleague, the gentleman from Illinois (Mr. EVANS), the ranking member on the full committee.

Mr. Speaker, when the House considered this legislation last May 7, we passed it unanimously. We sent it over to the Senate. And we are glad we bring before the body a bill today with a Senate amendment that makes some very important statements, restatements as well as some new law with regard to the Soldiers' and Sailors' Relief Act which was first passed back in 1940.

This legislation, as my friend just pointed out, is really an historic restatement. It strengthens a law that is critically important to all of our reserve components as well as our active-duty members of our Armed Services.

The amendment to H.R. 100 would raise the level of eviction protections to reflect the increase in the cost of rental housing in high-cost urban areas. The current act only applies to leases of less than $1,200 a month. The House-Senate compromise would increase the amount to $2,400; and the amount would be increased every year as necessary in accordance with the Consumer Price Index housing component so that the protection stays current.

It also requires the Department of Defense to annually publish the amount of rental coverage in their Federal Register within 60 days of the CPI's publication to provide public notice of the level of probation.

The compromise also provides specific protections for assets of a servicemember from attachment to satisfy business debts for which the servicemember is personally liable, as long as the assets are not held in connection with the business.

The compromise also includes provisions to allow servicemembers who are being called to active duty and by certain active-duty servicemembers to terminate motor vehicle leases which are increasingly commonplace and in use without an early termination penalty. When this was first passed in 1940s, obviously, nobody had even heard of leases like this. They are, like I said, a way of life today.

Section 207 of the bill would clarify that for the 6 percent interest cap being continued from current law, any interest above the cap is forgiven and the servicemember's monthly payment must be reduced.

I want to clarify that the committee intends for the provisions language of the interest rate reduction, to permit lenders to follow Fannie Mae and Freddie Mac's current implementation guidance, allowing lenders to reamortize the loan using a 6 percent interest rate or to apply the 6 percent interest rate using the original amortization schedule.

Mr. Speaker, I want to very strongly commend the Office of Legislative Counsel of both the House and the Senate, the committee counsel and the representatives of the Judge Advocates General of the military departments who participated in the drafting of this historic legislation to update the act.

From my own staff, I want to thank Kingston Smith, who is sitting to my right, Summer Larson, Geoffrey Collver, Mary Ellen McCarthy and Patrick Ryan who spent many long hours reviewing and analyzing this legislation.

From the Senate staff, the late Dave Goetz, Chris McNamee, Mary Schoelen, and Bill Tuerk who performed a very similar task. Bob Cover from the Office of Legislative Counsel spent many years, not months, years, working on this legislation. The actual preparation of the bill was truly a collaborative bipartisan effort that would not have been accomplished without the technical and practical expertise of these outstanding individuals.

I want to thank majority leader, the gentleman from Texas (Mr. DELAY) and Brett Loper for ensuring that this vital legislation made it to the floor today. Again, we passed this last May. We had hope to have this out sometime in June. We are finally getting to it at the end of the session, not because of a delay in the House, but, thankfully, the Senate did act, and now we have a good bill before us.

I want to thank the gentleman from South Carolina (Mr. BROWN) who is our subcommittee chairman, the ranking member, the gentleman from Maine (Mr. MICHAUD) who spoke earlier, and, of course, my friend and colleague, the gentleman from Illinois (Mr. EVANS) for his work.

It is a good bill. I hope Members will support it.

Mr. EVANS. Mr. Speaker, I rise in support of H.R. 100, as amended, a bill to modernize, restate and improve upon the Soldiers' and Sailors' Civil Relief Act, which provides protections from civil liability to persons serving in the Armed Forces. To be known as the Servicemembers Civil Relief Act, this measures recognizes the increasing presence of women in military service.

I thank Members and staff on both sides of the aisle who have worked diligently with the other body in finalizing this bill. It has truly been a bipartisan and bicameral effort. I also want to acknowledge the considerable contributions of the Department of Defense, especially the Air Force, the American Bar Association, and the National Institute of Military Justice in assisting the Committee with the preparation of this bill.

I note that the bill maintains the prohibition of interest in excess of 6 percent on debts incurred before military service. This provision is intended to assure that our servicemembers have smaller periodic payments on debts acquired prior to military service during the time when they are serving on active duty. I expect that this provision will be applied in a manner consistent with generally accepted mortgage practices, so that the monthly payment on the adjusted mortgage will be consistent from month to month. I am aware that there are concerns that the language could be interpreted in a manner which would result in different monthly mortgage obligations from month to month. It is my understanding that the committees do not intend to alter common industry practice of setting a monthly mortgage payment which does not change form month to month.

I am particularly pleased that the bill takes into account the high cost of rent in areas such as San Diego and Honolulu, where military families may occupy off-base rental housing. The bill also provides for an annual adjustment in these rental amounts according to changes in the Consumer Price Index (CPI) for residential rental housing. By providing for automatic increases linked to changes in the housing CPI, servicemembers and their families will continue to receive adequate protection as housing costs increase.

The amended bill would permit servicemembers to terminate leases of motor vehicles when they are deployed outside the continental United States. In today's society, leasing of motor vehicles is common. When a person enters active military service or receives permanent change of station orders after entering into a long-term lease of a motor vehicle, the servicemember can suffer significant financial harm if he or she is unable to take the motor vehicle to the new station.

This provision will allow a servicemember stationed at Pearl Harbor, for example, to terminate a motor vehicle lease and avoid additional financial liability for a motor vehicle which will not be needed during a deployment to the Persian Gulf. It will allow an Illinois reservist called up for active duty in Alaska to terminate an automobile lease. In order for this provision to be effective, the servicemember must be ordered deployed for not less than 180 days.

I recognize that it was not possible to include every suggestion that was offered in the course of this bill's consideration. I trust that the Committee will continue its good work in this area and address additional bills concerning the Servicemembers Civil Relief Act in the next session of this Congress.

Today, our service men and women are fighting in Iraq, Afghanistan and around the world. This bill will help them to fulfill their responsibilities, secure in the knowledge that their rights will be protected by an up to date civil protection act.

H.R. 100, as amended, is a good bill, and I urge all Members to show their support for our troops by voting for it.

Mr. BUYER. Mr. Speaker, today I rise in support of H.R. 100, the Servicemembers Civil Relief Act. The purpose of this legislation is to update the 1940 Act to strengthen the protections it provides to those serving in the military. H.R. 100 also updates the language in the Act so that it is easier to understand.

Earlier this year, I introduced H.R. 3024, which amends the Soldiers' and Sailors' Civil Relief Act of 1940, to provide protections to servicemembers who terminate motor vehicle or residential leases entered into before permanent change or station or deployment orders for motor vehicle leases. I am pleased that H.R. 3024 was included in the compromise worked out by the House and Senate in its revision of the 1940 Soldiers' and Sailors Civil Relief Act. I believe it is an important and necessary addition to the current law.

The men and women of the National Guard and Reserves continue to answer the call. We must not short change them in any way when they are called to serve. They should be allowed to terminate their automobile leases without penalty.

Again, I thank the Members in both the House and Senate for including this provision in the final package. I also want to thank the Auto Alliance for its input and cooperation in helping to craft this bill. As a current member of the U.S. Army Reserves and Co-Chair of the Guard and Reserve Caucus, I urge my colleagues to vote in favor of H.R. 100.

Mr. MICHAUD. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MICHAUD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 100.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maine?

There was no objection.

REPORT OF COMMITTEE TO NOTIFY THE PRESIDENT

Mr. DELAY. Mr. Speaker, your committee appointed to inform the President that the House is ready to adjourn and to ask him if he has any further communications to make to the House has performed that duty. The President has directed us to say that he has no further communications to make to the House.

HONORING BARBER CONABLE

(Mr. LEACH asked and was given permission to address the House for 1 minute.)

Mr. LEACH. Mr. Speaker, it is with sadness I would like to formally report to the House the passing of one of our most distinguished Members of the 20th century, Barber Conable of New York.

Barber retired from the House over a decade ago, so many current Members are not familiar with Barber except by his reputation.

Let me just stress that Barber Conable was the quintessential public servant. In Congress he was an expert on all matters of taxation. He led the Republican Party on the Committee on Ways and Means, rising to be the ranking member. He was identified with particular issues such as reductions in capital gains, also for the development of revenue sharing.

Prior to serving in the Congress, he was in the United States Military, having served in both World War II and the Korean conflict, and he rose to the rank of Colonel. After leaving the Congress of the United States, where he, by the way, had been a close friend of the former President of the United States, George Bush, he was appointed to head the World Bank. He came to be known as a leader of the bank as interested for the world environment as well as for world economic growth.

All of us in life have been privileged to have mentors. I would just simply say in this body this Member never considered anyone more a model legislator and mentor than Barber Conable. He was simply the most decent, the most thoughtful, the most intelligent, and the least political individual I have served with.

To his wife, Charlotte, and family, I know I speak for many Members who are friends and staff on this Hill in extending our shared grief and best wishes.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 3151 and H.R. 3583

Ms. NORTON. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of H.R. 3151 and H.R. 3583.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from the District of Columbia?

There was no objection.

HONORING EDWIN PENCE

(Mr. BAIRD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BAIRD. Mr. Speaker, those of us on the Democratic side of the aisle, when we arrived today, we were missing a familiar and friendly face. Ed Pence has been a loyal and valued servant to this country for 25 years. He has reached out to numerous people and he will be greatly missed. He retires at the end of this year.

In October of 1978, Ed joined the Capitol Police Force and dedicated over 20 years to protecting our safety and that of the visiting public. He is respected throughout the Capitol because of his professionalism, his compassion, and his friendly nature.

Ed also had a brief stint in the gentleman from Missouri's (Mr. GEPHARDT) office before joining the Sergeant of Arms Office as a trusted member of the Chamber security staff.

During this time, Ed has proven himself a trusted source of knowledge by monitoring floor activity and advising Members on upcoming votes. Ed was the man we turned to when we were planning our day or asking questions about the procedures of the day.

Mr. Speaker, Ed's dedication, work ethic, and devotion to this institution is worthy of the highest commendation. I respectfully ask that you and my other distinguished colleagues join me in congratulating Ed Pence on his well-deserved retirement, thanking him for his service, and wishing him continued success in all of his future endeavors.

ANNUAL REPORT OF THE UNITED STATES RAILROAD RETIREMENT BOARD—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Transportation and Infrastructure and the Committee on Ways and Means:

To the Congress of the United States:

I transmit herewith the Annual Report of the Railroad Retirement Board presented for forwarding to you for the fiscal year ending September 30, 2002, consistent with the provisions of section 7(b)(6) of the Railroad Retirement Act and section 12(1) of the Railroad Unemployment Insurance Act.

GEORGE W. BUSH.

THE WHITE HOUSE, *December 8, 2003.*

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, DC, December 8, 2003.

Hon. J. DENNIS HASTERT,
Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: Under Clause 2(g) of Rule II of the Rules of the U.S. House of Representatives, I herewith designate Mr. Gerasimos C. Vans, Deputy Clerk, to sign any and all papers and do all other acts for me under the name of the Clerk of the House which he would be authorized to do by virtue of this designation, except such as are provided by statute, in case of my temporary absence or disability.

If Mr. Vans should not be able to act in my behalf for any reason, then Mr. Daniel J. Strodel, Assistant to the Clerk, or Ms. Marjorie C. Kelaher, Assistant to the Clerk, should similarly perform such duties under the same conditions as are authorized by this designation.

These designations shall remain in effect for the 108th Congress or until modified by me.

With best wishes, I am,

Sincerely,

JEFF TRANDAHL,
Clerk.

□ 1745

AUTHORIZING SPEAKER TO DISPENSE WITH ORGANIZATIONAL AND LEGISLATIVE BUSINESS ON ANY DAY HOUSE CONVENES PURSUANT TO SECTION 2 OF HOUSE JOINT RESOLUTION 80

Mr. McCOTTER. Mr. Speaker, I ask unanimous consent that on any day when the House convenes pursuant to section 2 of House Joint Resolution 80, the Speaker may dispense with organizational and legislative business.

The SPEAKER pro tempore (Mr. RENZI). Is there objection to the request of the gentleman from Michigan?

There was no objection.

COMMUNICATION FROM DISTRICT DIRECTOR OF HONORABLE FRANK PALLONE, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from Paul Dement, District Director of the Honorable FRANK PALLONE, Member of Congress:

HOUSE OF REPRESENTATIVES,
Washington, DC, November 24, 2003.

Hon. J. DENNIS HASTERT,
Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: This is to formally notify you, pursuant to Rule VIII of the Rules of the House of Representatives, that I have been served with a civil subpoena for documents issued by the Superior Court of New Jersey, Ocean County.

After consultation with the Office of General Counsel, I have determined that it is consistent with the precedents and privileges of the House to notify the party that issued the subpoena that I do not have any responsive documents.

Sincerely,

PAUL DEMENT,
District Director.

COMMUNICATION FROM THE HONORABLE WALTER B. JONES OF NORTH CAROLINA, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from the Honorable WALTER B. JONES of North Carolina, Member of Congress:

HOUSE OF REPRESENTATIVES,
Washington, DC, December 2, 2003.

Hon. J. DENNIS HASTERT,
Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: This is to notify you formally, pursuant to Rule VIII of the Rules of the House of Representatives, that I have received a subpoena for testimony issued by the Superior Court of Pender County, North Carolina.

After consultation with the Office of General Counsel, I have determined that, because I received the subpoena after the date requested for testimony, the subpoena is moot and no Rule VIII determinations are required.

Sincerely,

WALTER B. JONES,
Member of Congress.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 2003, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

COMMENDING JUDY W. STEVENS FOR HER WORK AND DEDICATION TO ECONOMIC DEVELOPMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. HAYES) is recognized for 5 minutes.

Mr. HAYES. Mr. Speaker, today I rise to congratulate and praise an individual who has dedicated herself to improving North Carolina. Judy Stevens is a remarkable person in many ways, and I want to acknowledge her accomplishments and efforts in economic development.

Judy grew up in Star, North Carolina, located in Montgomery County. She attended East Montgomery High School and continued her education at Randolph Community College. She is a certified economic developer from the Economic Development Institute, which is administered by the University of Oklahoma.

Judy began her work in the economic development field when she accepted a job as administrative assistant for the director of the Montgomery County Economic Development Corporation in 1992. With her strong knowledge of the county and its people, combined with her knowledge of economic development, she quickly excelled at her job; so fast, that by 1993 she became the director of the EDC.

Any good leader knows that success depends upon the efforts of many. Judy created the Committee of 100, a group of business leaders throughout the county who were willing to invest time and money in recruiting new businesses to Montgomery County. Long-term success depends on future leadership. She established the Leadership Montgomery Program for Adults and Youth through the Montgomery County Chamber of Congress, which is currently in its 10th year.

Judy Stevens is someone who understands that economic development success requires cooperation across political jurisdictional lines. In her own county, Judy is currently working on a project to develop a regional wastewater system for the towns of Boscpe, Star, and Troy. In the past, this type of cooperation was not common. However, with Judy's determination and leadership, folks are willing to come to the table and work for the good of the entire area.

Most recently, Judy has taken on a much larger task by leading the eighth district's Comprehensive Economic Development Strategy, CEDS, project. CEDS is a program sponsored by the Economic Development Administration, which seeks to develop a regional plan of action to attract investment and to create jobs. The committee is comprised of local economic development, education, and chamber officials.

Judy has worked tirelessly with the members of the CEDS committee to develop a final recommendation to present to EDA. I am pleased to tell you that because of her effort and strong leadership, the community has come to consensus on a proposal that will serve as a blueprint for regional economic development for the Eighth District of North Carolina and the rest of the country. I look forward to working with her and the CEDS committee as we put this plan into action.

Judy's hard work and talent have been recognized across the State. In 1999, she was named Economic Developer of the Year for North Carolina by the North Carolina Economic Developers Association. This recognition displays the type of commitment and dedication Judy puts into her job and into her community.

Mr. Speaker, I cannot tell you how much I appreciate Judy Stevens' tireless dedication and her desire to increase the quality of life for Montgomery County, the eighth district, and North Carolina as a whole. She has gone above and beyond the call of duty to help create and sustain economic development; and as a citizen of North Carolina, I join many in sincerely thanking her.

I would also like to acknowledge Judy's family that has been there backing her in every effort and success. Judy has a loving family. The Stevens family includes her husband, Gerald, along with their two sons, a daughter, and three grandsons. I am sure they are as proud as I am of her many accomplishments and her dedication to her profession.

MERRY CHRISTMAS, PhRMA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. BROWN) is recognized for 5 minutes.

Mr. BROWN of Ohio. Mr. Speaker, President Bush signed the Medicare bill today, ending an ugly legislative process driven by the interests of a constituency near and dear to the Republican leadership in this House. Not America's seniors. I am talking about the prescription drug industry.

The vast quantities of time and money that the drug companies invested in selling this bill were well spent. This bill is a Christmas wish come true for every drug manufacturer in our Nation. Under the new bill, drug industry profits are expected to increase by $140 billion, a 40 percent increase in already the world's most profitable industry.

This industry, the world's most profitable industry, successfully used its 675 lobbyists in this town, about 1.3 lobbyist for every Member of the House, and used its tens of millions of dollars of campaign contributions to win a giant increase in profits at the expense of taxpayers in this country and at the expense of America's senior citizens. The drug companies on this year's Fortune 500 list posted profits of 17 percent, 5½ times the average profit margin of other Fortune 500 firms.

Not only does the Medicare bill signed today by President Bush dramatically expand the drug industry's market, it ensures that drug companies will be able to charge American taxpayers almost any price they want for medicines covered by Medicare. The word on the street in Washington is that the drug industry, PhRMA, Pharmaceutical Research and Manufacturers Association, PhRMA, is going to contribute $100 million to President Bush's reelection campaign.

That is why this bill specifically prohibits the government from negotiating fair prices for press medicines. That is right, the Federal Government is not allowed under this bill to even bargain for better drug prices on behalf of seniors or on behalf of American taxpayers. It is what the drug industry wants. And the drug industry in this body always gets what it wants.

The bill the President signed into law relies on the same price discount mechanisms private insurers use, the same mechanisms that have led to double-digit increases in prescription drug costs year after year after year. It is what the drug industry wants. And the drug industry always gets what it wants in the Republican-controlled U.S. House of Representatives. In the private market, prescription drug costs are the fastest-growing component of health care cost increases. Prescription drug costs in the private market increased over 18 percent last year.

The bill rejects also the bipartisan will of a commanding majority in this House, who actually did stand up against a Republican leadership and against President Bush, who actually stood up to the drug lobby in July. Two hundred forty-three of us, many from that sides of the aisle, the gentleman from Texas (Mr. PAUL) and many others, voted to give American consumers the choice to buy safe, effective and much more affordable medicine imported from Canada. The legislation that President Bush signed today not only ignores that vote; it negates it. It drives a nail in the coffin of prescription drug importation. Why? It is what the drug industry wanted, and the drug industry always gets what it wants in this institution.

Once again, American consumers lose; the drug industry wins. Drug companies routinely charge American consumers three, four, five times what they charge Canadian customers for the same medicine. As I said earlier, the world on the street in Washington is that PhRMA, the Prescription drug trade association, is going to give $100 million to the Bush-Cheney reelection effort.

The drug industry is already 5½ times more profitable than the Fortune 500 average, yet they would have us believe any reduction in prices would jeopardize their research and development. The level of U.S. drug prices are not necessary; they are highway robbery. This bill helps to ensure that American consumers, American employers, and American taxpayers keep paying those high prices.

Merry Christmas, PhRMA.

REGARDING THE FIRST SESSION OF THE 108TH CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. HASTERT) is recognized for 5 minutes.

Mr. HASTERT. Mr. Speaker, I rise this evening with sadness at the passing of Joe Skeen. Joe Skeen was a friend of mine, a great member of this Congress for many years from New Mexico, somebody who served this Congress with great love, with great compassion, and a steady hand. We will all miss him. He chose not to run in the last Congress, but he was a great friend; and his funeral will be this coming Thursday, and later on we will have a session to honor him.

Mr. Speaker, I also rise this evening to give an end-of-the-session assessment of the first session of the 108th Congress, to recount our accomplishments and to review what we have left to do.

This session of Congress commenced as we were engaged in a struggle against terrorism and as our economy struggled in a near recession. We opened this session with three major goals: first, to make our Nation safer from terrorists and those states that support them; second, to grow our economy and create jobs for American workers; and, third, to make America a better place to live for all of our citizens. We have had a notable success in all three areas.

First, we have made this country more secure from foreign threats. The Congress passed and the President signed three different supplemental appropriation bills to support our efforts on the war on terror. This helped pay for the war in Iraq and for our continued efforts in Afghanistan. And, of course, the American people are greatly concerned for the safety of our troops in both places, but we must continue to support our brave men and women as they fight to defend our freedom and to defeat the terrorists who want to bring death and destruction to our homeland.

Saddam Hussein's Iraqi regime and the Taliban's Afghan regime actively supported terrorist organizations. Al-Qaeda trained in both countries. Now, both countries are making the tough, but vitally important, transition to democratic government. Changing terrorist-supporting dictatorships into democracies is hard work, but it is important work for our national security.

We also passed defense appropriations and authorization bills that included necessary long-term funding for our defense efforts and included a pay increase for our troops and a historic change in the disabled veterans compensation. For the first time since the Civil War, many disabled veterans will be able to receive both their disability payments and their retirement benefits.

The President also signed into law the Military Family Tax Relief Act, which provides overdue tax relief targeted to our dedicated servicemen and their families.

September 11 also proved that we must be vigilant on our home front. That is why we created the Department of Homeland Security in the last Congress. In this session we created a Select Committee on Homeland Security and a Subcommittee on Homeland Security of the Committee on Appropriations so that this Department would have the proper funding and oversight. Indeed, the Congress completed work on the first appropriation bill dedicated solely to homeland security this year.

The second challenge we faced at the beginning of this year was a slowing economy. The economy faced the twin shocks of a bursting high-tech bubble and the terrorist attacks on New York and Washington. Those shocks undermined both business and consumer confidence, while shattering investor confidence. We had to do something about it. We passed the President's economic growth package aimed at restoring confidence in the business, consumer, and investor sectors. Coupled with the earlier tax cut signed into law in 2001, these tax relief bills accomplished all three goals. It gave small businesses the relief they needed to buy more equipment and incentives to expand their businesses. It returned more money to consumers so that they could spend more. And it inspired investors to return back to the markets.

The results have been better than expected. The economic growth rate hit 8.2 percent in the last quarter. Manufacturing output is at the highest levels in 2 decades. The Dow Jones has reached its highest level in 18 months. And the job rate shows the best signs of improvement in 2 years.

□ 1800

Aside from the war and the economy, our Nation faced other challenges.

Health care costs continue to be one of the top concerns of our citizens. We passed historic reform of the Medicare system that will now include a prescription drug benefit for the first time in history. I am very proud that we kept our promise to senior citizens by delivering this most important reform.

The prescription drug benefit means that never again will low-income seniors have to face the choice between putting food on the table or paying for life-saving prescription drugs. It also means that seniors with high-cost drugs will have an insurance benefit that will protect them. Finally, the average senior will get their drug costs reduced by up to 60 percent because of this far-reaching reform.

Included in this historic legislation was historic assistance for rural and urban hospitals, as well as other important health care reforms. I am most proud of the new health savings accounts, tax-free savings accounts that allows consumers to have more control over their health care costs. These health savings accounts will revolutionize the health care market in this country, giving consumers better health care at a lower price.

Aside from health care, we faced another domestic crisis, the lack of comprehensive energy policy. From the rolling brownouts of California to the New York City blackouts, from the turbulence of the natural gas market to the persistent problems of higher gasoline prices, energy policy became a front-burner issue.

So working with the White House, we put together a comprehensive energy policy aimed at making our Nation more energy independent. This legislation did several things. It created incentives to get the most out of our natural resources, from promoting greater energy efficiency, to encouraging the use of renewal fuels such as ethanol. It encouraged greater reliability for electricity by providing for open access of transmission lines, while improving the transparency of electricity markets.

This energy policy has another salutary effect. It will create jobs. The latest estimates are that it will create up to a million jobs. We passed the energy conference report by a large bipartisan margin in the House, and we are waiting for final action by the other body. It is my hope that this vitally important legislation will not get caught up in the flurry of lobbying by the trial lawyers. I urge my colleagues on the other side of the rotunda to drop the delaying tactics and send this conference report to the President.

Another perennial issue is education. In the 107th Congress, we passed the President's No Child Left Behind legislation aimed at increasing accountability and demanding results when it comes to educating our children. This year, we kept our promise by increasing education funding to $4.1 billion, the highest Federal contribution to education in history. Clearly, we are keeping our promise to the parents and teachers and children of America.

Finally, we passed a series of legislation initiatives designed to make this Nation a better place to live. We passed the Do Not Call and Do Not Spam bills, aimed at stopping consumers from being harassed through the phone and through computer by telemarketers. We passed the Amber Alert bill, to help keep our children be safe from kidnappers. We passed historic levels of funding to combat AIDS. We passed the President's Healthy Forests Initiative, to protect communities from out-of-control forest fires. We passed the Fair Credit Reporting Act so that consumers have better access to their consumer reports to protect against the persistent problems of credit card fraud.

In other words, we delivered good legislation for the American people. As we get ready for the second session of the 108th Congress, we still have some work to do. We still have a highway bill to pass. Nothing is more important to our Nation's economic well-being than a modern transportation system. I want to get this bill done by early next spring.

We need to complete the work on the welfare reform bill. When we reformed welfare in 1996, we helped millions of Americans get a hand up rather than a hand out. Millions of Americans woke up in the morning and went to work rather than woke up and went to the welfare office. They got a job and got a paycheck. We need to reauthorize this bill, and we need to reauthorize it soon.

We also must find a way to get the budget back to balance. The attacks of September 11, the war against terrorism, and the struggling economy have all led to deficit numbers that, while manageable, must be controlled. This year's nondefense, nonhomeland security discretionary budget increased by a 3 percent margin, a relatively small increase, but one that can be improved. Our budget chairman, the gentleman from Iowa (Mr. NUSSLE), has worked hard to find ways where we can control Federal spending. As we debate next year's budget, we will work to find ways to cut the budget deficit in half through lower spending.

But as we work to control spending, we must also work to ensure that the economy stays on track. The tax cuts were enacted to help spur recovery. We must keep them in place to ensure that they finish the job. Those who want to raise taxes and thus threaten our recovery and job creation are just wrong. We have already seen that as the economy grows, the budget deficit falls. Keeping the economy growing is a sensible way to get the budget back to balance.

Finally, we need to start the debate in this Nation on how to reform our tax laws. Not only is our tax system too complicated, it also hurts our Nation's competitiveness. If our companies cannot compete, we lose jobs here in America. As we reform the Foreign Sales Corporation Tax, as required by the recent WTO decision, we must also start a discussion on how we create the best tax system possible to meet the needs of the people of this country in the 21st century.

I want to thank all Members for their patience and for their perseverance. Public service in the Congress is not an easy vocation, and it is especially hard on families. I thank all Members for their service to this Nation. I would also like to thank the dedicated staff and especially the floor staff, the clerks and the pages, who work long and hard to make this place efficient and workable. Thank you for your fine service to this Nation. I wish you all a happy holiday season, and God bless you all.

TURNING OUR BACKS ON HUNGRY CHILDREN

The SPEAKER pro tempore (Mr. RENZI). Under a previous order of the House, the gentleman from Massachusetts (Mr. MCGOVERN) is recognized for 5 minutes.

Mr. MCGOVERN. Mr. Speaker, I would like to take a moment to talk about one small program in the omnibus appropriations bill which I believe is a reflection of America's commitment to defeat terrorism, or rather its lack of commitment. It is a reflection of America's commitment to address hunger, poverty, illiteracy and ignorance; or rather, its lack of commitment; and that reflects America's commitment to help educate the children of the world, especially girls; or rather, its lack of commitment.

Tucked away inside the agriculture appropriations section of the omnibus bill is $50 million for the George McGovern-Robert Dole International Food for Education Program. McGovern-Dole began as a $300 million pilot program in 2001, providing nutritious meals to nearly 7 million children in 38 countries. The catch, these children had to attend school in order to get the meals. The McGovern-Dole program sends wheat from Illinois, Minnesota and Oregon to feed children at schools in Bolivia and Lebanon. It sends corn, milk and soybeans from Kansas and Wisconsin to feed school children in Nicaragua and Guatemala. And it sends lentils from Idaho and Washington to children we have helped return to school in Afghanistan. Beans from Colorado, rice from Texas and Louisiana, cooking oil from Florida and Tennessee, the blood, sweet and tears of America's farmers find their way to children attending humble schools around the world.

Providing food to malnourished children in schools is one of the most effective strategies to fight hunger and poverty. Where programs are offered, enrollment and attendance rates increase significantly, particularly for girls. Instead of working or searching for food to combat hunger, children have the chance to go to school. Providing food at school is a simple, but effective, means to improve literacy and help poor children break out of poverty.

The McGovern-Dole program helps us achieve many of our foreign policy goals, and communicates America's compassion to those around the world. At the end of the day, it will be programs like McGovern-Dole that will ultimately triumph over poverty and terror.

Earlier this year, in February 2003, the United States Department of Agriculture evaluated this program, and the conclusions were overwhelmingly positive. In addition to significantly reducing the incidence of hunger among school-age children, the program was also found to promote educational opportunity, especially for girls, among some of the poorest populations in the world.

Sadly, in fiscal year 2003, McGovern-Dole received only $100 million in funding, reducing the number of children served to scarcely more than 2 million world-wide in just 28 countries. In fiscal year 2004, President Bush only asked for $50 million, and if this allocation remains unaltered, the United States will literally be taking food out of the mouths of yet another one million hungry children and forcing their families to remove them from school.

The senior Senator from Kansas and chairman of the Senate Intelligence Committee, PAT ROBERTS, a leading proponent of the McGovern-Dole program in the other body, has stated on a number of occasions his belief that this program serves our national security interests by attacking the breeding grounds of terrorism, hunger, poverty, ignorance and despair, while at the same time ensuring that children receive meals in settings where they receive a quality education, rather than hate-filled indoctrination.

I could not agree more. But rather than expanding this program to reach even more school-aged children, to help stabilize communities devastated by HIV-AIDS, and to support HIV-AIDS orphans so they might contribute to the future of their nations rather than burden them, we are cutting it again.

On November 26, the United Nations Food and Agriculture Organization released its 2003 report on hunger. It found that after falling steadily during the 1990s, hunger is again on the rise. In the developing world, the number of malnourished people grew by an average of 4.5 million a year for the past 3 years. The report also found that hunger exacerbates the AIDS crisis, drives rural people into the cities, and forces women and children to trade sex for food and money.

Yet over the past 3 years, we have cut funding for the McGovern-Dole school feeding program so it is now one-sixth of what it once was. This is a disgrace, plain and simple.

Mr. Speaker, we are going in the wrong direction, not just for the children of the world, but for the security of our own Nation. I call on President Bush and congressional leadership to restore full funding in fiscal year 2005 to the George McGovern-Robert Dole International Food for Education Program.

A WORTHWHILE PROPOSAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PAUL) is recognized for 5 minutes.

Mr. PAUL. Mr. Speaker, much has been written lately about several attempts to craft an alternative peace plan in the decades-old Israeli-Palestinian dispute. The best-known of these recent plans, the Geneva Initiative, was conceived and written by representatives of both sides of the conflict but without the involvement of governments or politicians. As such, it is a fresh approach that should provide a lesson to those who continue to believe that peace is something that can only be crafted by government officials or bribed or bullied by the international community.

We do know this: After decades of conflict and tens of billions of U.S. tax dollars spent, U.S. Government involvement in the Israeli-Palestinian peace process has led nowhere. The latest U.S. Government-initiated plan for peace, the road map, appears to be a map to nowhere. This does not surprise me much. With a seemingly endless amount of money to bribe the two leaders of the two opposing sides to remain engaged in the process, is it any wonder why the two parties never arrive at peace?

But people on both sides are becoming more and more frustrated at the endless impasse and endless government and bureaucrat-written peace agreements that go nowhere.

☐ 1815

That is why plans like this should be of such interest. Initially conceived by an obscure Swiss professor, the project was joined by former Israeli Justice Minister, Yossi Beilin, former Palestinian Authority Information Minister, Yasser Abed Rabbo, and by other prominent officials like former President Jimmy Carter. The negotiations led to the creation of a 50-page detailed accord.

I do not know whether the product is perfect. I have not studied the minute details of the proposal. But what I do know is that politicians, governments, and special interests promote war at the expense of those who have to fight them. Wars end when the victims finally demand peace, and that is what we are beginning to see. According to one recent survey, a majority among both the Israeli and Palestinian populations support this new initiative. That is encouraging. To his credit, President Bush has demonstrated an open mind toward this alternative approach. He declared the Geneva Initiative "productive" and added that the United States "appreciates people discussing peace." Secretary of State Colin Powell echoed the President when he resisted hard-line pressure to ignore the proposed accord stating, "I have an obligation to listen to individuals who have interesting ideas." This is also encouraging.

Predictably, though, this new approach is not as welcomed by those governments, politicians, and special interests who have a stake in dragging out the process indefinitely. Palestinian Authority President Yasser Arafat has been lukewarm at best. Extremist Arab organizations who have a special interest in continuing the violence have also rejected the Geneva Initiative. Israeli Prime Minister Ariel Sharon has rejected the initiative out of hand. Said Mr. Sharon, "Geneva is an attempt to do something only a government can do."

But the point is that governments have little incentive to finally end conflicts such as these. The United States is in places like Kosovo and Bosnia indefinitely in the name of peacekeeping and peace processes. The same will be true of our involvement in Afghanistan and Iraq. It is not until foreign involvement ceases, that means our continued meddling in the Middle East, and the people directly involved demand peace, do real working solutions begin to emerge. The Geneva Initiative is therefore a positive step toward peace in the

Middle East. Let us step back and get out of the way.

CONSOLIDATED APPROPRIATIONS CONFERENCE REPORT LEAVES MANY VICTIMS IN ITS WAKE

The SPEAKER pro tempore (Mr. RENZI). Under a previous order of the House, the gentlewoman from the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

Ms. NORTON. Mr. Speaker, yesterday was December 7, known as the Day of Infamy, so named by the great President Franklin Delano Roosevelt. Mr. Speaker, I suggest this evening that this day is a kind of day of infamy for this House, particularly with the passage of this conference report. This conference report contains within it so many violations of basic democracy in this House that this day will not soon be forgotten, which is why I make the analogy that I did.

The conference report leaves many victims in its wake. Let me name just a few of them. It is a 50/50 country. But if you were not of the majority party, if you are among the independents, you had little participation in this final product. Or if you happened to live in the wrong State or the wrong district, even though it might be closely held, you will look long and hard before finding your place in this conference report.

And help you, help you if you are in the low or middle classes of our country because you have been sacrificed time and time again in this report to big corporations, to wealthy Americans. If you are among the millions of what I call the disfavored elderly who will get little or no help from the prescription drug Medicare bill, you will not find yourselves among the bills we have passed this year on prescription drugs. The most unfortunate of you are the long-term unemployed. Unbelievably, this is the second Christmas Congress has gone home to leave the long-term unemployed with no relief to face the Christmas and the new year with a rough, rather than a happy, holiday. I do not know how the House could have done that, at least for these long-term unemployed.

But the victims, Mr. Speaker, are also in this body and in the Senate. The Republicans themselves are going to have to face the music when they go home to face the 8 million who will lose their overtime pay and be informed of it just in time for Christmas. It is going to be some Christmas for them. This Republican House voted decisively to eliminate their overtime pay, but they must have heard from them because when it came time for the motion to instruct, all of a sudden we had a majority with us against the provision to eliminate overtime pay. What happened? Their own majority reversed them. So now they have got to go back home and try to say, I was for you, but I am in the party that was against you. How do you explain that?

On the Senate side, there are any number of provisions, which is why this conference report is likely to go nowhere before Christmas. Let me just pluck one analogous example. The Senate has surely heard from the American people on vouchers. They just did not have the votes to do anything on D.C. vouchers. Why? Because everybody's school district is being cut because of 3 years of a poor economy under this President. Because our promise to fund disabled children is an unkept promise of the decades. Because our promise to fund No Child Left Behind is $9 billion in the hole. The Senate was not about to vote for any D.C. vouchers. What happened? Passed one House, never passed the other, pops up in this bill. You think that is democracy? If it happened only one time to one or two bills, that would be one thing. Sprinkled throughout, this bill is just strewn with this kind of undemocratic authoritarian dealing, more typical of countries that we criticize. But the villain in this piece has seldom been spoken of because it is not only the Republican majority, Mr. Speaker; it is the Republican President. We do not see his face here, but we have felt his big footprint, his one-man approach to this bill; and he has offended many members of both parties, especially in the Senate.

I predict this day that this bill will not get through the other body. I do not think the Senate is about to bless a bill that imposes the will of one man of the majority on the House and the Senate alike. This term we have changed the very character of this House. We need to come back no longer seeking comity and bipartisanship. We need to make the goal of the House to return to its ancient democratic traditions.

MARKING THE PASSING OF JOHN LENNON AND ACCLAIMING THE ACCOMPLISHMENTS OF BOB SEGER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. MCCOTTER) is recognized for 5 minutes.

Mr. MCCOTTER. Mr. Speaker, I rise today to mourn and mark the passing of John Lennon and to acclaim the accomplishments of Bob Seger, both of them musicians and artists, performers and poets.

First, on a sorrowful note, today observes the 23rd commemoration of the murder of John Winston Ono Lennon, M.B.E. Let us mark and continue to mourn his passage not merely with words but with his music and then with every agonizing echo of the deafening silence left in the wake of his senseless loss. Our heartfelt condolences go out to his widow and his sons.

On a joyous note, however, I also rise to celebrate the achievements of one who has followed and honored Mr. Lennon's legacy, Michigan's own Bob Seger. Rising from his working-class roots, Bob Seger has reached the pinnacle of the rock and roll world. For after his loyal fans conducted a petition drive and collected nearly 4,500 signatures, Mr. Seger is finally being duly recognized and inducted into the Rock and Roll Hall of Fame. He could not be more deserving.

Mr. Seger's life's work, his art, has been a celebration of working Americans, our lives, our loves, our losses and, most importantly, the little victories which hearten and heal and lead us all ever onward in this arduous journey of life. He is a musician, an entertainer, and a poet who speaks not only to our ears but also to our hearts.

Once the romantic poet William Wordsworth explained the essence of artistic virtue: "And then a wish: My best and favorite aspiration mounts with yearning toward some philosophical song of truth which cherishes our daily lives."

For over 30 years, Mr. Seger has sung this philosophical song of truth, cherishing our daily lives. Let us now honor his.

SENIORS ARE LOSERS IN MEDICARE BILL SIGNED TODAY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. First, just a moment to my friends from New Mexico just to indicate my deepest sympathy for the loss of Joe Skeen.

I believe that there is an opportunity in this Congress to work together. I am disappointed that what we have done today clearly indicates that we have missed our chances on some occasions, missed a chance to come together as a House and Senate; and certainly over the last couple of weeks the story that will be written in history will be one that will raise a question as to whose interests have been promoted in this body.

As I look at this article from Robert Novak, "GOP Pulled No Punches in Struggle for Medicare Bill," even without reading the entire text, it tells the story. My concern about the Medicare bill that was signed today is the fact that seniors are the losers. Seniors in my district when I came home during the Thanksgiving break, not understanding what we had just done, were looking for relief. They did not understand that this bill does not take place for financial reasons until 2006. They did not understand why hundreds of thousands, or at least tens of thousands of seniors in Texas would lose their retirement benefits. Or some of the seniors that use the Medicaid resources will also lose those resources.

They did not understand why they could not have a guaranteed prescription drug benefit under Medicare. They did not understand why they would be forced ultimately to go into a privatized HMO. And they certainly did not understand why the government would be forced to not negotiate the lowest price for prescription drugs which makes common sense. In this time of friendly Christmas shopping and holiday shopping, everybody is looking for a deal. They cannot understand why we have a law that says that the government cannot look for a deal. And so it saddens me that a bill was signed that really does not help our seniors and that we have captured the essence of a disregard for House rules with a 4-hour vote open almost and that in essence the GOP decided to pull no punches. Whether it means putting up another Member against a wall, whatever it meant, it meant that the interests of our seniors was not handled.

Mr. Speaker, I hope that we will come back in January in 2004 and we will get down to work and we will actually put on the table a reform, a revision to what has been signed. Because, frankly, I believe that we are digging ourselves a deep hole. And 2006 will not come soon enough for that hole to get bigger and bigger and bigger. This is not a good bill. Good intentions, but certainly not a good bill.

Mr. Speaker, I said that there were several things that I wanted to mention this evening, and I briefly want to mention the fact that a Texan, certainly somebody that we all know and certainly we know of his great expertise, Jim Baker, has been asked to help in the Iraqi debt. I will be sending out a letter and asking my colleagues to join me that we have a similar envoy to help relieve the debt of the nation of Haiti that in the early years of our historical beginnings fought in the revolution against the French. Haiti is almost crumbling under the weight of debt. I believe what you can do unto one you can do unto another, particularly one that is in this hemisphere. We cannot tolerate any longer the kind of burden that Haiti is facing, and it seems inequitable that you would help Iraq and not help Haiti. And so I hope the President will join me and welcome that opportunity and be able to do so.

□ 1830

Let me just briefly say that in Texas today we funeralized a very great Federal judge, and I want to give my deepest sympathy to the family of Judge John Hannah for his great service and leadership, and I hope to pay him tribute in the days to come when we return back to Washington.

I want to finish, Mr. Speaker, on something that is really very devastating. We fought very long and hard all the way to the Supreme Court to preserve the understanding that affirmative action was not quotas, it simply was an outreach, and we were affirmed by a United Supreme Court in the Michigan case that race can be a factor in helping to diversify in this Nation and give opportunity. Lo and behold, Texas A&M decided in the last couple of days in the face of the Michigan case to slap the face of the United States Supreme Court and eliminate the element of race in their decisions for admissions. This is a university that has 82 percent white, 2 percent black, 9 percent Hispanic, and 3 percent Asian American in a State that is increasingly diverse, the State of Texas. My challenge to Dr. Gates, the chancellor, is to reform this misdirected policy, come back to the 21st Century, engage those of us who understand what affirmative action is, an outreach and not a handout, and begin to accept the law of the land that affirmative action is the law, and that we can use race as an element. It is time to address the question of these outrageous numbers: 2 percent black, 9 percent Hispanic, and 2 percent Asian American. I hope that we will resolve this crisis in Texas.

Mr. Speaker, I rise today in dismay, disappointment, and ashamed as an American and as a Representative of the State of Texas—the "Lone Star State." As a Member of the House Judiciary Committee and as Representative of Texas' 18th Congressional District, I must remark at the proposal made by Texas A&M University President Robert Gates last Thursday to remove race as a factor in granting admission or scholarships to the institution. I am extremely disappointed that Texas A&M voted to adopt this policy change and that it even considered not following the landmark precedent set by the Grutter v. Bollinger [University of] Michigan decision. Refusing to follow the positive precedent of this case marks the maintenance of a de jure racially imbalanced system, which is the wrong kind of message to send.

This large and prominent university already suffers from a significantly disparate racial student body ratio—for Fall 2003, the ratio was 82 percent white, 2 percent black, 9 percent Hispanic, and 3 percent Asian-American. Changing its admissions policy to remove race as a factor will almost certainly yield even lower diversity. it would take a tremendous amount of outreach and quite a few "special scholarships" to correct this trend. When this Nation's highest court pronounced that race could be used as one of many factors in admissions and scholarships, the University of Texas, Rice University, and several other Texas institutions quickly implemented this policy because of its clear beneficial effects on equality in education. Given that Texas A&M Board of Regents has opted to incorporate President Gates' proposal, the university will stand in a minority position with respect to its express commitment to creating a more diverse student body.

It took some time for this nation to advance the principles that came from the great Brown v. Board of Education decision to the clear statement set forth in the University of Michigan case. To ignore the forward progress made by this court is a slap in the face of the Civil Rights Movement.

TAMU ADMISSIONS MEMO

In a memo dated December 7, 2003, the University's new admissions policy is summarized. Instead of using the standards that have been set forth by the nation's highest Court—responsible for pronouncing the law of the land, Texas A&M claims that:

> [g]ains in minority enrollment will come through enhanced outreach, not changes in admission policies, requirements and standards. Every student now and in the future can be confident he or she arrived at Texas A&M on his or her own individual merits.

Furthermore, the University promises that

> [it] will work aggressively to increase the number of minorities from all backgrounds who apply to Texas A&M, and . . . [intends] to be far more aggressive in trying to persuade those [they] admit actually to enroll—to join the Aggie family. And, [they promise to] continue [their] efforts to ensure that once they arrive, they find a welcoming campus and remain [there] to graduate.

I find it interesting that while this University has promised to do all of the above things to create a welcoming environment and to ensure that minorities who are admitted will actually enroll, it has sat idly while its current student body has done just the opposite—students hold campus-wide "bake sales" where they give disparate prices to ethnic minorities—"brownies, 25 cents for whites, $2.00 for negroes—however, you can receive a rebate by way of outreach and special scholarships."

Its plan to increase its minority enrollment profile from the paltry ratio of 82 percent white, 2 percent black, 9 percent Hispanic, and 3 percent Asian-American consists of outreach programs, identifying former students from targeted high schools, and a scholarship for first-generation college students whose family income is $40,000 or less. Again, it shocks me that such a non-aggressive strategy is chosen when the highest Court in America has made the statement that affirmative action is the most effective way to correct the banes of disparate enrollment percentages. The problem and the ugly imbalance that we see today was caused, in part, by the very philosophy that disagrees with the benefits of using race as a factor in admissions.

Ironically, the clearest case of ignoring this Nation's efforts to eradicate racial injustice in education has occurred in the State of Texas. In Orlando, Florida, Governor Bush's "One Florida" plan, an admissions policy program that eliminates quotas for minority college enrollment, fell short of being an effective replacement for race-based admissions, according to a study conducted by Harvard University. The study showed that the number of minority students enrolled in Florida's colleges and universities had mostly stayed the same or increased slightly since the 1999 initiative went into effect.

At Harvard College, the Class of 2007 is comprised of: 65.1 percent Caucasian, 17.4 percent Asian-American, 8.4 percent African-American, 3.0 percent Hispanic-American, 3.6 percent Mexican-American, 0.8 percent Native American, 1.2 percent Puerto Rican, and 0.5 percent Other. Of the 5,300 undergraduates at

Yale College, 30 percent are students of color. Its 2002 class profile was: 74 percent Caucasian, 13 percent Asian, 7.5 percent African American, 5 percent Hispanic-Latino, and < 1 percent Native American. These Ivy League institutions, which have historically had lower percentages of minority enrollment, can boast improved numbers and can say that these numbers will continue to improve with the legal precedent set by Grutter v. Bollinger. These institutions have not abandoned this country's commitment to establishing diversity.

Historically, Texas public universities have fallen behind in issues of racial segregation. For example, the Texas Constitution mandated segregated schools until 1954 and the UT Law School had scholarships "for whites only" until 1969. Similarly, this State has struggled to comply with legislative attempts to correct the negative trend. In 1950, the Court in Sweatt v. Painter ruled that Texas could not satisfy its Fourteenth Amendment responsibilities by creating a separate law school for blacks. These developmental shortcomings led to an investigation by the federal Office of Civil Rights (OCR) in 1973 as to the State's efforts to eliminate all vestiges of a de jure racially dual education system.

Unfortunately, the Texas A&M policy marks a return of the vestiges of de jure educational discrimination consistent with Hopwood v. Texas. We now must form a new Civil Rights movement to ensure that the de facto contravention of a Supreme Court decision does not hinder the progress of this Nation.

THE EUROPEAN UNION'S UNITED STAND AGAINST DRUG ABUSE

The SPEAKER pro tempore (Mr. RENZI). Under a previous order of the House, the gentleman from Indiana (Mr. SOUDER) is recognized for 5 minutes.

AN UNPRECEDENTED YEAR OF ACCOMPLISHMENT BY CONGRESS

Mr. SOUDER. Mr. Speaker, first before I make the basic remarks I came down to the floor to make, I think it is important to make a couple of comments on the appropriations process that has been, I believe, somewhat misrepresented in some of the comments we have heard today.

I want to thank the gentleman from California (Chairman LEWIS) and his subcommittee, the gentleman from Florida (Chairman YOUNG) of the full committee, our esteemed late colleague Mr. Skeen, who all understood that the appropriations process is extremely difficult. We all come in with all these requests. We believe that everybody else's requests are pork except for ours. We try to have a budget resolution that we try to hold everybody in. This year we were fairly successful, but when we have the war in Iraq and other pressures, we inevitably go over. I had been a staffer for many years and then a Member of Congress. I do not know when we have ever been within the budget guidelines, and we have done better than normal.

But the impression has been given that somehow this was an unprecedented, terrible thing and it was just Republicans and we jammed it. The unfortunate sad truth is if it was just Republicans, this bill would have failed today because we had a bunch of Republicans who did not back the Republican conference report. What we had were 58 Democrats who voted for this bill. Nearly one-third of the Democratic Party backed a bill that was just described as an awful, bipartisan, unprecedented effort, backed, by the way, by one-third of the Democrats. So I think it is really important to make sure in the RECORD that the things that the gentleman from Illinois (Speaker HASTERT) talked about today were, yes, very tough votes in many cases, took us a while to close the Medicare vote, but, in fact, it was an unprecedented year of accomplishment both in the Committee on Appropriations by the authorizers and in most cases, in almost every case, a bipartisan effort in spite of the fact that often the Democratic leadership pleaded with their Members not to make it bipartisan, but they saw the merits of the bill, and today 58 Democrats voted for this conference report.

I have at times been a critic of some of the drug policies of Europe, and I wanted to rise today and recognize and applaud the European Union for agreeing to toughen antidrug laws and urging actions to end drug tourism on the continent.

After more than 2 years of negotiations, EU ministers reached a landmark agreement on November 27 to toughen antidrug laws and to harmonize the continent's laws to make the bloc more efficient in the fight against illegal drugs. The laws cover all types of drug dealing, ranging from local networks to large-scale international operations.

Under the agreed rules, offering, selling, or producing drugs would be sanctioned with maximum jail terms of at least 1 to 3 years. In cases involving large-scale international drug trafficking, sanctions should be at least 5 to 10 years. Member states also agreed on a declaration stressing the importance of fighting drug tourism.

The EU's united stand against drug abuse strengthens global efforts to prevent drug abuse and to put away drug pushers and others including terrorists who financially benefit from destructive drug addiction. It is disappointing that the EU agreement will allow the so-called "coffee shops" in the Netherlands where marijuana can be legally abused to remain open. I am, however, encouraged that the Netherlands is investigating possible approaches that would end U.S. drug tourism to Amsterdam.

Dutch Justice Minister Piet Hein Donner has stated that the Netherlands Government is considering rules under which "coffee shops" would only be allowed to sell drugs to Dutch residents as part of its obligation to dissuade tourists from going to Amsterdam for drugs. Under his proposal, only Dutch residents with identity cards would be allowed to use the cannabis cafes. This move would protect Americans visiting Amsterdam from the dangers of engaging in drug abuse. Currently, foreign tourists, including Americans, make up about 40 percent of "coffee shop" sales in Amsterdam, according to the London Times.

I also hope that this agreement will further our international efforts to control the trafficking of ecstasy and other dangerous synthetic drugs. In recent years, traffickers have set up their illegal manufacturing operations in countries, predominantly the Netherlands, and also to some degree in Belgium, in the hopes of avoiding tough penalties if they are caught. This agreement should send a clear signal to the drug cartels that Europe and the U.S. will continue to work together to break up these international drug rings.

Furthermore, I am encouraged that the Netherlands has also agreed to increase its sanctions for the possession of small quantities of marijuana to a year from 1 month. These are important steps in the Netherlands that I hope will eventually lead to stiffer penalties for all drug abuse.

It is increasingly clear that every nation must play a role in educating the public as to why drug abuse is harmful and in preventing drug addiction. As long as one country tolerates the production, sale, or distribution of any illegal drugs, other nations, communities, and families are vulnerable to the threats caused by drug abuse that is easily transported across borders. The EU's commitment to not tolerate drug abuse and drug tourism protects not only the families and communities of Europe but also the families and communities here and elsewhere in the world.

Again, I applaud this agreement and look forward to working with these and other countries to strengthen international drug laws and to protect children from the dangers of drug abuse and addiction.

HONORING CONGRESSMAN JOE SKEEN

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 2003, the gentlewoman from New Mexico (Mrs. WILSON) is recognized for 60 minutes as the designee of the majority leader.

GENERAL LEAVE

Mrs. WILSON of New Mexico. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to submit statements on my special order.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New Mexico?

There was no objection.

Mrs. WILSON of New Mexico. Mr. Speaker, this is what is called special orders, and it is an opportunity for Members to come to the floor of the House and talk about a particular topic, and today it is our sad duty to honor a friend and colleague of many in this House. Congressman Joe Skeen passed away last night in Roswell, New Mexico, after a long battle with Parkinson's disease, and this is an opportunity tonight for many of his friends to come to honor him.

Mr. Speaker, Joe Skeen retired in January of this year after 22 years of service in the House, and the 2nd District of New Mexico is now represented by the gentleman from New Mexico (Mr. PEARCE), my good friend, and I yield to the gentleman from southern New Mexico.

Mr. PEARCE. Mr. Speaker, I thank the gentlewoman from New Mexico for organizing this tribute.

The Nation has lost a leader, and New Mexico has lost a friend. Joseph Richard Skeen was born in Roswell, Chaves County, New Mexico, June 30, 1927. He was an Aggie. He attended Texas A&M University and graduated with a bachelor of science degree in 1950. He served the country honorably in the United States Navy from 1945 to 1946, and then I do not know what happened. I think he saw the light because he joined the United States Air Force Reserve and served from 1949 to 1952. But the real light that he saw in his life was Mary Helen Jones, whom he married November 17, 1945. Their two children, Elisa Livingston, and her son, Ross; Mikell Lee Skeen and his wife, the former Gail Edwards, their two sons, Clint and Tyler, all deserve our thoughts and our prayers.

He began to serve immediately in positions throughout the State that reflected his agriculture desires and his agriculture background. He became a member of the New Mexico State Senate in 1960 and served until 1970. He served as chairman of the New Mexico Republican Party from 1962 to 1965. In 1980 he was just the second candidate to be elected on a write-in vote to the United States House of Representatives. He was elected to attend succeeding terms in Congress and did retire January 3, 2003, at the end of the 107th Congress.

He was the longest-serving Member from New Mexico to the House of Representatives, serving 22 years. Mr. Skeen lost two of the closest gubernatorial races that the State of New Mexico has ever seen in 1974 and again in 1978. Mr. Skeen's seniority, built up by his long tenure in the House of Representatives, accounted for his ranking by Roll Call Magazine in 2000 as one of the ten most powerful Members in the 435-Member U.S. House of Representatives.

Mr. Skeen was the first New Mexico House Member to serve on the House Committee on Appropriations and later served as chairman of two of the most powerful subcommittees that affect New Mexico, the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Subcommittee of the Committee on Appropriations and the Interior Subcommittee of the Committee on Appropriations. Mr. Skeen was influential in the sponsorship, support, and passage of the Waste Isolation Pilot Plant, one of the premier DOE facilities in the Nation located in the 2nd District of New Mexico. Mr. Skeen was the primary sponsor of many legislative projects benefitting New Mexico State University, New Mexico Tech, Holloman Air Force Base, and White Sands Missile Range. New Mexico began to recognize its favorite son even before today. New Mexico Tech named their library after Joe Skeen. New Mexico State University named their new agriculture research building after Joe and Mary Skeen. Chaves County named their new administrative building after Joe Skeen. The State of New Mexico has named Highway 70 the Joe Skeen Highway.

Mr. Skeen was a strong supporter of rural New Mexico and all its requirements: roads, schools, medical care, electricity, and water and sewage treatment plants. He was impartial when it came to serving the people of New Mexico. He served them all. His offices in New Mexico provided critical assistance for those people who needed help with Social Security, veterans' medical care programs, immigration assistance, and a host of other government programs and services.

Joe fulfilled his ombudsman role eagerly and efficiently with the help of his capable and effective staffs in Washington, Roswell, and Las Cruces. He was tremendously respected. His friendly demeanor and quiet sense of humor seemed to disarm those folks with grudges and helped all citizens realize that by working together, we can solve the people's problems. Joe used to say, let us talk about what we can agree on and work from there.

Some of the popular quotes in New Mexico from Mr. Skeen were: "The chances of that happening are between slim and none, and slim just left town."

"Do not tell me about what you disagree with me on. Tell me where you and I agree, and let's work from there."

"Before I leave this earth, I hope the Good Lord gives me the opportunity to serve as a member of the majority party in Congress." That opportunity came to Mr. Skeen.

About his ranch he said, "We raise cattle for prestige, and we raise sheep for profit."

And, finally, "I will be forever indebted to those actions of those many citizens who stood in line until midnight to write my name in the congressional ballot. I will never forget and will work hard to make sure their views are heard in the House of Representatives."

The people of New Mexico will never forget Mr. Skeen. He is a man of the people. The people in the 2nd District have expressed their love and concern as I traveled the district this year campaigning to replace Mr. Skeen. And as I won the office, I realized that no one can replace Mr. Skeen. I can simply fill the spot that he was in.

As I took my place in this national Congress and heard from his many friends, I realized that he was just as respected nationally as he was in the State. The State has lost a friend. The Nation has lost a leader. Joe Skeen was our friend.

☐ 1845

Mr. Speaker, I yield to the gentleman from Texas (Mr. DELAY), the distinguished majority leader.

Mr. DELAY. Mr. Speaker, I appreciate the gentlewoman coming down and holding this Special Order in memory of Joe Skeen, and I appreciate the comments of the gentleman from New Mexico (Mr. PEARCE). That was a very wonderfully put eulogy for an incredible man.

I met Joe Skeen for the first time when I first ran for office in 1984 in a primary. It was a big primary, a lot of Republicans running. Joe Skeen came in on my behalf and really did not know me from Adam. He had heard about me. He loved Texas A&M. I think, with all due respect, he loved Texas as much as he loved New Mexico, because he loved coming to Texas. He came at a particularly tough time in my campaign and just wowed the folks in Houston, Texas.

He wowed them through his incredible wit. He was one of the funniest men I knew. In his wit, he always had a point he was trying to make, and somebody ought to really write a book, a compilation of Joe Skeen's speeches, because they were poignant, they were to the point, but, at the same time, they had a wonderful American flavor and an American wit that was so Joe Skeen.

From that day forward, Joe Skeen became a very dear friend of mine, as he is a friend to every Member of this House. He never met a person he did not like, and he never met a person he did not make a friend out of. The man was a stalwart in this House. Whenever you needed something, you could always go to Joe Skeen, and he would do everything in his power to see that it was accomplished.

Joe Skeen had the incredible character and integrity and moral strength that Members drew from. In his later years, when he got that dreadful Parkinson's disease, he was in here on the floor suffering from that disease and still doing his job to the very last minute. And it shows.

The man was committed to his constituency in New Mexico. He loved the people of New Mexico, and I had a great time in going out and campaigning for Joe Skeen, because you could see his real love for the land, for the ranchers and farmers, for New Mexico. He really had a strong, strong feeling for the people that he served, and he had a servant's heart.

He was a man that we will sorely miss, and we have already missed him this year. Joe Skeen is one of those very special characters that very seldom come through this House, that has enriched the House, has enriched this Nation. He is a true, true leader that will be sorely missed.

So to Mary and his family we give all our sympathy, and hope they will understand how much we miss him and the legacy that he has left by serving in this House. We greatly appreciate the service and character of the man Joe Skeen.

Mrs. WILSON of New Mexico. Mr. Speaker, I yield to the gentleman from California (Mr. LEWIS), a dear friend of Joe Skeen over the years, the chairman of the Committee on Appropriations Subcommittee on Defense, who served alongside Joe as one of the other cardinals.

Mr. LEWIS of California. Mr. Speaker, I thank the gentlewoman from New Mexico, who has put together this time, and the gentleman from New Mexico (Mr. PEARCE), Joe's colleague and friend from their own district in beautiful downtown New Mexico.

It is a sad moment for me to come and attempt in a few moments to share with the family and friends of Joe the impact he has had on my life, the Congress of the United States, and, indeed, upon, I think, people way beyond his wonderful State.

Joe was a giant, great man who cared so much for the work of public affairs that it took every bit of his being to impact those issues that were so important to his people; a phenomenal guy who I came to know early upon his career by way of introduction from a mutual friend, Kevin Billings, who said, "Jerry, you have got to meet this guy, because he is a guy who ought to be on your Committee on Appropriations," a committee that I love. From that moment on, as Joe and I began to get to know each other, many of us worked to see that he early on took a spot on that committee.

During his service there, as has been said, both first as a member, but, beyond that, as chairman of the subcommittee that deals with agriculture, so important to his State, the Subcommittee on Interior, Joe demonstrated his unusual capability to mix the demands and needs of his own people with those requirements of members of his subcommittee, as well as the needs and priorities of the country.

He is going to be sorely missed by his wife, Mary, and his son and daughter. I want them to know that he will be missed just as much, every bit as much, by the people who work in this House.

Shortly after I met Joe, I became enamored of his sense of humor. While we all know of him as a great man, we also know of his immense capability. When you would have a tendency to take yourself perhaps a bit too seriously, by a kind of twist of a word, a sleight of hand almost, his sense of humor would bring you back to the real world, where we can find solution by way of compromise in this House, for, no doubt about it, when we finally get our best work done, it is work that is done with men and women challenging each other, measuring the pros and cons that lead to solution, and compromise is absolutely a requirement.

I remember when Joe first came to me, we were talking about a couple of his problems and discussing the fact that when he was first involved in politics, there were not too many Republicans available in his territory in New Mexico. He kind of smiled when he told me they held their meetings in a telephone booth. In the old days in San Bernardino County in California, many a person suggested to me that if I really wanted to be in politics, I had better find a party other than the Republican Party, for similarly we had a telephone booth that did not have very much room in it.

Joe demonstrated clearly that he was going to make a difference in his State and his party in his State. It has been suggested by Steve and others that he ran those very, very close races and almost became Governor of the State of New Mexico. Well, what guy is good enough to go about getting elected to the United States Congress by way of write-in vote? To say the least, it is tough enough to get elected, but to have enough people care about you and know of your leadership skills to actually drive hard enough to get people to write your name in to be successful in races that are so intensely sought after?

Joe reminds me in many, many ways of his sense of humor by the dealings we had on another venture. We used to kid each other about Mexican food, because, you know, frankly I think those people, citizens of Mexican descent in our country, who are of the best lines come from beautiful downtown California, and he thought in turn that our food could not begin to compare in terms of Mexican food with that of New Mexico. So we challenged each other about that, first lightly, and he talked about his tamales early on and I was talking about enchiladas and tacos, et cetera. I just could not believe the tacos they produced in Washington, DC.

But in this challenge, we began to invite friends, first it was just our two staffs together, and then we would get people down the hall, and the program became a regular annual event called "Tamales on the Terrace."

The family of Joe Skeen goes beyond just the family we have mentioned here. The family also involves Selma Sierra, who was the person who was in charge of helping us put together Tamales on the Terrace. The terrace, by the way, is just outside the back door of my office, and it looks at the Capitol and a couple of other buildings.

The last time we held this gathering, we had to turn people away. There were 300 or 400 people there the last 2 or 3 years. The last event was a very, very special event indeed, because we were especially attempting to pay tribute to Joe Skeen as he was getting prepared to leave the Congress.

Suzanne Eisold, his administrative assistant, was a person who my wife, who helps me run my own office, has worked very closely with, for she helped put wheels on both of our operations. To be successful in this business you need help; and, without any doubt, he had that extra special quality of attracting the best of people around him to make sure that the best of work was done on behalf of his own people and the causes he was concerned with.

It has been said that appropriators are the people around here who must get their work done, because, without it, government cannot continue; and often times controversy stops many a bill around here.

Well, Joe was one of those workhorses who was able to get the toughest of business done in the appropriations process. His bills went to the President's desk and successfully had a huge impact upon the future of America's public lands by way of interior, and certainly had a fantastic impact upon prioritizing the way our appropriation dollars impact farmers, not just in New Mexico, but also in the country.

There is a great building in Sacramento that reminds me of the last trip I took to New Mexico to be with Joe. This great Federal building in Sacramento has on the face of it a statement to be remembered by those who think about Joe forever. It says, "Bring me men to match my mountains." That last trip that took me to Joe's hometown was for the dedication of a Federal building there, and I would hope that the people of New Mexico, whenever they go and look at that Federal building or have business there, will remember just how great this man was.

If we, indeed, have had a Will Rogers of modern days, Joe Skeen of New Mexico is that Will Rogers; and indeed he is the mountain of a man who has come from New Mexico.

Mrs. WILSON of New Mexico. Mr. Speaker, I thank the gentleman.

Mr. Speaker, I am pleased to yield to my colleague from northern New Mexico (Mr. UDALL).

Mr. UDALL of New Mexico. Mr. Speaker, I thank the gentlewoman for yielding.

Mr. Speaker, both my wife, Jill, and I were saddened to learn about Joe's death. Joe Skeen served New Mexico with distinction and dedication. During the 4 years we served together in Congress, I found Joe to be a true gentleman and statesman.

One of the stories that I like to tell about Joe Skeen was how he got here. He was only the third Member of the House in the history of this House to be elected by a write-in vote.

My wife was the Deputy Attorney General, and she was assigned to represent the State of New Mexico and the Secretary of State in the legal case that determined that he had to be a write-in. There was only a Democrat on the ballot. He was beloved by New Mexicans, and my wife and I were in the court that day when there was a ruling.

Representative Skeen understood that she had a job to do. He respected that. He never held it against us. He was always a gentleman. He had a great sense of humor; and he knew, because he was so loved in the State, that whether he got on the ballot or not, he was going to get elected, which in fact he did.

One of the things I respected about him the most was his bipartisanship; and I think every Member of Congress, Democrat and Republican, every Member of this House, loved him for that. He loved this institution. He had a great sense of humor. He did not take this place where we do the serious business of the country too seriously, and he would always have a good story or a quip.

I just want to say to Mary, the children and the rest of the family that all of us in the House of Representatives that served with him loved him very much, and we send Mary and his family our heart-felt condolences.

Jill and I were saddened to learn about Joe's death. Joe Skeen served New Mexico with distinction and dedication. During the 4 years we served together in Congress, I found Joe to be a true gentleman and statesman.

It is difficult to capture with words the impact and significance that Joe has meant, not only to New Mexicans, but to the citizens of the United States and the institution of the Congress as well. During his tenure as New Mexico's longest serving U.S. House Member, he built a dedicated and talented staff on Capitol Hill. He was renowned for his tireless work on behalf of agrarian interests. Although he didn't get the credit he deserved, he also helped steer millions of Federal dollars to our State.

I was proud to work with Joe on legislation that helped return mineral rights to Acoma Pueblo. That bill, now Federal law, was easily steered through Congress by Joe's knowledge of the legislative process. While we were ultimately not as successful as we would have liked, we also fought together to change the dairy sections of the 2002 farm bill that were unfair to our State's strong milk and cheese industry. Through it all, I enjoyed working with him every step of the way.

Throughout his years of service, he was a model of integrity and truth. The way he approached his job is the way every elected official should—as a highly principled individual who stuck to his beliefs. He walked his talk. While we didn't agree on everything, he always did what he believed in his heart to be true, and he always worked in a bipartisan way to accomplish important work.

His good will and sense of humor will be missed by all who knew him. We send our sympathy to his family and friends.

Mrs. WILSON of New Mexico. Mr. Speaker, I thank my colleague from northern New Mexico.

Mr. Speaker, all of us are going to miss Joe Skeen. All of us have our Joe Skeen stories and things that make us chuckle when we are walking around this place remembering him.

Joe was a sheep rancher. He has a ranch between Ruidoso and Roswell in the Hondo River Valley, which is a long way from just about everywhere. In fact, his ranch is 17 miles from pavement in the rural part of New Mexico.

□ 1900

In a lot of ways, Joe was a man of the West, a gentleman. He loved New Mexico, loved its rural way of life, and fought in this body for those ways of life to be protected. He opposed grazing fee increases and defended property rights and water rights. And even while he served here in the Congress and got accustomed to wearing soft-soled shoes on these granite floors instead of his preferred cowboy boots, he continued to ride and work the ranch with Mary and the kids and just one hired hand.

I can remember times here when they were doing State of the Union, and Joe always sat in the same place in this House. Whenever you needed to find Joe Skeen, you always knew where he would sit, in the back row in the far right, over in the corner. He was there, no matter what. And during the State of the Union one year, I heard a big "yippee" and a whistle from the back right corner of this room, and everyone in the whole room knew it was Joe Skeen. There is probably only one guy who can whistle and "yippee" like that, and who had the guts to do it on the floor of the House of Representatives during the State of the Union.

Joe Skeen said what he thought, and he said it in a direct way, and he stuck by his guns. He kept his word. He was a gentleman of the West.

When I was elected, I came here in a special election, and I had only 17 hours between when they counted the last votes and when I was on an airplane to fly here to Washington with my family. I did not even know where my predecessor's office was or how to get a key. There was a reception after the swearing in here on the House floor in Joe Skeen's Agriculture appropriations room. I was completely lost and somebody helped me find this reception, and my vote card was not even cool from the laminating machine when those bells went off. Not only did I not know what I was supposed to do, I had no idea where I was or where I was supposed to go or how to get there. And Joe Skeen said, "Come on, gal, you are coming with me." And for the next 5 years of my service here, so many times I was with him.

In 1960 when Joe Skeen started out in the State Senate, I was not even born, but he took responsibility for the stewardship of the next generation of young legislators from New Mexico.

Joe Skeen was a physical man. He was a rancher and a flyer and a cowboy, and that made it particularly hard for his friends and staff and family to see the ravages of Parkinson's in his later years.

There is a statue here in the House. It is in the hallway between this new modern Chamber that we use today and the old House. It is a statue of Will Rogers. Will Rogers was a man who understood the American spirit, a man who loved his country deeply, a man with a tremendous dry sense of humor that caused us to understand ourselves so much better. Joe Skeen was a lot like Will Rogers, and whenever I walk by that statue, I will always think of Joe.

Humor is a bridge between people over the things that divide us, and Joe Skeen had so much of it. I once walked up to him on the floor of this House and I said to him, my son was 5 years old at the time, and I said, Joe, my son Joshua thinks he wants to be a farmer, and Joe said, well, you send him to me, I will knock some sense into him. There is no money in it. And we had a good laugh. Everyone in this body has had a good laugh with Joe Skeen.

Our thoughts and prayers go out tonight to Mary, to his children, the many staff members who have worked with him over the years, and to the wonderful people of New Mexico who were served so well by him.

Mr. EVANS. Mr. Speaker, I would like to remember my friend and former colleague, Congressman Joe Skeen, who passed away recently in his home State of New Mexico.

Mr. Skeen was truly a giant in New Mexico politics, serving 22 years and entering the class just before mine. His is a great story of a rancher who won his first term through a write-in campaign and continued to win the next 10 terms.

I will remember Joe's work, especially on Parkinson's disease. He and I worked together as co-chairs of the Congressional Working Group on Parkinson's Disease. Although we differed on many issues, Joe and I agreed on the importance of working to eradicate this disease. We have both been personally affected by it.

I am glad that Joe was able to spend time with his family on his beloved ranch after serving a long and distinguished career. He will be missed by us on both sides of the aisle for his candor and hard work on issues of importance to New Mexicans and all Americans.

Mr. CROWLEY. Mr. Speaker, I would like to take this time and commemorate the life of former New Mexico Representative Joe Skeen. Joe lost his battle with Parkinson's disease on Sunday at the age of 76, and I would like to send my deepest condolences to his wife and family.

Joe was elected into the halls of Congress in 1980 as a write-in candidate. He served 11 terms which was more than any other New Mexico Member of Congress has ever served. He was chairman of the Interior and Related Agencies Subcommittee of the Appropriations Committee, and accomplished much during his tenure for New Mexico and our great Nation. I had the honor of working with Joe for a long time, and know of his love for the open lands of the western U.S.

As a Member of Congress, I honor Joe and mourn his passing, but also celebrate his life and his achievements.

Joe will forever be missed in the House of Representatives, in his great State of New Mexico and in this country, which he loved so much.

Mr. BONILLA. Mr. Speaker, it is with heavy heart I submit the following statement. Chairman Joe Skeen, our former colleague form the State of New Mexico, passed away on Sunday evening due to complications from Parkinson's disease.

Chairman Joseph "Joe" Richard Skeen was born in Roswell, Chaves County, NM, June 30, 1927, and graduated from O'Dea High School in Seattle, WA, in 1944. He went on to receive a B.S. from Texas A&M University in 1950. After fulfilling a commitment to the United States Navy and spending time in the United States Air Force Reserve, Joe turned his sights to public service and the causes of the rural residents of the State of New Mexico. Joe served his State as a member of the New Mexico State Senate, chairman of the New Mexico Republican Party, and as a delegate to both the New Mexico and National Republican conventions numerous times from 1962 to 1970. In 1980 Joe was elected to the 97th Congress as a write-in candidate, only the third in history. Chairman Skeen served longer than any other New Mexican in the House of Representatives, from 1981 to 2000. He was also the first New Mexican to serve on the House Appropriations Committee, and served with distinction as the chairman of both the Agriculture and Interior Subcommittees.

A great family, a fine State, and a grateful Nation all lost a wonderful champion, colleague and friend on Sunday. Joe will be missed often and I hope that we who continue in his place, may carry on the tradition of caring and service, which Chairman Skeen truly exemplified.

Mr. ORTIZ. Mr. Speaker, I rise to join my colleagues in fond memories of our friend and colleague, Joe Skeen, easily one of the most even-handed, honest, fair legislators elected to the House of Representatives.

Joe was only a little more senior than me, but his route here was considerably more entertaining than most of ours. Joe was elected as a write-in candidate over another write-in candidate and the nephew of the sitting governor. He made history, becoming the third Member ever to win election to Congress without being on a ballot.

For the next 22 years, Joe served with us in Congress, making excellent representation for his home district in New Mexico the standard of his service. He chaired the Appropriations Subcommittee on Agriculture and Rural Development. Those he represented in New Mexico could have had no better steward in Congress.

He was tireless in representing the needs of ranchers and farmers in his role as an appropriations cardinal.

Joe was my friend, and he was my neighbor on the third floor of Rayburn where we would often visit in each other's office.

He spoke Spanish, and he spoke the all-important language of bipartisanship. Joe Skeen was the best example of how a member of this House should comport themselves in any circumstance. He did more than just talk the talk, he walked the walk on bipartisanship, an art often lost in the House of Representatives today.

He was a pragmatist, and he was a guy who really enjoyed life, teasing colleagues and playing practical jokes. He was truly a gentleman, and he made our work here in the halls of Congress more pleasant when he was involved.

I join my colleagues here in the House in offering our collective and individual sympathies to Joe's wife Mary and their two children. The House has been a poorer place for Joe's absence. He was a great legislator and an exceptional man.

AMERICAN DREAM DOWNPAYMENT ACT

Mr. LEACH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 811) to support certain housing proposals in the fiscal year 2003 budget for the Federal Government, including the downpayment assistance initiative under the HOME Investment Partnership Act, and for other purposes, and ask for its immediate consideration in the House.

The SPEAKER pro tempore (Mr. Renzi). The Chair has been informed that this request has been cleared by both leaderships under the Speaker's guidelines.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 811

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Table of contents.

TITLE I—DOWNPAYMENT ASSISTANCE

Sec. 101. Short title.
Sec. 102. Downpayment assistance initiative.

TITLE II—INTERGENERATIONAL HOUSING ASSISTANCE

Sec. 201. Short title.
Sec. 202. Definitions.
Sec. 203. Demonstration program for elderly housing for intergenerational families.
Sec. 204. Training for HUD personnel regarding grandparent-headed and relative-headed families issues.
Sec. 205. Study of housing needs of grandparent-headed and relative-headed families.

TITLE III—ADJUSTABLE RATE SINGLE FAMILY MORTGAGES AND LOAN LIMIT ADJUSTMENTS

Sec. 301. Hybrid arms.
Sec. 302. FHA multifamily loan limit adjustments.

TITLE IV—HOPE VI PROGRAM REAUTHORIZATION

Sec. 401. Short title.
Sec. 402. Hope VI program reauthorization.
Sec. 403. Hope VI grants for assisting affordable housing through main street projects.

TITLE V—COMMUNITY DEVELOPMENT BLOCK GRANTS

Sec. 501. Funding for insular areas.

TITLE I—DOWNPAYMENT ASSISTANCE

SEC. 101. SHORT TITLE.

This title may be cited as the "American Dream Downpayment Act".

SEC. 102. DOWNPAYMENT ASSISTANCE INITIATIVE.

(a) Downpayment Assistance Initiative.—Subtitle E of title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12821) is amended to read as follows:

"Subtitle E—Other Assistance

"SEC. 271. DOWNPAYMENT ASSISTANCE INITIATIVE.

"(a) Definitions.—In this section:

"(1) Downpayment assistance.—The term "downpayment assistance" means assistance to help a family acquire a principal residence.

"(2) Home repairs.—The term "home repairs" means capital improvements or repairs that—

"(A) are identified in an appraisal or home inspection completed in conjunction with a home purchase; or

"(B) are completed within 1 year of the purchase of a home, and are necessary to bring the housing into compliance with health and safety housing codes of the unit of general local government in which the housing is located, including the remediation of lead paint or other home health hazards.

"(3) Participating jurisdiction.—The term "participating jurisdiction" means a State or unit of general local government designated under section 216.

"(4) State.—The term "State" means any State of the United States and the District of Columbia.

"(b) Grant Authority.—The Secretary may award grants to participating jurisdictions to assist low-income families to achieve homeownership, in accordance with this section.

"(c) ELIGIBLE ACTIVITIES.—

"(1) IN GENERAL.—

"(A) DOWNPAYMENT ASSISTANCE.—Subject to subparagraph (B), grants awarded under this section may be used only for downpayment assistance toward the purchase of single family housing (including 1 to 4 unit family dwelling units, condominium units, cooperative units, and manufactured housing units which are located on land which is owned by the manufactured housing unit owner, owned as a cooperative, or is subject to a leasehold interest with a term equal to at least the term of the mortgage financing on the unit, and manufactured housing lots) by low-income families who are first-time home-buyers.

"(B) HOME REPAIRS.—Not more than 20 percent of the grant funds provided under subsection (d) to a participating jurisdiction may be used to provide assistance to low-income, first-time home-buyers for home repairs.

"(2) LIMITATIONS.—

"(A) AMOUNT OF ASSISTANCE.—The amount of assistance provided to any low-income families under paragraph (1) shall not exceed the greater of—

"(i) 6 percent of the purchase price of a single family housing unit; or

"(ii) $10,000.

"(B) PARTICIPATION.—A participating jurisdiction may not use any amount of a grant awarded under this section to provide funding to an entity or organization that provides downpayment assistance if the activities of that entity or organization are financed in whole or in part, directly or indirectly, by contributions, service fees, or other payments from the sellers of housing.

"(d) FORMULA ALLOCATION.—

"(1) IN GENERAL.—For each fiscal year, the Secretary shall allocate any amounts made available for assistance under this section to each State that is a participating jurisdiction in an amount equal to a percentage of the total allocation that is equal to the percentage of the national total of low-income households residing in rental housing in the State, as determined on the basis of the most recent census data compiled by the Bureau of the Census.

"(2) PARTICIPATING JURISDICTIONS OTHER THAN STATES.—

"(A) IN GENERAL.—Subject to subparagraph (B), for each fiscal year, of the amount allocated to each State under paragraph (1), the Secretary shall further allocate from such amount to each participating jurisdiction located within such State an amount equal to the percentage of the allocation made to the State under paragraph (1) that is equal to the percentage of the State-wide total of low-income households residing in rental housing in such participating jurisdiction, as determined on the basis of the most recent census data compiled by the Bureau of the Census.

"(B) LIMITATION.—

"(i) IN GENERAL.—Direct allocations made under subparagraph (A) shall be made to a local participating jurisdiction only if—

"(I) the participating jurisdiction has a total population of 150,000 individuals or more, as determined on the basis of the most recent census data compiled by the Bureau of the Census; or

"(II) the participating jurisdiction would receive an allocation of $50,000 or more.

"(ii) REVERSION.—Any allocation that would have otherwise been made to a participating jurisdiction that does not meet the requirements of clause (i) shall revert back to the State in which the participating jurisdiction is located.

"(e) REALLOCATION.—If any amounts allocated to a participating jurisdiction under this section become available for reallocation, the amounts shall be reallocated to other participating jurisdictions in accordance with subsection (d).

"(f) APPLICABILITY OF OTHER PROVISIONS.—

"(1) IN GENERAL.—Except as otherwise provided in this section, grants made under this section shall not be subject to the provisions of this title.

"(2) APPLICABLE PROVISIONS.—In addition to the requirements of this section, grants made under this section shall be subject to the provisions of title I, sections 215(b), 218, 219, 221, 223, 224, and 226(a) of subtitle A of this title, and subtitle F of this title.

"(3) REFERENCES.—In applying the requirements of subtitle A referred to in paragraph (2)—

"(A) any references to funds under subtitle A shall be considered to refer to amounts made available for assistance under this section; and

"(B) any references to funds allocated or reallocated under section 217 or 217(d) shall be considered to refer to amounts allocated or reallocated under subsection (d) or (e) of this section, respectively.

"(g) HOUSING STRATEGY.—To be eligible to receive a grant under this section in any fiscal year, a participating jurisdiction shall include in its comprehensive housing affordability strategy developed under section 105 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12705) for such fiscal year—

"(1) a description of the anticipated use of any grant received under this section;

"(2) a plan for conducting targeted outreach to residents and tenants of public housing, trailer parks, and manufactured housing, and to other families assisted by public housing agencies, for the purpose of ensuring that grant amounts provided under this section to a participating jurisdiction are used for downpayment assistance for such residents, tenants, and families; and

"(3) a description of the actions to be taken to ensure the suitability of families receiving downpayment assistance under this section to undertake and maintain homeownership.

"(h) REPORT.—Not later than June 30, 2006, the Comptroller General of the United States shall submit a report containing a State-by-State analysis of the impact of grants awarded under this section to—

"(1) the Committee on Banking, Housing, and Urban Affairs of the Senate; and

"(2) the Committee on Financial Services of the House of Representatives.

"(i) SUNSET.—The Secretary shall have no authority to make grants under this Act after December 31, 2007.

"(j) RELOCATION ASSISTANCE AND DOWNPAYMENT ASSISTANCE.—The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (84 Stat. 1894) shall not apply to downpayment assistance under this section.

"(k) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $200,000,000 for each of fiscal years 2004 through 2007.".

TITLE II—INTERGENERATIONAL HOUSING ASSISTANCE

SEC. 201. SHORT TITLE.

This title may be cited as the "Living Equitably: Grandparents Aiding Children and Youth Act of 2003" or the "LEGACY Act of 2003".

SEC. 202. DEFINITIONS.

In this title:

(1) CHILD.—The term "child" means an individual who—

(A) is not attending school and is not more than 18 years of age; or

(B) is attending school and is not more than 19 years of age.

(2) COVERED FAMILY.—The term "covered family" means a family that—

(A) includes a child; and

(B) has a head of household who is—

(i) a grandparent of the child who is raising the child; or

(ii) a relative of the child who is raising the child.

(3) ELDERLY PERSON.—The term "elderly person" has the same meaning as in section 202(k) of the Housing Act of 1959 (12 U.S.C. 1701q(k)).

(4) GRANDPARENT.—

(A) IN GENERAL.—The term "grandparent" means, with respect to a child, an individual who is a grandparent or stepgrandparent of the child by blood or marriage, regardless of the age of such individual.

(B) CASE OF ADOPTION.—In the case of a child who was adopted, the term includes an individual who, by blood or marriage, is a grandparent or stepgrandparent of the child as adopted.

(5) INTERGENERATIONAL DWELLING UNIT.—The term "intergenerational dwelling unit" means a qualified dwelling unit that is reserved for occupancy only by an intergenerational family.

(6) INTERGENERATIONAL FAMILY.—The term "intergenerational family" means a covered family that has a head of household who is an elderly person.

(7) PRIVATE NONPROFIT ORGANIZATION.—The term "private nonprofit organization" has the same meaning as in section 202(k) of the Housing Act of 1959 (12 U.S.C. 1701q(k)).

(8) QUALIFIED DWELLING UNIT.—The term "qualified dwelling unit" means a dwelling unit that—

(A) has not fewer than 2 separate bedrooms;

(B) is equipped with design features appropriate to meet the special physical needs of elderly persons, as needed; and

(C) is equipped with design features appropriate to meet the special physical needs of young children, as needed.

(9) RAISING A CHILD.—The term "raising a child" means, with respect to an individual, that the individual—

(A) resides with the child; and

(B) is the primary caregiver for the child—

(i) because the biological or adoptive parents of the child do not reside with the child or are unable or unwilling to serve as the primary caregiver for the child; and

(ii) regardless of whether the individual has a legal relationship to the child (such as guardianship or legal custody) or is caring for the child informally and has no such legal relationship with the child.

(10) RELATIVE.—

(A) IN GENERAL.—The term "relative" means, with respect to a child, an individual who—

(i) is not a parent of the child by blood or marriage; and

(ii) is a relative of the child by blood or marriage, regardless of the age of the individual.

(B) CASE OF ADOPTION.—In the case of a child who was adopted, the term "relative" includes an individual who, by blood or marriage, is a relative of the family who adopted the child.

(11) SECRETARY.—The term "Secretary" means the Secretary of Housing and Urban Development.

SEC. 203. DEMONSTRATION PROGRAM FOR ELDERLY HOUSING FOR INTERGENERATIONAL FAMILIES.

(a) DEMONSTRATION PROGRAM.—The Secretary shall carry out a demonstration program (referred to in this section as the "demonstration program") to provide assistance for intergenerational dwelling units for intergenerational families in connection with the supportive housing program under section 202 of the Housing Act of 1959 (12 U.S.C. 1701q).

(b) INTERGENERATIONAL DWELLING UNITS.—The Secretary shall provide assistance under this section only to private nonprofit organizations selected under subsection (d) for use only for expanding the supply of intergenerational dwelling units, which units shall be provided—

(1) by designating and retrofitting, for use as intergenerational dwelling units, existing dwelling units that are located within a project assisted under section 202 of the Housing Act of 1959 (12 U.S.C. 1701q);

(2) through development of buildings or projects comprised solely of intergenerational dwelling units; or

(3) through the development of an annex or addition to an existing project assisted under section 202 of the Housing Act of 1959 (12 U.S.C. 1701q), that contains intergenerational dwelling units, including through the development of elder cottage housing opportunity units that are small, freestanding, barrier free, energy efficient, removable dwelling units located adjacent to a larger project or dwelling.

(c) PROGRAM TERMS.—Assistance provided pursuant to this section shall be subject to the provisions of section 202 of the Housing Act of 1959 (12 U.S.C. 1701q), except that—

(1) notwithstanding subsection (d)(1) of that section 202 or any provision of that section restricting occupancy to elderly persons, any intergenerational dwelling unit assisted under the demonstration program may be occupied by an intergenerational family;

(2) subsections (e) and (f) of that section 202 shall not apply;

(3) in addition to the requirements under subsection (g) of that section 202, the Secretary shall—

(A) ensure that occupants of intergenerational dwelling units assisted under the demonstration program are provided a range of services that are tailored to meet the needs of elderly persons, children, and intergenerational families; and

(B) coordinate with the heads of other Federal agencies as may be appropriate to ensure the provision of such services; and

(4) the Secretary may waive or alter any other provision of that section 202 necessary to provide for assistance under the demonstration program.

(d) SELECTION.—The Secretary shall—

(1) establish application procedures for private nonprofit organizations to apply for assistance under this section; and

(2) to the extent that amounts are made available pursuant to subsection (f), select not less than 2 and not more than 4 projects that are assisted under section 202 of the Housing Act of 1959 (12 U.S.C. 1701q) for assistance under this section, based on the ability of the applicant to develop and operate intergenerational dwelling units and national geographical diversity among those projects funded.

(e) REPORT.—Not later than 36 months after the date of enactment of this Act, the Secretary shall submit a report to Congress that—

(1) describes the demonstration program; and

(2) analyzes the effectiveness of the demonstration program.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $10,000,000 to carry out this section.

(g) SUNSET.—The demonstration program carried out under this section shall terminate 5 years after the date of enactment of this Act.

SEC. 204. TRAINING FOR HUD PERSONNEL REGARDING GRANDPARENT-HEADED AND RELATIVE-HEADED FAMILIES ISSUES.

Section 7 of the Department of Housing and Urban Development Act (42 U.S.C. 3535) is amended by adding at the end the following:

"(t) TRAINING REGARDING ISSUES RELATING TO GRANDPARENT-HEADED AND RELATIVE-HEADED FAMILIES.—The Secretary shall ensure that all personnel employed in field offices of the Department who have responsibilities for administering the housing assistance program under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) or the supportive housing program under section 202 of the Housing Act of 1959 (12 U.S.C. 1701q), and an appropriate number of personnel in the headquarters office of the Department who have responsibilities for those programs, have received adequate training regarding how covered families (as that term is defined in section 202 of the LEGACY Act of 2003) can be served by existing affordable housing programs.".

SEC. 205. STUDY OF HOUSING NEEDS OF GRANDPARENT-HEADED AND RELATIVE-HEADED FAMILIES.

(a) IN GENERAL.—The Secretary and the Director of the Bureau of the Census jointly shall—

(1) conduct a study to determine an estimate of the number of covered families in the United States and their affordable housing needs; and

(2) submit a report to Congress regarding the results of the study conducted under paragraph (1).

(b) REPORT AND RECOMMENDATIONS.—The report required under subsection (a) shall—

(1) be submitted to Congress not later than 12 months after the date of enactment of this Act; and

(2) include recommendations by the Secretary and the Director of the Bureau of the Census regarding how the major assisted housing programs of the Department of Housing and Urban Development, including the supportive housing for the elderly program under section 202 of the Housing Act of 1959 (12 U.S.C. 1701q) can be used and, if appropriate, amended or altered, to meet the affordable housing needs of covered families.

TITLE III—ADJUSTABLE RATE SINGLE FAMILY MORTGAGES AND LOAN LIMIT ADJUSTMENTS

SEC. 301. HYBRID ARMS.

(a) IN GENERAL.—Section 251(d)(1)(C) of the National Housing Act (12 U.S.C. 1715z-16(d)(1)(C)) is amended by striking "five" and inserting "3".

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply to mortgages executed on or after the date of the enactment of this title.

SEC. 302. FHA MULTIFAMILY LOAN LIMIT ADJUSTMENTS.

(a) SHORT TITLE.—This section may be cited as the "FHA Multifamily Loan Limit Adjustment Act of 2003".

(b) MAXIMUM MORTGAGE AMOUNT LIMIT FOR MULTIFAMILY HOUSING IN HIGH-COST AREAS.—Sections 207(c)(3), 213(b)(2)(B)(i), 220(d)(3)(B)(iii)(III), 221(d)(3)(ii)(II), 221(d)(4)(ii)(II), 231(c)(2)(B), and 234(e)(3)(B) of the National Housing Act (12 U.S.C. 1713(c)(3), 1715e(b)(2)(B)(i), 1715k(d)(3)(B)(iii)(II), 1715l(d)(3)(ii)(III), 1715l(d)(4)(ii)(II), 1715v(c)(2)(B)), and 1715y(e)(3)(B)) are each amended—

(1) by striking "110 percent" and inserting "140 percent"; and

(2) by inserting ", or 170 percent in high cost areas," after "140 percent".

(c) CATCH-UP ADJUSTMENTS TO CERTAIN MAXIMUM MORTGAGE AMOUNT LIMITS.—

(1) SECTION 207 LIMITS.—Section 207(c)(3)(A) of the National Housing Act (12 U.S.C. 1713(c)(3)(A)) is amended by striking "$11,250" and inserting "$17,460".

(2) SECTION 213 LIMITS.—Section 213(b)(2)(A) of the National Housing Act (12 U.S.C. 1715e(b)(2)(A)) is amended—

(A) by striking "$38,025" and inserting "$41,207";

(B) by striking "$42,120" and inserting "$47,511";

(C) by striking "$50,310" and inserting "$57,300";

(D) by striking "$62,010" and inserting "$73,343";

(E) by striking "$70,200" and inserting "$81,708";

(F) by striking "$49,140" and inserting "$49,710";

(G) by striking "$60,255" and inserting "$60,446";

(H) by striking "$75,465" and inserting "$78,197"; and

(I) by striking "$85,328" and inserting "$85,836".

(d) REHABILITATION AND NEIGHBORHOOD CONSERVATION HOUSING MORTGAGE INSURANCE.—Section 220(d)(3)(B)(iii) of the National Housing Act (12 U.S.C. 1715k(d)(3)(B)(iii) is amended—

(1) by striking "with respect to dollar amount limitations applicable to rehabilitation projects described in subclause (II)," and inserting "; (III)"; and

(2) by redesignating subclauses (III) and (IV) as subclauses (IV) and (V), respectively.

TITLE IV—HOPE VI PROGRAM REAUTHORIZATION

SEC. 401. SHORT TITLE.

This title may be cited as the "HOPE VI Program Reauthorization and Small Community Mainstreet Rejuvenation and Housing Act of 2003".

SEC. 402. HOPE VI PROGRAM REAUTHORIZATION.

(a) SELECTION CRITERIA.—Section 24(e)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437v(e)(2)) is amended—

(1) by striking the matter preceding subparagraph (A) and inserting the following:

"(2) SELECTION CRITERIA.—The Secretary shall establish criteria for the award of grants under this section and shall include among the factors—";

(2) in subparagraph (B), by striking "large-scale";

(3) in subparagraph (D)—

(A) by inserting "and ongoing implementation" after "development"; and

(B) by inserting ", except that the Secretary may not award a grant under this section unless the applicant has involved affected public housing residents at the beginning and during the planning process for the revitalization program, prior to submission of an application" before the semicolon at the end;

(4) in subparagraph (H), by striking "and" at the end;

(5) by redesignating subparagraph (I) as subparagraph (L); and

(6) by inserting after subparagraph (H) the following:

"(I) the extent to which the plan minimizes permanent displacement of current residents of the public housing site who wish to remain in or return to the revitalized community and provides for community and supportive services to residents prior to any relocation;

"(J) the extent to which the plan sustains or creates more project-based housing units available to persons eligible for public housing in markets where the plan shows there is demand for the maintenance or creation of such units;

"(K) the extent to which the plan gives to existing residents priority for occupancy in dwelling units which are public housing dwelling units, or for residents who can afford to live in other units, priority for those units in the revitalized community; and".

(b) Definition of Severely Distressed Public Housing.—Section 24(j)(2)(A)(iii) of the United States Housing Act of 1937 (42 U.S.C. 1437v(j)(2)(A)(iii)) is amended—

(1) in subclause (I), by striking "or" at the end;

(2) in subclause (II), by inserting "or" after the semicolon at the end; and

(3) by inserting at the end the following:

"(III) is lacking in sufficient appropriate transportation, supportive services, economic opportunity, schools, civic and religious institutions, and public services, resulting in severe social distress in the project;".

(c) Study of Elderly and Disabled Public Housing Needs.—Not later than 18 months after the date of enactment of this Act, the Comptroller General of the United States shall submit a report to Congress regarding the extent of severely distressed elderly and non-elderly disabled public housing, and recommendations for improving that housing through the HOPE VI program or other means, taking into account the special needs of the residents.

(d) Authorization of Appropriations.—Paragraph (1) of section 24(m) of the United States Housing Act of 1937 (42 U.S.C. 1437v(m)(1)) is amended by striking ", 2001, and 2002" and inserting "through 2006".

(e) Extension of Program.—Section 24(n) of the United States Housing Act of 1937 (42 U.S.C. 1437v(n)) is amended by striking "September 30, 2004" and inserting "September 30, 2006".

SEC. 403. HOPE VI GRANTS FOR ASSISTING AFFORDABLE HOUSING THROUGH MAIN STREET PROJECTS.

(a) Purposes.—Section 24(a) of the United States Housing Act of 1937 (42 U.S.C. 1437v(a)) is amended by adding after and below paragraph (4) the following:

"It is also the purpose of this section to provide assistance to smaller communities for the purpose of facilitating the development of affordable housing for low-income families that is undertaken in connection with a main street revitalization or redevelopment project in such communities.".

(b) Grants for Assisting Affordable Housing Developed Through Main Street Projects in Smaller Communities.—Section 24 of the United States Housing Act of 1937 (42 U.S.C. 1437v) is amended—

(1) by redesignating subsection (n) as subsection (o); and

(2) by inserting after subsection (m) the following new subsection:

"(n) Grants for Assisting Affordable Housing Developed Through Main Street Projects in Smaller Communities.—

"(1) Authority and use of grant amounts.—The Secretary may make grants under this subsection to smaller communities. Such grant amounts shall be used by smaller communities only to provide assistance to carry out eligible affordable housing activities under paragraph (4) in connection with an eligible project under paragraph (2).

"(2) Eligible project.—For purposes of this subsection, the term 'eligible project' means a project that—

"(A) the Secretary determines, under the criteria established þursuant to paragraph (3), is a main street project;

"(B) is carried out within the jurisdiction of smaller community receiving the grant; and

"(C) involves the development of affordable housing that is located in the commercial area that is the subject of the project.

"(3) Main street projects.—The Secretary shall establish requirements for a project to be consider a main street project for purposes of this section, which shall require that the project—

"(A) has as its purpose the revitalization or redevelopment of a historic or traditional commercial area;

"(B) involves investment, or other participation, by the government for, and private entities in, the community in which the project is carried out; and

"(C) complies with such historic preservation guidelines or principles as the Secretary shall identify to preserve significant historic or traditional architectural and design features in the structures or area involved in the project.

"(4) Eligible affordable housing activities.—For purposes of this subsection, the activities described in subsection (d)(1) shall be considered eligible affordable housing activities, except that—

"(A) such activities shall be conducted with respect to affordable housing rather than with respect to severely distressed public housing projects; and

"(B) eligible affordable housing activities under this subsection shall not include the activities described in subparagraphs (B) through (E), (J), or (K) of subsection (d)(1).

"(5) Maximum grant amount.—A grant under this subsection for a fiscal year for a single smaller community may not exceed $1,000,000.

"(6) Contribution requirement.—A smaller community applying for a grant under this subsection shall be considered an applicant for purposes of subsection (c) (relating to contributions by applicants), except that—

"(A) such supplemental amounts shall be used only for carrying out eligible affordable housing activities; and

"(B) paragraphs (1)(B) and (3) shall not apply to grants under this subsection.

"(7) Applications and selection.—

"(A) Application.—Pursuant to subsection (e)(1), the Secretary shall provide for smaller communities to apply for grants under this subsection, except that the Secretary may establish such separate or additional criteria for applications for such grants as may be appropriate to carry out this subsection.

"(B) Selection criteria.—The Secretary shall establish selection criteria for the award of grants under this subsection, which shall be based on the selection criteria established pursuant to subsection (e)(2), with such changes as may be appropriate to carry out the purposes of this subsection.

"(8) Cost limits.—The cost limits established pursuant to subsection (f) shall apply to eligible affordable housing activities assisted with grant amounts under this subsection.

"(9) Inapplicability of other provisions.—The provisions of subsections (g) (relating to disposition and replacement of severely distressed public housing), and (h) (relating to administration of grants by other entities), shall not apply to grants under this subsection.

"(10) Reporting.—The Secretary shall require each smaller community receiving a grant under this subsection to submit a report regarding the use of all amounts provided under the grant.

"(11) Definitions.—For purposes of this subsection, the following definitions shall apply:

"(A) Affordable housing.—The term 'affordable housing' means rental or homeownership dwelling units that—

"(i) are made available for initial occupancy to low-income families, with a subset of units made available to very- and extremely-low income families; and

"(ii) are subject to the same rules regarding occupant contribution toward rent or purchase and terms of rental or purchase as dwelling units in public housing projects assisted with a grant under this section.

"(B) Smaller community.—The term 'smaller community' means a unit of general local government (as such term is defined in section 102 of the Housing and Community Development Act of 1974 (42 U.S.C. 5302)) that—

"(i) has a population of 50,000 or fewer; and

"(ii)(I) is not served by a public housing agency; or

"(II) is served by a single public housing agency, which agency administers 100 or fewer public housing dwelling units.".

(c) Annual Report.—Section 24(l) of the United States Housing Act of 1937 (42 U.S.C. 1437v(l)) is amended—

(1) in paragraph (3), by striking "; and" and inserting ", including a specification of the amount and type of assistance provided under subsection (n);";

(2) by redesignating paragraph (4) as paragraph (5); and

(3) by inserting after paragraph (3) the following:

"(4) the types of projects funded, and number of affordable housing dwelling units developed with, grants under subsection (n); and".

(d) Funding.—Section 24(m) of the United States Housing Act of 1937 (42 U.S.C. 1437v(m)) is amended by adding at the end the following:

"(3) Set-aside for main street housing grants.—Of the amount appropriated pursuant to paragraph (1) for any fiscal year, the Secretary shall provide up to 5 percent for use only for grants under subsection (n).".

TITLE V—COMMUNITY DEVELOPMENT BLOCK GRANTS

SEC. 501. FUNDING FOR INSULAR AREAS.

(a) Definition of Insular Areas.—Section 102(a) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)) is amended by adding at the end the following:

"(24) The term 'insular area' means each of Guam, the Northern Mariana Islands, the Virgin Islands, and American Samoa.".

(b) Definition of Unit of General Government.—The first sentence of section 102(a)(1) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(1)) is amended—

(1) by inserting "and" after "Secretary;"; and

(2) by striking "; and the Trust Territory of the Pacific Islands".

(c) Statement of Activities and Review.—Section 104 of the Housing and Community Development Act of 1974 (42 U.S.C. 5304) is amended—

(1) in subsection (a)(1)—

(A) in the first sentence—

(i) by striking "or" after "State,"; and

(ii) by inserting "or under section 106(a)(3) by any insular area," after "government,"; and

(B) in the second sentence—

(i) by striking "and in the case of" and inserting a comma; and

(ii) by inserting "and insular areas receiving grants pursuant to section 106(a)(3)," after "106(d)(2)(B),";

(2) in subsection (e)(1), by striking "section 106(b) or section 106(d)(2)(B)" and inserting "subsection (a)(3), (b), or (d)(2)(B) of section 106"; and

(3) in subsection (m)—

(A) in paragraph (1), by inserting "(a)(2)," after "under subsection"; and

(B) in paragraph (2), by striking "government—" and inserting "government other than an insular area—".

(d) ALLOCATION AND DISTRIBUTION OF FUNDS.—Section 106(a) of the Housing and Community Development Act of 1974 (42 U.S.C. 5306(a)) is amended—

(1) in the first sentence of paragraph (1)—

(A) by striking "an appropriation Act" and inserting "appropriation Acts"; and

(B) by striking "in any year" and inserting "for such fiscal year";

(2) in paragraph (2), by inserting "under paragraph (1) and after reserving such amounts for insular areas under paragraph (2)" after "tribes";

(3) in paragraph (3), by striking "paragraphs (1) and (2)" and inserting "paragraphs (1), (2), and (3)"

(4) by redesignating paragraphs (2) and (3) (as so amended) as paragraphs (3) and (4); and

(5) by inserting after paragraph (1) the following:

"(2) For each fiscal year, of the amount approved in appropriation Acts under section 103 for grants for such fiscal year (excluding the amounts provided for use in accordance with section 107), the Secretary shall reserve for grants to insular areas $7,000,000. The Secretary shall provide for distribution of amounts under this paragraph to insular areas on the basis of the ratio of the population of each insular area to the population of all insular areas. In determining the distribution of amounts to insular areas, the Secretary may also include other statistical criteria as data become available from the Bureau of the Census, but only if such criteria are contained in a regulation promulgated by the Secretary after notice and public comment.".

(e) CONFORMING AMENDMENT.—The first sentence of section 106(d)(1) of the Housing and Community Development Act of 1974 (42 U.S.C. 5306(d)(1)) is amended by striking "paragraphs (1) and (2)" and inserting "paragraphs (1), (2), and (3)".

(f) SPECIAL PURPOSE GRANTS.—Section 107 of the Housing and Community Development Act of 1974 (42 U.S.C. 5307) is amended—

(1) in subsection (a)(1)—

(A) by striking subparagraph (A); and

(B) by redesignating subparagraphs (B) through (H) as subparagraphs (A) through (G), respectively; and

(2) in subsection (b)—

(A) by striking paragraph (1); and

(B) by redesignating paragraphs (2) through (7) as paragraphs (1) through (6), respectively.

(g) REGULATIONS.—The Secretary of Housing and Urban Development shall issue regulations to carry out the amendments made by this section, which shall take effect not later than the expiration of the 90-day period beginning on the date of the enactment of this Act.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. LEACH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on S. 811, the Senate bill just passed and include extraneous material thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

FACTORS TO CONSIDER CONCERNING FOREIGN POLICY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 2003, the gentleman from Iowa (Mr. LEACH) is recognized for the balance of the time of approximately 30 minutes as the designee of the majority leader.

Mr. LEACH. Mr. Speaker, 26 months after 9/11 and 7 months after the conclusion of major combat operations in Iraq, America is in a strategic pickle and Americans are in a judgmental quandary. The issue of our engagement in Iraq demands that we, as a society, probe the question of the limits of the superpower's power and the possible anomaly that there are severe liabilities to power, particularly for a superpower. Does, for instance, overwhelming military might protect us from terrorism or, if used unwisely, increase our vulnerability to terrorism? Likewise, does overwhelming economic power ensure loyalty or buy friendship from the countries most indebted to the United States? In other words, can military and economic might ever become a substitute for sensible and sensitive foreign policy? And given the dilemma of Iraq, could it, indeed, be that the most important "multibillion" problem America faces is not deficits measured in dollars, fiscal, or trade, but the antagonism of billions of people around the world who object to our current foreign policy?

Here let me say that I strongly believe the need for clarification of thought as it applies to policy, and anyone who wishes to review the reasoning I have applied to the Iraq issue, ranging from a floor explanation of a "no" vote on the congressional resolution authorizing war last year to calls for internationalizing the civil governance in Iraq several months ago, to a vote in favor of generosity in reconstruction efforts several weeks ago, can find explanatory statements on my congressional Web site.

What I would like to do today is summarize the dilemma we face and make the following points about where we might go from here.

Point number one: there are no certitudes. Anyone who was not conflicted on the original decision to intervene or who does not see a downside to all courses of action today is not approaching the problem with an open mind. In an era of anger, of divisions in the world based on economics, on color of skin, on ethnicity, on religious belief, on happenstance of family and place of birth; in a world made smaller by technological revolutions in communications and transportation, those who have causes, good or bad, have possibilities of being heard and felt around the globe that never existed before. Great leaders like Gandhi and Martin Luther King appealed to the higher angels of our nature and achieved revolutionary change with nonviolence. Mendacious leaders like Hitler, Saddam Hussein, and Osama bin Laden have sought to impose their wills on others through appeals to hate and reliance on increasingly wanton instruments of oppression.

As the world's only superpower, the U.S. has no choice but to display firmness of purpose and resolve in deterring inhumane breaches of order. Yet, firmness and resolve must be matched by compassionate understanding of the reasons people of the world lash out. We have the world's greatest Armed Forces. But these forces cannot successfully be deployed to counter international misconduct if we do not also seek to undercut the causes of such conduct.

Reviewing the causes of World War I, historians quickly concluded that there was not enough flexibility in the European alliance system, and that this rigidity allowed a rather minor event, the assassination of an Austrian archduke, to precipitate a cataclysmic war. With this example in mind, political leaders in the 1930s erred on the side of irresolution, which led them to Munich and the partition of Czechoslovakia. Too much inflexibility caused one war; too little spine led to an even greater one.

The problem today is not whether we should meet problems with firmness or compassion. We often need both. The problem is determining whether and how to respond with firmness and when and how to express compassion. As in all human conduct, the challenge is wisdom.

Point number two: we must listen as well as assert. Four decades ago, the British author Lawrence Durrell wrote a series of novels called the "Alexandria Quartet" in which he describes a set of events in Alexandria, Egypt preceding World War II. An experiment in the relativity of human perception, each of the four books views the same events through the eyes of a different character. While the events described are the same in each book, the stories as seen through the lens of each of the participants are surprisingly different. The reader comes to the realization that a broad understanding about events as they transpire can only be grasped by synthesizing the different perceptions of various protagonists.

To understand the Middle East today, we need to listen to everyone's story.

Point number three: to shape or to deter opponents' actions, we need to understand how they think.

American policymakers, at their best, reason in a pragmatic, future-oriented manner. In much of the rest of the world, on the other hand, people reason by historical analogy. Events dating centuries back, especially umbrages, dominate thinking about today. People in the Middle East, as in the Balkans, are oriented to the past and are driven by values and ideas of honor of a very different shape and emphasis than those we derive from American culture. When we assume the Iraqi populace should accept a prolonged American presence because of our goodwill and desire to establish a Western-style democracy, Muslims see our presence as compounding grievances originating in the Crusades and, in some ways, even earlier Biblical times.

Point number four: no country can go it alone for long and expect to be respected as an international leader.

Doctrines of American exceptionalism, the precept that we should not be bound by legal or procedural norms that bind others, which are now fashionable in certain Washington ideological circles, have led to intervention in Iraq without full U.N. sanction. Ironically, prior to 9/11, these same notions led to rejection of a Comprehensive Test Ban Treaty and of upgraded verification provisions for the 1972 Biological Weapons Convention, agreements that would have stood in the way of weapons of mass destruction production in Iraq and provided a legal basis for possible armed intervention if violations occurred. The world is crying out for leadership in restraining weapons development. We are not providing it because Washington policymakers prefer that restraint on others not apply to ourselves.

Point number five: be cautious of articulating policy doctrines.

Given the events of 9/11, consideration of preemption must continuously be on the table in Washington, but there is a distinction between needing to consider an action and setting forth a definitive doctrine. Here Teddy Roosevelt may have had the right adage: "speak softly and carry a big stick." Any American President, Democratic or Republican, socialist, liberal, conservative, or libertarian, would not think more than a millisecond before ordering the Marines to intervention if he or she were presented information that on some island, somewhere, a terrorist group had gotten control of a weapon of mass destruction which it was prepared to explode or infilter in an American city. The problem is that raising a commonsense concern to the order of a doctrine legitimizes such a doctrine for others: China, India, Russia, North Korea, for example, and undercuts the premises of much of post-World War II international law.

Complicating the issue is the psychological assumption that once the leader articulates a doctrine, especially one that bears his name, it is difficult to advance a policy in a given circumstance which is not consistent with the doctrine. Not to do so would provide critics a chance to suggest that a doctrine like preemption is ethereal, lacking meatiness ness, unless it is made real.

□ 1915

Any leader who outlines such a doctrine but chooses not to intervene would be open to charges of lightness or worse. Hence, the simple articulation of a doctrine can have the effect of biasing decision-making in complicated circumstances. The exception might be a doctrine of quietude; statesmanship often should be measured by what is not, rather than what is, said.

Point number six. When Washington policymakers speak on foreign policy, they must understand that their audience is more than one party's political base. While Saddam Hussein is widely perceived to be the worst sort of tyrant, many people around the world view us as bullies for attacking a sovereign country without prior armed provocation. That is why it is so critical that a case for intervention should be based in concern for the well-being of others as well as the United States' national interest. For foreign policy to be effective, it must be clearly articulated and convincing in those parts of the world most affected by it.

Point number seven. We must rededicate ourselves to building up an intelligence capacity that better understands the Middle East and Islamic world and is less susceptible to being politicized. Our inability to understand Islamic culture resulted in the greatest intelligence failure of our era. It is, however, not the sole intelligence failure. In one of the greatest judgmental errors of our time, we appear to have attempted to combat the ideological posturing of others by slanting our own intelligence. Based on what is known today, policymakers not only erred in assessing Saddam Hussein's WMD capacities but put too much faith in a narrow cadre of ideologues who suggested that the U.S. would be welcomed as a liberating, rather than conquering or worse yet, colonizing, force in Iraq. Estimates of the cost of war, the ramifications of involvement, of the expected reaction of the population, and of the likelihood of foreign support were dead wrong.

Point number eight. It is the responsibility of public officials to ensure that no American soldier is deployed as a defenseless magnet for terrorist attack or in such a way as to incite foreign radicals to commit terrorist acts in America itself. American soldiers have been trained to withstand the heat of battle in defense of America and American values. For 2¼ centuries, no country has been more effectively or more courageously served by a citizen soldiery than the United States. In Iraq, our Armed Forces could not have performed more professionally or valiantly than in the initial engagement.

But the difference between service in combat and service in occupation of a foreign land, especially in Islamic society, is profound. In Iraq, which is fast becoming for us much like Algeria was for the French in 1950s, our men and women in uniform are increasingly facing hit-and-run terrorist assaults, which are much more difficult to defend against than traditional military confrontations. The challenge of policymakers has recognized that there is a distinction between three endeavors: warfare, reconstruction, and occupation. Our Armed Forces are trained to prevail in the first, they can be helped on the second, but in the Islamic world no outside power is ever going to be well received as an occupying force. Hence, strategies that emphasize the first two endeavors and do not lead to a long-term reliance on the third should be the goal of the U.S. policymakers today.

Point number nine. Responses to terrorism often lead to escalating action-reaction cycles. When our armed services become subject to terrorist assault, and the perpetrators disappear into their neighborhoods, we, like Israel, will inevitably be tempted to retaliate in ways that may intensify, rather than restrain, future violence. Calls will be made not only to use air power in urban areas but to double or triple troop deployments perhaps without adequate assessments of what such troops would be assigned to do. In conventional warfare, the case for overwhelming superiority, sometimes referred to as the Powell Doctrine, is compelling. In a terrorist setting, as in modernist design, less can often be more. There may be cases where deploying a large force to combat terrorism is appropriate, there may also be cases, and I believe Iraq is one, where additional soldiers simply become additional targets; and a different mix of strategies is both preferable and more effective.

Point number ten. To defend against terrorism, especially when it is fueled by an explosive mix of religious and national sentiment requires frank acknowledgment of the nature and depth of the problem. For months, the administration has suggested that the problem in Iraq is limited to 5,000 dissidents. This is a five-digit miscalculation. At least half the Muslim world, over 500 million people, is outraged by the U.S. Government's attitudes and action. Long-simmering resentment of American policies in Muslim countries like Indonesia as in recent months metastasized into hatred. And in Europe, including what the Defense Department refers to as the "new Europe" as well as in south and east Asia, respect for American policy is in steep decline.

In the Vietnam War, we gave a great deal of attention to the notion of winning the hearts and minds of the people. We did not succeed in convincing the Vietnamese or world opinion of our good intentions despite the horrendous tactics of the Viet Cong in the communist north. Today, Americans must understand that in the battle for the minds of men, particularly in the Muslim world, we are doing less well than even the most difficult days of the Vietnam War.

In this context, we would be well advised to remember America's original revolutionary commitment to decent respect for the monies of mankind.

Point number eleven. While for the time being security in Iraq must remain the responsibility of U.S. military commanders in the field, we would be wise to put an international face on civil governance in the country and ask Secretary General Kofi Annan to immediately appoint a top civilian administrator to whom Ambassador Bremer and his staff would report. Transfer of interim civil authority to the U.N. would provide greater legitimacy to the formation of a new Iraqi government and encourage other countries to help with economic reconstruction and security requirements.

We should also work to transfer as soon as practicable responsibility for internal security to troops of other nations of the Iraqis themselves. Transferring the police function to others is a way to build up Iraq's own postwar internal security infrastructure and make evident that the U.S. does not desire long-term control.

Point number twelve. We should also move forthwith to transfer more political control to the Iraqi Governing Council and press for immediate elections and constitution-writing. Some argue that stability is more likely to be achieved with a long-term U.S. occupation. I believe the reverse is true. The longer we are in Iraq, the greater the instability there and the greater the likelihood that terrorism will spread to other countries, including the United States.

Point number thirteen. America cannot cut and run politically, economically, or militarily; but we would be wise to announce a timetable for troop withdrawal by the end of next year at the latest. Some experts in and out of government believe that American troops should stay in and control Iraq at least as long as we did in Japan and Germany after World War II. Such a timetable, a minimum of 5 years, is out of sync with the times and the mood of the Islamic world.

The world is more impatient today and Muslims in particular are more history-sensitive than ever before. While we assume the Iraqi populace accepts the American presence because of our goodwill, the Muslim world sees our force as the compounding of grievances dating back to the Crusades and more recently to the American support of Israel. The imagery Al Jazeera projects of Baghdad is that of another West Bank. In this context American commitments to "slog on" interminably play into the hands of extremists. All extremists have to do is continue blowing up a vehicle or two every day, thereby eliciting a military action that we might view as reasonable but the Islamic world is likely to see as heavy handed, angering the populace and emboldening further dissent.

The longer we stay, the greater the opportunity for al Qaeda and radical Baath Party supporters to claim that the war is continuing and that they are prevailing. To prevent this, and to keep control of events, we would be wise to announce a withdrawal timetable that we, not they, control. Setting such a timetable has the effect of asserting that the war itself is over and we prevailed and that Iraqis cannot dither in establishing a legitimate elected government.

A drawn out occupation plays into the hands of radicals. It gives them a rallying cry to keep up resistance in Iraq and expand terrorist assaults around the world. It gives them the chance to suggest that America is bent on continuing the crusades and, when we eventually withdraw, the prospect of claiming that they won the war. On the other hand, if we set a firm schedule for drawing down our troops, we define the war as being over in its 3rd week, not its 6th year. An announced timetable can later be modified to allow, for instance, a small force to remain briefly in northern Iraq to maintain sovereign cohesion. Timetables can also be abbreviated. But the point is that they underscore our reluctance to become an imperial power and, perhaps more importantly, our determination to control our own destiny.

Point number fourteen. Beware of partisan critiques. Some partisans are implying today ill motives in Presidential leadership and have suggested that American actions are constitutionally frail. Such criticisms miss the mark. This President is sincerely committed to his national security responsibilities, and his policies have received constitutional endorsement from the Congress. Other partisans are taking what some might perceive as an oxymoronic, liberal, neohawk perspective. They suggest the problem is the administration has not committed sufficient troops and sufficient time to do what we want to do in Iraq, whatever that might be.

The assumption is that Iraq will be a much better place if we aggressively occupy the country for prolonged periods of time. This assumption deserves review from two perspectives: the situation within and the political environment outside Iraq. From the first, the question has to be raised whether an occupying force has the effect of an over-stayed house guest: understandable for a short period, increasingly irritable with each passing day. In a domestic setting, house guests can at some point be pointed to the door. In Iraq, many have concluded that the only effective way of getting the uninvited to leave is to submit young soldiers to terrorist strikes and their local supporters to anarchist attacks.

A response to this dilemma cannot be developed in the simple linguistic context of resolving to stay the course, particularly when no clear course has been laid out. The language of intervention was couched in terms of concern for weapons of mass destruction and the need to retaliate against the forces that precipitated the events of 9/11. Postmortem analysis of these rationalizations put our actions in a questionable light. On the other hand, we must proceed from where we are not, where we thought we would have been. Wisdom might indicate that the emphasis be placed on, A, the humanitarian advantage to Iraqis in the region of the overthrow of Saddam Hussein; B, U.S. assistance and rebuilding Iraq's social infrastructure and help in bringing the country back into the mainstream of international politics and country; and, C, the laying of the groundwork for new political institutions.

None of these three emphases necessitates 5 to 10 years of occupation. Indeed, the longer we are there, the more likely a Saddam-type demagogue, albeit probably less secular, will emerge. It is true that the development of new civil institutions will take time, but it is also the case that the U.S. role in shepherding their development can be quickened. The judgment call we must make is whether U.S. leadership for change should be swift or slow paced. My sense is that swift actions are more likely to lead to Iraq-centric responsibility-taking. The U.S. will inevitably be dissatisfied with postwar circumstances in Iraq; but the longer the conflict continues, the more unstable the aftermath. Iraq will become more splintered and the U.S. more vulnerable to hateful reaction to others.

Another approach might be to indicate that we would expect to take most of our troops from Iraq within 6 months of Saddam Hussein's capture or death. Such a pronouncement would underscore that our problem is with his dictatorial regime, not with the Iraqi people or their religious faith. It might also provide incentive for the populace to help in apprehending their former head of state.

Point number fifteen. It is critical to the security of our troops as well as Iraqi security that we create an Iraqi police force as soon as possible. Responsibility for domestic security is an internal, not external, matter. We cannot be their policemen; and if we persist in trying, we will make it harder for stability to be established and maintained. Students of international politics have for the past generation questioned the capacity and moral authority of any country to be policemen for the world. But little academic attention has been devoted to the challenge of being policemen within a country after the conclusion of conflict. We have little experience with such responsibility. In Japan, MacArthur relied on indigenous Japanese police. In post-Hitler Germany, we quickly reconstituted a German constabulary at most levels.

Common sense would indicate that trying to police a country the size of France with soldiers unfamiliar with the language and culture of the society, untrained in the art of policing and unwelcome and resented in critical cities and towns must be a nearly impossible task.

□ 1930

Hence, the need to expedite the training of an indigenous Iraqi police force.

Point number sixteen. We should announce that we have no intention of establishing permanent military bases in Iraq.

Some Washington policymakers want such bases but they would be a political burden for any new government in Baghdad and a constant struggle for the U.S. to defend. Defense of American bases in Iraq from terrorism in the 21st Century is likely to be far more difficult than the challenge we first saw of maintaining United State sovereignty over the Panama Canal in the 20th Century.

The reason the Department of Defense concluded in the Carter Administration that it was wise to transfer control over the Panama Canal to the Panamanians was the estimation that the canal could be defended against traditional aggression but not sabotage or acts of terrorism. It seemed wiser to respect nationalist sentiment and provide for gradual transfer of the canal to local control than to insist in quasi-colonial assertions of power.

There are many reasons which Europeans are so smugly opposed to our policy in Iraq. One is historic experience to colonialism. The French were chased out of Algeria, the Russians, and earlier the British, out of Afghanistan. U.S. intervention in Iraq is seen in Europe is not too dissimilar to the British and French effort to reestablish control over the Suez Canal in 1956. It is noteworthy that the Islamic world deeply appreciated President Eisenhower's refusal to back the British and French intervention in Egypt at that time.

Europeans now think the shoe is on the other foot. We appear insensitive to history. In particular, those who call for multiyear occupation based on the World War II model seem not to comprehend that the Japanese understood that they attacked us and the Germans understood that our intervention was precipitated by their aggression. Iraqis, on the other hand, look at us as the aggressors, as imposers of alien values. They feel our presence is only justified at their behest.

Of all forms of government, successful occupation depends on consent of the governed. If it is lacking, problems are inevitable, particularly when and if foreign presence is of a military nature.

Point number seventeen. Credit will remain the dominant economic issue until Iraq's foreign debt is reduced or cancelled.

Neither significant private nor large-scale public credit will be made available to Iraqis until the burden of old debt is lifted. Accordingly, we should press vigorously for Saddam-era debt, which went largely to build palaces for Saddam's family and to buy weapons of aggression to be written off. We should also press to establish community-centered banks and credit unions where micro-credit can be offered.

Oil wealth has its advantages only if revenues are used for the benefit of society rather than political insiders. Increasing petroleum production is not enough. Oil is not a labor-intensive industry. Jobs matter and Iraq needs bankers and small business entrepreneurs far more than oil barrens. We have no choice except to help rebuild Iraq's oil infrastructure, but we must make clear that we have no intention of controlling the country's oil reserves. The natural resource of Iraq must be treated as the patrimony of the Iraqi people.

Point number eighteen: Economic assistance to Iraq should be front-loaded and generous.

War has been a constant of history, but the concept of reconstruction is relatively new. The 20th century gave us two vastly different models. At the end of World War I, the victors imposed retributive terms on Germany, which so angered German society that it turned to fascism. World War II was the result.

The allies took a different approach at the end of World War II. Generosity was the watchword. The Marshall Plan was adopted to rebuild Europe and General MacArthur directed the reform and modernization of Japan. Model democracies emerged. The world was made more secure.

The economic plan for Iraq should be two-prong, debt forgiveness coupled with institution building. A better world is more likely to emerge if the American agenda places its emphasis on construction rather than destruction.

Here a note about the other reconstruction model in American history is relevant. With his call for malice toward none in his second inaugural address, Lincoln set the most conciliatory tone in the history of war. His successor once removed, U.S. Grant, proved to be a more proficient soldier than President and countenanced carpetbagging conflicts of interest.

Our government today would be well-advised to recognize that neither history, nor the American public, approves of war or postwar profiteering. Great care has to be taken to ensure transparency and integrity in government contracts. And common sense would indicate that the more Iraqis are involved in rebuilding their own society, the more lasting such efforts are likely would be to be.

Point number nineteen: Terrorism effects world economics as well as politics.

Markets depend on confidence and nothing undercuts confidence more than anarchist acts. Policies designed to deter terrorism can be counterproductive. International disapproval of our actions may jeopardize our economy and diminish the credibility of our political leadership in the world. Increased terrorism could well have the dual effect of precipitating new U.S. military engagements and, ironically, strengthening isolationist sentiment which in turn could degenerate into a disastrous spiral of protectionism.

Point number twenty: The measure of success in reconstruction is not the sum of accomplishments.

During the Viet Nam War, the Pentagon gave progress reports mainly in terms of body counts. One of the most liberal critics of that war, I.F. Stone, once commented that he accepted the validity of the body counts, but thought that they did not reveal the big picture.

Suppose, Stone suggested, he was walking down a street and he bumped into a man running out of a bank, waving a gun and carrying a satchel full of money and were to ask the man, "What are you doing?" If the man responded, "I am waiting for a car," he would be telling the truth but not revealing the big picture.

Good things are being accomplished in Iraq, particularly in the north where an American General has won a measure of popularity through progressive stabilization initiatives. Yet, terrorism cannot credibly be contained in the arms-infested Iraqi environment. American civilians, as well as Armed Services personnel who have been posted to Iraq, deserve to be commended for their commitment and sacrifices, but prudence suggests that brevity of service is preferable to a long-standing presence. Otherwise, in a world where terrorism is a growth industry, even extraordinary sacrifice and significant accomplishments could be for naught.

Point number twenty-one: We must respect Iraqi culture and work to ensure that the art and artifacts of this cradle of civilization are preserved for the Iraqi people.

There are few umbrages more long-lasting than cultural theft. Cultural looting must be stopped, and the market for stolen antiquities squelched. For our part, we should ensure that Iraqi cultural sites are protected and that our laws are upgraded. Any stolen antiquities brought to America must be returned.

Point number twenty-two: The war in Iraq should not cause us to forget Afghanistan.

While the center of our military attention may at the moment be Bagdad, we must remember that no Iraqi was involved in hijacking the planes that struck the World Trade Center and the Pentagon on 9/11.

Few countries are more distant physically or culturally from the United States than Afghanistan; yet, it is there the plotting for the terrorist acts began. The Taliban have been removed and a new, more tolerant government has been established; but the world community has not fulfilled its commitments to raise the country out of poverty and warlordism. The U.S. cannot continue to be complacent about economic and social development in that country, where foreigners have never been welcome. Failure of the Karzai government and a return of the Taliban would be a major setback in the battle with terrorism.

Point number twemty-three: Lastly and most importantly, U.S. policymakers should never lose sight of the fact that events in Israel and Iraq are intertwined and that no challenge is more important for regional and global security than resolution of the Israeli-Palestinian dilemma.

Extraordinarily, from a priority perspective, administration after administration in Washington seems to pay only intermittent attention to the Palestinian issue. There should be no higher priority in our foreign policy than a resolution of the Arab-Israeli conflict. Attention in Washington should be riveted at all times on this singular problem. The current status quo is good neither for Israel nor for the Palestinians. Now, for the first time lack of progress in establishing a mutually acceptable modus vivendi between the parties may be even more damaging to countries not directly involved in the conflict. The need for U.S. leadership in pressing for peace has never been more urgent. It would be a tragedy if, focused as we are upon making war in one part of the Middle East, we neglected to give sufficient prority to promoting peace in another.

In conclusion, the world is noting that we are saying and what we are doing. Many are not convinced by our words; many are appalled by our actions. Yet nothing would be worse for the world than for us to fail. We must not. The key at this point is to recognize the limits as well as magnitude of our power and emphasize the most uplifting aspects of our heritage: democracy, opportunity, freedom of thought and worship. Motives matter; so do techniques to advance our values. The lesson of the past year is clear: America does better as a mediator and multi-party peace maker than as a unilateral interventionist.

IRAQ WATCH

The SPEAKER pro tempore (Mr. RENZI). Under the Speaker's announced policy of January 7, 2003, the gentleman from Massachusetts (Mr. DELAHUNT) is recognized for 60 minutes as the designee of the minority leader.

Mr. DELAHUNT. Mr. Speaker, I am here, and I anticipate being joined by several Members, to discuss the issues that the gentleman from Iowa (Mr. LEACH) was discussing, the gentleman, who commands great respect in this body and one who clearly possesses a profound knowledge of international relationships, and at the same time provides a perspective and an analysis that should be instructive and informative to all Americans. I think he had 23 points. I do not know whether he has any additional points he wishes to make, but if he does, I would be happy to yield to him.

It would appear that he does not. But again, let me acknowledge his contribution to the debate.

Myself and my colleagues for some weeks now, I think, on more than 20 occasions during the course of the time that is reserved after legislative business is concluded, the so-called "special orders" time, have come to the floor and we have labeled this particular initiative, the Iraq Watch. And, hopefully, we have had among us a conversation that has been both informative for the audience, as well as educational for the Members of the House in terms of this issue that, clearly, has a huge impact on the American people, both in terms of lives and the safety of our military personnel in Iraq, but also clearly in terms of our economy.

It is ironic that it was the gentleman from Iowa (Mr. LEACH) as I said, a very respected member of the Republican Party, who just left the floor, who spoke I believe so eloquently, and I daresay that I share many of the concerns and would agree with much of what he said. But having said that, recently in his home State, Iowa, there was an advertisement on behalf of the Bush Presidential Campaign; and I understand it was paid for by the Republican National Committee. It was titled "Reality" and it was a 30-second clip. There were some comments by the President, and I understand there were some snippets of speeches that the President had made regarding Iraq specifically and presumably the war on terrorists.

There was also an announcer, a voice overlay, if you will, not an individual who appeared on the ad, but someone who would comment after the snippet of the President was viewed by the audience. And what the announcer said caused me to be disturbed, because the announcer said, and I am quoting from that snippet, "Some now are attacking the President for attacking the terrorists."

The announcer then went on to say that, "Some called for us to retreat, putting our national security in the hands of others." And then the announcer instructed, "Call Congress now."

I am confused, because during the entire debate, not just regarding Iraq, not just regarding Afghanistan, but all of the debate subsequent to September 11, I never heard from a single Member on either side of the aisle that we should retreat and put our national security in the hands of others.

□ 1945

That simply was untrue. That ad was not misleading; it was an untruth.

Now, have many of us questioned the policy regarding Iraq, regarding the war on terror? Well, yes. An unequivocal yes. And as I said, ironically, we heard this earlier this evening from the preceding speaker, a well-regarded, well-respected, thoughtful member of the House Committee on International Relations who happens to be a subcommittee chair and one who voted against the resolution authorizing military intervention in Iraq. He certainly is not calling for any retreat, and neither am I, and neither is any Democrat.

But, again, I know many of us on both sides of the aisle, Republicans and Democrats, are concerned about the competence and what we see as a policy that is failing, which will translate not into a retreat but a defeat in terms of the war on terror. I understand that that particular 30-second ad is no longer running. Well, that is good. The questions that are being posed to the President and to his administration are not just coming from Democrats. The displeasure, the disappointment, the criticism, the concern is not coming from Democrats. It is a view that is shared by many.

Now, many Americans, clearly many in this Chamber, remember the former Speaker of the House of Representatives, Mr. Newt Gingrich. And clearly many Americans are familiar with the junior Senator from New York, the former First Lady, the wife of the former President, Bill Clinton. And all of us know that it would be a rare moment where they would agree on anything. Well, they happen to agree on the policy of this administration when it comes to Iraq, because yesterday it was the former House Speaker on a Sunday TV magazine program who stated that the Bush administration has gone, and I am quoting Newt Gingrich, "Off the cliff in postwar Iraq, and the White House has to get a grip on this."

These are not my words; these are the words of the former Speaker of the House, the former leader of the Republican Party in this House, Mr. Newt Gingrich, that often sat, Mr. Speaker, in the same chair that you are now sitting in presiding over this House. Well, on this particular occasion, Senator CLINTON said she agreed with Mr. Gingrich. She blamed the administration for miscalculating and inept planning in Iraq.

But those two are not alone.

Mr. ABERCROMBIE. Mr. Speaker, will the gentleman yield?

Mr. DELAHUNT. I yield to my good friend and a member of the Iraq Watch, the gentleman from Hawaii (Mr. ABERCROMBIE).

Mr. ABERCROMBIE. Mr. Speaker, the difficulty here, as the gentleman has outlined, is that we are now engaged in what can only be described as political hate speech. This is not an unusual circumstance, I am sorry to say, in this day and age.

I have had occasion to pick up a centennial edition, I believe is the designation, by the original publishers of George Orwell's "1984." A new introduction by Thomas Pinchon. My colleague may recall in "1984," in Orwell's conception of what was taking place, there is a whole new conception of what speech would consist of and what the language would be. Ignorance is strength, slavery is freedom, hatred is love. Everything becomes its own contradiction, its exact opposite. The confusion is there.

Let us read exactly what the advertisement said. We are now conducting political policy by virtue of advertising when issues of war and peace are concerned. Let me quote it directly: "Some are now attacking the President for attacking the terrorists." Who? Some. Who?

I suppose it is possible, if you look far enough and long enough and deep enough, you can find somebody, somewhere, not necessarily even within the boundaries of the United States, if we are talking about some, who would be attacking the President for attacking the terrorists. But I do not think that those of us who are taking this issue seriously and trying to engage in a dialogue on this issue can find anyone of a serious bent in the House, any of our colleagues, to come down and name anyone.

Mr. DELAHUNT. From either the Republican side or the Democratic side.

Mr. ABERCROMBIE. That goes without saying. Here on the floor of the House of Representatives, anyone, find anyone, who would be able to corroborate such an accusation.

In fact, if one takes into account, and I am looking here at an article in the Wall Street Journal, in an opinion article, "Politics and People," Albert Hunt, "What Might Have Been," and it concerns our good friend and my good friend and fellow Hawaiian, General Eric Shinseki, former Chief of the Army, who, as you know, was vilified by people in the administration.

Mr. DELAHUNT. And, Mr. Speaker, who happened to be a decorated hero, a military hero; someone who fought for his country with great bravery and valor. That is the kind of individual that my colleague is talking about.

Mr. ABERCROMBIE. I am not only talking about General Shinseki as a decorated war hero but as someone who came through the ranks to become chief of the Army, and who, in response to a congressional inquiry, gave answers, as a soldier should to those who are in charge of the country by constitution, gave answers with respect to what would be required in Iraq should an attack take place in order to avoid encouraging and in fact perhaps even seeing a situation take place in which terrorism would expand, rather than be contracted or defeated. What General Shinseki indicated was that we were not engaged in a serious "troops to task analysis."

That is what this is about. This is not about attacking the President about his opposition to terrorism; it is whether or not his political policies have resulted in military activity which is in fact not only succeeding but increasing the terrorism that exists in the world.

Mr. DELAHUNT. And, Mr. Speaker, the best evidence of that are the recent attacks both in Saudi Arabia and Turkey, one of our erstwhile allies in the region, who has been supportive of the United States in the war on terror, who has been supportive of our natural ally in the State of Israel. And what we are beginning to see is the spread of terrorism far from just Iraq, but everywhere around the world.

However, others, again from both parties, have articulated a criticism. CHUCK HAGEL, another veteran, someone who has experienced combat in Vietnam, a highly regarded, well-respected Senator, made this statement back in September, again on a national TV program. In response to the question, "Did the administration miscalculate the difficulty of this war?," this is what Senator HAGEL said: "Yes, they did miscalculate it. I think they did a miserable job of planning for a post-Saddam Iraq. They treated most in the Congress like a nuisance when we asked questions."

Well, I think it is incumbent upon the President of the United States to respond to the questions that the people's representatives in both branches of Congress pose, because it is the people of the United States that are losing their sons and daughters in Iraq. To date we have already appropriated in excess of $165 billion that will be paid for by future generations. And what do we see? We see a deteriorating situation.

Mr. ABERCROMBIE. If the gentleman will continue to yield, Mr. Speaker, we are spending not $87 billion, but as the gentleman indicated, upwards of $160 billion just in excess appropriations, or rather in additional supplemental appropriations vis-a-vis Iraq. Yet, when we bring home troops for rest and recreation purposes, they are taken to only three cities, and then they are on their own and they pay their own bills. That has not been changed.

I believe the figure is $55 million approximately that the Congress has put forward for transportation in the area of recreation purposes. It is not going to be enough. We are not even prepared at this stage to have orderly transitions in terms of rest and recreation periods, let alone what will now take place with the transfer of troops.

Mr. DELAHUNT. I am aware of the gentleman's expertise in terms of issues involving national security. I do not know whether the gentleman had an opportunity to read just recently the fact that we are now, for the next 6 months, under the benchmark in terms of readiness as far as our Army is concerned. And yet we have members of the administration, an Under Secretary of State and others, such as Richard Perle, who is the former chair of the Defense Policy Board, insinuating that if Syria does not get its act together, they might be the next one subject to a military intervention by the United States.

But having said that, I just want to go again back so that those who are listening are aware that that ad attacking Congress, and presumably Democrats, is just simply untrue.

Mr. ABERCROMBIE. If the gentleman will yield for a moment on his latter point, I was looking through my notes for a moment, and the gentleman indicated Mr. Perle. Would this be the same Mr. Perle, quoting from the Financial Times of December 4, that "the Boeing Corporation has taken a $20 million stake in an investment fund run by Richard Perle, a top Pentagon adviser, underlining the close links it has built to Washington's defense establishment. Boeing said it made the investment in Trireme Partners last year as part of a broad strategy to invest in companies with promising defense-related technologies." The Financial Times adds, "Boeing said it had no knowledge that Mr. Perle had advised the company on a controversial

$18 billion deal to lease refueling aircraft tankers to the U.S. Air Force or other Pentagon related matters."

Mr. DELAHUNT. This is the same Richard Perle, my friend, who was the former chair but then resigned because of concerns about conflict of interest.

Mr. ABERCROMBIE. As a defense adviser to the Secretary of Defense.

Mr. DELAHUNT. Who, in many respects, was the single most ardent supporter of a leading member of the Iraqi Governing Council, whose name is Ahmed Chalabi. And I do not know how this happened, but he was appointed by the administration to the Iraqi Governing Council without any consultation with another of our allies in the region, the Government of Jordan.

So, Mr. Speaker, I do not know if the gentleman is aware of this, but I daresay many who might be watching this are unaware of it, but Mr. Chalabi was convicted in Jordan for embezzlement in the amount of hundreds of millions of dollars.

□ 2000

He was sentenced in absentia, and received a sentence of 22 years. He is a convicted felon. Again, I do not want to get into issues that I think we both agree do not really go to the heart of our policy but reflect the failures of the management of the so-called war against terror.

Mr. ABERCROMBIE. Mr. Speaker, if the gentleman would yield, the reason this has relevance is because these are the people who are formulating the policy. These are the people who are making the case for the foundations of the political policy that we find our troops having to bear the brunt of. That is the whole point here. The question is not whether we are against terror, the question is not whether there is support for the troops, the question is do we have a political policy that is worthy of their sacrifice.

Mr. DELAHUNT. The question is, I dare say, who is in charge? For me, it was an interesting Sunday morning when I listened to the chairman of the Senate Foreign Relations Committee, RICHARD LUGAR, again another highly-respected Republican with considerable experience in terms of foreign relations, along with the senior Democrat on the committee, Senator JOE BIDEN. When Senator BIDEN made the statement that the President should take charge, and Tim Russet, who happened to be the moderator, asked whether that was good and necessary advice, Senator LUGAR, the Republican Senator from the State of Indiana who chairs the Senate Foreign Relations Committee said yes, it is, it is very necessary. I concur with my colleague, the President has to be the President, that means the President over the Vice President and other Secretaries. LUGAR had just had enough of the administration's divided voices, especially the Vice President's which he described, when referring to the Vice President, "very, very tough and strident."

To put out an ad in Iowa during a Presidential Campaign suggesting it was either the Democrats or Congress that wanted to retreat on the war on terror, no, that is not the case. None of us want to retreat, we want to win, we do not want to lose, and we are looking at defeat right now.

Many that are watching here tonight clearly are familiar with Senator McCAIN who served this country heroically and courageously in Vietnam as a pilot, who served for many years as a prisoner of war, and he criticized, as reported in USA Today, just about a month ago, McCAIN criticized the Bush Administration conduct of the Iraq war yesterday, saying the U.S. should send at least 15,000 more troops, or risk the most significant global defeat on the world stage since Vietnam. McCAIN said Bush must be more involved in Iraqi decisionmaking and not be influenced by the upcoming Presidential campaign. McCAIN also challenged the Rumsfeld assertion that the 132,000 American troops in Iraq can defeat the insurgency in the country. This is again Senator McCAIN's words, "The simple truth is we do not have sufficient forces in Iraq to meet our military objectives."

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. RENZI). The Chair would remind all Members to refrain from quoting the Senate, including quotations of individual Senators.

Mr. ABERCROMBIE. Mr. Speaker, clearly this advertisement to which we are referring in which the phrase "some are now attacking the President for attacking the terrorists," is meant to reestablish a link between Iraq, the attack in Iraq and 9/11. That is to say, there has been a constant drum-beat attempt by those who advocated this war in Iraq that this was somehow an extension or expansion or movement toward a more direct attack on terrorism, whereas no link has been established between the attack on the Trade Towers and the plane crashing in Pennsylvania, no link has been established between that and this attack on Iraq.

To the contrary, there is more than ample evidence to indicate that there were policymakers around the President who wanted to have this attack on Iraq well before 9/11, and 9/11 became the excuse for them to bring this back up, move it into the forefront and, in fact, displace the war on terror, the response to the attack on terror.

That is, in fact, not just what was implied in this ad, but this is clearly an attempt on a political basis to try to reestablish that in the minds of Americans across the Nation so that this becomes a defense of this failed policy in Iraq.

Mr. DELAHUNT. Mr. Speaker, let us remember for a moment this it was practically a unanimous vote with one exception, over 400 Members of this House voted to support, the gentleman and I included, to support the intervention in Afghanistan because, clearly, there was a haven for the terrorists there. There were al Qaeda camps there. There was al Qaeda training there. But now let us stop for a moment and examine what has happened in Afghanistan. What has happened in Afghanistan, if this administration is really serious about the war on terror, we are facing a crisis in Afghanistan. They have the responsibility.

I do not know if the gentleman is aware, but after the overwhelming victory by the military in Afghanistan, in the 2003 budget the dollars that were appropriated or recommended by the administration for reconstruction and support for Afghanistan amounted to nothing, not a single dollar.

Fortunately, this House and this Senate appropriated some $800 million. But stop for a moment and realize that those that attacked the United States on 9/11, al Qaeda, Osama bin Laden, those terrorists that were clearly posing an imminent and direct threat to Americans everywhere, and still do, are multiplying like fishes and loaves, were headquartered in Afghanistan and protected by the Taliban regime. It has been 2 years, and what is happening in Afghanistan?

Mr. ABERCROMBIE. Mr. Speaker, if the gentleman would yield, I think we see in the dialogue that has taken place between Secretary Powell and our NATO allies, the answer to that question. The NATO allies are not going to increase to the degree they have any troops there at all, and they do have some in insignificant numbers. The Italians, for example, have police officers, and so on, but insignificant numbers. They are reluctant at best, if not outright hostile, toward the idea of increasing their presence in Iraq for a simple reason, it is the NATO forces in Afghanistan that are bearing the brunt of trying to deal with the continuing battle that is going on there against terrorism. That war on terror was not won in Afghanistan, it is ongoing. It is ongoing as we speak. We do not have sufficient forces, let alone intelligence there, right now.

The gentleman may know we now have to deal with the horrifying consequences and stories that will be going around based on what happened in Afghanistan within the last 36 hours where nine children were killed in an attempt to try to take a presumed militant, whatever the word is these days that is attached to anybody that we can presume to be an enemy.

We do not have sufficient forces, we do not have sufficient assets, we do not have sufficient concentration of intelligence efforts in Afghanistan right now because we are diverted in Iraq.

Mr. DELAHUNT. And the American people should know that the Taliban and al Qaeda are experiencing a resurgence in the border area of Afghanistan with Pakistan. They are coming back. We are on the verge of losing the war against terror. We are not retreating, but we are finding ourselves on the verge of losing.

Mr. ABERCROMBIE. Mr. Speaker, this is precisely the point that we are trying to make, and have been trying to make here in Iraq Watch, over and over again. By engaging as we are in Iraq right now, we are actually undermining our capacity to confront terror, whether in its most physically manifest form in Afghanistan or in the recruitment and the propaganda that is now sweeping the Islamic world with regard to whether or not America is now an enemy that must be fought at all costs. We are increasing the number of people who can succumb to that kind of message because of what we are doing in Iraq and what we are not doing in Afghanistan.

Mr. DELAHUNT. And yet months ago the White House was attempting to call Afghanistan a success stories; but they failed to commit the necessary resources, and now we have a chaotic and increasingly dangerous country where violence is the norm, where the Taliban is returning, and one can only see that we are on the verge of repeating the same mistake in Iraq. Can Members just imagine in terms of the prestige and the influence of the United States, not just in that region but all over the Muslim world, as well as the entire globe, what would happen in terms of the erosion of our stature.

There was a very good analytical piece done by a columnist by the name of Jake Kaplan, and I want to quote what he said 4 or 5 months ago. "As we reconsider reconstruction plans in Iraq and the administration promises to democratize the country, it is worth taking a look at our liberalization of Afghanistan. A year later, many of the atrocities we thought would stop still continue, and even Bush's allies in the Senate on Afghanistan think we have undercommitted to efforts that could truly change that country for the better. 'Afghanistan's experience does not bode very well for the upcoming one,' said Steven Burke of the Center for International Conflict Resolution, who just returned from 16 days in Afghanistan in early March. It is a country that needs attention and commitment, but there is an inclination to withdraw."

And there is an ad that says that Congress is retreating? Who are these people that are retreating from the war on terror? And yet no dollars in the 2003 budget submitted by the administration were incorporated into that budget for Afghanistan, and that ad runs? That is more than an untruth.

Mr. ABERCROMBIE. Mr. Speaker, we may not be financing what is necessary for either troop movements or political stability in Afghanistan, but I can assure the gentleman, I am sorry to say that financing is nonetheless taking place in Afghanistan except it is going to be for terror.

□ 2015

We now have more poppies being grown, more heroin being processed, and more trading in heroin than ever before in the history of Afghanistan, than ever before in the history of any nation on the face of the Earth. I should say any region on the face of the Earth, because clearly Afghanistan does not rate the name of nation now in terms of commerce and stability and political equilibrium that we associate with the term. The only thing that is stable, the only thing that is growing, the only thing that is expanding, the only thing that is a sure thing in Afghanistan is there is more heroin being traded for more money that is going to find its way into the pockets of those who are financing terrorism.

Mr. DELAHUNT. And come to the streets and the communities and the neighborhoods in this country. There is one statistic the gentleman might be interested in. Since our intervention 2 years ago in Afghanistan, opium production has increased 19-fold and become the major source of the world's heroin. Who is retreating? I want to win, and I know you want to win. That opium production will fuel terrorism. By the way, President Karzai, whom I believe is a man of great courage, it is well known among all the international observers and participants in the efforts to assist Afghanistan that he cannot leave Kabul for fear of being assassinated. His brother, who represents the government in southern Kandahar, which is a province in Afghanistan, was very blunt to a reporter. He said recently, "It's like I am seeing the same movie twice and no one is trying to fix the problem. What was promised to Afghans with the collapse of the Taliban was a new life of hope and change. But what was delivered? Nothing. There have been no significant changes for the people." Hamid Karzai says he does not know what to say to people anymore. And who is retreating? Who is allowing terrorism to experience a renaissance, if you will, in Afghanistan, after the promises were made by this administration?

Mr. ABERCROMBIE. If the gentleman will yield, I think the answer is very, very clear. All of our assets, human and otherwise, are being concentrated in Iraq, or that area of the world which purports to be Iraq. As the gentleman knows, Iraq is a construct of the post-World War I colonial powers, particularly Great Britain and France. And so even the idea that there is a political construct there that can be referred to for elections or anything else is little more than fiction to begin with. The plain fact of the matter is that we cannot move forward in Afghanistan because the assets that are needed there, particularly financial, are being wasted right now in Iraq.

Mr. DELAHUNT. Again, I do not want those that might be watching us this evening having this conversation to think that simply because you and I are Democrats that there are not concerns that have been expressed by Members in the majority party. There was an article that appeared in a magazine that circulates here in Washington particularly among Members and those that work on Capitol Hill. This is back several weeks ago in Roll Call. The article is entitled, "As Supplemental Heads to Conference, Members Warn of Cautionary Tale in Afghanistan." Members are using the war-torn nation as an example of what not to do in Iraq. "Remember, Afghanistan was the haven for Osama bin Laden and al Qaeda," I am quoting now from Representative JIM KOLBE, chair of the Appropriations Committee in this body on foreign relations. He said there has been some neglect of it. He was referring to the 2-year U.S. effort to rebuild Afghanistan after toppling its repressive and terrorist-shielding Taliban government.

Representative LEWIS, our colleague from California who chairs the appropriations subcommittee on defense, said, "One really does need to understand the challenges we face in Iraq. We should not leave vacuums like we did in Afghanistan. A failed state there could be an incubator for terrorism again but the resources have not always followed the policy." Again, there is Senator LUGAR.

Mr. ABERCROMBIE. If the gentleman will yield, I will tell you where we do have a visible presence, where we do meet the criteria that is stated and enunciated by Representative LEWIS and the good Senator. We now have barbed wire villages. Those images are going all around the world as we speak. We are now creating our own areas of concentration camps and villages complete with identification cards that have to be shown to American soldiers so that people, and I say people, I am talking women, children, men, entire villages now are being processed through barbed wire into their own villages.

Mr. DELAHUNT. It is called winning the hearts and minds of the people, I presume.

Mr. ABERCROMBIE. The parallel, and I am not one to draw analogies to Vietnam because I think most of those kinds of comparisons tend to be inexact and then you end up in useless kinds of arguments as to exactitude, but the parallels are there. You may recall the rather infamous phrase associated with our pacification policy in Vietnam. We had to destroy the village in order to save it. Now in order to stabilize Iraq, we have to take barbed wire and surround whole villages with it. So I think the question here is, at this stage, what is to be done? How are we to regard the war on terror and what the relationship of the attack on Baghdad and the subsequent war which followed it, how is that to be handled? How is that to be addressed by the United States?

We are told, and again these cliches and bromides come fast and furious, that we should not cut and run. I am going to have to presume, I guess, that I know what cutting and running means. It means that you stop doing what you are doing and you leave. I do not know whether anybody noticed it or not, I certainly noticed, about November 15, that is precisely what Mr. Bush and Mr. Bremer concluded, that the United States was going to cut and run. That is what we are doing right now. The problem is that we are not admitting that that is what we are doing and we are sacrificing the Reserves and the Guard and the active duty military that is there now and that which will be going there to this continued failed policy without admitting what we are doing.

We are turning over supposedly conveniently, just before the election in 2004, turning over, supposedly, the present occupation to a government in Iraq. If that is not cutting and running, I do not know what is. Are we going to turn over control, such as it might be, to some governing entity in Iraq, or are we not? And if we are, what constitutes that governing entity, this farce of an advisory group that we have there? Shiite clerics? The ill-equipped and untrained police forces that we have cobbled together? Or perhaps we are going to turn it over to this new paramilitary army made up of armed members of various political parties in Iraq. A paramilitary force.

And we have the gall to turn to the American people and say, "Well, they are preparing to defend themselves." They are preparing to cut each other's throats. They are preparing to fight one another, not just politically but with guns and bullets. The fact of the matter is that there is utter and complete political chaos in Iraq that is not being addressed by existing military policy of the United States.

Mr. DELAHUNT. And they made the same, and continue to make the same, mistake in Afghanistan. After more than 18 months now, only about 7,000 troops have completed training under British and French and American officers. That program has been delayed by desertions and political interference from Afghan warlords. At this point in time, it was estimated there would be 50 or 60,000 in the Afghan police and in the Afghan military. And they expect that they are going to have in June a national election. If they have a national election, one can only imagine the magnitude of violence that will occur.

We are losing the war on terror, Mr. President. We are not retreating. What we are imploring you to do is to consult with Congress. Do not consider Congress as a nuisance. Listen to the Jim Leaches, to the Chuck Hagels, to the John McCains, and to others that have valuable insights in terms of what war is truly about and, most importantly, how to make peace and protect the Americans and our national security interests, and tell the RNC to take that ad off, because it is a lie. It is not just an untruth.

Mr. ABERCROMBIE. If the gentleman will yield, I will tell you what we are going to have to do in the meantime, then, to try and protect those troops that are already there and to try and find an exit strategy worthy of the name that can allow us the opportunity to turn over some kind of political capacity in Iraq. There is a bill going forward that hopefully will be signed on a bipartisan basis to increase the end strength of the armed services, the Army and Marines in particular, and I am afraid now we are going to have to include the Air Force. At one point I think if we had handled this, we would not have had to add the Air Force. Since 1995, I for one and others on the Committee on Armed Services and other interested parties have been urging, so this goes beyond the present administration.

We are not trying to draw distinctions there. Since 1995, some of us have been urging an increase in the end strength. That is an inside baseball term in the Committee on Armed Services for increasing the number of troops in the Army and in the Marine Corps, because we could see the kinds of deployments that were taking place, whether it was in Kosovo, whether it was in Bosnia, in other words, in Eastern Europe, whether it was in the Philippines. No matter where it was and no matter what the reasons may have been, no matter how one felt about it one way or the other, the plain fact of the matter is that there was sufficient support to warrant these deployments, and we did not have the troop strength available to do it. We do not yet have a reinstitution of the draft.

When people talk about the war on terrorism, most people are watching it on television. We are depending on a volunteer force to do that. What sacrifices have we made? Some inconvenience in an airport? Somebody running, as they did for me yesterday when I flew here, running their wands over your shoes? Having you hold your arms out so that they can check your watch? Examining your baggage? What kind of sacrifice is that? At most it is an inconvenience.

The only sacrifice that we have made as a population since 9/11 is we postponed the Super Bowl one week. An inconvenience. That is the only sacrifice that has been made. This is being watched on television. This is being observed. We get the little tear in the eye and we get the flag being waved around those who are in Walter Reed or in Bethesda Hospital right now with grievous wounds. The sacrifice of the troops is not the point here. It is the sacrifice of those troops on a battlefield of corrupt political policy unworthy of the troops that are out there. And I tell you this, we cannot sustain with the existing Guard and Reserves that we have in this country the continual deployment into Iraq and still meet the necessities that we have outlined with respect to Afghanistan. That does not even begin to include questions about North Korea or any other place that United States troops may or may not be needed in the future as a result of some activity, other kinds of terrorist activity in other places around the world. We are not prepared. We are not able to engage in deployments with respect to terror in the rest of the world because of the failure of our policies in Iraq and our failure to understand the true nature of what was necessary in Afghanistan.

□ 2030

Mr. DELAHUNT. What is refreshing is within the past 2 or 3 weeks there has been some candor on the part of representatives of the administration. In a recent story in the Washington Post back on November 19, the new U.S. Ambassador to Afghanistan made this acknowledgment: He gave the administration's bleakest assessment yet of security conditions in Afghanistan, saying that a regrouping of the Taliban and al Qaeda, increased drug trafficking, and even common criminals are hampering Karsai in the transition to democracy. Taliban rebels have dramatically stepped up operations in recent months, and Khalilzad, who is our Ambassador, said, "Common criminals and al Qaeda followers are increasingly active."

Just be honest with the American people. Do not talk about Congress not supporting the war on terror or Democrats not supporting the war on terror or selected Republicans not supporting the war on terror. Every American has an interest in defeating those that would attack this country. Do not question motives. Do not question people's patriotism. Do not question the effort to create a policy. Many of us including myself and the gentleman from Hawaii opposed American intervention in Iraq, and I stand by that decision proudly. But now that we are there, do not politicize the efforts that are being made to deal with these egregious conditions in Iraq and in Afghanistan when this administration has made promises to those people and to the American people and are not living up to them.

What I found fascinating was a secret memo, a secret memorandum, that was authored by the Secretary of Defense, Mr. Rumsfeld, who was widely known or at least widely believed to be an ardent hawk about military intervention; who, along with the Vice President and Under Secretary Wolfowitz, told the American people that our military personnel would be greeted with flowers and bands and welcomed as liberators. But now the reality has set in. And in a secret memorandum, Secretary Rumsfeld is expressing concerns about whether we are winning the war on terrorism, and he posed two interesting questions in this secret memorandum that was leaked so the American people could find out what was going on in terms of the administration's honest assessment. "Are we winning or losing the global war on terror?" was one of the questions. And "Is our current situation such that the harder we work, the behinder we get?"

It is indeed unfortunate that politics would be allowed to play a role in decisions where not just America tax dollars of a magnitude that will clearly at a point in our future become a drag on our economy because we are borrowing those dollars, remember, and the grant we gave them, we are not going to get it back. But even more importantly, our men and women find themselves at risk in terms of their personal safety every day. This is not a place for politics. This is not a place for attack ads. And I dare say that if that is the strategy that is being designed by the President's political advisor, it will backfire, because the American people, they get it. They really get it.

Mr. ACKERMAN. Mr. Speaker, will the gentleman yield?

Mr. DELAHUNT. I yield to the gentleman from Hawaii.

Mr. ACKERMAN. The acting Secretary of the Army I am afraid has not gotten that particular message because in relation to right in my own district out in Hawaii, the movement of troops out of the 25th up at Schofield Barracks, out into Asia and into Iraq, the movement of Guard and Reserve troops, indicated that this was justified on the basis that if we did not fight them, presumably whoever these people are, terrorists and opposition, military opposition, fight them over there, wherever "there" is, that we would be fighting them here, that is to say, in the United States. The clear link there obviously is that had we not attacked Iraq, Iraq would somehow be attacking the United States, that somehow we would be the victims of an assault by Iraq or the forces of Iraq and presumably by that meaning Saddam Hussein.

Mr. DELAHUNT. Mr. Speaker, they still cannot find the weapons of mass destruction. And, by the way, I do not know if the American people are aware of this, but it has cost and will cost the American taxpayer simply to look, to secure the experts, secure the expertise, to look for these weapons of mass destruction, which by now there is an overwhelming consensus that they do not exist and that they never existed. It is costing the American taxpayers $1 billion. Just think of what $1 billion could do for Hawaii or for Massachusetts. I mean, I guess, that is a subject for another night.

Mr. ACKERMAN. Mr. Speaker, if the gentleman would yield, precisely my point is that it serves little good both to a sensible and reasonable and rational dialogue as to what steps we should take now with regard to our occupation in Iraq and the continuing military operations in Afghanistan, it does little good for us to engage in a dialogue in which these kinds of accusations are made or these kinds of observations such as I have just outlined: If we do not fight them there, we will have to fight them there. This is hardly worthy of the Secretary of the Army let alone any high official of the government. It is hardly worthy of anybody to say some are attacking the President for attacking terrorists. I mean it is stupid on its face to say something like that, and it is clearly meant to be provocative and political without forming any kind of an enlightenment with respect to the issues at hand. What needs to be done, and I think that the Iraq Watch that we have been engaged in these past weeks is indicative of this, that what needs to be done is to have this kind of dialogue. We do not have the hearings. We do not have the dialogue during the regular course of the day.

We are getting ready to recess. The Congress is going out of business in the midst of this winter. There will be no recess in the wars. There will be no recess in the killing. There will be no recess in the wounding. There will be no recess in the political implications. I can assure the Members of that. We are reaping a whirlwind of hatred and distrust across the world such as we have not faced certainly in my memory. The United States has always represented a beacon of hope to people. In our worst excesses and in times when there has been the most argument, even within the borders of the United States as to what our policy should be or should not be, it has always at least had as our fundamental base that we were trying to do the right thing by way of our cooperation with others, by way of our respect for other people; and yet today our whole policy is we are going to do as we please. We are going to take up the issues as we see fit, and whether anybody else wants to involve themselves with us, that is tough. We do not care. That is not a foreign policy. That way lies blindness and defeat for this country.

Mr. DELAHUNT. Mr. Speaker, I thank the gentleman for his remarks.

THE REPUBLICAN MEDICARE LEGISLATION

The SPEAKER pro tempore (Mr. RENZI). Under the Speaker's announced policy of January 7, 2003, the gentleman from New Jersey (Mr. PALLONE) is recognized for 60 minutes.

Mr. PALLONE. Mr. Speaker, I would like to take to the floor this evening to discuss the Medicare legislation that the President signed today. And needless to say, I am very critical of the legislation which was essentially and primarily sponsored by the Republican leadership, and, obviously, supported by the President of the United States. And I know that the President signed the bill with great fanfare today, but certainly from the reaction that I have been getting in my district and throughout the State, because I was in various locations around the State of New Jersey over the last 2 weeks when we had our Thanksgiving recess, the reaction amongst New Jerseyans has been overwhelmingly against the bill. And I have to say that the concerns that I am hearing from senior citizens in New Jersey, and I am sure this is echoed throughout the country, are primarily concerned that they have been fooled, that the President and the Republican leadership in the Congress are telling them that the Medicare bill is going to accomplish certain things, particularly with regard to prescription drugs, but the reality is that it is very different from what the Republicans are saying about the Medicare legislation. And I just wanted to go through some of the areas where I think that there is an effort on the part of the Republicans to say what this bill will do in a positive way and point out that the reality is very different.

First of all, I would say that the Republican Medicare legislation tries to fool the seniors by saying that somehow they are going to get a discount. If we talk to seniors and even the public at large, the biggest concern they have about prescription drugs is not only that they cost too much but that the costs keep rising, actually much more than inflation, and the bottom line is the bill does absolutely nothing to bring the cost of prescription drugs down. In fact, there is a provision in the bill, and I would like to make reference to it, called the noninterference clause that was actually the subject of an editorial in the Los Angeles Times within the last few days, and because of the fact that there is this noninterference clause in the bill, the Medicare Administrator, that is the person at the Federal level who administers the Medicare program, will not be able to negotiate prices and bring down prices, because keep in mind, Mr. Speaker, that in many cases if they represent a lot of people, as in the case of the Medicare Administrator who will represent about 40 million seniors in the

Medicare program, because they represent so many people, they can negotiate a lower price for them for particular drugs on a given day or a given week or a given year. But what the Republicans put in the bill at the request of the pharmaceutical companies is this noninterference clause. And if I could read it, it says: "Noninterference," in order to promote competition under this part and in carrying out this part, the Secretary, that is of Health and Human Services, the Medicare Administrator, may not interfere with the negotiations between drug manufacturers and pharmacies and PDP sponsors and may not require particular formulary or institute a price structure for the reimbursement of covered part D drugs.

So, essentially, what this clause says is that unlike what we do with the Veterans Administration or what unlike what we do with the military, the Federal Government cannot negotiate, on behalf of all these seniors, lower prices. That is wrong. But more than its being wrong and not making any sense because of the power of the Medicare Administrator to negotiate lower prices, it fools the seniors. It gives the impression to the seniors that the Republicans are giving that somehow there is some cost containment in this bill and in reality there is not any. There is actually a prohibition on any kind of cost containment on the bill with regard to prices for prescription drugs.

□ 2045

Now, a second way that the Republicans try to fool the seniors is by saying that Medicare is going broke. I have had so many of my colleagues on the Republican side get down on the floor here in the last 6 months and say, well, we have to make changes and reform Medicare because it is going broke.

In fact, Medicare is not going broke. The only reason why there is any problem at all with the Medicare trust fund is because the Republicans have been borrowing from the trust fund in the last 2 years to pay for their tax cuts. So the trust fund has actually lost money because we, the Congress, in basically enacting legislation that would provide for huge tax cuts, primarily for the wealthy or for corporate interests, has not had the money to implement those tax cuts and has been borrowing from the Medicare as well as the Social Security trust funds to pay for those tax cuts.

So, again, another effort to try to fool the seniors, to suggest that somehow Medicare is going broke, when in fact the only problem with Medicare stems from Republican fiscal and tax policies.

The third thing that the Republicans try to do is fool the seniors by saying they are giving seniors a choice. In other words, the theory is that if you privatize Medicare or if you say that in order to get a prescription drug plan you have to join an HMO or you have to go to some kind of drug-only policy essentially outside of traditional Medicare, that somehow you are given a choice.

The reality is the seniors lose their choice, because the most important thing that seniors want is a choice of physicians; and if they have to join an HMO, which is essentially the only way practically speaking you are going to get a prescription drug benefit under this bill, you are going to lose your choice of doctors, you might lose your choice of hospitals, you are certainly going to lose your choice of certain kinds of medical procedures, because the HMOs simply will not cover it.

The ultimate irony was this Sunday in the New York Times there was an article on the front page by Robert Pear that pointed to a little-known aspect of this Republican Medicare bill where they forbid the issuance of Medigap supplemental insurance policies once the drug benefit goes into effect in the year 2006.

Let me tell you, if the Republicans are saying they are going to give seniors choice, how is there choice when they cannot even choose a Medigap supplemental insurance policy? It is the opposite of choice. What the Republicans have done with that provision is not provide the seniors a choice, but say it is essentially either my way or the highway. You either choose a prescription drug plan under an HMO, or you choose a prescription drug plan under a drug-only private insurance policy. But if you want to stay in traditional Medicare, then not only do you not get the drug benefit, but you cannot even buy supplemental coverage to pay for supplementing the holes, if you will, in your existing Medicare coverage.

What the Republicans are doing is everything possible. They say it is choice, but really what they are doing is denying you a choice by making it almost impossible for you to stay within the traditional Medicare program if you want a prescription drug program, or, maybe even if you do not, because you cannot buy Medigap supplemental coverage.

Already some of my colleagues on the Republican side are saying, well, that prohibition on Medigap insurance does not take effect until 2006, and sometime between now and then we will get to that and change that. Maybe we will repeal that provision. I think they should repeal the whole thing. Frankly, the whole thing that the President signed today is bad. It is bad for Medicare and seniors.

I want to get into a few more areas where I think the President and the Republicans are fooling the seniors. They are not giving them choice; they are denying them choice. But the other way they try to fool the seniors is they say they are getting a benefit, and they suggest it is a very generous drug benefit.

The reality is it is not a meaningful drug benefit, and it is hardly generous. It is ultimately going to cost you. If you decide you want to join an HMO and lose your choice of physicians because you want this benefit, this benefit will, nonetheless, cost you so much out-of-pocket compared to what you are going to get back from the Federal Government that I would venture to say that probably less than 10 percent of the seniors would actually opt for this kind of a benefit, because it is such a meaningless benefit.

Let me give you an idea what I am talking about, because I do not want to talk in general terms. I want to give examples of why I say even if you wanted this benefit, if you decided to get out of traditional Medicare and join an HMO, why you would not want to do this.

Let me give you three examples of a senior with $2,250 in drug costs in a year. In other words, if your prescription drugs are going to cost you $2,250 in a given year, you are going to pay $420 in premiums, that is $35 each month times 12, a $250 deductible and $500 out-of-pocket, which is 25 percent of the drug costs that you have to pay when you first go beyond your deductible of $251 to $2,250. You are actually paying $1,170 for $2,250 in drugs.

You might say, well, that is not too bad. I am getting less than 50 percent of my drug costs paid, but maybe it is a good deal. Well, not if you have to lose your doctor and join an HMO. But even with all that, less than 50 percent of your drug costs are being paid for by the Federal Government.

But most seniors are not in the category where their drug bills are $2,250 a year. More seniors have drug expenses that are larger than that and fall into the so-called donut hole. This is an area where if you have your drug bills above a certain amount, the Federal Government pays no part of the cost of your drug bills. I want to give you an example of that.

Let us talk about a senior whose drug costs fall above $2,250, or in this donut hole where they have to pay 100 percent of the cost. Say a senior has $3,500 in annual drug costs. This does not exceed the $5,100 catastrophic cap, so they would pay $1,170 for the first $2,250, and, as I said before, $1,250, which is 100 percent of the difference between $2,250 and $3,500. So if your drug costs were $3,500, you would be paying $2,420 for those $3,500 in drug costs, or 70 percent of the cost.

This is because if your drug costs essentially go between $2,000 and $5,000 before you get to this catastrophic level, you are paying 100 percent of the cost. You are actually going to be in a situation where you are paying premiums every month to the Federal

Government for this drug benefit, but getting nothing back, because you are at that point after 6 or 7 months in the year where you have exceeded the $2,250 in costs, but you are not up to $5,000, so you are paying premiums and getting nothing to cover your drugs. You talk about a benefit and you talk about trying to fool the seniors; it is unbelievable how much deceit is essentially involved in this legislation.

I just want to get a couple more examples, because I see my colleague from Ohio is here. Let me give you a couple more examples of how they try to fool the seniors.

The Republicans say to seniors they will be able to stay in traditional Medicare if they want the prescription drug benefit. As I have said, that is really not true, because they have to join an HMO to get any kind of drug benefit. If they want to buy a drug-only policy, which might be out there, the premiums for that will probably be so high it will not even be available.

But the worse aspect of this when they say you can stay in traditional Medicare is for those seniors who are going to be in these demonstration programs throughout the country, where they are essentially going to give you a voucher and say we are going to give you so much amount of money to pay for your health insurance, but you have got to go to the private market and try to find someone to give that voucher to, that set amount of money, to pay for your health insurance.

This is not even with the prescription drug plan. This is Medicare in general. The Republican leadership, in the House version of this bill they wanted to essentially privatize all of Medicare by the year 2010, but because the other body, the Senate, would not go along with it, they ended up putting this in certain demonstration programs.

One of these demonstration programs is going to be in the southern part of New Jersey, not in my district, but in the southern part of the State. There are about 200,000 seniors in the southern part of New Jersey that are likely to be in this demonstration program, where they are going to be given a voucher and told you go out and buy your health insurance with this set amount of money and you cannot stay in traditional Medicare.

If you say you want to stay in traditional Medicare, what they are going to do is say, okay, if you want to stay in traditional Medicare, you have to pay the difference in cost between that voucher and what it costs the Federal Government to provide the traditional Medicare, which could be an extra $500, an extra $1,000, an extra $2,000 per year. Essentially, seniors are going to be forced out of traditional Medicare, just the opposite of what the Republicans were saying.

The last thing I want to say, where there is a serious element of deceit, is the Republicans are trying to fool the seniors by saying they are going to get a drug benefit immediately after the bill goes into effect. Practically every Republican who got on the floor the night we debated this bill made that statement in some form or the other, and it is simply not the case, because this drug benefit does not go into effect until the year 2006.

What they are going to do over the next 2 or 3 years before it goes into effect is give you some kind of discount drug card. In New Jersey, we see a lot of these because we have a lot of pharmaceutical companies, and most of them give out a discount drug card. You pay a certain amount of money, and you get anywhere from a 5 to 10 to 15 percent discount on your drugs. But since there is no cost containment, it essentially is a ruse, because the drug companies charge whatever they want for the prescription drugs and give you a 5, 10, or sometimes maybe a 15 percent discount.

So now the Federal Government, according to the President, over the next 2 or 3 years before the drug benefit comes into play, is going to hand out these drug cards to seniors so they can get the slight discount, which is really no meaningful discount at all.

I have to say I was not surprised when I went home over the Thanksgiving recess over the last 2 weeks, all that I heard at the senior centers, even on the street, even at the supermarket, were people coming up to me and being not so much mad as upset in some cases almost to the point of tears over what this Republican bill is going to do to their Medicare.

People are saying to me, Are they going to take my Medicare? What are they going to do to my Medicare? People personalize Medicare. It is so important to them, and yet all these changes are going to take effect that are against their interests.

I have editorials that are written in my local papers against this. These were not editorials I suggested. These were the newspapers and the local senior groups looking at this Medicare bill and saying how it was going to be detrimental to them and the future of the Medicare program.

I see that my colleague, the gentleman from Ohio (Mr. BROWN) is here. He is the ranking Democrat on the Subcommittee on Health; and he has been outspoken on this issue, particularly in pointing to the conflicts of interest that exists with the drug companies and the insurance companies who stand to benefit from the changes that are in this Republican bill.

I yield to the gentleman.

Mr. BROWN of Ohio. Mr. Speaker, I thank my friend from New Jersey, who has just been dogged in his pursuit of this issue and trying to protect Medicare, trying to write a prescription drug benefit inside Medicare, and not this privatized HMO kind of Medicare inadequate prescription drug plan that the President signed today.

When you listen to the gentleman from New Jersey (Mr. PALLONE), you just keep asking the question, why is it that all this happened this way? Why would such a bill pass the Republican House, pass the Republican Senate, in very close votes, and be signed by the President? Why would they do this?

The answer is pretty clearly the kind of influence that the drug and insurance industries have in this body. The word on the street is that the drug companies, the prescription drug companies, are going to contribute $100 million towards the President's reelection. It is no surprise that nothing passes this Chamber, nothing gets through both Chambers, nothing gets enacted into law and will be signed by the President unless it has the support of the drug companies.

Let me just talk for a moment about that, and then I want to tell a couple of stories. The 10 biggest drug companies in this country had revenue last year of $217 billion, more than the entire GDP, gross domestic product, of the country of Austria. These 10 companies posted profits of $37 billion last year. That is more than the Federal Government spent on the entire VA health care system. It is more than the entire Housing and Urban Development budget for last year.

The drug companies on this year's Fortune 500 list posted profits of more than 17 percent, 5.5 times what the rest of the Fortune 500 profits were. The drug industry led all other Fortune 500 industries on two key profitability indices, return on revenues and return on assets.

Now, I want to get there, even with that, even with the drug industry's iron lock on this institution, the corruption, the incredible influence that this industry has on this Congress, on Republican leadership, on the President, on the Vice President, on leadership in the other body, in the Senate, even with all that, I think it is important to sort of see how we got here.

At 2:54 in the morning on a Friday in March, this House cut veterans benefits by three votes. At 2:30 a.m. on a Friday in April, in the middle of the night, House Republicans slashed education and health care by five votes. At 1:56 a.m. on a Friday in May, the House passed a leave-no-millionaire-behind tax cut by a couple of votes. At 2:33 a.m. on a Friday in June, House Republicans passed a Medicare privatization and prescription drug bill by one vote. At 12:57 a.m. on a Friday in July, the House Republicans eviscerated Head Start by one vote. Then after summer recess, at 12:12 a.m. on a Friday morning, in the wee hours of Thursday night in October, the House voted $87 billion for Iraq. Always in the middle of the night, always a contentious bill, always after the press had passed their deadlines, always after the American people had turned off the news and gone to bed.

□ 2100

With that track record, and the gentleman from New Jersey (Mr. PALLONE) has illustrated this, we should not be terribly surprised that when the House passed legislation that privatizes Medicare, that dramatically changes the 38 years of Medicare as we know it, that the House did it at 5:55 on a Saturday morning. The Republican leadership delivered this 100-page Medicare bill to House Members on Friday morning at 1:46 a.m. We voted on it 25 hours later.

But, Mr. Speaker, in a lot of ways I do not blame my Republican colleagues. If I produced that bill, I would not want people to know a lot about it either, because when Republicans sit down behind closed doors with the insurance industry and the drug industry and write a bill to privatize Medicare, of course they do not want the public to know, because this bill is not a prescription drug bill when we really look at it. We could have agreed bipartisanly. The gentleman from New Jersey (Mr. PALLONE) and I and our Republican friends could have written this bill, we could have agreed bipartisanly to deliver a $400 billion prescription drug benefit inside of Medicare, delivered to people the same way that people get their doctor and hospital and get their choice: they send the bill to Medicare and it would work. But this bill is more about Medicare privatization. For that, Republicans have a long history.

Republicans have never much liked Medicare as a Federal program. Turn the calendar 38 years back to the beginnings of this most popular program perhaps in American history. When Congress passed the legislation creating Medicare in 1965, in the spring of 1965, there were 140 Republicans in the House of Representatives. Only 13 out of those 140, less than 1 in 10, fewer than 1 in 10 Republicans in this House voted to support it. Every leading national Republican voted no. Future President Gerald Ford, future Presidential nominee Bob Dole, future legislative leaders Bob Michel, John Rhodes; future Defense Secretary Donald Rumsfeld, every leading national Republican voted against the creation of Medicare.

Now, after that passed and they realized the public liked it, there were no major efforts to try to get rid of it until 1995 when Republicans had their first chance to do it when Republicans captured the majority of the House of Representatives. In 1995, Newt Gingrich, Speaker of the House, immediately during the Contract With America tried to cut Medicare $270 billion to, what do we think, pay for a tax cut for the richest people and the most privileged people in the country. Gingrich in that year, in October of 1995, said, now, we did not get rid of Medicare in round one, we did not think that is politically smart. We do not think that is the right way to go through a transition, but we believe it is going to wither on the vine.

Texas Governor, then Governor George Bush was a strong supporter of that privatization effort. Majority leader Dick Armey, another Texas Republican said, Medicare is a program I would have no part of in a Free World. Bob Dole bragged, I was there fighting the fight against Medicare. The gentleman from Georgia (Mr. LINDER), Committee on Rules member, a Republican, told me in a meeting in 2002 at the Committee on Rules, Medicare is a Soviet-style system. It is on and on and on. The gentleman from California (Mr. THOMAS) who, with the drug companies and the insurance industry, wrote this Medicare privatization bill this year, said, to those who say that this bill would end Medicare as we know it, our answer is I certainly hope so.

This bill, as the gentleman from New Jersey (Mr. PALLONE) went through, it jeopardizes employer-sponsored retiree coverage for the 12 million-plus seniors who have this coverage. Understand, as the gentleman from New Jersey (Mr. PALLONE) has said, there are 12 million seniors today who have pretty good prescription drug coverage as part of their retirement plans, retirement packages from their employers. Some, between one-fifth and one-third of those, according to the Congressional Budget Office, will have their employers yank that coverage, and they will then be thrown into this privatized Medicare system.

Now, this bill, in addition to the problems that the gentleman from New Jersey (Mr. PALLONE) mentioned, this bill creates a $12 billion slush fund for HMOs to encourage them to provide coverage; it increases drug industry profits by $139 billion, increasing their profits by 40 percent. We could go on and on and on and on. We know, we know about the profitability of the drug companies; we know about how the drug companies have, by and large, written this bill.

We know that the drug companies benefit from this bill way more than everybody else. They have 675 lobbyists in Congress; 675 drug industry representatives walk the halls of these Chambers. There are 1.3 lobbyists per Member of the House, and they spent $91 million in lobbying activities. That is just what they disclose; we do not know what they really spent. They spent $50 million more on everything from ads to direct mail. They spent nearly a half a billion dollars lobbying since 1997. They gave $30 million overall for the 2002 election cycle; about three-quarters of that to Republicans and, as the gentleman from New Jersey (Mr. PALLONE) and I have talked, we hear on the street that Mr. Bush and Mr. CHENEY are going to receive $100 million in campaign funds from the drug industry.

But let me, before finishing, let me go back to what exactly happened that Friday night, early Saturday morning when the drug bill passed. The vote started Friday at about midnight, the vote on the Medicare privatization bill. The debate started Friday at about midnight. The rollcall began at 3 a.m. Most of us took our vote cards, our little plastic cards, put them in the little box and pushed either the green or the red button. The clock runs out after 15 minutes, but it is usually kept open for another 2 to 5 minutes. Typically, a vote here is often about 20 minutes.

But the Republicans were behind the entire evening; the vote was losing. At 3:30, 4 o'clock in the morning, the vote was 216 to 218. It was defeated. A majority was voting "no," with only one Member, a Democrat, not yet voted. At about 4 o'clock the vote had stayed open for 1 full hour. That is when the assault began. The gentleman from Illinois (Speaker HASTERT), the gentleman from Texas (Majority Leader DELAY), the gentleman from Missouri (Republican Whip BLUNT), the gentleman from Louisiana (Mr. TAUZIN), the chairman of the Committee on Commerce; the gentleman from California (Mr. THOMAS), the chairman of the Committee on Ways and Means all were walking the floor, surfing for stray Republicans who were most likely to cave whom they could bully or whom they could brow beat. They surrounded the gentleman from Ohio (Mr. CHABOT), trying a carrot and then a stick; but he stood his ground and was defiant. They tried a retiring Republican, the gentleman from Michigan (Mr. SMITH), whose son is running to succeed him. They promised support if he changed his vote to "yes" and threatened his son's future if he refused. He steadfastly, to his credit, showed his integrity and stood his ground.

Many of the two dozen Republicans who had voted against the bill had left the floor hoping to avoid the onslaught from the gentleman from Illinois (Speaker HASTERT), the gentleman from Texas (Mr. DELAY), the gentleman from Missouri (Mr. BLUNT), and the committee chairmen. One Republican that I saw was hiding in the Democratic cloakroom.

By 4:30, the bullying and the brow beating had moved into the Republican cloakroom, out of sight of the television cameras and of the public. The Republican leaders by then had waked up President Bush, and the White House was passing a cell phone from Member to Member in the cloakroom. At 5:55, 2 hours and 55 minutes after the rollcall began, literally twice as long as a vote had ever taken in the

U.S. House of Representatives, 2 obscure Western Republicans emerged from the cloakroom, they walked, ashen and cowed down this aisle, I was sitting right there, down this aisle to the front of the Chamber, they picked up a green card to change their votes, they scrawled their names and district numbers on the cards, and they dispiritedly surrendered the cards to the Clerk. Quickly the Speaker gaveled the bill. Medicare privatization had passed.

Now, imagine an election, an election at home when the polls close at 7:30. Everyone has voted. One candidate trails by a few votes, but election officials, just not liking the outcome, decide to keep the polls open for 3 more hours. They brow beat; they bully. They threaten, they offer jobs, they promise goodies for their neighborhood or for themselves. Finally, lo and behold, the election turns out the way they want.

The new rules in this House of Representatives, Yogi Bera might put it tell us, "It ain't over until the Republicans and the drug companies win." It is sort of Florida all in one night. But the American people should expect more. They should expect the House of Representatives conducted in the open. They should expect Members to honestly, straightforwardly, openly cast their ballots; they should expect a drug pricing policy and a Medicare bill that can hold up, not only in the dark of night, but also in the bright light of the morning.

Mr. PALLONE. Mr. Speaker, I want to thank the gentleman. He made some great statements there; and we will have to develop a few of those, if the gentleman does not mind.

First of all, I wanted to talk a little bit more about what happened that night because, as the gentleman knows, this afternoon, our Democratic leader, the gentlewoman from California (Ms. PELOSI), offered a privileged motion which of course was defeated by the Republicans, and she paid much attention in her privileged motion to what happened that night and how it was very wrong and undemocratic, and I think that the gentleman's analogy about keeping the polls open back at home when we are voting in a congressional or Presidential election is a very good analogy.

But if I could just point to the case again with the gentleman from Michigan (Mr. SMITH), a lot of commentary has been written about that over the last 2 or 3 days, and I wanted to specifically mention a column by Robert Novak which was in the Chicago Sun Times recently. And he mentions what happened with the gentleman from Michigan (Mr. SMITH), and I just wanted to point to that and then I wanted to point out the whole legality of it, because there is a serious question about whether what the Republican leadership did to the gentleman from Michigan (Mr. SMITH) was legal.

In Novak's column he said that SMITH, a self-term-limited Congressman, is leaving Congress; and his lawyer son, Brad, is one of five Republicans seeking to replace him from a GOP district in Michigan's southern tier. On the House floor, NICK SMITH was told business interests would give his son $100,000 in return for his father's vote. He of course declined, and then fellow Republican House Members told him they would make sure that Brad Smith, his son, never came to Congress. After Congressman NICK SMITH voted "no" and the bill passed, DUKE CUNNINGHAM of California, another Republican Congressman and other Republicans taunted SMITH that his son was dead meat.

I mean, needless to say, it is outrageous that this would even occur, and certainly no one is suggesting that it did not occur. I have not heard anybody suggest that what Novak said is not true; I mean, it obviously is true.

But just earlier this week, there was a watchdog group called the Campaign Legal Center that on December 3 urged the U.S. Department of Justice to investigate whether Members of the U.S. House attempted to bribe a Member of Congress into voting in favor of the recently passed bill. They referenced the gentleman from Michigan (Mr. SMITH), and the group urged the House Committee on Ethics to investigate the matter. They sent a letter to the Justice Department, and they referenced a section under title XVIII, section 201 of the U.S. Code where it says, "A person commits bribery who directly or indirectly, corruptly gives, offers, or promises anything of value to any public official or person who has been selected to be a public official or offers or promises any public official or any person who has been selected to be a public official to give anything of value to any other person or entity with intent to influence any official act such as a vote."

Now, I am sure courts can interpret this thing however they want, but it seems to me on its face that what happened that night that my colleague from Ohio talked about was bribery, and it is going to be very interesting to see. Of course, we have to kind of assume that the Justice Department is going to be a little biased, because it is Republican appointed, but I do not see how they can get away from the fact that the facts and the circumstances in that case were, in fact, bribery.

The thing that really bothers me, I say to the gentleman from Ohio, he talked about the Republican responses when our leader, the gentlewoman from California (Ms. PELOSI), brought this privileged motion up today, I listened carefully to the debate back in my office, and I was amazed to see how some of my Republican colleagues responded. Essentially, if my colleagues listened to what many of them were saying, it was the ends justify the means. They were saying that this vote was so important and the issue of Medicare's future and the prescription drug benefit were so important, that that justified, in some cases they said, leaving the board open as long as it took until they could get the votes to pass the bill.

Well, that is the most undemocratic thing I ever heard of. Essentially it means that if I believe that something should pass, and I am in the majority, I am just going to keep the board open until I get my way. That is it. It is the end justifies the means.

Mr. BROWN of Ohio. Mr. Speaker, that is exactly right. It is also, if we look at the context of all of this, the context is the huge, enormous influence that the drug industry has on this body. I mean, the drug industry has a strangle hold on the Republican leadership, pure and simple. They give millions of dollars to Republicans, as we have said before, we are hearing as much as $100 million to President Bush's reelection. Nothing in this Chamber, nothing happens without the drug industry saying it is okay. The drug industry puts millions of dollars in campaigns. They hire so many lobbyists, 670-some I believe at last count, well over 600. They run all kinds of television ads and radio ads under the name of something else. They basically launder their money through the United Senior Association, through other groups, these disease advocacy groups that are not really legitimate, with millions of dollars and hide who they are, the drug industry, and try to communicate with the public that way. I mean, they are so powerful and so strong, but at least we ought to keep them off the House Floor. But in that sense, in the wee hours of the morning on Saturday, that Saturday morning, that late Friday night, while Secretary of Health and Human Services Tommy Thompson was on the floor, which is unusual, I do not ever recall seeing a cabinet member on the floor like that, but that is not a violation of the rules and it is not unethical, either. But we could see the influence of the drug industry on the floor of the House of Representatives.

□ 2115

One could almost see these Members of Congress who have depended on drug company money, who are addicted to drug company money, one could see the kind of way that they were pushing their fellow Republican Members, the Members whom they lead. So it is not a very long jump from there to what they tried to do apparently with the gentleman from Michigan (Mr. SMITH) who showed a lot of guts and integrity, as I might add.

And so when there is that much money at stake, the drug industry is slated to increase its profits already for 21 years straight, the most profitable industry in America, when the drug industry already so profitable, increased its profits $140 billion over the next 8 years, 40 percent increase in profits for the most profitable industry in America, not to mention the insurance industry and its impact here. With that kind of money at stake it does not come as a surprise to me that Republican leadership would play that kind of hard ball, do it in the middle of the night, or who knows what.

We do not know what was said to Member after Member after Member to pass this bill. That is not a prescription drug bill; it is a bill that turns the Federal Treasury over to the drug companies and the insurance companies and privatizes Medicare in the bargain. So it is pretty clear to more and more Members of this body and to more and more members of the public that the corruption in this body when it comes to drug money, the corruption is just unbelievable. It has increased every year since I have been here. It is getting to the point that it is almost as if Members have signed their vote card over to the pharmaceutical drug industry lobbying association.

Mr. PALLONE. Mr. Speaker, I wanted to point out another example of what you are talking about too. It has also come to light over the Thanksgiving recess, and this is the people within the Department that were drafting the legislation, as you know, the Federal Government official who runs Medicare and was very much involved in drafting the legislation to put this bill in place, Tom Scully, announced during the break, during the Thanksgiving recess that he was leaving the Medicare program to go into the private sector. And there were serious questions about his whole involvement in this because basically he had been looking for a job in the private industry for something like 6 months.

There is an article that was in the December 3 New York Times where it said that Mr. Scully, this is the Medicare administrator, had made no secret of the fact that he had been looking for jobs outside the government for more than 6 months even as he spent hundreds of hours in closed sessions with House and Senate negotiators working out countless details of the legislation.

Now, again, there are so many conflicts of interest with this administration, it is just unbelievable. This guy, who I do not know him that well, but I understand he is a fairly nice guy, but the idea that 6 months ago he was looking for a job, a job essentially with some of the same law firms that were negotiating on behalf of the drug companies in order to get a favorable bill, the ethics law actually says, and I will read it because it is in the same article in The New York Times, "The ethics rules issued by the Department of Health and Human Services say that employees who have begun seeking jobs in the private sector must immediately recuse themselves from any official matter that involves the prospective employer."

Now, this covers legislative initiatives and proposed rules. Now, apparently, what Mr. Scully is saying is that he got a waiver from the Department so he would be allowed to work on matters of general applicability like the Medicare reform bill while he talked to potential employers. We have no information about how this waiver was garnished. The waiver has never been made public. The bottom line is the guy is negotiating this bill basically looking for a job with some of the same lobbying firms that are representing the drug companies. And as soon as the bill is passed, within a few days he announces that he is leaving to go join those same law firms. What possible justification?

Mr. Speaker, I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Speaker, I saw that article. I like Tom Scully. He came to our committee and he spoke. He is a reasonable, decent guy. I do not accuse him of anything untoward. I do wonder about a system, though, where he announced several months ago he was leaving the Department and going into the private sector. And he intimated, he may have said more specifically, that he would be out doing Medicare-type work, but he stays in the Department during the 6 months he is negotiating with various law firms and Wall Street firms, I believe, his future job and then the Medicare prescription drug bill is in the conference committee and he is in these meetings. Somebody gave him a waiver. I do not quite know what a waiver means.

Mr. PALLONE. They will not tell us specifically what it is.

Mr. BROWN of Ohio. It is okay to be in a conflict of interest but because our administration is so pro-drug company, we give you the waiver? I wish he would answer some questions about what the waiver is all about, because I do not think the people at home understand what the waiver process is. I do not think I understand the waiver process.

Mr. PALLONE. The waiver has not been made public.

Mr. BROWN of Ohio. How a Department gives a waiver to one guy to do this and not that. I think Mr. Scully is a man of integrity, but I do not think the system is quite right that would allow somebody to look for a job, run this Medicare system that has 40 million beneficiaries, that has got about, I think, about $300 billion roughly running through that system. He runs it. The last 6 months he said he is leaving. He is talking about companies that have a major interest in Medicare while looking for a job, and then he is helping to write the Medicare bill that will affect those companies in the agency he runs. I do not know what the waiver is all about. I hope he comes and tells us sometime.

Mr. PALLONE. I do not think we are going to find out, to be honest, specifically because he is leaving. But the thing that is most amazing about it is that the time period from when he decided to leave and then he actually left was the very time period when he was negotiating the bill.

Mr. BROWN of Ohio. This goes back to earlier comments that the gentleman from New Jersey (Mr. PALLONE) made just about the unseemliness, the conflicts of interest, the huge numbers of dollars that are at stake in this bill. $400 billion in taxpayer dollars is going to be distributed in the next 10 years, $400 billion. Not to mention the amount of out-of-pocket seniors will have, which is a huge amount of money, for their drug cost. So that $400 billion, we are going to see the drug industry is going to make $140 billion more; the insurance industry gets a $20 billion incentive pay, if you will, to write drug insurance. Employers are getting subsidized, so not as many of them, some still will, but not as many employers drop the coverage of their retirees who they have collectively bargained with in many cases.

So there is so much money on the table. The way that the administration has done this has been so untoward, the way that from the minute the bill really was introduced, was written behind closed doors by the drug and insurance industry, to they are not allowing amendments, to speak of, on the House floor, to the conference committee closed out to Democrats who represent in the Senate more than half the population and in the House represent 48 percent of the population; and then all of these kinds of secret deals in the bill with the drug companies and the insurance companies winking and nodding every step of the way.

I think this bill symbolizes the corruption, the sort of pinnacle of the corruption that we have seen in this House of Representatives. We are awash with corporate money, awash with all the kinds of cutting deals and conflicts of interest and billions and billions and billions of dollars available to raid the Federal Treasury. While we cannot probably get this bill repealed in the next year, I think we are going to see this Medicare issue is going to really show what the political parties stand for, what are we going to see in the election next year, where on the one hand Democrats want to see a prescription drug benefit go directly to seniors, Republicans want to run it through the drug industry and insurance industry, enriching their corporate friends and then a little bit of it trickles down to seniors. And thrown into the bargain is a privatized Medicare system.

Mr. PALLONE. Mr. Speaker, I wanted to comment, I know the gentleman raised so many good points, and I know we cannot go through them all tonight, but I wanted to talk a little bit about what I call the insurance scam too. We focused a lot of attention on the drug companies and how they are benefiting, but I think we have to talk a little bit also about the insurance companies that you mentioned.

I wanted to say in my State the pharmaceutical companies have a huge presence and they spend a lot of money on electing candidates. But he was very proud of the fact that within a couple days after this Medicare bill surfaced, that the largest newspaper in my State, the Star Ledger, issued an editorial which was entitled "Reject Medicare Legislation." And the largest newspaper in my district issued another editorial calling the Medicare plan bad medicine. But I wanted to highlight the Star Ledger article. Again, this is the largest newspaper in the State, which probably has percentage-wise the largest presence of pharmaceutical companies. And they wrote this scathing editorial. They focused attention somewhat on the drug companies but even focused more attention on the insurance companies. I wanted to read just the first couple of paragraphs because I think it says it all about how the insurance companies benefited. It is the editorial from November 18. It says, "Reject Medicare Legislation. If profit making insurance companies are so much better and cheaper than the Federal Medicare program, why do we have to give them $12 billion to help improve it? That subsidy is built into the Medicare compromise plan heading for Congress and is but one of several excellent reasons the plan should be rejected. After handing the industry a $12 billion gift from the taxpayers, the bill sets up a fixed competition between Medicare and private managed care. They would go head to head in a half dozen communities. Once the games begin, private companies could sign up younger, healthier, cheaper-to-treat seniors and reject the rest. It does not take a genus to predict the result. If Medicare, which must take all comers is left with sicker, more expensive seniors, Medicare will fail. That will give conservatives a chance to settle one of the most successful public programs of all times and replace it with private companies. If we end up with a dead Medicare program and taxpayer subsidized private profits, where is the victory? The insurance industry already can sign up seniors under another Medicare option, that is managed care, but it has never attracted more than a small percentage of Medicare recipients. Year by year it has reduced benefits and dropped hundreds of thousands of policyholders. The companies say the Medicare population costs too much to treat and that government payments are stingy."

I am reading this, but I wanted to explain it a little. We have had such an experience in New Jersey. We have had something like, I think the figure is 800,000 seniors that joined HMOs, managed care over the last 5 or 10 years who were eventually dropped. And the reason they were dropped, obviously, was because the insurance companies initially took the seniors and then found because of the cost that the seniors incurred in health insurance that they could not make a profit. So they dropped them.

Now, what happened then is that the HMOs came before the Congress, they came before our committee, they said we cannot make enough money with the managed care HMO system the way it is. You do not pay us enough money for Medicare to cover for these seniors, so why do you not give us a windfall. That is exactly what is in the bill. They got a $12 billion basic windfall to manage care so they could theoretically now sign up seniors and provide seniors with not only the HMO but the prescription drug coverage.

But there is nothing in the bill, just like there was nothing in the previous legislation with Medicare+Choice that says that they have to take whatever senior comes along. So essentially what this Star Ledger article is saying, they are now going to cherry-pick. They realized after being in the Medicare program for a number of years that they could not make a profit because they took all these seniors who were sick and driving up health costs. So now they are going to get this huge $12 billion subsidy, and they will be able to cherry-pick and essentially take whatever seniors they want and offer a health care plan with this big subsidy and leave the traditional Medicare with the sicker people that drives up the cost.

Mr. BROWN of Ohio. Then they are going to come back in 10 years and say, see, Medicare does not work. Of course it does not work when the insurance company insures you when you are healthy and then taxpayers and Medicare get you when you are old and sick. Of course it is going to work that way.

That is the irony of all this. I hear my friends on the other side of the aisle over and over tell us that seniors, that the private sector can do it better, that government is this huge bureaucracy, that Medicare is inefficient and bloated, that nimble, quick-on-its-feet Medicare, the private insurance system can do it better. So, okay, if that is the case, why, then, does Medicare have lower administrative costs, why does Medicare have lower marketing costs, lower salaries and all that? But if you accept that they can let them compete, so why are we giving the Medicare HMOs $20 billion and say, yeah, of course one can compete if we give you $20 extra billion, but if the playing field were really level it is clear that the public system wins.

That is why 38 years ago in the end Medicare was created. Because in 1965 when President Johnson and Democratic majorities in both Houses, because, as we said, almost no Republicans in either House voted for this bill to create Medicare, in those days half of America's seniors did not have insurance. Why? Because the private insurance market did not find seniors attractive. They did not find seniors attractive because they are older, they are sicker, and they are poorer.

□ 2130

So, maybe somebody 65 could get private insurance, somebody that walked every day, someone in really good shape, but someone 73 or 74 who was diabetic, who had heart problems, who was arthritic, who was not really able to take care of himself or herself, no one will insure that person. No one will under the Republican privatized Medicare program.

The whole point is a government plan with a universal coverage pool that everybody is in so when you are 65 and healthy you are subsidizing, because your health care expenses are not too high, you are subsidizing somebody who is 85 and not as healthy. And then when you get to be 85, some other 65-year-old subsidizes you. That is what the universality of the insurance pool is all about.

The Republicans want to fracture the universality of the insurance pool. They want to skim off for their insurance industry contributors and all the corruption around this place that comes from that. They want to skim off the most healthy seniors, and they want to insure them at great profit and let the government and taxpayers pick up everybody that is sick and more expensive. It is pretty simple what their plan is.

Mr. PALLONE. The gentleman described it so well.

The amazing thing is when we were in our committee and we were marking up the bill, I remember asking questions about, well, what about the fact that you do not have a set premium? In other words, you can charge whatever you want for this, for the health insurance or for the prescription drug benefit. And what if the HMO's do not want to cover the sicker seniors or certain seniors. And the answer I got back from some of my Republican colleagues is, well, if this does not work, giving them this $12 billion windfall, they can come back in another 2 or 3 years and we will give them more money.

It is incredible how they totally violate the idea of competition and, as the gentleman says, a level playing field, and are willing to give the HMOs or the private insurance companies more and more money if they are not willing to cover the seniors. Where does it end? There is no end to it.

We saw with MediCare+Choice a few years ago, every year they would come back and ask for more and more money. And now they have this windfall, who knows where it will end.

I know our time is almost up. I want to develop one more point that the gentleman raised before we close tonight because I think it is important. The gentleman talked about the fact that if the Democrats or if, on a bipartisan basis, we had been allowed to develop a bill that kept traditional Medicare and just added a prescription drug benefit, which is what most of my seniors, and I think most seniors expected. I mean, if you talk to the seniors about what they expected with a prescription drug benefit, they figured we were just going to have the traditional Medicare, and we were going to add the benefit.

I think it is important before we close that we point out that, as Democrats, we developed and offered an alternative as a substitute on the floor of the House, exactly that. Basically, what the Democratic Party in the House and what our leadership proposed and what both the gentleman from Ohio (Mr. BROWN) and I supported, was simply adding a prescription drug benefit to traditional Medicare. And we used the Part B, which now pays for seniors' doctors bills, as an example.

Under the current Part B, you pay a premium of about $55 a month. You have a $100 deductible. Eighty percent of the costs of your doctor bills are paid for by the Federal Government. Twenty percent by you; that is your copay up to a certain amount catastrophic limit where 100 percent of the cost is paid for by the Federal Government.

That is exactly what the Democrats offered as an alternative. We said that for a $25 premium you would have a $100 deductible for your first $100 in drug costs. Eighty percent of your drug bills would be paid for by the Federal Government. Twenty percent copay. And at a certain level, I forget what it was, $3,000 maybe $3,500 catastrophic level, 100 percent of the cost would be paid for by the Federal government. And we had a provision in the bill that specifically said that the Secretary of Health and Human Services, the Medicare Administrator, would negotiate price reductions.

I know some of the Republicans said that would have been a very expensive bill. The bottom line is whatever costs to the Federal Government probably would have been outweighed by negotiated prices, that would have brought the cost down considerably. So there was clearly an alternative out there that would have simply done what most seniors expected and simply added a prescription drug benefit to traditional Medicare.

Mr. BROWN of Ohio. That is a very interesting point. I think seniors in my district and seniors all over the country, because I was hearing this from colleague after colleague, people were wondering why it was so complicated? Why was it so difficult? Why can Congress just not pass a drug benefit?

People understand how Medicare works. You go to a physician. The bill is sent to Medicare to be paid. You go to a hospital. The bill is sent to Medicare to be paid. There is a copay and a deductible. People understand that. They understand the premium. It is very simple insurance. It is full choice of doctor, full choice of hospital, and why not do the same with a prescription? Then you get the prescription. It is paid for by Medicare. You have full choice of your prescription.

Instead, the Republicans had to make it a lot more complicated. Why? Because they wanted to get their privatization agenda enacted. That means using the insurance companies. It means playing ball with the drug industry. It means a lot of that money, that $400 billion that should go directly to cover prescription drugs, and very little overhead, the 2 percent overhead that Medicare has been able to keep their overhead at 2 percent. Instead of that, the Republicans are seeing all kinds of money wasted through the insurance and the drug companies.

Frankly, it just kind of amazes me because seniors do think it could be simple. The other part of that $400, as the gentleman pointed out, that $400 billion would go a lot further under the Democratic plan because we would do cost controls. We would do various kinds of constraints on costs.

The Canadians, as we have heard many times in this Chamber, the price of drugs in Canada is one-half, one-third, one-fourth of what it is in the United States. Tamoxifen, a breast cancer drug, is one-eighth the cost in France than it is in the United States.

If we could have restrained costs, controlled costs, brought prices down, whatever you want to call it, if we had done that and put this bill into Medicare, put this whole plan into Medicare, a lot less complicated, we could have done it months ago, years ago, we could have done it; and seniors would have a better plan. They would understand what it is about. They would not have all of these questions, but the drug industry and the insurance industry probably would not be so happy, and I guess that is in the end why this body did what it did.

Mr. PALLONE. Mr. Speaker, the last thing I wanted to mention, because I know we only have a few minutes, was the reimportation. I know that many of us saw the reimportation from Canada or other countries as sort of a last-minute effort to try to have some kind of cost controls put into effect. We would rather have cost containment here rather than have to import drugs from Canada or other countries. But the bottom line is that both Houses, both the House and the Senate had passed a provision that would have provided for an essentially legalized drug reimportation, at least from Canada, if not from some of the other countries in Western Europe that were comparable to the United States.

Even though the conference between the House and the Senate had those provisions in both Houses, they ended up essentially eliminating it in the bill. Also, today in the omnibus bill, the appropriations bill that we came back to vote on today, I am sure the gentleman noticed that that was stripped out of that as well.

So every effort has been made by the Republican leadership and by the Republican President to do everything possible to make sure that there are no cost controls whatsoever. And I still see, and I go back to what I said in the beginning, Mr. Speaker, I still see my colleagues on the Republican side coming down here and saying there is some kind of cost control or savings that the seniors are going to get from this bill.

That is simply untrue. Everything has been taken out. The reimportation language from Canada, specific language that says that you cannot negotiate price. Every effort was made to guarantee that there would be no fiddling whatsoever with the drug companies's ability to simply raise prices as they see fit. That is what we are left to.

It is really sad to think that we have come to that. I know the President signed the bill today, and it is over with in that respect; but, hopefully, and I already see it happening, you will get a groundswell from America's seniors throughout the country over the next few months or the next few years that are going to demand that this bill be repealed or significantly altered. I am convinced that is going to happen.

It is sad to think that there was this huge missed opportunity when we could have actually passed a good prescription drug benefit and done something to help America's seniors, rather than this cruel hoax that has been foisted upon them today.

Mr. Speaker, I want to thank the gentleman from Ohio (Mr. BROWN) for all he has done on this issue over the last few years.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. GEORGE MILLER of California (at the request of Ms. PELOSI) for today and the balance of the week on account of upcoming surgery.

Mr. NADLER (at the request of Ms. PELOSI) for today on account of personal reasons.

Mr. JANKLOW (at the request of Mr. DELAY) for today on account of appearing in court.

Mr. BURTON of Indiana (at the request of Mr. DELAY) for today on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. BROWN of Ohio) to revise and extend their remarks and include extraneous material:)

Mr. BROWN of Ohio, for 5 minutes, today.

Mr. MCGOVERN, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

Ms. WATSON, for 5 minutes, today.

Mr. CASE, for 5 minutes, today.

Mr. WAXMAN, for 5 minutes, today.

Mr. HOLT, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

(The following Members (at the request of Mr. MCCOTTER) to revise and extend their remarks and include extraneous material:)

Mr. HAYES, for 5 minutes, today.

Mr. PAUL, for 5 minutes, today.

Ms. HARRIS, for 5 minutes, today.

Mr. MCCOTTER, for 5 minutes, today.

Mr. SOUDER, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. HASTERT, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. SMITH of New Jersey and to include extraneous material, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $3,100.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 33. An act to authorize the Secretary of Agriculture to sell or exchange all or part of certain administrative sites and other land in the Ozark-St. Francis and Ouachita National Forests and to use funds derived from the sale or exchange to acquire, construct, or improve administrative sites; to the Committee on Resources in addition to the Committee on Agriculture for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

S. 99. An act for the relief of Jaya Gulab Tolani and Hitesh Gulab Tolani, to the Committee on the Judiciary.

S. 103. An act for the relief of Lindita Idrizi Heath; to the Committee on the Judiciary.

S. 460. An act to amend the Immigration and Nationality Act to authorize appropriations for fiscal years 2004 through 2010 to carry out the State Criminal Alien Assistance Program; to the Committee on the Judiciary.

S. 541. An act for the relief of Ilko Vasilev Ivanov, Anelia Marinova Peneva, Marina Ilkova Ivanova, and Julia Ilkova Ivanova; to the Committee on the Judiciary.

S. 648. An act to amend the Public Health Service Act with respect to health professions programs regarding the practice of pharmacy; to the Committee on Energy and Commerce.

S. 848. An act for the relief of Daniel King Cairo; to the Committee on the Judiciary.

S. 1130. An act for the relief of Esidronio Arreola-Saucedo, Maria Elena Cobian Arreola, Nayely Bibiana Arreola, and Cindy Jael Arreola; to the Committee on the Judiciary.

S. 1402. An act to authorize appropriations for activities under the Federal railroad safety laws for fiscal years 2004 through 2008, and for other purposes; to the Committee on Transportation and Infrastructure.

S. 1537. An act to direct the Secretary of Agriculture to convey to the New Hope Cemetery Association certain land in the State of Arkansas for use as a cemetery; to the Committee on Resources.

S. 1683. An act to provide for a report on the parity of pay and benefits among Federal law enforcement officers and to establish an exchange program between Federal law enforcement employees and State and local law enforcement employees, to the Committee on Government Reform.

S. 1881. An act to amend the Federal Food, Drug, and Cosmetic Act to make technical corrections relating to the amendments made by the Medical Device User Fee and Modernization Act of 2002, and for other purposes; to the Committee on Energy and Commerce.

S. 1920. An act to extend for 6 months the period for which chapter 12 of title 11 of the United States Code is reenacted; to the Committee on the Judiciary.

ENROLLED BILLS SIGNED

Mr. Trandahl, Clerk of the House, reported and found truly enrolled bills and joint resolution of the House of the following titles, which were thereupon signed by the Speaker pro tempore MAC THORNBERRY:

On December 1:

H.R. 1437. An act to improve the United States Code.

H.R. 1813. An act to amend the Torture Victims Relief Act of 1998 to authorize appropriations to provide assistance for domestic and foreign centers and programs for the treatment of victims of torture, and for other purposes.

H.R. 2622. An act to amend the Fair Credit Reporting Act, to prevent identify theft, improve resolution of consumer disputes, improve the accuracy of consumer records, make improvements in he use of, and consumer access to, credit information, and for other purposes.

H.R. 3287. An act to award congressional gold medals posthumously on behalf of Reverend Joseph A. DeLaine, Harry and Eliza Briggs, and Levi Pearson in recognition of their contributions to the Nations as pioneers in the effort to desegregate public schools that led directly to the landmark desegregation case of Brown et al. v. the Board of Education of Topeka et al.

H.R. 3348. An act to reauthorized the ban on undetectable firearms.

H.J. Res. 80. Joint Resolution appointing the day for the convening of he second session of the One Hundred Eight Congress.

On December 3:

H.R. 2297. An act to amend title 38, United States Code, to improve benefits under laws administered by the Secretary of Veterans Affairs, and for other purposes.

H.J. Res. 63. Joint resolution to approve the Compact of Free Association, as amended, between the Government of the United States of America and the Government of the Federated States of Micronesia, and the Compact of Free Association, as amended, between the Government of the United States of America and the Government of the Republic of the Marshall Islands, and to appropriate funds to carry out the amended Compacts.

On December 6, signed by the Speaker:

H.R. 1. An act to amend title XVIII of the Social Security Act to provide for a voluntary program for prescription drug coverage under the Medicare Program, to modernize the Medicare Program, to amend the Internal Revenue Code of 1986 to allow a deduction to individuals for amounts contributed to health savings security accounts and health savings accounts, to provide for the disposition of unused health benefits in cafeteria plans and flexible spending arrangements, and for other purposes.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 459. An act to ensure that a public safety officer who suffers a fatal heart attack or stroke while on duty shall be presumed to have died in the line of duty for purposes of public safety officer survivor benefits.

BILLS PRESENTED TO THE PRESIDENT

Jeff Trandahl, Clerk of the House reports that on November 26, 2003 he presented to the President of the United States, for his approval, the following bills.

H.R. 421. To reauthorize the United States Institute for Environmental Conflict Resolution, and for other purposes.

H.R. 1367. To authorize the Secretary of Agriculture to conduct a loan repayment program regarding the provision of veterinary services in shortage situations, and for other purposes.

H.R. 1683. To increase, effective as of December 1, 2003, the rates of disability compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for survivors of certain service-connected disabled veterans, and for other purposes.

H.R. 1821. To award a congressional gold medal to Dr. Dorothy Height in recognition of her many contributions to the Nation.

H.R. 3038. To make certain technical and conforming amendments to correct the Health Care Safety Net Amendments of 2002.

H.R. 3140. To provide for availability of contact lens prescriptions to patients, and for other purposes.

H.R. 3166. To designate the facility of the United States Postal Service located at 57 Old Tappan Road in Tappan, New York, as the "John G. Dow Post Office Building".

H.R. 3185. To designate the facility of the United States Postal Service located at 38 Spring Street in Nashua, New Hampshire, as the "Hugh Gregg Post Office Building".

H.R. 3349. To authorize salary adjustments for Justices and judges of the United States for fiscal year 2004.

Jeff Trandahl, Clerk of the House reports that on December 2, 2003 he presented to the President of the United

States, for his approval, the following bills.

H.R. 1828. To halt Syrian support for terrorism, end its occupation of Lebanon, stop its development of weapons of mass destruction, cease its illegal importation of Iraqi oil and illegal shipments of weapons and other military items to Iraq, and by so doing hold Syria accountable for the serious international security problems it has caused in the Middle East, and for other purposes.

H.R. 1904. An act to improve the capacity of the Secretary of Agriculture and the Secretary of the Interior to conduct hazardous fuels reduction projects on National Forest System lands and Bureau of Land Management lands aimed at protecting communities, watersheds, and certain other at-risk lands from catastrophic wildfire, to enhance efforts to protect watersheds and address threats to forest and rangeland health, including catastrophic wildfire, across the landscape, and for other purposes.

H.R. 2115. To amend title 49, United States Code, to reauthorize programs for the Federal Aviation Administration, and for other purposes.

H.R. 2417. To authorize appropriations for fiscal year 2004 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.

Jeff Trandahl, Clerk of the House reports that on December 3, 2003, he presented to the President of the United States, for his approval, the following bills.

H.J. Res. 80. Appointing the day for the convening of the second session of the One Hundred Eighth Congress.

H.R. 1437. To improve the United States Code.

H.R. 1813. To amend the Torture Victims Relief Act of 1998 to authorize appropriations to provide assistance for domestic and foreign centers and programs for the treatment of victims of torture, and for other purposes.

H.R. 2622. To amend the Fair Credit Reporting Act, to prevent identity theft, improve resolution of consumer disputes, improve the accuracy of consumer records, make improvements in the use of, and consumer access to, credit information, and for other purposes.

H.R. 3287. To award congressional gold medals posthumously on behalf of Reverend Joseph A. DeLaine, Harry and Eliza Briggs, and Levi Pearson in recognition of their contributions to the Nation as pioneers in the effort to desegregate public schools that led directly to the landmark desegregation case of Brown et al. v. the Board of Education of Topeka et al.

H.R. 3348. To reauthorize the ban on undetectable firearms.

Jeff Trandahl, Clerk of the House reports that on December 5, 2003, he presented to the President of the United States, for his approval, the following bills.

H.J. Res. 63. A joint resolution to approve the Compact of Free Association, as amended, between the Government of the United States of America and the Government of the Federated States of Micronesia, and the Compact of Free Association, as amended, between the Government of the United States of America and the Government of the Republic of the Marshall Islands, and to appropriate funds to carry out the amended Compacts."

H.R. 2297. To amend title 38, United States Code, to improve benefits under laws administered by the Secretary of Veterans Affairs, and for other purposes.

3491. To establish within the Smithsonian Institution the National Museum of African American History and Culture, and for other purposes.

SINE DIE ADJOURNMENT

The SPEAKER pro tempore (Mr. RENZI). Pursuant to House Concurrent Resolution 339 and at the designation of the majority leader, without objection, the House stands adjourned sine die.

There was no objection.

Thereupon, (at 9 o'clock and 40 minutes p.m.) pursuant to House Concurrent Resolution 339, the House adjourned.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

5718. A letter from the Director, Regulatory Review Group, FSA, Department of Agriculture, transmitting the Department's final rule—Removal of Obsolete Regulations (RIN: 0560–AH04) received November 3, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5719. A letter from the Regulatory Contact, Department of Agriculture, transmitting the Department's final rule—Review Inspection Requirements (RIN: 0580–AA58) received October 24, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5720. A letter from the Director, Regulatory Review Group, Commodity Credit Corporation, Department of Agriculture, transmitting the Department's final rule—Removal of Obsolete Regulations (RIN: 0560–AH04) received November 6, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5721. A letter from the Director, Regulatory Review Group, FSA, Department of Agriculture, transmitting the Department's final rule—Removal of Obsolete Regulations (RIN: 0560–AH04) received October 24, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5722. A letter from the Staff Director, Office of Regulatory and Management Services, Forest Service, Department of Agriculture, transmitting the Department's final rule—National Forest System Land and Resource Management Planning; Extension of Compliance Deadline for Site-Specific Projects (RIN: 0596–AC02) received October 10, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5723. A letter from the Congressional Review Coordinator, APHIS, Department of Agriculture, transmitting the Department's final rule—Tuberculosis in Cattle and Bison; State Designations; California [Docket No. 03–005–2] received December 1, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5724. A letter from the Congressional Review Coordinator, APHIS, Department of Agriculture, transmitting the Department's final rule—Tuberculosis in Cattle and Bison; State Designations; New Mexico [Docket No. 03–044–2] received December 1, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5725. A letter from the Secretary, Department of Agriculture, transmitting the Department's draft bill to authorize the Secretary of Agriculture to provide financial assistance to the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau under the Cooperative Forestry Assistance Act of 1978; to the Committee on Agriculture.

5726. A letter from the Architect of the Capitol, transmitting a report of all expenditures during the period October 1, 2002 through March 31, 2003, from the moneys appropriated to the Architect of the Capitol, pursuant to 40 U.S.C. 162b; to the Committee on Appropriations.

5727. A letter from the Chairman, Defense Nuclear Facilities Safety Board, transmitting the Board's Report to Congress on the Plutonium Storage at the Department of Energy's Savannah River Site, pursuant to Public Law 107—314, section 3183; to the Committee on Armed Services.

5728. A letter from the Under Secretary, Department of Defense, transmitting a letter on the approved retirement of Lieutenant General Robert B. Flowers, United States Army, and his advancement to the grade of lieutenant general on the retired list; to the Committee on Armed Services.

5729. A letter from the Director, Defense Procurement and Acquisition Policy, Department of Defense, transmitting the Department's final rule—Defense Federal Acquisition Regulation Supplement; Competitiveness Demonstration Codes Update [DFARS Case 2003–D003] received November 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

5730. A letter from the Acting Under Secretary, Department of Defense, transmitting a report entitled "Long-Term Strategy to Reduce Corrosion and the Effects of Corrosion on the Military Equipment and Infrastructure of the Department of Defense," pursuant to 10 U.S.C. 2228; to the Committee on Armed Services.

5731. A letter from the Acting Director, Defense Procurement and Acquisition Policy, Department of Defense, transmitting the Department's final rule—Defense Federal Acquisition Regulation Supplement; Central Contractor Registration [DFARS Case 2003–D040] received November 17, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

5732. A letter from the Acting Director, Defense Procurement and Acquisition Policy, Department of Defense, transmitting the Department's final rule—Defense Federal Acquisition Regulation Supplement; DoD Activity Address Codes in Contract Numbers [DFARS Case 2003–D005] received November 17, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

5733. A letter from the Acting Director, Defense Procurement and Acquisition Policy, Department of Defense, transmitting the Department's final rule—Defense Federal Acquisition Regulation Supplement; Competition Requirements for Purchases from a Required Source [DFARS Case 2002–D003] received November 17, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

5734. A letter from the Acting Director, Defense Procurement and Acquisition Policy, Department of Defense, transmitting the Department's final rule—Defense Federal Acquisition Regulation Supplement; Provisional Award Fee Payments [DFARS Case

2001–D013] received November 17, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

5735. A letter from the Register Liaison Officer, Department of Defense, transmitting the Department's final rule—TRICARE; Changes Included in the National Defense Authorization Act for Fiscal Year 2003 (NDAA–03) (RIN: 0720–AA85) received December 1, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

5736. A letter from the Assistant Chief Counsel, Department of Transportation, transmitting the Department's final rule—Electronic Options for Transmitting Certain Information Collection Responses to MARAD [Docket Number: MARAD–2003–16238] (RIN: 2133–AB56) received October 30, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

5737. A letter from the Senior Paralegal (Regulations), Office of Thrift Supervision, Department of the Treasury, transmitting the Department's final rule—Savings Associations—Transactions With Affiliates [No. 2003–50] (RIN: 1550–AB55) received November 10, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5738. A letter from the Acting General Counsel, FEMA, Department of Homeland Security, transmitting the Department's final rule—Naitonal Flood Insurance Program (NFIP); Inspection of Insured Structures by Communities (RIN: 1660–AA14) received November 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5739. A letter from the Acting General Counsel, FEMA, Department of Homeland Security, transmitting the Department's final rule—Final Flood Elevation Determinations—received November 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5740. A letter from the Acting General Counsel, FEMA, Department of Homeland Security, transmitting the Department's final rule—Final Flood Elevation Determinations—received December 1, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5741. A letter from the Acting General Counsel, FEMA, Department of Homeland Security, transmitting the Department's final rule—Suspension of Community Eligibility [Docket No. FEMA–7819] received December 1, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5742. A letter from the Acting General Counsel, FEMA, Department of Homeland Security, transmitting the Department's final rule—Changes in Flood Elevation Determination [Docket No. FEMA–P–7628] received December 1, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5743. A letter from the Acting General Counsel, FEMA, Department of Homeland Security, transmitting the Department's final rule—Changes in Flood Elevation Determinations—received December 1, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5744. A letter from the Acting General Counsel, FEMA, Department of Homeland Security, transmitting the Department's final rule—Final Flood Elevation Determinations—received December 1, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5745. A letter from the Acting General Counsel/FEMA, Department of Homeland Security, transmitting the Department's final rule—Final Flood Elevation Determinations—received December 8, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5746. A letter from the Acting General Counsel/FEMA, Department of Homeland Security, transmitting the Department's final rule—Final Flood Elevation Determinations—received December 8, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5747. A letter from the Acting General Counsel, FEMA, Department of Homeland Security, transmitting the Department's final rule—Changes in Flood Elevation Determinations [Docket No. FEMA–B–7440] received December 8, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5748. A letter from the Counsel for Legislation and Regulations, Department of Housing and Urban Development, transmitting the Department's final rule—FHA TOTAL Mortgage Scorecard [Docket No. FR–4835–I–01] (RIN: 2502–AI00) received December 1, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5749. A letter from the Associate General Counsel for Legislation and Regulations, Department of Housing and Urban Development, transmitting the Department's final rule—Housing Assistance for Native Hawaiians; Native Hawaiian Housing Block Grants Program and Loan Guarantees for Native Hawaiian Housing Program; Final Rule [Docket No. FR–4668–F–03] (RIN: 2577–AC27) received December 8, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5750. A letter from the Associate General Counsel for Legislation and Regulations, Department of Housing and Urban Development, transmitting the Department's final rule—Mixed-Finance Development for Supportive Housing for the Elderly or Persons With Disbilities and Other Changes to 24 CFR Part 891 [Docket No. FR–4725–I–01] (RIN: 2502–AH83) received December 8, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5751. A letter from the Deputy Secretary, Securities & Exchange Commission, transmitting the Commission's final rule—Purchases of Certain Equity Securities by the Issuer and Others [Release Nos. 33–8335; 34–48766; IC–26252; File No. S7–50–02] (RIN: 3235–AH37) received November 12, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5752. A letter from the Assistant Secretary, Securities & Exchange Commission, transmitting the Commission's final rule—Disclosure regarding nominating committee functions and communications between security holders and boards of directors [Release Nos. 33–8340; 34–48825; IC–26262; File No. S7–14–03] (RIN: 3235–AI90) received November 24, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5753. A letter from the Assistant General Counsel for Regulatory Services, Department of Education, transmitting the Department's final rule—Governmentwide Requirements for Drug-Free Workplace (Financial Assistance); Governmentwide Debarment and Suspension (Nonprocurement); Student Assistance General Provisions; and Federal Family Education Loan Program (RIN: 1890–AA07) received December 5, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

5754. A letter from the Secretary, Department of Education, transmitting the Department's final rule—Governmentwide Requirements for Drug-Free Workplace (Financial Assistance), Governmentwide Debarment and Suspension (Nonprocurement), Student Assistance General Provisions, and Federal Family Education Loan (FFEL) Program (RIN: 1890–AA07) received December 8, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

5755. A letter from the Division of Acquisition Management Servcies, Department of Labor, transmitting the Department's final rule—Governmentwide Debarment and Suspension (Nonprocurement) and Governmentwide Requirements for Drug-Free Workplace (Grants) (RIN: 1291–AA33) received December 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

5756. A letter from the Director, Corporate Policy and Research Dept., Pension Benefit Guaranty Corporation, transmitting the Corporation's final rule—Benefits Payable in Terminated Single-Employer Plans; Allocation of Assets in a Single-Employer Plans; Interest Assumptions for Valuing and Paying Benefits—received December 5, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

5757. A letter from the Director, Office of Acquisition Management, Department of Commerce, transmitting the Department's final rule—Governmentwide Debarment and Suspension (Nonprocurement) and Requirements for Drug-Free Workplace (grants) (RIN: 0625–AA16) received December 1, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5758. A letter from the Director, Office of Civilian Radioactive Waste Management, Department of Energy, transmitting the nineteenth Annual Report on the activities and expenditures of the Office of Civilian Radioactive Waste Management, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Energy and Commerce.

5759. A letter from the Regulations Coordinator, Department of Health and Human Services, transmitting the Department's final rule—Governmentwide Debarment and Suspension (Nonprocurement) and Governmentwide Requirements for Drug-Free Workplace (Grants) (RIN: 0991–AB12) received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5760. A letter from the Director, Regulations Policy and Management Sta., Department of Health and Human Services, transmitting the Department's final rule—Food Additives Permitted in Feed and Drinking Water of Animals; Formaldehyde [Docket No. 1998–F–0522] received December 1, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5761. A letter from the Director, Regulations and Management Staff, FDA, Department of Health and Human Services, transmitting the Department's final rule—Public Information Regulations; Correction [Docket No. 1999N–2637] received December 5, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5762. A letter from the Secretary, Department of Health and Human Services, transmitting the first report on Theft, Loss, or Relase of Select Agents and Toxins, as required by the Public Health Security and Bioterrorism Preparedness and Response Act of 2002 (Pub. L. 107–188); to the Committee on Energy and Commerce.

5763. A letter from the Attorney Advisor, National Highway Traffic Safety Administration, Department of Transportation, transmitting the Department's final rule—

Federal Motor Vehicle Safety Standards; Tire Pressure Monitoring Systems; Controls and Displays [Docket No. NHTSA 2003–16524] (RIN: 2127–AJ22) received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5764. A letter from the Attorney Advisor, National Highway Traffic Safety Administration, Department of Transportation, transmitting the Department's final rule—Federal Motor Vehicle Safety Standards; Child Restraint Systems [Docket No. NHTSA–2002–12065] (RIN: 2127–AI88) received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5765. A letter from the Attorney-Advisor, NHTSA, Department of Transportation, transmitting the Department's final rule—Federal Motor Vehicle Safety Standards; Fuel Systems Integrity [Docket No. NHTSA–03–16525] (RIN: 2127–AF36) received December 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5766. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; Delaware; Revisions to Delaware's Motor Vehicle Emissions Inspection Program and Low Enhanced Inspection and Maintenance Program [DE059–1038a; FRL–7590–9] received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5767. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; Nebraska Update to Materials Incorporated by Reference [NE–193–1193; FRL–7592–1] received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5768. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of State Implementation Plans; State of Missouri [MO–198–1198a; FRL–7591–4] received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5769. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Clean Air Act Approval of Revision to Operating Permits Program in Ohio [OH 157–2 FRL–7588–9] received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5770. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; State of Nevada; Designation of Areas for Air Quality Planning Purposes; Lake Tahoe Nevada Area [NV 050–0073A; FRL–7595–3] received December 8, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5771. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Interim Final Determination to Stay Sanctions, Ventura County Air Pollution Control District [CA 291–0424; FRL–7590–6] received December 8, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5772. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—National Emission Standard for Benzene Waste Operations [OAR–2003–0147; FRL–7594–3] (RIN: 2060–AJ87) received December 8, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5773. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—National Emission Standards for Hazardous Air Pollutants for Chemical Recovery Combustion Sources at Kraft, Soda, Sulfite, and Stand-Alone Semichemical Pulp Mills [OAR–2002–0045, FRL–7594–8] (RIN: 2060–AK53) received December 8, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5774. A letter from the Senior Legal Advisor, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b) FM Table of Allotments, FM Broadcast Stations. (Tallapoosa, Georgia) [MB Docket No. 03–161; RM–10708] received December 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5775. A letter from the Senior Legal Advisor, WTB, Federal Communications Commission, transmitting the Commission's final rule—Allocations and Service Rules for the 71–76 GHz, 81–86 GHz and 92–95 GHz Bands [WT Docket No. 02–146] Loea Communications Corporation Petition for Rulemaking [RM–10288] received December 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5776. A letter from the Senior Legal Advisor to the Chief, Media Buerau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Apopka, Maitland, and Homosassa Springs, Florida) [MB Docket No. 03–24; RM–10636] received December 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5777. A letter from the Senior Legal Advisor to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Mount Pleasant & Bogata, Texas) [MM Docket No. 00–54; RM–9835; RM–9907] received December 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5778. A letter from the Senior Legal Advisor to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Wickenburg, Bagdad and Aguila, Arizona) [MM Docket No. 00–166; RM–9951; RM–10015; RM–10016] received December 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5779. A letter from the Senior Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b) Table of Allotments, FM Broadcast Stations.(Marathon and Mertzon, Texas) [MB Docket No. 02–243; RM–10533; RM–10712] received December 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5780. A letter from the Senior Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b) FM Table of Allotments, FM Broadcast Stations.(Encino, Texas) [MB Docket No. 02–341; RM–10594] received December 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5781. A letter from the Senior Legal Advisor to the Buerau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.622(b), Table of Allotments, Digital Television Broadcast Stations. (Corpus Christi, Texas) [MM Docket No. 99–277; RM–9666] received December 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A), to the Committee on Energy and Commerce.

5782. A letter from the Senior Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Digital Broadcast Content Protection [MB Docket 02–230] received December 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5783. A letter from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.622(b), Table of Allotments, Digital Television Broadcast Stations. (Fort Walton Beach, Florida) [MM Docket No. 00–233; RM–9996] received December 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5784. A letter from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Alamo Community, New Mexico) [MM Docket No. 00–158; RM–9921] received December 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5785. A letter from the Deputy Chief, Policy and Rules Division, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Parts 2,25, and 87 of the Commission's Rules to Implement Decisions from World Radiocommunication Conferences Concerning Frequency Bands Between 28 MHz and 36 GHz and to Otherwise Update the Rules in this Frequency Range [ET Docket No. 02–305]; Amendment of Parts 2 and 25 of the Commission's Rules to Allocate Spectrum For Government and Non-Government Use in the Radionavigation-Satellite Service [RM–10331] received December 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5786. A letter from the Deputy Chief, Policy and Rules Division, Federal Communications Commission, transmitting the Commission's final rule—Revisions to Broadcast Auxiliary Service Rules in Part 74 and Conforming Technical Rules for Broadcast Auxiliary Service, Cable Television Relay Service and Fixed Service in Parts 74, 78 and 101 of the Commission's Rules [ET Docket No. 01–75]; Telecommunications Industry Association, Petition for Rule Making Regarding Digital Modulation for the Television Broadcast Auxiliary Service [RM–9418]; Alliance of Motion Picture and Television Producers, Petition for Rule Making Regarding Low-Power Videc Assist Devices in Portions of the UHF and VHF Television Bands [RM–9856] Received December 4, 2003, pursuant to 5 U.S.C. to the Committee on Energy and Commerce.

5787. A letter from the Deputy Chief, Policy and Rules Division, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 2.106 of the Commission's Rules to Allocate Spectrum at 2 GHz for use by the Mobile-Satellite Service [ET Docket No. 95–18]; Amendment of Part 2 of the Commission's Rules to Allocate Spectrum Below 3 GHz for

Mobile and Fixed Services to Support the Introduction of New Advanced Wireless Services, including Third Generation Wireless Systems [ET Docket No. 00–258]; Flexibility for Delivery of Communications by Mobile Satellite Service Providers in the 2 GHz Band, the L-Band, and the 1.6/2.4 GHz Bands [IB Docket No. 01–185] Received December 4, 2003, pursuant to 5 U.S.C. to the Committee on Energy and Commerce.

5788. A letter from the Deputy Chief, Policy and Rules Division, OET, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Part 5 of the Commission's Rules to Require Electronic Filing of Applications for Experimental Radio Licenses and Authorizations—received December 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5789. A letter from the Deputy Chief, WCB/TAPD, Federal Communications Commission, transmitting the Commission's final rule—Rural Health Care Support Mechanism [WC Docket No. 02–60] received December 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5790. A letter from the Legal Advisor/Chief, Wireless Telecom. Bur., Federal Communications Commission, transmitting the Commission's "Major" final rule—Promoting Efficient Use of Spectrum Through Elimination of Barriers to the Development of Secondary Markets [WT Docket No. 00–230] received December 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5791. A letter from the General Counsel, Federal Energy Regulatory Commission, transmitting the Commission's final rule—Investigation of Terms and Conditions of Public Utility Market-Based Rate Authorizations [Docket Nos. EL101–118–000 and EL01–118–001] received December 1, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5792. A letter from the General Counsel, Federal Energy Regulatory Commission, transmitting the Commission's final rule—Amendments to Blanket Sales Certificates [Docket No. RM03–10–000; Order No. 664] received December 1, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5793. A letter from the Secretary of the Commission, Federal Trade Commission, transmitting the Commission's final rule—Rule Concerning Disclosures Regarding Energy Consumption and Water Use of Certain Home Appliances and Other Products Required Under the Energy Policy and Conservation Act ("Appliance Labeling Rule")—received November 17, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5794. A letter from the Secretary, Department of the Treasury, transmitting as required by Executive Order 13313 of July 31, 2003, a six-month periodic report on the national emergency with respect to the Development Fund for Iraq that was declared in Executive Order 13303 of May 22, 2003, as expanded in Executive Order 13315 of August 28, 2003, pursuant to 50 U.S.C. 1641(c) 50 U.S.C. 1703(c); to the Committee on International Relations.

5795. A letter from the Secretary, Department of the Treasury, transmitting as required by Executive Order 13313 of July 31, 2003 a six-month periodic report on the national emergency with respect to Burma declared by Executive Order 13047 of May 20, 1997, pursuant to 50 U.S.C. 1641(c) 50 U.S.C. 1703(c); to the Committee on International Relations.

5796. A letter from the Secretary, Department of Commerce, transmitting a six-month report prepared by the Department of Commerce's Bureau of Industry and Security on the national emergency declared by Executive Order 13222 of August 17, 2001, to deal with the threat to the national security, foreign policy, and economy of the United States caused by the lapse of the Export Administration Act of 1979, pursuant to 50 U.S.C. 1641(c) 50 U.S.C. 1703(c); to the Committee on International Relations.

5797. A letter from the Director, International Cooperation, Department of Defense, transmitting a copy of Transmittal No. 22–03 which informs of an intent to sign a Project Agreement between the United States and France concerning the Spartan Scout, pursuant to 22 U.S.C. 2767(f); to the Committee on International Relations.

5798. A letter from the Director, International Cooperation, Department of Defense, transmitting a copy of Transmittal 24–03 informing of an intent to sign the System Development and Demonstration Supplement to the Common Missile Memorandum of Understanding between the United States and the United Kingdom, pursuant to 22 U.S.C. 2767(f); to the Committee on International Relations.

5799. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of major defense equipment and defense articles to the Republic of Korea and Germany (Transmittal No. DTC 110–03), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5800. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of major defense equipment and defense articles to Turkey (Transmittal No. DTC 109–03), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5801. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of major defense equipment and defense articles to the Pacific Ocean/International Waters (Transmittal No. DDTC 125–03), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5802. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of major defense equipment and defense articles to the Republic of Korea, United Kingdom, and the Netherlands (Transmittal No. DDTC 122–03), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5803. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of major defense equipment and defense articles to the United Arab Emirates (Transmittal No. DDTC 105–03), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5804. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of major defense equipment and defense articles to Italy and Belgium (Transmittal No. DTC 106–03), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5805. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of major defense equipment and defense articles to Saudi Arabia (Transmittal No. DTC 123–03), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5806. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of major defense equipment and defense articles to Canada (Transmittal No. DTC 121–03), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5807. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of major defense equipment and defense articles to Japan (Transmittal No. DDTC 116–03), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5808. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of major defense equipment and defense articles to various NATO nations (the United Kingdom, Germany, Spain, Turkey, and the Netherlands) (Transmittal No. DTC 124–03), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5809. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of major defense equipment and defense articles to the United Kingdom (Transmittal No. DDTC 113–03), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5810. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of major defense equipment and defense articles to Greece (Transmittal No. DDTC 107–03), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5811. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a six-month periodic report on the national emergency with respect to the proliferation of weapons of mass destruction that was declared in Executive Order 12938 of November 14, 1994, pursuant to 50 U.S.C. 1641(c); to the Committee on International Relations.

5812. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on International Relations.

5813. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting Gifts by the U.S. Government to foreign individuals, pursuant to 22 U.S.C. 2694(2); to the Committee on International Relations.

5814. A letter from the Chief, Counsel (Foreign Assets Control), Department of the Treasury, transmitting the Department's final rule—Authorization for U.S. Financial Institutions to Transfer Certain Claims Against the Government of Iraq—received November 21, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on International Relations.

5815. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the Department's final rule—Bureau of Political-Military Affairs; Amendment to the International Traffic in Arms Regulations: Lifting of National Union for the Total Independence of Angola Embargo and Partial Lifting of Denial Policy Against Iraq (RIN: 1400–ZA04) received October 28, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on International Relations.

5816. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the Department's final rule—Amendment to the International Traffic in Arms Regulations: Mandatory Electronic Filing of Shipper's Export Declarations with U.S. Customs using the Automated Export System (AES) (RIN: 1400–AB72) received October 27, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on International Relations.

5817. A letter from the Acting Assistant Secretary for Legislative Affairs, Department of State, transmitting a memorandum of justification pursuant to Section 202 and other relevant provisions of the Afghanistan Freedom Support Act (P.L. 107–327) and Sections 506 and 652 of the Foreign Assistance Act of 1961, as amended, to support the government of Afghanistan; to the Committee on International Relations.

5818. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of intent to obligate funds for purposes of Nonproliferation and Disarmament Fund (NDF) activities; to the Committee on International Relations.

5819. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the second annual report on the Benjamin A. Gilman International Scholarship Program; to the Committee on International Relations.

5820. A letter from the Special Assistant to the President and Director, Office of Administration, Executive Office of the President, transmitting the White House personnel report for the fiscal year 2003, pursuant to 3 U.S.C. 113; to the Committee on Government Reform.

5821. A letter from the Secretary, Department of Energy, transmitting the semiannual report on the activities of the Office of Inspector General for the period April 1, 2003 to September 30, 2003, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

5822. A letter from the Secretary, Department of Labor, transmitting the semiannual report on the activities of the Office of Inspector General for the period April 1, 2003 to September 30, 2003, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

5823. A letter from the Executive Secretary and Chief of Staff, Agency for International Development, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5824. A letter from the Chairman, Board of Governors of the Federal Reserve System, transmitting the semiannual report on the activities of the Office of Inspector General for the six-month period ending September 30, 2003, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

5825. A letter from the Chairman, Defense Nuclear Facilities Safety Board, transmitting the Board's Strategic Plan for FY 2003–2009, developed in accordance with the requirements of the Government Performance and Results Act (GPRA) of 1993 and OMB Circular A–11 (2003); to the Committee on Government Reform.

5826. A letter from the Director, Office of Personnel Policy, Department of the Interior, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5827. A letter from the Director, Office of Personnel Policy, Department of the Interior, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5828. A letter from the Secretary, Department of the Treasury, transmitting two Semiannual Reports which were prepared separately by Treasury's Office of Inspector General (OIG) and the Treasury Inspector General for Tax Administration (TIGTA) for the period ended September 30, 2003, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

5829. A letter from the General Counsel, Department of the Treasury, transmitting the Department's draft bill entitled, "To amend chapter 93 of title 31, United States Code, to authorize the Secretary of the Treasury to require that collateral offered in lieu of surety bonds, be valued at market value"; to the Committee on Government Reform.

5830. A letter from the Assistant Director for Executive and Political Personnel, Department of Defense, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5831. A letter from the Assistant Director, Executive & Political Personnel, Department of Defense, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5832. A letter from the Deputy White House Liaison, Department of Education, Office of Vocational & Adult Education, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5833. A letter from the Deputy White House Liaison, Department of Education, Office of Vocational & Adult Education, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5834. A letter from the White House Liaison, Department of Health and Human Services, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5835. A letter from the White House Liaison, Department of Health and Human Services, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5836. A letter from the White House Liaison, Department of Health and Human Services, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5837. A letter from the White House Liaison, Department of Health and Human Services, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5838. A letter from the White House Liaison, Department of Health and Human Services, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5839. A letter from the White House Liaison, Department of Health and Human Services, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5840. A letter from the White House Liaison, Department of Health and Human Services, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5841. A letter from the White House Liaison, Department of Health and Human Services, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5842. A letter from the White House Liaison, Department of Health and Human Services, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5843. A letter from the Deputy Associate General Counsel, Regulations, Department of Homeland Security, transmitting the Department's final rule—Department of Homeland Security Acquisition Regulation [Docket Number USCG–2003–16571] (RIN: 1601–AA16) received December 1, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

5844. A letter from the Human Resources Specialist, Department of Labor, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5845. A letter from the Deputy Assistant Secretary for Administration, Department of Transportation, transmitting a copy of the inventories of commercial positions in the Department of Transportation, as required by the Federal Activities Inventory Reform Act of 1998; to the Committee on Government Reform.

5846. A letter from the Attorney Advisor, Department of Transportation, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5847. A letter from the Secretary, Department of Veterans Affairs, transmitting the semiannual report on activities of the Inspector General for the period April 1, 2003, through September 30, 2003, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

5848. A letter from the Chairman, Federal Maritime Commission, transmitting the Commission's semiannual report on the activities of the Office of Inspector General for the period April 1, 2003 to September 30, 2003, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 8G(h)(2); to the Committee on Government Reform.

5849. A letter from the Executive Director, Federal Retirement Thrift Investment Board, transmitting a report in compliance with the Inspector General Act and the Federal Managers' Financial Integrity Act, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

5850. A letter from the Administrator, General Services Administration, transmitting the semiannual report on the activities of the Office of Inspector General for the period April 1, 2003 through September 30, 2003, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

5851. A letter from the Deputy Archivist of the United States, National Archives and Records Administration, transmitting the Administration's final rule — Governmentwide Debarment and Suspension (Nonprocurement) and Governmentwide Requirements for Drug-Free Workplace (Grants) (RIN: 3095–AB04) received December 1, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

5852. A letter from the Chairman, National Endowment for the Arts, transmitting the Semiannual Report to the Congress of the Inspector General and the Chairman's Semiannual Report on Final Actions Resulting from Audit Reports for the period of April 1, 2003 through September 30, 2003, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

5853. A letter from the Chairman, Occupational Safety and Health Review Commission, transmitting the FY 2003 annual report on the agency's compliance with the Inspector General Act and the Federal Managers' Financial Integrity Act, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Reform.

5854. A letter from the Director, Office of General Counsel & Legal Policy, Office of Government Ethics, transmitting the Office's final rule—Office of Government Ethics Organization and Functions Regulation; Clarifying Amendment (RIN: 3209–AA21) received November 6, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

5855. A letter from the Director, Office of Personnel Management, transmitting the Office's final rule—Protests, Disputes, and Appeals (RIN: 3206–AK07) received November 17, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

5856. A letter from the Acting Special Counsel, Office of Special Counsel, transmitting the Office's final rule—Technical Amendments to 5 CFR Part 1800—received December 5, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

5857. A letter from the Chairman, Railroad Retirement Board, transmitting the semiannual report on activities of the Office of Inspector General for the period April 1, 2003, through September 30, 2003, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(d); to the Committee on Government Reform.

5858. A letter from the Chairman, Securities and Exchange Commission, transmitting the semiannual report on the activities of the Inspector General and the Management Response for the period ending September 30, 2003, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 8G(h)(2); to the Committee on Government Reform.

5859. A letter from the Chairman, Board of Governors, U.S. Postal Service, transmitting the semiannual report on activities of the Inspector General for the period ending September 30, 2003 and the Management Response for the same period, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 8G(h)(2); to the Committee on Government Reform.

5860. A letter from the Vice Chairman, Office of the General Counsel, Federal Election Commission, transmitting the Commission's final rule—Leadership PACs [Notice 2003–22] received November 24, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on House Administration.

5861. A letter from the Director, Office of Surface Mining, Department of the Interior, transmitting the Department's final rule—West Virginia Regulatory Program [WV–091–FOR] received November 24, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5862. A letter from the Principal Deputy Assistant Secretary for Indian Affairs, Department of the Interior, transmitting a proposed plan under the Indian Tribal Judgment Funds Act, 25 U.S.C. 1401 et seq., as amended, for the use and distribution of the Pueblo of Isleta (Pueblo) judgment funds in Docket 98–166L; to the Committee on Resources.

5863. A letter from the Assistant Secretary, Land and Minerals Management, Department of the Interior, transmitting the Department's final rule—Oil and Gas and Sulphur Operations in the Outer Continental Shelf-Civil Penalties (RIN: 101–AD07) received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5864. A letter from the Director, Office of Surface Mining, Department of the Interior, transmitting the Department's final rule—North Dakota Regulatory Program [ND–044–FOR, Amendment XXXIII] received December 1, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5865. A letter from the Director, Office of Hearing and Appeals, Department of the Interior, transmitting the Department's final rule—Special Rules Applicable to Surface Coal Mining Hearing and Appeals (RIN: 1090–AA92) received December 5, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5866. A letter from the Director, Office of Surface Mining, Department of the Interior, transmitting the Department's final rule—West Virginia Regulatory Program [WV–095–FOR] received December 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5867. A letter from the Assistant Secretary, Fish, Wildlife, & Parks, Department of the Interior, transmitting the Department's final rule—Marine Mammals; Incidental Take During Specified Activities (RIN: 1018–AH92) received December 5, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5868. A letter from the Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior, transmitting the Department's final rule—Joint Counterpart Endangered Species Act Section 7 Consultation Regulations (RIN: 1018–AJ02); National Oceanic and Atmospheric Administration [Docket No. 030506115–3298–02] (RIN: 0648–AR05) received December 5, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5869. A letter from the Deputy Assistant Administrator for Operations, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—NOAA Information Collection Requirements; Update and Correction [Docket No. 031016260–3260–01; I.D. 091603A] (RIN: 0648–AR71) received December 1, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5870. A letter from the Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Atlantic Highly Migratory Species; Bluefin Tuna Fisheries [I.D. 111303B] received December 1, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5871. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Northeastern United States; Atlantic Herring Fishery; Total Allowable Catch Harvested for Period 2 Management Area 1A [Docket No. 021101264–3016–02; I.D. 110703B] received December 1, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5872. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries off West Coast States and in the Western Pacific; Pacific Coast Groundfish; Annual Specifications and Management Measures; Trip Limit Adjustments; Corrections [Docket No. 021209300–3048–02; I.D. 111903C] received December 5, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5873. A letter from the Fishery Biologist, Office of Protected Resources, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Endangered and Threatened Species; Final Rule Governing Take of Four Threatened Evolutionarily Significant Units of West Coast Salmonids (RIN: 0648–AP17) received December 1, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5874. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone off Alaska; Recision and Reallocation of Pacific Cod in the Bering Sea and Aleutian Islands Management Area [Docket No. 021212307–3037–02; I.D. 111803B] received December 8, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5875. A letter from the Director, Regulations and Forms Services, U.S. Immigration and Customs Enforcement, Department of Homeland Security, transmitting the Department's final rule—Suspending the 30-Day and Annual Interview Requirements From the Special Registration Process for Certain Nonimmigrants [ICE No. 2301–3] (RIN: 1653–AA29) received December 2, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

5876. A letter from the Rules Administrator, Federal Bureau of Prisons, Department of Justice, transmitting the Department's final rule—Occupational Education Programs [BOP–1096–F] (RIN: 1120–AA92) received December 1, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

5877. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the Department's final rule—Foreign Prohibitions on Longshore Work by U.S. Nationals (RIN: 1400–AA34) received Decebmer 1, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

5878. A letter from the Assistant Secretary, Bureau of Indian Affairs, Department of the Interior, transmitting the Department's final rule—Partial Distribution of Fiscal Year 2004 Indian Reservation Roads Funds (RIN: 1076–AE50) received December 2, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5879. A letter from the Program Analyst, Army Corps of Engineers, Department of Defense, transmitting the Department's final rule—United States Navy Restricted Area, Cooper River and Tributaries, Naval Weapons Station Charleston, Charleston, SC—received December 1, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5880. A letter from the Program Analyst, Army Corps of Engineers, Department of Defense, transmitting the Department's final rule—United States Navy Restricted Area, Naval Air Station North Island, San Diego, CA—received December 8, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5881. A letter from the Program Analyst, Army Corps of Engineers, Department of Defense, transmitting the Department's final rule—United States Navy Restricted Area, Naval Weapons Station Earle, Sandy Hook Bay, NJ—received December 8, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5882. A letter from the Chief, Regulations and Administrative Law, Coast Guard, Department of Homeland Security, transmitting the Department's final rule—Drawbridge Operation Regulations; Mullica River, NJ [CGD05–03–180] (RIN: 1625–AA09) received December 1, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5883. A letter from the Chief, Regulations and Administrative Law, Coast Guard, Department of Homeland Security, transmitting the Department's final rule—Drawbridge Operation Regulations; Amite River, Clio, LA. [CGD08–03–047] received December 1, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5884. A letter from the Chief, Regulations and Administrative Law, Coast Guard, Department of Homeland Security, transmitting the Department's final rule—Drawbridge Operation Regulations; Buffalo Bayou, Houston, TX. [CGD08–03–046] received December 1, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5885. A letter from the Chief, Regulations and Administrative Law, Coast Guard, Department of Homeland Security, transmitting the Department's final rule—Allowing Alternatives to Incandescent Lights, and Establishing Standards for New Lights, in Private Aids to Navigation [USCG–2000–7466] (RIN: 1625–AA55) received December 1, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5886. A letter from the Chief, Regulations and Administrative Law, Coast Guard, Department of Homeland Security, transmitting the Department's final rule—Special Local Regulations; 2003 Boca Raton Holiday Boat Parade, Riviera Beach, FL [CGD07–03–152] (RIN: 1625–AA08) received December 8, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5887. A letter from the Chief, Regulations and Administrative Law, Coast Guard, Department of Homeland Security, transmitting the Department's final rule—Security Zone: Coronado Bay Bridge, San Diego, California [COTP San Diego 03–032] (RIN: 1625–AA00) received December 8, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5888. A letter from the Chief, Regulations and Administrative Law, Coast Guard, Department of Homeland Security, transmitting the Department's final rule—Regulated Navigation Area, San Carlos Bay, Florida [CGD07–03–200] (RIN: 1625–AA11) received December 8, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5889. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—DOD Commercial Air Carrier Evaluators [Docket No. FAA–2003–15571; Amendment Nos. 119–8, 121–290, and 135–83] (RIN: 2120–AI00) received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5890. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Digital Flight Data Recorder Requirements—Changes to Recording Specifications and Additional Exceptions; Corrections; Correction. [Docket No.: FAA–2003–15682; Amendment Nos. 121–288, 125–42; 135–84] (RIN: 2120–AH89) received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5891. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Digital Flight Data Recorder Requirements—Changes to Recording Specifications and Additional Exceptions; Correction [Docket No.: FAA–2003–15682; Amendment Nos. 121–288, 125–42, 135–84] (RIN: 2120–AH89) received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5892. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Flightdeck Security on Large Cargo Airplanes [Docket No. FAA–2003–15653; Amendment Nos. 121–287 and 129–38] (RIN: 2120–AH96) received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5893. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 30396; Amdt. No. 3083] received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5894. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Aerospace Technologies of Australia Pty. Ltd. Models N22B and N24A Airplanes [Docket No. 2003–CE–21–AD; Amendment 39–13361; AD 2003–22–13] (RIN: 2120–AA64) received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5895. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 747–400, –400D, and –400F Series Airplanes [Docket No. 2003–NM–173–AD; Amendment 39–13364; AD 2003–23–01] (RIN: 2120–AA64) received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5896. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Cessna Model 560 Airplanes [Docket No. 2003–NM–225AD; Amendment 39–13365; AD 2003–23–02] (RIN: 2120–AA64) received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5897. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Rolls-Royce Deutchsland Ltd. & Co KG Models Tay 650–15 and 651–54 Turbofan Engines [Docket No. 98–ANE–68–AD; Amendment 39–13362; AD 2003–22–14] (RIN: 2120–AA64) received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5898. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 737–100, –200, and –200C Series Airplanes [Docket No. 2002–NM–150–AD; Amendment 39–13367; AD 2003–23–03] (RIN: 2120–AA64) received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5899. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 757–200 Series Airplanes [Docket No. 2002–NM–95–AD; Amendment 39–13368; AD 2003–23–04] (RIN: 2120–AA64) received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5900. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Titeflex Corporation [Docket No. 2002–NE–22–AD; Amendment 39–13369; AD 2003–23–05 AD] (RIN: 2120–AA64) received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5901. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Various Boeing and McDonell Douslas Transport Category Airplanes [Docket No. 2003–NM–91–AD; Amendment 39–13366; AD 2003–03–15 R1] (RIN: 2120–AA64) received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5902. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Amendment of Class E Airspace; Rocky Mount, NC [Docket No. FAA–2003–15849; Airspace Docket No. 03–ASO–15] received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5903. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Amendment of Class E Airspace; Smithfield, NC [Docket No. FAA–2003–15848; Airspace Docket No. 03–ASO–14] received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5904. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Regulation of Fractional Aircraft Ownership Programs and On-Demand Operations [Docket No. FAA–2001–10047; Amdt. Nos. 21–84, 61–109, 91–274, 119–7, 125–44, 135–82, 142–5] (RIN: 2120–AH06) received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5905. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—mproved Flammability Standards for Thermal/Acoustic Insulation Materials Used in Transport Category Airplanes [Docket No. FAA–2000–7909; Amdt. Nos. 25–111, 91–275, 121–289, 125–43, 135–85] (RIN: 2120–AG91) received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5906. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Lower Deck Service Compartments on Transport Category Airplanes; Correction [Docket No. FAA–2002–11346; Amendment No. 25–110] (RIN: 2120–AH38) received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5907. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Repair Stations [Docket No. FAA–1999–5836] (RIN: 2120–AC38) received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5908. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Reduced Vertical Separation Minimum in Domestic United States Airspace [Docket No. FAA–2002–12261; Amendment Nos. 11–49 and

91-276] (RIN: 2120–AH68) received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5909. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Air Tour Operators in the State of Hawaii [Docket No. FAA–2003–14830; Special Federal Aviation Regulation (SFAR) No. 71] (RIN: 2120–AH02) received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5910. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace; Chevak, AK [Docket No. FAA–2003–15694; Airspace Docket No. 03–AAL–12] received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5911. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace, Kotlik, AK [Docket No. FAA–2003–15091; Airspace Docket No. 03–AAL–08] received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5912. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace; Akiak, AK [Docket No. FAA–2003–15693; Airspace Docekt No. 03-AAL-13] received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5913. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Johnson, KS [Docket No. FAA–2003–16411; Airspace Docket No. 03–ACE–77] received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5914. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 30395; Amdt. No. 3082] received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5915. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Establishment of Class E4 Airspace; and Modification of Class E5 Airspace; Goodland, KS. [Docket No. FAA–2003–16079; Airspace Docket No. 03–ACE–71] received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5916. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Amendment of Restricted Area R-2301E Ajo East, AZ; and R–2304, and 2305 Gila Bend, AZ [Docket No. 2002–FAA–14912; Airspace Docket No. 03–AWP–4] (RIN: 2120–AA66) received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5917. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace; Kivalina, AK [Docket. No. FAA–2003–15695; Airspace Docket No. 03–AAL–17] received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5918. A letter from the Senior Procurement Executive, Department of Transportation, transmitting the Department's final rule—Governmentwide Debarment and Suspension (Nonprocurement) and Governmentwide Requirements for Drug-Free Workplace (Grants); Department of Transportation Implementation (RIN: 2105-AD07) received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5919. A letter from the Attorney Advisor, Federal Highway Administration, Department of Transportation, transmitting the Department's final rule—Interstate Highway System (RIN: 2125–AF00) received December 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5920. A letter from the Assistant Chief Counsel, Federal Highway Administration, Department of Transportation, transmitting the Department's final rule—National Standards for Traffic Control Devices; Manual on Uniform Traffic Control Devices for Street and Highways; Revision [FHWA Docket No. FHWA–2001–11159] (RIN: 2125–AE93) received December 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5921. A letter from the Senior Attorney, Research and Special Programs Administration, Department of Transportation, transmitting the Department's final rule—Hazardous Materials: Revisions to Incident Reporting Requirements and the Hazardous Materials Incident Report Form. [Docket No. RSPA–99–5013 (HM–229)] (RIN: 2137–AD21) received December 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5922. A letter from the Senior Attorney, Research and Special Programs Administration, Department of Transportation, transmitting the Department's final rule—Pipeline Safety: Pipeline Integrity Management in High Consequence Areas (Gas Transmission Pipelines) [Docket No. RSPA–00–7666; Amendment 192–95] (RIN: 2137–AD54) received December 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5923. A letter from the Secretary, Department of Transportation, transmitting a draft bill entitled "To amend title 49, United States Code, to make certain conforming changes to provisions governing the registration of aircraft and the recordation of instruments in order to implement the Convention on International Interests in Mobile Equipment and the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment known as the 'Cape Town Treaty'"; to the Committee on Transportation and Infrastructure.

5924. A letter from the Administrator, General Services Administration, transmitting informational copies of Reports of Building Projects Survey for Ft. Lauderdale, FL, Benton, IL, Greensboro, NC, and Sioux Falls, SD, pursuant to 40 U.S.C. 606(a); to the Committee on Transportation and Infrastructure.

5925. A letter from the Assistant Administrator for Procurement, National Aeronautics and Space Administration, transmitting the Administration's final rule—Conformance with Federal Acquisition Circulars 2001–15 and 2001–14 (RIN: 2700–AC92) received December 5, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Science.

5926. A letter from the Assistant Administrator for Procurement, National Aeronautics and Space Administration, transmitting the Administration's final rule—NASA Grant Cooperative Agreement Handbook—Public Acknowledgements. (RIN: 2700–AC75) received December 8, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Science.

5927. A letter from the National Adjutant, Disabled American Veterans, transmitting 2003 National Convention Proceedings Of The Disabled American Veterans, pursuant to 36 U.S.C. 90i and 44 U.S.C. 1332; (H. Doc. No. 108—143); to the Committee on Veterans' Affairs and ordered to be printed.

5928. A letter from the Director, Regulations Management, Office of Regulation Policy and Management, Department of Veterans Affairs, transmitting the Department's final rule—Board of Veterans' Appeals: Rules of Practice; Use of Supplemental Statement of the Case (RIN: 2900–AL42) received November 13, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

5929. A letter from the Chief, Regulations & Procedures Division, TTB, Department of the Treasury, transmitting the Department's final rule—Expansion of the Russian River Valley Viticultural Area (2002R–421P) [T.D. TTB-7; Re Notice No. 965] (RIN: 1513-AA68) received December 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5930. A letter from the Acting Chief, Publications and Regulations Br., Internal Revenue Service, transmitting the Service's final rule—Information reporting for distributions with respect to securities issued by foreign corporations [Notice 2003–79] received December 3, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5931. A letter from the Acting Chief, Publications and Regulations Br., Internal Revenue Service, transmitting the Service's final rule—Rulings and determination letters. (Rev. Proc. 2003–86) received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5932. A letter from the Acting Chief, Publications and Regulations Br., Internal Revenue Service, transmitting the Service's final rule—Examination of returns and claims for refund, credit or abatement; determination of correct tax liability. (Rev. Proc. 2003–82) received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5933. A letter from the Acting Chief, Publications and Regulations Br., Internal Revenue Service, transmitting the Service's final rule—Qualified Pension, Profit-Sharing, and Stock Bonus Plans (Rev. Rul. 2003–124) received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5934. A letter from the Acting Chief, Publications and Regulations Br., Internal Revenue Service, transmitting the Service's final rule—Tier 2 Tax Rates for 2004 [Notice 2003–78] received November 25, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5935. A letter from the Acting Chief, Publications and Regulations Br., Internal Revenue Service, transmitting the Service's final rule—Installment Payments [TD 9096] (RIN: 1545–BC53) received December 5, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5936. A letter from the Acting Chief, Publications and Regulations Br., Internal Revenue Service, transmitting the Service's final rule—Weighted Average Interest Rate Update [Notice 2003-80] received December 5, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5937. A letter from the Acting Chief, Publications and Regulations Br., Internal Revenue Service, transmitting the Service's final rule—Tax Avoidance Using Offsetting Foreign Currency Option Contracts [Notice 2003-81] received December 5, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5938. A letter from the SSA Regulations Officer, Social Security Administration, transmitting the Administration's final rule—Governmentwide Debarment and Suspension (Nonprocurement) and Governmentwide Requirements for Drug-Free Workplace (Grants) (RIN: 0960-AE27) received December 2, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5939. A letter from the Regulations Coordinator, Department of Health and Human Services, transmitting the Department's final rule—Medicare Program; Photocopying Reimbursement Methodology [CMS-3055-F] (RIN: 0938-AK68) received December 1, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); jointly to the Committees on Energy and Commerce and Ways and Means.

5940. A letter from the Regulations Coordinator, Department of Health and Human Services, transmitting the Department's final rule—Medicare and Medicaid Programs; Religious Nonmedical Health Care Institutions and Advance Directives [CMS-1909-F] (RIN: 0938-AI93) received December 1, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); jointly to the Committees on Energy and Commerce and Ways and Means.

5941. A letter from the Regulations Coordinator, Department of Health and Human Services, transmitting the Department's final rule—Medicare Program; Reduction in Medicare Part B Premiums As Additional Benefits Under MedicareChoice Plans [CMS-6016-F] (RIN: 0938-AL49) received December 1, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); jointly to the Committees on Energy and Commerce and Ways and Means.

5942. A letter from the Regulations Coordinator, Department of Health and Human Services, transmitting the Department's final rule—Medicare Programs; Coverage and Payment of Ambulance Services; Inflation Update for CY 2004 [CMS-1232-FC] (RIN: 0938-AM44) received December 1, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); jointly to the Committees on Energy and Commerce and Ways and Means.

5943. A letter from the Secretary, Judicial Conference of the United States, transmitting legislative proposals recently adopted by the Conference at its September 2003 meeting, to be incorporated into the draft bill entitled the "Federal Courts Improvement Act of 2003," previously transmitted on May 7, 2003; jointly to the Committees on the Judiciary and Energy and Commerce.

5944. A communication from the President of the United States, transmitting the Annual Report of the Railroad Retirement Board for the fiscal year ending September 30, 2003, pursuant to 45 U.S.C. 231f(b)(6); jointly to the Committees on Transportation and Infrastructure and Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HASTINGS of Washington: Committee on Rules. House Resolution 473. Resolution waiving points of order against the conference report to accompany the bill (H.R. 2673) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for the fiscal year ending September 30, 2004, and for other purposes (Rept. 108-402). Referred to the House Calendar.

Mr. TOM DAVIS of Virginia: Committee on Government Reform. H.R. 3478. A bill to amend title 44, United States Code, to improve the efficiency of operations by the National Archives and Records Administration (Rept. 108-403). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. ISSA:

H.R. 3651. A bill to account for all aliens unlawfully present in the United States by providing incentives for such aliens to register with the Secretary of Homeland Security, to provide immunity from criminal prosecution for the employer of such an alien if the employer pays all taxes and penalties owed by reason of such employment, and for other purposes; to the Committee on the Judiciary.

By Mr. RYAN of Wisconsin (for himself and Mr. Matheson):

H.R. 3652. A bill to amend the Internal Revenue Code of 1986 to modify the taxation of imported archery products; to the Committee on Ways and Means. considered and passed.

By Mr. CASE (for himself and Mr. Abercrombie):

H.R. 3653. A bill to provide authorities to, and impose requirements on, the heads of executive agencies in order to facilitate State enforcement of State tax, employment, and licensing laws against Federal construction contractors; to the Committee on Government Reform, and in addition to the Committee on Armed Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. THOMAS (for himself and Mr. Rangel):

H.R. 3654. A bill to amend the Internal Revenue Code of 1986 to make technical corrections, and for other purposes; to the Committee on Ways and Means.

By Mr. KUCINICH (for himself, Ms. Lee, and Mr. Sanders):

H.R. 3655. A bill to amend the Internal Revenue Code of 1986 to replace the earned income credit, the child tax credit, and the deduction for dependents with a simplified family tax credit; to the Committee on Ways and Means.

By Mrs. CAPPS:

H.R. 3656. A bill to amend title XVIII of the Social Security Act to impose minimum nurse staffing ratios in Medicare participating hospitals, and for other purposes; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. KUCINICH (for himself, Mr. Hoeffel, Mr. Conyers, and Mr. Hinchey):

H.R. 3657. A bill to preserve the cooperative, peaceful uses of space for the benefit of all humankind by prohibiting the basing of weapons in space and the use of weapons to destroy or damage objects in space that are in orbit, and for other purposes; to the Committee on Science, and in addition to the Committees on Armed Services, and International Relations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. CAPPS (for herself, Mr. Pickering, Mr. Dingell, Mr. Barton of Texas, Mr. Brown of Ohio, Mr. Deal of Georgia, Mr. Waxman, Mr. Shimkus, Mr. Pallone, Mr. Gordon, Mr. Engel, Mr. Wynn, Mr. Green of Texas, Mr. Doyle, Mr. Allen, Ms. Schakowsky, and Ms. Solis):

H.R. 3658. A bill to amend the Public Health Service Act to strengthen education, prevention, and treatment programs relating to stroke, and for other purposes; to the Committee on Energy and Commerce.

By Mr. SMITH of New Jersey (for himself, Mr. Evans, Mr. Brown of South Carolina, Mr. Michaud, Mr. Miller of Florida, Ms. Carson of Indiana, Ms. Berkley, Mr. Brown of Ohio, and Mr. Shimkus):

H.R. 3659. A bill to amend title 38, United States Code, to enact into law eligibility of certain Reservists and their dependents for burial in Arlington National Cemetery; to the Committee on Veterans' Affairs.

By Mr. RUSH:

H.R. 3660. A bill to authorize the Secretary of Education to enter into a partnership with a qualified local educational agency to conduct a model school-to-work program, and for other purposes; to the Committee on Education and the Workforce.

By Mr. HAYES:

H.R. 3661. A bill to amend the Tariff Act of 1930 to provide for the seizure, forfeiture, and destruction of textile and apparel articles imported in violation of certain laws of the United States, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ALLEN (for himself, Mr. Waxman, Mr. Stark, Mr. Brown of Ohio, Mr. Pallone, Mr. Markey, Mr. Meehan, Mr. Berry, Mr. Michaud, Ms. Schakowsky, Mr. Frank of Massachusetts, Mr. Olver, Mr. Case, Mrs. Emerson, Mr. Stupak, Mr. Oberstar, and Mr. McGovern):

H.R. 3662. A bill to provide for substantial reductions in the price of prescription drugs purchased by States for its employees, retirees, and pharmaceutical assistance beneficiaries; to the Committee on Energy and Commerce.

By Mr ANDREWS:

H.R. 3663. A bill to waive copayments and deductibles for military personnel who qualify for TRICARE and use other health insurance as their primary form of coverage; to the Committee on Armed Services.

By Mr. BILIRAKIS (for himself, Mr. Tauzin, Mr. Taylor of Mississippi, Mr. Bartlett of Maryland, Mr. Barton of Texas, Mr. Deal of Georgia, Mr. Pickering, Mr. Smith of New Jersey, Mr. Stearns, Mr. Pitts, Mr. Upton, Mr. Whitfield, Mr. Burr, and Mr. Hall):

H.R. 3664. A bill to prohibit certain abortion-related discrimination in governmental activities; to the Committee on Energy and Commerce.

By Mr. BISHOP of Georgia:

H.R. 3665. A bill to award congressional gold medals to former President Jimmy Carter and his wife Rosalynn Carter in recognition of their outstanding service to the United States and to the world; to the Committee on Financial Services.

By Mr. BISHOP of Georgia (for himself and Mrs. JONES of Ohio):

H.R. 3666. A bill to amend the Internal Revenue Code of 1986 to increase from 13 to 15 the age of dependents who may be taken into account for purposes of determining the credit for expenses for household and dependent care services necessary for gainful employment; to the Committee on Ways and Means.

By Mr. CANNON (for himself and Mr. PORTER):

H.R. 3667. A bill to direct the Secretary of Agriculture to convey certain real property in the Dixie National Forest in the State of Utah, and for other purposes; to the Committee on Resources.

By Mr. CARSON of Oklahoma:

H.R. 3668. A bill to amend the Public Health Service Act to provide greater access for residents of frontier areas to health care services provided by community health centers; to the Committee on Energy and Commerce.

By Mr. DAVIS of Alabama:

H.R. 3669. A bill to amend the Internal Revenue Code of 1986 to allow employers in renewal communities to qualify for the renewal community employment credit by employing residents of certain nearby areas; to the Committee on Ways and Means.

By Mr. DEUTSCH (for himself and Mr. MENENDEZ):

H.R. 3670. A bill to amend the Internal Revenue Code of 1986 to impose a 100 percent tax on amounts received from trading with Cuba if the trading is conditioned explicitly or otherwise on lobbying Congress to lift trade or travel restrictions on Cuba; to the Committee on Ways and Means.

By Mr. DEUTSCH (for himself, Mr. HASTINGS of Florida, Ms. CORRINE BROWN of Florida, Mr. WEXLER, and Mrs. JO ANN DAVIS of Virginia):

H.R. 3671. A bill to amend part D of title XVIII of the Social Security Act, as added by the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, to permit the Secretary of Health and Human Services to enter into direct negotiations to promote best prices for Medicare beneficiaries; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. EDWARDS (for himself, Ms. PELOSI, Mr. HOYER, Mr. CLYBURN, Mr. DINGELL, Mr. RANGEL, Mr. BERRY, Mr. BROWN of Ohio, Mr. STARK, Mr. SPRATT, Mr. GEORGE MILLER of California, Mr. MATSUI, Mr. WAXMAN, Ms. SCHAKOWSKY, Mr. PALLONE, Mr. OBEY, Mr. BISHOP of New York, Mr. MOORE, Mr. MICHAUD, Mr. BELL, Mr. VAN HOLLEN, Mr. DAVIS of Tennessee, Mr. STENHOLM, Mr. FROST, Mr. LEVIN, Mr. ORTIZ, Mr. HINOJOSA, Mr. RODRIGUEZ, Mrs. LOWEY, Mr. ROSS, Mrs. McCARTHY of New York, Mr. GREEN of Texas, Mr. LEWIS of Georgia, Mr. ACKERMAN, Ms. WATERS, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. HOEFFEL, Mr. TIERNEY, Mr. WEINER, Mr. HINCHEY, Mr. SANDLIN, Mrs. MALONEY, Mr. McDERMOTT, Mr. MORAN of Virginia, Ms. LINDA T. SÁNCHEZ of California, Mr. CROWLEY, Mr. RUPPERSBERGER, Ms. McCOLLUM, Mr. GRIJALVA, Ms. MAJETTE, Mr. DELAHUNT, Mr. McNULTY, Mr. LANTOS, Mr. CARDOZA, Mr. LYNCH, Ms. KILPATRICK, Mr. PRICE of North Carolina, Mr. BISHOP of Georgia, Mr. KLECZKA, Ms. NORTON, Mr. OLVER, Mr. RYAN of Ohio, Mr. BAIRD, Mr. OWENS, Mr. UDALL of New Mexico, Ms. JACKSON-LEE of Texas, Ms. KAPTUR, Mr. BALLANCE, Mr. CASE, Ms. SOLIS, Mr. COOPER, Mr. EMANUEL, Mr. TAYLOR of Mississippi, Mr. DAVIS of Illinois, Mr. KILDEE, Mr. SCHIFF, and Mr. MEEK of Florida):

H.R. 3672. A bill to amend part D of title XVIII of the Social Security Act, as added by the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, to provide for negotiation of fair prices for Medicare prescription drugs; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. EMANUEL (for himself, Mr. DeFAZIO, Ms. DeLAURO, Mr. SANDERS, Mr. GEORGE MILLER of California, Mr. McGOVERN, Mr. HINCHEY, Mr. RYAN of Ohio, Mr. GRIJALVA, Mr. ISRAEL, Ms. KILPATRICK, Ms. LEE, Mr. STARK, Ms. SLAUGHTER, Ms. SCHAKOWSKY, Mr. FROST, and Mr. MEEHAN):

H.R. 3673. A bill to prohibit profiteering and fraud relating to military action, relief, and reconstruction efforts in Iraq, and for other purposes; to the Committee on the Judiciary.

By Mr. GARRETT of New Jersey:

H.R. 3674. A bill to amend section 5318 to prohibit the use of identification issued by foreign governments, other than passports, for purposes of verifying the identity of a person who opens an account at a financial institution, and for other purposes; to the Committee on Financial Services.

By Mr. HOBSON (for himself, Ms. PRYCE of Ohio, and Mr. TIBERI):

H.R. 3675. A bill to transfer administrative jurisdiction of a parcel of real property comprising a portion of the Defense Supply Center in Columbus, Ohio, and for other purposes; to the Committee on Armed Services, and in addition to the Committee on Veterans' Affairs, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HOLT (for himself, Mr. HYDE, Mr. GEORGE MILLER of California, Ms. HARMAN, Mr. LANTOS, Mr. KILDEE, Mr. PAYNE, Mrs. DAVIS of California, Ms. McCOLLUM, Mr. CASE, Mr. VAN HOLLEN, Mr. HASTINGS of Florida, Mr. BOEHLERT, Mr. REYES, Mr. BOSWELL, Ms. ESHOO, Mr. RUPPERSBERGER, Mr. SIMMONS, Mr. MEEHAN, Mr. SNYDER, Mrs. TAUSCHER, Mr. COOPER, Mr. FROST, Mr. FRANK of Massachusetts, Ms. DeLAURO, Ms. ROYBAL-ALLARD, Mr. SCHIFF, Mr. McGOVERN, Mr. FARR, Mr. FORD, Mr. McDERMOTT, Mr. NADLER, Mr. INSLEE, Mr. ACKERMAN, and Mr. BELL):

H.R. 3676. A bill to strengthen the national security through the expansion and improvement of foreign language study, and for other purposes; to the Committee on Education and the Workforce, and in addition to the Committees on Intelligence (Permanent Select), and Armed Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. HOOLEY of Oregon:

H.R. 3677. A bill to amend the Federal Food, Drug, and Cosmetic Act to require that each prescription drug sold at retail bear a label that states the full retail price of the drug; to the Committee on Energy and Commerce.

By Mr. HOUGHTON:

H.R. 3678. A bill to amend the Internal Revenue Code of 1986 to expand the work opportunity tax credit to include trade adjustment assistance recipients as a targeted group; to the Committee on Ways and Means.

By Mr. ISRAEL:

H.R. 3679. A bill to amend the Harmonized Tariff Schedule of the United States with respect to rattan webbing; to the Committee on Ways and Means.

By Mr. ISRAEL:

H.R. 3680. A bill to provide that Members of Congress be made ineligible for coverage under the Federal employees health benefits program and instead be made eligible for coverage under the Medicare Program; to the Committee on House Administration, and in addition to the Committees on Government Reform, Ways and Means, and Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. KENNEDY of Minnesota (for himself and Mr. PETERSON of Minnesota):

H.R. 3681. A bill to provide an exemption from certain requirements under the Gramm-Leach-Bliley Act; to the Committee on Financial Services.

By Ms. KILPATRICK:

H.R. 3682. A bill to amend title 49, United States Code, to clarify certain Buy America provisions; to the Committee on Transportation and Infrastructure.

By Mr. KING of New York (for himself and Ms. SCHAKOWSKY):

H.R. 3683. A bill to direct the Secretary of Transportation to evaluate devices and technology for reducing the incidence of child injury and death occurring inside or outside of motor vehicles, and for other purposes; to the Committee on Energy and Commerce.

By Mrs. LOWEY (for herself, Mr. GREENWOOD, Mr. LaTOURETTE, Ms. WOOLSEY, Mr. SERRANO, Mr. PALLONE, Mr. HOEFFEL, Ms. SLAUGHTER, Mr. HINCHEY, Ms. NORTON, Ms. DeLAURO, Mr. GEORGE MILLER of California, Mr. BROWN of Ohio, Ms. ROYBAL-ALLARD, and Mr. WAXMAN):

H.R. 3684. A bill to amend the Federal Food, Drug, and Cosmetic Act to establish labeling requirements with respect to allergenic substances in foods, and for other purposes; to the Committee on Energy and Commerce.

By Mr. MEEK of Florida:

H.R. 3685. A bill to authorize the Secretary of Education to make grants to reduce the size of core curriculum classes in public elementary and secondary schools, and for other purposes; to the Committee on Education and the Workforce.

By Mr. OBERSTAR:

H.R. 3686. A bill to authorize the Economic Development Administration to make grants to producers of taconite for implementation of new technologies to increase productivity, to reduce costs, and to improve overall product quality and performance; to the Committee on Transportation and Infrastructure, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. OSE (for himself and Mr. SMITH of Texas):

H.R. 3687. A bill to amend section 1464 of title 18, United States Code, to provide for the punishment of certain profane broadcasts, and for other purposes; to the Committee on the Judiciary.

By Mr. PICKERING:

H.R. 3688. A bill to provide for review in the Court of International Trade of certain determinations of binational panels and committees under the North American Free Trade Agreement; to the Committee on Ways and Means.

By Mr. QUINN (for himself, Ms. SLAUGHTER, and Mr. REYNOLDS):

H.R. 3689. A bill to amend the Energy Employees Occupational Illness Compensation Program Act of 2000 to provide for certain additional former nuclear weapons program workers to be included in the Special Exposure Cohort under the compensation program established by that Act; to the Committee on the Judiciary, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. REYNOLDS:

H.R. 3690. A bill to designate the facility of the United States Postal Service located at 2 West Main Street in Batavia, New York, as the "Barber Conable Post Office Building"; to the Committee on Government Reform.

By Mr. RUPPERSBERGER:

H.R. 3691. A bill to prohibit the Office of Federal Detention Trustee from constructing Federal detention centers and to prohibit the Department of Justice from siting a detention center or Federal prison in Maryland, and for other purposes; to the Committee on the Judiciary.

By Ms. LINDA T. SÁNCHEZ of California (for herself and Mr. QUINN):

H.R. 3692. A bill to amend the Safe and Drug-Free Schools and Communities Act and the Omnibus Crime Control and Safe Streets Act of 1968 to authorize the use of grant funds for bullying prevention, and for other purposes; to the Committee on Education and the Workforce, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SCOTT of Virginia (for himself, Mr. COBLE, Mr. CONYERS, Mr. CASE, Mr. FROST, Mr. FRANK of Massachusetts, Mr. BERMAN, Ms. SCHAKOWSKY, Ms. LEE, and Mr. KUCINICH):

H.R. 3693. A bill to provide additional resources to the Department of Justice for the investigation and prosecution of identity theft and related credit card and other fraud; to the Committee on the Judiciary.

By Mr. SHERMAN (for himself, Mr. BARTLETT of Maryland, Mr. HONDA, and Mr. BAIRD):

H.R. 3694. A bill to amend the Internal Revenue Code of 1986 to extend the deduction for clean-fuel vehicles and certain refueling property; to the Committee on Ways and Means.

By Mr. SMITH of New Jersey (for himself, Mr. SAXTON, and Mr. LOBIONDO):

H.R. 3695. A bill to establish a pilot and demonstration program in New Jersey and elsewhere to improve security on military installations and to improve the quality of defense contractors and subcontractors; to the Committee on Armed Services.

By Mrs. TAUSCHER (for herself, Mr. SKELTON, Mr. ORTIZ, Mr. EVANS, Mr. TAYLOR of Mississippi, Mr. MEEHAN, Mr. REYES, Mr. TURNER of Texas, Mr. SMITH of Washington, Mr. MCINTYRE, Mr. RODRIGUEZ, Mr. BRADY of Pennsylvania, Mr. HILL, Mr. LARSON of Connecticut, Mr. LARSEN of Washington, Mr. ISRAEL, Mr. MEEK of Florida, Mrs. DAVIS of California, Mr. ALEXANDER, Mr. MURTHA, Mr. EDWARDS, Mr. HOLT, Mr. HOLDEN, Mr. MORAN of Virginia, Mr. FROST, and Mr. COOPER):

H.R. 3696. A bill to amend title 10, United States Code, to provide a temporary increase in the minimum end strength level for active duty personnel for the Army, the Marine Corps, and the Air Force, and for other purposes; to the Committee on Armed Services.

By Mr. THOMPSON of California:

H.R. 3697. A bill to amend title 49, United States Code, to exempt airports in economically depressed communities from matching grant obligations under the airport improvement program; to the Committee on Transportation and Infrastructure.

By Mr. UDALL of Colorado (for himself and Mr. UDALL of New Mexico):

H.R. 3698. A bill to assure that development of certain Federal oil and gas resources will occur in ways that protect water resources and surface owner rights, and for other purposes; to the Committee on Resources, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. VISCLOSKY (for himself, Mr. KUCINICH, Mr. MURTHA, Mr. MOLLOHAN, Mr. CARDIN, Mr. STUPAK, Mrs. JONES of Ohio, Mr. STRICKLAND, Mr. LEVIN, Mr. OBERSTAR, Mr. DINGELL, Mr. CONYERS, Mr. LIPINSKI, Mr. BERRY, Mr. DOYLE, Mr. SPRATT, Mr. ABERCROMBIE, Mr. BROWN of Ohio, Ms. KILPATRICK, Mr. RAHALL, Mr. GEPHARDT, Mr. HOEFFEL, Mr. HOLDEN, Mr. JACKSON of Illinois, Mr. FATTAH, Mr. FILNER, Mr. EVANS, Mr. CRAMER, Mr. COSTELLO, Mr. RUPPERSBERGER, Mr. SANDERS, Mr. BACA, Mr. BISHOP of Georgia, Mr. BRADY of Pennsylvania, Mr. CARDOZA, Mr. CLAY, Mr. DAVIS of Alabama, Mr. GREEN of Texas, Mr. GRIJALVA, Mr. HINCHEY, Mr. MCGOVERN, Mr. PALLONE, Mr. PASTOR, Mr. ROTHMAN, Ms. SCHAKOWSKY, Ms. CARSON of Indiana, Mr. PAYNE, Mr. KANJORSKI, Mr. LAMPSON, Mr. RYAN of Ohio, Mr. ISRAEL, Mr. MICHAUD, Mr. SANDLIN, Ms. BERKLEY, Mr. CAPUANO, Mr. DELAHUNT, Ms. SLAUGHTER, Mr. THOMPSON of Mississippi, Mr. BOSWELL, and Mr. MCNULTY):

H.R. 3699. A bill to reinstate the safeguard measures imposed on imports of certain steel products, as in effect on December 4, 2003; to the Committee on Ways and Means.

By Mr. YOUNG of Florida:

H.J. Res. 82. A joint resolution making further continuing appropriations for the fiscal year 2004, and for other purposes; to the Committee on Appropriations. considered and passed.

By Mr. BAIRD:

H.J. Res. 83. A joint resolution proposing an amendment to the Constitution of the United States regarding the appointment of individuals to fill vacancies in the House of Representatives; to the Committee on the Judiciary.

By Mr. NEY (for himself and Mr. LARSON of Connecticut):

H. Con. Res. 345. Concurrent resolution authorizing the printing as a House document of the transcripts of the proceedings of "The Changing Nature of the House Speakership: The Cannon Centenary Conference", sponsored by the Congressional Research Service on November 12, 2003; to the Committee on House Administration. considered and agreed to.

By Mr. RANGEL:

H. Con. Res. 346. Concurrent resolution commemorating the tenth anniversary of the first democratic elections held in South Africa, recognizing the historical significance of the momentous event, and honoring the South Africans who dedicated their lives to promoting and championing democracy; to the Committee on International Relations.

By Mr. RODRIGUEZ:

H. Con. Res. 347. Concurrent resolution expressing the sense of the Congress that a commemorative postage stamp should be issued in honor of William C. Velasquez, the national Hispanic civic leader; to the Committee on Government Reform.

By Mr. SOUDER (for himself, Mrs. MYRICK, Mrs. JO ANN DAVIS of Virginia, Mrs. MCCARTHY of New York, Mr. TOM DAVIS of Virginia, Mr. WELDON of Florida, Mr. FILNER, and Mr. GARRETT of New Jersey):

H. Con. Res. 348. Concurrent resolution recognizing the survivors of cervical cancer and the importance of good cervical health, preventing HPV infection, and detecting cervical cancer during its earliest stages; to the Committee on Energy and Commerce which was laid on the table.

By Ms. PELOSI:

H. Res. 474. A resolution relating to a question of the privileges of the House.

By Mr. HONDA (for himself, Ms. LOFGREN, Ms. ESHOO, Mr. POMBO, Mrs. TAUSCHER, Mr. STARK, Mr. LANTOS, Mr. FARR, Ms. LEE, Mr. THOMPSON of California, and Mrs. DAVIS of California):

H. Res. 475. A resolution congratulating the San Jose Earthquakes for winning the 2003 Major League Soccer Cup; to the Committee on Government Reform.

By Mr. DELAY:

H. Res. 476. A resolution providing for a committee to notify the President of completion of business; considered and agreed to.

By Mr. ABERCROMBIE:

H. Res. 477. A resolution calling on the People's Republic of China immediately and unconditionally to release Rebiya Kadeer, and for other purposes; to the Committee on International Relations.

By Ms. BERKLEY (for herself and Mr. WEINER):

H. Res. 478. A resolution urging a return to the principles outlined in the "Road Map for Peace" as a viable framework for achieving a peaceful solution in the Middle East; to the Committee on International Relations.

By Mrs. CAPPS (for herself, Mr. HOUGHTON, Mr. MARKEY, Mr. LEACH, Mr. McGovern, Mr. Walsh, Mr. Price of North Carolina, Mr. Simmons, Mr. Jackson of Illinois, Mr. Pitts, Mr. Dingell, Mr. Farr, Ms. Eddie Bernice Johnson of Texas, Mr. Udall of Colorado, Mr. Grijalva, Ms. Lee, Mr. Hinchey, Mr. Gonzalez, Mr. George Miller of California, Mr. Moran of Virginia, Mr. Pascrell, Mr. Rahall, Ms. McCollum, Mr. DeFazio, Mr. Delahunt, Mr. Kind, Mr. Blumenauer, Mr. Kucinich, Ms. Kaptur, Mr. McDermott, Mr. Baird, and Ms. Baldwin):

H. Res. 479. A resolution expressing the sense of the House of Representatives regarding fighting terror and embracing efforts to achieve Israeli-Palestinian peace; to the Committee on International Relations.

By Mr. DINGELL (for himself, Mr. Kildee, Mr. Markey, Mr. George Miller of California, Mr. Pallone, and Mr. Rahall):

H. Res. 480. A resolution to honor the 30th anniversary of the enactment of the Endangered Species Act of 1973; to the Committee on Resources.

By Mr. GINGREY (for himself, Mr. Duncan, Mr. Alexander, Mr. Wilson of South Carolina, Mr. Marshall, Mrs. Miller of Michigan, Mr. Holden, Mr. Bishop of Georgia, Mr. Kingston, Mr. Bartlett of Maryland, Mrs. Cubin, Mr. Smith of Texas, Mr. John, Mr. Isakson, and Mr. Barrett of South Carolina):

H. Res. 481. A resolution recognizing the establishment of Hunters for the Hungry programs across the United States and the contributions of those programs to efforts to decrease hunger and help feed those in need; to the Committee on Agriculture.

By Mr. GINGREY (for himself, Mr. Bartlett of Maryland, Mr. McIntyre, Mr. Tanner, Mr. Wicker, Mr. Barton of Texas, Mr. Shuster, Mr. Kildee, Mr. Bishop of Utah, Mr. Hunter, Mr. Stenholm, Mr. Burns, Mrs. Jo Ann Davis of Virginia, and Mr. Turner of Ohio):

H. Res. 482. A resolution expressing the sense of the House of Representatives with respect to the October 3, 2003, order released by the Federal Communications Commission's Enforcement Bureau in response to complaints regarding the broadcast of program material that contained indecent language; to the Committee on Energy and Commerce.

By Mr. HASTINGS of Florida:

H. Res. 483. A resolution pledging continued United States support for the sovereignty, independence, territorial integrity, and democratic and economic reforms of the Republic of Georgia; to the Committee on International Relations.

By Mr. HASTINGS of Florida:

H. Res. 484. A resolution commending the Governments of India and Pakistan for improved diplomatic relations between the two countries, and for other purposes; to the Committee on International Relations.

By Ms. LINDA T. SÁNCHEZ of California:

H. Res. 485. A resolution expressing the sense of the House of Representatives that a "Welcome Home Vietnam Veterans Day" should be established; to the Committee on Government Reform.

MEMORIALS

Under clause 3 of rule XII, memorials were presented and referred as follows:

234. The SPEAKER presented a memorial of the Senate of the State of Michigan, relative to Senate Resolution No. 189 memorializing the United States Congress to take the necessary actions, through the International Monetary Fund or otherwise, to ensure that foreign nations that trade with the United States do so fairly and do not manipulate their currency; to the Committee on Financial Services.

235. Also, a memorial of the House of Representatives of the Commonwealth of Massachusetts, relative to a Resoultion urging the Congress of the United States to revise the Magnuson-Stevens Act and Pending Amendment 13 to preserve the existing successful management of the Commonwealth's groundfisheries; to the Committee on Resources.

236. Also, a memorial of the Senate of the State of Michigan, relative to Senate Resolution No. 190 memorializing the United States Congress to develop economic incentives and other programs to aid in the recovery and stabilization of the manufacturing industry in the United States; jointly to the Committees on Financial Services and Ways and Means.

237. Also, a memorial of the House of Representatives of the State of Michigan, relative to House Resolution No. 176 memorializing the United States Congress to enact legislation to establish a prescription drug benefit within Medicare; jointly to the Committees on Ways and Means and Energy and Commerce.

238. Also,a memorial of the Health Care Task Force of the General Assembly of Colorado, relative to a letter urging the United States Congress to maintain existing language in S. 1 and H.R. 1 that suspends the Outcome and Assessment Information Set (OASIS) data collection requirement for non-Medicare and non-Medicaid home health plans; jointly to the Committees on Ways and Means and Energy and Commerce.

239. Also, a memorial of the Senate of the State of Michigan, relative to Senate Resolution No. 188 memorializing the United States Congress to expand its efforts through the World Trade Organization and the World Intellectual Property Organization to ensure that the intellectual property of domestic businesses and individuals is protected and that actions are taken against those countries that violate the World Trade Organization and World Intellectual Property Organization standards; jointly to the Committees on Ways and Means and International Relations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 3 of rule XII,

Ms. ROYBAL-ALLARD introduced a bill (H.R. 3700) for the relief of Benjamin Cabrera and Londy Patricia Cabrera; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 36: Mr. Stupak.

H.R. 58: Ms. Waters and Mr. Larsen of Washington.

H.R. 97: Mr. Evans.

H.R. 111: Mr. Sessions, Mr. Chocola, and Mr. Pence.

H.R. 218: Mr. Marshall.

H.R. 278: Mrs. Myrick.

H.R. 284: Mr. Bishop of Georgia.

H.R. 296: Ms. Hooley of Oregon.

H.R. 327: Ms. Bordallo.

H.R. 328: Ms. McCarthy of Missouri.

H.R. 333: Ms. Linda T. Sánchez of California.

H.R. 339: Ms. Berkley.

H.R. 369: Mr. Ford.

H.R. 375: Mr. McKeon and Mr. Ortiz.

H.R. 384: Mr. Toomey and Mr. Kolbe.

H.R. 391: Mr. Hunter.

H.R. 466: Mr. Radanovich.

H.R. 475: Mr. Scott of Georgia and Mr. Udall of Colorado.

H.R. 501: Mr. Andrews and Ms. Eddie Bernice Johnson of Texas.

H.R. 516: Mr. Turner of Ohio.

H.R. 527: Ms. Carson of Indiana, Ms. Lofgren, and Mr. Kline.

H.R. 645: Mr. McGovern.

H.R. 687: Mr. Pickering, Mr. Brown of South Carolina, and Mr. Goss.

H.R. 713: Mr. Levin, Mr. Sherman, and Mr. Van Hollen.

H.R. 727: Mr. Sherman.

H.R. 738: Mr. Langevin, Mr. Filner, and Ms. Norton.

H.R. 776: Mr. Clay.

H.R. 778: Mr. Goodlatte.

H.R. 785: Mr. Goodlatte.

H.R. 786: Mrs. Capps.

H.R. 811: Mr. Clay.

H.R. 839: Ms. McCarthy of Missouri and Mr. Farr.

H.R. 852: Mrs. Tauscher and Mr. Gutierrez.

H.R. 857: Mr. Doggett, Ms. Majette, Mr. Michaud, Mr. Castle, Mr. Gilchrest, Mr. Holt, Mr. Kennedy of Rhode Island, Mr. Ballance, and Mrs. Biggert.

H.R. 872: Mr. Nussle.

H.R. 876: Mr. Gary G. Miller of California, Mr. Turner of Texas, Mr. Pastor, Mr. Udall of Colorado, Mr. Clay, Mr. Rahall, Ms. Roybal-Allard, Mr. Marshall, Mrs. Miller of Michigan, Mr. Olver, Mr. Van Hollen, and Mr. Frank of Massachusetts.

H.R. 882: Mr. Boehlert.

H.R. 944: Ms. Hooley of Oregon.

H.R. 956: Ms. Solis.

H.R. 962: Ms. Slaughter.

H.R. 970: Mr. Baird.

H.R. 990: Mr. Renzi and Mr. McIntyre.

H.R. 996: Mr. Kirk.

H.R. 1029: Mr. Frost.

H.R. 1034: Mr. Faleomavaega.

H.R. 1105: Mr. McIntyre.

H.R. 1117: Mr. Otter and Mr. Gutierrez.

H.R. 1149: Mr. Kennedy of Rhode Island.

H.R. 1155: Mr. Weller, Mr. Lincoln Diaz-Balart of Florida, and Mr. Burr.

H.R. 1214: Mrs. Blackburn and Mr. Abercrombie.

H.R. 1220: Mr. Reyes and Mr. Herger.

H.R. 1258: Mr. Rangel.

H.R. 1264: Mrs. Tauscher.

H.R. 1322: Mr. Pastor and Ms. Hooley of Oregon.

H.R. 1336: Mr. Bishop of Georgia.

H.R. 1372: Mr. Lincoln Diaz-Balart of Florida.

H.R. 1396: Ms. McCarthy of Missouri.

H.R. 1414: Ms. Kaptur and Mr. Michaud.

H.R. 1430: Ms. Slaughter, Mr. Hinchey, Mr. Abercrombie, and Mr. Sabo.

H.R. 1435: Ms. Majette.

H.R. 1480: Mr. Kucinich.

H.R. 1489: Mr. Boozman, Mr. Hoekstra, and Mr. Burr.

H.R. 1501: Ms. Waters, Ms. Roybal-Allard, Ms. Harman, Mr. Waxman, Ms. Lofgren, Mr. Matsui, and Mr. Inslee.

H.R. 1513: Mr. Baird.

H.R. 1532: Ms. Norton, Mr. Gilchrest, Ms. Majette, Ms. DeGette, Mrs. Northup, Mr.

Etheridge, Ms. Pelosi, Mr. Kennedy of Rhode Island, and Mr. Cummings.

H.R. 1563: Ms. Slaughter, Mr. Greenwood, and Mrs. Jones of Ohio.

H.R. 1582: Mr. Pitts, Mr. Issa, Mr. Akin, and Mr. Frank of Massachusetts.

H.R. 1600: Mr. Hastings of Florida.

H.R. 1688: Ms. Roybal-Allard and Ms. Hooley of Oregon.

H.R. 1689: Mr. Gutierrez, Mr. Berman, Mr. Menendez, and Mr. Doggett.

H.R. 1708: Mr. Kennedy of Minnesota.

H.R. 1723: Ms. Velázquez.

H.R. 1734: Mr. Goode.

H.R. 1746: Mr. Rush, Mrs. Maloney, Ms. Waters, Mr. Langevin, Mr. Emanuel, and Mr. Capuano.

H.R. 1784: Mrs. Emerson.

H.R. 1796: Mrs. Biggert.

H.R. 1800: Mr. Gephardt.

H.R. 1805: Ms. Hooley of Oregon.

H.R. 1812: Mr. Emanuel.

H.R. 1822: Mr. Calvert, Ms. Solis, Mr. Thompson of California, and Mr. Waxman.

H.R. 1824: Mr. Davis of Illinois, Mr. Costello, and Mr. Herger.

H.R. 1861: Ms. McCollum and Mr. Weiner.

H.R. 1873: Mr. Kline and Mr. Beauprez.

H.R. 1914: Mr. Hoeffel.

H.R. 1916: Mrs. Napolitano, Ms. McCollum, and Mr. Dicks.

H.R. 1958: Ms. Harman.

H.R. 2011: Ms. Hooley of Oregon.

H.R. 2131: Mr. Nethercutt, Mr. Rangel, Mr. Barlett of Maryland, Ms. Ginny Brown-Waite of Florida, Mrs. Cubin, Ms. Granger, Ms. Dunn, Mr. Lewis of Georgia, Mr. Sam Johnson of Texas, Mr. Young of Alaska, Mr. Renzi, Mr. Tauzin, Mr. Rehberg, Mrs. Capito, Mr. Hunter, Mr. Murtha, Mr. Pomeroy, Mr. Moran of Virginia, Mr. Rothman, Mr. Snyder, Mr. Boswell, Mr. Hastings of Florida, Ms. Hooley of Oregon, Mr. Kind, Mr. Hinojosa, and Mr. Becerra.

H.R. 2133: Ms. Berkley.

H.R. 2135: Mr. Jones of North Carolina.

H.R. 2172: Mr. Meehan.

H.R. 2173: Mr. Allen.

H.R. 2198: Mr. Baird.

H.R. 2217: Mr. Andrews.

H.R. 2224: Ms. Carson of Indiana.

H.R. 2233: Ms. Carson of Indiana.

H.R. 2239: Mr. Dingell, Mr. Moore, Ms. Velázquez, Mr. Stupak, Mr. Abercrombie, Mr. Price of North Carolina, Mr. Matheson, Mr. Cole, Mr. Dicks, and Mr. Snyder.

H.R. 2260: Mrs. Davis of California, Ms. Hooley of Oregon, Mr. Jenkins, Mr. John, Ms. Roybal-Allard, Mr. Schiff, Mr. Wynn, Mr. Case, and Mr. Bonilla.

H.R. 2323: Mrs. Capps.

H.R. 2404: Mr. Snyder.

H.R. 2490: Mr. Filner.

H.R. 2511: Mr. Meeks of New York.

H.R. 2579: Mr. Foley.

H.R. 2635: Mr. Brown of South Carolina.

H.R. 2665: Ms. Baldwin and Mr. McCotter.

H.R. 2702: Ms. Slaughter.

H.R. 2704: Mr. Weiner.

H.R. 2719: Mr. Gerlach.

H.R. 2720: Mr. Portman.

H.R. 2727: Mr. Van Hollen, Mr. Sherman, Mr. Boehlert, and Ms. Hooley of Oregon.

H.R. 2732: Mrs. Blackburn.

H.R. 2768: Mr. Tom Davis of Virginia, Mr. Meehan, Mr. Aderholt, Mrs. Capps, Mr. Rodriguez, Mr. Collins, Ms. Eddie Bernice Johnson of Texas, Mr. Reynolds, Mr. Camp, Mr. Ackerman, Mr. Baca, Mrs. Jones of Ohio, Mr. Ross, Mr. Becerra, Ms. Jackson-Lee of Texas, Mr. Watt, Mr. Farr, Mr. Mollohan, Mr. Burgess, and Mrs. Davis of California.

H.R. 2809: Mr. Etheridge.

H.R. 2810: Mr. Etheridge.

H.R. 2818: Mrs. Jones of Ohio.

H.R. 2823: Mr. McGovern and Mr. Ehlers.

H.R. 2830: Mr. Boehlert.

H.R. 2844: Mr. Cox.

H.R. 2863: Ms. Hart, Mr. Thompson of California, Mr. Capuano, Mr. Meek of Florida, Mr. Mario Diaz-Balart of Florida, Ms. Hooley of Oregon, Mr. Green of Texas, and Mrs. Jo Ann Davis of Virginia.

H.R. 2885: Mr. Brown of South Carolina.

H.R. 2928: Mr. Bishop of New York.

H.R. 2949: Mr. Grijalva.

H.R. 2957: Mr. Manzullo.

H.R. 2959: Mr. Doggett.

H.R. 2983: Mr. Case, Mr. Baca, and Mr. Carson of Oklahoma.

H.R. 2986: Mr. Goodlatte and Mrs. Tauscher.

H.R. 3002: Mr. Baird.

H.R. 3015: Mr. Shays.

H.R. 3022: Mr. Allen.

H.R. 3049: Mr. Hinojosa.

H.R. 3051: Mr. DeFazio.

H.R. 3063: Mr. Van Hollen, Mr. Gutierrez, and Mr. Doggett.

H.R. 3064: Mr. Holt and Mr. Serrano.

H.R. 3069: Mr. Petri.

H.R. 3078: Mr. Blumenauer.

H.R. 3084: Mr. Holt.

H.R. 3104: Mr. Upton.

H.R. 3107: Mr. Meek of Florida.

H.R. 3109: Ms. Corrine Brown of Florida, Ms. Harman, Mr. Payne, and Mr. Hinchey.

H.R. 3111: Ms. McCarthy of Missouri, Ms. Lofgren, and Mr. Larsen of Washington.

H.R. 3119: Mr. Goode, Mr. Tiahrt, Mr. Ryun of Kansas, and Mr. Rahall.

H.R. 3125: Mr. McIntyre.

H.R. 3142: Mrs. Johnson of Connecticut and Mr. Olver.

H.R. 3178: Mr. Lampson, Mr. doggett, and Ms. Lofgren.

H.R. 3190: Mr. Wilson of South Carolina.

H.R. 3191: Mr. Kennedy of Minnesota.

H.R. 3193: Mr. Nussle and Mr. Cole.

H.R. 3194: Mr. Goodlatte and Mr. Abercrombie.

H.R. 3199: Mrs. Musgrave.

H.R. 3204: Mr. Aderholt, Mr. Bachus, Mr. Ballenger, Mr. Barrett of South Carolina, Mr. Beauprez, Mrs. Biggert, Mr. Bilirakis, Mr. Bishop of Utah, Mrs. Blackburn, Mr. Boehner, Mr. Bartlett of Maryland, Mr. Bonner, Mrs. Bono, Mr. Boozman, Mr. Brady of Texas, Mr. Brown of South Carolina, Ms. Ginny Brown-Waite of Florida, Mr. Burgess, Mr. Burns, Mr. Burton of Indiana, Mr. Buyer, Mr. Calvert, Mr. Camp, Mr. Cantor, Mrs. Capito, Mr. Carter, Mr. Chabot, Mr. Chocola, Mr. Coble, Mr. Cole, Mr. Collins, Mr. Cox, Mr. Crenshaw, Mrs. Cubin, Mr. Culberson, Mr. Cunningham, Mr. Deal of Georgia, Mr. Mario Diaz-Balart of Florida, Mr. Doolittle, Mr. Dreier, Ms. Dunn, Mr. Everett, Mr. Feeney, Mr. Foley, Mr. Forbes, Mr. Fossella, Mr. Franks of Arizona, Mr. Frelinghuysen, Mr. Gallegly, Mr. Garrett of New Jersey, Mr. Gibbons, Mr. Gingrey, Mr. Goodlatte, Mr. Goss, Ms. Granger, Mr. Graves, Mr. Green of Wisconsin, Mr. Hayes, Mr. Hayworth, Mr. Hefley, Mr. Hensarling, Mr. Hulshof, Mr. Hunter, Mr. Hyde, Mr. Isakson, Mr. Janklow, Mr. Jenkins, Mr. Keller, Mrs. Kelly, Mr. Kennedy of Minnesota, Mr. King of New York, Mr. Kline, Mr. Knollenberg, Mr. Kolbe, Mr. LaTourette, Mr. Lewis of California, Mr. LoBiondo, Mr. McCrery, Mr. McKeon, Mr. Miller of Florida, Mrs. Musgrave, Mrs. Myrick, Mr. Nethercutt, Mr. Neugebauer, Mr. Norwood, Mr. Nunes, Mr. Osborne, Mr. Petri, Mr. Pickering, Mr. Pombo, Mr. Porter, Mr. Putnam, Mr. Quinn, Mr. Ramstad, Mr. Rehberg, Mr. Renzi, Mr. Rogers of Alabama, Mr. Rogers of Michigan, Ms. Ros-Lehtinen, Mr. Ryan of Wisconsin, Mr. Ryun of Kansas, Mr. Schrock, Mr. Shadegg, Mr. Shaw, Mr. Sherwood, Mr. Shuster, Mr. Simmons, Mr. Smith of New Jersey, Mr. Smith of Texas, Mr. Souder, Mr. Stearns, Mr. Tancredo, Mr. Thornberry, Mr. Toomey, Mr. Vitter, Mr. Walden of Oregon, Mr. Weldon of Florida, Mr. Wicker, Mr. Wilson of South Carolina, Mr. McGovern, Mr. Cannon, and Mr. Sensenbrenner.

H.R. 3220: Mr. Smith of Washington and Mr. Dooley of California.

H.R. 3225: Mr. Kennedy of Minnesota.

H.R. 3226: Mr. Bonilla.

H.R. 3228: Mr. Jackson of Illinois.

H.R. 3237: Mr. Van Hollen and Mr. Smith of New Jersey.

H.R. 3243: Mr. Platts.

H.R. 3244: Mr. Van Hollen, Mr. Jackson of Illinois, Ms. Lofgren, Ms. Lee, Mr. Doyle, Mr. Weiner, and Mr. Stupak.

H.R. 3246: Mr. Hayworth.

H.R. 3250: Ms. Baldwin.

H.R. 3251: Mr. Van Hollen.

H.R. 3259: Mr. Hinojosa, Mr. Bilirakis and Mr. Payne.

H.R. 3270: Mr. Manzullo, Mr. Burr, and Mrs. Capito.

H.R. 3277: Mr. Hastert, Mr. Goss, Mrs. Musgrave, Mr. Goode, Mr. Hefley, Mr. Rogers of Alabama, Mr. Vitter, Mr. Lewis of Georgia, Mr. Tom Davis of Virginia, Mr. Camp, Mr. Calvert, Ms. McCollum, Mr. Alexander, Mr. Gordon, Mr. Spratt, Mr. Aderholt, Mr. Ose, Mr. McInnis, Mr. Burns, Mr. Coble, Mr. Crenshaw, Mr. Regula, Mr. Smith of Michigan, Mr. Putnam, Mr. Sullivan, Mr. Tauzin, Mr. Walden of Oregon, Ms. DeLauro, Mr. Price of North Carolina, and Mr. Burgess.

H.R. 3286: Mr. Ehlers, Mr. McGovern, and Ms. Kaptur.

H.R. 3293: Ms. Corrine Brown of Florida, Mr. Bishop of Georgia, Mr. Snyder, Mr. Doyle, Mr. Frost, Mr. Abercrombie, Ms. Berkley, Mr. Gutierrez, Mr. Kennedy of Rhode Island, and Ms. Ros-Lehtinen.

H.R. 3294: Mr. Ose and Mr. Schiff.

H.R. 3299: Mr. Emanuel, Mr. Kildee, Mr. Udall of New Mexico, Mr. George Miller of California, and Mr. Oberstar.

H.R. 3308: Mr. Sensenbrenner, Mr. Green of Wisconsin, and Mr. Terry.

H.R. 3323: Mr. Sherman.

H.R. 3325: Mr. Grijalva, Ms. Millender-McDonald, and Ms. Lofgren.

H.R. 3329: Ms. Schakowsky.

H.R. 3337: Ms. Lee and Mr. Inslee.

H.R. 3344: Ms. McCarthy of Missouri.

H.R. 3350: Mr. Hinojosa, Ms. Slaughter, Ms. Waters, and Mr. Kennedy of Rhode Island.

H.R. 3352: Mr. Blumenauer and Mr. Dingell.

H.R. 3355: Ms. Slaughter, Mr. Frank of Massachusetts, Ms. Waters, and Ms. Lofgren.

H.R. 3357: Mr. Peterson of Pennsylvania.

H.R. 3361: Mr. Kucinich, Mr. Pastor, Ms. Jackson-Lee of Texas, Mr. Baca, and Mr. George Miller of California.

H.R. 3362: Mrs. McCarthy of New York.

H.R. 3370: Ms. Lee.

H.R. 3398: Ms. Lee and Ms. Eddie Bernice Johnson of Texas.

H.R. 3403: Mr. Nunes and Mr. Boyd.

H.R. 3416: Mr. Stark, Mr. Waxman, Ms. Hooley of Oregon, Ms. Linda T. Sánchez of California, Mr. Gutierrez, Ms. Schakowsky, and Mr. Clay.

H.R. 3420: Mr. Rothman, Mr. Moran of Virginia, Mr. Langevin, Mr. Michaud, Ms.

DeLAURO, Mr. TOWNS, Mr. BISHOP of New York, Mr. FRANK of Massachusetts, Ms. LINDA T. SÁNCHEZ of California, Ms. LOFGREN, Mr. BAIRD, and Mr. PRICE of North Carolina.

H.R. 3422: Mr. CROWLEY.

H.R. 3424: Mr. MENENDEZ and Mr. CLAY.

H.R. 3425: Mr. KUCINICH, Mr. McNULTY, Mr. MENENDEZ, Ms. LINDA T. SÁNCHEZ of California, and Mr. CLAY.

H.R. 3426: Ms. WATERS.

H.R. 3437: Mr. WYNN.

H.R. 3438: Ms. SCHAKOWSKY, Mr. CAPUANO, Ms. WOOLSEY, and Mr. SMITH of New Jersey.

H.R. 3444: Mr. HASTINGS of Florida.

H.R. 3446: Mr. MORAN of Virginia, Ms. BALDWIN, Mr. GEORGE MILLER of California, Mrs. TAUSCHER, Mrs. DAVIS of California, Mr. VAN HOLLEN, Mr. TOWNS, Mr. SERRANO, Mr. MARKEY, Mr. McGOVERN, Mr. KILDEE, Mr. ANDREWS, Mr. DeFAZIO, Mrs. CAPPS, Mr. BLUMENAUER, Mr. GONZALEZ, Mr. LEACH, and Ms. SCHAKOWSKY.

H.R. 3451: Mr. HASTINGS of Florida.

H.R. 3453: Mr. ROGERS of Michigan, Mr. GOODLATTE, Mr. EHLERS, Mr. SIMPSON, Mr. TIBERI, Mr. BAKER, and Mr. COLLINS.

H.R. 3458: Mr. FORD, Mr. GORDON, Mr. WILSON of South Carolina, Mr. SPRATT, and Ms. MILLENDER-McDONALD.

H.R. 3459: Mr. McINTYRE, Mr. KENNEDY of Rhode Island, Mr. BAIRD, and Mr. LANGEVIN.

H.R. 3473; Mrs. DAVIS of California, Mr. FOLEY, Mr. BROWN of South Carolina, Mr. McGOVERN, and Ms. LEE.

H.R. 3474: Mr. WYNN, Ms. NORTON, Mr. BOSWELL, Mr. HOEFFEL, Mr. McDERMOTT, Mr. Engel, Mr. TURNER of Texas, Mr. MEEHAN, Mr. CASE, Mr. COOPER, Mr. HOLT, Mr. FRANK of Massachusetts, Mr. MARSHALL, Mr. BERRY, Mr. TAYLOR of Mississippi, Mr. TERRY, Mr. INSLEE, Mr. DOGGETT, Mr. RAHALL, Mr. HONDA, Mr. BRADLEY of New Hampshire, Mr. BELL, and Mr. BURNS.

H.R. 3480: Mr. FROST and Mr. SCHIFF.

H.R. 3484: Mr. LANTOS.

H.R. 3494: Mr. KENNEDY of Minnesota.

H.R. 3500: Mr. COBLE and Mr. PRICE of North Carolina.

H.R. 3503: Mr. FROST.

H.R. 3504: Mr. GRIJALVA and Mr. KILDEE.

H.R. 3507: Mr. BECERRA.

H.R. 3519: Ms. BALDWIN and Mr. HOEFFEL.

H.R. 3522: Mr. SMITH of Texas.

H.R. 3528: Mr. DELAHUNT, Mr. GREEN of Texas, Mr. FROST, Mr. McINTYRE, Mr. BROWN of Ohio, Mr. CARDOZA, Mr. VAN HOLLEN, Mr. INSLEE, Mrs. JONES of Ohio, and Mr. BLUMENAUER.

H.R. 3530: Mr. VAN HOLLEN and Mr. WAXMAN.

H.R. 3539: Mr. RODRIGUEZ, Mr. GRIJALVA, Mr. ACEVEDO-VILÁ, Mr. CARDOZA, Mr. BAIRD, Mr. McDERMOTT, Ms. MILLENDER-McDONALD, Mr. FROST, and Mr. McGOVERN.

H.R. 3543: Mr. McGOVERN and Mr. BASS.

H.R. 3550: Mr. FROST, Mr. LANTOS, Mr. ANDREWS, Mr. TERRY, Ms. LEE, Mr. DAVIS of Illinois, Mr. GORDON, Ms. HOOLEY of Oregon, and Mr. CROWLEY.

H.R. 3558: Mr. GREENWOOD, Mr. SHADEGG, Ms. ESHOO, Mr. AKIN, Mr. SMITH of Michigan, Mr. BARTLETT of Maryland, Mr. GUTKNECHT, Mr. HERGER, and Mr. KENNEDY of Minnesota.

H.R. 3568: Ms. HOOLEY of Oregon.

H.R. 3579: Mr. SHERMAN and Mr. BACA.

H.R. 3582: Mr. GUTIERREZ.

H.R. 3583: Mr. TOM DAVIS of Virginia.

H.R. 3586: Mr. GOODLATTE.

H.R. 3587: Mr. McDERMOTT.

H.R. 3591: Mr. ROSS.

H.R. 3604: Mrs. MUSGRAVE.

H.R. 3607: Ms. BERKLEY.

H.R. 3608: Ms. BERKLEY.

H.R. 3615: Mrs. TAUSCHER, Mr. ISRAEL, and Mr. MEEHAN.

H.R. 3619: Mr. BERMAN, Ms. NORTON, Mr. VISCLOSKY, Mr. FARR, Mr. DAVIS of Tennessee, Mr. WYNN, Mrs. DAVIS of California, Mr. ROTHMAN, Mr. GREEN of Texas, Ms. HOOLEY of Oregon, Mr. KENNEDY of Rhode Island, Ms. BALDWIN, Ms. DeGETTE, Mr. DICKS, Ms. WATERS, Mr. SCHIFF, Mr. OLVER, Mr. MARKEY, Mr. KLECZKA, Mr. ACKERMAN, Mr. CLAY, Mr. BLUMENAUER, Mrs. CAPPS, Mr. ACEVEDO-VILÁ, Mr. COSTELLO, Mr. OBERSTAR, Mr. MEEK of Florida, Mrs. NAPOLITANO, Mr. LEWIS of Georgia, Mr. SMITH of Washington, Mr. ISRAEL, and Mr. BELL.

H.R. 3626: Mr. TURNER of Texas and Mr. FROST.

H.R. 3629: Ms. LEE and Ms. McCOLLUM.

H.R. 3633: Mr. YOUNG of Florida, Mr. ROGERS of Michigan, Mr. YOUNG of Alaska, and Ms. HART.

H.R. 3642: Mr. PAYNE, Mr. JACKSON of Illinois, Mr. KUCINICH, Mr. GRIJALVA, Mr. RUSH, Ms. JACKSON-LEE of Texas, and Ms. CARSON of Indiana.

H.J. Res. 38: Mr. HOEFFEL.

H.J. Res. 45: Mr. GUTIERREZ and Mr. SCHIFF.

H.J. Res. 71: Mr. PITTS.

H. Con. Res. 3: Ms. CARSON of Indiana, Mr. PAYNE, Mr. GEORGE MILLER of California, Mr. McGOVERN, Mr. STARK, Mr. WEINER, Mr. FATTAH, Mr. McINTYRE, Mrs. CHRISTENSEN, Mr. DAVIS of Illinois, Mr. REYES, Mr. DOGGETT, Mr. LANTOS, Mr. LEWIS of Georgia, and Mr. SCOTT of Virginia.

H. Con. Res. 15: Mr. UPTON.

H. Con. Res. 30: Mr. SHAW.

H. Con. Res. 37: Ms. CARSON of Indiana.

H. Con. Res. 47: Mr. FRANK of Massachusetts and Mr. WEINER.

H. Con. Res. 87: Ms. LEE.

H. Con. Res. 98: Mr. LINCOLN DIAZ-BALART of Florida.

H. Con. Res. 126: Mr. WELDON of Florida.

H. Con. Res. 197: Mrs. NORTHUP and Mr. MORAN of Virginia.

H. Con. Res. 218: Mr. MEEK of Florida and Mr. MICA.

H. Con. Res. 223: Mr. CUMMINGS.

H. Con. Res. 247: Mr. HONDA.

H. Con. Res. 252: Mr. CUMMINGS, Mr. GIBBONS, Mr. GREEN of Texas, Mr. ETHERIDGE, Mrs. DAVIS of California, Ms. CORRINE BROWN of Florida, Ms. LINDA T. SÁNCHEZ of California, Mrs. CAPPS, Mr. STENHOLM, Mr. NEY, Mr. BACHUS, Mrs. NAPOLITANO, Mr. MENENDEZ, Mr. UDALL of Colorado, Mr. HASTINGS of Florida, and Mr. MILLER of Florida.

H. Con. Res. 269: Mr. GEORGE MILLER of California.

H. Con. Res. 275: Mr. FATTAH.

H. Con. Res. 276: Ms. WATERS, Mr. LEWIS of Georgia, Mr. OLVER, and Mr. DELAHUNT.

H. Con. Res. 297: Mr. CUMMINGS.

H. Con. Res. 298: Mr. LaHOOD, Mr. BISHOP of Utah, Mr. BASS, Mr. PLATTS, Mr. KLINE, Mr. TAYLOR of Mississippi, Mr. HOEKSTRA, Mr. RAMSTAD, Mr. CALVERT, Mr. SIMPSON, and Mr. GILLMOR.

H. Con. Res. 304: Mrs. LOWEY, Mr. STARK, Ms. KAPTUR, Ms. JACKSON-LEE of Texas, Mrs. MYRICK, and Ms. LORETTA SANCHEZ of California.

H. Con. Res. 309: Mr. MICHAUD.

H. Con. Res. 312: Mr. FATTAH.

H. Con. Res. 324: Ms. DUNN, Mr. PITTS, Mr. JOHN, Mr. GARRETT of New Jersey, and Mr. FROST.

H. Con. Res. 326: Mr. SCHIFF.

H. Con. Res. 327: Mr. SERRANO.

H. Con. Res. 331: Mr. TERRY, Mr. PITTS, and Mr. AKIN.

H. Con. Res. 332: Mrs. LOWEY and Mr. FEENEY.

H. Con. Res. 335: Mr. HOLDEN, Mr. STUPAK, Ms. HOOLEY of Oregon, Mr. BISHOP of Georgia, Ms. SCHAKOWSKY, Mr. LANGEVIN, Mr. WEINER, Ms. BERKLEY, and Mr. HOLT.

H. Con. Res. 338: Mr. FERGUSON, Mr. McDERMOTT, Mr. MATSUI, Mr. MORAN of Virginia, Ms. LEE, Mr. HOYER, Ms. MILLENDER-McDONALD, and Mr. PAYNE.

H. Con. Res. 343: Mr. DAVIS of Tennessee, Ms. NORTON, Mr. DINGELL, Ms. SCHAKOWSKY, Mr. NADLER, Mr. BELL, Mr. GEORGE MILLER of California, Mr. ALLEN, Ms. HOOLEY of Oregon, Mr. JEFFERSON, Mr. TURNER of Texas, Mrs. CAPPS, Ms. ROYBAL-ALLARD, Mr. FARR, Mr. LAMPSON, Mr. SNYDER, Mr. WEXLER, Ms. McCOLLUM, Mr. SERRANO, Mr. CROWLEY, Ms. JACKSON-LEE of Texas, Mr. FROST, Mr. DELAHUNT, Mr. FRANK of Massachusetts, Mr. OLVER, Mr. TIERNEY, Mr. SCOTT of Virginia, Mr. FILNER, Mr. OWENS, Mr. SHERMAN, Mr. MORAN of Virginia, Ms. WATERS, Mr. POMEROY, Mr. CLAY, Mr. BROWN of Ohio, Mr. RANGEL, Ms. ESHOO, Ms. LOFGREN, Mr. KANJORSKI, Mr. PASTOR, Mr. GONZALEZ, Mr. MOLLOHAN, Mr. HOLT, Mr. MENENDEZ, Mr. EMANUEL, Mr. PRICE of North Carolina, Ms. McCARTHY of Missouri, Ms. HARMAN, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. NEAL of Massachusetts, Mr. UDALL of Colorado, Mrs. LOWEY, Ms. BALDWIN, and Mr. TAYLOR of Mississippi.

H. Con. Res. 344: Ms. CARSON of Indiana and Mr. PAUL.

H. Res. 38: Mr. VAN HOLLEN, Mr. DAVIS of Illinois, and Ms. MAJETTE.

H. Res. 112: Ms. JACKSON-LEE of Texas, Ms. CARSON of Indiana, and Mr. FALEOMAVAEGA.

H. Res. 157: Mr. ACKERMAN and Mr. PLATTS.

H. Res. 233: Mr. TOOMEY.

H. Res. 313: Mr. HASTINGS of Florida.

H. Res. 320: Mr. LANGEVIN, Mr. RADANOVICH, and Ms. BERKLEY.

H. Res. 386: Mrs. CHRISTENSEN.

H. Res. 387: Mr. DELAHUNT and Mr. VAN HOLLEN.

H. Res. 410: Mr. DELAHUNT and Mr. SANDERS.

H. Res. 419: Mr. SANDERS.

H. Res. 426: Mr. ACKERMAN.

H. Res. 454: Mr. CASE.

H. Res. 462: Mr. UDALL of Colorado and Ms. ESHOO.

H. Res. 466: Mr. SHAYS, Mr. GUTIERREZ, and Mr. SABO.

H. Res. 471: Ms. CARSON of Indiana, Mr. TOWNS, Mr. MEEKS of New York, Mr. MEEK of Florida, Mrs. JONES of Ohio, Mr. OWENS, Mr. HASTINGS of Florida, Ms. MILLENDER-McDONALD, Mr. CONYERS, Ms. LEE, Ms. KILPATRICK, Mr. RANGEL, and Ms. WATERS.

PETITIONS, ETC.

Under clause 3 of rule XII,

50. The SPEAKER presented a petition of H.R.M. Caesar Saint Augustine de Buonaparte, Emperor of the United States of Turtle Island, North Pangea, Malibu, CA, relative to a petition for redress of grievance; which was referred to the Committee on the Judiciary.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 7 of rule XII, sponsors were deleted from public bills and resolutions as follows:

H.R. 850: Mr. BISHOP (GA)
H.R. 1078: Mr. WELDON (FL)
H.R. 3151: Ms. NORTON
H.R. 3507: Ms. PELOSI
H.R. 3583: Ms. NORTON
H.R. 3633: Mr. LaHOOD
H. Res. 462: Mr. TERRY

EXTENSIONS OF REMARKS

IN RECOGNITION OF CHARLOTTE THOMPSON REID

HON. J. DENNIS HASTERT

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. HASTERT. Mr. Speaker, I rise to commend to the attention of our colleagues the recent celebration of one of our former colleague's 90th birthday this past September 27. Charlotte Thompson Reid, one of my predecessors who served in the House from January 1963–October 1971, has been known as the "Grand Lady of Aurora, Illinois," the largest city in my congressional district. Charlotte Reid has always been an inspiration to those of us who have known her. Her sparkling personality and just plain Midwest-friendliness is renown throughout all of Chicagoland. Her conscientious service in Congress overlapped with the beginning of my teaching career in Yorkville, Illinois and her outstanding record helped inspire me to seek public office in the late 1970's. In fact, her daughter, Patricia, is currently a State Representative in the Illinois General Assembly.

While in Congress, Charlotte served on the Appropriations, Interior and Insular Affairs, Public Works, and Ethics Committees. In 1971, she was appointed to be a Commissioner on the FCC where she served with distinction until retiring in 1976. She was a member of the President's Task Force on International Private Enterprise from 1983 to 1985, and has been a member of the Hoover Institution's Board of Overseers since 1984. She is a resident today of Aurora.

One last anecdote. Not only was Charlotte Reid herself elected to Congress five times with overwhelming margins, but her enthusiastic support and endorsement helped to elect two future Congressmen—another of my predecessors Tom Corcoran in 1976 and her work on my behalf helped elect me ten years later in 1986, during my first and toughest campaign for Congress.

Mr. Speaker, we are all indebted to Charlotte Reid for her energy, her gentle manner and her zest for life. On behalf of us all, I wish her a belated, but happy 90th birthday and many more to come.

RECOGNIZING DON WILSON FOR OUTSTANDING SERVICE TO THE COMMUNITY

HON. JEB HENSARLING

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. HENSARLING. Mr. Speaker, today, I would like to recognize Mr. Don Wilson for his outstanding service to the community and businesses in North East Dallas. After faithfully serving as President of Dallas North East Chamber of Commerce for the last three years, Don recently announced his retirement to serve as Vice President of the Dallas National Bank for the Breckenridge Corner Branch.

Since September 25, 2000, Don Wilson has provided energetic leadership in promoting the commercial, civic, cultural, educational, and industrial interests of the Northeast Dallas area. Don's dedication to the prosperity and health of area businesses, neighborhoods, and residents is well known and admired by his fellow Chamber members.

Under Don's leadership, membership in the Dallas North East Chamber of Commerce increased by 38 percent while membership retention rose to 62 percent, well above the national average.

As an active President, Don Wilson oversaw many new successful activities including the Power-In-An-Hour monthly networking meeting, a new high-tech interactive Web site, the Women's Network, the Focus on Health Committee and the Healthier Northeast Dallas Initiative, a program modeled after President Bush's Healthier U.S. Initiative.

Don Wilson's leadership and dedication will be greatly missed by the community and businesses he served. I thank him for his outstanding service and wish him the very best in his future endeavors.

IN RECOGNITION OF THE 25TH ANNIVERSARY OF THE ASSASSINATIONS OF MAYOR GEORGE MOSCONE AND SUPERVISOR HARVEY MILK

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Ms. PELOSI. Mr. Speaker, I rise to pay tribute to the memory of two of San Francisco's great and most beloved heroes.

A quarter century ago, on November 27, 1978, two of San Francisco's best and brightest were assassinated in a dark week for our city.

Still reeling from the Jonestown Massacre only days before—the worst mass murder-suicide in American history and the murder of Bay Area Congressman Leo Ryan—San Francisco was dealt a catastrophic blow.

Politically and personally it was a horrific tragedy. San Francisco lost two great progressive leaders, two champions of human rights.

George Moscone, our beloved Mayor, was a hero of the poor and the working class. A native San Franciscan, civil rights leader, State Assemblyman, State Senator, and Mayor, he devoted his life to serve his City of San Francisco, and his State of California. The devoted husband of Gina Moscone and father of four beautiful children, Jennifer, Rebecca, Jonathan and Christopher, he was taken from us in the prime of his life.

Harvey Milk, originally from New York, was a local merchant, the owner of a camera shop. As a member of the San Francisco Board of Supervisors, he was the first openly gay elected official in California, and only the second in the nation. He was a neighborhood leader and a passionate advocate for seniors and all minorities.

Both men were exuberant, expansive, compassionate, and enormously popular political leaders. They were visionaries.

George Moscone and Harvey Milk instigated a historic transformation of San Francisco political life, pioneering an open, participatory government, accessible to all, especially those who never before had been included. For the first time neighborhood and ethnic community activists, and openly gay men and lesbians were appointed to positions of power and authority. The number of women in leadership positions expanded dramatically. No longer were public policy decisions the exclusive province of the wealthy and powerful.

George and Harvey transformed the political and social culture of San Francisco for all time. They were beacons of hope to people who had felt alienated from and neglected by City Hall. They incubated a new generation of talented public servants, who have gone on to secure San Francisco's position today as a national model of enlightenment and progressive values.

The twenty-fifth anniversary of the tragic events of November 27, 1978 gives San Franciscans an opportunity to reflect on the unique contributions George Moscone and Harvey Milk made to bettering the lives of us all. These extraordinary men continue to inspire us as we strive for a society that provides unlimited and equal opportunities for all our diverse citizens.

We never will forget George Moscone and Harvey Milk. We are grateful for their lives, and we honor their immeasurable contributions to our city, our state and our nation.

IN HONOR OF WILLIAM ECKMAN, CHARLES COUNTY CITIZEN OF THE YEAR 2003

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. HOYER. Mr. Speaker, I rise today to share with you remarks made at the 6th Annual Charles County Economic Development Summit by William Burke on the occasion of presenting the "John Bloom Citizen of the Year Award" to Mayor William Eckman. Mayor Eckman is a true American patriot whose

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

compassion, caring and concern for the residents of LaPlata shined forward during the difficult tornado disaster of April 2002. All of us in the Charles County community share Mr. Burke's enthusiasm in recognizing Mayor Eckman.

To follow are the remarks presented by William Burke, Board Member, Charles County Economic Development Commission, President, Southern Maryland Title on October 28, 2003.

"I would like to start by stating that this award is not given out each year. Only when a citizen exemplifies the highest degree of devotion to the well being of our community, do we bring out this award. However, this year it is certainly necessary to acknowledge the devotion of Bill Eckman, the mayor of La Plata, with this award.

Bill Eckman first came to Maryland when AT&T transferred him here from Pennsylvania. He had been the Fire Chief in his Pennsylvania town. He joined the La Plata Volunteer Fire Department, where he served for 12 years. He has been a consistent and steady supporter, participant, teacher, writer and speaker for fire and rescue issues. He has traveled to many cities addressing fire and rescue infrastructure. He has started 9 specialized fire fighting training programs. After he retired from AT&T, he wrote a book about fire protection and water supply.

Bill and his wife Delores lead a bible study program focused on community. The program teaches others to build relationships and care for one another. Bill practices this philosophy in his activities with the Charlotte Hall Veterans Home where he regularly brings services and music with other lay preachers to the residents. This also gives him the opportunity to display another talent. Bill plays his trumpet with an informal group at the Veterans home.

Bill has been married for 52 years, has three children and three grandchildren.

Bill Eckman was a La Plata Town councilman for at least 10 years and has been mayor for 20 years.

In that time, La Plata has changed. The population has grown from under 2,000 to nearly 8,000. The Town Hall has had 4 homes and is getting ready to find a new location. The town staff has grown from 15 to 50.

He has devoted much of his adult life to municipal government. He has been the president of the Maryland Municipal League and is presently a well-respected member of the League's Legislative Committee. Often, he is asked to speak before the State Legislature.

It is safe to say that during this time Bill has made friends and earned the respect of elected officials on both sides of the aisle.

Bill has always wanted La Plata to be a happy place to live; a town that enjoys the fruits of good growth without losing the benefits of a small town. He has always wanted to plan, and whenever possible, to stay ahead of infrastructure needs. He has been known to get excited about the very unsexy jobs that come with being mayor—like putting in a new 15–inch sewer pipe.

Doug Miller, La Plata town manager, remembers when Bill first had the summer long concert ideas. Doug thought there might be a citizen turnout for 3–4 concerts, but thought Bill's vision was a bit ambitious. Well, for over 10 years, the La Plata Town Hall has hosted Friday night summer concerts to a packed lawn of families.

However, all the smart growth initiatives, concert series and sewer pipes were just sand in the bucket compared to the leadership Bill would exhibit after April 28, 2002. Every Mayor and Town Manager sweats weather conditions that have the potential of causing harm to their town and heaves a sigh of relief when storms pass on by, but this time they were not so fortunate. This time Bill had to go into high gear and get the job done. He had to stand strong for residents and businesses that faced ruin, despair and fear. He was dealing with a complete lack of services, the water tower was down, electricity was gone, telephone communication was hampered, helicopters were med-evac-ing the injured, and the press was descending. He will tell you that there were many people who made the miraculous recovery possible, but there always has to be a leader that makes everything seem possible.

Here is a quote from the newspaper. "Every morning since the tornado hit early one Sunday evening, La Plata Mayor Bill Eckman has taken a walk around town to talk with demolition crews and neighbors."

Regardless of how many people contributed there is a very interesting reason why recovery did not have to start from square one. Bill had already realized that La Plata was in transition and had previously put together a new town visioning process many months before the tornado.

The blue print for recovery was there because Bill is an optimist, a visionary and a leader.

It is for those qualities that we honor Bill Eckman as the 2003 Citizen of the Year.

Mr. Speaker, please join with me and the Charles County community in recognizing the numerous contributions Mayor Eckman has made to our County, our State and our Nation.

INTRODUCTION OF FEDERAL DETENTION CENTER LEGISLATION

HON. C.A. DUTCH RUPPERSBERGER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. RUPPERSBERGER. Mr. Speaker, I have introduced this legislation today to stop the Federal Detention facility from being built in Dundalk, Maryland.

This past month the Office of Federal Detention Trustees (OFDT) in the Department of Justice solicited proposals for a new detention facility for the Baltimore-Washington region. One of the proposed sites was in Dundalk, Maryland. I was concerned that this office took action without consulting the community. OFDT solicited proposals without bringing the communities into the process. OFDT took action without the input of Federal, State, and local officials. This is wrong.

The Dundalk community is undergoing revitalization efforts, and even proposing such a facility might have cooled businesses and new residential interest in this community. As the former Baltimore County Executive, my administration spent over $130 million to revitalize the area. It is very important to me that we help our older communities. It is important that we allow these communities that have generations of families living there to revitalize and attract new jobs and new businesses.

Also, the eastern part of Baltimore County was hit hard by Hurricane Isabel. It has caused extensive damage and many of the residents and businesses are still struggling to get on their feet. Hurricane Isabel damage estimates for Maryland alone are valued at six million dollars. We must continue to work to help this area.

The Maryland Congressional delegation has worked tirelessly to stop the detention center, and I remain committed to its defeat. We worked together to insert language into the FY' 04 Omnibus appropriations to stop this facility. I want to thank Senator MIKULSKI and Democratic Whip STENY HOYER for all their efforts. We knew the actions of OFDT would do more harm to our community and we fought to stop it.

This legislation takes an additional strengthening step to ensure that this facility and no new detention center or prison is built in my district. This legislation prohibits the OFDT from building or proposing any sites and it prohibits the Attorney General from building a detention center or prison in Dundalk.

In the past few months this area has experienced major problems. They saw thousands of Marylanders lose their jobs with the restructuring at ISG. They saw severe damage from Hurricane Isabel. This prison would be one more concern for the community. It is important to allow this area to revitalize and to grow. I remain committed to fighting for Dundalk and for my fellow Marylanders.

TRIBUTE TO MAYOR TAUER AND THE RETIRING AURORA CITY COUNCIL MEMBERS

HON. BOB BEAUPREZ

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. BEAUPREZ. Mr. Speaker, the political landscape of Colorado's third largest city changed considerably after the City of Aurora's November 4 municipal elections. Due largely to term limits, the largest turnover of elected officials in city history has occurred. The people who left public service were committed public servants who have left indelible marks on Aurora and positioned the City and its citizens for great success and achievement in the 21st century.

Collectively, Mayor Paul Tauer and Council members Barbara Cleland, Bob LeGare, Edna Mosley, John Paroske and Dave Williams provided their constituents with 85 years of service as elected officials at the City. They have provided visionary leadership and both their knowledge of and commitment to issues of importance to the people of Aurora will be hard to replace.

Paul Tauer was the Mayor of Aurora from 1987 until 2003. He was a City Councilman for eight years before that. He has been a visionary leader whose legacy will be felt for decades to come. He has been at the forefront of development in the City, including Original and Southeast Aurora, Buckley Air Force Base, Gateway, E–470 corridor, City Center, Aurora Municipal Center and the redevelopment of Fitzsimons. He was instrumental in establishing a growth management plan that sets goals for quality and smart growth and has been a leader in water issues including drought management, the enhancement of Aurora's water supply including acquisition of new water resources, treatment and use of recycled water and more than doubling storage and distribution systems. He has also overseen the enhancement of the City's transportation systems. He has been Aurora's greatest cheerleader and defender and under his leadership, Aurora has grown from a sleepy suburb to a vibrant city.

Barb Cleland served as an Aurora City Councilwoman for 20 years. She distinguished herself as an expert on public safety issues and was instrumental in decisions to make Aurora a leader in ensuring its citizens had necessary protections with programs including the Victim Advocate program and service on the Officer Standard and Training Board, the Aurora Gang Task Force and the National League of Cities Public Safety and Crime Prevention Steering Committee. She was active in municipal organizations and has been a respected leader in the National League of Cities, the Denver Regional Council of Governments and the Colorado Municipal League, where she remains a member of the Board of Directors.

Bob LeGare was an Aurora City Councilman for eight years. Devoted to the importance of small business, he worked to make Aurora a partner with businesses to provide jobs and services. He provided leadership on a variety of economic development initiatives including the Fitzsimons Redevelopment Authority, Colorado Commission on Taxation, Aurora Citizens Advisory Budget Committee, Colorado Office of Regulatory Reform Advisory Board, Aurora Chamber of Commerce, Aurora Association of Realtors and the Aurora Realtor Governmental Affairs Committee and further contributed to the community through Leadership Aurora, Aurora Museum Foundation, Aurora Open Space Board and the Aurora Boys and Girls Club.

Edna Mosley spent 12 years serving Aurora as a City Councilwoman. She championed issues of importance to veterans and military retirees and worked to promote volunteerism, diversity and the enhancement of the cultural arts in the community. She was instrumental in the formation of the Aurora Youth Commission and served with distinction on the Fitzsimons Redevelopment Authority Executive Committee, Aurora Economic Development Council, Denver International Airport Business Partnership, Lowry Economic Recovery Project, Adams County Economic Development Council, Community College of Aurora Advisory Council and Aurora Business Advisory Board.

John Paroske completed ten years of public service as a City Councilman last month. An accountant, John offered his financial expertise and worked hard to make sure Aurora taxpayers knew their resources were being used wisely. He devoted countless hours to make Aurora a better place through his work on the Economic Development Committee, E–470 Authority, Aurora Chamber of Commerce, Utility Budget Committee, Visitors Promotion Fund, Aurora Education Foundation, Spirit of Aurora, Community Housing Services and Aurora Rotary Club.

Dave Williams served 11 years during two different stints as a member of the Aurora City Council. He worked to improve the efficiency of the City by encouraging better review processes and more efficient administration. He represented the views of his constituents by promoting business and development in an effort to improve the City's quality of life. He has been a leader in the business community as illustrated by his experience on the Aurora Economic Development Council, E–470 Authority, Aurora Rotary Club and the Urban Drainage and Flood Control District.

These outstanding public servants deserve our thanks and admiration. Their work on behalf of the people of Aurora has improved quality of life in innumerable ways. They leave big shoes for their successors to fill. We are honored to have served with them and offer our best wishes for future success.

RECOGNIZING DREW QUINTON THOMPSON FOR ACHIEVING THE RANK OF EAGLE SCOUT

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. GRAVES. Mr. Speaker, I proudly pause to recognize Drew Quinton Thompson, a very special young man who has exemplified the finest qualities of citizenship and leadership by taking an active part in the Boy Scouts of America, Troop 60, and in earning the most prestigious award of Eagle Scout.

Drew has been very active with his troop, participating in many Scout activities. Over the eight years Drew has been involved with Scouting, he has earned 62 merit badges and has held numerous leadership positions, serving as Senior Patrol Leader, Assistant Senior Patrol Leader, Patrol Leader, Quartermaster, Troop Guide, and Librarian. Drew is a Warrior in the Tribe of Mic-O-Say and has received the Arrow of Light Award.

For his Eagle Scout project, Drew completed a walking trail at Mark Youngdahl Conservation Center in Saint Joseph, Missouri.

Mr. Speaker, I proudly ask you to join me in commending Drew Quinton Thompson for his accomplishments with the Boy Scouts of America and for his efforts put forth in achieving the highest distinction of Eagle Scout.

HONORING MRS. ZELMA WITT

HON. JEB HENSARLING

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. HENSARLING. Mr. Speaker, I had the privilege of being one of fourteen students in Mrs. Zelma Witt's first kindergarten class in Omaha, Texas. Today, I honor Mrs. Zelma Witt for her love of learning and thank her for the wonderful gifts she bestowed on all of the students who were blessed to be in her classroom.

Mrs. Witt left an indelible mark on the lives of countless students during their earliest and most formative years of schooling. Mrs. Witt taught her young pupils the most fundamental building blocks of education, setting her students on a path toward higher education and brighter futures.

I feel honored to have been a part of Mrs. Witt's first kindergarten class and part of the commitment to learning that she ingrained in her young students. May God bless you, Mrs. Witt. Thank you for all the gifts you have given us.

IN CELEBRATION OF THE RE-OPENING OF THE SAN FRANCISCO CONSERVATORY OF FLOWERS

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Ms. PELOSI. Mr. Speaker, I was very pleased to be present at the grand re-opening of the San Francisco Conservatory of Flowers. The Conservatory is considered by many to be the jewel of Golden Gate Park and the City of San Francisco. It is a monument to biodiversity, renewal, and beauty.

Congratulations to all those who joined forces in the fight to restore our Conservatory: John Murray, President of San Francisco Recreation & Parks Commission; Scott Medbury, Director of the Conservatory; Rebecca Green, President of Friends of Recreation & Parks; and Elizabeth Goldstein, General Manager of Recreation & Parks. Thank you for your vision and your leadership. The people of San Francisco, future generations of San Franciscans and visitors alike, owe you a great debt of gratitude.

I would like to take this opportunity to commend Richard Goldman, one of San Francisco's most generous citizens. His support of our City and our environment is immeasurable. His tremendous contribution to the Conservatory in honor of his late wife, Rhoda, led the way. Many other extremely generous families followed; the Madeleine Haas Russell family and the Fisher, Friend and Taube families. These families have graciously supported so many of San Francisco's treasures for decades.

This grand undertaking could never have been realized without the leadership of our Mayor, Willie Brown. This is yet another project marked by excellence, effectiveness, and success. It is fitting that this extensive project was completed under his watchful eye. Mayor Brown raised the visibility of the project to a national level and used his unique abilities to develop private public partnerships.

An army of volunteers worked non-stop since the devastating windstorm of 1995 to make this day happen. The 124 year old conservatory was thought to have sustained irreparable damage. Of the $25 million needed for this massive rehabilitation, $15 million came from individual donations. The prospect of the Conservatory's imminent destruction was unthinkable to the people of San Francisco. They had the wisdom to know that its beauty could never be rivaled or replicated. They were stubborn and unrelenting in their demand that we preserve this architectural masterpiece. Because of their labor of love, we once again can view the exquisite beauty outside and experience the lush splendor within. Their talent, commitment and dedication to this magnificent project honors our patron saint, St. Francis, honors nature, and honors God's creation.

Today we can once more enjoy the stunning high altitude orchids, the giant cycads, and the rest of the 1,500 species of plants from over 50 countries. In addition to the tropical paradise that we all remember, there are new displays to inspire visitors to appreciate and conserve our planet's extraordinary biodiversity.

San Francisco is proud to be the home of the oldest glass and wood conservatory in the United States. It is a place of exquisite and intoxicating beauty. It is a spiritual place. We are all very fortunate to be able to enjoy its magic again.

CONGRATULATIONS TO THE LACKEY CHARGERS OF INDIAN HEAD, MARYLAND

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. HOYER. Mr. Speaker, I would like to take a moment to offer my congratulations to the Lackey High School Chargers football team of Indian Head, Maryland, for reaching the State finals this past Thursday, December 4, 2003.

The Lackey Chargers had a fairytale season led by their head coach, Mr. Scott Chadwick, and many devoted assistant coaches. In regular season matches, they were defeated only once, and this record allowed them to begin competing in championship games in early November.

The path that would lead the Lackey Chargers to the State finals began on November 7, 2003, when the Lackey Chargers defeated Westlake High School to become the Southern Maryland Athletic Conference champions. Their momentum continued on November 15, 2003, as they beat Northern High School, and they showed their strength once again on November 22, 2003, when they narrowly overtook Westlake High School to become the Regional Champions.

On November 28, 2003, the Lackey Chargers defeated Randallstown High School in the Maryland Triple A Semifinals, propelling them to the State finals at Ravens Stadium in Baltimore, Maryland, where they faced Linganor High School. Despite a valiant effort, the Lackey Chargers fell short in the end in a heartbreaking loss. Even without carrying home the title, Principal Jarvis Petty and the students, staff and parents at Lackey High School have shown their support for a football team that has made the entire Charles County community proud of their incredible season.

Mr. Speaker, please join me in recognizing each of these outstanding athletes, #2 Cameron Neal; #3 Courteney Knight; #5 Devonte Williams; #6 Avery Lancaster; #7 Aaron Smith; #8 Michael Young; #10 Damian Shorter; #11 Jason Murray; #15 Jesse Hitch; #16 Mark Herbert; #20 Morgan Green; #23 Darren Bullock; #25 Brandon Gaylor; #32 Ricardo Young; #34 Tre Gray; #40 Bryan Gibbons; #43 Kevin Glascock; #44 Robert Matthews; #48 Kyle Mckeown; #50 Jeremy Hairston; #52 George Kerr; #55 Mike Seman; #56 Aaron Williams; #60 Kenny Washington; #65 J.B. Walton; #66 Tyler McCready; #70 Joe Hughes; #72 Nate Leigh; #77 O.J. Huddleston; #79 D'antae Adams; #80 Quinton Stith; #81 William Johnson; #86 Donte Page; and #88 Justin Lucas. They have shown true dedication to their sport and I am extremely proud of their accomplishments. It is with great pride that we congratulate and wish them luck in all their future endeavors.

TRIBUTE TO MICHAEL J. WELLBROCK

HON. C.A. DUTCH RUPPERSBERGER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. RUPPERSBERGER. Mr. Speaker, I rise today to pay tribute to a great American journalist, Michael J. Wellbrock.

Michael J. Wellbrock has been a faithful employee of WBAL Radio in Baltimore for the past 21 years and just a few days ago he turned 40 years old.

Michael J. Wellbrock has been instrumental in the long term success of WBAL Radio and served the past two decades as a producer, executive producer, and general allaround go-to guy and trouble shooter.

Michael J. Wellbrock was the technical wizard whose expertise has enabled the station to pull-off many high-quality, award-winning broadcasts, including the visit of Pope John Paul II, the All-Star game, the Orioles trip to Cuba, the Preakness Stakes, and several national political conventions.

Michael J. Wellbrock was the genius behind the re-design and re-building of studios at WBAL Radio and helping to bring the station into the 21st century.

Michael J. Wellbrock has been the guiding force in the career development of many young, aspiring broadcasters.

Michael J. Wellbrock has been the creative force behind many successful programs on WBAL Radio.

Mr. Speaker, I ask my colleagues to join me in thanking Michael J. Wellbrock for his service and for his work on behalf of America's citizens and our nation.

COMMENDING THE ADAMS COUNTY HIGH SCHOOL MARINE CORPS JUNIOR RESERVE OFFICER'S TRAINING CORPS

HON. BOB BEAUPREZ

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. BEAUPREZ. Mr. Speaker, I rise today to commend the Marine Corps Junior Reserve Officer's Training Corps program at Adams City High School in Commerce City, Colorado.

On Friday, December 12, they will present the colors for a field hearing I have requested at the Colorado State Capitol. It is worth noting the history of this group.

The only Marine Corps JROTC program in the State, the Adams City High School program started in 1969 and enjoyed several years of popularity before declining in the late 70's and early 80's.

After a concerted effort to improve expectations and standards, the program has received several awards of recognition as a program of excellence. In the 2001–02 academic year, they received the prestigious Marine Corps Reserved Officer's Association Award (MCROA) as the best JROTC program in the ten-state 8th Marine Corps District. Only six programs across the Nation receive this distinction annually.

Due to the superior performance of the program, Adams City High School was also designated as a Naval Honor School for the first time in its history. This is the highest award attainable for a Marine Corps JROTC program and exemplifies leadership, integrity and excellence. Naval Honor School status is reserved for the top 20 percent of the schools nationally and affords the Senior Marine Instructor the opportunity to nominate up to three cadets to the United States Naval Academy.

Last year (2002–03) the cadets continued their superior performance, repeating as a Naval Honor School and attaining distinction as the best inspected unit in the 8th Marine Corps District with a total score of 993 points out of a possible 1000, receiving "outstanding" marks in all twelve categories of the inspection. This accomplishment garnered the program the coveted "McLemore Detachment" Award for the Marine Corps League, McLemore Detachment in Houston, Texas.

JROTC is a regularly scheduled class for students, focusing on leadership, discipline, citizenship and physical fitness. Their weekly events include drill marching, uniform inspection, physical training and academic instruction.

J.D. Bristow, the senior Marine instructor at ACHS, has done a fine job with this group of young men and women. These young leaders are extremely active in the leadership of their class. They not only have the potential to make excellent officers in our military, but also have dedicated their time to many after-school opportunities, such as community and school service projects.

Mr. Speaker, I am proud to represent this terrific organization in Congress. I appreciate their families for the support and encouragement necessary for its success. The ACHS JROTC program and its administrators have made a sizable impact on the community. They are to be commended.

HONORING THE MEMORY OF ASSISTANT POLICE CHIEF TOM UNDERHILL

HON. JEB HENSARLING

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. HENSARLING. Mr. Speaker, today, Texans mourn the loss of a fine law enforcement officer. Just 3 weeks after being diagnosed with leukemia, at 43 years of age, Athens Assistant Police Chief Tom Underhill passed away at Baylor Hospital in Dallas from complications related to his disease.

Underhill served Athens Police Department for 21 years. He started as a patrolman in May 1982. He was promoted to sergeant in 1987 and to patrol lieutenant in 1993. Tom Underhill took over the position of assistant chief in March. Previous to his time at Athens Police Department, he worked as a deputy sheriff at Gregg County and Henderson County. His coworkers remember him as having a quiet spirit, a strong sense of professionalism and a good sense of humor. He loved golf, gun shows and helping others.

During his years of service, Tom Underhill was recognized numerous times for his achievements. He was named officer of the year several times and headed up the department's special response unit. He was a training officer, a firearms instructor and a graduate of the FBI National Academy. He was also always willing to make speeches at schools and help at community events.

Today, we honor the memory of Assistant Chief Tom Underhill who served his community with distinction. Our most heartfelt prayers go out to his family, friends and fellow police officers, especially to his wife, Stacey and his parents, Bill and Linda Underhill.

INTRODUCTION OF A RESOLUTION RECOGNIZING THE SURVIVORS AND RAISING AWARENESS OF CERVICAL CANCER

HON. MARK E. SOUDER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. SOUDER. Mr. Speaker, January is Cervical Cancer Awareness Month and today I have introduced a resolution to recognize the survivors of cervical cancer and to raise awareness of cervical cancer, including the importance of prevention, early diagnosis and treatment.

Each year in the United States, approximately 12,200 women are diagnosed with cervical cancer and 4,100 women die from the disease. Worldwide, cervical cancer affects approximately 288,000 women annually, and in some parts of the world, cervical cancer is the most common cancer in women.

Clinical studies have confirmed that the human papillomavirus (HPV) is the cause of nearly all cervical cancer. In addition, HPV is associated with more than 1 million precancerous lesions of varying severity. With 20 million Americans believed to be infected, HPV is one of the most common sexually transmitted diseases in the United States. An estimated 5.5 million people become infected with HPV every year. Not everyone infected with HPV will develop cancer but those with persistent, high risk strains of HPV are at increased risk as are their partners.

However, the majority of women are unaware of these facts. In a recent survey, 70 percent of women were unable to name the cause of cervical cancer, and 76 percent had never heard of HPV.

Many also confuse treatment with prevention. While treatment can prevent the progression of cervical disease or death from cervical cancer, treatment is not prevention of the presence of disease. Furthermore, treatment can often be invasive, unpleasant, and costly and not preclude the necessity for additional treatments.

Cervical cancer is treated using surgery, radiation and chemotherapy; sometimes two or more methods are used. The most common types of surgery include cryosurgery, laser surgery, cone biopsy, simple hysterectomy, radical hysterectomy and pelvis lymph node dissection, and pelvic exenteration. Radiation therapy may involve external radiation or internal radiation (radioactive materials implanted in the tumor).

Treatment for cervical dysplasia—a premalignant or precancerous change in the cells of the cervix that may progress to cancer—include surgery, cone biopsy, cryosurgery, laser surgery, and electrosurgery.

The direct medical cost of treating a patient with cervical cancer is $9,200 to $13,360, while surgery to remove a precancerous lesion is $1,100 to $4,360. The financial burden of HPV in the United States has been estimated to range from $1.6 billion to $6 billion annually, making HPV one of the most costly sexually transmitted diseases after HIV/AIDS.

To alleviate the burden of these costs to women who are faced with the threat of cervical cancer, Congress approved Public Law 106–354 in 2000 allowing states to provide medical assistance through Medicaid to eligible women who were screened for and found to have breast or cervical cancer, including precancerous conditions, through the National Breast and Cervical Cancer Early Detection Program.

The best protection against cervical cancer and cervical disease, however, remains prevention of HPV infection. Public Law 106–554, also approved by Congress in 2000, directs the Centers for Disease Control and Prevention (CDC) and Food and Drug Administration to take action to educate the public about HPV. The law specifically requires CDC to issue a report on HPV not later than December 21, 2003, "including a detailed summary of the significant findings and problems and best strategies to prevent future infections, based on the available science."

With Cervical Cancer Awareness Month just weeks away, the statutory release date mandated for the CDC HPV prevention report is well timed to allow all members of Congress, federal agencies, health care professionals and the public to educate themselves and others about HPV. During this month, we should also recognize the survivors of HPV and cervical cancer who have shown tremendous courage and determination in the face of adversity.

TEXAS FIRM WINS TOP AWARD

HON. LAMAR S. SMITH

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. SMITH of Texas. Mr. Speaker, an architecture firm in my hometown of San Antonio recently received well-deserved national recognition. Lake/Flato Architects Inc. won the 2004 American Institute of Architects Architecture Firm Award, the highest honor given in its category.

The annual award goes to a firm that consistently has produced distinguished architecture for at least 10 years. Founded in 1984 by David Lake and Ted Flato, the firm today employees forty-four talented people, including six partners.

At its best, architecture warms the heart, uplifts the spirit, and engages the mind. It inspires us, even if we don't know all the reasons why.

That Lake/Flato would be singled out by the AIA is no surprise. The firm already has picked up more than 90 regional and national architecture awards, including honorable mention awards from the AIA in 1992, 1997 and 1999. And it has inspired thousands of individuals throughout the United States with its eye-catching designs.

This is only the second time that a Texas architecture firm has garnered the top prize from the AIA.

PERSONAL EXPLANATION

HON. JEB BRADLEY

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. BRADLEY of New Hampshire. Mr. Speaker, due to my participation in a congressional delegation trip to Iraq, I missed several votes. I would like the record to reflect that had I been present, I would have voted in the following manner:

On rollcall 576, on the motion to suspend the rules and pass, as amended, H.R. 1720, the Veterans Health Care Facilities Capital Improvement Act, I would have voted "aye".

On rollcall 577, on the motion to suspend the rules and agree to the Senate amendments to H.R. 1516, the National Cemetery Expansion Act, I would have voted "aye".

On rollcall 578, on the motion to suspend the rules and agree to H.R. 3365, the Fallen Patriots Tax Relief Act, I would have voted "aye".

On rollcall 579, on the motion to suspend the rules and agree to H. Res. 414, to encourage the People's Republic of China to fulfill its commitments under international trade agreements, support the United States manufacturing sector, and establish monetary and financial market reforms, I would have voted "aye".

On rollcall 581, I would have voted "aye".

On rollcall 582, on expressing deep gratitude for the valor and commitment of the members of the United States Armed Forces who were deployed in Operation Restore Hope to provide humanitarian assistance to the people of Somalia in 1993, I would have voted "aye".

On rollcall 583, on making further continuing appropriations for the fiscal year 2004, I would have voted "aye".

On rollcall 586, I would have voted "aye".

On rollcall 587, I would have voted "aye".

On rollcall 592, agreeing to the conference report on the Flight 100—FAA Reauthorization Act, I would have voted "aye".

On rollcall 593, on the motion to suspend the rules and agree to H. Res. 409—Repudiating the Anti-Semetic Remarks Expressed by Dr. Mahathir Mohamad, I would have voted "aye". On rollcall 595, agreeing to the conference report on the Department of Interior and related agencies Appropriations Act, I would have voted "aye".

On rollcall 596, on the motion to suspend the rules and agree to H. Con. Res. 302, A Sense of Congress welcoming President Chen Shui-bian of Taiwan to the United States on October 31, I would have voted "aye".

On rollcall 597, I would have voted "aye".

On rollcall 598, I would have voted "aye".

On rollcall 601, agreeing to the conference report on the Emergency Supplemental Appropriations for Defense and the Reconstruction of Iraq and Afghanistan, I would have voted "aye".

On rollcall 580, I would have voted "no".

On rollcall 584, I would have voted "no".

On rollcall 585, I would have voted "no".

On rollcall 588, I would have voted "no".

On rollcall 589, I would have voted "no".

On rollcall 590, I would have voted "no".

On rollcall 591, I would have voted "no".

On rollcall 594, I would have voted "no".

On rollcall 599, I would have voted "no".

On rollcall 600, I would have voted "no".

COMMEMORATING HUMAN RIGHTS DAY

HON. JAMES P. MORAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. MORAN of Virginia. Mr. Speaker, I rise today to commemorate International Human Rights Day which is to be observed on the 10th of December. Human Rights Day celebrates the day of December 10, 1948 when the United Nations General Assembly adopted and proclaimed the Universal Declaration of Human Rights as the standard for equal and inalienable rights for all mankind. This historic document has been the foundation for freedom, justice, and equality around the world.

Sadly, 55 years since its inception, human rights abuses are still endemic. I would like to draw attention to the widespread problem of human trafficking. The trafficking of persons is a modern-day form of slavery, involving victims who are typically forced, defrauded or coerced into sexual or labor exploitation.

It is the fastest growing criminal enterprise, occurring around the world and in individual countries. Annually, nearly one million people, mostly women and children, are trafficked worldwide, including 50,000 persons into the United States.

The fact of the matter is that the violent subjugation and exploitation of women and girls is on-going and not enough is being done by governments to adequately address it. Take for example Skopje, Macedonia. In a marketplace, women are forced to walk around a stage naked while brothel owners point their fingers to make a selection. Women are sold like cattle and they are treated like slaves.

In Krong Koh Kong, Cambodia, 14 year old girls stand outside of a row of shacks where they charge the equivalent of $2 or $3 dollars for sex, half of which goes to their pimps. These girls, many of whom have AIDS, are discarded when they become too sick to continue working.

Around the world, women and girls are sold as slaves and are forced to engage in unprotected sex because clients offer more money for such acts. These women have no control over their lives, their health, or their futures. Trafficking victims in the sex industry are exposed to HIV/AIDS, at much higher rates than the general population with no access to medical care. The fear of infection of AIDS among customers has driven traffickers to recruit younger girls, erroneously perceived to be too young to have been infected.

The State Department's annual Trafficking in Persons Report classifies countries that allow human trafficking into three tiers. Some have observed that the United States has been soft on certain Asian countries thought to be lax on trafficking, such as Indonesia, the Philippines, India, and Thailand. But because these countries are allies in the war on terror, they may have been given a pass.

Mr. Speaker, in commemoration of Human Rights Day, I call upon governments around the world and the government of the United States to renew their commitment to combating this form of modern-day slavery. Eliminating this transnational criminal activity is one of the greatest challenges of our time. We must dedicate our efforts to the prevention of human trafficking, protection of victims, and prosecution of traffickers. To deny a person their right to freedom is the greatest affront to the ideals established 55 years ago set forth by the Universal Declaration of Human Rights. We can and must do better.

UNIVERSAL DECLARATION OF HUMAN RIGHTS

On December 10, 1948 the General Assembly of the United Nations adopted and proclaimed the Universal Declaration of Human Rights the full text of which appears in the following pages. Following this historic act the Assembly called upon all Member countries to publicize the text of the Declaration and "to cause it to be disseminated, displayed, read and expounded principally in schools and other educational institutions, without distinction based on the political status of countries or territories."

PREAMBLE

Whereas recognition of the inherent dignity and of the equal and inalienable rights of all members of the human family is the foundation of freedom, justice and peace in the world,

Whereas disregard and contempt for human rights have resulted in barbarous acts which have outraged the conscience of mankind, and the advent of a world in which human beings shall enjoy freedom of speech and belief and freedom from fear and want has been proclaimed as the highest aspiration of the common people,

Whereas it is essential, if man is not to be compelled to have recourse, as a last resort, to rebellion against tyranny and oppression, that human rights should be protected by the rule of law,

Whereas it is essential to promote the development of friendly relations between nations,

Whereas the peoples of the United Nations have in the Charter reaffirmed their faith in fundamental human rights, in the dignity and worth of the human person and in the equal rights of men and women and have determined to promote social progress and better standards of life in larger freedom,

Whereas Member States have pledged themselves to achieve, in co-operation with the United Nations, the promotion of universal respect for and observance of human rights and fundamental freedoms,

Whereas a common understanding of these rights and freedoms is of the greatest importance for the full realization of this pledge,

Now, Therefore the General Assembly proclaims this Universal Declaration of Human Rights as a common standard of achievement for all peoples and all nations, to the end that every individual and every organ of society, keeping this Declaration constantly in mind, shall strive by teaching and education to promote respect for these rights and freedoms and by progressive measures, national and international, to secure their universal and effective recognition and observance, both among the peoples of Member States themselves and among the peoples of territories under their jurisdiction.

ARTICLE 1

All human beings are born free and equal in dignity and nghts.They are endowed with reason and conscience and should act towards one another in a spirit of brotherhood.

ARTICLE 2

Everyone is entitled to all the rights and freedoms set forth in this Declaration, without distinction of any kind, such as race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth or other status. Furthermore, no distinction shall be made on the basis of the political, jurisdictional or international status of the country or territory to which a person belongs, whether it be independent, trust, non-self-governing or under any other limitation of sovereignty.

ARTICLE 3

Everyone has the right to life, liberty and security of person.

ARTICLE 4

No one shall be held in slavery or servitude; slavery and the slave trade shall be prohibited in all their forms.

ARTICLE 5

No one shall be subjected to torture or to cruel, inhuman or degrading treatment or punishment.

ARTICLE 6

Everyone has the right to recognition everywhere as a person before the law.

ARTICLE 7

All are equal before the law and are entitled without any discrimination to equal protection of the law. All are entitled to equal protection against any discrimination in violation of this Declaration and against any incitement to such discrimination.

ARTICLE 8

Everyone has the right to an effective remedy by the competent national tribunals for acts violating the fundamental rights granted him by the constitution or by law.

ARTICLE 9

No one shall be subjected to arbitrary arrest, detention or exile.

ARTICLE 10

Everyone is entitled in full equality to a fair and public hearing by an independent and impartial tribunal, in the determination of his rights and obligations and of any criminal charge against him.

ARTICLE 11

(1) Everyone charged with a penal offence has the right to be presumed innocent until proved guilty according to law in a public trial at which he has had all the guarantees necessary for his defence.

(2) No one shall be held guilty of any penal offence on account of any act or omission which did not constitute a penal offence, under national or international law, at the time when it was committed. Nor shall a heavier penalty be imposed than the one that was applicable at the time the penal offence was committed.

ARTICLE 12

No one shall be subjected to arbitrary interference with his privacy, family, home or correspondence, nor to attacks upon his honour and reputation. Everyone has the right to the protection of the law against such interference or attacks.

ARTICLE 13

(1) Everyone has the right to freedom of movement and residence within the borders of each state.

(2) Everyone has the right to leave any country, including his own, and to return to his country.

ARTICLE 14

(1) Everyone has the right to seek and to enjoy in other countries asylum from persecution.

(2) This right may not be invoked in the case of prosecutions genuinely arising from non-political crimes or from acts contrary to the purposes and principles of the United Nations.

ARTICLE 15

(1) Everyone has the right to a nationality.

(2) No one shall be arbitrarily deprived of his nationality nor denied the right to change his nationality.

ARTICLE 16

(1) Men and women of full age, without any limitation due to race, nationality or religion, have the right to marry and to found a family. They are entitled to equal rights as to marriage, during marriage and at its dissolution.

(2) Marriage shall be entered into only with the free and full consent of the intending spouses.

(3) The family is the natural and fundamental group unit of society and is entitled to protection by society and the State.

ARTICLE 17

(1) Everyone has the right to own property alone as well as in association with others.

(2) No one shall be arbitrarily deprived of his property.

ARTICLE 18

Everyone has the right to freedom of thought, conscience and religion; this right includes freedom to change his religion or belief, and freedom, either alone or in community with others and in public or private, to manifest his religion or belief in teaching, practice, worship and observance.

ARTICLE 19

Everyone has the right to freedom of opinion and expression; this right includes freedom to hold opinions without interference and to seek, receive and impart information and ideas through any media and regardless of frontiers.

ARTICLE 20

(1) Everyone has the right to freedom of peaceful assembly and association.

(2) No one may be compelled to belong to an association.

ARTICLE 21

(1) Everyone has the right to take part in the government of his country, directly or through freely chosen representatives.

(2) Everyone has the right of equal access to public service in his country.

(3) The will of the people shall be the basis of the authority of government; this will shall be expressed in periodic and genuine elections which shall be by universal and equal suffrage and shall be held by secret vote or by equivalent free voting procedures.

ARTICLE 22

Everyone, as a member of society, has the right to social security and is entitled to realization, through national effort and international co-operation and in accordance with the organization and resources of each State, of the economic, social and cultural rights indispensable for his dignity and the free development of his personality.

ARTICLE 23

(1) Everyone has the right to work, to free choice of employment, to just and favourable conditions of work and to protection against unemployment.

(2) Everyone, without any discrimination, has the right to equal pay for equal work.

(3) Everyone who works has the right to just and favourable remuneration ensuring for himself and his family an existence worthy of human dignity, and supplemented, if necessary, by other means of social protection.

(4) Everyone has the right to form and to join trade unions for the protection of his interests.

ARTICLE 24

Everyone has the right to rest and leisure, including reasonable limitation of working hours and periodic holidays with pay.

ARTICLE 25

(1) Everyone has the right to a standard of living adequate for the health and wellbeing of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control.

(2) Motherhood and childhood are entitled to special care and assistance. All children, whether born in or out of wedlock, shall enjoy the same social protection.

ARTICLE 26

(1) Everyone has the right to education. Education shall be free, at least in the elementary and fundamental stages. Elementary education shall be compulsory. Technical and professional education shall be made generally available and higher education shall be equally accessible to all on the basis of merit.

(2) Education shall be directed to the full development of the human personality and to the strengthening of respect for human rights and fundamental freedoms. It shall promote understanding, tolerance and friendship among all nations, racial or religious groups, and shall further the activities of the United Nations for the maintenance of peace.

(3) Parents have a prior right to choose the kind of education that shall be given to their children.

ARTICLE 27

(1) Everyone has the right freely to participate in the cultural life of the community, to enjoy the arts and to share in scientific advancement and its benefits.

(2) Everyone has the right to the protection of the moral and material interests resulting from any scientific, literary or artistic production of which he is the author.

ARTICLE 28

Everyone is entitled to a social and international order in which the rights and freedoms set forth in this Declaration can be fully realized.

ARTICLE 29

(1) Everyone has duties to the community in which alone the free and full development of his personality is possible.

(2) In the exercise of his rights and freedoms, everyone shall be subject only to such limitations as are determined by law solely for the purpose of securing due recognition and respect for the rights and freedoms of others and of meeting the just requirements of morality, public order and the general welfare in a democratic society.

(3) These rights and freedoms may in no case be exercised contrary to the purposes and principles of the United Nations.

ARTICLE 30

Nothing in this Declaration may be interpreted as implying for any State, group or person any right to engage in any activity or to perform any act aimed at the destruction of any of the rights and freedoms set forth herein.

IN RECOGNITION OF WOODS-VALENTINE MORTUARY'S 75TH ANNIVERSARY

HON. ADAM B. SCHIFF

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. SCHIFF. Mr. Speaker, I rise today to honor Woods-Valentine Mortuary in Pasadena, California. Woods-Valentine Mortuary, one of the oldest African-American, family-owned and operated businesses in the twenty-ninth Congressional District, is celebrating its seventy-fifth anniversary on December 14, 2003.

The James Woods Funeral Parlor, located at 87 S. Vernon Avenue in Pasadena, was founded in 1928 by James and Annie Mae Woods. In 1950, after the death of Mr. Woods, his nephew Fred W. Valentine continued to run the business for Mrs. Woods. In 1954, Fred and his wife, Arzella, purchased the business and it became the Woods-Valentine Mortuary. The Valentines relocated the business to its current location at 1455 N. Fair Oaks Avenue in 1963 and built a new structure, which received a Pasadena Beautiful Foundation award for architectural design and color coordination.

Woods-Valentine Mortuary has a well-deserved reputation as a professional, compassionate and dignified business. The mortuary staff members serve the community not only by offering counseling and funeral services, but also by their immense community and civic involvement.

Fred and Arzella Valentine have served on the boards of many professional and civic organizations, such as the Los Angeles County Funeral Directors Association, the National Funeral Directors Association, the California

Board of Funeral Directors, the Pasadena Altadena Links, and the Soroptomist Club. The Valentines are also members of many civic organizations including the San Gabriel Valley Black Business Association, the Pasadena Chamber of Commerce, the Pasadena Urban League, and are lifetime members and past board members of the Pasadena NAACP. In addition, the Valentines have sponsored Northwest Pasadena Little League teams for forty years, volunteered for many years in Pasadena's public schools and libraries, and contribute annually to many scholarship funds. They are also active in their church, Friendship Baptist Church.

Woods-Valentine Mortuary is truly a family-owned business. Fred and Arzella's daughters, Janyce Valentine and Gail Valentine Taylor, are part owners. Arzella's sister, Vannie Brown, Fred's brothers, Clifton Valentine (who died in 1999) and James Adkins, along with Laven Lanier, James Barker, Ernest Gomez, Lenston Marrow, James Ross, Leo Vaughn, Julius Henderson and Juan Wooden, are other members of the "Woods-Valentine Mortuary family" who have greatly contributed to the success of the business.

I ask all Members to join me today in honoring Woods-Valentine Mortuary for its seventy-five years of dedicated service to the community.

H.R. 6

HON. JOHN SHIMKUS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. SHIMKUS. Mr. Speaker, I would like to compliment the Chairman of the Conference Committee, Mr. TAUZIN of Louisiana, and my colleagues on the Committee from both the House and the Senate for an excellent job under extremely difficult circumstances. I am very pleased that we have been able to resolve their differences and reach an agreement on this extremely important legislation. Our national energy security requires that we move rapidly to utilize all of our existing fossil energy resources in ways that are both more efficient and more protective of our public health and environment.

Two sections of the conference bill clearly are aimed at these objectives. Section 932(d) establishes a new program of research, development, demonstration and commercial application for integrated clean power and energy research. Section 935 establishes a similar program for research on innovative coal-burning technologies and advanced combustion systems.

I have been told that a new oxygen fuel technology shows great promise with respect to these critical research goals. This new technology, as I understand it, uses oxygen instead of air to produce combustion of coal and other fossil fuels in electric utility and industrial boilers. This prevents entry of nitrogen from the air in the normal combustion process, which provides both fuel efficiency and emission reduction benefits. The reliance on oxygen, combined with more efficient use of fossil fuels, also takes a step in the direction of renewable energy sources. I understand that the new oxygen-fuel technology has already been employed successfully in large industrial furnaces and has proved effective in small scale boiler testing conducted under a CRADA agreement with the Department of Energy's National Energy Technology Laboratory. If these results can be confirmed in boilers on a commercial production scale, the new technology offers substantial benefits for U.S. domestic and international energy and environmental policy.

Regarding the research provisions of the conference legislation, these provisions are intended to fund additional research for emerging, innovative fossil fuel technologies, such as the new oxygen-fuel technology. These provisions, with respect to technologies such as the oxygen fuel technology, will fund projects involving both new and existing (retrofitted) boilers on a commercial scale, where appropriate.

It is important to continue research in clean coal technologies. The continued use of coal, in an environmentally friendly way, will lead to a balanced energy policy for our Nation.

HONORING THE 106TH AIR RESCUE WING

HON. STEVE ISRAEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. ISRAEL. Mr. Speaker, I rise to honor the courageous efforts of the New York Air National Guard's 106th Air Rescue Wing during the recent CH–47 Chinook helicopter rescue operation in Iraq. These American heroes saved the lives of two soldiers whose helicopter was downed in a terrorist attack that took the lives of 16 of their brave comrades.

Located at Gabreski Airport in Westhampton, Long Island, the 106th Air Rescue Wing's mission is to provide air rescue support. In December of 1994, they established the record for the longest over-water helicopter rescue mission, while saving a Ukrainian sailor in the North Atlantic. Their efforts in an attempted rescue in 1991 were memorialized in Sebastian Junger's book "The Perfect Storm," which was later made into a major motion picture.

I would like to offer my sincerest thanks and appreciation to Colonel Mike Canders and his entire Unit for their dedicated service to our country.

CONFERENCE REPORT ON H.R. 1, MEDICARE PRESCRIPTION DRUG, IMPROVEMENT, AND MODERNIZATION ACT OF 2003

SPEECH OF

HON. CHAKA FATTAH

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 21, 2003

Mr. FATTAH. Mr. Speaker, I rise today in opposition to the conference agreement of H.R. 1, the Medicare and Prescription Drug bill.

This conference agreement provides limited benefit to vulnerable low income senior citizens and people with disabilities. In fact, the plan prohibits Medicaid from filling in the gaps in the new Medicare drug benefit, as Medicaid does now for other benefits. Given the ongoing state budget crises, up to 6.4 million low-income seniors and people with disabilities could receive less help with their prescription drug costs than they do now.

The proposed plan bows to drug industry pressure and prevents Medicare from negotiating better prices. It also adopts a policy that will prevent access to lower-cost drugs available in other countries, allowing drug companies profits to skyrocket at the expense of patients. Millions of Medicare beneficiaries will be forced to pay more for Medicare if they don't give up their doctor and join an HMO. Although the bill's proponents claim it will be limited, as many as 7 million seniors could be forced to participate.

Finally, the conference agreement proposes the creation of Health Security Accounts, which are tax shelters for the wealthy. This creates an unprecedented tax loophole that would undermine existing employer coverage and add to the ever-growing number of uninsured. These funds should be used to prevent employers from dropping coverage or to improve the drug benefit.

I urge my colleagues to vote against this bill.

CONGRATULATING THE LANCASTER FIREBIRD'S PEE WEE AA HOCKEY TEAM ON WINNING THE EASTERN REGIONAL SILVER STICK CHAMPIONSHIP

HON. JOSEPH R. PITTS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. PITTS. Mr. Speaker, it is my honor to offer my most sincere congratulations to the Lancaster Firebird's Pee Wee AA hockey team in Lancaster, Pennsylvania.

Over the Thanksgiving weekend, the Firebirds won the Eastern Regional Silver Stick Championship tournament in Columbia, Maryland. More than 63,000 young hockey players play in these regional tournaments all across North America—from Huntsville, Alabama to Vancouver Island, British Columbia.

Champions of these regional tournaments, represent their region at the North American Finals Tournament in Port Huron, Michigan in January. The Lancaster Pee Wee AA hockey team will now represent the entire East Coast Region. If the Pee Wee AA's win there, they will be crowned North American champions.

The Silver Stick tournament was formed to promote citizenship and international goodwill through hockey. In that sense, it continues the time-honored tradition of using sport to build understanding and friendship across national lines.

I am honored to congratulate the Lancaster Firebird's Pee Wee AA coaches Dave Bauer, Larry Collins and Jim Popp. And the Team Manager, Andy Lee.

But most of all, I'd like to offer my congratulations to the players themselves: #3 Bob Lee,

#4 Jacob Friedman, #5 Kyle Boyd, #7 John McCracken, #10 Travis Gold, #11 Jeffrey Branson, #12 Nico Delgiorno, #13 Danny Keich, #16 Kyle Troup, #22 Logan Gleason, #24 Ben Bauer, #25 Josh Lewis, #29 Talon Lewis, #31 Ryan Popp, #44 Alec Collins, and #97 Christian Grim.

They have made us all very proud. I know that they will represent us well in Michigan. I look forward to continued success from their team and, hopefully, welcoming them home as North American Silver Stick champions.

H.R. 3659, RESERVISTS BURIAL EQUITY ACT OF 2003

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. SMITH of New Jersey. Mr. Speaker, today I am introducing H.R. 8659, the Reservists Burial Equity Act of 2003. I am pleased to have join me as sponsors of the bill Mr. LANE EVANS, the Ranking Democrat of the Veterans' Affairs Committee; Mr. HENRY BROWN and Mr. MICHAEL MICHAUD, the Chairman and Ranking Member, respectively, of the Subcommittee on Benefits; as well as Mr. JEFF MILLER; Ms. JULIA CARSON; Ms. BERKLEY; Mr. SHERROD BROWN; and Mr. JOHN SHIMKUS. This legislation would update the eligibility rules for burial of reservists at Arlington National Cemetery. Similar legislation passed the House in the 107th Congress.

Current Army rules provide in-ground burial at Arlington National Cemetery to veterans who died on active duty, received one of the military services' highest awards for gallantry, were held as a prisoner of war, or retired from active duty military service. In addition, veterans who do not meet the current eligibility criteria but who served in a high Federal office are also eligible, as are the immediate family members of all veterans buried there.

It is wholly inequitable that a reservist who serves our Nation for a minimum of 20 years is ineligible for in-ground burial at Arlington National Cemetery because he or she had the misfortune to die prior to age 60. The most glaring example of this policy was brought to light following the death of Captain Charles Burlingame III, the pilot of the American Airlines jet that crashed into the Pentagon on September 11, 2001. Although he had retired from the Naval Reserves, he was only 51 years old at the time of his death. As such, he was not automatically eligible for burial at Arlington. Subsequently, the Secretary of the Army granted a waiver and Capt. Burlingame was interred at Arlington in December 2001.

Similarly, I see no reason why a reservist's eligibility for burial at Arlington should be based on whether that person was or was not in training status when he or she died in the line of duty. In today's military, there is often no practical difference.

This bill would revise existing law by eliminating the requirement that retired reservists be in receipt of their retirement pay to be eligible for in-ground burial at Arlington. Reservists must be 60 years old to receive retirement pay; reservist retirees who fall into this category are often referred to as being in the "grey zone." The bill would also make eligible for in-ground burial reservists who die in the line of duty during active or inactive training.

Mr. Speaker, in recent years, reservists have been increasingly called upon to participate on active duty for extended periods to support the national defense. As the recent actions in Afghanistan and Iraq clearly demonstrate, reservists play a major role in the modern total force concept—we are unable to go to war without mobilizing reservists right from the start. Let's pass this bill and truly honor those men and women who put their civilian lives on hold to serve in our Armed Forces on behalf of the United States of America.

TRIBUTE TO MAJOR DENNIS ADOMATIS

HON. ROBERT E. (BUD) CRAMER, JR.

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. CRAMER. Mr. Speaker, I rise today to recognize Major Dennis P. Adomatis upon his retirement from the United States Army after more than 21 years of outstanding service to our country. After his effective retirement at the end of 2003, Major Adomatis will reside in my Congressional district.

Major Dennis P. Adomatis has distinguished himself throughout his military service in challenging and diverse assignments. Throughout his remarkable career, he has received many medals and awards for his ability to lead by example, encourage excellence from his peers and subordinates, effectively manage the Army's resources, and consistently produce outstanding results. I commend Major Adomatis for his ability to energize a diverse staff toward a common purpose, setting high standards and inspiring his staff to achieve them.

Major Adomatis has been assigned to several key military positions throughout his career, which culminated as the Assistant Product Manager for Fielding and Integration for Air and Missile Defense Command and Control Systems Product Office in Madison, AL., a position he has held since 2001. It is in this role that Major Adomatis will leave an enduring mark on the future of our Army.

Mr. Speaker, on behalf of the people of North Alabama, I congratulate Major Adomatis for his 21 years of service to our country.

A TRIBUTE TO SHIRLEY PRUSSIN

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. FARR. Mr. Speaker, Dynamic social activist, tireless volunteer, caring mother, innovative supporter, teacher—Shirley Prussin has filled many shoes during her time in the Monterey Peninsula. Today, however, I rise to recognize Shirley in another role, as a close and dear friend. Sadly, after a rich three decades on the Central Coast of California, Shirley has decided to move to Florida. I cannot overstate her importance in my life. Her departure marks a tremendous loss for our community.

Shirley's life and accomplishments on the Central Coast have helped hundreds, if not thousands of people in the area. Shirley has had a leadership role in countless organizations that affect the citizenry of the Monterey Peninsula profoundly: the ACLU, the Democratic Woman's Club, the Reproductive Rights Coalition, the YWCA, Planned Parenthood—it's impossible to name all the groups that she has lent her leadership and support.

As an advocate for human rights and political activism, Shirley's commitment to grassroots politics is truly an inspiration. Shirley's political resume dates back to 1947; while in Southern California, she worked for Tome Rees' race for State Assembly. Since then, here dedication to social justice and a better world has led her to work on, and in many cases lead, numberless community-based organizations.

Shirley's kindness, compassion and empathy for her fellow community members remains unparalleled. It's difficult to express how deeply her loss will affect me, but I would like to wish her well with the rest of her life's journeys. Somewhere in Florida, there's an extremely lucky community that is about to receive an amazing person, and I am sad to see her go.

RECOGNIZING ILLINOIS SUPERINTENDENT OF THE YEAR DR. JAMES ROSBORG, SUPERINTENDENT OF BELLEVILLE, ILLINOIS SCHOOL DISTRICT

HON. JERRY F. COSTELLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. COSTELLO. Mr. Speaker, I rise today to ask my colleagues to join me in recognizing Dr. James Rosborg, Superintendent of Belleville Public School District No. 118 and his being named the State of Illinois School Superintendent of the Year.

In his tenth year as superintendent, James Rosborg has achieved success by consistently building a climate of collaboration with teachers, students, the school board, parents, and community leaders to benefit all students in his district. These efforts have resulted in some of the highest school district test scores in the State of Illinois. In addition, Belleville District No. 118 schools have received Golden Spike Awards, State and National Blue Ribbon Schools Awards, the national AFT-Saturn/UAW Collaboration Award, and most recently, the Northern Illinois University's Spotlight Awards for theiracademic achievement.

Dr. Rosborg is no stranger to awards and commendations. He is a past recipient of the Illinois Master Teacher Award, the Illinois State Board of Education "Those Who Excel" Award, the Illinois State Board of Education "Break the Mold" Award, and the Boy Scouts of America's Russell C. Hill Award for outstanding contribution to character education. This year he was selected as the 2004 Illinois

School Superintendent of the Year and will join representatives of all 50 States and U.S. overseas schools in the National Superintendent of the Year award competition in February 2004.

The key to Jim's success is his capacity to help every student achieve, regardless of ability. He takes the opportunity to meet with children, read to them, and listen to what they have to say. Jim operates under the principle that each of his actions as superintendent should be based on "what's best for the kids." He also draws on his vast experience in education serving as a teacher, coach, guidance counselor, principal, and assistant superintendent before assuming the position as superintendent. The Illinois Association of School Administrators has recognized his strong leadership skills by selecting him as Illinois' Superintendent of the Year.

His service extends beyond District No. 118 boundaries. Dr. Rosborg has served as an adjunct college professor to both St. Louis University and Lindenwood University. He is the Illinois Association of School Administrators' representative on the State Test Task Force concerning the No Child Left Behind Act and serves on the Illinois Association of School Administrators Board of Directors. Further, Dr. Rosborg leads an educational team in District No. 118 that has been recognized by the Illinois State Board of Education, the St. Louis Post-Dispatch, and the Belleville News-Democrat for high state test scores and quality instructional programs. In addition, he collaborated on a textbook, "What Every Superintendent and Principal Needs to Know", which was co-authored with Dr. Max McGee and Mr. Jim Burgett.

Under his guidance and direction, the district has completed five new buildings and provided computers in every classroom and computer labs in every school. In addition, all 12 facilities in the district are air-conditioned, when just 5 years ago, only two of the facilities had air-conditioning.

Mr. Speaker, Dr. Rosborg has the uncanny ability to communicate effectively and always encourages others to take ownership of the educational process. He is a great advocate for children, families and what is right. He leads by example and puts his own family and faith in everything he does. I ask my colleagues to join me in recognizing the service and the achievements of Dr. Jim Rosborg and wish him and his family the best in the future.

HONORING ROY PARKE, JR.

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. BILIRAKIS. Mr. Speaker, I rise today to honor Roy Parke, Jr., a friend, constituent, and pioneer in our country's strawberry industry.

Roy Parke virtually founded our country's strawberry industry. He moved to my district in the 1950s and, with his father, founded Parkesdale Farms, which today is a multimillion-dollar operation which produces most of our country's winter strawberries.

Roy was a farming pioneer. He oversaw the first successful shipment of berries to Europe in 1963. He was the first farmer to spray strawberries with water during the winter to protect them from freezing temperatures. He is considered one of our country's leading authorities on cutting-edge production techniques.

I am pleased to say that Roy has dedicated his life to more than personal success. He has for years actively supported and promoted local volunteer and civic organizations, as well as helping area schools and students. He also helped make the Florida Strawberry Festival the country's premiere event for strawberry lovers. He helped make it such a success that presidents, movie stars, entertainers, and everyone in between have stopped to visit Roy and eat shortcake with him.

Roy recently turned over the day-to-day operation of his company to his children and his wife of 60 years, Helen. Although he attributes all of his success to her, I know that his hard work, dedication, and perseverance also have helped him succeed in what anyone who knows farming will tell you is a very difficult way of life.

Mr. Speaker, Roy Parke is an outstanding husband, father, farmer, and American. I am proud to call him, and his wonderful wife, friends and constituents. They are, without question, national treasures who should serve as examples to us all.

IN HONOR OF SERVICE

HON. JANICE D. SCHAKOWSKY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Ms. SCHAKOWSKY. Mr. Speaker, I rise today to bring attention to the hard work of some of our nation's oldest service organizations to improve global health. As described in a December 7, 2003 Washington Post article titled "Service Clubs Living Up to Mission," Rotary International, Lions Club International and Kiwanis International have each conunitted themselves to bettering the quality of life for people around the world.

I represent the city of Chicago where Rotary International, our oldest service organization, was founded and Evanston where it is currently headquartered. The organization, in the early 1980s, made a commitment to eradicate polio and immunize children against infectious diseases. Rotarians have exceeded all expectations. Through the years, Rotary International has given $500 million to the polio-eradication effort and has sent thousands of volunteers abroad to work on the campaign. Partly based on the strength and success of Rotary International's campaign, the World Health Organization announced its intent to eradicate polio worldwide. I commend the commitment that Rotary International and its members continue to make to improving world health.

Lions Club International, which was also founded in Chicago, has spent the last decade working to reduce blindness worldwide. Over the last decade, this organization has spent $148 million on sight-preservation projects in 79 countries; it has funded more than 550 grants in 78 countries targeting the main causes of blindness.

Rotary International and Lions Club International paved the way for Kiwanis International's decision in 1991 to coordinate an organization-wide campaign to reduce the amount of iodine deficiency, which causes developmental delays, worldwide. The organization has pledged to raise $75 million dollars towards the effort, and has already delivered $57 million.

Rotary International, Lions Club International and The Kiwanis have demonstrated that we have the ability to make real change in the lives of people around the world. While I look forward to supporting the efforts of these amazing service organizations, I hope that Congress and the Administration will also increase efforts to meet those goals. Mr. Speaker, I would like to commit the article from the Washington Post into the RECORD, and ask my fellow colleagues to take a moment to read it.

[From the Washington Post, Dec. 7, 2003]

SERVICE CLUBS LIVING UP TO MISSION

ROTARY, LIONS AND KIWANIS AT FRONT OF GLOBAL WAR AGAINST DISEASE

(By David Brown)

Lunch is over, and the Rotary Club of Washington, D.C., is taking coffee when Susan O'Neal starts her slide presentation about the trip she and 65 other Rotarians took to India, where they helped hand out oral polio vaccine to ragtag children in a New Delhi slum.

She explains that the vaccine, taken in two drops of fluid, grows in the intestine and is excreted by the body for a few weeks while immunity builds up. She then clicks on a slide of an open sewer.

"You can see how it's rather easy for people to get fecal microbes on their hands," O'Neal says. "In fact, even though only 93 percent of children on average get vaccinated in a campaign, the other 7 percent get immunized through the feces in the environment."

A groan briefly mixes with the tinkling of glassware as the Rotarians settle in for the latest dispatch from their organization's 15-year campaign to eradicate polio, the leading cause of childhood paralysis.

This scene at the Hotel Washington recently is not one that George F. Babbitt, the title character of Sinclair Lewis's 1922 novel, would easily recognize. A small-minded resident of a fictional American city, Babbitt belonged to a Rotary-like organization called the Boosters Club. Lewis lampooned it as little more than institutionalized selfishness, and his unflattering picture still lingers in the American psyche.

That may be the reason so few people know that the heirs of Babbitt's Boosters—not only in Rotary but also in two other large clubs like it—are now major players in the global fight against disease. They are engaged in arduous and thankless campaigns against ailments that have largely disappeared from the places where their members live.

Since 1988, Rotary International has contributed $500 million and sent thousands of volunteers to work on the polio campaign. The club is second only to the U.S. government in the amount of money it has poured into the effort to eradicate a human disease for only the second time in history.

In 1994, Kiwanis International adopted as its cause the elimination of iodine deficiency, the biggest cause of preventable mental retardation in the world. Since then, the club has provided more than $50 million to help ensure that all salt used in food contains iodine.

Lions Clubs International, once famous for collecting and recycling used eyeglasses, spent $148 million over the past decade on sight-preservation projects in 79 countries. It plays an important role in a river-blindness campaign in Africa, has trained 14,000 ophthalmic workers in India and helped pay for 2.1 million cataract operations in 104 rural counties in China, where last year it became the only Western "service club" allowed to establish chapters.

The contributions of these clubs, however, go well beyond money. Over the past decade they have essentially created a new species of nongovernmental organization.

Unlike many medical charities in the developing world, these are not small cadres of overworked, self-sacrificing idealists. Instead, they are vast, permanent networks of well connected people willing to put in small amounts of time—often in the form of lobbying and consciousness-raising—against a few targeted diseases.

"Their contribution goes way beyond pretty important. I believe that eradication of polio would not have been feasible without the participation of Rotary International," said R. Bruce Aylward, a Canadian physician who is the World Health Organization's coordinator for the Global Polio Eradication Initiative.

"Kiwanis is signed up indefinitely, not for donating money but for raising their voice if they see any backsliding," said Frits van der Haar, a Dutch nutritionist who heads the Network for Sustained Elimination of Iodine Deficiency. "Outsiders like Kiwanis are the watchdogs. They see that the work is done well and continues to get done."

In the river-blindness campaign, Merck & Co. provides the drug ivermectin and Lions Clubs International pays to train African villagers to dispense it. The "barefoot doctor" strategy that has evolved from the program may become a model for other medical programs in places with few health professionals, said Moses Katabarwa, a Ugandan epidemiologist and anthropologist.

"The Lions, they have triggered off a process in which there is no reverse," said Katabarwa, who recently moved to the United States to work on river blindness with the Carter Center in Atlanta.

The three clubs came to their work independently, tracing similar paths from their origins as social organizations for midwestern businessmen.

Rotary, the oldest, was founded in Chicago in 1905. Kiwanis (whose name is a shortened form of an Indian phrase meaning "we trade") began in Detroit in 1915. The first Lions Club formed in Chicago two years later.

All made charitable works in their communities part of their mission. The Lions chose blindness prevention as a theme in 1925 when 45-year-old Helen Keller challenged them to become "knights of the blind in this crusade against darkness." All eventually opened clubs on other continents.

In the early 1980s, several Rotary leaders proposed beginning an organization-wide project separate from local efforts. "This was contrary to the beginnings of Rotary and was also contrary to the feelings of a lot of senior Rotarians," recalled William T. Sergeant, who at age 84 heads Rotary's polio activities. But the idea took hold.

At the suggestion of Albert Sabin, inventor of the oral polio vaccine, Rotary chose as its goal universal immunization of children against polio and several other infectious diseases. In 1986, it decided to support the effort through 2005, the club's centennial year. It did not envisage eradicating polio.

A two-year campaign brought in more than twice as much money as expected—$247 million, not $120 million. Partly on the strength of that support, the World Health Organization in 1988 announced its intent to rid the world of polio. A WHO-led effort had previously eradicated smallpox in a campaign lasting from 1966 to 1980.

"A lot of people have very ambitious ideas, but almost nobody has the funding to kickstart a global initiative," Aylward said. "Rotary was the Gates Foundation of 1988."

But eradication has proved more difficult than anyone anticipated. The target date was originally 2000; it is now 2005. The extra time required more money. Earlier this year, Rotary completed a second fundraising campaign, which raised $111 million—again more than the target, which was $80 million. The club's contributions, including interest, now total more than $500 million.

Lions Clubs International, the world's largest service club, decided to reorient much of its sight-saving efforts after it held a symposium with experts in blindness prevention in Singapore in 1989.

"We were astounded to hear that blindness was increasing, particularly in the developing world," said Brian Stevenson, a provincial judge in Alberta who had just finished a term as Lions president. "They told us there were 40 million blind people in the world, and 32 million of the cases were or had been treatable. So it gave us a lot of focus."

Lions set a goal of $130 million but raised $147 million for its SightFirst program. The organization has funded more than 550 grants in 78 countries targeting the main causes of blindness.

Kiwanis's entry into the global health arena was due in part to the example of the two other clubs.

In 1991, William Foege, former head of the Centers for Disease Control and Prevention, asked the Kiwanis president, a physician named Wil Blechman, what the club was doing for the world's children. Foege cited Rotary's polio work and Lions' just-created SightFirst. While Kiwanis had urged local clubs to have a charitable activity aimed at children younger than 5, there was no organization-wide project.

"I will bring this to the attention of our board, because I don't know at the moment," Blechman recalled answering sheepishly.

The board discussed the idea and ultimately surveyed its membership, which favored a global project 2 to 1. UNICEF suggested a focus on iodine deficiency.

Iodine is an essential part of thyroid hormone, which in turn is essential to brain development. In places where diets contain insufficient iodine, generally because the soil contains little and there is no seafood, the intelligence of the entire population is shifted downward. In 1990, only 20 percent of the world's households consumed salt treated with enough iodine to prevent deficiency.

UNICEF estimated the problem could be eliminated worldwide in five years for $50 million to $75 million. Kiwanis took the challenge because it was important, concrete and "something we thought we could handle," Blechman said.

The organization pledged to raise $75 million and has already contributed $57 million. The money pays for iodization equipment for salt manufacturers and campaigns on the importance of iodized salt.

Occasionally, members of service clubs do the work themselves. Thousands of Rotarians, both local and foreign volunteers, have participated in national immunization days when vaccine is given to millions of children over a few days.

Dave Groner, a 60-year-old funeral director in Dowagiac, Mich., has led four groups of Rotarians to India and one to Nigeria. Next month, he will take 14 people, 10 of them nurses, to Niger. They will all pay their own way—about $3,000 each. "We've never been asked to not work or to get lost," he said.

Occasionally, club members play a role nobody else can. Angola has a single Rotary Club, 32 people who meet in the capital, Luanda. They are led by Sylvia Nagy, who with her husband owns a foundry. In 1997, a 25-year civil war, which ended last year with the death of rebel leader Jonas Savimbi, was underway. There had not been a vaccination campaign in the rebel-held half of the country in years.

Nagy, along with representatives of WHO and UNICEF, negotiated a truce so immunization days could be held in June that year. Rotary rented planes, boats and four-wheel-drive vehicles to deliver vaccine, and disbursed $4 million to far-flung vaccinators. About 2.5 million children were vaccinated.

On Sept. 2, Angola marked its second year without a single case of polio.

HONORING CALDWELL, IDAHO

HON. C.L. "BUTCH" OTTER

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. OTTER. Mr. Speaker, I rise today to recognize the city of Caldwell, Idaho for their outstanding record of city management. The city was recently honored to be on the short list for a national city management award, for cities with populations under 50,000. As part of their recognition, CNN wanted to include them in a program highlighting such cities around the United States. Caldwell has made many strides recently towards revitalizing their downtown, with projects such as the Indian Creek reconfiguration project. The cost of being included in CNN's program, however, was $24,000—a fee used to bring the television crew to the city. Under Mayor Garret Nancolas, the city declined CNN's offer because of the high cost to be included. The city felt the funds could be used more appropriately to directly benefit their citizens. This example truly reiterates the city's dedication to its citizens and its exceptional management. The city of Caldwell, Idaho should be an example to cities nationwide and I am honored to represent such an exceptional city. The State of Idaho is also honored to include this city as one of its own.

TRIBUTE TO SERGEANT RYAN C. YOUNG

HON. KEN CALVERT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. CALVERT. Mr. Speaker, I rise to pay tribute to a hero from my congressional district. Last week I was informed that Sgt. Ryan

C. Young of my hometown of Corona, California passed away due to complications from injuries sustained while fighting in Fallujah, Iraq on November 8, 2003. Today I would ask that the House of Representatives honor and remember this incredible young man who died in service to his country.

Ryan was born on June 29, 1982, in Orange, California. After graduating from Norco High School in 2000, he enlisted in the Army. He was assigned to A Company, 1st Battalion, 16th Infantry Regiment, 1st Infantry Division, based in Fort Riley, Kansas as an infantryman and was deployed to Iraq in September.

On November 8, 2003, while riding in an armored vehicle with other U.S. troops, his vehicle was hit by an explosive device. Ryan was sent to Walter Reed Army Medical Center in Bethesda, Maryland but later passed away from complications from his injuries on December 2, 2003. He was 21 years old and leaves behind a wife, mother and father.

As we look at the incredibly rich military history of our country we realize that this history is comprised of men, just like Ryan, who bravely fought for the ideals of freedom and democracy. Each story is unique and humbling for those of us who, far from the dangers they have faced, live our lives in relative comfort and ease. My thoughts, prayers and deepest gratitude for their sacrifice go out to his wife and family. There are no words that can relieve their pain. Ryan was awarded the Purple Heart and will be laid to rest at the Riverside National Cemetery where he will be close to home and those who love him.

His wife and family have all given a part of themselves in the loss of their loved one and I hope they know that their son and the sacrifice he has made will not be forgotten.

HONORING LARRY R. COOPER FOR HIS 35 YEARS OF SERVICE TO THE UNITED STATES DEPARTMENT OF AGRICULTURE

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. GRAVES. Mr. Speaker, I proudly pause to recognize Larry R. Cooper, Assistant Regional Inspector General for the United States Department of Agriculture Great Plains Region. Mr. Cooper has exemplified the finest qualities of leadership and service and is being honored for his 35-year commitment to the USDA and the people of the Great Plains region.

Mr. Cooper began his career with the USDA Office of the Inspector General in 1969 as an auditor for the Kansas City office. He was quickly promoted and became Supervisory Auditor in 1976 and Assistant Regional Inspector General for the Great Plains Region in 1987, a position he has dedicated himself to for the past 16 years. In this position, Mr. Cooper planned, directed, and supervised the performance of all auditing activities.

During his career with the USDA, Mr. Cooper was recognized for using advanced audit techniques, pioneering efforts in controls over automated systems, and innovatively suing statistical sampling. Mr. Cooper was honored for his performance by both the agency and the President's Council and Efficiency.

Mr. Speaker, I proudly ask you to join me in commending the career of Larry R. Cooper, who exemplifies the qualities of dedication and service to the United States Department of Agriculture Great Plains Region and the people of the United States of America.

HONORING THE PANETTA INSTITUTE

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. FARR. Mr. Speaker, I rise today in honor of Leon and Sylvia Panetta, both dedicated members of the Central Coast and Washington, DC communities. Specifically, I would like to address their efforts regarding the founding of the Panetta Institute, a nonpartisan center for the study of public policy. Located at the California State University, Monterey Bay, the institute serves the entire CSU system, as well as providing insight and policy information for legislators around the country.

Soon after its founding in 1998, the Panetta Institute quickly became an integral contributor to the political community in a variety of media. One of the main focuses of the program is to equip today's young people with the practical skills of governance, all the while inspiring a life-long dedication to public service. In these efforts to develop ambitious and successful leaders, the Panettas have, in turn, provided legislators in California and DC with over 120 well-trained and informed interns. It suffices to say that, through their thoughtful and effective program, the Panettas have designed a quality system that greatly benefits both the student and legislative office. After working with students from the Panetta Institute in my office, it is clear that they are well oriented with the governmental process.

Mr. Speaker, on behalf of the United States Congress, I would like to commend Leon and Sylvia Panetta for their commitment to supporting sustainable progress in the 21st century by researching public policy and nourishing tomorrow's leaders. Their many contributions to all of us in office are invaluable. I am honored to represent the Panettas in Congress, as well as to hold the office that Leon himself held with dignity prior to my tenure.

CELEBRATION OF THE LIFE OF CHRISTINA JENKINS

HON. STEPHANIE TUBBS JONES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mrs. JONES of Ohio. Mr. Speaker, I rise today to honor a pioneer in the field of cosmetology. Christina M. Jenkins, a resident of Cleveland Heights, Ohio who invented the process known as hair weaving, passed away recently at the age of 82.

A native of Louisiana, Christina Jenkins graduated with a bachelor's degree in science from Leland College near Baton Rouge, Louisiana in 1943. She began researching ways to secure wigs and hairpieces while working for a Chicago wig manufacturer in 1949. She moved to Malvern, Ohio near Canton and continued developing what she called the Hairweev process, which was designed for making hairdos longer and fuller by weaving extensions onto existing hair.

She received a patent in 1951 for her hair weaving method that continues to be used by hairstylists around the world. Jenkins taught her technique to cosmetologists at Christina's HairWeev Penthouse Salon in Shaker Heights until 1993. She also conducted training sessions in Europe.

Once a process only used by entertainers and people with extreme hair loss, hair weaving has become a common practice allowing people to appear as though they were born with thick, luxurious heads of hair. Its popularity has made the hair weaving business a billion dollar industry.

Christina was married to popular jazz pianist Herman "Duke" Jenkins. To this union was born one daughter, Sheila Jenkins-Cochran.

On behalf of the people of the 11th Congressional District, I wish to commend Christina Jenkins. Her revolutionary contributions to the field of cosmetology have helped to boost the self-esteem of men and women across the world.

IN HONOR OF MIKE CHAPPELL

HON. CHARLES W. "CHIP" PICKERING

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. PICKERING. Mr. Speaker, as we wrap up this year's congressional work, I want to take this opportunity to salute and honor Mike Chappell, a native of McComb, Mississippi. He has been a trusted advisor, wise counselor, and valued assistant to me both during my work in service of Mississippi's Third District, and in my campaigns for that office.

Over the past seven years I saw Mike hone his natural political instincts and quick grasp of policy into a strong ability to shape and influence the debate and outcome of our work. He knows the "Four Ps" of congressional work: process, politics, policy, and personalities.

After my first election, he helped me open my congressional office and has served diligently each year since. But a few months ago he moved on to the private sector to work in the firm Fierce & Isakowitz, described by Fortune Magazine this year as "the most skilled practitioners of persuasion in Washington."

Mike has been a friend on whose advice I could always trust and whose instincts for policy and politics are the best in the business. He knows how the Hill game is played, he knows the players, and he has memorized the playbook. Fierce & Isakowitz has hired a great asset and while I certainly miss him, I am excited for his new opportunity.

Mike Chappell is an example of the type of political leadership Mississippi has to offer our country. His work has been a tribute to his parents, his community, his alma mater—the Golden Eagles of the University of Southern Mississippi—and his state. I also appreciate the sacrifice of his wife Angie as Mike put in long, hard hours in my office over the past several years.

I know while working in the private sector he will continue to advance and represent the values we share, those values he learned from his parents in McComb, those values he continues to exhibit in his advancement of positive policy here in our nation's capital.

Mike Chappell left a formative mark on the shape and operation of my office. We will miss his humor, wit, and passion for his work. But I thank him for his service to this office and to Mississippi.

IN MEMORY OF E.W. JOHNSON, JR.

HON. MIKE ROSS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. ROSS. Mr. Speaker, I rise today to honor the memory of E.W. Johnson, Jr., who passed away at the age of 72 on November 21, 2003. E.W. was born in Lafayette County where he spent his entire life. I am saddened to learn of his death and wish to recognize his life and achievements.

Born in Stamps in 1931, E.W. worked at Arkansas Power and Light Company. E.W. was no stranger to public service; those who knew him well say he was very active in all aspects of the Stamps Community. E.W. was chairman of Deacons at First Baptist Church, a member of the Lafayette County Quorum Court, and involved with the Stamps Rotary. E.W. was also a veteran of the United States Air Force. At the time of his passing, he was serving as Mayor of Stamps, a position he held for eight years.

I know E.W.'s death was especially difficult for his wife, Virginia Johnson, his sister, Martha Sue Robinson, and his great nieces and nephews, Diane Pennington, Lori Pennington, Josh Pennington, Laura Hill, Conner Hill, and Taylor Hill. I have kept them in my thoughts and in my prayers. While E.W. Johnson, Jr. may no longer be with us, his spirit and his legacy live on in the examples he set and the many lives he touched.

RECOGNIZING AARON SPENCER WILLIAMS FOR ACHIEVING THE RANK OF EAGLE SCOUT

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. GRAVES. Mr. Speaker, I proudly pause to recognize Aaron Spencer Williams, a very special young man who has exemplified the finest qualities of citizenship and leadership by taking an active part in the Boy Scouts of America, Troop 260, and in earning the most prestigious award of Eagle Scout.

Aaron has been very active with his troop, participating in many Scout activities. Over the nine years Aaron has been involved with Scouting, he has earned 31 merit badges and has held numerous leadership positions, serving as Assistant Senior Patrol Leader, Assistant Patrol Leader, Patrol Leader, and Librarian. Aaron also attended H. Roe Bartle Scout Reservation for five years and is a Warrior in the Tribe of Mic-O-Say.

For his Eagle Scout project, Aaron constructed a mobile school supply store for Eastgate Middle School in North Kansas City, Missouri.

Mr. Speaker, I proudly ask you to join me in commending Aaron Spencer Williams for his accomplishments with the Boy Scouts of America and for his efforts put forth in achieving the highest distinction of Eagle Scout.

HONORING CHIEF WARRANT OFFICER CHRISTOPHER NASON

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. FARR. Mr. Speaker, I rise today in honor of a fallen soldier, U.S. Army Chief Warrant Officer Christopher Nason, a dedicated patriot who gave 19 years of his life to military service. Mr. Nason was killed in a motor vehicle accident while serving in Iraq on November 23, 2003. Mr. Nason is survived by his sister Gina Nason.

A young man seeking focus in life, Christopher Nason enlisted in the Air Force in 1985 at the age of 20. Nason attended the Defense Language Institute (DLI) in Monterey, CA in June of 1995 through May of 1996, where he excelled in his studies of Arabic. He became a warrant officer in 1999 and was assigned to the 306th MI (Military Intelligence) Battalion out of Fort Huachuca, AZ before he was deployed to Iraq. Those who knew him best reflect on his transition into a strong and irreplaceable member of the armed forces and mourn the loss of their friend, brother and leader.

As an expert in the Arabic language, Chief Warrant Officer Nason's services were extremely valuable to the Army, both in combat and in the classroom. After graduating from the DLI in 1996, he taught intelligence officers Arabic at both the DLI and Fort Gordon, GA. As a respected member of the DLI faculty, he successfully fulfilled the mission of the institute by helping to develop proficient linguists who would then be utilized for a variety of missions that would support national security interests. The DLI, located in my congressional district, is the world's largest foreign language school. It is the Department of Defense's only foreign language school that not only educates soldiers, sailors, marines and airmen in mission-specific foreign languages, but also on the history, culture and current events in the region in which their language is spoken. The courses are intensive and demanding as well as incredibly adaptive, in order to reflect U.S. military priorities around the globe.

Mr. Speaker, on behalf of a grateful nation, I would like to offer condolences to Officer Nason's family and friends, as well as to those service members who will no longer benefit from his exceptional leadership. This nation was privileged to have a person of his caliber serving in our armed forces.

CELEBRATION OF THE LIFE OF JAMES CULLEN WILLIAMS

HON. STEPHANIE TUBBS JONES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mrs. JONES of Ohio. Mr. Speaker, I rise today to honor a pioneer in the legal profession. J.C. Williams of Cleveland Heights, Ohio passed away recently at the age of 82. His efforts to provide legal services for low-income people through President Lyndon Johnson's War On Poverty have set the standards for these practices to this day.

A native of Philadelphia, Pennsylvania, he served in the Army during World War II. He went on to graduate from Wilberforce University and received his law degree from Western Reserve University in 1949. He worked as an assistant police prosecutor in Cleveland before joining the poverty program.

A lawyer with the Legal Aid Society for 22 years, J.C. Williams served as director of offices throughout the 11th Congressional District of Ohio, in the Hough, Glenville and Central communities of Cleveland. After joining the society in 1966, he developed a collective bargaining program for landlords and tenants in Hough in which they could settle disputes by turning them over to third-party arbitrators. He served as a lawyer for needy clients until his retirement from the society in 1988. He maintained a private practice until his death.

J.C. was a member of Saint James A.M.E. Church. He was also an active member of the Ohio and Norman S. Minor bar associations, Omega Psi Phi Fraternity Inc., and the Ambassador Social Club.

It is because of his commitment to the community and desire to help those less fortunate that I wish to acknowledge the contributions of J.C. Williams on behalf of the Congress of the United States and the citizens of the 11th Congressional District. J.C. Williams was an outstanding man who will always be remembered for his outstanding good deeds to his community and beyond.

CONGRATULATING SYLVESTER CROOM AND MSU

HON. CHARLES W. "CHIP" PICKERING

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. PICKERING. Mr. Speaker, I rise today to congratulate Sylvester Croom, who was named head football coach of the MSU Bulldogs on December 1, and to salute Mississippi State University for its wise choice in athletic leadership.

Mississippi State University chose Coach Croom based on his skill, his talent, his experience and his resume. While race was not a factor in the decision, I am mindful that Coach Croom becomes the first black head football coach in the NCAA Southeastern Conference. I am proud that it is a Mississippi institution that has broken that color barrier.

Coach Croom was born in Tuscaloosa, Alabama. Growing up in Mississippi's eastern neighbor, he played as starting center at the University of Alabama under legendary Coach Paul "Bear" Bryant. After securing a bachelor's in history, Croom played professionally with the New Orleans Saints. He returned to the Crimson Tide as a graduate assistant (obtaining a master's of educational administration) and as a linebackers coach.

He has served on the coaching staff of the Tampa Bay Buccaneers, the Indianapolis Colts, the San Diego Chargers (making it to the Super Bowl) and the Detroit Lions. Mississippi's gain is Wisconsin's loss. MSU gains Croom as head coach as he concludes a strong season as running backs coach for the Green Bay Packers where he has been on staff with Coach Mike Sherman since 2001.

MSU is the flagship university in Mississippi's Third Congressional district. Located in Starkville, Scott Field is home to Bulldogs and cowbells. We are proud to welcome Sylvester Groom as MSU's 31st Head Football Coach. He will replace the most winning coach in Mississippi State's history, Jackie Sherrill, who retires this year with a distinguished and honorable legacy.

I salute MSU President Charles Lee and Athletic Director Larry Templeton for their wisdom in this decision and once again congratulate Sylvester Croom and the Bulldogs.

Mr. Speaker, there is no doubt in my mind that Coach Croom will make us proud in Mississippi. We are already thrilled and excited about the prospect of our future together.

IN MEMORY OF JUDGE LARRY KINNAIRD

HON. MIKE ROSS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. ROSS. Mr. Speaker, I rise today to honor Judge Larry Kinnaird, who died on November 24, 2003 at the age of 63. Judge Kinnaird, born in Ashley County, was a close personal friend, and I am deeply saddened by his tragic death. I wish to recognize his life and achievements.

Judge Kinnaird spent his entire life in Ashley County. Graduating from Hamburg High School in 1958, Judge Kinnaird worked for Georgia Pacific Corporation for 26 years. In the 1960s, he served as Justice of the Peace for six years. In his free time, Judge Kinnaird enjoyed both hunting and fishing.

Most recently, Judge Kinnaird was elected to the post of Ashley County Judge, and served as County Judge for nearly five years. During this time, he was a member of the Arkansas Judges Association and served on the Southeast Arkansas Judges Association Executive Committee. Judge Kinnaird was also actively involved in the SEARK Economic Development District.

My heart goes out to his wife of 44 years, Emmie Crenshaw Kinnaird, their daughters, Donna Shields and Tammy Streeter, and three grandchildren, Drew Shields, and Shelby and Sky Streeter.

RECOGNIZING KYLE EVAN VULGAMOTT FOR ACHIEVING THE RANK OF EAGLE SCOUT

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. GRAVES. Mr. Speaker, I proudly pause to recognize Kyle Evan Vulgamott, a very special young man who has exemplified the finest qualities of citizenship and leadership by taking an active part in the Boy Scouts of America, Troop 60, and in earning the most prestigious award of Eagle Scout.

Kyle has been very active with his troop, participating in many scout activities. Over the eight years Kyle has been involved with scouting, he has earned 64 merit badges and has held numerous leadership positions, serving as Assistant Senior Patrol Leader, Den Chief, Troop Historian, Bugler, Quartermaster, Patrol Leader, Musician, Librarian, and Assistant Patrol Leader. Kyle has also participated in High Adventure, is a Warrior in the Tribe of Mic-O-Say and has received the God and Me, God and Family, and God and Church awards.

For his Eagle Scout project, Kyle constructed three benches on a trail at the Conservation Center. These benches will be used by the many visitors to the Center.

Mr. Speaker, I proudly ask you to join me in commending Kyle Evan Vulgamott for his accomplishments with the Boy Scouts of America and for his efforts put forth in achieving the highest distinction of Eagle Scout.

TRIBUTE TO MR. RONALD RUBY

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. FARR. Mr. Speaker, I rise today to honor the life of Mr. Ronald H. Ruby, whose lifelong commitment to educating others influenced lives of people from the Central Coast of California to Norway. His mother, Ruth Bittman, his wife Dorothy Ruby, two daughters, two sons, and two grandchildren survive Mr. Ruby, who passed away on November 5, 2003.

Mr. Ruby was born in San Francisco, California on December 1, 1932. He attended UC Berkeley, and after receiving a bachelor's degree in physics he served in the U.S. Navy. Following his tenure in the Navy, Mr. Ruby returned to Berkeley to obtain his PhD. He was subsequently recruited to join the faculty of UC Santa Cruz as a physicist and remained there from 1965 to 1991, while also conducting research at UCSC and University of Oslo in Norway. I have been told that Mr. Ruby was an amazing educator; his innovative teaching techniques enthralled both students and colleagues.

Not only was Mr. Ruby an astonishing educator but he was also a loving husband, father, and sports enthusiast. Mr. Ruby met his wife Dorothy Bell as he began graduate school at UC Berkeley. The two began a family and raised four children in Santa Cruz. Mr. Ruby enjoyed bike riding, competitive rowing, and Nordic skiing. He also found time to coach the UCSC rugby team.

Mr. Ruby had an admirable career at UC Santa Cruz and dedicated himself to teaching and research. I join the Santa Cruz community in honoring the life of Mr. Ronald Ruby, whose dedication and contributions were truly commendable.

TRIBUTE TO MICHAEL F. SIMON BUILDERS FAMILY BUSINESS

HON. TAMMY BALDWIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Ms. BALDWIN. Mr. Speaker, I rise today to recognize a thriving small business in Waunakee, Wisconsin. This year, the Michael F. Simon Builders family business celebrates 110 years of service to the community.

Small businesses are vital to the American economy. Founder, Michael Simon began constructing farm buildings in Dane County in 1893, and through the years Michael F. Simon Builders has remained in the family and continued to grow. The business has evolved with the times and now constructs residential and commercial buildings using state-of-art Computer Aided Design and Drafting (CADD).

Now in the hands of Peter and Philip, the founder's grandsons, Michael F. Simon Builders continues to maintain the family tradition and strives to create structures in Madison and the surrounding communities that have style beauty, quality and value. For nearly fifty years, the Simon family has shown a firm commitment to improving our community through their extensive volunteerism with the Wisconsin Builders Association and the National Association of Home Builders.

The Simon's ability to create and maintain a successful family business for 110 years is commendable and deserves recognition. I am proud to call Michael F. Simon Builders Wisconsin's own. I wish them continued success for another 110 years and beyond.

HONORING JERRY KRAUSE, EXECUTIVE VICE PRESIDENT OF THE CHICAGO BULLS

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. LIPINSKI. Mr. Speaker, I rise today to pay tribute to a remarkable Chicagoan, Jerry Krause, Executive Vice President of Basketball Operations for my hometown team, the Chicago Bulls. I would like to congratulate Jerry Krause on eighteen successful seasons as General Manger and as the architect of the Bulls' six World Championship Titles. Since 1985, Jerry Krause has played a major role in building domineering teams for Chicago and has twice been named NBA Executive of the Year by his peers in the 1987–88 and 1995–96 seasons.

Jerry Krause brought with him a vision of how to build a championship team and he proceeded to create one of the most dominant champions of all time. No basketball fan in America can begin to imagine the Chicago Bulls without his imprint. When Jerry Krause arrived on the scene, Michael Jordan was the only present piece of what would become the foundation of the Bulls' dynasty. Two years later, he began surrounding Jordan with the key players who would help turn the Bulls into champions. Jerry Krause drafted such renowned players as Scottie Pippen, Charles Oakley, Horace Grant, B.J. Armstrong, Will Perdue, Toni Kukoc, Elton Brand, Steve Kerr, Marcus Fizer, Jamal Crawford, Jerry Sloan, Clifford Ray, Brad Davis, Trenton Hassell, Jay Williams; signed key players Ron Harper, John Paxson, Scott Williams, Ron Mercer, Eddie Robinson, Corie Blount, Donyell Marshall; traded for Bill Cartwright, Dennis Rodman and a host of others who wore the Bulls uniform during those championship seasons.

Jerry Krause has a skillful eye for spotting basketball talent and an insightful mentality of how to build a winning team. He helped to build the dominant NBA team of the 1990s. With Jerry Krause as GM, the Bulls won six titles behind the play of Michael Jordan. One of Jerry Krause's most brilliant moves was bringing the man who could possibly be the greatest coach in NBA history into the league. During the summer of 1987, he hired Phil Jackson as an assistant coach and later on as head coach. Jackson has since tied Red Auerbach with nine NBA titles, the most in NBA history. He then hired replacement Tim Floyd, and current head coach Bill Cartwright. Jerry Krause also influenced drafting Hall of Fame players, Earl Monroe and Wes Unseld, and four NBA Rookies of the year with Monroe, Unseld, Alvin Adams and Brand. Jerry Krause effectively laid the foundation for the Chicago Bulls' decade of dominance.

Jerry Krause became the Bulls' GM in 1985 after working for Bulls owner Jerry Reinsdorf as a scout with baseball's Chicago White Sox. He made a reputation in the NBA as a superscout for the Baltimore Bullets in the late 1960s. With over 34 years of experience in professional sports, Jerry Krause has served as a scout for Baltimore, Chicago, Phoenix and the Los Angeles Lakers. For 16–years before the Bulls, his career soared as scout and special assignment scout with the Cleveland Indians, Oakland A's, Seattle Mariners, and Chicago White Sox.

After 19 years and six championships, Jerry Krause is stepping away as the General Manager of the team that he loves. All of the moves paid off as Chicago won six titles from 1991–98, setting an NBA record with 72 victories in the 1995–96 season. The Bulls honored Jerry Krause during a halftime ceremony on Oct. 31, 2003, raising a banner to the United Center rafters in homage to their former general manager.

The NBA, team, and fans alike will greatly miss Jerry Krause upon his resignation. It is my pleasure to recognize Jerry Krause for his love for the game and passion for winning. I extend my heartiest wishes and warmest regards in all his future endeavors. Mr. Speaker, as Jerry Krause leaves behind a long and rich history with the Chicago Bulls, I would ask that my colleagues join me in honoring this great man.

TRIBUTE TO JEROME "BUDDY" COOPER

HON. ARTUR DAVIS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. DAVIS of Alabama. Mr. Speaker, I rise today to honor and pay tribute to Jerome "Buddy" Cooper, a man who articulated, pioneered, and embodied a progressive vision for the working people of Alabama. On Tuesday, October 14, Buddy passed away after 90 years of a remarkable life. Those countless Alabamians who live better lives due to his efforts will mourn him dearly.

An Eagle Scout and graduate of Harvard University, Buddy has continually served his family, his nation, and his community. In 1937, Buddy became the first law clerk to U.S. Supreme Court Justice Hugo Black of Alabama. He remained at the right hand of this legendary Justice for three years until he decided to answer another call. Joining the U.S. Navy in 1940, Buddy served his country for 44 months and during some of the bloodiest naval battles of the Second World War.

Following his courageous war service, Buddy returned to Birmingham to begin a long legal career fighting the good fight for the unfortunate, the poor, the disposed, all those whom the Scriptures name "the least of these" and was a constant thorn in the side of those who wished to take advantage of them. In 1963, President John F. Kennedy recognized Buddy's work for social justice and racial reconciliation by inviting him to a meeting of 240 attorneys that later became the Lawyers' Committee for Civil Rights under Law—the group credited with providing official legal support to those civil rights activists and organizations challenging segregation and racial discrimination across the country. In 1996, Buddy was awarded the Lifetime Achievement Award for his decades-long participation with this select group.

Buddy demonstrated the same tenacity and loyalty towards his family that he exhibited in every other aspect of his life. Married to his wife Lois for over 50 years, Buddy exemplified an honest and loving husband, caring for his wife throughout the years of her illness. Their children, Ellen and Carol, were blessed to have a father who wanted nothing more than to love them and watch them grow up in an Alabama that was better than the one in which he grew up.

I am proud, Mr. Speaker, today to honor Jerome "Buddy" Cooper for his tremendous accomplishments. But, Mr. Speaker, I do so with the bittersweet knowledge that Alabama will be lesser tomorrow for his passing.

TRIBUTE TO JOHN STRAUSS'S LIFE AND MILITARY SERVICE

HON. EARL POMEROY

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. POMEROY. Mr. Speaker, I recently had the privilege of meeting with John Strauss, one of North Dakota's distinguished World War II veterans at the North Dakota Veterans Home. John's unit, the 164th Infantry Battalion, saw more than 600 days of fierce combat in the South Pacific. For his heroism, John was awarded a Bronze Star and a Purple Heart.

I would like to include in the RECORD an article from the Ransom County Gazette in North Dakota about John's life and military service.

[From the Ranson County Gazette]

NDVH RESIDENT, JOHN STRAUSS TELLS OF HIS WORLD WAR II EXPERIENCES

(By Janet Hansen)

John Strauss, a resident of the North Dakota Veterans Home (NDVH), Lisbon, was a member of the U.S. Army's 164th Infantry Batallion which spent three years in the South Pacific during World War II. Strauss, who recently celebrated his 90th birthday, can still recall clearly the details of that time in America's history.

Strauss was born on September 5, 1913. He was next to the youngest in a family of six boys and two girls. He and his younger sister, Mary Bartholomay of Sheldon, are the last two surviving siblings. He was raised on a farm near Harvey, North Dakota and attended the Whitby School, a one-room country school located just a half mile from the Strauss farmstead. He received his high school education at Harvey High School, from which he graduated in 1932.

Following his graduation from high school, Strauss worked at various farm and construction jobs. He spent some time working in the Sheldon area on the Muscha and Stansbury farms. He milked cows as well as caring for a herd of Angus beef cattle. His other jobs included working for a plumbing and heating business, doing construction and cement work, and spending ten months as a maintenance man at the hospital in Harvey

In January of 1941 Strauss joined the National Guard. "I was 27 years old when I joined the guard," commented Strauss. "Most of the guys signing up were only 18. We organized our own company. Up to that time, Harvey did not have a Guard unit of its own, although there were several units in surrounding towns. Since there was a need for an anti-tank company, that is what our unit became."

Shortly after Harvey's National Guard unit was organized. its members were shipped to Camp Claiborne, Louisiana, where they underwent training for ten months. Then came the attack on Pearl Harbor, which pushed the United States into World War II and the National Guard into active duty.

"It wasn't long after the attack on Pearl Harbor that we were loaded on a troop train for San Francisco. We expected to get sent overseas immediately, but we were instead sent up north to guard installations such as roads and bridges which were thought to be vulnerable to attack by the Japanese.

In March of 1942 Strauss and his fellow guardsmen were loaded onto an old luxury liner, the President Coolidge, for their long trip to Melbourne, Australia. "The ship was nice," recalls Strauss. "It still had a swimming pool and a continental lounge with a grand piano. I enjoyed sitting around listening to various soldiers playing boogie-woogie music on that piano. But the ship was very crowded! There were many other soldiers besides our battalion on board. I believe there were about 5,000 of us in all. The ship had two-room apartments with a bath between. Each had been made to house a husband and wife. The single compartments designed for one person were each crammed with about a dozen soldiers in bunk beds."

Strauss does not complain about the accommodations. He says he was happy with two decent meals a day. He spent much of his time on the deck of the large ship. "I loved it on the water," he said. "I didn't get seasick. I liked to stand on deck and watch the waves roll by."

After a long ocean voyage, the ship finally reached Melbourne. "We had to unload all our gear and equipment from that ship onto three small Dutch ships which were waitin for us in the harbor," said Strauss. "They were old wooden vessels with crews from the Indonesian island of Java. The crew members were dirty and used to eating tired old mutton for meat. It didn't look or smell fit to eat, and tasted as bad as it looked, but I managed to eat enough to get by."

The old Dutch ships took the soldiers to New Caledonia, a French held island in the South Pacific east of Australia. It was believed that that island might be one of the next Japanese targets. The troops immediately set about fortifying the beach by digging in gun enplacements. The soldiers lived in tents. It was hot and humid during the day but cooled off at night. The Japanese attack which had been expected did not come. Strauss recalls hearing that some troops encountered problems with the Communist French but it didn't affect those with whom he was encamped on the shoreline."

From New Caledonia, Strauss and his fellow soldiers were sent to Guadalcanal in the Solomon Islands. "We only found out a day in advance that we were to be sent there," Strauss said. "We arrived there just after daylight. We had to unload our own ships with small boats that ferried the cargo from the large ship to shore. We had only a day in which to complete the job because the ships wanted to leave the harbor while it was still daylight. There was too much danger from Japanese air strikes to chance staying there at night."

Strauss said that the first night at Guadalcanal was the most frightening time which he experienced during his entire tour of duty. "We sat on the beach," he said. "There was a lot of confusion with people milling around. There were air raids going on and we were pretty scared because of the lack of protection. In the evening they lined us up in formation and told us to march. I did not know where we were going. I just followed the guy in front of me. Suddenly all hell broke loose! There were Japanese ships in the bay and they were attacking Guadalcanal. The attack from air and sea lasted until morning. The area was all lit up by the explosions. We got initiated fast! We felt completely helpless." "The main target of the attack was the airbase at Henderson Field. The Japanese had originally built the airstrips and the United States had taken control of the base. The Japanese wanted it back. Around 10,000 Japanese troops landed on the island. They were on the opposite end of the island from where we had landed. The Japanese would come in swarms at night but we were safer on our side of the island than we would have been if we had landed on the other side."

Strauss explained that his battalion's first objective was to entrench their 37 millimeter guns along the beach. "We were sent in to help the Marines at Guadalcanal," he said. "We served under General Vandegrift, Commander of the 1st Marine Division.

As a result of their service under the Marines at Guadalcanal, Strauss and his fellow members of the 164th infantry were each awarded the Presidential Unit Citation, which is given by the commander of the regiment. "To my knowledge we were the only army outfit in the world to get a citation from the Marines," said Strauss.

Strauss states that his main job was to guard the beach area. He manned a 37 millimeter gun entrenched in the sand. "I was glad to stay there instead of going farther onto the island," he said. "We stayed there for six months. There were a few small battles, but we were mostly mopping up."

"The Marines left in January and we followed in March," said Strauss. He explains that by the time they left Guadalcanal most of the men in his outfit had dysentery and/or malaria.

"Most of us were sent to the Fiji Islands for some R & R (rest and relaxation) time," related Strauss. Some members of his division enjoyed their vacation, but Strauss spent five months in the hospital because of a tropical ulcer on his leg. The ulcer started as a sand fly bite and became infected by his boot rubbing on it. After two and a half months with no results in the treatment of of the ulcer, a doctor tried grafting some skin over the ulcerated area. After that it finally began to heal and he was released from the hospital.

"I was out of the hospital for one day," said Strauss, "and I came down with malaria." I spent another two and a half months in the hospital recuperating." By the time Strauss got out of the hospital his company's R & R time was over and it was time to train once again.

"We were in Fiji for a total of nine months," said Strauss. "From there we were shipped to Bougainville Island, where we stayed for the next year. Again, we were sent there to do some mopping up. We saw action, but it was usually small attacks. However I actually saw more action there than I had previously."

Strauss explained that he served as sergeant of a flame thrower platoon. "I had 26 men under me," he said. "Of those 26, 13 lost their lives during our stay on Bougainville Island. Our job was to dig machine gun nests out of the big banyon tree roots where the Japanese had placed them. It was my job to lay down in a root trench and receive the flame throwers from one of my men. I would then drop the flame thrower down a hole which looked like a gopher hole to try to destroy the machine guns." Strauss would then have to scramble out of the hole as quickly as possible. We continued that dangerous mission for seven days but were unable to burn the machine gun nests out."

He explains that the flame throwing itself was not the hard part of the mission. The difficult part was getting back to their line without being hit by enemy fire.

He goes on to explain that on one of his flame throwing missions he received a head wound which was believed to have been from shrapnel but which he describes as "just a nick or scratch." For that wound he received a Purple Heart which he proudly displays with his other medals. He also received a Bronze Star for meritorious service while under the call of duty.

From Bougainville the 164th Infantry was shipped to the Philippines. Shortly after arriving there, Strauss came down with a strange skin disease. He received orders to go to the medics and, as a result, ended up in the hospital again. After a couple weeks he was shipped back to the United States, since his skin condition seemed to be getting worse instead of better. He was hospitalized at Harmon General Hospital in Longview, Texas for a few months and then was sent home for a month. An army doctor in Texas diagnosed his skin condition, which had been previously thought to be 'jungle rot,' as dermatitis. Once the correct diagnosis was made and proper treatment provided, his skin cleared up. He told his doctor that he was afraid of getting it back when he went back to the Philippines, since it seemed to be the dirty conditions in which the soldiers were forced to live that caused it. The doctor replied that he did not have to be afraid of that happening because he was sending him home instead.

In June of 1945 Strauss was sent to Fort Snelling where papers were filled out for his discharge. He was then sent back to his home town of Harvey.

After his discharge Strauss went back to work at the plumbing and heating business where he had been formerly employed. He was sent to a private machine shop in Wahpeton for six months of training, on a lathe. He later spent some time working on a ranch in the Bowman area. He then answered an ad for a maintenance worker at the Harvey hospital and was hired. He eventually became head of maintenance there and worked there for six years.

He left that position in 1969 and went to work for the Bureau of Reclamation with a crew that was working on the McClusky Dam. He worked at the commissary at the Fortuna Air Force Base at Crosby for a while and then worked in Housing and Maintainence at the same base for a couple years.

Strauss retired in 1975, at 62 years of age, and moved into an apartment in Harvey. He continued to do odd jobs in the Harvey area.

When his health began to fail in 1998 Strauss moved to the North Dakota Veterans Home. "I always had it in mind that I wanted to live here some day," said Strauss. "I had visited the home a few times and thought it was a nice place. I have never been sorry for a minute that I came here."

Strauss celebrated his 90th birthday with cake and ice cream treats at the NDVH in September. His nephew, David Strauss, Valley City, planned a big party for him. Strauss's sister Mary and several nephews and nieces were on hand to help him celebrate.

Outside of some arthritis and a few heart problems Strauss said he is doing fine. He explained that he got the flu last spring and was sick for several months. However, once he recuperated from that bout he has been back to his old self. "They are so good to me here," he said. "Anything you need, you get. The staff people are always smiling. I couldn't have found a better home anywhere."

RECOGNIZING JIM AYERS

HON. MARSHA BLACKBURN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mrs. BLACKBURN. Mr. Speaker, I rise today to honor an incredible citizen of the 7th district of Tennessee.

Jim Ayers is the founder of the Ayers Foundation; since the fall of 2000, the Ayers Foundation has given as much as $4,000 a year in scholarships to every high school graduate from Decatur County who agrees to go to college or technical school. Yes, I said every high school graduate.

Jim is a success in the health care, banking, real estate businesses to name a few—however, he has never forgotten his native Decatur County. Every community would be fortunate to have a Jim Ayers.

It took Mr. Ayers about eight years to put together an endowment and a staff of counselors to work with the students of Riverside High School and Scotts Hill High School. The benefits that the students of these schools have received is evidence that Jim Ayers is doing a great thing for our young people.

Only 25 percent of Riverside graduates pursued some form of postsecondary education before the scholarships were available. But the participation rate immediately shot up to 75 percent when the Ayers Foundation began. And now 90 percent of students at this school are able to further their education beyond high school.

He not only provides financial assistance to the aspiring high school seniors, he has a direct talk with the students—telling them "if anyone is going to take care of them, it's got to be themselves."

It is with great appreciation that I honor Mr. Jim Ayers for his service to community and for his commitment to education.

REMEMBERING FEDERAL JUDGE JOHN HANNAH

HON. RALPH M. HALL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. HALL. Mr. Speaker, I rise today with a heavy heart to mourn the sudden passing of Federal Judge John H. Hannah, Jr., chief judge for the U.S. Eastern District of Texas, who died this past Thursday while attending a judicial conference in Florida. John was 64.

Judge Hannah was an esteemed and respected jurist and public servant who served the State of Texas and his fellow citizens with distinction as an attorney, legislator, State official and finally U.S. Federal judge. His untimely death is being mourned by numerous friends and supporters and his passing leaves a tremendous void in the U.S. Eastern District of Texas.

President Bill Clinton appointed John to the Federal bench in 1994, and he had been chief judge for the Eastern District since 2001. Governor Ann Richards named him the Texas Secretary of State in January 1991 on the day she was inaugurated, and one of his projects was working on passage of a new ethics law for State officials.

John was elected to the Texas Legislature in 1966, representing Angelina, Trinity, San Jacinto and Polk counties for three terms. He attended South Texas College of Law while serving as a State lawmaker. He then served as district attorney for Angelina County from 1973 to 1975 and served as legal counsel for the public interest group, Common Cause. In 1977 President Jimmy Carter appointed him U.S. attorney for the Eastern District, a position he held until 1981.

John also served in the U.S. Navy for 4 years. He grew up in Diboll, graduated from Sam Houston State University and was honored as a Distinguished Alumnus in 1993.

Judge Hannah's integrity and commitment to ethics are evident in his distinguished record of public service and in his many significant accomplishments on behalf of Texans. He was an accomplished jurist and statesman whose word was his bond and whose commitment to rendering fair decisions was well-known and highly respected. He leaves a powerful legacy for those in public service and in the practice of law to emulate.

John's wife, U.S. Magistrate Judith Guthrie of Tyler, is a respected jurist in her own right and was with him at the time of his death. Our hearts go out to her and to his father, John Hannah Sr.; son, John Hannah III; brother, James Hannah; and granddaughter, Rebecca. Their loss, though certainly more personal, is shared by all those who knew and admired Judge Hannah.

Mr. Speaker, as the House adjourns for business this year, let us do so by recognizing the remarkable contributions of this dedicated public servant, outstanding Texan and great American to whom we pay tribute and pay our last respects today—Judge John Hannah, Jr. May God bless his family in their time of sorrow.

RECOGNIZING DR. JAMES E. OWEN, AN EDUCATOR HIS ENTIRE LIFE

HON. MIKE ROGERS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. ROGERS of Alabama. Mr. Speaker, I rise today to pay tribute to Dr. James E. Owen whose professional education career has spanned 40 years.

Dr. Owen received his education at Jacksonville State Teachers College, the University of Alabama and Auburn University and began teaching in the Talladega (Alabama) City School System in 1949. His career was briefly interrupted while Dr. Owen was on active duty with the United States Army during the Korean Conflict. It was during his service at Camp Chaffee, Arkansas, that Dr. Owen married Estelle Bain, who herself had a 39-year career in public education.

After his active Army, Army Reserve and Alabama National Guard Service, Dr. Owen returned to Talladega, Alabama, and served as Principal of Dixon Junior High School and then of Benjamin Russell High School in Alexander City, Alabama. He also served as Assistant Principal of Southwest DeKalb High School in DeKalb County, Georgia; and then as a Staff Member of the Auburn University School of Education. In 1965, Dr. Owen was named Assistant Superintendent of the Anniston (Alabama) City School System and Superintendent of the Phenix City, Alabama, School System in 1968 to 1969. In 1976, Dr. Owen was named Assistant State Superintendent of Education by the Alabama State Board of Education and later as Alabama's first Deputy State Superintendent of Education. In 1980, the Alabama State Board of Education named Dr. Owen as President of Chattahoochee Valley State Community College in Phenix City, Alabama, a position he maintained for 12 years until his retirement in 1992.

During his career, Dr. Owen maintained membership in local, state and national professional education organizations such as the National Education Association, the Alabama Education Association, the Alabama Association of Secondary School Principals, the National Association of Secondary School Principals, the American Association of Community and Junior Colleges, and the Alabama Council of Community and Junior College Presidents of which he was President in 1985. After his retirement, he remained in Phenix City, being active in the Russell County and Alabama Retired Teachers Associations as well as other community affairs. Dr. Owen and his wife now live in Birmingham, Alabama.

I salute Dr. Owen and his wife for their commitment to the education of the students of Alabama.

HONORING THE BIRTH OF YONINA ALEXANDRA STEIN

HON. ERIC CANTOR

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. CANTOR. Mr. Speaker, I rise today to congratulate Shimon and Leah Stein on the birth of their daughter, Yonina Ariela Stein. In addition to her Hebrew name, Yonina also has an American name, Reagan Alexandra. The family will call her Yoni. Born, October 2, 2003, at George Washington University Hospital, Yoni is Shimmy and Leah's first child. Mr. Speaker, I hope you will join me in wishing the Stein family great happiness and joy in the coming years.

IN MEMORY OF JACK KERRIGAN

HON. MARK E. SOUDER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. SOUDER. Mr. Speaker, it is with great sadness that I rise today to announce the passing of John "Jack" Kerrigan, long time narcotic officer and one of the founding members of the Northern California HIDTA. Jack died December 1, 2003 in San Francisco, following a brief battle with cancer. His leadership has inspired many law enforcement officers and lawmakers to continue the fight against illegal drugs. He will be deeply missed by the law enforcement community and it is an honor to remember him today.

Jack joined the San Francisco Police Department in 1949. During his distinguished thirty-two year career, he served in many capacities but the majority of his career was spent in the narcotic bureau. in 1955, the San Francisco Police Department formed the first municipal police narcotics unit in the nation and Jack was selected as one of its investigators. Jack remained in that assignment as a Patrolman, Assistant Inspector, Sergeant, and Inspector until 1969, when he was promoted to Lieutenant of Police. Jack returned as the Unit Commander from 1970 to 1976 where he led the department's drug enforcement efforts including the investigation of many large drug trafficking organizations.

Because of his long tenure in narcotic enforcement, Jack was recognized as one of the nation's leading experts on drug abuse and narcotic enforcement. He was a founding member of the California Narcotic Officer's Association (CNOA) and served as that organization's second President in 1966. With Jack's leadership, CNOA grew from two hundred members to more than seven thousand statewide. It is now recognized as the premier law enforcement training association in the country. Jack continued to serve on CNOA's Executive Board until the time of his death and rarely missed a board meeting. Jack was present at CNOA's recent conference in Sacramento, where he received a standing ovation from the conference's two thousand attendees when the President's award was renamed, "The Jack Kerrigan Award", in honor of Jack's commitment to CNOA and the law enforcement profession. Jack had been presented the President's Award in 1999 by then CNOA President Christy McCampbell.

In 1994, Jack was a founding member of the National Narcotic Officers' Associations' Coalition (NNOAC), which represents forty state narcotic officers' associations and more than sixty thousand police officers from around the country. Because of his expertise in drug enforcement, Jack was frequently called upon to represent CNOA and the NNOAC in Washington, D.C. with members of Congress, the Administration, and Federal law enforcement agencies. During the September 11, 2001, emergency, Jack traveled to Washington where he met with senior administration officials and members of Congress to discuss the nexus between drug trafficking and terrorism. During that trip Jack was exposed to anthrax in the Hart Senate Office Building.

During Jack's law enforcement career, he was selected for many special assignments and projects. In 1966, he was the first San Francisco Police Officer to attend the FBI's National Academy in Washington, D.C. He was also selected by the U.S. Department of Justice, in the fall of 1974, to travel to England to work with London's famed Scotland Yard for three months.

Following his retirement in 1981, Jack went to work for the California Department of Justice as a Regional Coordinator for the Western States Information Network (WSIN), a multistate information sharing and assistance unit serving law enforcement throughout the West. Jack worked for WSIN until his death, giving him the distinction of serving in law enforcement for more than 54 years. In that job, Jack worked with narcotic officers and senior law enforcement officials throughout his region, which stretched from San Luis Obispo to the Oregon border.

Jack was also an educator with both California and Idaho teaching credentials. He served on the faculty of San Francisco City College in the Department of Criminology from 1966 to 1981. He was also a guest lecturer at the University of Idaho, University of California Medical School, Santa Clara University, and the University of San Francisco. Jack was the author of several articles published in the FBI's Law Enforcement Journal, the CNOA magazine, and other professional publications.

Jack was married to his high school sweetheart, the former Elaine Taylor, for 49 years. Together they had five children, John F. Kerrigan III M.D. and his wife Jackie, Lawrence Kerrigan, Patricia Von Koss and her husband Eben, Paul Kerrigan, and James Kerrigan, a Special Agent Supervisor with the California Bureau of Narcotic Enforcement and his wife Catherine. Jack and Elaine also shared the love of their eleven grandchildren.

Jack will be remembered as a loving husband, dedicated family man, courageous police and naval officer, proud San Franciscan, pioneer in narcotic enforcement, and a patriot who loved is country.

A TRIBUTE TO ROBERT AND KAY SCHATTNER AND THE JEWISH PRIMARY DAY SCHOOL

HON. CHRIS VAN HOLLEN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. VAN HOLLEN. Mr. Speaker, I rise today to call the attention of the House of Representatives to the upcoming dedication of the new home in Washington, D.C. of the Jewish Primary Day School of the Nation's Capital (JPDS–NC) and to pay tribute to the contributions of Dr. Robert and Kay Schattner in enabling JPDS–NC to dedicate their new home.

On Sunday, December 21 JPDS–NC community will dedicate their new building at 6045 16th St., NW, Washington, DC. After a three year hiatus JPDS–NC has returned to Washington, DC. This makes JPDS–NC the only Jewish Day school in our Nation's Capital. JPDS–NC is an independent, pluralistic, coeducational Jewish day school for students in pre-kindergarten through sixth grade.

It is particularly fitting that this Jewish day school is moving to this address because this same building was constructed to be the home of the Hebrew Academy from 1951–1976. JPDS–NC will add greatly to the cultural richness and diversity of the Nation's Capital.

It is particularly pleasing to recognize and pay tribute to my constituents Robert and Kay Schattner's for helping make this new building possible. Their $2 million contribution to this school building facilitated JPDS–NC moving back into the District. When this building is dedicated later this month it will be named the Kay and Robert Schattner Center.

This generous contribution is not the first major charitable gift of the Schattners. Only last year the University of Pennsylvania School of Dental Medicine dedicated the Robert Schattner Center in Philadelphia.

The Schattner family has deep roots in the Metropolitan Washington area. Kay Schattner grew up in Washington, DC and once hosted a popular local radio program named "Kay's Korner." Her work earned her the title of National Radio Star of the Year in 1959. She also worked for the Washington Daily News as a columnist.

Robert Schattner has had a distinguished career as a dentist, entrepreneur, and inventor. He developed the widely used throat spray, Chloraseptic as well as other medical products. He currently serves as president of Sporicidin International, a company which develops medical, dental and household antimicrobial products.

Mr. Speaker, Kay and Robert Schatttner are the type of civic minded couple that has made this country great. It is my honor to rise and pay tribute to their contribution which will allow a great educational institution to thrive in our Nation's Capital.

Mr. Speaker, I am submitting for the RECORD an article published on 9/11/03 in the Washington Jewish Week which announced the Schattner gift and the move of the JPDS–NC.

[From the Washington Jewish Week]

JPDS GETS $2 MILLION GIFT DONATION, IS BETHESDA COUPLE'S LARGEST TO JEWISH CAUSE

(By Teddy Kider)

Robert and Kay Schattner have had quite a year. Twenty minutes after students and officials of the Jewish Primary Day School of the Nation's Capital (JPDS–NC) raised the flag and hung mezuzot at their new home in the District last week, the Bethesda couple signed on to contribute $2 million to the facility, naming it the Kay and Robert Schattner Center.

The facility, the former Owl School on 16th Street N.W. in the District, provided JPDS–NC with its first permanent home in the District since the school became independent of Adas Israel Congregation in 1999.

"What interested us most is the school accommodates all sectors of Judaic affiliations and backgrounds," said Robert Schattner. "You can be chasidic or Reform, and the school will take you and accommodate you."

The Schattners' gift to JPDS–NC comes less than one year after the Nov. 1 dedication of the Robert Schattner Center at the University of Pennsylvania in Philadelphia.

The Schattners' contribution, the largest in the history of Penn's dental school, provided the campus with a $22 million, 70.000-square-foot building that connected two previously built structures and created the largest dental school facility in the United States. Robert Schattner is an alumnus of the dental school.

With the finishing touches still being completed in Philadelphia, the Schattners were reluctant to take on another project.

"We just have too many involvements," said Robert Schattner.

Last spring, the Schattners were approached by Lisa Silver, a friend who has three children at JPDS–NC and knew that the couple might want to contribute to a Jewish day school. Silver was initially turned down, but was persistent in showing the Schattners what JPDS–NC had to offer the community.

"I say this as a good thing: she's a great saleswoman," quipped Robert Schattner.

Eventually, the Schattners decided that providing funds for the 16th Street campus let them support a worthy cause while maintaining a minimal involvement with the already-completed building.

The $2 million gift fulfilled more than half of the JPDS–NC Coming Home Campaign's goal of $3.8 million, and will be used to support new programs like a prekindergarten and an Intergenerational Jewish Arts Program. A dedication ceremony will be held in November.

"We are so grateful to Kay and Robert Schattner for stepping forward with their $2 million lead gift to launch our Coming Home Campaign," said former president and chair of the campaign Margaret Hahn Stern. "The first step is always the hardest, and we hope that many others will now be inspired to join the Schattners at whatever level they can afford. . . . Widespread participation in this campaign will firmly position our premiere Jewish day school in the nation's capital."

The Schattners may have no previous ties to JPDS–NC, but they are deeply rooted in the Washington community.

Kay Schattner, who grew up in Washington, D.C., has a background in the media, having worked on a one-hour daily radio broadcast called "Kay's Korner" from 1953 to 1961. The show earned her the title of National Radio Star of the Year in 1959.

She also worked for the Washington Daily News, writing the "Gourmet Guide" dining supplement from 1960 to 1969 and producing columns for the paper from 1960–1970.

A member of the Academy of Television Arts & Sciences and of American Women in Radio & Television, Kay Schattner also did interviews for Curtis Circulations, which enabled her to be the self-proclaimed "only person to interview Robert Kennedy and Jimmy Hoffa in the same afternoon."

Robert Schattner grew up in Bronx, N.Y., and earned a bachelor's degree in chemistry from the City University of New York before going to Penn's dentistry school.

While practicing dentistry in Queens, N.Y., he developed Chloraseptic, a throat spray. After 10 years in private practice, Schattner created The Chloraseptic Company and moved to the District, where he sold the revolutionary product to The Norwich Pharmacal Company.

Robert Schattner now serves as president of Sporicidin International, which develops medical, dental and household antimicrobial products, and he's been involved in several attempts to purchase sports teams in the area or move teams to the area.

Recently, Schattner introduced Masticide, a new product that treats mastitis, or the inflammation of a cow's utter, and is supposed to help farmers who annually lose about $3 billion due to mastitis in their herds.

While Robert Schattner has been honored for his work outside of the office by the Association for Physical and Mental Rehabilitation, the President's Committee for Physical and Mental Rehabilitation and the Columbia Lighthouse for the Blind, his wife has worked with numerous organizations to better the community, including heart, cancer and multiple sclerosis associations.

INTRODUCTION OF THE IDENTITY THEFT INVESTIGATION AND PROSECUTION ACT OF 2003

HON. ROBERT C. SCOTT

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. SCOTT of Virginia. Mr. Speaker, today, I am introducing in the U.S. House of Representatives the "Identity Theft Investigation and Prosecution Act of 2003" with my colleagues Rep. HOWARD COBLE, the gentleman from North Carolina, Rep. JOHN CONYERS, the gentleman from Michigan, Rep. ED CASE, the gentleman from Hawaii, Rep. MARTIN FROST, the gentleman from Texas, Rep. BARNEY FRANK, the gentleman from Massachusetts, Rep. HOWARD BERMAN, the gentleman from California, Rep. JAN SCHAKOWSKY, the gentlewoman from Illinois, Rep. BARBARA LEE, the gentlewoman from California, and Rep. DENNIS KUCINICH, the gentleman from Ohio, as original cosponsors. This bill will address the issue of identity theft and fraud immediately by providing the Department of Justice, DOJ, with resources specifically for that purpose.

With the advent of the Internet, identity theft has grown exponentially in recent years. The Federal Trade Commission, FTC, recently released a survey showing that 27.3 million Americans have been victims of identity theft in the last five years, including 9.9 million people in the last year alone. According to the release, last year's identity theft losses to businesses and financial institutions totaled nearly $48 billion, with consumer victims reporting $5 billion in out-of-pocket losses.

While most identity thieves use the information to make purchases, according to the FTC release, 15 percent of victims—almost 1.5 million people in the last year—reported that their personal information was misused in nonfinancial ways, such as to obtain government documents, for tax fraud, and other non-financial purposes. The most common nonfinancial misuse took place when the thief used the victim's name and identifying information upon routine stops by law enforcement officials, or while attempting or committing a crime. Identity theft prevention and detection can assist in preventing terrorism, as well.

The Identity Theft Investigation and Prosecution Act would provide 100 million dollars to the Department of Justice, DOJ, for dedicated enforcement of the laws against identity theft and credit card fraud. While states can enforce similar state laws, today's interstate travel, Internet and technology realities make it difficult and cumbersome for state prosecutors to effectively address national and international identity theft and credit card fraud scams.

We already have sufficient laws to address identity theft. It is a serious crime to use someone else's identity and credit to steal money, goods, services or to use the information to perpetuate other frauds. The problem is that there are not sufficient dedicated resources where they are most needed to have a significant immediate impact on the matter. We have developed the "Identity Theft Investigation and Prosecution Act of 2003" to do just that.

Much effort is underway to prevent and limit identity theft and fraud through consumer education, consumer hotlines, public service announcements, more sophisticated identity theft detection and cutoff mechanisms, law enforcement and consumer advocacy training, etc. Yet, it is not enough to effectively address the problem. Although credit card companies wipe out most credit card fraud debts for the victims, the thieves are rarely pursued or prosecuted. The DOJ devotes some resources and enforcement toward identity theft, but it is not a high priority in its law enforcement scheme to pursue enough cases to have an impact. Identity thieves know they can pursue their crimes with a high degree of impunity. This bill would enable the DOJ to establish a large, national enforcement program to go after identity theft and abuse.

INTRODUCTION OF THE CLEAN AIRWAVES ACT

HON. DOUG OSE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. OSE. Mr. Speaker, I rise to introduce the Clean Airwaves Act, legislation designed to prohibit seven profane words from being broadcast over America's airwaves. Existing guidelines and standards that govern our airwaves and communications mediums allow profane language to infiltrate the hearts and minds of our nation's youth. I rise today to protect our children from existing rules and regulations that leave them vulnerable to obscene, indecent, and profane speech through broadcast communication.

The purpose of the Clean Airwaves Act is to amend section 1464 of Title 18 of the United States Code from which the Federal Communications Commission derives its authority to regulate the use of profane language used in broadcast communications. This legislation will help close the loophole on profanity on our public airwaves, leaving our children free from exposure to offensive and crude speech broadcast over America's airwaves.

In FCC v. Pacifica Foundation, the U.S. Supreme Court stated, "Among the reasons for specially treating indecent broadcasting is the uniquely pervasive presence that medium of expression occupies in the lives of our people. Broadcasts extend into the privacy of the home and it is impossible to completely avoid those that are patently offensive". Subsequently, public broadcasting is more accessible to children.

The current FCC guidelines regarding indecency determinations aren't strong enough to stop harmful, indecent, and profane language broadcast over America's airwaves. It is wholly necessary to give the FCC the tools it needs in order to protect our broadcast airwaves. Currently under FCC policy, indecency determinations hinge on two factors. First, material must describe or depict sexual or excretory organs or activities. Second, the material must be patently offensive as measured by contemporary community standards for the broadcast medium. The vagueness of this stipulation creates a loophole that inevitably allows specific profane language to be broadcast.

One notorious example of a profane broadcast aired at the Golden Globe Awards program in January of 2003. In this broadcast, performer Bono uttered a phrase that may not be repeated at this time and qualified as indeed profane and indecent by a rational and normal standard. The FCC has in its authority, the power to enforce statutory and regulatory provisions restricting indecency and obscenity. However, in the Golden Globe Awards example, the FCC concluded that the use of the word as an adjective or expletive to emphasize an exclamation did not meet their threshold for indecency. The FCC further stated in the October 3, 2003 Memorandum Opinion and Order that "in similar circumstances, we have found that offensive language used as an insult rather than as a description of sexual or excretory activity or organs is not within the scope of the commission's prohibition of indecent program content." As a result, the use of particular profane language was aired to the public and no action was taken to ensure it would not take place in the future.

Therefore, I reiterate the necessity to act upon this loophole in the U.S. Code to ensure that the public is free from inappropriate communications over public broadcasts and that our airwaves be clean of obscenity, indecency, and profanity.

GOOD NEIGHBOR SETTLEMENT HOUSE

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. ORTIZ. Mr. Speaker, I rise today to pay tribute to a very special organization in Brownsville, Texas: Good Neighbor Settlement House, a non-profit related to the Global Ministries of the United Methodist Church.

They have been serving the needy people in the Brownsville-South Texas area for 50 years, and I commend them for their longevity in doing the most important work neighbors can do: taking care of each other. December 11 marks their 50th anniversary, and their work will be celebrated in Cameron County.

Just last year, Good Neighbor Settlement House served meals to 57,000 men, women and children in our community. They provided a variety of services to over 100,000 people—including rental assistance, clothing, food, after-school programs, children's summer programs, and referrals to other social service agencies.

In 1953, with the guiding principle "Helping People Help Themselves," Good Neighbor Settlement House launched themselves into the business of their mission: to provide the basic necessities of life such as food, clothing, meals, housing assistance and educational programs to the needy.

Just a few examples of their unique offering to the low-income families in Brownsville: the Mother's Club, a gathering of women who quilt to help supplement their income; family budgeting classes (with American Express) to help families maximize their resources and be self-sufficient; and Las Culturas (with Cameron Works/United Way) offers music and dance classes for young children.

In today's economy, our need for the Good Neighbor Settlement House is every bit as urgent as it was 50 years ago. Because of our government's reductions in social programs to help the needy—in favor of tax cuts to the wealthiest Americans—the less fortunate are facing ever more serious economic hardships.

Today we celebrate both Good Neighbor Settlement House's dedication to the less fortunate on this anniversary . . . and their commitment to the principle of giving people what they need to fend for themselves: if you give a man a fish, you feed him for a day—if you teach a man to fish, you feed him for a lifetime.

I ask my colleagues to join me in celebrating this 50th anniversary of Good Neighbor Settlement House's work in South Texas.

SEC. 115 OF THE ENERGY & WATER APPROPRIATIONS BILL—KING COVE ACCESS PROJECT

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. GEORGE MILLER of California. Mr. Speaker, the Republicans have done it again: a nefarious rider was slipped onto the fiscal year 2004 Energy & Water Appropriations Bill. The Republicans have, once again, shut Democrats out of the legislative process and provided neither an opportunity to debate the amendment, nor the chance to show this amendment for what it really is: an unacceptable invasion of our Nation's public lands and an assault on our public process. I oppose this clandestine.

The King Cove Access Project rider is an affront to our nation's environmental laws. Section 115 of the Energy & Water Appropriations Bill directs the construction of a road from the village of King Cove, Alaska through the sensitive Izembek National Wildlife Refuge and right to the boundary of the fragile and internationally significant Izembek Wilderness Area. The provision waives all environmental laws governing construction of such a road in the process. The amendment was not included in either the House or Senate bills.

Other government agencies have raised concerns about this project as part of the mandated inter-governmental coordinate. Congress dealt with this issue five years ago when I was the ranking member of the Resources Committee in the 105th Congress. The King Cove Access Project was defeated then and should have been defeated now.

In 1998, proponents attempted to add the provision to an appropriations bill but were not successful. A compromise was later reached with the King Cove Health and Safety Act which was included as Section 353 of Public Law 105–277, the Department of Transportation and Related Agencies Appropriations Act. The measure appropriated $40 million to address the access needs of the communities of King Cove and Cold Bay; however, the Act did not approve a road through the Izembek refuge or the Izembek Wilderness. In fact, the legislation specifically required that expenditure of the funds allocated in the bill "must be in accordance with all other applicable laws."

It is outrageous that five years after a satisfactory compromise was agreed upon, we must return to this issue.

The Izembek National Wildlife Refuge, on the Alaska Peninsula, is internationally recognized as one of the most important wetland reserves in the Northern Hemisphere. Home to threatened and endangered species, as well as millions of migratory birds, the Izembek National Wildlife Refuge and Izembek Wilderness are keys in the fight to conserve the natural diversity of wildlife populations and habitats.

The King Cove Access Project rider inappropriately short-circuits the public process. An administrative decision on a project to enhance marine-road access for the community of King Cove is proceeding in a timely manner and does not require intervention by Congress. However, the King Cove Access Project mandates one alternative in the EIS, thereby effectively ignoring the advice of the U.S. Fish & Wildlife Service, other federal agencies and the American public.

The King Cove Access Project ignores environmental laws, threatens important wildlife habitat and sets a dangerous anti-wilderness precedent. It is shameful that it was part of this legislation.

RECOGNIZING ST. HYACINTH BASILICA

HON. RAHM EMANUEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. EMANUEL. Mr. Speaker, on behalf of more than 111,000 of my constituents who are of Polish descent, I proudly rise to recognize the official designation of St. Hyacinth's Church on 3636 West Wolfram as a basilica for the Chicago Archdiocese.

My hometown of Chicago was once said to contain more Poles than any city outside Warsaw. Still today, in St. Hyacinth's parish, the area's largest and most prominent Polish Catholic parish, residents are just as likely to speak Polish as English.

St. Hyacinth's was founded in 1894 with less than 50 members and has grown tremendously over the years. Today, St. Hyacinth's serves over 8,000 worshippers each week under the guidance of the Resurrectionist Fathers, who have served the congregation since its founding.

Under the leadership of its rector since 1995, Rev. Michal Osuch, St. Hyacinth's has actively engaged in the sacramental life of the church by developing programs of evangelization that emphasize connecting adults, particularly with the sacraments of confirmation and marriage. The church also provides a welcoming home for new immigrants every month by hosting free English-as-a-Second Language classes, a Polish language school for children and many other community activities for adults, youth and children.

In becoming a basilica, St. Hyacinth's was recognized for its prestige, its beauty, and its ability to accommodate large numbers of parishioners since a basilica is a community's focal point for worship and evangelization. Cardinal Francis George validated these features last Sunday by formally proclaiming it as "a place of frequent and exemplary liturgical celebration."

The petition for basilica status was reviewed by the U.S. Conference of Catholic Bishops and approved by the Congregation of Divine Worship in Rome. As a basilica, it maintains an obligation to uphold a high level of both worship and religious instruction, particularly through conferences and speakers.

Mr. Speaker, I wish to congratulate St. Hyacinth's on this high honor and its upcoming 110th anniversary next year. In earning the distinction of becoming a basilica, it has again proven its importance as a pillar of Chicago's Polish American community. On this day, I am proud to join the people of my district, as well as those of Polish descent around the City, in celebrating this historic achievement.

THE VOTER CONFIDENCE AND INCREASED ACCESSIBILITY ACT OF 2003

HON. RUSH D. HOLT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. HOLT. Mr. Speaker, today I rise to reiterate the importance of my "Voter Confidence and Increased Accessibility Act of 2003" to the integrity of democracy in the United States. Although I am deeply gratified by the substantial groundswell of support among my colleagues and cosponsors, I regret that this session draws to a close for the year without this critical piece of legislation having been meaningfully addressed by this Chamber.

When I introduced the Voter Confidence Act in May of this year, I did so without cosponsors. I had been told that no one wanted to reopen HAVA. I had been told that adding paper records back into the electoral process would generate fraud. I had been told that access for the disabled and voter verified paper trails were mutually exclusive—you can have one or the other, but you can't have both. I had been told that there is no complaint that existing electronic voting machines are not functioning properly. But it seemed obvious to me, given that all computers are subject to error, failure and tampering, that computers upon which elections are conducted would be as well. I also believed that voter verification mechanisms, just like voting machines themselves, could readily be made accessible to disabled voters. Although I supported HAVA, and continue to support the many groundbreaking improvements it ushered forth, I was troubled to see that HAVA funding fueled an unintended consequence—the wide-scale purchase of unauditable electronic voting machines—and threatened the very integrity of the electoral system in the United States. Earlier this session, I introduced the Voter Confidence and Increased Accessibility Act to enhance HAVA's accessibility requirements, to increase participation among all voters, and to restore faith in the electoral system and in the government itself by giving voters a means by which they themselves could be certain that their votes are being counted.

From the moment my press release announcing the bill was released, my telephone began to ring with calls from voters around the country expressing their profuse thanks. Within a week, one of my local metropolitan papers ran an editorial saying that the bill "proposes urgent and sensible measures to preserve the sanctity of the ballot" and suggested that Congress "shift into high gear and enact this legislation without delay." Within two or three weeks, I was joined on the bill by eight of my Colleagues. In another week or two, I was joined by eight more. More editorials ran—New York Newsday said that although "many election officials . . . resist the paper trail idea . . . the purpose of voting reform isn't to make life easier for election clerks. It is to make elections fairer and restore the frayed confidence of voters—the people who are supposed to count most of all." The Bismark Tribune asserted: "One thing the committee should insist on is a paper 'receipt' that lets the voter check his work and is available for a re-count, if necessary." The Star News of North Carolina opined: "By the time this is over, we might be nostalgic for hanging chads. At least they were cheap. It turns out those expensive high-tech voting systems based on computers can be stuffed like ballot boxes in Chicago. My, what a surprise. . . ." Most recently, the New York Times said, "[T]he public must feel secure that each vote is counted. At this stage, a voter-verified paper trail offers the public that necessary security."

And as we all know, this is not just a matter of opinion. A team of computer scientists from Johns Hopkins and Rice Universities released a report in July disclosing "stunning, stunning flaws" in the security of certain electronic voting machines widely in use, precipitating an avalanche of further studies and reviews, raising further red flags among jurisdictions considering new equipment purchases, and generating further uncertainty and concern about the use of privately owned and controlled voting equipment that produces results that cannot be meaningfully audited in any way. Reports of irregularities on voting machines abound, but I will mention just one. In a recent election conducted in Boone County, Indiana, a "computer glitch" reportedly "spewed out impossible numbers." In a jurisdiction that had fewer than 19,000 registered voters, 144,000 votes were reported. The County Clerk said she "just about had a heart attack." Although a "corrected" count of about 5,300 votes was eventually produced, how can we know it was in—fact correct? The fact is, without an independent voter verified paper trail, we can never know.

The New York Assembly passed a law in June mandating voter verified paper trails. The State of Illinois passed a similar law in August. In November, the Secretary of State of California mandated voter verified paper trails. Legislation requiring voter verified paper trails is also pending in Maine, and I have been told that similar bills are imminently to be introduced in Maryland and Virginia. Broad coalitions of public interest groups are now taking definitive action to lobby in favor of voter verified paper trails. The Communications Workers of America passed a resolution in August stating that the CWA "endorse and support the use of only DRE and 'touch screen' machines with the ability to provide the voter with a view of a paper ballot that is stored and available for audits." A large New York-based coalition including at least five disability advocacy groups issued a statement in the fall urging that "New voting machines should provide a 'voter-verifiable paper audit trail' and incorporate 'data-to-voice' technology to ensure full access by all." Grass roots organizations lobbying for my bill and for voter verified paper trails are forming all over the country. The resolution in favor of voter verifiable audit trails posted by Verifiedvoting.org has more than 1,000 endorsers. An online petition in favor of my Voter Confidence Act which had 50 signatures in July has more than 4,000 signatures now. An online petition in favor of voter verified paper trails sponsored by Martin Luther King III, the Southern Christian Leadership Conference and Investigative Journalist Greg Palast has more than 60,000 signatures.

I introduced this legislation because I think that if we don't have an election system that voters can trust, voter participation will decline and our democracy will deteriorate. Citizens from all over the country, sharing this concern, have spoken out, indeed shouted out, that we should act. The extent and depth of discussion on the Internet and in town meetings is striking.

This is not a partisan issue. I stand today with 90 Members from both sides of the aisle, who are just as deeply concerned about the integrity of our electoral system as I am. They are just as deeply troubled by the prospect of private ownership and control of the vote count as I am. They have heard from and responded to the concerns of their constituents about insecure, unauditable voting equipment just as I have. Some of them have even told me that—second only to the Iraq conflict—the issue of the verifiability of election results is the one most frequently raised in public forums. And one thing that has been reiterated to me time and again—even by people who have not made their minds up on the issue—is that the issue is not going to go away.

We have a responsibility to demonstrate that our democracy stands above all others in its unimpeachability. New York Times columnist Paul Krugman concluded his recent column, entitled "Hack the Vote," by saying, "Let's be clear: the credibility of U.S. democracy may be at stake." When the results are in after the next election, there must be no question. There must be no doubt. We must all feel certain that the voice of the people, as expressed in the voting booth, was heard. November 2004 is just around the corner. When this body reconvenes in January, I urge it to consider this legislation a top priority.

AUGUST 14TH BLACKOUT

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. TOWNS. Mr. Speaker, I rise to comment on the Bush Administration's report on the August 14 blackout that left millions of people in New York without power, some for days.

The U.S.-Canadian outage task force on November 19 issued a report titled "Causes of the August 14th Blackout in the United States and Canada," saying 50 million people from Indiana to Massachusetts and Canada went without electricity because of untrimmed trees and a computer glitch. But the New York Times reported on November 25 that "a variety of experts now say the [report's] findings were too narrow, ignoring the federal government's role in the recent reshaping of the power industry."

We need to know what the truth is. The Times has reported on the blackout as thoroughly as anyone, so this report is very important. Maybe we need an impartial investigator to follow up on what they are reporting.

In the November 25 article, Alan Richardson of the American Public Power Association says that maybe the federal government didn't address what mistakes the Federal Energy Regulatory Commission (FERC) made in breaking up the utility industry "because the answer is not one that's comfortable politically."

Commenting on the organization the FERC approved to run the transmission wires in the Midwest, transmission expert Robert Blohm is quoted in the article as saying "How come nobody has examined this horror story, of how they set up an entity 10 times more complex than any known one, in such a short period of time?"

John Casazza, a retired executive from a New Jersey utility, says in the article that "There are a lot of aspects in this blackout that have not been touched by [the Administration's] report. . . . The root causes are what has happened as a result of our government policy."

If the experts think policy set by the government is the cause of the blackout, why are the government officials who made these bad policy decisions the ones that are writing the report on what caused the blackout?

Back on September 23, the Times reported that "Experts now think that on Aug. 14, northern Ohio had a severe shortage of reactive power, which ultimately caused the power plant and transmission line failures that set the blackout in motion. Demand for reactive power was unusually high because of a large volume of long-distance transmissions streaming through Ohio to areas, including Canada, that needed to import power to meet local demand." These long-distance transmissions were mainly by "independent power producers," or IPPs, who often do not produce any reactive power. The article quoted Raymond Palmieri, who is responsible for transmission reliability in the Midwest, as saying reactive power "is definitely a contributor" to the blackout.

Who has been pushing for these long-distance transmissions by IPPs? The FERC. They had experts saying for at least two months before the official blackout report came out that it was a problem. But what did that official blackout report, which FERC and the DOE directed and wrote, say about the role of reactive power and IPPs? "[T]he suggestion that IPPs may have contributed to the difficulties of reliability management on August 14 because they don't provide reactive power is misplaced."

There is nothing wrong with independent power producers. They perform a valuable role in meeting the nation's electricity needs. But if the government's blackout report barely even mentions the role of reactive power, and doesn't mention at all whether, in light of more long distance transmissions, someone should have changed the rules to make sure there was enough of it, when experts say it was "definitely a contributor," something isn't right.

While the FERC has been pushing for more long-distance transmission, Congress has been hearing from experts that the transmission system wasn't designed to operate that way, and that using it for long-distance transmission reduces reliability. At the House Energy and Commerce Committee's blackout hearing on September 4, Gene McGrath, the CEO of Consolidated Edison, said "I think as an engineer and as an operator having the generation as close to the load center as it can be done is the best interest of everybody. . . . [A]s you separate generation from load you introduce another component. As you introduce other components you can introduce costs and you can introduce reliability problems." That is, generating the power two or three States away causes problems. We need to have the power generated close to where it is used.

Is that issue even discussed in the Administration's blackout report? No—not even a little bit.

Mr. Speaker, my constituents went without power on August 14. It's not just an inconvenience, it's a danger in many cases to be left without electricity. Life-support equipment, traffic signals, elevators, and so many other important devices all depend on electricity. But we seem to have a situation where our own government's review of the blackout steers away from even looking into what seem to be very important contributing factors.

FERC Chairman Pat Wood testified before the House Energy and Commerce Committee many times in the past couple of years, telling us that to maintain reliability for the wholesale markets his policies promote, we need to beef up the transmission grid. But now that we've had the biggest blackout in our history, FERC doesn't admit its policies that stress the grid had anything to do with it. Chairman Wood's Senate testimony on November 20 was "the [transmission] operator's primary charge is to work the system you've got. . . . Markets do not compromise reliability." So no matter if FERC sprayed water on the road in the freezing cold, it's your fault if you crash your car.

If we don't get an accurate picture from government investigators about the causes of the blackout, we will be dooming ourselves to more disruptions, dangers, and inconveniences in the future. I am not willing to allow that.

I ask that we consider whether we need an independent investigation of the causes of the blackout so we can do what needs to be done to prevent the next blackout from occurring.

HONORING LaGUARDIA COMMUNITY COLLEGE

HON. JOSEPH CROWLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. CROWLEY. Mr. Speaker, I rise to acknowledge the good work of LaGuardia Community College of Long Island City in Queens, New York. LaGuardia Community College serves one of the most diverse student bodies in the U.S. within one of the most vibrant neighborhoods in the U.S. Over the years, men and women from all over the world have called LaGuardia Community College their home. Over the years, LaGuardia Community College has quietly and diligently provided a first-class education for students of all economic, ethnic, and religious backgrounds.

LaGuardia Community College has served my community and the world for decades, and its mission has earned it the title of The World's Community College. However, they recently earned another distinction—nationally recognized community college. The Community College Survey of Student Engagement studied approximately 300 colleges, looking at 10 different categories. This non-profit found that LaGuardia Community College ranked in the top 3 of 13 large community colleges in North America. This ranking confirms what so many of us have known for so long—that LaGuardia Community College is not only The World's Community College. It is also the world's premier community college.

Of course, this distinction would not be possible without the work of countless administrators, professors, students, and friends from around the community. I would particularly like to thank LaGuardia Community College President, Dr. Gail O. Mellow for her vision. It is because of leaders like her that LaGuardia Community College can achieve such an incredible level of success.

Our world needs an understanding, dedicated, well-educated populace now more than ever. Our world is dependant on the students that come out of LaGuardia Community College and the good work that they do. For those reasons, we all owe the school our respect and gratitude.

INTRODUCING A RESOLUTION COMMENDING THE GOVERNMENTS OF INDIA AND PAKISTAN FOR IMPROVED DIPLOMATIC RELATIONS BETWEEN THE TWO COUNTRIES, AND FOR OTHER PURPOSES

HON. ALCEE L. HASTINGS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. HASTINGS of Florida. Mr. Speaker, I rise today to introduce a resolution commending the governments of India and Pakistan for their efforts to achieve peace and stability in the South Asian region.

For years, India and Pakistan have been the victims of numerous terrorist attacks, which have greatly heightened religious and ethnic tensions in the troubled region. Discord amongst Hindu and Muslim populations has led to a war of attrition, whereby insurgents on both sides sneak across the border to commit murder and destruction before sneaking back across.

India and Pakistan have a history of disputes going back decades. The most prominent amongst these conflicts has been the territory of Kashmir. India and Pakistan each claim Kashmir as their own, despite the territory having its own distinct population agitating for autonomy. Indian and Pakistani forces have routinely engaged in minor skirmishes along the border. The conflict, more than any other, has led to a destabilizing nuclear arms race in the region, resulting in threats of war and the severing of political, diplomatic, and economic links.

In recent months, however, diplomatic overtures between India and Pakistan have resulted in laudable agreements to improve relations. Since April 2003, India and Pakistan have sent ambassadors, reestablished bus links, and declared the first real cease-fire in the 17-year-old border conflict. Most recently, the two countries resumed air travel and overflight rights with one another. Further, Indian Prime Minister Vajpayee has agreed to attend in the near future a regional economic summit in Islamabad, a sure sign of progress.

The resolution I am introducing today congratulates India and Pakistan on their efforts to achieve stability and to seek a peaceful means to resolve their disputes. The resolution also recognizes both countries' efforts in the global war on terrorism and their close partnerships with the United States.

Though both nations still have a long way to go to fully achieve a lasting peace, the House of Representatives should be pleased with their determination to seek a peaceful, economically prosperous road to stability.

Mr. Speaker, I conclude by once again referring to the unconscionable acts of violence and terror wrought on both India and Pakistan. I further express my support and encouragement to both nations for their efforts to rebuild diplomatic relations despite trying circumstances.

I urge my colleagues to support this resolution, and I ask the House leadership to bring it swiftly to the floor for its consideration.

COMMEMORATING THE 50TH ANNIVERSARY OF YOUNG ISRAEL OF NEW HYDE PARK

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. ACKERMAN. Mr. Speaker, I rise today in honor of the 50th anniversary of Young Israel of New Hyde Park, the only Orthodox synagogue in northeast Queens. The synagogue, which boasts a vibrant multigenerational membership, plays a central role in increasing the presence and awareness of Orthodox Judaism in our community.

For half a century, Young Israel of New Hyde Park has provided its members and visitors with many of the things that an Orthodox family looks for and needs: from classes to daily minyanim to a local Boy Scout troop. Now under the leadership of Rabbi Binyamin Hammer, the synagogue, which is just around the corner from Long Island Jewish Medical Center, Hillside Hospital and Schneider Children's Medical Center, has long been known as a place where families and friends of patients can find religious support and Shabbat and Yom Tov hospitality. To this end, a bikur cholim apartment was recently added through the purchase of a house next door to the synagogue. To date it has provided temporary lodging for people from all over the United States, Russia, Italy, Israel and Canada.

Those familiar with this congregation, those who, for 50 years have made it a place of civic support and spiritual development, know that Young Israel is more than just a temple—but a shul, a spiritual home, a place that reflects the highest aspirations of an ancient people living proud and free in this great nation.

I commend Young Israel of New Hyde Park for its continued dedication to our community. I ask my colleagues in the House of Representatives to please join me in congratulating the synagogue on the occasion of its 50th anniversary and in wishing Young Israel best wishes for another 50 years.

NOBEL PEACE PRIZE LAUREATES

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. MARKEY. Mr. Speaker, last week the 4th Nobel Peace Laureates Summit was held in Rome. At the conclusion of the Summit, the Laureates issued a statement on behalf of this extraordinary gathering that is printed at the end of these remarks. There are too few places in our public dialogue where a universal perspective is encouraged and lauded. The Nobel Peace Prize is one of them. Such civil society institutions are to be encouraged because they are needed to work on global challenges.

The Laureates reinforced in the most eloquent terms the message sent at a recent panel convened by the Bipartisan Task Force on Non-proliferation of which I am Co-chair with my colleague CHRISTOPHER SHAYS (R-Conn.). This panel on "The Limits of Unilateralism" included the world-renowned anthropologist Dr. Jane Goodall, former Ambassador Thomas Graham, and Mr. Michael Douglas, actor and U.N. Messenger of Peace. In his remarks, Mr. Douglas stressed that not only Americans, but all people on the planet, are faced with enormous challenges to our security and survival which can only be effectively met through international cooperation. He reminded us that we are tasked with "ensuring bio-diversity and ending the destruction of thousands of species; reversing the depletion of fishing stocks; controlling ocean dumping; preventing ozone depletion; halting global warming; controlling and eliminating terrorism and weapons of mass destruction; fighting pandemic diseases; ending the tragedy of crushing poverty and lack of clean drinking water; and addressing crises arising from failed states. No nation or even a small group of nations can succeed in addressing these issues alone."

Jonathan Granoff, who helped organize our Task Force event here in Washington as President of the Global Security Institute (GSI), also attended the Summit of the Nobel Peace Laureates in Rome as a representative of the International Peace Bureau, a Nobel Peace Laureate organization.

The Summit took place from the 27 to 30 November 2003. It was convened upon invitation by Mikhail Gorbachev and Walter Veltroni, Mayor of the City of Rome. The following Nobel Peace Laureates—individuals and organizations—participated in the Summit: The XIV Dalai Lama Tenzin Gyatso, Mikhail Gorbachev, Mairead Corrigan Maguire, Shimon Peres, Joseph Rotblat (represented by Professor Robert Hinde), Oscar Arias Sanchez, Lech Walesa, Betty Williams, Jody Williams, American Friends Service Committee, Amnesty International, Doctors Without Borders, International Campaign to Ban Landmines, International Labour Organization, International Peace Bureau, International Physicians for the Prevention of Nuclear War, International Law Institute, Pugwash Conferences, Quakers Peace and Social Witness, United Nations, United Nations Children's Fund, United Nations High Commissioner for Refugees, and United Nations Peace Keeping Forces.

The theme of the gathering was "Ethics and Policy." It is a subject we discuss often in this chamber as we apply policies to our domestic affairs. It is also needed, perhaps even more so, in international affairs. For this reason, I would like to submit the Final Statement of the Summit into our record for your review and consideration:

ETHICS AND POLICY—4TH GLOBAL SUMMIT OF NOBEL PEACE LAUREATES ROME, CAMPIDOGLIO, NOVEMBER 30, 2003

FINAL STATEMENT

We are the first generation making decisions that will determine whether we will be the last generation. We have an ethical responsibility to future generations to ensure that we are not passing on a future of wars and ecological catastrophe. For policies to be in the interest of humanity, they must be based on ethical values.

We express our profound anxiety that current policies are not creating a sufficiently secure and stable world for all. For this reason, we need to reset our course based on strong ethical foundations.

Compassion and conscience are essential to our humanity and compel us to care for one another. Cooperation amongst nations, multilateralism, is the logical outgrowth of this principle. A more equitable international order based on the rule of law is its needed expression.

We reiterate our conviction that international politics need to be reformed to address effectively three critical challenges: ending wars and violence, eliminating poverty, and saving the environment.

We call upon everyone to join us in working to replace the culture of war with a culture of peace. Let us ensure that no child is ever again exposed to the horrors of war.

Recent events, such as the escalation of the conflict in the Middle East, bloodshed in

Afghanistan, Iraq and Chechnya, as well as in parts of Africa and Latin America, confirm that problems with deep economic, social, cultural or religious roots cannot be resolved unilaterally or by armed force.

International terrorism is a threat to peace. Multilateral cooperation and the promotion of human rights under the rule of law are essential to address terrorism and its underlying sources.

The threat of weapons of mass destruction remains with us. We call for an immediate end to the newly resurgent arms race, which is being fueled by a failure to universally ratify a treaty banning nuclear testing, and by doctrines that lower the threshold of use and promote the creation of new nuclear weapons. This is particularly dangerous when coupled with the doctrine of preemption.

For some to say that nuclear weapons are good for them but not for others is simply not sustainable. The failure of the nuclear weapons states to abide by their legal pledge to negotiate the elimination of nuclear weapons, contained in the Nuclear Nonproliferation Treaty, is the greatest stimulus to their proliferation.

Nuclear weapons are immoral and we call for their universal legal prohibition. They must be eliminated before they eliminate humanity.

We support the treaty to ban landmines and call for effective agreements to limit conventional weapons and arms trade.

Trillions of dollars have been spent since the end of the Cold War in developing military approaches to security. Yet, the daily lives of billions remain bereft of adequate health care, clean water, food and the benefits of education. These needs must be met.

Humanity has developed sophisticated technologies for destruction. Appropriate social and human technologies based on cooperation are needed for survival.

The international community has a proven tool, the universality of the United Nations. Its work can and must be improved and this can be done without undermining its core principles.

We assert that unconditional adherence to international law is essential. Of course, law is a living institution that can change and grow to meet new circumstances. But, the principles that govern international relations must not be ignored or violated.

Ethics in the relations between nations and in government policies is of paramount importance. Nations must treat other nations as they wish to be treated. The most powerful nations must remember that as they do, so shall others do.

Economic hardship is often the result of corruption and lack of business ethics, both internationally and locally. Through utilizing more effective ethical codes of conduct the business community can contribute to protecting the environment and eliminating poverty. This is both a practical and moral necessity.

The scientific community could serve human interests more fully by affirmatively adopting the ethical principle of doing no harm.

The international community has recently recognized the importance of establishing an ethical framework. Leaders of States issued the Millennium Declaration at the United Nations and set forth common values of freedom, equality, solidarity, tolerance, respect for nature and shared responsibility. From these values, a plan to address sustainable development and poverty, the Millennium Development Goals, emerged. We urge all to join in implementation of these goals and prevent any retreat from specific commitments. Moreover, we share the principles of the Earth Charter and urge governments at all levels to support this important document.

For globalization to enhance sustainable development, the international community needs to establish more democratic, transparent, and accountable forms of governance. We advocate extending the benefits of democracy and self governance but this goal cannot be achieved through coercion or force.

After a special session, the Nobel Peace Prize Winners have agreed that the death penalty is a particularly cruel and unusual punishment that should be abolished. It is especially unconscionable when imposed on children.

We affirm the unity of the human family. Our diversity is an enrichment, not a danger. Through dialogue we gain appreciation of the value of our differences. Our capacity to work together as a community of peoples and nations is the strongest antidote to violence and our reason for hope.

Our commitment to serve the cause of peace compels us to continue working individually and together on this path. We urge you to join us.

TRIBUTE TO FORMER U.S. SENATOR PETE WILLIAMS OF NEW JERSEY

HON. RUSH D. HOLT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. HOLT. Mr. Speaker, thousands, even millions, of American workers today have their fingers, eyesight, even their lives because of the legislative work of former U.S. Senator Harrison "Pete" Williams of New Jersey. They will never know who they are.

Millions of Americans have adequate retirement pensions or health care coverage because of the legislative work of Sen. Williams. They don't remember Pete Williams when they open their monthly benefits checks.

As the author and champion of landmark legislation, Pete Williams gave the country the Occupational Safety and Health Act (OSHA), which is the single most important step in workplace safety in history, and he created the Employee Benefit Retirement and Income Security Act (ERISA) which helped guarantee minimum benefits for all working Americans.

Two years ago, former Senator Williams, who would have been 84 years old this week, died. He was retired after 4 years in this body and almost 24 years in the U.S. Senate. Since his death, neither body has given appropriate recognition to him and his contributions to America. A cloud has obscured his many great contributions.

Pete Williams fought for a wide range of landmark laws to improve the quality of life for average Americans. As a member and longtime chair of the Committee on Labor and Human Resources in the other body across the Capitol, he brought forth the Coal Mine and Health Safety Act; increases in the minimum wage in 1966, 1974, and 1977; the Vocational Rehabilitation the Alcohol Rehabilitation Act; legislation preventing discrimination against pregnant workers; legislation preventing age discrimination; the Migrant Labor Health Act; legislation for special education; the Equal Employment Opportunity Act of 1972; legislation for college tuition assistance for needy students; legislation protecting the rights of workers to organize; and Meals on Wheels. Let me repeat: many of these are landmarks in American history. And that is not all; Pete Williams also produced legislation providing elderly housing, open space, arts funding, and marine mammal protection, and he led or contributed to many other laws. As my colleagues here know, it is customary for the President to give a pen from an important bill signing to each legislator who played a significant role in the bill. Pete Williams had seventy Presidential pens.

As a young man working in the Senate, I first watched Senator Williams debate the 1964 Civil Rights Act and was impressed by his intellect and sincerity, qualities that defined his work as a United States Senator.

Sometimes called the "Voice for the Voiceless," Pete Williams spoke for many Americans who never knew him—never even knew of him. He did not need to work on the Migrant Labor Act; not many of those farm workers voted. He thought of those without privilege. He created the first standing subcommittee on aging and the first standing committee on issues related to physical disabilities. I noticed back in 1963 and 1964 that Senator Williams was a man who paid attention to those who were sometimes invisible to others like him—the cafeteria workers, the pages, the elevator operators, the support staff. He was not a showboat, although New Jerseyans were so devoted to him that he was reelected with acclaim for four terms. In fact, he was the only Democrat in the state up to that time to be re-elected to the Senate.

But he was not to be the "Senator for life" as he was sometimes called. In his fourth term in the U.S. Senate, he was implicated, along with six members of this body, in the so-called Abscam bribery sting and resigned under a cloud and served time in prison. His colleagues and historians have not known how to remember this man, how to tell his complicated story, how to commemorate his legacy—a legacy that includes what is one of the greatest legislative records for the benefit of Americans.

Fighting expulsion from the Senate, Senator Williams averred his innocence and maintained that "time, history and Almighty God [would] vindicate" him. I hope historians will find the way to do justice to this man and his work.

Senator Daniel Patrick Moynihan described his friend and colleague Sen. Pete Williams as "thoughtful, decent, and determined in all he did." Many colleagues wondered how such a man could fall from grace. One might try to blame judgment weakened by alcohol or perhaps overzealous or dishonest federal agents or simple political vindictiveness. His is a cautionary tale for anyone in elective office or public service. The lesson is that there are always those who would take advantage of one's weaknesses. Pete Williams, author of the Vocational Rehabilitation Act and the Alcohol Rehabilitation Act, learned that there was no political rehabilitation act for him. But there is a more positive lesson, too; one person who works hard and shows compassion for others can improve the lives of others. History should not lose that more positive lesson of the career of Senator Pete Williams.

CONFERENCE REPORT ON H.R. 2417, INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 2004

SPEECH OF

HON. DENNIS MOORE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 20, 2003

Mr. MOORE. Mr. Speaker, I rise in opposition to one provision of the conference report before us today, which causes me to vote against the entire measure.

This legislation authorizes classified amounts in fiscal year 2004 for 14 U.S. intelligence agencies and intelligence-related activities of the U.S. government—including the CIA and the National Security Agency, as well as foreign intelligence activities of the Defense Department, the FBI, the State Department, the Homeland Security Department, and other agencies. H.R. 2417 covers CIA and general intelligence operations, including signals intelligence, clandestine human-intelligence programs and analysis, and covert action capabilities. It also authorizes covert action programs, research and development, and projects to improve information dissemination. All of these are important and vital programs, which I support.

I am voting against this measure today, however, to draw attention to a provision which I believe should have been the subject of more rigorous congressional analysis than merely an up-or-down vote as part of a larger conference agreement. This measure expands the definition of "financial institution" to provide enhanced authority for intelligence community collection activities designed to prevent, deter and disrupt terrorism and espionage directed against the United States and to enhance foreign intelligence efforts. Banks, credit unions and other financial institutions currently are required to provide certain financial data to investigators generally without a court order or grand jury subpoena. The conference agreement expands the list to include car dealers, pawnbrokers, travel agents, casinos and other businesses.

This provision allows the U.S. government to have, through use of "National Security Letters," greater access to a larger universe of information that goes beyond traditional financial records, but is nonetheless crucial in tracking terrorist finances or espionage activities. Current law permits the FBI to use National Security Letters to obtain financial records from defined financial institutions for foreign intelligence investigations. While not subject to court approval, the letters nonetheless have to be approved by a senior government official. The PATRIOT Act earlier had altered the standard for financial records that could be subject to National Security Letters to include the records of someone "sought for" an investigation, not merely of the "target" of an investigation.

While this new provision of law included in the conference report does not amend the PATRIOT Act, I agree with the six Senators who recently wrote to the Senate Intelligence Committee and asked them not to move ahead with such a significant expansion of the FBI's investigatory powers without further review. As they stated, public hearings, public debate and legislative protocol are essential in legislation involving the privacy rights of Americans. As a member of the House Financial Services Committee, I am concerned that these new provisions of law could be used to seize personal financial records that traditionally have been protected by financial privacy laws. The rush to judgment following the attacks of September 11, 2001, led to the rapid enactment of the PATRIOT Act, a measure which has caused substantial concerns among many Americans who value our constitutionally-protected liberties. Now that we are able to legislate in this area with a lessened sense of urgency, I urge my colleagues to step back and return this provision of H.R. 2417 to committee, where it can undergo the rigors of the normal legislative process so that Congress, and all Americans, can pass an informed judgment upon its merit.

REMEMBERING PEARL HARBOR

HON. STEVEN R. ROTHMAN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. ROTHMAN. Mr. Speaker, 62 years ago yesterday, our nation was suddenly attacked by the Imperial Japanese Naval Forces and drawn into World War II. This unprovoked act of war killed 2,338 military personnel and civilians, and wounded 1,178. The attacks sank or heavily damaged 21 ships and destroyed or damaged 323 aircraft. December 7, 1941 is a date which continues to live in infamy.

Mr. Speaker, the brave servicemen and women who served that day are responsible for our presence here today. Sadly, on September 11, 2001, this nation tragically experienced another Pearl Harbor whereupon our nation again sacrificed innocent Americans who woke up that morning, entirely unaware that they would never see their loved ones again. During that most difficult time we drew strength and courage from those who served this great nation before and from the leaders who led this great nation through our darkest hours.

On December 8, 1941, President Franklin Roosevelt addressed the nation and declared, "no matter how long it may take us to overcome this premeditated invasion, the American people, in their righteous might, will win through to absolute victory." These are words that ring true today. On a day when many Americans feared for our nation, FDR's words of confidence, determination, and purpose did indeed carry this nation to absolute victory. Those same words will carry this nation to absolute victory once again as our brave men and women of the armed services are stationed in and around Iraq and Afghanistan fighting to preserve our freedom, security and democracy. Like those who served before, we are forever grateful for their courageous and heroic acts and we will never forget their sacrifices.

On the anniversary of the attack on Pearl Harbor, we must remember the difficult times our brave servicemen and women went through to defend our nation, and we mourn the deaths of the military personnel and civilians who died that day. Mr. Speaker, today we must ensure that our children, grandchildren, and great grandchildren learn about the lives of our veterans, including those of the Greatest Generation who served in World War II. Our commitment to our veterans must remain strong because they are a symbol of the greatness of our country.

President Kennedy once said that you can judge a nation not just by the people—the men and women—that it produces, but also by the people that a nation remembers. Today, Mr. Speaker, we remember true heroes.

TRIBUTE TO MR. HARRY SHASHO—A CITIZEN DEDICATED TO THE IMPROVEMENT OF HIS COMMUNITY

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. HOYER. Mr. Speaker, in Southern Maryland we are blessed to have so many exemplary citizens who invest their time, energy and talent in making it a special place to live. One such citizen who has gone above and beyond and exemplifies the true spirit of American entrepreneurship is Harry Shasho. Harry believes in the community and has worked hard to improve the lives of Charles County residents now and in the future.

Mr. Speaker, it is my honor to acknowledge the deeds and fortunes of this outstanding citizen, Harry Shasho. Harry got an early start in business and in fact, says he has been a businessman since he was 12 years old. In 1976 when Harry moved to Charles County, he owned a small chain of camera and electronics stores on F St. in Washington, D.C. In 1985, he sold his portion of the business and began selling real estate; first residential, then commercial. In 1989, Harry went to work for Baldus Real Estate and started their Commercial Division. Now, Baldus is the best known Commercial Company in Southern Maryland.

As a businessman, Harry recognized the need to train future leaders and became involved in helping young men through Boy Scouts. Over the years, he has not only guided boys into becoming more effective and productive citizens, but has also trained adults to become better leaders. During his tenure as Scoutmaster, his scout troop has produced 12 Eagles Scouts, yet another tribute to his compassion. Mr. Shasho continues to serve on fundraising committees for the Boy Scouts of America.

Mr. Shasho has been a leader in the Charles County Chamber of Commerce for over 10 years, holding positions as Board of Director, Secretary, Treasurer, Vice President, President Elect, and is currently serving as the 2003 President. Under his direction as President, he has increased membership and built a strong alliance between the Chamber and County and State government officials. They have worked together on many issues which impact the business community.

In addition to serving with the Charles County Chamber of Commerce, Harry is Chairman of the Southern Maryland advisory board for BB&T Bank, a committee member of the Charles County Economic Development Commission, Member of the National and State Association of Realtors and has received a National Leadership award from the National Republican Congressional Committee.

Mr. Speaker, it is my pleasure to honor Mr. Harry Shasho, as he retires as President of the Charles County Chamber of Commerce on January 12, 2004. We are all so proud of the work he has done to improve the lives of everyone in Charles County and I am very proud to call him my friend.

CELEBRATION OF THE OFFICIAL OPENING OF THE BUILDING OF WEILL CORNELL MEDICAL COLLEGE IN QATAR

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mrs. MALONEY. Mr. Speaker, on October 12, 2003, Weill Cornell Medical College and the Qatar Foundation for Education, Science and Community Development embarked on an historical venture that brings the best of American medical education to the Middle East. I was privileged to participate in this extraordinary event along with Qatar Foundation Leadership: Her Highness Sheikha Mozah Nasser al-Misnad; Saif Ali Al-Hajari, Vice Chairperson; H.E. Yousef Hussein Kamal, Member Board of Directors; H.E. Hajar Ahmed Hajar, Member, Board of Directors; Sheikha bint Abdullah Al-Misnad, Member, Board of Directors; Mohammed Fathy Saoud, Member, Board of Directors; and, Cornell University Leadership: Peter C. Meinig, Chairman, Board of Trustees; Sanford I. Weill, Chairman, Board of Overseers Weill Cornell Medical College; Jeffrey S. Lehman, President; Antonio M. Gotto, Jr., Provost for Medical Affairs and Stephen and Suzanne Weiss Dean, Weill Cornell Medical College; Daniel R. Alonso, Dean, Weill Cornell Medical College in Qatar. Together with these esteemed colleagues, we marked the opening of a model institution that I hope will be replicated throughout the region.

I first visited Doha, Qatar in 1999 for the historic municipal elections where women were first granted the right to vote. At that time, I met with Her Highness Sheikha Mozah Nasser al-Misnad who requested help in bringing a U.S. medical school to Qatar. I did not have to look far to find an extraordinary medical institution that is located in my Congressional district. As a result, I took a small part in working to forge the relationship between Her Highness and Dean Gotto, Provost for Medical Affairs at Cornell University. Just a few short weeks ago, the Qatar branch of the Weill Cornell Medical College celebrated its inauguration.

In a very short period of time, Doha has been transformed into an academic hub of the Middle East and has become a strategic ally of the United States. Under the leadership of Her Highness, Qatar has made significant advancements in education, medicine, and science with the opening of the Education City. I strongly believe that the opening of WCMC–Q marks the beginning of an important exchange between the West and the East . . . at a time when the value of mutual understanding is at a premium. Qatar offers a superb environment and facilities for both teaching and studying, backed by an outstanding technological center. It has been an honor to be involved in the development of the Weill Cornell Medical College in Qatar, and I look forward to marking the evolution of the entire Education City.

Weill Cornell Medical College in Qatar is a pioneer in medical education as well as in diplomatic exchange. The College offers a complete medical education, leading to a Cornell University Doctor of Medicine (M.D.) degree, with teaching by Cornell faculty. It is the first American university to offer its M.D. degree overseas, and the first higher education institution in Qatar to be coeducational; women made up 70 percent of the inaugural class for the Pre-medical Program. These points are very important. Prospective students are subject to the same entrance requirements as in the United States and are awarded the same degree as students in the U.S. While WCMC–Q teaches in a coeducational forum, the students and faculty are learning together about cultural differences that only serve to enhance the learning environment. WCMC–Q aims to further the University's commitment of education, research, patient care and the advancement of the art and science of medicine while supporting the work of the Qatar Foundation in serving the community. WCMC–Q trains the physicians of the future and will research medical problems of concern in the region.

His Highness the Emir Sheikh Hamad bin Khalifa al-Thani and Her Highness Sheikha Mozah Nasser al-Misnad have made an ambitious and visionary investment in their people and their economy by creating the Education City. Recognizing that development and advancement will only come with an upgrade to the educational system, they have succeeded in fostering the interaction of various disciplines, cultures, and ideas through the Education City. The Qatar Foundation logo, the Sidra tree, represents nourishment for these ideals and serves as a reminder that Qatar is forging the way for democracy, freedom, and human rights in the region.

I feel privileged to have participated in this revolutionary event and I would like to reiterate my praise for both the Qatar Foundation and for Weill Cornell Medical College in Qatar. You have built a bridge that will have a far-reaching impact into the future and will serve as a model of achievement for many to follow.

RECOGNIZING THE APPOINTMENT OF CADET CLIFFORD T. JACKSON TO CHIEF PETTY OFFICER

HON. JAMES R. LANGEVIN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. LANGEVIN. Mr. Speaker, I proudly rise today to congratulate Clifford T. Jackson on his announced appointment to Chief Petty Officer in the United States Naval Sea Cadet Corps, which is scheduled to occur on January 9, 2004. Cadet Jackson, of Westerly, Rhode Island, is an honor roll high school senior and has been a member of the Nautilus Division at the Sub Base in New London since March 2001. Cadet Jackson has risen to the rank of Chief Petty Officer faster than any other cadet in the 26 years of the Nautilus Division. This accomplishment is only bestowed upon one half of one percent of approximately ten thousand Naval Sea Cadets in the program and reflects exceptional leadership skills and a masterful grasp of seamanship training.

I hope our colleagues will join me in congratulating Clifford Jackson for his achievement, and I wish him great success in his future endeavors.

IN MEMORY OF U.S. ARMY SPECIALIST REL ALLEN RAVAGO IV

HON. ADAM B. SCHIFF

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. SCHIFF. Mr. Speaker, I rise today to honor the memory of my constituent, United States Army Specialist Rel Allen Ravago IV of the 1st Battalion, 502nd Infantry Regiment, 2nd Brigade of the 101st Airborne Division, who was killed in action on November 23, 2003 in Mosul, Iraq when hostile forces attacked his Army vehicle.

After graduating from Hoover High School in Glendale, Specialist Ravago soon joined the United States Army and was deployed to Iraq in May 2003. He was due to return home next March at the end of his four-year tenure in the Army. From all accounts, he was a dedicated and enthusiastic soldier who served our country with courage and distinction.

A talented artist and honorable soldier, Specialist Ravago's family, friends and fellow servicemen have spoken with admiration and veneration of his commitment to duty, his dedication to his unit and his love of country and family.

Students at Hoover High recently erected a patriotic memorial of red, white and blue carnations mixed with American flags, containing a short, but poignant message attached: "You'll be missed."

Friends, family and loved ones remember Ravago as a popular student who played in Hoover High's drum corps and studied martial arts. His former teachers describe him as "radiating joy and a love of life" with a "smile that you could see from miles away."

I recently had the opportunity to meet with Specialist Ravago's parents and grandfather following his death. They told me how proud they were of their son and grandson, how proud he was to serve his country and how much they would always miss him. Our nation owes his family a debt we can never repay and Specialist Ravago will never be far from our thoughts. His sacrifice and those of other soldiers who have fallen on the field of battle have kept our nation free.

On behalf of the United States Congress, I wish to once again, bestow our most heartfelt appreciation for Army Specialist Rel Allen Ravago's service and sacrifice for the United States of America. To his family and loved ones: your son, your brother, your grandson, your nephew, your cousin and your friend, served our country with honor and nobility and he will be missed.

INTRODUCTION OF NATIONAL SECURITY LANGUAGE ACT

HON. RUSH D. HOLT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. HOLT. Mr. Speaker, we can no longer keep our nation safe if we do not commit ourselves to learning the languages and cultures of critical areas around the world. The security of our troops overseas and the American people here at home demand that we act quickly to eliminate the severe shortage of critical need language professionals in this country. Inaction on this issue is not only irresponsible; it's dangerous.

That's why I rise today to introduce legislation, the National Security Language Act, which would significantly expand our investment in foreign language education on the primary, secondary, and post-secondary level.

Al Qaeda operates in over 75 countries, where hundreds of languages and dialects are spoken. However, 99 percent of American high school, college and university programs concentrate on a dozen (mostly European) languages. In fact, more college students currently study Ancient Greek (20,858) than Arabic (10,596), Korean (5,211), Persian (1,117), and Pashto (14) put together. We need to do more to make sure that America has the language professionals necessary to defend our national security. This cannot be done overnight. We are already years overdue.

As reported by the 911 Joint Inquiry in July, our intelligence community is at 30 percent readiness in languages critical to national security. Despite this alarming statistic, we do not appear to be taking aggressive action to address this problem. When I asked a panel of intelligence experts at a recent Intelligence hearing what the federal government is doing to increase the pool of critical need language professionals, they answered with silence. Two years after the events of September 11, we are still failing to address one the most fundamental security problems facing this nation.

Changing our recruiting methods alone will not solve the problem. To meet new security needs, we need to create a new domestic pool of foreign language experts and we can only do that by investing in the classroom.

The National Security Language Act would expand federal investment in education in foreign languages of critical need, such as Arabic, Persian, Korean, Pashto, and Chinese. Specifically, my bill would provide loan forgiveness of up to $10,000 for university students who major in a critical need foreign language and then take a job either in the federal workforce or as a language teacher. It would provide new grants to American universities to establish intensive in-country language study programs and to develop programs that encourage students to pursue advanced science and technology studies in a foreign language.

My bill would also establish grants for foreign language partnerships between local school districts and foreign language departments at institutions of higher education. And it would authorize a national study to identify heritage communities here in the United States with native speakers of critical foreign languages and make them targets of a federal marketing campaign encouraging students to pursue degrees in those languages.

Just as the National Defense Education Act of 1958 created a generation of scientists, engineers, and Russian linguists to confront the enemy of that time, the National Security Language Act will give us a generation of Americans able to confront the new threats we face today.

CONFERENCE REPORT ON H.R. 2622, FAIR AND ACCURATE CREDIT TRANSACTIONS ACT OF 2003

SPEECH OF

HON. DENNIS MOORE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 21, 2003

Mr. MOORE. Mr. Speaker, I rise today in support of the conference report on H.R. 2622, the Fair and Accurate Credit Transactions Act of 2003 (the FACT Act). As a member of the House Financial Services Committee and as a member of the conference committee that drafted the final version of this legislation, I was deeply involved in the drafting and consideration of this measure.

I was pleased to join with my colleagues, Representatives BACHUS, HOOLEY and BIGGERT, in introducing this bipartisan measure. This bill was approved in subcommittee on a vote of 41–0, in full committee by a vote of 63–3 and by the full House by a vote of 392–30 with one voting present. Earlier this week, the Senate approved a similar version of this bill by 95–2.

Mr. Speaker, this is the way Congress should work. This is the way our constituents want us to conduct their business. Consideration of this bill consistently has been bipartisan and thoughtful. All members of the committee with opinions and proposals on the issues raised by H.R. 2622 were able to offer amendments and participate in debate. The way in which this measure was handled made this a stronger piece of legislation than the version we introduced. I commend our committee's leadership, Chairman OXLEY and Ranking Democrat FRANK, for making this possible.

Mr. Speaker, the problems of inaccurate and incomplete information that plague the current credit reporting system are of great personal concern to those of our constituents who have suffered them. I'm sure each of us could relate instances involving constituents who have faced tremendous difficulty and aggravation in correcting inaccurate credit histories.

This legislation directly addresses these very real problems faced by people every day of the year. Our credit system is the envy of every other country in the world. Our country, overall, does an excellent job of making credit available quickly and fairly to consumers and businesses. Enactment of H.R. 2622 will preserve and strengthen this system. This conference agreement permanently extends those provisions of the 1996 version of the Fair Credit Reporting Act (FCRA) that prevent states from enacting stronger credit laws, thereby extending the federal standards in those areas—including those rules dealing with how affiliates can share consumer information.

The measure also provides new consumer protections against identity theft, including the following new provisions of law. The FACT Act will:

Provide consumers with a free credit report every year from each of the three national credit bureaus, from a single centralized source;

Give consumers the right to see their credit scores;

Provide consumers with broad new medical privacy rights;

Give consumers the ability to opt-out of information sharing between affiliated companies for marketing purposes;

Establish a financial literacy commission and a national financial literacy campaign;

Ensure that consumers are notified if merchants are going to report negative information to the credit bureaus about them; and

Extend the seven expiring provisions of the Fair Credit Reporting Act.

The FACT Act also includes several significant new provisions addressing the problems surrounding identity theft. It will:

Allow consumers to place "fraud alerts" in their credit reports to prevent identity thieves from opening accounts in their names, including special provisions to protect active duty military personnel;

Require creditors to take certain precautions before extending credit to consumers who have placed "fraud alerts" in their files;

Allow consumers to block information from being given to a credit bureau and from being reported by a credit bureau if such information results from identity theft;

Provide identity theft victims with a summary of their rights;

Provide consumers with one-call-for-all protection by requiring credit bureaus to share consumer calls on identity theft, including requested fraud alert blocking.

Prohibit merchants from printing more than the last 5 digits of a payment card on an electronic receipt;

Require banks to develop policies and procedures to identify potential instances of identity theft;

Require financial institutions to reconcile potentially fraudulent consumer address information; and

Require lenders to disclose their contact information on consumer reports.

While this legislation was the product of a bipartisan consensus and a conference procedure that produced what, overall, is an outstanding measure, I would like to raise concerns with one provision of the bill that I believe may need to be re-addressed in the near future, or we may run the risk of thwarting the continued evolution of risk-based pricing in the home mortgage market. First, I would like to talk about the benefits of risk-based pricing in the mortgage market. Not too long ago, only borrowers that fit the industry's cookie cutter mold of creditworthiness were deemed qualified to purchase a home or to tap their home equity. The market was two-tiered—all those who fit the mold got credit at the same price, and those who didn't fit the mold got no credit at all.

But that has changed dramatically in recent years. More sophisticated risk measurement models were developed in the 1990s—helped in large part by the uniform credit reporting standards we are today preserving in this bill—that allow lenders to accurately measure credit risk and price it accordingly. The result has been that families previously shut out of the home purchase and home equity markets now have access to credit from mainstream lenders at rates that reflect the underlying risk of the borrower and the property. Mortgage credit markets are now fluid and access to credit is no longer bifurcated between the haves and have-nots. As research by the Federal Reserve Board has shown, the development of risk based pricing and the non-prime lending market has contributed significantly to the recent increases in homeownership rates, especially among low- and moderate-income households.

With the growth of risk-based pricing comes the responsibility to educate consumers about the impact of less-than-timely repayment behavior and inaccurate credit report data on the cost of credit. One provision of this bill—which I strongly supported as did all of the major mortgage lenders—will require that lenders provide every home mortgage borrower with a copy of their credit score, the range of possible scores so borrowers can see where they fall in the spectrum, and the top four factors that lowered their score. The notice further advises borrowers about how credit scores are used and the need to ensure that their credit report information is accurate. The home mortgage transaction is the only one in which such information is provided to borrowers and the mortgage industry should be commended for supporting it.

I am concerned, however, that a second provision of this bill—the Section 311 Risk Based Pricing Notice—may present problems for the mortgage industry because of the complex interaction of underwriting variables that go beyond credit history and extend to property characteristics and borrower financial assets like down payment and reserves. Specifically, I have concerns with the content and timing of the notice, as well as with the difficulty of determining the circumstances under which the notice would be triggered.

There are many variables relating to the pricing and terms of mortgage loans that are unrelated to credit scores. These include whether the loan has a fixed or variable rate, the property type and the condition, the down payment and loan-to-value ratio, the debt-to-income ratio, and the presence or absence of features like prepayment penalties, mortgage insurance or balloon payments. In addition, the pricing of mortgage credit also changes frequently, sometimes several times a day, based upon market conditions or a lender's need for product to meet its production goals. Finally, the interest rate that borrowers pay—even for the exact same loan closing on the same day—will vary widely based on when the borrower locked-in the interest rate. In other words, borrowers who close on the same day may have interest rates that were set weeks apart from one another.

In addition, the final combination of rates and terms will reflect not only credit information, but the nature of the collateral, the financial assets of the borrower and choices made by borrowers based on their own personal circumstances. What is favorable to one borrower—for example, a higher rate in exchange for no closing costs—may not be for another. What is a material term? Just rates and fees? Or is a fixed rate loan better than an adjustable? If a borrower gets a lower interest rate because he or she chooses a prepayment penalty, who gets the notice—the borrower with the lower rate or the one with the prepayment penalty?

The risk based pricing notice in Section 311 asks mortgage lenders to make subjective decisions in order to determine which borrowers received "material terms" that are "materially less favorable" than the "most favorable terms" made available to a "substantial proportion of consumers." In the context of a complicated mortgage transaction, this is a truly daunting regulatory burden fraught with significant compliance and legal risk. I fear that the impact of this risk will force lenders to use fewer risk categories and eliminate product features to ensure that such comparisons are easy to make and pose little risk of compliance error. This will not be good for consumer access to credit or consumer choice.

As to timing of delivery of a notice, I note that information concerning a consumer's credit history and its relationship to the pricing of mortgage products may best be given to the consumer early in the credit granting so that this information can facilitate informed decision-making by the prospective borrower as well as timely consumer review of credit reports to ensure accuracy. Better that every mortgage borrower get an early disclosure about importance of good credit and an accurate report—before they pay application fees and get invested in a home purchase decision—than to get one at the closing table.

Recognizing the challenges associated with implementing a risk based pricing notice in the mortgage context, I urge the regulatory agencies charged with rule making under this Section to report back to the Congress with recommendations for how to make the triggering, timing and content of the risk based pricing notices work in mortgage transactions without exposing lenders to undue compliance and litigation risks. These are issues that—if not addressed through the rulemaking—will need to be reexamined by Congress.

Mr. Speaker, I congratulate my fellow conferees for the significant and important legislation we have produced—the Fair and Accurate Credit Transactions Act of 2003—and urge the House to join with me in approving this measure today.

COMMENDING BELL, BOYD AND LLOYD

HON. MARK STEVEN KIRK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. KIRK. Mr. Speaker, if we relied solely on what is reported on the air and in print, we might believe that soldiers—particularly reservists—enjoy little or no support for their Iraqi mission here at home. I am honored to report that this is not the case by recognizing the Chicago law firm of Bell, Boyd and Lloyd for their outstanding commitment to their junior partner, Captain Todd Pentecost, commanding officer of the 933rd Military Police company of the Illinois Army National Guard serving in Iraq. .

Jack McCarthy, the firm's chairman, rallied Todd's fellow workers in support of this young soldier who has a wife and year-old daughter at home in Bartlett, Illinois. In addition to continuing his salary and benefits, Bell, Boyd and Lloyd sent 29 boxes of gifts to Todd and his unit for the holidays. When Todd left for duty in Iraq last February, the firm committed to send packages from home every week. The boxes that just arrived for Todd and his unit include books, magazines, videos, DVD's, snacks and personal items. Best of all, 200 of Todd's fellow soldiers will receive a card of their own for 60 minutes of long distance calling time. Three weeks ago three boxes were shipped that included a Christmas tree, decorations, cards, pens and stationery for their personal use.

I applaud the partners of Bell, Boyd and Lloyd for their efforts, not only during this season, but for their caring and compassion throughout the year. Their support of the brave citizen soldiers serving in Iraq deserves recognition. The support of our troops almost always goes unnoticed. I noticed. Many of my colleagues also noticed and we offer our sincerest thanks to Captain Pentecost, his wife, and their supporters at Bell, Boyd and Lloyd.

CONGRATULATIONS TO LEONARD S. FIORE, INC.

HON. BILL SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. SHUSTER. Mr. Speaker, I rise today to congratulate Leonard S. Fiore, Inc. on its 50th Anniversary and to thank the general contracting corporation for its numerous contributions to the community.

For more than four decades, Leonard S. Fiore, Inc. has maintained a strong commitment to people, hard work, and education. The company was founded by Leonard Fiore Sr. in 1954 upon the principle of providing efficient, top quality work at a reasonable cost, and the progress that it has made in the past fifty years confirms the company's dedication to this principle. In 1957 the company completed its first commercial construction project with the erection of the Altoona Skating Center and the St. Rose of Lima Church in Altoona. Since that date, the company has expanded its capabilities and heightened its goals tremendously, having provided jobs to over 250 people and completed over 300 commercial buildings.

As one of central Pennsylvania's leading general contractors, Leonard S. Fiore, Inc. offers demolition, excavation, concrete and steel erection, masonry, carpentry, metal stud and drywall work as well as plastering, painting, and a certified surveyor. Devoted to the belief that "no job is too large, no need too small," every job that the company undertakes receives the same enthusiasm and quality of workmanship. Regardless of the task at hand, the experience and expertise of each and every employee guarantees every project to be completed with the best possible results.

In addition to the organization's excellence in its industry, it has remained extremely loyal to the surrounding community. Leonard S. Fiore, Inc. regularly supports Saint Francis College in Loretto, PA, and Bishop Guilfoyle High School in Hollidaysburg, PA, providing them with financial assistance and volunteer services. Additionally, the company sponsors local little league baseball teams, the Tour de Toona bicycle race, and the annual Fiore Family Golf Classic, which is a popular event that raises money for various community services. Leonard S. Fiore, Inc. has demonstrated an unyielding enthusiasm and care for the public which it serves.

For its incomparable generosity, service to the community, and unabated commitment to excellence, Leonard S. Fiore, Inc. deserves the highest recognition. The company continues to grow and maintain a high level of quality, providing an example that all businesses should follow. I congratulate Leonard S. Fiore, Inc. on its 50th Anniversary and eagerly await its future progress.

MARITIME SECURITY PROGRAM

HON. W.J. (BILLY) TAUZIN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. TAUZIN. Mr. Speaker, I rise today to express my appreciation to Chairman DUNCAN HUNTER of the House Armed Services Committee for his successful efforts to reauthorize the Maritime Security Program (MSP) in the recently-passed National Defense Authorization Act for Fiscal Year 2004. The vitally important MSP program will ensure that militarily-useful, United States flag commercial vessels crewed by American citizens are available for this Nation's military and national security needs.

In the MSP program reauthorization, the Congress has ensured that no unreasonable impediments stand in the way of obtaining U.S.-flag roll-on/roll-off, container and other militarily-useful MSP vessels for the transport of military vehicles, supplies and other materiel in support of U.S. military operations around the world. Chairman HUNTER's support was vital to our efforts to clarify the original intent of certain vessel equipment provisions in the Maritime Security Act of 1996 that first created the MSP program. Specifically, it is now clear that existing vessels built to international standards may be documented under the United States flag for inclusion in the MSP program when the telecommunications and other electronic equipment on such vessels meets internationally accepted standards.

As Chairman of the Energy and Commerce Committee, and with my dear colleague from Louisiana, Congressman VITTER, we worked closely with Chairman HUNTER to ensure that appropriate telecommunications and other electronic equipment standards are applied to MSP vessels. When the MSP program was originally enacted, the law provided that a vessel that meets internationally accepted construction and equipment standards may be reflagged under the United States flag for operation in the MSP. That provision was intended to apply to all vessel equipment, including telecommunication and other electronic equipment. The National Defense Authorization Act for Fiscal Year 2004 now clarifies that matter.

Accordingly, it is now clear that a vessel may be added to the U.S.-flag commercial fleet for operation in the MSP program if it is built to international standards, and the telecommunications and other radio equipment aboard the vessels comply with applicable international Safety of Life at Sea (SOLAS) Convention requirements. This is in keeping with the elimination of financial and other burdens that the Congress specifically sought to remove through the establishment of the Maritime Security Program. I would like to again thank Chairman HUNTER and his staff for working closely with us on this matter of critical importance to the military and national security of the United States.

IN RECOGNITION OF THE ACCOMPLISHMENTS OF GORDON PARKS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. RANGEL. Mr. Speaker, I rise today to recognize one of this nation's most distinguished talents in commemoration of his birthday. As a renowned photographer, poet, author, filmmaker and composer, Gordon Parks has secured his place in American society as a true Renaissance man of the arts. Born on November 30, 1912 in Kansas, Mr. Parks grew up the youngest of fifteen children in an environment stricken by poverty and racism. With the guidance of his loving, inspiring parents, he persevered despite his circumstances.

Gordon Parks began his photographic journey at the age of 25, when he bought his first camera, affectionately referred to as his "weapon against poverty and racism." This simple instrument did just that, allowing him to break the constraints of discrimination and rise to greatness as an artist. In 1941, Mr. Parks became the first photographer to receive a fellowship from the Julius Rosenwald Foundation and the following year, he was commissioned by the Farm Security Administration to create a visual record of the lives of America's poor in urban and rural communities. During this project, he captured one of his most popular, compelling photographs, American Gothic, the image of Ella Watson standing in front of the American flag, holding a broom.

He moved on to become the first Black photographer to work at both Life and Vogue Magazines where he coined his unique style of focusing a series on one person to convey a story of humanity. Aside from chronicling the intense emotions of America's poorest, the civil rights movement and the surge of Black Nationalism, Mr. Parks' photographic repertoire also featured images of leading societal figures such as Langston Hughes, Duke Ellington, Ingrid Bergman, Barbara Streisand, Mohammed Ali, and Marcel Duchamp.

Gordon Parks tried his hand in cinema, making eleven films, including "The Learning Tree", based on his autobiographical novel, and the 1971 film, "Shaft". Mr. Parks has also published twelve books, three about his life, and several are collections of poetry and photography. Musically inclined, Gordon Parks also composed a number of sonatas, concertos, a symphony and a ballet, all of which have been performed internationally.

Mr. Parks has also received a number of awards for his outstanding contributions, including: Photographer of the Year from the American Society of Magazine Photographers (1960 and 1985), induction into The Black Film Makers Hall of Fame (1973), induction into the NAACP Hall of Fame (1984), Governor's Medal of Honor from the State of Kansas (1985), and honorary degrees from thirteen separate academic institutions.

Gordon Parks now resides in New York City and continues to enjoy the recognition earned by his rich legacy as the premier photojournalist and creative mind of his time.

CENTRAL NEW JERSEY CELEBRATES THE SUCCESS OF NJ/K12 ARCHITECTS BUILD AND BELIEVE PROGRAM

HON. RUSH D. HOLT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. HOLT. Mr. Speaker, I rise stoday to recognize the success of twelve apprentice architects and their mentors. These twelve students from Trenton Central High School and Lawrence High School participated in an intensive summer program in which they learned architectural and design skills that allowed them to design two projects. Divided into three groups, each group prepared an original design for a warehouse and a renovation design for a building at Trenton Central High School. Then simulating a business world, they prepared proposals for each project to go to bid. These projects represent hours of hard work, dedication, collaboration and communication among students, mentors and community members. This program is a fine example of teaching practical math skills. It involves identifying a problem, developing an approach to solve it, testing that approach, and eventually implementing a solution.

The students worked under the leadership of three mentor architects, Vince Myers, Harvey Myers and Bob Iamello. They were divided into three studios: Latin Architects in Action, Edgar Gonzales, Byron Zacarias, Judith Rodriques, Raykel Abreu; Professional Building Design Architects, Patrick Alvarado, Shaneeka Ingram, Edvin Zacarias, Brandon Bey; Architect Design Perfection, Leidy Toro, John Frink, Jamie Rodas, Vamey Keita. Working together as mentor and studio, each student learned many skills including design, math computation, teamwork, public speaking, critical evaluation and long-range thinking.

Programs like these reflect my values about the necessity for excellent math and science education. Math is not just another subject. Math is fundamental like reading. A mathematical framework provides us the skill for lifelong learning, for creating progress itself. These are very important skills for the very complex times in which we live.

I ask that all the Members join me in congratulating these 12 students and three mentors for their excellence in using mathematics to design real buildings for real life.

TRIBUTE TO MARY DAVIS ON HER 108TH BIRTHDAY

HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. SERRANO. Mr. Speaker it is with great pleasure that I rise today to pay tribute to Ms. Mary Davis, a resident of the Bronx, New York who will turn 108 this month. Ms. Davis is a living testimony to the indomitable spirit of our great nation.

Born December 12, 1895 in Florida, Ms. Davis was the granddaughter of slaves, whom she still has very clear memories of. This incredible woman witnessed an America that almost none of us can say we truly knew; an America that wrestled to establish the ideals of democracy and freedom while continuing to oppress and terrorize those of African descent. However, like many African Americans of her time, Ms. Davis transcended that oppression and in doing so helped bring a nation closer to its great potential.

The proud mother of five daughters, grandmother of 10 grandchildren and great grandmother of 30 great grandchildren, Ms. Davis spent most of her life working as a nanny and housekeeper to support her family. Today, she lives alone in the Bronx and is described by those close to her as being a lovable, God fearing woman who still attends her church, the Great Methodist Baptist Church of Manhattan, regularly.

Mr. Speaker, Ms. Davis lived through two World Wars, the Cold War, Vietnam, and two wars in Iraq. She has seen 20 Presidents enter the White House and witnessed America's role in the world evolve from a non-influential nation to the most powerful nation the world has ever known. She was here before Henry Ford introduced the Model T, and even before the Wright Brothers took their famous flight in Kitty Hawk, North Carolina. There are only a few people on earth who can say that they have witnessed all of these events first hand and Ms. Davis should certainly be proud to be one of them.

For her many contributions to her community and to this nation, I ask my colleagues to join me in honoring Ms. Mary Davis on her 108th birthday.

40TH ANNIVERSARY OF PRESIDENT KENNEDY'S DEATH

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Ms. PELOSI. Mr. Speaker, "A nation reveals itself not only by [the individuals] it produces, but also by [those] it honors, [those] it remembers."

President John F. Kennedy spoke these words 40 years ago, less than a month before he was tragically killed in Dallas. On the 40th anniversary of that sad month, which lives so vividly in our memory, America honors and remembers President Kennedy. In doing so, we reveal once more the nation he imagined and the country we might yet become.

Like a generation of Americans, I carry with me strong memories of President Kennedy. As a college student standing on the grounds of the Capitol on a freezing cold January day, I listened to President Kennedy's enduring challenge now known the world over: "And so, my fellow Americans: ask not what your country can do for you, ask what you can do for your country."

And I have always remembered the less well-known—but equally important—line that followed: "My fellow citizens of the world: ask not what America will do for you, but what together we can do for the freedom of mankind."

Those of us who lived through those awful November days 40 years ago will always remember the shock and never forget the sadness.

Yet on this anniversary we recall not how President Kennedy died, but rather, how he lived; not just the tragedy of a single day, but the triumphs of one thousand days—of a presidency and a President that guides us still.

The first American President born of the 20th Century, President Kennedy embodied the hopes, the optimism, the vigor and the vitality of a new generation of Americans. Inspired by his call to cross a New Frontier, America began a bold journey that would take us to the moon. Young, idealistic Americans entered public service and joined the Peace Corps. Courageous African-Americans became Freedom Riders, challenging the evils of segregation and leading to the greatest demonstration for justice in American history—the 1963 March on Washington.

A veteran of World War II, President Kennedy knew that in those dangerous days of the Cold War, military strength was essential, yet "war need not be inevitable." Through the crisis over Berlin and 13 days in October 1962, his resolve averted the unthinkable. And through it all he knew something we must never forget—America stands strongest when it stands with friends and allies.

Yet this Cold Warrior also knew that true and lasting peace demands the elimination of the fury of despair and instability that plagues too much of the world. President Kennedy's vision of a future where "the weak are safe and the strong are just" inspired those young Peace Corps volunteers to build a better world—combating poverty, illiteracy, disease and hunger.

A man of deep faith, President Kennedy knew that "here on earth God's work must truly be our own." And so this man of privilege challenged the nation to reject private comfort for the public interest to fight for higher wages for workers, housing and medical care for the poor, dignity and security for the elderly. And although he did not live to see the day, his vision of a more just America would come closer with the Civil Rights Act of 1964.

Ever since his death, Americans have wondered—how might the days and years that followed have been different had he lived? Perhaps the more important questions might be—have we lived up to the challenge he issued so long ago? Have we kept alive the spirit and high purpose that he kindled? Have we achieved the national greatness that he imagined?

Forty years later, President Kennedy challenges us still. As we remember his death, let us rededicate ourselves—as a people, as a nation—to the principles and vision that defined his life. On this somber anniversary, there can be no higher tribute.

LUISA DELAURO'S 90TH BIRTHDAY

HON. ROSA L. DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Ms. DELAURO. Mr. Speaker, I rise to congratulate my mother, Luisa DeLauro, as she celebrates her 90th birthday on December 24th. She is—in every sense of the word—a remarkable person—someone who made a good life for herself and her family from the humblest beginnings.

From her, I learned the values I carry with me to this day—she taught me the meaning of hard work, of family and community. When I grew up, she worked in a sweatshop, sewing shirt collars for pennies. Everyday she would make me come by after school to see the horrible, cramped conditions. It is something I will never forget. The lesson was clear: work hard. Make something of yourself. Get a good education.

She took her own lessons to heart, retiring 4 years ago after 35 years on the New Haven Board of Alderman—the longest serving member in its history. During that time, she touched countless lives. I will always remember the people sitting around my parents' kitchen table in Wooster Square in New Haven. There, I witnessed firsthand how she and my father helped solve the problems of people in our neighborhood.

My mother knew the importance of helping people—she understood that politics was an avenue for change. She also understood that women had an obligation to participate in the political process. When I first ran for Congress in 1990, I found an article my mother wrote in the 10th ward Democratic newsletter in 1933—70 years ago. Amazingly, she wrote:

> It is not my intention to be critical, rather my motive in writing this article is to encourage the female members of this organization to take a more active part in its affairs. We are not living in the middle ages when a woman's part in life was merely to serve her master in her home, but we have gradually taken our place in every phase of human endeavor, and even in the here-to-for stronghold of the male sex: politics. I have noticed that the girls, unlike the men, are timid in asserting themselves, and many a good idea is lost, having been suppressed by its creator. Come on girls, let's make ourselves heard.

And so, Mom, I want to take this opportunity to say, "You made yourself heard." You continue to make us all proud. Thank you and congratulations on your ninth decade. You are your daughter's greatest inspiration.

HALLIBURTON

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. WAXMAN. Mr. Speaker, over the past two months Rep. JOHN DINGELL and I have written to the White House several times seeking an explanation for the high prices Halliburton is charging to import gasoline into Iraq. We have repeatedly expressed concern that Halliburton has been paid an average price of $2.64 per gallon to import millions of gallons of gasoline from Kuwait into Iraq.

Halliburton's price is more than double what others have paid to import gasoline from Kuwait into Iraq, including Iraq's state-owned oil company, SOMO, and the Pentagon's own Defense Energy Support Center. In addition, independent experts I consulted have called these charges a "huge ripoff" of the taxpayer.

Gasoline imports are one of the single largest expenditures of U.S. reconstruction efforts in Iraq. To date, nearly $450 million has been spent on gasoline imports, and an additional $690 million has been appropriated for gasoline and other fuel imports in 2004. Literally hundreds of millions of taxpayer dollars are at stake.

Despite these enormous costs, the White House has consistently refused to address this issue. The White House has refused to respond to our inquiries or offer any explanation for the high costs being paid by the taxpayer. Today, I call on the White House to immediately investigate this matter and respond to the concerns raised in our letters.

TRIBUTE TO CAROL DODO

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. MCINNIS. Mr. Speaker, it is with great pride that I rise today to pay tribute to a talented rancher from New Castle, Colorado. Carol Dodo is a family-oriented rancher who has been feeding the citizens of Colorado for forty years. Carol is an intelligent educator and active participant in the beef industry and I would like to join my colleagues here today in recognizing her tremendous service to the New Castle community.

The Colorado Cattlemen/Cattlewomen's Association recently named Carol Dodo Cattlewoman of the Year for her long-time dedication to her trade. Carol runs a cow-calf organization at West Elk Ranch north of New Castle. She has been in the ranching business since the mid-fifties and has increased her involvement in the industry over the years by promoting and educating people about the benefits of eating beef. Despite the dwindling number of ranching operations over the years, the Dodo family maintains that raising cattle is a rewarding occupation.

Mr. Speaker, Carol Dodo is a dedicated individual who is actively involved in the organization and facilitation of the beef industry in Colorado. Carol has demonstrated a love for ranching that resonates in her compassionate and selfless service to the Colorado Community. Carol's enthusiasm and commitment certainly deserve the recognition of this body of Congress. Congratulations on your award, Carol, I wish you all the best in your future endeavors.

HONORING THE PEREZ BROTHERS

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. RADANOVICH. Mr. Speaker, I rise today to congratulate the Perez Brothers upon their induction into the 2003 Stanislaus County Ag Center Foundation Ag Hall of Fame. Their contributions to agriculture have been felt across the nation. The brothers, Tom, Earl, Daniel, and Mike, will be honored at the 2003 Ag Hall of Fame Dinner on December 4 at the Stanislaus County Ag Center in California.

The Perez Brothers have been leaders in the agricultural industry since the 1940s, but the legacy was started earlier by their father, Juan, in northern Spain. In the early 1900s, the search for greater opportunities led Mr. Perez to California. In 1936, the family moved to the San Joaquin Valley and started farming 280 acres. Their father had visions of the valley being rich in agriculture. Today, with an operation that stretches nearly 80 miles, the brothers farm over 8,000 acres of melons, beans, cotton, tree crops, and, most-notably, tomatoes. The family is one of the largest tomato shippers in the country.

The family's commitment to the environment and to agricultural and community organizations has been evident through the years. The brothers have served on several boards and committees and offer their time to numerous community organizations. Harvesting with the latest and cleanest machinery, as well as the support offered for research and improvements in farming, have earned the Perez Brothers an earth-friendly reputation.

Mr. Speaker, it is my pleasure to commend the Perez Brothers for their induction into the 2003 Stanislaus County Ag Center Foundation Ag Hall of Fame. I invite my colleagues to join me in wishing the Perez Brothers continued success.

IN MEMORY OF NARAYAN D. KESHAVAN

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. ACKERMAN. Mr. Speaker, I rise today to pay tribute to the memory of Narayan Keshavan who passed away suddenly and unexpectedly last week.

Keshavan worked for me from January of 1998 until June of 2001. During much of that time I was the Co-chair of the Congressional Caucus on India and Indian-Americans and Keshavan helped me stay abreast of the issues facing India and Indian-Americans and stay in contact with the vibrant community here.

Keshavan had a love for two countries. His adopted home, the United States and his ancestral home, India. So few people modestly and selflessly served to help U.S.-India relations through such dramatic periods of growth and change. Keshavan was an early and vocal advocate for a different kind of relationship between the oldest and largest democracies in the world. He saw the possibility, in fact the necessity, of India and the United States working closely together well before it was evident to leaders in either country. In a clear example of bringing the two cultures closer together, Kesh was one of the Indian Americans who made the October 23, 2003 First Deepavali Event at the White House happen.

Born May 31, 1950 in Hyderabad, India, Keshavan was a graduate of Andhra University (Visakahapatnam, India) where he received a BA in Pharmacy and Osmania University (Hyderabad, India) with a BA and MA in journalism. Over his impressive career as a journalist, Kesh was respected for his vision and commitment to politics and Indo-U.S. Relations. In addition to working for the Congressional Caucus on India and Indian-Americans, he was the Founder and Executive Director of the Indian American Republican Council, and President of the Indian American Forum for Political Education (NYC and LI chapter). He also was a founder of the Indo-U.S. Parliamentary Forum. He served as a mentor to countless individuals of all ages and faiths, deeply touching the lives of many here and in India, even those he knew only a short time. People loved Kesh for his honesty, intelligence and humor.

Kesh passed away on Thursday, November 13 after he appeared on CNN in a interview with Lou Dobbs where he defended India in the growing political issue of outsourcing. Keshavan is survived by his father and sister.

I ask all my colleagues to join me in paying tribute to a journalist, public servant and tireless community activist, Narayan Keshavan.

RECOGNIZING WOODS-VALENTINE MORTUARY'S 75TH ANNIVERSARY

HON. ADAM B. SCHIFF

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. SCHIFF. I rise today to honor Woods-Valentine Mortuary in Pasadena, California. Woods-Valentine Mortuary, one of the oldest African-American, family-owned and operated businesses in the twenty-ninth Congressional District, is celebrating its 75th anniversary on December 14, 2003.

The James Woods Funeral Parlor, located at 87 S. Vernon Avenue in Pasadena, was founded in 1928 by James and Annie Mae Woods. In 1950, after the death of Mr. Woods, his nephew Fred W. Valentine continued to run the business for Mrs. Woods. In 1954, Fred and his wife, Arzella, purchased the business and it became the Woods-Valentine Mortuary. The Valentines relocated the business to its current location at 1455 N. Fair Oaks Avenue in 1963 and built a new structure, which received a Pasadena Beautiful Foundation award for architectural design and color coordination.

Woods-Valentine Mortuary has a well-deserved reputation as a professional, compassionate and dignified business. The mortuary staff members serve the community not only by offering counseling and funeral services, but also by their immense community and civic involvement.

Fred and Arzella Valentine have served on the boards of many professional and civic organizations, such as the Los Angeles County Funeral Directors Association, the National Funeral Directors Association, the California Board of Funeral Directors, the Pasadena Altadena Links, and the Soroptomist Club. The Valentines are also members of many civic organizations including the San Gabriel Valley Black Business Association, the Pasadena Chamber of Commerce, the Pasadena Urban League, and are lifetime members and past board members of the Pasadena NAACP. In addition, the Valentines have sponsored Northwest Pasadena Little League teams for forty years, volunteered for many years in Pasadena's public schools and libraries, and contribute annually to many scholarship funds. They are also active in their church, Friendship Baptist Church.

Woods-Valentine Mortuary is truly a family-owned business. Fred and Arzella's daughters, Janyce Valentine and Gail Valentine Taylor, are part owners. Arzella's sister, Vannie Brown, Fred's brothers, Clifton Valentine (who died in 1999) and James Adkins, along with Laven Lanier, James Barker, Ernest Gomez, Lenston Marrow, James Ross, Leo Vaughn, Julius Henderson and Juan Wooden, are other members of the "Woods-Valentine Mortuary family" who have greatly contributed to the success of the business.

I ask all Members to join me today in honoring Woods-Valentine Mortuary for its 75 years of dedicated service to the community.

HONORING N.A. "TURK" BAZ

HON. LINCOLN DAVIS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. DAVIS of Tennessee. Mr. Speaker, I rise today to salute and honor Turk Baz. I have known Turk for many years, and he is a testament to the service, dedication, and diligence to his listeners on the local radio by providing daily weather updates.

Turk, a veteran radio broadcaster and owner of WDEB FM/AM, has been a fixture in Fentress County, Tennessee, for many years. He was recently honored by the National Weather Service for his more than 20 years of service by presenting him with its John Campanius Holm Award. The annual award goes to 25 individuals among the agency's 11,000 plus volunteer weather observers: The award has been given since 1959.

One of his greatest qualities is his modesty. During the acceptance ceremony, he said he was accepting the award on behalf of his radio station's staff and the many volunteers who are part of the Fentress County Emergency Service Organization. Fentress Countians are blessed to have someone like Turk looking out for them.

HONORING THE STATE WINNER AND NATIONAL FINALIST FOR RECOGNITION OF OUTSTANDING COMMITMENT TO THE COMMUNITY

HON. JERRY WELLER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. WELLER. Mr. Speaker, I rise today to honor Monical's Pizza Corporation (Monical's) for being the State winner and national finalist for Recognition of Outstanding Commitment to the Community and being awarded the Restaurant Neighbor Awards. This is the 5th annual year for the award.

One day a week, for 17 weeks, youths participating in the D.A.R.E. (Drug Abuse Resistance Education) program receive an education on drug abuse resistance. Monical's saw this as an opportunity to help reach out to youths before drug addiction starts. Since 1990, the restaurant has handed out more than 200,000 free pizza certificates to children who complete the D.A.R.E. program—a contribution totaling more than $1 million.

Monical's commitment to D.A.R.E. began with a simple collaboration with the Lincoln, Illinois, police department to donate pizzas to students who graduated from D.A.R.E. Today, Monical's extends this opportunity to every community D.A.R.E. program located near one of their 50-plus restaurants. This translates into a value of more than $1 million. Students also receive a coupon for a Monical's Family Pleaser so they can bring the entire family for a celebration of their graduation.

Mr. Speaker, I urge this body to identify and recognize other companies in their own districts whose actions have so greatly benefitted and strengthened America's families and communities.

CAPT GEORGE A. WOOD—A NATION MOURNS HIS LOSS

HON. SHERWOOD BOEHLERT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. BOEHLERT. Mr. Speaker, the people of New York's 24th Congressional District and America suffered a terrible loss on November 20, 2003. U.S. Army Captain George A. Wood, originally of Marcy, New York, died while valiantly serving his country in the War in Iraq. He paid the ultimate price to ensure our liberty. He gave his life so that the people of Iraq could live without repression and fear—and he gave his life so that Americans could feel safe to live their lives under a blanket of freedom. That freedom comes with a high price and we are eternally grateful for his dedication and commitment to the ideals that we hold dear.

Captain Wood personified the qualities and dedication that make our U.S. military the greatest armed forces in the world. As a young man in the Mohawk Valley, Captain Wood excelled in both academics and athletics. He was known as a "history buff," going on to earn a bachelor's degree from the Ivy League's Cornell University. He continued his education by earning master's degrees at both State University of New York-Cortland and State University of New York-Albany. Captain Wood's athletic endeavors led him to captain the Notre Dame Junior-Senior High School football team in his senior year. He hoped to one day share his love of football as a coach at the West Point Military Academy.

Captain Wood was assigned to the Army's 4th Infantry Division based in Fort Hood, Texas. He was killed while on patrol when his tank rolled over an improvised explosive device.

I ask my colleagues in the House, and all Americans, to extend our prayers and sympathy to his wife Lisa and their 3-year old daughter Maria, Captain Wood's mother and stepfather Maria and Michael Babula of Marcy, New York, as well as the rest of his family. Together we honor this fallen American hero.

NATIONAL CONSUMERS LEAGUE PRESIDENT LINDA GOLODNER ENDORSES INTRODUCTION OF H.R. 3139, THE YOUTH WORKER PROTECTION ACT

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. LANTOS. Mr. Speaker, as you are aware, at the start of the 20th century the state of child labor conditions in our country was so deplorable that it was not uncommon for children to be working 60 or 70-hour weeks in the hardest forms of labor—in our nation's mines, mills and in the farm fields. It was these conditions that the National Consumers League was created to alleviate.

Through the hard work and dedication of its members, the National Consumers League was able to secure the passage of the Fair Labor Standards Act in 1938. This monumental legislation has been the backbone for ensuring that American workers are treated fairly and humanely. Specifically, the legislation enacted sweeping reforms to the use of child labor in our country that were designed to prevent the exploitation of youth workers.

In the 60 years since the passage of this extraordinary legislation our economy has changed dramatically. It is appalling to learn that in our great country, the occupational injury rate for children and teens is more than twice as high than it is for adults. In fact, the National Institute for Occupational Safety and Health (NIOSH) estimates that every year 230,000 teens are injured on the job. I am certain that all of my colleagues will agree with me that these statistics are a national disgrace and are totally unacceptable for a civilized, advanced society such as ours.

That is why I introduced H.R. 3139, the Youth Worker Protection Act, a bill that will modernize America's child labor laws. I am also honored to report that in 2003, just like 1938, the National Consumers League was instrumental in the drafting of this legislation and I am confident that with their support we will be successful in securing its passage.

I am delighted that Linda Golodner, President of the National Consumers League and a tireless advocate to advance progressive chance in our country was standing next to me when I introduced the Youth Worker Protection Act. Her eloquence on the need for reform to our nation's child labor laws should be shared with our Congressional colleagues, Mr. Speaker, and I therefore request that her statement be placed in the Congressional Record.

STATEMENT OF LINDA GOLODNER

Thank you for coming today. I'm Linda Golodner, president of the National Consumers League and co-chair of the Child Labor Coalition. I am joined today by Congressman Tom Lantos and Maggie Carey from Beverly, Massachusetts.

More than one-hundred years ago, Florence Kelley, first executive secretary of the National Consumers League, led a national effort to press Congress for tough laws to protect working children. Her goal was achieved in 1938 with the passage of the Fair Labor Standards Act, which includes child labor provisions. The Act addresses child labor and the workplace realities of the early 20th century—not the early 21st century. The early reformers would I am sure find it inconceivable that these hard fought child labor laws have not been revisited since that time. Updates to the Fair Labor Standards Act are long overdue. Our nation's most vulnerable workers—many of whom are too young to have a driver's license—deserve 21st-century protection from unsafe and inappropriate working conditions.

The National Consumers League and our more than 40 member organizations in the Child Labor Coalition have been working since for almost 15 years to protect the health, education, and safety of working minors. We have advocated for stronger child labor enforcement and for higher penalties for those who violate the law—especially those that result in a young worker's serious injury or fatality. We have focused on child labor reform that reflects the realities of today's workplaces and today's educational needs.

Young people who choose to have after school jobs should not have to compromise their education to do so. Yet, many do. Under the Fair Labor Standards Act, a 16- and 17-year-old can try to juggle as much as 40 hours of work per week, in addition to their 30 hours of school. Combined, this is more work than is expected of most adults in this country. Whether short-sighted about their own education or facing coercion from employers, many young people work too many hours. Studies show that when teens work over 20 hours a week while school is in session that their grades go down and often alcohol and drug abuses escalates. Many work well over 20 hours a week in after-school and weekend jobs.

Teen worker injuries are also escalating. The National Institute for Occupational Safety and Health has raised estimates on youth worker injuries from 200,000 in 1992 to 230,000 in 1998. Every year, between 60–70 young people die in the workplace. Outdated child labor laws—written in the 1930s—cannot and do not adequately protect our nation's young workers from workplace hazards.

We have high expectations for the passage of the Youth Worker Protection Act. Our highest expectation is that passage of the bill will lead to fewer injuries, fewer deaths, and remove the too often scenario of a youth's first job being his last job. I will leave it to Congressman Tom Lantos to tell you how.

We have high expectations that the passage of the bill will put youth employment in its proper place—as a positive first experience in the world of work. But the first job of any young person today is education—Education that will prepare that teenager to be a productive worker tomorrow.

No teenager expects that they will get hurt on the after-school or weekend job. And, as a nation, we are not assuring young people that the law protects them from harm in the workplace. The passage of the Youth Worker Protection Act would be a step in the right direction. But for now, it is the National Consumers League commitment to teen workers and their parents to arm them with information they need to think twice when choosing that job. Check out www.nclnet.org/childlabor for new materials about laws that do exist and how to avoid dangerous work, including NCL's five worst teen jobs.

This fall, nine American families won't enjoy the back-to-school festivities as usual. Nine families are mourning the deaths of their children over this last summer. The cause of death? Workplace injuries. Every 30 seconds, a young worker under the age of 18 is injured on the job. On average, every five days, one of the injuries is fatal.

Such losses are indefensible. Especially deaths from workplace injuries, which could have been prevented with stronger laws protecting young workers and stronger government commitment to enforcement and prosecution under the law.

HONORING THE HONORABLE ALSTON H. SMITH, JR.

HON. TOM DAVIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. TOM DAVIS of Virginia. Mr. Speaker, Mr. WOLF and I rise today to honor former Delegate Alston H. Smith, Jr., an outstanding citizen of Winchester, Virginia, who, for nearly half a century, has served his community and country.

Delegate Smith's successful career began in 1954 when he cofounded Shenandoah Foods 2000, a major employer for the Shenandoah Valley. He served on the boards of both Jefferson Bankshares and First Bank, playing a critical role in assisting the economic development of western Virginia.

Delegate Smith also faithfully served in the Virginia House of Delegates for over 20 years, where he was a Democratic leader and tireless advocate of public education. He was instrumental in the development of the Winchester/Frederick County area, bringing critical improvements to his beloved Shenandoah University.

Delegate Smith not only dedicated himself to the Winchester/Frederick County area, but also worked to bring progress to the entire Commonwealth. For nearly a decade, he served the interests of the coalfields of Virginia as chairman of the House Mining and Mineral Resources Committee.

Delegate Smith certainly has recognized that the surest way to make a difference is to begin in his local community. Additionally, he generously has donated much of his personal time to improving economic development opportunities and education for all Virginians. Delegate Smith loves the Valley and loves Virginia. All of Virginia extends their heartfelt thanks for his continuing role in improving the lives of our children, families, and seniors.

Mr. Speaker, the life and service of this Virginian serves as a shining example to all who wish to improve education and opportunity through civic and community involvement. I ask my colleagues to join me in applauding Delegate Smith.

TRIBUTE TO KAROL SACCA

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. McINNIS. Mr. Speaker, it is my honor to rise and pay tribute to an outstanding educator from my district. Karol Sacca from Carbondale, Colorado has dedicated her life to the betterment of young people and I am proud to call her contributions to the attention of this body of Congress and our nation.

Karol has been a teacher for a quarter of a century. She has spent the last eighteen years at Roaring Fork High School, where she is currently the school's librarian. In this position, Karol's endless enthusiasm and tireless dedication to her students has resulted in many accomplishments.

Karol created a student media center at Roaring Fork High School and also spearheaded the creation of many innovative reading programs as well. Karol's voluntary reading programs have attracted the participation of over half of the school's students. This level of student participation is a testament to Karol's ability to connect with her students. Karol's ability and conviction have earned her the respect of educators statewide. She is currently one of four finalists for Colorado's Teacher of the Year Award.

Mr. Speaker, it is my honor to pay tribute to the contributions of Karol Sacca. Karol has achieved a delicate balance between leadership and friendship with her students. Karol's dedication has lead to many young people becoming excited about learning. Thank you, Karol, for your contributions.

COMMENDING SAINT AGNES HOSPICE FOR 25TH ANNIVERSARY

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. RADANOVICH. Mr. Speaker, I rise today to commend Saint Agnes Hospice in celebrating 25 years of compassionate care. An open house was held to commemorate this milestone on Monday, November 24th in Fresno, California.

In its 25th year, Saint Agnes Hospice continues to focus on pain and symptom management in patient care, and strives to raise awareness among the public and physicians about the value of Hospice care. Since its establishment in 1978, the organization's main purpose has been to reflect the mission of the Saint Agnes Medical Center by extending Christ's love to the terminally ill and their families; recognizing that each person is unique and deserving of compassion while stewarding the human and financial resources. Their goal is to meet and serve the needs of individuals, promoting dignity, comfort, and peace to enable them to live until they die. Founded by Sister Raphael McGrath, CSC, BSN, MSNE, Saint Agnes Hospice has made it possible for terminally ill patients to live out their final days with dignity in the comfort and privacy of their own home. Hospice focuses on living and maintaining the patient and family's quality of life.

Saint Agnes Hospice has grown dramatically over the years and continues to offer patients and families a variety of levels of care. During fiscal year 2003, it served 346 patients, an increase from 265 patients in 2002. The Hospice Team is staffed around the clock by an outstanding group of individuals; physicians, nurses, chaplains, social workers, and volunteers. The four levels of care available are Routine Home Care, Continuous Home Care, Inpatient Respite Care, and General Inpatient Care. FOOTSTEPS, an expressive arts support group is available for children who have experienced difficult life losses and their caregivers. Finally, Bereavement care is planned and available to support families for a year following the loss of a loved one.

Mr. Speaker, it is my pleasure to congratulate Saint Agnes Hospice on its 25th anniversary. I urge my colleagues to join me in wishing them many years of compassionate care for the citizens of the Central Valley.

THE YOUNG MASHADI JEWISH CENTER

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. ACKERMAN. Mr. Speaker, I rise to call to the attention of the House an important event in my district: the groundbreaking for the Young Mashadi Jewish Center in Great Neck on December 14, 2003. I want to offer my best wishes and congratulations to all the men and women who have contributed their time, energy and support to bring this tremendous project into being.

America and New York in particular have been blessed by a growing number of Jews of Iranian descent, who have made an enormous contribution to the health and vitality of our Jewish community. Owing to their bitter experience as a persecuted religious minority in Iran, they—more than most—have come to understand the meaning of the prophet Jeremiah, "If you will remain in this land, then I will build you up and not pull you down; I will plant you, and not pluck you up. . . ." The expansion of this community's physical presence through the construction of this center is a sign of continuing growth and maturity, and one which I happily encourage.

Mr. Speaker, as always, breaking ground on a new religious center is a joyous event. Such structures are gifts to the future and expressions of our most admirable goals for our posterity. The Young Mashadi Jewish Center in Great Neck will include classrooms and a playground for children, a youth center for young adults, a recreational lounge to accommodate social, cultural, and educational programs for the community seniors, and other spaces available to host all those events which connect individuals and families to their community.

This center will be built with love, dedication, determination and an abiding faith in the future of the Jewish people. In short, it will be a center that reflects the values of the people who built it.

Mr. Speaker, in the Jewish faith, when a book of study is completed, the accomplishment is celebrated by offering encouragement to immediately return to the work ahead. The groundbreaking of the Young Mashadi Jewish Center in Great Neck is a great step forward, a real achievement. But it is a step which only promises greater things. In the days ahead, I know the whole House will join me in saying "Chazak! Chazak! v'Nitchazayk!" (Be strong! Be strong! And may we be strengthened!)

IN RECOGNITION OF THE SOUTH PASADENA KIWANIS CLUB'S 80TH ANNIVERSARY

HON. ADAM B. SCHIFF

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. SCHIFF. Mr. Speaker, I rise today to honor the South Pasadena Kiwanis Club upon its 80th anniversary.

Kiwanis is a worldwide service organization of women and men who share the challenge of community and world improvement. Since its founding in 1915, Kiwanis has grown to include approximately 9,000 clubs in more than 80 nations.

The South Pasadena Kiwanis Club, founded in 1923, consists of business and professional people who work or live in the South Pasadena area that have an interest in volunteer service. A family-oriented organization, South Pasadena Kiwanis members are committed to serving the youth, families and senior citizens of South Pasadena.

Some of the club's charitable contributions include the South Pasadena Educational Foundation, Farm City Youth, Special Olympics, the Summer Reading Program, "Terrific Kids," the Young Men's Christian Association, "Concerts in the Park," and Little League. The South Pasadena Kiwanis Club is the main sponsor for South Pasadena High School's Key Club and "Grad Night" Breakfast, in addition to providing student scholarships at the high school, middle school and elementary schools. In addition, some of the club's annual events include a Fourth of July Pancake Breakfast, a Spaghetti Dinner in conjunction with the South Pasadena Fire Department, and participation in the construction of the city of South Pasadena's Rose Parade Float.

The time, energy and care that the South Pasadena Kiwanis Club has given to the community are extraordinary, and the residents of South Pasadena have benefited greatly. At this time, I ask all Members to join with me in commending the South Pasadena Kiwanis Club for 80 years of dedicated service to the South Pasadena community.

HONORING CHANA LYMON

HON. LINCOLN DAVIS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. DAVIS of Tennessee. Mr. Speaker, teaching is one of the noblest professions I can think of. I rise today to honor one of those teachers. Her name is Chana Lymon. Chana is the Director for Sylvan Career Starters in Columbia, Tennessee. She recently received the Educator Excellence Award from Sylvan Education Solutions. This award is presented to individuals who meet and exceed all of the standards of Excellence and Program Management. Award winners have developed well trained motivated teams and ensure that all service activities meet Sylvan standards.

The Career Center serves youth ages 18–21 who have dropped out of school or have not been able to complete traditional high school due to a barrier such as teen-parenting, truancy, delinquency, debilitating illness, or an academic deficiency. The centers help students prepare for the GED and State TCAP or Gateway tests. They also offer employability and work assistance as well as computer literacy training.

It has become evident through their work that Ms. Lymon and her staff strongly believe in promoting the importance of self-worth. Self-esteem is the most important factor that will go hand in hand with success. I congratulate Ms. Lymon and her staff for promoting education as the key to a better future.

TRIBUTE TO THE 2003 PEOPLE AND PERFORMANCE AWARD WINNERS

HON. JERRY WELLER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. WELLER. Mr. Speaker, I rise today to honor Monical's Pizza Corporation (Monical's) for receiving the People and Performance Award (PAPA) during the Multi-Unit Foodservice Operators 2003 National Conference.

Nation's Restaurant News and Coca-Cola North America established the national PAPA awards to honor multi-unit chains for excellence in employee recognition, retention and recruitment. Monical's President Harry Bond received the PAPA award for retention.

For the past 14 months, Monical's achieved 0 percent turnover for restaurant general managers, team leaders, regional trainers, and support center coordinators. Very few companies can boast of the same accomplishment. Monical's attributes their low turnover rate to several company incentives such as: evaluation of restaurant management at least once a year; all restaurant management and support staff team members receive the same health insurance and profit sharing benefits as the president of the company; the company's policy of a flexible scheduling strategy; and a 50 percent discount on Monical's meals for employees.

Monical's also values their employees who also have families. The majority of management personnel work between 42–45 hours per week and are eligible for two weekend days off per calendar month so their managers are able to enjoy an active and productive family life as well as a life at work. Monical's also encourages their employees to bring their children to work for the day. This allows the children to see where their parents work and have a day of fun working in a restaurant or office.

Mr. Speaker, I urge this body to identify and recognize other companies in their own districts whose actions have so greatly benefitted and strengthened America's families and communities.

STATE UNIVERSITY OF NEW YORK, ONEONTA COLLEGE NCAA WOMEN'S SOCCER CHAMPS

HON. SHERWOOD BOEHLERT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. BOEHLERT. Mr. Speaker, I would like to take this opportunity to congratulate the State University of New York College at Oneonta women's soccer team for their come-from-behind, emotional victory to win their first ever NCAA National Championship on November 11, 2003.

The tying goal scored in the final seconds of regulation will forever remain a great moment in Red Dragon history. It will also remain a vivid moment of victory of each one of the team's members—for without their collective talent and dedication, it would not have been possible.

Head Coach Tracey Ranieri deserves special praise for leading this fine group of student athletes to the highest possible achievement in women's Division III soccer. Through Coach Ranieri's leadership these young ladies have proven that hard work and dedication on the practice field and in the classroom can produce champions on the playing field and in academics.

I take great pride in representing the State University of New York College at Oneonta. What I find truly special is while the opponent in the National Championship Game, The University of Chicago, boasted a lineup that featured players from across the country; Oneonta's roster was almost completely comprised of New Yorkers. What pride they bring not only Oneonta, but to the entire State of New York.

The 2003 Oneonta Women's Soccer team: Amanda LaPolla of New Hartford, NY; Jami Leibering of Kendall Park, NJ; Laura Morcone of Mechanicville, NY; Holly Bisbee of Burnt Hills, NY; Patricia DiMichele of Centereach, NY; Alissa Karcz of S. Huntington, NY; Kelly Stevens of Rochester, NY; Cassie Perino of Patchogue, NY; Sanada Mujanovic of Centereach, NY; Patricia Jeager of Baldwin, NY; Liz Fermia of Rochester, NY; Leslie Small of Clifton Park, NY; Rose Velan of Stamford, NY; Brooke Davis of Grand Gorge, NY; Sarah Tauber of Valley Stream, NY; Cristina Gaspar of New Rochelle, NY; Alex Desousa of Blauvelt, NY; Candance Grosser of Levittown, NY; Meghan Putnam of Syracuse, NY; Colleen Wolbert of Rotterdam, NY; Corinne Tisei of New Hyde Park, NY; and Brittany Gates of Syracuse, NY.

DEDICATING H.R. 3139, THE YOUTH WORKER PROTECTION ACT TO THE MEMORY OF ADAM CAREY

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. LANTOS. Mr. Speaker, according to the National Institute for Occupational Safety and Health (NIOSH) an average of 230,000 teenagers are injured on the job each year and even more shocking is the fact that an average of 67 teen workers die each year from injuries sustained while on the job. That means a teen worker dies from work related injuries in this country every 5 days.

These are horrific statistics, and I believe that Congress must enact legislation to prevent these unnecessary deaths. The grave nature of these unfortunate accidents is made clearer when given a human face. While I was preparing this legislation, I discovered the story of Adam Carey, a 16 year-old boy who died while working on a golf course in Massachusetts. Adam's death was the result of an accident while he was driving a golf cart between the clubhouse and the driving range. Under Massachusetts state law, youths Adam's age were prohibited from driving golf carts.

I was honored to stand by Adam's mother, Maggie Carey when I introduced H.R. 3139, the Youth Worker Protection Act, to modernize our nation's child labor laws. Among other things, the Youth Worker Protection Act would increase the penalties for employers who violate laws designed to protect children.

I am proud to dedicate this legislation to her son's memory and I ask that her poignant story be included in the CONGRESSIONAL RECORD so that my colleagues can humanize statistics of young workers who die from injuries suffered on the job once every 5 days.

STATEMENT OF MAGGIE CAREY

Good Morning. I'd like to begin by telling you a little bit about myself, my family, and what has brought me here today. Again, my name is Maggie Carey. I am from Beverly, Massachusetts, a small city on the north shore of Boston. I have worked as an Obstetrical Register Nurse, with my focus being Labor and Delivery, for over 30 years. My husband Richard works in maintenance and grounds keeping for a local hotel chain. We have been married for 30 years and were the proud parents of 3 beautiful children. Our oldest daughter Robin is 28 years old and has met the challenge of Downs Syndrome, Leukemia and open-heart surgery. Our son Jonathan who will be 27 in November has had open-heart surgery as a child as well, now works successfully in the computer software field in California. Our youngest son Adam would have been 19 this past March.

Through the years as parents, one of our roles was to teach our children the importance of responsibility for themselves and as part of a community. We hoped to show them through example, what that means and how to achieve it. In that way they would become successful, productive, and ethical young adults.

We began at an early age encouraging them to have their own paper routes. Even our daughter Robin was able to have one with our assistance. As they got older, we encouraged them to have part time jobs after school, on weekends and during summer vacations. Our daughter as a volunteer would come to work with me on weekends and collate blank charts to be used when new patients arrived. My son Jonathan worked as a bagger and cashier at a local grocery store. We continued to teach them the value of a dollar, how to earn it, save it, and manage it appropriately. Little did we know that by trying to teach these important values it would cost us dearly.

In August of 2000, our then 16-year-old son Adam began working at a local country club as a bag room attendant. On September 16, 2000, only 3½ weeks later, his life would come to an end while working at a job that seemed so perfect for him. Adam loved golf, people and being outdoors. He was driving a golf cart as part of the job. He was using the cart to retrieve golf balls, wash them, and return them to the golf barn. He had been in the pro shop just prior to the accident and we were told that when he got back on the cart he hit a deck that was only about 10 feet away. On impact Adam's heart was ruptured. Supposedly no one witnessed the accident even though it was the busiest day of the season at the club and it was right near the practice green, so exactly what happened is unknown.

What we do know is the devastating effect that the loss of our son has had on our entire family. What we also know is that child labor laws had been violated and continues to be violated every day in our country. Approximately 20 or so violations were found that day alone. Most importantly the one affecting Adam under Massachusetts General Laws, which prohibits anyone under the age of 18 from operating any type of motor vehicle of any description while employed.

Many people and agencies investigated the accident, but the only action taken against the employer was a $1000 fine by OSHA for having failed to report the accident within 8 hours. The Attorney Generals Office opted not to pursue any action, because the only avenue they have is through the criminal courts. They rarely prosecute unless the company is guilty of grossly repetitive behavior. Supposedly this was the employer's first offense, but in reality it was the only time they were caught. Even though the law is clear, it has become acceptable practice for teens to operate these carts for many years now due to non-enforcement. Since when can a death not be considered serious enough to pursue charges? So, is it the second, third or one-hundredth death they may pay attention to.

From what I have learned, even if they had pursued the case and had found them guilty, the punishment is so minimal that it is not financially sensible to spend the money and resources to enforce these laws.

Most of the child labor laws have not been updated since the 1930's. As we all know the world we live in is very different 70+ years later. What few changes that have been made have been to weaken the laws. We as a society have had much to say about child labor in other countries, yet we do nothing about our own. SHAME ON US!!! We spend a lot of time looking at issues, making laws, but that is wasted time and energy if we aren't out there enforcing them. It is vital for our children's future to have adequate ways and means to penalize the offenders.

And then there are workman's compensation laws, which you would think would encourage employers to put child safety first. Again this is not true. For teens, the employers financial liability is minimal because the majority of them do not have dependents and their jobs are temporary and part time. This again is not an incentive for employers to obey the laws. I am not saying all employers are not concerned about teens safety. Some are very responsible. Others aren't even aware of most of these laws, although it is their responsibility.

Our family has endured many trials and tribulations through the years. We have always been able to pick up the pieces and continue on with the help of loving, supportive family and friends. The death of our beloved son Adam has been almost too much to bear. How do we fill the huge gap in our hearts that used to be Adam? He was so full of life and had so much love to give. His friends describe him as always happy with a smile on his face. He would do anything to make people laugh. We miss that smile! We miss his energy! We miss his whole being!

What do we tell his special needs sister Robin when she asks almost every day, why can't we bring him back? There are really no words that can express fully to anyone what losing a child does to your soul. I hope that none of you will ever know how this feels. We go on each day. We go to work. We maintain our home, because we must, for the rest of our family. But nothing will ever be the same.

What I am here today to say is that this should never have happened and that there are many ways that we can address these issues. The availability and easy access to educational materials for parents, young workers and especially employers must be improved.

The proposed legislation that Congressman Lantos is submitting today will address some of these issues. One of these being civil penalties in an amount that would have a significant impact on employers. If there is anything that we can do in memory of our son it would be to somehow prevent this from happening to another child, another family.

Thank you and God bless and guide you in all the decisions you make.

TRIBUTE TO VIRGINIA LAW ENFORCEMENT OFFICERS

HON. TOM DAVIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. TOM DAVIS of Virginia. Mr. Speaker, I rise today to honor the Virginia law enforcement officers, and those throughout the nation, who have lost their lives this year in service to their communities. Every day, these men and women display their courage, commitment and service to their fellow man. The National Law Enforcement Officers Memorial recently held a wreath laying ceremony here in Washington, DC to honor these eight brave officers who gave their lives to protect us, the citizens of Virginia, and I would like to take a moment to recognize, remember and honor these individuals.

On January 12, Henrico County Police Officer Andre Booker was attempting to use his patrol vehicle to stop a person suspected of firing gunshots in a shopping center when his car crashed through a fence and landed in an icy pond. Six other officers at the scene were unsuccessful in freeing Officer Booker from his vehicle. He was 26 years old.

On January 16, 39-year-old Norfolk Police Officer Sheila Herring was killed after responding to reports of gunfire inside a bar. The suspects opened fire on the responding officers, fatally wounding Officer Herring. She worked with Norfolk Police Department for 11 months and had recently moved from Detroit, Michigan, where she spent 10 years as a law enforcement officer.

On January 29, Virginia State Trooper Michael Todd Blanton was killed by a drunk driver he had pulled over on Interstate 64. As Trooper Blanton attempted to reach into the car, the driver sped off, dragging Trooper Blanton until the car crashed, pinning him under the vehicle. Trooper Blanton is survived by his wife and 6-year-old son.

On May 9, 20-year law enforcement veteran Scott Allen Hylton of the Christiansburg Police Department was shot and killed after responding to a report of a hold up at a convenience store. Officer Hylton was shot and killed as he exited his cruiser at the scene. Also a member of the Army National Guard, Officer Hylton was the father of four.

On May 28, Officer Ryan Cappellety of the Chesterfield County Police Department, a recent graduate from the police academy, was shot and killed when he and other officers responded to reports of gunshots. Upon arrival, a suspect standing on his front lawn with a gun opened fire on the officers, fatally wounding Officer Cappellety. He was 23 years old.

On June 23, Officer Rodney Pocceschi of the Virginia Beach Police Department was shot and killed during a traffic stop on Dam Neck Road in Virginia Beach. Officer Pocceschi served the Virginia Beach Police Department for 4 years and is survived by his wife and young son.

On July 30, Richmond Police Officer Douglas E. Wendel was shot and killed by a suspected drug dealer. Officer Wendel had been with the Richmond Police Department for 5 years. He was a 41-year-old father of three.

On August 26, Sergeant Rodney Davis of the Greene County Sheriff's Department was shot and killed while serving an arrest warrant on a narcotics suspect near Stanardsville, VA. As Sergeant Davis and other officers searched the house, the suspect opened fire and fatally wounded Sergeant Davis. Davis worked with the Greene County Sheriff's Office for 2½ years but had been in law enforcement since he was 19 years old. The 30-year-old left behind an expectant wife and two young children.

Mr. Speaker, the eight officers killed in the line of duty this year matches the highest total of law enforcement officer fatalities in the Commonwealth's history. Nationwide, there have been 114 law enforcement officers killed this year, a grim reminder of the vital and dangerous role these officers play in our national well-being. We are all eternally grateful for the service and sacrifice of these true American heroes.

TRIBUTE TO THE ALAMOSA COUNTY CHAMBER OF COMMERCE

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. McINNIS. Mr. Speaker, it is my honor to rise and pay tribute to the Alamosa County, Colorado, Chamber of Commerce. The Chamber recently celebrated eighty years of service to Alamosa, and it is my honor to call the attention of my colleagues and this nation to all that the Chamber does for the citizens of Alamosa.

The Alamosa County Chamber of Commerce was incorporated in 1923. The original building was lost to fire in 1907. Recognizing the importance of the Chamber, the city rallied together and built a new building the following year.

The Chamber has a strong tradition of excellent leadership and a dedicated staff. Since its inception, the Chamber has focused on the organization and health of the County's economy. Able and dedicated staff members always greet each citizen with a smile.

In addition to traditional activities, the Alamosa Chamber of Commerce has always gone beyond the call of duty to be involved in the community. The citizens of Alamosa have traditionally used the Chamber as a meeting place for community events. There are often cribbage tournaments, banquets and charity events throughout the year. In addition, the Chamber funds scholarships for young people, has worked to improve the County's emergency response system, and is also involved in various projects such as the promotion of recycling.

Mr. Speaker, it is my privilege to rise and pay tribute to the Alamosa County Chamber of Commerce. The Chamber works tirelessly for the betterment of Alamosa County and I am honored to pay tribute to its contributions. I am pleased to join the people of Alamosa County in thanking the Chamber of Commerce for its hard work and many contributions.

HONORING LARRY CARTER

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. RADANOVICH. Mr. Speaker, I rise today to commend Larry Carter for his induction into the 2003 Stanislaus County Ag Center Foundation Ag Hall of Fame. On December 4th, he will be honored at the 2003 Ag Hall of Fame Dinner at the Stanislaus County Ag Center in California.

The Stanislaus Ag Center Foundation honors individuals who work to make agriculture Stanislaus County's number-one industry. Mr. Carter's contributions to agriculture and his community have helped agriculture in the county achieve this status. After receiving his Bachelor of Science in Animal Husbandry from California Polytechnic University in 1952, Larry served in the United States Navy for 4 years. Between 1963 and 1972, he ran his own laying hen ranch. For the following 15 years, he served as Executive Manager of the Stanislaus County Farm Bureau while farming 25 acres of almonds. Since 1987, Mr. Carter has worked for Stanislaus Farm Supply.

Larry's dedication to the community and agriculture organizations has been evident through his work as a volunteer. He has worked with the Denair Lions Club, Hughson 4–H, Modesto Chamber of Commerce, Stanislaus County Jail Site Committee, Stanislaus Ag Foundation, and many others.

Mr. Speaker, I rise today to congratulate Larry Carter for his induction into the 2003 Stanislaus County Ag Center Foundation Ag Hall of Fame. I invite my colleagues to join me in thanking Larry for his dedication and hard work.

IN RECOGNITION OF THE MARATHON JEWISH COMMUNITY CENTER AND ITS RABBI GARY GREENE

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. ACKERMAN. Mr. Speaker, I rise today to pay tribute to the Marathon Jewish Community Center in Douglaston, New York and its new Rabbi Gary Greene who officially took the reins on December 7, 2003.

The Marathon Jewish Community Center is a conservative synagogue which has served the communities of Douglaston, Little Neck, Bayside and Great Neck for more than 50 years. The facility includes a religious school, a junior congregation and adult education programs.

Earlier this year, the synagogue recruited Rabbi Gary Greene from Temple Shalom in Framingham, Massachusetts. Prior to his service there, Rabbi Greene served the members of Congregation B'Nai Jacob in Longmeadow, Massachusetts. While at Temple Sholom, Rabbi Greene helped to revitalize Adult Education, and for his efforts was the recipient of the Solomon Schechter Award for Adult Education. Among other accomplishments, Rabbi Greene has expanded the social and cultural programs of the Temple and introduced services and rituals, including Selichot, Tashlich, Healing Services and Meditation Services.

Rabbi Greene has also dedicated himself to teaching. Over the years, he has educated and enlightened thousands of children and adults. He taught most grades at the former United Hebrew School and served on its Board of Directors, Education Committee and Rabbis' Committee. He was instrumental in the creation of B'nai Jacob's Hebrew School and the B'yachad Hebrew High School. Rabbi Green has served on its Board of Directors, Education Committee and as the Co-Chair of the Education Committee in charge of Judaic programming. Rabbi Greene also served as a teacher and adviser to Camp Ramah in Palmer, Massachusetts.

Rabbi Green also served as the Jewish chaplain for students at Westfield State College in Westfield and Bay Path College in Longmeadow. He was also an active member of the Longmeadow Clergy Association as well as the Interfaith Council of Western Massachusetts.

Mr. Speaker, I ask all my colleagues in the House of Representatives to join me now in congratulating Rabbi Gary Greene and the Marathon Jewish Center for their service to the community. I am confident that the Marathon Jewish Center will continue to enrich the lives of its congregants for many years to come.

TRIBUTE TO MS. MARGARET ANN ABDALLA

HON. ADAM B. SCHIFF

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. SCHIFF. Mr. Speaker, I rise today to honor an outstanding citizen of California's 29th Congressional District, Margaret Ann Abdalla. Ms. Abdalla has served on the South Pasadena Unified School District Board of Education for 16 years and has been a positive force in the greater South Pasadena area for much longer.

A Southern California native and University of Southern California graduate, Margaret Ann moved to South Pasadena in 1969. She began her community service by volunteering with the South Pasadena Parent Teacher Association, Little League, and South Pasadena Educational Foundation. Ms. Abdalla also raised three children, Lisa, Tony and Alex, all who attended South Pasadena's public schools.

In 1987, Margaret Ann was elected to the South Pasadena Unified School District Board of Education. Ms. Abdalla has worked with several board members and four superintendents during her tenure, serving as Board President three times. Under her leadership, some of the Board's accomplishments include the passage of two school bond measures in 1995 and 2002, the formation and bonding of today's administrative team, and the transition of the junior high to a middle school program 12 years ago. In 1996, Margaret Ann was the recipient of the South Pasadena Parent Teacher Association's Honorary Service Award for meritorious service.

As a member of the South Pasadena School Board, Margaret Ann participated in organizations such as the California School Boards Association, the Downtown Revitalization Task Force and the Los Angeles Annenberg Metropolitan Project. In addition, Ms. Abdalla was a founding member of the Five-Star Coalition, a coalition of the Burbank, Glendale, La Canada Flintridge, Pasadena and South Pasadena School Districts, established for the purpose of collaborating with local legislators on issues of mutual interest to the school districts.

The time, energy and love Margaret Ann has given to the community are extraordinary, and the residents of South Pasadena have benefited greatly. At this time, I ask all Members to join with me in commending Margaret Ann Abdalla for her many years of dedicated service to the South Pasadena community.

ON THE PASSING OF WAYNE T. PALMER

HON. LINCOLN DAVIS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. DAVIS of Tennessee. Mr. Speaker, I rise today to pay tribute to one of the 4th Congressional District's finest citizens. On Saturday, November 29, 2003, Wayne T. Palmer, of Sparta, Tennessee, passed away at his home.

Wayne Palmer was not a master of business or of politics. Mr. Palmer was a man of meager means but overwhelmingly generous spirit. He was a man who cut a giant figure in his community through the devotion of his time and energy to the causes he loved.

Wayne Palmer served as a volunteer leader in the Boy Scouts of America for more than 35 years. During that long tenure, he served variously as Assistant Scoutmaster and Scoutmaster of Troop 175 in Sparta, as the camping chairman of both the Upper Cumberland and Black Fox Districts, and as a leader of the camping committee of the Middle Tennessee Council. Significantly, these are just a few of the roles he fulfilled during his many years of service to Scouting.

Mr. Palmer was honored for his guidance to young men and leadership in scouting repeatedly. He was awarded the Long Rifle Award for his leadership in both the districts he served. Mr. Palmer was honored with the Silver Beaver Award—the highest honor accorded adult leaders by the Middle Tennessee Council—for his service to the council. In addition, he was a Vigil Honor member of the Order of the Arrow—Scouting's Honor Society—and was repeatedly honored for his service to the Wa-HiNasa Lodge, including receipt of the Founders' Award and Josh Sain Memorial Award.

Mr. Speaker, if we're lucky, we encounter few people in life who have the kind of positive influence over the lives and maturation of young men that Wayne Palmer had. He was a man utterly devoid of self-interest and focused almost entirely on the education and improvement of the lives of those boys and young men who had the tremendous good fortune to be guided by his wisdom—be they Boy Scouts (his first and lifelong love), Little League baseball players or otherwise. It is rare—very rare indeed—to find a person who acts altruistically, who places the interests of others consistently ahead of his own, and who is truly selfless. Wayne Palmer was just such a person, and the lives of many Tennesseans are far richer for having known him.

Wayne Palmer was a great teacher and a great man. The lessons he taught were lessons for life. Of that, I have no doubt. Wayne Palmer taught as much or more by example, as he did through more common instruction. Mr. Palmer walked the talk. He never asked anyone to do anything he was not himself willing to do. He was, in the eyes of so many, the very embodiment of that pole star of principles, the Scout Oath and Law. Mr. Speaker, Wayne Palmer was for many Tennesseans the Great Scoutmaster of legend and myth.

White County and the Fourth Congressional District of Tennessee lost one of those rare bright lights on November 29 when Wayne T. Palmer passed from this mortal coil. Accordingly, I rise today to express my deepest sympathy to his wife, Jan, and his son, Garrett, on their tremendous loss. We honor his memory here today so that they will know that we all share their loss. Wayne T. Palmer was a great Tennessean, a man devoted to his family and to the education of young people, and an exemplary American citizen.

Mr. Speaker, it is my privilege as a Member of the People's House to honor his lifetime of service to others.

TRIBUTE TO THE SWIFT FAMILY

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. McINNIS. Mr. Speaker, it is my honor to rise and pay tribute to a remarkable family from my District. Dean and Pattie Swift of Jaroso, Colorado have done a great deal for the preservation of the environment. Recently, the Colorado Association of Conservation Districts named the Swifts as Conservation Farmers of the Year for the work they have done as owners of the Swift Seed Company. I am honored to call the attention of this body of Congress to the contributions the Swifts have made to preserving the environment.

The Swifts began farming in the San Luis Valley in 1975. Their company sells flower seeds worldwide. The seeds the Swifts sell are used primarily for the reclamation of mining sites and the re-seeding of areas devastated by wildfire.

Dean Swift serves as the Chairman of the Rio Grande Corridor Advisory Committee. This committee is comprised of farmers and ranchers throughout Costilla County who are dedicated to the preservation of the Rio Grande on the Western border of Costilla County. In addition, Dean works in conjunction with Ducks Unlimited to promote wetland habitat on the Swift Farm.

Mr. Speaker, it is my honor to rise and pay tribute to Dean and Pattie Swift. The Swifts have done a great deal for the environment, not only on their family farm but also throughout our state. They have managed these feats while happily serving as wonderful parents to their two beautiful children. Congratulations, Dean and Pattie, on a well-deserved award.

RECOGNIZING KAZAKHSTAN'S ACCOMPLISHMENTS

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. RADANOVICH. Mr. Speaker, I would like to draw the attention of my colleagues to the efforts of Kazakhstan, a predominantly Muslim secular nation that spares no effort to promote better understanding and dialogue between the Western world and the Islamic world. Some people may wonder why Kazakhstan would engage in such efforts and why it is succeeding in their efforts. I suggest they read a recent article by the Ambassador of Kazakhstan, Kanat Saudabayev, published by the Institute on Religion and Public Policy so they may learn of Kazakhstan's experience in achieving these goals. I therefore ask unanimous consent of my colleagues to introduce the article into the CONGRESSIONAL RECORD.

[From *www.religionandpolicy.org*, Nov. 26, 2003]

WE CALL FOR DIALOGUE, NOT HATE

(By Ambassador Kanat Saudabayev)

Extremists often use religion to create hate and further their selfish agendas which have nothing to do with religion. But, all religions are similar in that they denounce terrorism and teach tolerance, harmony and brotherhood.

That was the message delivered to the world by participants of the Congress of Leaders of World and Traditional Religions, who gathered in Astana at the initiative of Nursultan Nazarbayev, the president of a secular Muslim-majority Kazakhstan. At the end of the Congress, senior clerics from Islam, Christianity, Buddhism, Judaism, Hinduism, Taoism and other faiths adopted a declaration stating, "extremism, terrorism and other forms of violence in the name of religion have nothing to do with genuine understanding of religion, but are a threat to human life and hence should be rejected."

"Inter-religious dialogue is one of the key means for social development and the promotion of the well-being of all peoples, fostering tolerance, mutual understanding and harmony among different cultures and religions," the religious leaders said after the closing joint prayer.

Far from the "clash of civilizations" many see as part of the world's future, this Congress was a strong response to all who spread intolerance, hate and terrorism. The Congress also showed the world the noble goals of inter-religious peace are very real and very achievable. There's convincing evidence of this in Kazakhstan, where Muslims, Christians, Jews, Buddhists and others live in peace with each other and where freedom of religion is the crucial value of our society. Pope John Paul II called Kazakhstan "an example of harmony between men and women of different origins and beliefs."

Indeed, at the whim of often cruel fate in the past, Kazakhstan, however paradoxically that may sound, has truly become a center of unique diversity and tolerance.

During much of the 20th century, Kazakhstan was under the totalitarian domination of Soviet communism. The Soviets conducted cruel experiments with our land and our people. The forced settlement of the traditionally nomadic Kazakh people was followed by a widespread famine in the 1930s. Coupled with almost 500 nuclear tests during 40 years, this led to deprivation, death and emigration of millions of ethnic Kazakhs. In the 1940s, Stalin dumped hundreds of thousands of Germans, Chechens, Koreans and others in Kazakhstan as his regime deemed them untrustworthy in the face of the invading Nazis in the West and the Japanese in the East. Thousands of ethnic Russians and others were sent to Soviet concentration camps, part of the Gulag, in Kazakhstan. Many Soviet Jews were exiled to Kazakhstan for their religious beliefs. In the 1950s, more than a million ethnic Russians, Ukrainians, Byelorussians came to Kazakhstan to farm under the Virgin Lands program.

In those difficult years, the native Kazakhs gave all these people shelter and shared bread. Official Communist ideology, however, did not encourage people in their natural yearning for a religious life. Religious life was instead suppressed; ancient mosques, churches, and synagogues were used as shops, storage areas or even discos, rather than houses of worship.

Religious reawakening and freedom of conscience returned to Kazakhstan only after our independence. During the short 12 years, ancient mosques, churches and synagogues were restored and hundreds of new ones built across the country. In 2002, Rep. Robert Wexler (D–FL) put a cornerstone into the new synagogue currently under construction in Astana. Today, there are some 3,000 religious congregations representing more than

40 religious denominations serving the needs of 100 different ethnic groups. Recently, President Nazarbayev announced plans to build a single center in Astana which will have houses of worship of many religions.

This history of mutual respect and harmony is the background which led President Nursultan Nazarbayev of Kazakhstan to convene the recent Astana Congress. The eager response of world's religious leaders to the call for the Congress is a reflection of the respect they carry for the President and his policies.

This is also the reason why many leaders from the United States and other countries have supported our endeavors to build bridges between religions and civilizations.

President George W. Bush, in his letter to President Nazarbayev, said, "For the United States, itself a multi-ethnic and religiously diverse nation, these meetings underscore the importance of working with our friends in Central Asia to advance the values of tolerance and respect that form the foundation of democracy."

A bipartisan group of U.S. Senators and Congressmen in a letter to President Nazarbayev called the Astana forum "Kazakhstan's worthy contribution to the promotion of peace and harmony during these difficult times." Senators Sam Brownback (R–KS) and Conrad Burns (R–MT), representatives George Radanovich (R–CA), Joe Pitts (R–PA), Robert Wexler (D–FL), Eni Faleomavaega (D–American Samoa), Edolphus Towns (D–NY) and others also thanked Kazakhstan "for taking consistent and concrete steps to bridge the growing divide between Muslims and Jews at a time when tension in the Middle East is at a fulcrum, and intolerance and anti-Semitism are rising worldwide."

The recent report to Congress by the Advisory Group on Public Diplomacy for the Arab and Muslim worlds, led by Edward Djerejian, points out the need for dialogue between the Muslim and Western worlds is more important today than ever before.

Such a conclusion is obvious. Similarly obvious are difficulties in putting it into practice.

But the example of Kazakhstan, working well with the United States, the West, and the Muslim world and speaking for dialogue of religions and civilizations, gives us ground for optimism that tolerance and mutual understanding, not hate and violence, will prevail.

A BILL TO EXPAND THE WORK OPPORTUNITY TAX CREDIT

HON. AMO HOUGHTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. HOUGHTON. Mr. Speaker, today I am introducing a bill to add Trade Adjustment Assistance Recipients as a targeted group for the Work Opportunity Tax Credit, thereby permitting employers to receive a tax credit when hiring these individuals. Most importantly, this bill would help address the loss of our manufacturing and other jobs to foreign competitors. The bill I'm introducing is a companion to a bill offered in the Senate by my good friend, Senator OLYMPIA SNOWE of Maine.

The Work Opportunity Tax Credit (WOTC) program provides a credit of up to $2,400 based on wages paid in the first year to a new employee for employers that hire workers from one of the targeted groups (welfare recipients, ex-felons, high-risk youths, qualified food stamp recipients, etc.). The WOTC program has been a major factor in moving the unemployed from the welfare rolls into the workforce, serving as a vital component of the welfare reform legislation.

The proposal in the bill is a very targeted approach. A Trade Adjustment Assistance (TAA) recipient is an individual who is unemployed and has been certified to receive benefits under the TAA program. TAA benefits include extended unemployment compensation and worker training.

The latter program provides benefits to individuals who have been laid off by an employer who has been disadvantaged by foreign imports or has shifted production, and jobs, to a country that has a free trade agreement with the United States or is a beneficiary country under certain other trade agreements. Thus, the proposal deals directly with the loss of jobs to countries abroad.

The TAA targeted group would be somewhat different than the other groups. The TAA group has been disadvantaged by foreign trade and competition. Even though the individuals may be skilled, they are unlikely to find jobs in their former industries because the jobs have moved offshore. Accordingly, the TAA recipient may need retraining. Qualifying as a WOTC/TAA recipient would help the person obtain a job, and the credit would contribute to the retraining costs incurred by the new employer. The TAA recipient hired by an employer would no longer receive TAA benefits, thus reducing the cost of that program.

The proposal is not the complete answer to unemployment. Nevertheless, I believe it is a step in the right direction, because it targets those workers who have lost their jobs due to foreign trade and competition. I encourage my colleagues to cosponsor this proposed legislation.

TRIBUTE TO ANN CAMERON

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. MCINNIS. Mr. Speaker, it is with great pride that I rise today to pay tribute to an extraordinary woman from Glenwood Springs, Colorado. Ann Cameron is a wonderful person who brings warmth to the hearts of everyone she meets with her gentle laugh and remarkable sense of humor. Her enthusiasm spreads throughout the community as she passes her wisdom and knowledge on to future generations. I would like to join my colleagues here today in recognizing Ann's tremendous dedication to the Glenwood Springs community.

Ann celebrated her 101st birthday on November 12th. She was born in 1902 in the Indian Territory of Oklahoma before it became a state. As one of eight children, she grew up milking cows and picking cotton on the family farm before she went on to teacher's college. Ann became a stenographer and worked for attorneys most of her life. She credits reaching her second century with hard work and staying busy.

Mr. Speaker, Ann Cameron is a gracious individual who enriches the lives of many members of her Glenwood Springs community. Ann has demonstrated a love for humanity that resonates in her life-long work ethic and compassionate personality that has led her to the exceptional milestone she celebrates this year. Ann's enthusiasm and dedication certainly deserve the recognition of this body of Congress. Congratulations on your 101st birthday, Ann. May you have many more to come!

ARMENIAN TECHNOLOGY GROUP AND CENTRAL DIAGNOSTIC LABORATORY IN ARMENIA

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. RADANOVICH. Mr. Speaker, I wish to take this opportunity to clarify a key provision in Fiscal Year 2004 Foreign Operations Appropriations which was included in the Consolidated Appropriations Act of 2004.

As you know, this Congress continues to be a supporter of strong U.S.-Armenian relations to include economic and related programs. In fact, this bill appropriates $75 million to help Armenia with its continued progress toward a market-oriented democratic nation.

However, it is not just economic assistance that Congress is voting on today. We are also voting on a provision which expressed the intent of Congress that the U.S. Agency for International Development provides sufficient funding to establish and operate a Central Diagnostic Laboratory in Armenia that can serve the Caucasus region. Currently, there is no such resource in Armenia or the region to safeguard human health and food safety against the threat of contamination or spread of disease.

I believe it is the intent of this Congress that the U.S. Agency for International Development utilize the services of the Armenian Technology Group, a U.S.-based nonprofit organization, to work with Armenian officials to establish and begin operations of this Central Diagnostic Laboratory. Furthermore, I believe it is key that this work begin as early as possible so that the Caucasus region, and by extension the United States, can benefit from the protection provided by this Central Diagnostic Laboratory.

HONORING THE LEGACY OF CONGRESSMAN DANIEL J. FLOOD

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. KANJORSKI. Mr. Speaker, I rise today to pay tribute to the late Congressman Dan Flood as his legacy is honored today, November 25, 2003, at King's College in Wilkes-Barre. The occasion will celebrate the Congressman's 100th Birthday, 10 years after his passing.

Although it has been over 2 decades since he has served in the House of Representatives, Congressman Dan Flood's record of accomplishments and the legacy he left are still alive and well. Congressman Flood and I worked on several legislative initiatives together. Spearheading the effort to shape the recovery package for Northeastern Pennsylvania following the floods left in the aftermath of Hurricane Agnes stands out as an example of Congressman Flood's responsiveness to the district he loved.

Mr. Speaker, I insert in my remarks at this point the complete text of a story printed in the Wilkes-Barre Citizens Voice on the legacy of Dan Flood.

LEGENDARY LEGACY

It has been 23 years since he left Washington and nine years since his death in 1994.

Congressman Daniel J. Flood became a legend in his own time while in office, and remained a much-respected popular figure for 14 years after.

The fact that old friends, public officials, and news media will gather at King's College on Tuesday to observe his 100th birthday is yet another indication of just how much his long life of service to the country and his region meant.

Much of the Flood years by way of public papers and memorabilia are housed at King's College, through an agreement Flood set up in 1964 with Mary Barrett, longtime college librarian.

In the Flood collection room are tens of thousands of pieces of correspondence, hundreds of photographs, awards, plaques, and seals of the office he held and the departments of government with which he dealt for so many years.

It is traditional in assessing the Congressman's career that consideration comes on two levels—the federal government in Washington and the 11th Congressional District in Northeastern Pennsylvania.

Until 1966, he represented Luzeme County. But after the Supreme Court's famous "one man, one-vote" decision, the state's congressional districts were realigned.

Flood's territory expanded to include Carbon and Columbia counties. In 1972, as part of the decennial reapportionment, Montour and Sullivan counties were added.

Flood's lasting legacy on the national scene usually centers on his three decades of policy to keep the Panama Canal in U.S. control, the unending crusade to promote the so called captive nations of eastern Europe which were under Soviet domination, and his powers as a member of the House Appropriations Committee.

Flood secured membership on the funding panel in 1949, and kept it throughout the end of his congressional service on January 31, 1980. His senior role on the Defense appropriations subcommittee, where he served for nearly 30 years, was significant in such areas as funding new weapons systems, supporting the Vietnam War and keeping the Tobyhanna Army Depot in business.

In fact, it was his strong relations with the most senior Department of Defense military and civilian commanders that enabled him to gain permanent legend status for his role in the recovery of the Agnes disaster in 1972. The effort was led from his emergency headquarters at the Naval Reserve Center in Avoca.

In 1966, after less than three years of service on the appropriations subcommittee for Labor, Health, Education and Welfare, election defeat for two colleagues and the unexpected death of the panel's chairman thrust Flood into the chairmanship of what quickly became an awesome assignment.

Flood handled it well—for the country and his district. President Lyndon B. Johnson called for the creation of the Great Society, a program unprecedented in scope of social, educational, and vocational opportunities, in which several million Americans benefited. The assignment for funding policy for the entire program fell upon Chairman Flood and his subcommittee. During the 14 years of his chairmanship, the National Institute of Health budget increased six-fold, research for cancer intensified new federal programs for educational development sprung up, and many national health and research centers were created.

Also, for the first time, the government offered support for psychiatric training, practical nursing and specialized education.

It was his clout in the appropriations process that had much to do with his successful leadership in the enactment of the 1969 legislation which created the Black Lung program for first retired coal miners, and later secured benefits for their widows.

By the time of his retirement a decade later, his constituents alone received several hundred million dollars of benefits.

The powerful subcommittee assignment brought a multitude of benefits for the folks back home.

Funds were obtained to help construct the new library at King's College. The first family practice medicine program between Wilkes University and Hahnemann University in Philadelphia was inaugurated. Students could now take many of their medical school classes on the Wilkes University campus.

The first federally funded rural health center on Route 940 in White Haven opened, with others in the area soon to follow. The regional mental health center, headquartered in Nanticoke, was the first of its kind in the country. Marywood University's School of Social Work gained national recognition because of its network of services funded by Washington.

Beyond the realm of the Washington scene and significant projects for his district, it was another legend, that of individual constituent service, for which Flood perhaps became best known.

There was, it seemed, no aspect of human need in which the government could not play a part and that Flood did not deliver assistance.

Flood's long public career brought many types of recognition. There were 13 honorary degrees, the top national awards of the American Cancer Society, the American Heart Association, the Disabled American Veterans, the Cystic Fibrosis Foundation and hundred more.

The lasting tribute that the congressman treasured most, however, was the naming of Daniel J. Flood Elementary School in the north end of Wilkes-Barre in his honor. The school is located just a few blocks from the simple, family home where his devoted wife, Catherine, resides to this day.

The ceremony in Flood's honor will be held Tuesday at 1:30 p.m. in the King's College chapel at North Franklin and Jackson streets.

Mr. Speaker, Daniel Flood's wife, Catherine, who will be present at the ceremony today, was indeed a partner in the Congressman's career and family. His loyal staffers and allies such as Michael Clark, John McKeown and Councilman Jim McCarthy, serve as a tribute to how Dan Flood conducted himself as a Congressman.

My Colleagues, Congressman Flood serves as a model of responsiveness to the people he represented and I feel fortunate to have had the opportunity to work with him over the years. He is indeed a legend.

TRIBUTE TO KRIS JOHNS

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. MCINNIS. Mr. Speaker, it is my honor to rise and pay tribute to a remarkable young man from my district. As Captain of a United States Coast Guard ship, Lieutenant Kris Johns has dedicated his life to the safety and security of our nation. I am honored today to call the attention of this body of Congress and our nation to Kris and his selfless and courageous service.

As a high school student, Kris set the lofty goal of becoming a ship Captain in the United States Coast Guard. Kris' teachers and friends knew that he was a special young man who would work tirelessly to make his dream a reality. Following high school, Kris attended the United States Coast Guard Academy. While there, he continued to excel and was admitted to officer training school.

Upon graduation from the Coast Guard Academy, Kris was assigned to the United States Coast Guard Cutter *Sherman*, where he began as a Communications Officer and was soon promoted to Gunnery Officer. Last June, Kris realized his dream, as he received orders to take command of the United States Coast Guard Cutter *Halibut* stationed in California.

Kris has served honorably aboard the *Halibut* and earned the respect of the men under his command. Kris and his crew spend each day undertaking missions for homeland security, search and rescue, and drug enforcement. Our nation is truly a safer place as the result of the service of Kris and his men.

Mr. Speaker, it is my honor to rise and pay tribute to Kris Johns. Kris spends his life protecting and serving all Americans. I am proud of Kris and his many accomplishments. Thank you, Kris, for your service.

TRIBUTE TO PRIVATE WILLIAM SCHAUB

HON. GINNY BROWN-WAITE

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Ms. GINNY BROWN-WAITE of Florida. Mr. Speaker, I rise today to honor Private William Schaub, a World War I veteran from New York. His son lives in XXX.

This Veterans' Day, I will have the pleasure of recognizing Private Schaub for his heroism and bravery as a United States Soldier who fought in the First World War. He was sent to the battle fields in Europe and fought in the major battles of St. Mihiel, Meuse-Argonne, and Essey-Pannes.

There are few among us who can recall the horrors of this war to end all wars that scarred an entire generation. One of the deadly innovations that typified the battles fought by our soldiers was the use of poisons gas. Mustard, Sarin, and Chlorine Gas were used offensively to debilitate Allied Troops.

Often troops were not adequately supplied with gas masks to protect them from this poison. Indeed an improvised method was developed by our troops to protect those without masks. Taking advantage of naturally occurring ammonia, troops tied handkerchiefs over their face to destabilize the fumes.

Such method was employed by Private Schaub in a Mustard Gas attack on his division. He was treated for Bronchitis, gas exposure and sinus conditions and honorably discharged on April 15, 1919.

I will present Private Schaub's son with the Purple Heart, the oldest military decoration in the world, more than 80 years overdue.

Though he earned this honor, he never received it from the Defense Department and I am pleased to have the opportunity to present to his family the Purple Heart for his selfless devotion to duty and service to the United States.

TRIBUTE TO CHIEF LOUIS IMPARATO

HON. BILL PASCRELL, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. PASCRELL. Mr. Speaker, I would like to call to your attention the life and work of an exceptional individual who I have long been proud to call my friend, Fire Chief Louis Imparato. On Tuesday, November 25, 2003, members of the City of Passaic (NJ) Fire Department joined together with the F.M.B.A. to celebrate Chief Imparato's retirement.

During his tenure as Fire Chief, Lou Imparato used his position of leadership to serve as a powerful voice for the fire services both at home and in Washington, DC. It is therefore only fitting that Chief Imparato be recognized in this, the permanent record of the greatest freely elected body on earth.

Over the past 35 years, Lou Imparato has tirelessly served the men, women, and children of the City of Passaic. Appointed to the fire department on January 8, 1968, Lou rapidly advanced up the chain of command until 1988, when he was named Deputy Chief. Three short years later, Lou became Passaic's Fire Chief—a position that he has held with distinction for the past twelve years.

Mr. Speaker, perhaps Chief Lou's greatest achievement and lasting legacy was his work in helping me to draft the Firefighter Investment and Response Enhancement (FIRE) Act.

Early in my career in Congress, Lou came to me at one of our many meetings addressing public safety needs and asked why the Federal government spent nearly zero dollars supporting our Nation's 32,000 career, volunteer, and combination fire departments. I did not have a good answer for him, so we began to investigate what could be done.

Together, we drafted the FIRE Act—the first ever comprehensive Federal commitment to local fire departments. I introduced the legislation in Congress and, after a massive lobbying effort from fire departments across the country, it passed the House and Senate and was signed into law by President Clinton in 2000, creating the Assistance to Firefighters Grant Program.

In its first 3 years of existence, the program has distributed over $1.2 billion directly to fire departments across the country from equipment, training, and other fire prevention activities. Chief Lou's own department in Passaic has already received close to $200,000 through the program.

The passage of the FIRE Act, which will help fire departments across the country better serve their communities for years to come, has been one of my greatest achievements while in Congress. I trust that Chief Imparato feels the same way about this piece of history-making legislation because we accomplished it together. Fire departments across the Nation will long owe Lou an immense debt of gratitude for his inspired work.

Committed to enhancing the work environment for firefighters throughout the State of New Jersey as well as on the national level, Lou served for 3 years as the President of the Local F.M.B.A., and for 10 years as the Local F.M.B.A. State Delegate. His great dedication and personal valor has been widely noted by the people he has served and by his peers—most notably when the New Jersey State F.M.B.A. honored him by asking him to serve as the Chairman of their Valor Awards Dinner.

As you can see, every aspect of Chief Imparato's life's work epitomizes the noble spirit of selfless service that we all strive to achieve. The sense of excellence and initiative that has driven Lou's life work has made him living proof that those who dedicate themselves to helping others are among the most valued and loved members of the community.

Mr. Speaker, the job of a United States Congressman involves so much that is rewarding, yet nothing compares to recognizing the efforts of public servants like Lou Imparato. I ask that you join our colleagues, the men and women of the City of Passaic, fire departments across the country, and me in recognizing the invaluable service of Chief Louis Imparato.

TRIBUTE TO THE SHILOH BAPTIST CHURCH AND THE REVEREND JAMES B. RODGERS

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. MATSUI. Mr. Speaker, I rise in tribute to The Shiloh Baptist Church and The Reverend James B. Rodgers. On December 21, Reverend Rodgers will officially be installed as the twenty-seventh Pastor of the Shiloh Baptist Church, the oldest African-American church west of the Mississippi River and the first Baptist Church organized by African-Americans in Sacramento. I ask all my colleagues to join me in congratulating the Shiloh Baptist Church family and Dr. James B. Rodgers, Pastor, on this momentous occasion.

The Shiloh Baptist Church, located in the Fifth Congressional District of the State of California, was established in 1856 as the oldest African American Baptist Church West of the Mississippi River and the second oldest African American church in the City of Sacramento. Since the church had no facilities upon its establishment in which to hold religious services, it forged a strong relationship with the Chinese Americans in the area, which resulted in an offer being extended for Shiloh to hold religious services at the Chinese Chapel, located at historic Sixth and H Streets in Sacramento.

Shiloh has overcome many obstacles to its missionary services, including bank foreclosure in the 1860s; significant reductions in its membership because of relocations; destruction of the church facility by fire in 1861 and 1905; and the inability to secure building loans on several occasions. However, today Shiloh stands firm as a testament to the strong faith, perseverance, determination, character and courage of its founders and early congregations.

Since its establishment, Shiloh has provided dedicated service to the citizens of the Capital Region, much of which was accomplished during 26 plus years of outstanding leadership by Pastor Emeritus Willie P. Cooke. Shiloh has provided many services through its many ministries and has participated in numerous community based programs, including but not limited to, establishment of an Elderly Appreciation Day; the participation in the annual Sacramento Dr. Martin Luther King, Jr. Celebration; host church for the Sacramento Children Summer Food Program; organized a prison ministry for youth incarcerated in the California Youth Authority and the Sacramento County Probation Department; and instituted a Caregiver's Program to provide services to sick and residence-bound citizens.

In recognition and appreciation of these community services, Shiloh has received numerous Presidential, Congressional, Gubernatorial, and State Legislative commendations dating back more than 40 years.

For the past 18 months, Shiloh has continued its mission under the direction of Pastor Emeritus William P. Cooke. However, Shiloh recently called on Dr. Rodgers to serve as its 27th pastoral leader and to add to the rich religious and community history it has developed over the past 147 years.

The Reverend James B. Rodgers has served faithfully in the ministry, preaching and teaching the gospel for over 32 years. In preparation for his calling to the ministry and in continuation of his ministerial duties, Dr. Rodgers commenced his academic studies with the United States Naval Academy and has earned an Associate of Arts Degree in Business; a Bachelor of Arts in Theology; a Masters of Theology; a Doctorate of Theology; and a Masters in Education Administration.

Dr. Rodgers' official installation as pastor will occur during a three-day ceremony at Shiloh Baptist Church commencing with a community night on Friday, December 19, 2003, and concluding with the installation on Sunday, December 21, 2003. These services are designed to introduce Dr. Rodgers to the Shiloh family and to the Greater Sacramento community.

Mr. Speaker, I am honored to thank and congratulate the Shiloh Baptist Church for nearly 150 years of invaluable service to the City of Sacramento. I would like to especially welcome Dr. James B. Rodgers to our community and to the Shiloh Baptist Church. I ask all my colleagues to join me in wishing the Shiloh Baptist Church and Dr. Rodgers continued success in all their future endeavors.

TRIBUTE TO TABETHA SALSBURY

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. MCINNIS. Mr. Speaker, it is my honor to rise and pay tribute to a remarkable young lady from my district. Tabetha Salsbury is a fifteen-year-old resident of Pueblo, Colorado who spent last summer restoring a 1935 John Deere tractor. Tabetha did a wonderful job that resulted in a finely renovated machine. Recently, Tabetha's hard work paid off when she became a national champion in tractor restoration. I am proud to recognize her accomplishments here before my colleagues today.

All summer, Tabetha worked tirelessly disassembling, fixing and reassembling the tractor. When she had finished, Tabetha and her family took the time to transport the newly refurbished tractor to its previous owner so that he could see his old machine in its newfound glory.

Through her talent and dedication in the garage, Tabetha has achieved a historic first. As national champion, Tabetha is the first female that has ever finished in the top three in the national competition. She has proven herself as capable as any young tractor mechanic in Colorado.

Mr. Speaker, it is my honor to rise and pay tribute to Tabetha Salsbury. She has proven what can be accomplished through hard work. Tabetha's tenacity and dedication set a fine example for young men and women throughout our nation and it is my honor to rise and congratulate her on a well-deserved award.

TRIBUTE TO STAFF SGT. JOHN FOLSOM

HON. GINNY BROWN-WAITE

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Ms. GINNY BROWN-WAITE of Florida. Mr. Speaker, I rise today to honor Staff Sgt. John L. Folsom, a Korean War veteran from Lady Lake, Florida in my Fifth Congressional District.

On Sunday, November 2nd, I had the pleasure of recognizing Staff Sgt. Folsom for his heroism and bravery as a United States Soldier who fought in the Korean War from January 1951 to February 1954. He continued his service to the Nation for 10 years after the conclusion of the Korean War, retiring in November 1964, having achieved the rank of Staff Sergeant (E–6).

On February 5, 1953 Staff Sgt. Folsom was wounded in his right leg by a sniper attack as his unit was "digging in" at the top of a hill in Seoul.

I will present Staff Sgt. Folsom with the Purple Heart, the oldest military decoration in the world, 50 years overdue.

Though he earned this honor, he never received it from the Defense Department and I am honored to have the opportunity to present to him the Purple Heart for his selfless devotion to duty and service to the United States.

A PROCLAMATION HONORING JOSEPH BRUNO MANASSE

HON. ROBERT W. NEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. NEY. Mr. Speaker:

Whereas, Donald and Dilla Manasse are celebrating the birth of their son, Joseph Bruno Manasse; and

Whereas, Joseph Bruno was born on the Twenty-third Day of September, 2003 and weighed 3.3 kilograms; and

Whereas, the Manasse's have all occasion to celebrate with friends and family as they welcome Joseph Bruno into their family, and

Therefore, I join with Members of Congress and their staff in congratulating Mr. and Mrs. Manasse and wishing Joseph Bruno a very Happy Birthday.

CONGRATULATING MIDDLE SCHOOL EDUCATORS OF THE YEAR

HON. RANDY "DUKE" CUNNINGHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. CUNNINGHAM. Mr. Speaker, I rise today to recognize the educators honored by the California League of Middle Schools as "Educators of the Year." It is an honor to acknowledge the contributions they have made in the effort to implement education reform in California's middle school curriculum.

The California League of Middle Schools (CLMS) Educator of the Year Award Program annually recognizes the achievements of 11 educators from regions throughout California. Awardees exemplify educators who are able to inspire and motivate diverse groups of students in their educational endeavors. I am proud to nominate these eleven distinguished recipients of this award along with the thousands of educators from the State of California for the tremendous and exemplary work they do everyday in the classroom.

CLMS honors those displaying outstanding understanding of their teenage students and who are supportive of upward middle school movement. They are committed to employ the principles of Caught in the Middle, Turning Points, and Taking Center Stage, and incorporate State Frameworks and Standards into their curriculum. These leaders are dedicated to motivating and inspiring students while utilizing innovative educational tools. As enthusiastic role models, these educators are proactive in the pursuit of improving Middle School education for students now and in the future.

I am pleased to honor the following Middle School Educators: Jane Karcher, from Washington Middle School, Raiford Henry, from Roosevelt Middle School, Gabriele Calvin-Shannon, from Madison Middle School, Jami Phillips, from Woodland Park Middle School, Teresa Allen, from San Marcos Middle School, Julie Doria, from Olive Peirce Middle School, Mehrak Selby, from Marston Middle School, Steve Rodriguez, from Montgomery Middle School, John Lazarcik, from Kennedy Middle School, Lawrie Kueneman, from Oak Crest Middle School and Dr. Larry Maw from the San Marcos Unified School District.

Mr. Speaker, it is my pleasure to recognize the Middle School Educators of the year today for the outstanding contributions they have made to the education system. I thank them for their service and wish them continued success in the future.

TRIBUTE TO RUSSELL STOVER CANDIES

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. MCINNIS. Mr. Speaker, it is my honor to rise and pay tribute to an outstanding business in my district. Russell Stover Candies in Montrose, Colorado recently celebrated its thirtieth anniversary. Russell Stover is dedicated to bringing smiles to Americans throughout the nation and it is my honor to call the attention of this body of Congress to their contributions.

Russell Stover first opened the doors to its Montrose factory in 1973. Since that time, the staff and management have managed to find a delicate balance between traditional handcraftsmanship and twenty-first century technology. The dedication and artistry that Russell Stover employees put into their work results in a product that is unparalleled.

Since its inception, Russell Stover has benefited the economy of Montrose. The 600 employees at the factory love their work and there is very little turnover. The length of tenure for the factory's employees is a testament to the loyalty the company has to its employees.

In addition to bringing joy to others through its production of candies, Russell Stover is also involved in the community. Each year, the factory dedicates time and resources to various non-profit organizations and charitable activities throughout the region.

Mr. Speaker, it is my honor to call the attention of my colleagues and our nation to Russell Stover Candies. The company has done a great deal for the betterment of the Montrose community. I would like to congratulate Russell Stover on thirty years of service in Montrose and wish them the best in the years to come.

TRIBUTE TO ROSE PELLGRIN

HON. GINNY BROWN-WAITE

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Ms. GINNY BROWN-WAITE of Florida. Mr. Speaker, I rise today to honor Rose Pellgrin, a dedicated, loving mother in my Fifth Congressional District of Florida. At 91 years old, Rose continues to be a shining example of devotion and selflessness for mothers young and old.

In 1949 at the age of 40, Rose Pellgrin became a mother to a baby girl she named Marian. Unfortunately Marian was born with a mental disability and Rose was advised that she would not live very long. Her doctors even told her to have another child and to not worry about Marian.

Rose insisted that she would raise Marian and did just that. She raised Marian despite several obstacles. When her husband's affliction with cancer forced the family to move from her native New York to central Florida, Rose learned that there was no school in the area for mentally disabled children. She then had to drive Marian to a school at the Key Training Center, nearly an hour away.

When her husband's cancer finally took his life, Rose had to make the difficult decision to place Marian at the Key Training Center to live and return to teaching, retiring at the age of 82.

Years later a nephew of Rose's who had a fondness for Marian died and left his inheritance to the women. Rose took the inheritance and bought a house with it. The house, which will become a licensed group home, will be maintained by the Key Training Center as one of its own group homes. This made it possible for Marian, and two other disabled adults, to have a place to live.

Mr. Speaker, with this act Rose Pellgrin made an incredible donation to the Key Center and to her daughter. What's more amazing is that she views it as nothing special, but as what mothers do for their children.

I am honored to be her representative in Congress and want to take a moment before this body today to call attention to her sacrifice and devotion to her daughter. We should all be so lucky as to have a mother like Rose.

WARS OF CHOICE

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. FRANK of Massachusetts. Mr. Speaker, one of the most important debates now being carried on in the United States has to do with the reasons for our war in Iraq. The administration and its defenders have argued that we had to go to war as a matter of self-defense. In varying combinations, the administration has argued that Iraq was deeply involved with al Qaeda and that the Iraqi war to a great extent was a logical next step after the war in Afghanistan, and also that Iraq possessed weapons of mass destruction that were ready to be used against us. In short, they argued that this was a war of necessity.

Many of us believe to the contrary that the linkage between Iraq and al Qaeda was slight, and that the weapons of mass destruction argument had been grossly exaggerated. Of course evidence since America's military victory have strengthened greatly the case of those of us who were skeptical on both counts.

But the debate continues to be an important one. I was therefore struck by the article in the November 23 Washington Post by Richard Haass. Mr. Haass who is now the President of the Council on Foreign Relations was a very high ranking national security official of the Bush administration from its early months in office until June of this year—after the major military activity in the war against Iraq. While he does not explicitly rebut the Bush administration's case for the war, his article is in fact a strong argument against it.

Talking of the distinction between wars of necessity—which is how the administration has characterized the war in Iraq—and wars of choice, in which countries use war as a means of policy, Mr. Haass, the Director of the State Department's policy planning team while the war was being planned and carried out, clearly asserts that Iraq was an example of the latter.

As he notes, "the debate can and will go on as to whether attacking Iraq was a wise decision, but at its core it was a war of choice. We did not have to go to war against Iraq, certainly not when we did. There were other options; to rely on other policy tools, to delay attacking, or both. Iraq was thus fundamentally different from World War II or Korea or even the Persian Gulf War, all of which qualify as wars of necessity." Mr. Speaker, the significance of this analysis from a man who occupied so high a post in the Bush administration is great, and because of that, I ask that Mr. Haass's very thoughtful article be printed here.

[From the Washington Post, Nov. 23, 2003]

WARS OF CHOICE

(By Richard N. Haass)

Any number of lessons can be learned from the handling of the aftermath of the war in Iraq, but none is more basic than this: Democracies, in particular American democracy, do not mix well with empire.

Empire is about control—the center over the periphery. Successful empire demands both an ability and a willingness to exert and maintain control. On occasion this requires an ability and a willingness to go to war, not just on behalf of vital national interests but on behalf of imperial concerns, which is another way of saying on behalf of lesser interests and preferences.

Iraq was such a war. The debate can and will go on as to whether attacking Iraq was a wise decision; but at its core it was a war of choice. We did not have to go to war against Iraq, certainly not when we did. There were other options: to rely on other policy tools, to delay attacking, or both.

Iraq was thus fundamentally different from World War II or Korea or even the Persian Gulf War, all of which qualify as wars of necessity. So, too, does the open-ended war against al Qaeda. What distinguishes wars of necessity is the requirement to respond to the use of military force by an aggressor and the fact that no option other than military force exists to reverse what has been done. In such circumstances, a consensus often materializes throughout the country that there is no alternative to fighting, a consensus that translates into a willingness to devote whatever it takes to prevail, regardless of the financial or human costs to ourselves.

Wars of choice, however, are fundamentally different. They are normally undertaken for reasons that do not involve obvious self-defense of the United States or an ally. Policy options other than military action exist; there is no domestic political consensus as to the correctness of the decision to use force. Vietnam was such a war, as was the war waged by the Clinton administration against Serbia over Kosovo.

Wars of choice vary in their cost and duration. Vietnam was long (lasting a decade and a half from the American perspective) and costly in terms of both blood (more than 58,000 lives) and treasure (hundreds of billions of dollars). By contrast, Kosovo took all of 78 days, claimed no American lives in combat and cost less than $3 billion.

What these experiences suggest is that the American people are prepared to wage wars of choice, so long as they prove to be relatively cheap and short. But the United States is not geared to sustain costly wars of choice.

We are seeing just this with Iraq. The American people are growing increasingly restless, and it is not hard to see why. We have been at war now in Iraq for some eight months. More than 400 Americans have lost their lives. Costs are in the range of $100 billion and mounting.

The Bush administration knows all this; hence the accelerated timetable to hand over increasing political responsibility for Iraq to Iraqis. Such a midcourse correction in U.S. policy reflects in part the political realities of Iraq, where enthusiasm for prolonged American occupation is understandably restrained; even more, though, the policy shift reflects political realities here at home. Domestic tolerance for costs—disrupted and lost lives above all—is not unlimited. As a result, the president is wise to reduce the scale of what we try to accomplish. Making Iraq "good enough"—a functioning and fairly open society and economy if not quite a textbook model of democracy—is plenty ambitious.

None of this is meant to be an argument against all wars of choice. There may be good and sound reasons for going to war even if we do not have to, strictly speaking. Such reasons can range from protecting a defenseless population against ethnic cleansing or genocide to preventing the emergence of a threat that has the potential to cause damage on a large scale.

But wars of choice require special handling.

First, it is essential to line up domestic support. Congress and the American people need to be on board, not just in some formal legal way but also to the extent of being psychologically prepared for the possible costs. Better to warn of costs that never materialize than to be surprised by those that do.

Second, it is equally essential to line up international support. The United States needs partners: to facilitate the effort of fighting the war, to share the financial and human costs of war and its aftermath, to stand with us diplomatically should the going get tough. We possess the world's most powerful military and economy, but the United States is not immune from the consequences of being stretched too thin or going deeply into debt.

Third, no one should ever underestimate the potential costs of military action; no one should ever assume that a war of choice, or any war, will prove quick or easy. Here as elsewhere the great Prussian military theorist Carl von Clausewitz had it right: "There is no human affair which stands so constantly and so generally in close connection with chance as war."

PLEDGING CONTINUED UNITED STATES SUPPORT FOR GEORGIA'S SOVEREIGNTY, INDEPENDENCE, TERRITORIAL INTEGRITY, AND DEMOCRATIC AND ECONOMIC REFORMS

HON. ALCEE L. HASTINGS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. HASTINGS of Florida. Mr. Speaker, Georgian President Eduard Shevardnadze resigned on November 23, 2003. Mr. Shevardnadze's resignation caps a political career during which he has won my admiration, and that of freedom-loving people everywhere, for helping, as Soviet foreign minister under Mikhail Gorbachev, end the Cold War.

However, in spite of this remarkable accomplishment, during his 10 years as president, Georgians widely became disheartened with Mr. Shevardnadze for allowing corruption to infest the country, while most of its people fell into poverty and despair. These conditions fed the uprising against him, but it was triggered by the fraudulent parliamentary elections of November 2, 2003.

Opposition began daily protests that attracted thousands, demanding the elections be annulled or Mr. Shevardnadze's resignation, or both. Throughout nearly 3 weeks of protests, both sides remained mindful of Georgia's interest in peace and safety, and avoided provocations.

Mr. Speaker, his fall ended a political crisis astonishing for its speed and lack of violence in a blood-washed region. There was no blood. No killing.

Consequently, Mr. Speaker, this resolution congratulates both Eduard Shevardnadze and the leaders of the opposition, Nino Burdzhanadze, Mikhail Saakashvili, and Zurab Zhvaniva, for their courage and patriotism in dealing with the crisis bloodlessly.

Moreover, the resolution pledges support and help for the people of Georgia so as to consolidate the democratic process. Furthermore, it urges all political segments, as well as social sectors and institutions in Georgia, to strive, through dialogue, to achieve the national reconciliation for which both the Georgian people and the international community yearn.

Mr. Speaker, I strongly and wholeheartedly support Georgia's new leaders, while I also urge them to pursue stability, abide by their constitution and hold democratic elections.

And, I look forward to working with Interim President Nino Burdzhanadze in her effort to maintain the integrity of Georgia's democracy as she strives to ensure that this change in government follows the constitution.

I urge my colleagues to support this resolution.

TRIBUTE TO EARL VANTASSEL

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. McINNIS. Mr. Speaker, I rise before you with a heavy heart to pay tribute to a remarkable man from my district. Earl VanTassel of Craig, Colorado passed away recently at the age of 85. Earl contributed a great deal to the Craig community, and it is my honor today to rise and pay tribute to his life before this body of Congress and our nation.

Earl was born in Craig in 1918. He attended Craig High School, where he graduated in 1937. In 1943, Earl married Florence Prather, his wife of sixty years. Earl and Florence raised four wonderful children together.

Earl was an excellent and knowledgeable rancher who used his expertise for the betterment of his community. He was a mentor and leader for 4–H participants, and in that capacity, he passed along his knowledge of livestock and ranching to young people throughout the region. Earl was also a dedicated volunteer at the Moffat County Fair, numerous livestock sales, and local rodeos. He delighted in helping with the Craig Sale Barn for many years. In addition, Earl was an active member of the Colorado Cattlemen's Association, the Young Farmers Association and the 4–H Foundation.

Earl's contributions to his community went well beyond ranching. As a member of Colorado's first Conservation Board, Earl worked tirelessly on behalf of the environment. In addition, Earl served over forty years as a member of Craig's Rural Fire Protection District Board. He was also an active member of the Elks Club, and a volunteer with the Sheriff's Posse as well. Craig is definitely a better place as the result of Earl's many contributions.

Mr. Speaker, it is my honor to rise and pay tribute to Earl VanTassel. Earl spent a great deal of his life working for the betterment of his community and our State. Above all, Earl was a wonderful father, husband and a friend to many. My heart goes out to Earl's loved ones during this difficult time of bereavement.

TRIBUTE TO SGT. LAVON C. HOVE

HON. GINNY BROWN-WAITE

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Ms. GINNY BROWN-WAITE of Florida. Mr. Speaker, I rise today to honor Sgt. LaVon C. Hove, a Korean war veteran from Brooksville, FL, in my fifth congressional district.

This Veterans Day, I will have the pleasure of recognizing Sgt. LaVon Hove for his heroism and bravery as a United States soldier who fought in the Korean war from January 16, 1951 to August 1952.

This conflict enlisted the services of 6.8 million American men and women between 1950 and 1955.

On January 16, 1951 in Chorwon, Korea, Sgt. Hove was wounded in both legs and feet by shell fragments from a nearby explosion.

I will soon present Sgt. Hove with the Purple Heart, the oldest military decoration in the world, 50 years overdue.

Though he earned this honor, he never received it from the Defense Department and I am honored to have the opportunity to present to him the Purple Heart for his selfless devotion to duty and service to the United States.

REMEMBERING W.E.B. DUBOIS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. RANGEL. Mr. Speaker, on the eve of the 1963 March on Washington, the life of one of the 20th century's most brilliant individuals came to an end. W.E.B. DuBois—scholar, Pan-Africanist, political leader, champion of the struggle against white supremacy in the United States—died in Ghana on August 27, 1963. This year marks the 40th anniversary of DuBois' death.

DuBois was born on February 23, 1868 in Great Barrington, Massachusetts. At that time Great Barrington had perhaps 25, but not more than 50, Black people out of a population of about 5,000.

While in high school DuBois showed a keen concern for the development of his race. At age fifteen he became the local correspondent for the New York Globe. While in this position he conceived it his duty to push his race forward by lectures and editorials reflecting the need for Black people to politicize themselves.

Upon graduating high school DuBois desired to attend Harvard. Although he lacked the financial resources, the aid of family and friends, along with a scholarship he received to Fisk College (now University), allowed him to head to Nashville, Tennessee to further his education.

In his three years at Fisk (1885–1888), DuBois' first trip to the south, his knowledge of the race problem manifested. After seeing discrimination in unimaginable ways, he developed a determination to expedite the emancipation of his people. As a result, he became a writer, editor, and a passionate orator. Simultaneously, he acquired a belligerent attitude toward the color bar.

After graduation from Fisk, DuBois entered Harvard through scholarships. He received his bachelor's degree in 1890 and immediately began working toward his master's and doctor's degrees. After studying at the University of Berlin for some time, DuBois obtained his doctor's degree from Harvard. Indeed, his doctoral thesis, The Suppression of the African Slave Trade in America, remains the authoritative work on that subject, and is the first volume in Harvard's Historical Series.

At the age of twenty-six, DuBois accepted a teaching job at Wilberforce in Ohio. After two years at Wilberforce, DuBois accepted a special fellowship at the University of Pennsylvania to conduct a research project in Philadelphia's seventh ward slums. This gave him the opportunity to study Blacks as a social system. The result of this endeavor was The Philadelphia Negro. This was the first time such a scientific approach to studying social phenomena was undertaken. Consequently, DuBois is known as the father of Social Science. After completing the study, DuBois accepted a position at Atlanta University to further his teachings in sociology.

Originally, DuBois believed that social science could provide the knowledge to solve the race problem. However, he gradually concluded that in a climate of violent racism, social change could only be accomplished through protest. In this view, he clashed with Booker T. Washington, the most influential black leader of the period. Washington preached a philosophy of accommodation, urging blacks to accept discrimination for the time being and elevate themselves through hard work and economic gain, thus winning the respect of whites. DuBois believed that Washington's strategy, rather than freeing the black man from oppression, would serve only to perpetuate it.

Two years later, in 1905, DuBois led the founding of the Niagara Movement; a small organization chiefly dedicated to attacking the platform of Booker T. Washington. The organization, which met annually until 1909, served as the ideological backbone and direct inspiration for the NAACP, founded in 1909. DuBois played a prominent part in the creation of the NAACP and became the association's director of research and editor of its magazine, The Crisis.

Indeed, DuBois' Black Nationalism had several forms. The most influential of which was his advocacy of Pan-Africanism; the belief that all people of African descent had common interests and should work together in the struggle for their freedom. As the editor of The Crisis, DuBois encouraged the development of Black literature and art. DuBois urged his readers and the world to see "Beauty in Black."

Due to disagreements with the organization, DuBois resigned from the editorship of The Crisis and the NAACP in 1934 and returned to Atlanta University. He would devote the next 10 years of his life to teaching and scholarship. He completed two major works after resuming his duties at Atlanta University. His book, Black Reconstruction, dealt with the socio-economic development of the nation after the Civil War and portrayed the contributions of the Black people to this period. Before, Blacks were always portrayed as disorganized and chaotic. His second book of this period, Dusk of Dawn, was completed in 1940 and expounded his concepts and views on both the African's and African American's quest for freedom.

In 1945, he served as an associate consultant to the American delegation at the founding conference of the United Nations in San Francisco. Here, he charged the world organization with planning to be dominated by imperialist nations and not intending to intervene on the behalf of colonized countries. He announced that the fifth Pan-African Congress would convene to determine what pressure to apply to the world powers. This all-star cast included Kwame Nkrumah, a dedicated revolutionary, father of Ghanaian independence, and first president of Ghana; George Padmore, an international revolutionary, often called the "Father of African Emancipation," who later became Nkrumah's advisor on African Affairs; and Jomo Kenyatta, called the "Burning Spear," reputed leader of the Mau Mau uprising, and first president of independent Kenya. The Congress elected DuBois International President and cast him the "Father of Pan-Africanism."

This same year he published Color and Democracy: Colonies and Peace, and in 1947 produced The World and Africa. DuBois's outspoken criticism of American foreign policy and his involvement with the 1948 presidential campaign of Progressive Party candidate Henry Wallace led to his dismissal from the NAACP in the fall of 1948.

During the 1950's DuBois's continuing work with the international peace movement and open expressions of sympathy for the USSR drew the attention of the United States government and further isolated DuBois from the civil rights mainstream. In 1951, at the height of the Cold War, he was indicted under the Foreign Agents Registration Act of 1938. Although he was acquitted of the charge, the Department of State refused to issue DuBois a passport in 1952, barring him from foreign travel until 1958. Once the passport ban was lifted, DuBois and his wife traveled extensively, visiting England, France, Belgium, Holland, China, the USSR, and much of the Eastern bloc. On May 1, 1959, he was awarded the Lenin Peace Prize in Moscow. In 1960, DuBois attended the inauguration of his friend Kwame Nkrumah as the first president of Ghana. The following year DuBois accepted Nkrumah's invitation to move there and work on the Encyclopedia Africana, a project that was never completed.

On August 27, 1963, on the eve of the March on Washington, DuBois died in Accra, Ghana at the age of 94. Historians consider DuBois one of the most influential African Americans before the Civil Rights Movement of the 1960's. Born only six years after emancipation, he was active well into his 90's. Throughout his long life, DuBois remained Black America's leading public intellectual. He was a spokesman for the Negro's rights at a time when few were listening. By the time he died, he had written 17 books, edited four journals and played a leading role in reshaping black-white relations in America.

HONORING THE DOWNTOWN FORT SMITH SERTOMA CLUB'S 50TH ANNIVERSARY

HON. JOHN BOOZMAN

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. BOOZMAN. Mr. Speaker, I rise today to honor the Downtown Fort Smith Sertoma Club for their fifty years of service to the community of Fort Smith, Arkansas.

The Downtown Fort Smith Sertoma Club exists for the high and noble purpose of service to mankind by communications of thoughts, ideas and concepts to accelerate human progress in health, education, freedom and democracy.

The club, which is part of the international charity the Sertoma Foundation, provides a number of services to the community. Most notably, they aid the hearing-impaired acquire hearing related products for persons who otherwise could not afford them.

I appreciate what they have done for the people of Fort Smith. They truly are an example of what can be accomplished if we make sacrifices for the greater good of our communities.

Mr. Speaker, 50 years of dedicated service and support to local charitable organizations and the educational good of mankind is truly a glorious reason to celebrate. I ask my colleagues to join me today as we honor this wonderful organization and encourage them to continue their work on behalf of the community.

TRIBUTE TO MIKE ALSDORF

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. McINNIS. Mr. Speaker, it is my honor to rise and pay tribute to my friend Mike Alsdorf. Mike is retiring after 25 years of devoted service with the Glenwood Springs, Colorado Fire Department. I have personally witnessed Mike's selfless and courageous service on behalf of the citizens of my hometown and I am proud to call his contributions to the attention of this body of Congress and our nation.

As a firefighter and arson investigator, Mike's career has been defined by great ability and outstanding courage. Over a quarter century ago, Mike and I attended fireman training together. It was clear from the outset that Mike was a natural leader who would become an excellent fireman.

In the face of danger, Mike has an uncanny ability to assume control and quickly orchestrate the best approach to any emergency. As an arson investigator, Mike used his vast knowledge, and his strong conviction, to prevent additional fires and ensure that justice was done. I have great respect for Mike's ability as a fireman and investigator.

Mike served courageously in the face of some of the worst disasters ever to occur in the Mountain West. He fought bravely to protect his fellow citizens in the Rocky Mountain Gas Explosion, the fires on Storm King Mountain and the recent Coal Seam Fire of 2002. In addition to his work as a fireman, Mike continues to serve as a dedicated Red Cross Volunteer. In this capacity, Mike has worked to improve the Red Cross communications system, organized disaster assessment teams and provided victims of disasters with lodging, food, clothing and counseling.

Mr. Speaker, it is my honor to rise and pay tribute to Mike Alsdorf. The citizens of Glenwood Springs are certainly better off as the result of Mike's tireless dedication to their safety. Mike will be missed as a member of the Glenwood Springs Fire Department. However, he will now have more time to spend with his four children, his beautiful wife Lynn and his many friends throughout Glenwood Springs. Thanks, Mike. I appreciate your friendship and your service to our town.

TRIBUTE TO KENNETH L. BRADSHAW, JR.

HON. GINNY BROWN-WAITE

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Ms. GINNY BROWN-WAITE of Florida. Mr. Speaker, I rise today to honor Kenneth Bradshaw, Jr., a Korean War veteran from Inverness, Florida in my Fifth Congressional District.

I had the pleasure of recognizing Private Bradshaw for his heroism and bravery as a soldier who fought in the Korean War from January 8, 1948 until April 30, 1952 when he received a permanent disability retirement as a private first class.

On February 6, 1951, Bradshaw's Company was engaged in a fierce battle with the Chinese Army in South Korea just below the 38th parallel. He was wounded in his right arm by a shot fired by an enemy soldier.

Bradshaw was treated at two different field hospitals before being evacuated to a hospital in Japan. Shrapnel was also discovered lodged in his back.

I recently presented Private Bradshaw with the Purple Heart, the oldest military decoration in the world, more than 50 years overdue.

Though he earned this distinction, he never received it from the Defense Department and I am honored to have the opportunity to present to him the Purple Heart for his selfless devotion to duty and service to the United States.

* * *

COMMENDING BARBARA REYNOLDS FOR HER YEARS OF SERVICE ON CAPITOL HILL

HON. DAVE WELDON

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. WELDON of Florida. Mr. Speaker, I come to the floor today to pay tribute to a long-time member of my staff who is retiring this December. Barbara Reynolds has worked for me as my scheduler and executive assistant since I was elected in 1994. Barbara's career on Capitol Hill preceded mine by 13 years. This experience, along with her talent and willingness to accommodate the busy schedule of a Congressman, was invaluable.

Before coming to work on the Hill, Barbara had been a stay-at-home mom, taking care of her two children. She had never really given much thought to getting involved in the political world, but in 1979, at the suggestion of her father-in-law, she handed a resume to a friend at the Republican Policy Committee and, in about a week, landed a job with then-Representative Carlos Moorehead from California. This, however, was not her only job at the time. Barbara often spent her weekends as a professional model—many say she looked just like Jackie Kennedy Onassis. Her modeling took her all over the world as well as provided her with many commercial advertising opportunities. As a result of this, some current House maintenance workers who were around at the time still refer to Barbara as "Jackie" when they see her in the halls.

In 1985 Barbara began working for then-Representative and eventual Presidential candidate Jack Kemp. In addition to working in his personal office she also worked on his campaign in New Hampshire.

After working with Jack Kemp, Barbara moved on to work for my Florida colleague, Representative CLIFF STEARNS in 1988. Barbara spent 6 years working for Representative STEARNS where she established her Florida roots.

In 1995 Barbara came to work for me and has worked in my Washington office since my first day in office. I am incredibly grateful for her loyalty to me and my staff. It will be nearly impossible to replace her uplifting spirit. Her presence in my office added a touch of class and style, which are sometimes hard to find in the world of politics.

I, along with her coworkers and others outside my office whose lives she has touched, will miss her presence on Capitol Hill. Barbara Reynolds's retirement is well earned. She plans to pursue her hobby of boating on the Chesapeake with her husband, Bob, as well as continue to be a loving mother and grandmother to her two grown children and to her grandchildren. We all wish her many blessings and much happiness in the years to come.

Thank you Barbara, for your service to my office, the people Florida, and the many others with whom you have worked on Capitol Hill.

* * *

2003 OHIO STATE CHAMPIONS

HON. STEVE CHABOT

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. CHABOT. Mr. Speaker, on the blustery evening of November 29, 2003, the Elder High School football team won their second consecutive state championship—joining an elite group in Ohio high school football history. With their 31–7 victory over Lakewood St. Edward, the Elder Panthers, under the guidance of Coach Doug Ramsey, became just the fourth school ever to win back-to-back Division I championships.

While last year's championship run was epitomized by hard-fought, closely-contested victories, this year's Panther team dominated the playoffs. The dynamic leadership of quarterback Rob Florian and the sensational running of Bradley Glatthaar—including an Ohio Division 1 championship game record 252 rushing yards—spearheaded the offense, while Elder's swarming defense held opposing teams to just seven points in four of the five playoff games. And, as always, thousands of Elder faithful traveled across the state braving the cold to support the Panthers throughout the playoffs.

The hard work and sacrifice of the young men at Elder have brought pride and honor to Price Hill and our entire community. Football fans throughout the Cincinnati area congratulate the Panthers on their back-to-back championships and share in their celebration.

Mr. Speaker, to appropriately honor these young men and coaches, I'd like to submit for the RECORD the roster of the 2003 Elder Panthers and a copy of their schedule and game results.

ELDER HIGH SCHOOL, 2003 OHIO HIGH SCHOOL STATE FOOTBALL CHAMPIONS, FINAL RECORD: 14–1

REGULAR SEASON

Game 1: August 21, 2003, Elder 33—Winton Woods 14
Game 2: August 30, 2003, Indianapolis Warren Central 45—Elder 20
Game 3: September 5, 2003, Elder 50—Western Hills 8
Game 4: September 12, 2003, Elder 17—Indianapolis Bishop Chatard 16
Game 5: September 19, 2003, Elder 42—LaSalle 7
Game 6: September 26, 2003, Elder 49—Covington Catholic 21
Game 7: October 3, 2003, Elder 21—Moeller 20
Game 8: October 10, 2003, Elder 28—St. Xavier 7
Game 9: October 17, 2003, Elder 21—Indianapolis Cathedral 7
Game 10: October 24, 2003, Elder 24—Oak Hills 21

PLAYOFFS

Round 1: November 1, 2003, Elder 28—Anderson 7
Round 2: November 8, 2003, Elder 33—Clayton Northmont 7
Regional Championship: November 15, 2003, Elder 24—Colerain 23
State Semi-Final: November 22, 2003, Elder 31—Dublin Scioto 7
State Championship: November 29, 2003, Elder 31—Lakewood St. Edward 7

2003 ELDER PANTHERS VARSITY FOOTBALL ROSTER

HEAD COACH

Doug Ramsey.

ASSISTANT COACHES

Ken Lanzillotta; Ray Heidorn; Mike Kraemer; Craig James; Tim Schira; Matt Eisele; and Pat Good.

SENIORS

No. 34 Eric Andriacco; No. 54 Steve Baum; No. 58 Kenny Berling; No. 26 Ryan Brinck; No. 20 Michael Brown; No. 50 Dave Bullock; No. 68 Alec Burkhart; No. 23 Mark Byrne; No. 5 Charlie Coffaro; No. 71 Justin Crone; No. 29 Brett Currin; No. 12 Rob Florian; No. 84 Kurt Gindling; No. 11 Bradley Glatthaar; No. 99 Alex Harbin.

No. 97 Steve Haverkos; No. 70 Chris Heaton; No. 82 Nick Klaserner; No. 7 Dan Kraft; No. 48 Joe Lind; No. 47 Pat Lysaght; No. 53 Corey McKenna; No. 60 Mike Meese; No. 92 Tim Mercurio; No. 30 Drew Metz; No. 72 Mark Naltner; No. 28 Alex Niehaus; No. 21 Billy Phelan; No. 31 Seth Priestle.

No. 65 Nick Rellar; No. 2 Jake Richmond; No. 91 Tony Stegeman; No. 88 Ian Steidel; No. 9 Mike Stoecklin; No. 45 Tim Teague; No. 24 John Tiemeier; No. 90 Matt Umberg; No. 10 Jeff Vogel; No. 16 Eric Welch; No. 74 John Wellbrock; No. 87 Mike Windt; No. 75 Eric Wood; and No. 94 Mike Zielasko.

JUNIORS

No. 52 Steve Anevski; No. 6 Brian Bailey; No. 41 Guy Beck; No. 18 Matt Bengel; No. 57 Nick Berning; No. 38 Joe Broerman; No. 13 Craig Carey; No. 89 Kevin Crowley; No. 14 Andrew Curtis; No. 95 Andrew Dinkelacker; No. 76 Alex Duwel; No. 33 Tim Dwyer; No. 66 Phil Ernst; No. 37 Eric Harrison; No. 36 Alex Havlin; No. 78 Josh Hubert.

No. 39. D.J. Hueneman; No. 15 R.J. Jameson; No. 43 Reid Jordan; No. 96 Eric

Kenkel; No. 44 Bradley Kenny; No. 51 Chris Koopman; No. 42 Nick Kuchey; No. 67 Mark Menninger; No. 69 John Meyer; No. 32 Robert Nusekabel; No. 22 Billy O'Conner; No. 8 Mike Priore; No. 17 Andrew Putz; No. 46 Zack Qunell; No. 77 Brandon Rainier.

No. 3 Jeremy Richmond; No. 93 Jake Rieth; No. 73 Scott Roth; No. 19 Parker Smith; No. 98 Jared Sommerkamp; No. 86 Louis Sprague; No. 27 Rickey Stautberg; No. 79 Ben Studt; No. 62 Joe Super; No. 1 Pat Van Oflen; No. 61 Kurt Weil; No. 25 J.T. Westerfield; No. 40 Ben Widolff; No. 4 Nick Williams; and No. 81 Ben Wittwer.

SOPHOMORES

No. 35 Adam Baum and No. 49 Gerald Walker.

MANAGERS

T.J. Weil and Andy Brunsman.

TRIBUTE TO CORPORAL SEBASTIAN DEGAETANO

HON. GINNY BROWN-WAITE

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Ms. GINNY BROWN-WAITE of Florida. Mr. Speaker, I rise today to honor CPL Sebastian Degaetano, a veteran of the second world war and a resident of Port Richey, Florida in my Fifth Congressional District.

I will soon have the pleasure of recognizing CPL. Sebastian Degaetano for his heroism and bravery as a U.S. soldier who fought in the European Theater from January 19, 1943 through March 28, 1946.

During the pivotal Battle of the Bulge, which turned the tide against the Germans and was the largest land battle of World War II, CPL Degaetano was hit in his leg by shrapnel.

I will present CPL Sebastian Degaetano with the Purple Heart, the oldest military decoration in the world, nearly 50 years overdue.

Though he earned this honor, he never received it from the Defense Department and I am honored to have the opportunity to present to him the Purple Heart for his selfless devotion to duty and service to the United States.

CONFERENCE REPORT ON H.R. 2622, FAIR AND ACCURATE CREDIT TRANSACTIONS ACT OF 2003

SPEECH OF

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 21, 2003

Mr. OXLEY. Mr. Speaker, I rise today to express my appreciation for the work Congress has done to pass H.R. 2622, the Fair and Accurate Credit Transactions Act of 2003. H.R. 2622 includes numerous consumer protection measures designed to combat the growing crime of identity theft and to improve the accuracy of the credit reporting system. This landmark legislation will also ensure the continued vibrancy of our national credit markets.

Given the complexity of H.R. 2622, it is both appropriate and important to submit for the record a section-by-section summary of the legislation in order to help provide an understanding of the legislation and its impact on the Fair Credit Reporting Act.

The legislation provides significant measures to help consumers, financial institutions and consumer reporting agencies prevent and mitigate identity theft. For example, the legislation establishes requirements for the placement of fraud alerts on consumer credit files, investigation of changes of address, truncation of credit card and debit card account numbers on receipts, and the manner in which information identified as having resulted from identity theft is blocked.

In addition, the legislation establishes requirements for verifying the accuracy of consumer information and preventing the reporting of consumer information that results from identity theft. Financial institutions must also take certain steps before establishing new loans and credit accounts for consumers who have fraud alerts on their credit files.

Lastly, the legislation includes provisions entitling consumers to obtain free credit reports and access to their credit scores. This provision will likely do more for financial literacy and consumer education than any legislation in decades.

I am submitting this section-by-section analysis on behalf of myself and the gentleman from Alabama (Mr. BACHUS), the Chairman of the Financial Institutions and Consumer Credit Subcommittee, who introduced H.R. 2622 and presided over a series of hearings over the past year that laid the groundwork for this landmark legislation.

SECTION BY SECTION ANALYSIS OF THE LEGISLATION

Section 1. Short title; table of contents

This section establishes the short title of the bill, the "Fair and Accurate Credit Transactions Act of 2003" (the FACT Act).

Section 2. Definitions

This section adds a number of definitions for use in provisions of the Act that are not amendments to the Fair Credit Reporting Act.

Section 3. Effective dates

This section specifies effective dates for the legislation. Several sections are given specific effective dates. For sections adding new provisions or standards where no effective date is provided, this section provides a general rule providing for the Federal Reserve Board (the Board) and the Federal Trade Commission (FTC) within 2 months to jointly determine the appropriate effective dates for the remaining provisions, not to exceed 10 months from making their determination.

TITLE I—IDENTITY THEFT PREVENTION AND CREDIT HISTORY RESTORATION

Subtitle A—Identity Theft Prevention

Section 111. Amendment to definitions

This section includes a number of definitions, including definitions for fraud alerts, identity theft reports, financial institutions, and nationwide specialty consumer reporting agency.

Section 112. Fraud alerts and active duty alerts

The section sets forth a uniform national consumer protection standard for the processing of credit and verification procedures where there is an elevated risk of identity theft. The section allows certain identity theft victims and active duty military consumers to direct nationwide consumer reporting agencies to include a fraud alert or active duty alert in each consumer report furnished on them that can be viewed by creditors and other users of the report in a clear and conspicuous manner. Upon receiving proof of the consumer's identity and the consumer's request for an alert, the agency must place the alert in the consumer's file for a certain time period (or such other time agreed to upon the request or subsequently) in a manner facilitating its clear and conspicuous viewing, inform the consumer of the right to request free credit reports within 12 months, provide the consumer with the disclosures required under section 609 within 3 business days of requesting the disclosures, and refer the necessary information related to the alert to the other nationwide credit reporting agencies. The request must be made directly by the consumer or by an individual acting on their behalf or as their representative. This limitation on the request is intended to allow a consumer's family or guardian to request an alert for the consumer where appropriate, while preventing credit repair clinics and similar businesses from making such requests. Resellers of credit reports must reconvey any alert they receive from a consumer reporting agency. Agencies other than those described in section 603(p) must communicate to the consumer how to contact the Commission and the appropriate agencies.

The national standard creates 3 types of alerts. A consumer with a good faith suspicion that he or she has been or is about to be a victim of identity theft or other fraud may request an initial alert. The initial alert must be placed in the consumer's file for 90 days and the consumer may request one free credit report within 12 months. If the consumer has an appropriate identity theft report (typically a police report) alleging that a transaction was the result of fraud by another person using the consumer's identity, then the consumer may alternatively request an extended alert. The agency must place the extended alert in the consumer's file for 7 years, inform the consumer of the right to 2 free credit reports within 12 months, exclude the consumer's name from lists used to make prescreened offers of credit or insurance for 5 years, and include in the file the consumer's telephone number (or another reasonable contact method designated by the consumer). An active duty member of the military may alternatively request an active duty alert, which does not imply the immediate threat of identity theft, but as a preventative measure, a nationwide consumer reporting agency must respond to such a request by placing an active duty alert in the member's file for one year and exclude the member from lists used to make prescreened offers of credit or insurance for 2 years.

Users of consumer reports that contain an alert cannot establish a new credit plan or provide certain other types of credit in the name of a consumer, issue additional cards at the request of a consumer on an existing credit account, or grant an increase in a credit limit requested by the consumer on an existing credit account, without utilizing reasonable policies and procedures to form a reasonable belief of the requester's identity. In the case of an initial or active duty alert, if the requester has specified a telephone number to be used for identity verification, then the user may contact the consumer using that number or must take other reasonable steps to verify the requester's identity and confirm that the request is not the result of identity theft. In the case of an extended alert, the user may not grant the request unless the consumer is contacted either in person (such as in a bank branch or retail store location), by telephone, or through any another reasonable method provided by the consumer, to confirm that the request is not the result of identity theft.

Section 113. Truncation of credit card and debit card account numbers

This section creates a uniform national standard requiring businesses that accept credit or debit cards to truncate the card account numbers (printing no more than the last 5 digits) and exclude card expiration dates on any electronically printed receipts. This requirement becomes effective 3 years after enactment for any cash registers in use on or before January 1, 2005 and 1 year after enactment for any register put into use after January 1, 2005. The requirement does not apply to transactions in which the sole means of recording the person's credit card or debit card number is by handwriting or by an imprint or copy of the card.

Section 114. Establishment of procedures for the identification of possible instances of identity theft

This section directs the Federal banking agencies, the National Credit Union Administration (NCUA), and FTC to jointly formulate various red flag guidelines to help financial institutions and creditors identify patterns, practices and specific forms of activity that indicate the possible existence of identity theft. These agencies also must prescribe regulations creating uniform national standards for the entities they supervise requiring the entities to establish and adhere to reasonable policies and procedures for implementing the guidelines. The policies and procedures established under this section are not to be inconsistent with the policies and procedures required by section 326 of the USA PATRIOT Act, particularly with respect to the identification of new and prospective customers. In issuing regulations and guidelines under this Act, the Federal agencies are expected to take into account the limited personnel and resources available to smaller institutions and craft such regulations and guidelines in a manner that does not unduly burden these smaller institutions.

The red flag regulations shall include requiring issuers of credit cards and debit cards who receive a consumer request for an additional or replacement card for an existing account within a short period of time after receiving notification of a change of address for the same account to follow reasonable policies and procedures to ensure that the additional or replacement card is not issued to an identity thief. Specifically, before issuing a new or replacement card the issuer must either notify the cardholder of the request at the cardholder's former address and provide a means of promptly reporting an incorrect address change; notify the cardholder of the request in a manner that the card issuer and the cardholder previously agreed to; or otherwise assess the validity of the cardholder's change of address in accordance with reasonable policies and procedures established by the card issuer pursuant to the "red flag" guidelines applicable to the card issuer.

The Federal banking agencies, the NCUA and the FTC also are directed to consider whether to include in the red flag guidelines instructions for institutions to follow when a transaction occurs on a credit or deposit account that has been inactive for more than 2 years in order to reduce the likelihood of identity theft.

Section 115. Authority to truncate social security numbers

This section allows consumers, upon providing appropriate proof of identity, to demand that a consumer reporting agency truncate the first 5 digits of the consumer's social security or other identification number on a consumer report that the consumer is requesting to receive pursuant to section 609(a) of the FCRA.

Subtitle B—Protection and Restoration of Identity Theft Victim Credit History

Section 151. Summary of rights of identity theft victims

This section requires the FTC, in consultation with the banking agencies and the NCUA, to prepare a model summary of the rights of consumers to help them remedy the effects of fraud or identity theft. Consumer reporting agencies must provide any consumer contacting them expressing the belief of identity theft victimization with a summary of rights containing the information in the FTC's model summary and the FTC's contact information for more details. The section also requires the FTC to develop and implement a media campaign to provide more information to the public on ways to prevent identity theft. It is important for the agencies to let consumers know that identity thieves target home computers because they contain a goldmine of personal financial information about individuals. In educating the public about how to avoid becoming a victim of identity theft, the FTC and the federal banking regulators should inform consumers about the risks associated with having an 'always on' Internet connection not secured by a firewall, not protecting against viruses or other malicious codes, using peer-to-peer file trading software that might expose diverse contents of their hard drives without their knowledge, or failing to use safe computing practices in general.

The section further includes a provision creating an obligation to make certain records of identity theft victims more available to those victims and law enforcement. This section requires businesses that enter into a commercial transaction for consideration with a person who allegedly has made unauthorized use of a victim's identification to provide a copy of the application and business transaction records evidencing the transaction under the businesses' control within 30 days of the victim's request. The records are to be provided directly to the victim or to a law enforcement agency authorized by the victim to receive the records. The business can require proof of the identity of the victim and proof of the claim of identity theft, including a police report and an affidavit of identity theft developed by the FTC or otherwise acceptable to the business. A business may decline to provide the records if in good faith it determines that this section does not require it to; it does not have a high degree of confidence it knows the true identity of the requester; the request is based on a relevant misrepresentation of fact; or the information is navigational data or similar information about a person's visit to a website or online service. The business is not required under this section to retain any records (the obligation only applies to applications and transaction records that the business already is retaining under its otherwise applicable record retention policy), nor is it required to provide records that do not exist or are not reasonably available (such as those that are not easily retrieved, in contrast to records such as periodic statements listing transactions made on a credit or deposit account that are easily retrieved). Businesses are also not required to produce records not within their direct control.

Section 152. Blocking of information relating to identity theft

This section provides that a consumer reporting agency must block information identified as resulting from identity theft within 4 business days of receiving from the consumer appropriate proof of identity, a copy of an identity theft report, an identification of the fraudulent information, and confirmation that the transaction was not the consumer's. The agency must then promptly notify the furnishers of the information identified that the information may have resulted from identity theft, that an identity theft report has been filed, that a block on reporting the information has been requested, and the effective date of the block.

Section 153. Coordination of identity theft complaint investigations

This section directs nationwide consumer reporting agencies to develop and maintain procedures for referring consumer complaints of identity theft and requests for blocks or fraud alerts to the other nationwide agencies, and to provide the FTC with an annual summary of this information. That summary may be a brief description of the estimated number of calls received pertaining to identity theft, the number of fraud alerts requested, and other issues which may be relevant. The FTC, in consultation with the Federal banking agencies and the NCUA, is directed to develop model forms and model standards for identity theft victims to report fraud to creditors and consumer reporting agencies.

Section 154. Prevention of repollution of consumer reports

This section creates a national standard governing the duties of furnishers to block refurnishing information that is allegedly the result of identity theft. Specifically, companies that furnish information to a consumer reporting agency are required to establish reasonable procedures to block the refurnishing of the information if they have received a notification from the agency that the information furnished has been blocked because it resulted from identity theft. Similarly, if a consumer submits an identity theft report to a company furnishing information to a consumer reporting agency and states that the information resulted from identity theft, the furnisher may not furnish the information to any consumer reporting agency, unless the furnisher subsequently knows or is informed by the consumer that the information is correct.

The section also restricts the sale or transfer of debt caused by identity theft. This provision applies to any entity collecting a debt after the date it is appropriately notified that the debt has resulted from an identity theft. The entity is then prohibited from selling, transferring, or placing for collection the debt that is identity theft-related. The prohibition does not apply to the repurchase of a debt where the assignee of the debt requires such repurchase because the debt results from identity theft; the securitization of debt (public or private) or the pledge of a portfolio of debt as collateral in connection with a borrowing; or the transfer of debt as a result of a merger, acquisition, purchase and assumption transaction or transfer of substantially all of the assets of an entity.

Section 155. Notice by debt collectors with respect to fraudulent information

This section requires third-party debt collectors who are notified that the debts they are attempting to collect may be the result of identity theft or other fraud to notify the third party on whose behalf they are collecting the debt that the information may be the result of identity theft or fraud. The debt collector must also then, upon the request of the consumer to whom the debt purportedly relates, provide the consumer with all the information that the consumer would be entitled to receive if the information were not the result of identity theft and the consumer were disputing the debt under applicable law.

Section 156. Statute of limitations

This section extends the statute of limitations for violations of the Fair Credit Reporting Act. The section requires claims to be brought within 2 years of the discovery of the violation (instead of the original standard of 2 years after the date on which the violation occurred), but with an outside restriction that all claims must be brought within 5 years of when the violation occurred.

Section 157. Study on the use of technology to combat identity theft

This section directs the Secretary of the Treasury, in consultation with the Federal banking agencies, the FTC, and other specified public and private sector entities, to conduct a study of the use of biometrics and other similar technologies to reduce the incidence of identity theft.

TITLE II—IMPROVEMENTS IN USE OF AND CONSUMER ACCESS TO CREDIT INFORMATION

Section 211. Free consumer reports

This section provides consumers with new rights to obtain an annual free consumer report from each of the nationwide credit bureaus (including the nationwide specialty consumer reporting agencies). With respect to agencies defined in 603(p), the free report only has to be provided if the consumer makes the request through the centralized source system established for such purpose. The centralized source shall be established in accordance with regulations prescribed by the FTC in a manner to ensure that the consumer may make a single request for the free reports using a standardized form for mail or Internet. With respect to the nationwide specialty consumer reporting agencies (as defined in 603(w)), the FTC may prescribe a streamlined process for consumers to request their free reports directly from that agency, which shall include, at minimum, the establishment of a toll-free telephone number by each agency, and shall take into account the costs and benefits to each agency of how requests may be fulfilled and the efficacy of staggering the availability of requests to reduce surges in demand.

The nationwide consumer reporting agencies must provide the report to the consumer within 15 days. Any disputes raised by a consumer who receives a free report under this section must be reinvestigated within 45 days after the consumer raises the dispute, which is a 15-day increase over the 30-day reinvestigation time frame that would otherwise apply. The new right to free reports shall not apply to any agency that has not been furnishing consumer reports to third parties on a continuing basis for the 12 months previous to a request. This exclusion is intended to allow credit bureaus that have just begun to fully operate on a nationwide basis (as defined in section 603(p) and (w)) a window of time to ramp up for at least 12 straight months before being subjected to the costs of complying with free requests under this section. The FTC is directed to prescribe regulations preventing consumer reporting agencies from avoiding being treated as an agency defined in section 603(p) by manipulating their corporate structure or consumer records in a manner that allows them to operate with essentially identical activities but for a technical difference.

In addition, the FTC is directed to prepare a model summary of the rights of consumers under the FCRA, including: the right to obtain a free consumer report annually and the method of doing so, the right to dispute information in the consumer's credit file, and the right to obtain a credit score and the method of doing so. The FTC is further directed to actively publicize the availability of the summary of rights, and make the summary available to consumers promptly upon request.

Section 212. Disclosure of credit scores

This section establishes a Federal standard governing the provision of credit scores to consumers. Consumer reporting agencies are required to make available to consumers upon request (for a reasonable fee that the FTC shall prescribe) the consumer's current or most recently calculated credit score, as well as the range of scores possible, the top 4 factors that negatively affected the score, the date the score was created, and the name of the company providing the underlying file or score. The disclosure of the top factors is intended to be consistent with the provisions of the Equal Credit Opportunity Act (ECOA) requiring a creditor making an adverse action to disclose the principal reasons in a credit score that most contributed to the adverse action. Credit scores are to be derived from models that are widely distributed in connection with mortgage loans or more general models that assist consumers in understanding credit scoring, and must include a disclosure to the consumer stating that the information and credit scoring model may be different than that used by a particular lender.

Credit scores do not include mortgage scores or automated underwriting systems that consider factors other than credit information, such as loan to value ratio. Consumer reporting agencies that do not distribute credit scores in connection with residential mortgage lending or develop scores in connection with assisting credit providers in understanding a consumer's general credit behavior and predicting the future credit behavior of the consumer are not required to develop or disclose any scores under this section. Consumer reporting agencies that distribute scores developed by others are not required to provide further explanation of them or to process related disputes, other than by providing the consumer with contact information regarding the person who developed the score or its methodology, unless the agency has further developed or modified the score itself. Consumer reporting agencies are not required to maintain credit scores in their files.

If a consumer applies for a mortgage loan, and the mortgage lender uses a credit score in connection with an application by the consumer for a closed end loan or establishment of an open end consumer loan secured by 1 to 4 units of residential real property, then the mortgage lender is required to provide the consumer with a free copy of the consumer's credit score. In addition, the lender must provide a copy of the information on the range of scores possible, the top 4 negative key factors used, the date the score was created, and the name of the company providing the underlying file or score, to the extent that the information is obtained from a consumer reporting agency or developed and used by the lender. A lender is not required to provide a proprietary credit score, but instead may provide a widely distributed credit score for the consumer together with the relevant explanatory information regarding the consumer's credit score. Beyond the information provided to the lender by a third party score provider, the lender is only required to provide a notice to the home loan applicant. This notice includes the contact information of each agency providing the credit score used, and provides specific language to be disclosed to educate consumers about the use and meaning of their credit scores and how to ensure their accuracy.

A mortgage lender that uses an automated underwriting system to underwrite a loan or otherwise obtains a credit score from someone other than a consumer reporting agency may satisfy their obligation to provide the consumer with a credit score by disclosing a credit score and associated key factors supplied by a consumer reporting agency. However, if the lender uses a numerical credit score generated by an automated underwriting system used by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation or their affiliates, and the score is disclosed to the lender, then that score must be disclosed by the lender to the consumer.

Mortgage lenders are not required by this section to explain the credit score and the related copy of information provided to the consumer, to disclose any information other than the credit score or negative key factor, disclose any credit score or related information obtained by the lender after a loan has closed, provide more than 1 disclosure per loan transaction, or provide an additional score disclosure when another person has already made the disclosure to the consumer for that loan transaction.

The only obligation for a mortgage lender providing a credit score under this section is to provide a copy of the information used and received from the consumer reporting agency. A mortgage lender is not liable for the content of that information or the omission of any information in the report provided by the agency. This section and the requirement for mortgage lenders to provide credit scores do not apply to the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation or their affiliates.

Any provision in a contract prohibiting the disclosure of credit scores by a person who makes or arranges loans or a consumer reporting agency is void, and a lender will not have liability under any contractual provision for disclosure of a credit score pursuant to this section.

This section also amends section 605 of the FCRA to provide that if a consumer reporting agency furnishes a consumer report that contains any credit score or other risk score or other predictor, the report must include a clear and conspicuous statement that the number of enquiries was a key factor (as defined in section 609(e)(2)(B)) that adversely affected a credit score or other risk score or predictor if that predictor was in fact one of the key factors that most adversely affected a credit score. This statement will be made in those instances in which the number of enquiries had an influence on the consumer's credit score, and it will thus alert a user of the consumer report when the number of enquiries has had an adverse effect on the consumer's credit score.

This section's technical and conforming amendments clarify the application of certain Federal standards. State laws are preempted with respect to any disclosures required to be made as a result of various provisions of the FACT Act, including the summary of rights to obtain and dispute information in consumer reports and to obtain credit scores, the summary of rights of identity theft victims, providing information to victims of identity theft, and providing credit score and mortgage score disclosures under this section, except for certain State laws governing credit score disclosures that are grandfathered. State laws that regulate the disclosure of credit-based insurance scores in an insurance activity are similarly not preempted by the requirements of those specific provisions. State laws governing the frequency of credit report disclosures are also preempted, except for certain specific grandfathered laws.

Section 213. Enhanced disclosure of the means available to opt out of prescreened lists

This section relates to the disclosure that has to be provided in connection with a prescreened offer of credit or insurance using a consumer's credit report. This section provides that the disclosure must include the address and toll-free number for the consumer to request exclusion from certain prescreened lists and must be presented in a format, type size, and manner that is simple and easy for reasonable consumers to understand. The FTC, in consultation with the Federal banking agencies and the NCUA, shall establish regulatory guidance concerning the format of the disclosure within one year of enactment. The length of time a consumer can request to be excluded from lists for prescreened solicitations is increased by this section from 2 years to 5 years. The FTC is directed to publicize on its website how consumers can opt-out of prescreened offers (including through the telephone number now required) and undertake additional measures to increase public awareness of this right. The Federal Reserve Board is directed to study and report to Congress on the ability of consumers to opt out of receiving unsolicited written offers of credit or insurance and the impact further restrictions on these offers would have on consumers.

Section 214. Affiliate sharing

This section adds a new Section 624 to the FCRA creating a uniform national standard for regulating the use and exchange of information by affiliated entities. While affiliates are allowed to share information without limitation, they may not use certain shared information to make certain marketing solicitations without the consumer receiving a notice and an option to opt-out of receiving those solicitations. Specifically, an entity that receives certain consumer report or experience information from an affiliate that would be a "consumer report" except for the FCRA's affiliate sharing exceptions may not use that information to make a marketing solicitation to the consumer about the products or services of that entity, unless it is clearly and conspicuously disclosed to the consumer that information shared among affiliates may be used for marketing purposes and the consumer is given an opportunity and simple method to opt out of those marketing solicitations. The notice must allow the consumer to prohibit those types of marketing solicitations based on that affiliate's information, but also may allow the consumer to choose from different options when opting out.

The opt-out notice may be provided to the consumer together with disclosures required by any other provision of law, such as the Gramm-Leach-Bliley Act or other information sharing notices required under FCRA. This provision (as well as a parallel coordination and consolidation provision in the rulemaking directions to the regulators) is intended to allow an entity to time its notice to a consumer (after the effective date of the regulations) in the next regularly scheduled mailing to that consumer of other legally required notices. This coordination and consolidation is intended to reduce consumer confusion and avoid duplicative notices and disclosures.

The consumer's election to opt out is effective for at least five years, beginning on the date the person receives the consumer's election, unless the consumer revokes the opt out or requests a different mutually agreeable period. After the expiration of the five-year period, the consumer must receive another notice and similar opt-out opportunity before the affiliate can send another covered marketing solicitation to the consumer.

There are a number of exceptions to the limitations on the use of affiliate information for marketing solicitations, where notice and opt out are not required. For example, the notice and opt-out do not apply to an entity using affiliate information to make a marketing solicitation to a consumer if the entity already has a pre-existing business relationship with that consumer. An entity that has a pre-existing business relationship with the consumer can send a marketing solicitation to that consumer on its own behalf or on behalf of another affiliate. For the purposes of determining a pre-existing business relationship, an entity and the entity's licensed agent (such as an insurance or securities agent or broker) are treated as a single entity, with the pre-existing business relationships of one imputed to the other.

A pre-existing business relationship exists between an entity and a consumer when, within the previous 18 months, the consumer has purchased, rented, or leased goods or services from the entity, or where some other continuing relationship exists between the consumer and the entity—for example where a financial transaction has been made with respect to the consumer, where the consumer has an active account (such as an unexpired credit card), or where the consumer has an in-force policy or contract. The term "active account" is intended to include any account where continuing legal obligations are in-force (such as a multi-year certificate of deposit) or for which a consumer regularly or periodically receives statements (even if there have been no recent transactions) such as a securities brokerage, bank, or variable annuity account. A pre-existing business relationship also exists when the consumer makes an inquiry or application regarding the entity's products or services during the three-month period immediately preceding the date on which the consumer is sent a solicitation. The financial functional regulators and the FTC are allowed to create further categories of pre-existing business relationships, which is in part intended to build upon the extensive recognition of customer relationships in existing regulations and guidance issued by the regulators under the Gramm-Leach-Bliley Act.

In addition to the pre-existing relationship exception, the notice and opt-out requirements do not apply to a person using information to facilitate communications with an individual for whose benefit the person provides employee benefit or other services pursuant to a contract with an employer related to and arising out of the current employment relationship of the individual participant or beneficiary of an employee benefit plan. The requirements also do not apply to the use of affiliate information to perform services on behalf of an affiliate, unless the affiliate could not send the solicitation itself because of a consumer opt out. Thus, an affiliate cannot act as a servicer for another affiliate and send out solicitations for its own products or services to a consumer who has opted out of receiving such solicitations. However, an entity can send a marketing solicitation on behalf of an affiliate that has a pre-existing business relationship with the consumer regarding the products or services of that affiliate or another affiliate. Furthermore, the notice and opt-out do not apply to a person using information in response to a communication initiated by the consumer, to a consumer request about a product or service, or to solicitations authorized or requested by the consumer. Additionally, the notice and opt-out are not required where they would conflict with any provision of State insurance law related to unfair discrimination. This last exception is in part intended to enable insurers and agents to continue full compliance nationwide with State laws prohibiting insurers from discriminating against similar risks or placing similar risks in different rating programs, laws that provide for "mutual exclusivity", and "best rate" laws that may require insurers to provide customers with the best qualified rates from among their affiliated entities.

These provisions governing the exchange and use of information among affiliates do not apply to information used to make marketing solicitations if that information was shared into a common database or received by any individual affiliate before the effective date of the regulations implementing this section. Furthermore, the section makes clear that any State law that relates to the exchange and use of information to make a solicitation for marketing purposes is preempted.

The Federal banking agencies, the NCUA, the Securities and Exchange Commission (SEC), and the FTC are directed to prescribe regulations to implement this new section. To the extent that the section is applicable to insurers, it is intended that any enforcement of FCRA would continue to be performed by the State insurance departments. The Federal agencies also must jointly conduct regular studies of the information sharing practices of affiliates of financial institutions and other persons who are creditors or users of consumer reports to examine how that information is used to make credit underwriting decisions regarding consumers.

Finally, the section includes a technical and conforming amendment to Section 603(d)(2)(A) of the FCRA. This amendment is simply intended to integrate the new Section 624 into the FCRA and does not affect the definition of a "consumer report."

Section 215. Study of the effects of credit scores and credit-based insurance scores on availability and affordability of financial products.

Section 215 requires the FTC and the Board to study the use of credit scores and credit-based insurance scores on the availability and affordability of financial products.

Section 216. Disposal of consumer credit information

Section 216 directs the Federal banking agencies, the NCUA, the SEC and the FTC to issue regulations requiring the appropriate classes of persons that maintain or possess consumer information "derived" from credit reports to properly dispose of such records. The provision clarifies that it does not apply to other types of information (other than consumer report information) and does not impose an obligation to maintain or destroy any information that is not imposed under other laws. The provision does not alter or affect any such requirement, either.

TITLE III—ENHANCING THE ACCURACY OF CONSUMER REPORT INFORMATION

Section 311. Risk-based pricing notice

This section establishes a new notice requirement for creditors that use consumer report information in connection with a risk-based credit underwriting process for new credit customers. If a creditor grants credit to a new credit customer "on material terms that are materially less favorable than the most favorable terms available to a substantial proportion of [the creditor's other new] consumers" based on information from a consumer report, the creditor must give the consumer a notice stating that the terms offered to the consumer are based on information from a consumer report. Nothing in the section, however, precludes a creditor from providing such a notice to all of its new credit customers, such as in a loan approval letter or other communication that the credit has been granted. Such a notice is not required, however, if the consumer applied for specific material terms and was granted those terms and those terms are not changed after the consumer responds to the credit offer. Also, such a notice is not required if the person has provided or will provide an adverse action notice pursuant to section 615(a) of the FCRA in connection with an application that is declined. In addition, the creditor is provided with flexibility in the timing of providing such notice, which can be given to the consumer at the time of application for credit or, at communication of loan approval, except where the regulations issued under this section specifically require otherwise.

The notice is intended to be a concise notice that includes: a statement that the terms offered are based on information from a consumer report; the name of a consumer reporting agency used by the creditor; a statement that the consumer may receive a free consumer report from that consumer reporting agency; and the consumer reporting agency's contact information for obtaining a free credit report. The creditor is not required to tell the consumer that it has taken or may take any unfavorable action, only that it used or will use credit reporting information in the underwriting process.

The FTC and FRB are directed to jointly prescribe rules to carry out this section. The rules are to address the form, content, time and manner of delivery of the notice; the meaning of the terms used in the section; exceptions to the notice requirement; and a model notice. The section provides creditors with a safe harbor if they maintain reasonable policies and procedures for compliance, and the section is only subject to administrative enforcement by the appropriate Federal agencies.

This section also adds a national uniformity provision prohibiting any State from imposing a requirement or prohibition relating to the duties of users of consumer reports to provide notice with respect to certain credit transactions.

Section 312. Procedures to enhance the accuracy and integrity of information furnished to consumer reporting agencies

This section directs the Federal banking agencies, the NCUA and the FTC, with respect to entities subject to their respective enforcement authority and in consultation and coordination with one another, to establish and maintain guidelines for use by furnishers to enhance the accuracy and integrity of the information they furnish to consumer reporting agencies. "Accuracy and integrity" was selected as the relevant standard, rather than "accuracy and completeness" as used in sections 313 and 319, to focus on the quality of the information furnished rather than the completeness of the information furnished. The agencies also are directed to prescribe regulations requiring furnishers to establish reasonable policies and procedures for implementing the new guidelines. In developing the guidelines, the agencies are instructed to: identify patterns, practices and specific forms of activity that can compromise the accuracy and integrity of the information furnished; review the methods used to furnish information; determine whether furnishers maintain and enforce policies to assure the accuracy and integrity of information furnished to consumer reporting agencies; and examine the policies and processes that furnishers employ to conduct investigations and correct inaccurate information.

In addition, this section modifies the standard in the FCRA regarding the duty of furnishers to provide accurate information. The FCRA prohibits furnishers from reporting information with knowledge that it is not accurate. The standard in section 623(a)(1) of the FCRA, "knows or consciously avoids knowing that the information is inaccurate," is amended to "knows or has reasonable cause to believe that the information is inaccurate." This section defines the new standard, "knows or has reasonable cause to believe that the information is inaccurate," to mean "having specific knowledge, other than solely allegations by the consumer, that would cause a reasonable person to have substantial doubts about the accuracy of the information."

This section also enables a consumer to dispute the accuracy of the information furnished to a nationwide consumer reporting agency directly with a furnisher under certain circumstances. Specifically, the Federal banking agencies, the NCUA and the FTC are required to jointly prescribe regulations that identify the circumstances under which a furnisher is required to reinvestigate a dispute concerning the accuracy of information contained in a consumer report, based on the consumer's request submitted directly to the furnisher, rather than through the consumer reporting agency. While the section authorizes a consumer to submit a dispute directly to a furnisher, it is not to be used by credit repair clinics to submit disputes on behalf of one or more consumers.

In developing the regulations required by this section, the regulators are directed to weigh the benefits to consumers against the costs on furnishers and the credit reporting system; the impact on the overall accuracy and integrity of consumer reports of requiring furnishers to reinvestigate disputes brought directly by consumers; whether direct contact by the consumer with the furnisher would likely result in the most expeditious resolution of any such dispute; and the potential impact on the credit reporting system if credit repair organizations are able to circumvent the prohibition on their submission of disputes on behalf of one or more consumers.

A consumer who seeks to dispute the accuracy of information directly with a furnisher must: provide a dispute notice directly to such person at the mailing address specified by the person; identify the specific information disputed; explain the basis for the dispute; and include all supporting documentation required by the furnisher to substantiate the basis of the dispute. Upon receipt of a consumer's notice of dispute, the furnisher has specified responsibilities. The furnisher must: conduct an investigation of the disputed information; review all relevant information provided by the consumer with the notice; and complete the investigation and report the results to the consumer before the expiration of the period under section 611(a)(1) "within which a consumer reporting agency would be required to complete its action if the consumer had elected to dispute the information under that section." Accordingly, for example, where the agency would have 30 days to complete the investigation of disputes regarding a consumer report obtained by the consumer following receipt of an adverse action notice, the furnisher would have 30 days as well. Similarly, where the consumer reporting agency has 45 days to complete a reinvestigation of a consumer dispute because the consumer has requested a consumer report through the centralized system under section 612, a furnisher also would have the 45 days to complete an investigation if the consumer has requested a consumer report through the centralized system and then disputed information on that consumer report directly with the furnisher. In addition, if the investigation finds that the information reported was inaccurate, the furnisher must promptly notify each consumer reporting agency to which information was furnished and provide the agency with any correction necessary to make the information accurate.

The furnisher requirements do not apply if the person receiving a notice of a dispute directly from a consumer reasonably determines that the dispute is frivolous or irrelevant. Upon making such a determination, the person must notify the consumer of this determination within five business days after making the determination, by mail, or if authorized by the consumer for that purpose, by any other means available to the person. The notice provided to the consumer must include the reasons for the determination, and identification of any information required to investigate the disputed information, which may consist of a standardized form describing the general nature of the information.

This section also amends section 623(a)(5) of the FCRA to provide that a person that furnishes information to a consumer reporting agency regarding a delinquent account may rely upon the date provided by the entity to whom the account was owed at the time that the delinquency occurred, so long as a consumer has not disputed such information.

Section 623 of the FCRA also is amended to clarify liability and enforcement under the FCRA. Specifically, the new requirements imposed upon furnishers of information are subject to administrative enforcement, not private rights of action. Section 623 is amended by providing that "Except as provided in section 621(c)(1)(B), sections 616 and 617 do not apply to any violation of" the furnisher responsibilities under section 623(a), the accuracy guidelines and regulations under section 623(e) and the red flag guidelines and regulations and the requirements dealing with the prohibition of the sale or transfer of a debt caused by identity theft under sections 615(e) or (f) respectively. As a result, the various sections cited in section 312(e) will be subject to the administrative enforcement mechanisms provided under the FCRA, and such mechanisms represent the exclusive remedy for violations of such sections. A similar rule applies to any other section of the legislation that limits enforcement remedies to those administrative remedies set forth under the FCRA, including section 151, which adds a new section 609(e) relating to assistance to identity theft victims.

Section 313. FTC and consumer reporting agency action concerning complaints

This section directs the FTC to compile a record of complaints against nationwide consumer reporting agencies. If a complaint is received by the FTC about the accuracy or completeness of information maintained by a consumer reporting agency, the FTC must transmit the complaint to the consumer reporting agency for response. Each nationwide consumer reporting agency under section 603(p) that receives a complaint from the FTC must: review the complaint to determine if the agency has met all legal obligations imposed under the FCRA; report to the FTC the determinations and actions taken by the agency with respect to the complaint; and maintain, for a reasonable time, records regarding the disposition of such complaint in a manner sufficient to demonstrate compliance with the FCRA.

In addition, the FTC and the Board are directed to study and report jointly on the performance of consumer reporting agencies and furnishers of credit reporting information in complying with the FCRA's procedures and time frames for the prompt investigation and correction of disputed information in a consumer's credit file.

Section 314. Improved disclosure of the results of reinvestigation

This section amends sections 611 and 623 of the FCRA to require consumer reporting agencies to promptly delete information from a consumer's file, or modify that item of information as appropriate, if the information is found to be inaccurate, and to promptly notify the furnisher of that information that the information has been modified or deleted from the consumer's file. In addition, this section requires that furnishers, upon completion of a reinvestigation, if the information is found to be inaccurate or incomplete or cannot be verified, must, for purposes of subsequently reporting to a consumer reporting agency, modify the item of information, delete the information, or block the reporting of the information.

Section 315. Reconciling addresses

This section amends section 605 of the FCRA to require a nationwide consumer reporting agency under section 603(p), when it provides a consumer report, to inform the user requesting that report if the request received from the user includes an address for the consumer that substantially differs from the addresses in the file of the consumer. The Federal banking agencies, the NCUA and the FTC are directed to prescribe regulations regarding reasonable policies and procedures that users of consumer reports within the agencies' respective enforcement jurisdiction should employ when they receive notice of an address discrepancy. These regulations are to describe reasonable policies and procedures that a user may employ to form a reasonable belief that the user knows the identity of the person to whom the consumer report pertains and, if the user establishes a continuing relationship with the consumer, to furnish the consumer reporting agency with the appropriate address, as part of information that the user regularly furnishes for the period in which the relationship is established.

Section 316. Notice of dispute through reseller

This section amends section 611 of the FCRA to require consumer reporting agencies to reinvestigate consumer disputes forwarded to them by resellers of consumer reports. Furthermore, if a reseller receives notice from a consumer of a dispute concerning the accuracy or completeness of any item of information contained in a consumer report, the reseller must, within five business days and free of charge, determine the accuracy or completeness of the information in question and either correct or delete it, if it is the reseller's error, within 20 days after receiving the notice, or convey the notice of dispute with any relevant information to each consumer reporting agency that provided the information that is the subject of the dispute, if the error is not the reseller's. In the latter circumstance, the consumer reporting agency must report the results of its reinvestigation to the reseller that conveyed the notice, and the reseller must then reconvey the notice to the consumer immediately.

Section 317. Reasonable reinvestigation required

This section amends section 611 of the FCRA to provide that when a consumer disputes the accuracy of information contained in a consumer report, the consumer reporting agency that prepared the report must conduct a reasonable investigation free of charge to determine whether the disputed information is inaccurate.

Section 318. FTC study of issues relating to the Fair Credit Reporting Act

This section requires the FTC to study and report to Congress within one of the date of enactment of the FACT Act on ways to improve the operation of the FCRA. The FTC is directed to study and report on: the efficacy of increasing the number of points of identifying information that a credit reporting agency must match before releasing a consumer report; the extent to which requiring additional points of identifying information to match would enhance the accuracy of credit reports and combat the provision of incorrect consumer reports to users; the extent to which requiring an exact match of first and last name, social security number and address and ZIP Code of the consumer would enhance the likelihood of increasing the accuracy of credit reports; and the effects of allowing consumer reporting agencies to use partial matches of social security numbers and name recognition software. The FTC also must report on the impact of providing independent notification to consumers when negative information is included in their credit reports, and to consider the effects of requiring that consumers who experience adverse actions receive a copy of the same credit report used by the creditor in taking the adverse action. Finally, the FTC is to study and report on common financial transactions not generally reported to consumer reporting agencies that may bear on creditworthiness, and possible actions to encourage the reporting of such transactions within a voluntary system.

Section 319. FTC study of the accuracy of consumer reports

This section directs the FTC to conduct an ongoing study of the accuracy and completeness of information contained in consumer reports, and to submit interim reports and a final report to Congress on its findings and conclusions, together with recommendations for legislative and administrative action.

TITLE IV—LIMITING THE USE AND SHARING OF MEDICAL INFORMATION IN THE FINANCIAL SYSTEM

Section 411. Protection of medical information in the financial system

Section 411 amends section 604 of the FCRA to generally prohibit a consumer reporting agency from providing credit reports that contain medical information for employment purposes or in connection with a credit or insurance transaction (including annuities). Medical information may be included in a report as part of an insurance transaction only with the consumer's affirmative consent. Medical information may be included in a report for employment or credit purposes only where the information is relevant for purposes of processing or approving employment or credit requested by the consumer and the consumer has provided specific written consent, or if the information meets certain specific requirements and is restricted or reported using codes that do not identify or infer the specific provider or nature of the services, products, or devices to anyone other than the consumer.

In general, creditors are prohibited from obtaining or using medical information in connection with any determination of a consumer's eligibility for credit. Certain exceptions are provided where authorized by Federal law, for insurance activities (including annuities), and where determined to be necessary and appropriate by a regulation or order of the FTC or a financial regulator (including the State insurance authorities). Any person who receives medical information through any of the exceptions of this section is prohibited from further disclosure of the information to any other person, except as necessary to carry out the purpose for which it was originally disclosed or as otherwise permitted by law. The Federal banking agencies and the NCUA are directed to prescribe regulations that are necessary and appropriate to protect legitimate business needs with respect to the use of medical information in the credit granting process, including allowing appropriate sharing for verifying certain transactions as well as for debt cancellation contracts, debt suspension agreements, and credit insurance that are generally not intended to be restricted by this provision.

This section further amends section 603(d) of the FCRA to restrict the disclosure among affiliates of consumer reports that are medical information except as provided in the exceptions above. Specifically, the exclusions from the term "consumer report" in section 603(d)(2) (e.g., sharing among affiliates of transaction and experience information) do not apply if the information is medical information, an individualized list or description based specifically on the payment transactions of the consumer for medical products and services, or an aggregate list of consumers identified based on their payment transactions for medical products or services. The section also creates a new definition for the term "medical information", defining it as information derived through a health care provider with respect to an individual consumer relating to the individual's past, present, or future physical, mental, or behavioral health, the provision of health care to the individual, or the payment for the provision of health care to the individual. The definition specifically excludes information that is age, gender, demographic information (including addresses), or other information unrelated to the individual consumer's physical, mental, or behavioral health.

Section 412. Confidentiality of medical contact information in consumer reports

Section 412 requires furnishers whose primary business is providing medical services, products, or devices to notify the consumer reporting agencies of their status as a medical information furnisher for purposes of compliance with the medical information coding requirements. Once an entity notifies a consumer reporting agency of its status as a medical information furnisher, the agency may not include in a consumer report the furnisher's name, address, or telephone number unless that contact information is encoded in a manner that does not identify or infer to anyone other than the consumer the specific company or the nature of the medical services, products, or devices provided. An exception is provided for consumer reports provided to insurance companies for insurance activities (including annuities) other than property and casualty insurance. The encoding requirement for medical information furnisher contact information applies regardless of the dollar amounts involved.

TITLE V—FINANCIAL LITERACY AND EDUCATION IMPROVEMENT

Section 511. Short title

This section establishes the short title of "Financial Literacy and Education Improvement Act."

Section 512. Definitions

This section defines the terms "Chairperson" and "Commission" for purposes of this title.

Section 513. Establishment of Financial Literacy and Education Commission

This section establishes the Financial Literacy and Education Commission with the Secretary of the Treasury as the Chairperson. The section sets forth the membership of the Commission to include federal agencies with significant financial literacy programs, and authorizes the President to designate up to five additional members. The Commission is required to meet at least once every four months and all such meetings shall be open to the public. The initial meeting shall take place not later than 60 days after the date of enactment of the FACT Act.

Section 514. Duties of the Commission

This section sets forth the duties of the Commission to, among other things, review financial literacy and education efforts throughout the federal government; to identify and eliminate duplicative federal financial literacy efforts; to coordinate the promotion of federal financial literacy efforts including outreach between federal, state and local governments, non-profit organizations and private enterprises; to increase awareness and improve development and distribution of multilingual financial literacy and education materials; to improve financial literacy and education through all other related skills, including personal finance and related economic education; to develop and implement within 18 months a national strategy to promote financial literacy and education among all Americans; and to issue a report, the Strategy for Assuring Financial Empowerment ("SAFE Strategy"), to Congress within the first 18 months of the Commission's first meeting and annually thereafter, on the progress of the Commission in carrying out this title. The Commission also shall establish a website and a toll-free number as a one-stop-shop for all federal financial literacy programs. The Commission's Chairperson is required to provide annual testimony to the relevant congressional committees.

Section 515. Powers of the Commission

This section authorizes the Commission to hold hearings and receive testimony as necessary to carry out the title; to receive information directly from any Federal department or agency; to undertake periodic studies regarding the state of financial literacy; and to take any action to develop and promote financial literacy and education materials in languages other than English, as the Commission deems appropriate.

Section 516. Commission personnel matters

This section provides that members of the Commission shall serve without compensation in addition to that received for their primary duties, however, the Commission may pay for travel expenses of members for official duties of the Commission. In addition, the Director of the Office of Financial Education of the Treasury Department shall provide assistance to the Commission. The section also permits federal employees to be detailed to the Commission.

Section 517. Studies by the Comptroller General

This section mandates that the General Accounting Office (GAO) submit a report to Congress not later than 3 years after the date of enactment of the FACT Act on the effectiveness of the Commission, and conduct a separate study to assess the extent of consumers' knowledge and awareness of credit reports, credit scores, and the dispute resolution process, and on methods for improving financial literacy. The GAO is required to report the findings and conclusions of this study to Congress within a year of the date of enactment.

Section 518. The national public service multimedia campaign to enhance the state of financial literacy

This section directs the Secretary of the Treasury, after review of the recommendations of the Financial Literacy and Education Commission, to develop, in consultation with nonprofit, public, or private organizations, a pilot national public service multimedia campaign to enhance the state of financial literacy and education in the U.S. The campaign is required to be consistent with the national strategy developed pursuant to section 514, and to promote the toll-free telephone and the website required by that section.

The Secretary shall develop measures to evaluate the performance of the public service campaign for each fiscal year for which there are appropriations, and shall submit a report to the Committee on Banking, Housing, and Urban Affairs and the Committee on Appropriations of the Senate and the Committee on Financial Services and the Committee on Appropriations of the House of Representatives, describing the status and implementation of the provisions of this section and the state of financial literacy and education in the United States. Appropriations of $3 million are authorized for fiscal years 2004, 2005, and 2006, for the development, production, and distribution of the pilot national public service multimedia campaign.

Section 519. Authorization of appropriations

This section authorizes appropriations to the Commission of such sums as may be necessary to carry out this title, including administrative expenses.

TITLE VI—PROTECTING EMPLOYEE MISCONDUCT INVESTIGATIONS

Section 611. Certain employee investigation communications excluded from definition of consumer report

This title amends section 603 of the FCRA to provide that communications to an employer by an outside third party retained to investigate suspected workplace misconduct or compliance with legal requirements or with the employer's preexisting written policies do not constitute a "consumer report" for purposes of the FCRA. This provision is intended to address the ill effects of certain regulatory guidance issued by the FTC staff in 1999 that had the unintended consequence of deterring employers from using outside firms to investigate alleged employee misconduct, including racial discrimination and sexual harassment claims. Employers that take an adverse action based on the communication by the outside investigative agency, however, continue to be required to disclose to the employee a summary of the nature and substance of the communication, although certain sources of information are protected from disclosure. In particular, the disclosure duty is not intended to require violation of any confidentiality obligations, such as confidentiality requirements regarding an individual's medical or other private information (social security number, home residence, etc.), or privileges, such as doctor-patient, attorney-client, or state secrets.

TITLE VII—RELATION TO STATE LAWS

Section 711. Relation to state laws

Section 711 eliminates the January 1, 2004 sunset of the uniform national consumer protection standards contained in current law and makes those preemptions permanent. It also clarifies that all of the new consumer protections added by the FACT Act are intended to be uniform national standards, by enumerating as additional preemptions the 11 new provisions of the FACT Act that do not contain specific preemptions in those sections. Specifically, the section establishes national uniform standards and preempts State law with respect to the truncation of credit card and debit card numbers (113), establishing fraud alerts (112), blocking information resulting from identity theft (152), truncating social security numbers on consumer reports given to consumers (115), providing free annual disclosures (211) (in addition to the preemption for disclosures provided under section 212), any consumer protections addressed under the red flag guidelines (114), prohibiting the transfer of debt caused by identity theft (154), notice by debt collectors with respect to fraudulent information (155), coordination of identity theft complaints by consumer reporting agencies (153), duties of furnishers to prevent refurnishing of blocked information (154), and the disposal of consumer report information (216). Under this new preemption provision, no state or local jurisdiction may add to, alter, or affect the rules established by the statute or regulations thereunder in any of these areas. All of the statutory and regulatory provisions establishing rules and requirements governing the conduct of any person in these specified areas are governed solely by federal law and any State action that attempts to impose requirements or prohibitions in these areas would be preempted. This section also clarifies that with respect to any State laws for the prevention or mitigation of identity theft that address conduct other than those for which a national uniform standard is created under FCRA, those laws are not preempted to the extent they are not inconsistent with FCRA.

TITLE VIII—MISCELLANEOUS

Section 811. Clerical amendments

Section 811 makes a number of technical and clerical amendments.

HONORING THE MEMORY OF THE HON. DEVON WIGGINS

HON. JO BONNER

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. BONNER. Mr. Speaker, Escambia County, AL, and indeed the entire First Congressional District, recently lost a dear friend, and I rise today to honor him and pay tribute to his memory.

Judge Devon Wiggins was a devoted family man and dedicated public servant throughout his entire life. Following a lengthy tenure on the Escambia County Commission, twelve years of which he spent as the commission chairman, Judge Wiggins was elected to the position of Judge of Probate, a position he held until his retirement three years ago. Throughout his professional career, he was dedicated to bringing better opportunities to all the residents of Escambia County and was a tireless advocate for local business and industry. He also was dedicated to making himself and other county offices as accessible as possible to the general public and, through his efforts, garnered the respect and admiration of many individuals in both the public and private sectors.

As a small business owner in Brewton, Alabama, Judge Wiggins was extremely familiar with the challenges and goals of running a successful business and providing employment opportunities for hardworking men and women. It was this background and his tremendous work ethic which became hallmarks of his career in public office and which marked his efforts on behalf of all residents of Escambia County.

Judge Wiggins was also actively involved in his community, participating in church-related organizations and taking a leadership role in the activities of the Brewton Lions Club. His devotion to his fellow man was unmatched, and I do not think there will ever be a full accounting of the many people he helped over the course of his lifetime.

Mr. Speaker, I ask my colleagues to join me in remembering a dedicated public servant and long-time advocate for Escambia County, Alabama. Judge Wiggins will be deeply missed by his family—his wife, Nell Wiggins, his daughters, Dawn Wiggins Hare, Donna Wiggins Schlager, and Daphne Wiggins Martin, his son, Maxwell Devon Wiggins, and his six grandchildren—as well as the countless friends he leaves behind. Our thoughts and prayers are with them all at this difficult time.

TRIBUTE TO ROSS FISCHER

HON. STEVE BUYER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. BUYER. Mr. Speaker, one of the most rewarding aspects of representing Indiana's Fourth District is to have the opportunity to honor outstanding Hoosiers for his or her contributions to the community, State, and Nation.

For over fifty years, Ross Fischer has been the owner and President of McCord Auto Supply in Monticello, Indiana. McCord is the largest distributor of flotation tires in the world—a device of which Ross was instrumental in its design and development.

Ross Fischer was born in 1931 and grew up on a farm in Cissna Park, Illinois. He attended Possum Trot, a one-room schoolhouse.

He served in the United States Army, from 1952–1955 as the Squad Leader in the Alaskan Recoiless Rifle Regiment.

Throughout his over 40 years in Monticello, he has never forgotten his beginnings and it shows everyday in his treatment and compassion of others. Ross has made enormous contributions to the city, including providing free tire repairs to the community after a 1974 tornado. He is a member and supporter of the American Legion, the John Purdue Club, and the Monticello Jaycees and also sits on the Board of the White County Airport.

He and his wife Beverly are the parents of three daughters—Jo Anna, De Anna, Anna Lyn, as well as grandparents to seven grandchildren.

On the eve of his retirement from McCord, as well as his 49th wedding anniversary, I salute Ross Fischer for his dedication to family, community and the State of Indiana.

HONORING RANDY STRUCKOFF OF GRINNELL, KANSAS

HON. JERRY MORAN

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. MORAN of Kansas. Mr. Speaker, I rise today to honor a devoted member of the Grinnell, Kansas community, Randy Struckoff.

Coach Randy, as he is affectionately called, has become one of the most well known sports fans in Northwest Kansas. At every game in the Grinnell high school gymnasium, Coach Randy always sits at the end of the score table, right next to the home team's bench. On December 19th, USD 291, the Grinnell Public School District, will honor Coach Randy by dedicating the high school's brand new score table to him.

A life-long resident of Grinnell, Coach Randy has touched the lives of all who have had the opportunity to know him. Although born with a mental handicap, he has never let that challenge get him down. Randy has a smile on his face year-round, and his bright spirit helps to carry Grinnell sports teams through hard times and add to their joy during the good times.

Coach Randy's love for his community, its schools, and its youth is visible to everyone around him. Whether he is helping to coach, officiate, lead cheers, or do all three at once, Coach Randy gives his heart and soul in supporting the coaches, students, and entire community. During the playing of the national anthem at any sporting event in Grinnell, Coach Randy stands at rapt attention, singing along with every word. He is present during every sports season, through summer league baseball and softball, football and volleyball in the fall, basketball in winter, and track in the spring.

I join Grinnell, Kansas in thanking Coach Randy for all of his encouragement and his dedication to the community.

HONORING THE LIFE OF BARBER B. CONABLE, JR.

HON. THOMAS M. REYNOLDS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. REYNOLDS. Mr. Speaker, I rise before the House of Representatives today in remembrance of a great man who once served in Congress—former Representative Barber B. Conable, Jr. During his twenty years in Congress he represented both his constituents and this institution with grace and integrity. Regardless of where his service led him, Barber always remained true to his Western New York roots.

While he distinguished himself as a Member of Congress and earned the respect of colleagues on both sides of the aisle, Barber was also notable for his esteemed academic career, his professional knowledge on a wide variety of issues from taxes to Social Security, and his willingness to tackle any problem head on. Always lending a helping hand was a signature trait of Barber's; he never let partisanship get in the way of progress.

Barber Conable was the best example of what a public servant ought to be. He loved his country, his community and his family, never straying from the strong values he was raised on. His genuine sophistication as a legislator came so effortlessly, revealing the compassion and unselfishness that was a hallmark of his public service.

In devoting his life to serving others, Barber exemplified loyalty to his country as a veteran of both World War II and the Korean War. With a thirst for knowledge, Barber shared his experiences when he taught at the University of Rochester and later went on to become President of the World Bank. Though no matter what national or global stage he was on, his commitment to the community never waned as he joined countless local boards and organizations over the years.

As a fellow Member of Congress, Barber was the model representative we should all aspire to. As a fellow Western New Yorker, I strive to serve the region with the same humility and regard Barber once did. The legacy of his warmth and generosity will live on in those who had the pleasure of knowing him. He will always be remembered as a true leader and a true friend. Like the many others fortunate to call Barber Conable a friend, I will miss him dearly.

IN SUPPORT OF THE AIR FORCE ACADEMY

HON. HENRY BONILLA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. BONILLA. Mr. Speaker, I ask to enter the editorial "Aiming High: Academy Still Soars Above Rivals in Terms of Academics and Research Work," which appeared in the Colorado Springs Gazette on October 30, 2003, into the CONGRESSIONAL RECORD.

AIMING HIGH: ACADEMY STILL SOARS ABOVE RIVALS IN TERMS OF ACADEMICS AND RESEARCH WORK

Wednesday in this space we dabbled in the negative, wrestling with some of the continuing fallout from the Air Force Academy sex scandal. Today we accentuate the positive, mindful, as we all should be, that the occasionally disheartening headlines we see concerning the academy hardly present a fair and balanced reflection of what remains one of the nation's premier military and academic institutions.

What brings this to mind is a document that landed on our desk this week, the school's "Annual research Report," which will be distributed to the four-star and invited three-star generals attending next week's Corona Conference at the academy. While not something the academy is attempting to spoon-feed the media in an effort to polish its reputation,the report catalogs some truly impressive accomplishments out at the academy—in part a result of the leadership shown by the dean of faculty since 1998, Brig. Gen. David A. Wagie.

Wagie, as readers may be aware, last month was singled out for special criticism by the Fowler Commission, a congressionally appointed panel responsible for the latest regurgitation of the academy sex scandal. Its report suggested that Wagie hadn't been held accountable for problems that occurred during his tenure. And that's led to speculation that Wagie could be the next Air Force official invited to fall on his sword to assuage Washington witch hunters. But by at least one critical measure of performance—the school's academics—the general seems to have been doing an outstanding job.

The school's academic environment in recent years consistently has been ranked among the nation's best by the Princeton review. In 2000, the academy earned the review's top ranking for providing the best overall academic experience for undergraduates; and it tied for third in that category in 2001, 2002 and 2003. Last year the school also took top honors in terms of professor accessibility, the study habits of students and the excellence of its library. FAA's undergraduate engineering program was ranked fourth best in the nation by U.S. News & World Report in 2000, 2001 and 2002; and sixth in the nation in 2003.

We read a lot these days about cadet surveys, mostly revolving around the school's sexual climate or reform efforts. But in another survey, the National survey of Student Engagement, fourth-class and first-class cadets in 2002 ranked the school highly in terms of academic challenge, active and collaborative learning, student-faculty interactions and a supportive campus environment.

During his tenure, Wagie has brought the academy into its own as a top-flight research university. Funding for research has quintupled since 1997, from $2.6 million to $123 million this year, collaborative research work with private companies, universities and federal agencies has increased, and five new research centers have been added, engaging the talents of 887 faculty or staff and 230 students.

And the research has real world relevance for the Air Force and the nation. One team of academy researchers solved a battery problem plaguing the unmanned serial vehicles playing such an important role in the war on terror, doubling the air-crafts's range and greatly reducing battery costs. And they did it in less than two months. The school also in the past year provided high performance computing supporting addressing stability problems that have plagued the V–22 tilt-rotor aircraft program, and helped enhance the capabilities of C–130 "Commando Solo" aircraft, which handle psychological operations and civil affairs broadcast missions in Iraq, Afghanistan and elsewhere around the world.

In spite of being buffeted by occasionally ugly news, it's clear that on at least one important front—academics—Wagie and the academy continue to soar high above most other U.S. institutions of higher learning.

TRIBUTE TO MAYOR PAUL TAUER

HON. THOMAS G. TANCREDO

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. TANCREDO. Mr. Speaker, profound political change has come to Aurora, Colorado, and that change provides an opportunity to reflect on the contributions of Mayor Paul Tauer and City Councilors Barb Cleland, Bob LeGare, Bob Perosky and Dave Williams.

These dedicated public servants had a profound impact on a growing and vibrant city. Aurora has grown dramatically and it is now one of the largest city in the nation—indeed people now refer to the Denver-Aurora Metro area. Aurora's population is approaching 300,000, or almost the size of Buffalo, New York and St. Paul, Minnesota. During this period of rapid growth, these civic leaders insured that services kept pace with growth, and that growth met the needs of the residents.

Few people contributed more to this process than the out going Mayor Paul Tauer. He served as Mayor from 1987 to 2003, and sat on the city council for eight years prior to his election as Mayor. During his tenure, the face of the city was literally reconfigured to respond to the demands of the 21st century.

During the Mayor's tenure Fitzsimmons Army Medical Center was closed and it was replaced by the largest medical facility between Chicago and California. The former Fitzsimmons campus is now home to the University of Colorado's Health Science Center, the University Hospital, the Lion's Eye Bank, the University Physicians HMO and a large and growing biotechnology research park which has become a magnet for research and development firms in the Rocky Mountain Region. Soon the former Fitzsimmons campus will be the location of a new Denver Children's Hospital and a new Veterans Administration Hospital, replacing the antiquated facility in Denver. The Fitzsimmons campus will employ more than 30,000 people and generate untold millions in revenue.

The phenomenon of Fitzsimmons was not the only notable development contributing to the increasing dynamism of Aurora. Buckley Air National Guard Base became Buckley Air Force Base, a new facility of the Air Force Space Command. Ongoing growth at Buckley is likely to continue as the role of space-based defense in our national security grows to meet the requirements of military transformation and the war on terror. It was Mayor Tauer who worked actively with the Air Force to make the new base a reality ensuring that the requirements for national security were balanced against the requirements of a growing urban community.

Mayor Tauer also presided over the redevelopment of "original" Aurora and development of the Southeast area of the city. This revitalization was accomplished by a city-wide growth management plan which created realistic, yet forward-looking standards for "quality" and "smart" growth. Aurora's implementation for these policies has won widespread recognition for its excellence.

Perhaps in no area was Mayor Tauer's foresight more evident than his leadership on water resource issues. During his time in office Aurora has acquired new water resources, increased distribution and treatment facilities and implemented innovative recycling and drought management policies. The result has been an effective doubling of water system capacity. Among his most notable achievements was forging an agreement with the Department of Interior's Bureau of Reclamation that ensured the city's storage facility in the Bureau's Pueblo Reservoir. I am currently working with Representatives BEAUPREZ and HEFLEY to codify that agreement in federal law.

Mr. Speaker, Mayor Tauer has been the force that has given shape, form and a distinctive identity to Aurora. Nowhere is this more evident than in the new Aurora Municipal center. The new urban core of the city includes a recently opened municipal building, public safety building, a central library and museum. Together, they constitute the virtual center of this increasingly urbane metropolis. This distinctive city locus took shape during the tenure of Mayor Tauer.

Paul Tauer did not do it alone. Working with him for growth and progress in Aurora was an exceptional cadre of city councilors whose vision and understanding contributed mightily to the city.

Barb Cleland served on the council for two decades and focused on insuring that public safety and public services in Aurora were unrivaled. An early advocate of victims' rights, her leadership and influence extended beyond Aurora to the National League of Cities and other municipal groups. The valuable contributions to all areas of city governances will be sorely missed.

Edna Mosely spent 12 years on the city council. Edna, whose husband was one of the original "Tuskegee Airmen," worked tirelessly on behalf of military veterans and was actively involved in military cultural diversity issues. She served with distinction on a host of city boards including the Fitzsimmons Commission and served with distinction on the Fitzsimmons

Redevelopment Authority Executive Committee, Aurora Economic Development Council, Denver International Airport Business Partnership, Lowry Economic Recovery Project, Adams County Economic Development Council, Community College of Aurora Advisory Council and Aurora's Business Advisory Board.

In 10 years on the council John Parosky was a voice for fiscal prudence and effective and efficient government. He brought his financial expertise to bear in ensuring that tax dollars were used as optimally as possible. His commitment to the city can also be found in his work; he devoted countless hours to make Aurora a better place through his work on the Economic Development Committee, E–470 Authority, Aurora Chamber of Commerce, Utility Budget Committee, Visitors Promotion Fund, Aurora Education Foundation, Spirit of Aurora, Community Housing Services and Aurora Rotary club.

An eight year veteran of the council, Bob LeGare was a passionate advocate of small business, who took in a leadership role in many economic development programs. Bob was devoted to the importance of small business, he worked to make Aurora a partner with business to provide jobs and services. He provided leadership on a variety of economic development initiatives including the Fitzsimmons Redevelopment Authority, Colorado Commission on Taxation, Aurora Citizens Advisory Budget Committee, Colorado Office of Regulatory Reform Advisory Board, Aurora Chamber of Commerce, Aurora Association of Realtors and the Aurora Realtor Governmental Affairs Committee and further contributed to the community through Leadership Aurora, Aurora Museum Foundation, and Aurora Open.

Dave Williams served 11 years as a member of the Aurora City Council. He worked to improve the efficiency of the city by encouraging better review processes and more efficient administration. He has been a leader in the business community as illustrated by his experiences on the Aurora Economic Development Council, E–470 Authority, Aurora Rotary Club and the Urban Drainage and Flood Control District.

Mr. Speaker, these dedicated officials deserve our thanks. At a time when cynicism about public officials appears to be the prevailing sentiment, they provide models of dedication and selflessness that defy these contemporary stereotypes. I am honored to have worked with them and wish them well in the days ahead.

CONGRATULATING THE UNIVERSITY OF SOUTHERN CALIFORNIA ON THEIR PAC-TEN CHAMPIONSHIP AND ROSE BOWL BERTH

HON. DIANE E. WATSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Ms. WATSON. Mr. Speaker, I am proud to count the University of Southern California among my constituents in California's 33rd Congressional District. This institution is a magnet for diverse people and ideas, attracting students from all 50 states and more than 100 foreign countries. In fact, USC ranks in the top 1 percent amongst the most diverse private research universities in the nation. As an educator, I am inspired to see USC's commitment to academic excellence.

Mr. Speaker, today I rise to pay tribute to the accomplishments of the University of Southern California football team. Congratulations are in order for USC President Steven Sample, Head Coach Pete Carroll, and the outright Pac-Ten champions, who finished the season with the #1 national ranking in both the AP and Coaches polls.

The USC Trojan football team has shown unique skill, charisma, dedication, and love for the sport. The Trojans accumulated an 11–win and 1-loss record while competing against some of the best programs in the country.

The Trojans regular season performance and their strength of schedule earned them a controversial Bowl Championship Series, or BCS, berth. Although it is a system no one can make sense of, I am pleased that the real National Championship will be decided during the "Grand Daddy of them all"—the Rose Bowl. As those steeped in football tradition know, a Pac-Ten vs. Big Ten match-up in the Rose Bowl, with a #1 ranked team in the game, is a formula for champions.

Mr. Speaker, again I congratulate USC President Steven Sample, Head Coach Pete Caroll, and the football team at the University of Southern California for a season to remember.

ARMENIAN TECHNOLOGY GROUP AND CENTRAL DIAGNOSTIC LABORATORY IN ARMENIA

HON. DEVIN NUNES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. NUNES. Mr. Speaker, I wish to take this opportunity to clarify a key provision in Fiscal Year 2004 Foreign Operations Appropriations which was included in the Consolidated Appropriations Act of 2004.

As you know, this Congress continues to be a supporter of strong U.S.-Armenian relations to include economic and related programs. In fact, this bill appropriates $75 million to help Armenia with its continued progress toward a market-oriented democratic nation.

However, it is not just economic assistance that Congress is voting on today. We are also voting on a provision which expressed the intent of Congress that the U.S. Agency for International Development provides sufficient funding to establish and operate a Central Diagnostic Laboratory in Armenia that can serve the Caucasus region. Currently, there is no such resource in Armenia or the region to safeguard human health and food safety against the threat of contamination or spread of disease.

I believe it is the intent of this Congress that the U.S. Agency for International Development utilize the services of the Armenian Technology Group, a U.S.-based nonprofit organization, to work with Armenian officials to establish and begin operations of this Central Diagnostic Laboratory. Furthermore, I believe it is key that this work begin as early as possible so that the Caucasus region, and by extension the United States, can benefit from the protection provided by this Central Diagnostic Laboratory.

IN MEMORY OF THE GOOD LIFE OF HENRY KALINSKI

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Ms. KAPTUR. Mr. Speaker, I am deeply, privileged today to extend on behalf of the Kaptur and Rogowski families and my brother Steve and myself sincerest appreciation to each of you for offering your support, comfort, and love to Hank's beautiful wife of 50 years, Jackie, and the entire Kalinski family; Linda and Bob, Diane and Jim, Debbie and Jeff; to Hank's sisters Vergie, Sophie, Esther and in memoriam of Angie, Jean and his brother Edward; to his treasured gandchilden, Brian, Heather, Matthew, Kevin, Eric, Shawn, Stacey, and in memory of Jason; and to his four great grandchildren; Tyler, Justin, Connor and Alexis; and his nieces and nephews.

We join together today to pay tribute, in sorrow, but also in celebration, of the life of a patriarch, the father of his family, of a truly good man from a working class family, who loved life. What a lasting gift Hank is to each of us—a happy man. He is smiling on us now, for surely he knew we would be here together with Jackie, at this family gathering. He enjoyed being with family more than anything else in the world. He is experiencing a peace now that the world could not give. Hank remains with us now in a spiritual way.

Hank had more than a smile. He had a grin. We all loved to laugh with Hank. That wonderful laugh that came from deep within—not too loud, but genuine. You knew he wouldn't want anyone to be sad, but to be gratified he lived the life he wished to live for most of his years. And Jackie, you and your family bestowed on him the greatest gift of his life—your unconditional and constant love.

As he was asked to bear this enormous cross of affliction for so many years, you walked at his side. He did so with a rare dignity born of uncommon strength and raw courage. He would want us to cheer his decade long marathon and his family's deep devotion. His suffering became a prayer for all of us and our poor world. Every person who witnessed this great "Kalinski prayer of devotion" was changed by its power. Who can ever forget the nurses and doctors who would be overcome by Hank's grin and laughter, even under the most difficult circumstances. The glint in Hank's eyes had no equal.

Now, can you imagine he was the father of three daughters, and the brother of five sisters. But, he was a man's man, a husband to an exceptional wife, a true friend to his sons-in-law, a man who knew how to stand by his loved ones, a builder, a veteran. He was always there, sometimes not uttering a word. He was a Gary Cooper type of character, a quiet strength. He didn't have to show it off.

Happy. Kind. Generous. Funny. Hardworking. Wise. A family man who took unending delight in his grandchildren and great-grandchildren crawling at his feet or sitting on his lap. You never heard him utter an unkind word. So many precious memories: Christmas, Easter, birthdays, weddings, anniversaries, parties and more parties. perch fishing, darts, his gardens, homemade gifts like the wooden horses that held address plates for our homes, Pearl and Wersell streets, his dog Puck.

I can recall how he went out of his way for each of us. He would make such an effort to meet me along the Lagrange Street Parade route, year after year. Always there. If Hollywood were to cast a true husband and father, brother and friend, they would cast Hank in the leading role.

You still will find him with you—in unexpected moments. You will know he is there, and everything will be all right. I once asked a holy woman why God gave such trials to people who are so good. "To make us strong," she said. Hank taught us love, joy, and perseverance. He has been a man for others, who showed us how to love life.

May God carry his soul gently in his passage to peace. We know God joins with us today as we pray, "Sleep well my good and faithful servant."

HONORING COLLEEN ANN MEEHAN BARKOW, THOMAS J. MEEHAN III, AND JoANN MEEHAN

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mrs. MALONEY. Mr. Speaker, I rise today to pay tribute to Colleen Ann Meehan Barkow, who perished in the attacks of September 11, as well as her father and mother, Thomas J. and JoAnn Meehan, who still suffer from her loss. The following is a letter sent to my office by Thomas J. Meehan III, which I want to submit to the CONGRESSIONAL RECORD.

DEAR REPRESENTATIVE MALONEY: Colleen was an employee of Cantor Fitzgerald working on the 103rd floor. Her partial remains, the upper torso, were found on September 17, 2001, the date which was to have been her first wedding anniversary. My wife and I continue to be filled with the anguish of her death, the manner in which she died, her unviewable remains, dismemberment and the tragic death she suffered.

I am writing you today in regard to the legislation you have introduced calling for a federal study to assess the historic value of the WTC footprints and to assess the appropriateness and feasibility of national monument status for that immediate area.

This legislation is important not only to the families of those who lost family members, but to the Nation and the world, for September 11, 2001 is another day that will live in infamy, and has altered the course of world history.

There are those who dispute its parallels in history, but they cannot be disputed. Gettysburg, the attack on Pearl Harbor, and Normandy are events which have so affected the world, and have preserved for future generations the places of the lives lost and bloodshed, so that freedom and democracy will continue upon the world stage.

These historic events have warranted a national preservation of where American lives have been lost and sacrificed. So that their sacrifices would be remembered for future generations, and maintained by a grateful nation, is the reason why this legislation should be enacted for the lives lost on September 11, 2001; they deserve nothing less.

The preservation of the footprints of the WTC buildings and the surrounding area designation as a national monument is needed to ensure that we as a nation keep our pledge to "Never Forget". We must secure the site and preserve for future generations the ground which has been become sacred and hallowed by the loss of the blood of all the victims.

Sincerely,

THOMAS J. MEEHAN III.

TRIBUTE TO STAFF SGT. MORGAN DeSHAWN KENNON AND THE 101ST AIRBORNE

HON. HAROLD E. FORD, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. FORD. Mr. Speaker, I rise today to pay tribute to Staff Sgt. Morgan DeShawn Kennon of the U.S. Army's 101st Airborne Division, who was laid to rest in Memphis, Tennessee on November 14.

Morgan Kennon and the 101st Airborne were called to duty in defense of this nation. They answered that call with courage and honor. Staff Sgt. Kennon was killed while protecting his fellow soldiers from an ambush in the Northern Iraqi city of Mosul. He was posthumously awarded a Bronze Star and Purple Heart for his bravery.

In honor of Staff Sgt. Morgan Kennon and the brave members of the 101st Airborne, I would like to submit for the RECORD letters Staff. Sgt. Kennon wrote to his sister Nicole Crawford in Memphis, as well as two articles from the Memphis Commercial Appeal.

Amidst the "devastation of war," the clarity with which Staff. Sgt. Kennon expresses himself makes all of us proud. These letters help us better understand the trials endured by our soldiers and the courage they demonstrate each day. I would urge my colleagues to read Staff. Sgt. Kennon's letters and join me in paying tribute to this exceptional young man and all of the heroes of the 101st Airborne Division.

[From the Memphis Commercial Appeal, Nov. 14, 2003]

LETTERS TO A SISTER

From the war in Iraq, Staff Sgt. Morgan DeShawn Kennon of Memphis sent letters home to his sister Nicole Crawford. He often spoke of Crawford's 12-year-old daughter, Kayla, and his mother, Paulette Crawford-Webb.

April 12, 2003

"I am in Baghdad now. I don't know where I may be when you read this but I will probably still be here. It's been very different here, Niki. The reason for the war, or the ulterior motives that the government may have, regardless of all of those things, the one true thing I can say is that these people were very oppressed and impoverished under the rule of Saddam.

"The welcome we've received in the cities and especially when we got here was unbelievable and overwhelming. The people here have even been giving us information about the enemy and the bad guys. Right now, we are occupying a school, that is where we are operating from.

"We have been staying in abandoned buildings and schools since we came into Iraq. This particular one is in the ghetto of Iraq; something like the projects. But the friendly neighborhood closeness makes it peaceful, there are some bad guys that live near (here) that the people told us about, but we've been sniffing them out and they've been scattering.

"I have seen a whole lot more and more each day. Every since the city collapsed there has been a lot of looting. On our way to Baghdad we saw kids, women covered up, men, everybody toting furniture, rolling tires, dragging refrigerators across the street. And the children, they are the most friendly and beautiful of all.

"It's still not too safe for comfort but fortunately the Good Lord has been with us so far. I have kicked in a lot of doors, been shot at by snipers. I haven't killed anyone but we've captured a lot of people and seized a whole lot of weapons and stuff. I have seen firsthand the devastation of war and I realize that in war, someone always suffers, in this case, a lot of people. But I will say that this whole campaign has been very surgical and precise in not killing a lot of people (innocent). I will just be happy to get back home, safe and soon. I have been hearing rumors that we may be coming back soon and being relieved by another unit but when I get details, I'll let you know. . . .

"Just keep your head up and be thankful everyday that all of us are waking up and loving each other. I saw a man shot over here and it really let me know how quick and unsuspecting our days can come to an end. So keep going 90 miles per hour with your life and know that your brother loves you, respects you and is proud and honored to have you as a sister. . . .

"How is everybody? Tell all of your friends that I said 'hi' and testify to the church that I am very thankful for their prayers. The presence of the Lord is undeniable and obvious."

April 20, 2003

"How is my favorite sister? Fine I hope. . . . I am so happy to hear and feel the effort that you are putting into your life. I'm proud of you and hope you can continue to take good care because you know that no matter how much hardship or struggle I feel or go through, I'm fine as long as I know that you and mom and Kayla are OK.

"By the time you get this I will be in Northern Iraq near the Turkey border. . . . And once again thank you for taking care of my bills. I told you in the last letter that I might be coming home soon. Well, don't count on that; no one seems to know anything. I'll keep you updated."

April 26, 2003

"I'm still up north but we've relocated. We now operate and live in a post office. Can you believe that? It's not that bad though. There's electricity and running water here, which is a huge improvement over some of the places we've had to live in. . . . I can speak a little Arabic now (smiley face). The people here are not as dangerous and the threat level is not as high as it was in Baghdad and the other previous cities but we still have to stay on our toes even though the war is "officially" over there are still a lot of rebel forces and fanatics and loyalists of Saddam and the party regime. . . .

"So how's the family? I still pray for everybody every single day. I don't know when I will be back but I've heard everything from June to September. . . .

"When I know that you all are comfortable and OK, I can deal with being uncomfortable. Y'all's convenience means a whole lot to me. Well, enough about that. I realize that God will continue to operate and provide for us (in his sometimes "weird" way) as he has been so I won't worry about it. He will make sure the ball continues to roll for us as long as we keep Him first and continue to recognize and acknowledge Him. . . . The next time I write you I'll probably be living in a shoe store or a Mega-Market or something. But know that I'm OK and I am very grateful for God's grace and mercy. Keep taking care of yourself and I can't wait to see you again. Don't forget your vitamins!"

July 13, 2003

"Everything is still the same here. A couple of my friends broke down on the interstate here and they were attacked by hand grenades that were thrown at them from a passer-by. One of them got hurt pretty bad, he went through surgery but he is OK. He almost lost all usage of his arm; the other guys are also stable.

"The irony is that I had just left where they were and had talked with them. Other than that, everything is still the same. You don't have to worry about me. I am always alert and watchful, especially when I'm out in the streets here.

"By the time you get this (hopefully) we should start preparations to leave here. I really can't wait to get back. I want to see my "3 ladies" really bad: you, Mama and Kayla are more than enough inspiration to get back soon and safe."

July 25, 2003

"Things are all right with me over here; of course I could think of a million and one other things I could be doing other than being in Iraq but since I'm here, I'm dealing with it every day. I think I'm growing up a little bit. . . . I think I value life more now, so I'm content with small simple things and most of all my enjoyment and peace of mind comes from y'all being all right and safe. I think that means more to me than anything over here."

Sept. 13, 2003

"My dear sister, you have done so much for yourself and your daughter. Many people face adversity in their lifetime but very few of these people are able to keep climbing the high hills the way you have. . . . Love you Nik and thank you so much for giving me more wisdom than you ever know, helping me develop into a man. . . . P.S. Load up on Vitamin C and tell Mama to drink Concord grape juice. It lowers blood pressure by 40 percent."

[From the Memphis Commercial Appeal,
Nov. 14, 2003]

"HE WAS NOT AFRAID": BELOVED SOLDIER FELT A PURPOSE

(By Shirley Downing)

In his letters home, Army Staff Sgt. Morgan DeShawn Kennon wrote about living in a war zone:

Camping in old buildings.

Dodging snipers' bullets.

Meeting friendly, beautiful children.

Kennon landed in Iraq in April with the 101st Airborne and a job to do. The Americans gained control of the country and then, for months, Kennon heard rumors that his Charlie Company might soon be headed back to the states.

Last Tuesday, Kennon surprised his family with the news that he would return to Memphis Nov. 19—not for good, but for a two-week furlough timed to celebrate his mother's 47th birthday.

Three days later Kenhon, 23, was dead, fatally wounded while guarding a bank in Mosul. The Army said he'd died immediately of blunt force trauma to the head, while trying to protect the safety of his fellow soldiers.

Kennon's family is devastated at the loss of a son, a brother, uncle and brave soldier. He was a Christian who reminded his sister to pray—and to take her vitamins.

Funeral services will be at 11:30 this morning at N. J. Ford & Sons Funeral Home, with burial in the West Tennessee State Veterans Cemetery at 4000 Forest Hill—Irene.

Kennon has been recommended for a Bronze Star, but to family and friends, he's always been a hero.

"I have never met anyone who disliked him," said his 26-year-old sister, Nicole Crawford, whom he called Niki or Nik. "He was funny and smart. He was just wise beyond his age, he really was."

Paulette Crawford-Webb, a pharmacy technician at University of Tennessee Bowld Hospital, said her son "was not afraid of dying for his country."

"He said the people of Iraq needed help. Conditions over there were deplorable and he didn't think it was a lost cause."

Kennon graduated from Central High School in 1997.

"He made great grades but he got an N in conduct," Crawford said. "He wasn't involved with gangs or criminal activity; he was the class clown. He liked to make people laugh and that kept him in trouble a lot."

After school, Kennon worked at Taco Bell, where he quickly rose to management. "He was just really smart and excelled in everything he did," Crawford said. "It might take somebody else five years but he just did it in a year or two."

He loved the Tennessee Titans and movies and wrestling, said girlfriend Corporal Ghana Jackson, 23. She met Kennon when both were stationed at Fort Hood, Texas. "He was awesome," she said. "He got along with everybody and he had no kind of enemies."

Kennon joined the Army at 17 and left for basic training at 18. After four years at Fort Hood, he re-upped and was assigned to the 101st Airborne at Fort Campbell, Ky.

The family last saw Kennon in February before he went overseas.

Baltimore Sun reporter Scott Calvert came to know Kennon well in the opening days of the war.

Kennon, he said, was the nuclear, chemical and biological expert for the Third Battalion's Charlie Company. His first sergeant said Kennon often worked overtime, and weekends, to make sure everyone was prepared for war.

"His job was to make sure everybody in the company, 130 soldiers, had the proper chemical masks and suits," said Calvert, who was embedded with Kennon's unit for seven weeks last spring. "His job was to make sure everybody was ready with protective gear."

Calvert first met Kennon at Fort Campbell the day the troops shipped out.

"It was chaotic," Calvert said. People were milling about, gathering equipment, saying goodbye.

In the midst of the crowd, Kennon approached Calvert. Did he have all his equipment? Did he need help? "It was a pretty nice gesture on his part," Calvert said.

Calvert said Kennon was a solid "stand-up guy" who always wore a bright smile.

The company was in Kuwait for a month, then it was on to Iraq.

Kennon called home sometimes once or twice a week. He asked about his beloved black Dodge Intrepid, which he let his sister drive with the promise she would not smoke up its pristine interior with her cigarettes.

His letters came regularly, handwritten on lined paper. Once he teasingly asked his sister to write more often about what was going on in his hometown.

"Where is the scoop? The gossip? The news? The sports news? Where is it? You slippin' girl."

He wrote about family and a man's obligations to care for his loved ones.

"There is nothing more impressive and respectful to me than a man that takes care of his family."

He wrote about happiness and God.

"I pray about that (happiness) too, but we gotta take one thing at a time and just be thankful that things have been good for us. . ."

There were other letters, and phone calls. The last was Tuesday, Nov. 4, when Kennon said he'd be home in a few days. He was eager to see family.

Things in Iraq were getting "a lot worse," Crawford quoted her brother as saying.

The family had sent him a "care package" filled with canned fruit, but he hadn't received it yet.

Then came the final mission. At about 7 a.m. on Nov. 7, Kennon led a convoy of vehicles to an observation post. Kennon was killed during an ambush as he was trying to protect his fellow officers, Kennon's supervisor said in a letter recommending the Bronze Star.

Crawford said she never fully understood why her brother was in Iraq, but she accepts that he "went because he was doing something he loved. He loved being in the military."

Paulette Crawford-Webb said her son did not worry about his personal safety. "He said his only sadness would have been if something happened to him, what would become of me, his sister and his niece?"

Crawford said her brother truly was an exceptional person.

"He was a God-fearing young man. He was not afraid to die."

[From the Memphis Commercial Appeal,
Nov. 15, 2003]

HOST OF MOURNERS BEARS SGT. KENNON HOME

(By Shirley Downing)

Army Staff Sgt. Morgan D. Kennon of Memphis was given a hero's farewell Friday morning, a week after he was killed in Iraq.

"Death reminds us of the sovereignty of God, and the frailty of man," Rev. Arthur Snow, pastor of Greater New Shiloh Baptist Church, said to more than 500 mourners attending services at N. J. Ford & Sons Funeral Home.

Kennon's Bronze Star and Purple Heart were displayed next to his flag-draped coffin. Large sprays of red and white flowers surrounded the casket and the dais where dignitaries sat.

After the morning services, the funeral procession traveled past honor guards of firefighters and schoolchildren with signs as it made its way from South Memphis to the West Tennessee State Veterans Cemetery in southeast Shelby County.

Military honor guards gave folded flags to Kennon's mother and father. A 21-gun salute for the soldier, the first Memphian killed in the Iraqi war, broke the chilly fall air.

Kennon, who was 23, joined the Army at 17 and left for basic training at 18. After four years at Fort Hood, Texas, he rejoined and was assigned to the 101st Airborne at Fort Campbell, Ky.

The family last saw Kennon in February before he went overseas.

He was fatally wounded during an attack on an Army convoy guarding a bank in Mosul. The Army said he died immediately of blunt force trauma to the head, while trying to protect fellow soldiers.

Kennon has been described as a smart, friendly man who loved the Army, his family and God. He often wrote letters home telling relatives not to worry, he was not afraid.

U.S. Rep. Harold Ford Jr. said he was moved by Kennon's letters, portions of which were printed Friday in The Commercial Appeal.

"In the midst of all that was going on over there, the clarity with which he expressed himself makes all of us proud," Ford said, as he addressed Kennon's tearful family in the front pews at the funeral home.

A top Army officer from Virginia and members of the 101st Airborne attended services.

"We are here to be with the family, to respect and honor this great soldier," Maj. Gen. Russell L. Honore of Norfolk, Va., said before services began. "He served proudly and with distinction for our nation." Honore said he represented the Secretary of the Army and the Chiefs of Staff.

Shelby County Mayor A C Wharton thanked Kennon's family on behalf of the citizens of the county.

"We share your loss," he said.

Several of Kennon's friends spoke about his loyalty, honesty and his love for family and the military.

Snow's eulogy was so passionate the minister had to sit down for part of its delivery.

Kennon was "a good man who could have at the age of 23 been on the streets doing nothing, but he chose to do something positive and constructive with his life. It is unfortunate that he was cut down at an early age," he said.

Snow offered comfort for Kennon's mother, Paulette Crawford-Webb, his father, Morgan Kennon, and other relatives and friends.

"In spite of all that has transpired, God is still good," Snow said. "You need to know and understand today that Earth has no sorrow that Heaven can't heal."

He said Kennon knew the risks of a military career, "but he trusted God."

Kennon was a soldier in the U.S. Army and a soldier in the army of the Lord who did not fear death, Snow said.

"He was prepared externally and he was prepared internally. He wasn't afraid of what could happen to him because he knew that with Jesus, he would be all right."

CONGRATULATING TO THE SAN JOSE EARTHQUAKES

HON. MICHAEL M. HONDA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. HONDA. Mr. Speaker, I rise today to congratulate an extraordinary team on an extraordinary season. On Saturday, November 23, 2003, the San Jose Earthquakes became the second team in Major League Soccer history to win the Major League Soccer Cup multiple times, thrilling soccer fans around the country and around the world.

The Earthquakes' 4–2 victory over the Chicago Fire showcased the team's explosive talent and demonstrated why soccer is one of the fastest growing sports in America today. This match featured more goals than a Major League Soccer championship has ever seen, including two from two-time U.S. National Team Player of the Year and MLS Cup MVP Landon Donovan.

The Earthquakes' rise to the MLS championship game provided soccer fans with endless high drama, including a five-goal comeback against the Los Angeles Galaxy to advance to the Western Conference final, and a 3–2 victory over the Kansas City Wizards, in which Landon Donovan sealed the championship birth with a golden goal in the 117th minute of play.

In the championship game itself, the San Jose Earthquakes showed a capacity crowd in Carson, California and a national audience four goals, one saved penalty kick, and 90 minutes of world-class soccer. Throughout that game, and throughout the season, the Earthquakes played aggressive, attacking, exciting soccer and delighted San Jose's growing legion of fans.

The sportsmanship and gamesmanship of the Earthquakes have helped bring success to Major League Soccer. Only eight years old, this league has already captured the hearts and imaginations of soccer fans around the country and provided the United States with some of the world's best players—many of whom were instrumental in bringing our country to the quarterfinals of last years World Cup, held in Japan and Korea.

Today, the Earthquakes are the pride, not only of San Jose, but also of America's entire sports community.

I urge all of my colleagues to join me in recognizing the 2003 Major League Soccer Champions, and I congratulate the San Jose Earthquakes on a fantastic season.

CONDEMNING THE "GRAND THEFT AUTO: VICE CITY" VIDEO GAME: ANTI-HAITIAN RACISM AND STEREOTYPES HAVE NO PLACE IN AMERICAN SOCIETY

HON. KENDRICK B. MEEK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. MEEK of Florida. Mr. Speaker, I rise today to bring to the attention of my colleagues, and to condemn in the strongest possible terms, a Rockstar Inc. video game entitled "Grand Theft Auto: Vice City." This game has no place as an amusement in this country because it purports to make "fun" using racist and stereotyped images of Haitians and Cubans.

This despicable video game portrays Haitians as ugly criminals and lower forms of human life who must be obliterated once and for all. In order to win the game, the player—an ex-convict—is hired to recover stolen drug money on the streets of Miami. In his pursuit, he faces police officers and gangsters from Cuba and Haiti. Armed with a machete, knife, gun and baseball bat, the game urges players to "kill the Haitians" and "kill the Cubans."

What makes this matter even more offensive is that, by its immigration policies and pronouncements, the Bush Administration fosters a view of Haitian asylum seekers as potential terrorists rather than bona-fide refugees.

It is hard to see how such contemptible acts could be seen as "fun," for this video game is scandalous and hateful and deeply offensive to Haitian and Cuban Americans and every decent American concerned about racism and violence in this country.

I ask this Congress and all people of goodwill to join me in condemning this hateful video game and to do everything possible to increase public knowledge of it and thereby to limit its acceptance in both domestic and foreign markets.

Mr. Speaker, I represent the largest Haitian constituency in the United States, and this video game is demeaning, demoralizing and deeply hurtful to hundreds of thousands of hard-working, law-abiding Haitian Americans and their families in South Florida and in this country. It does not take much to imagine the destructive impact that the repulsive images of this game would have on youngsters, whether they are Haitian-American, Cuban-American, or not.

This video game symbolizes the very lowest of our nation's values. It is deeply disturbing, not only that the manufacturer would seek to profit by the sales of this game, but that people would buy it. I urge all my colleagues, and every American, to take a firm stand against such commercial trash and to rededicate ourselves to the principles of freedom and liberty that such hatred cannot destroy.

REMOVAL OF U.S. TARIFF ON ORANGE JUICE IMPORTS WOULD NOT ENHANCE FREE TRADE

HON. TOM FEENEY

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. FEENEY. Mr. Speaker, three weeks ago the leaders of more than thirty nations around the Western Hemisphere gathered in Miami for the Free Trade Area of the Americas (FTAA) Eighth Ministerial meeting for the purpose of expanding free trade within the Western Hemisphere.

I watched with great interest as these negotiations progressed, fully cognizant of the significant impact that they could have on my state of Florida.

Free trade and free markets are essentially about making trade easier by allowing the market to balance needs, supply and demand. We are engaged in a battle to tear down trade barriers around the world in an effort to promote jobs, competition and greater prosperity for all countries involved. Since Adam Smith explained the benefits of free trade in his great work "The Wealth of Nations", thoughtful policy makers have understood the need to reduce these barriers. The famous economist

Joseph Schumpeter once proclaimed that capitalism relies on the free flow of information and goods.

The talks in Miami generated positive movement towards greater economic integration in this hemisphere. Trade Ministers agreed to a baseline of minimum standards for a full and comprehensive agreement that takes into account differing levels of development among nations. This framework is a step forward that gives nations needed flexibility.

As we continue these discussions, I would caution the negotiators to find an acceptable balance between the need to open up to new foreign markets and to protect an industry that is vital to America's supply of fresh fruit and Florida's economic infrastructure: the Florida citrus industry.

There are only two countries that produce 90 percent of the world's orange juice: the United States and Brazil. Brazil currently sells to the United States and has a large market share in the European Union. Without competition from the Florida citrus industry, Brazil would enjoy a monopoly over world orange juice production.

The citrus industry in Florida generates revenues of $9.1 billion each year and employs nearly 90,000 people without subsidies from the Federal Government. A collapse of this industry would not only cost tens of thousands of jobs, it would also cost the State and local governments of Florida up to $1 billion in lost tax revenues.

Removal of the U.S. tariff on orange juice imports would not enhance free trade. It would rather give Brazil a total world monopoly, make that country the world's dominant citrus producer and enable them to control market supply, access and prices with no competition.

The Brazilian citrus industry has benefited from years of subsidization, dumping, lax environmental laws, price manipulation and weak and largely unenforced labor laws. I would urge our negotiators to insist on drastic reforms in the Brazilian citrus industry prior to agreeing to any tariff changes. Florida's citrus industry can compete with Brazil, or anyone else for that matter, as long as there is a level playing field.

WELCOMING ELANA HELEN KAPLAN

HON. DOUG OSE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. OSE. Mr. Speaker, it is with great pleasure that I announce the birth of Elana Helen Kaplan. Elana was born on Tuesday, November 18, 2003 at Fairfax Hospital in Northern Virginia to my former Legislative Director, Jim Kaplan, and his wife Stacie.

Almost exactly two and a half years ago I welcomed Elana's twin sisters, Shauna and Sierra, on the floor of this House.

Today I join Shauna and Sierra in welcoming their baby sister Elana. Among the proud family members who join me in welcoming her are her grandparents: Dr. and Mrs. Jerold Kaplan of California, and Mr. and Mrs. Harold Rothman of Maryland. Stacie's sister, Ms. Amy Rothman, Jim's brothers, Lt. Scott Kaplan (USN) and Mr. Glenn Kaplan, Stacie's grandmother, Mrs. Doris Scherr, and Jim's grandparents, Mr. and Mrs. Bernard Schwartz also join me in this joyous welcome.

These three little Kaplan girls owe much to this chamber, as Jim met their mother Stacie through a fellow congressional staff member and proposed during a tour of the Congressional dome in 1997.

As the father of two daughters myself, I can only hope that these young ladies will continue to bring joy and pride to their family and to their community in much the same way my daughters brighten my life every day.

TRIBUTE TO KALAMAZOO COUNTY SHERIFF, TOM EDMONDS

HON. FRED UPTON

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. UPTON. Mr. Speaker, I rise today to pay tribute to Kalamazoo County Sheriff, Tom Edmonds, who is closing a chapter in a long and distinguished career of public service. A dedicated and selfless individual, Tom has served five terms as Sheriff after being appointed to the Office in 1984. Over his tenure as Sheriff, Tom served the citizens of Kalamazoo in a number of capacities, all with great distinction.

Since 1975, Sheriff Edmonds' contributions to our community have been tremendous. From post to post, he consistently received accolades and recognition. In addition to his remarkable service as Sheriff, highlights of his storied career include being Adjunct Professor of criminal law and procedure at Western Michigan University, Chair of the Michigan Commission on Law Enforcement Standards, Brigadier General for the Michigan Air National Guard, and recipient of Citation and Medal for Professional Service from the Michigan's Sheriffs' Association.

Many words come to mind as one reflects upon Tom's public service to our community. He is selfless, brave, generous, giving, caring, humble . . . the list goes on. Tom is widely known for his extensive charity and dedication to local individuals, businesses, universities, and the community as a whole. He spent a career devoted to the protection and safety of the citizens of Kalamazoo, and for this the county is forever in his debt. There is no question that Tom's dedication and contributions to the county will be missed.

Our community is in debt to Sheriff Edmonds for his continued public service since 1975. I wish him and his family all the best in retirement. Tom's contributions to our community have been many, and we are all better off from his service. He will be truly missed by the folks in southwest Michigan. I'm certainly glad he's remaining in our corner of Michigan.

CONGRATULATIONS TO SUNNYSIDE HIGH SCHOOL FOOTBALL TEAM OF TUCSON, ARIZONA

HON. RAÚL M. GRIJALVA

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. GRIJALVA. Mr. Speaker, I rise today in honor of true champions. I am proud to report that on Saturday. December 6th, 2003, the Sunnyside High School football team of Tucson, Arizona once again brought home the Class 4A State Title.

For the second time in three years, the Blue Devils showcased to the state of Arizona their unmatched talent, heart, and dedication. In a 21–13 victory over Glendale Cactus, Sunnyside overcame a roster depleted by injury and what the papers called "undersized" players. Mr. Speaker, it's true that the Blue Devils have linemen whose physical stature is smaller than the average. But, as was proved in this past weekend's state championship game, physical size doesn't matter when you have the drive and the hunger for victory that these players do. Under bright stadium lights, under tremendous pressure and expectation, and with a defensive line outweighed by an average of 70 pounds, the Sunnyside Blue Devils came home victorious.

I commend these students and their coaching staff. Their fine efforts have made my hometown, and moreover, my alma mater proud. I wish them the best as they enjoy their victory and begin to look toward next year's winning season.

TRIBUTE TO CALVIN WENDEL

HON. ROSA L. DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Ms. DELAURO. Mr. Speaker, I rise to pay special tribute to Calvin Wendel, whose quiet and dedicated service along Interstate 95 in Milford, Connecticut has helped keep our nation's highways safe and important goods and services moving through our region for the last 43 years.

Cal has worked at the Secondi Bros. Truck Stop in Milford since it opened on July 1, 1960. With no other major truck stops in the area, it is highly visible and known in the truck stop industry due to its location. It is the first truck stop in New England off Interstate 95 that drivers come in contact with after leaving New Jersey. Over 120,000 vehicles a day travel past exit 40, Interstate 95 where Secondi is located, and the trucks that stop for service at Secondi are part of a fleet transporting over 72 percent of the goods we have at our homes and in our businesses.

During his tenure at the Secondi Truck and Tire Repair Unit, Cal has serviced over 74,000 trucks. Over the years, his expertise has contributed to the safety and economic security of every one of us. Yet, as much as his technical experience is respected by those who stop regularly at Secondi on their way through Connecticut, it is the personal touch he adds to his service and extends to those around him, dedication, high values, and respect for people, that have endeared him to his customers and peers.

As one of my constituents once said, "Trucks keep America rolling!" I urge my colleagues to join with me to honor the service Calvin Wendel has provided to all of us over the years, helping to keep American trucks rolling.

REMEMBERING THE HISTORIC LIFE OF LOUISE ELIZABETH BUIE

HON. ALCEE L. HASTINGS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. HASTINGS of Florida. Mr. Speaker, I rise today to celebrate the life of Louise Elizabeth Buie, who died on December 2, 2003. This diminutive woman, known throughout her home state of Florida and beyond for her contributions to the civil rights movement in America, packed the equivalent of two lifetimes into her 89 years.

Beginning in the 1930s, Louise Buie, as a member of her local branch of the National Association for the Advancement of Colored People (NAACP), fought against segregation in its many forms. She served as president of the branch for fourteen years during the 1950s and '60s and was at the forefront of every battle to integrate schools, hospitals and restaurants. It was Louise Buie who demanded that black baseball players be allowed to room with their white teammates in West Palm Beach, and it was Louise Buie who insisted that West Palm Beach, Riviera Beach and other cities in South Florida hire African-Americans as police officers and firefighters. Previously, those municipalities had restricted people of her race to jobs as janitors and laborers.

Louise's voice and dynamic personality were ever-present in seventy years of struggles over school desegregation and dozens of other disputes involving employment discrimination and demands for equal rights for all citizens. At a time when black citizens were denied admittance to most of the county's hospitals, she ignored the skepticism of her fellow African-Americans and started the fight that resulted in the desegregation of Palm Beach County's major medical facilities. When her grandchildren wanted to go to the beach during a time period when beaches were restricted to whites, Louise took her grandchildren anyway. Although she was arrested for her actions, Louise prevailed, and the beaches were opened to all citizens.

It was Louise Buie who forced the abolition of the Palm Beach County school district's "all white" textbooks that excluded any mention of the history and contributions of African-Americans in our nation. She was also at the forefront of the movement that brought courses in black history to the curriculum of Palm Beach County schools. As time went by, more and more of the barriers to full participation in our society were broken down by the efforts of this amazing woman.

Mr. Speaker, there is a song that is often chanted at protest marches and rallies. It begins, "Ain't gonna let nobody turn us around." That sums up the life of Louise Buie. No one ever turned her around.

Although Louise was best known and most often honored for her civil rights work, she didn't confine herself to battles for the betterment of the lives of black citizens. Anywhere there was injustice, Louise could be counted on to speak out and assist those whose rights were infringed upon. She became known as the little lady with the big heart.

Her lifetime of fighting against injustice won her innumerable friends and admirers among people of all races and every economic stratum, including myself. Opponents of segregation came to recognize her as a formidable adversary and eventually realized the futility of holding to their outdated views. Elected officials and other powerful people respected her opinions and welcomed her input and wise counsel.

I knew "Mrs. L.E. Buie," as she called herself, for a very long time. I cannot possibly calculate the immense value of all that I learned from her. As with so many other people she met in her lifetime, she was an enormous influence on me. I know how proud she was of my election to Congress, seeing that victory as validation of her decades-long effort to raise African-Americans to a level equal to that of white citizens. Nevertheless, we both knew, and I still know, that America has a long way to go.

Two years ago, in an effort to convince a local town to adopt the Martin Luther King, Jr. holiday for its citizens, Louise Buie, at age 87, walked a mile with other marchers and stood on the steps of the town hall through more than an hour of speeches. When one of my long-time staff members, who had been sitting down, later commented on her stamina, she replied, "I'm used to standing." Until a few weeks before her death, Louise Buie was still fighting battles and collecting awards. In recognition of the many lives she touched and the huge impact that she had on the people of Palm Beach County, the Urban League building in West Palm Beach is co-named for her.

Mr. Speaker, there will never be another human being like Louise Elizabeth Buie. Her impact will be felt for generations to come. She opened many doors, often with only the strength of her personality. Because of her work, innumerable African-Americans and people of all races have walked through those doors, and we are extremely grateful for the phenomenal person that she was. Her memory will live with me always.

INTENT AND OBJECTIVES OF AMENDMENT TO PRESIDENTIAL RECORDINGS AND MATERIALS PRESERVATION ACT OF 1974

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. WAXMAN. Mr. Speaker, on behalf of Mr. DAVIS and myself, I would like to submit the following letters for the RECORD. They provide background on the intent and objectives of the amendment to the Presidential Recordings and Materials Preservation Act of 1974.

RICHARD NIXON LIBRARY
AND BIRTHPLACE FOUNDATION,
November 21, 2003.

Hon. TOM DAVIS,
Hon. HENRY A. WAXMAN,
Committee on Government Reform, U.S. House of Representatives, Washington, DC.

DEAR REPRESENTATIVES DAVIS AND WAXMAN: I would like to express our appreciation for your efforts to amend the Presidential Recordings and Materials Act to remove the requirement that the Presidential records of the Nixon Administration be housed in Washington, D.C. It has been more than 29 years since President Nixon left office. Bringing the Nixon Library into the federal system under the terms of the Presidential Libraries Act and at this time is clearly in the public interest.

The public interest is best served by the unfettered access for historians and the general public to the records of the Nixon Administration. We agree that current regulations on public access will continue to govern public access to these records in the future; that the records remain the property of the United States; and that the Archivist will be responsible for access to the documents at the Nixon Library. It is our understanding that papers and tapes that have been processed may be transferred to the Nixon Presidential Library once an agreement has been reached between the Nixon Foundation and the Archives, but that those records that have yet to be processed shall continue to be reviewed in a timely fashion at College Park, Maryland. Of course, the ongoing review of records at College Park should not delay the transfer to California of records that have already been processed.

The Nixon Foundation is eager to complete discussions with the Archivist in a timely fashion and looks forward to that opportunity.

Sincerely,

JOHN H. TAYLOR.

U.S. HOUSE OF REPRESENTATIVES,
Washington, DC, November 20, 2003.

Hon. J. DENNIS HASTERT,
Speaker of the House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Congressman Waxman and I seek to memorialize the amendment to the Presidential Recordings and Materials Act of 1974 included in the Transportation and Treasury Appropriations bill. The measure the Congress is adopting today will make clear that the Presidential Papers of Richard Nixon are eligible for transfer to the Nixon Presidential Library. Under the 1974 Act, it has not been legal to transfer these papers. The purpose of the provision we are enacting today is to move forward the process whereby the Archivist and the directors of the Nixon Library in Yorba Linda, California, will conclude an agreement on the terms of this transfer.

The provision enacted today makes clear that any agreement between the Archivist and the Nixon Library to bring the Nixon Library into the federal Presidential library system shall be, as has been the case with all other Presidential libraries, subject to the terms of the Presidential Library Act. Those records will continue to be owned by the United States and administered by the National Archives. The Archivist will not transfer any documents to California until he certifies to Congress that he has determined that there is a suitable archival facility to house those documents.

Once the Archivist agrees to accept the Nixon Library into the Presidential Library System and has notified Congress, employees of the National Archives will staff the Library, and the Archivist will be responsible for access to documents at the Library. This measure makes clear the public interest in unfettered access for historians and the general public to the records of the Nixon Presidency.

The National Archives is responsible for reviewing the recordings and materials from the Nixon Administration. This is a complicated task of looking at each document and determining if the release of that document would invade someone's privacy or endanger national security. There are concerns that transferring these materials to California would disrupt the processing of them, delaying their public release. This bill will not affect the processing of the records. Papers and tapes that have been processed may be transferred to the Nixon Presidential Library once an agreement has been reached between the Library and NARA. Those records that have yet to be processed shall continue to be reviewed in a timely fashion at College Park, MD. At the same time, that review should not in any way delay the transfer of processed records to California.

Sincerely,

TOM DAVIS,
Chairman, Committee on Government Reform.
HENRY A. WAXMAN,
Ranking Minority Member, Committee on Government Reform.

A SPECIAL TRIBUTE TO MARGARET O'NEILL FOR HER YEARS OF DEDICATED PUBLIC SERVICE

HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. GILLMOR. Mr. Speaker, it is with great pleasure that I rise today to pay special tribute to an invaluable public servant. Margaret O'Neill, the Occupational Health Nurse, will retire from her long career of public service on January 2, 2004.

Margaret was born and raised in Belmont, Massachusetts and graduated from St. Patrick's High School in 1956. She attended Boston University's Medical Center where she majored in Nursing and graduated in 1960 to begin her distinguished record of public service.

With Michael, her husband of 37 years and graduate of the United States Military Academy at West Point, Margaret spent much of her career serving the soldiers of the United States Army. As a military spouse, she volunteered in various capacities for the Army and Red Cross worldwide. Her service includes work in the Fort Meyer emergency room as well as employment as the Occupational Health Nurse for the 3rd Infantry motor pool soldiers and employees serving Arlington National Cemetery.

Her life as a military spouse included 23 moves across the world in 18 years. Margaret and Michael O'Neill are the proud parents of Kathleen, an attorney in Fort Lauderdale, Florida.

Although she retires as the Occupational Health Nurse of the Longworth Building after 12 years of service, Margaret O'Neill will never slow down. She plans to take time to travel and attend Theology classes at Trinity College. In addition, Margaret will continue her volunteer work at St. Peter's in the District of Columbia assisting the poor and homeless.

Mr. Speaker, Margaret O'Neill leaves behind many friends in the Halls of Congress. We are lucky to have experienced her compassion and will miss her dearly. Her wisdom, kindness, and abilities are attributes to which all public servants should aspire. She has set an example for everyone on how to live a life of service, putting the greater interests of the community before one's own.

Mr. Speaker, I ask my colleagues to join me in paying special tribute to Margaret O'Neill. Our nation is served well by having such honorable and giving citizens, like Margaret, who care about their health and well being. We wish Margaret, her husband, Michael, and their daughter, Kathleen, all the best as we honor one of our dear friends.

SPECIALTY CROP COMPETITIVENESS ACT OF 2003

HON. WALLY HERGER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. HERGER. Mr. Speaker, I am pleased to become a cosponsor of the "Specialty Crop Competitiveness Act of 2003," H.R. 3242, legislation designed to maintain a viable and competitive specialty crop industry in the United States.

It is important to first note that an abundant, affordable supply of highly nutritious fruits, vegetables and other specialty crops is vital to the health of all Americans. Increased consumption of fresh produce will provide tremendous health benefits to consumers, as well as economic benefits to American farmers.

It follows that a competitive specialty crop industry is necessary to produce and sustain a safe and nutritious domestic food supply. A competitive specialty crop industry is also necessary to sustain the economic vitality of rural communities in northern California, and indeed throughout the entire nation.

Unfortunately, it is becoming increasingly difficult for U.S. producers to compete against heavily subsidized foreign producers in domestic and international markets. For example, the European Union provides subsidies of about $11.7 billion per year to its specialty crop growers, while U.S. specialty crop growers receive no subsidies. In addition, U.S. specialty crop growers continue to face tariff and non-tariff trade barriers in many export markets, thus making it virtually impossible for our growers to improve sales through increased exports. In turn, production costs have escalated due to increased environmental and other regulations, and important crop protection tools have been lost, thus making it increasingly difficult to operate profitably.

Specialty crop growers from California and across the country believe federal agriculture policy must address the myriad of unique challenges facing their industry to assure its long-term viability. As such, they have joined together to craft H.R. 3242, and have requested my support.

The bill is designed to increase exports of U.S. specialty crops, improve efforts to protect agriculture from damaging pests and diseases, and provide funding for research necessary for improving the competitiveness of the industry. The activities authorized by this legislation represent a prudent investment in the future success of our $58.7 billion specialty crop industry.

The cost of the bill is relatively modest when compared with other agriculture programs and most other federal programs. Nevertheless, it continues to be critically important, especially during this period of budget deficits and increased spending for our ongoing War on Terrorism and homeland security, for Congress to restrain federal spending. As such, I want to work with the bill's supporters to find acceptable offsets and/or savings from other federal programs that will ensure that the funding authorized under this legislation fits within the existing budget.

I look forward to working with the sponsors of the bill, Congressman DOUG OSE and Congressman CAL DOOLEY, toward future House consideration of this important bill for California agriculture.

INTEGRATING THE GULF OF MEXICO BORDER REGION

HON. KATHERINE HARRIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Ms. HARRIS. Mr. Speaker, I rise today to announce that on November 5, 2003, the Gulf of Mexico States Accord and its business counterpart, the Gulf of Mexico States Partnership, Inc. signed a Memorandum of Cooperation on Short Sea Shipping with the U.S. Department of Transportation's Maritime Administration. The Gulf of Mexico States Accord comprises a partnership between my home state of Florida, Alabama, Mississippi, Louisiana, Texas, and the six Mexican states that border the Gulf of Mexico.

The signing ceremony for this Memorandum of Cooperation took place at the MARAD Short Sea Shipping Conference, which occurred in Sarasota, Florida, a city which is located in my District. Over 200 maritime industry professionals from the United States, Mexico, Canada and the European Union attended this event. In recognition of the outstanding work of the Maritime Administration, the Accord and the Partnership, I request that the English version of the agreement be inserted, with my comments, into the RECORD.

The Memorandum of Cooperation, which constitutes the first such agreement in the Gulf of Mexico region, calls for information exchange, technical assistance and collaboration on issues related to the development of short sea shipping in the Gulf of Mexico. It represents a significant step toward full U.S.-Mexico collaboration on this vital trade issue.

The adoption of an enhanced regional emphasis on the Gulf of Mexico border states is vital as the NAFTA enters its second decade. The initiatives set forth in the Memorandum of

Cooperation will leverage resources to develop this "water border," bolstering homeland security, spurring trade expansion, relieving transportation bottlenecks, and reducing pollution through the increased utilization of the Gulf of Mexico's ports and intermodal infrastructure.

The Memorandum of Cooperation also calls for support of the "Gulf of Mexico Trade Corridor Transportation Study", which is being spearheaded by the business Partnership in collaboration with the Accord and its Working Group on Transportation, Infrastructure and Communications. The study is based on the premise that the development of the Gulf of Mexico border, with its 62 million inhabitants in eleven U.S. and Mexican states, will have immediate and enduring regional impact on efficient investment in homeland security, identification of and investment in "critical" physical infrastructure, tourism and educational development, environmental sustainability, and overall community and international economic development.

The Gulf of Mexico basin constitutes a natural North American economic sub-region, comprising a seaborne NAFTA "superhighway" trade corridor, a common sustainable resource for tourism, agriculture, fisheries and aquaculture, and a common homeland security zone. The Gulf represents the ideal location for deepening and broadening the benefits of the NAFTA in preparation for the new flows of two-way trade that I believe will occur under the Free Trade Area of the Americas.

MEMORANDUM OF COOPERATION AMONG THE MARITIME ADMINISTRATION OF THE UNITED STATES, THE GULF OF MEXICO STATES ACCORD, AND THE GULF OF MEXICO STATES PARTNERSHIP, INC.

1. PARTIES

a. The party to this agreement representing the Maritime Administration (MARAD), is the Maritime Administrator or his designated representative.

b. The party to this agreement representing the Gulf of Mexico States Accord (GOMSA) will be the President of the Accord or his designated representative. GOMSA is a forum that was created to foster, promote and implement cooperative relationships between and for the eleven U.S. and Mexican border states that adjoin the Gulf of Mexico.

c. The party to this agreement representing the Gulf of Mexico States Partnership, Inc. (the Partnership) will be the President of the organization or his designated representative. The Partnership is a nonprofit private sector Gulf States group that shares the GOMSA goal of fostering and promoting interests of the member states and region.

2. PURPOSE

a. The purpose of this agreement is to recognize and enhance the communications and working relationship among MARAD, GOMSA, and the Partnership in order to address the common goals of advancing short sea shipping in the Gulf of Mexico and ensure that it is safe, secure, efficient and environmentally sound.

b. The agreement serves to facilitate periodic meetings among MARAD, GOMSA and the Partnership to identify ways the respective organizations can assist in the sharing of short sea shipping policy, experience and related information.

3. RESPONSIBILITIES

a. MARAD will share with GOMSA and Partnership MARAD's short sea shipping

i. goals, policies, and experience so as to allow these organizations to use their extensive

ii. state and business networks to improve maritime efficiency, commercial viability, and

iii. short sea shipping opportunities as they arise.

b. GOMSA and the Partnership will share information and experience with MARAD so that they can assist in the accomplishment of MARAD objectives to ease traffic congestion, improve transportation safety, and elevate the quality of life in the Gulf States region through cooperative short sea shipping efforts.

c. MARAD, GOMSA and the Partnership will consult and share information in support of a "Gulf of Mexico Trade Corridor Transportation Study", a long-range Partnership project to highlight new commercial opportunities, inventory Gulf of Mexico infrastructure assets, and to identify and assess gaps in existing transportation infrastructure.

d. This agreement is effective upon the signature of the parties. It is informal in nature and may be modified by mutual agreement or terminated by any party at any time. The parties pledge to act in good faith at all times and to use their best efforts to accomplish the purposes summarized herein. This partnership does not obligate MARAD to expend any funds.

Signed the 5th day of November 2003 in triplicate, in Sarasota, Florida in the English and Spanish languages, each version being equally valid.

[Capt. William Schubert, Administrator, for the U.S. Maritime Administration] [Gary L. Springer, Secretary-General, Gulf of Mexico States Accord] [Robert Hendry, Director, Gulf of Mexico States Partnership, Inc.]

COMMEMORATING THE LIFE OF CATHERINE FUREY

HON. TIMOTHY H. BISHOP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. BISHOP of New York. Mr. Speaker, I rise today to commemorate the life of Catherine Furey, a constituent of mine who recently passed away, and was proud to call Long Island home. She lived to mark a landmark occasion that many of us strive for but very few of us reach: Catherine lived to celebrate her 110th birthday.

Catherine was born in County Roscommon, Ireland, on April 6, 1893. At age 20, Catherine left her family and friends in Ireland to make a better life for herself in America. When she arrived in Boston, she immediately moved to Providence, Rhode Island where she joined an aunt to assist with the upkeep of the home of a Protestant minister. Later, Catherine traveled to New York City to serve as a caregiver for a sister struggling with tuberculosis.

After her sister passed away, she began working for a wealthy family in Manhattan, tending the family's summer home in Long Beach. There she met and married Simon Furey. They moved to Hempstead where they raised two children and became active members of this Long Island community.

In the 1950's, Catherine began an 11-year vocation with St. Joseph Catholic School in Garden City where she ran the cafeteria. She helped to see that countless schoolchildren were content and always received a warm meal. After her decade of service to the school, Catherine continued to work and to play an active role in the lives of children by serving as a babysitter for working families in our community, a job she happily performed until her early eighties.

Last April on her birthday, Catherine received a letter from Mary McAleese, President of Ireland, congratulating her on being the oldest living Irishwoman. Catherine Furey was not only the oldest living Irishwoman, but also the oldest living Long Islander at the time of her death on December 2nd at the age of 110.

It is amazing to think of the events Catherine experienced over the course of her lifetime. When she arrived in America looking for a better life, women could not vote and were not able to be full participants in society. She lived not only to see the role of women evolve, but to see this country emerge stronger than ever from World War I, World War II, and the Great Depression. New York was at the forefront of innovation during the past century, and she was right there to witness this tremendous transformation.

Her life is an inspiring story of both strength and wisdom. She is survived by her son and daughter, along with 9 grandchildren and 14 great-grandchildren.

RECOGNIZING MIGUEL ARIAS AS HE IS SWORN IN AS A UNITED STATES CITIZEN

HON. CALVIN M. DOOLEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. DOOLEY of California. Mr. Speaker, I rise to pay tribute to a young man who is being sworn in today as a citizen of the United States of America. Over the past 2 years, Miguel Arias has been a member of my staff in my Fresno, California and Washington, DC offices. Over that time, Miguel has shown that he is dedicated to his family, his friends, his community, and his country. I am honored to rise in this chamber and welcome Miguel as a citizen of the United States.

Miguel was born in Apatzingan, a small city in the state of Michoacan, Mexico. He and his mother, Teresa Arias, immigrated to the United States when he was 2 years old. The Arias family settled in Mendota, California, a small farming community on the western edge of the San Joaquin Valley. It was in Mendota that Miguel began working in the fields picking onions, tomatoes, and melons to earn extra money for his mother, sister, and five brothers. In spite of his long and hard hours in the fields, Miguel excelled academically at Mendota High School and found time to participate in numerous extracurricular activities, including wrestling. Upon graduation from Mendota High School, Miguel enrolled at California State University, Fresno, where studied criminology while working for both the Mendota High wrestling team and the Fresno County Economic Opportunities Commission. In May 2001, he became the first person in his family to graduate from college, earning a Bachelor's degree in criminology from CSU Fresno.

Following his graduation, Miguel began working for me as a staff assistant in my district office, where he made a very strong impression both with me, and with the constituents contacting my office. He was promoted to caseworker, where he specialized in immigration issues facing the people of my district.

It was in this role where Miguel provided his most significant contribution to his community. Miguel has become an expert in the process of immigration to the United States by helping many people in my district obtain visas, work permits, and citizenship.

Miguel was a leader in developing and executing the Mendota Project, which counseled parents and students at Mendota High School on the timeline of the immigration process and advised students on how to continue their education in colleges and universities while they waited for their legal immigration papers. The Mendota Project provided significant assistance to many people in my district who were struggling with immigration issues. Because of Miguel's leadership and dedication to the people of his community, the Mendota Project was an incredibly successful immigration education venture. His expertise on immigration policy was also apparent when, earlier this year, he counseled a summer intern in my office through the process of obtaining citizenship. Miguel's commitment to improving and assisting the immigrant community has not only been important to my office, but to the residents of the San Joaquin Valley.

I want to express my congratulations to Miguel as he reaches the culmination of a very long process that required a lot of hard work. Miguel has set a tremendous example for many of the immigrants he has helped while working in my office. Because of his hard work, determination, and community involvement, I have no doubt that he will continue to be an important role model in his community.

In conclusion, Mr. Speaker, I want to congratulate Miguel Arias today as he is sworn in as a citizen of the United States of America.

LOCKPORT HIGH SCHOOL/CLASS 8A STATE FOOTBALL CHAMPIONS

HON. JUDY BIGGERT

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mrs. BIGGERT. Mr. Speaker, I rise today in honor of Lockport High School's football team, the Porters. Under the leadership of head coach Bret Kooi, the Porters recently beat the Maine South High School Hawks, 48–27, to capture their second straight Class 8A state championship in football.

As any athlete will tell you, although it is hard to win one championship, it is a true test of greatness to come back and repeat as champion. All season the Porters have passed this test with flying colors, which is why I know the entire community is proud of Coach Kooi and the team.

In their drive for back-to-back championships, the team featured a high powered offense with one of the most prolific passing attacks in the history of Illinois High School Athletics.

Mr. Speaker, although this is a great accomplishment, it is just the newest chapter in Lockport High School's storied history. Over the years, teams from Lockport High School have won state championships in a number of sports including bowling and cross country.

But Lockport High School's successes are by no means confined to the athletic field. In the academic field, there's more good news. Since 2000, the number of students taking Advanced Placement courses has risen to 420, an increase of 60 percent. In addition, Lockport High School students scored well above the national average on the ACT exam, and last year, 91 percent of Lockport High School students went on to college.

Congratulations, Porters, for your many athletic and academic successes this year, last year, and over the years. Keep up the good work.

HONORING BARRY McNUTT

HON. W.J. "BILLY" TAUZIN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. TAUZIN. Mr. Speaker, we are on the verge of an historic moment in the 108th Congress as we move to pass a significant revision of our Nation's energy policy. But indeed, this is also a sad time for us and for everyone in the energy community. I have learned and announce with regret, the passing of Mr. Barry McNutt, a distinguished energy policy analyst and outstanding public servant who served at the United States Department of Energy since its inception. Many of us who have been close to energy policy issues over the years will recognize Barry's mark on this energy legislation because he was a strong advocate for increasing domestic energy supplies and improving energy efficiency. While we may have disagreed with Barry's analysis at times, we always respected it because we knew it was coming from a man with great intellectual gifts and unblemished integrity.

Barry McNutt was only interested in good policy not politics, but he recognized that good policy happens through the legislative process. He worked tirelessly to formulate policy options that informed and enlightened the process. He always knew his role as a Federal employee and he understood the important part he played in forming policy. Barry often told his colleagues that the most important thing is to produce solid analysis that will stand the test of time and he did that with talent and great care. Barry was 57 years old when he died on Sunday, November 16 at his home in Arlington, Virginia, after a long and courageous battle with cancer. He leaves behind a beloved wife Andrea and a brother, and many colleagues who will miss him, but he also leaves behind a legacy of outstanding public service that should inspire us all throughout our years of service to this country.

TRIBUTE TO DOLLY DEIBEL AND HER LEADERSHIP IN THE FIGHT AGAINST CANCER

HON. RALPH M. HALL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. HALL. Mr. Speaker, I rise today to pay tribute to an outstanding East Texan and ardent supporter of The University of Texas M.D. Anderson Cancer Center, Dolores M. "Dolly" Deibel of Tyler, Texas. Dolly has long been one of Tyler's philanthropic and civic leaders, and for the past two years, has chaired the "Light up Tomorrow . . . for the Children" benefit to raise funding and public awareness for the Pediatric Division at M.D. Anderson and the Children's Art Project. This year the event will be held on December 17 in Tyler.

Dolly has served as an Associate Member of the Membership Committee of The University Cancer Foundation Board of Visitors since September, 2000, and has been reappointed every year thereafter. Her efforts on behalf of M.D. Anderson are well-known, and the pediatric benefit has received strong community backing. This year the holiday gala enjoys the generous sponsorship of dozens of community leaders and supporters.

Mr. Speaker, I have a special appreciation for—and owe a debt of gratitude to—the dedicated staff and leadership at M.D. Anderson Cancer Center. Several years ago, my grandson Jay was stricken with cancer, and through the valiant efforts and superb treatment available at M.D. Anderson, Jay was one of those fortunate cancer patients who pulled through. I will be eternally grateful for the treatment that Jay and countless others have received there, and I appreciate Dolly's efforts in supporting the children of M.D. Anderson.

Dolly has been a longtime advocate in the fight to eradicate cancer. Last year, in recognition of her tireless efforts on behalf of The American Cancer Society over the past twenty-five years, the Deibel family joined with the American Cancer Society to name a room in her honor at the new building serving the Smith County Unit in Tyler. Over the years, Dolly has served the Smith County Unit of The American Cancer Society as Board member, public relations chairman, district chairman, committee member of Cattle Baron's Gala, Chili Rose Bowl and Great American Smokeout. She has served as a Board member of the State division of The American Cancer Society, including service on the Communications Committee, Great American Smokeout, Legislative Day at the Capital, and Women and Smoking Committee, among many other activities. She has received numerous awards for her many contributions.

Dolly also has been actively involved in countless philanthropic, civic, and political activities in Tyler, as so many look to her for leadership, inspiration, and support. She has devoted her time and talent to numerous causes, including the Women's Symphony League of Tyler, Tyler Rose Festival, Literacy Council of Tyler, Dallas Summer Musicals, Distinguished Lecture Series at The University of Texas at Tyler, Tyler Museum of Art, YMCA and other worthy organizations.

Dolly's vivacious, wonderfully engaging personality, her intelligence, her genuine compassion for others, and her willingness to work hard and to accomplish difficult tasks enable her to succeed in any cause or event that she tackles. Tyler and the State of Texas have benefitted greatly from her dedication to improving the lives of others, and she and her husband, John, are one of the dynamic couples in Tyler who are making a difference in their community. As we adjourn today, I want to commend Dolly Deibel for her extraordinary efforts on behalf of others, and in particular her support of the children of M.D. Anderson Cancer Center and the fight against cancer. Best wishes to all those who are supporting the "Light up Tomorrow . . . for the Children" benefit in Tyler on December 17—and may the light of Christmas shine upon this event. God bless.

DECLARATION OF PARTICIPANTS OF FIRST CONGRESS OF WORLD AND TRADITIONAL RELIGIONS

HON. JOSEPH R. PITTS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. PITTS. Mr. Speaker, I would like to submit for the CONGRESSIONAL RECORD the following Declaration of the Participants of the First Congress of World and Traditional Religions hosted in Kazakhstan earlier this fall. One of the most important aspects of this gathering was the emphasis on reconciliation and the final declaration recognizing the right of each individual to "freely be convinced of, choose, express and practice his/her religion." Much of the tension in the world today is over the refusal of one group to allow another group or individual to peacefully practice his or her religious beliefs. I would like to commend President Nazarbayev for convening this important conference and I would like to commend all participants in the conference.

DECLARATION OF THE PARTICIPANTS OF THE FIRST CONGRESS OF WORLD AND TRADITIONAL RELIGIONS

We, the participants of the First Congress of World and Traditional Religions, held from 23 to 24 September 2003 in Astana, the capital of the Republic of Kazakhstan.

Recognizing the right of each human person to freely be convinced, choose, express, and practice his/her religion.

Considering inter-religious dialogue as one of the most important instruments for ensuring peace and harmony among peoples and nations.

Supporting the efforts of the United Nations, other relevant international and regional organizations, as well as Governments, civil societies and non-governmental organizations in the promotion of dialogue among civilizations.

Confirming the importance of religion for the well being of all mankind.

Condemning the misuse and misrepresentations of religions and the incorrect use of differences among religions as a means for achieving selfish, disruptive and violent goals.

Conscious of: The declining sense of respect for the sanctity of human life and the dignity of every human person.

The serious challenges posed to global stability by poverty, hunger, illiteracy, disease, immorality and lack of access to clean water and health care.

The recourse to oppression, cruelty and violence as the principle instruments for resolving disputes.

The ecological crisis in which the world finds itself, with grave consequences for present and future generations.

Declare: That the promotion of the values of Tolerance, Truth, Justice and Love must be the aim of any religious teaching.

That extremism, terrorism and other forms of violence in the name of religion have nothing to do with genuine understanding of religion, but are a threat to human life and hence should be rejected.

That the diversity of religious beliefs and practices should not lead to mutual suspicion, discrimination and humiliation but to a mutual acceptance and harmony demonstrating distinctive characteristics of each religion and culture

That religions must aspire towards greater co-operation, recognizing tolerance and mutual acceptance as essential instruments in the peaceful co-existence of all peoples.

That educational programs and the means of social communication should be essential instruments for promotion of positive attitudes towards religions and cultures.

That inter-religious dialogue is one of the key means for social development and the promotion of the well-being of all peoples, fostering tolerance, mutual understanding and harmony among different cultures and religions, and operating to bring an end to conflicts and violence.

That the entire human family must be encouraged to overcome hatred, enmity, intolerance and xenophobia.

We shall strengthen co-operation in promoting spiritual values and the culture of dialogue with the aim of ensuring peace in the new millennium.

We are ready to strain every effort not to allow the use of religious differences as an instrument of hatred and discord, in order to save mankind from a global conflict of religions and cultures.

We look forward to joint actions to ensure peace and progress for humanity and to foster the stability of societies as the basis for a harmonious world for the future.

We thank the Republic of Kazakhstan and his Excellency President Nursultan Nazarbayev for initiating and hosting this Congress.

May our commitments be blessed and all the peoples of the world be granted justice, peace and prosperity.

RESOLUTIONS OF THE FIRST CONGRESS OF WORLD AND TRADITIONAL RELIGIONS

The participants of the First Congress of World and National Religions, held from 23 to 24 September 2003 in Astana, the capital of the Republic of Kazakhstan.

Taking into consideration the fruitful exchange of views on the role of religions in promoting peace and harmony in the world.

Expressing common understanding on the need to continue constructive dialogue among representatives of the world's religions.

HAVE RESOLVED: To convene the Congress at least once every three years; To approve the following title of the Congress—"the Congress of World and Traditional Religions"; To request the Republic of Kazakhstan, as the initiator of the Congress, to elaborate all aspects related to the establishment of the Secretariat; To convene the Second Congress in Astana, the Republic of Kazakhstan.

INTRODUCTION OF THE FAIRNESS TO LOCAL CONTRACTORS ACT

HON. ED CASE

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. CASE. Mr. Speaker, I rise today to introduce legislation to ensure that out-of-state Federal contractors doing business in the various States fully comply with local State laws.

For years, my home State of Hawaii has struggled to force out-of-state Federal contractors to pay local taxes. This issue became so serious in the mid-1990s that the State of Hawaii sued out-of-state Federal contractors for failing to pay State taxes, penalties, and interest ranging from $191,000 to $324,000. Noncompliance with State laws has become such an acute problem that the Hawaii Department of Taxation has joined with other State departments and members of the Hawai 'i congressional delegation to devise ways to make Federal contractors comply with State tax laws.

The bill I introduce today will solve this problem by requiring the Federal government to withhold from any Federal contractor doing business in any State the amount necessary to pay the State tax liability due under its contract, with the amount withheld paid directly to the State where the work is performed. The bill would also direct the Federal government to require a contractor to be licensed in the State in which a construction contract is to be performed.

Besides assuring prompt and full payment of State taxes, these requirements will also help ensure that out-of-state contractors follow the same set of rules and compete on equal footing for Federal contracts with local contractors. Ignoring State laws gives out-of-state contractors an unfair and illegal advantage over local contractors, who routinely face much stricter scrutiny to comply with their local laws and much stricter penalties for failing to do so.

This bill is modeled after legislation introduced by my predecessor, the late Congresswoman Patsy T. Mink, who understood that out-of-state contractors must fulfill their legal responsibilities wherever they conduct their business. By reintroducing an expanded and refined version of her earlier bill, I will continue her fight to help State governments police unethical contractors. I urge my colleagues to support this bill.

NATIONAL EDUCATION WEEK

HON. BOBBY L. RUSH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. RUSH. Mr. Speaker, today, I rise in recognition of the National Education Week that was celebrated during the week of November 17th through November 22, 2003. The theme was "Great Public Schools for Every Child—America's Promise." Although we triumphantly celebrated American education during that time, we must acknowledge that we have failed to fulfill the promise of ensuring a quality education for every student, regardless of their socio-economic background. Mr. Speaker, there is an underlying problem with the nucleus of our public school system, and we cannot continue to band-aid these educational atrocities.

Mr. Speaker, over the past quarter of a century, the percentage of student dropout rates has stayed relatively unchanged. In fact, there are over 519,000 dropouts in America every year. Essentially, Mr. Speaker, America's dropout rates are the "unintended consequences" of our failure to invest the appropriate resources and programs in public school infrastructures.

When students drop out of school, there is a simultaneous spiral effect that leads to a host of troubling issues, such as teenage pregnancies, juvenile delinquencies, and even criminal activities. It is well-known that teenage girls who drop out of school are approximately 50 percent more likely to have a teenage pregnancy than girls who complete their high school education. Mr. Speaker, it is not a mystery to me, where the problem lies, when an estimated eight out of 10 prisoners are high school dropouts. These obvious correlations are not a matter of happenstance.

I believe we have a responsibility to remedy these issues through effective comprehensive programs in public education.

Mr. Speaker, this is the reason I am introducing the Vocational Opportunities and Instruction through Cooperative Education Act, also known as the VOICE Act of 2003. This bill would require the Secretary of Education to conduct a pilot study that would examine effective cooperative education programs in high schools across the nation.

The goal of my legislation is to promote alternative learning environments through school-to-work programs that have been proven to be a successful strategy in preventing high school dropouts. We know that cooperative education is an effective approach in reducing dropout rates. Mr. Speaker, School-to-Work programs, not only prevent dropout rates, but research also demonstrates that linking academic course work to career-related curriculum in the workplace, consistently increases student achievement.

My legislation would also create paid partnerships for students who participate in the program. This is an important piece of my legislation because when these students are paid, it reinforces our commitment to excellence through education while rewarding the efforts of the students. My bill, the VOICE Act of 2003, provides a win-win program for schools, community businesses and organizations, and most importantly the students. Students will benefit from this program because it creates an avenue for both high academic achievement and financial incentives. And the partnership between community businesses and organizations and the schools will assure highly skilled, motivated and experienced high school graduates, which is an investment for the future workforce.

Mr. Speaker, if America is serious about keeping our promise of providing great public schools for every child, then we must do everything in our power to integrate cooperative education programs into every public school classroom across this nation. It is my hope that all my colleagues will join me in the struggle to improve the quality of public education, by cosponsoring this much needed legislation.

DECEMBER SCHOOL OF THE MONTH, NEW YORK'S 4TH CONGRESSIONAL DISTRICT

HON. CAROLYN McCARTHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mrs. McCARTHY. Mr. Speaker, it's with great pride that I announce Franklin Elementary School in the Hempstead Union Free School District as School of the Month in the Fourth Congressional District for December 2003.

The Principal of Franklin Elementary School is John W. Moore. Regina Armstrong and Carolyn Townes-Richards are the Assistant Principals, and the Superintendent of Schools is Dr. Nathaniel Clay. Franklin Elementary School is the largest elementary school in the Village of Hempstead with over 750 students in grades Kindergarten through 5, and 115 dedicated staff members. The faculty work to fulfill the school's mission: To achieve a safe and secure educational environment that promotes working with parents and the community to ensure that all students reach and maintain high academic standards.

Despite various factors the students must overcome, they have shown, and maintained, academic progress in their pursuit to achieve and exceed the standards set by the school. The school's motto, "Your choices determine your destiny. . . . Choose them wisely," puts the students" future in their hands and they have succeeded. Through the rich and diverse cultural wisdom of its students and staff, Franklin Elementary School has distinguished itself as a community, county and a national resource. Recognized as a national school of excellence, Franklin Elementary School this year received from the Department of Education the National Blue Ribbon award. The honor is awarded annually to schools to acknowledge the achievements and hard work of the students, staff members, families and community.

Franklin Elementary School's band has been locally and nationally recognized and is regarded as one of the best elementary school bands in New York State. The band has participated in numerous community events resulting in its adoption by the Eastern Regional Federal Aviation Headquarters. The organization has given students mentorship, tours of its facilities, awards and career advice. It is a relationship benefiting both sides, which I hope will be maintained in the future.

Mr. Speaker, the faculty and students, of Franklin, along with the community, have created a wonderful learning environment. I am proud to name Franklin Elementary School the school of the month for December 2003.

HONORING RICHARD A. ELBRECHT

HON. GRACE F. NAPOLITANO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mrs. NAPOLITANO. Mr. Speaker, it is with great pride that I rise today to honor Richard A. Elbrecht on the occasion of his retirement from the California Department of Consumer Affairs, an agency with which Elbrecht has served the public since 1976. As the Supervising Attorney of the Legal Services Unit, he promoted and practiced the ideal that the law must be accessible to those whom it affects.

Mr. Elbrecht graduated from Yale University in 1955 with a degree in economics and a focus on money, banking and the antitrust law. He also attended the University of Michigan Law School and earned his J.D., 1960. Mr. Elbrecht worked for Legal Aid, the National Consumer Law Center and in private practice in San Jose and Santa Cruz.

But his greatest impact on the people of California was made during his years at the Department of Consumer Affairs where he constantly inspired his staff and co-workers through his intellect, enthusiasm and energy. He has created and maintained a work environment where excellence and innovation flourished. His unit provides a wide range of legal services, including legislative drafting, advocacy before administrative agencies, litigation and education. He has personally worked in a variety of areas of importance to consumers, including banking, electronic funds transfer, telecommunications, insurance, sales, warranties, credit and cable communications. He helped design and administer California's state quality awards program and has performed research on the application of computers and telecommunications to education.

Through this work, Elbrecht has achieved many extraordinary accomplishments on behalf of California's consumers. He drafted the 1991 and 1992 rewrites of the California Small Claims Act and supervised coordination of the Small Claims Court Experimental Project, which led to numerous significant improvements to the small claims court process. He fundamentally reformed practices for selling hearing aids through his representation in People and Director v. Beltone Electronics Corp. He assisted policy makers in developing regulations of interest rates in retail installment sales. He played a key role in the conceptualization and enactment of the California Lemon Law, the Song-Beverly Consumer Warranty Act and the Moore Universal Telephone Service Act.

I ask my colleagues to join me in thanking Richard A. Elbrecht for his many years of service to California's consumers. His advocacy and hard work will be greatly missed, and we wish him much happiness and contentment in his retirement.

ADMINISTRATION'S ATTEMPT TO BAN THERAPEUTIC CLONING WORLDWIDE

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. STARK. Mr. Speaker, I rise today to make clear to my colleagues how the current Bush Administration and their cadre of religious zealots are again attempting to impose their ideological views not just across our country, but across the world. The Administration, with the backing of the anti-abortion movement and several predominantly Catholic countries, is strongly lobbying members of the United Nations General Assembly to vote for a resolution to enact a worldwide ban on therapeutic cloning.

The Administration was not satisfied with their successful effort to cripple stem cell research in this country. Now, they want to use their considerable resources to destroy this promising research field throughout all United Nations member countries. And who will suffer if this effort is successful? People of all races, creeds, religions who suffer conditions as varied as Alzheimer's disease, Parkinson's disease, diabetes, chronic heart disease and spinal injuries. These are the individuals who have the most to lose if therapeutic cloning is banned.

The following is a statement released by Don Reed who is a constituent from Fremont, California. Don and his wife Gloria are tireless advocates of spinal cord research. Their interest in this area is passionate and very personal. Their son Roman was a star college football player until he was paralyzed by a game injury that broke his neck. Since the accident, Roman has been confined to a wheelchair. The Reeds are very much aware of the promise of therapeutic cloning and stem cell research to someday help their son, and many others, to live less restricted lives. This statement describes the efforts of the Administration at the United Nations and provides a poignant view of its effect on his spinal injured son.

WHITE HOUSE BEHIND CHRISTMAS ATTACK ON STEM CELL RESEARCH?

"This is like Scrooge putting Tiny Tim's doctor in jail," said stem cell activist Don C. Reed today, reacting to news that White House officials were part of a stealth campaign at the United Nations to internationally ban all forms of cloning with an up-or-down vote planned for December 8.

"My son is paralyzed with a spinal cord injury," said Reed. "Therapeutic cloning for stem cells is our only realistic hope of cure: that he will one day stand up and walk. But the White House continually attacks that research, apparently because of the religious convictions of the President."

As reported in Thursday's Financial Times of London, the Bush-backed Costa Rica plan would ban cloning everywhere. This would overturn the November 6 vote by the U.N.'s Legal Committee. By a razor-thin margin, (80–79, with 15 nations abstaining) that vote postponed a decision on the controversial therapy for two years.

"Mr. Bush did not like the way that vote turned out," said Reed. "And he wants a new vote. Well, I did not like the way the 2000 Presidential election turned out, but I don't get to have that vote re-done. Millions of people will suffer, if the President can overturn the November 6th U.N. vote. That vote did not approve or disapprove therapeutic cloning. It only says, we should take time to make this important decision carefully. What's wrong with that?"

A more moderate measure, sponsored by Belgium and backed by the UK, would ban reproductive cloning but allow member nations to make their own decisions on therapeutic cloning for medical research. This is opposed by the President, the Catholic church, and anti-abortion organizations.

"The American Medical Association supports therapeutic cloning," says Reed. "As does our own National Academy of Science." Exhaustive studies have been done on therapeutic cloning again and again, both nationally and in the state of California, as well as in countries like England, Israel, Singapore and China. All arrive at the same conclusion: reproductive cloning of children is dangerous to the unborn child, and should be banned; but therapeutic cloning of stem cells is potentially enormously valuable to cure hundreds of diseases and disabilities, and should be preserved.

"None of the stem cell lines approved by the White House can ever be used to help people," says Reed. "Because all of those stem cells were fed on rat feeder layers, which not only brings the possibility of interspecies infection, but also disqualifies them for human use according to FDA guidelines. To individualize embryonic stem cells for human use, therapeutic cloning for cells is a must."

"If therapeutic cloning is banned, embryonic stem cell research is effectively killed," said Reed, "and my son is imprisoned in his wheelchair forever. This is not the sort of Christmas present one expects from the President of the United States."

My fellow colleagues; advanced cellular research is a ray of hope for the Reeds and many others. And this hope is based in reality. According to the National Institutes of Health, therapeutic cloning and stem cell research has "enormous" potential to improve the lives of many. We should not interfere with this progress; we should embrace and support it. I ask you to join me and protest the efforts of the Bush administration at the United Nations to ban therapeutic cloning.

TRIBUTE TO MR. WILLIAM "BILL" HUGHES

HON. JOHN T. DOOLITTLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. DOOLITTLE. Mr. Speaker, today I wish to pay tribute to an outstanding citizen and a close friend, Mr. William "Bill" Hughes, from Citrus Heights, California. Well known for his dedication to family, faith, and community, Bill Hughes passed away unexpectedly on November 25, 2003, while visiting family in Utah for Thanksgiving. He was 55 years old. Though seemingly cut short, Bill's life was, nonetheless, filled with much experience, accomplishment, and success.

Very fittingly, Bill Hughes was born on the Fourth of July in Colorado Springs, Colorado in 1948. Raised on his parents' ranch, he grew up enjoying the outdoors and engaging in hard work. He could often be found on horseback, even as a small child. When the Hughes Family moved to the rural community of Orangevale in Sacramento County, California, Bill's interests grew to include flying small aircraft out of the old Phoenix Field.

After graduating from Bella Vista High School, Bill served as a missionary of the Church of Jesus Christ of Latter-Day Saints, ministering among the Spanish-speaking population of Southwest Texas. Upon his return home, he met and married the love of his life, Sarah. Together, they soon started a family and settled in Citrus Heights.

Having completed a Bachelor of Science degree in criminal science at California State University, Sacramento, Bill launched a three decade career in law enforcement. Following a two-year stint with the Federal Bureau of Investigation, he accepted a position with the Roseville Police Department. In his 28 years on the force, he helped found the SWAT team, spearheaded the implementation of neighborhood policing, and eventually rose to the rank of lieutenant. Strangely, he passed away exactly one year from the day he retired from the department.

Mr. Speaker, Bill also displayed great concern for the future of his own community by driving the move to incorporate the City of Citrus Heights. In fact, with the birth of the City of Citrus Heights in 1997, Bill Hughes was sworn in as its first mayor. During his seven years on the city council, including three as mayor, he spurred the creation of neighborhood associations, guided major economic development efforts, and improved local law enforcement. Due to his leadership, the city is well regarded as a responsive, user-friendly local government.

In his one year of retirement, Bill fulfilled personal goals such as climbing Mount Shasta and sailing the entire coast of California. He also elevated his civic involvement by taking on increased leadership roles in regional affairs. This year, he chaired the Sacramento Area Council of Governments and was the energy behind its Blueprint Project to direct regional transportation and land use planning.

Mr. Speaker, I wish to publicly thank you and the rest of our colleagues for appropriating funding this year to support this visionary project which will help the greater Sacramento region focus and direct its development according to community desires and principles of good planning.

Despite his involved professional and civic life, Bill actively fulfilled his church and family responsibilities. He is survived by his lovely wife Sarah, daughters Yolanda and Kymbra, sons Jarom, Jashon, Corom, and four grandchildren.

As an elected official, I appreciated Bill's hard work and professionalism. As his friend of over 20 years, I appreciated his sincerity and good nature. I join with his family, friends, colleagues, and constituents in celebrating his life and mourning his passing. We will surely miss him.

Rest in peace, Bill.

TRIBUTE TO MR. WILLIAM THOMAS

HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. PAYNE. Mr. Speaker, I rise today to recognize and offer my congratulations to a hero in my community, Mr. William Thomas. During this holiday season, we are lucky to have such a heartwarming reminder of the goodness within the human spirit.

As Mr. Thomas was riding to work with his wife, Jamelia, and two of their children, on East Hazelwood Avenue in Rahway, NJ, he saw a group of people gathered along the river's edge. Upon stopping, he observed a woman flailing in the water.

Disregarding his own safety, and not much of a swimmer himself, Mr. Thomas dove into the 50 degree water to rescue the drowning woman. Struggling to control the panicking, hysterical woman, he managed to pull her close enough to the shoreline for police officers to draw her from the river.

He then returned home to quickly shower and change clothes, setting out again on his drive to work at the Woodbridge Developmental Center in Avenel. He later discovered that the drowning woman also worked at this state-run residential facility for the mentally and physically impaired. They had never met.

Without a thought for his welfare, Mr. Thomas placed another human's life above his own. I am touched by his sacrifice and his service. I am honored by his presence in my community, and I ask you to join me as I salute Mr. Thomas and his outstanding display of compassion and bravery.

TRIBUTE TO BOB GRAHAM

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. DUNCAN. Mr. Speaker, sometimes ordinary people do extraordinary things. We do not have to be rich or famous to leave a positive and lasting legacy to this world.

Bob Graham, one of my constituents from Knoxville, TN, was one of those people. Mr. Graham was the long-time supervisor of athletic officials for the City of Knoxville and a long-time volunteer leader in our community.

Bob Graham loved children, and he gave tirelessly of himself to thousands of young people throughout his career. Many people remember him from his days as a youth baseball, football, and basketball coach. Everyone who knew him remembered him as a great leader and role model for our children. This Nation would be a much better place if there were more people here like Mr. Graham.

Bob Graham passed away following a lengthy illness on November 28th. He will be remembered fondly by his family and friends and the countless young people he helped through the years.

Mr. Speaker, I have attached a copy of a tribute to Mr. Graham that ran in the Knoxville News Sentinel that I would like to call to the attention of my colleagues and other readers of the RECORD.

HELPING KIDS WAS GRAHAM'S FOCUS UNTIL HIS DEATH

(By Chuck Cavalaris)

Rare is the occasion when just three words can sum up the essence of a person's life.

Such is the case with a great man like Bob Graham, who passed away Friday night.

His three words were all about, "Helping the kids."

Bob always had a handy explanation for those 14-hour days and frequent weekends at a ballpark.

"I just want to do whatever I can to help the kids," he said.

Anyone who had the privilege of knowing the supervisor of athletic officials for the city of Knoxville would agree: he is an all-time great in this regard.

This stocky, blue-eyed former lineman and kicker from Oliver Springs High School became a youth baseball, football and basketball coach (1956–1982) who helped thousands of kids. He also found time in the 1970s to be a TSSAA football referee and was a baseball scout for the St. Louis Cardinals.

To many people, Bob Graham was the tireless volunteer leader at Badgett Field. His passion led to a full-time job offer by former recreation department director Maynard Glenn. Talk about a great hire.

"Bob is probably the most-conscientious person I have ever known," said Norman Bragg, who worked with Graham for many years. "Nowadays, you just don't replace someone like that. He did what he did without asking for a single thing in return—that was just Bob."

Sure, he loved his children—all seven of them—and he was really proud of his grandkids. But he also cared deeply about the scruffy, undersized youngsters who didn't even know how to hold a softball bat or throw a baseball. He took great delight in working with these children and watching their self-esteem grow. That was Bob Graham.

"Dad just wanted all kids to have the opportunities in sports that he might not have had growing up," said his son, Mark. "He loved doing that. I think he would rather be at the ballpark than anywhere else. It was his second home."

Graham, who was 69, was instrumental in the planning, design and construction of the award-winning Caswell Park softball complex off Winona Avenue.

He died at St. Mary's Hospice in Halls and had a rare brain disease called Creutzfeldt-Jacob (pronounced kroitsfelt-yakob). There is no known cure for CJD, which strikes approximately one in a million people worldwide between the ages of 55 and 75.

The family received the diagnosis less than eight weeks ago, which left time to say goodbye. Considering the circumstances, they were thankful he did not suffer. He passed away quietly, just after speaking with close friend Willie Anderson.

"My mother (Judy) was holding dad's hand," Jeff Graham said. "She was saying, 'I love you, Bob I love you, Bob' when he took his last breath. I think he held on just a little bit longer to make sure everyone had the chance to say goodbye."

Graveside services are set for 11 a.m. today at Woodhaven Memory Gardens.

Bob Graham had a positive, uplifting impact on more lives than he possibly could have known. We love you, Bob. Many of us will never really and truly say goodbye.

Donations can be sent to Beaver Ridge United Methodist (Family Life Center), P.O. Box 7007, Knoxville, TN., 37921 or The Fellowship of Christian Athletes Bob Graham Memorial Scholarship Fund, 406 Union Ave., Knoxville, TN. 37902.

INTRODUCTION OF THE WESTERN WATERS AND SURFACE OWNERS PROTECTION ACT

HON. MARK UDALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. UDALL of Colorado. Mr. Speaker, today I am joining with my colleague from New Mexico, Representative TOM UDALL, in introducing the Western Waters and Surface Owners Protection Act.

The western United States is blessed with significant energy resources. In appropriate places, an under appropriate conditions, they can and should be developed for the benefit of our country. But it's important to recognize the importance of other resources—particularly water—and other uses of the lands involved—and our bill responds to this need. It has three primary purposes. The first is to assure that the development of those energy resources in the West will not mean destruction of precious water resources. The second is to reduce potential conflicts between development of energy resources and the interests and concerns of those who own the surface estate in affected lands. And the third is to provide for appropriate reclamation of affected lands.

Water Quality Protection

One new energy resource is receiving great attention. Gas associated with coal deposits, often referred to as coalbed methane. An October 2000 United States Geological Survey report estimated that the U.S. may contain more than 700 trillion cubic feet (tcf) of coalbed methane and that more than 100 tcf of this may be recoverable using existing technology. In part because of the availability of these reserves and because of tax incentives to exploit them, the West has seen a significant increase in the development of this gas.

Development of coalbed methane usually involves the extraction of water from underground strata. Some of this extracted water is reinjected into the ground, while some is retained in surface holding ponds or released on the surface and allowed to flow into streams or other water bodies, including ditches used for irrigation.

The quality of the extracted waters varies from one location to another. Some are of good quality, but often they contain dissolved minerals (such as sodium, magnesium, arsenic, or selenium) that can contaminate other waters—something that can happen because of leaks or leaching from holding ponds or because the extracted waters are simply discharged into a stream or other body of water. In addition, extracted waters often have other characteristics, such as high acidity and temperature, which can adversely affect agricultural uses of land or the quality of the environment.

In Colorado and New Mexico and other states in the arid West, water is scarce and precious. So, as we work to develop our domestic energy resources, it is vital that we safeguard our water and we believe that clear requirements for proper disposal of these extracted waters are necessary in order to avoid some of these adverse effects. That is the purpose of the first part of our bill.

Our bill (in Title I) includes two requirements regarding extracted water.

First, it would make clear that water extracted from oil and gas development must comply with relevant and applicable discharge permits under the Clean Water Act. Lawsuits have been filed in some western states regarding whether or not these discharge permits are required for coalbed methane development. Our bill would require oil and gas development to secure permits if necessary and required, like any other entity that may discharge contaminates into the waters of the United States.

Second, the bill would require those who develop federal oil or gas—including coalbed methane—under the Mineral Leasing Act to do what is necessary to make sure their activities do not harm water resources. Under this legislation, oil or gas operations that damage a water resource—by contaminating it, reducing it, or interrupting it—would be required to provide replacement water. For water produced in connection with oil or gas drilling that is injected back into the ground, the bill requires that this must be done in a way that will not reduce the quality of any aquifer. For water that is not reinjected, the bill requires that it must be dealt with in ways that comply with all Federal and State requirements.

And, because water is so important, our bill requires oil and gas operators to make the protection of water part of their plans from the very beginning, requiring applications for oil or gas leases to include details of ways in which operators will protect water quality and quantity and the rights of water users.

These are not onerous requirements, but they are very important—particularly with the great increase in drilling for coalbed methane and other energy resources in Colorado, Wyoming, Montana, and other western States.

Surface Owner Protection

In many parts of the country, the party that owns the surface of some land does not necessarily own the minerals beneath those lands. In the West, mineral estates often belong to the Federal Government while the surface estates are owned by private interests, who typically use the land for farming and ranching.

This split-estate situation can lead to conflicts. And while we support development of energy resources where appropriate, we also believe that this must be done responsibly and in a way that demonstrates respect for the environment and overlying landowners.

The second part of our bill (Title II) is intended to promote that approach, by establishing a system for development of Federal oil and gas in split-estate situations that resembles—but is not identical to—the system for development of federally-owned coal in similar situations.

Under Federal law, the leasing of federally owned coal resources on lands where the surface estate is not owned by the United States is subject to the consent of the surface estate owners. But neither this consent requirement nor the operating and bonding requirements applicable to development of federally owned locatable minerals applies to the leasing or development of oil or gas in similar split-estate situations:

We believe that there should be similar respect for the rights and interests of surface estate owners affected by development of oil and gas and that this should be done by providing clear and adequate standards and increasing the involvement of these owners in plans for oil and gas development.

Accordingly, our bill requires the Interior Department to give surface owners advance notice of lease sales that would affect their lands and to notify them of subsequent events related to proposed or ongoing developments related to such leases.

In addition, the bill requires that anyone proposing the drill for Federal minerals in a split-estate situation must first try to reach an agreement with the surface owner that spells out what will be done to minimize interference with the surface owner's use and enjoyment and to provide for reclamation of affected lands and compensation for any damages.

We think that most energy companies want to avoid harming the surface owners, so we expect that it will usually be possible for them to reach such agreements. However, we recognize that this may not always be the case and the bill includes two provisions that address this possibility: (1) if no agreement is reached within 90 days, the bill requires that the matter be referred to neutral arbitration; and (2) the bill provides that if even arbitration fails to resolve differences, the energy development can go forward, subject to Interior Department regulations that will balance the energy development with the interests of the surface owner or owners.

As I mentioned, these provisions are patterned on the current law dealing with development of federally-owned coal in split-estate situations. However, it is important to note one major difference—namely, while current law allows a surface owner to effectively veto development of coal resources, under our bill a surface owner ultimately could not block development of oil or gas underlying his or her lands. This difference reflects our belief that appropriate development of oil and natural gas is needed.

Reclamation Requirements

The bill's third part (Titles III and IV) addresses reclamation of affected lands.

Title III would amend the Mineral Leasing Act by adding an explicit requirement that parties that produced oil or gas (including coalbed methane) under a Federal lease must restore the affected land so it will be able to support the uses it could support before the energy development. Toward that end, this part of the bill requires development of reclamation plans and posting of reclamation bonds. In addition, so Congress can consider whether changes are needed, the bill requires the General Accounting Office to review how these requirements are being implemented and how well they are working.

And, finally, Title IV would require the Interior Department to: (1) establish, in cooperation with the Agriculture Department, a program for reclamation and closure of abandoned oil or gas wells located on lands managed by an Interior Department agency or the Forest Service or drilled for development of Federal oil or gas in split-estate situations; and (2) establish, in consultation with the Energy Department, a program to provide technical assistance to State an tribal governments that are working to correct environmental problems cased by abandoned wells on other lands. The bill would authorize annual appropriations of $5 million in fiscal 2005 and 2006 for the Federal program and annual appropriations of $5 million in fiscal 2005, 2006, and 2007 for the program of assistance to the States and tribes.

Mr. Speaker, our country is overly dependent on a single energy source—fossil fuels—to the detriment of our environment, our national security, and our economy. To lessen this dependence and to protect our environment, we need to diversity our energy portfolio and increase the contributions of alternative energy sources to our energy mix. However, for the foreseeable future, petroleum and natural gas (including coalbed methane) will remain important parts of a diversified energy portfolio and we support their development in appropriate areas and in responsible ways. We believe this legislation can move us closer toward this goal by establishing some clear, reasonable rules that will provide greater assurance and certainty for all concerned, including the energy industry and the residents of Colorado, New Mexico, and other Western States. Here is a brief outline of its major provisions:

OUTLINE OF BILL

SECTION ONE—This section provides a short title ("Western Waters and Surface Owners Protection Act"), makes several findings about the need for the legislation, and states the bill's purpose, which is "to provide for the protection of water resources and surface estate owners in the development of oil and gas resources, including coalbed methane."

TITLE I—This title deals with the protection of water resources. It includes three sections:

Section 101 amends current law to specify that an operator producing oil or gas under a Federal lease must: (1) replace a water supply that is contaminated or interrupted by drilling operations; (2) assure any reinjected water goes only to the same aquifer from which it was extracted or an aquifer of no better water quality; and (3) to develop a proposed water management plan before obtaining a lease

Section 102 amends current law to make clear that extraction of water in connection with development of oil or gas (including coalbed methane) is subject to an appropriate permit and requirement to minimize adverse effects on affected lands or waters.

Section 103 provides that nothing in the bill will: (1) affect any State's right or jurisdiction with respect to water; or (2) limit, alter, modify, or amend any interstate compact or judicial rulings that apportion water among and between different States.

Title II—This title deals with the protection of surface owners. It includes four sections:

Section 201 provides definitions for several terms used in Title II.

Section 202 requires a party seeking to develop federal oil or gas in a split-estate situation to first seek to reach an agreement with the surface owner or owners that spells out how the energy development will be carried out, how the affected lands will be reclaimed, and that compensation will be made for damages. It provides that if no such agreement is reached within 90 days after the start of negotiations the matter will be referred to arbitration by a neutral party identified by the Interior Department.

Section 203 provides that if no agreement under section 202 is reached within 90 days after going to arbitration, the Interior Department can permit energy development to proceed under an approved plan of operations and posting of an adequate bond. This section also requires the Interior Department to provide surface owners with an opportunity to comment on proposed plans of operations, participate in decisions regarding the amount of the bonds that will be required, and to participate in on-site inspections if the surface owners have reason to believe that plans of operations are not being followed. In addition, this section allows surface owners to petition the Interior Department for payments under bonds to compensate for damages and authorizes the Interior Department to release bonds after the energy development is completed and any damages have been compensated.

Section 204 requires the Interior Department to notify surface owners about lease sales and subsequent decisions involving federal oil or gas resources in their lands.

Title III—This title amends current law to require parties producing oil or gas under a Federal lease to restore affected lands and to post bonds to cover reclamation costs. It also requires the GAO to review Interior Department implementation of this part of the bill and to report to Congress about the results of that review and any recommendations for legislative or administrative changes that would improve matters.

Title IV—This title deals with abandoned oil or gas wells. It includes three sections:

Section 401 defines the wells that would be covered by the title.

Section 402 requires the Interior Department, in cooperation with the Department of Agriculture, to establish a program for reclamation and closure of abandoned wells on federal lands or that were drilled for development of federally-owned minerals in split-estate situations. It authorizes appropriations of $5 million in fiscal years 2005 and 2006.

Section 403 requires the Interior Department, in consultation with the Energy Department, to establish a program to assist states and tribes to remedy environmental problems caused by abandoned oil or gas wells on non-federal and Indian lands. It authorizes appropriations of $5 million in fiscal years 2005, 2006, and 2007.

IN HONOR OF C. BOOTH WALLENTINE

HON. JIM MATHESON

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. MATHESON. Mr. Speaker, I rise today to recognize and pay tribute to Mr. C. Booth Wallentine of Utah on the occasion of his retirement from the Utah Farm Bureau Federation.

Booth has spent 41 years working for the Utah and Iowa Farm Bureaus, the last 31 of those years he has served as the Utah Farm Bureau Federation's CEO.

I first heard about Booth's efforts on behalf of our state's agricultural interests when he worked with my father when he served as governor of Utah. I have been privileged to have the same opportunity to work with Booth, and he has been an invaluable asset to me in learning about Utah's agriculture industry.

Since being elected, to Congress, I have been impressed with Booth's tireless efforts to advocate on behalf of agriculture and rural issues. His work and dedication on behalf of Utah's farmers and ranchers has made a real difference across the state of Utah, and we all owe him a debt of gratitude for championing these issues on behalf of our state. He has been involved in so many efforts over the years, and it is difficult to imagine discussions about agriculture policy in Utah without Booth's participation.

I wish Booth and his family well in his retirement. I know he will continue to be involved in public service, and I look forward to working with him on his future endeavors.

DOCUMENTS REVEAL DECEPTIVE PRACTICES BY ABORTION LOBBY

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. SMITH of New Jersey. Mr. Speaker, today, I submit to the RECORD documents that reveal deceptive practices used by the abortion lobby. It is critical that both the American and foreign public are made aware of these documents because they shed new light on the schemes of those who want to promote abortion here and abroad. It is especially important that policy makers know, and more fully understand, the deceptive practices being employed by the abortion lobby. These documents are from recent Center for Reproductive Rights (CRR) strategy sessions where, according to a quote from a related interview session, one of CRR's Trustees said, "We have to fight harder, be a little dirtier." These documents are important for the public to see because they expose the wolf donning sheep's clothing in an attempt to sanitize violence against children. These papers reveal a Trojan Horse of deceit. They show a plan to "be a little dirtier." In their own words, these documents demonstrate how abortion promotion groups are planning to push abortion here and abroad, not by direct argument, but by twisting words and definitions. In discussing legal strategies to legalize abortion internationally they go as far as to say, ". . . there is a stealth quality to the work: we are achieving incremental recognition of values without a huge amount of scrutiny from the opposition. These lower profile victories will gradually put us in a strong position to assert a broad consensus around our assertions." People should know about this stealth campaign, and that is why I submit these documents unedited and for public review.

INTERNATIONAL LEGAL PROGRAM SUMMARY OF STRATEGIC PLANNING THROUGH OCTOBER 31, 2003

Staff lawyers in the International Legal Program, (ILP) have met three times with Nancy Northup, Nancy Raybin and Elizabeth Lowell (September 3, September 23, and October 16) to discuss our strategic direction. In the periods between those meetings, ILP staff met and worked on the memos attached hereto, as well as two other working memos.

We have stepped back and considered the types of strategic legal work the ILP has worked on to date, examining in particular how we evaluate or measure our effectiveness. We reflected on our key accomplishments, and the constant challenge of being in far higher demand than we have resources. This led us to discuss and further develop the ILP's "theory of change." (See Memo 2.) What is our overarching programmatic objective and what should that mean in terms of hard choices on how to focus our work in the next 3-5 years? We have made some solid progress in answering that question, as outlined below:

The ILP's overarching goal is to ensure that governments worldwide guarantee reproductive rights out of an understanding that they are legally bound to do so.

We see two principal prerequisites for achieving this goal:

(1) Strengthening international reproductive rights norms.

Norms refer to legal standards. The strongest existing international legal norms relevant to reproductive rights are found in multilateral human rights treaties. Based on our view of what reproductive rights should mean for humankind, the existing human rights treaties are not perfect. For example, at least four substantive areas of reproductive rights illustrate the limits of international reproductive rights norms in protecting women: (a) abortion; (b) adolescents access to reproductive health care; (c) HIV/AIDS; and (d) child marriage. One strategic goal could be to work for the adoption of a new multilateral treaty (or addendum to an existing treaty) protecting reproductive rights. The other principal option is to develop "soft norms" or jurisprudence (decisions or interpretations) to guide states' compliance with binding norms. Turning back to the four substantive areas noted above, in all four cases, it is possible to secure favorable interpretations. Indeed, the Center has begun to do so. (For an in-depth discussion of this, see Memo 1.)

In theory, existing international norms are broad enough to be interpreted so as to provide women with adequate legal protections. Therefore, we are in agreement on the need to work in a systematic way on strengthening interpretations and applications of the existing norms. If, at the end of 2007, we determine that the existing norms are proving inadequate (as evidenced by the interpretations we seek), then we would reconsider whether to undertake a concerted effort to secure a new international treaty or addendum to address this gap. We would supplement our own conclusions by convening a conference or expert group to consider whether it would be strategic to pursue such an effort.

(2) Consistent and effective action on the part of civil society and the international community to enforce these norms.

This action follows from the premise that the best way to test existing international reproductive rights norms is to make governments accountable for them. In other words, to work for their enforcement or implementation. would seek to do this by: (a) developing activities aimed at enforcement of international protections of reproductive rights in regional and international fora; and (b) working for the adoption and implementation of appropriate national-level norms.

The regional and international fora with a quasi-judicial character arguably offer the most promising venues for securing justice and interpretations that actually change governments' behavior. To date, we have used the Inter-American Commission on Human Rights (three cases, one pending) and the UN Human Rights Committee (which oversees compliance with the International Covenant on Civil and Political Rights) (one case pending). We believe that seeking favorable interpretations from the "quasi judicial mechanisms of the European human rights system, the African system, and other UN individual complaint mechanisms will be particularly important in the next 3–5 years.

Ultimately, underlying the goal of strengthening international norms and enforcement is that of ensuring that appropriate legal norms are in place at the national level so as to improve women's health and lives. Working on the above prerequisites can help bring about national-level normative changes (since one key way for governments to comply with international norms is to improve national norms). But these processes are not linear and the adoption of appropriate national-level norms may be feasible first (without advocates' emphasis on governments' obligation to apply international norms). Such new national-level norms can, in turn, influence and strengthen international standards. Our goal above is reached only when governments in fact guarantee women's reproductive rights; first by adopting appropriate laws and policies, and, second, by adequately implementing them.

We have begun the process of considering what the above theory of change means for our work: It will mean concentrating on securing strong interpretations the strength of international reproductive rights norms. But the work suggested by the discussion above is still greater than our resources. We must think in terms of working in a concerted way on certain reproductive rights is issues; in a smaller number of focus countries; and on honing our ability to provide cutting edge input on relevant international and regional norms and on providing a comparative legal perspective. (i.e., analysis of laws and judicial decisions across countries).

MEMO #1—INTERNATIONAL REPRODUCTIVE RIGHTS NORMS: CURRENT ASSESSMENT

Our goal is to see governments worldwide guarantee women's reproductive rights out of recognition that they are bound to do so. An essential precondition is the existence of international legal norms that encompass reproductive rights and guarantee them the broadest possible protection. Our task, therefore, is to consider the current content of international law relating to reproductive rights and assess its adequacy for guiding government decision-making and holding governments accountable for violations of international norms.

This memo provides an overview of the sources of international law that may be invoked to protect reproductive rights, examining both binding treaty provisions (hard norms) and the many interpretative and nonbinding statements that contribute to an understanding of reproductive rights (soft norms). It examines four substantive areas that illustrate the limits of international law in protecting reproductive rights: (a) abortion, (b) adolescents' access to reproductive health care, (c) HIV/AIDS, and (d) child marriage. The memo then considers whether, given existing support for reproductive rights in international law, reproductive rights activists should seek new protective norms or whether our efforts would be better spent seeking stronger mechanisms for enforcement of existing norms. Assuming that our goal is to pursue the development of international norms, there are several approaches we could take:

Develop a jurisprudence of existing norms that guides states' compliance with binding norms;

Strategically work toward developing customary norms; and

Work to create another binding instrument, such as an international treaty or a protocol to an existing treaty.

I. The foundations of reproductive rights in international law

By way of introduction, international human rights law is grounded in both "hard" and "soft" norms. Legally binding or "hard" norms are norms codified in binding treaties such as the International Covenant on Civil and Political Rights (ICCPR) or the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW). As a result of the hard-fought efforts of human rights activists, hard norms have gradually been extended to more and more of the human family, including ethnic and racial minorities, women, children, and refugees and internally displaced people.

Supplementing these binding treaty-based standards and often contributing to the development of future hard norms are a variety of "soft norms." These norms result from interpretations of human rights treaty committees, rulings of international tribunals, resolutions of inter-governmental political bodies, agreed conclusions in international conferences and reports of special rapporteurs. (Sources of soft norms include: the European Court of Human Rights, the CEDAW Committee, provisions from the Platform for Action of the Beijing Fourth World Conference on Women, and reports from the Special Rapporteur on the Right to Health.)

Reproductive rights advocates, including the Center, have found guarantees of women's right to reproductive health and self-determination in longstanding and hard international norms, relying on such instruments as the Universal Declaration on Human Rights (Universal Declaration), the International Covenant on Civil and Political Rights (ICCPR), and the International Covenant on Economic, Social and Cultural Rights (ICESCR), and the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW). This approach received international affirmation (in a soft norm) at the International Conference on Population and Development (ICPD) in the conference's Programme of Action. Paragraph 7.3 of that document states:

"[R]eproductive rights embrace certain human rights that are already recognized in national laws, international human rights documents and other consensus documents. These rights rest on the recognition of the basic right of all couples and individuals to decide freely and responsibly the number, spacing and timing of their children and to have the information and means to do so, and the right to attain the highest standard of sexual and reproductive health. It also includes their right to make decisions concerning reproduction free of discrimination, coercion and violence, as expressed in human rights documents."

We and others have grounded reproductive rights in a number of recognized human rights, including: the right to life, liberty, and security; the right to health, reproductive health, and family planning; the right to decide the number and spacing of children; the right to consent to marriage and to equality in marriage; the right to privacy; the right to be free from discrimination on specified grounds; the right to modify traditions or customs that violate women's rights; the right not to be subjected to torture or other cruel, inhuman, or degrading treatment or punishment; the right to be free from sexual violence; and the right to enjoy scientific progress and to consent to experimentation.

Our publications feature legal arguments resting on these broad principles, many of which have been well received by treaty monitoring bodies and other authoritative U.N. bodies. Still, there are some arguments that could be considerably strengthened with legal norms that relate more specifically to reproductive matters. The next section will briefly discuss four areas in which international law provides less protection than desired.

II. Gaps in existing norms

A. Abortion

We have been leaders in bringing arguments for a woman's right to choose abortion within the rubric of international human rights. However, there is no binding hard norm that recognizes women's right to terminate a pregnancy. To argue that such a right exists, we have focused on interpretations of three categories of hard norms: the rights to life and health; the right to be free from discrimination; those rights that protect individual decision-making on private matters.

Bolstered by numerous soft norms, the assertion with widest international acceptance is that a woman's right to be free from unsafe abortion is grounded in her rights to life and health. The right to life has been interpreted to require governments to take action to preserve life. The right to health guarantees the highest attainable level of physical and mental health. Because unsafe abortion is responsible for 78,000 deaths each year and hundreds of thousands of disabilities, criminalization of abortion clearly harms women's life and health. The international community has recognized the dangers of unsafe abortion. Statements to that effect were adopted at the International Conference on Population and Development in Cairo (1994) and the Beijing Fourth World Conference on Women (1995), as well as the recent 5-year reviews of these conferences.

While this has been an important stride, the global community has fallen short of recognizing a right to independent decision-making in abortion, providing us with relatively few soft norms. We argue that the right to make decisions about one's body is rooted in the right to physical integrity, which has been interpreted to protect against unwanted invasions of one's body. We assert that the right to privacy protects a woman's right to make decisions about her reproductive capacity. We also rely on the right to determine the number and spacing of one's children. Here, the soft norms arguably work against us, particularly given the phrase repeated in both the Cairo and Beijing documents affirming that under no circumstances should abortion be considered a method of family planning.

We have also grounded our arguments in the right to be free from gender discrimination, which is protected in every major human rights instrument. Because restrictive abortion laws deny access to health care that only women need, they constitute discrimination in access to health care. This position is supported somewhat obliquely in a CEDAW general recommendation. In addition, we argue that by denying women the means to control their own fertility, restrictive abortion laws interfere with women's ability to enjoy opportunities in other sectors of society, including educational and professional opportunities. No soft norms affirm this argument.

B. Adolescents—Access to Reproductive Health Services and Information

The Center has taken a leading role in pressing for protection of adolescents' right to access reproductive and sexual health information and services. In creating a human rights framework for such rights, we use the same hard norms that form the foundation for non-adolescent women's right to access reproductive health services. However, the challenge is to assert that the hard norms apply to adolescents under age 18. We rely almost exclusively on soft norms to do this since none of the treaties explicitly discuss adolescents' reproductive rights.

Rights Relating to the Right to Reproductive Health

The right to health (including family planning services and education);

The right to life; and

The rights to education and information.

With respect to the first cluster of rights, the hard norms relating to women's right to access reproductive health services and information are well established and accepted. However, there is no hard norm specifically stating that these provisions also protect adolescents' right to access reproductive health services and information. There is one important, and somewhat ambiguous exception. A recent interpretation suggests the provision on the right to health, which asks states parties to develop family planning services and education, applies to children/adolescents.

Rights Relating to Reproductive Decision Making/Autonomy

Right to privacy;

Right to plan the number and spacing of one's children; and

Rights to liberty and security of person.

In issues relating to adolescents' reproductive autonomy and decision-making, there are even fewer hard norms and it is even more difficult to say that these hard norms apply to adolescents under the age of 18 and their reproductive decision-making. For example, the Children's Rights Convention (CRR) provisions on the right to privacy are problematic, prohibiting "arbitrary or unlawful interference with his or her privacy." The provision is not explicit that the right applies to health services and the use of "unlawful" could imply that only interferences that contravene national law would be prohibited. There are no hard norms on: (1) confidentiality in provision of health services or information; (2) prohibiting parental consent requirements and (3) third party authorization for access to reproductive health services and information.

The Right To Be Free From Discrimination

While there are hard norms prohibiting sex discrimination that apply to girl adolescents, these are problematic since they must be applied to a substantive right (i.e., the right to health) and the substantive reproductive rights of adolescents are not 'hard' (yet!). There are no hard norms on age discrimination that would protect adolescents' ability to exercise their rights to reproductive health, sexual education, or reproductive decisionmaking. In addition, there are no hard norms prohibiting discrimination based on marital status, which is often an issue with respect to unmarried adolescents' access to reproductive health services and information.

The soft norms support the idea that the hard norms apply to adolescents under 18. They also fill in the substantive gaps in the hard norms with respect to reproductive health services and information as well as adolescents' reproductive autonomy. Two important standards are applied in order to fill in the gaps:

The "Evolving Capacity of the Child" standard, which limits parental control to the extent that children take on more autonomy as their capacities grow. (e.g., An adolescent who is sexually active and is taking the initiative to seek out means to protect herself from STIs and unwanted pregnancy is demonstrating a level of maturity to justify access.)

The "Best Interest of the Child" standard, which mandates that in the context of health, parental involvement that prevents adolescents from accessing potentially lifesaving information and services is NOT in the child's best interest. Rather, it is in the best interest of adolescents to have access to the means to protect themselves. It is often in the best interest of the child to be granted autonomy in decision-making.

Soft Norms Relating to the right to Reproductive Health

The Treaty Monitoring Bodies (TMBs) have explicitly interpreted adolescents' right to health as including the right to access services and information on reproductive health. In addition, they have called for sexual education in the context of the rights to education and information. Both the International Conference on Population and Development (ICPD) and the Beijing Platform for Action (Beijing PFA) further help to fill in the gaps in this cluster of substantive rights, clearly stating that these rights apply to adolescents.

Soft norms relating to the right to reproductive autonomy/decision-making

Soft norms supplement the dearth of hard norms. The TMBs have interpreted adolescents' right to privacy as ensuring a right to confidentiality in reproductive health services as well as the right to access services and information without parental consent.

Soft norms relating to the right to be free from discrimination

There are no explicit soft norms on the right to be free from discrimination based on age in the context of adolescents' reproductive rights. There are soft norms relating to the age of marriage, which would impact adolescents' ability to access services since in many countries married adolescents are granted access regardless of their age while unmarried adolescents are effectively denied access. This relates closely to soft norms on discrimination based on marital status. In this regard, the TMBs General Recommendations/Comments and Concluding Observations have explicitly condemned discrimination based on marital status in accessing reproductive health services.

C. HIV/AIDS

The rights of women implicated by HIV/AIDS include: the rights to life, dignity, liberty, and security of the person, freedom from inhuman and degrading treatment, nondiscrimination and equality before the law, the right to health, including reproductive health care and reproductive self-determination. There are no hard norms in international human rights law that directly address HIV/AIDS directly.

At the same time, a number of human rights bodies have developed soft norms to secure rights that are rendered vulnerable by the HIV/AIDS epidemic. In 1998, the Office of the U.N. High Commissioner for Human Rights and UNAIDS issued "HIV/AIDS and Human Rights: International Guidelines," which provide a roadmap for governments seeking to incorporate human rights protections related to HIV/AIDS into national law. In June 2001, the U.N. General Assembly Special Session (UNGASS) on HIV/AIDS resulted in a Declaration of Commitment on HIV/AIDS that included strong language on the need to integrate the rights of women and girls into the global struggle against HIV/AIDS.

In addition, the TMB's have interpreted existing treaties in the context of HIV/AIDS and reproductive rights, creating new and positive jurisprudence that safeguards women's reproductive rights.

In the national-level courts, the South African. Constitutional Court interpreted the ICESCR Covenant progressively to enforce the right to HIV/AIDS prevention and treatment in a case brought against the government by the Treatment Action Campaign (an HIV/AIDS rights NGO) seeking to compel the government of South Africa to provide Nevirapine to pregnant women and their babies, to prevent the transmission of HIV from mother to child.

Practices with implications for women's reproductive rights in relation to HIV/AIDS are still not fully covered under existing international law, although soft norms have addressed them to some extent. Two of these include: (1) denials of the right to consent to HIV/AIDS testing of pregnant women and (2) the presumption of consent to sex in marriage.

1. Pregnant women's consent to HIV/AIDS testing

There is a lack of explicit prohibition of mandatory testing of HIV-positive pregnant women under international law. General international law provisions relating to consent or refusal to consent to medical treatment under the ICCPR (article 15.1) and the ICESCR (article 7) has been applied.–

The legal and ethical foundations for HIV testing broadly require respect for the conditions for informed consent, pre- and post-test counseling and confidentiality. But on many occasions in practice, HIV positive pregnant women are subjected to mandatory routine tests, without adequate counseling. These mandatory tests often owe their justification to public health demands to curb transmission of the HIV virus to their offspring.

HIV testing that is conducted without pre- and post-test counseling violates a woman's rights to autonomy, dignity, privacy and bodily and psychological integrity. The same degree of consent pre- and post-test counseling and confidentiality applicable to every other person undergoing an HIV test should apply equally to a pregnant woman.

Among the most persuasive "soft norms" are the UNAIDS Guidelines on HIV/AIDS and Human Rights, which call for international human rights norms to be translated into practical observance in the context of HIV/AIDS, point out that programs emphasizing coercive measures directed towards the risk of transmitting HIV to the fetus, such as mandatory pre- and post-natal testing, seldom prevent perinatal transmission of HIV/AIDS, because they overlook. the health needs of women. In its policy statement on HIV testing and counseling, UNAIDS states that pregnant women should not be coerced into testing nor be tested without their consent. But these guidelines do not carry the force of law as would be the case if language prohibiting mandatory HIV testing of pregnant women were included in an existing treaty.

2. Presumption of consent to sex within marriage

Human rights law should explicitly address the legal and social subordination women face within their families, marriages, communities and societies, especially as these barriers expose women to the risk of HIV infection. International protections for the right of women to autonomy over their sexuality within or outside marriage can be found in the principle of bodily integrity enumerated in the ICCPR, which provides for the right to liberty and security of the person. However, with the challenges provided by HIV/AIDS, it is necessary to institute stronger protections of the rights of women in the family, especially their rights to autonomy over sexuality and reproduction. Some stronger language on women's rights in the context of HIV/AIDS is found in soft norms, including the recent UNAIDS guidelines on HIV/AIDS and human rights. In addition, both the ICPD Programme of Action and the Beijing PFA reflect an international consensus recognizing the inalienable nature of sexual rights. Paragraph 96 of the Fourth World Conference on Women Platform.for Action states, "The human rights of women include their right to have control over and decide freely and responsibly on matters related to their sexuality, including sexual and reproductive health, free of coercion, discrimination and violence." Again, these rights are much more clearly articulated as a matter of progressive interpretation and jurisprudence than as hard norms in themselves.

D. Child Marriage (Marriage Under Age 18)

None of the global human rights treaties explicitly prohibit child marriage and no treaty prescribes an appropriate minimum age for marriage. The onus of specifying a minimum age at marriage rests with the states' parties to these treaties.

Several treaties prescribe the hard norms we use to assert human rights violations associated with child marriage. They include (but are not limited to): the right to freedom from discrimination; the right to choose a spouse and to enter into marriage with free and full consent; the right to health; and the right to protection from all forms of sexual exploitation and sexual abuse.

We have to rely extensively on soft norms that have evolved from the TMBs and that are contained in conference documents to assert that child marriage is a violation of fundamental human rights.

In the main treaties and conventions relevant to marriage and the rights of women and children, the issue of minimum age at marriage has been dodged by the use of phrases—such as "full age" and references to full and free consent as the proposed standard for determining the validity of a marriage. Even the Convention on Consent to Marriage, Minimum Age for Marriage, and Registration of Marriages (1964) does not clearly articulate an appropriate minimum age. Notably, the African Charter on the Rights and Welfare of the Child, does recommend a minimum age of 18 and is the only treaty to do so.

Committees have issued general comments and recommendations emphasizing the problematic aspects of child marriage. Most have issued concluding observations that discourage and condemn child marriage as a human rights violation.

The Beijing PFA echoes most treaty provisions relevant to the issue of child marriage by calling upon governments to enact and strictly enforce laws to ensure that marriage is only entered into with the free and full consent of the intending spouses. It also requires governments to "raise the minimum age where necessary." While thus provision does mark a step forward, it does not take a position on what the minimum age should be.

III. More norms vs. better enforcement

Because we wish not only to set standards for government behavior, but also to ensure that governments understand that they are bound to those standards, our success depends on some focus on enforcement of international law. Gaps in the substance of human rights instruments are accompanied by weaknesses in mechanisms for enforcing even the most accepted norms. Accountability is rarely achieved even for governments who engage in arbitrary killings and torture. It is even more difficult to ensure the enforcement of economic, social and cultural rights, which, while legally 'binding, offer few measures for compliance. We are particularly sensitive to the practical difficulties of enforcing the Women's Convention, which enumerates a number of rights that are fundamental to enjoyment of reproductive rights. A question arises as to whether promoting the recognition of an expanding body of rights might dilute the still untested gains that we have made in the past 20 years.

Many human rights activists have focused on developing better mechanisms for enforcing existing norms, rather than filling the substantive gaps in binding 'instruments. The campaign for the International Criminal Court is an example of an effort to make highly accepted international legal norms—the principles of the Geneva Conventions—more practically enforceable in an international forum.

As a program, we should consider whether we would be better served engaging in the process of enforcing existing norms—through international litigation, factfinding, reporting to the treaty monitoring bodies—rather than developing the substance of international law. (In reality, both of these goals can be pursued simultaneously, but our question here is one of emphasis.) We could also focus on developing new mechanisms for governmental accountability, which could themselves be the basis of a new legal instrument.

Should we decide, however, that we cannot move forward in our work without the development of stronger substantive norms, there are a few strategies we can take. These strategies are not exclusive and each can reinforce the others. However, because we wish to take a more self-conscious approach to choosing our strategy, we have laid them out in the following section.

IV. How to fill normative gaps

A. Seeking Authoritative Interpretations of Existing Norms

This approach involves developing a jurisprudence that pushes the general understanding of existing, broadly accepted human rights law to encompass reproductive rights. Such a jurisprudence is developed primarily through:

Report to the treaty monitoring bodies;

Bring cases to international and regional adjudicative bodies (such as cases we have so far brought before the Inter-American Commission); and

Bring claims based on international law to national-level courts (such as the recent PMTC cases brought before the South-African Constitutional court by the local HIV/AIDS Advocacy group, Treatment Action Campaign.

While, given the variety of jurisdictions, the common law concept of "precedent" has little bearing in this context, international jurists are aware of how legal questions have been resolved by their peers in other fora. Arguments based on the decisions of one body can be brought as persuasive authority to decision-makers in other bodies,

There are several advantages to relying primarily on interpretations of hard norms. As interpretations of norms acknowledging reproductive rights are repeated in international bodies, the legitimacy of these rights is reinforced. In addition, the gradual nature of this approach ensures that we are never in an "all-or-nothing" situation, where we may risk a major setback. Further, it is a strategy that does not require a major, concentrated investment of resources, but rather it can be achieved over time with regular use of staff time and funds. Finally, there is a stealth quality to the work: we are achieving incremental recognition of values without a huge amount of scrutiny from the opposition. These lower profile victories will gradually put us in a strong position to assert a broad consensus around our assertions.

There are also disadvantages to this approach. As decisions are made on an ad hoc basis to apply to a variety of situations, there may be a lack of clarity or uniformity in the decisions.. It thus may be harder to point to one position as an "accepted" interpretation. In addition, the incremental nature of this approach escapes the notice of not just our opponents, but also our potential allies. It is very difficult to gain press attention to issues affecting a relatively small group of.people or a narrow set of facts. Finally, because we cannot rely on respect for precedent in international and national bodies of overlapping jurisdictions, gains that we achieve may be lost in subsequent decisions. While we have seen an encouraging trend in international jurisprudence, we are forever at risk of losing ground in the same fora.

B. Working Toward a Customary Norm

The second approach has much in common with the first. It involves a gradual process of seeking repetition of interpretations of existing norms to encompass and protect reproductive rights. Again, we seek affirmation in international adjudicative fora and national-level courts, as well as at international conferences. The difference in taking this approach is that it would require adopting an overarching strategy for our interventions. We could first develop a wish-list of international legal protections that need to be developed, ideally through convening workshops around the world designed to sound out additional gaps in existing international law and reinforce the interest of allies in following a set of strategic priorities. We would then seek every opportunity to get items on our wish-list incorporated into treaty interpretations and soft norms.

The advantages of such an approach are many. First, it would give focus to our current work, forcing us to establish a set of priorities. Our priorities could be reflected both in our advocacy and in our efforts to shape public opinion. The approach would draw a minimal level of distracting opposition, while increasing our visibility with our allies.

The major disadvantage is that developing a customary norm is a slow process and it is difficult to know when you have accomplished your goal. Very few norms that are currently considered accepted and mainstream can be attributed to recent deliberate campaigns. While the standard for creating a customary norm is open to some scholarly debate, most such norms can be traced to centuries of practice and belief. In addition, although we are talking about undertaking a campaign of sorts, it is a difficult one to explain to non-lawyers and it is not very sexy.

C. Seeking Adoption of a New Legal Instrument

Finally, if we determine that the foregoing options are ineffective, we should consider whether the weaknesses in international law can only be remedied with the adoption of a new legal instrument. Such an instrument could be a protocol to an existing treaty (such as the optional protocol to the African Charter on Human and Peoples' Rights or a new protocol to CEDAW) or a free-standing treaty. A campaign for the adoption of a new international treaty would be an extremely involved, resource-intensive and long process. It might begin with a campaign for a General Assembly Declaration on Reproductive Rights or another soft norm. Then there would be a process of drafting a treaty, getting broad input from many key players. Again, workshops would have to be held around the world to establish buy-in. Then there would be a process of, identifying sympathetic delegates in the General Assembly. These efforts would be followed by years of campaigning, with the leadership of a sophisticated, media savvy team.

There are clearly a number of advantages to this approach. First, it offers the potential for strong, clear and permanent protections of women's reproductive rights. Further, having a campaign with clear objectives could serve as a focal point for advocacy around the world. In addition, the campaign itself could have an educational function with the potential to influence national-level legislation.

There are also potential disadvantages to consider. Embarking on a campaign for a new legal instrument appears to concede that we do not have legal protections already, making failure potentially costly. Moreover, during the many years it takes to succeed in adopting an instrument, we create the impression that women are "protectionless." Second, the campaign is unlikely to succeed in the near term, and thus might be deemed a waste of limited resources. Finally, depending of the timing of the campaign and the surrounding conditions, it could stir up nasty opposition, which might ultimately set the movement back, at least temporarily.

V. Conclusion and further questions

There are a number of questions that we would need to answer before we decided on a strategy. Some of these questions may be. best answered by people outside the organization. These might include Ruth Wedgwood, David Weissbrodt, Oscar Schacter, Donna Sullivan, Ken Roth, Rebecca Cook, Roger Norman, Widney Brown, Anika Rahman, and certainly others. Whatever strategy we pursue, we should continue to research our approach, perhaps by enlisting the assistance of students at a law school clinic.

Here are some questions we would like answered:

1. Are the weaknesses in international norms protecting reproductive rights of a severity that can only be remedied by the adoption of a new legal instrument?

2. Do most governments currently think that they have a duty to uphold reproductive rights? Do they care about interpretations of hard norms and do these interpretations shape their views about their obligations under international law?

3. As a matter of public perception, does pursuing a new instrument—without any assurance of success—undermine current claims regarding the existence of reproductive rights?

4. Would it be more strategic, to consider an instrument covering other "gaps" in legal protections for women's rights and include these?

5. How have other movements succeeded at creating norms that governments consider binding?

6. What would be an appropriate timeline for pursuing a new legal instrument?

7. Would we be the group to take the lead on a campaign for a new legal instrument?

MEMO #2—ESTABLISHING INTERNATIONAL REPRODUCTIVE RIGHTS NORMS: THEORY OF CHANGE

Our goal is to ensure that governments worldwide guarantee women's reproductive rights out of an understanding that they are bound to do so. The two principal prerequisites for achieving this goal are: (1) the strengthening of international legal norms protecting reproductive rights; and (2) consistent and effective action on the part of civil society and the international community to enforce these norms. Each of these conditions, in turn, depends upon profound social change at the local, national and international (including regional) levels.

Ultimately, the goal of strengthening international norms and enforcement is to ensure that appropriate legal norms are in place at the national level so as to improve women's health and lives. Working on the above prerequisites can help ensure. national-level normative changes, but these processes are not linear and the adoption of appropriate national-level norms may happen first and can, in turn, influence and strengthen international standards. Our goal above is reached only when governments in fact guarantee women's reproductive rights, first by adopting appropriate laws and policies, and, second, by adequately implementing them. Thus, a third prerequisite is suggested that reinforces international standards: adoption and implementation of appropriate national-level norms.

Achieving the above goal does not depend on legal strategies alone. Support for norms and their enforcement may require sustained public awareness-raising campaigns, media attention, and support from key sectors like the medical community, among others. The role of law in social change is a complex one. But the adoption of good reproductive rights norms at the national, regional and international levels is crucial because it indicates such norms' formal recognition, and provides a firm basis for the government's duties, including its own compliance and its enforcement against third parties. With formal recognition of reproductive rights through law, women's ability to exercise these rights is left to chance.

The remainder of this memo attempts to concretize the Center's theory of how such change can be achieved, with an emphasis on the Center's possible role in this process. This memo serves as an initial concept paper, not a work plan. In some cases, activities identified are already well underway. But, in any case, we recognize that we cannot undertake all the work suggested by the analysis below, but that this provides us with a more concrete starting point for identifying what needs to be done and our appropriate roles.

I. Strengthening international legal norms

Our legal analyses to date are primarily based on interpretations of well-accepted international norms. There are at least three means of strengthening these norms to ensure greater protection of reproductive rights: broadening authoritative interpretations of existing norms; gradually establishing an international customary norm; and adopting a new legal instrument protecting reproductive rights. (For a more detailed description of these approaches, see Memo #1.)

Regardless of the mechanism, expanding legal protections requires action on multiple fronts. First, there is a process of developing broad international agreement among our allies and potential allies on what the norms should be. Second, steps must be taken to put reproductive rights on the agenda of international normative bodies. Finally, advocates must foster broad support for reproductive rights among governments while countering opposition. The following subsections will address each of these activities in greater detail.

A. Developing Agreement on Norms

Much of the work of developing agreement on norms protecting reproductive rights has been achieved at United Nations conferences, including the International Conference on Population and Development (1994) and the Fourth World Conference on Women (1995). While documents adopted at these conferences are not themselves legally binding, they are a clear articulation of most of our institutional values, and they have been formally accepted by nearly every government in the world. There are (as noted in Memo #1) a number of gaps in the content of these international agreements, and much work is needed to gather support for the Center's position on how these gaps should be filled. For example, the Center needs to continue its advocacy to ensure that women's ability to choose to terminate a pregnancy is recognized as a human right. Advocacy of this nature can be carried out through various means, including:

Public education and awareness-building, in part through production of advocacy materials and publicity surrounding their release;

Bringing reproductive rights into the mainstream of legal academia and the human rights establishment; and

Collaboration with NGOs engaged in establishing legal norms at the national level.

B. Putting Reproductive Rights on the International Agenda

Developing broad agreement on norms protecting reproductive rights does not in itself ensure that they will find their way into international law. Advocates have to look for opportunities—such as international conferences and meetings of treaty monitoring bodies and other UN human rights bodies—to put norms relating to reproductive rights on the international agenda. In some cases, the timing of such efforts may depend upon strategic considerations. For example, advocates for reproductive rights opted not to lobby for an official 10-year review of the International Conference on Population and Development, fearing that negotiations would be hijacked by the right-wing, which includes the current U.S. Government.

There are several means of putting reproductive rights on the agenda of international normative bodies, including:

Identifying allies in government and civil society who can champion reproductive rights;

Securing positive interpretations from the treaty monitoring bodies related to reproductive rights, either through the reporting processes or by bringing individual complaints;

By seeking action from such UN and regional bodies as the Human Rights Commission and its sub-Commission and the European, Inter-American, and African commissions/courts on human rights; and

Engaging the media in bringing reproductive rights to the attention of relevant international, regional and national normative bodies, including legislators, other government officials, local and international judicial bodies, as well as medical bodies that can influence law and policy.

C. Garnering Support Among Governments and Countering Opposition

Ultimately, we must persuade governments to accept reproductive rights as binding norms. Again, our approach can move forward on several fronts, with interventions both at the national and international levels. Governments' recognition of reproductive rights norms may be indicated by their support for progressive language in international conference documents or by their adoption and implementation of appropriate national-level legislative and policy instruments. In order to counter opposition to an expansion of recognized reproductive rights norms, we have questioned the credibility of such reactionary yet influential international actors as the United States and the Holy See. Our activities to garner support for international protections of reproductive rights include:

Lobbying government delegations at UN conferences and producing supporting analyses/materials;

Fostering alliances with members of civil society who may become influential on their national delegations to the UN; and

Preparing briefing papers and factsheets exposing the broad anti-woman agenda of our opposition.

2. Enforcing international protections of reproductive rights

For legal protections of reproductive rights to be meaningful, they must be tested through concerted enforcement efforts. Enforcement of human rights norms can be pursued at the national, regional and international levels. Some enforcement strategies, such as the use of the treaty monitoring bodies, also serve the goal of strengthening legal norms, as described above.

Advocates' use of enforcement mechanisms can help cultivate a "culture" of enforcement in which violations of reproductive rights are recognized as such by victims, and complaints are addressed under conditions of impartiality and the rule of law. Specific activities that contribute to enforcing international norms include:

Using adjudicative mechanisms at the national, regional and international levels;

Documenting, and publicizing reproductive rights violations and recommending appropriate reforms; and

Supporting efforts to strengthen existing enforcement mechanisms, such as the campaign for the International Criminal Court and the Optional Protocol to the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW).

3. Adoption and implementation of appropriate national-level norms

An important measure of the extent to which a particular government accepts its obligation to respect, protect and fulfill reproductive rights is whether it has adopted and is properly implementing appropriate legislation and policy. This may come about through means other than an international enforcement effort. For example, the national political moment may be ripe for change, with or without the influence of international standards. Such changes in one or more countries, particularly key countries in a region, may have a catalytic effect on neighboring countries or on the solidification of international norms. Moreover, these kinds of changes, whatever the impetus, must be encouraged as they are more likely to have an immediate impact on the health and lives of women previously unable to enjoy reproductive rights.

Similar to activities outlined in #2 above regarding enforcement, possible activities in this area include the following:

Providing input to civil society or government actors to change offensive laws or adopt progressive laws where none had existed;

Examining the effectiveness of implementation of laws and policies; and

Assessing whether courts are adequately enforcing existing legislation.

DOMESTIC LEGAL PROGRAM SUMMARY OF STRATEGIC PLANNING THROUGH OCTOBER 31, 2003

Staff attorneys in the Domestic Legal Program (DLP) have met with our strategic planning consultants and Nancy Northup to discuss our current work and to plan for the future. At our initial meeting we focused on the following issues:

Abortion Litigation: Are the litigation strategies of the last 10 years still viable? If so, for how much longer? Should we be taking a different approach to some of the issues that we have been litigating?

How can we influence the people who influence the legal landscape around reproductive rights? How does CRR influence these communities now? Are there new strategies we should adopt? What are the key issues? What would it take to resolve those issues?

Expanding Beyond Abortion. What are the other reproductive rights issues we have not been addressing or that we should put renewed energies into?

As a result of these discussions, we formed working groups on the following four issues: (1) the future of our traditional abortion litigation; (2) development of systematic approaches to or "campaigns" concerning selected core issues; (3) the development of non-abortion related litigation; and (4) development of new approaches to influencing the legal landscape. A summary of our thinking to date follows:

1. The future of traditional abortion litigation

We believe that the traditional abortion litigation that has formed the core of our legal program in the United States has been, and is likely to remain, the most effective strategy for protecting the right to choose abortion in hostile political climates, like that we face today, as well as in friendlier times. Even under pro-choice Administrations, women's right to choose has always needed, and will need again, the protection of the judiciary from hostile majorities in many, if not most, states. Moreover, Supreme Court decisions in litigation arising from these hostile states have defined the contours of the right to choose. If CRR is going to continue to have an impact on legal developments in our field, we need to continue to be involved in these cases. Therefore, we will carry on in this area, informed by evolving standards in some areas, such as TRAP and biased counseling cases. We have also made a plan for reviewing our options to bring new "affirmative" litigation in areas such are Medicaid funding and parental involvement. The attached memo (#1) discusses these issues in some more detail.

MEMO #1—FUTURE OF TRADITIONAL ABORTION LITIGATION

I. Traditional work

When the Center was founded in 1992, its staff was already well-known for the litigation conducted at the ACLU's Reproductive Freedom Project. The Center built on that reputation and, through the 1990's, solidified its position as the preeminent team litigating on reproductive rights in the U.S, with the largest caseload by far of any other group. The Center's reputation developed because of its willingness to litigate issues others had discarded (e.g., waiting periods and, originally, the "purpose" prong of Casey (which has since been eviscerated by the Supreme Court)), its determination to push the envelope with legal theories that were sometimes on the edge, and because of the sheer volume of cases we have been able to handle with a fairly small staff. We have also earned a reputation as being very client focused—often assisting clients with issues that arise in their day-to-day operations—issues that other attorneys either cannot or will not handle (a recent example is the litigation in Michigan over the payment provision in the amendment to the waiting period statute, an issue the ACLU RFP declined to litigate). Although often in a defensive posture, challenging restrictive legislation enacted in the states, the Center sought to use this litigation to restrict the reach of Casey's undue burden standard and to strengthen the "state interest" inquiry in privacy and equal protection claims.

Recently, the frustration of funders with the current Administration and anti-choice Congress, and their assault on reproductive rights and the judiciary, has led some to question the usefulness of traditional abortion litigation. What good is all our work if the Bush Administration can simply take it all away with the stroke of a pen, by, for example, enacting the federal partial-birth abortion ban that we are currently fighting?

Therefore, we are examining whether our traditional work will continue or whether we need to anticipate a new legal landscape, either because limitations on the right to choose will be firmly established and viable legal challenges will dwindle or because Roe v. Wade will be overturned or substantially undermined, also eliminating the cases that make up much of our current docket.

A. Will Our Traditional Work Continue in Its Current Form?

This group examined our traditional work, particularly focusing on whether we should alter the standards we use to evaluate whether to bring a case in one of our traditional areas, such as TRAP, parental involvement, abortion bans, biased counseling/mandatory delay laws. We believe this work will continue, though in some altered forms. Two examples are:

It is unlikely that we will bring another federal court challenge to a requirement that women make two-trips to their abortion provider, but we will continue to evaluate whether these laws can be challenged on other grounds and whether a state court challenge is appropriate;

We may bring limited challenges to TRAP schemes, particularly where they threaten patient privacy (the outcome of our Arizona TRAP case on appeal to the Ninth Circuit will be important here).

B. Additional "Affirmative" Litigation To Bring in Our Traditional Areas?

We also examined whether there is additional "affirmative" litigation we should bring. While we think there is probably only one more viable state constitutional challenge to a Medicaid funding ban left, we believe that we should do additional research on state constitutional equal protection case law to insure that this is the case. Coming off our recent successes in Alaska and Florida, we have considerable expertise in state constitutional challenges to laws forcing parental involvement in a minor's decision to have an abortion. We will determine whether to move forward in any more states as part of our Systematic Campaign discussed in Memo #2.

We are also following through with our cases challenging Choose Life license plates and the fundraising these plates do for so-called Crisis Pregnancy Centers. We are currently seeking law firm support for new cases in two or three states.

II. What is the framework for answering these questions?

In developing our plans for new litigation, we will balance the following factors: impact on clients; impact on women; helpful to jurisprudence; distinguishing ourselves from the field by taking on issues others wouldn't; dominating specific areas to insure CRR's impact in that area; other organizations' involvement in these issues; institutional resources; and costs.

MEMO #2—REPORT TO STRATEGIC PLANNING PARTICIPANTS FROM SYSTEMATIC APPROACH SUBGROUP

This group met to discuss "systematic approaches" or "campaigns" that CRR might pursue. We considered five possible topics for such an approach: (1) minors' access to reproductive health care; (2) developing our use of equal protection jurisprudence to protect reproductive rights; (3) minimizing the burdens of the undue burden standard; (4) abortion funding/Harris v. McRae issues; and (5) developing our use of first amendment jurisprudence to protect reproductive rights. These topics were suggested at the initial strategy meeting of the domestic program. For each topic, we considered whether a campaign would be useful to the field, what the positives and negatives would be to pursuing the campaign, whether the Center is well-positioned to pursue the campaign, and how the campaign might be effectuated.

It is our opinion that our field would benefit from a systematic approach in the first two of these areas—minors and equal protection—and that the Center is well-positioned to pursue such an approach in those areas. We believe that the Center needs to undertake work in the third area—undue burden—but that such work may not be well-suited to the context of a campaign. Finally, it is our opinion that a systematic approach would not be productive or useful to the field with respect to the last two areas—funding and first amendment. This does not mean that we wouldn't do work in these areas but just that they do not lend themselves as well to a systematic campaign.

The following is a summary of our discussion of the five possible campaign areas. For each area, we have included an articulation of the possible campaign and some thoughts about the positives and negatives of pursuing that campaign. With respect to the three areas where we thought a campaign—or, in the case of undue burden, other work—might be useful, we have also included some possible elements for the campaign.

I. Minors

Articulation: A project to secure the fundamental right of minors to access all reproductive health services confidentially. This includes: (1) undoing the notion that parental rights are an adequate justification for imposing additional burdens on minors seeking abortions or other reproductive health care; (2) staving off efforts to require parental involvement for minors seeking contraception and abortion; (3) undoing child abuse reporting requirements with respect to non-abusive sexual relations; (4) ensuring minors' ability to consent to all reproductive health services; (5) establishing minors' right to comprehensive information about reproductive and sexual health.

Positives: (1) This has always been one of our priority areas. (2) We are seeing the antis push hard to diminish minors' rights, so we should see what we can come up with to push hard back (i.e., being proactive in addition to defensive). (3) The topic lends itself well to a systematic approach. (4) The issue extends beyond abortion. (5) This is a topic about which we can coordinate efforts with our international program.

Negatives: (1) In terms of parental involvement for abortion, we have large body of federal case law against us (which makes our campaign harder), and the reasoning of that case law could be applied to contraception. (2) It is very difficult to garner public and legislative support on issues concerning minors. (3) We will likely have to confront the politically difficult issue of whether minors have a right to have sex (and more generally, whether minors should be treated as adults). (4) This area involves difficult line drawing and subtle points that are difficult to convey to the public in an appealing way. (5) There is growing opposition amongst minors to abortion and being pro-choice (or at least a national pro-life campaign aimed at teens that is garnering more public attention).

Possible Elements:

(1) Legal research and writing to (a) debunk the extent of parental rights currently recognized; (b) discuss the development of minors' legal rights generally; and (c) analyze sodomy and death penalty cases to see how courts and litigants have relied on evolving societal norms and social science evidence.

(2) Comprehensive survey of available scientific evidence supporting our positions (e.g. re: competency of minors, importance of confidentiality for access), to use to (a) strengthen our position and to (b) assess where we need to fill in the gaps.

(3) Follow up to fill in the gaps with additional studies, development of expert witnesses, etc.

(4) Work with major medical groups to develop and expand public policy regarding minors' ability to consent to medical care and need for confidentiality.

(5) Advance legislation re: minors' ability to consent to care and confidentiality of care.

(6) Develop litigation—bring facial challenges to non-abortion consent and confidentiality issues in federal court; as-applied challenges to parental involvement for abortion laws in federal court; state courts cases to establish rights or minors.

(7) Public education strategy to support legislative/litigation efforts.

(8) Develop an international component, which looks at international norms on the rights of children.

II. Equal protection

Articulation: Project to expand the use of equal protection doctrine to protect women's access to abortion and contraception. This includes: (1) reversing decisions indicating that pregnancy and abortion discrimination are not sex discrimination; and (2) developing the fundamental rights strand of equal protection to prevent singling out of abortion and abortion patients from rest of medicine for the imposition of special burdens.

Positives: (1) This is an area of law that we could do more with. (2) Because this area of law is not yet firmly established in the abortion arena, we don't have to overcome lots of precedent to be able to make progress. (3) Equal protection claims get us out from under some of the proof difficulties we have with undue burden claims. (4) This project is more accessible to the public than the undue burden project. (5) This project gives us a way to talk about abortion in terms of fairness and discrimination principles, which are appealing and understandable to the public. (6) This issue is important to our goal of ensuring access to abortion. (7) This project might be able to be combined with the undue burden project.

Negatives: None articulated other than the potential for bad outcomes, which exists with all five possible projects, and the fact that federal courts have not yet been receptive to equal protection arguments where they have been advanced.

Possible Elements:

(1) Legal research and writing as to (a) abortion as sex discrimination; (b) abortion discrimination under the fundamental rights strand; and (c) analyze sodomy and death penalty cases to see how courts and litigants have relied on evolving societal norms and social science evidence.

(2) Analysis of how equal protection jurisprudence has evolved in other areas.

(3) Public education to talk about abortion laws (and other obstacles to repro health care) as both discrimination against women and unfair discrimination against abortion.

(4) Look to expand the litigation areas in which we push equal protection claims and state ERA claims (e.g. contraceptive equity, challenges to abortion restrictions as applied to medical abortion).

(5) Analysis of the kinds of factual development we should do in cases in which we bring equal protection claims.

(6) Development of studies helpful to our equal protection claims such as (a) study comparing the morbidity and mortality of abortion with that for other office surgeries; (b) study establishing that other health care decisions women make are comparable to the abortion decision in relevant respects.

(7) Develop strategies for advancing legislation that would add to women's protections against sex discrimination in health care (e.g. establishing that disparate impact on pregnant women is sex discrimination).

III. Undue burden

Articulation: Project to limit the application of the undue burden standard and to increase its "bite" so as to bring it as close to strict scrutiny as possible. This includes: (1) limiting the application of the undue burden standard (e.g. requiring a health exception and service of a legitimate state interest regardless of burdens); (2) developing meaningful purpose prong challenges; and (3) developing case law establishing some burdens as undue.

Positives: (1) The law in this area is not yet fully developed so we have some more room to make progress than we do in other areas. (2) Progress in this area would positively affect all our abortion cases. (3) This issue is important to our goal of ensuring access to abortion.

Negatives: (1) This project is difficult to support through public education or media (since it is so legally-focused). (2) These kinds of cases are very resource-intensive. (3) Successes in these factually-intense cases can be difficult to apply more broadly.

Possible Elements:

(1) Analysis of federal courts' application of the undue burden standard and assessment of where they have improperly articulated the standard.

(2) Legal research and writing regarding (a) how the standard should be interpreted; and (b) areas where we can try to limit application of the standard (e.g., with health exceptions, lack of legitimate state interest).

(3) Analysis of which types of abortion restrictions actually have the effect of imposing the greatest burdens.

(4) Obtain studies demonstrating the effects of those most burdensome laws.

(5) Litigation challenging those most burdensome laws in favorable circuits.

IV. Funding

Articulation: A project to overturn Harris v. McRae by building upstate court opinions, state legislation and factual bases to compel the Supreme Court to overrule its prior decision as it did in Lawrence v. Texas with respect to Bowers v. Hardwick. The strategy would be to showthat the law and social standards have evolved since Harris v. McRae in recognition of the fact that, for poor women, access to public funding for abortion is part of their constitutional right.

Positives: Funding is one of our priority issues, and the Harris decision has had a very significant on women's access to abortion.

Negatives: Unlike what happened with sodomy laws, we are not going to be able to get an expansion of abortion funding rights in the states: we are running out of state courts to rule in our favor on the funding issue, and in most states we have no chance of getting the legislature to act in our favor.

V. First amendment

Articulation: Project to enhance reproductive rights through the development of first amendment theories in areas like specialty license plates and biased counseling.

Positives: (1) We could try to develop this area of law, in which we have had some success; (2) restrictions that are imposed on speech about abortion, and preferences given to antiabortion speech, undermine the right by contributing to an anti-choice public dialogue about our issue.

Negatives: (1) First amendment theories have limited application to restrictions on reproductive rights; (2) this area does not lend itself as well to a "campaign."

MEMO #3—REPORT TO STRATEGIC PLANNING PARTICIPANTS FROM "OTHER LITIGATION" SUBGROUP

This group met to discuss "other litigation" that CRR might pursue in addition to areas in our current docket. We focused on three main areas: (1) contraception; (2) women of color; and (3) misleading information. These topics were discussed at the initial strategic planning meeting of the domestic program. For each of these topics, we considered some of the possible ways that we might pursue' work in these areas; the positives and negatives of pursuing these strategies; and possible elements pursuing these issues might entail.

I. Contraception

Articulation: The Center's commitment to reproductive rights includes a woman's right to control if and when she becomes pregnant. We considered possible ways that we may be able to expand our work in the area of contraception, including potentially focusing on: (a) funding restrictions (e.g., restrictions in Medicaid, Title X, and in abstinence-only programs); (b) government restrictions, both on a macro and micro level (e.g., statutes and or regulations; police harassment of sex workers by destroying condoms; school policies that prohibit condom distribution); (c) Title VII and Title IX cases, expanding the Title VII precedents into the university setting; and (d) women of color's specific concerns in this area (e.g., steering towards certain methods; unique access issues; and implications in sentencing).

Positives: (1) This is an area in which the Center has had a long-standing commitment and it would affirm that commitment to litigate issues affecting access to contraception. (2) Work in this area could have a significant impact on the lives of women. (3) Increasing access to contraception is much less controversial than abortion. This could be potentially significant to donors, press, public, and courts. (4) Expanding our work in this area would undercut the criticism that we are solely an abortion-rights organization.

Negatives: (1) It is difficult to find legal theories to pursue many of the areas identified. (2) In those areas where legal theories are clearly articulated (e.g., Title VII and Title IX), it is difficult to find women willing to be plaintiffs and there are many groups pursuing these goals.

Possible Elements:

(1) Research and assess whether there are viable legal avenues to pursue in this area;

(2) In those areas where there are well-articulated viable legal avenues, assess whether or how much resources the Center should direct in light of other groups' commitment to these issues;

(3) Collaborate with groups that are working more directly with these issues to see if we can educate ourselves to possible litigation opportunities;

(4) Assess whether there are non-litigation opportunities and consider if this is an area we would consider directing resources.

II: Women of Color

Articulation: Laws restricting access to reproductive health services disproportionately affect women of color and women facing economic barriers. Our litigation work on funding bans is an example of our longstanding commitment to this area; however, we need to explore other ways of addressing the needs of this population head-on. While the work of the International Legal Program deals with many of these issues, we realize that the Domestic Legal Program could place more specific emphasis in this arena. Some of the possible areas of litigation which cross-over with ILP are: (1) women in the criminal justice system; (2) immigration; and (3) trafficking; and (4) safe motherhood/pregnancy.

Positives: (1) This has always been one of our priority issues; (2) we cannot claim to be serving the reproductive health needs of women in the U.S. if we are ignoring issues specific to women of color; (3) the issue extends beyond abortion; and (4) we may be able to coordinate efforts with the International Legal Program.

Negatives: (1) We are not sure that legal strategies are the most useful strategies to combat reproductive health issues specific to women of color and economically disadvantaged women; (2) we have little experience (and some would say credibility) in this area, other than defense of women being prosecuted for drug use and our Medicaid cases, and, therefore, would first need to take a systematic look at the needs of women confronting racial and economic barriers, and would need to devote the resources to do this properly; (3) cases in this realm might involve non-impact litigation, which we aren't as accustomed to taking on; and (4) we are a department/organization comprised largely of economically advantaged white women, which undermines our credibility in this area.

Possible Elements:

(1) Focus on areas in which we already have some expertise, e.g., treatment of pregnant women who use drugs or abuse alcohol, women in prisons and funding issues.

(2) Identify other areas in which specific issues facing women with economic and social barriers could be remedied or addressed through legal strategies, e.g., issues facing immigrants and migrant workers, and safe motherhood/pregnancy issues.

(3) Work in partnership and build relationships with other groups working on issues affecting the health of women of color.

(4) Identify legal strategies.

III. Misleading Information

Articulation: This area includes the following issues, which we believe contain misleading information by definition, or often incorporate misleading information: (1) abstinence-only education; (2) abortion/breast cancer link; (3) crisis pregnancy centers ("CPC's"); and projects by anti organizations such as Life Dynamics Inc. ("LDI") that distribute misleading information. The most noteworthy project by LDI was their campaign to public schools indicating that a school, or school employee, could be legally liable for distributing reproductive health information to students.

Positives: (1) Distribution of misleading information regarding reproductive health care can have devastating effects and undermines our goal of enabling women to be knowledgeable and obtain safe and medically appropriate reproductive health care; (2) this has been a more recent and successful campaign by the antis, both to the public and in the courts; (3) outing the antis as liars would undermine their credibility; (4) although several medical and health people and groups, as well as legislators, are outraged by these tactics, there hasn't been much success in countering these attacks; thus, we could stand out on these issues. In fact, we are the only group with significant experience litigating (and refuting) the claims of an abortion-breast cancer link.

Negatives: (1) We have struggled for years without much success to try to develop legal theories to attack these issues proactively; (2) we think that there might be viable nonconstitutional legal theories, but we are not experts in some of those areas and therefore don't even know of the existence of some avenues; (3) cases in this realm might involve non-impact litigation, which we aren't as accustomed to taking on; (4) individual cases in this area often are seen as less important than the impact litigation facing us and, therefore, fall through the cracks; (5) LDI has been quite careful to try to stay within legal bounds with their misleading attacks.

Possible Elements:

(1) Decide if this area is a priority for us and determine if that depends on whether we can litigate in the area or not. If so, proceed to the following elements;

(2) Brainstorm regarding litigation versus non-litigation tactics;

(3) Do fact research on types of misleading information and then prioritize potential attacks on the different types of dissemination;

(4) Do legal research in obvious areas with which we are familiar—i.e., First Amendment entanglement/establishment clause (see license plate cases and the Gibbons case in E.D. La.);

(5) Determine how to familiarize ourselves with other areas of law that we're not so familiar with—including business torts such as interference with business, torts, false advertising—both currently and how to keep abreast of changes in the area (have a law firm do a CLE for us and be our consultant on such matters?);

(6) If lawsuits are a viable option, decide how to proceed with them (alone? With a law firm?).

What are our criteria for project and site selection? Do we have "clients"? Are they our NGO partners? Women in need? UN agencies? Sister organizations in the US/Europe? How can we make these "clients" more a part of our strategic planning and priority setting?

C. Integrating the Center's Program Work

The Center's work in the U.S. and abroad has proceeded on independent tracks (e.g., we have not used the international human rights strategies in the U.S.). Should the new interest by the Supreme Court suggest we should be taking a human rights approach in the U.S.? What would that involve? Are there other ways in which our domestic and international work could be integrated?

STRATEGIC PLANNING: COMMUNICATIONS—FIRST STEPS

Like the other programs at the Center, domestic and international, Communications needs to be strategic. And for Communications to be strategic, the Center must have a clearly articulated goal.

So the first question we must ask is, Why communications? What purpose does it serve for the Center?

Depending on the organization, Communications strategies vary widely. Here are two examples from two organizations whose Communications programs I directed before coming to the Center.

TWO COMMUNICATIONS MODELS

The Vera Institute of Justice had an entrepreneurial goal. We wanted government officials to hire us to make government justice systems fairer and more efficient. We believed that without actual government investment in the research and projects we piloted, there wouldn't be the necessary will to change. And we wanted to be known, unlike government bureaucracy, as an organization that got things done.

This goal meant that Communications strategy focused on marketing more than advocacy. We developed strong research reports and briefing papers, as well as attractive and forceful "identity" materials (that described what we do). We also established the president and other key staff and colleagues as trusted and authoritative resources. But we kept a very low media profile, with a few exceptions. For example, when we launched our citizens' jury project, which essentially acted as ombudsman for jurors in New York City courts, Judge Kaye encouraged us to publicize it as much as possible, because we wanted New York City residents to use the service. For the most part, however, we sought less to get our name in the media than, to change the quality of reporting on criminal justice. So we held a seminar for editors and reporters at which they and criminal justice experts exchanged (no holds barred) views on how the media could do a better job and how researchers could help them do it.

An adjunct goal of Vera's was to encourage the next generation of government official or public interest lawyer who might become our partner in future projects or perform pro bono work for us. For example, we invited law firms to propose young partners to attend a series of after-work seminars we held, introducing them to high-level officials in NYC government who could explain how various parts of the justice system worked.

The International Women's Health Coalition had a very different goal: to promote and protect women's and girls' reproductive and sexual health and rights. Our strategy focused in inserting a gender perspective into international policies and agreements, either directly through our own staff's involvement with global entities such as the World Health Organization or, on a country level, through funding and technical assistance to groups trying to change national and regional policy.

Communications developed and provided written and audiovisual "tools" to these groups (case studies of successful programs, how-to manuals, etc.), as well as policy papers, disseminating them widely through our website, and, when possible, publishing in peer-review journals.

We also engaged aggressively with the media, partly in order to embarrass the Bush administration for its failure to support the reproductive rights and needs of women globally. This included the development of Bush and Congress Watch fact sheets detailing the actions and appointments of this Administration that held back progress on women's reproductive rights both domestically and internationally.

Because IWHC also cared about involving the next generation of leadership, we too brought together potential leaders doing cutting-edge work from around the world to encourage dialogue and generate momentum for change. Communications sometimes published the results of those dialogues.

CENTER FOR REPRODUCTIVE RIGHTS: KEY QUESTIONS

In order to develop effective Communications strategies, we must first ask questions like these:

Is our goal to increase our visibility or is it to change how people think about the Center? If it is to become better known, for what and by whom?

What is different about the Center now as compared to earlier in its history? What do we want people to understand about how we've changed?

Is our goal to make people understand reproductive rights as human rights?

What is unique about our organization that we want people to know? What people?

Do we want to be known as a cutting edge organization that generates innovative ideas, i.e. a think tank for litigation and jurisprudence?

Do we have a special role to play to encourage thinking about the proper role of the courts in protecting reproductive rights?

CENTER FOR REPRODUCTIVE RIGHTS—STRATEGIC PLANNING WORKSHOP, NOVEMBER 10, 2003

AGENDA

Overview

1. Introductions, agenda for workshop, strategic planning overview, rules, and roles [9:00–9:30].

2. Agree on a planning perspective [9:30–9:45]:

What can we accomplish in this political and economic environment?

What are appropriate strategic planning horizons for the Center and our issues? e.g. Next 1–2 years; 3–5 years; 5 years plus.

How do we combine strategic cost reduction and strategic planning?

Identify the Issues Raised During the Strategic Planning Interviews and Staff Workshops [9:45–10:15].

Focus the Work

4. International Legal Program: How can we begin to focus our International Program? [10:15–11:30]:

What have we learned in pursuing our 4 key strategies?–

Accomplishments and outcomes.

Shortcomings.

What is our Theory of Change guiding our future program activities?

How do we evaluate the effectiveness/sufficiency of existing international norms?

What does this evaluation mean for focusing our work, e.g.:

Testing international and regional enforcement mechanisms?

Timeframe?

Selecting priority countries, issues, projects?

Morning Break [11:30–11:45].

5. Domestic Legal Program: What are the opportunities and limitations in our agenda? [11:45–1:00]

What is the future of traditional abortion jurisprudence?

How is our defensive work moving the legal norms forward?

What is the importance of our continuing litigation work in other areas?

Who else does this work and what gives the Center a competitive advantage?

What is a more systematic approach to strengthening the abortion case?

What would it mean for CRR?

Which issues, e.g. minors and equal protection?

Who else do we bring to the table?

Lunch [1:00–2:00].

Coordination Across Programs

6. A Global Perspective: How can we better coordinate our International and Domestic programs? [2–2:45]

What are the implications for the U.S. as we advocate for International norms?

Why don't we treat the U.S. as a country in the world of nations?

Would the distinct programs have more commonality and synergy if the International Program focused on legal and Human Rights enforcements?

How will this coordination change/enhance our domestic and international agendas?

7. Communications: What issues should we consider as we make Communications a more substantive part of the work we do? [2:45–3:30]

How should we design a communications program to influence/shape the legal landscape around reproductive rights?

How should broader communications strategy integrate our litigation, legislative, research, and advocacy work?

How can we shape and frame our messages differently? More aggressively? With more resonance to more constituents?

What would a multi-year program look like?

Afternoon Break [3:30–3:45]

Leadership

8. Leadership: How can the Center use its expertise to exert more leadership? Distinguish ourselves? Become more collaborative? [3:45–4:45]

What do we mean by "leadership" and how do we better/more effectively communicate our leadership role and position ourselves as leaders?

Can we set the broader agenda for the Reproductive Rights (RR) movement?

What will it take to incorporate RR work into a broader Human Rights agenda?

What can we learn and apply from other serious disciplines?

What does it mean to "stay on the cutting edge"?

How do we engage the broader public interest bar?

Next 3–5 years

Wrap-Up and Next Steps [4:45–5:15]
Cocktail Reception [5:15–6:15]

PROGRAM STRATEGIES AND ACCOMPLISHMENTS

(The following program descriptions focus on our core legal program. We have not included descriptions of our state and federal programs as well as our ongoing counsel to providers and patients.)

Domestic Legal Program. Our core strategy domestically is the use of high-impact litigation to secure the highest constitutional protections for women's reproductive rights. Our domestic staff attorneys are among the most senior and experienced reproductive rights litigators in the country. With 21 cases in 13 states—on issues ranging from abortion bans to funding restrictions to forced parental involvement laws—we have the largest and most diverse docket of any pro-choice organization in the United States.

The Center has won two landmark cases before the United States Supreme Court: Stenberg v. Carhart (striking down Nebraska's so-called "partial-birth abortion" ban as an unconstitutional violation of Roe v. Wade) and Ferguson v. City of Charleston (affirming the right to confidential medical care and informed consent by striking down a drug-testing scheme targeting poor women of color). In addition, we have:

Secured and restored Medicaid funds for low-income women seeking abortions, with victories in 14 states;

Successfully fought "partial birth abortion" bans and other access restrictions, with victories in 16 states; and

Challenged parental consent and notification laws, with victories in 5 states.

International Legal Program. The Center's international program works to establish reproductive rights as. human rights by using international law and legal mechanisms to advance legal norms and secure women's access to quality reproductive health care globally. We are the world's only organization of international human rights lawyers that focus exclusively and extensively on reproductive rights. Nearly all of our international legal advisors come from the regions we cover; all have honed their skills at top law schools, legal organizations and national-level NGO's before joining the Center. At the heart of our international work is a commitment to building a global network for reproductive rights legal advocacy by building the capacity of NGO's to use international human rights laws and mechanisms to advance reproductive rights.

The Center's international program implements four key strategies:

Researching and reporting on national laws, policies and judicial decisions;

Advocating in international and regional human rights fòra;

Documenting reproductive rights violations in fact-finding reports; and

Training NGO's and lawyers through legal fellowships and visiting attorney programs, workshops, published and online resources and other technical assistance.

Key accomplishments under these strategies include:

Conceptualizing and publishing the Women of the World (WOW) series. Non-governmental organizations must be able to identify national and regional legal obstacles to furthering reproductive rights in order to craft effective advocacy strategies for removing them. No comprehensive listing of laws and policies existed, however, until the Center launched the WOW series in 1996. Researched and written with partner NGOs, these regional reports document the laws and policies of 50 nations. They cover a range of issues, including: health, abortion, population and family planning, contraception, safe motherhood and women's legal status. To date, we have completed four regional reports: Anglophone Africa, Latin America and the Caribbean, Francophone Africa, and East Central Europe.

Publishing Bodies On Trial, which documents a significant gap between reproductive rights law and judicial interpretation in five Latin American countries. The Center's 150-page report serves as a resource not only in Latin America and the Caribbean but in other regions where advocates are evaluating potential litigation strategies to advance reproductive rights.

Filing groundbreaking legal cases in the Inter-American human rights system and in the UN Human Rights Committee, with two successful settlements to date to ensure that Peru's government abides by international agreements and its existing reproductive rights-related laws.

Securing favorable interpretations of international human rights law from UN and regional human rights bodies, and documenting the increasingly progressive jurisprudence of the UN Treaty-Monitoring bodies in our 300-page report, Bringing Rights to Bear.

Investigating reproductive rights violations in over seven countries, including two reports on Chile and El Salvador that highlighted the role of criminal abortion laws in maternal mortality and two reports that generated significant public pressure to reform criminal abortion laws in Nepal and to safeguard women's rights to informed consent in Slovakia.

Providing technical assistance and capacity to use legal strategies to advance reproductive rights to over 100 organizations in over 45 countries, including training over 16 lawyers in reproductive rights advocacy at our New York office for periods of at least three months.

Launching the Safe Pregnancy Project, a series of fact-finding reports that document laws and policies contributing to maternal mortality in select countries, and make recommendations for change. Our first report, on Mali, was released in February 2003 and presented at the landmark Amanitare Conference in South Africa in March.

Advancing adolescents' access to reproductive health services through reporting, fact-finding and legal advocacy. Our WOW reports specifically isolate legal and policy barriers to adolescents' reproductive and sexual health and rights. Our analysis of the Convention on the Rights of the Child is a definitive resource for advocates and key UN staff alike, as is our fact-finding report, State of Denial, on the inadequate legal and policy protections of adolescents' access to services and information in Zimbabwe.

Establishing our website as the go-to online resource for international reproductive rights legal advocacy. In the past year, advocates in over 150 countries downloaded over 250,000 Center publications.

THE CENTER FOR REPRODUCTIVE RIGHTS SUMMARY AND SYNTHESIS OF INTERVIEWS

In August, September, and October of 2003, Nancy Raybin and Elizabeth Lowell of Raybin Associates conducted some 18 strategic planning interviews with members of the Center's Board of Directors (10), representatives of long-term institutional funders (5), and colleagues at other organizations concerned with reproductive rights (3). (We did not discuss funding opportunities with any specificity during these conversations because these issues were being addressed in separate Development Assessment interviews by Miller/Rollins.)

We also interviewed members of the management team and other Center staff and facilitated several brainstorming sessions with Center staff of both the Domestic Program and the International Program. All of these (continuing) conversations, either face-to-face or by telephone (when geography or schedule did not permit a personal meeting), focused on creating a vision and future strategies for the Center. Raybin Associates' work intentionally did not focus on internal management and organization, as that had been the subject of fairly recent strategic planning work.

A "white paper," prepared by President Nancy Northup, was sent to each study participant prior to the interview. Some interviewees read the material, some did not, and several Trustees felt that they did not know enough to comment intelligently on the issues and questions raised in the paper. In most instances, they deferred on issues of strategy to Center staff, whom they trust to define and set the direction for the future. Board members unequivocally welcomed the Center's new Director and praised the staff's legal expertise.

The remarks below are both a synthesis and summary of what we learned in our interviews with Trustees, funders, and colleagues. There is no input here from the staff workshops. We have separated the comments made by Trustees from those made by funders and colleagues. A copy of our Interview Guideline is appended; it is important to note that some participants' lack of knowledge meant that many of our questions were not addressed.

MISSION AND VISION

Differentiating the Center

Most Trustees noted that what differentiates the Center is its law and legal work. They noted "expertise around Reproductive Rights (RR) and Human Rights (HR)," "brilliant, focused, sophisticated lawyers who can fight and win," and "who work on the 'cutting edge.'" One Trustee noted that it is the only organization working on the legal and human rights aspects of RR, but most felt at a loss to speak concisely and specifically about what the Center does that makes it different from other "players" in the field. Trustees also cited international work as a unique aspect of the Center, but were unclear as to the specifics of this work.

Funders and Colleagues could, and did, give definition to the international role. They talked about the Center's role in "linking groups of people trying to advance women's issues globally," how the Center helps "to define and challenge national legal systems," and how "finely-honed the legalistic work" is. One funder declared, however, that the legalistic often comes at the expense of economic and social justice—and gave a stark example of a Somali woman.

While one funder noted that the Center is unique because of its strong commitment to

RR, two others noted: "other organizations are also grappling with these issues." "The Center should place itself within the range of other groups which do similar work. . . . It is not enough to assert you are unique—you must describe why." "The Center is not unique in litigation; both Planned Parenthood and the ACLU also litigate: How are the client base and issues different and has the Center deliberately developed their expertise accordingly . . . or has it just happened?" One colleague asked about how the Center views itself: "as a litigating organization or as a broader advocacy group?"

Articulating a broad vision for the next five years

Trustees hold the Center's staff in extremely high regard. Their level of respect and trust is extraordinary. Most Trustees would largely defer to staff in setting the vision for the future and determining the direction. Having said that, most believe that the domestic focus should still be on abortion. Several Trustees mentioned that they would also like to see work in the related areas of Emergency Contraception (EC), contraceptive equity and comprehensive sex education, including work with adolescents.

Most Trustees think that the image and reputation of the Center needs clarifying and heightening and that collaboration with other RR and HR groups would help to improve the Center's visibility as well as move the agenda(s) forward.

Funders and colleagues believe strongly that the broad vision for the next five years must be "ruthlessly prioritized." "Their approach should be outcomes-oriented. It's not good enough just to research, write and present. Engineer backwards from what they want to see happen." "I understand the causal model of theory of change; spell it out for us; define the outcome you expect . . . not just winning decisions." Most see this as requiring more sharing of expertise. Indeed, partnering with other organizations, both domestic and international, was a strong and recurrent theme in all of their comments. Nepal and Slovakia were cited as examples. where the Center had identified local groups with which to work and had been successful. Acknowledging that the Center cannot do it all, "after the outcomes are defined, then the Center needs to determine who best to work with locally." "Greater collaboration must be a defining characteristic of the Center's future work."

In speaking about the international program, one colleague suggested that "publicly shaming a country, so that it is coerced in doing the right thing (the Amnesty International model) will not work around Reproductive Rights. If, however, the ILP saw itself as a midwife to the global choice movement, that would be a longer-term, albeit, less glamorous vision."

Funders and colleagues also envision the need for continuing emphasis on Reproductive Rights. "We must 'stay the course.'" Several commented: "the Center must continue as the legal reference point for policy implications and shaping thinking and monitoring." Most called for a more proactive stance identifying and analyzing trends—and potential backlash. "This is a real need—and one that the Center could fill. They need to tell the rest of us what's coming down the pike." Added another: "The Center needs to think through the leadership role it can play . . . there is a gap at the national level, which the Center could fill."

They would also like to see the Center "provide new and useful information and training" and "more paper for colleagues and constituents." "We should get something every three to six months from the Center about what's happening in the field." "But, there is so much information reaching people in the RR arena that if the Center were to spend time better packaging and abbreviating materials, it would get more mileage out of its work." "Electronic newsletters are effective." Several funders proposed a serious analysis of Roe v. Wade soon to ascertain the roadblocks lying ahead and the best options for addressing them. None thought that Roe v. Wade would fall, but that it "might be left out there, hanging all by itself . . . Then what? We need to think that through now." "What happens after PBA? If we win? If we lose? The legal win should not become the public relations loss. There must be a strategy for this."

Involving and energizing constituents

Trustees, finders and colleagues agree that shaping the Center's focus and making it more easily articulated will help constituents become more involved. "If we comprehend it ourselves and can explain it to others, we are more likely to activate people." Trustees noted: "our inability to clearly articulate makes us poor ambassadors for the cause." Trustees would also like to see a succinct list of successes, both domestic and international, with a timeline, and an explanation of the impact and practicality of these successes. A visual of what has been accomplished in RR—since the Center's founding would help to bring home the "so what factor"—"So what difference have we made?"

Funders and colleagues emphasize that consistent partnering with other groups will strengthen the Center's overall visibility, present constituents with the bigger picture and bigger numbers, thereby offering more assurance - "there's some safety in numbers." They stress that the Center should take the time now to identify who those long-term partners might be, both domestic and international, and if relationships do not now exist, begin to build them. They further cautioned that in all collaboration the "emphasis should be on the success of the work rather than the credit." "The need to be the dominant partner can sap energy and good will."

STRATEGY AND PROGRAM

Assessing progress to date

Most Trustees said that the Center "does program and strategy well," but they were short on specifics. Most believe that the Center "litigates well." Backing up this assertion, two Trustees cited the Center's role in the Nebraska case and its work on Partial Birth Abortion (PBA). Several others referred to its pro-active role around EC. They noted that, despite domestic "wins," the current political climate undercuts the Center's work.

One Trustee cited progress in Chile and Mexico, which could not have happened without the Center's activities. All knew that litigation around abortion was a domestic hallmark, but most could not explain the essential components of the international programs. One did, however, single out the "spectacular WOW reports, their use at the UN and their import to other international organizations working in the RR and HR arena. Another cited the work in Nepal.

Funders and colleagues alike felt that "the Center has moved well since its founding." More familiar with the international component than the Trustees, three mentioned "fabulous" reports . . . but "want to know what happens next." One said candidly, "I am unable to assess—it's been all over the place," but remarked that the Center is most effective bringing attention to the issues." Nearly all funders and colleagues were familiar with and spoke highly of the work in Nepal. "It demonstrated change processes, the train of intervention, the change itself and needed follow-up." And one referred passionately to the "practical, hands-on-quantifiable, usable-elsewhere, most effective work in Slovakia."

With one exception (who did not think the Center should devote itself to international work at all), funders and colleagues felt that the international program could be more effective by "working on a country by country basis." "Legislative debates are needed; they have proven useful and educational elsewhere." One argued for taking more cases internationally through the European Court of Human Rights. And, returning to the issue of collaboration, one funder said that the Center has been least effective internationally "when it goes off on its own initiatives that are not well-developed with other partners."

Measuring success

Trustees, funders and colleagues were unaware of any systematic or specific efforts to measure the Center's success. All agreed, however, that measurements and benchmarks will be important moving forward. Some said, "the hard data—what's quantifiable—is the easy part—number of cases won, number of cases lost." What's harder, but equally valid is the soft data—the gnalitative—which takes note of "laws changed (although perhaps not immediately), lives improved, learnings which help the Center in other cases." "If we lost, did we educate, create a precedent?" There was strong consensus overall that as new strategies are developed,-they must be evaluated against the Center's vision.

Substance guiding future strategy

Several Trustees identified the "shoring up of favorable state constitutions" as core to the domestic work ahead. They also want the Center to "identify trends." Funders and colleagues looked for a more proactive role around the intersection of needs, e.g., RR and HIV/AIDS. Again, they stressed network building (domestically and overseas), collaboration and outcome oriented strategies rather than identifying specific goals, litigation or issues per se (as requested by the interviewer). They also expressed their belief that new leadership at the Center would embrace these tactics.

Domestic and International programs informing each other

Trustees were not sure how the domestic and international programs could inform or better inform each other, but they were quite insistent that it needs to occur. They do not know the frequency of interchange between the two staffs, although they assume that there is some and that there should be more.

Funders and colleagues spoke about thinking collectively with other groups to move the agenda forward, broadening the discussion well beyond the Center staff. A greater awareness of what others are doing nationally and internationally "can make us all more effective as we focus on what each does best." Most talked of identifying "cross country issues," where both domestic and international could bring experience and expertise to bear, e.g., medical abortions, access to various forms of contraception, RR and HIV/AIDS. Said one "be more clear about the connection between global and national. Look at the US impact globally."

Race and Ethnic Discrimination as a Program Component

All study participants recognized that minorities and the poor are underserved in RR and HR. How this should factor in to the Center's program development, non could specifically say.

Domestic Program

Expanding domestic litigation beyond abortion?

The Trustees believe that abortion is still the key issue. But many also think that the Center should "move beyond" and address linked issues. They cited EC, HIV/AIDS, work, with teens, and family planning "wherever there are legal issues (e.g., women denied prenatal care.)" "If Medicare funding changes, will there be a legal issue there? Is there a legal issue around the misinformation around abortion on the government website?'

Trustees have a deep concern that the image of the Center is "only around abortion" and believe that image must change, so that the public has a greater understanding of the overall impact on women's lives of what the Center does. One suggested that every time the Center is litigating a case, there be a full explanation of how the case fits into the larger context.

One Trustee believes that Roe v. Wade could be overturned and that the Center should begin now to develop strategy. Another said, "If it is overturned, we'll know in advance and have time. We need to keep the thought in play, but we can't focus completely on it." Most felt that Roe itself would remain intact, but several concurred that, given the current political climate, its impact could be gutted.

Only two funders commented on Roe v. Wade. One said, "it's not going to be overturned, but everything else will be. Therefore, look to work at the state level." Another stated: "We need a serious analysis of the decision and come out with an opinion whether or not to continue to defend it. There are lots of weaknesses in the legal approach to Roe v. Wade. If it is flawed, we need to come up with a remedy. Is the Center satisfied that it can continue to defend it? Commenting on other issues, one funder commented: "Look at the things that are winning and advancing. What is the principle that appeals and the legal strategy that can be derived and applies?" Asked one colleague: "Would the Center take up a broader rights issue, e.g., women's access to the full array of health services and gender choice and what that means for women's advancement in society? Who is active on college campuses and universities—there is a role here that needs to be filled."

Other Strategies To Make Forward Progress in the Courts

Most Trustees felt that there was nothing to be learned from the Conservative Right "because they just play a different game." Another, however, remarked, "We're not vocal enough. People pay attention to the loud voices. We have to fight harder, be a little dirtier. Be graphic and show all the roadblocks." Said yet another, "We should shine a bright light on the U.S. internal policies."

There were no specific strategies suggested for succeeding in non-litigation areas, but many Trustees felt that the Center should be thinking in terms of education. "Young women don't know what they are losing." "Abortion is a medical procedure and all medical students who enter the OB/GYN specialty should be required to learn the procedure. Medical school curricula must address this." All agreed that collaboration is a strategy that the Center must use. Law schools, bar associations, universities, the Alan Guttmacher Institute, and the Brookings Institution were suggested as potential partners.

Funders and colleagues said: "Keep fighting." They returned, yet again, to the issue of collaboration and while most did not identify specific partners ("other mainstream human rights groups"), they urged working together. One quite specifically said "the Center and the ACLU should work reach out together to clergy, so that there are religious voices for choice—so that we're not called 'barbaric, irreligious, immoral'—we need to have the ethical leaders of our society with us at press conferences." Another noted that the "litigation messages need to be coordinated" and went on to say "litigation alone is not going to carry the day. It's also how to position and leverage the court cases, so that the Center can do its long-term strategy. It's very hard to think that way when you're preparing a brief at 120 mph."

International Program

Global, Political, Health-Related Factors Driving Scope and Direction of International Work

Most Trustees felt that they did not know enough to comment on the direction of the international work, except to say "helping NGO's understand and implement their laws seems appropriate." One with a deeper knowledge of the international scene remarked: "There's a need for a catalyst in developing countries. Help the women in Eastern and Central Europe get their laws enforced and that new laws don't violate basic human rights. The Center can be a catalyst rather than an active litigant." Another said, "Step up the international work and link it with the domestic. The US domestic policy is affecting international programs, and we need to link with other US organizations and do advocacy, as well as testify how the US is affecting the health of women. We also need to train NGO's in developing countries to make their concerns known." "Do more and link more with other HR and RR groups."

Funders and colleagues say that "one size does not fit all" and that the Center needs to do a quick assessment on the work already done and make a long-term commitment in a few key places, where they can support and transfer skills to in-country advocates, rather than coming up with an overall rationale." "Choose litigation where it will work." "It is more important for the ILP to choose well than it is for domestic—pick certain countries because they're key priority areas, or long-term relationships, or because—you can leave something behind." "Make smart political judgments." "Collaborate with NGO's." Said one, "Push the expertise down and out."

One interviewee talked at length about the need for developing contacts within the European Union because "there is no real debate in Europe on abortion and, there is funding available." Noted one colleague, "All these factors (i.e., global, political, economic and health-related) drive the scope and spectrum of the program, but it is how an issue is seen politically, socially and culturally that makes it a flashpoint and drives the work forward. Something often becomes a symbol and that's what you work with. The Center needs to be able to jump on these."

Balancing Tensions in the Focus and Commitment of Resources

Once again, most Trustees felt themselves unequipped to talk about this. One said, however, that the Center "should select issues such as abortion laws, violence against women, adolescent law, and a more minor role in genital mutilation, where we are better suited to be the data gatherers." Said another "select the strategic issues, those that will command attention, linking RR and HR with rights of child/girl. The HR link is education and protection. The Center needs to bring out the whole discriminatory process against groups associated with AIDS and everyone with AIDS."

Funders and colleagues noted that the Center cannot work at the "wholesale" (global) level, because the resources are not there. "Track and report country by country, within the context of all other international agencies working in these countries." Several commented "it's not an 'either/or.'" Both the human rights approach and the comparative legal approach have merit and must work together. "One creates an opening and the other backs it up." No one wanted to see the Center locked into mega projects, preferring "prioritized focus where you can make an impact" and staying "nimble around opportunities."

Asked one: "Has there been a mapping of pro-Choice groups in various, parts of the world, because donors need to know who they are and how the Center can serve as a backstop?"

ORGANIZATION AND OPERATIONS

Most Trustees said that they really did not know enough to comment on the organization and operations. All expressed their pleasure with new Center leadership. Several voiced concern about the expense of the Washington, DC office and wondered aloud about its role and necessity. Most are concerned about Center communications. They want more and better coverage in the press. Several commented that there needs to be "rigorous media training for the main spokespeople."

When it came to talking about the Board of Directors itself, the operative word is more.

Trustees expressed a desire for: A bigger Board; more people on the Board with money and access to money; more lawyers on the Board; more younger people (especially women) on the Board; a few more doctors; and more international representation.

They also talked about the need for substantive Board education, more effective and efficient Board Meetings and training in their fund-raising role. Most recognized that they could indeed play a much more active role for the Center and be of greater assistance with education and training than they have been in the past.

Funders and colleagues could not comment on the Board, but they spoke highly of staff. One said, "They are a precious resource with skill and focus and 'on the attack.'" Another said, "Given the importance of collaboration in moving forward, it is the bridging skills that may need strengthening. And, you may need some on-the-ground communications/community people." Yet another spoke of the need for "better coverage in the international press." Another suggested that there is "a role for a broader education program and perhaps putting more resources into advocacy, public education, media."

One colleague did suggest that, in terms of structure, the Center needs a working i.e., "giving and getting," Board and another entity composed of "non-traditional allies—

Fortune 100 CEO's, heads of universities, heads of major religious denominations" to give heft and an ethical imprimatur to its work.

FINANCIAL IMPLICATIONS

Money for new strategies

Trustees, funders and colleagues alike have no sense of how much money will be needed to finance new strategies. Several Trustees and one funder spoke of redirecting more, if not all, of the unrestricted money into the domestic program. Said one Trustee: "The ratio should be 6:1 Domestic to International. It's where we need to focus our efforts." Most Trustees suspect that new strategies will have leaner resources with which to be implemented and therefore, the strategies will have to be "very focused."

Source(s) of money

All study participants concur that the source of future monies will need to be individuals. Funders said "it's a tough time for us. Some have left the population field; some have been affected by the stock market. (We) don't see much new money and the existing money is shrinking." One funder pointed to a great deal of government funding available in Europe, should the Center choose to involve itself there.

Building capacity

Trustees worry about the age of individual donors. "This is an area largely funded by donors over 60 years old. Where are the people in their 30's and 40's?" They see a critical role for the Center's Board in attracting the next generation of donors who will keep the issues alive and fund them.

One colleague noted that "the Center is way ahead of others in capacity building," and without offering any suggestions, is confident that funding will be found Funders, colleagues and Trustees expressed confidence and hope in the Center's new leadership and other staff (specifically, Development, Domestic and International Program leaders) to articulate the needs and to identify and solicit the funding necessary to carry the Center forward.

Appendix: Crafting a Strategy for the Next Five Years—Interview Guide

Background

Describe current task, the link to prior strategic planning efforts, and coordination with the development audit

Clarify terms, language, jargon

Understand Interviewee's:—Experience and knowledge in this or related fields; and experience with and knowledge about the Center.

Reactions to White Paper

Mission and vision

What does the Center do that differentiates it from other organizations and individuals?

What have been the Center's emphases in the "mission and values" statement in the last 5 years?

How would you articulate a broad vision for the next 5 years? How will this affect: Scope of activities/projects/docket; size; "Competitive advantage; and Image/reputation, etc.?

How will the Center involve and energize both internal and external constituents, in a new and/or expanded vision?

Strategy and Program

Overall

How would you assess the Center's progress to date?

What does the Center do well? Less well? Why?

What have been the essential components of the domestic and international programs?

Where/when has the Center been most effective? Least effective?

Where/when should the Center be more proactive?

How has the Center measured past success? How should the Center think about and measure future success?

What should be the substance guiding the future strategy?

Specific goals we should accomplish? (Identify)

Projects that we should undertake? (Identify)

Substantive issues we should address that we are not addressing now? (Identify)

Litigation we should pursue proactively. (Identify)

Other. (Identify).

How can the international work be more informed by the domestic work, and vice versa?

How should the Center's concern about race and ethnic discrimination factor into program development?

Specific (at a level of detail appropriate for the interviewee)

Should the Center expand the domestic litigation agenda beyond its primary focus on abortion?

Do clients have other issues that we should understand and pursue? If so, what are they?

While we have a broad set of abortion cases on our docket, do we run the risk of running out of interesting/effective strategies or losing our fenders' interest and support?

Do we need to develop a strategy now if Roe v. Wade is overturned?

Are there more important/different issues that we are missing because of our focus on abortion? Does this matter?

What other strategies can the Center pursue to make forward progress in the courts?

What are the programmatic components of a more comprehensive strategy?.

What can be learned from the Conservative Right as they pursue their multi-faceted strategies to change jurisprudence?

How can the Center succeed in non-litigation areas, e.g., education and training?

With whom can the Center collaborate, e.g., similar legal organizations, advocacy and policybased reproductive rights organizations, law schools, etc.?

What are the global political, economic, and health-related factors that drive the scope and direction of the international work?

How all of the different strategies required in different parts of the world recognizing that "one size does not fit all?"

Given a rapidly changing world, where should the Center focus its work to be most effective and demonstrate results?

With whom should the Center collaborate?

How should the international program balance tensions in the focus and commitment of resources, e.g.,

"Promoting the application of international human rights standards to reproductive rights issues at global and national levels (human rights approach) vs. providing expertise on developing national-level legislation/policies (comparative legal approach)"?

"Focusing on certain core issues (abortion, quality of, care, safe pregnancy, etc.) vs. consistent strategies/activities (litigation, documenting violations, legislative reform)"?

"Wholesale ("global") vs. retail (national-level) impact"?

"Locking ourselves into mega-projects vs. nimble and responsive to sudden opportunities."

Organization and operations

What are the talents and resources-managerial, legal, programmatic, policy, political, communication, etc-that we need to pursue different strategies?

How should the Center shape the organization to support/implement new strategies and take advantage of new staff and Board leadership?

What additional structures and systems are needed to support the Center as it grows and evolves?

What are the talents, size, and mix of star and Board we need to successfully implement the new strategic plan? What does the transition look like?

Financial implications

(Not intended to be redundant with Development Audit questions.)

How much money is needed to finance the new strategies?

Could the Center redirect current unrestricted money to more effective new strategies?

What is the financial plan to support the new strategy?

Where will the money come from to fund our new vision/strategy/plan?

Who are the likely donors?

What is the timing?

What are the appropriate phases?

What might we be doing now to build capacity for the future?

TABLE OF ABBREVIATIONS AND GLOSSARY

General terms

Comparative Law—The study of legal standards from several countries or systems.

Customary Law, Customary International Norm—When there is a very consistent pattern among nations on a particular normative issue it is called a customary international law or customary international norm and it attains the force of international law—for example, that countries should outlaw executing mentally incompetent people or prohibit official torture.

Fact-finding—A research methodology employed to expose human rights violations, seek accountability from responsible parties, identify and secure a remedy for those whose rights have been violated, and help develop an effective advocacy strategy.

Jurisprudence—Law developed by judicial or quasi judicial bodies.

NGO—Non-governmental organization.

Norms (legal norms, international norms, hard norms, soft norms)—Legal standards, such as constitutional provisions or legislation. Hard norms are binding treaty provisions. Soft norms are the many interpretative and non-binding statements, for example by Treaty Monitoring Bodies; that -contribute to an understanding of reproductive rights.

UN and regional instruments and bodies

African Charter on the Rights and Welfare of the Child—Regional human rights treaty protecting the rights of children in Africa.

Beijing Conference—1995 United Nations Fourth World Conference on Women: Global conference on women's human rights.

Beijing Platform for Action—Beijing Declaration and Platform for Action, United Nations Fourth World Conference on Women: Consensus document adopted by nations participating in the Beijing Conference.

Cairo Programme—Programme of Action of the United Nations International Conference on Population and Development: Consensus document adopted by nations participating in the International Conference on Population and Development.

CEDAW—Convention on the Elimination of All Forms of Discrimination against Women: International treaty codifying states' duties to eliminate discrimination against women.

CEDAW Committee—Committee on the Elimination of Discrimination against Women: UN body charged with monitoring states' implementation of CEDAW.

Children's Rights Convention (CRR)—Convention on the Rights of the Child: International treaty upholding the human rights of children.

Convention against Racial Discrimination—International Convention on the Elimination of All Forms of Racial Discrimination: International treaty upholding individuals' human rights to be free of discrimination on the basis of race.

Economic, Social and Cultural Rights Committee—Treaty Monitoring Body that monitors state compliance with the Economic, Social and Cultural Rights Covenant.

European Convention for the Protection of Human Rights and Fundamental Freedoms—European treaty upholding the rights of the Universal Human Rights Declaration.

IACHR—Inter-American Commission on Human Rights: International body upholding the American Convention on Human Rights.

ICCPR—International Covenant on Civil and Political Rights: International treaty protecting individuals' civil and political human rights.

ICESCR—International Covenant on Economic, Social and Cultural Rights: International treaty protecting individuals' economic, social and cultural human rights.–

ICPD Programme of Action—Programme of Action of the International Conference on Population and Development: Consensus document adopted by nations participating in the International Conference on Population and Development.

Treaty Monitoring Bodies (TMBs)—United Nations Treaty Monitoring Bodies refer to the six committees which monitor governmental compliance with the major UN human rights treaties. While the TMBs are not judicial bodies; they -influence governments by issuing specific observations about states' progress and compliance with human rights obligations. Four committees also hear individual complaints.

Universal Declaration—Universal Declaration of Human Rights: UN human rights instrument at the foundation of modern international human rights law.

THE CENTER FOR REPRODUCTIVE RIGHTS BOARD OF DIRECTORS—PRIMARY AFFILIATION INFORMATION

Executive Committee Members

Nicki Nichols Gamble (Vice Chair), Former President and CEO, Planned Parenthood of Massachusetts

Francis W. Hatch, III (Vice Chair), Chairman, The John Merck Fund

Betsy K. Karel (Chair), Board Chair, Trellis Fund

Nancy J. Northup (Ex-Officio 1/13/03), President, Center for Reproductive Rights

General Members

Laurie G. Campbell (Treasurer and Chair of Finance Committee)

Jane E. Hodgson, MD, MS, FACOG, Founding Fellow, America College of Obstetricians and Gynecologists

Sylvia A. Law, Elizabeth K Dollard Professor of Law, Medicine and Psychiatry, New York University Law School

Marcie J. Musser, Vice President and Treasurer of the Board, General Service Foundation

Nafis Sadik, MD, Special Envoy for United Nations, Secretary General for HIV/AIDS in Asia and Pacific

Sheldon J. Segal, PhD, MD, FRCOG (Secretary), Distinguished Scientist, The Population Council

Marshall M. Weinberg, Board Member, American Jewish Joint Distribution Committee

DELUXE HOTEL

HON. WILLIAM J. JANKLOW

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. JANKLOW. Mr. Speaker, on August 12, 2003, the Deluxe Hotel, a small business in Woonsocket, South Dakota, commemorated 100 years of family ownership and operation of the hotel.

The hotel itself is an original structure built in 1883—two months before there was a town of Woonsocket and six years before South Dakota became a state—by railroad supervisor, Charles H. Prior and his wife. On August 12, 1903, Joseph Lane and Margaret Kirby Brown bought the hotel for $2,250 in cash plus a Springfield, South Dakota hotel valued at $1,500.

Currently, J.L. and Margaret Brown's granddaughter—Delores Brown Bissel—owns and operates the hotel. She was born in the hotel in 1926, and has been involved in its operation ever since. The descendants of Joseph Lane and Margaret Kirby Brown gathered in Woonsocket on August 2nd to commemorate 100 years of family and business history.

Family-owned businesses, such as the Deluxe Hotel, are the backbone of many small, rural South Dakota communities. I congratulate the Brown Family for this remarkable milestone, and hope that this longstanding contribution to the Woonsocket community and surrounding area will continue far into the 21st century.

TRIBUTE TO THE FANNIE E. RIPPEL FOUNDATION

HON. RODNEY P. FRELINGHUYSEN

OF NEW JERESEY

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. FRELINGHUYSEN. Mr. Speaker, I rise today to honor the Fannie E. Rippel Foundation, a New Jersey philanthropic organization which is highly esteemed nationally and especially in the Northeast, and that will celebrate fifty years of grant making on December 11, 2003.

During the past five decades the Fannie E. Rippel Foundation has awarded grants amounting to more than $113 million and has demonstrated its continuing commitment to improving health care in our state and nation.

The Rippel Foundation, established under the will of Julius S. Rippel, provides funds to aid the aged and women of all ages, to aid hospitals and to support institutions involved in heart disease or cancer treatment and research.

In the past, for example, the Foundation has provided and furnished funds for the construction of or to aid in the erection of hospitals and provided funds for their equipment as well as hospital maintenance.

The Foundation has also supported humanitarian programs, emphasizing ethical issues in medicine, pastoral education, programs in rural health, better case and disease management. In particular, the Foundation has supported most generously women's health programs for elderly women with chronic conditions, academic and educational programs for women, and programs that promote better advocacy of women's health. The Foundation also stresses what is known as "humanistic medicine," and advances the importance of belief, support, communications and relationships in the healing process.

Mr. Speaker, there is no doubt that each and every dollar the Fannie E. Rippel Foundation gives to a hospital or a medical research facility is much appreciated. And, we can all be grateful for the Foundation's efforts because of its dedication to helping under-served rural and urban populations, and its interest in changing the wellness behavior of people through research and preventive care.

Throughout the years, the Fannie E. Rippel Foundation has earned an incredibly positive reputation for the many generous acts of its Board of Trustees, Officers and Staff.

Mr. Speaker, I know that you join me and my colleagues in recognizing and honoring the Fannie E. Rippel Foundation for its outstanding services to humankind for fifty years, and I ask that you and all our colleagues extend sincere best wishes for a successful Rippel Foundation Reception on December 11, 2003.

INTRODUCING THE WAR PROFITEERING PREVENTION ACT OF 2003

HON. RAHM EMANUEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. EMANUEL. Mr. Speaker, I am proud to rise with Representatives DEFAZIO, and DELAURO as original cosponsors to introduce the War Profiteering Prevention Act of 2003. This is an identical companion to legislation introduced by Senators LEAHY, CLINTON, DURBIN and FEINSTEIN.

This bill closely resembles an amendment that I offered during consideration of the Iraq reconstruction bill. Unfortunately, the Rules Committee declined to allow debate on my amendment, which would have established tough criminal penalties for individuals who defraud the government involving contracts related to the war or reconstruction of Iraq.

As the government begins to spend the roughly $20 billion appropriated for rebuilding Iraq, it is essential that we protect these funds from waste, fraud and abuse. To that end, the War Profiteering Prevention Act establishes a maximum criminal penalty of 20 years in prison and fines up to $1 million for war profiteers and cheats who exploit the postwar relief efforts.

Unlike most nations where we send foreign aid, there is no functioning government in Iraq. While I believe the Coalition Provisional Authority is doing the best it can, it simply does not maintain the manpower necessary to adequately monitor reconstruction funds. Regrettably, a handful of politically connected corporations, including some with scandal-ridden business records, are taking advantage of this situation.

While anti-fraud laws protect against wasteful spending here at home, there are no such laws prohibiting war profiteering overseas. In response, my bill criminalizes overcharging taxpayers for any good or service with the specific intent to excessively profit from reconstruction. The legislation also prohibits fraud and false statements in any matter involving a contract.

We need strong disincentives for those who defraud taxpayers. These controls must be in place now because criminal statutes cannot be applied retroactively. We cannot in good faith ask American families to sacrifice for postwar reconstruction and then allow so many others to unfairly profit at their expense.

Mr. Speaker, we must send a clear message that cheating U.S. taxpayers is completely unacceptable and will not go unpunished. For these reasons, I urge my colleagues to join me in supporting the War Profiteering Prevention Act of 2003.

RECOGNIZINIG THE ACHIEVEMENTS OF DR. ROBERT PAVLICA

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mrs. LOWEY. Mr. Speaker, I rise today to recognize the great contributions to education made by Dr. Robert Pavlica. I also wish to congratulate him on being one of only six teachers from around the world, and one of only two from the United States, to be honored by INTEL. Innovation in Education with the prestigious 2003 "Excellence in Teaching Award." He received this accolade for his pioneering development of the "Authentic Science Research in the High School" program.

Dr. Pavlica, a White Plains, NY, resident, who has a Ph.D. in biochemistry, along with master's degrees in philosophy, cell biology, and biology, has been inspiring students as a science teacher at Byram Hills High School in Armonk, NY, for the past 33 years. In 1990, he began teaching scientific research after one of his students asked for his help in pursuing an independent research project.

This would lead Dr. Pavlica to create the "Authentic Science Research in the High School" program, a three-year science research course, in which sophomores, who elect to participate, are instructed in the methods and processes of research. This culminates in each student conducting an original research project into an area of particular interest to the student. To help guide his or her work, each student is mentored by a respected scientist in the student's field of research.

This program has been enormously successful. Since its creation little more than a decade ago, thirty-nine of Dr. Pavlica's students at Byram Hills have become semifinalists for the Intel Science Talent Research Award, formerly known as the Westinghouse. Amazingly, eleven of his students have even reached the finals of the esteemed competition. This program has also prepared many more students for the arduous research that they will face in college.

Dr. Pavlica has taught his techniques to numerous educators, who wish to replicate his success in getting students excited about scientific research. Presently, over 170 school districts throughout the country have instructors who are using his program. In fact, over seventy percent of public and private high schools in Westchester County, NY, now employ the program.

The success of the program at Byram Hills has been mirrored in these schools, as well. Indeed, in 2002 and 2003, roughly forty percent of all of New York State's INTEL Science Talent Search semifinalist awards went to students who were taught using the "Authentic Science Research in the High School" program.

I am truly honored that I have this opportunity to congratulate Dr. Pavlica on his well-deserved award and to thank him for helping so many students in Westchester and around the country learn more about science and the potential that lies within them.

PROTECTING PUBLIC SAFETY IS AT THE HEART OF GUN PURCHASE BACKGROUND RECORDS

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. WOLF. Mr. Speaker, I want to provide some additional information to follow up on my RECORD statement of November 25 regarding the provision in the FY 2004 omnibus spending bill which would require the destruction of background records checks 24 hours after a gun purchase.

I submit for the RECORD letters from two law enforcement officers groups who share my deep concerns about the impact on public safety of changing the current 90-day period for retaining data related to firearms purchase and approval. The Federal Bureau of Investigation Agents Association, wrote: "The more the retention period is reduced, the more difficult it would become to use the paperwork to investigate or prosecute crimes related to the use of sales of the firearms in question. Any such efforts can only complicate the already difficult task of law enforcement and jeopardize public safety."

FEDERAL BUREAU OF INVESTIGATION,
AGENTS ASSOCIATION,
November 25, 2003.

Re Issues Related to Retention of Firearms Paperwork.

Hon. FRANK WOLF,
Chairman, Subcommittee on Commerce, Justice, State, and Judiciary Appropriations Committee, H–309 Capitol Washington, DC.

DEAR CHAIRMAN WOLF: On behalf of the FBI Agents Association (FBIAA), I am writing to express the FBIAA's concerns regarding the possibility of an appropriations rider that might reduce the current 90-day retention period for data related to firearms sales and approval. The FBIAA is a non-governmental professional association with a membership of nearly 9,000 current and more than 2,000 retired FBI agents nationwide; neither the FBIAA nor I speak for the official FBI.

While the FBIAA certainly understands and appreciates the civil liberties concerns related to firearms registration and the retention of paperwork related to background checks, we think the current 90-day retention period strikes the proper balance between civil liberties and crime control. To date, we are not aware of any problems associated with the current system. The more the retention period is reduced, the more difficult it would become to use the paperwork to investigate or prosecute crimes related to the use or sales of the firearms in question. Any such efforts can only complicate the already difficult task of law enforcement and jeopardize public safety.

We would be happy to further communicate with you on this or any other issue. As Congress moves forward in the appropriations process, we ask that you thoroughly review any rider attempt that may limit the ability of law enforcement officers to perform effective, fair, and timely investigations.

Very truly yours,
FRED BRAGG, *President.*

The International Association of Chiefs of Police, which first raised concerns about changing the time background records are maintained in a letter in 2001, continues to stand by that statement, which said: "We believe that decreasing the amount of time the purchase records are kept will weaken the background check system and allow more criminals to illegally obtain weapons."

INTERNATIONAL ASSOCIATION OF
CHIEFS OF POLICE,
Alexandria, VA, September 4, 2001.

Mr. TIMOTHY MUNSON,
Section Chief, Federal Bureau of Investigation, Module A–3,
Clarksburg, WV.

DEAR MR. MUNSON: The International Association of Chiefs of Police (IACP) appreciates the opportunity to comment an the proposed rule that would reduce the amount of time that the Federal Bureau of Investigations (FBI) maintains National Instant Criminal Background Check System (NTCS) records on approved purchases from 90 days to one business day. The IACP is world's oldest and largest association of law enforcement executives with more than 18,000 members in 100 countries.

The IACP believes that the 90-day retention period should not be shortened. Decreasing the retention period of these records to one business day will not provide law enforcement with sufficient time to perform the necessary audits on the NCCS system as established by the Brady Act.

In March 1999, the Department of Justice issued a proposed rule to (adore the retention period from 180 days to 90 days. They concluded that 90 days was the "shortest practicable period of time for retaining records of allowed transfers that would permit the performance of basic security audits" of the NICS system. However; the Justice Department also acknowledged that law enforcement and the FBI's Advisory Policy Board had instead sought to increase the record retention period from 180 days to one year.

The FBI has stated than it requires at least 90 days to audit the records in order to ensure the accuracy and legitimacy of background checks performed by federally-licensed firearms dealers. These audits allow the FBI to search for patterns of fraud and abuse by both gun dealers and purchasers. Through these audits, the FBI can identify instances in which the NICS system is used for unauthorized purchases such as gun dealers having background checks on people other than gun buyers. In addition, audits can also help determine if gun buyers have submitted false identification in order to thwart the background check system. To run these crucial audits, the FBI needs the records on both approved and denied purchases. If these records are quickly destroyed, it will be much more difficult for law enforcement to investigate and prevent abuses of the background check system.

We believe that decreasing the amount of time the purchase records are kept will weaken the background check system and allow more criminals to illegally obtain weapons. In addition, it is important to note that there have been no allegations that any information retained in the records has been misused.

The background checks performed under the Brady Act have proven to be a vital part of our nation's crime control efforts. Since its enactment, the Brady Act has prevented more than 650,000 felons, fugitives and other prohibited persons from purchasing handguns. The IACP believes that no action should be taken that would damage the demonstrated effectiveness of the current background check system.

Thank you for considering our views on this matter.

Sincerely,

BRUCE D. GLASSCOCK,
President.

It is important to note that the letters from the FBI Agents Association and the International Association of Chiefs of Police both indicate that they are not aware of any allegations of misuse of the information retained in the gun purchase records.

There is another concern which I am compelled to share regarding the public safety aspect of allowing law enforcement personnel the necessary time needed to track down would-be criminals who try to purchase guns. I also enclose for the RECORD an FBI report on the growing violent gang activity, not only in the District of Columbia and the northern Virginia region, but across our nation. It is sobering. This a very serious—and growing—problem. While the FBI report focuses specifically on Mara Salvatrucha, more commonly known as MS–13, numerous gangs have been infiltrating our country in recent years and indications are that few communities are spared.

Gang members thrive on terrorizing communities through random acts of violence. They steal. They kidnap. They extort. They torture. They murder. Obtaining guns and other weapons are part and parcel of their operations.

While we may not know for certain how the 24-hour records destruction provision will impact criminal gang members who are terrorizing innocent people in northern Virginia and other areas of the country, law enforcement officers on the front lines of fighting crime certainly have a strong belief that reducing the time to check for illegal gun purchases could hurt their ability to protect public safety.

In these times of fighting not only international terrorism but violent gang activities in our local communities, shouldn't we be making public policy that gives law enforcement personnel the assistance they need to thwart the gun purchases of suspected terrorists and gang members rather than giving the advantage to the criminals?

U.S. DEPARTMENT OF JUSTICE,
FEDERAL BUREAU OF INVESTIGATION,
Washington, DC, November 12, 2003.

MARA SALVATRUCHA 13

Mara Salvatrucha 13, commonly referred to as "MS," "MS–13," "MSX3," or "MSXIII," was designated as a National Gang Strategy priority target group of the Federal Bureau of Investigation in 1997 due to its propensity for violence and rapid growth. Originally composed of individuals of El Salvadorian heritage, MS–13 now consists of numerous, loosely affiliated autonomous cliques, some of which are highly structured and organized, while most are loose knit with very little formal structure. Although MS groups generally function independently of each other, they pose a serious threat in the United States and abroad due to their propensity for extreme random violence and involvement in myriad criminal activities. The level of criminal sophistication and networking by certain clique members will have direct impact on the types and complexity of the crimes committed by that clique. MS–13 cliques will engage in varying degrees of drug trafficking, theft, prostitution, and violent criminal activity such as murder, extortion, kidnaping, and drive-by shootings to support their criminal activity and protect their turf from rival gangs. Violence is an intimate part of being a gang member. Some MS–13 members have conducted counter-surveillance on law enforcement personnel to obtain license plate numbers of officers' vehicles.

MS–13 has greatly expanded from its origins in southern California. Migration of MS–13 gang members, based on several factors, has resulted in the emergence of MS–13 cliques in numerous jurisdictions across this country. In 1992–93, MS cliques were established in Los Angeles, Northern Virginia, and Long Island, New York. Today, MS–13 cliques have been confirmed or suspected of operating in at least 31 states and the District of Columbia with an estimated 8000 members. In the mid-1990s, MS–13 members who where deported from the United States, established cliques in El Salvador, Honduras, and Guatemala. Today, in El Salvador and Honduras alone, an estimated 50,000–70,000 gang members are divided into two major gangs, MS–13 and 18th Street. These gangs pose the greatest criminal threat in each country.

Over the past several years, MS–13 has grown significantly on the East Coast. Many jurisdictions throughout the Washington, DC, metropolitan region, have reported MS–13 members involved in criminal activity. In 1992, three MS–13 gang members from Los Angeles, California, were identified in northern Virginia by law enforcement authorities. Today, an estimated 30 MS–13 cliques and 3000 gang members are active throughout the region. The greater Washington, DC area, and specifically northern Virginia, is now a major hub of MS–13 gang activity. Fairfax County, Virginia, Police Department reports that MS–13 is responsible for, or suspected of, 95 percent of all gang-related crimes (armed robbery, theft, car theft, drug dealing, rape, shootings, and assaults with a baseball bats, knives, and machetes, etc.) committed in the county.

Heavy concentrations of MS–13 cliques have been documented in Long Island, New York, Massachusetts, New Jersey, and North Carolina. Travel by MS–13 members between these regions, as well as to and from, Texas, California, and other regions, has been documented. MS–13 gang members travel to other communities to support and participate in MS–13 gang activities, to flee prosecution in criminal investigations, and for social and fraternal motives. Approximately 30–40 MS–13 gang members from Massachusetts moved into the Lakewood, New Jersey area and established a clique that appears to be involved in trafficking cocaine and weapons. The Washington, DC region, specifically northern Virginia, is a primary destination for MS–13 gang members. In one notable event, MS–13 gang members traveled from northern Virginia to Hempstead, New York, and committed a drive-by shooting. The motive for the shooting was simply to demonstrate to local Hempstead MS–13 cliques the bravado necessary to intimidate and combat rival gangs.

Within the Washington, DC region, formal multiple-clique meetings have occurred in attempts to organize area cliques however, inter-clique disputes have prevented any such coordination, but these meetings enabled relationships to form between members of multiple cliques. In the long term, it is reasonable to predict that this is an evolutionary step towards a more formalized central structure.

MS–13 has specific identification signs, symbols, and rules. However, certain rules may vary between cliques and may change depending on the situation. One commonality between all MS–13 cliques, in the United States and Central America, is that the gang survives and thrives due to aggressive local recruitment efforts. Growth in numbers and strength is MS–13's primary goal. For instance, MS–13 gang members must have some Latino heritage, however, there are now "farm" cliques associated, with the MS–13 that are not Latino. Cliques include juvenile members. The gang is known to recruit Hispanic juveniles as young as elementary school age for membership.

It is anticipated that recent gang suppression efforts in Central America will increase legal and illegal immigration of MS–13 gang members to communities with existing MS–13 populations in the United States. Based on current trends and patterns of MS–13 activity in the United States and Central America, it is predictable that MS–13 will continue to spread and grow in numbers across this Nation, including the Washington, DC region. Violent crime associated with continued expansion of MS–13 is most predictable.

Only through nationally-focused investigations calling upon Federal law, will there be a cessation to MS–13's continuing growth in America.

HONORING MR. ALFREDO B. LAGMAY, SR.

HON. EDWARD R. ROYCE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. ROYCE. Mr. Speaker, I rise today to mourn the loss and honor the life of Mr. Alfredo B. Lagmay, Sr.

Mr. Lagmay was truly one of America's heroes. Mr. Lagmay came to this country from his native Philippines in 1918. He later went on to serve in our armed forces, where he was a prisoner of war (POW), a survivor of the Death March of Bataan, and a veteran of World War II and the Korean War.

After his distinguished 31-year career in the United States Military where he was awarded the Bronze Star, Mr. Lagmay moved with his family to Orange County. Mr. Lagmay was a valued member of the community and served as an inspiration to all.

Mr. Speaker, I ask my colleagues to join me in paying tribute to Alfredo Lagmay. I am exceedingly proud to honor him for his courageous service to our country and for the honorable life he led as a husband, father, grandfather, and great-grandfather.

IN MEMORIAM OF CPL. ROBERT "BOBBY" D. ROBERTS

HON. JOHN L. MICA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. MICA. Mr. Speaker, it is with the deepest sadness that I report the death of Corporal Robert D. Roberts, a native of Winter Park, Florida, who died in service to our Nation on November 22nd while serving in Iraq.

I extend my deepest sympathy to his widow Jill, his 3 year old son Jacob, and his family. Bobby, as he was affectionately known, died in a tragic accident as he was fulfilling his military obligation to our Nation.

Cpl. Roberts was a member of the United States Army and served in the position of Tank Gunner. His devotion and commitment to our U.S. Military were legendary among the family members he leaves behind. Prior to his death, he personally reiterated to his family the importance of his mission and his dedication to serving our Nation in this time of international conflict.

I am most saddened to lose this dedicated American soldier, a Winter Park native and the son-in-law of a wonderful friend, Karen Mendenhall. During services that were conducted at the First Baptist Church of Oviedo on Friday, December 5th, Bobby was remembered by his brother and parents as a wonderful member of the family, a devoted Christian and a committed American soldier.

We extend our deepest sympathies to Cpl. Roberts' parents, Chuck and Joann, on the loss of their beloved son. We commend his brother, Lance Corporal Chris Roberts, for his courage and dedicated service in the United States Marine Corps. And to all those in Bobby's family who have suffered this great loss, we give the eternal thanks of a grateful Nation.

TRIBUTE TO CHUCK ANDERSON OF RAYTHEON

HON. JIM KOLBE

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. KOLBE. Mr. Speaker, I rise today to enter into the CONGRESSIONAL RECORD a tribute to Charles D. "Chuck" Anderson, Raytheon's Vice President, Air-to-Air Missiles in Tucson, Arizona who is retiring after over 40 years of dedicated and faithful service to the defense of our great Nation.

From the time Chuck was a boy, his patriotic fervor and love of country formed the foundation for all he has accomplished to date. In the 1950s, when the face and ambitions of our American youth began to change, Chuck chose the difficult path and served with the California National Guard as a paratrooper. After his National Guard tour, Chuck selected the toughest, most disciplined course of study earning a Bachelor of Science degree in Mathematics and Physics from California State Polytechnic University in 1961. In 1972, he received a Master of Science degree in Systems Engineering at the University of Southern California.

Chuck, the man, is more than just America's premier designer and builder of our most capable weapons. He is a true patriot and champion for the American dream. When asked to perform in the hustle and bustle of Corporate America, with the ever present hunger for profits and earnings, Chuck always asked one question first, "Is this good for the Warfighter . . . will this save American lives on the battlefield?" By that creed he lives his life, both professionally and personally. During his quarterly, "All Hands" Leadership meetings, Chuck always ended his session with a 30 minute discussion on what it means to be an American. Love of Country, Love of Freedom were always the major themes of his closing comments. This theme in particular, defines Chuck Anderson and serves as the driving force behind this American Patriot.

Apart from his role as America's "Missileman," Chuck took an active leadership role in one of this country's premier Leadership Learning Laboratories, The Boy Scouts of America. As an Adult Leader, Chuck imparted his wealth of lifetime experiences, patriotism, and charismatic leadership to this unique group of American youth. The leaders of tomorrow will long remember Chuck's lessons of life, pursuit of excellence, and responsibility. When he was not paying back to the country he loves, Chuck took time to revel in his two greatest hobbies: flying antique model airplanes and listening to American Rock and Roll. In fact, his knowledge of Rock and Roll is so great, Chuck continues to author numerous missives titled, "This Date in Rock and Roll History."

Chuck Anderson is one of the select few that has consistently given and sacrificed for all that is good for America . . . and the generations of youth he has touched and continues to touch will pass on their strong character and moral fiber for generations to come so that our country remains a beacon of freedom and leadership throughout the world. I am certain that my colleagues will join me in wishing Chuck and his wife Carolyn all the best as they venture into the next chapter of their lives.

RECOGNIZING WORLD AIDS DAY

HON. CIRO D. RODRIGUEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. RODRIGUEZ. Mr. Speaker, I rise today to acknowledge Monday, December 1, 2003 as World AIDS Day. Worldwide 42 million people are living with HIV/AIDS, including 3.2 million children under the age of 15. AIDS kills more people worldwide than any other infectious disease and infects 15,000 people each day.

World AIDS Day was established in 1988 to raise awareness about HIV/AIDS and tackle the tough issues related to the disease. This year the focus is on stigma and discrimination, two major obstacles in preventing HIV/AIDS.

When people living with HIV/AIDS are discriminated against they are less likely to acknowledge their disease or seek treatment. They may be denied housing, employment, or health care services. We must do everything possible to reduce the stigma associated with HIV/AIDS through worldwide and local efforts.

Congress can fight stigma and discrimination by continuing monetary support for the International.AIDS Vaccine Inititaive (IAVI) and the Global Fund to Fight AIDS, Tuberculosis, and Malaria. IAVI focuses on accelerating scientific progress, mobilizing public support through issue advocacy and education, encouraging industrial involvement in AIDS vaccine development, and working to ensure global access to a vaccine. I greatly support this program and urge the largest funding amount.

Congress should provide the maximum allowable contribution of $3 billion to the Global Fund to Fight AIDS, Tuberculosis, and Malaria. The Fund makes grants in developing countries aimed at reducing the number of HIV, tuberculosis, and malaria infections, as well as the illness and death that result from such infections. Over five years, the Fund hopes to fund anti-retroviral therapy for 500,000 patients over five years and to be supporting programs to provide care for 500,000 children orphaned by AIDS.

However, these large international organizations would be meaningless without people at the local level to provide care and support to those living with HIV/AIDS. In Texas, 60,078 people are living with HIV/AIDS, and many groups and individuals are working hard to address their needs.

I would like to recognize the efforts of the following people and organizations for their contributions in combating the AIDS epidemic:

Charlene Doria Ortiz, Executive Director—Center for Health Policy Development; Dr. Fernando Guerra, Director of Health—San Antonio Metropolitan Health District; David Ewell, Executive Director—San Antonio AIDS Foundation; Yolanda Rodriguez Escobar, Diector—Mujeres Unidas Contra El SIDA; Pastor E. Butch Seward, Chairman of the Board and Michelle Durham, Executive Director—Black Effort Against the Threat of AIDS (BEAT AIDS, Inc.).

By providing medical care, educational programs, housing and financial assistance, caseworkers to help with government benefits, and support groups, these programs help those living with HIV/AIDS get through each day. I am proud to recognize them for their year round and tireless commitment to fighting HIV/AIDS.

We may only recognize World AIDS Day once a year, but by providing adequate funding and support for programs that encourage treatment and education we can create lasting effects on the fight against AIDS.

SENATE—*Tuesday, December 9, 2003*

The Senate met at 10 a.m. and was called to order by the President pro tempore (Mr. STEVENS).

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

Eternal Spirit, Who directs the paths of all who love You, in this season of peace on Earth, we thank You for Your Word and for the eternal truths that guide us day by day. Thank You, Lord, for another day with opportunities to make a difference in Your world. Thank You also for the sureness of Your presence that brings us peace in the midst of this world's turmoil. Lord, teach us to turn to You so that Your thoughts can become our thoughts and Your ways our ways. Be for our Senators a refuge and a fortress and may they put their trust in You. Help each of us to depend upon Your strength as we navigate life's challenging seas. May we trust the wonderful laws of sowing and reaping, knowing You will bring us an abundant harvest. We pray this in Your great Name. Amen.

PLEDGE OF ALLEGIANCE

The PRESIDENT pro tempore led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. FRIST. Mr. President, I welcome everybody back from a short recess over the Thanksgiving holiday. I hope everyone did have a safe and a restful period after a very busy 3 to 4 weeks just prior to that. I hope everybody had an opportunity to spend good time, quality time with family and friends.

As I announced before the break, we have returned today with the hope of completing our work on the appropriations process. Chairman STEVENS finished the negotiations on the omnibus measure, and that conference report was filed in the House of Representatives before we departed for Thanksgiving.

Today, we hope to take up that conference report and dispose of it, although I understand this will not be possible. I will be discussing momentarily other options with the Democratic leader and will likely be propounding a unanimous consent request for consideration of the omnibus bill here later this morning.

We will not have any rollcall votes today, but in addition to any agreements we may reach here on the omnibus measure, we would like to also consider other legislative and executive matters that can be cleared over the course of the day. Specifically, there are a large number of important executive nominations that are pending on the calendar that I hope we will be able to address. Again, I will be working with the Democratic leader to proceed to any of these noncontroversial nominations before we conclude our business today.

At this juncture, I will be happy to yield to the Democratic leader, and then likely we will go into a period of morning business, and we will have a discussion about the further plans for the day.

RECOGNITION OF THE MINORITY LEADER

The PRESIDENT pro tempore. The Democrat leader is recognized.

Mr. DASCHLE. Mr. President, I join the majority leader in welcoming our colleagues and our staff. I, too, hope they all had a good Thanksgiving holiday, and I appreciate the work that has been done at the staff level over the course of the last couple weeks as we have prepared for this day.

I look forward to our discussions in the next couple of minutes with regard to how we might proceed. I have a more extensive statement with regard to the omnibus appropriations bill that I will make at a later time.

Obviously, there are some executive nominations that we believe could be addressed. We have been working together to find how we might move a large number of them today, and I hope before the end of this day we will have completed our work on that as well.

I look forward to working with the majority leader and our colleagues in the hope we can make this a very productive day.

I yield the floor.

The PRESIDENT pro tempore. The majority leader is recognized.

Mr. FRIST. Mr. President, the Democratic leader and I will be in discussions over the next several minutes, but I suggest we go ahead into morning business at this juncture.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business, with Senators permitted to speak therein for up to 10 minutes each.

Mr. DASCHLE. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. FRIST. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ENZI). Without objection, it is so ordered.

UNANIMOUS CONSENT REQUEST—CONFERENCE REPORT TO ACCOMPANY H.R. 2673

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the conference report to accompany H.R. 2673, the omnibus appropriations language; further, I ask unanimous consent that the conference report be agreed to and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Is there objection? The Democratic leader.

Mr. DASCHLE. Reserving the right to object—and I will have a lengthier statement—I ask unanimous consent, instead, that later today, at a time to be determined by the two leaders, the Senate proceed to the consideration of a resolution to correct the flaws in the omnibus appropriations bill by: Reinstating the Senate-passed provision to prohibit the administration's plan to abolish overtime for 8 million workers; reinstating the Senate-passed provision on media ownership; striking the House language blocking the implementation of country-of-origin labeling; striking the provision that weakens the background check requirements of the Brady bill; striking the provision to impose a voucher system on the DC public school system; striking the provision to allow the contracting out of over 400,000 Federal jobs and reinstating the House-passed language; and striking the provisions imposing arbitrary across-the-board cuts to education, Head Start, veterans health care, highway construction, and other needed programs. I further ask consent that the resolution be subject to 1 hour of debate equally divided, that no amendments or motions be in order, and that after the expiration of the time, the bill be agreed to and sent to the House of Representatives. Finally, I ask consent that upon approval of this correcting resolution by the House, the omnibus appropriations bill be agreed to by the Senate, and that it be sent to the President for his signature.

The PRESIDING OFFICER. Does the leader so modify his request?

Mr. FRIST. I object to the Democratic leader's request.

Mr. DASCHLE. Mr. President, then I object to the request made by the majority leader.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, both requests have thus far been objected to; am I correct?

The PRESIDING OFFICER. That is correct.

Mr. BYRD. I thank the Chair.

Mr. FRIST. Mr. President, I ask unanimous consent that at a time determined by the majority leader, after consultation with the Democratic leader, the Senate proceed to the conference report to accompany the omnibus bill, provided, further, that there be 5 hours for debate to be equally divided in the usual form. I further ask consent that following the use or yielding back of debate time, the Senate proceed to a vote on the adoption of the conference report, with no intervening action or debate.

Mr. DASCHLE. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. FRIST. Mr. President, I am not surprised by these objections. I think that a number of colleagues, including the distinguished Senator from West Virginia and others on their side, have been very open and forthright with their intent to object to this legislation.

The conference report was filed before Thanksgiving, and it was my hope that over the intervening period of time people would have had the opportunity to review the language before we proceeded. I hope they have taken that opportunity to do so.

Given the objections we have just heard, it appears as though we will need to file cloture on the measure to assure a vote on the conference report. That cloture vote will occur on January 20. It is my hope that during this period Members will take the additional time to review it so everyone can fully understand the importance of much of the funding in this legislation.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2004—CONFERENCE REPORT

Mr. FRIST. Mr. President, I now ask unanimous consent that the Senate proceed to the conference report to accompany H.R. 2673, the omnibus bill, for the purpose of filing cloture. I further ask consent that following the filing of cloture on the conference report, the Senate then proceed to a period of morning business, with Senators permitted to speak therein for up to 10 minutes each.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

> The Committee of Conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2673), making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for the fiscal year ending September 30, 2004, and for other purposes, having met, have agreed that the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment, signed by a majority of the conferees on the part of both Houses.

The PRESIDING OFFICER. The Senate will proceed to the consideration of the conference report.

(The conference report is printed in the proceedings of the House in the RECORD of November 25, 2003.)

CLOTURE MOTION

Mr. FRIST. Mr. President, for the reasons stated earlier, I send a cloture motion to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

CLOTURE MOTION

> We the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the conference report to accompany H.R. 2673, a bill making appropriations for the Department of Agriculture and Related Agencies for fiscal year 2004, and for other purposes:
>
> Bill Frist, Rick Santorum, George Allen, Robert F. Bennett, Jon Kyl, Ted Stevens, Kay Bailey Hutchison, Ben Nighthorse Campbell, Mitch McConnell, Judd Gregg, Orrin G. Hatch, John Cornyn, Christopher Bond, Saxby Chambliss, Sam Brownback, Larry E. Craig, Richard Shelby.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. FRIST. Mr. President, I now ask unanimous consent that the mandatory quorum under rule XXII be waived and, further, that notwithstanding rule XXII, this cloture vote occur on January 20 at 2:30 p.m.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

UNANIMOUS CONSENT REQUEST—H.R. 2800

Mr. DASCHLE. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.R. 2800, the Foreign Operations appropriations bill, as passed by the Senate on October 30, that all after the enacting clause be stricken and the text of division D of H.R. 2673, the omnibus appropriations bill, be inserted in lieu thereof, the bill be read the third time, passed, and the motion to reconsider be laid upon the table, without intervening action or debate.

Mr. FRIST. Reserving the right to object, Mr. President, I think much of what is in the Foreign Operations bill and part of the real focus of the proposed unanimous consent request is on global HIV/AIDS funding. As most in this body know, I do believe HIV/AIDS has presented the greatest moral, humanitarian, and public health challenge of really the last 100 years, if you look at the impact it is having.

We are under a continuing resolution and I have looked very closely to make sure that sufficient moneys will not be interrupted over the intervening period of time. Indeed, there is sufficient money that has not been allocated in the appropriate funds that can be used and that would cover the increment of the next 1 month in terms of funding.

Again, it is important for colleagues and others to understand we will be operating under a continuing resolution and the funding that is currently being appropriated, given to the organizations and to serve the needs of the people, will continue and there can be increased funding allocated within the appropriate categories to cover that increment over time for HIV/AIDS funding.

With that, I object.

The PRESIDING OFFICER. Objection is heard.

UNANIMOUS CONSENT REQUEST—S. 1853

Mr. DASCHLE. Mr. President, I ask unanimous consent that the Senate proceed to the legislative session, that the Finance Committee be discharged from further consideration of S. 1853, a bill to extend unemployment insurance benefits for displaced workers, that the Senate proceed to its immediate consideration, the bill be read the third time and passed, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Is there objection?

Mr. FRIST. Reserving the right to object, Mr. President, the unemployment insurance is an issue we will continue to discuss with our colleagues. The House has not yet acted on unemployment insurance. It is an issue we will continue to have under discussion as we go forward.

With that said, I do object.

The PRESIDING OFFICER. Objection is heard.

OMNIBUS SPENDING BILL

Mr. DASCHLE. Mr. President, unless the majority leader has additional comments, I wish to take a few moments to address my concerns about the current draft of the appropriations bill.

I believe the appropriations process has fallen apart. This is a Frankenstein monster of a bill born of a badly broken process. It is time to send it back to the laboratory.

At the beginning of the year, we were told the White House and the Senate Republican leadership would make sure the appropriations process ran more smoothly than ever before. In fact, the process broke down to an extent never seen before, opening the door to the worst kind of legislative abuses and special interest giveaways.

This bill, this monstrosity, combines 7 appropriations bills, including 11 of 15 Cabinet-level Departments, comprising $820 billion in Government spending. To agree to a unanimous consent request this morning I believe would represent a shocking abrogation of our responsibilities to the people of this country. We have not finished until 2½ months into the fiscal year. This was supposed to have been done on October 1. It is now early December.

These delays are becoming regrettably common. But what makes this omnibus unique is its utter disregard for the expressed will of each House of Congress. The process was an abomination, closed largely to Democrats, hidden from the light of day, written to satisfy nothing more than special interest wish lists.

It didn't have to be this way. The Senate passed 12 of the 13 appropriations bills by wide bipartisan margins. The House passed 13 appropriations bills with wide margins. None of the bills posed difficulties. The only reason the process was handled this way was to ram through divisive provisions and pork spending that could never win the support of the Congress on their own.

I thank Chairman STEVENS and especially my ranking member, Senator BYRD, for the work they did to avoid this calamity. They understand the proper process and worked to employ it in this case. However, they were overruled by the White House and Republican leadership. That's why we find ourselves in this regrettable situation today.

This brand of legislating opens the door to the most ludicrous examples of pork spending, which has contributed to citizens' loss of faith in the process itself.

Even the conservative Taxpayers for Common Sense said:

> This bill includes thousands of frivolous, bizarre, and special interest earmarks for every congressional district in the nation.

For example, in this bill, somewhere in these pages, you will find $2 million to encourage young people to play golf; half a million dollars for halibut data collection; money for a replica mule barn in LaSalle, IL; and most ironic, a half a million dollars for the "Exercise in Hard Choices" Program at the University of Akron which attempts to replicate House and Senate meetings in which congressional members review a budget and vote to include or exclude various options.

Alongside this kind of wasteful spending, this bill includes several mean-spirited damaging offsetting cuts. These cuts will result in 24,000 fewer children who will be served by title I educational programs; 5,500 fewer kids will be able to attend Head Start; 26,500 fewer veterans will receive medical care; and $170 million will be cut from needed highway construction projects. I could go on all day.

What is most troubling about this bill is the fact that some of the most egregious provisions that were sneaked into this bill at the last minute had already been rejected by one or both Houses of Congress. The fact that the White House directed conferees to include them shows a contempt both for the procedures of Congress and the citizens they were designed to protect.

This bill once more allows the White House to end overtime protection for American workers. The Senate voted to stop the White House's plan by a vote of 54 to 45. The House agreed by a vote of 221 to 203. The reason is clear. Ending overtime is bad for working families, and it is bad for the economy. At this precarious moment for our economy, the White House's plan would deliver a pay cut to 8 million workers, including emergency medical personnel, criminal investigators, nurses, physician assistants, teachers, agriculture inspectors, and more.

Overtime accounts for nearly a quarter of these workers' take-home pay. For many Americans, their overtime offers them the chance to save for college or a down-payment for a house, or simply to meet their medical bills. It has been vital protection for workers for the past 70 years, and now Congress's defense of working families, overwhelmingly approved by both the Senate and in the House, mysteriously was stripped from this bill.

Media ownership is another example. Real damage to our democracy occurs when a few companies control the airwaves. We had broad bipartisan support for maintaining the limits—wide majorities, again, in both the House and the Senate.

After first agreeing to retain the language passed by the House and Senate to limit the number of stations a network can own, conferees bowed to White House pressure to permanently raise the limit to make it easier on media conglomerates, again, directly overturning rollcall votes taken in the House and Senate on media ownership. Mysteriously, once more, the legislation confronted reality and the sentiment of the Members of both bodies.

Consider country-of-origin labeling: The omnibus legislation I have in front of me includes language actually delaying the implementation of country-of-origin labeling for 2 years. The Senate passed country-of-origin labeling on two occasions—in May of 2002 as part of the farm bill, as well as just last month with a vote of 56 to 32.

Consumers deserve the right to make informed choices. The economic benefit to farmers and ranchers in struggling rural communities could not be more apparent. It was supported by 167 farm organizations representing 50 million Americans but opposed by the four meatpackers that control 80 percent of the U.S. beef market. They worked behind the scenes to kill this rule and that, too, is in this legislation.

This bill also undermines our ability to stop gun crimes: This bill requires the destruction of background check records within 24 hours. Current law requires records to be maintained for 90 days. It is vital to the war on terror, as well as to domestic violence cases, that retention of these records be maintained. The retention of records has been critical to audit NICS and correct mistaken approvals. We will no longer have that ability as a result of the provisions included in this bill.

The General Accounting Office reports that the 90-day retention allowed the FBI to retrieve 235 guns that were bought by people with criminal records.

We also had a big debate—a very aggressive debate—about DC vouchers. We stripped out the provision that was reinserted to circumvent Democratic objections. There was no accountability here. In addition, we are undermining the Washington, DC, schools to advance a theory that absolutely has no evidence to back it up. Vouchers threaten to create two-tiered education system in which more children each year are left behind. But as with the other controversial provisions, vouchers, for the first time at the Federal level, are in this bill.

This bill also undermines our protection of federal workers. Language was dropped that blocked the OMB plan to contract out 400,000 Federal workers. The conferees had reached a bipartisan compromise, but that was rejected by the White House. What remains provides so many loopholes for OMB that the Federal workers have very little protection.

This bill is to good legislating what a dank basement corner is to good housekeeping. Both could stand a good dose of sunlight, and that is just what we intend to do.

We will not allow this bill to be sneaked through a procedural back door when no one is looking. It may mean further delay, but 1 more month of delay is nothing compared to the enduring damage this bill will cause to the Senate, our Government, and our Nation.

EXTENSION OF THE FEDERAL UNEMPLOYMENT BENEFITS PROGRAM

Mr. President, with regard to the unanimous consent request I had made, this holiday season is bringing the same bad news that millions of jobless workers heard last year. Nearly 3 million Americans have lost their jobs; 2.6 million in manufacturing alone. The number of people looking for work for more than 6 months has now tripled since the beginning of the Bush administration.

In fact, the economy would have to create over 347,000 jobs per month just to keep the Bush administration from having the worst rate of job creation of any administration since the Great Depression.

Today, there are three job seekers for every job opening. Yet the Republican leadership in the Congress is again refusing to address this urgent problem.

During this holiday season, the temporary Federal Unemployment Benefits Program will expire. This means each week after December 21, more than 80,000 Americans will run out of their State unemployment benefits. These workers will not be eligible for any additional assistance.

Last fall, before Congress adjourned, the Senate worked on a bipartisan basis to ensure that unemployment workers would not be left out in the cold. Unfortunately, the House Republican leadership decided to turn its back on these families, and the administration has failed to act as well. As a result, thousands of workers were stranded until Congress reconvened, and we were able to pass an extension. Over the last several weeks, Senate Democrats have repeatedly propounded unanimous consent requests to pass an extension to the Federal Unemployment Insurance Program. We faced Republican objections every time. House Majority Leader TOM DELAY went so far as to say he sees no reason to extend the Federal unemployment compensation program.

Clearly, inaction is an unacceptable position. It was last year, and it remains so this year. Since it appears Congress may not return until the end of January, it is now even more urgent that the administration influence congressional Republicans to work with us to pass a 6-month extension before Congress adjourns.

As we approach the holiday season, we have to ensure that families are not left without the ability to make ends meet while searching for employment.

FOREIGN OPERATIONS CONFERENCE REPORT

Mr. President, finally, let me briefly explain why I felt the need to ask unanimous consent to pass the Foreign Operations conference report. AIDS is the worse public health crisis the world has ever known. Mr. President, 8,000 people—8,000—die each and every day; 15,000 people contract HIV every day, the majority of them young people.

The Foreign Operations conference report provides $800 million for an increase—a much needed increase—in the Global AIDS Program. It is a positive step in our effort to fight and defeat this pandemic. It should have been done 2 months ago. We should not have to wait another 2 months. The crisis is simply too pressing.

Unfortunately, the Republican leadership and the House Appropriations Committee would have us wait. There are a lot of controversial items in this huge omnibus, but let's be clear: The Foreign Operations conference report and the increased AIDS funding is certainly not one of them. Foreign Operations was signed by every single conferee. It was minutes from being filed. Unfortunately, some Republicans intervened and demanded that it be rolled into the larger bill.

Why? Because they wanted increased leverage on the omnibus and the controversial policy provisions, provisions that go against the will of bipartisan majorities in both Houses of Congress.

So let's be clear. The reason they insisted on this was to hold increased AIDS funding hostage to these special interest giveaways. In a season of disappointments, that is especially disappointing. So I am very deeply disappointed that by unanimous consent we could not take up a bill that had passed unanimously in conference, signed by all the conferees, recognizing that 8,000 people who die every day will not get the kind of attention, the resources, the commitment, and the response they so desperately need.

I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio.

ARMY CHIEF WARRANT OFFICER BRIAN VAN DUSEN

Mr. DEWINE. Mr. President, I rise to remember a native of Columbus, OH, a brave man who sacrificed his life to save another, that of a little Iraqi girl who had been severely injured in an explosion near the Tigris River. That man is Army CWO Brian Van Dusen. On May 9, 2003, Brian, age 39, and fellow soldiers, CWO Hans Gukeisen from Lead, SD, and CPL Richard Carl from King Hill, ID, were killed when their air medical helicopter crashed after that little girl had been safely carried away in a separate aircraft.

These three men were selfless. They were courageous. They understood how precious human freedom is and how precious human life is. At a memorial service for them at Fort Carson, CO, Chaplain James Ellison said: Our last act can demonstrate our life's purpose.

Indeed, Brian Van Dusen's purpose was to preserve and protect freedom for his children and his family, for us and our families, and, yes, for that little girl in Iraq and her family. He gave his last full measure of devotion so that a little girl whom he did not know, a little girl living in a land far away from his own children, could grow up and live her life in freedom with a future filled with hope and opportunity.

Brian Van Dusen had been flying military helicopters for 19 years. He was stationed with the 571st Air Ambulance Medical Company in Fort Carson. In fact, he voluntarily deferred a post in Germany so that he would be deployed with his own company to Iraq. He chose to go to Iraq because he believed in saving lives, and he believed in what we were doing. He wanted to go.

He did, in fact, save lives. He also wanted to bring hope to the Iraqi people, especially the children. He also wanted to serve our country.

When he left for Iraq, Brian filled his duffle bag full of lollipops that he would give to the children in Iraq. Not only did he give all of those lollipops away but he wrote letters home asking his wife to send even more.

Brian Van Dusen cared. His friends and family say he had a gentle manner; that he was a family man, a loving husband to his wife Bridgette and devoted father to his younger children Angel and Joseph and to his older children Joshua and Kelly. Bridgette described him as a selfless man and a wonderful father.

From Iraq, he took the time to write home regularly to send his love and make sure Angel and Joseph were learning to ride their mini-motorcycles. "Make sure mommy takes you riding," he wrote. He loved his children and his family with all of his heart.

Brian Van Dusen also loved NASCAR and was an avid hunter. He cherished the deer hunting trips he took with his older brother David. As David so eloquently said after Brian's death:

> You just can't take anything for granted. I'm going to miss him. He was a good brother and a great father. God bless him—wherever he is.

Brian Van Dusen was a man of great devotion. He was devoted to his wife. He was devoted to his children. He was devoted to our Nation. He gave of himself in every way. He served selflessly with compassion, courage, and strength. Clare Booth Luce once said that courage is the ladder on which all other virtues mount. Without question, CWO Brian Van Dusen's courage created a ladder with rungs of great virtue. He is an American hero who will live on in our hearts and minds forever.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alaska.

URGING PASSAGE OF FISCAL YEAR 2004 OMNIBUS APPROPRIATIONS BILL

Mr. STEVENS. Mr. President, yesterday the House passed the fiscal year 2004 omnibus appropriations bill by a bipartisan vote. Republicans and Democrats alike joined in adopting this bill. I had hoped today the Senate could be given the opportunity to pass this bill which would fund a variety of programs critical to the American people and indeed the world.

That does not seem possible now, but the consequences of delay on this bill are real and the dangers are great. Many people will be affected by this delay. One of the bills included in the omnibus appropriations bill is the foreign operations budget. That measure includes increases in funds to combat the world's growing AIDS epidemic. With the support of Democrats and Republicans alike, $2.4 billion was added to this bill to combat AIDS, tuberculosis, and malaria around the world. This money would be used to buy lifegiving medicines to treat people suffering with AIDS. It will help save the lives of mothers, fathers, and their children afflicted by this deadly disease of AIDS.

If they have to wait another month or two, will it make a difference? Unfortunately, the stark answer is yes.

Bono, the founder of Data, a worldwide humanitarian group, has urged us to pass this bill now. He knows better than most of us what a delay will mean to the people on the ground who wait patiently for our help. Can they wait another month or two? Probably not.

Closer to home, there are others who will suffer if this measure is delayed. Our conferees provided an increase of $38 million to provide more AIDS drugs domestically through the AIDS drug assistance program at the Health and Human Services Department.

Our Nation's veterans will be among groups hit hardest by a delay on this bill.

Again, on a bipartisan basis, the Senate led the way in providing additional funds to make sure America's veterans will get the medical treatment they were promised. In my own State of Alaska, some veterans have had to wait months for a basic doctor's appointment. Unfortunately, the veterans in Alaska are not alone. The waiting lists for veterans around the country, from Arizona to West Virginia, North Dakota to Florida, are on the rise. As veterans return from Iraq, the demand for medical care will increase even more. Coupled with the 1 percent attrition rate for VA doctors per month—I repeat that, a 1 percent attrition rate in VA doctors per month—the waiting periods for veterans will only get longer with this delay.

Likewise, without the additional money provided in the bill, 48 community-based outpatient clinics will be in jeopardy. Since the VA is forced to operate under the lower funding level provided in the continuing resolution, those clinics cannot open. In addition, pharmacy costs are going up for our Nation's veterans. In 2003, drug costs rose by a whopping 11 percent. The VA is incurring increased demands for prescriptions every month. To cover the high cost of drugs, the VA has been forced to cut other high-priority medical programs. They are forced by this delay to continue operating under last year's lower funding level. So the problem, again, will only get worse.

Some of the older veterans, especially those with whom I served during World War II, may be forced to wait longer for long-term care because of the delay of this bill. The VA had planned to increase long-term care by 20 percent with the funds in this bill. I am not sure those veterans from World War II can wait additional months for that care.

Worst of all, the VA has raised concerns that the continuing resolution may not authorize mandatory compensation and benefit payments for veterans which were scheduled to begin in January. So, according to that information that we received from the VA, unless we pass this bill this week, beginning on New Year's Day, the VA will not be able to make the compensation payments to 2.5 million veterans and 314,000 of their survivors. There remains some confusion about this issue.

Likewise, the VA will not be able to make benefit payments to another 537,000 veterans. These benefit payments are needs-based pensions and sustain veterans with no other means of support. The payments will average $790 per person per month. Obviously, those with no income cannot wait another month without the money to pay for their rent or their food.

I do not think it is fair to ask disabled veterans, for some of whom this is their only income, to wait an additional time. I do not think this is how our returning veterans from Iraq should be welcomed home.

Unfortunately, it is not just our Nation's veterans who will suffer as the Government is forced to continue operating under last year's levels for another month or two. The Federal Housing Administration at HUD has indicated to our committee that its prorated insurance authority under this continuing resolution is not enough to meet the current projections for either FHA mutual mortgage insurance or the FHA general insurance and special risk insurance fund. That means that sometime in January the FHA insurance program for single-family and multifamily housing will run out of money. Needy families will also be forced to wait for the section 8 rent subsidy vouchers. They are living in shelters and must stay there for a few more months because we cannot bring this bill to a vote.

Under the continuing resolution, the AmeriCorps Program, which helps needy families and communities, would also be in jeopardy. Passage of our omnibus bill in January will delay this. Unless we pass this omnibus bill in January, there will be a delay in the enrollment of tens of thousands of new volunteers.

The Nation's schoolchildren will also suffer if we do not pass this omnibus bill before the end of the year. On a bipartisan basis, the conferees agreed to an increase of $2.9 billion for education programs to help our Nation's schools. Unfortunately, that money is just not available under the continuing resolution, based on last year's appropriations. Undoubtedly, now, despite our pledge, some children will be left behind.

Under the continuing resolution, assistance for school districts, States, and colleges will also be delayed. For example, the conferees provided an increase of $728 million for poor schools under the title I grant program which helps disadvantaged children. These moneys are not available under the continuing resolution based on last year's level, and that money will not be there when the second semester starts the first week of January.

Kids with disabilities are also going to suffer. The conferees provided $1.26 billion in new funding to help States meet their responsibility for kids with learning disabilities and physical and mental challenges. Instead of continuing impressive increases in Federal commitment to reaching the 40 percent payment authorized for students with disabilities, under the continuing resolution the Federal contribution will be frozen at 17.5 percent. This bill would have paid 40 percent; the continuing resolution provides only 17.5 percent. I do not think our Nation's schools should have to wait for this additional money, which they should have received back in October shortly after the school year began.

Other education programs will suffer under the continuing resolution. New funds for reading, some $57 million, will be delayed; impact aid, about $49 billion for children of military families, will be affected; $50 million for our Nation's colleges will be in jeopardy. Saddest of all, to me, will be the delay in funding for Head Start. We had provided an additional $148 million to expand and improve Head Start programs around the country. That also will be delayed because the money is not within the continuing resolution.

In addition to the adverse impact on health care for our veterans, the continuing resolution will also have a negative effect on health care programs for other Americans. Most immediate, this bill provides an additional $50 million to prepare for a pandemic flu outbreak, which is upon us now. It is upon us as I speak. Normally the flu season does not begin in earnest until late January, but this year it is early. If this measure is delayed, that $50 million will sit in the Treasury while Americans go untreated and unvaccinated for the flu. I seriously question whether they can wait for January for that flu shot. I hope something will be done to meet that very pressing problem.

Likewise, the $261 million provided in this measure for the Centers for Disease Control to combat emerging infectious diseases is also not available under the continuing resolution. That means the funds needed to combat diseases such as SARS, monkeypox, and hepatitis may not be there when they are needed.

The $122 million the conferees added to strengthen and expand community health centers will be delayed under the continuing resolution. This medical care to the underserved and uninsured across the country should not be delayed, but it will be.

Similarly, the $1 billion in new money for health research at the National Institutes of Health will be delayed under the continuing resolution. That is research on heart disease, cancer, diabetes, and other killers. It will have to be delayed until the bill is finally passed.

Our omnibus bill also includes an additional $159 million to combat substance abuse and mental health diseases. Hundreds of thousands of Americans suffering from addiction and mental illness, who could have received additional care, will go untreated under the continuing resolution. These additional funds could treat thousands of Americans. They will not be available now.

The omnibus bill also funds the Agriculture Department which helps feed the Nation. On a bipartisan basis, the conferees agreed to make substantial increases in funding for programs to make sure that no child goes to bed hungry.

The conferees provided an additional $3.6 billion over the 2003 funding level for the Food Stamp Program. That money is continued now at the 2003 level—not at the higher level of this bill. In fact, it is not enough money to allow every qualified applicant to participate in the Food Stamp Program without this bill.

Not only that, but this bill provides an additional $1 billion in reserve funding to provide for any unanticipated increase in program participation in food stamps.

In total, that is an extra $4.6 billion for the Food Stamp Program, or just under $400 million a month. That is what is going to be delayed—at least $400 million a month.

This bill cannot possibly get to the President until the end of January. It means that almost $800 million will not be available to feed hungry families between now and the end of January. It means that some families may not have a Christmas dinner.

Likewise, the conferees provided an additional $837 million over the 2003 funding level for other child nutrition programs—programs such as school lunches, school breakfasts, child and adult food programs, and the special milk program. Since this bill has been delayed, that money will not be available to help the hungry. A 2-month delay will mean about $70 million a month will not be there for those people.

The omnibus appropriations bill funds the Department of Transportation programs for fiscal year 2004, as well as other critical programs.

For example, the conferees agreed to add an additional $1.5 billion to complete preparations for the November Presidential election. Continued operation under a continuing resolution means the full amount of funding will be delayed, along with the installation of state-of-the-art voting machines. This is very critical to our Nation. We all remember the last election, and we pledged to fix that. I do not think it will be possible because of the delay of this bill.

This measure also funds transit programs at $7.3 billion to address traffic congestion around the country. It provides $13.9 billion for the Federal Aviation Administration to ensure the safety of our air transportation system. Increases in both programs are now in jeopardy because this bill will not pass before the end of the year.

I have great concerns about the delay in funding for counterterrorism that will result in not passing this measure now. The conference report includes significant new funding for the Department of the Treasury to disrupt the financing of terrorist groups. Delayed funding could hamper the ongoing efforts to disrupt the cash-flow to the terrorist groups throughout the world.

The State-Justice-Commerce bill is also included within this omnibus measure. If this bill is not adopted, critical funds for the FBI and counterterrorism programs will be delayed. In addition, the United States would be late in paying its dues to the United Nations Educational, Scientific, and Cultural Organization, which is due January 1.

The District of Columbia bill is funded in this legislation, including the voucher program which was controversial, I will admit. But it is to give kids attending failing schools a chance to succeed in life. If this voucher program which is now authorized is delayed, it probably cannot go into effect the next semester. It is uncertain whether the program can be up and running by the next school year unless this bill passes before the end of this year.

Despite reports in the press and some opponents, I think this is a bipartisan bill. I don't believe there is a Senator in the Chamber who cannot or has not claimed credit for at least one program in this bill. It funds programs for Republicans and Democrats alike, and includes projects for Senators who are up for election regardless of party. Each of these seven bills was worked out largely by the chairman and ranking member, a Republican and a Democrat, on each subcommittee. Only a handful of these issues were resolved at the full committee level in conference.

Are there provisions in this bill to which the minority object? Yes. Does the White House endorse all of what we have done in this bill? Absolutely not. Are there sections in the bill that even I oppose? Yes. I do oppose some of the provisions. But the bill is the product of compromise, and unfortunately, it is a compromise that comes about when we are forced to join bills together into an omnibus bill. Senator BYRD and I have consistently opposed the concept of omnibus bills, and we sought to have bills pass singularly as they should be—13 separate appropriations bills.

I know there are items in here with which Senator BYRD disagrees. As I said, I know there are provisions with which I disagree. But the one thing I do thank the Senator from West Virginia for is working to try to get 13 separate bills. It has not been possible for us to do that. We were forced at the last minute to make some concessions to the White House and to the House in order to get a bill that the House would pass and which the President would sign. Some of those concessions are not acceptable to the minority. I understand that. I understand the process. Unfortunately, the timing of this bill is such that we had no alternative but to make the concessions in order to get the bill to the House.

I had hoped that we would be able to pass it today. I know that is not possible. Delay of this bill is going to cause real problems for people around this country and around the world, as I said in the beginning. It will hit the neediest among us hardest of all. And for some, unfortunately, this delay may be a matter of life or death. During the season of peace and helping each other, particularly the spirit of Christmas and the spirit of bipartisanship, I had hoped the 2004 omnibus appropriations bill would be able to pass today. I regret deeply as chairman of committee that is not possible. I take full responsibility for the delay because it was just not possible for us, within the rules, to finish the bills and get them to the Senate before this time.

I yield the floor.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

OMNIBUS APPROPRIATIONS

Mr. BYRD. Mr. President, let me begin by thanking my colleague, Senator STEVENS, the chairman of the Appropriations Committee, for the excellent work he has done on the bill that is now before the Senate, H.R. 2673, the omnibus appropriations bill. It consists of seven appropriations bills. Senator STEVENS has consistently sought to avoid having omnibus appropriations bills. He has zealously tried to have all of the 13 appropriations bills pass on time before the beginning of the new fiscal year and sent to the President of the United States for his consideration. Senator STEVENS has at all times been fair—eminently fair to me and to all members of the Appropriations Committee. I congratulate Senator STEVENS. He is an excellent chairman. And I congratulate the other members of the committee, both Democrats and Republicans, for working together as they have on this bill and as they have always done as long as I have been on that committee; and that is 45 years.

I share the disappointment of the distinguished chairman of the Appropriations Committee. I share his disappointment. He has been valiant in his efforts. He has been consistent in his search for ways by which we can come together and pass a bill on time. I could ask for nothing more.

Members of this Congress have a duty and a responsibility to the American people, to the men and women who send us to represent them in this great Capitol. Those men and women who send us to represent them in this Capitol do not expect us to rubberstamp legislation. They do not expect us to cash our own paychecks without doing the work that we were sent here to do. Senators are paid to be in the Capitol when votes are taken. Today is such a day, yet few Senators are present.

The 1,182-page conference report before the Senate totals more than $328 billion. I hold my hand on the top of this 1,182-page conference report. Here it is. What a mammoth bill, 1,182 pages. Yet we were asked to adopt this mammoth piece of legislation by unanimous consent. The majority leader asked Senators for their consent to bring this bill up, which is in the form of a conference report, and pass it without a rollcall vote. Is that the way the American people want their business to be conducted?

This bill totals more than $328 billion. It provides funds for 11 of 15 Federal Departments. It wraps together the work of seven appropriations bills. This conference report funds our Nation's schools and highways, our veterans clinics, workplace safety initiatives, and medical research. It funds priorities that directly touch the lives of every American citizen. Yet Members of this body do not have the time, apparently, or the will, to be here at their desks in the Senate and vote on this mammoth piece of legislation. Instead of a rollcall vote, the majority leader sought unanimous consent to take up and pass this legislation by voice. My voice is not so good today but it is good enough to say no. I object to passing this bill without a rollcall.

I announced my intention days ago to object to any unanimous consent request to pass this bill without a rollcall vote. I am here, at my place, as I said I would be. Senators may have travel plans or schedule conflicts. They may prefer to be in their home States or traveling around the globe rather than be here in the Capitol. Our responsibility is here in this Chamber when we have an appropriations measure of this nature, of this size, of this importance.

Our responsibility is to work. Our responsibility is to debate and vote on this conference report. We should not have postponed this matter until next year. We should not have put this matter off for several weeks. There is no good excuse for putting this debate on hold.

Now, stop and think for a moment. We have had since April to pass these seven bills. The budget resolution was adopted in early April, on April 11. That gave us our directions and the Appropriations Committees could go forward at that time. Here we have been since April 11 and we have only passed and sent to the President of the United States six appropriations bills. So more than half of the total of 13 appropriations bills are right here in this conference report and no Senator—no Senator and I daresay no House Members, perhaps a few—I will leave myself a little wiggle room—I can say no Senator has seen everything that is in this massive bill. No Senator, under God's heaven, knows everything that is in this conference report. No Senator's staff person knows everything that is in this conference report. This represents the people's business.

It is the people's money and Senators are asked to come here today and vote no. They were asked to come and pass this massive piece of legislation without a rollcall vote. This is an abomination. The American people deserve better from us.

I understand the reluctance of the majority leader. The leadership worries there may not be enough votes to pass the conference report and send it to the White House. But we would not know that until we voted. It is not unheard of to ask Members of the Senate to come back and vote. It has been done before. I have done it when I was majority leader. It has been done by other majority leaders. I don't criticize the current majority leader. He is doing what he thinks he has to do under the circumstances. But I think we all could have done better. I think the Members should have been asked to come back and do their work and finish the job, debate the conference report, have a rollcall vote and then go home for Christmas.

Make no mistake, there are many problems with this conference report: contracting out Federal jobs, stripping employees of bipartisan job protections, voiding an effort to protect overtime protections established by the Fair Labor Standards Act of 1938, taking away the right of as many as 8 million employees to earn time and a half for extra hours worked. Last minute closed-door changes would postpone country-of-origin labeling. Let me say that again: Last minute closed-door changes would postpone country-of-origin labeling on meat and vegetables, robbing Americans from knowing where their food was grown for 2 years and breaking the balance crafted as part of the 2002 farm bill.

The 1-year limitation on the FCC media ownership rule was turned into a permanent cap at 39 percent. The practical effect of changes demanded by the White House is to protect Rupert Murdoch's FOX Television Network and CBS-Viacom from having to comply with the lower 35-percent ownership caps a congressional version of the bill would put in place. The White House is boosting special corporate interests at the expense of the people's interest for balanced news and information.

One could go on for quite some time ticking off the problems that are in this conference report, problems dictated to Congress by the Bush White House.

There are many provisions within this package that never came before the Senate—never. Yet Senators were asked to buy a pig in a poke, to vote for a pig in a poke, unknown, unseen, yet vote by unanimous consent—no, not vote, but asked to pass this gargantuan piece of legislation here by unanimous consent without a rollcall vote.

Can you imagine, $328 billion and not even a recorded vote? What would Everett Dirksen say today? He said: A billion here and a billion there and pretty soon you have a lot of money. He should be here today. There is $328 billion. That is $328 for every minute since Jesus Christ was born. That is a lot of money. We are asked to close our eyes, plug our ears—no debate, no questions asked—just hold your nose and vote for it. Hold your nose and say: Pass it without a vote. That is what we are asked to do.

Four of the bills contained in this omnibus did not have a recorded vote in the Senate. One of the bills, the Commerce-Justice-State bill, was never even debated in the Senate, let alone adopted. Scores of provisions are included in the so-called Miscellaneous Appropriations Act portion of the conference report that were never debated in the House or Senate.

Under pressure from the White House, provisions that were approved by both the House and the Senate have been dropped. Under pressure from the White House, controversial provisions that were written as 1-year limitations when they were before the House or Senate have been mutated into permanent changes in authorization law. Now, that is going a far piece—going a fer piece, I would say. Houdini was nothing when compared with what the conference did here under pressure from the Bush White House.

In fact, the majority leadership created a new appropriations authority: the Miscellaneous Appropriations Act. That is a new one on me. There are 13 appropriations subcommittees, but I have yet to meet the chairman of the Subcommittee on Miscellaneous Appropriations.

That section, whatever its genesis, is home to administration pet projects and priorities. Scores of provisions are included in the so-called miscellaneous appropriations umbrella that were never debated in the House or Senate. Under direct pressure from the White House, provisions approved previously by both the House and the Senate have been dropped. Under pressure from the White House, controversial provisions originally crafted by the House or Senate as 1-year limitations, may I say again, have mutated into permanent changes in authorization law.

This conference report includes an across-the-board cut that has never been debated in the Senate, an arbitrary cut that would apply to legislation already signed into law. It would cut homeland security. We are talking about your safety, and your safety, Mr. President, the safety of your home, your children, your grandchildren. Homeland security is the usual term. It would cut counterterrorism efforts. It would cut education and health care. This across-the-board cut would reach back into bills signed months ago and say: No, sorry. No, no, sorry, but that is just too much money. So we are going to take a little off the top.

Apparently, in the view of the White House, the United States can afford $1.7 trillion in tax cuts. When it comes to the Medicare bill, we can afford $12 billion for subsidies for private insurance companies. When it comes to the Energy bill, we can afford over $25 billion of tax cuts and $5 billion of mandatory spending for big energy corporations. But when it comes to initiatives funded in these appropriations bills, initiatives that help Americans every day, the President insists: Cut, cut, cut, cut. A cut of 0.59 percent would reduce funding for No Child Left Behind programs by more than $73 million, resulting in 24,000 fewer children being served by title I.

We are talking about this across-the-board cut now. This across-the-board cut does not sound like it would be much, a cut of 0.59 percent, but what does it do to the No Child Left Behind program? It would reduce funding for the No Child Left Behind program by more than $73 million, resulting in 24,000 fewer children being served by title I. Overall, the title I Education for the Disadvantaged program would be $6 billion below the level authorized by the No Child Left Behind Act that the President signed in January of 2002 with great fanfare—another promise unfulfilled.

The across-the-board cut would reduce Head Start funding by $40 million, resulting in 5,500 fewer children attending Head Start. Veterans medical care funding would be cut by $159 million, resulting in 26,500 fewer veterans receiving medical care or 198,000 veterans not getting the prescription drugs they need.

I spoke earlier about cuts in homeland security. The across-the-board cut would chop funding for homeland security initiatives. How many more baggage screeners would be laid off resulting in longer lines and less security at our airports? How many flights will have fewer air marshals on board? How many fewer flights will have air marshals on board? How many more containers will come into this country uninspected? How many more illegal aliens will be able to remain in this country or how many will be able to come into this country? This is a threat to the Nation's security. How many potential terrorists will never be investigated because of cuts in the FBI program?

All this, and the distinguished majority leader sought consent that this package be approved without a rollcall vote. That is no way to legislate. How would I feel facing my constituents and having to say: Well, it was getting close to Christmas and Members had other things they had to do; we did pass it; I wish now we would have had a rollcall vote but I wasn't there to object?

That is no way to be accountable to the American people. Taxpayers of this country rightly expect Senators to be accountable for funds drawn out of the Federal Treasury. It is your money. How many times have we heard that? I say to those who are looking at the Senate Chamber today through those electronic lenses: It is your money. How can Members be accountable when they are scattered to the four winds across the globe? What kind of perversion of the appropriations process would result in Senators approving this monstrosity without a recorded vote?

When Members took their oath of office, they pledged, standing right there at the Presiding Officer's desk with their hands on the Bible—"so help me God," they said—that they would support and defend the Constitution. So we have a responsibility to faithfully discharge the duties of the office of U.S. Senator. We took a pledge to do that. We took an oath to do that. We took an oath before God and man to do that. Senators did not pledge to do so just when it was convenient or when the schedule permits.

The House of Representatives saw fit to return to vote on this conference report. Why then could the Senate not do the same? We all get the same pay. Senators as well as House Members are paid to work for 12 months each year, not 10 months.

Chairman STEVENS and I worked with each Senator on the Appropriations Committee to produce 13 individual appropriations bills to send to the President. I have commended—and do so again—the senior Senator from Alaska for his effort, but the process was hijacked.

By whom? Who is doing the hijacking? The Bush White House. The White House hijacked the process. The process was hijacked by the White House and the Republican leadership in both Houses. Instead of sending 13 fiscally responsible appropriations bills to the President, the Senate was asked to close its eyes, plug its ears, and be gagged in order to rubberstamp a 1,182-page conference report combining 7 appropriations bills for 11 of the 15 Departments of the Federal Government, on an unrecorded approval of a unanimous consent request. No vote to it—no rollcall vote, no vote by division, no vote viva voce, no vote by voice, with only a handful of Senators. You could count the number of Senators in this Chamber on one hand this morning. This would be legislating without accountability.

What is the use of having elections if the voters are prevented from knowing how their Senators voted on investing $328 billion of the people's money, your money? This is wrong. The people have a right to know how their elected representatives stand on this legislation which will affect the lives of so many.

I am saddened by the majority leader's decision to postpone a vote on this legislation until January 20. This is no way to govern. We have had since April 11 to pass these seven bills. That is no way to serve the American people.

I thank the Chair, and I thank all Senators. I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CHAMBLISS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

HONORING REPRESENTATIVE BILL EMERSON

Mr. CHAMBLISS. Mr. President, I want to take a moment this morning to honor a dear friend of mine and a former colleague in the other Chamber, the late Congressman Bill Emerson of Missouri. On December 13, a new bridge spanning the Mississippi River at Cape Girardeau in Missouri is being dedicated to Bill who represented the people of southern Missouri in the House of Representatives with dedication and integrity for 15 years before his untimely death in 1996.

I was privileged to meet, know, and work with Bill Emerson during my freshman year in Congress. He was an example of hard work, common sense, and the ability to put differences aside to get the job done. Bill and I shared a common constituency of rural Americans and served on the House Agriculture Committee together. Bill's spirit of uncompromising principle and his ability to lead under the most difficult circumstances are assets that I have endeavored to emulate.

Bill's commitment to his family was unparalleled. His wife Jo Ann succeeded him in his congressional seat, and he would be so proud of her today for the work she is doing. His daughters, Abby, Liz, Tory, and Katharine, were the lights of his life. I have come to know all four of them over the years, and he would, again, be so proud of them.

Jo Ann has carried on Bill's legacy of building bridges between people to promote communication, trade, and civic pride and is making a mark in her own right. This is something which I know would have brought Bill a great deal of satisfaction.

Bill Emerson's habit of bridging gaps between people is captured perfectly in the Bill Emerson Memorial Bridge. This $120 million structure replaces the bridge that was built 76 years ago. It will tie together the two States of Missouri and Illinois and promote trade and progress. It is a fitting monument to a man who brought credit to his family, his community, his State, his country, and the Congress of the United States.

Bill Emerson was a dear friend. I miss him every day. What a fitting tribute to a great man and a great American.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. VOINOVICH). Without objection, it is so ordered.

Mr. BYRD. Mr. President, is the Senate still in morning business with a 10-minute limitation?

The PRESIDING OFFICER (Mr. SMITH). The Senator is correct.

Mr. BYRD. Mr. President, I ask unanimous consent that I may speak as long as I must speak. I can assure the Chair it will not be over 30 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from West Virginia is recognized for 30 minutes.

Mr. BYRD. I thank the Chair.

(The remarks of Mr. BYRD pertaining to the introduction of S. 1997 are printed in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. BYRD. I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WARNER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CORNYN). Without objection, it is so ordered.

COMMENDING KOFI ANNAN, SECRETARY GENERAL OF THE UNITED NATIONS, AND STRENGTHENING THE UNITED NATIONS

Mr. WARNER. Mr. President, I rise today to bring to the attention of my colleagues a very thoughtful article written by Kofi Annan, Secretary General of the United Nations, entitled "Search For A New U.N. Role."

I commend the Secretary for his strong leadership over these years, and particularly for the courage he has shown as manifested by this op-ed piece, the courage he has shown to look to the future and to take such, what you might call, corrective measures or revisions as will further strengthen the United Nations as we, the body of nations, face a very perilous and uncertain world, a world filled with threats which really have little precedent in history and weapons that have little precedent in history.

Fifty-two years ago, this humble soul was a second lieutenant in the U.S. Marine Corps and served under the United Nations banner in the Korean conflict in Korea. My service was—I say with deepest humility—very modest, for I have often said on this floor that such military service as I had in the closing months of World War II and in Korea was very modest compared to others, but it did much for me. I am continuously trying to pay back to the current generation, the men and women of the Armed Forces, what was done for me.

I simply cite that it was the U.N. banner under which the U.S. forces and the forces of a number of other nations, a coalition, fought those battles. This was the United Nations' first military mission, as I look back over this half century. Of course, we all recognize there has been no peace treaty. There has never been one signed. But also there has been no recourse to major military use of force on the Korea peninsula in this half century. So that mission of the United Nations, I would say, had a strong measure of success. To this day, our U.S. forces still serve in that theater under the U.N. banner to keep the peace on that peninsula.

As Secretary Annan notes in his op-ed piece, the United Nations has been greatly tested in recent years. To his credit, the Secretary has been willing to face head on these challenges to the historic institution he is privileged to lead and has led with great distinction. Indeed, one of those tests was with the United States as we approached obligations which I strongly support, obligations the President has pointed out many times, obligations to bring a greater measure of freedom to the people of Iraq. But that is history. It was clearly a lesson learned by all who participated.

Last week, Secretary Annan announced he has convened a panel to take a hard look at the mission of the U.N. and what changes the U.N. should make to ensure that it can be a relevant and effective institution in the future. The panel is expected to issue a report in the fall of 2004.

I commend the Secretary for his courage in looking to the future and tasking this panel to give their views not only to him but to the entire community of nations which proudly form the United Nations. Without a doubt, the world needs a stronger United Nations, one that can address with greater decisiveness and swiftness the challenges to freedom in the future.

I ask unanimous consent that the op-ed piece be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Los Angeles Times, Dec. 4, 2003]

SEARCH FOR A NEW U.N. ROLE

(By Kofi A. Annan)

We have come to a decisive moment in history. The great threat of nuclear confrontation between rival superpowers is now behind us. But a new and diverse constellation of threats has arisen in its place. We need to look again at the machinery of international relations. Is it up to these new challenges? If not, how does it need to be changed?

The events of the last year have exposed deep divisions among members of the United Nations on fundamental questions of policy and principle. How can we best protect ourselves against international terrorism and halt the spread of weapons of mass destruction? When is the use of force premissible—and who should decide? Does it have to be each state for itself, or will we be safer working together? Is "preventive war" sometimes justified, or is it simply aggression under another name? And, in a world that has become "unipolar," what role should the United Nations play?

These new debates come on top of earlier ones that arose in the 1990s. Is state sovereignty an absolute and immutable principle, or does our understanding of it need to evolve? To what extent is it the international community's responsibility to prevent or resolve conflicts within states (as opposed to wars between them)—particularly when they involve genocide, "ethnic cleansing" or other extreme violations of human rights?

These questions cannot be left unanswered. Yet they are not the only questions. And for many people they may not even be the most urgent.

In fact, to many people in the world today, especially in poor countries, the risk of being attacked by terrorists or with weapons of mass destruction, or even of falling prey to genocide, must seem relatively remote compared to the so-called "soft" threats—the ever-present dangers of extreme poverty and hunger, unsafe drinking water, environmental degradation and endemic or infectious disease.

Let's not imagine that these things are unconnected with peace and security, or that we can afford to ignore them until the "hard threats" have been sorted out. We should have learned by now that a world of glaring inequality—between countries and within them—where many millions of people endure brutal oppression and extreme misery is never going to be a fully safe world, even for its most privileged inhabitants.

Today, the common ground we used to stand on no longer seems solid. In seeking new common ground for our collective efforts, we need to consider whether the United Nations itself is well suited to the challenges ahead.

During the last year, the United Nations has been held under a microscope. In an atmosphere of acrimony surrounding the crisis in Iraq, the importance and, indeed, the relevance of the institution have in some quarters been called into question. This was especially true at the time of the United States decision to go to war in Iraq without the explicit approval of the Security Council.

I know that over the years our record has been far from perfect. The Security Council has been unable to prevent horrendous atrocities—the rule of the Khmer Rouge in Cambodia, ethnic cleansing in the former Yugoslavia, genocide in Rwanda. But, to paraphrase Henry Cabot Lodge, the United Nations may not have brought us to heaven but it played a vital role in saving us from hell.

Peace was brought to many lands through the U.N.—Cambodia, El Salvador, Guatemala, Mozambique. We helped protect against a drift toward nuclear holocaust, including during the Cuban missile crisis. We served as a vehicle for action against North Korea, against Iraq after the invasion of Kuwait. We've brought relief to millions affected by fighting, famine and floods, and we have helped reduce child mortality and eradicate smallpox. We were critical in helping the developing world throw off the yoke of colonialism.

To my mind, recent events have only underlined the need for the United Nations. That's why I convened a panel, chaired by former Prime Minister Anand Panyarachun of Thailand, to examine the future of our organization. The panel holds its first meeting this weekend.

Its role is threefold: to analyze current and future threats to peace and security; to assess the contribution that collective action can make in meeting these threats; and to recommend the changes needed to make the United Nations a legitimate and effective instrument for a collective response. How, in particular, can the United Nations "take effective collective measures for the prevention and removal of threats to the peace," which is one of its purposes, as defined in Article I of its charter? I hope the panel will complete its report by autumn 2004.

If it does its work well, history may yet remember the current crisis as a great opportunity that wise men and women used to strengthen the mechanisms of international cooperation and adapt them to the needs of the new century.

(The remarks of Mr. WARNER and Mr. DEWINE pertaining to the introduction of S. 1993 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

THANKING STAFF

Mr. WARNER. Mr. President, I wish to speak with regard to two matters of great concern to me. I recognize in all probability this will be the last day of the current session of this Congress. I simply express my warm greetings and thank-yous to my fellow colleagues in this Chamber, the staff who serve us in this Chamber, to the pages, to the guards and policemen, to those who work in the cafeterias—all of those, the greater body of infrastructure we are privileged to have in this magnificent institution known as the United States Senate.

Each year I have been privileged to be here—and I must say with some great sense of humility, I mark my 25th year in the Senate late this month. When I was sworn in, in 1978, I believe, I filled a vacancy that occurred in December, and I did it on the second or third of January. So actually my 25th anniversary occurs in the first few days of January.

It has been an enormously great, rewarding privilege for this humble soul to have served in the Senate.

I believe I have served with well over 100 Senators in addition to those I am privileged to serve with in this Congress. Again, I am always mindful of all of those who make it possible in the infrastructure and the institution of the Senate to enable me and others to serve our Nation as best we can in diverse but nevertheless constructive ways for the betterment of all mankind and, yes, America and much of the free world.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DEWINE. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CORNYN). Without objection, it is so ordered.

Mr. DEWINE. I ask unanimous consent to proceed as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO LEWIS AND JEAN MOORE

Mr. DEWINE. Mr. President, I rise today to pay tribute to two Ohioans who dedicated their lives to serving their local community of Urbana. Lewis B. Moore passed away on October 21, 2002, at the age of 91. His wife, Jean, passed away on September 12, 2001. I would like to take a few moments to reflect here today on this couple's legacy of service and the mark they left on the people of Urbana.

Lewis Moore—Lew to his friends—was born in Paducah, KY, on July 23, 1911. He graduated from Cleveland Heights High School in 1929 and from Case Institute of Technology in Cleveland in 1933 with a bachelor of science degree in electrical engineering. He married Jean Lillian Wenger in 1938, and they moved to Urbana in 1940, where Lew joined Grimes Manufacturing Company as a sales engineer. Later he served as chief engineer, sales manager, and vice president before eventually becoming president and board chairman.

Under Lew's leadership, the company grew from 12 to more than 1,300 employees. As president, he served as a mentor to many and as an example to all. If there were ever a disagreement with a customer, Lew used to tell his employees to always be honest with the customers. He would say: "Tell them the truth—tell them what happened." Indeed, Lew Moore was a model of integrity.

Together, Lew and Jean's values and visions for the future changed Urbana. Lew eventually ran for public office and served as Mayor of Urbana from 1980 to 1991. Under his leadership, Urbana underwent some big changes in the city government. Known affectionately as "Mr. Urbana," Mayor Moore transformed the City of Urbana from a statutory system into a charter form of government—one of the most important of his contributions to the city government, noted Larry Wolke, former director of administration. According to David Martin, former Grimes employee and current Urbana City Council president, "He had the best interests of the city and the citizens of Urbana in his heart and mind."

Working side-by-side with Lew to serve the Urbana community, Jean participated in the campaign that created the city's first youth center and organized and led her church's Prayer Connection. As one Prayer Connection member, Jack Neer, said of Jean, "She was there for anyone in need."

No better illustration of their commitment to the interests and community of Urbana is found, however, than in Lew and Jean's involvement with the University of Urbana, where Lew served as building fundraiser and Jean served on the board of trustees for more than 35 years. Through much of their lifetimes, Lew and Jean dedicated much of their time and resources to expanding and improving the institution. As Dr. Robert Head, Urbana University president said, "It is not an overstatement to say that if it hadn't been for

Lew and Jean Moore, Urbana University would not be here today."

Together, Jean and Lew spearheaded several campaigns to raise funds to enhance the university. In one project, they helped raise $400,000 to build the Warren G. Grimes Community Center. In the early 1990's, Lew co-chaired efforts to raise funds for the math and science center—a project totaling $3.1 million. According to Dr. Francis Hazard, former University president, "When no one else stepped forward to head the campaign, they volunteered." He added that as the campaign neared its end and the structure had been completed, Moore cashed in a $75,000 insurance policy to furnish its classrooms and laboratories.

Lew and Jean Moore were selfless. They loved their community—their family, their friends, and their neighbors. It is no wonder the Urbana community affectionately refers to Lew as "Mr. Urbana." Throughout their lives, they were devoted to their community. And through their service, Lew and Jean Moore provided a vision for Urbana's future. That is their legacy. We certainly miss them both deeply.

My wife Fran and I continue to remember Lew, and we continue to remember Jean. They were both great friends. Left to cherish their memories and to pass on this legacy are their sons, Keith and Greg, and their wonderful families.

We thank both Lew and Jean for their wonderful service to their community.

JUDGE WILLIAM AMMER

Mr. DEWINE. Mr. President, I would like to pay tribute here on the floor of the U.S. Senate to a dear friend, a gracious man, and a wonderful human being. That man is former Pickaway County, OH, Common Pleas Judge William Ammer. Judge Ammer, of Circleville, Ohio, passed away January 30, 2003 at the age of 83.

William Ammer was born on May 21, 1919, to Moses and Mary Ammer. He graduated from Circleville High School in 1937, and then went on to receive a business degree from the Ohio State University. After serving in the U.S. Army for 3 years during World War II, he returned to Ohio State to get his law degree.

After law school, he quickly proved himself a skilled attorney. He served as Assistant Ohio Attorney General from 1951 to 1952 and then returned to Pickaway County as a prosecuting attorney from 1955 to 1957.

During this time, he was also Circleville's Assistant City Prosecutor, while finding the time to maintain a busy private law practice. He developed a reputation as a tireless worker and dedicated public servant.

In 1957, he was appointed to the post in which he would serve the rest of his career—he was appointed Pickaway County Common Pleas Court Judge and was re-elected to this post every six years until his retirement on December 31, 1994.

While serving on the bench for those 37 years, Judge Ammer handled more than 30,000 cases. Few of these cases were appealed, and most of those cases that were appealed were affirmed by higher courts. As a member of the Senate Judiciary Committee, I can tell you that this low reversal rate is one of the best indicators of a good, sound judge.

But I can also say that another great indicator is the man's reputation in the community. Anyone who knew Judge Ammer, and anyone who knew the attorneys who practiced in Pickaway County or the area certainly knew Judge Ammer's great reputation. And they knew how well respected he was in the Pickaway County community and the surrounding counties.

In addition to handling cases in Pickaway County, Judge Ammer often was assigned to preside in other counties by the Supreme Court of Ohio. This is also the mark of a good, well-respected judge. Only those capable of handling the toughest cases are sent on assignments to other jurisdictions. Once again, Judge Ammer's reputation for hard work and diligence clearly preceded him.

While Judge Ammer was frequently sent on assignment outside of Pickaway County, his heart remained in Circleville. Each year, Judge Ammer sent out memorable Christmas cards depicting Circleville landmarks.

Certainly my wife Fran and I each year were recipients of those Christmas cards as were so many other people. And we always looked forward to receiving them. These cards reflected his love for the community and were eagerly awaited each holiday season by those of us fortunate enough to be on his Christmas card list.

Judge Ammer was also involved with a number of community organizations. He was President of the Ted Lewis Museum, an institution honoring that great native of Circleville. He was actively involved in the American Legion, the Kiwanis Club, the Pickaway Country Historical and Genealogical Society, and the Masonic Lodge.

Perhaps the greatest testament, however, to his connection to the Circleville community comes now after his death. As the last member of the Ammer family in Circleville, Judge Ammer arranged to have much of his estate go toward providing scholarships for Circleville High School students. This act certainly reveals Judge Ammer's generous and giving nature and his desire to help other Circleville natives succeed.

In tribute to Judge Ammer, who has been a true role model for so many of us in Ohio, my wife Fran and I say thank you. Judge Ammer was a kind human being who left an unbelievable print on the lives of so many countless people who he touched. He truly helped people. He changed lives. He made a difference. We all miss him. We miss him dearly. He will always be remembered by his beloved community.

TRIBUTE TO DELBERT LATTA

Mr. DEWINE. Mr. President, this afternoon I pay tribute to a dear friend and beloved Ohioan, a man who has been a great public servant for the last half century, a man who I served with in the House of Representatives for a number of years. I am talking about Representative Delbert Latta. Representative Delbert Latta devoted 30 years of distinguished service to Ohio's 5th Congressional District in the House of Representatives. In his honor, earlier this year, President George Bush signed into law a bill that renamed the Bowling Green Ohio Post Office the Delbert L. Latta Post Office Building. This is a well-deserved tribute to a man who inspires all around him to strive to be a better public servant.

This afternoon I will take a few minutes to explain to my colleagues why Del is so revered by the citizens of the 5th District and all the citizens of Ohio. Del was raised in McComb, OH. He graduated from McComb High School and later worked in a shoestore and put himself through Ohio Northern University from where he received his undergraduate and then his law degree.

Del practiced law in Bowling Green for several years before he successfully ran for an Ohio State Senate seat. After serving three terms in the Ohio State Senate, Del Latta decided to serve his community at the Federal level and was elected to the House of Representatives in 1958.

Before retiring from the House of Representatives in 1989, constituents of Ohio's 5th District showed Del their appreciation by electing him and reelecting him 15 times. He was the dean of the Ohio Republican delegation and as dean of the delegation was deeply respected for the leadership role he played for fellow Ohio Representatives as well as for the party. He was the person to whom, frankly, we all went.

I remember when I was first elected in 1982. I remember driving north to Bowling Green and going to see Del in his office and talking to him about committee assignments. I told him I wanted to be on the Judiciary Committee if that were possible. I remember Del sitting behind his desk talking to me about that and telling me he would see what he could do about it. It was not too long after that I was on the Judiciary Committee in the House of Representatives. Del was the person you went to. Del was the person you went to for advice, for counsel, and to get things done.

Del served as leader of the Rules Committee. Del was the ranking Republican in all the House on the Budget Committee. Del was not only recognized as a key leader of the Republican Party, he was a consensus builder who also earned the respect of Members on both sides of the aisle. The Honorable Democrat Senator and Representative Claude Pepper, of Florida, had this to say about Del:

> Del's conduct as a Member of the [Rules] Committee and a Member of the House has exemplified the best and noblest traditions of this House. His integrity has been exemplary. His kindliness, gentleness and graciousness of manner have endeared him to all of his colleagues. I shall always honor the service Del Latta has rendered to the Rules Committee, to the Budget Committee and the House because what he did, he did as an able, honorable patriotic American.

Del Latta had a significant impact on so many pieces of legislation and events over his 30-year tenure in the House. One notable example is the leadership he demonstrated during Watergate, but perhaps he is best well-known as a champion of balanced budgets and fiscal responsibility. In 1981, Del spearheaded President Reagan's economic recovery program in the House by sponsoring and helping to pass the Gramm-Latta bill. This bill is often cited as the single most influential measure in stimulating America's economic recovery in the 1980s. Del Latta was there. Del Latta led. It was Del Latta who got it done.

Expressing his admiration for Del's humility and work ethic, the Honorable Chip Pashayan, Jr., of California, said this about a dinner experience he had with Del after the passage of this momentous bill that bears Del Latta's name.

> No gloating, no bragging, no brandishing. To [Del] Gramm-Latta was just another bill, just another day's work for the American people. . . . As usual, we finished dinner by 8:30 or 9 p.m. because Del had to get back to his office to do some constituent work. No constituency ever had a harder working Member that I ever saw.

I could not agree more. In 1982, when I first came to the House of Representatives, as I said, Del was instrumental in teaching me the ropes. What I admired most about Del was his ability to work with an unwavering commitment and passion for his constituents. He never forgot who sent him to Washington. He never forgot who he worked for. In everything he did, you could see how much he cared for the people he represented, the people of northwest Ohio. He understood how much he cared about our great country.

People have always come first for Del Latta. It is what drives him. He has said his greatest satisfaction comes from helping people find solutions to their problems, whether it is big problems or small problems, helping people find solutions to their problems, especially problems they could not solve on their own.

At his retirement Del said this:

> Being a representative [of Ohio's 5th district] has given me and members of my family the opportunity to make untold thousands of wonderful friendships which we shall always treasure. I will also cherish the many friendships I have made over the years with my congressional colleagues.

And to be sure, Del Latta has not finished giving of himself, certainly not. To this day, he continues to do everything he can for his community. From local businessmen to neighborhood schoolchildren, Del Latta is there for them.

The dedication of the Bowling Green Post Office in Del's name—a post office that Del once helped secure funds to build—is simply a reminder that although it has been 15 years since he has retired from the Congress, Del has continued to work tirelessly for his community. The renaming of this post office, in many ways, is a symbol—a great symbol—of the civic spirit Del stood for as a U.S. Representative and still stands for today.

So I extend my heartfelt congratulations to Del for this great honor. He has done so much for the Fifth District, for the State of Ohio, and for our Nation. I have the highest regard for the example Del has set as a leader and public servant. My wife Fran and I cherish his friendship, and we wish him and his wife Rosemary and their children Bob and Rose Ellen and their families all the best in their future.

Del Latta is a great man. I said that he has worked tirelessly for his constituents, and it is always fun to watch him do that. But there has been one thing for me that has been even more fun, and that is to watch Del Latta with his grandchildren and to hear Del Latta talk about his grandchildren because this is a man who is also a great family man; he has never lost sight of the importance of family.

So, Del Latta, congratulations. You are a man who has served our country well. You are a great family man. You are a good friend. We appreciate all you have done for our country.

Madam President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mrs. DOLE). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FITZGERALD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SUNUNU). Without objection, it is so ordered.

Mr. FITZGERALD. Mr. President, I ask unanimous consent to speak as in morning business for up to 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FITZGERALD. I thank the Chair.

TRIBUTE TO SENATOR PAUL SIMON

Mr. FITZGERALD. Mr. President, it is with great sadness that I rise to report to my colleagues in the Senate the death of a former Member of this body, U.S. Senator Paul Simon from Illinois. Senator Simon died earlier today. He was 75 years old. This comes as a great shock to all of us who knew and loved Paul Simon.

Earlier today, I had written him a get well note and sent him some flowers. It was announced a couple of days ago that he was going into the hospital for heart bypass surgery and also to have a leaky heart valve replaced. Apparently something happened during the surgery—I don't know what—but Senator Simon, unfortunately, passed away, and we all send our love and our prayers to his wife Patty, his children, his grandchildren, and to all his colleagues at Southern Illinois University where he will be missed greatly.

Senator Simon's first wife, Jeanne, died a few years ago. I also had the privilege of knowing her. May God rest her soul as well.

Senator Simon was a nationally known figure, primarily from his having been a candidate for the Presidency in 1988. In Illinois, he was truly a giant for many decades—three or four decades or more. He served both in the State house of representatives and the Illinois State Senate, as well as in the U.S. Congress and then later in the U.S. Senate. He is thought to be the only person from Illinois to have served in both houses of the Illinois Legislature and then in both Houses of Congress.

He was also in the late sixties and early seventies the Lieutenant Governor from Illinois. On his last reelection race for the U.S. Senate, he won by over a million votes, with 65 percent. I believe he had the highest plurality of anybody running that year.

He was an extraordinary figure, extremely popular, and extremely well respected, especially for his character and integrity. Many people may have disagreed with Senator Simon's policy positions on a variety of issues, but no one ever questioned his ethics and integrity. In fact, those who served with him in the Senate, I am sure, remember his famous bow ties. Those bow ties almost became a symbol of ethics and integrity in the State of Illinois because of Senator Simon. He was a remarkable man.

He started in the early 1950s—maybe before that; maybe in the late forties—as a newspaper editor in southern Illinois. He was about 19 years of age when he was asked to take over a troubled newspaper in Troy, IL, in Madison County. He actually revived the newspaper by going after a corrupt gambling cabal in Madison County. He ultimately put together a string of some 13 newspapers that he sold in the 1960s, and then went from journalism into politics and government service; he never looked back.

He had numerous legislative accomplishments in the U.S. Senate, including the Direct Student Loan Program, the job training partnership amendments, and many other initiatives across a wide spectrum of issues. Of course, he was very accomplished in the Illinois Legislature as well.

Some people think they have done a lot when they have read a book. Senator Simon probably wrote as many books as most people have read. He is the author of at least 21 books, and maybe more than that. He had 55 honorary degrees. As I mentioned, he was a candidate for President in 1988.

One of the most astonishing things about Paul Simon was that his ethics and integrity were not just an act. I think a lot of the professional politicians maybe didn't always appreciate him in Chicago, for example. They maybe thought his bow tie and his constant efforts to maintain the highest standards in Illinois and the Federal Government were an act. But you could see after he retired from the Senate when he was offered, reportedly by foreign governments, to become a high paying lobbyist—I think one foreign government offered him over $600,000 a year to become their lobbyist, and he was offered a variety of lucrative positions. He turned all that down so he could return to Makanda, IL, down in the southern part of the State where he came from so he could teach at Southern Illinois University in Carbondale and be a professor. He turned down higher paying professorships elsewhere in the country. He wanted to come back home and be at Southern Illinois University.

He put together a wonderful public policy institute with some others there, including Mike Lawrence, who was the press secretary to our former Gov. Jim Edgar in Illinois.

I was in the area down by SIU this past summer. I had dinner with Mike Lawrence and he was telling me how hard it was to keep up with Paul Simon. Even at his age, he was keeping a remarkable schedule. So it came as a great surprise to hear of his passing today. It is a great loss. We will all miss him.

He was nothing but kind to me. Even though I was a member of the opposite party, Senator Simon last called me when I announced I would be retiring from the Senate. He was always courteous and kind in offering to help everyone he could.

I remembered from long ago reading a column that was written about Paul Simon, which I thought was a fabulous testament to this wonderful man. The column was written in the Chicago Tribune on February 28, 1997. It was by R. Bruce Dold, entitled "In Praise of a Decent Former Politician." This column is written by a journalist who had covered Senator Simon for many years, including following him around on his election campaigns and seeing his interaction with people all over the State of Illinois. This reporter wrote about how he was amazed that Senator Simon would come into a small town and say hi to everybody, and he would actually know the names of their children and how their grandfather was doing.

Senator Simon had a genuine affection for people. He was a tireless worker. He held over 600 town meetings in his two terms in the Senate, which is a very tough pace to keep up with for any of us in the Senate. He was a remarkable man.

I ask unanimous consent that this commentary written by R. Bruce Dold be printed in the RECORD immediately following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. FITZGERALD. I conclude by saying that Senator Paul Simon was a credit to the State of Illinois and a credit to the Senate, and we will miss him. God rest his soul and may God bless his widow and family.

EXHIBIT 1

[From the Chicago Tribune, Feb. 28, 1997]

IN PRAISE OF A DECENT FORMER POLITICIAN

(By R. Bruce Dold)

One of my best lessons in southern Illinois politics came with Paul Simon's 1984 campaign for the U.S. Senate, the one where he dusted Sen. Charles Percy and made amends for his one big political loss, the 1972 bid for governor.

Simon planned to hit about 13 towns in one day, moving from Vandalia to Cairo and over to Carbondale, with a brief stop at his Makanda home to show off his Lincoln book collection to the handful of reporters with him. He'd be meandering over a few hundred miles, which normally would require a helicopter. For Simon, all it required was Joe Bob Pierce.

Joe Bob is something of a Renaissance man—an electric power lineman with a Baptist divinity school degree who can drive like a bat out of hell, that last talent being the one Simon required that day.

So the trip went like this. We would drive to the Franklin county Courthouse public square, and Simon would give a little speech, and then he would do the real campaigning. This amounted to greeting each person in the crowd by her first name and inquiring about her children and her frail grandfather, and then moving on to the next soul with a hearty "nice to see you."

Then we would pile into Joe Bob's car and he would hit triple digit m.p.h. on Rt. 142 until we barreled into the parking lot of the Saline Valley Conservancy District, where Simon would do it all over again.

And I realized by the second stop that he actually knew all of these people, and the ages of their kids, and the health status of their grandfathers.

Simon wasn't supposed to win that election but he did, in part because he swept most of Southern Illinois.

He's back home now after ending an impressive career in politics. He's believed to be the only person who ever served in the Illinois and U.S. House and Senate.

On paper, his career makes no sense. Before politics, he was a newspaper editor who shook things up in a part of Illinois that liked things calm. He was too liberal for his congressional district, too liberal for this state, too liberal for Congress. He was a bigger-government advocate in a little-government era. Didn't matter. People thought he cared about them. He won his last Senate race by almost 1 million votes.

A few Washington types, and a few well-known Chicago politicians, still believe it was an act, that Simon was just another pol who had perfected a gee-whiz persona and the public got snookered into buying it. And while I always liked Paul Simon, I was also suspicious enough of politics in general to keep alive the prospect that they might be right.

OK, now that he's retired, it's safe to say that they are wrong.

When Simon left the Senate and there was no electoral advantage to being pure, he still did the right thing.

He turned down offers to lobby in Washington—one offer was for $600,000 a year to work for foreign governments. I'm taking his word on this—there's that suspicion rising again. But in the years I've known him he hasn't given me reason not to take his word.

He also turned down several teaching offers at better-known schools around the country to take a job running the new Public Policy Institute at Southern Illinois University in Carbondale, near his home.

Nobody needs to hold a tag day for him, since he's drawing $120,000 a year from SIU. But they offered him $140,000 and he requested a $20,000 cut so he wouldn't be paid more than the chancellor. That's the kind of gesture that makes the political cynics snicker, and makes the rest of the world think Paul Simon is a very decent guy.

Now that Simon's back home and doesn't have to be concerned about his own elections, he could be more of a political broker in this state.

He proved he could transfer his credibility and popularity last year when Richard Durbin was a relatively unknown central Illinois congressman making his introductions to Chicagoans at the same time he was asking them to send him to the Senate. Nobody up here knew Richard Durbin from Richard Burton. But Simon's endorsement, repeated on television commercials, was gold. It gave Durbin instant credibility and carried him to the election.

So Simon could throw his weight around. He intends not to. Other than supporting Sen. Carol Moseley-Braun's re-election bid, he's planning to lay low in politics.

He could be a big factor in the Democratic primary for governor next year. Lots of people want to run. But it looks like Simon won't play the game. He told me this week he's been approached by several potential candidates, but doesn't plan to endorse anybody. He's happy teaching his government and non-fiction writing courses and doesn't want to taint his new institute with the smell of partisan politics.

"I anticipate I will be less involved in party activities than I was before," he said. "I have to be reaching out to both political parties."

For a political writer in Chicago, saying something kind about a politician is akin to volunteering to put a kick-me sign on your back. But here goes: the people were right all along. Paul Simon really is a very decent guy.

Mr. FITZGERALD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DEWINE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DEWINE. Mr. President, we have all just heard the sad news about our former colleague, Senator Simon, from the Senator from Illinois. There will be opportunities in the future for more formal comments from many Members of the Senate, but I thought this afternoon I would make a few brief comments about our colleague Paul Simon.

I had the opportunity to serve in the Senate with Paul, but I also had the opportunity for a few years to serve in the House of Representatives with Paul. What a treat it was to serve in both bodies with Paul. Shortly after I came to the House, I discovered that when Paul Simon came to the well of the House of Representatives, he was someone to come into the House Chamber and listen to because no matter what the topic, we could count on the fact that he was going to give a thoughtful speech. You might agree with him, you might not agree with him, but you could bet that this man of great integrity had thought through what he was going to say. You can bet that he truly believed what he was saying.

Members would listen to Paul Simon, whether it was in the House or Senate. Paul Simon was a man of great integrity. When he spoke, it was clear he was a man of great moral clarity in his comments and thoughts. There was great precision to those thoughts.

We all know that Paul Simon was first, in his career, maybe first and foremost, a writer. He started, as my colleague from Illinois has just said, at a newspaper. Some have labeled him as a crusading newspaper editor. That is how he got his start. He continued to write throughout his career, writing his columns back to his home State and writing books.

I was back home in Ohio at the house of my daughter and son-in-law this past weekend and I happened to look down and there was what I took to be one of Paul's newest books. I picked it up and read a few pages. There was Paul again, being very provocative, being very thoughtful. He made me think. That was Paul.

One of the books Paul wrote many, many years ago continues to be cited today. Anybody who reads a biography of Abraham Lincoln will find the work of Paul Simon in that book because, you see, Paul Simon wrote the definitive book about Abraham Lincoln's time in the Illinois Legislature. So whatever definitive biography you read of Abraham Lincoln, it will cite Paul Simon's book for that period of Abraham Lincoln's life.

Paul Simon was asked once why he wrote the book. He said he had discovered there just hadn't been a good book written on that period of Abraham Lincoln's life, so Paul Simon wrote it. He did the research, dug the information out, and wrote the book. It is still the definitive book.

Paul Simon was, more than anything else, a teacher. You could see that in his speeches on the Senate floor and the House floor before that. You could see that, really, in his columns, his writings. So I think it is fitting that at the end of his career, as Senator FITZGERALD said, he went home. He went home to southern Illinois. He created this great institute at southern Illinois, his home community. He brought in great speakers, talked about big topics, great topics that we have to deal with in our country. He headed that up, put it together, and dealt with those issues.

He ended his life as a teacher, what he really was throughout his entire career, beginning as a newspaper man: Paul Simon the teacher. So as he taught us in the Senate, as he taught us in the House of Representatives, he ended his life as a teacher to young people in his home of Carbondale, in southern Illinois. I think that is clearly the way Paul Simon wanted it. I think it is fitting that is how he ended his life.

This is a sad day for the Senate. It is a sad day, certainly, for Illinois, and for his country. But we can take joy in this very good man's life and what he has done for our country and what he ended his life doing for our young people.

I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FRIST. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

IMPROVED NUTRITION AND PHYSICAL ACTIVITY ACT

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 417, S. 1172.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 1172) to establish grants to provide health services for improved nutrition, increased physical activity, obesity prevention, and for other purposes.

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Health, Education, Labor, and Pensions with an amendment in the nature of a substitute, as follows:

(Strike the part shown in black brackets and insert the part printed in italic.)

S. 1172

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

[SECTION 1. SHORT TITLE.

[This Act may be cited as the "Improved Nutrition and Physical Activity Act" or the "IMPACT Act".

[SEC. 2. FINDINGS.

[Congress makes the following findings:

[(1) An estimated 61 percent of adults and 13 percent of children and adolescents in the Nation are overweight or obese.

[(2) The prevalence of obesity and being overweight is increasing among all age groups. There are twice the number of overweight children and 3 times the number of overweight adolescents as there were 29 years ago.

[(3) An estimated 300,000 deaths a year are associated with being overweight or obese.

[(4) Obesity and being overweight are associated with an increased risk for heart disease (the leading cause of death), cancer (the second leading cause of death), diabetes (the 6th leading cause of death), and musculoskeletal disorders.

[(5) Individuals who are obese have a 50 to 100 percent increased risk of premature death.

[(6) The Healthy People 2010 goals identify obesity and being overweight as one of the Nation's leading health problems and include objectives of increasing the proportion of adults who are at a healthy weight, reducing the proportion of adults who are obese, and reducing the proportion of children and adolescents who are overweight or obese.

[(7) Another goal of Healthy People 2010 is to eliminate health disparities among different segments of the population. Obesity is a health problem that disproportionally impacts medically underserved populations.

[(8) The United States Surgeon General's report "A Call To Action" lists the treatment and prevention of obesity as a top national priority.

[(9) The estimated direct and indirect annual cost of obesity in the United States is $117,000,000,000 (exceeding the cost of tobacco-related illnesses) and appears to be rising dramatically. This cost can potentially escalate markedly as obesity rates continue to rise and the medical complications of obesity are emerging at even younger ages. Therefore, the total disease burden will most likely increase, as well as the attendant health-related costs.

[(10) Weight control programs should promote a healthy lifestyle including regular physical activity and healthy eating, as consistently discussed and identified in a variety of public and private consensus documents, including "A Call To Action" and other documents prepared by the Department of Health and Human Services and other agencies.

[(11) Eating preferences and habits are established in childhood.

[(12) Poor eating habits are a risk factor for the development of eating disorders and obesity.

[(13) Simply urging overweight individuals to be thin has not reduced the prevalence of obesity and may result in other problems including body dissatisfaction, low self-esteem, and eating disorders.

[(14) Effective interventions for promoting healthy eating behaviors should promote healthy lifestyle and not inadvertently promote unhealthy weight management techniques.

[(15) Binge Eating is associated with obesity, heart disease, gall bladder disease, and diabetes.

[(16) Anorexia Nervosa, an eating disorder from which 0.5 to 3.7 percent of American women will suffer in their lifetime, is associated with serious health consequences including heart failure, kidney failure, osteoporosis, and death. In fact, Anorexia Nervosa has the highest mortality rate of all psychiatric disorders, placing a young woman with Anorexia at 18 times the risk of death of other women her age.

[(17) Anorexia Nervosa and Bulimia Nervosa usually appears in adolescence.

[(18) Bulimia Nervosa, an eating disorder from which an estimated 1.1 to 4.2 percent of American women will suffer in their lifetime, is associated with cardiac, gastrointestinal, and dental problems, including irregular heartbeats, gastric ruptures, peptic ulcers, and tooth decay.

[(19) On the 1999 Youth Risk Behavior Survey, 7.5 percent of high school girls reported recent use of laxatives or vomiting to control their weight.

[(20) Binge Eating Disorder is characterized by frequent episodes of uncontrolled overeating, with an estimated 2 to 5 percent of Americans experiencing this disorder in a 6-month period.

[(21) Eating disorders are commonly associated with substantial psychological problems, including depression, substance abuse, and suicide.

[(22) Eating disorders of all types are more common in women than men.

[TITLE I—TRAINING GRANTS

[SEC. 101. GRANTS TO PROVIDE TRAINING FOR HEALTH PROFESSION STUDENTS.

[Section 747(c)(3) of title VII of the Public Health Service Act (42 U.S.C. 293k(c)(3)) is amended by striking "and victims of domestic violence" and inserting "victims of domestic violence, individuals (including children) who are overweight or obese (as such terms are defined in section 399W(j)) and at risk for related serious and chronic medical conditions, and individuals who suffer from eating disorders".

[SEC. 102. GRANTS TO PROVIDE TRAINING FOR HEALTH PROFESSIONALS.

[Section 399Z of the Public Health Service Act (42 U.S.C. 280h-3) is amended—

[(1) in subsection (b), by striking "2005" and inserting "2007";

[(2) by redesignating subsection (b) as subsection (c); and

[(3) by inserting after subsection (a) the following:

["(b) GRANTS.—

["(1) IN GENERAL.—The Secretary may award grants to eligible entities to train primary care physicians and other licensed or certified health professionals on how to identify, treat, and prevent obesity or eating disorders and aid individuals who are overweight, obese, or who suffer from eating disorders.

["(2) APPLICATION.—An entity that desires a grant under this subsection shall submit an application at such time, in such manner, and containing such information as the Secretary may require, including a plan for the use of funds that may be awarded and an evaluation of the training that will be provided.

["(3) USE OF FUNDS.—An entity that receives a grant under this subsection shall use the funds made available through such grant to—

["(A) use evidence-based findings or recommendations that pertain to the prevention and treatment of obesity, being overweight, and eating disorders to conduct educational conferences, including Internet-based courses and teleconferences, on—

["(i) how to treat or prevent obesity, being overweight, and eating disorders;

["(ii) the link between obesity and being overweight and related serious and chronic medical conditions;

["(iii) how to discuss varied strategies with patients from at-risk and diverse populations to promote positive behavior change and healthy lifestyles to avoid obesity, being overweight, and eating disorders;

["(iv) how to identify overweight and obese patients and those who are at risk for obesity and being overweight or suffer from eating disorders and, therefore, at risk for related serious and chronic medical conditions; and

["(v) how to conduct a comprehensive assessment of individual and familial health risk factors; and

["(B) evaluate the effectiveness of the training provided by such entity in increasing knowledge and changing attitudes and behaviors of trainees.".

[TITLE II—COMMUNITY-BASED SOLUTIONS TO INCREASE PHYSICAL ACTIVITY AND IMPROVE NUTRITION

[SEC. 201. GRANTS TO INCREASE PHYSICAL ACTIVITY AND IMPROVE NUTRITION.

[Part Q of title III of the Public Health Service Act (42 U.S.C. 280h et seq.) is amended by striking section 399W and inserting the following:

["SEC. 399W. GRANTS TO INCREASE PHYSICAL ACTIVITY AND IMPROVE NUTRITION.

["(a) ESTABLISHMENT.—

["(1) IN GENERAL.—The Secretary, acting through the Director of the Centers for Disease Control and Prevention and in coordination with the Administrator of the Health Resources and Services Administration, the Director of the Indian Health Service, the Secretary of Education, the Secretary of Agriculture, the Secretary of the Interior, the Director of the National Institutes of Health, the Director of the Office of Women's Health, and the heads of other appropriate agencies, shall award competitive grants to eligible entities to plan and implement programs that promote healthy eating behaviors and physical activity to prevent eating disorders, obesity, being overweight, and related serious and chronic medical conditions. Such grants may be awarded to target at-risk populations including youth, adolescent girls, racial and ethnic minorities, and the underserved.

["(2) TERM.—The Secretary shall award grants under this subsection for a period not to exceed 4 years.

["(b) AWARD OF GRANTS.—An eligible entity desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, including—

["(1) a plan describing a comprehensive program of approaches to encourage healthy eating behaviors and healthy levels of physical activity;

["(2) the manner in which the eligible entity will coordinate with appropriate State and local authorities, including—

["(A) State and local educational agencies;

["(B) departments of health;

["(C) chronic disease directors;

["(D) State directors of programs under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786);

["(E) 5-a-day coordinators;

["(F) governors' councils for physical activity and good nutrition; and

["(G) State and local parks and recreation departments; and

["(3) the manner in which the applicant will evaluate the effectiveness of the program carried out under this section.

["(c) COORDINATION.—In awarding grants under this section, the Secretary shall ensure that the proposed programs are coordinated in substance and format with programs currently funded through other Federal agencies and operating within the community including the Physical Education Program (PEP) of the Department of Education.

["(d) ELIGIBLE ENTITY.—In this section, the term 'eligible entity' means—

["(1) a city, county, tribe, territory, or State;

["(2) a State educational agency;

["(3) a tribal educational agency;

["(4) a local educational agency;

["(5) a federally qualified health center (as defined in section 1861(aa)(4) of the Social Security Act (42 U.S.C. 1395x(aa)(4));

["(6) a rural health clinic;

["(7) a health department;

["(8) an Indian Health Service hospital or clinic;

["(9) an Indian tribal health facility;

["(10) an urban Indian facility;

["(11) any health care service provider;

["(12) an accredited university or college; or

["(13) any other entity determined appropriate by the Secretary.

["(e) USE OF FUNDS.—An eligible entity that receives a grant under this section shall use the funds made available through the grant to—

["(1) carry out community-based activities including—

["(A) planning and implementing environmental changes that promote physical activity;

["(B) forming partnerships and activities with businesses and other entities to increase physical activity levels and promote healthy eating behaviors at the workplace and while traveling to and from the workplace;

["(C) forming partnerships with entities, including schools, faith-based entities, and other facilities providing recreational services, to establish programs that use their facilities for after school and weekend community activities;

["(D) establishing incentives for retail food stores, farmer's markets, food coops, grocery stores, and other retail food outlets that offer nutritious foods to encourage such stores and outlets to locate in economically depressed areas;

["(E) forming partnerships with senior centers and nursing homes to establish programs for older people to foster physical activity and healthy eating behaviors;

["(F) forming partnerships with day care facilities to establish programs that promote healthy eating behaviors and physical activity; and

["(G) providing community educational activities targeting good nutrition;

["(2) carry out age-appropriate school-based activities including—

["(A) developing and testing educational curricula and intervention programs designed to promote healthy eating behaviors and habits in youth, which may include—

[''(i) after hours physical activity programs;

[''(ii) increasing opportunities for students to make informed choices regarding healthy eating behaviors; and

[''(iii) science-based interventions with multiple components to prevent eating disorders including nutritional content, understanding and responding to hunger and satiety, positive body image development, positive self-esteem development, and learning life skills (such as stress management, communication skills, problem-solving and decisionmaking skills), as well as consideration of cultural and developmental issues, and the role of family, school, and community;

[''(B) providing education and training to educational professionals regarding a healthy lifestyle and a healthy school environment;

[''(C) planning and implementing a healthy lifestyle curriculum or program with an emphasis on healthy eating behaviors and physical activity; and

[''(D) planning and implementing healthy lifestyle classes or programs for parents or guardians, with an emphasis on healthy eating behaviors and physical activity;

[''(3) carry out activities through the local health care delivery systems including—

[''(A) promoting healthy eating behaviors and physical activity services to treat or prevent eating disorders, being overweight, and obesity;

[''(B) providing patient education and counseling to increase physical activity and promote healthy eating behaviors; and

[''(C) providing community education on good nutrition and physical activity to develop a better understanding of the relationship between diet, physical activity, and eating disorders, obesity, or being overweight; or

[''(4) other activities determined appropriate by the Secretary.

[''(f) Matching Funds.—In awarding grants under subsection (a), the Secretary may give priority to eligible entities who provide matching contributions. Such non-Federal contributions may be cash or in kind, fairly evaluated, including plant, equipment, or services.

[''(g) Technical Assistance.—The Secretary may set aside an amount not to exceed 10 percent of the total amount appropriated for a fiscal year under subsection (k) to permit the Director of the Centers for Disease Control and Prevention to provide grantees with technical support in the development, implementation, and evaluation of programs under this section and to disseminate information about effective strategies and interventions in preventing and treating obesity and eating disorders through the promotion of healthy eating behaviors and physical activity.

[''(h) Limitation on Administrative Costs.—An eligible entity awarded a grant under this section may not use more than 10 percent of funds awarded under such grant for administrative expenses.

[''(i) Report.—Not later than 6 years after the date of enactment of the Improved Nutrition and Physical Activity Act, the Director of the Centers for Disease Control and Prevention shall review the results of the grants awarded under this section and other related research and identify programs that have demonstrated effectiveness in healthy eating behaviors and physical activity in youth.

[''(j) Definitions.—In this section:

[''(1) Anorexia nervosa.—The term 'Anorexia Nervosa' means an eating disorder characterized by self-starvation and excessive weight loss.

[''(2) Binge eating disorder.—The term 'binge eating disorder' means a disorder characterized by frequent episodes of uncontrolled eating.

[''(3) Bulimia nervosa.—The term 'Bulimia Nervosa' means an eating disorder characterized by excessive food consumption, followed by inappropriate compensatory behaviors, such as self-induced vomiting, misuse of laxatives, fasting, or excessive exercise.

[''(4) Eating disorders.—The term 'eating disorders' means disorders of eating, including Anorexia Nervosa, Bulimia Nervosa, and binge eating disorder.

[''(5) Healthy eating behaviors.—The term 'healthy eating behaviors' means—

[''(A) eating in quantities adequate to meet, but not in excess of, daily energy needs;

[''(B) choosing foods to promote health and prevent disease;

[''(C) eating comfortably in social environments that promote healthy relationships with family, peers, and community; and

[''(D) eating in a manner to acknowledge internal signals of hunger and satiety.

[''(6) Obese.—The term 'obese' means an adult with a Body Mass Index (BMI) of 30 kg/m^2 or greater.

[''(7) Overweight.—The term 'overweight' means an adult with a Body Mass Index (BMI) of 25 to 29.9 kg/m^2 and a child or adolescent with a BMI at or above the 95th percentile on the revised Centers for Disease Control and Prevention growth charts or another appropriate childhood definition, as defined by the Secretary.

[''(8) Youth.—The term 'youth' means individuals not more than 18 years old.

[''(k) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section, $60,000,000 for fiscal year 2004 and such sums as may be necessary for each of fiscal years 2005 through 2008. Of the funds appropriated pursuant to this subsection, the following amounts shall be set aside for activities related to eating disorders:

[''(1) $5,000,000 for fiscal year 2004.

[''(2) $5,500,000 for fiscal year 2005.

[''(3) $6,000,000 for fiscal year 2006.

[''(4) $6,500,000 for fiscal year 2007.

[''(5) $1,000,000 for fiscal year 2008.''

[SEC. 202. NATIONAL CENTER FOR HEALTH STATISTICS.

[Section 306 of the Public Health Service Act (42 U.S.C. 242k) is amended by striking subsection (n) and inserting the following:

[''(n)(1) The Secretary, acting through the Center, may provide for the—

[''(A) collection of data for determining the fitness levels and energy expenditure of children and youth; and

[''(B) analysis of data collected as part of the National Health and Nutrition Examination Survey and other data sources.

[''(2) In carrying out paragraph (1), the Secretary, acting through the Center, may make grants to States, public entities, and nonprofit entities.

[''(3) The Secretary, acting through the Center, may provide technical assistance, standards, and methodologies to grantees supported by this subsection in order to maximize the data quality and comparability with other studies.''.

[SEC. 203. STUDY OF THE FOOD SUPPLEMENT AND NUTRITION PROGRAMS OF THE DEPARTMENT OF AGRICULTURE.

[(a) In General.—The Secretary of Agriculture shall request that the Institute of Medicine conduct, or contract with another entity to conduct, a study on the food and nutrition assistance programs run by the Department of Agriculture.

[(b) Content.—Such study shall—

[(1) investigate whether the nutrition programs and nutrition recommendations are based on the latest scientific evidence;

[(2) investigate whether the food assistance programs contribute to either preventing or enhancing obesity and being overweight in children, adolescents, and adults;

[(3) investigate whether the food assistance programs can be improved or altered to contribute to the prevention of obesity and becoming overweight; and

[(4) identify obstacles that prevent or hinder the programs from achieving their objectives.

[(c) Report.—Not later than 2 years after the date of enactment of this Act, the Secretary of Agriculture shall submit to the appropriate committees of Congress a report containing the results of the Institute of Medicine study authorized under this section.

[(d) Authorization of Appropriations.—There is authorized to be appropriated to carry out this section $750,000 for fiscal years 2003 and 2004.

[SEC. 204. HEALTH DISPARITIES REPORT.

[Not later than 18 months after the date of enactment of this Act, and annually thereafter, the Director of the Agency for Healthcare Research and Quality shall review all research that results from the activities outlined in this Act and determine if particular information may be important to the report on health disparities required by section 903(c)(3) of the Public Health Service Act (42 U.S.C. 299a–1(c)(3)).

[SEC. 205. PREVENTIVE HEALTH SERVICES BLOCK GRANT.

[Section 1904(a)(1) of the Public Health Service Act (42 U.S.C. 300w–3(a)(1)) is amended by adding at the end the following:

[''(H) Activities and community education programs designed to address and prevent overweight, obesity, and eating disorders through effective programs to promote healthy eating, and exercise habits and behaviors.''.

[SEC. 206. REPORT ON OBESITY RESEARCH.

[(a) In General.—Not later than 1 year after the date of enactment of this Act, the Secretary of Health and Human Services shall submit to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Energy and Commerce of the House of Representatives a report on research conducted on causes and health implications of obesity and being overweight.

[(b) Content.—The report described in subsection (a) shall contain—

[(1) descriptions on the status of relevant, current, ongoing research being conducted in the Department of Health and Human Services including research at the National Institutes of Health, the Centers for Disease Control and Prevention, the Agency for Healthcare Research and Quality, the Health Resources and Services Administration, and other offices and agencies;

[(2) information about what these studies have shown regarding the causes of, prevention of, and treatment of, overweight and obesity; and

[(3) recommendations on further research that is needed, including research among diverse populations, the department's plan for conducting such research, and how current knowledge can be disseminated.

[SEC. 207. REPORT ON A NATIONAL CAMPAIGN TO CHANGE CHILDREN'S HEALTH BEHAVIORS AND REDUCE OBESITY.

[Section 399Y of the Public Health Service Act (42 U.S.C. 280h–2) is amended—

[(1) by redesignating subsection (b) as subsection (c); and

[(2) by inserting after subsection (a) the following:

["(b) REPORT.—The Secretary shall evaluate the effectiveness of the campaign described in subsection (a) in changing children's behaviors and reducing obesity and shall report such results to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Energy and Commerce of the House of Representatives.".]

SECTION 1. SHORT TITLE.

This Act may be cited as the "Improved Nutrition and Physical Activity Act" or the "IMPACT Act".

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) An estimated 61 percent of adults and 13 percent of children and adolescents in the Nation are overweight or obese.

(2) The prevalence of obesity and being overweight is increasing among all age groups. There are twice the number of overweight children and 3 times the number of overweight adolescents as there were 29 years ago.

(3) An estimated 300,000 deaths a year are associated with being overweight or obese.

(4) Obesity and being overweight are associated with an increased risk for heart disease (the leading cause of death), cancer (the second leading cause of death), diabetes (the 6th leading cause of death), and musculoskeletal disorders.

(5) Individuals who are obese have a 50 to 100 percent increased risk of premature death.

(6) The Healthy People 2010 goals identify obesity and being overweight as one of the Nation's leading health problems and include objectives of increasing the proportion of adults who are at a healthy weight, reducing the proportion of adults who are obese, and reducing the proportion of children and adolescents who are overweight or obese.

(7) Another goal of Healthy People 2010 is to eliminate health disparities among different segments of the population. Obesity is a health problem that disproportionally impacts medically underserved populations.

(8) The United States Surgeon General's report "A Call To Action" lists the treatment and prevention of obesity as a top national priority.

(9) The estimated direct and indirect annual cost of obesity in the United States is $117,000,000,000 (exceeding the cost of tobacco-related illnesses) and appears to be rising dramatically. This cost can potentially escalate markedly as obesity rates continue to rise and the medical complications of obesity are emerging at even younger ages. Therefore, the total disease burden will most likely increase, as well as the attendant health-related costs.

(10) Weight control programs should promote a healthy lifestyle including regular physical activity and healthy eating, as consistently discussed and identified in a variety of public and private consensus documents, including "A Call To Action" and other documents prepared by the Department of Health and Human Services and other agencies.

(11) Eating preferences and habits are established in childhood.

(12) Poor eating habits are a risk factor for the development of eating disorders and obesity.

(13) Simply urging overweight individuals to be thin has not reduced the prevalence of obesity and may result in other problems including body dissatisfaction, low self-esteem, and eating disorders.

(14) Effective interventions for promoting healthy eating behaviors should promote healthy lifestyle and not inadvertently promote unhealthy weight management techniques.

(15) Binge Eating is associated with obesity, heart disease, gall bladder disease, and diabetes.

(16) Anorexia Nervosa, an eating disorder from which 0.5 to 3.7 percent of American women will suffer in their lifetime, is associated with serious health consequences including heart failure, kidney failure, osteoporosis, and death. In fact, Anorexia Nervosa has the highest mortality rate of all psychiatric disorders, placing a young woman with Anorexia Nervosa at 18 times the risk of death of other women her age.

(17) Anorexia Nervosa and Bulimia Nervosa usually appears in adolescence.

(18) Bulimia Nervosa, an eating disorder from which an estimated 1.1 to 4.2 percent of American women will suffer in their lifetime, is associated with cardiac, gastrointestinal, and dental problems, including irregular heartbeats, gastric ruptures, peptic ulcers, and tooth decay.

(19) On the 1999 Youth Risk Behavior Survey, 7.5 percent of high school girls reported recent use of laxatives or vomiting to control their weight.

(20) Binge Eating Disorder is characterized by frequent episodes of uncontrolled overeating, with an estimated 2 to 5 percent of Americans experiencing this disorder in a 6-month period.

(21) Eating disorders are commonly associated with substantial psychological problems, including depression, substance abuse, and suicide.

(22) Eating disorders of all types are more common in women than men.

TITLE I—TRAINING GRANTS

SEC. 101. GRANTS TO PROVIDE TRAINING FOR HEALTH PROFESSION STUDENTS.

Section 747(c)(3) of title VII of the Public Health Service Act (42 U.S.C. 293k(c)(3)) is amended by striking "and victims of domestic violence" and inserting "victims of domestic violence, individuals (including children) who are overweight or obese (as such terms are defined in section 399W(j)) and at risk for related serious and chronic medical conditions, and individuals who suffer from eating disorders".

SEC. 102. GRANTS TO PROVIDE TRAINING FOR HEALTH PROFESSIONALS.

Section 399Z of the Public Health Service Act (42 U.S.C. 280h–3) is amended—

(1) in subsection (b), by striking "2005" and inserting "2007";

(2) by redesignating subsection (b) as subsection (c); and

(3) by inserting after subsection (a) the following:

"(b) GRANTS.—

"(1) IN GENERAL.—The Secretary may award grants to eligible entities to train primary care physicians and other licensed or certified health professionals on how to identify, treat, and prevent obesity or eating disorders and aid individuals who are overweight, obese, or who suffer from eating disorders.

"(2) APPLICATION.—An entity that desires a grant under this subsection shall submit an application at such time, in such manner, and containing such information as the Secretary may require, including a plan for the use of funds that may be awarded and an evaluation of the training that will be provided.

"(3) USE OF FUNDS.—An entity that receives a grant under this subsection shall use the funds made available through such grant to—

"(A) use evidence-based findings or recommendations that pertain to the prevention and treatment of obesity, being overweight, and eating disorders to conduct educational conferences, including Internet-based courses and teleconferences, on—

"(i) how to treat or prevent obesity, being overweight, and eating disorders;

"(ii) the link between obesity and being overweight and related serious and chronic medical conditions;

"(iii) how to discuss varied strategies with patients from at-risk and diverse populations to promote positive behavior change and healthy lifestyles to avoid obesity, being overweight, and eating disorders;

"(iv) how to identify overweight and obese patients and those who are at risk for obesity and being overweight or suffer from eating disorders and, therefore, at risk for related serious and chronic medical conditions;

"(v) how to conduct a comprehensive assessment of individual and familial health risk factors; and

"(B) evaluate the effectiveness of the training provided by such entity in increasing knowledge and changing attitudes and behaviors of trainees.".

TITLE II—COMMUNITY-BASED SOLUTIONS TO INCREASE PHYSICAL ACTIVITY AND IMPROVE NUTRITION

SEC. 201. GRANTS TO INCREASE PHYSICAL ACTIVITY AND IMPROVE NUTRITION.

Part Q of title III of the Public Health Service Act (42 U.S.C. 280h et seq.) is amended by striking section 399W and inserting the following:

"SEC. 399W. GRANTS TO INCREASE PHYSICAL ACTIVITY AND IMPROVE NUTRITION.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—The Secretary, acting through the Director of the Centers for Disease Control and Prevention and in coordination with the Administrator of the Health Resources and Services Administration, the Director of the Indian Health Service, the Secretary of Education, the Secretary of Agriculture, the Secretary of the Interior, the Director of the National Institutes of Health, the Director of the Office of Women's Health, and the heads of other appropriate agencies, shall award competitive grants to eligible entities to plan and implement programs that promote healthy eating behaviors and physical activity to prevent eating disorders, obesity, being overweight, and related serious and chronic medical conditions. Such grants may be awarded to target at-risk populations including youth, adolescent girls, health disparity populations (as defined in section 485E(d)), and the underserved.

"(2) TERM.—The Secretary shall award grants under this subsection for a period not to exceed 4 years.

"(b) AWARD OF GRANTS.—An eligible entity desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, including—

"(1) a plan describing a comprehensive program of approaches to encourage healthy eating behaviors and healthy levels of physical activity;

"(2) the manner in which the eligible entity will coordinate with appropriate State and local authorities, including—

"(A) State and local educational agencies;

"(B) departments of health;

"(C) chronic disease directors;

"(D) State directors of programs under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786);

"(E) 5-a-day coordinators;

"(F) Governors' councils for physical activity and good nutrition;

"(G) State and local parks and recreation departments; and

"(H) State and local departments of transportation and city planning; and

"(3) the manner in which the applicant will evaluate the effectiveness of the program carried out under this section.

"(c) COORDINATION.—In awarding grants under this section, the Secretary shall ensure

that the proposed programs are coordinated in substance and format with programs currently funded through other Federal agencies and operating within the community including the Physical Education Program (PEP) of the Department of Education.

"(d) ELIGIBLE ENTITY.—In this section, the term 'eligible entity' means—

"(1) a city, county, tribe, territory, or State;

"(2) a State educational agency;

"(3) a tribal educational agency;

"(4) a local educational agency;

"(5) a federally qualified health center (as defined in section 1861(aa)(4) of the Social Security Act (42 U.S.C. 1395x(aa)(4));

"(6) a rural health clinic;

"(7) a health department;

"(8) an Indian Health Service hospital or clinic;

"(9) an Indian tribal health facility;

"(10) an urban Indian facility;

"(11) any health provider;

"(12) an accredited university or college;

"(13) a community-based organization;

"(14) a local city planning agency; or

"(15) any other entity determined appropriate by the Secretary.

"(e) USE OF FUNDS.—An eligible entity that receives a grant under this section shall use the funds made available through the grant to—

"(1) carry out community-based activities including—

"(A) city planning, transportation initiatives, and environmental changes that help promote physical activity, such as increasing the use of walking or bicycling as a mode of transportation;

"(B) forming partnerships and activities with businesses and other entities to increase physical activity levels and promote healthy eating behaviors at the workplace and while traveling to and from the workplace;

"(C) forming partnerships with entities, including schools, faith-based entities, and other facilities providing recreational services, to establish programs that use their facilities for after school and weekend community activities;

"(D) establishing incentives for retail food stores, farmer's markets, food co-ops, grocery stores, and other retail food outlets that offer nutritious foods to encourage such stores and outlets to locate in economically depressed areas;

"(E) forming partnerships with senior centers and nursing homes to establish programs for older people to foster physical activity and healthy eating behaviors;

"(F) forming partnerships with daycare facilities to establish programs that promote healthy eating behaviors and physical activity; and

"(G) providing community educational activities targeting good nutrition;

"(2) carry out age-appropriate school-based activities including—

"(A) developing and testing educational curricula and intervention programs designed to promote healthy eating behaviors and habits in youth, which may include—

"(i) after hours physical activity programs;

"(ii) increasing opportunities for students to make informed choices regarding healthy eating behaviors; and

"(iii) science-based interventions with multiple components to prevent eating disorders including nutritional content, understanding and responding to hunger and satiety, positive body image development, positive self-esteem development, and learning life skills (such as stress management, communication skills, problem-solving and decisionmaking skills), as well as consideration of cultural and developmental issues, and the role of family, school, and community;

"(B) providing education and training to educational professionals regarding a healthy lifestyle and a healthy school environment;

"(C) planning and implementing a healthy lifestyle curriculum or program with an emphasis on healthy eating behaviors and physical activity; and

"(D) planning and implementing healthy lifestyle classes or programs for parents or guardians, with an emphasis on healthy eating behaviors and physical activity;

"(3) carry out activities through the local health care delivery systems including—

"(A) promoting healthy eating behaviors and physical activity services to treat or prevent eating disorders, being overweight, and obesity;

"(B) providing patient education and counseling to increase physical activity and promote healthy eating behaviors; and

"(C) providing community education on good nutrition and physical activity to develop a better understanding of the relationship between diet, physical activity, and eating disorders, obesity, or being overweight; or

"(4) other activities determined appropriate by the Secretary.

"(f) MATCHING FUNDS.—In awarding grants under subsection (a), the Secretary may give priority to eligible entities who provide matching contributions. Such non-Federal contributions may be cash or in kind, fairly evaluated, including plant, equipment, or services.

"(g) TECHNICAL ASSISTANCE.—The Secretary may set aside an amount not to exceed 10 percent of the total amount appropriated for a fiscal year under subsection (k) to permit the Director of the Centers for Disease Control and Prevention to provide grantees with technical support in the development, implementation, and evaluation of programs under this section and to disseminate information about effective strategies and interventions in preventing and treating obesity and eating disorders through the promotion of healthy eating behaviors and physical activity.

"(h) LIMITATION ON ADMINISTRATIVE COSTS.—An eligible entity awarded a grant under this section may not use more than 10 percent of funds awarded under such grant for administrative expenses.

"(i) REPORT.—Not later than 6 years after the date of enactment of the Improved Nutrition and Physical Activity Act, the Director of the Centers for Disease Control and Prevention shall review the results of the grants awarded under this section and other related research and identify programs that have demonstrated effectiveness in healthy eating behaviors and physical activity in youth.

"(j) DEFINITIONS.—In this section:

"(1) ANOREXIA NERVOSA.—The term 'Anorexia Nervosa' means an eating disorder characterized by self-starvation and excessive weight loss.

"(2) BINGE EATING DISORDER.—The term 'binge eating disorder' means a disorder characterized by frequent episodes of uncontrolled eating.

"(3) BULIMIA NERVOSA.—The term 'Bulimia Nervosa' means an eating disorder characterized by excessive food consumption, followed by inappropriate compensatory behaviors, such as self-induced vomiting, misuse of laxatives, fasting, or excessive exercise.

"(4) EATING DISORDERS.—The term 'eating disorders' means disorders of eating, including Anorexia Nervosa, Bulimia Nervosa, and binge eating disorder.

"(5) HEALTHY EATING BEHAVIORS.—The term 'healthy eating behaviors' means—

"(A) eating in quantities adequate to meet, but not in excess of, daily energy needs;

"(B) choosing foods to promote health and prevent disease;

"(C) eating comfortably in social environments that promote healthy relationships with family, peers, and community; and

"(D) eating in a manner to acknowledge internal signals of hunger and satiety.

"(6) OBESE.—The term 'obese' means an adult with a Body Mass Index (BMI) of 30 kg/m2 or greater.

"(7) OVERWEIGHT.—The term 'overweight' means an adult with a Body Mass Index (BMI) of 25 to 29.9 kg/m2 and a child or adolescent with a BMI at or above the 95th percentile on the revised Centers for Disease Control and Prevention growth charts or another appropriate childhood definition, as defined by the Secretary.

"(8) YOUTH.—The term 'youth' means individuals not more than 18 years old.

"(k) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $60,000,000 for fiscal year 2004 and such sums as may be necessary for each of fiscal years 2005 through 2008. Of the funds appropriated pursuant to this subsection, the following amounts shall be set aside for activities related to eating disorders:

"(1) $5,000,000 for fiscal year 2004.

"(2) $5,500,000 for fiscal year 2005.

"(3) $6,000,000 for fiscal year 2006.

"(4) $6,500,000 for fiscal year 2007.

"(5) $1,000,000 for fiscal year 2008.".

SEC. 202. NATIONAL CENTER FOR HEALTH STATISTICS.

Section 306 of the Public Health Service Act (42 U.S.C. 242k) is amended—

(1) in subsection (m)(4)(B), by striking "subsection (n)" each place it appears and inserting "subsection (o)";

(2) by redesignating subsection (n) as subsection (o); and

(3) by inserting after subsection (m) the following:

"(n)(1) The Secretary, acting through the Center, may provide for the—

"(A) collection of data for determining the fitness levels and energy expenditure of children and youth; and

"(B) analysis of data collected as part of the National Health and Nutrition Examination Survey and other data sources.

"(2) In carrying out paragraph (1), the Secretary, acting through the Center, may make grants to States, public entities, and nonprofit entities.

"(3) The Secretary, acting through the Center, may provide technical assistance, standards, and methodologies to grantees supported by this subsection in order to maximize the data quality and comparability with other studies.".

SEC. 203. HEALTH DISPARITIES REPORT.

Not later than 18 months after the date of enactment of this Act, and annually thereafter, the Director of the Agency for Healthcare Research and Quality shall review all research that results from the activities outlined in this Act and determine if particular information may be important to the report on health disparities required by section 903(c)(3) of the Public Health Service Act (42 U.S.C. 299a–1(c)(3)).

SEC. 204. PREVENTIVE HEALTH SERVICES BLOCK GRANT.

Section 1904(a)(1) of the Public Health Service Act (42 U.S.C. 300w–3(a)(1)) is amended by adding at the end the following:

"(H) Activities and community education programs designed to address and prevent overweight, obesity, and eating disorders through effective programs to promote healthy eating, and exercise habits and behaviors.".

SEC. 205. REPORT ON OBESITY RESEARCH.

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary of Health and Human Services shall submit to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Energy and Commerce of the House of Representatives a report on research conducted on causes and health implications of obesity and being overweight.

(b) CONTENT.—The report described in subsection (a) shall contain—

(1) descriptions on the status of relevant, current, ongoing research being conducted in the Department of Health and Human Services including research at the National Institutes of Health, the Centers for Disease Control and Prevention, the Agency for Healthcare Research and Quality, the Health Resources and Services Administration, and other offices and agencies;

(2) information about what these studies have shown regarding the causes of, prevention of, and treatment of, overweight and obesity; and

(3) recommendations on further research that is needed, including research among diverse populations, the department's plan for conducting such research, and how current knowledge can be disseminated.

SEC. 206. REPORT ON A NATIONAL CAMPAIGN TO CHANGE CHILDREN'S HEALTH BEHAVIORS AND REDUCE OBESITY.

Section 399Y of the Public Health Service Act (42 U.S.C. 280h–2) is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following:

"(b) REPORT.—The Secretary shall evaluate the effectiveness of the campaign described in subsection (a) in changing children's behaviors and reducing obesity and shall report such results to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Energy and Commerce of the House of Representatives.".

Mr. HARKIN. Mr. President, I wish to engage in a colloquy with the distinguished majority leader, the Senator from Tennessee, Mr. FRIST. From time to time, Congress is confronted with a public health crisis of such magnitude that we have no choice but to act. For a number of reasons, including the changing physical environment, eating and physical activity habits, obesity has now emerged as a serious new public health threat. More than 65 percent of American adults and 15 percent of children are obese or overweight. These figures double the levels during the 1980s for adults and triple the levels for children. Obesity now contributes to an estimated 300,000 deaths annually. We also know that obesity contributes to diabetes, high blood pressure, high cholesterol, cancers and heart disease. The economic impact also is alarming. The Surgeon General reports that obesity costs the Nation over $117 billion directly and indirectly. These tends will continue if we do not develop a comprehensive strategy to prevent and treat this condition.

I commend Senator FRIST and others for introducing the Improved Nutrition and Physical Activity Act to begin to tackle this challenge. Senator FRIST as a physician certainly understands the impact of rising obesity rates. I commend his leadership on this issue. I believe that he and I agree that this IMPACT bill is an important step forward, but that more may need to be done to prevent and treat obesity. In view of the continuing and growing public health threat, I wonder if my friend and colleague would agree with me now that the Health, Education, Labor and Pensions Committee, as the committee of jurisdiction in this policy area, should devote further attention to this problem next year. I wonder whether he, as a fellow member of that HELP Committee, would agree with me now to urge chairman and ranking member of that committee to hold a hearing early in the next session of this Congress for that purpose.

Mr. FRIST. I thank my colleague for his kind remarks. As he knows, I believe this issue of obesity is one of the largest unaddressed public health issues we face today, and I am pleased by the action we are taking today. I agree that it is critical that we continue to direct our attention to this issue, and it is my hope that the HELP Committee will continue to examine the issue, including by holding a hearing next year.

Mr. HARKIN. I appreciate the attention of the majority leader to this subject. I commend his work and congratulate him on passage of this bill. I look forward to sending a joint letter to the HELP Committee, requesting a hearing, and I look forward to working with the Senator from Tennessee and others to build on this important start in combating harmful obesity.

Mr. FRIST. Mr. President, I ask unanimous consent that the committee substitute amendment be agreed to, the bill, as amended, be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendment in the nature of a substitute was agreed to.

The bill (S. 1172), as amended, was read the third time and passed.

Mr. FRIST. Mr. President, this bill we just passed does exactly as stated. It establishes grants to address health services for nutrition, for increased physical activity, and for obesity prevention.

It is late in the day, and a little bit later we will bring this session to a close. I am delighted personally, as a physician and as a Senator, that this body came forward to pass this important piece of legislation. I draw the attention of my colleagues to last week's edition of Newsweek magazine. It features a special section on the top 10 health stories of 2003. Weighing in as No. 1 in the Newsweek story in the judgment of its editor is the obesity epidemic in America. That comes before depression, it comes before cancer, and it comes before even the SARS virus.

The magazine reports that more than 65 percent of Americans are overweight or obese and rates of obesity-related illnesses are skyrocketing. Fifteen percent of America's children are seriously overweight, triple the number in 1970. It is an epidemic that is getting worse day by day, week by week, month by month, and year by year.

As a physician and as a Senator, this particular issue is one about which I care passionately. I have spoken to this issue frequently in the Senate and I return tonight to do so for a few moments. I applaud the media outlets because they have done a very good job in highlighting and spotlighting this new epidemic. They are taking this obesity threat seriously and helping to communicate that around the United States of America.

The message is simple, that obesity, which is growing day by day, is debilitating. It is effectively debilitating millions of Americans. Indeed, it has reached epidemic proportions in all ages but in particular in children.

Historically, obesity was considered just another lifestyle choice. It was a tolerable consequence of eating food, eating good food, and eating lots of food. It was a consequence of driving instead of walking. But now we know obesity literally causes heart disease. Heart disease is the No. 1 killer in Americans. Now we know that obesity causes diabetes, causes cancer, contributes to stroke. Indeed, a whopping 300,000 deaths a year can be linked directly to fat. And it is spreading. It is spreading in children. The percentage of kids age 6 to 19 who are overweight has not just doubled, not just tripled but almost quadrupled since the 1960s.

Nationwide, type 2 diabetes, which is the kind associated with being overweight, being obese, has skyrocketed. The Centers for Disease Control and Prevention estimates that one in three Americans born today—they studied the year 2000—will develop diabetes in their lifetime. It is the type of diabetes that can be prevented and it can be treated.

With African-American children and you look at Hispanic children, that number jumps to nearly half; one out of two African American and Hispanic babies born this year or last year will develop diabetes. As adults, we know it is hard to battle being overweight. But imagine, for a 10-year-old child, the challenge to both prevent and to treat this epidemic.

Diabetes leads to a whole host of chronic illnesses. It is the leading cause of amputations in our society today. It is the leading cause of blindness in our society today. It is the leading cause of heart disease and kidney disease in our society today.

With regard to children, teachers can tell the story. Teachers have the opportunity to see children in classrooms on a regular basis. They say they see kids out of breath simply walking up the stairs in school. They tell us about kids who, when they get outside of the school and go to the schoolyard, are out of breath or, they come back exhausted from a simple field trip.

Activities that we associate with exercise such as kick ball, jumping rope, climbing trees, for many kids today these are grueling exercises, grueling activities that are to be avoided at all cost because of their feeling of overexertion and being out of breath. Twenty-five percent of our Nation's children say they do not participate in any vigorous activity. That is one in four. Obesity is robbing them not only of enjoying the normal traditional childhood pastimes but it also is literally robbing them of their childhood years. By that I mean that obesity is associated with the early onset of puberty among girls. According to a study from the University of North Carolina, 48 percent of African-American girls begin puberty by age 8, over a quarter by age 7.

Indeed, this is a national health crisis. It is harming our children in ways we can readily observe. It is also harming our children in ways we do not so readily observe that will not become apparent until later in life. Yes, you observe the obesity but you do not see the side effects of the obesity until much later. Those side effects, as I mentioned before, are heart disease, amputation, blindness, a debilitating disease that condemns them to more illness, condemns them to a shorter life.

Again, this is a new phenomena. If we look at the history of medicine in this country, back a few hundred years, we are going along like this and in the 1960s or 1970s we have hit epidemic proportions. The reason I talk about it in the Senate and the reason why the bill just passed, the IMPACT Act, is so important is because this trend can be reversed. If we reverse it, we also reverse heart disease, lung disease, stroke, various types of cancer. That is what this body should be about. That is what this body is about and we demonstrated it by passing this so-called IMPACT Act that looks at nutrition, looks at physical activity, that focuses on young people. We are taking action; we are offering solutions. We cannot solve it all with this particular bill, but we show we are addressing identified problems; we are reversing problems that are apparent in our society.

In this session, the Committee on Health, Education, Labor, and Pensions unanimously approved the IMPACT Act, which we just passed in the Senate, the Improved Nutrition and Physical Activity Act. It was introduced earlier this year by myself with Senators BINGAMAN, DODD, and others. This IMPACT Act uses a multifaceted approach that emphasizes youth education to jump-start healthy habits early. It funds demonstration projects to find innovative ways, creative ways, to improve eating and exercise. In addition—and this is critically important—it includes rigorous evaluation so we can learn what is best.

We see many different proposals. We cannot turn on television without seeing the latest fad, the latest diet or the latest cure. It is a huge industry. What we in the Government can do and should be doing is evaluating what works best in terms of what we implement through this program. This bill does not attempt to control what Americans eat or what Americans do not eat. This bill does not outlaw bad foods. It does not attempt to replicate in any way that $1 billion diet and fitness industry. It does have a modest pricetag and that reflects the appropriate role of the Federal Government.

Working with the chairman of the HELP Committee, Senator JUDD GREGG, and Senator DODD, Senator BINGAMAN, and others, I am delighted—I am delighted—that we have, as authors, as sponsors, just seen this bill pass by unanimous consent.

I do hope the House of Representatives will join us early next year in sending this legislation to the President of the United States for his signature.

Again, this is not "the" solution. There is no single solution to this growing epidemic of obesity, but there are solutions. This epidemic can be reversed, and the start is awareness and then action. That is why, indeed, I am speaking at this fairly late hour on this particular issue, because we have just demonstrated, through action, that this body will work toward solutions, and to also state the importance of the awareness, especially awareness among children. And that is where this IMPACT bill will have a direct impact.

We know the consequences of obesity. We can and we should keep our kids safe by helping to keep them fit. Tonight, in this body, we demonstrated the start.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. FITZGERALD). Without objection, it is so ordered.

TRIBUTE TO SENATOR PAUL SIMON

Mr. DASCHLE. Mr. President, I think it is fitting that the distinguished Senator from Illinois is in the chair. I know Senator FRIST either has or intends to say something about the tragic news we just received this afternoon.

I had the privilege, the honor, of working with Paul Simon for 12 years. He brought a decency, a sense of humor, to his life and to his work that I think has never been matched. True to his roots as an investigative journalist, he had a clear eye for injustice and an untiring devotion to using power to improve the lives of Americans.

At the same time, he recognized that in order to maintain citizens' support for Government, we needed to preserve their faith in the political process.

Paul Simon was among the more vocal and effective advocates of campaign finance reform, and his leadership helped clear the way for the McCain-Feingold bill, passed 5 years after his departure.

Even after his retirement, Paul Simon remained committed to raising citizens' understanding of and faith in Government and politics through his writings and his work to begin Southern Illinois University's Public Policy Institute.

Anyone who knew or worked with Paul will miss his probing intellect, his self-deprecating wit, his integrity, and his leadership. I will never forget one of the last days that Senator Simon served, all of us surprised him during a vote by coming to the floor wearing bow ties. I will never forget the look on his face. We tried to replicate Paul Simon's look, but we could never replicate his soul, his character, his personality, his drive, his intellect, his prodigious writing as the author of, I know, more than a dozen books.

Paul Simon was a friend. Paul Simon was a giant on whom we depended for the guidance, the leadership, and the courage that this Senate has come to expect of people as capable as he was when he served. We will miss him dearly.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FRIST. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FRIST. Mr. President, I rise to pay tribute and respect to Senator Paul Simon who, as we know, died earlier today following surgery at the age of 75. On behalf of the Senate, I do extend my deepest condolences to the Simon family. He was a wonderful man, a wonderful Senator, always thoughtful, always plain spoken, and a man of impeccable integrity.

Among his many accomplishments, Senator Simon was the chief Democratic sponsor of the balanced budget amendment. In 1990, his margin of victory over the challenger was the highest of any contested candidate in the Nation for Senator or Governor.

He authored 15 books. He received 39 honorary degrees. It was just a few weeks ago that he came by my office, as he went by many Senators' offices, not stopping, not resting at all, but arguing for, making the case for a wonderfully innovative program that helps expand and express the understanding of Americans, of college students, of people just out of college for events around the world, to give people the opportunity to serve overseas for a period of time and then to come back and share that knowledge and experience.

The fact that he came by the office—and it seems like yesterday; it was several weeks ago now—and he had his flip charts. One by one, in that sort of scholarly, serious, academic way, expressing the truth, what he knew would work in a creative and innovative way impressed me. Indeed, it should be the goal of all of us, once we leave this body, to continue the process, participating as actively as he demonstrated several weeks ago.

He was a champion of the people and, indeed, a credit to the United States of America. To his family, to his friends, to his loved ones, our condolences go out to them over the coming days.

THE FIRST ANNUAL CONGRESSIONAL CONFERENCE ON CIVIC EDUCATION

Mr. DASCHLE. There is a great, possibly prophetic, story from the end of the Constitutional Convention in 1787. For weeks, delegates to the convention had labored in the Philadelphia heat to draft a Constitution. Every day, crowds waited outside Independence Hall for any news of their progress. Finally, a draft was agreed upon. As Benjamin Franklin emerged from the hall, a woman asked, "Dr. Franklin, what have you given us: A monarchy? Or a republic?" Franklin famously replied, "A republic—if you can keep it."

Some of our founders would, no doubt, be surprised that we have indeed managed to keep this republic they dared to imagine and create more than 200 years ago.

What has enabled the United States to become the world's oldest surviving democracy is more than luck. It is more, even, than divine providence. It is also the result of deliberate work and effort by generations of Americans to understand and protect the principles on which our nation was founded, and to pass those lessons on, undiminished, to future generations.

That is the heart of what we mean by "civic education."

I know the majority leader shares my belief that Congress has an important role to play in ensuring that civic education in America remains strong and vital and that it reaches all Americans. For that reason, it was an honor for both of us, along with many of our colleagues, to attend the First Annual Congressional Conference on Civic Education from September 20th to the 22nd of this year, in Washington, D.C.

The conference brought together education and civic leaders and others from all 50 States and the District of Columbia and gave them an opportunity to compare notes about what is happening in their States to strengthen civic education. Each State team also adopted a State action plan, which they will implement before the Second Annual Conference, which will be held in December 2004, also in Washington. I have the South Dakota State action plan, which I ask unanimous consent to have printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CIVIC EDUCATION PLAN FOR THE STATE OF SOUTH DAKOTA

Members of the South Dakota delegation, who attended the First Annual Conference On Civic Education in Washington D.C. in September 2003, have devised a plan for analyzing and improving civic education in the state. The South Dakota delegation comprised of Glenna Fouberg, President of the South Dakota State Board of Education, Representative Gerry Lange, Jack Lyons, Chair of the South Dakota Humanities Council, Bob Sutton, Executive Director of the South Dakota Community Foundation, and Senator Drue Vitter have planned a conference entitled "Dialogue On Civic Education in South Dakota." This event will take place in the capital building in Pierre on November 10, 2003.

A variety of state educators and state administrators have been invited to attend the conference that will focus on a historic overview of civic education, the current status of civic education, state certification requirements and teacher preparation, and successful programs. Members of the S.D. delegation will act as panelists for the event. Plenty of time will be allowed for observations and questions from those attending the conference.

The S.D. delegation has tentative plans for a follow-up conference to be held in the state in either the spring or summer. This event probably would be held in the Eastern part of the state.

The South Dakota delegation hopes to convey to its conference attendees the enthusiasm that they encountered at the Washington conference for improving and revitalizing civic education in the nation and the state.

Mr. FRIST. I was very pleased to join the distinguished Senator from South Dakota, Senator DASCHLE, and our leadership colleagues in the House of Representatives in hosting Congress's first Civic Education conference.

On behalf of the entire Senate, I want to recognize and thank the cosponsors of the first conference, the Alliance for Democracy and its members: the Center for Civic Education, the Center on the Congress at Indiana University and the National Conference of State Legislatures.

It is my understanding that there will be a total of five Congressional Conferences on Civic Education. These conferences will enable us to give civic education and civic participation the sustained, national attention they deserve but have not always gotten.

It is our hope to explore, at these annual conferences, the critical role civic education plays in promoting civic participation—which is really the lifeblood of any democracy.

We also want to find new and better ways to work with schools and with education leaders to create first-rate citizenship education programs in our nation's schools. I know this is an interest that the Senator from South Dakota shares.

I think this first conference provided an excellent start on that goal. I ask unanimous consent to have the State action plan for my State of Tennessee printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CIVIC EDUCATION PLAN FOR THE STATE OF TENNESSEE

"Civic education should be a central purpose of education essential to the well-being of representative democracy."

"Civic education should be seen as a core subject. Well-defined state standards and curricular requirements are necessary to ensure civic education is taught effectively at each grade level."

"Policies that support 'Quality teacher education and professional development' are important to insure effective classroom instruction and raise student achievement."

"Classroom programs that foster an understanding of fundamental constitutional principles through . . . service learning, discussion of current events, or simulations . . . are essential to civic education."

Mr. FRIST. With these four principles in mind, the Tennessee delegation has made the following Tennessee State Action Plan:

Reconvene in Tennessee to discuss further plans, an early December meeting is planned to include the entire delegation.

A follow-up meeting will include each delegate bringing "to the table" persons of influence that will help deliver our mission reviving "Civics in the Classroom."

Janis Kyser and Rep. Joe Towns will attend a Youth For Justice meeting to help with organizing a 501c3 organization to serve as a statewide clearing house for LRE services; Conduct an intensive state-wide LRE survey to determine what is happening, what needs to happen and where are the gaps in service; Plan and conduct a Statewide LRE conference.

Tennessee Delegation: Ms. Janis Kyser, State Facilitator; Senator Randy McNally, Tennessee State Senate; Representative Beth Harwell, Tennessee House of Representatives; Representative Joe Towns, Jr., Tennessee House of Representatives; Mr. Richard Ray, Chairman State School Board; Mr. Bruce Opie, Legislative Liaison, Tennessee Department of Education; Dr. Ashley Smith Jr., President Tennessee Middle School Association.

Mr. DASCHLE. I share the Majority Leader's belief that schools are critical in this effort. We must do a better job of educating our children to be the productive and involved citizens that our democracy, our country, needs.

Mr. FRIST. The Senator from South Dakota is correct. There are other important partners as well.

Democracy isn't something that just happens to us. It's something each of us must actively create. Citizenship gives us rights, but it also gives us responsibilities. Each of us has a responsibility to understand the great principles on which our great country was founded. Each of us has a responsibility to participate in the process of self-government.

It is an essential balance: rights and responsibilities. When we neglect either side of that equation, our democracy is in trouble.

Mr. DASCHLE. I agree with the Senator from Tennessee. It's not enough for the principles of our democracy to be known by only a few. That's not American democracy. In order to have a strong, vibrant democracy, everyone has to participate. Everyone has to know the history and the rules. We all need to learn not just names and dates, but the process of democracy. We also need to develop new and better ways to keep adults informed and involved in the civic life of their communities and of our nation.

Our nation faces grave, new challenges today. The very real threat of terrorism is forcing us to examine the balance between liberty and security. How do "we the people" respond to terrorism? How do "we the people" operate in an increasingly global world? In a world in which we are inundated with information of all kinds, how do we assure that people get the information they need to make informed decisions about our democracy and our future? These are the kinds of questions that future Congressional Conferences on Civic Education can explore.

Mr. FRIST. My friend is correct. The challenges and questions our nation faces today are different than those faced by our founders. But they are, in many ways, just as profound.

The great principles of democracy are what unify us as a people and bind us together as a nation. They are what gives us the strength to face the challenges of a complex world as one people. And, as my friend noted, they are what has made it possible for us to preserve the miracle of Philadelphia and keep our republic for more than two centuries.

I look forward to working with the distinguished democratic leader and with our colleagues in the House leadership to prepare for next year's conference. I also look forward to working with my fellow Tennesseans to see that our State produces an outstanding State action plan before that conference.

Mr. DASCHLE. I ask unanimous consent to have printed in the RECORD the Conference Statement and join the majority leader in encouraging all of our colleagues to lend their support to this Congressionally-sponsored effort to dramatically improve civic education and civic participation in America.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CONFERENCE STATEMENT—FIRST ANNUAL CONGRESSIONAL CONFERENCE ON CIVIC EDUCATION

The participants at the First Annual Congressional Conference on Civic Education acknowledge that there is an urgent need to address the low level of civic engagement in America. We recognize that:

Civic knowledge and engagement are essential to maintaining our representative democracy. While many institutions help to develop Americans' civic knowledge, skills, and dispositions, schools must have the capacity to prepare students for engaged citizenship. Civic education should be a central purpose of education essential to the well-being of representative democracy.

Civic education should be seen as a core subject. Well-defined state standards and curricular requirements are necessary to ensure that civic education is taught effectively at each grade level from kindergarten through 12th grade. Strengthening the civic mission of schools must be a shared responsibility of the public and private sectors at the community, local, state, and national levels.

Policies that support quality teacher education and professional development are important to ensure effective classroom instruction and raise student achievement.

Well-designed classroom programs that foster an understanding of fundamental constitutional principles through methods such as service learning, discussion of current events, or simulations of democratic processes and procedures are essential to civic education.

In recognition of these findings, we resolve to take action to reaffirm the historic civic mission of our schools.

Adopted by the Delegates to the First Congressional Conference on Civic Education, September 22, 2003, in Washington, D.C.

LOCAL LAW ENFORCEMENT ACT OF 2003

Mr. SMITH. Mr. President, I wish to speak about the need for hate crimes legislation. On May 1, 2003, Senator KENNEDY and I introduced the Local Law Enforcement Enhancement Act, a bill that would add new categories to current hate crimes law, sending a signal that violence of any kind is unacceptable in our society.

On November 11, 2003, a religious fundamentalist was arrested as a suspect in an alleged plot to bomb abortion clinics and gay bars throughout the eastern United States. On the day of his arrest, the suspect had purchased gasoline cans, flares, propane tanks and starter fluids, in addition to pistols and silencers. Thankfully, the suspect was arrested before he was able to commit multiple crimes of hate.

I believe that Government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act is a symbol that can become substance. I believe that by passing this legislation and changing current law, we can change hearts and minds as well.

Mr. DODD. Mr. President, I rise today to briefly discuss legislation to reform the rules governing class action litigation. In October of this year, the majority leader sought to proceed to the Class Action Fairness Act, S. 1751.

I joined thirty-eight of my colleagues in opposing the motion to proceed. I said at the time that while I supported some reform of class action procedures, I could not support S. 1751 in its current form. I also expressed concern about whether there would be any meaningful opportunity for interested Senators to negotiate changes to the bill in a bipartisan fashion.

Subsequent to the vote in October, I joined with three of my colleagues in sending a letter to the majority leader on November 14, 2003. In that letter, we reiterated our interest in class action reform and we outlined several areas where we believed revisions to S. 1751 were in order.

In November, Senators LANDRIEU, SCHUMER and I entered into discussions with Senators FRIST, HATCH, GRASSLEY, KOHL, and CARPER. Those discussions have resulted in a compromise agreed to by our eight offices that I believe significantly improves upon S. 1751. I also ask unanimous consent that a summary of the compromise produced by my office be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. DODD. Lastly, Mr. President, I want to point out that in my view this is a delicate compromise, which addresses the shortcomings of current class action practice while at the same time protecting the right of citizens to join with fellow citizens to seek the redress of grievances in the courts of our Nation. As I and my colleagues said in our letter of November 14th, it is "critical" that this agreement "be honored as the bill moves forward—both in and beyond the Senate."

EXHIBIT 1

SUMMARY OF CHANGES TO S. 1751 AS AGREED TO BY SENATORS FRIST, GRASSLEY, HATCH, KOHL, CARPER, DODD, LANDRIEU, AND SCHUMER

The Compromise Improves Coupon Settlement Procedures

S. 1751 would have continued to allow coupon settlements even though only a small percentage of coupons are actually redeemed by class members in many cases.

The compromise proposal requires that attorneys fees be based either on (a) the proportionate value of coupons actually redeemed by class members or (b) the hours actually billed in prosecuting the class action. The compromise proposal also adds a provision permitting federal courts to require that settlement agreements provide for charitable distribution of unclaimed coupon values.

The Compromise Eliminates the So-Called Bounty Prohibition in S. 1751

S. 1751 would have prevented civil rights and consumer plaintiffs from being compensated for the particular hardships they endure as a result of initiating and pursuing litigation.

The compromise deletes the so-called "bounty provision" in S. 1751, thereby allowing plaintiffs to receive special relief for enduring special hardships as class members.

The Compromise Eliminates the potential for Notification Burden and Confusion

S. 1751 would have created a complicated set of unnecessarily burdensome notice requirements for notice to potential class members. The compromise eliminates this unnecessary burden and preserves current federal law related to class notification.

The Compromise Provides for Greater Judicial Discretion

S. 1751 included several factors to be considered by district courts in deciding whether to exercise jurisdiction over class action in which between one-third and two-thirds of the proposed class members and all primary defendants are citizens of the same state.

The compromise provides for broader discretion by authorizing federal courts to consider any "distinct" nexus between (a) the forum where the action was brought and (b) the class members, the alleged harm, or the defendants. The proposal also limits a court's authority to base federal jurisdiction on the existence of similar class actions filed in other states by disallowing consideration of other cases that are more than three years old.

The Compromise Expands the Local Class Action Exception

S. 1751 established an exception to prevent removal of a class action to federal court when 2/3 of the plaintiffs are from the state where the action was brought and the "primary defendants" are also from that state (the Feinstein formula). The compromise retains the Feinstein formula and creates a second exception that allows cases to remain in state court if: (1) more than 2/3 of class members are citizens of the forum state; (2) there is at least one in-state defendant from whom significant relief is sought and who contributed significantly to the alleged harm; (3) the principal injuries happened within the state where the action was filed; and (4) no other class action asserting the same or similar factual allegations against any of the defendants on behalf of the same or other persons has been filed during the preceding three years.

The Compromise Creates a Bright Line for Determining Class Composition

S. 1751 was silent on when class composition could be measured and arguably would have allowed class composition to be challenged at any time during the life of the case. The compromise clarifies that citizenship of proposed class members is to be determined on the date plaintiffs filed the original complaint, or if there is no federal jurisdiction over the first complaint, when plaintiffs serve an amended complaint or other paper indicating the existence of federal jurisdiction.

The Compromise Eliminates the "Merry-Go-Round" Problem

S. 1751 would have required federal courts to dismiss class actions if the court determined that the case did not meet Rule 23 requirements. The compromise eliminates the dismissal requirement, giving federal courts discretion to handle Rule 23-ineligible cases appropriately. Potentially meritorious suits will thus not be automatically dismissed simply because they fail to comply with the class certification requirements of Rule 23.

The Compromise Improve Treatment of Mass Actions

S. 1751 would have treated all mass actions involving over 100 claimants as if they were class actions. The compromise makes several changes to treat mass actions more like individual cases than like class actions when appropriate.

The compromise changes the jurisdictional amount requirement. Federal jurisdiction shall only exist over those persons whose claims satisfy the normal diversity jurisdictional amount requirement for individual actions under current law (presently $75,000).

The compromise expands the "single sudden accident" exception so that federal jurisdiction shall not exist over mass actions in which all claims arise from any "event or occurrence" that happened in the state where the action was filed and that allegedly resulted in injuries in that state or in a contiguous state. The proposal also added a provision clarifying that there is no federal jurisdiction under the mass action provision for claims that have been consolidated solely for pretrial purposes.

The Compromise Eliminates the Potential for Abusive Plaintiff Class Removals

S. 1751 would have changed current law by allowing any plaintiff class member to remove a case to federal court even if all other class members wanted the case to remain in state court. The compromise retains current law—allowing individual plaintiffs to opt out of class actions, but not allowing them to force entire classes into federal court.

The Compromise Eliminates the Potential for Abusive Appeals of Remand Orders

S. 1751 would have allowed defendants to seek unlimited appellate review of federal court orders remanding cases to state courts. If a defendant requested an appeal, the federal courts would have been required to hear the appeal and the appeals could have taken months or even years to complete.

The compromise makes two improvements: (1) grants the federal courts discretion to refuse to hear an appeal if the appeal is not in the interest of justice; (2) Establishes tight deadlines for completion of any appeals so that no case can be delayed more than 77 days, unless all parties agree to a longer period.

The Compromise Preserves the Rulemaking Authority of Supreme Court and Judicial Conference

The compromise clarifies that nothing in the bill restricts the authority of the Judicial Conference and Supreme Court to implement new rules relating to class actions.

The Compromise is Not Retroactive

Unlike the House Bill, the compromise will not retroactively change the rules governing jurisdiction over class actions.

HONORING OUR ARMED FORCES

TRIBUTE TO SPECIALIST AARON J. SISSEL

Mr. GRASSLEY. Mr. President, I rise today to pay tribute to a fellow Iowan and a great patriot, Iowa National Guard Specialist Aaron J. "George" Sissel. Specialist Sissel gave his life in service to his country on November 29, 2003 in support of Operation Iraqi Freedom when the convoy in which he was traveling came under enemy fire. This brave young man was only 22 years old at the time of his death.

I ask my colleagues in the Senate, my fellow Iowans, and all Americans to join me today in paying tribute to Specialist Sissel for his dedication to the cause of freedom and for his sacrifice in defense of the liberties we all so dearly prize. He selflessly served his Nation, sacrificing his life for the great principles that underpin both our way of life and the hopes and dreams of all humankind—the principles of liberty, justice, and equality. In a statement released following his death, Specialist Sissel's family offered the following words about their son and brother: "Aaron 'George' died doing what he loved and believed in. We are very proud of him."

We can all be very proud of men like Specialist Sissel. Our Nation's history is distinguished by the presence of extraordinary men and women willing to risk their lives in defense of our country, but also by families who sacrifice those they love for the sake of the great principles of American life. While we share the pride felt by Specialist Sissel's family, we also share their grief. My deepest sympathy goes out to the members of Specialist Sissel's family, to his friends, and to all those who have been touched by his untimely passing. May his mother, Jo, his father and stepmother, Kirk and Cindy, his sister, Shanna, and his fiancee, Kari Prellwitz, be comforted with the knowledge that they are in the thoughts and prayers of many Americans, and that they have the eternal gratitude of an entire nation.

Specialist Sissel did not die in vain; rather, he died in defense of the Nation he loved and the principles in which he believed. Indeed, Specialist Aaron J. "George" Sissel has entered the ranks of our Nation's greatest patriots, and his courage, his dedication, and his sacrifice are all testaments to his status as a true American hero.

SP4 DAVID J. GOLDBERG, U.S. ARMY

Mr. HATCH. Mr. President, my heart is heavy. Utah has once again given one of her sons to the cause of liberty.

Any loss of our fine young men or women is a tragedy. However, I believe this is particularly so with the loss of SP4 David J. Goldberg. He was a fine young man, loved dearly by his parents and wife. Though of a young age, he had already accepted the responsibilities of a man and had volunteered to serve his Nation during a time of war. This sense of responsibility, especially to his fellow soldiers, was one of the defining characteristics of his life. I have learned from the many who knew him and loved him that the specialist was always there for his fellow soldiers, frequently volunteering for extra assignments when others were not available. He will be greatly missed.

And so, another name has been added to Utah's List of Honor: SP4 David J. Goldberg. He joins an illustrious list that includes CPT Nathan S. Dalley, West Point graduate and a member of the Army's 1st Armored Division, SSG James W. Cawley, U.S. Marine Corps Reserve; SSG Nino D. Livaudais of the Army's Ranger Regiment; Randall S. Rehn, of the Army's 3rd Infantry Division; SGT Mason D. Whetstone of the U.S. Army and former Special Forces soldier Brett Thorpe.

Their names and the service they performed is something that I shall never forget. I shall always honor them and their families.

CPT NATHAN S. DALLEY, U.S. ARMY

Mr. President, on November 17, God called home one of our best and brightest, CPT Nathan S. Dalley. At the young age of 27, Captain Dalley entered the hallowed list of those sons and daughters of Utah who have given their lives for their country.

Captain Dalley epitomized what a soldier should be: a born leader, mindful of his responsibilities, and eager to help and encourage others. He was exceptional in many ways, yet a decent man that treated everyone with respect. You see, I had the honor of knowing Captain Dalley. I was proud to nominate him to the United States Naval Academy; however, he decided to pursue his career in public service with the Army and attended West Point. It should also be noted that he was also accepted to the Air Force Academy; remarkable achievements by any standard.

While preparing these remarks, I went through my files and found these words from this young man's Advanced Placement History teacher, who wrote a nomination recommendation:

> As impressive as [Nathan Dalley's] academic qualities are, I find his personal qualities to be even more impressive . . . His kindness and friendliness to everyone set him apart in the classroom, and in the larger school setting. In my class he was a remarkably effective cooperative learner and peer tutor. Nate understands that his contributions to the community as a whole are as important as his personal academic success, and I have every confidence that he will be successful in his future pursuits.

Captain Dalley not only met these high expectations, but exceeded them.

To his mother, his sisters and his fiancee, I would like to say that, although I have no words to minimize your grief, I hope there is some comfort in knowing that all who knew your son respected him and knew him to be a good friend.

I will never forget Nathan Dalley or the others from Utah's list of honor. Their sacrifice will make a difference, their will be freedom in Iraq, and those who would destroy liberty will be brought to justice. So today we add CPT Nathan S. Dalley to this illustrious list that includes SSG James W. Cawley, United States Marine Corps Reserve; SSG Nino D. Livaudais of the Army's Ranger Regiment; Randall S. Rehn, of the Army's 3rd Infantry Division; SGT Mason D. Whetstone of the United States Army; SP4 David J. Goldberg of the Utah-based 395th Finance Battalion, Army Reserve and former Special Forces soldier Brett Thorpe.

We will honor them always and stand fast behind their families.

PATENT CHALLENGE PROVISIONS OF THE MEDICARE REFORM BILL

Mr. HATCH. Mr. President, I rise to make a few comments about the historic Medicare legislation that President Bush signed into law yesterday.

I will center my remarks today on the provisions of the bill that amend the Drug Price Competition and Patent Term Restoration Act of 1984. I am a coauthor of the 1984 law and it is of particular interest to me. This law, often referred to as the Waxman-Hatch Act or Hatch Waxman, is of great importance to my fellow Utahns and the rest of the American public as it saves an estimated $8 to $10 billion for consumers each year.

Over the past 2 years, the Senate has spent considerable time and effort debating refinements to the 1984 law designed to close some loopholes that emerged and were exploited. While I would have preferred a more comprehensive reexamination of the statute with the goal of assessing how the law might be changed to facilitate new biomedical research and how best to disseminate the fruits of this research to the public in a quick and fair fashion, the amendments made to Hatch-Waxman made under the leadership of Senators GREGG, SCHUMER, MCCAIN, KENNEDY, COLLINS, and EDWARDS are very significant.

It has been my position for some time that once the Congress adopts and the President signs, as he did yesterday, Medicare reform legislation that includes a prescription drug benefit, pressure will grow on Congress and the Food and Drug Administration to find new ways to bring new biotechnology products to the public when the patents expire. The Center for Medicare and Medicaid Services will be compelled to look for ways to economize on the purchase of drugs and it seems likely to me that the Department of Health and Human Services will have to explore regulatory measures that can produce saving. The Commissioner of Food and Drugs, Dr. Mark McClellan, has indicated a willingness to examine this issue. Few, if any, of my colleagues in Congress have to date joined in the discussion surrounding whether and, if so, how to create a fast track approval system for biologic products, but I believe the bill signed into law yesterday will encourage this debate. I welcome this debate and recognize that very important public health matters are at its heart. As well, retaining America's worldwide leadership in biomedical research is at stake whenever we consider legislation that affects pharmaceutical related intellectual property.

We must proceed carefully but we must proceed. Critical to the success of this debate is a need to observe the principle of balance contained in the original 1984 law so that both research based firms and generic firms receive new incentives that will allow them to continue to produce and distribute the products that the American public deserves.

As more and more biological products come to the market, the pressures on the Federal Government, State governments, private insurers, and private citizens to pay for these products will result in considerable pressure to create a fast track FDA approval system for off-patent biological products. Such a mechanism was not discussed in the 1984 negotiations that resulted in Hatch-Waxman largely because the biotechnology was still in its infancy. This is not the case today. Few, if any, of my colleagues in Congress have to date joined the discussion surrounding creating a fast track approval for off-patent follow-on biologic products, but I believe the new law signed yesterday will encourage this debate.

As part of an appraisal of the laws relating to the development and approval of pharmaceutical products, I would also hope that my colleagues and the public will examine the full complement of incentives that Senator LIEBERMAN and I have included in our bi-partisan bioterrorism bill, S. 666. These incentives, which include day-to-day patent term restoration and a harmonization of the marketing exclusivity period to the 10-year term employed by the EU and Japan, will be helpful for the development of countermeasures to bioterrorist attacks and they should also be carefully considered with respect to developing new vaccines, diagnostics, and preventive and therapeutic agents for a host of other diseases and conditions.

With respect to the patent challenge provisions of the Medicare bill, I want especially to commend the efforts of Senator GREGG, Chairman of the HELP Committee and the Majority Leader, Senator FRIST, for working so hard to improve this legislation. There can be no doubt that the bill the President signed yesterday is a big improvement compared with the McCain-Schumer bill of last year, S. 812, that passed the Senate.

I must also commend my colleagues in the House including, Commerce Committee Chairman BILLY TAUZIN, Commerce Committee Ranking Democrat JOHN DINGELL, and my colleagues from the House Judiciary Committee, Chairman JIM SENSENBRENNER and Ranking Democrat JOHN CONYERS, and Intellectual Property Subcommittee Chairman LAMAR SMITH for their help in vastly improving the Gregg-Schumer-Kennedy amendments that passed the Senate by a 94–1 vote this summer.

As the sole dissenter in the Senate, I am pleased the conferees were able to work in a bipartisan, bicameral spirit to correct the constitutional flaw in the Senate-passed bill. I commend the Department of Justice for its work that helped dislodge the unconstitutional "actual controversy" language from the declaratory judgment provision of the bill.

I am also pleased that the conferees decided to reject the provision of the Senate bill that would have resulted in the so-called parking of exclusivity in cases in which a generic challenger could show that the patents held by a pioneer drug firm were not infringed or were invalid. In order to give an incentive for vigorous patent challenges, the 1984 law granted a 180-day head start over other generic drug firms when the pioneer firm's patents failed or were simply not infringed. As I will explain in some detail, I think there may be a way to improve this language further and to save consumers a considerable sum of money in the process.

The 180-day marketing exclusivity rules were first enacted as part of the Waxman-Hatch Act. The policy behind these provisions is to benefit the public by creating an atmosphere that ensure vigorous challenges of the patents held by innovator drug firms.

The intent of this section of the 1984 law was to award the 180-day head start to the first successful challenger of a pioneer firm's patents. Unfortunately, we drafters of the statute employed language that has been interpreted by the courts to grant the 180-days of exclusivity to the first generic drug applicant to file an application with the FDA that challenges the patents.

I must say that in most cases the first filer and first successful applicant was the same applicant. But I believe that the line of court decisions that include the Mova and Granutec cases has resulted in the establishment of a first filer regime that is not without unintended consequences and perverse incentives. The mismatch between the rights accorded to the first applicants and first successful challenger contributed to an atmosphere in which anticompetitive agreements were entered into between certain pioneer and generic drug firms.

I am pleased that the Medicare reform bill signed into law yesterday contained Senator LEAHY's Drug Competition Act, which is designed to increase enforcement of longstanding provisions of antitrust law that prevent anti-consumer agreements. The 2002 FTC study, "Generic Drug Entry Prior to Patent Expiration," catalogs the agency's actions in this arena including such cases as those involving Hoescht and Andryx and Abbott and Geneva.

I am also pleased that the Senate language prevailed on Senator LEAHY's Drug Competition Act so that potentially anticompetitive agreements between research-based and generic drug firms will be reported to both the Department of Justice and the Federal Trade Commission. I worked extensively with Senator LEAHY on his bill in the 107th Congress and took the lead, with his cosponsor, Senator GRASSLEY, in convincing the House conferees of the wisdom of the Senate's dual reporting requirement.

So, the conferees made a number of important improvements to provisions of the legislation affecting challenges to drug patents. At our August 1, 2003, Judiciary Committee hearing, both the FDA and FTC expressed reservations about some elements of the Senate bill's rules pertaining to the 180-day marketing provision. The Administration, correctly in my view, took exception to the provisions in the Senate bill that would have allowed a sue now/use the exclusivity later—and perhaps years later at that—policy on marketing exclusivity.

At the August 1st hearing, Mr. Robert Armitage, General Counsel of the Eli Lilly Company, presented compelling testimony on the matter of "parking" or delaying, the use of the 180-day exclusivity until the basic patents expire. The question confronting policymakers centered on the wisdom of retaining the Gregg-Schumer-Kennedy provision that would have encouraged very early lawsuits by those with, for examples, noninfringing formulations of the pioneer product, in order to gain the potentially very lucrative 180-days of exclusivity down the road.

I welcome and expect that day will come when Congress will reexamine the whole rationale and operation of the 180-day marketing exclusivity provisions. The day will come when the Congress will be forced to confront the incongruity in the statute, pointed out by my friend and skilled patent-challenging lawyer and philanthropist, Al Engelberg, is awarding 180 days both for a successful invalidity challenge and an non-infringement action. The former, a finding of invalidity, accrues to all generic firms while the latter benefits only the specific non-infringer. This is a distinction with a difference in a sector of the economy where a whole cottage industry has grown up fueled in large part by non-infringement suits to non-basic patents. It is less than clear that the public benefits as much as it can or should under the present system which is left largely in place by the new bill language. This issues deserves further discussion.

Nevertheless, I am pleased that the Senate language that allowed long-term parking of exclusivity was modified in an important way by the conferees. I want to commend the FDA and especially the Chief Counsel for Food and Drugs, Mr. Dan Troy, and the soon-to-be betrothed Associate Commissioner for Legislative Affairs, Mr. Amit Sachdev, for their contributions in this area.

Having now commended the administration for helping to improve materially the Senate version of the 180-day provisions, I must also unfortunately report to my colleagues in the Senate and to the American public that we have not accomplished as much as possible with respect to the 180-day provisions.

First off, I continue to believe that it is both unfair and ill-advised to retain the bill language that does not reward a non-first-filer to gain the 180-days marketing exclusivity in the case, which will admittedly be rare, in which the subsequent filer prevails on a patent invalidity challenge. I am told that conferee staff first thought that the provision as drafted, and now signed into law, would result in a subsequent filer's successful invalidity challenge forfeiting the first filer's 180 days of marketing exclusivity. Although the successful challenger does not get the 180-day head start, at least under this reading, the subsequent successful challenger is not penalized with respect to market entry. Upon further scrutiny of the statutory language, it is my understanding that in such circumstances the language may actually work to grant the 180-days of marketing exclusivity to the first filer, so that the successful subsequent challenger not only does not get the 180-day benefit, but actually receives a 180-day penalty for invalidating the patent.

If this is the correct way to read the statute, the law should be changed.

I am told that the staff of any conferee nor the FDA strongly defended this policy. Unfortunately, nor was there agreement to change the language to at least clarify that the subsequent challenger's success was at least a forfeiture event or, preferable from my perspective, would result in the granting of the 180-days to the successful challenger in a patent invalidity challenge rather than benefitting the fastest paper shuffler.

This is bad policy.

Finally, I must unfortunately report to my colleagues that the new statute retains the Gregg-Schumer-Kennedy provision that may cost the Federal government, according to the CONGRESSIONAL BUDGET OFFICE, $700 million over the next 10 years. Moreover, it is my understanding that the total cost of this provision to consumers over the next 10 years could exceed $3 billion.

At issue are the sections of the bill that essentially give the first filer an exclusive right to the potential 180-day marketing exclusivity until its case is decided at the appellate court level. The question arises of what happens if a subsequent filer is not sued by the pioneer firm and is ready, willing and able to go to market but for waiting for the disposition of the first filer's challenge in the appellate court? If the first filer prevails in the appellate court, it will receive the 180-days of exclusive marketing even though one or more subsequent filers were ready, willing, and able to go to the market long before the first filer's challenge was resolved.

I would also note the FTC study documents that when the first filer wins in the district court, they almost always prevail on appeal. The FTC opposed reinstating the earlier policy of the appellate court trigger because it believes that, on average, consumers will lose out while generic firms get an extra measure of certainty.

In any event, subsequent to the Judiciary Committee hearing in August and throughout the fall as the conference committee met, I was involved in participating and facilitating discussions designed to craft language to close this new loophole sanctioned by the Gregg-Schumer-Kennedy language as well as to make a few other clarifications to the parking language. Specifically, I preferred statutory language that would automatically convert unsuccessful Paragraph IV invalidity/noninfringement challenges to standard Paragraph III—"the patents expire on"—applications. FDA believes it can accomplish this by rule or guideline, but the courts have not been kind to FDA rulemaking with respect to Hatch-Waxman in recent years.

While I am mindful that the forces behind the first filer system of challenge have won the day in this legislation, I think in the circumstance when the subsequent challenger has not been sued, and may have even been issued a covenant not to be sued by the pioneer firm, that the first filer should at least forfeit its 180 days if it is not prepared to go to market in the 75-day grace period the new provision creates. This is good for the consumer and sound policy since the rationale behind the 180-day provision is to create an incentive for challenges to the pioneer's patents, not to create an entitlement to the first applicant to file a patent challenge with the FDA in the Parklawn Building. It seems to me that the first time that a blockbuster product is kept off the market, perhaps for over a year, due to the application of this new law and there is a second generic ready, able and willing to go to market, there will be a great public clamor, as there should be.

At one point, I thought I was close to agreeing to language with Senator KENNEDY and others to close this new loophole. Unfortunately, we did not reach agreement and since this was a part of the legislation in which the Senate and House language was virtually identical, it is understandable the conferees concentrated their efforts on those many provisions in which there were substantial differences. On the very last days before the conference report was completed, Senator SCHUMER and I also came close to closing this newly created loophole, but time ran out on this effort.

Let me just say I am mindful that the politics and financial interests with respect to this issue among those in both the research-based firms and generic drug companies are a very sensitive matter. I also recognize it will be exceedingly difficult to reopen these provisions now that the President has signed the bill into law. Nevertheless, I think we got this aspect wrong and we should try to fix it. I pledge to continue to work with Senator GREGG, MCCAIN, SCHUMER, KENNEDY as well as Representatives TAUZIN, DINGELL, SENSENBRENNER, SMITH, and CONYERS and other interested members of Congress and other affected parties to fix this problem before consumers have to pay for this ill-advised policy.

In the interest of moving this issue along in a constructive fashion, I have developed a discussion draft that emerged out of my discussions with Senator KENNEDY and others that addresses these issues. Frankly, much of this draft reflects refinements to a draft that Senator KENNEDY prepared in part as a response to a draft prepared largely by several private sector parties earlier this year that I submitted to the Medicare conferees for their consideration. It is my understanding that the administration does not oppose this language but, unfortunately, neither did it support this approach due, in some measure, to the fact that it was not anxious to open new issues in the already complex Medicare conference.

Although they both opposed the underlying Medicare reform bill, I commend my colleagues, Senators KENNEDY and SCHUMER for their interest in improving this particular aspect of the legislation.

In closing, let me say again that Senators GREGG, KENNEDY, SCHUMER, MCCAIN, and FRIST have worked hard to improve the patent challenge provisions of current law and all deserve our thanks.

I am very proud of the Drug Price Competition and Patent Term Restoration Act, which has done so much to help consumers have access to more affordable medications.

The underpinning of this great consumer measure is a very complex, legal framework. Any changes to the law must be carefully scrutinized to assure they achieve their intended effect.

I plan to monitor very carefully the implementation of the first, substantial Waxman-Hatch amendments in almost two decades and intend to work with my colleagues to make certain they achieve their intended purpose.

I welcome the views of any interested parties who wish to comment on this discussion draft, as well as other implementation issues that the Congress should consider.

At the same time, I think there are broader issues here it behooves the Congress to consider. These include the issue of follow-on biologics as well as whether the law today contains the appropriate incentives, including intellectual property incentives, for pharmaceutical research and development in light of the fact that science appears to be moving away from an era of large patient population, small-molecule medicine to small patient-population, large biological molecule therapies.

Mr. President, I ask unanimous consent that the draft be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 812

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FORFEITURE OF 180-DAY EXCLUSIVITY PERIOD.

(a) MAINTENANCE OF CERTIFICATION THAT PATENT IS INVALID OR WILL NOT BE INFRINGED.—Section 505(j)(2) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355(j)(2)) (as amended by section 1101(a)(1)(B) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003) is amended by adding at the end the following:

"(E) MAINTENANCE OF CERTIFICATION THAT PATENT IS INVALID OR WILL NOT BE INFRINGED.—An applicant shall not be permitted to maintain a certification under subparagraph (A)(vii)(IV) with respect to a patent as of the date on which any of the following occurs:

"(i) The Secretary notifies the applicant that the Secretary has granted and made effective a request by the holder of the application approved under subsection (b) to withdraw the patent that is the subject of the certification or the information with respect to the patent is otherwise no longer contained in the application approved under subsection (b), except that no request to withdraw the patent, if based on a court decision or court judgment with respect to the patent, shall be made effective for at least 75 days after the court decision or court judgment and shall not be made effective during the 180-day exclusivity period of the applicant if the exclusivity period commences during the 75-day period.

"(ii) The patent that is the subject of the certification expires.

"(iii) A court enters a final decision from which no appeal (other than a petition to the Supreme Court for a writ of certiorari) has been or can be taken that the patent that is the subject of the certification is infringed by the product at issue in the application submitted by the applicant, or a court signs a settlement order or consent decree that enters a final judgment and includes a finding that the patent that is the subject of the certification is infringed by the product at issue in the application submitted by the applicant and, in addition, the patent that is the subject of the certification is not found to be invalid or unenforceable in the final decision or the final judgment.".

(b) FAILURE TO MARKET.—Section 505(j)(5) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355(j)(5)) (as amended by section 1102(a)(1) of the Medicare Prescription Drug, Improvement. and Modernization Act of 2003) is amended

(1) in subparagraph (B)(iv)—

(A) in subclause (I), by inserting after "certification," the following: "is thereafter permitted to maintain such a certification, and has thereafter maintained such a certification with respect to a patent for which such a certification was submitted by the first applicant on the first applicant date,"; and

(B) in subclause (II)—

(i) by redesignating items (cc) and (dd) as items (dd) and (ee), respectively; and

(ii) by striking item (bb) and inserting the following:

"(bb) FIRST APPLICANT.—The term 'first applicant' means an applicant that submits on the first applicant date a substantially complete application for approval of the drug that contains the certification described in paragraph (2)(A)(vii)(IV) with respect to a patent for which information was filed under subsection (b) or (c) and is thereafter permitted to maintain and has thereafter maintained the certification described in paragraph (2)(A)(vii)(IV) with respect to the patent.

"(cc) FIRST APPLICANT DATE.—The term 'first applicant date' means the first day on which a substantially complete application is submitted for approval of a drug containing the certification described in paragraph (2)(A)(vii)(IV) with respect to a patent for which information was filed under subsection (b) or (c)"; and

(2) in subparagraph (D), by striking subclause (I) and inserting the following:

"(I) FAILURE TO MARKET.—

"(aa) IN GENERAL.—Except as provided in item (bb), a first applicant fails to market the drug by the earlier of the date that is—

"(AA) 75 days after the date on which the approval of the application of the first applicant is made effective under subparagraph (B)(iii); or

"(BB) 30 months after the date of submission of the application of the first applicant;

"(bb) EXCEPTION.—If the first applicant has on the first application date submitted the certification described in paragraph (2)(A)(vii)(IV) with respect to a patent, and the first applicant is thereafter permitted to maintain and has thereafter maintained the certification with respect to the patent, the forfeiture under this subclause shall not take effect before the date that is 75 days after the date on which any of the following occurs with respect to the patent:

"(AA) In an infringement action brought against the first applicant or any other applicant (which other applicant has obtained tentative approval) with respect to the patent or in a declaratory judgment action brought by the first applicant or any other applicant (which other applicant has obtained tentative approval) with respect to the patent, a court enters a final decision from which no appeal (other than a petition to the Supreme Court for a writ of certiorari) has been or can be taken that the patent is invalid or not infringed (including any dismissal for lack of subject matter jurisdiction as a result of a representation of the patent owner, and any other person with the right to enforce the patent, that the patent will not be infringed by, or will not be enforced against, the product of the applicant).

"(BB) In an infringement action or a declaratory judgment action described in subitem (AA), a court signs a settlement order or consent decree that enters a final judgment and includes a finding that the patent is invalid or not infringed.

"(CC) The Secretary notifies the first applicant that a certification has been received by the Secretary from another applicant that had obtained tentative approval and was eligible as of the date of the certification to receive final approval, but for 180-day exclusivity period, stating that the 45-day period referred to in subparagraph (B)(iii) had ended without a civil action for patent infringement having been brought against such other applicant and, in addition, such other applicant had received from the patent owner (and from and any other person with the right to enforce the patent) a written representation that the patent will not be infringed by the commercial manufacture, use, offer for sale, or sale of the product at issue in the application submitted by such other applicant, or will not be enforced against the commercial manufacture, use, offer for sale, or sale of the product at issue in the application submitted by such other applicant.".

[Alternative language for (CC)—equivalent treatment to (AA) and (BB).]

["(CC) The Secretary notifies all applicants that, after the forty-five day period referred to in subparagraph (B)(iii) has expired without a civil action for patent infringement having been brought against the first applicant or against any other applicant that has obtained tentative approval, that applicant has certified to the Secretary that that applicant has received from the patent owner (and from and any other person with the right to enforce the patent) a written representation that the patent will not be infringed by the commercial manufacture, use, offer for sale, or sale of the product at issue in the application submitted by that applicant, or will not be enforced against the commercial manufacture, use, offer for sale, or sale of the product at issue in the application submitted by that applicant.]

THE TVPA REAUTHORIZATION

Mr. BROWNBACK. Mr. President, I am pleased to report the success of a bipartisan effort in which Senators, Members of the House, their key staff aides and a broad variety of religious and human rights groups have engaged.

This effort has produced a greatly strengthened Trafficking Victims Protection Reauthorization Act which has passed the House, and which it is my honor to bring to the Senate floor. I am pleased to note that my colleague, the distinguished Senator from New York, Mr. SCHUMER, has joined me in cosponsoring this important legislation. The act will greatly strengthen America's hand in combating the slavery issue and the women's issue of our time—the annual trafficking of as many as 2 million women and children into sex and slave bondage. As such, this act will give needed tools to President Bush, and to all future Presidents, to take on the world's trafficking mafias and to protect the traffickers' victims. It will thus also greatly facilitate the pledge made by President Bush in his United Nations speech of September 23 to make the war against trafficking a major commitment of his administration.

But I am pleased and deeply honored to bring this bill before my colleagues for yet another reason—one that I know will resonate with every Member of this body. Both in spirit and substance, the measure now before the Senate captures the hopes and the ideals of Paul and Sheila Wellstone, without whose passion and commitment no U.S. anti-trafficking initiative against worldwide sex and slave trafficking would have been possible. It is one of my greatest sources of satisfaction and fulfillment as a member of this body to have worked with Paul and with Sheila to sponsor the Trafficking Victims Protection Act of 2000. In doing so, I and others were regularly inspired by these two friends to go the extra mile for the bill. After our first Foreign Relations Committee hearing on the bill, Paul remarked that the victims who testified on behalf of the bill had produced his most moving experience as a Senator. This says much about the man Paul was, and about the manner in which his and Sheila's priorities were always directed on behalf of abused, vulnerable, and powerless victims.

We honor Paul and Shelia today by taking up this bill. As pleased as they would be by that gesture, it would be a much more meaningful tribute if we are able to pass the Trafficking Victims Protection Reauthorization Act, for there are a number of vital, strengthening provisions in the act that will greatly improve the fight against trafficking.

First, the Director of the State Department Office to Combat and Monitor Trafficking in Persons has been raised to ambassadorial rank. This step will elevate the status of the office precisely as it will befit its present incumbent. John Miller, a former House Member known to many of us, is an able, respected, committed, and moral man who is now the Federal Government's chief antislavery and antitrafficking official. He has served as head of the TIP Office with great effectiveness and skill, and I am confident that, as Ambassador Miller, he will continue to do so.

Next, the reauthorization act resolves one of the original act's greatest operational failings by ensuring that "Tier II" designations—given to counties that neither satisfy the act's high standards for anti-trafficking performance nor clearly merit the act's automatic sanctions—will not become an overbroad catchill category. Under the act, countries on the cusp of Tier III designations will be placed in a Tier II Special Watch List category and their performance in eliminating trafficking will be subject to special scrutiny, and the issuance of a special February 1 progress report and designation evaluation. Thus, the Special Watch List category will maintain strong pressure on countries that may "almost but not quite" merit a sanctions-bearing Tier III designation, and will permit clear differentiation between those countries and others placed on Tier II because they have not met the very high standards required for Tier I designations.

Three points should be made in connection with the act's Special Watch List category. First, countries otherwise meriting Tier III designation but placed on the Tier II Special Watch List because they have made section (e)(3)(A)(iii)(III) "commitments . . . to take additional future steps over the next year" should only avoid Tier III designation under extraordinary circumstances, and only where they are engaged in implementing important and curative steps likely to be rapidly completed. Next, the provisions of section (e)(3)(A)(iii)(II) that authorize Special Watch List treatment of countries that have failed to engage in increased efforts to limit trafficking, prosecute traffickers and protect trafficking victims should not be construed to automatically bar Tier II designations when such efforts have not been made. Finally, to address a matter of legitimate concern to the State Department, the act's mandate that special Feburary 1 reports are to be issued for all Special Watch List countries needs to be understood in terms of our intention that only countries on the Tier II-Tier III cusp are to be the subjects of full and complete reports. Finally, as an overall matter, it should be made clear that failure to be placed on the Tier II Special Watch List will not bar a country from being placed on Tier II in the following year.

A third major category of change established by the act involves the establishment of additional "minimum standards" criteria for determining appropriate tier designations. First, the reauthorization makes clear that countries may not escape more severe tier designations if they fail to keep meaningful records of what they have done to investigate, prosecute, convict and otherwise monitor their performance in the war against trafficking. Next, the reauthorization establishes an "appreciable progress" standard evaluating a country's performance—a standard not intended to exculpate countries still significantly complicit in trafficking activities, but to ensure that countries failing to make measurable progress on a year-to-year basis will be negatively affected. In other words, the reauthorization establishes a bottom-line "performance standard" to supplement the original act's "effort standards." Next, and critically, the reauthorization adds a standard based on the percentage of noncitizen trafficking victims. This provision was added to permit the Trafficking Office to employ critical and needed standards to evaluate the antitrafficking performance of countries that have legitimized prostitution. Simply put, this provision both allows and mandates the Trafficking Office to cut through dubious claims by legalizing countries that they are providing meaningful protections to their so-called "sex workers."

A final point with regard to the act's minimum standards criteria for determining countries' tier status: It is the clear intent of the Congress, and there should be no mistake about this, that compliance with one or a few of the criteria does not, must not, lead to automatic designation as a Tier I country. Likewise, compliance with one or a few of the criteria shall not, must not, in and of inself shield countries from Tier III designation. The designation process is intended to be one of judgment and balance; and is not formulaic except to the intent of creating a presumption that Tier I status should only be granted to countries that comply with all of the minimum standards criteria. Countries that deliberately and grossly violate "only some" of the act's minimum standards criteria may be designated as Tier III countries if this be the judgment of the Trafficking Office—a judgment that should be exercised where there are gross and flagrant failures to comply with other minimum standards criteria. And, as noted, compliance with most of the statute's minimum standards criteria, combined with even modes noncompliance with a remaining few, is not intended to produce automatic Tier I designations.

Finally, a few words are in order regarding the Senior Policy Operating Group created by this spring's Omnibus Appropriations Act, which today's reauthorization bill both incorporates and strengthens. While what I am about to say should be clear from the act's language, and will be made explicit in the omnibus appropriations bill which the Senate was unfortunately not able to enact today. While the omnibus bill will take care of some of the issues related to the Senior Policy Operating Group with explicit statutory language, I nonetheless believe it important to make Congress's unmistakable intention clear in today's floor statement.

First, it should be clear that Congress established the Senior Policy Operating Group as the body it intended to coordinate all of the Government's antitrafficing grants, policies and grant policies. The Senior Policy Operating Group is comprised of senior political appointees of each of the agencies with trafficking policy responsibilities, and is thus perfectly structured to perform a vital function of monitoring government-wide policy consistency. As presently constituted, the Senior Policy Operating Group is made up of such members as TIP Office Director John Miller, Deputy HHS Secretary Claude Allen, Assistant Attorney General for Legal Policy Dan Bryant, Assistant AID Administrator for Eastern Europe and Russia Kent Hill. The committee meets on a regular basis and has produced an extraordinary consensus, government-wide grant policy directive. Thus, the Senior Policy Operating Group, including its chairman, John Miller, can and must perform the function intended for it by Congress: to be the sole and accountable body responsible for coordinating Federal anti-trafficking policies, grants and grant policies. Having said this, it should be noted that the coordinating responsibilities of the Senior Policy Operating Group are not intended to supercede the decision-making authority of the constituent members of the Task Force to Monitor and Combat Trafficking in Persons, to whom operating group members continue to report.

Finally, as should be clear from the language of the act, but as is also worth unmistakably establishing, Congress did not intend that the designation of grants and/or policies as being for "public health" or like purposes should in any way remove such policies or grants from Senior Policy Operating Group coordinating jurisdiction when those policies or grants deal with the activities of traffickers, brothel owners, pimps or the women and children from whose activities they profit. It is vital for the Federal Government to make consistent and otherwise harmonize its activities to stop the spread of communicable disease and AIDS and its activities designed to prosecute traffickers and eliminate trafficking. Both are vital objectives, and as recent letters form the Moscow Duma have clearly shown, such harmonization is imperatively pressing. Some persons may believe that forming partnerships with traffickers, pimps, and brothel owners in order to ensure use of clean needles and condoms, and doing so in a manner which legitimizes the abusers and enslavers of women and children and shields them from prosecution, is the way to go. They are wrong. Others may believe that public health measurers to protect prostitutes from AIDS always stand in the way of prosecuting the traffickers, pimps and brothel owners who exploit them. They too are wrong. What Congress intends is that a Senior Policy Operating Group comprised of political appointees of all involved agencies is the body responsible for harmonizing the above objectives into a single set of government-wide policies.

All this said, I reiterate my belief that the memory and spirit of Paul and Sheila Wellstone are alive in the bill before us, as are the spirits of such activists as the great English Parliamentarian and evangelist William Wilberforce, and the abolitionist leaders of my home State of Kansas who led the 19th century war against the chattel enslavement of African men and women. If we do it right, the Trafficking Victims Protection Act will be seen by generations to come to have met the high standards of William Wilberforce and the Free Kansas activists. If we do it right, we will have created a true monument to the memory of Paul and Sheila Wellstone. This act makes this possible. I urge my colleagues to pass it.

CONSOLIDATED APPROPRIATIONS ACT, 2004

Mr. NICKLES. Mr. President, I take this opportunity to provide an initial report on the budgetary effect of the conference report to accompany H.R. 2673, the Consolidated Appropriations Act for 2004, otherwise referred to as the omnibus appropriation bill.

While I will share scoring on these individual bills compared to each subcommittee's 302(b) allocation during later debate, allow me to summarize where this bill stands relative to the 2004 budget resolution as it applies in the Senate.

Combined with the other six appropriation bills already enacted for 2004 as well as the 2004 Iraq supplemental, this conference report would set total non-emergency discretionary funding for 2004 at $791.023 billion in budget authority and $862.889 billion in outlays. Because it does not include sufficient offsets to pay for the additional spending included within, this conference report exceeds the discretionary allocations and caps provided by the budget resolution ($784.675 billion in budget authority and $861.084 billion in outlays) by $6.348 in budget authority and $1,805 billion in outlays. Therefore, Budget Act points of order (under sections 302(f) and 311) and a budget resolution (section 405(b)) point of order apply against the bill. Other budget resolution points of order apply as well, but they are of a more incidental nature.

Mr. President, I ask unanimous consent that a table displaying the budget Committee scoring of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

2004 APPROPRIATIONS INCLUDING H.R. 2673, THE CONSOLIDATED APPROPRIATIONS ACT, 2004—SPENDING COMPARISONS—CONFERENCE REPORT

[Fiscal year 2004, $ millions]

	Budget authority	Outlays
Discretionary	791,023	862,889
Budget Resolution allocation/cap	784,675	861,084
Difference	6,348	1,805

Note: Totals adjusted for consistency with scorekeeping conventions.
Prepared by SBC Majority Staff, 12/9/2003.

AMENDMENT TO S. 671, THE MISCELLANEOUS TRADE & TECHNICAL CORRECTIONS ACT OF 2003

Mr. SPECTER. Mr. President, today I seek recognition to discuss an amendment to S. 671, the Miscellaneous Trade and Technical Corrections Act of 2003. My amendment will strengthen our domestic dress shirt manufacturers and the pima cotton growers. My amendment is a technical correction that levels the playing field by correcting an anomaly in our trade laws that has unfairly advantaged foreign producers and sent hundreds of jobs offshore.

The amendment reduces duties levied on cotton shirting fabric, fabric that is not made in the United States. Currently, U.S. law recognized this lack of fabric availability and granted special favorable trade concessions to manufacturers in Canada, Mexico, the Caribbean, the Andean region, and Africa. The U.S. has allowed shirts to enter this country duty-free from so many other countries, while we have failed to reduce tariffs on those manufacturers that stayed in the U.S. and were forced to compete on these uneven terms. My amendment will correct this inequity.

This amendment also recognizes the need to creatively promote the U.S. shirting manufacturing and textiles sectors, and does so through the creation of a Cotton Competitiveness grant program, which is funded through a portion of previously collected duties.

Our country has experienced an enormous loss of jobs in the manufacturing sector. It is critical that our domestic manufactures be able to compete on a level playing field. In the case of the domestic dress shirting industry, the problem is our own government imposing a tariff of up to 11 percent upon the import of fabric made from U.S. pima cotton. My amendment is a concrete step that this Congress can take to reduce the hemorrhage of U.S. manufacturing jobs.

One group of beneficiaries of this amendment is a Gitman Brothers factory in Ashland, PA. The Ashland Shirt and Pajama factory was built in 1948 and employs 265 workers. This factory in the Lehigh Valley turns out world class shirts with such labels as Burberry and Saks Fifth Avenue that are shipped across the U.S. These workers and their families deserve trade laws that do not chase their jobs offshore. This amendment enjoys the support of the domestic shirting industry, UNITE, and the pima cotton associations.

I offer this legislation on behalf of the men and women of the Gitman factory in Ashland, the domestic dress shirting industry, and the pima cotton growers, so that for them free trade will indeed be fair trade as well.

SEPTEMBER 11TH VICTIM COMPENSATION FUND EXTENSION ACT OF 2003

Mr. LEAHY. Mr. President, I am saddened that the Senate has been unable to reach agreement to extend the pending deadline of the September 11 Victim Compensation Fund to allow for more time for the many still grieving victims who have been unable to bring themselves to endure the painful process of filing claims.

On September 9, Senators DURBIN, SCHUMER, DODD, LIEBERMAN, CLINTON, CORZINE, and LAUTENBERG joined with me to introduce S. 1602, the September 11th Victim Compensation Fund Extension Act of 2003. Unfortunately, this bill continues to be bottlenecked in the Judiciary Committee and blocked from Senate passage by anonymous Republican holds on the Senate floor. Every Democratic Senator has agreed to pass our legislation by unanimous consent, but one or more members of the majority are still objecting to its passage in the Senate.

Senator DASCHLE, Senator LAUTENBERG and I have reached out to our Republican colleagues to try to achieve a compromise to extend this arbitrary deadline. We have expressed our willingness to do so for a period of time less than one year, but unfortunately the opponents of this bill have refused to meet us partway. Moreover, they have been unable to explain why it is necessary to force these families to confront this pain during an already stressful time—the holiday season.

Along with Senator DASCHLE, Congressman GEPHARDT and others, I worked hard to create the Victims Fund in the wake of the September 11 attacks. We insisted that it be included in the legislation to bail out the airlines passed in the wake of the most devastating terrorist attacks on American soil. The authorized deadline of December 22, 2003, for applications to the Victims Fund is rapidly approaching, but it has become apparent that many families need more time before they can take that step. Thus, far only a minority of families have applied to the Fund for compensation, according to the Department of Justice.

Ken Feinberg, the Special Master of the Fund, has been doing his best to get victims families to understand their rights and I commend him and others for their efforts to reach out to the victims and their families.

Victims support groups have told me that to this day, they are still receiving calls from individuals who understand that the deadline is approaching but cannot face the emotional pain of preparing a claim. In a survey conducted recently by victims' organizations, 87 percent of the 356 victims who responded expressed support for extending the December 22 deadline by 1 year. Mr. Feinberg has also commented that many victims remain too paralyzed by their grief to confront the logistical burden and emotional pain of filing a death claim.

In light of this painful reality, I believe it would have been appropriate to extend the deadline for filing applications to the Victims Fund. This extension would have given grieving families additional time to mourn those who were lost and to overcome the emotional challenges of filing paperwork with the Victims Fund. Every single September 11 victims support group that I have spoken with agreed that a modest extension would provide some relief during these dark days for victims' families as they endure the grieving process. There is simply no reason not to grant these families a little bit of relief by extending the deadline. I am disappointed and saddened that anonymous Republican holds will result in unnecessarily closing off the September 11 Victim Fund before each victim had a sufficient chance to consider their options.

With the holiday season upon us, victims did not need this arbitrary deadline confronting them. This was something that the Senate could and should have accomplished for the still grieving victims of September 11. It is an unnecessary shame that we have not done so.

ADDITIONAL STATEMENTS

FREEDOM TO TRAVEL TO CUBA ACT OF 2003

● Mr. BAUCUS. Mr. President, I rise today to express deep frustration with the way congressional leaders have thwarted the will of the majority of Members on Cuba.

Last month, the Senate approved an amendment to the Transportation-Treasury appropriations bill that would suspend enforcement of the Cuba travel restrictions. We passed this amendment 59 to 36—a 23-vote margin. In September, the House approved the same amendment 227 to 188—a 39-vote margin.

So, both Chambers of Congress approved the same amendment to suspend enforcement of the Cuba travel ban and to allow travel by Americans to Cuba. These votes reflected the sentiments of the overwhelming majority of Americans who support ending the utterly ineffectual travel ban.

Opinion leaders, too, in newspapers all across the country, in papers big and small, applauded the Senate and House votes. Orlando, Chicago, New York, Winston-Salem, Tuscaloosa, and San Diego. Papers from every corner of the country commended Congress for its efforts and called for an end to the absurd travel ban.

Then, the Senate Foreign Relations approved by a 13-to-5 margin a bill—S. 950, the Freedom to Travel to Cuba Act of 2003—that would permanently repeal the Cuba travel ban. Senator ENZI and I, along with 31 other colleagues—fully one-third of the Senate, from both sides of the aisle and representing every region of this country—introduced this legislation because we felt the time had come to end this pointless ban on American liberty. As its vote demonstrates, the Senate Foreign Relations Committee agrees.

Given these votes, and given the popular support for our efforts to end the travel ban, one would think the conferees of the Transportation-Treasury appropriations bill would not be able to strip out our amendment. When the Senate and House have approved the same amendment, there ought to be nothing for conferees to reconcile.

But here we are with an omnibus bill that does not include our amendment to suspend enforcement of the Cuba travel ban. How did this happen?

It wasn't the conferees. Thirteen of the 16 Senate conferees were supportive of our amendment. The conferees would not have stripped out the amendment.

But the congressional leadership would. And they did, before even submitting the bill to the conference committee for consideration. They pointed to a phony veto threat—not made by the President—to justify a blatantly political move calculated to improve their standing with a small number of constituents in Florida.

This, despite a recent poll by the Miami Herald and St. Petersburg Times that found that most Florida voters favor lifting the ban on travel to Cuba—by better than a 2-to-1 margin.

Is this democracy in action? Is this the example we are setting for the rest of the world? Is this the example of participatory government that we hold to the Cuban dissidents as the beacon of freedom and liberty?

If this ugly episode were the only consequence of this administration's obsession with retaining the failed Cuba travel ban, that would be bad enough.

But it is not the only consequence. Far worse, the administration's pandering to its south Florida allies is undermining U.S. efforts to fight terrorism.

The Treasury Department's Office of Foreign Assets Control, OFAC, is charged with enforcing sanctions against foreign countries, terrorist networks, international narcotics traffickers, and those involved in proliferating weapons of mass destruction.●

(At the request of Mr. DASCHLE, the following statement was ordered to be printed in the RECORD.)

WILLIAM JOHNSON'S RETIREMENT

● Mr. CARPER. Mr. President, I wish to recognize William Johnson's retirement after 33 years of teaching in the Brandywine School District. His dedication has won him the respect of two generations of faculty and students alike, along with the gratitude of many in our State. He has been, and remains, a trusted friend.

Mr. Johnson has spent much of his life in public service. He served honorably in the United States Army for 6 years, from 1965–1971. His teaching career at Hanby Middle School in Wilmington, Delaware, where he has taught Earth and Space Science for 23 years comes to an end this month. He will be sorely missed there.

Mr. Johnson received his bachelor's degree in Education from Delaware State University and his Master's in Education from Antioch University. He has also taken advanced studies classes at the University of Pennsylvania and has completed all the classes needed for a doctorate degree with California Coast University. He will be dedicating much of his time after his retirement to working on his dissertation in Earth and Space Science.

Having taught at Hanby since 1980, there are many attributes that make Mr. Johnson a great teacher. He has an unparalleled commitment to his craft. He stays after school on a regular basis to work on experiments with his students, teaches remedial classes with the same expectations as every other class, and ensures his students have a lot of hands on experience in the classroom. In 1997, Mr. Johnson led a group of six students in an inventor's club as they tried to come up with inventions for the Duracell Battery Company. With his leadership and guidance, the students came up with several creations, including a curb sensor to help cars detect curbs behind them, a laser device that takes atmospheric and meteorological measurements, and a computer program that analyzes satellites and orbits around the earth. These inventions are extraordinary for middle school students.

In addition, in October of 1998, Mr. Johnson was honored and certified by then-Vice President Al Gore as a teacher of the Global Learning and Observations to Benefit the Environment Program. Some 500 people were honored with the certification, which enables the teachers to teach students how to view environmental images and read globe data in hopes of determining the effects of global warming.

Mr. Johnson is a member of the Delaware Teachers of Science, National Science Teachers' Association, American Federation of Teachers and the Satellites Educators' Association. Over the years, Mr. Johnson has received many awards and honors including Who's Who Teacher of the Year, FAME Teacher of the Year, as well as Hanby's Teacher of the Year candidate. He also serves as a representative for the United Negro College Fund—UNCF—in the Brandywine School District, coordinating donations from teachers and administrators. The fund goes to support various black colleges across the nation.

Mr. Johnson is married to the former M. Patricia Durnell. The two were married in West Chester, PA in August, 1981, and now reside in Chadds Ford, PA. His hobbies and interests include reading, jogging, collecting baseball cards and jazz albums, baseball, golf, and alto saxophone.

Mr. Johnson is forever the consummate professional. He works hard at his job, works hard for his students, and never desires the spotlight or recognition for all his contributions. Through his tireless efforts, he has made a profound difference in the lives of thousands of students and enhanced the quality of life for an entire state. Upon his retirement, he will leave behind a legacy of commitment to public service for the generations that will follow. On behalf of each student whose life Mr. Johnson has touched, let me express our heartfelt gratitude. We congratulate him on a truly remarkable and distinguished career, and we wish him and his family only the very best in all that lies ahead for each of them.•

RECOGNIZING THE UNIVERSITY OF VIRGINIA ROTC

• Mr. ALLEN. Mr. President, I am pleased today to recognize the outstanding work of the Reserve Officers' Training Corps cadets at the University of Virginia who participated in a 24-hour vigil on September 15–16, 2003 in honor of National POW/MIA Remembrance Day. The POW/MIA Vigil specifically honors those men and women who defended our nation and never returned with a 24-hour, tri-service honor ceremony.

The ROTC cadets at the University of Virginia started their POW/MIA vigils in 2000 when Air Force cadet Elizabeth McGraw served as Arnold Air Society Deputy Commander. Subsequent vigils were commanded by Cadet Christopher Tulip in 2001, Cadet Tara Graul in 2002, and Cadet Jeremy Porto in 2003.

This year's Vigil planning committee included Cadets James Hayne, Joshua Becker, Alina Sullivan, Dan Barton, and Nic Skirpan. U.S. Air Force Colonel John C. Vrba, commander of AFROTC Detachment 890 at Virginia, supervised the ceremony, which began with a solemn precision drill performance by members of the AFROTC Drill Team: Cadets Suzanne Hahl, Jacklyn Noveras, Brandon Bert, Timothy Farwell, and James Hayne. Air Force and Army Cadets, and Navy Midshipmen from the three ROTC detachments then marched in solemn 15 minute "honor shifts" guarding the American flag which was displayed prominently on the back wall of the University of Virginia's Amphitheater.

One of the MIAs that these young Cadets honored was U.S. Army Captain Humbert Roque "Rocky" Versace, a 1959 graduate of the U.S. Military Academy at West Point. On July 8, 2002, I had the distinct honor of being present at the White House for the posthumous awarding of the Medal of Honor by President George W. Bush for Rocky's conspicuous gallantry at the risk of his life above and beyond the call of duty while a captive of the Viet Cong from October 29, 1965, until he was executed on or about September 26, 1965. His captors took his life after they had given up trying to break Rocky's indomitable will to resist interrogation and indoctrination, his unshakable faith in God, and his steadfast trust in his country and his fellow prisoners.

When I visited the White House last year for Captain Versace's Medal of Honor ceremony, I was among many of Captain Versace's West Point classmates and family members. One of those classmates was John Gurr, who worked tirelessly to get approval for the creation of the Captain Rocky Versace Memorial Plaza and Vietnam Veterans Memorial in the Captain's boyhood neighborhood in the Del Ray section of Alexandria.

At the conclusion of this year's POW/MIA Vigil, Mr. Gurr made a powerful speech to the UVA ROTC cadets on the great history of honor by Vietnam POWs, which produced five Medal of Honor recipients, and made Rocky Versace the only Army POW to receive the Medal of Honor for his heroism while in captivity during the Vietnam War.

Mr. President, I'd like to enter John Gurr's inspiring words as an extension of my remarks:

I am indeed grateful for this opportunity to speak for my comrades in arms and I would thank you for this opportunity were it not axiomatic in the military profession that you never thank a soldier for doing his duty. You can commend him or her, and I herewith commend wholeheartedly the ROTC cadet corps of the University of Virginia for the vigil you have mounted in memory of our nation's POWs and MIAs. It was your duty to do so, and you did it well. I will share with you up front that I came to this amphitheater last night at around 0200 to witness your vigil for myself. I stood in the deep background for over a half an hour and watched your sentinels, and I thought about what message I will carry to you today.

Here it is in a nutshell, young men and women: the heroic legacies of our fighting men and women, most certainly including those men who suffered so terribly yet endured with honor in the torture chambers of the Vietnamese communist forces, the heroic legacies of those predecessors are soon to pass to you. Be ready, because they are sacred. Duty, Honor, Country. Duty—be professionally ready, do your duty well; do something extra. Honor—guard and cherish your personal honor. Country—stand ready to ever defend this great democracy, which is a unique bastion in a dangerous world.

A bit of background on the POW situation as it developed and ended in Vietnam. There were 771 Americans captured or interned in the Vietnam War, far, far fewer than in any of our major interventions since World War I. 113 of them—almost 15%—died in captivity. The vast majority of POWs were officers, most of them aviators shot down in the north, and the vast majority of them were held in North Vietnam. There were some 19 such prison camps, where a rough total of some 550 men were held. In the north, brutal tortures were the rule, and the death rate was about 5%.

In the much smaller and equally scattered prison camps in South Vietnam and Laos, hunger and disease and brutality were common, but torture was much less systematic. Even so, the death rate in the southern camps was about 20%—four times higher than in the north where food and medical care and the support of fellow prisoners made the chances of survival better.

As to the purpose of torture in the northern camps, let me quote from Vice Admiral James Bond Stockdale, who suffered 7½ years in captivity there and was the ranking man in the camps. I quote from his "Afterword" in the famed book Honor Bound which details the experiences of American POWs in Southeast Asia:

"I was the only wing commander in that long war to lead prisoner resistance and therefore the natural target for Major Bui—'The Cat'—Commissar of the North Vietnamese prison camps. The business of the Commissar was extortion. He had to continually intimidate—to break—a number of POWs so that he had Americans at the ready to parade before press conferences for foreign 'dignitaries' (often Americans from the anti-war movement) and to exploit for propaganda statements favorable to the communist agenda. Our job was to hold out as long as we could, to make it difficult for The Cat to exploit us. To do this, he hired experienced 'torture guards' who in 40 minutes or so, with bars and ropes, could reduce a self-respecting American officer to a sobbing wreck."

Admiral Stockdale and his fellow prisoners in the north early decided that their goal was to resist as best they could and return to the U.S. with honor. I say again, "with honor." Thus the title of the book from which I quote, "Honor Bound." The American POWs were "Honor Bound." Under circumstances that will draw a tear if you understand. Admiral Stockdale was awarded the Congressional Medal of Honor upon his return. Duty well done, Admiral! Well done!

As to the prisoners in South Vietnam, I will speak with an indirect credibility of the experience of a West Point classmate of mine, Captain "Rocky" Versace. I will speak with a passion because "Rocky" was a friend of mine, and he, too, won the Congressional Medal of Honor for his resistance and leadership as a prisoner of war. A difference is that Versace was executed for his stubborn, and often even argumentative and aggressive resistance to the communist effort to break him for propaganda purposes. The Medal of Honor was presented posthumously, to "Rocky's" family in the White House on July 8, 2002, in the presence of 250 people which included 89 of his West Point classmates. As we said to ourselves at the time, "We came for you 'Rocky.' We were late, but we came." "Rocky" Versace's story is one of a young man of exceptional physical endurance and truly extraordinary mental toughness. He was deeply religious, and he had come to love and admire the South Vietnamese people for whom and alongside whom he had fought for almost 18 months before he was severely wounded in battle and captured in October 1963. For the first five months of his captivity in the Delta of South Vietnam he was held in a small camp with only two other American prisoners. Successive teams of Viet Cong indoctrinators sought to break "Rocky," to get him to make statements rejecting the South Vietnamese effort to resist a communist takeover, and they tried to get him to make recordings or quick movies opposing America's intervention on behalf of the South Vietnamese forces. Fluent in Vietnamese and French, he argued so credibly with his indoctrinators that they had to switch to English because they began to notice that the enlisted communist guards were starting to nod their heads in agreement with some of "Rocky's" rebuttals. "Rocky's" fellow prisoners heard him say in one of the indoctrination sessions "You can make me come here, and you can make me listen, but frankly I don't believe a word you say and you can go to hell." On another occasion they heard him say "I know that if I am true to myself and to my God, that something better awaits in the hereafter. So you might as well kill me now."

"Rocky" attempted escape four times and was captured, beaten and leg-ironed in a stifling bamboo cage after each such unsuccessful attempt. Only three weeks after his capture and on his first attempt, he had to drag himself through the jungle on his belly because he had taken three rounds in his right leg in the battle in which he'd been captured, and he could not walk. As a captain and the ranking man in his POW camp, he sought to encourage his somewhat separated fellow prisoners by singing "God Bless America" and other popular or patriotic songs, frequently inserting a stray word or two to communicate with his men. "Rocky" set the example, and he took the heat off his fellow prisoners.

After five months, "Rocky" was deemed to be an incorrigible propaganda prospect, and he was taken from the camp and held in isolation. That's where he was held for the last 18 months of his 23-month captivity. Alone, emaciated by hunger and disease, his head swollen and yellow from jaundice. There were occasional reports during that time from villagers who said that "Rocky" was frequently led or dragged through their villages as a sad example of what the American fighting man looked like. Even so, they said that "Rocky" sometimes interrupted the propaganda diatribes in the village centers, refuting and embarrassing his captors in his fluent Vietnamese. He was beaten, and one report said that, as he went down, he smiled. "Rocky" Versace was a winner.

He was executed in September 1965, ending not only his life but his imminent plan to leave the Army and return to South Vietnam as a Maryknoll missionary. He had been accepted to become a priest-candidate at the Maryknoll Order in Tarrytown, NY. But he never made it there.

Thus ended the life of a decent man, a courageous and unbreakable soldier, and now the only Army man to get the Medal of Honor for conduct as a POW during the Vietnam War.

And now let's turn to you. What you've just heard is a part of your legacy. You must not let it down. Last night there was just one old soldier sitting there in the back of this amphitheater, watching you, watching your vigil, and witnessing the changing of the guard. In a few short months or years, your turn will come to bear the mantle of Duty, Honor, Country. And there will be a ghostly phalanx of old soldiers, sailors, airmen and marines who will always, I repeat "always," be watching you. You cannot fall short of the standard that has been set.

I appreciate this opportunity to speak for my past and present comrades, we commend you for doing your duty so well, and my last words to you are:

Be ready. Be ready.

Mr. President, I would like to commend John Gurr and the ROTC cadets at the University of Virginia for their dedicated service to our Nation and for their work to honor those like Captain Rocky Versace who paid the ultimate sacrifice in defense of America and its ideals. I wish them Godspeed as they stand strong for freedom.●

(At the request of Mr. DASCHLE, the following statement was ordered to be printed in the RECORD.)

The PASSING OF MEYER "MIKE" STEINBERG

● Mr. LAUTENBERG. Mr. President, on December 4, 2003, an outstanding example of the American Dream ended with the passing of Meyer "Mike" Steinberg. Mike was a young 84 with a personal vitality and clarity of mind that many far younger people would envy. He was recently stricken with lung cancer even though he had given up smoking more than 30 years ago. He was an individual admired and beloved by those who had the good fortune to know him in his lifetime. This past Sunday, December 7, Park Avenue Synagogue in New York was filled with 1,000 people who wanted to share the grief of his passing with his family who loved him so deeply that eight of his grandchildren, including an 11-year-old, wanted to share their innermost thoughts of affection and sadness with everyone gathered there.

Mike's life, his grit and determination, his business successes, and his devotion to family are the stuff of which books are often written. In every definition of the American Dream, Mike Steinberg would emerge as an ideal example. From the humblest beginnings, having to end his formal education at the age of 15, he went on, ultimately, to the role of a real estate magnate. He developed, owned, and managed properties from New York to Texas to California.

He was someone I was proud to know. He had a rare ability to attract admiration and respect from all who had contact with him and he will long be remembered as someone who proved that business success, devotion to family, pride in his heritage, and regard for others are still goals to be cherished in these days of disposable relationships.

We grieve his passing but we honor his being and I ask to have printed in the RECORD an item I placed in the New York Times on December 6 commemorating his extraordinary life.

The material follows.

[From the New York Times, Dec. 6, 2003]

STEINBERG, MEYER "MIKE".

Steinberg—Meyer "Mike". To our dearest husband and Dad from your five lucky girls. We are forever blessed with the love and life you showered upon us. There wasn't a time you weren't there are always knew we could count on you. Our hearts are broken and the void can never be filled. You will be cherished in our hearts forever and ever. We will always honor your memory and we will live our lives by the examples you set for us. You are our King of Hearts, our hero, we will love you forever. Jean, Susan, Bonnie, Carol, and Lois.

Steinberg—Meyer "Mike". Extraordinary beloved husband of Jean. Most cherished father of Susan Zises Green, Bonnie S. Englebardt, Carol S. and Michael Weisman, Lois Robbins Zaro and Andrew Zaro. Adoring and revered grandfather of Lynn Zises, Justin H. Green, Danielle and Lara Englebardt, Brett and Jad Weisman, Alex, Olivia, Stephen and Victoria Zaro. Great-grandfather of Isabelle Zises Krugman. Services Sunday, 1 pm, Park Avenue Synagogue, 87th and Madison Ave. In lieu of flowers, contributions may be made to honor his memory to the S.L.E. Foundation for Lupus Research, 149 Madison Ave., NY NY 10016. For further information call Plaza Community Jewish Chapel.

Steinberg—Meyer "Mike". An admired friend, extraordinary entrepreneur, beloved family leader, husband, father, grandfather and greatgrandfather. To know him as I did, father of my dearest Bonnie Englebardt, was a special privilege. His success in the business world was outstanding, but it never interfered with his role as the family patriarch. The risks that he took in his business life were always motivated by his desire to protect his family's security. His love of family extended as well to philanthropy. He supported Israel's survival and the fight to cure Lupus disease, among many other programs to help the needy. He was a special human being, someone I cared deeply about, and his memory will be forever an inspiration to all who knew him. Frank R. Lautenberg United States Senator.

Steinberg—Meyer. The Officers, Trustees, Clergy and Members of Park Avenue Synagogue mourn the passing of a devoted congregant. We extend to his wife Jean, his daughters Susan, Bonnie, Carol and Lois and the entire family our heartfelt sympathy. David H. Lincoln Senior Rabbi Amy A.B. Bressman Chairman of the Board Menachem Z. Rosensaft President.

Steinberg—Meyer. The Directors and staff of the S.L.E. Lupus Foundation and the Lupus Research Institute mourn the loss of our dear friend Mike Steinberg, a devoted champion in the fight to conquer lupus. We extend our deepest sympathies to the Steinberg family, his devoted wife Jean and his beloved daughters Bonnie, Carol, Lois, and Susan. Richard K. DeScherer President, The S.L.E. Lupus Foundation.

Steinberg—Meyer. The Gural Family would like to extend its deepest sympathies to the family of Meyer Steinberg. We were proud to call Meyer our friend and partner. He was a true humanitarian, a charitable person in every sense of the word, and his presence will be greatly missed. Our hearts go out to Jean, Susan, Bonnie, Carol, Lois and the entire Steinberg Family for their loss.

Steinberg—Meyer "Mike". The Board of Governors and the members of The Seawane Club record with sorrow the loss of our beloved member, Meyer "Mike" Steinberg. We extend heartfelt sympathy to his wife Jean and family. Ted Markson, President.

Steinberg—Meyer "Mike". We are heartbroken at he passing of our dear friend. Mike had great courage, accomplishment and was a generous philanthropist. Our condolences to his beloved wife Jean and family. He will be missed but not forgotten. Elma and Milton Gilbert.

Steinberg—Meyer. Newmark and Company Real Estate wishes to extend its condolences to the Steinberg Family, on the loss of their husband, father and grandfather Meyer Steinberg. He was both a friend and partner, and he will be greatly missed.

Steinberg—M. "Mike". It is with deepest regret that we mourn the loss of a wonderful, caring person who entered our lives years ago and was a model friend, husband, father and leader of people. Our heart goes out to Jean and her beautiful family. Barbara and Philip Altheim.

Steinberg—Meyer. Our deepest condolences to the Steinberg family on the loss of their beloved husband, father, grandfather, and great grandfather. Mike was a man of great fortitude and charity and he will be missed. The Zises family.

Steinberg—Meyer "Mike". To Jean and his beloved children and grandchildren, our sincerest condolences. We will sorely miss our dear friend, Love, Laura and Artie Ratner.

Steinberg—Meyer (Mike). My heartfelt sympathy to the Steinberg family on the their loss. Mike will be greatly missed by all his friend and associates. Norman F. Levy.•

PASSING OF FORMER CONGRESSMAN JOE SKEEN

• Mr. DOMENICI. Mr. President, with a heavy sense of sadness today, we mark the passing of former Congressman Joe Skeen from New Mexico.

On Sunday night, Joe Skeen lost his valiant battle with Parkinson's disease. Joe's passing is very hard for me to accept even though he had been ill for so long. We have lost a great friend to New Mexico. Joe fit his district like a hand in a glove, and that fact will define his legacy as a public servant and a man of the people. My heart goes out to Mary and the Skeen family. In visiting with them, I know their sadness and sense of loss is severe.

I had the highest honor of serving the State of New Mexico with this amazing man for more than 20 years. Joe was first elected to the House of Representatives in 1980 as a write-in candidate. He is only the third man in the history of this country to achieve this feat.

As great an accomplishment as this was, history will show that it was among the least of his great achievements. As I am sure you can imagine, the litany of successes that Joe has had in his work for New Mexico is much too long to go into here today. Suffice it to say that New Mexico is infinitely better for having had Joe Skeen representing us in Congress; this country is better for having had Joe participate in making decisions that affect the entire Nation.

Joe was the first to tell you that he had not done it on his own, however. He had a partner in his great adventure who walked beside him every step of the way. Mary, his wife of 57 years, was a calming influence in the storm that is the life of a Congressman. She made it possible for Joe to continue to be a ranching Representative, running the family ranch while Joe served in Washington.

Since Joe Skeen retired from Congress in 2002, I have missed working with him on behalf of New Mexico. We were partners in so many projects for more than three decades. I am from our State's largest city, Albuquerque, and Joe was a rancher from one of the many rural parts of our State. Our different backgrounds did not prevent us from working together; rather, I would characterize them as allowing us to form an even better partnership on behalf of New Mexico.

We first got to know each other in 1960 when I was fresh out of law school and Joe was an up and coming member of our party. A decade later, in 1970, we teamed up together to run for Governor and Lieutenant Governor respectively. And, again in 1980, when Joe Skeen was first elected to Congress, we had the opportunity once again to work side-by-side. More than anything, Joe and I were able to use our respective positions on the House and Senate Appropriations Committees to help New Mexico. He was always a good, solid and dependable man, and always a champion for his district. He certainly left huge shoes for those who follow him.

Today, my wife Nancy and I mourn. Joe is at rest, and our prayers are now with Mary, who has been such a force behind Joe and all his work.•

(At the request of Mr. DASCHLE, the following statement was ordered to be printed in the RECORD.)

AFRICAN AMERICAN MUSEUM

• Mr. REID. Mr. President, I wanted to amplify the remarks I made a few weeks ago when we approved a bill to create a museum of African American History as part of the Smithsonian Institution, on or near the National Mall.

As I said at the time, the passage of this measure is an enormous tribute to the work of Congressman JOHN LEWIS.

Mr. LEWIS came to Congress as a representative from Atlanta in 1987. The next year he began his fight to create a museum that would tell the story of the African people in the United States of America.

It is a complex story, and a compelling one.

Of course there is the horror of slavery—one of the greatest stains on our Nation's soul. That story must be told—we cannot flinch from the truth, no matter how painful it might be.

But we must not allow it to blind us to the rest of the story . . . to the enormous contributions that people of African descent have made in the United States.

This very Capitol in which we now stand, a magnificent building that is a symbol of freedom around the world, was built with the labor of slaves.

African Americans fought to keep our Nation free . . . even when their own freedom was not fully realized.

And the ideas and talent of African Americans have enriched all of our lives.

From the Nobel laureate Toni Morrison to our great composer Duke Ellington, from the inventor and city planner Benjamin Banneker to the brilliant jurist Thurgood Marshall, from Jesse Owens to Jackie Robinson, our Nation has been inspired and enlightened by our African American citizens.

I regret that black people in this country have had to struggle so hard to win equality and be treated the same as everybody else. I wish that struggle had not been necessary.

Yet, that struggle has had an enormous impact on our Nation. The words and actions of men like Martin Luther King Jr. and JOHN LEWIS have uplifted us all.

Forty years ago, I lived in Washington and attended school here. I will never forget the great March on Washington of August 28, 1963.

Coming from Nevada, I was stunned by the sight of thousands of buses streaming into the city and the hundreds of thousands of people who marched peacefully for their cause. That event touched me in a profound way.

We all remember Martin Luther King's "I Have A Dream" speech from that day. It is rightly regarded as one of the greatest speeches of the 20th Century.

But JOHN LEWIS also spoke at the March on Washington—the only speaker from that great event who is still alive today.

And I will never forget what he said—that African Americans must free themselves not only from political slavery, but also from economic slavery.

In the years since then, we have made tremendous progress. The legal rights of African Americans have been secured. But until economic equality and justice are achieved, the fight will not be won.

JOHN LEWIS has never stopped fighting for freedom and justice. That's why he recognizes the importance of a museum that will tell the story of the African American experience.

This museum was first proposed in 1915 by African Americans who had fought in the Civil War.

When Mr. LEWIS arrived in Congress, he adopted the cause as his own.

Each year since 1988, he has fought to create this museum. This year is the first time his bill has passed both the House and the Senate.

The bill has now gone to President Bush, and I hope he will sign it as soon as possible so we can begin the next phase of the journey—raising private contributions to match the Federal funds for the Museum of African American History.

I salute JOHN LEWIS for his good work. Not just the creation of this important museum, but the work of his entire life—the struggle for freedom, equality and justice.•

RECOGNIZING THE BRIDGEWATER JUNIOR LEAGUE ALL-STARS

• Mr. ALLEN. Mr. President, I am very pleased today to recognize the Bridgewater Junior League All-Stars for their third place finish in the Junior League World Series this summer.

Throughout their incredible run, the Bridgewater Junior Leaguers were a source of great pride for their local community. The team of talented 13-

and 14-year-olds cruised through the early rounds of the tournament, eventually making it all the way to the finals of the Junior League World Series. This team of winners should be applauded for their exciting play throughout the tournament. The 12 outstanding players on this young team have truly promising futures in front of them.

Congratulations to the Bridgewater All-Stars: Alex Arey, Andrew Armstrong, Daniel Bowman, Alex Crank, Brandon Craun, Kyle Craun, Sam Groseclose, Luke Long, Carl McIntyre, Tyler Milstead, Joshua Tutwiler and Josh Wright, their manager, Don Tutwiler, and coaches Sherrill Wright and Bill Groseclose. They have made Bridgewater and the Commonwealth of Virginia proud of their accomplishments.•

(At the request of Mr. DASCHLE, the following statement was ordered to be printed in the RECORD.)

TRIBUTE TO SGM PHILIP R. ALBERT

• Mr. LIEBERMAN. Mr. President, I wish to pay tribute to SGM Philip R. Albert, U.S. Army, of Plymouth, CT. A 23-year Army veteran, he had served in Operation Desert Storm and already had a tour in Afghanistan. Sergeant Major Albert was considered an adventurer with a good sense of humor, dedicated to the Army, and devoted to his friends and family.

Joining the Army as a teenager, Sergeant Major Albert was an example of the powerful American spirit which permeates this Nation's history. A member of the 2nd Battalion, 87th Infantry Regiment, 10th Mountain Division, Sergeant Major Albert was killed in a helicopter crash during a combat operation on November 23 in Afghanistan. Five others died with him and eight others were injured.

Sergeant Major Albert who loved the military, served as a messenger of high justice and idealism in the best tradition of American principles and patriotism. I am both proud and grateful that we have the kind of fighting force exemplified by Sergeant Major Albert serving in the Persian Gulf.

Our Nation extends its heartfelt condolences to his mother, brothers, and sisters. We extend our appreciation for sharing this outstanding soldier with us, and we offer our prayers and support. You may be justifiably proud of his contributions which extend above and beyond the normal call of duty.•

OREGON VETERAN HERO

• Mr. SMITH. Mr. President, today I rise to honor an Oregon veteran who has gone above and beyond the call of duty in service to her country and to her State. Blanche Osborn Bross was born on July 21, 1916, and has lived in Oregon since the age of 8.

In 1943, Blanche heeded the call to duty by joining the Women's Air Force Service Pilots, WASP, an experimental program developed to compensate for the lack of men available for pilot training; when American men were critically needed for combat duty during World War II, important piloting jobs across the country were left vacant. WASPs like Blanche spent countless hours training to assume piloting jobs, deliver planes from factories to their domestic bases, tow targets for gunnery practice, and train cadet pilots.

More than 25,000 women applied for the prestigious WASP program, and while 1,830 were chosen for training, a select 1,074 women graduated from the rigorous program. After graduating, Blanche became one of 17 women sent to Columbus, OH, to learn to fly four-engine aircraft. In Ohio, Blanche became a pilot of the legendary B–17 "Flying Fortress," ferrying the enormous aircraft between bases. Fortunately, at 5 feet, 8 inches tall, Blanche was just tall enough to reach the rudder pedals.

After her first assignment in Ohio, Blanche was sent to Fort Myers, FL, to assist in gunnery training. As a pilot, she took gunners up in the air where they fired at targets towed by a B–25. Many of the gunners had been in male-dominated combat and were shocked to greet women pilots in the cockpit. One soldier even exclaimed, "I have to write home about this!"

After spending close to a year at Fort Myers, Blanche and three other WASPs were transferred to the Las Vegas gunnery school where they were used in the engineering squadron to test repaired aircraft. The program generated significant publicity during the war, and Blanche was featured in a famous picture of female pilots walking off of the "Pistol Packin' Mama," a B–17 bomber. The photograph has since been used in advertisements for clothing lines, fashion magazines, and historical chronicles.

Blanche lived to fly, and is quick to point out she always felt accepted by the men in the military. On December 20, 1944, however, a bill sent before Congress that would have allowed women to enter the Air Force did not pass, and the WASP program was dismantled. After being deactivated from the WASPs, Blanche joined the American Red Cross and was sent to Kunming, China where, although she did not fly planes, she was heavily involved in operating clubs for service members stationed overseas.

Following her tour in China, Blanche returned to the U.S. to begin a family. In 1957, she married William H. Bross with whom she had a son, Charles. Together, they moved to Portland, OR, where she developed a seaplane flying base. Later in life, Blanche received a commercial pilot license and flew construction crews to work sites.

For many years, one distinct honor alluded Blanche and the other female pilots. The WASPs had retained their civilian status while flying aircraft in World War II, and therefore, were not considered "veterans" after the war. At long last in 1977, Blanche and other female pilots were finally recognized for their invaluable service to their country when the WASPs were finally designated as veterans.

Today, Blanche resides with her husband in Bend, OR, where she plays golf on a regular basis, and continues to enjoy the outdoors. When asked what one thing she would want others to know about her, she replied simply, "I want people to know I'm proud to be an Oregonian and proud to have served this country."

For her selfless service to others, and to the United States in times of war, I salute Blanche Osborn Bross as an Oregon Veteran Hero.•

(At the request of Mr. DASCHLE, the following statement was ordered to be printed in the RECORD.)

IN REMEMBRANCE OF JOHN PATRICK HUNTER

• Mr. FEINGOLD. Mr. President, today, I pay tribute to John Patrick Hunter, a respected journalist and a dear friend.

After growing up in Depression-era West Virginia, witnessing the aftermath of Hiroshima, and the paranoia of the McCarthy era, John Patrick used his opposition to war and fierce defense of civil liberties to fuel his passion for journalism. For nearly half a century, John Patrick served as a reporter and editor for the Capital Times in Madison, WI. He challenged politicians and policies, but at the same time made many friends and established lasting bonds along the way.

After serving in the Navy during World War II, John Patrick attended the University of Wisconsin on the GI Bill and earned his degree. He joined the Capital Times in 1951 and that is where he stayed until his retirement in 1995.

John Patrick will forever be remembered for his work during the turbulent McCarthy era. Many were silenced by McCarthyism but John Patrick took action. For his July 4 assignment in 1951, John Patrick asked people to sign a petition he had put together using only the Declaration of Independence and the Bill of Rights. One hundred twelve refused out of fear of what might happen to them, 20 called John Patrick a communist, and only one signed. After the story broke nationally, President Harry Truman heralded John Patrick's efforts.

And as far as my own personal good fortune in knowing John Patrick, he asked me tough question for over 20 years. When I would give him a feisty answer, he would grin and I always felt buoyed by the unofficial but potent encouragement of Wisconsin's glorious progressive legacy.

My condolences go out to John Patrick's wife Merry and his entire family. His unparalleled contributions to Wisconsin journalism will never be forgotten.•

TRIBUTE TO MASTER SERGEANT DENNIS TAKESHITA

• Mr. AKAKA. Mr. President, I rise today to honor the service of Master Sergeant Dennis Takeshita, a member of the Hawaii Air National Guard. After 37 years of exemplary commitment and dedicated service in defense of our great Nation and 30 years in the Air National Guard, Master Sergeant Takeshita retired on October 3, 2003.

Master Sergeant Takeshita's career experiences have been extensive. He received a commission into the Air Force Reserves in 1966 and served on active duty until 1972. Soon after his honorable discharge from the United States Air Force, Master Sergeant Takeshita joined the Hawaii Air National Guard. He is a decorated soldier who has received numerous citations and awards for his outstanding service and professionalism.

A graduate of St. Louis High School in Honolulu and the University of Hawaii, Master Sergeant Takeshita's career has been one of dedication, service and sacrifice. He served a combat tour of duty during the Vietnam conflict from 1968 to 1969, as well as Operations Allied Force, Noble Eagle, and Enduring Freedom.

Master Sergeant Takeshita is to be commended for his long tenure, unwavering patriotism, courageous service, unselfish leadership, and individual contributions to the defense of the United States. I applaud the distinguished career of Master Sergeant Dennis Takeshita and express my best wishes for a well-deserved and enjoyable retirement.•

(At the request of Mr. DASCHLE, the following statement was ordered to be printed in the RECORD.)

TRIBUTE TO BG EDWARD M. HARRINGTON, USA

• Mr. KENNEDY. Mr. President, today I pay tribute to BG Edward M. Harrington, upon his retirement from the United States Army after more than three decades of distinguished service to our Nation.

Ed Harrington's military career can truly be described as an American success story. A son of Massachusetts, he grew up in the coastal town of Marshfield, where his family's roots extend back three generations. After graduating from Marshfield High School, he attended Northeastern University in Boston, earning a degree in Business Administration. Before the ink was dry on his diploma, Ed received his draft notice and soon donned the battle dress of an infantryman. It wasn't long until his superior recognized his leadership potential, and he was selected for Officer Candidate School. This marked the beginning of what turned out to be an exemplary career as an officer who rose to the pinnacle of the complex world of acquisition management.

As a lieutenant in the Quartermaster Corps, he received orders for Vietnam where he was assigned to the First Cavalry Division. After service in Vietnam, he returned stateside and assumed command of the 259th Field Service Company at Fort Bragg. Then, with family in tow, he headed for Germany, serving in various Signal Command positions.

After being promoted to captain, Ed returned to Massachusetts to become a professor of military science at Worcester Polytechnic Institute and Fitchburg State College.

In the mid-1980s, Ed's expertise in defense acquisition management prompted his selection for the challenging position of production manager for the M1A1 Abrams Tank at the Tank-Automotive and Armaments Command in Warren, Michigan. There, he met the technical challenge of upgrading the tank's armor plating improving survivability and personnel protection. Years later, he would return to that organization as the Deputy for System Acquisition, a position in which he exercised milestone decision authority for more than 200 Army programs, including the Paladin artillery system and the High Mobility Multi-Purpose Wheeled Vehicle, better known as the HUMVEE.

Following high-level logistics assignments overseas and stateside, he assumed the first of three command assignments that would culminate in his selection for flag officer and his ascension to the top of the Defense Contract Management Agency.

In the mid-1990s, as commander of the defense contract management office in Syracuse, he oversaw the performance of contracts associated with a number of large systems, including the Seawolf Submarine, the C–17 aircraft, and the Javelin anti-tank missile system. A few years later, Ed returned to his home State, serving as the director of Defense Contract Management Command's eastern district headquartered in Boston. There, with a dispersed workforce of 6,000 and more than 20 field offices, he and his staff managed nearly all the defense contracts performed in the eastern United States.

Since assuming leadership of the Defense Contract Management Agency, DCMA, in February 2001, Brigadier General Harrington has refashioned and expanded DoD's acquisition-management mission, and in so doing, has affirmed DCMA's standing as one of DoD's premiere combat support agencies. Today, DCMA carries out its responsibilities around the globe at sites as diverse as a circuit board manufacturer in Silicon Valley to a combat theater in the Middle East.

Ed Harrington's compassion and distinct style of leadership were dramatically brought to the fore following the tragic events of September 11, 2001, in which one of his DCMA colleagues, Herb Homer of Milford, MA, perished while on official travel aboard United Airlines Flight 175 that crashed into the south tower of the World Trade Center. With compassion and grace, Ed went above and beyond his duty to comfort and console the Homer family, and assist Herb's widow, Karen, in dealing with the administrative complexities following the death of her husband. Thanks to the efforts of Ed Harrington, the memory of Herb Homer and the recognition of his sacrifice will long endure as an inspiration to thousands throughout the DoD acquisition community.

Whether he was on a muddy ridge as an infantryman, at the front of a college lecture hall, on a contractor's plant floor, or at the side of a grieving family, BG Edward M. Harrington served his country with valor, loyalty, and integrity. On the occasion of his retirement from the United States Army, I offer thanks and congratulations to one of New England's finest, and wish him and his wife, Jane, well in their future pursuits.•

RECOGNIZING RUSSELL C. SCHOOLS

• Mr. ALLEN. Mr. President, I am very pleased today to recognize Russell C. Schools of Capron, VA, upon his retirement this year from the Virginia Peanut Growers Association.

Throughout his long career as a peanut farmer, Russell C. Schools has made numerous contributions to his field of work, dedicating his time and efforts to improve and promote the peanut industry, specifically in Virginia. Perhaps his most impressive achievement was the 34 years he spent as the executive secretary of the Virginia Peanut Association. Recently, Mr. Schools was inducted into the American Peanut Council's Peanut Hall of Fame, a fitting tribute to his outstanding career in the peanut industry.

Mr. President, I commend Russell C. Schools for the hard work and dedication that he has demonstrated throughout his distinguished career. He is a great Virginian and a great American and I wish him well in his retirement.•

(At the request of Mr. DASCHLE, the following statement was ordered to be printed in the RECORD.

TRIBUTE TO JULIE ELLIS LEMOULT

• Ms. MIKULSKI. Mr. President, I rise to pay tribute to the life and legacy of Julie Ellis LeMoult, an extraordinary young woman from Bethesda, MD.

This past spring, Julie Ellis LeMoult, loyal, compassionate, understanding and forgiving friend passed away far too early at the age of 28. Her death has dimmed the light of all who knew her: her husband, Chris LeMoult; her parents, Bruce and Donna Ellis; her sisters, Sheri DeLorenzo, Andrea Lynch and Christiane Ellis, and her many, many friends in Bethesda and all across the country.

Julie is irreplaceable. She dedicated her short life to maintaining and exalting humankind by paying tribute to each person's individual gifts. Above all, Julie was always selfless and strived to draw on and draw out the best in everyone she met.

The third of four children and the daughter of an entrepreneur who catered to kings, queens, presidents, diplomats, charitable causes and private social functions, Julie was raised in Bethesda, MD and attend Georgetown Visitation Preparatory School.

In December 1996, Julie graduated from Ohio Wesleyan University where she received a business degree in 3½ years while playing lacrosse. She excelled in her academics through fortitude and perseverance, overcoming a childhood struggle with dyslexia. Her self-esteem remained intact because of her athletic abilities, providing her swimming, diving, basketball, softball and lacrosse teams with the highest excellence of leadership and sportsmanship. Julie's stride and form as a runner exhibited her most memorable style of athletic grace.

In 1997, Julie worked for Hambrecht and Quist in San Francisco before returning to Maryland to join Discovery Communications where she was an invaluable member of its corporate affairs and communications department.

As an adult, Julie became a knowledgeable resource for many people experiencing panic and anxiety disorders and was able to recommend The Ross Center of Washington, DC, and the Midwest Center for Anxiety, Stress and Depression to those who sought her counsel.

Julie Katherine Ellis married Christopher M. LeMoult of Cape Code, MA, in September 2001. She delivered their baby boy, Logan Donnelly, in April 2003. Her life as a mother allowed her to be with her son for only 8 hours before unknown complications took her life.

In addition to her beautiful smile and peaceful nature, Julie's greatest legacies are her son Logan and her ability to open up her heart unconditionally to family, friends, acquaintances and strangers alike in the hope of making their lives better while expecting nothing in return.

The sorrow over Julie's loss is accompanied by the abundance of joy that exists in the memories her family and friends share, her life that they celebrate and her love that will live on. At Thanksgiving and always, Julie's parents, sisters, husband, son, family, friends and colleagues are grateful for the brilliance of her life. Julie Ellis LeMoult will never be forgotten.•

CONTRATULATIONS TO JUDITH SPOONER

• Mr. BUNNING. Mr. President, I pay tribute and congratulate Judith Spooner of Louisville, KY on her reception of the Adoption Excellence Award given to her by the United States Department of Health and Human Services.

Ms. Spooner has dedicated her life to helping improve and increase adoptions and foster families in Kentucky. Her devotion to this cause was put to great work during her time at the Kentucky Cabinet for Families and Children. She has done a wonderful public service through her innovative efforts to increase the number of adoptive families in Kentucky. She has also been instrumental in setting up area support groups for foster and adoptive parents. Although she retired in March of 2003, we are all very lucky that she will continue to spend some of her time with AdoptUSKids, a nonprofit group that helps match waiting children with adoptive families.

The citizens of Kentucky are fortunate to have the leadership of Judith Spooner. Her example of dedication, hard work and compassion should be an inspiration to all throughout the Commonwealth.

She has my most sincere appreciation for this work and I look forward to her continued service to Kentucky.•

RECOGNIZING THE HONORABLE ALFRED C. ANDERSON

• Mr. ALLEN. Mr. President, today I recognize Alfred C. Anderson, who ends 28 years of service as the treasurer for Roanoke County in January 2004.

Mr. Anderson is the longest serving treasurer in the history of Roanoke County, first being elected in 1971. He served until 1975 and then resumed the elected post in 1979. He has been Roanoke County's treasurer ever since.

As treasurer, Mr. Anderson helped modernize the office, allowing for online payments and computer record keeping. He has distinguished himself and his office, becoming the president of the Treasurer's Association of Virginia in 1986 President of the National Association of County Treasurers and Finance Officers and receiving the award for National Treasurer of the Year in 1996, County Republican Official of the Year in 1998 and the Commonwealth's Award in 1997.

Mr. Anderson is a community leader, serving as past chairman of the Roanoke United Methodist Church, past president of the Dogwood Festival and Vinton Lions Club. He currently serves as Chairman of the 6th District Republican party and as a board member on the Blue Ridge Education and Training Council.

Alfred Anderson is a graduate of East Tennessee State University. He and his wife Ann live in Vinton, VA and have two children.

Mr. Anderson has left an indelible mark on his office and his community. I congratulate him and wish him well on his retirement.•

(At the request of DASCHLE, the following statement was ordered to be printed in the RECORD.)

TRIBUTE TO INTERNS

• Mr. HARKIN. Mr. President, today I extend my appreciation to my fall 2003 class of interns: Dennis O'Connor, Melissa Hall, Jason Eaton, Theresa Fruher, and Natalie Dupcher. Each of them has been a tremendous help to me and to the people of Iowa over the past several months. Their efforts have not gone unnoticed.

Since I was first elected into the Senate in 1984, my office has offered internships each fall to young Iowans and other interested students. Through their work in the Senate, our interns have not only seen the legislative process at work, but they also have personally contributed to our Nation's democracy.

It is with much appreciation that I recognize Dennis, Melissa, Jason, Theresa, and Natalie for their hard work this fall. It has been a delight to watch them take on their assignments with enthusiasm and hard work. I am very proud to have worked with each of them. I hope they take from their fall a sense of pride in what they have been able to accomplish and an increased interest in public service and our democratic system and process.•

RECOGNIZING PATRICIA BUCKLEY MOSS

• Mr. ALLEN. Mr. President, today I recognize Patricia Buckley Moss for her outstanding contributions to the advancement of art and education in the Commonwealth of Virginia.

Ms. Moss was born and raised in New York City, where she attended the Washington Irving High School for the Fine Arts. After developing her artistic talents in high school, Ms. Moss received a scholarship to the prestigious Cooper Union for the Advancement of Science and Art in New York. While at Cooper Union, she studied fine arts and graphic design for 4 years.

In 1964, Ms. Moss and her family relocated to Waynesboro, VA. Living in the stunning Shenandoah Valley gave Ms.

Moss the opportunity to experience and appreciate the natural beauty of the outdoors, which has played a prominent role in her art ever since. Over the past 40 years, she has created a unique style that is well known by collectors across the globe. Her artistic work eventually led to the creation of the P. Buckley Moss Museum, which opened in Waynesboro, VA, in 1989. This well-known museum in the Shenandoah Valley was created to "permanently record and illuminate the Moss phenomenon through educational exhibitions, lectures, permanent collections and archival files."

During her illustrious artistic career, Ms. Moss has exhibited tremendous dedication to many charitable endeavors. In particular, she has remained committed to various children's charities, with a primary focus on special education programs. In 1986, the P. Buckley Moss Society was created by a group of her most dedicated collectors to facilitate the management of her various charitable activities. This society has grown to over 20,000 members worldwide and uses fundraisers to provide for charitable projects. Among its projects in 1995, the Society created the P. Buckley Moss Foundation for Children's Education; the mission of this educational foundation is to "promote the integration of the arts into all educational programs, with a special focus on programs for children who learn differently."

Patricia Buckley Moss is an excellent role model for aspiring young artists throughout our country. She has left an indelible mark on her community not only through her art, but also through her charitable work, which has touched the lives of so many, specifically those who are learning impaired. I commend her for her service and wish her continued success in her life.•

(At the request of Mr. DASCHLE, the following statement was ordered to be printed in the RECORD.)

CONGRATULATING AG PRODUCER OF THE YEAR KIRK CORDES

• Mr. JOHNSON. Mr. President, I wish to publicly congratulate Kirk Cordes of Rapid City, SD, for receiving the Ag Producer of the Year award at the Rapid City Area Chamber of Commerce Ag Appreciation banquet.

The Ag Producer of the Year is awarded to one recipient a year who distinguishes themselves in the Agricultural Business Community in South Dakota. The award has been given out since 2001. The award goes to a person who uses the most recent and innovative technology to further advance the agriculture industry for the better.

Kirk Cordes understands the word perseverance. Mr. Cordes was raised on a ranch outside of Elm Springs, SD, where he attended elementary school in a one room school house. After graduating from South Dakota State University in 1970 with a degree in agriculture/business, he worked hard and saved his income. In 1973, the hard work and determination paid off. He bought his mother and father in-law's 6,800 acre ranch, and he and his family have owned and operated the ranch ever since.

Kirk Cordes has been recognized numerous times for his devotion to the agricultural industry in South Dakota. Among his numerous awards, he is a member of various organizations and serves on many boards. He is a past director of the Pennington County Soil Conservation District. He has also been a past director, vice president and State president of the South Dakota section for range management and recipient of Rangeman of the year for South Dakota in 1983. He is a current member of the South Dakota Cattlemen's Association, the National Cattlemen's Beef Association, the Rapid City Area Chamber Ag Committee and the Western South Dakota Buckaroos. For the past 10 years, he has been president of the West River/Lyman Jones Rural Water Systems, which is part of the Mni Wiconi Water Project.

After 30 years of ranching, Kirk and his wife Kathy will be turning the ranch over to their son and daughter-in-law.

I am pleased that his agricultural leadership is being publicly recognized and that his achievements will serve as a model for all outstanding agricultural producers throughout the State to emulate. It is with great honor that I share his impressive achievements with my colleagues.•

RECOGNITION OF MARTIN FINKEL

• Mr. SPECTER. Mr. President, I wish to recognize Martin Finkel, a distinguished doctor and family friend. Dr. Finkel has practiced medicine for over 30 years on the Upper West Side of Manhattan.

Martin Finkel, M.D., F.A.C.P., P.C., a Diplomat of the American Board of Internal Medicine and Gastroenterology, was voted for inclusion in the October edition of the prestigious "Guide to America's Top Physicians."

In designating this distinction, the editors of the Guide noted that Dr. Finkel was "among the select few that have earned this prestigious recognition." I join them today in their salute to Dr. Martin Finkel.•

(At the request of Mr. DASCHLE, the following statement was ordered to be printed in the RECORD.)

JAMES L. "JAY" JENKINS 1919–2003

• Mr. EDWARDS. Mr. President, I wish the honor to life of a remarkable North Carolinian.

Jay Jenkins was one of North Carolina's finest. He was a member of a large and distinguished family descended from 18th century Scottish missionaries, and he left his own mark on our State and the South. With his passing, we have lost a great humanitarian.

Jay's long career spanned his early years as a political reporter and later as a leader at the University of North Carolina.

Many in North Carolina believe he was the best political reporter the State has ever known. He was always the one with the scoop. He had the best contacts and knew how to work them. He was a mentor to many, including Charles Kuralt, whose own distinguished career took him to CBS News, David Cooper, retired editorial page editor of the Akron, OH, Beacon-Journal, James Batten, the late president of the Knight-Ridder Publishing Co., Joe Doster, retired publisher of the Winston-Salem Journal and Eugene Roberts, retired managing editor of The New York Times. His competitors admired him at the same time they were wondering how he always managed to get the story.

The qualities that made him such a good reporter were his straightforwardness and his integrity. He was concerned about writing what was really happening. He looked for pretension in politicians and avoided those personalities. His emphasis was the common man. He cared about North Carolina providing programs that truly met the needs of children.

Jay counted among his close friends former Senator Jesse Helms, whom he met when both were students in the late 1930s at what was then Wake Forest College. He also was a close friend to former Governor and Senator Terry Sanford.

His reporting also led to several journalism awards, including the National Sidney Hillman Award for investigative articles in the News & Observer exposing activities of the Klu Klux Klan in North Carolina. In 1991, Jay Jenkins was inducted into the North Carolina Journalism Hall of Fame.

Jay later joined UNC system President Bill Friday as a senior assistant. During his tenure with the university system, he expanded the concept of public relations to be more than just reporting about the students. Most importantly, he originated and founded the television news show, North Carolina People, hosted by President Friday. This show is still running and remains popular in North Carolina. He was also was highly respected in the legislature, where he represented the university with distinction.

"I remember him as the best of his generation," President Friday said of Jay. "He was a man of real integrity, honesty and plain raw courage. His motivation was always what was best for North Carolina."

Jay was an accomplished outdoorsman and athlete who played semiprofessional baseball. He was a devoted follower of the Atlanta Braves and his beloved Wake Forest Demon Deacons.

A veteran of World War II, Jay served our country with distinction in the Army Air Corps in the Pacific Theater for 30 months.

Jay was a true North Carolina treasure. We will miss him dearly.●

TRIBUTE TO CRAIG WILLIAMS

● Mr. BUNNING. Mr. President, I wish to pay tribute to Craig Williams, director of the Chemical Weapons Working Group, which is based in Berea, KY. On Thursday, December 11, Craig will receive the Public Interest Research Group's annual John O'Connor Citizen Achievement Award.

The O'Connor Award is presented annually to a dedicated advocate for a cleaner, better America. Craig Williams has dedicated his life to grassroots organizations safeguarding the environment and protecting Americans working and living near chemical weapons storage facilities. He rightly deserves this tremendous honor.

I have personally worked with Craig for years on protecting the local citizens and environment surrounding the Bluegrass Army Depot in central Kentucky. As the director of the Chemical Weapons Working Group, Craig was instrumental in ensuring the safest possible disposal of chemical weapons in Kentucky. Craig has been a tireless advocate against the incineration of these deadly weapons and has done a remarkable job educating and mobilizing the local communities surrounding these disposal sites across the country.

I congratulate Craig for receiving this honor, and I thank him for his tireless advocacy on behalf of a cleaner environment and protection of all those living and working near chemical weapons storage facilities. I look forward to working with Craig on future projects. I thank the Senate for allowing me to pay tribute to this dedicated Kentuckian.●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, two treaties, and a withdrawal which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

ANNUAL REPORT OF THE RAILROAD RETIREMENT BOARD FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002—PM 58

The Presiding Officer laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Health, Education, Labor, and Pensions:

To the Congress of the United States:

I transmit herewith the Annual Report of the Railroad Retirement Board presented for forwarding to you for the fiscal year ending September 30, 2002, consistent with the provisions of section 7(b)(6) of the Railroad Retirement Act and section 12(1) of the Railroad Unemployment Insurance Act.

GEORGE W. BUSH.

THE WHITE HOUSE, *December 8, 2003.*

MESSAGE FROM THE HOUSE RECEIVED DURING RECESS

The Secretary of the Senate, during the recess of the Senate, received a message from the House of Representatives announcing that the Speaker has signed the following enrolled bills and joint resolution:

S. 459. An act to ensure that a public safety officer who suffers a fatal heart attack or stroke while on duty shall be presumed to have died in the line of duty for purposes of public safety officer survivor benefits.

H.J. Res. 80. Joint resolution appointing the day for the convening of the second session of the One Hundred Eighth Congress.

H.R. 1. An act to amend title XVIII of the Social Security Act to provide for a voluntary program for prescription drug coverage under the Medicare Program, to modernize the Medicare Program, to amend the Internal Revenue Code of 1986 to allow a deduction to individuals for amounts contributed to health savings security accounts and health saving accounts, to provide for the disposition of unused health benefits in cafeteria plans and flexible spending arrangements, and for other purposes.

H.R. 1437. An act to improve the United States Code.

H.R. 1813. An act to amend the Torture Victims Relief Act of 1998 to authorize appropriations to provide assistance for domestic and foreign centers and programs for the treatment of victims of torture, and for other purposes.

H.R. 2297. An act to amend title 38, United States Code, to improve benefits under laws administered by the Secretary of Veterans Affairs, and for other purposes.

H.R. 2622. An act to amend the Fair Credit Reporting Act, to prevent identity theft, improve resolution of consumer disputes, improve the accuracy of consumer records, make improvements in the use of, and consumer access to, credit information, and for other purposes.

H.R. 3287. An act to award congressional gold medals posthumously on behalf of Reverend Joseph A. DeLaine, Harry and Eliza Briggs, and Levi Pearson in recognition of their contributions to the Nation as pioneers in the effort to desegregate public schools that led directly to the landmark desegregation case of Brown et al. v. the Board of Education of Topeka et al.

H.R. 3348. An act to reauthorize the ban on undetectable firearms.

Under the authority of the order of the Senate of November 25, 2003, on December 2, 2003, the enrolled bills and joint resolution were signed by the Acting President pro tempore (Mr. FRIST).

MESSAGES FROM THE HOUSE

At 10:05 a.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House agreed to the amendment of the Senate to the amendment of the House to the bill (S. 877) to regulate interstate commerce by imposing limitations and penalties on the transmission of unsolicited commercial electronic mail via the Internet.

The message also announced that the House agreed to the amendment of the Senate to the amendment of the House to the bill (S. 1680) to reauthorize the Defense Production Act of 1950, and for other purposes.

The message further announced that the House agreed to the amendment of the Senate to the bill (H.R. 100) to restate, clarify, and revise the Soldiers' and Sailors' Civil Relief Act of 1940.

The message also announced that the House agreed to the amendments of the Senate to the bill (H.R. 622) to provide for the exchange of certain lands in the Coconino and Tonto National Forests in Arizona, and for other purposes.

The message further announced that the House agreed to the amendments of the Senate to the bill (H.R. 1006) to amend the Lacey Act Amendments of 1981 further the conservation of certain wildlife species.

The message also announced that the House agreed to the amendment of the Senate to the bill (H.R. 1012) to establish the Carter G. Woodson Home National Historic Site in the District of Columbia, and for other purposes.

The message further announced that the House agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2673) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for the fiscal year ending September 30, 2004, and for other purposes.

The message also announced that pursuant to section 7(b)(1) of the Prison Rape Elimination Act of 2003 (Public Law 108–79), the Minority Leader appoints the following individuals on the part of the House of Representatives to the National Prison Rape Reduction Commission: Ms. Brenda V. Smith of the District of Columbia and Ms. Jamie Fellner, Esq., of New York.

At 11:04 a.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bills, without amendment:

S. 811. An act to support certain housing proposals in the fiscal year 2003 budget for the Federal Government, including the downpayment assistance initiative under the HOME Investment Partnership Act, and for other purposes.

S. 1683. An act to provide for a report on the parity of pay and benefits among Federal law enforcement officers and to establish an exchange program between Federal law enforcement employees and State and local law enforcement employees.

S. 1929. An act to amend the Employee Retirement Income Security Act of 1974 and the Public Health Service Act to extend the mental health benefits parity provisions for an additional year.

S. 1947. An act to prohibit the offer of credit by a financial institution to a financial institution examiner, and for other purposes.

The message also announced that the House has passed the following bill and joint resolution, in which it requests the concurrence of the Senate:

H.R. 3652. An act to amend the Internal Revenue Code of 1986 to modify the taxation of imported archery products.

H.J. Res. 82. Joint resolution making further continuing appropriations for the fiscal year 2004, and for other purposes.

The message further announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate.

H. Con. Res. 345. Concurrent resolution authorizing the printing as a House document of the transcripts of the proceedings of "The Changing Nature of the House Speakership: The Cannon Centenary Conference," sponsored by the Congressional Research Service on November 12, 2003.

MEASURES REFERRED

The following bills were read the first and the second times by unanimous consent, and referred as indicated:

H.R. 7. An act to amend the Internal Revenue Code of 1986 to provide incentives for charitable contributions by individuals and business, and for other purposes; to the Committee on Finance.

H.R. 153. An act to restore the second amendment rights of all Americans; to the Committee on Energy and Natural Resources.

H.R. 253. An act to amend the National Flood Insurance Act of 1968 to reduce losses to properties for which repetitive flood insurance claim payments have been made; to the Committee on Banking, Housing, and Urban Affairs.

H.R. 408. An act to provide for expansion of Sleeping Bear Dunes National Lakeshore; to the Committee on Energy and Natural Resources.

H.R. 1964. To assist the States of Connecticut, New Jersey, New York, and Pennsylvania in conserving priority lands and natural resources in the Highlands region, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 2218. To amend the Federal Food, Drug, and Cosmetic Act to provide for the regulation of all contact lenses as medical devices, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

H.R. 2584. To provide for the conveyance to the Utrok Atoll local government of a decommissioned National Oceanic and Atmospheric Administration ship, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 2898. An act to improve homeland security, public safety, and citizen activated emergency response capabilities through the use of enhanced 911 wireless services, and for other purposes; to the Committee on Commerce, Science, and Transportation.

H.R. 2907. An act to provide for a land exchange in the State of Arizona between the Secretary of Agriculture and Yavapai Ranch Limited Partnership; to the Committee on Energy and Natural Resources.

H.R. 3108. An act to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986 to temporarily replace the 30-year Treasury rate with a rate based on long-term corporate bonds for certain pension plan funding requirements and other provisions, and for other purposes; to the Committee on Finance.

H.R. 3181. An act to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to reauthorize the predisaster mitigation program, and for other purposes; to the Committee on Environment and Public Works.

H.R. 3214. An act to eliminate the substantial backlog of DNA samples collected from crime scenes and convicted offenders, to improve and expand the DNA testing capacity of Federal, State, and local crime laboratories, to increase research and development of new DNA testing technologies, to develop new training programs regarding the collection and use of DNA evidence, to provide post-conviction testing of DNA evidence to exonerate the innocent, to improve the performance of counsel in State capital cases, and for other purposes; to the Committee on the Judiciary.

H.R. 3521. An act to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes; to the Committee on Finance.

H.R. 3652. An act to amend the Internal Revenue Code of 1986 to modify the taxation of imported archery products; to the Committee on Finance.

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 206. Concurrent resolution supporting the National Marrow Donor Program and other bone marrow donor programs and encouraging Americans to learn about the importance of bone marrow donation; to the Committee on Health, Education, Labor, and Pensions.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on December 3, 2003, she had presented to the President of the United States the following enrolled bill:

S. 459. An act to ensure that a public safety officer who suffers a fatal heart attack or stroke while on duty shall be presumed to have died in the line of duty for purposes of public safety officer survivor benefits.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Ms. COLLINS, from the Committee on Governmental Affairs:

Report to accompany S. 1522, a bill to provide new human capital flexibility with respect to the GAO, and for other purposes (Rept. No. 108-216).

Report to accompany S. 1612, a bill to establish a technology, equipment, and information transfer within the Department of Homeland Security (Rept. No. 108-217).

By Mr. INHOFE, from the Committee on Environment and Public Works, with amendments and an amendment to the title:

S. 156. A bill to amend the Atomic Energy Act of 1954 to reauthorize the Price-Anderson provisions (Rept. No. 108-218).

By Mr. McCAIN, from the Committee on Commerce, Science, and Transportation, with amendments:

S. 1401. A bill to reauthorize the National Oceanic and Atmospheric Administration, and for other purposes (Rept. No. 108-219).

By Mr. GREGG, from the Committee on Health, Education, Labor, and Pensions, without amendment:

S. 1879. A bill to amend the Public Health Service Act to revise and extend provisions relating to mammography quality standards (Rept. No. 108-220).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted on November 21, 2003:

Mr. WARNER. Mr. President, for the Committee on Armed Services I report favorably the following nomination lists which were printed in the RECORDS on the dates indicated, and ask unanimous consent, to save the expense of reprinting on the Executive Calendar that these nominations lie at the Secretary's desk for the information of Senators.

Air Force nomination of Mary J. Quinn.

Air Force nominations beginning Christopher C. Erickson and ending Mark A. Mcclain, which nominations were received by the Senate and appeared in the Congressional Record on November 17, 2003.

Army nomination of Lance A. Betros.

Army nominations beginning Thomas B. Sweeney and ending Paul L. Zanglin, which nominations were received by the Senate and appeared in the Congressional Record on October 30, 2003.

Army nominations beginning John D. Mcgowan II and ending Kenneth E. Nettles, which nominations were received by the Senate and appeared in the Congressional Record on November 17, 2003.

Army nominations beginning Vernal G. Anderson and ending Donald J. Kerr, which nominations were received by the Senate and appeared in the Congressional Record on November 17, 2003.

Army nominations beginning Gaston P. Bathalon and ending Paula J. Rutan, which nominations were received by the Senate and appeared in the Congressional Record on November 17, 2003.

Army nomination of William B. Carr, Jr.

Army nominations beginning John E. Atwood and ending William E. Zoesch, which nominations were received by the Senate and appeared in the Congressional Record on November 17, 2003.

Army nominations beginning Cheryl Kyle and ending Terry C. Washam, which nominations were received by the Senate and appeared in the Congressional Record on November 17, 2003.

Army nomination beginning Michael A. Buley and ending Gary M. Zaucha, which nominations were received by the Senate and appeared in the Congressional Record on November 17, 2003.

Army nomination of Gary R. McMeen.

Marine Corps nomination of Michael S. Nisley.

Marine Corps nominations beginning Leonard Halik III and ending Ernest R. Hines, which nominations were received by the Senate and appeared in the Congressional Record on February 1, 2003.

Marine Corps nomination of David B. Morey.

Navy nomination of Patrick J. Moran.

Navy nomination of Lawrence J. Chick.

Navy nomination of Robert E. Vincent II.

Navy nominations beginning Rodney A Bolling and ending Jay S Vignola, which nominations were received by the Senate and appeared in the Congressional Record on November 3, 2003.

By Mr. SHELBY for the Committee on Banking, Housing, and Urban Affairs.

*Thomas J. Curry, of Massachusetts, to be a Member of the Board of Directors of the Federal Deposit Insurance Corporation for a term of six years.

*Alicia R. Castaneda, of the District of Columbia, to be a Director of the Federal Housing Finance Board for a term expiring February 27, 2004.

*Alicia R. Castaneda, of the District of Columbia, to be a Director of the Federal Housing Finance Board for a term expiring February 27, 2011.

By Mr. GRASSLEY for the Committee on Finance.

*Arnold I. Havens, of Virginia, to be General Counsel for the Department of the Treasury.

By Ms. COLLINS for the Committee on Governmental Affairs.

*James M. Loy, of Virginia, to be Deputy Secretary of Homeland Security.

*Scott J. Bloch, of Kansas, to be Special Counsel, Office of Special Counsel, for the term of five years.

By Mr. SPECTER for the Committee on Veterans' Affairs. Alan G. Lance, Sr., of Idaho, to be a Judge of the United States Court of Appeals for Veterans Claims for the term prescribed by law.

Lawrence B. Hagel, of Virginia, to be a Judge of the United States Court of Appeals for Veterans Claims for the term prescribed by law.

*Cynthia R. Church, of Virginia, to be an Assistant Secretary of Veterans Affairs (Public and Intergovernmental Affairs).

*Robert N. McFarland, of Texas, to be an Assistant Secretary of Veterans Affairs (Information and Technology).

*Gordon H. Mansfield, of Virginia, to be Deputy Secretary of Veterans Affairs.

*Nomination was reported with recommendation that it be confirmed subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

(Nominations without an asterisk were reported with the recommendation that they be confirmed.)

DISCHARGED NOMINATIONS

The Senate Committee on Foreign Relations was discharged from further consideration of the following nominations and the nominations were confirmed:

David C. Mulford, of Illinois, to be Ambassador Extraordinary and Plenipoltentiary of the United States of America to India.

James C. Oberwetter, of Texas, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Saudi Arabia.

The Senate Committee on Banking, Housing, and Urban Affairs was discharged from further consideration of the following nominations and the nominations were confirmed:

Joseph Max Cleland, of Georgia, to be a Member of the Board of Directors of the Export-Import Bank of the United States for a term expiring January 20, 2007.

April H. Foley, of New York, to be First Vice President of the Export-Import Bank of the United States for the remainder of the term expiring January 20, 2005.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. GRAHAM of Florida:

S. 1980. A bill to amend the Help America Vote Act of 2002 to require a voter-verified permanent record or hardcopy under title III of such Act, and for other purposes; to the Committee on Rules and Administration.

By Mr. SANTORUM:

S. 1981. A bill to amend the Constitution Heritage Act of 1988 to provide for the operation of the National Constitution Center; to the Committee on Energy and Natural Resources.

By Mr. SCHUMER (for himself, Mr. HATCH, and Mr. DURBIN):

S. 1982. A bill to establish within the United States Marshalls Service a short term State witness protection program to provide assistance to State and local district attorneys to protect their witnesses in homicide and major violent crimes cases and to provide Federal grants for such protection; to the Committee on the Judiciary.

By Mr. SCHUMER (for himself, Mr. REED, Mrs. CLINTON, Mrs. FEINSTEIN, and Mr. DURBIN):

S. 1983. A bill to amend title 18 of the United States Code, to enhance the authority of the Bureau of Alcohol, Tobacco, Firearms, and Explosives to enforce the compliance of gun dealers with Federal firearms laws, and for other purposes; to the Committee on the Judiciary.

By Mr. GRASSLEY (for himself and Mr. BAUCUS):

S. 1984. A bill to amend the Internal Revenue Code of 1986 to make technical corrections, and for other purposes; to the Committee on Finance.

By Mrs. FEINSTEIN:

S. 1985. A bill for relief of Benjamin Cabrera-Gomez and Londy Patricia; to the Committee on the Judiciary.

By Mrs. CLINTON:

S. 1986. A bill to amend the help America Vote Act of 2002 to require voter verification and improved security for voting systems under title III of the Act, and for other purposes; to the Committee on Rules and Administration.

By Mr. LUGAR:

S. 1987. A bill to implement the obligations of the United States under the Protocol Additional to the Agreement between the United States of America and the International Atomic Energy Agency for the Application of Safeguards in the United States of America, known as "the Additional Protocol" signed by the United States on June 12, 1998; to the Committee on Foreign Relations.

By Mr. DASCHLE (for Mr. EDWARDS):

S. 1988. A bill to amend titles XVIII and XIX of the Social Security Act to establish minimum requirements for nurse staffing in nursing facilities receiving payments under the Medicare or Medicaid Program; to the Committee on Finance.

By Mr. DAYTON:

S. 1989. A bill to provide that, for purposes of making determinations for certain trade remedies and trade adjustment assistance, imported semi-finished steel slabs and taconite pellets produced in the United States shall be considered to be articles like or directly competitive with each other; to the Committee on Finance.

By Mr. DAYTON:

S. 1990. A bill to authorize the Economic Development Administration to make grants to producers of taconite for implementation of new technologies to increase productivity, to reduce costs, and to improve overall product quality and performance; to the Committee on Environment and Public Works.

By Mr. DASCHLE (for Mr. KERRY (for himself and Mr. KENNEDY)):

S. 1991. A bill to require the reimbursement of members of the Armed Forces or their family members for the costs of protective body armor purchased by or on behalf of members of the Armed Forces; to the Committee on Armed Services.

By Mr. KENNEDY:

S. 1992. A bill to amend the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 to eliminate privatization of the medicare program, to improve the medicare prescription drug benefit, to repeal health savings accounts, and for other purposes; to the Committee on Finance.

By Mr. WARNER (for himself and Mrs. CLINTON):

S. 1993. A bill to amend title 23, United States Code, to provide a highway safety improvement program that includes incentives to States to enact primary safety belt laws; to the Committee on Environment and Public Works.

By Mr. DASCHLE (for Mr. FEINGOLD):

S. 1994. A bill to amend part D of title XVIII of the Social Security Act to strike the language that prohibits the Secretary of Health and Human Services from negotiating prices for prescription drugs furnished under the medicare program; to the Committee on Finance.

By Mr. DASCHLE (for Mr. FEINGOLD):

S. 1995. A bill to amend title XVIII of the Social Security Act to repeal the MA Regional Plan Stabilization Fund; to the Committee on Finance.

By Mr. DASCHLE:

S. 1996. A bill to enhance and provide to the Oglada Sioux Tribe and Angostura Irrigation Project certain benefits of the Pick-Sloan Missouri River basin program; to the Committee on Indian Affairs.

By Mr. BYRD (for himself, Mr. BAYH, and Mr. ROCKEFELLER):

S. 1997. A bill to reinstate the safeguard measures imposed on imports of certain steel products, as in effect on December 4, 2003; to the Committee on Finance.

By Mr. BINGAMAN (for himself, Ms. SNOWE, Mr. SCHUMER, Mr. LEAHY, Mrs. CLINTON, Mr. NELSON of Nebraska, Mrs. LINCOLN, Mr. HAGEL, Mr. JEFFORDS, Mr. DOMENICI, Mr. HARKIN, and Mr. PRYOR):

S. 1998. A bill to amend title 49, United States Code, to preserve the essential air service program; to the Committee on Commerce, Science, and Transportation.

By Mr. DASCHLE (for himself, Ms. STABENOW, Mr. GRAHAM of Florida, Mr. KENNEDY, Mr. PRYOR, Mr. DORGAN, Mrs. BOXER, Mr. LAUTENBERG, Mr. BINGAMAN, Ms. MIKULSKI, Mr. JOHNSON, Mr. SCHUMER, Mr. KOHL, Ms. CANTWELL, and Mr. ROCKEFELLER):

S. 1999. A bill to amend part D of title XVIII of the Social Security Act, as added by the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, to provide for negotiation of fair prices for medicare prescription drugs; to the Committee on Finance.

By Mrs. FEINSTEIN (for herself and Mrs. HUTCHISON):

S. 2000. A bill to extend the special postage stamp for breast cancer research for 2 years; considered and passed.

By Mr. INOUYE (for himself and Mr. AKAKA):

S. 2001. A bill to authorize an additional permanent judgeship for the district of Hawaii, and for other purposes; to the Committee on the Judiciary.

By Mr. BAUCUS (for himself and Mr. CRAIG):

S. 2002. A bill to improve and promote compliance with international intellectual property obligations relating to the Republic of Cuba, and for other purposes; to the Committee on the Judiciary.

By Mrs. CLINTON:

S. 2003. A bill to amend the Public Health Service Act to promote higher quality health care and better health by strengthening health information, information infrastructure, and the use of health information by providers and patients; to the Committee on Finance.

By Mr. GRASSLEY (for himself and Mr. FEINGOLD):

S. 2004. A bill to permanently reenact chapter 12 of title 11, United States Code, and for other purposes; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. COLEMAN:

S. Res. 279. A resolution recognizing the importance and contributions of sportsmen to American society, supporting the traditions and values of sportsmen, and recognizing the many economic benefits associated with outdoor sporting activities; to the Committee on Environment and Public Works.

By Mrs. BOXER (for herself and Mrs. FEINSTEIN):

S. Res. 280. A resolution congratulating the San Jose Earthquakes for winning the 2003 Major League Soccer Cup; considered and agreed to.

By Mr. FITZGERALD (for himself, Mr. DURBIN, Mr. FRIST, Mr. DASCHLE, and Mr. DEWINE):

S. Res. 281. A resolution relative to the death of the Honorable Paul Simon, a former Senator from the State of Illinois; considered and agreed to.

By Mr. STEVENS:

S. Res. 282. A resolution providing the funding to assist in meeting the official expenses of a preliminary meeting relative to the formation of a United States Senate-China interparliamentary group; considered and agreed to.

By Mr. SESSIONS (for himself, Mr. SHELBY, Mr. INHOFE, Mr. BROWNBACK, Mr. NICKLES, Mr. BUNNING, Mr. TALENT, Mr. CHAMBLISS, Mr. CRAIG, Mr. DOMENICI, Mr. KYL, and Mr. HOLLINGS):

S. Res. 283. A resolution affirming the need to protect children in the United States from indecent programming; considered and agreed to.

ADDITIONAL COSPONSORS

S. 59

At the request of Mr. INOUYE, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 59, a bill to amend title 10, United States Code, to permit former members of the Armed Forces who have a service-connected disability rated as total to travel on military aircraft in the same manner and to the same extent as retired members of the Armed Forces are entitled to travel on such aircraft.

S. 344

At the request of Mr. AKAKA, the name of the Senator from Oregon (Mr. SMITH) was added as a cosponsor of S. 344, a bill expressing the policy of the United States regarding the United States relationship with Native Hawaiians and to provide a process for the recognition by the United States of the Native Hawaiian governing entity, and for other purposes.

S. 480

At the request of Mr. HARKIN, the name of the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 480, a bill to provide competitive grants for training court reporters and closed captioners to meet requirements for realtime writers under the Telecommunications Act of 1996, and for other purposes.

S. 491

At the request of Mr. REID, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 491, a bill to expand research regarding inflammatory bowel disease, and for other purposes.

S. 533

At the request of Mr. SCHUMER, the names of the Senator from Iowa (Mr. HARKIN), the Senator from Hawaii (Mr. INOUYE), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Georgia (Mr. MILLER), the Senator from Arkansas (Mr. PRYOR), the Senator from Nevada (Mr. REID) and the Senator from Nebraska (Mr. NELSON) were added as cosponsors of S. 533, a bill to provide for a medal of appropriate design to be awarded by the President to the next of kin or other representative of those individuals killed as a result of the terrorist attacks of September 11, 2001.

S. 736

At the request of Mr. ENSIGN, the name of the Senator from Virginia (Mr. WARNER) was added as a cosponsor of S. 736, a bill to amend the Animal Welfare Act to strengthen enforcement of provisions relating to animal fighting, and for other purposes.

S. 976

At the request of Mr. WARNER, the name of the Senator from Illinois (Mr. FITZGERALD) was added as a cosponsor of S. 976, a bill to provide for the issuance of a coin to commemorate the 400th anniversary of the Jamestown settlement.

S. 985

At the request of Mr. GREGG, his name was added as a cosponsor of S. 985, a bill to amend the Federal Law Enforcement Pay Reform Act of 1990 to adjust the percentage differentials payable to Federal law enforcement officers in certain high-cost areas, and for other purposes.

S. 1010

At the request of Mr. HARKIN, the name of the Senator from North Carolina (Mr. EDWARDS) was added as a cosponsor of S. 1010, a bill to enhance and further research into paralysis and to improve rehabilitation and the quality of life for persons living with paralysis and other physical disabilities.

S. 1032

At the request of Mr. SARBANES, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 1032, a bill to provide for alternative transportation in certain federally owned or managed areas that are open to the general public.

S. 1034

At the request of Mrs. FEINSTEIN, the name of the Senator from Ohio (Mr. DEWINE) was added as a cosponsor of S. 1034, a bill to repeal the sunset date on the assault weapons ban, to ban the importation of large capacity ammunition feeding devices, and for other purposes.

S. 1040

At the request of Mr. SHELBY, the name of the Senator from Idaho (Mr. CRAIG) was added as a cosponsor of S. 1040, a bill to repeal the current Internal Revenue Code and replace it with a flat tax, thereby guaranteeing economic growth and greater fairness for all Americans.

S. 1091

At the request of Mr. DURBIN, the name of the Senator from Hawaii (Mr. AKAKA) was added as a cosponsor of S. 1091, a bill to provide funding for student loan repayment for public attorneys.

S. 1177

At the request of Mr. KOHL, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 1177, a bill to prevent tobacco smuggling, to ensure the collection of all tobacco taxes, and for other purposes.

S. 1252

At the request of Mr. DAYTON, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 1252, a bill to provide benefits to domestic partners of Federal employees.

S. 1431

At the request of Mr. LAUTENBERG, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 1431, a bill to reauthorize the assault weapons ban, and for other purposes.

S. 1568

At the request of Mr. HATCH, the names of the Senator from Arkansas (Mrs. LINCOLN) and the Senator from Florida (Mr. GRAHAM) were added as cosponsors of S. 1568, a bill to amend the Internal Revenue Code of 1986 to simplify certain provisions applicable to real estate investment trusts.

S. 1645

At the request of Mr. CRAIG, the name of the Senator from Delaware (Mr. BIDEN) was added as a cosponsor of S. 1645, a bill to provide for the adjustment of status of certain foreign agricultural workers, to amend the Immigration and Nationality Act to reform the H-2A worker program under that Act, to provide a stable, legal agricultural workforce, to extend basic legal protections and better working conditions to more workers, and for other purposes.

S. 1679

At the request of Mr. BUNNING, the name of the Senator from Alabama (Mr. SESSIONS) was added as a cosponsor of S. 1679, a bill to amend the Internal Revenue Code of 1986 to reduce the depreciation recovery period for roof systems.

S. 1700

At the request of Mr. LEAHY, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 1700, a bill to eliminate the substantial backlog of DNA samples collected from crime scenes and convicted offenders, to improve and expand the DNA testing capacity of Federal, State, and local crime laboratories, to increase research and development of new DNA testing technologies, to develop new training programs regarding the collection and use of DNA evidence, to provide post-conviction testing of DNA evidence to exonerate the innocent, to improve the performance of counsel in State capital cases, and for other purposes.

S. 1702

At the request of Mr. SMITH, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 1702, a bill to amend the Internal Revenue Code of 1986 to extend the exclusion from gross income for employer-provided health coverage to designated plan beneficiaries of employees, and for other purposes.

S. 1736

At the request of Mr. ENZI, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 1736, a bill to promote simplification and fairness in the administration and collection of sales and use taxes.

S. 1748

At the request of Mr. DEWINE, the names of the Senator from Indiana (Mr. LUGAR) and the Senator from New Jersey (Mr. LAUTENBERG) were added as cosponsors of S. 1748, a bill to establish a program to award grants to improve and maintain sites honoring Presidents of the United States.

S. 1786

At the request of Mr. DASCHLE, his name was added as a cosponsor of S. 1786, a bill to revise and extend the Community Services Block Grant Act, the Low-Income Home Energy Assistance Act of 1981, and the Assets for Independence Act.

S. 1801

At the request of Mrs. MURRAY, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 1801, a bill to promote the economic security and safety of victims of domestic and sexual violence, and for other purposes.

S. 1807

At the request of Mr. MCCAIN, the names of the Senator from Massachusetts (Mr. KENNEDY) and the Senator from Massachusetts (Mr. KERRY) were added as cosponsors of S. 1807, a bill to require criminal background checks on all firearms transactions occurring at events that provide a venue for the sale, offer for sale, transfer, or exchange of firearms, and for other purposes.

S. 1830

At the request of Mr. BROWNBACK, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 1830, a bill to authorize appropriations for fiscal years 2004 and 2005 for the Trafficking Victims Protection Act of 2000, and for other purposes.

S. 1882

At the request of Mr. LAUTENBERG, the name of the Senator from Ohio (Mr. DEWINE) was added as a cosponsor of S. 1882, a bill to require that certain notifications occur whenever a query to the National Instant Criminal Background Check System reveals that a person listed in the Violent Gang and Terrorist Organization File is attempting to purchase a firearm, and for other purposes.

S. 1907

At the request of Mr. DASCHLE, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 1907, a bill to promote rural safety and improve rural law enforcement.

S. 1925

At the request of Mr. KENNEDY, the names of the Senator from North Dakota (Mr. DORGAN), the Senator from Washington (Ms. CANTWELL) and the Senator from Maryland (Mr. SARBANES) were added as cosponsors of S. 1925, a bill to amend the National Labor Relations Act to establish an efficient system to enable employees to form, join, or assist labor organizations, to provide for mandatory injunctions for unfair labor practices during organizing efforts, and for other purposes.

S. 1928

At the request of Mr. SARBANES, the name of the Senator from North Carolina (Mr. EDWARDS) was added as a cosponsor of S. 1928, a bill to amend the Truth in Lending Act to protect consumers against predatory practices in connection with high cost mortgage transactions, to strengthen the civil remedies available to consumers under existing law, and for other purposes.

S. 1937

At the request of Mr. BAUCUS, the names of the Senator from Louisiana (Mr. BREAUX), the Senator from Massachusetts (Mr. KERRY) and the Senator from West Virginia (Mr. ROCKEFELLER) were added as cosponsors of S. 1937, a bill to amend the Internal Revenue Code of 1986 to curtail the use of tax shelters, and for other purposes.

S. 1973

At the request of Mr. DEWINE, the name of the Senator from Wisconsin (Mr. FEINGOLD) was added as a cosponsor of S. 1973, a bill to amend the Communications Act of 1934 to protect the privacy rights of subscribers to wireless communications services.

At the request of Mr. FEINGOLD, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 1973, supra.

S. 1974

At the request of Mr. DASCHLE, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 1974, a bill to make improvements to the Medicare Prescriptions Drug, Improvement, and Modernization Act of 2003.

S. 1979

At the request of Mr. THOMAS, his name was added as a cosponsor of S. 1979, a bill to amend the Internal Revenue Code of 1986 to prevent the fraudulent avoidance of fuel taxes.

S.J. RES. 26

At the request of Mr. ALLARD, the name of the Senator from Alabama (Mr. SHELBY) was added as a cosponsor of S.J. Res. 26, a joint resolution proposing an amendment to the Constitution of the United States relating to marriage.

S. CON. RES. 81

At the request of Mrs. FEINSTEIN, the name of the Senator from Alaska (Ms. MURKOWSKI) was added as a cosponsor of S. Con. Res. 81, a concurrent resolution expressing the deep concern of

Congress regarding the failure of the Islamic Republic of Iran to adhere to its obligations under a safeguards agreement with the International Atomic Energy Agency and the engagement by Iran in activities that appear to be designed to develop nuclear weapons.

S. RES. 54

At the request of Mr. McCAIN, the name of the Senator from New Jersey (Mr. CORZINE) was added as a cosponsor of S. Res. 54, a resolution to provide Internet access to certain Congressional documents, including certain Congressional Research Service publications, certain Senate gift reports, and Senate and Joint Committee documents.

S. RES. 202

At the request of Mr. CAMPBELL, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. Res. 202, a resolution expressing the sense of the Senate regarding the genocidal Ukraine Famine of 1932–33.

S. RES. 276

At the request of Mrs. FEINSTEIN, the name of the Senator from Vermont (Mr. JEFFORDS) was added as a cosponsor of S. Res. 276, a resolution expressing the sense of the Senate regarding fighting terror and embracing efforts to achieve Israeli-Palestinian peace.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GRAHAM of Florida:

S. 1980. A bill to amend the Help America Vote Act of 2002 to require a voter-verified permanent record or hardcopy under title III of such Act, and for other purposes; to the Committee on Rules and Administration.

(At the request of Mr. DASCHLE, the following statement was ordered to be printed in the RECORD.)

• Mr. GRAHAM of Florida. Mr. President, today I rise to introduce the Voter Confidence and Increased Accessibility Act.

In 2000, Florida grabbed the national spotlight as an unfortunate example of an electoral process gone awry. The question of who would assume our Nation's highest office became contingent on such things as whether a chad was bulging or hanging. In the aftermath of that debacle, Americans demand that Congress improve the accuracy and integrity of our electoral process. Congress responded with the Help America Vote Act (HAVA), which we passed in 2002.

HAVA aimed to modernize our electoral system and there have been some positive developments. Under the law, States have replaced punch card and lever voting systems with modern computer voting machines. Modernization, however, has failed to overcome all the pitfalls seen in recent elections. In 2002, Floridians were subject to another failure of our electoral process when a software error failed to court approximately 100,000 votes.

As it now stands, computer-voting systems—including the popular touch screen models—are not mandated to include a paper record verifying voter intent. In the absence of a paper trail, confirming the accuracy of a computer voting machine is very difficult, sometimes even impossible. Further, voting irregularities, security intrusions and electronic errors can go unnoticed. We have a duty to our democracy to continue to address challenges that threaten to undermine the security and reliability of our electoral system.

The Voter Confidence & Increased Accessibility Act renews our commitment to fulfilling that obligation. It will take us one step closer to our ultimate goal: ensuring that every vote really counts. This legislation responds to a set of challenges presented by computer voting systems. It would require all voting systems produce a verifiable paper record. States would also be given assistance in meeting this standard through funds dedicated to HAVA.

The Voter Confidence & Increased Accessibility Act also stipulates several other provisions to ensure that every vote really counts. It would prohibit the use of unreported software and wireless communication devices in all voting systems. It would also restrict electronic communications from voting machines, permitting outgoing transmissions of vote totals only.

The legislation specifies that voting systems must comply with these standards in time for the November 2004 general election. In the event that a locality is unable to get their computer voting systems compliant by this deadline, they are authorized to use a paper system as an interim measure. The Federal Government would be authorized to pay the cost of these paper systems for the November 2004 election.

The Voter Confidence & Increased Accessibility Act also requires that individuals with disabilities must be accommodated with electronic voting systems by January 1, 2006, a year earlier than mandated by HAVA. While a paper record of a disabled persons vote is not expressly required, voting systems for disabled persons must include a means for voter verification. In the event a jurisdiction cannot meet this standard, disabled voters must be given the option to utilize a temporary paper system, with the assistance of an aide of their choosing.

Finally, the legislation would require the Election Assistance Commission to conduct unannounced recounts in .5 percent of domestic jurisdictions and .5 percent of overseas jurisdictions. This way, Congress and America's voters can be assured that the election equipment is operating properly, and votes are really being counted.

Creating these new standards will help ensure that our elections accurately reflect the intent of the voting public, and put into place an election system in which Americans can have full confidence.•

By Mrs. CLINTON:

S. 1986. A bill to amend the help America Vote Act of 2002 to require voter verification and improved security for voting systems under title III of the Act, and for other purposes; to the Committee on Rules and Administration.

Mrs. CLINTON. Mr. President, I rise to introduce the Protecting American Democracy Act of 2003, legislation that is vital to ensuring that the voting systems used in our Federal elections are as secure as possible while also ensuring that each and every voter in our Nation has an equal opportunity to verify his or her vote before that vote is cast and permanently recorded. At its core, this legislation will ensure that every vote is properly counted, ensuring the integrity of each vote, which is at the heart of our democracy.

In recent months, there has been discussion about the increasing use of electronic voting systems such as direct recording electronic systems (DREs), the first completely computerized voting systems. Computerized voting systems can have many advantages. As the Congressional Research Service has reported, they are arguably the most user-friendly and versatile of any current voting system. Among many features, such voting machines can be easily programmed to display ballots in different languages and can be made fully accessible for persons with disabilities, including the visually impaired. They can also prevent overvotes and spoilage of ballots due to extraneous marks since no document ballot is involved. In addition, fully computerized systems have the ability to notify voters of undervotes. Presently, no other kind of voting system possesses so many features. For this reason, it is expected that within the next two years, with funding authorized under the Help America Vote Act of 2002 ("HAVA"), state and local jurisdictions across the country will begin purchasing fully computerized systems.

One of the disadvantages of these electronic voting systems, however, is that they do not give voters an opportunity to verify their votes—to confirm that the voting machinery is registering the vote that the voter intended to cast—before the vote is cast and permanently recorded. In addition, electronic voting systems raise other concerns because of the ability of the software in the voting system to be compromised, or worse, maliciously attacked, by someone who may want to alter the voting results. Indeed, a number of recent studies, including the July 2001 study by Caltech/MIT, the

July 2003 study by Johns Hopkins and Rice universities, the September 2003 study by the Science Applications International Corporation, requested by the Governor of Maryland, and the two November 2003 studies conducted by Compuware Corporation and InfoSENTRY, requested by the Ohio Secretary of State, pointed to significant and disturbing security risks in electronic voting systems and related administrative procedures and processes.

That is why in addition to ensuring that voters have an opportunity to verify their vote, it is vital that we improve the security of voting system technology, and that means not only the kind of software that is used but also how, for example, that software is designed, stored, disseminated, updated, field tested, and used in an actual election. This is a developing consensus among computer security experts that not only is the security of electronic voting systems wholly inadequate, but that the security policies and procedures that State and local election officials, voting system vendors, and others use are non-existent, inadequate, or, if they exist, are not followed, which is the same as having no policy at all.

Our Nation is the greatest Nation on earth and it is the leading democracy in the world. Central to that democracy is ability of Americans to have confidence in the voting system used to register and record their votes. This is a fundamental standard that must be met. I have concerns, however, that our Nation is falling short of that standard.

That is why I am today introducing the "Protecting American Democracy Act of 2003," which amends by adding a voter verification requirement for voting systems to give each voter an opportunity to verify his or her vote at the time the vote is cast. Voters will be given an opportunity to correct any error made by the voting system before the permanent voting record is preserved.

While requiring that all election jurisdictions give voters the ability to verify their votes, this legislation also gives States and local jurisdictions the flexibility to employ the most appropriate, accurate, and secure voter verification technologies, which may include voter-verifiable paper ballots, votemeters, modular voting architecture, and/or encrypted votes, for their State or jurisdiction in a uniform and nondiscriminatory manner. Any voter verification method used must ensure that voters with disabilities and other affected voters have the ability to cast their vote in private, and language minorities must have equal access in verifying their vote. This is important if we are to ensure that all Americans—including the more than 20 million voters who are visually impaired, the more than 40 million Americans who lack basic literacy skills, and millions of language minorities—will be able to exercise their constitutional right to vote.

To address critical security issues, the "Protecting American Democracy Act of 2003" also amends HAVA by adding a security requirement for voting systems to ensure that voting systems are as secure as possible. Specifically, voting systems must adhere to the security requirements for Federal computer systems as required under current law or, alternatively, more stringent requirements adopted by the Election Assistance Commission. Currently no such requirement exists. I believe that, at minimum, the systems used by the people of the United States to exercise their constitutional right to vote, the hallmark of our democracy, should be at least as secure as the computer systems used by the Federal Government.

The security requirements must also provide that no voting system shall contain any wireless device, which reduces the risk that hackers will be able to attack any electronic voting system. In addition, all software and hardware used in any electronic voting system must be certified by laboratories accredited by the Commission as meeting all security requirements.

The Act also requires the Election Assistance Commission to report to Congress within 6 months of enactment regarding a proposed security review and certification process for all voting systems. Within 3 months of enactment, the Government Accounting Office, unless the Commission has already completed the following report, must issue a report to Congress on the operational and management systems that should be employed to safeguard the security of voting systems, together with a schedule for how quickly each such measure should be implemented.

Lastly, immediately upon enactment, the National Institute of Standards and technology (NIST) must provide security consultation services to State and local jurisdiction. Two million dollars in Fiscal Years 2004 through 2006 are authorized to be appropriated to assist NIST in providing these security consultation services.

I cannot think of a more significant risk to our democracy than for Americans to lack complete confidence in the voting systems used to cast and count their votes in Federal elections. For all those who believe that in a democracy, there is no more important task than assuring the sanctity of votes, this should be an easy step to take to assure it. For this reason, I urge all of my colleagues to support this legislation. I ask unanimous consent that the text of this bill be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 1986

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Protecting American Democracy Act of 2003".

SEC. 2. REQUIRING VERIFICATION FOR VOTERS.

(a) In General.—Section 301(a)(2) of the Help America Vote Act of 2002 (42 U.S.C. 15481(a)(2)) is amended by adding at the end the following new subparagraph:

"(C) Voter verification.—

"(i) The voting system shall provide a means by which each individual voter must be able to verify his or her vote at the time the vote is cast, and shall preserve each vote within the polling place on the day of the election in a manner that ensures the security of the votes as verified for later use in any audit.

"(ii) The voting system shall provide the voter with an opportunity to correct any error made by the system before the permanent record is preserved for use in any audit.

"(iii) The verified vote produced under this subparagraph shall be available as an official record.

"(iv) Any method used to permit the individual voter to verify his or her vote at the time the vote is cast and before a permanent record is created—

"(I) shall use the most accurate technology, which may include voter-verifiable paper ballots, votemeters, modular voting architecture, and encrypted votes, in a uniform and nondiscriminatory manner;

"(II) shall guarantee voters with disabilities and other affected voters the ability to cast a vote in private, consistent with paragraph (3)(A); and

"(III) shall guarantee voters alternative language accessibility under the requirements of section 203 of the Voting Rights Act of 1965 (42 U.S.C. 1973aa–1a), consistent with paragraph (4).".

SEC. 3. REQUIRING INCREASED SECURITY FOR VOTING SYSTEMS.

(a) Section 301(a) of the Help America Vote Act of 2002 (42 U.S.C. 15481(a)) is amended by adding at the end the following new paragraph:

"(7) Increased security for voting systems.—

"(A) Voting system security requirement.—The voting system shall adhere to security requirements for Federal computer systems or more stringent requirements adopted by the Election Assistance Commission after receiving recommendations from the Technical Guidelines Development Committee under sections 221 and 222. Such requirements shall provide that no voting system shall contain any wireless device. All software and hardware used in any electronic voting system shall be certified by laboratories accredited by the Commission as meeting the requirements of this subsection.

"(B) Report to congress on security review.—The Commission, in consultation with the National Institute of Standards and Technology (NIST), shall report to Congress not later than 6 months after the date of enactment of the Protecting American Democracy Act of 2003 regarding a proposed security review and certification process for all voting systems.

"(C) General accounting office report.—Not later than 3 months after the date of enactment of the Protecting American Democracy Act of 2003, the Government Accounting

Office, unless the Commission has previously completed such report, shall issue a report to Congress on the operational and management systems that should be employed to safeguard the security of voting systems, together with a schedule for how quickly each such system should be implemented.

"(D) PROVISION OF SECURITY CONSULTATION SERVICES.—

"(i) IN GENERAL.—On and after the date of enactment of the Protecting American Democracy Act of 2003, the National Institute of Standards and Technology (NIST) shall provide security consultation services to State and local jurisdictions.

"(ii) AUTHORIZATION.—To carry out the purposes of this subparagraph, $2,000,0000 is authorized for each of fiscal years 2004 through 2006.".

SEC. 4. EFFECTIVE DATE.

The amendments made by this Act shall take effect as if included in the enactment of the Help America Vote Act of 2002.

By Mr. LUGAR:

S. 1987. A bill to implement the obligations of the United States under the Protocol Additional to the Agreement between the United States of America and the International Atomic Energy Agency for the Application of Safeguards in the United States of America, known as "the Additional Protocol" signed by the United States on June 12, 1998; to the Committee on Foreign Relations.

Mr. LUGAR. Mr. President, at the request of the administration, I am pleased to introduce the Additional Protocol Implementation Act of 2003. This important legislation is needed to implement the provisions of the Protocol to the Agreement of the International Atomic Energy Agency, IAEA, Regarding Safeguards in the United States.

The United States signed the Additional Protocol in Vienna on June 12, 1998. President Bush submitted the Additional Protocol to the Senate on May 9, 2002. The State Department sent the implementing legislation to us on November 19, 2003, and asked that it be considered in conjunction with the Senate's advice and consent on the Protocol. The adoption of this agreement is an important step in demonstrating U.S. leadership in the fight against the spread of nuclear weapons. The Additional Protocol will provide the United States and the IAEA with another tool as we attempt to secure broader inspection rights in non-nuclear-weapon states that are parties to the Treaty on the Nonproliferation of Nuclear Weapons, NPT.

When the Committee on Foreign Relations reported out the NPT in 1968, it noted that "the treaty's fundamental purpose is to slow the spread of nuclear weapons by prohibiting the nuclear weapon states which are party to the treaty from transferring nuclear weapons to others, and by barring the non-nuclear weapon countries from receiving, manufacturing, or otherwise acquiring nuclear weapons." Since the Senate ratified the NPT, we have seen 188 states join the United States in approving the treaty. But recently we also have seen a disturbing increase in the global availability of nuclear materials and reprocessing and enrichment technology. To ensure that these materials and technologies are devoted only to peaceful purposes, the IAEA must have the power to conduct intrusive inspections at almost any location in a non-nuclear-weapon state to verify state parties' commitments under the NPT.

The world community has learned that existing safeguard arrangements in non-nuclear-weapon states do not provide the IAEA with a complete and accurate picture of possible nuclear weapons-related activities. It is critical that the IAEA have the ability to expand the scope of its activities in states that pose a potential proliferation threat. At this point, the only means at the IAEA's disposal, beyond existing safeguards arrangements, is the Model Additional Protocol.

The United States, as a declared nuclear-weapon state party to the NPT, may exclude the application of IAEA safeguards on its nuclear activities. Under the negotiated Additional Protocol, the United States also has the right to exclude activities and sites of direct national security significance in accordance with its National Security exclusion. This provision is crucial to U.S. acceptance of the Additional Protocol and provides a basis for the protection of U.S. nuclear weapons-related activities, sites, and materials as a declared nuclear power.

The Additional Protocol does not contain any new arms control or disarmament obligations for the United States. While there are increased rights granted to the IAEA for the conduct of inspections in the United States, the administration has assured the committee that the likelihood of an inspection occurring in the United States is very low. Nevertheless, should an inspection under the Additional Protocol be potentially harmful to U.S. national security interests, the United States has the right, through the National Security Exclusion, to prevent such an inspection.

The Committee on Foreign Relations will hold hearings early next year to consider the Additional Protocol. I am confident the Committee will draft a resolution of ratification that will enjoy the support of the senate. Ratification of this treaty and passage of its implementing legislation would be an important demonstration of the U.S. commitment to vigorous and expansive authority for the IAEA in non-nuclear-weapon states.

I am pleased to introduce this legislation today as a statement of the Committee's strong support for aggressive verification capabilities in the global fight against the spread of weapons of mass destruction. I look forward to working closely with my friend, Senator HATCH, Chairman of the Committee on the Judiciary, to construct legislation that protects U.S. national security interests, while strengthening the ability of the IAEA to discover illegal nuclear weapons activities.

The package I send to the desk today contains a letter from the Department of State, the administration's implementing legislation, and a section-by-section analysis, all submitted by the administration.

I ask unanimous consent that the referenced letter and analysis be printed in the RECORD.

There being no objection, the additional material was ordered to be printed in the RECORD, as follows:

UNITED STATES DEPARTMENT OF STATE,
Washington, DC.

Hon. RICHARD G. LUGAR,
Chairman, Committee on Foreign Relations, United States Senate.

DEAR MR. CHAIRMAN: On behalf of the President, I am pleased to submit for consideration the Administration's recommended text for legislation to implement the Protocol Additional to the Agreement Between the United States of America and the International Atomic Energy Agency for Application of Safeguards in the United States of America (U.S.–IAEA Additional Protocol). The U.S.–IAEA Additional Protocol, signed in Vienna on June 12, 1998, is a bilateral treaty that supplements and amends the Agency verification arrangements under the existing Agreement Between the United States of America and the International Atomic Energy Agency for the Application of Safeguards in the United States of America of November 18, 1977 (the "Voluntary Offer"), which entered into force on December 9, 1980.

The U.S.–IAEA Additional Protocol contains a number of provisions that require implementing legislation to give them effect within the United States. These include:

Declarations of U.S. civil nuclear activities and related industry;

Restrictions on disclosure of information; and

International inspections of locations in the United States.

The President, in his letter of transmission dated May 9, 2002, stated that the U.S.–IAEA "Additional Protocol is in the best interests of the United States. Our acceptance of this agreement will sustain our longstanding record of voluntary acceptance of nuclear safeguards and greatly strengthen our ability to promote universal adoption of the Model Protocol, a central goal of my nuclear nonproliferation policy. Widespread acceptance of the Protocol will contribute significantly to our nonproliferation objectives as well as strengthen U.S., allied and international security." We urge the Senate to give early and favorable consideration to the Protocol and the recommended implementing legislation.

The Office of Management and Budget advises that there is no objection to the submission of this proposal and its enactment, is in accord with the President's program.

We hope this information and the enclosed recommended legislation and sectional analysis are helpful. Please let us know if we can be of further assistance.

Sincerely,

PAUL V. KELLY,
Assistant Secretary, Legislative Affairs.

Section-by-Section Analysis of the Proposed Additional Protocol to the U.S.-IAEA Safeguards Agreement Implementation Act of 2003

OVERVIEW

The Protocol Additional to the Agreement between the United States of America and the International Atomic Energy Agency (IAEA) for the Application of Safeguards in the United States of America (the Additional Protocol) contains a number of provisions that require legislation to give them effect within the United States. These include provisions on the submission to the United States Government of civil nuclear and nuclear-related information by entities identified in Article 2 of the Additional Protocol, and on civil and criminal penalties for failure of such entities to keep or provide such information. The proposed legislation also sets forth procedures for inspections, or "complementary access," by the IAEA at U.S. locations under the Additional Protocol.

The proposed Additional Protocol to the U.S.-IAEA Safeguards Agreement Implementation Act (the Act) contains five miscellaneous sections and six titles. The five miscellaneous sections concern the short title of the Act, the table of contents, Congressional findings, definitions, and a severability clause. Title I provides specific authority for the President to implement and carry out the Act and the Additional Protocol through directing the issuance of necessary regulations. Title II authorizes complementary access at U.S. locations consistent with the Act, and establishes the terms upon which such access may take place. For example, it addresses the notice that must be given to the owner or operator of the inspected location, and the procedures to be followed for seeking access—including obtaining an administrative search warrant where necessary. Title III restricts disclosure of certain information provided pursuant to the Act or the Additional Protocol. Title IV makes it illegal for entities willfully to fail to report information required by regulations pursuant to the Act, and Title V provides for criminal and civil penalties for such violations. Finally, Title VI authorizes appropriation of funds for the Agencies required to carry out responsibilities under the Act.

MISCELLANEOUS SECTIONS

The first part of the Act contains five miscellaneous sections: the short title of the Act, the table of contents, Congressional findings, definitions, and a severability clause. The first two sections are standard provisions. The third section contains seven Congressional findings, which recognize the threat posed by nuclear proliferation, the importance of the Nuclear Non-Proliferation Treaty (NPT), the urgency of strengthening its safeguards system, and the need to implement the U.S.-IAEA Additional Protocol as a means of encouraging other NPT State Parties to accept stricter verification measures. The fourth section provides definitions of key terms as they are used in the Act. In many instances, the same definitions appear in the Additional Protocol, and are therefore cross-referenced. Finally, the fifth section provides that, if any provision of the Act is held invalid, the remainder of the Act shall remain in force. The Administration believes that the Additional Protocol and the Act are fully consistent with the U.S. Constitution, but has included this section as a matter of prudence.

TITLE I—AUTHORIZATION

Title I authorizes the President to implement and carry out the provisions of the Act and the Additional Protocol. This is to be accomplished through an Executive Order designating Agencies to promulgate regulations requiring, inter alia, submission to the United States Government of information specified under Article 2 of the Additional Protocol. This information is necessary for the United States to fulfill its Treaty obligation to provide the IAEA with a broad declaration of its civil nuclear and nuclear-related activities. While the Agencies most likely to issue or amend such regulations are identified in Section 101(a) of the Act, this list is not exclusive.

TITLE II—COMPLEMENTARY ACCESS

Title II sets forth the terms under which complementary access may occur in the United States. Section 201 of the Act makes clear that the IAEA may not conduct complementary access in the United States without the authorization, in accordance with the Act, of the United States Government. It further directs that certain U.S. agencies may not participate in complementary access. These agencies, including the Environmental Protection Agency and the Occupational Safety and Health Administration, are excluded because their employees may detect violations of regulatory schemes wholly unrelated to the Additional Protocol. Section 201 further requires the number of U.S. representatives be kept to a minimum.

Section 202 addresses procedures for complementary access. For example, Section 202(b) sets forth the requirement for the United States Government to provide "actual written notice" of a complementary access request, as soon as possible, to the owner, operator, occupant or agent in charge of the location to be inspected. The notice must contain all appropriate information provided by the IAEA concerning the purpose of the access request, the basis for selection of the location, the activities it intends to carry out, the time and duration of the access, and the identities of inspectors. In addition, Section 202(c) requires IAEA and U.S. personnel participating in the complementary access to show their credentials prior to gaining entry to the inspected location.

Section 202(d)(1) states the general rule that IAEA inspectors may conduct all activities specified under Article 6 of the Additional Protocol for the type of location being inspected. However, there are several exceptions to this rule. First, a warrant issued authorizing complementary access at a location may restrict the activities that inspectors may conduct. Second, as indicated in 202(d)(1), the United States Government has certain rights under the Additional Protocol to limit such access. In addition to its right under Article 1(b) of the

Protocol to deny IAEA access to activities with direct national security significance or to location or information associated with such activities, the United States may manage access in connection with such activities, locations or information. These rights are unilateral and absolute; they are not subject to challenge by or negotiation with the IAEA. Furthermore, Article 7 of the Additional Protocol provides for managed access, under arrangements with the IAEA, to prevent the dissemination of proliferation sensitive information, to meet safety or physical protection requirements, or to protect proprietary or commercially sensitive information. Third, Section 202(d)(2) lists a series of items that are specifically excluded from IAEA access. This third set of exceptions, which are mainly directed at protecting commercial information, may not however be enforced if the Additional Protocol requires such disclosure. Section 202(e) requires that all persons participating in complementary access, including U.S. representatives, observe all environmental, health, safety and security regulations applicable for the inspected location.

Section 203 provides the legal framework for IAEA inspectors to gain complementary access to U.S. locations under the Additional Protocol. Section 203(a) sets forth three grounds for such access: warrantless access, where the Fourth Amendment of the U.S. Constitution does not require a warrant; consent to the access by the owner/operator of the location; or, where necessary, obtaining an administrative search warrant. Section 203(a)(2) makes clear that the legislation is intended to impose no warrant requirement beyond that which is required by the Fourth Amendment. Where such a warrant requirement exists, Section 203(a)(1) directs the United States Government first to seek consent to access from the location's owner or operator. The remainder of Section 203 addresses the requirements for obtaining an administrative search warrant, and what such a warrant should contain. Section 203(b)(1) states that the United States Government shall provide to the judge all appropriate information it has received from the IAEA regarding its basis for selecting a particular location for complementary access. A "judge of the United States" is defined by the Act to mean a judge or magistrate judge of a district court of the United States. In addition, Section 203(b)(2) requires the United States to submit to the judge a more detailed affidavit showing, among other things, that the Additional Protocol is in force in the United States, applicable to the location to be inspected, and that the complementary access requested is consistent with the provisions of the Additional Protocol, including Article 4 regarding the purpose of the access, and Article 6 regarding its scope. The affidavit must also indicate the anticipated time and duration of the inspection.

Finally, the affidavit must show that the location to be inspected was selected by the IAEA either (i) because there is probable cause, on the basis of specific evidence, to believe that information required to be reported regarding a location pursuant to regulations promulgated under the Act is incorrect or incomplete, and that the location to be accessed contains evidence regarding that violation; or (ii) pursuant to a reasonable general administrative plan developed by the IAEA based upon specific neutral criteria. Selection based on either of these approaches would meet U.S. Constitutional requirements for issuance of a warrant. Section 203 directs that a judge, upon receiving the affidavit, shall promptly issue an administrative search warrant authorizing the requested complementary access. The warrant is to specify the same information as the affidavit, and shall, if known, also include the identities of the IAEA complementary access team and accompanying U.S. representatives.

TITLE III—CONFIDENTIALITY OF INFORMATION

Title III of the proposed implementing legislation restricts the disclosure of information provided to the United States Government, or to its contractor personnel, pursuant to the Act or the Additional Protocol. For example, Section 301(a) exempts from the Freedom of Information Act (FOIA) disclosure information obtained by the United States Government in implementing the provisions of the Additional Protocol. Thus, information reported to the Government by entities covered by Article 2 of the Additional Protocol, as required by regulation, is not subject to release under the FOIA.

TITLE IV—RECORDKEEPING

Title IV of the proposed implementing legislation prohibits the willful failure of any person to maintain records or submit reports to the United States Government as required by regulations issued under Section 101 of the Act. The prohibitions of Title IV are necessary to implement the Additional Protocol, as the United States is dependent on such reporting to meet its Treaty obligations. A person is defined by the Act very broadly to ensure that all possible entities within the United States are covered.

TITLE V—ENFORCEMENT

Title V of the proposed implementing legislation provides for both civil and criminal penalties for failure to meet the recordkeeping and reporting requirements of Title IV. Violators shall be subject to imprisonment for not more than five years, criminal fines, and civil penalties up to $25,000 per violation. While the Agency issuing the applicable regulations is responsible for their enforcement, an entity subject to civil penalty under this Title may seek judicial review. Title V also provides United States district courts with jurisdiction to specifically enforce Agency orders, either by restraining or compelling action so as to avoid a violation of Title IV.

TITLE VI—AUTHORIZATION OF FUNDS

Title VI of the proposed legislation authorizes the appropriation of such sums as necessary to carry out the purpose of the Act.

By Mr. DASCHLE (for Mr. KERRY (for himself and Mr. KENNEDY)):

S. 1991. A bill to require the reimbursement of members of the Armed Forces or their family members for the costs of protective body armor purchased by or on behalf of members of the Armed Forces; to the Committee on Armed Services.

(At the request of Mr. DASCHLE, the following statement was ordered to be printed in the RECORD).

• Mr. KERRY. Mr. President, it is the responsibility of the military departments to "organize, train, and equip," the armed forces of the United States. Yet, reports indicate that nearly a quarter of the 130,000 U.S. troops in Iraq still wait for the latest "Interceptor" body armor, which is a Kevlar vest with "small-arms protective inserts"—boron carbide ceramic plates—that protect critical organs from weapons fired by assault rifles like the Ak-47s favored by Iraqi insurgents.

While the Congress has taken measures to provide the latest personal protective gear to all U.S. forces in Iraq and Afghanistan, over the last several months we have heard alarming reports of family members scurrying to buy bullet-proof vests to send to their loved ones in Iraq. Military families are patriotic and selfless. Their devotion is no less than that of those serving in harm's way. They have more than enough to worry about, let alone whether or not they can find and buy the gear that might save their child's life. This is the responsibility of the Department of Defense, plain and simple. There is no excuse for their failure.

On November 19, 2003, acting-Secretary of the Army Les Brownlee admitted to Congress that the administration failed to provide basic equipment, like body armor, to all of our forces in Iraq because, as he put it, "Events since the end of major combat operations in Iraq have differed from our expectations and have combined to cause problems." The Washington Post reported recently that, "Going into the war in Iraq, the Army decided to outfit only dismounted combat soldiers with the plated vests, which cost about $1.500 each. But when Iraqi insurgents began ambushing convoys and killing clerks as well as combat troops, controversy erupted." I ask unanimous consent that the full text of this article be included in the RECORD.

Stories abound of family members, fathers and mothers, wives, and others paying for personal body armor out of their own pockets and shipping the much needed equipment to Iraq. Consider the case of Mimi McCreary of Victorville, CA, whose son Olaf received his bullet-proof vest not from his reserve unit, but from his colleagues on the Clinton, SC, police department. Or consider the 120 members of the National Guard from Marin County, CA, who were unsure of when their body armor would be made available. Instead of letting their neighbors go off to war, the men and women of law enforcement in Marin County donated more than 60 vests so that they would have "at least some protection." Or consider Army Specialist Richard Murphy of Sciota, PA, whose parents, Susan and Joe Werfelman, purchased the ceramic plates missing from their son's vest. According to Murphy's stepfather, he "called us frantically three or four times on this . . . We said, "If the Army is not going to protect him, we've got to do it."

We owe Mr. and Mrs. Werfelman and Mrs. McCreary and every other military family an incredible debt of gratitude. They raised children who believe in this country and are risking all in service to it. The last thing we should ask of them now is to take money out of their own pockets to buy the gear their kids should have had in the first place. But that's exactly what poor planning has led to.

The legislation I introduce today with Senator KENNEDY requires the Department of Defense to reimburse family members who paid money out of their own pockets to provide the personal body armor that the government failed to provide our troops. Lives and blood will always be the cost of war. But it is a dereliction of duty to send anyone into harm's way without basic protective gear, and it is disgusting for family members to have to take this burden of outfitting their loved ones for war. This grateful Nation must make right by those family members and reimburse their expenses in providing these materials to their sons and daughters, husbands and wives. Let families send pictures and letters from home. The Department of Defense should provide the gear.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Dec. 4, 2003]

BODY ARMOR SAVES LIVES IN IRAQ

(By Vernon Loeb and Theola Labbé)

BAGHDAD.—Pfc. Gregory Stovall felt the explosion on his face. He was standing in the turret of a Humvee, manning a machine gun, when the roadside bomb went off. At the time, he was guarding a convoy of trucks making a mail run. In an instant, Stovall's face was perforated by shrapnel, the index finger on his right hand was gone, and the middle finger was hanging by a tendon. But the 22-year-old from Brooklyn remembers instinctively reaching for his chest and stomach—"to make sure everything was there," he said. It was, encased in a Kevlar vest reinforced by boron carbide ceramic plates that are so hard they can stop AK-47 rounds traveling 2,750 feet per second. Thus, on the morning of Nov. 4, Stovall became the latest in a long line of soldiers serving in Iraq to be saved by the U.S. military's new Interceptor body armor.

This high-tech "system"—the Kevlar vest and "small-arms protective inserts," which the troops call SAPI plates—is dramatically reducing the kind of torso injuries that have killed soldiers on the battlefield in wars past.

Soldiers will not patrol without the armor—if they can get it. But as of now, there is not enough to go around. Going into the war in Iraq, the Army decided to outfit only dismounted combat soldiers with the plated vests, which cost about $1,500 each. But when Iraqi insurgents began ambushing convoys and killing clerks as well as combat troops, controversy erupted.

Last month, Rep. TED STRICKLAND (D-Ohio) and 102 other House members wrote to Rep. DUNCAN HUNGER (R-Calif.), chairman of the House Armed Services Committee, to demand hearings on why the Pentagon had been unable to provide all U.S. service members in Iraq with the latest body armor. In the letter, the lawmakers cited reports that soldiers' parents had been purchasing body armor with ceramic plates and sending it to their children in Iraq.

The demand came after Gen. John Abizaid, head of the U.S. Central Command and commander of all military forces in Iraq, told a House Appropriations subcommittee in September that he could not "answer for the record why we started this war with protective vests that were in short supply."

With the armor, "it's the difference between being hit with a fist or with a knife," said Ben Gonzalez, chief of the emergency room at the 28th Combat Support Hospital in Baghdad, the largest U.S. Army hospital in the country, which treats the majority of wounded soldiers.

Jonathan Turley, a law professor at George Washington University, began investigating the Army's decision not to equip all troops deploying to Iraq with Interceptor body armor after learning that one of his students, reservist Richard Murphy, was in the country with a Vietnam-era flak jacket. "There's been an overwhelming effort to get the military every possible resource," Turley said. "To have such an item denied to troops in Iraq was a terrible oversight." Since he began publicizing the lack of body armor, Turley said, he has been deluged with e-mails from people offering to donate body armor to U.S. troops.

Joe Werfelman, the father of Turley's student, said he was dismayed to learn that his son had been sent to Iraq in May without ceramic plates. "He called us frantically three or four times on this," Werfelman said in an interview. "We said, 'If the Army is not going to protect him, we've got to do it.'" So Werfelman, of Scotia, Pa., found a New Jersey company that had the ceramic plates in stock, plunked down $660 for two plates and a carrying case, and sent them to his son. "As far as I know, he's still using the ones that we got him" he said. "Some units have the new plates and some units don't."

At a hearing of the Senate Armed Services Committee on Nov. 19, Sen. JOHN W. WARNER (R-Va.), the committee's chairman, told Acting Army Secretary Les Brownlee that the shortage of body armor in Iraq was "totally unacceptable." "Now, where was the error—and I say it's an error made in planning—to send those troops to forward-deployed regions, and the conflict in Iraq, without adequate numbers of body armor?" Warner asked. "Events since the end of major combat operations in Iraq have differed from our expectations and have combined to cause problems," Brownlee said. Before approving the administration's $87 billion supplemental bill for Iraq and Afghanistan, Congress added hundreds of millions of dollars for more body armor, armored Humvees, and other systems to protect soldiers from roadside bombs and ambushes.

Now, three manufacturers are working overtime to produce the 80,000 vests and 160,000 plates required to outfit everyone in Iraq by the end of the year. Assembly lines are producing 25,000 sets a month.

Commanders say the vests are changing the way soldiers think and act in combat. "I will tell you that the soldiers—to include this one—experience some degree of feeling a little indestructible, particularly in light of the fact that we have seen the equipment work," said Lt Col. Henry Arnold, a battalion commander and combat veteran in the 101st Airborne Division in northern Iraq. "It's a security blanket," Stovall said from his hospital bed, awaiting a medevac flight to Germany with his hand bandaged. "If only they had a glove, I might have my finger, but I'm thankful that I'm here."

The product of a five-year military research effort aimed at reducing the weight and cost of the plates while increasing their strength, the body armor made its combat debut last year in Afghanistan and was credited with saving more than a dozen lives during Operation Anaconda. The camouflage Kevlar vest, which alone can stop rounds from a 9mm handgun, weighs 8.4 pounds, while each of the plates weighs 4 pounds. At 16.4 pounds, Interceptor body armor is a third lighter than the 25-pound flak jacket from the Vietnam era, but it provides far more protection.

Consider the case of Charlie Company, 1st Battalion, 505th Parachute Infantry Regiment of the 82nd Airborne Division. During a foot patrol in Fallujah in late September, an Iraqi insurgent suddenly emerged from an alleyway and fired an AK–47 at Spec. John Fox from point-blank range. Fox was hit in the stomach as he returned fire, and the blast knocked him off his feet. The bullet hit the middle of three ammunition magazines hanging from the front of his Kevlar vet, igniting tracer rounds and setting off a smoke grenade. A thick gray plume poured from his vest where he lay. His squad mates, having shot and killed the gunman, rushed to his side. "Am I bleeding? Am I bleeding?" they recalled Fox asking. They checked and discovered he was unharmed. His body armor had protected him not only from the AK–47 round by also from his own exploding munitions. "Fox must have been only 10, 15 meters from this guy," recalled St. Roger Vasquez. "And this thing stopped the bullet."

A month later, two of those who had rushed to Fox's side, Spec. Sean Bargmann and Spec. Joseph Rodriguez, were on a mounted patrol in Fallujah, sitting atop a Humvee, when a powerful roadside bomb exploded just feet away. "It felt like somebody took a Louisville Slugger to my head," Bargmann said. Weeks after the attack, he and Rodriguez still bore the outlines of their armor: The tops of their head, protected by their Kevlar helmets, and their torsos, protected by their body armor, were unscathed. But Bargmann had a deep cut right below the helmet line, and Rodriguez had three scars running down his right cheek and a scar above his left eye.

This often happens with body armor: Lives are saved, but faces, arms and legs are punctured and scarred. Doctors are treating serious wound to the extremities that are creating large numbers of amputees—soldiers who in earlier wars never would have made it off the battlefield. Gonzalez, the doctor at the 28th Combat Support Hospital, is not complaining about the number of amputations. "The survival rate has increased significantly," he said. "In the past, you'd see head and chest and abdominal injuries. They would die even before they got to me."

Sgt. Gary Frisbee of the 2nd Armored Cavalry Regiment remembers standing in the turret of a Humvee waiting to die. His vehicle was bringing up the rear during a routine three-vehicle patrol in Sadr City, Baghdad's vast Shiite slum, when hundreds of armed followers of the Shiite cleric Moqtada Sadr opened fire on them with AK–47s and rocket-propelled grenades. "I knew it was all over; it was just a matter of when," he recalled. "You're bracing yourself, because you're just waiting for the bullet to hit you. The volume of AK fire was unreal, from the roofs, in front of your, and behind you." Two of 10 soldiers on the patrol were killed; four were wounded. During the battle, Frisbee felt something hit the back of his Kelvar vest but kept on fighting. When the smoke finally cleared, he pulled out the back plate to see what had happened and found a bullet hole. It has been, as he had thought, just a matter of time. He had been hit—and saved by boron carbide.●

By Mr. KENNEDY:

S. 1992. A bill to amend the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 to eliminate privatization of the medicare program, to improve the medicare prescription drug benefit, to repeal health savings accounts, and for other purposes; to the Committee on Finance.

Mr. KENNEDY. Mr. President, today, along with Senator BOB GRAHAM I am introducing the "Defense of Medicare and Real Prescription Drug Benefit Act." Congressman JOHN DINGELL is introducing companion legislation in the House of Representatives.

The more senior citizens learn about the legislation President Bush has just signed, the more concerned they are. It's a sweetheart deal for big insurance companies and pharmaceutical companies and a raw deal for senior citizens. It's not really a prescription drug bill. It's an anti-Medicare bill.

Our legislation will reverse these destructive policies. Our legislation will protect and preserve Medicare—not turn senior citizens over to the un-tender mercies of HMOs and insurance companies. It will provide prescription drug benefit for senior citizens, without coverage gaps or hidden loopholes. It will protect senior citizens with good retirement coverage from a former employer, and it will protect the poorest of the poor on Medicaid. It will reduce prescription drug costs, by allowing safe importation of drugs from Canada and government negotiations with drug companies for discounts. And it will repeal the program of Health Savings Accounts that help the healthy, wealthy and insurance companies who have contributed heavily to the Republican Party, while harming every family that needs comprehensive, affordable health insurance.

The legislation the President signed is designed to destroy Medicare and turn senior citizens over to the un-tender mercies of HMOs. Our legislation will protect Medicare.

The legislation the President signed provides a skimpy, inadequate, and unreliable drug benefit. Our legislation provides comprehensive drug coverage and assures that senior citizens can get it everywhere in the country without having to join an HMO or other private plan.

The legislation the President signed denies senior citizens the right to get safe drugs at lower prices from Canada and prohibits the government from negotiating with drug companies to get a good deal for senior citizens. This legislation eliminates those special interest, anti-senior provisions.

The legislation the President signed allows unfettered Heath Savings Accounts. These accounts are a bonanza for the healthy, the wealthy, and for favored insurance companies, but they are a disaster for ordinary citizens who need comprehensive coverage and can't afford to put thousands of dollars aside to meet medical needs that insurance is supposed to cover. This legislation repeals this unwise policy.

Senior citizens want prescription drug coverage under Medicare, and they deserve it. Instead, the President and the Republican Party used their control of Congress to attack Medicare itself and force senior citizens into HMOs and other private insurance plans. They want to privatize Medicare, and if they get away with it, they'll try to privatize Social Security too.

Their legislation raises Medicare payments to HMOs so that Medicare can't compete. They use the elderly's own Medicare money to undermine the Medicare program they depend on. According to estimates of the Medicare Actuary, Medicare already pays 16 percent too much for every senior citizen who joins an HMO or other private insurance plan, because these programs attract the healthiest elderly. IN addition, the Republican legislation raises the base payment to 109 percent of what it costs Medicare to care for an average senior citizen, without even taking into account the health selection bonus the HMOs receive. The total overpayment is 25 percent—a whopping $2,000 per senior citizen. And to top it all off, the legislation establishes a $12 billion slush fund for the new PPO program established by the bill. This isn't competition, its corporate welfare—and senior citizens and the Medicare program are the losers.

Their legislation also creates a vast social experiment—called the "premium support" program—using millions of senior citizens as guinea pigs. The sole purpose of the experiment is to raise Medicare premiums so that senior citizens have to give up their Medicare and join an HMO.

Our legislation eliminates these indefensible overpayments and restores parity to the competition between conventional Medicare and private sector alternatives. It repeals the premium support program, so that senior citizens will have choice, not coercion, when they decide whether they prefer conventional Medicare or an HMO.

The assistance with prescription drug costs their program provides is actually very little. Overall, it covers less than 25 percent of the drug expenses faced by the elderly. Senior citizens with $1,000 in drug expenses would pay 86 percent of the cost out of their own pockets. Those with $5,000 in drug expenses would pay 78 percent. When senior citizens' drug costs exceed $2,250, they get no benefits at all until their costs reach $5,100, even though they have to continue to pay premiums. And senior citizens won't necessarily have access to the drugs their doctor's prescribe, if they aren't on the formularies of the private insurance companies that will administer the benefit. A bus ticket to Canada would do more to reduce drug costs for senior citizens than this bill.

Our legislation fills the gaps in the Medicare benefit, so that it truly meets the needs of the elderly and is comparable to the assistance provided under most private insurance plans and that is available to every member of Congress. It assures that the formularies offered by the insurance companies administering the program are not manipulated by the companies to exclude the drugs senior citizens need most.

Nine million senior citizens—almost one of every four—will actually be worse off in their drug coverage under the Bush program than they are today. According to the nonpartisan Congressional Budget Office, almost 3 million senior citizens with good retiree drug coverage through a former employer will lose it as the result of this bill. Six million senior citizens and the disabled who have both Medicare and Medicaid—the poorest of the poor—will actually pay more and have reduced access to the drugs they need. The Bush plan establishes a cruel and demeaning assets test, so that millions of senior citizens with very low incomes are disqualified from the special assistance they need, simply because they have managed to save a little bit for a rainy day, or because they have a car that's worth too much or a burial fund, or personal property like jewelry or furniture.

Our legislation addresses these problems. It ends the discriminatory treatment of senior citizens with private retirement coverage, so that employers do not have an incentive to drop this coverage. It restores benefits to dual eligibles—senior citizens with coverage under both Medicare and Medicaid—so that they will not be made worse off by the new program. It eliminates the assets test.

The Republican bill does nothing about escalating drug prices. Republicans even had the nerve to include a specific prohibition on any role by the Federal government in any negotiation on drug prices. The Congressional Budget Office has estimated that drug prices will actually increase as the result of this bill. No wonder drug company stocks are soaring and senior citizens are concerned. Our legislation will allow reimportation of drugs from Canada—where drug prices are much lower—with stringent controls to assure that any imported drugs meet FDA standards. It will allow the Federal government to negotiate the best possible price for prescription drugs, so that senior citizens and the Medicare program are no longer victimized by exorbitant prices that have little relationship to costs or value.

It's not just seniors who are very concerned. Younger Americans will be hurt too. A separate booby trap in the Republican program includes tax breaks for the healthy and wealthy to buy private policies with very high deductibles that will undermine health insurance for those who are not elderly. These tax breaks, called health savings accounts, encourage people to buy high deductible policies and put money aside in a tax-free savings account. Because the healthy people don't contribute to the cost of regular insurance, premiums skyrocket for people who can't afford thousands of dollars in out-of-pocket costs before their insurance kicks in. The Urban Institute and the American Academy of Actuaries have estimated that premiums for regular insurance policies could increase 60 percent or more. Our bill repeals this unjustified and destructive policy.

The President's signing of the Republican legislation yesterday was the beginning of this fight, not the end. We will never rest until we have protected Medicare and provided senior citizens a prescription drug benefit that truly meets their needs.

I ask unanimous consent that a summary of the "Defense of Medicare and Real Prescription Drug Benefit Act" be printed in the RECORD.

There being no objection, the Summary was ordered to be printed in the RECORD, as follows:

SUMMARY: PROVISIONS OF THE DEFENSE OF MEDICARE AND REAL MEDICARE PRESCRIPTION DRUG BENEFIT ACT

Title 1: Defense of Medicare

Repeals the premium support demonstration.

Requires risk adjustment between private sector plans and Medicare. Medicare will pay private sector plans an amount reflecting Medicare's cost for covering an individual, rather than paying HMOs a large markup as a result of failing to adjust for the better health of senior citizens who join HMOs.

Repeals PPO slush fund.

Pays all private sector plans an amount equivalent to average Medicare costs, rather than paying an average of 109 percent of Medicare costs, as provided under the current legislation. Phased in over 5 years.

Repeals Medicare spending cap.

Title II: Establishment of Real Medicare Prescription Drug benefit

Elminates coverage gap in 2006–2008, beneficiaries will pay 75 percent coinsurance in the coverage gap. In 2009–2011, they will pay 50 percent. In 2012 and subsequent years, they will pay the same 25 percent copayment as under the initial coverage limit.

Eliminates discriminatory treatment of employer plans.

Allows Medicaid wrap-around for dual eligibles.

Eliminates assets test.

Requires two stand-alone prescription drug plans to avoid federal fallback.

Secretary defines classes and categories under any formula.

Repeals prohibition on Medigap coverage of prescription drugs. Modifies current Medigap policies covering drugs to wrap-around new benefit.

Phases out elimination of state "clawback."

Title III: Reduction in Prescription Drug Prices

Allows reimportation from Canada with certification and inspection of Canadian exporters to assure safety of drugs.

Repeals prohibition on government negotiating directly with drug companies for best prices and gives authority for such negotiations.

Title VI: Repeals Health Savings Accounts

By Mr. WARNER (for himself and Mrs. CLINTON):

S. 1993. A bill to amend title 23, United States Code, to provide a highway safety improvement program that includes incentives ot States to enact primary safety belt laws; to the Committee on Environment and Public Works.

Mr. WARNER. Mr. President, I am pleased to introduce today with my distinguished colleague from New York, Senator CLINTON, the National Highway Safety Act of 2003. It would be our intention in the course of the deliberations next year on the reauthorization or, as we call it, the successive piece of legislation to TEA-21, that this bill, which we introduce today, would be incorporated as an amendment.

As the Congress prepares to consider legislation next year to enact a new 6-year surface transportation law to succeed TEA-21, our foremost responsibility, in my judgment and in the judgment of many, and in the judgment of the President of the United States, must be to improve highway safety for the driving public. Simply by increasing the number of Americans who will buckle up is the most effective step that can be taken to save the their lives and the lives of others. That is the single most important step.

I am privileged to serve on the Environment and Public Works Committee that has now completed its markup of the TEA-21 reauthorization bill. The bill addresses, as it should, highway safety measures, such as how to build safer roads, how to do use new technologies to improve safety. But, statistics show that the greatest measure of safety, again, to drivers, passengers, and possibly third parties not connected with the vehicle, is through the use of a seatbelt. It is remarkable, the lives that have been saved through the use of this simple device. I have, through my career in the Senate—I say with modesty—been associated with, and indeed I think in the forefront of, trying to move forward on seatbelt legislation. I will not belabor what this humble Senator has done working with others through the years, but we are very proud today that America has about a 79 percent use rate of seatbelts. That has been translated into the saving of tens of thousands of lives and injuries in automobile accidents.

Those are the facts. Are we just going to have a standstill, or are we going to move forward? Senator CLINTON and I think we should move forward with this somewhat new approach. I will address the technical aspects as we go along.

We have debated the benefits of seatbelt use on many occasions in this body, and elsewhere across America. And whether it is in the town forums we conduct, town meetings, or here on the floor of the Senate, there is always that individual who comes back: Don't tell me what I have to do. What does it matter to you, JOHN WARNER—or to any other colleague with whom I am privileged to serve—what does it matter to you whether I buckle up?

Well, let's take a look. No one disputes that the absence of a seatbelt causes more serious loss of life and injury and, to some extent, crashes. The statistics show that with the impact associated with the crash, to the extent the driver can maintain, as best he can control of the vehicle in those fatal microseconds, often fatal, perhaps the severity of the crash, and perhaps the loss of life can be reduced by the use of a safety belt—simply said.

Accidents involving unbelted drivers result in a significant cost to the wallet, out of your pocket. Many people are rushed from the accident scene to various emergency facilities. All of that has the initial cost of the law enforcement that responds, the rescue squads that respond, and eventually the emergency room or whatever medical facility you might have the good fortune to be taken to, to hopefully save you your life. That isn't free. There is a cost. Maybe it is a hidden cost in the budgets of the towns and the communities and the States, but there is definitely a cost. Regrettably, a number of persons who suffer those types of injuries are uninsured. Again, the cost often devolves down on the good old hard-working taxpayers; in most instances, the taxpayers who buckle up.

This also is rather interesting and fascinating. When an accident happens, regrettably, on our roads and highways across this great Nation, we try to refrain from rubbernecking. Nevertheless, chances are that we take a glance. More often than not, the accident with the combined slowdown of those passing the accident causes significant congestion for some considerable portion of time. Either the lane in which we are traveling moves very slowly because of the accident or, indeed, we come to a standstill, as often is the case when a lane is closed to clear an accident. That standstill frequently is necessitated because of the severity of the injuries experienced in that accident. It takes the response team longer in their carefully trained steps to extricate the injured person, to give the initial treatment, and then to carefully transport that individual, if necessary, to a medical facility. That takes time. That road is backed up.

That is lost time for your mission on the road, be it for business, family, or pleasure. That is lost time and productivity. Behind you often are trucks and other vehicles involved in commerce. That is lost time and delay due to the seriousness occasioned by injuries and accidents where there has been the lack of use of seatbelts. It is as simple as that.

The legislation Senator CLINTON and I are introducing today will take an important step forward for the States to adopt either a primary safety belt law, or take steps of their own devising to meet a 90 percent seat belt use rate—not the Warner-Clinton bill or the legislative measure put forth by the administration upon which Senator CLINTON and I draw for concepts of certain portions. The States can decide for themselves how they achieve a 90-percent goal of the use of seatbelts in their respective States. That is the purpose of this legislation—to move every State to a 90-percent use rate for safety belts.

In a letter dated November 12, 2003, to Chairman INHOFE of the Committee on the Environment and Public Works, on which I am privileged to serve, Secretary Mineta states:

> President Bush and I believe that increasing safety belt usage rates is the single most effective means to decrease highway fatalities and injuries.

That is explicit and clear. The Secretary goes on to say:

> The surest way for a State to increase safety belt usage is through the passage of a primary safety belt law.

I have had this debate with Governors, former Governors, even in this Chamber with former Governors. I think they would tell you that a primary safety belt law is a tough piece of State legislation to pass solely on its own. Frankly, it needs the impetus of Uncle Sam, the impetus of the Congress of the United States to move that process in the States forward, so the local politicians can shake their fist saying, it is Washington that has done it again—more regulation, more direction—you know the arguments. But I think quietly in the hearts of those State legislatures is the thought that we will improve safety in my State. We will improve the chance of survivability on the roads in my State. So that is why we are here today. I ask unanimous consent that the full text of Secretary Mineta's letter be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WARNER. As provided in our legislation, the Warner-Clinton bill, States can increase seatbelt use either by enacting, as I said, a primary seatbelt law—everybody knows what a primary seatbelt law is and how it works. It means a law enforcement officer can literally stop a vehicle if they observe that the individual is not wearing his or her seatbelt. It is as simple as that. But a State, if they decide not to enact a primary safety belt law, can, by implementing their own strategies, whatever they may be—and there is a lot of innovation out in the States—that would result in a 90-percent safety belt use rate. So that is a challenge to the States.

The current national belt use, as I said, is 79 percent. But many States—those that have the primary law are sometimes at 90, or even above 90, but those that do not have the primary seatbelt law are down sometimes in the 60 percentile. It is the weight of the primary States that carries the percentile and brings it up to 79 from those States that don't have an effective law. States with their primary safety belt law have the greatest success for drivers wearing seatbelts.

On an average, States with the primary seatbelt law have a 10 to 15 percent higher seatbelt use compared to those with a secondary system. This demonstrates that secondary seatbelt laws are far more limited in their effectiveness than a primary law.

Essentially, the secondary laws say that if a law enforcement officer has cause other than a perceived or actual seatbelt violation—namely, the driver didn't have it buckled—if they have cause to stop that car, for example, for a speeding offense or a reckless driving offense or indeed an accident and they observed there has been no use of the seatbelt, then in the course of proceeding to enforce the several laws of the State as regards speeding or reckless driving, or whatever the case may be, they can add a second penalty to address the absence of the use of the seatbelt in that State.

Drivers are gamblers. They say: Oh, well, don't worry, I will not buckle up. State law doesn't require it. Unless they stop me—and they are not going to stop me today. It is that gambling attitude that, more often than not, will cause an accident. Then it is too late.

So we come forward today to build on our national programs. We are building on what we did in TEA–21. I was privileged to be on the committee. I was chairman of the subcommittee 6 years ago. I worked with Senator CHAFEE, who was chairman of the full committee, and we drove hard to make progress with the seatbelt laws, and we did it. We basically put aside a very considerable sum of money to encourage States—again, using their own devices—to increase uses. As a direct consequence of what we did in TEA–21, there has been an 11 percent increase in these 6 years in the use of seatbelts.

Sadly, traffic deaths in 2002 rose to the highest level in over a decade. It is astonishing. Of the nearly 43,000 people killed on our highways, over half were not wearing their seatbelts. That is according to the National Highway Traffic Safety Administration. And 9,200 of these deaths might have been prevented if the safety belt had been used.

Those are alarming statistics. Automobile crashes are the leading cause of death for Americans age 2 to 34. Stop to think of that: age 2, that means a child; that means a parent neglected to buckle up a child. Automobile crashes are the leading cause of death for Americans age 2 to 34. That is our Nation's youth. Do we have a higher calling in the Congress of the United States than to do everything we can to foster the dreams and ambitions and the productivity of our Nation's youth? I think not. And this is one of the ways.

Last year, 6 out of 10 children who died in car crashes did not have the belt on—6 out of 10; that is over half. I plead with colleagues to join with me, join with the President who has taken this initiative.

My primary responsibility in the Senate—and this is one of the reasons I got interested in this subject—is the welfare of the men and women in the Armed Forces. I say to colleagues, again, the statistics are tragic. Traffic fatalities are the leading non-combat cause of death for our soldiers, sailors, airmen, and marines. They are in that high-risk age category, 18 to 35.

Someone even took a look at the statistics, the total of the fatalities last year, and said that represents in deaths approximately the size of the average U.S. Army battalion. That is several companies and maybe a reinforced element. Just think, that is the magnitude in one category of those who serve our United States, the men and women in the Armed Forces.

I cannot think of any reason why we all cannot join behind this effort. That alone is a driving impetus for this Senator.

The time is long overdue for a national policy to strengthen seatbelt use rates. I said a national policy, and that is what this bill represents, either through States enacting a primary seatbelt law or giving far greater attention to public awareness programs that result in more drivers and passengers wearing safety belts. Our goal is 90 percent—90 percent.

I have been privileged to serve on this committee 17 years, and I, together with many others, notably my dear friend and late chairman, Senator Chafee, addressed this issue. Our committee is rich in the history of focusing revenue from the highway trust fund on effective safety programs. It goes back through many chairmen and members of the committee.

With jurisdiction over the largest share of the highway trust fund, our committee has had the vision to tackle important national safety problems. Regrettably, I report to you that the recent markup of the committee on the proposed successor to the TEA–21 legislation, which we will take up next year, does provide more funding to help build safer roads—that is a step forward—but it does not have, in my judgment, that provision which represents a step up from what we did in TEA–21, that provision that would represent a recognition for the President's initiative. He has taken a decidedly strong initiative to increase the use of seatbelts. It is absent from the bill, and that is why, I say respectfully to Chairman INHOFE and others on that committee, we need a provision to strengthen and to move forward the position of the Congress on the issue of increased use of safety belts. That is the purpose of this legislation.

It is just unfortunate, but those with reckless intent quickly disregard responsible behavior and drive unbelted at excessive speeds and many times with the use of alcohol. So no increased dollars for improved road engineering, which is in this bill, can defy in many instances and the type of personal conduct that results in reckless behavior. It is as simple as that.

Our automobiles now come equipped with crash avoidance technologies and are more crashworthy than ever before, but these advances are only part of the solution.

In repeated testimony before the Environment and Public Works Committee, from the administration, our States, safety groups, and the highway insurance industry, we are told that three main causes of traffic deaths and injuries are unbelted drivers, speed, and alcohol.

The formula we have devised in this legislation does have a reduction in the amount a State receives under this proposed bill that we will consider next year when they fail to achieve the 90 percent safety belt use rate. It is as simple as that. But the formula is patterned directly after the law that is on the books now with respect to the .08 legal blood alcohol content level.

The net effect of this legislation is simply to recognize we are asking that the same type of sanction policy with regard to one of the three major causes of death—alcohol—be equated to a second cause of death and injury, and that is absence of the use of seatbelts, bringing into parallel two of the three principal causes of death and injury on today's highways.

The administration put forward an innovative safety belt program, as I said, under the leadership of the President that was a major component of their new core transportation program, the Highway Safety Improvement Program. Regrettably, this recommendation is not included in the bill that will come before my committee next year as a consequence of the markup seeking reauthorization of TEA–21.

The proposed reauthorization bill also does not include the current program, the Safety Belt Incentive Grant program, that we even had in the previous highway bill, of which I was primarily one of the authors. Not only are we not going forward, but in a sense we are stepping backwards. I just cannot understand how we can, as a body, not observe our responsibility to do what we can to provide the necessary incentive to the States to take these steps.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1993

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Highway Safety Act of 2003".

SEC. 2. HIGHWAY SAFETY IMPROVEMENT PROGRAM.

(a) SAFETY IMPROVEMENT.—

(1) IN GENERAL.—Section 148 of title 23, United States Code, is amended to read as follows:

"§ 148. Highway safety improvement program

"(a) DEFINITIONS.—In this section:

"(1) HIGHWAY SAFETY IMPROVEMENT PROGRAM.—The term 'highway safety improvement program' means the program carried out under this section.

"(2) HIGHWAY SAFETY IMPROVEMENT PROJECT.—

"(A) IN GENERAL.—The term 'highway safety improvement project' means a project described in the State strategic highway safety plan that—

"(i) corrects or improves a hazardous road location or feature; or

"(ii) addresses a highway safety problem.

"(B) INCLUSIONS.—The term 'highway safety improvement project' includes a project for—

"(i) an intersection safety improvement;

"(ii) pavement and shoulder widening (including addition of a passing lane to remedy an unsafe condition);

"(iii) installation of rumble strips or another warning device, if the rumble strips or other warning devices do not adversely affect the safety or mobility of bicyclists and pedestrians;

"(iv) installation of a skid-resistant surface at an intersection or other location with a high frequency of accidents;

"(v) an improvement for pedestrian or bicyclist safety;

"(vi)(I) construction of any project for the elimination of hazards at a railway-highway crossing that is eligible for funding under section 130, including the separation or protection of grades at railway-highway crossings;

"(II) construction of a railway-highway crossing safety feature; or

"(III) the conduct of a model traffic enforcement activity at a railway-highway crossing;

"(vii) construction of a traffic calming feature;

"(viii) elimination of a roadside obstacle;

"(ix) improvement of highway signage and pavement markings;

"(x) installation of a priority control system for emergency vehicles at signalized intersections;

"(xi) installation of a traffic control or other warning device at a location with high accident potential;

"(xii) safety-conscious planning;

"(xiii) improvement in the collection and analysis of crash data;

"(xiv) planning, equipment, operational activities, or traffic enforcement activities (including police assistance) relating to workzone safety;

"(xv) installation of guardrails, barriers (including barriers between construction work zones and traffic lanes for the safety of motorists and workers), and crash attenuators;

"(xvi) the addition or retrofitting of structures or other measures to eliminate or reduce accidents involving vehicles and wildlife; or

"(xvii) installation and maintenance of signs (including fluorescent, yellow-green signs) at pedestrian-bicycle crossings and in school zones.

"(3) PRIMARY SAFETY BELT LAW.—The term 'primary safety belt law' means a law that authorizes a law enforcement officer to issue a citation for the failure of the operator of, or any passenger in, a motor vehicle to wear a safety belt as required by State law, based solely on that failure and without regard to whether there is any other violation of law.

"(4) SAFETY PROJECT UNDER ANY OTHER SECTION.—

"(A) IN GENERAL.—The term 'safety project under any other section' means a project carried out for the purpose of safety under any other section of this title.

"(B) INCLUSION.—The term 'safety project under any other section' includes a project to—

"(i) promote the awareness of the public and educate the public concerning highway safety matters; or

"(ii) enforce highway safety laws.

"(5) STATE HIGHWAY SAFETY IMPROVEMENT PROGRAM.—The term 'State highway safety improvement program' means projects or strategies included in the State strategic highway safety plan carried out as part of the State transportation improvement program under section 135(f).

"(6) STATE STRATEGIC HIGHWAY SAFETY PLAN.—The term 'State strategic highway safety plan' means a plan developed by the State transportation department that—

"(A) is developed after consultation with—

"(i) a highway safety representative of the Governor of the State;

"(ii) regional transportation planning organizations, if any;

"(iii) representatives of major modes of transportation;

"(iv) local traffic enforcement officials;

"(v) persons responsible for administering section 130 at the State level;

"(vi) representatives conducting Operation Lifesaver;

"(vii) representatives conducting a motor carrier safety program under section 31104 or 31107 of title 49;

"(viii) motor vehicle administration agencies; and

"(ix) other major State and local safety stakeholders;

"(B) analyzes and makes effective use of State, regional, or local crash data;

"(C) addresses engineering, management, operation, education, enforcement, and emergency services elements of highway safety as key factors in evaluating highway projects;

"(D) considers safety needs of, and high-fatality segments of, public roads;

"(E) considers the results of State, regional, or local transportation and highway safety planning processes in existence as of the date of enactment of this section;

"(F) describes a program of projects or strategies to reduce or eliminate safety hazards;

"(G) is approved by the Governor of the State or a responsible State agency; and

"(H) is consistent with the requirements of section 135(f).

"(b) PROGRAM.—

"(1) IN GENERAL.—The Secretary shall carry out a highway safety improvement program.

"(2) PURPOSE.—The purpose of the highway safety improvement program shall be to achieve a significant reduction in traffic fatalities and serious injuries on public roads.

"(c) ELIGIBILITY.—

"(1) IN GENERAL.—To receive funds under this section, a State shall have in effect a State highway safety improvement program under which the State—

"(A) develops and implements a State strategic highway safety plan that identifies and analyzes highway safety problems and opportunities as provided in paragraph (2);

"(B) produces a program of projects or strategies to reduce identified safety problems; and

"(C) evaluates the plan on a regular basis to ensure the accuracy of the data and priority of proposed improvements.

"(2) IDENTIFICATION AND ANALYSIS OF HIGHWAY SAFETY PROBLEMS AND OPPORTUNITIES.—As part of the State strategic highway safety plan, a State shall—

"(A) have in place a crash data system with the ability to perform safety problem identification and countermeasure analysis;

"(B) based on the analysis required by subparagraph (A), identify hazardous locations, sections, and elements (including roadside obstacles, railway-highway crossing needs, and unmarked or poorly marked roads) that constitute a danger to motorists, bicyclists, pedestrians, and other highway users;

"(C) adopt strategic and performance-based goals that—

"(i) address traffic safety, including behavioral and infrastructure problems and opportunities on all roads and bridges on the Federal-aid system;

"(ii) focus resources on areas of greatest need; and

"(iii) are coordinated with other State highway safety programs;

"(D) advance the capabilities of the State for traffic records data collection, analysis, and integration with other sources of safety data (such as road inventories) in a manner that—

"(i) complements the State highway safety program under chapter 4 and the commercial vehicle safety plan under section 31102 of title 49;

"(ii) includes all roads and bridges on the Federal-aid system; and

"(iii) identifies hazardous locations, sections, and elements on public roads that constitute a danger to motorists, bicyclists, and pedestrians;

"(E)(i) determine priorities for the correction of hazardous road locations, sections, and elements (including railway-highway crossing improvements), as identified through crash data analysis;

"(ii) identify opportunities for preventing the development of such hazardous conditions; and

"(iii) establish and implement a schedule of highway safety improvement projects for hazard correction and hazard prevention; and

"(F)(i) establish an evaluation process to analyze and assess results achieved by highway safety improvement projects carried out in accordance with procedures and criteria established by this section; and

"(ii) use the information obtained under clause (i) in setting priorities for highway safety improvement projects.

"(d) ELIGIBLE PROJECTS.—

"(1) IN GENERAL.—A State may obligate funds apportioned to the State under this section to carry out—

"(A) any highway safety improvement project on any—

"(i) road or bridge on the Federal-aid system; or

"(ii) publicly owned bicycle or pedestrian pathway or trail; or

"(B) as provided in subsection (e), for other safety projects.

"(2) USE OF OTHER FUNDING FOR SAFETY.—

"(A) EFFECT OF SECTION.—Nothing in this section prohibits the use of funds made available under other provisions of this title for highway safety improvement projects.

"(B) USE OF OTHER FUNDS.—States are encouraged to address the full scope of their safety needs and opportunities by using funds made available under other provisions of this title (except a provision that specifically prohibits that use).

"(e) FLEXIBLE FUNDING FOR STATES WITH A STRATEGIC HIGHWAY SAFETY PLAN.—

"(1) IN GENERAL.—To further the implementation of a State strategic highway safety plan, a State may use up to 25 percent of the amount of funds made available under this section for a fiscal year to carry out safety projects under any other section as provided in the State strategic highway safety plan.

"(2) OTHER TRANSPORTATION AND HIGHWAY SAFETY PLANS.—Nothing in this subsection requires a State to revise any State process, plan, or program in effect on the date of enactment of this section.

"(f) REPORTS.—

"(1) IN GENERAL.—A State shall submit to the Secretary a report that—

"(A) describes progress being made to implement highway safety improvement projects under this section;

"(B) assesses the effectiveness of those improvements; and

"(C) describes the extent to which the improvements funded under this section contribute to the goals of—

"(i) reducing the number of fatalities on roadways;

"(ii) reducing the number of roadway-related injuries;

"(iii) reducing the occurrences of roadway-related accidents;

"(iv) mitigating the consequences of roadway-related accidents; and

"(v) reducing the occurrences of roadway-railroad grade crossing accidents.

"(2) CONTENTS; SCHEDULE.—The Secretary shall establish the content and schedule for a report under paragraph (1).

"(g) FEDERAL SHARE OF HIGHWAY SAFETY IMPROVEMENT PROJECTS.—The Federal share of the cost of a highway safety improvement project carried out with funds made available under this section shall be 90 percent.

"(h) USE OF FUNDS.—

"(1) PROJECTS UNDER SECTION 402.—For fiscal year 2005 and each fiscal year thereafter, 10 percent of the funds made available to a State under this section shall be obligated for projects under section 402, unless by October 1 of the fiscal year, the State—

"(A) has in effect a primary safety belt law; or

"(B) demonstrates that the safety belt use rate in the State is at least 90 percent.

"(2) WITHHOLDING.—

"(A) IN GENERAL.—For fiscal year 2007, the Secretary shall withhold 2 percent, and for each fiscal year thereafter, the Secretary shall withhold 4 percent, of the funds apportioned to a State under paragraphs (1), (3), and (4) of section 104(b) and section 144 if, by October 1 of that fiscal year, the State does not—

"(i) have in effect a primary safety belt law; or

"(ii) demonstrate that the safety belt use rate in the State is at least 90 percent.

"(B) RESTORATION.—If, within 3 years after the date on which funds are withheld from a State under subparagraph (A), the State has in effect a primary safety belt law or has demonstrated that the safety belt use rate in the State is at least 90 percent, the apportionment of the State shall be increased by the amount withheld.

"(C) LAPSE.—If, within 3 years after the date on which funds are withheld from a State under subparagraph (A), the State does not have in effect a primary safety belt law or has not demonstrated that the safety belt use rate in the State is at least 90 percent, the amount withheld shall lapse.".

(2) ALLOCATIONS OF APPORTIONED FUNDS.—Section 133(d) of title 23, United States Code, is amended—

(A) by striking paragraph (1);

(B) by redesignating paragraphs (2) through (5) as paragraphs (1) through (4), respectively;

(C) in paragraph (2) (as redesignated by subparagraph (B))—

(i) in the first sentence of subparagraph (A)—

(I) by striking "subparagraphs (C) and (D)" and inserting "subparagraph (C)"; and

(II) by striking "80 percent" and inserting "90 percent";

(ii) by striking subparagraph (C);

(iii) by redesignating subparagraphs (D) and (E) as subparagraphs (C) and (D), respectively; and

(iv) in subparagraph (C) (as redesignated by clause (iii)), by adding a period at the end; and

(D) in paragraph (4)(A) (as redesignated by subparagraph (B)), by striking "paragraph (2)" and inserting "paragraph (1)".

(3) CONFORMING AMENDMENTS.—

(A) Chapter 1 of title 23, United States Code, is amended by striking the item relating to section 148 and inserting the following:

"148. Highway safety improvement program.".

(b) APPORTIONMENT OF HIGHWAY SAFETY IMPROVEMENT PROGRAM FUNDS.—Section 104(b) of title 23, United States Code, is amended—

(1) in the matter preceding paragraph (1), by inserting after "Improvement program," the following: "the highway safety improvement program,"; and

(2) by adding at the end the following:

"(5) HIGHWAY SAFETY IMPROVEMENT PROGRAM.—

"(A) IN GENERAL.—For the highway safety improvement program, in accordance with the following formula:

"(i) 25 percent of the apportionments in the ratio that—

"(I) the total lane miles of Federal-aid highways in each State; bears to

"(II) the total lane miles of Federal-aid highways in all States.

"(ii) 40 percent of the apportionments in the ratio that—

"(I) the total vehicle miles traveled on lanes on Federal-aid highways in each State; bears to

"(II) the total vehicle miles traveled on lanes on Federal-aid highways in all States.

"(iii) 35 percent of the apportionments in the ratio that—

"(I) the estimated tax payments attributable to highway users in each State paid into the Highway Trust Fund (other than the Mass Transit Account) in the latest fiscal year for which data are available; bears to

"(II) the estimated tax payments attributable to highway users in all States paid into the Highway Trust Fund (other than the Mass Transit Account) in the latest fiscal year for which data are available.

"(B) MINIMUM APPORTIONMENT.—Notwithstanding subparagraph (A), each State shall receive a minimum of ½ of 1 percent of the funds apportioned under this paragraph.".

(c) ELIMINATION OF HAZARDS RELATING TO HIGHWAY FACILITIES.—

(1) FUNDS FOR PROTECTIVE DEVICES.—Section 130(e) of title 23, United States Code, is amended—

(A) in the heading, by striking "PROTECTIVE DEVICES" and inserting "RAILWAY-HIGHWAY CROSSINGS";

(B) by striking the first sentence and inserting the following:

"(1) IN GENERAL.—For each fiscal year, at least $200,000,000 of the funds authorized and expended under section 148 shall be available for the elimination of hazards and the installation of protective devices at railway-highway crossings."; and

(C) by striking "Sums authorized" and inserting the following:

"(2) OBLIGATION.—Sums authorized".

(2) BIENNIAL REPORTS TO CONGRESS.—Section 130(g) of title 23, United States Code, is amended in the third sentence—

(A) by inserting "and the Committee on Commerce, Science, and Transportation," after "Public Works"; and

(B) by striking "not later than April 1 of each year" and inserting "every other year".

(3) EXPENDITURE OF FUNDS; APPORTIONMENT.—Section 130 of title 23, United States Code, is amended by adding at the end the following:

"(k) EXPENDITURE OF FUNDS; APPORTIONMENT.—Funds made available to carry out this section shall be—

"(1) available for expenditure on compilation and analysis of data in support of activities carried out under subsection (g); and

"(2) apportioned in accordance with section 104(b)(5).".

(d) TRANSITION.—

(1) IMPLEMENTATION.—Except as provided in paragraph (2), to qualify for funding under section 148 of title 23, United States Code (as amended by subsection (a)), a State shall develop and implement a State strategic highway safety plan as required by subsection (c) of that section not later than October 1 of the second fiscal year after the date of enactment of this Act.

(2) INTERIM PERIOD.—

(A) IN GENERAL.—Before October 1 of the second fiscal year after the date of enactment of this Act and until the date on which a State develops and implements a State strategic highway safety plan, the Secretary shall apportion funds to a State for the highway safety improvement program and the State may obligate funds apportioned to the State for the highway safety improvement program under section 148 for projects that were eligible for funding under sections 130 and 152 of that title, as in effect on the day before the date of enactment of this Act.

(B) NO STRATEGIC HIGHWAY SAFETY PLAN.—If a State has not developed a strategic highway safety plan by October 1 of the second fiscal year after the date of enactment of this Act, but demonstrates to the satisfaction of the Secretary that progress is being made toward developing and implementing such a plan, the Secretary shall continue to apportion funds for 1 additional fiscal year for the highway safety improvement program under section 148 of title 23, United States Code, to the State, and the State may continue to obligate funds apportioned to the State under this section for projects that were eligible for funding under sections 130 and 152 of that title, as in effect on the day before the date of enactment of this Act.

(C) PENALTY.—If a State has not adopted a strategic highway safety plan by the date that is 2 years after the date of enactment of this Act, funds made available to the State under section 1101(6) shall be redistributed to other States in accordance with section 104(b) of title 23, United States Code.

SECRETARY OF TRANSPORTATION
Washington, DC, November 12, 2003.

Hon. JAMES INHOFE,
Chairman, Committee on Environment and Public Works, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: With almost 43,000 people dying every year on our nation's highway, it is imperative that we do everything in our power to promote a safer transportation system. The Bush Administration's proposal to reauthorize surface transportation programs, the Safe, Accountable, Flexible and Efficient Transportation Equity Act of 2003 (SAFETEA), offers several bold and innovative approaches to address this crisis.

President Bush and I believe that increasing safety belt usage rates is the single most effective means to decrease highway fatalities and injuries. As a result, SAFETEA's new core highway safety program provides States with powerful funding incentives to increase the percentage of Americans who buckle up every time they get in an automobile. Every percentage point increase in the national safety belt usage rate saves hundreds of lives and millions of dollars in lost productivity.

Empirical evidence shows that the surest way for a State to increase safety belt usage is through the passage of a primary safety belt law. States with primary belt laws have safety belt usage rates that are on average eight percentage points higher than States with secondary laws. Recognizing that States may have other innovative methods to achieve higher rates of belt use, SAFETEA also rewards States that achieve 90% safety belt usage rates even if a primary safety belt law is not enacted. I urge you to consider these approaches as your Committee marks up reauthorization legislation.

While safety belts are obviously critical to reducing highway fatalities, so too is a data driven approach to providing safety. Every State faces its own unique safety challenges, and every State must be given broad funding flexibility to solve those challenges. This is a central theme of SAFETEA, which aims to provide States the ability to use scarce resources to meet their own highest priority needs. Such flexibility is essential for States to maximize their resources, including the funds available under a new core highway safety program.

I look forward to working with you on these critically important safety issues as development of a surface transportation reauthorization bill progresses.

Sincerely yours,
NORMAN Y. MINETA.

Mr. DEWINE. Mr. President, let me first congratulate my colleague from Virginia, Senator WARNER, for the very fine statement he just made a moment ago about the bill that he and Senator CLINTON are introducing with regard to the primary seatbelt law. This is something I have been interested in for some time. I congratulate them for their very fine bill and Senator WARNER's very fine statement. He is absolutely correct. If we are serious about saving lives on our highways in this country, there really is nothing more important that we can do than to get our fellow citizens to buckle up.

We have made great progress in this area, but the fact that many of our States do not have a primary seatbelt law on the books costs us thousands and thousands of lives each year. As my colleague from Virginia so eloquently stated in this Chamber a few minutes ago, all the experts—everyone who knows anything about highway safety—will tell you that the most important thing that we could do and the easiest thing we could do would be to have every State of the Union tomorrow, instantly, have a primary seatbelt safety law.

That simply means if law enforcement, instead of having to wait for another type of violation before they could cite someone for not wearing a seatbelt could cite someone directly for not using a seatbelt, the use of seatbelts would dramatically increase in this country. That is what has happened in every single State that has had these laws enacted. Seatbelt use dramatically goes up almost overnight.

We know there is an inverse relationship between the use of seatbelts and auto fatalities. Thousands and thousands of Americans' lives would be saved every single year. I wanted to come to the floor this afternoon after I listened to my colleague's speech in my office. I wanted to thank him. He has been a real leader in the area of highway safety and this is certainly one more example of his leadership.

When we take up the highway safety bill next year, there are a number of highway safety initiatives on which I have been working. I intend to bring them to the floor and talk about them and offer them as amendments, offer them as initiatives. Frankly, there is nothing as important as what my colleague from Virginia has suggested.

I hope the Senate will take this very seriously. This is a great opportunity we will have to save thousands and thousands of lives every year. So I salute my colleague from Virginia.

By Mr. DASCHLE (for Mr. FEINGOLD):

S. 1994. A bill to amend part D of title XVIII of the Social security Act to strike the language that prohibits the Secretary of Health and Human Services from negotiating prices for prescription drugs furnished under the Medicare program; to the Committee on Finance.

(At the request of Mr. DASCHLE, the following statement was ordered to be printed in the RECORD.)

• Mr. FEINGOLD. Mr. President, today I am introducing a bill that will fix one of the fundamental flaws in the new Medicare prescription drug benefit. The "Efficiency in Government Health Care Spending Act" will remove language included in the new benefit that prohibits the Medicare program from negotiating prescription drug prices with manufacturers. The new Medicare prescription drug benefit does far too little to bring down the prices of prescription drugs. In fact, it actually takes away one of the best tools the Medicare program could use in bringing down prescription drug prices by denying the government the ability to negotiate price discounts on behalf of Medicare beneficiaries. My bill will allow the Federal Government to take advantage of the purchasing power of the Medicare program Medicare, saving millions of taxpayers' dollars while reducing the costs of prescription drugs for Medicare beneficiaries.

I ask unanimous consent that the text of this legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1994

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Efficiency in Government Health Care Spending Act".

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) Prohibiting the Federal Government from negotiating prescription drug prices with manufacturers fails to take advantage of the purchasing power of the Medicare program.

(2) Negotiating prescription drug prices can reduce the costs of prescription drugs for both the Medicare program and taxpayers.

(3) A 2002 study by the inspector general of the Department of Health and Human Services found that—

(A) both the Medicare program and the beneficiaries of the Medicare program continually pay too much for medical equipment and medical supplies; and

(B) if the Medicare program paid the same prices for 16 health care supplies as the Department of Veterans Affairs, which directly negotiates prices with manufacturers, pays for those supplies, the Federal Government could save $958,000,000 each year.

SEC. 3. ELIMINATION OF PROHIBITION OF NEGOTIATION OF PRICES.

(a) REPEAL OF NONINTERFERENCE PROVISION.—

(1) IN GENERAL.—Subsection (i) of section 1860D–11 of the Social Security Act, as added by section 101 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, is repealed.

(2) CONFORMING AMENDMENT.—Subsection (j) of section 1860D–11 of the Social Security Act, as added by section 101 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, is redesignated as subsection (i).

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the enactment of section 101 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003.•

By Mr. DASCHLE (for Mr. FEINGOLD):

S. 1995. A bill to amend title XVIII of the Social Security Act to repeal the

MA Regional Plan Stabilization Fund; to the Committee on Finance.

(At the request of Mr. DASCHLE, the following statement was ordered to be printed in the Record.)

• Mr. FEINGOLD. Mr. President, today I am introducing a bill that will remove the multi-billion dollar "stabilization fund" from the new Medicare prescription drug benefit. This stabilization fund is in essence a slush fund that gives billions of dollars to private insurance companies. This is not an efficient use of taxpayers' dollars. In fact, it's not clear why it's even necessary. If private managed care plans are successful in bring costs down, as backers of the new Medicare bill expect, and if seniors supposedly want to choose private plans, as backers of the new Medicare bill believe, then why should American taxpayers pay private companies more money to get more people to enroll in them?

We should not be subsidizing private health insurance companies in the name of Medicare reform. It is fiscally irresponsible, in a time of record deficits, to use taxpayers' dollars as a giveaway to private insurance companies. By removing this multi-billion slush fund, my bill will save the American taxpayers billions of dollars. Many analysts predict that the new Medicare prescription drug benefit will surpass the $400 billion budgeted for it. We need to look carefully at how we spend Medicare dollars, so that we can ensure that the program remains solvent for future generations.

I ask unanimous consent that the text of this legislation be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1995

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REPEAL OF MA REGIONAL PLAN STABILIZATION FUND.

(a) Purpose of Section.—The purpose of this section is to reduce the Federal budget deficit and to more efficiently use taxpayer dollars in health care spending.

(b) Repeal of MA Regional Plan Stabilization Fund.—Section 1858 of the Social Security Act, as added by section 221(c) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, is amended—

(1) by striking subsection (e);

(2) by redesignating subsections (f), (g), and (h) as subsections (e), (f), and (g), respectively; and

(3) in subsection (e), as so redesignated, by striking "subject to subsection (e),".

(c) Conforming Amendment.—Section 1851(i)(2) of the Social Security Act (42 U.S.C. 1395w–21(i)(2)), as amended by section 221(d)(5) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, is amended by striking"1858(h)" and inserting "1858(g)".

(d) Effective Date.—The amendments made by this section shall take effect as if included in the enactment of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003.•

By Mr. DASCHLE:

S. 1996. A bill to enhance and provide to the Oglada Sioux Tribe and Angostura Irrigation Project certain benefits of the Pick-Sloan Missouri River basin program; to the Committee on Indian Affairs.

Mr. DASCHLE. Mr. President, today I am introducing the Oglala Sioux Tribe Angostura Irrigation Project Rehabilitation and Development Act. I have worked with the leadership of the Oglala Sioux Tribe to develop this legislation, which is intended to benefit the Lakota people by restoring critical water resources and promoting economic development on the Pine Ridge Indian Reservation.

The Angostura Unit of the Bureau of Reclamation was first authorized by Congress under the Water Conservation and Utilization Act of 1939, and later continued under the Flood Control Act of 1944, otherwise known as the Pick-Sloan Missouri River Basin Project. The program consisted primarily of building the six mainstem dams on the Missouri River, to be operated by the U.S. Army Corps of Engineers, along with several Bureau-operated irrigation and water development projects. The Angostura Unit was designed to provide irrigation to 12,218 acres of farm and ranch land in the Angostura Irrigation District, as well as flood control, fish, and wildlife benefits.

Tribes in South Dakota existed long before the creation of the Bureau of Reclamation or the implementation of the water development projects in South Dakota today. Tribes therefore have a vested interest in the operation of these projects. While the projects have been helpful in meeting their authorized goals, they also contribute to adverse economic and environmental conditions on tribal reservations. In particular, the Missouri River reservoirs managed by the Corps led to the taking of thousands of acres of fertile river land from Indian tribes, and with that taking, the tribes lost valuable natural resources.

Federal agencies were directed through subsequent acts to provide for the rehabilitation of the lost fish and wildlife habitat and to generally improve conditions on the reservations, but results were slow in coming, and often never materialized. Legislation was enacted several years ago to finally address some of these issues, but much more remains to be done before South Dakota's tribes realize the benefits that Bureau of Reclamation and Corps projects have provided other parts of the state.

In addition to the irrigation benefits the Angostura Unit provides to ranchers and agricultural producers in the area, a substantial recreation industry has developed around the reservoir, including boating and fishing. However, members of the Oglala Sioux on the Pine Ridge Indian Reservation have not seen equal economic benefits from the Angostura Unit as those experienced from the recreation and irrigation in Fall River County. The Cheyenne River forms the northern boundary of the reservation, which is just 20 miles downstream from the reservoir, and is an important natural resource for the tribe. The river is essential to the survival of riparian vegetation, traditional medicinal plants, fish, and wildlife habitat. The impoundment of water in the reservoir has curbed the Cheyenne River's natural flow, and water quality is reduced. This, coupled with the worst drought the region has seen in a decade, severely affects water resources on the reservation.

The Oglala Sioux Tribe's leadership has long had a desire to address these problems, and this legislation is an important manifestation of their effort. During revision of the Angostura Unit's water management plan in 2002, the Bureau of Reclamation considered a variety of alternatives for future operations, but the tribe felt their concerns about the economic and environmental effects the reservoir has on the reservation were not adequately addressed. One alternative considered by the Bureau of Reclamation during this review would return natural flows to the Cheyenne River, and would provide more water downstream for the tribe and would improve reservation conditions. The Bureau took a different approach, however—one that calls for improved irrigation operations and a more efficient distribution of water resources in the irrigation district. These improvements would help free up additional water resources and hopefully lead to improved conditions on the Cheyenne River that would benefit the tribe.

The Angostura Irrigation Project Rehabilitation and Development Act would authorize the efficiency improvements proposed by the Bureau of Reclamation, benefitting both existing water users and the tribe. The legislation also would authorize the creation of a trust fund to compensate the tribe for the economic impacts and lost natural resources caused by the operation of the Angostura Unit. This trust fund will be used by the tribe to promote economic development, improve infrastructure, and enhance the education, health, and general welfare of the Oglala Lakota people. This dual track will both help ensure continued and efficient operation of the Angostura Unit and the Angostura Irrigation District, while helping to mitigate the problems facing the Oglala Sioux Tribe, and providing the tribe with the natural and financial resources it needs to plan for the future and improve the quality of life for all tribal members.

This legislation is just one small, yet important, step toward ensuring that

U.S. natural resource policies are fair to American Indians, and I look forward to working with my colleagues to enact it.

I ask unanimous consent that the text of the legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1996

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Oglala Sioux Tribe Angostura Irrigation Project Rehabilitation and Development Act".

SEC. 2. FINDINGS.

Congress finds that—

(1) Congress approved the Pick-Sloan Missouri River basin program by passing the Act of December 22, 1944 (commonly known as the "Flood Control Act of 1944") (33 U.S.C. 701–1 et seq.)—

(A) to promote the economic development of the United States;

(B) to provide for irrigation in regions north of Sioux City, Iowa;

(C) to protect urban and rural areas from devastating floods of the Missouri River; and

(D) for other purposes;

(2) the Angostura Unit—

(A) is a component of the Pick-Sloan program; and

(B) provides for—

(i) irrigation of 12,218 acres of productive farm land in the State; and

(ii) substantial recreation and fish and wildlife benefits;

(3) the Commissioner of Reclamation has determined that—

(A) the national economic development benefits from irrigation at the Angostura Unit total approximately $3,410,000 annually; and

(B) the national economic development benefits of recreation at Angostura Reservoir total approximately $7,100,000 annually;

(4) the Angostura Unit impounds the Cheyenne River 20 miles upstream of the Pine Ridge Indian Reservation in the State;

(5)(A) the Reservation experiences extremely high rates of unemployment and poverty; and

(B) there is a need for economic development on the Reservation;

(6) the national economic development benefits of the Angostura Unit do not extend to the Reservation;

(7) the Angostura Unit may be associated with negative affects on water quality and riparian vegetation in the Cheyenne River on the Reservation;

(8) rehabilitation of the irrigation facilities at the Angostura Unit would—

(A) enhance the national economic development benefits of the Angostura Unit; and

(B) result in improved water efficiency and environmental restoration benefits on the Reservation; and

(9) the establishment of a trust fund for the Oglala Sioux Tribe would—

(A) produce economic development benefits for the Reservation comparable to the benefits produced at the Angostura Unit; and

(B) provide resources that are necessary for restoration of the Cheyenne River corridor on the Reservation.

SEC. 3. DEFINITIONS.

In this Act:

(1) ANGOSTURA UNIT.—The term "Angostura Unit" means the irrigation unit of the Angostura irrigation project developed under the Act of August 11, 1939 (16 U.S.C. 590y et seq.).

(2) FUND.—The term "Fund" means the Oglala Sioux Tribal Development Trust Fund established by section 201(a).

(3) PICK-SLOAN PROGRAM.—The term "Pick-Sloan program" means the Pick-Sloan Missouri River basin program approved under the Act of December 22, 1944 (commonly known as the "Flood Control Act of 1944") (33 U.S.C. 701–1 et seq.).

(4) PLAN.—The term "plan" means the development plan developed by the Tribe under section 201(f).

(5) RESERVATION.—The term "Reservation" means the Pine Ridge Indian Reservation in the State.

(6) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

(7) STATE.—The term "State" means the State of South Dakota.

(8) TRIBAL COUNCIL.—The term "Tribal Council" means the governing body of the Tribe.

(9) TRIBE.—The term "Tribe" means the Oglala Sioux Tribe of South Dakota.

TITLE I—REHABILITATION

SEC. 101. REHABILITATION OF FACILITIES AT ANGOSTURA UNIT.

The Secretary may carry out the rehabilitation and improvement of the facilities at the Angostura Project described in the report entitled "Angostura Unit Contract Negotiation and Water Management Final Environmental Impact Statement", dated August 2002.

SEC. 102. DELIVERY OF WATER TO PINE RIDGE INDIAN RESERVATION.

The Secretary shall provide for—

(1) to the maximum extent practicable, the delivery of water saved through the rehabilitation and improvement of the facilities of the Angostura Unit to the Pine Ridge Indian Reservation; and

(2) the use of that water for purposes of environmental restoration on the Pine Ridge Indian Reservation.

SEC. 103. EFFECT ON OTHER LAW.

Nothing in this title affects—

(1) any reserved water rights or other rights of the Tribe;

(2) any service or program to which, in accordance with Federal law, the Tribe, or an individual member of the Tribe, is entitled; or

(3) any water rights in existence on the date of enactment of this Act held by any person or entity.

SEC. 104. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated such sums as are necessary to carry out this title, to remain available until expended.

TITLE II—DEVELOPMENT

SEC. 201. OGLALA SIOUX TRIBAL DEVELOPMENT TRUST FUND.

(a) OGLALA SIOUX TRIBAL DEVELOPMENT TRUST FUND.—There is established in the Treasury of the United States a fund to be known as the "Oglala Sioux Tribal Development Trust Fund", consisting of any amounts deposited in the Fund under this title.

(b) FUNDING.—On the first day of the 11th fiscal year that begins after the date of enactment of this Act, the Secretary of the Treasury shall, from the General Fund of the Treasury, deposit in the Fund—

(1) such sums as the Secretary of the Treasury, in consultation with the Secretary, the Secretary of Health and Human Services, and the Tribal Council, are necessary to carry out development under this title; and

(2) the amount that equals the amount of interest that would have accrued on the amount described in paragraph (1) if that amount had been invested in interest-bearing obligations of the United States, or in obligations guaranteed as to both principal and interest by the United States, on the first day of the first fiscal year that begins after the date of enactment of this Act and compounded annually thereafter.

(c) INVESTMENT OF TRUST FUND.—

(1) IN GENERAL.—The Secretary of the Treasury shall invest such portion of the Fund as is not, in the judgment of the Secretary of the Treasury, required to meet current withdrawals.

(2) ACQUISITION OF OBLIGATIONS.—Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States.

(3) INTEREST.—The Secretary of the Treasury shall deposit interest resulting from such investments into the Fund.

(d) PAYMENT OF INTEREST TO TRIBE.—

(1) WITHDRAWAL OF INTEREST.—Beginning on the first day of the 11th fiscal year after the date of enactment of this Act and, on the first day of each fiscal year thereafter, the Secretary of the Treasury shall transfer the aggregate amount of interest deposited into the Fund for the fiscal year to the Secretary for use in accordance with paragraph (3).

(2) AVAILABILITY.—Each amount transferred under paragraph (1) shall be available without fiscal year limitation.

(3) PAYMENTS TO TRIBE.—

(A) IN GENERAL.—The Secretary shall use the amounts transferred under paragraph (1) only for the purpose of making payments to the Tribe, as such payments are requested by the Tribe pursuant to tribal resolution.

(B) LIMITATION.—Payments may be made by the Secretary of the Interior under subparagraph (A) only after the Tribe has adopted a plan under subsection (f).

(C) USE OF PAYMENTS BY TRIBE.—The Tribe shall use the payments made under subparagraph (B) only for carrying out projects and programs under the plan prepared under subsection (f).

(e) LIMITATION ON TRANSFERS AND WITHDRAWALS.—Except as provided in subsections (c) and (d)(1), the Secretary of the Treasury shall not transfer or withdraw any amount deposited under subsection (b).

(f) DEVELOPMENT PLAN.—

(1) IN GENERAL.—Not later than 18 months after the date of enactment of this Act, the governing body of the Tribe shall prepare a plan for the use of the payments to the Tribe under subsection (d).

(2) CONTENTS.—The plan shall provide for the manner in which the Tribe shall expend payments to the Tribe under subsection (d) to promote—

(A) economic development;

(B) infrastructure development;

(C) the educational, health, recreational, and social welfare objectives of the Tribe and members of the Tribe; or

(D) any combination of the activities described in subparagraphs (A) through (C).

(3) PLAN REVIEW AND REVISION.—

(A) IN GENERAL.—The Tribal Council shall make available for review and comment by the members of the Tribe a copy of the plan before the plan becomes final, in accordance with procedures established by the Tribal Council.

(B) UPDATING OF PLAN.—

(i) IN GENERAL.—The Tribal Council may, on an annual basis, revise the plan to update the plan.

(ii) REVIEW AND COMMENT.—In revising the plan, the Tribal Council shall provide the members of the Tribe opportunity to review and comment on any proposed revision to the plan.

(C) CONSULTATION.—In preparing the plan and any revisions to update the plan, the Tribal Council shall consult with the Secretary and the Secretary of Health and Human Services.

(4) AUDIT.—

(A) IN GENERAL.—The activities of the Tribe in carrying out the plan shall be audited as part of the annual single-agency audit that the Tribe is required to prepare pursuant to the Office of Management and Budget circular numbered A-133.

(B) DETERMINATION BY AUDITORS.—The auditors that conduct the audit under subparagraph (A) shall—

(i) determine whether funds received by the Tribe under this section for the period covered by the audit were expended to carry out the plan in a manner consistent with this section; and

(ii) include in the written findings of the audit the determination made under clause (i).

(C) INCLUSION OF FINDINGS WITH PUBLICATION OF PROCEEDINGS OF TRIBAL COUNCIL.—A copy of the written findings of the audit described in subparagraph (A) shall be inserted in the published minutes of the Tribal Council proceedings for the session at which the audit is presented to the Tribal Council.

(g) PROHIBITION OF PER CAPITA PAYMENTS.—No portion of any payment made under this title may be distributed to any member of the Tribe on a per capita basis.

SEC. 202. ELIGIBILITY OF TRIBE FOR CERTAIN PROGRAMS AND SERVICES.

No payment made to the Tribe under this title shall result in the reduction or denial of any service or program with respect to which, under Federal law—

(1) the Tribe is otherwise entitled because of the status of the Tribe as a federally recognized Indian tribe; or

(2) any individual who is a member of the Tribe is entitled because of the status of the individual as a member of the Tribe.

SEC. 203. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to pay the administrative expenses of the Fund.

By Mr. BYRD (for himself, Mr. BAYH, and Mr. ROCKEFELLER):

S. 1997. A bill to reinstate the safeguard measures imposed on imports of certain steel products, as in effect on December 4, 2003; to the Committee on Finance.

Mr. BYRD. Mr. President, last week, the Bush administration—in what has become its normal pattern—ignored the pleas of thousands of hardworking Americans. It lifted the steel tariffs it had promised the U.S. steel industry and imposed on foreign imports back in March of 2002.

Despite its earlier pledge to stand by America's steelworkers, the White House, in typical fashion, decided to turn its back on our highest valued workers and most vulnerable retirees. In a fit of pique and hard-hearted hubris, the White House decided to lift U.S. tariffs on foreign steel imports 15 months ahead of time, instead of letting the tariffs stay in place until March 2005, as is permitted by U.S. law.

Why? Why would the White House betray America's steel industry—the backbone of America's industrial base—particularly during this time of war? Of national emergency? No. Because the President feared retaliation from America's trading partners, he quivered at the threat that they would retaliate against U.S. exports if he did not lift the 201 tariffs. He cowered in the face of exactly those nations whose steel exports to the United States have driven 42 U.S. steel companies to their knees and into bankruptcy. His resolve collapsed in the face of retaliatory threats from America's most virulent competitors, whose illegal trade against the United States has already cost nearly 50,000 steelworkers their jobs.

America's foreign trade opponents gambled that this President lacked the resolve to stand up to them and to the WTO. Do you know? They were right. They were sadly correct.

But this President, George W. Bush, did not need to cave like a "weak willy" in the face of belligerent foreign bullies. Instead, he could have invoked Article XXI of the GATT, a viable trade tool that has been legitimately and successfully employed by the United States in the past to exempt itself from the GATT, now the WTO, in a time of war or national emergency. The President on July 31, 2003, formally proclaimed our Nation to be in a continued state of emergency. As a result of the President's own misguided and ill-advised actions, we remain engaged militarily in Iraq.

On July 31, 2003, President Bush formally declared that, in accordance with section 202(d) of the National Emergencies Act, he was "continuing for one year the national emergency with respect to Iraq." We also continue to face an ongoing war against terrorism, both here at home and abroad.

So, President Bush had—and has—ample authority to invoke a provision of GATT 1994, negotiated by the United States and available to all WTO Members, that would permit him to exempt protections for the U.S. steel industry from retaliation by foreign countries.

But this President has so far lacked the foresight or the fortitude to take that step. Confronted with real threats of economic retaliation by determined competitors, the President folds like a house of cards astride the San Andreas fault.

That is why, today, I am introducing a bill that will do what the President refused to do. It will reinstate the 201 relief and reimpose the 201 tariffs against foreign steel imports. Under my bill, the 201 tariffs will be put back in place to stop foreign import surges, just as they did before the President so ill-advisedly lifted the tariffs last Thursday. And the tariffs will remain in place through March 5, 2005.

This administration should not have been bullied into abandoning the U.S. steel industry. Our steel industry is key to the national economic security of our Nation. Without steel, we cannot guarantee America's national security. Without steel, we could not have rebuilt after September 11. And I am not the only one who thinks that steel is integral to America's economic and national security. Just a few days before that fateful September day, on August 26, 2001, President Bush told America's steelworkers: "If you're worried about the security of the country and you become over reliant upon foreign sources of steel, it can easily affect the capacity of our military to be well supplied. Steel is an important jobs issue; it is also an important national security issue."

With an annual take deficit of almost $500 billion, Americans have a right to expect that international trade rules will work for them; not against them. They also have a right to know that the United States can respond as it must to the type of trade crises that have been suffered by America's steel industry for years.

There was absolutely no reason to lift the steel 201 tariffs. They are fully consistent with both U.S. law and our international agreements—regardless of the view of the WTO. The purpose of 201 relief is to give the domestic industry time to adjust to import competition. Our valiant steel industry is doing just that by pursuing unprecedented restructuring and new investment. Since the 201 tariffs were imposed, flat-rolled steel producers alone have invested more than $3 billion to enhance their productivity.

Critics of the 201 relief have been proved wrong on every significant fact concerning that relief. They said that once the tariffs were imposed, steel prices would go through the roof. Yet, prices have risen only modestly, and much less than abroad. The critics claimed that U.S. steel companies would do nothing to improve their competitiveness. But our Nation is witnessing the most dramatic restructuring in the industry's history. The critics also claimed that the tariffs would be bad for the U.S. economy, but the non-partisan U.S. International Trade Commission, ITC, recently found that the potential costs are minuscule—only about 2 percent of what Americans spend each month at McDonald's—and not even a drop in the bucket compared to the value we gain by restoring a critical U.S. industry to long-term competitiveness.

Other nations' actions in this Section 201 dispute have been truly disgraceful. The European Union originally threatened to retaliate against the United States immediately upon the President's application of the safeguard measures in March 2002. In the end, it hesitated. But its threat was sufficient to extort from the administration nearly unlimited exclusions from the tariffs to benefit foreign producers.

Acquiescing to this type of bullying jeopardizes the future of the U.S. steel industry, and it undermines the integrity of, and support for, the entire international trading system. Americans cannot be expected to support a system that works against them, rather than for them.

By lifting the tariffs, the administration is allowing Brazil, the European Union, Japan, and other nations, once again, to flood the U.S. market with imports. The Bush administration could have stood up for America's steelworkers like those at Weirton, WV, and Wheeling-Pittsburgh Steel in West Virginia, and demanded that other countries respect the legitimate rights of the United States in the world trading system. But this administration chose to back down, to lose face, to sit back and watch, once more, while thousands of additional U.S. steel jobs are destroyed by wave after wave of foreign imports.

The administration does not seem to care if the U.S. steel industry is destroyed at a time of war and in the midst of a national emergency. President Bush did not even care enough to personally inform the U.S. steel industry, its workers, and their families of his decision to lift the tariffs. No!! Instead, he sent a trade negotiator, Mr. Zoellick, to do his dirty work. Ambassador Zoellick had the audacity to tell us that the tariffs are "no longer necessary." No longer necessary. And why did he say that they are no longer necessary? They are no longer necessary because, he said, "these safeguard measures have achieved their purpose."

The only purpose that I can see in this decision to shut the tariff program down is to succumb to threats and demands from abroad. The only effect will be the loss of more steel manufacturing jobs here at home.

On October 27, 2000, Mr. DICK CHENEY—do you know him? He is now Vice President of the United States—just a few days before the elections he came to Weirton, WV, to campaign for the Bush-Cheney ticket. During that visit, Mr. CHENEY forcefully pledged to help America's steelworkers. He said, "We will never lie to you. If our trading partners violate our trading laws, we will respond swiftly and firmly."

Promise made, promise broken. Unfortunately, like so many commitments this administration has made, its pledge to help America's steel industry got off to a headline-grabbing start, but has now been discarded, out of the glare of the campaign spotlight.

So now, only 3 years after Mr. CHENEY's campaign-season vow of honesty to America's steelworkers, this White House has taken an axe to the 201 tariffs and betrayed the trust of thousands of American families whose paychecks depend on the U.S. steel industry.

Mr. President, the Bush White House has absolutely failed the working families across this country. This White House has traded the best interests of the American people for the big special interests of corporate campaign contributors. It is no surprise that the Bush Administration would turn its back on steelworkers.

When the Bush-Cheney ticket needed West Virginia's votes in 2000, it pledged to help our steel industry. At first, it appeared as though the administration would follow through on that promise. The White House applied the steel tariffs, for which West Virginia was thankful and for which I and other Senators congratulated, commended and thanked the administration. But then the President exempted import after import from those tariffs. Now the President has eliminated the tariffs completely.

The Bush White House may have forgotten the promise made to the steel industry in West Virginia, but thousands of West Virginians and other steelworkers across the Nation will not forget. The recognize a fair-weather friend when they seen one.

By Mr. BINGAMAN (for himself, Ms. SNOWE, Mr. SCHUMER, Mr. LEAHY, Mrs. CLINTON, Mr. NELSON of Nebraska, Mrs. LINCOLN, Mr. HAGEL, Mr. JEFFORDS, Mr. DOMENICI, Mr. HARKIN, and Mr. PRYOR):

S. 1998. A bill to amend title 49, United States Code, to preserve the essential air service program; to the Committee on Commerce, Science, and Transportation.

Mr. BINGAMAN. Mr. President, I rise today to introduce the bipartisan Essential Air Service Preservation Act of 2003. I am pleased to have my colleague Senator SNOWE as the principal cosponsor of the bill. Senator SNOWE has been a long-time champion of commercial air service in rural areas, and I appreciate her continued leadership on this important legislation. Senators SHUMER, LEAHY, CLINTON, BEN NELSON, LINCOLN, HAGEL, JEFFORDS, DOMENICI, and HARKIN, are also cosponsors of the bill.

Congress established the Essential Air Service Program in 1978 to ensure that communities that had commercial air service before airline deregulation could continue to receive scheduled service. Without EAS, many rural communities would have no commercial air service at all.

Our bill is very simple. It preserves Congress's intent in the Essential Air Service program by repealing a provision in the FAA reauthorization bill that would for the first time require communities to pay for their commercial air service.

Congress has already barred the Department of Transportation from implementing any cost sharing requirements on Essential Air Service communities for one year. This bill would now make the ban permanent. I believe that implementing any mandatory cost sharing is the first step in the total elimination of scheduled air service for many rural communities.

It is indeed a sad commentary on this Congress that my colleagues and I have to introduce this bill at all. Time and again Congress has gone on record opposing mandatory cost sharing for EAS communities, yet it keeps coming back.

In June, during consideration of the FAA reauthorization bill, Senator INHOFE and I, with 13 bipartisan cosponsors, offered an amendment that struck out a provision in that bill imposing mandatory cost sharing on some EAS communities.

I was pleased the full Senate agreed and voted to eliminate mandatory cost sharing from the FAA reauthorization bill. In parallel, the full House of Representatives adopted a similar amendment to the FAA bill. Thus, the bills that were sent to conference required no cost sharing for EAS communities.

Most students of government would tell you that when a majority of both houses of Congress have voted against a particular measure, the conferees couldn't arbitrarily put it back in. Well, they did. In another example of this Congress's secret back room dealing, the conferees excluded the minority members, flagrantly ignored the will of the majority in the House and the Senate, and restored the very cost-sharing language both houses one month before had voted to reject. I believe adding this extraneous and objectionable provision was an egregious violation of the conference process.

When cost sharing showed up in the FAA conference report, Congress, with bipartisan support, stopped the Department of Transportation from implementing the measure for one year by barring the use of 2004 appropriations for that purpose. The bill we are introducing today permanently repeals the mandatory cost-sharing requirements that the conferees reinserted into the FAA reauthorization bill after both the House and Senate had voted not to include them. I hope both houses of Congress will again do the right thing by passing our bill.

All across America, small communities face ever-increasing hurdles to promoting their economic growth and development. Today, many rural areas lack access to interstate or even four-lane highways, railroads or broadband telecommunications. Business development in rural areas frequently hinges on the availability of scheduled air service. For small communities, commercial air service provides a critical link to the national and international transportation system.

The Essential Air Service Program currently ensures commercial air service to over 100 communities in 34 states. EAS supports an additional 33 communities in Alaska. Because of increasing costs and the current financial turndown in the aviation industry, particularly among commuter airlines, about 28 additional communities have been forced into the EAS program since the terrorist attacks in 2001.

In my State of New Mexico, five cities currently rely on EAS for their commercial air service. The communities are Clovis, Hobbs, Carlsbad, Alamogordo and my hometown of Silver City. In each case commercial service is provided to Albuquerque, the State's business center and largest city.

I believe this ill-conceived proposal requiring cities to pay to continue to have commercial air service could not come at a worse time for small communities already facing depressed economies and declining tax revenues.

As I understand it, the mandatory cost-sharing requirements in the FAA reauthorization bill could affect communities in as many as 22 states. Based an analyses by my staff, the individual cities that may be affected are as follows:

Alabama—Muscle Shoals; Arizona—Prescott, Kingman; Arkansas—Hot Springs, Harrison, Jonesboro; Colorado—Pueblo; Georgia—Athens; Iowa—Fort Dodge, Burlington; Kansas—Salina; Kentucky—Owensboro; Maine—Augusta, Rockland; Michigan—Iron Mt.; Mississippi—Laurel; Nebraska—Norfolk; New Hampshire—Lebanon; New Mexico—Hobbs, Alamogordo, Clovis; New York—Saranac Lake, Watertown, Jamestown, Plattsburgh; Oklahoma—Ponca City, Enid; Pennsylvania—Johnstown, Oil City, Bradford, Altoona; South Dakota—Brookings, Watertown; Tennessee—Jackson; Texas—Victoria; Vermont—Rutland; Washington—Moses Lake.

As I see it, the choice here is clear: If we do not preserve the Essential Air Service Program today, we could soon see the end of all commercial air service in rural areas. The EAS program provides vital resources that help link rural communities to the national and global aviation system. Our bill will preserve the essential air service program and help ensure affordable, reliable, and safe air service remains available in rural America. Congress is already on record opposing mandatory cost sharing. I hope all Senators will once again join us in opposing this attack on rural America.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1998

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Essential Air Service Preservation Act of 2003".

SEC. 2. REPEAL OF EAS LOCAL PARTICIPATION PROGRAM.

(a) IN GENERAL.—Subchapter II of chapter 417 of title 49, United States Code, is amended by striking section 41747, and such title shall be applied as if such section 41747 had not been enacted.

(b) CONFORMING AMENDMENT.—The analysis for subchapter II of chapter 417 of title 49, United States Code, is amended by striking the item relating to section 41747.

By Mr. DASCHLE (for himself, Ms. STABENOW, Mr. GRAHAM of Florida, Mr. KENNEDY, Mr. PRYOR, Mr. DORGAN, Mrs. BOXER, Mr. LAUTENBERG, Mr. BINGAMAN, Ms. MIKULSKI, Mr. JOHNSON, Mr. SCHUMER, Mr. KOHL, Ms. CANTWELL, and Mr. ROCKEFELLER):

S. 1999. A bill to amend part D of title XVIII of the Social Security Act, as added by the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, to provide for negotiation of fair prices for medicare prescription drugs; to the Committee on Finance.

Mr. DASCHLE. Mr. President, yesterday, the President signed the Medicare Prescription Drug, Improvement, and Modernization Act of 2003. But the name of that Act is completely misleading. In fact, the Act fundamentally damages the successful and popular Medicare program—a long-term Republican goal. And this Act does more to ensure that drug prices remain high than it does to assist beneficiaries in paying for their drugs.

Why? Because drug companies want it that way. Republicans with financial ties to the industry are protecting drug company interests over the interests of seniors and people with disabilities.

America's seniors pay the highest drug prices in the world, even though American taxpayers subsidize the research that produces many of those drugs. The Medicare bill signed by the President squanders our chances of remedying that inequity. Not only does the bill effectively prohibit the reimportation of more affordable drugs from other countries, it actually prohibits Medicare from using its tremendous bargaining power to ensure that beneficiaries pay lower prices and that our scant resources are most effectively used.

Today, Senate Democrats are siding with the seniors. We are introducing legislation that would repeal the provision barring Medicare from negotiating for lower prices. The Medicare Prescription Drug Price Reduction Act would give Medicare the authority to negotiate with drug companies to obtain the lowest possible prices for seniors and people with disabilities. House Democrats introduced a companion bill yesterday. Together, we will fight for the goal of giving Medicare beneficiaries the drug benefit and lower prices they deserve.

By Mrs. CLINTON:

S. 2003. A bill to amend the Public Health Service Act to promote higher quality health care and better health by strengthening health information, information infrastructure, and the use of health information by providers and patients; to the Committee on Finance.

Mrs. CLINTON. Mr. President, today, I am introducing a bill that seeks to begin a dialogue on one of the most important yet neglected aspects of our health care system—health care quality. this is an enormous issue that affects every single one of us who has ever needed medical care, and it affects all taxpayers because quality care has such potential to avoid waste and save millions of dollars in health care costs. I have raised many of these ideas as amendments in other contexts, such as the Medicare debate on S. 1, and the debate over S. 720, the Patient Safety and Quality Improvement Act of 2003. I intend to continue working with my colleagues on improving these ideas and proposing additional concepts. But with this bill today, I seek to put forward a package of ideas, provoke conversation, and present this as a first step in making quality a focus of my health care efforts next year. My goal with these efforts is to both improve quality and outcomes, and reduce costs by encouraging care that is more effective.

There is no reason why we cannot achieve this. We have the most advanced medical system in human history—the finest medical institutions, the newest treatments, the best trained health care professionals. But in spite of the best intentions of clinicians and patients, our health care system is plagued with underuse, overuse, and misuse. currently, only about 50 percent of care that is known to be effective is provided, and the care given is supported by solid scientific evidence, and the pace of dissemination of new evidence is painfully slow. It may take up to 17 years for treatments found to be effective to become common practice.

Much of the overuse or misuse of health services stems from the fragmentation of our system. In a recent study in Santa Barbara, CA, 20 percent of lab tests and x-rays were conducted solely because previous results were unavailable. One in seven hospitalizations occurs because information is unavailable, and a shocking percentage of the time, physicians do not find patient information that had previously been recorded in a paper-based medical record.

Despite all of our Nation's medical advances, health quality is becoming even more endangered in some respects. Nursing care which is often shown to be a decisive factor for hospital patient outcomes, its in grave shortage, and a majority of U.S. physicians surveyed by the Commonwealth Fund perceive their ability to provide quality care as having worsened over the last 5 years.

Additionally, even as the quality of health care we purchase lags, our spending on inadequate and wasteful care is spiraling out of control. Premiums increased 13 percent last year, and health care costs are increasing at nearly 10 times the rate of inflation. To make matters worse, the public health system is straining to meet the challenges of bioterrorism or emerging infections, the number of uninsured Americans is rising, clinicians are leaving practice, and the older adult population is set to double by 2040.

The reason is not because doctors aren't trying hard enough, or hospitals are at fault. That we're able to get good health care at all is testament to the genius and heroism of doctors and nurses who deliver care, despite all the obstacles, despite every effort of the system to hinder them.

But what our medical system requires of providers is a little like asking pilots to routinely land planes without any information from the control tower. The best of them can do it—they could land a plane with one arm around their backs missing key information and confirmations, but why force them to do it? Why deny them critical information when it could be easily available? There is no plausible reason for denying needed information, especially when life and death are at stake.

That's unfortunately exactly what our health care system says to doctors, nurses, and hospitals. Physicians for example spend four years in medical school, and then several years more in their residency training, cramming medical information into their heads. Then we expect them to look at a patient taking four different drugs, with a heart condition, and immediately remember any drug-drug interactions that could occur. We ask them to do it without looking up any reference materials. We ask them to do it in the few minutes that they have with each patient given the ever-shorter visits, and ever-increasing patient and paperwork load. Moreover, in their free time, they are expected to keep up with all the new journal articles and learn about every new drug.

Yet hand-held computers can now allow the doctor to pull up up-to-date information immediately, right at the bedside, if he or she has any question. And NIH spends billions of dollars in research to generate that information. Shouldn't that investment reap results for the patient as quickly as possible? This bill seeks to provide the direction that would support such technology and make it widely available to physicians.

Right now, doctors, nurses, and hospitals are holding the health care system up, preventing utter collapse by sheer, heroic, force of will. Instead of the clinicians supporting the system, we should build a system that supports clinicians instead.

The premise of this legislation is that information, in the hands of the right people at the right time, drives quality and value. We need to empower patients and health care providers to make the right choices. And to do that, health care decisionsmakers—providers, payers, and patients—need to have access to the right information, where and when it is needed, securely and privately.

This legislation seeks to: 1. Generate information about health quality through increased research, increased public reporting along key quality measures, and standardization of those measures to assure comparability and usability of reported information; 2. Ensure that payers, providers and patients get information in a usable form so they can make effective decisions; and 3. Reduce barriers to the development of an IT infrastructure that is so critical to achieving those first 2 goals.

Eighty percent of the care delivered today is not backed by sound clinical research. That is why we need to do more research, and see if the care we provide today has sound justification in science. But even where we know what to do, we don't always do it because the information is insufficiently disseminated and utilized. Studies have shown some procedures being performed even when they have not met accepted criteria for appropriateness: In one study, of all the non-emergent, noncancerous hysterectomies performed, only 30 percent had been properly worked up and met the full medical criteria for necessity. In another study, about one-fourth of coronary angiographies and upper gastrointestinal endoscopies did not meet standards of medical appropriateness.

On the flip side, in situations where the benefits of an intervention are clear, many patients do not receive the indicated care: Very few hospitalized patients at-risk for pneumococcal pneumonia who had not been previously vaccinated end up being vaccinated during their hospital stay. Routine peak flow measurements are conducted in only 28 percent of pediatric patients with asthma. And only one-half of diabetics receive an annual eye exam.

We know what good health care means in these areas, but we don't practice it, in part because that information may not be readily available, and regardless, there is no incentive for quality. We are suggesting—track the outcomes, share that information with patients, providers, and insurers, and ultimately, pay for performance.

This bill will help us become better purchasers of care, and help us take the first steps toward aligning the incentives so that higher quality is rewarded. I ask unanimous consent that the attached article from last week's New York Times be printed in the RECORD showing how our current reimbursement system is gravely misaligned. Under the current system, higher quality can be penalized, while worse care can ironically be more profitable.

Today, by introducing these ideas for the purpose of seeking feedback from my colleagues and experts in the field, I am taking the first step toward improving our health care system for everyone and saving money. I invite interested colleagues to join me in partnership on this important venture and look forward to taking strong, positive action next year to improve health quality for all Americans.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Dec. 5, 2003]

HOSPITALS SAY THEY'RE PENALIZED BY MEDICARE FOR IMPROVING CARE

(By Reed Abelson)

SALT LAKE CITY.—By better educating doctors about the most effective pneumonia treatments, Intermountain Health Care, a network of 21 hospitals in Utah and Idaho, say it saves at least 70 lives a year. By giving the right drugs at discharge time to more people with congestive heart failure, Intermountain saves another 300 lives annually and prevents almost 600 additional hospital stays.

But under Medicare, none of these good deeds go unpunished.

Intermountain says its initiatives have cost it millions of dollars in lost hospital admissions and lower Medicare reimbursements. In the mid-90's, for example, it made an average profit of 9 percent treating pneumonia patients; now, delivering better care, it loses an average of several hundred dollars on each case.

"The health care system is perverse," said a frustrated Dr. Brent C. James, who leads Intermountain's efforts to improve quality. "The payments are perverse. It pays us to harm patients, and it punishes us when we don't."

Intermountain's doctors and executives are in a swelling vanguard of critics who say that Medicare's payment system is fundamentally flawed.

Medicare, the nation's largest purchaser of health care, pays hospitals and doctors a fixed sum to treat a specific diagnosis or perform a given procedure, regardless of the quality of care they provide. Those who work to improve care are not paid extra, and poor care is frequently rewarded, because it creates the need for more procedures and services.

The Medicare legislation that President Bush is expected to sign on Monday calls for studies and a few pilot programs on quality improvement, but experts say that it does little to reverse financial disincentives to improving care.

"Right now, Medicare's payment system is at best neutral and, in some cases, negative, in terms of quality—we think that is an untenable situation," said Glenn M. Hackbarth, the chairman of the Medicare Payment Advisory Commission, an independent panel of economists, health care executives and doctors that advises Congress on such issues as access to care, quality and what to pay health care providers.

In a letter published in the current edition of Health Affairs, a scholarly journal, more than a dozen health care experts, including several former top Medicare officials, urged the program to take the lead in overhauling payment systems so that they reward good care.

"Despite a few initial successes, the inertia of the health system could easily overwhelm nascent efforts to raise average performance levels out of mediocrity," they wrote. "Decisive change will occur only when Medicare, with the full support of the administration and Congress, creates financial incentives that promote pursuit of improved quality."

Medicare's top official is quick to agree that the payment system needs to be fixed. "It's one of the fundamental problems Medicare faces," said Thomas A. Scully, who as the administrator of the Centers for Medicare and Medicaid Services has encouraged better care by such steps as publicizing data about the quality of nursing home and home-health care and by experimenting with programs to reward hospitals for their efforts.

But the steps taken so far have been small, and many experts say that rather than paying for more studies, Congress should start making significant changes to the way doctors and hospitals are paid.

"They're splashing at the shallow end of the pool," said Dr. Arnold Milstein, a consultant for Mercer Human Resource Consulting and the medical director for the Pacific Business Group on Health, an association of large California employers. He would like to see as much as 20 percent of what Medicare pays doctors and hospitals linked to the quality of the care they provide and their efficiency in delivering treatment.

Two decades ago, Medicare led a revolution in health care. By setting fixed payments for various kinds of treatment—a coronary bypass surgery or curing a pneumonia or replacing a hip—rather than simply reimbursing doctors and hospitals for whatever it cost to deliver the care, it encouraged shorter hospital stays and less-expensive treatments.

But today, many health care executives say, Medicare's payment system hinders attempts to improve care. Dr. James, the Intermountain executive, said that he wrestled with the situation every day.

By making sure its doctors prescribe the most effective antibiotic for pneumonia patients, for example, and thereby avoiding complications, Intermountain forgoes roughly $1 million a year in Medicare payments, he estimated. When a pneumonia patient deteriorates so badly that the patient needs a ventilator, Intermountain collects about $19,000, compared with $5,000 for a typical pneumonia case. And while it makes money treating the sicker patient, Dr. James said, it loses money caring for the healthier one.

Nor is Intermountain rewarded for sparing someone a stay in the hospital—and for sparing Medicare the bill. Shirley Monson, 74, of Ephraim, Utah, said that she expected to be hospitalized when she developed pneumonia last year. Instead, Sanpete Valley Hospital, part of Intermountain, sent Mrs. Monson home with antibiotics, and she recovered over the next two weeks. Such visits produce just token payments for hospitals.

In addition to losing revenue each time it avoids an unnecessary hospital stay, Intermountain is penalized for treating only the sickest patients, Dr. James said. Medicare's payments for pneumonia are based on a rough estimate of the cost of an average case and assume a hospital will see a range of patients, some less sick—and therefore less expensive to treat—than others. But because Intermountain now admits only the sickest patients, its reimbursements fall short of its costs, Dr. James said, resulting in an average loss this year of a few hundred dollars a case.

Similarly, averting hospital stays for congestive heart patients by prescribing the right medicines costs Intermountain nearly $4 million a year in potential revenues, according to Dr. James. And every adverse drug reaction Intermountain avoids deprives it of the revenue from treating the case.

"We are really rewarded for episodic care and maximizing the care delivered in each episode," said Dr. Charles W. Sorenson Jr., Intermountain's chief operating officer.

Like the visit majority of the nation's hospitals, Intermountain is a nonprofit organization, and executives here say financial penalties do not damp their desire to provide the highest quality care, which they see as their central mission. But Intermountain, which operates health plans and outpatient clinics in addition to its hospitals, says it beds to keep hospital beds filled and make money where it can to subsidize unprofitable services and pay for charity care.

Outside of Medicare, Intermountain often benefits from its quality initiatives, executives said, because it gets to pocket much of the savings they produce. For example, Intermountain has generated about $2 million annually in savings by reducing the number of deliveries that women choose to induce before 39 weeks of pregnancy—and thereby reducing the risk of complications to the mother or baby. According to Dr. James, almost all that money has been spent on other kinds of care.

Hospital executives elsewhere say that they, too, have come up against the cold reality of the Medicare payment system. Partners HealthCare, the Boston system that includes Massachusetts General and Brigham and Women's Hospitals, has taken steps to reduce the number of unnecessary diagnostic tests it conducts at outpatient radiology centers, though executives know that smarter care will cut into their revenues.

"That's where you're smack up against the perverseness of the system," said Dr. James J. Mongan, chief executive of Partners.

Medicare's payment policies have stymied efforts in the private sector to improve care, as well.

For example, the Leapfrog Group, a national organization of large employers concerned about health issues, has tried to encourage more hospitals to employ intensivists—specialists who oversee the care provided in intensive-care units. Though studies show that such doctors significantly improve care, Medicare does not pay for them, and employers and insurers are having difficulty persuading some hospitals to take on the added expense.

"It's going to be very hard to compete with the incentives and disincentives in Medicare," said Suzanne Delbanco, the group's executive director.

Others argue that hospitals and doctors should not be paid extra for doing what they should be doing in the first place.

Helen Darling, the executive director of the National Business Group on Health, a national employer group, said Medicare instead should take a firmer stance in demanding quality. The program had a significant effect, she noted, when it said that only hospitals meeting a minimum set of standards could be reimbursed by Medicare for heart transplants.

"The payment system drove quality," Ms. Darling said.

Medicare itself is taking some other tentative steps, including an experiment that pays certain hospitals an extra 2 percent for delivering the highest-quality care, as measured, for example, by administering antibiotics to pneumonia patients quickly and giving heart attack patients aspirin. But some hospital industry executives question whether that is enough money to offset the costs of improving care.

"It can only be a motivator if you really have an incentive," said Carmela Coyle, an executive with the American Hospital Association, who noted that hospitals on average are paid only 98 cents for each dollar of Medicare services they provide.

Mr. Scully, the Medicare administrator, defends the experiment, saying that the agency's goal is to determine if it is using the right measures to reward quality. "If this works, we'll do a bigger demonstration," he said.

But many policy analysts and employer groups want Medicare to do more. "Today, Medicare needs to step out front," said Peter V. Lee, chief executive of the Pacific Business Group on Health, who argues that how hospitals and doctors are paid is a critical component of motivating them to improve care. "There needs to be money at play."

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 279—RECOGNIZING THE IMPORTANCE AND CONTRIBUTIONS OF SPORTSMEN TO AMERICAN SOCIETY, SUPPORTING THE TRADITIONS AND VALUES OF SPORTSMEN, AND RECOGNIZING THE MANY ECONOMIC BENEFITS ASSOCIATED WITH OUTDOOR SPORTING ACTIVITIES

Mr. COLEMAN submitted the following resolution; which was referred to the Committee on Environment and Public Works:

S. Res. 279

Whereas there are more than 38,000,000 sportsmen in the United States;

Whereas these sportsmen, who come from all walks of life, engage in a sport they love, while helping to stimulate the economy, especially in small, rural communities, and contributing to conservation efforts;

Whereas sportsmen demonstrate values of conservation, appreciation of the outdoors, and love of the natural beauty of the United States;

Whereas sporting activities have both physical and mental health benefits that allow Americans to escape from the fast pace of their lives and to spend time with their families and friends;

Whereas sportsmen pass down their love of the outdoors from generation to generation;

Whereas many sportsmen consider hunting, trapping, and fishing of tremendous importance to the American way of life;

Whereas sportsmen have a passion for learning about nature and have tremendous respect for the game pursued, other sportsmen, the non-hunting populace, and the natural resources upon which they depend;

Whereas the total economic contribution of sportsmen amounts to $70,000,000,000 annually, with a ripple effect amounting to $179,000,000,000;

Whereas sportsmen contribute $1,700,000,000 every year for conservation programs, and these funds constitute a significant portion of on-the-ground wildlife conservation funding;

Whereas anglers support 1,000,000 jobs and small businesses in communities in every part of the United States, and they purchase $3,200,000,000 in basic fishing equipment every year;

Whereas tens of millions of Americans hunt and are a substantial economic force, spending $21,000,000,000 every year;

Whereas a sportsman President, Theodore Roosevelt, established America's first National Wildlife Refuge 100 years ago, and with the committed support of sportsmen over the last century, the National Wildlife Refuge System includes more than 540 refuges spanning 95,000,000 acres throughout all 50 States;

Whereas the funds raised from sportsmen through purchases of Federal migratory bird hunting and conservation stamps under the Act of March 16, 1934 (commonly known as the Duck Stamp Act) (16 U.S.C. 718a et seq.), are used to purchase and restore vital wetlands in the refuge system;

Whereas the sale of those stamps has raised more than $500,000,000 which has been used to acquire approximately 5,000,000 acres of refuge lands;

Whereas in 1937, Congress passed the Pittman-Robertson Wildlife Restoration Act (16 U.S.C. 669 et seq.), under which sportsmen and the firearms and ammunition industries agreed to a self-imposed 10 percent excise tax on ammunition and firearms, the proceeds of which are distributed to the States for wildlife restoration;

Whereas the Pittman-Robertson Wildlife Restoration Act has created a source of permanent funding for State wildlife agencies that has been used to rebuild and expand the ranges of numerous species, including wild turkey, white-tailed deer, pronghorn antelope, wood duck, beaver, black bear, American elk, bison, desert bighorn sheep, bobcat, and mountain lion, and several non-game species, including bald eagles, sea otters, and numerous song birds;

Whereas in 1950, Congress passed the Dingell-Johnson Sport Fish Restoration Act (16 U.S.C. 777 et seq.), under which recreational anglers and the fishing and tackle manufacturing industries agreed to a self-imposed 10 percent excise tax on sport fishing equipment (including fishing rods, reels, lines, and hooks, artificial lures, baits and flies, and other fishing supplies and accessories), the proceeds of which are used for the purposes of constructing fish hatcheries, building boat access facilities, promoting fishing, and educating children about aquatic resources and fishing; and

Whereas the Dingell-Johnson Sport Fish Restoration Act was amended in 1984 to extend the excise tax to previously untaxed items of sport fishing equipment and to dedicate a portion of the existing Federal tax on motorboat fuels to those purposes, so that now approximately ⅓ of the funds expended by State fish and wildlife agencies for maintenance and development of sports fisheries are collected through the use of the excise tax: Now, therefore, be it

Resolved, That the Senate—

(1) recognizes the importance and contributions of sportsmen to American society;

(2) supports the traditions and values of sportsmen;

(3) supports the many conservation programs implemented by sportsmen;

(4) recognizes the many economic benefits associated with outdoor sporting activities; and

(5) recognizes the importance of encouraging the recruitment of, and teaching the traditions of hunting, trapping, and fishing to, future sportsmen.

SENATE RESOLUTION 280—CONGRATULATING THE SAN JOSE EARTHQUAKES FOR WINNING THE 2003 MAJOR LEAGUE SOCCER CUP

Mrs. BOXER (for herself and Mrs. FEINSTEIN) submitted the following resolution; which was considered and agreed to:

S. RES. 280

Whereas on November 23, 2003, the San Jose Earthquakes defeated the Chicago Fire to win the 2003 Major League Soccer Cup;

Whereas the San Jose Earthquakes achieved a 14–7–9 regular season record to finish first in the Major League Soccer Western Conference;

Whereas the San Jose Earthquakes finished an extraordinary season by overcoming injuries, adversity, and multiple-goal deficits to reach the Major League Soccer Cup championship match;

Whereas in the championship match, the San Jose Earthquakes and the Chicago Fire scored 6 goals combined, breaking the Major League Soccer Cup championship match scoring record;

Whereas head coach Frank Yallop led the San Jose Earthquakes to victory;

Whereas the San Jose Earthquakes is a team of world-class players, including Jeff Agoos, Arturo Alvarez, Brian Ching, Jon Conway, Ramiro Corrales, Troy Dayak, Dwayne De Rosario, Landon Donovan, Todd Dunivant, Ronnie Ekelund, Rodrigo Faria, Manny Lagos, Roger Levesque, Brain Mullan, Richard Mulrooney, Pat Onstad, Eddie Robinson, Chris Roner, Ian Russell, Josh Saunders, Craig Waibel, and Jamil Walker, all of whom contributed extraordinary performances throughout the regular season, playoffs and Major League Soccer Cup;

Whereas San Jose Earthquakes midfielder Ronnie Ekelund scored in the fifth minute of play, tying Eduardo Hurtado for the fastest goal scored in a Major League Soccer Cup championship match;

Whereas with the victory, San Jose Earthquakes captain Jeff Agoos won his second Major League Soccer Cup for the San Jose Earthquakes and his fifth Major League Soccer Cup overall;

Whereas San Jose Earthquakes forward Landon Donovan, who has been named United States National Team Player of the Year twice, scored 2 goals on 2 shots in the championship match, earning the Honda Major League Soccer Cup Most Valuable Player Award;

Whereas by winning the 2003 Major League Soccer Cup, the San Jose Earthquakes join DC United to become the second team in Major League Soccer history to win the Major League Soccer Cup more than once;

Whereas the San Jose Earthquakes have brought great pride to the City of San Jose and to the State of California;

Whereas Major League Soccer has become extremely popular in only 8 seasons; and

Whereas the success of Major League Soccer has contributed to the growing popularity of soccer in the United States in recent years: Now, therefore, be it

Resolved, That the Senate—

(1) congratulates the San Jose Earthquakes for winning the 2003 Major League Soccer Cup;

(2) recognizes the achievement of the players, coaches, staff, and supporters of the San Jose Earthquakes in bringing the 2003 Major League Soccer Cup to San Jose;

(3) commends the San Jose community for its enthusiastic support of the San Jose Earthquakes; and

(4) expresses the hope that Major League Soccer will continue to inspire fans and young players in the United States and around the world by producing teams of the high caliber of the San Jose Earthquakes.

SENATE RESOLUTION 281—RELATIVE TO THE DEATH OF THE HONORABLE PAUL SIMON, A FORMER SENATOR FROM THE STATE OF ILLINOIS

Mr. FITZGERALD (for himself, Mr. DURBIN, MR. FRIST, Mr. DASCHLE, and Mr. DEWINE) submitted the following resolution; which was considered and agreed to:

S. RES. 281

Whereas the Honorable Paul Simon at the age of 19 became the Nation's youngest editor-publisher when he accepted a Lion's Club challenge to save the Troy Tribute in Troy, Illinois, and built a chain of 13 newspapers in southern and central Illinois;

Whereas the Honorable Paul Simon used his newspaper to expose criminal activities, and in 1951, at age 22, was called as a key witness to testify before the U.S. Senate's Crime Investigating Committee;

Whereas the Honorable Paul Simon served in the Illinois legislature for 14 years, winning the Independent Voters of Illinois' "Best Legislator Award" every session;

Whereas the Honorable Paul Simon was elected lieutenant governor in 1968 and was the first in Illinois' history to be elected to that post with a governor of another party;

Whereas the Honorable Paul Simon served Illinois in the United States House of Representatives and the United States Senate with devotion and distinction;

Whereas the Honorable Paul Simon is the only individual to have served in both the Illinois House of Representatives and the Illinois Senate, and the U.S. House of Representatives and the U.S. Senate.

Whereas the Honorable Paul Simon was the founder and director of the Public Policy Institute at Southern Illinois University in Carbondale, Illinois, and taught there for more than six years in the service of the youth of our Nation;

Whereas the Honorable Paul Simon wrote over 20 books and held over 50 honorary degrees;

Whereas the Honorable Paul Simon was an unapologetic champion of the less fortunate and a constant example of caring and honesty in public service;

Whereas his efforts on behalf of Illinoisans and all Americans earned him the esteem and high regard of his colleagues; and

Whereas his tragic death has deprived his State and Nation of an outstanding lawmaker and public servant: Now, therefore, be it

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of the Honorable Paul Simon, a former Senator from the State of Illinois.

Resolved, That the Secretary of the Senate communicate these resolutions to the House of Representatives and transmit an enrolled copy thereof to the family of the deceased.

Resolved, That when the Senate adjourns today, it stand adjourned as a further mark of respect to the memory of the deceased former Senator.

SENATE RESOLUTION 282—PROVIDING THE FUNDING TO ASSIST IN MEETING THE OFFICIAL EXPENSES OF A PRELIMINARY MEETING RELATIVE TO THE FORMATION OF A UNITED STATES SENATE–CHINA INTERPARLIAMENTARY GROUP

Mr. STEVENS submitted the following resolution; which was considered and agreed to:

S. Res. 282

Resolved, That—

(1) there is authorized within the contingent fund of the Senate under the appropriation account "Miscellaneous Items" $75,000 for fiscal year 2004 to assist in meeting the official expenses of a preliminary meeting relative to the formation of a United States Senate-China interparliamentary group including travel, per diem, conference room expenses, hospitality expenses, and food and food-related expenses;

(2) such expenses shall be paid on vouchers to be approved by the President pro tempore of the Senate; and

(3) the Secretary of the Senate is authorized to advance such sums as necessary to carry out this resolution.

SENATE RESOLUTION 283—AFFIRMING THE NEED TO PROTECT CHILDREN IN THE UNITED STATES FROM INDECENT PROGRAMMING

Mr. SESSIONS (for himself, Mr. Shelby, Mr. Inhofe, Mr. Brownback, Mr. Nickles, Mr. Bunning, Mr. Talent, Mr. Chambliss, Mr. Craig, Mr. Domenici, Mr. Kyl, and Mr. Hollings) submitted the following resolution; which was considered and agreed to:

S. Res. 283

Whereas millions of people in the United States are increasingly concerned with the patently offensive television and radio programming being sent into their homes;

Whereas millions of families in the United States are particularly concerned with the adverse impact of this programming on children;

Whereas indecent and offensive programming is contributing to a dramatic coarsening of civil society of the United States;

Whereas the Federal Communications Commission is charged with enforcing standards of decency in broadcast media;

Whereas the Federal Communications Commission established a standard defining what constitutes indecency in the declaratory order In the Matter of a Citizen's Complaint Against Pacifica Foundation Station WBAI(FM), 56 F.C.C.2d 94 (1975) (referred to in this Resolution as the "Pacifica order");

Whereas the Federal Communications Commission has not used all of its available authority to impose penalties on broadcasters that air indecent material even when egregious and repeated violations have been found in the cases of WKRK–FM, Detroit, MI, File No. EB–02–IH–0109 (Apr. 3, 2003) and WNEW–FM, New York, New York, EB–02–IH–0685 (Sept. 30, 2003);

Whereas the standard established in the Pacifica order focuses on protecting children from exposure to indecent language;

Whereas the standard established in the Pacifica order was upheld as constitutional by the United States Supreme Court in Federal Communications Commission v. Pacifica Foundation, 438 U.S. 726 (1978);

Whereas the Enforcement Bureau of the Federal Communications Commission has refused to sanction the airing of indecent language during the broadcast of the Golden Globe Awards, at a time when millions of children were in the potential audience; and

Whereas as of December 2003, an application for review is pending before the Federal Communications Commission, requesting that the full Commission review that decision of the Enforcement Bureau: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the Federal Communications Commission should re-consider the Enforcement Bureau's decision in the Matter of Complaints Against Various Broadcast Licensees Regarding Their Airing of the "Golden Globe Awards" Program, File No. EB–03–IH–0110, 2003 FCC LEXIS 5382, (Oct. 3, 2003), in light of the public policy considerations in protecting children from indecent material;

(2) the Federal Communications Commission should return to vigorously and expeditiously enforcing its own United States Supreme Court-approved standard for indecency in broadcast media, as established in the declaratory order In the Matter of a Citizen's Complaint Against Pacifica Foundation Station WBAI(FM), 56 F.C.C.2d 94 (1975);

(3) the Federal Communications Commission should reassert its responsibility as defender of the public interest by undertaking new and serious efforts to sanction broadcast licensees that refuse to adhere to the standard established in that order;

(4) the Federal Communications Commission should make every reasonable and lawful effort to protect children from the degrading influences of indecent programming;

(5) the Federal Communications Commission should use all of its available authority to protect the public from indecent broadcasts including: (1) the discretion to impose fines up to a statutory maximum for each separate "utterance" or "material" found to be indecent; and (2) the initiation of license revocation proceedings for repeated violations of its indecency rules;

(6) the Federal Communications Commission should resolve all indecency complaints expeditiously, and should consider reviewing such complaints at the full Commission level; and

(7) the Federal Communications Commission should aggressively investigate and enforce all indecency allegations.

AMENDMENTS SUBMITTED AND PROPOSED

SA 2227. Mr. FRIST (for Mr. Grassley) proposed an amendment to the bill H.R. 743, to amend the Social Security Act and the Internal Revenue Code of 1986 to provide additional safeguards for Social Security and Supplemental Security Income beneficiaries with representative payees, to enhance program protections, and for other purposes.

SA 2228. Mr. FRIST (for Mr. Alexander) proposed an amendment to the bill H.R. 2264, An act to authorize appropriations for fiscal year 2004 to carry out the Congo Basin Forest Partnership program, and for other purposes.

SA 2229. Mr. FRIST (for Mr. Alexander) proposed an amendment to the bill H.R. 2264, supra.

SA 2230. Mr. FRIST (for Mr. Levin) proposed an amendment to the bill S. 1267, to amend the District of Columbia Home Rule Act to provide the District of Columbia with autonomy over its budgets, and for other purposes.

SA 2231. Mr. FRIST (for Mr. Hatch) proposed an amendment to the bill S. 1177, to prevent tobacco smuggling, to ensure the collection of all tobacco taxes, and for other purposes.

TEXT OF AMENDMENTS

SA 2227. Mr. FRIST (for Mr. Grassley) proposed an amendment to the bill H.R. 743, to amend the Social Security Act and the Internal Revenue Code of 1986 to provide additional safeguards for Social Security and Supplemental Security Income beneficiaries with representative payees, to enhance program protections, and for other purposes; as follows:

On page 83, strike lines 14 through 16, and insert "807(i) of the Social Security Act (42 U.S.C. 1007(i)) is amended further by inserting after the".

Beginning on page 112, strike line 16 and all that follows through page 113, line 6, and insert the following:

"(c)(1) In addition to the amount otherwise appropriated in any other law to carry out subsection (a) for fiscal year 2004, up to $8,500,000 is authorized and appropriated and shall be used by the Commissioner of Social Security under this subsection for purposes of conducting a statistically valid survey to determine how payments made to individuals, organizations, and State or local government agencies that are representative payees for benefits paid under title II or XVI are being managed and used on behalf of the beneficiaries for whom such benefits are paid.

"(2) Not later than 18 months after the date of enactment of this subsection, the Commissioner of Social Security shall submit a report on the survey conducted in accordance with paragraph (1) to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate.".

Beginning on page 118, strike line 19 and all that follows through page 123, line 12, and insert the following:

SEC. 203. DENIAL OF TITLE II BENEFITS TO PERSONS FLEEING PROSECUTION, CUSTODY, OR CONFINEMENT, AND TO PERSONS VIOLATING PROBATION OR PAROLE.

(a) In General.—Section 202(x) of the Social Security Act (42 U.S.C. 402(x)) is amended—

(1) in the heading, by striking "Prisoners" and all that follows and inserting the following: "Prisoners, Certain Other Inmates of Publicly Funded Institutions, Fugitives, Probationers, and Parolees";

(2) in paragraph (1)(A)(ii)(IV), by striking "or" at the end;

(3) in paragraph (1)(A)(iii), by striking the period at the end and inserting a comma;

(4) by inserting after paragraph (1)(A)(iii) the following:

"(iv) is fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the person flees, for a crime, or an attempt to commit a crime, which is a felony under the laws of the place from which the person flees, or, in jurisdictions that do not define crimes as felonies, is punishable by death or imprisonment for a term exceeding 1 year regardless of the actual sentence imposed, or

“(v) is violating a condition of probation or parole imposed under Federal or State law.”;

(5) by adding at the end of paragraph (1)(B) the following:

“(iii) Notwithstanding subparagraph (A), the Commissioner shall, for good cause shown, pay the individual benefits that have been withheld or would otherwise be withheld pursuant to clause (iv) or (v) of subparagraph (A) if the Commissioner determines that—

“(I) a court of competent jurisdiction has found the individual not guilty of the criminal offense, dismissed the charges relating to the criminal offense, vacated the warrant for arrest of the individual for the criminal offense, or issued any similar exonerating order (or taken similar exonerating action), or

“(II) the individual was erroneously implicated in connection with the criminal offense by reason of identity fraud.

“(iv) Notwithstanding subparagraph (A), the Commissioner may, for good cause shown based on mitigating circumstances, pay the individual benefits that have been withheld or would otherwise be withheld pursuant to clause (iv) or (v) of subparagraph (A) if the Commissioner determines that—

“(I) the offense described in clause (iv) or underlying the imposition of the probation or parole described in clause (v) was nonviolent and not drug-related, and

“(II) in the case of an individual from whom benefits have been withheld or otherwise would be withheld pursuant to subparagraph (A)(v), the action that resulted in the violation of a condition of probation or parole was nonviolent and not drug-related.”; and

(6) in paragraph (3), by adding at the end the following:

“(C) Notwithstanding the provisions of section 552a of title 5, United States Code, or any other provision of Federal or State law (other than section 6103 of the Internal Revenue Code of 1986 and section 1106(c) of this Act), the Commissioner shall furnish any Federal, State, or local law enforcement officer, upon the written request of the officer, with the current address, Social Security number, and photograph (if applicable) of any beneficiary under this title, if the officer furnishes the Commissioner with the name of the beneficiary, and other identifying information as reasonably required by the Commissioner to establish the unique identity of the beneficiary, and notifies the Commissioner that—

“(i) the beneficiary is described in clause (iv) or (v) of paragraph (1)(A); and

“(ii) the location or apprehension of the beneficiary is within the officer's official duties.”.

(b) Conforming Amendments to Title XVI.—Section 1611(e) of the Social Security Act (42 U.S.C. 1382(e)) is amended—

(1) in paragraph (4)—

(A) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(B) by inserting “(A)” after “(4)”;

(C) in clause (i) of subparagraph (A) (as redesignated by subparagraph (A)), by striking “or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State” and inserting “or, in jurisdictions that do not define crimes as felonies, is punishable by death or imprisonment for a term exceeding 1 year regardless of the actual sentence imposed”; and

(D) by adding at the end the following:

“(B) Notwithstanding subparagraph (A), the Commissioner shall, for good cause shown, treat the person referred to in subparagraph (A) as an eligible individual or eligible spouse if the Commissioner determines that—

“(i) a court of competent jurisdiction has found the person not guilty of the criminal offense, dismissed the charges relating to the criminal offense, vacated the warrant for arrest of the person for the criminal offense, or issued any similar exonerating order (or taken similar exonerating action), or

“(ii) the person was erroneously implicated in connection with the criminal offense by reason of identity fraud.

“(C) Notwithstanding subparagraph (A), the Commissioner may, for good cause shown based on mitigating circumstances, treat the person referred to in subparagraph (A) as an eligible individual or eligible spouse if the Commissioner determines that—

“(i) the offense described in subparagraph (A)(i) or underlying the imposition of the probation or parole described in subparagraph (A)(ii) was nonviolent and not drug-related, and

“(ii) in the case of a person who is not considered an eligible individual or eligible spouse pursuant to subparagraph (A)(ii), the action that resulted in the violation of a condition of probation or parole was nonviolent and not drug-related.”; and

(2) in paragraph (5), by striking subparagraphs (A) and (B) and inserting the following:

“(A) the recipient is described in clause (i) or (ii) of paragraph (4)(A); and

“(B) the location or apprehension of the recipient is within the officer's official duties.”.

(c) Conforming Amendment.—Section 804(a)(2) of the Social Security Act (42 U.S.C. 1004(a)(2)) is amended by striking “or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State” and inserting “or, in jurisdictions that do not define crimes as felonies, is punishable by death or imprisonment for a term exceeding 1 year regardless of the actual sentence imposed”.

(d) Effective Date.—The amendments made by this section shall take effect on the first day of the first month that begins on or after the date that is 9 months after the date of enactment of this Act.

On page 126, beginning on line 22, strike “guilty of” and all that follows through “shall be” on line 26, and insert “fined not more than $5,000, imprisoned not more than 3 years, or both, except that if the offense is committed only by threats of force, the person shall be”.

Beginning on page 129, strike line 16 and all that follows through page 132, line 11, and insert the following:

SEC. 209. AUTHORITY FOR JUDICIAL ORDERS OF RESTITUTION.

(a) Amendments to Title II.—Section 208 of the Social Security Act (42 U.S.C. 408) is amended—

(1) by redesignating subsections (b), (c), and (d) as subsections (c), (d), and (e), respectively;

(2) by inserting after subsection (a) the following:

“(b)(1) Any Federal court, when sentencing a defendant convicted of an offense under subsection (a), may order, in addition to or in lieu of any other penalty authorized by law, that the defendant make restitution to the victims of such offense specified in paragraph (4).

“(2) Sections 3612, 3663, and 3664 of title 18, United States Code, shall apply with respect to the issuance and enforcement of orders of restitution to victims of such offense under this subsection.

“(3) If the court does not order restitution, or orders only partial restitution, under this subsection, the court shall state on the record the reasons therefor.

“(4) For purposes of paragraphs (1) and (2), the victims of an offense under subsection (a) are the following:

“(A) Any individual who suffers a financial loss as a result of the defendant's violation of subsection (a).

“(B) The Commissioner of Social Security, to the extent that the defendant's violation of subsection (a) results in—

“(i) the Commissioner of Social Security making a benefit payment that should not have been made; or

“(ii) an individual suffering a financial loss due to the defendant's violation of subsection (a) in his or her capacity as the individual's representative payee appointed pursuant to section 205(j).

“(5)(A) Except as provided in subparagraph (B), funds paid to the Commissioner of Social Security as restitution pursuant to a court order shall be deposited in the Federal Old-Age and Survivors Insurance Trust Fund, or the Federal Disability Insurance Trust Fund, as appropriate.

“(B) In the case of funds paid to the Commissioner of Social Security pursuant to paragraph (4)(B)(ii), the Commissioner of Social Security shall certify for payment to the individual described in such paragraph an amount equal to the lesser of the amount of the funds so paid or the individual's outstanding financial loss, except that such amount may be reduced by the amount of any overpayments of benefits owed under this title, title VIII, or title XVI by the individual.”; and

(3) by amending subsection (c) (as redesignated by paragraph (1)), by striking the second sentence.

(b) Amendments to Title VIII.—Section 811 of the Social Security Act (42 U.S.C. 1011) is amended—

(1) by striking subsection (b) and inserting the following:

“(b) Court Order for Restitution.—

“(1) In general.—Any Federal court, when sentencing a defendant convicted of an offense under subsection (a), may order, in addition to or in lieu of any other penalty authorized by law, that the defendant make restitution to the Commissioner of Social Security, in any case in which such offense results in—

“(A) the Commissioner of Social Security making a benefit payment that should not have been made, or

“(B) an individual suffering a financial loss due to the defendant's violation of subsection (a) in his or her capacity as the individual's representative payee appointed pursuant to section 807(i).

“(2) Related provisions.—Sections 3612, 3663, and 3664 of title 18, United States Code, shall apply with respect to the issuance and enforcement of orders of restitution under this subsection. In so applying such sections, the Commissioner of Social Security shall be considered the victim.

“(3) Stated reasons for not ordering restitution.—If the court does not order restitution, or orders only partial restitution, under this subsection, the court shall state on the record the reasons therefor.

"(4) RECEIPT OF RESTITUTION PAYMENTS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), funds paid to the Commissioner of Social Security as restitution pursuant to a court order shall be deposited as miscellaneous receipts in the general fund of the Treasury.

"(B) PAYMENT TO THE INDIVIDUAL.—In the case of funds paid to the Commissioner of Social Security pursuant to paragraph (1)(B), the Commissioner of Social Security shall certify for payment to the individual described in such paragraph an amount equal to the lesser of the amount of the funds so paid or the individual's outstanding financial loss as described in such paragraph, except that such amount may be reduced by any overpayment of benefits owed under this title, title II, or title XVI by the individual.".

(c) AMENDMENTS TO TITLE XVI.—Section 1632 of the Social Security Act (42 U.S.C. 1383a) is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following:

"(b)(1) Any Federal court, when sentencing a defendant convicted of an offense under subsection (a), may order, in addition to or in lieu of any other penalty authorized by law, that the defendant make restitution to the Commissioner of Social Security, in any case in which such offense results in—

"(A) the Commissioner of Social Security making a benefit payment that should not have been made, or

"(B) an individual suffering a financial loss due to the defendant's violation of subsection (a) in his or her capacity as the individual's representative payee appointed pursuant to section 1631(a)(2).

"(2) Sections 3612, 3663, and 3664 of title 18, United States Code, shall apply with respect to the issuance and enforcement of orders of restitution under this subsection. In so applying such sections, the Commissioner of Social Security shall be considered the victim.

"(3) If the court does not order restitution, or orders only partial restitution, under this subsection, the court shall state on the record the reasons therefor.

"(4)(A) Except as provided in subparagraph (B), funds paid to the Commissioner of Social Security as restitution pursuant to a court order shall be deposited as miscellaneous receipts in the general fund of the Treasury.

"(B) In the case of funds paid to the Commissioner of Social Security pursuant to paragraph (1)(B), the Commissioner of Social Security shall certify for payment to the individual described in such paragraph an amount equal to the lesser of the amount of the funds so paid or the individual's outstanding financial loss as described in such paragraph, except that such amount may be reduced by any overpayment of benefits owed under this title, title II, or title VIII by the individual."; and

(3) by amending subsection (c) (as redesignated by paragraph (1)) by striking "(1) If a person" and all that follows through "(2)".

(d) EFFECTIVE DATE.—The amendments made by subsections (a), (b), and (c) shall apply with respect to violations occurring on or after the date of enactment of this Act.

Beginning on page 132, strike line 12 and all that follows through page 133, line 18.

On page 133, line 19, strike "**211**" and insert "**210**".

On page 138, line 17, strike "**212**" and insert "**211**".

On page 139, strike lines 5 through 11, and insert the following:

"(c) For purposes of subsections (a) and (b), the criterion specified in this subsection is that the individual, if not a United States citizen or national—

"(1) has been assigned a social security account number that was, at the time of assignment, or at any later time, consistent with the requirements of subclause (I) or (III) of section 205(c)(2)(B)(i); or

"(2) at the time any such quarters of coverage are earned—

"(A) is described in subparagraph (B) or (D) of section 101(a)(15) of the Immigration and Nationality Act,

"(B) is lawfully admitted temporarily to the United States for business (in the case of an individual described in such subparagraph (B)) or the performance as a crewman (in the case of an individual described in such subparagraph (D)), and

"(C) the business engaged in or service as a crewman performed is within the scope of the terms of such individual's admission to the United States.".

On page 139, strike lines 18 through 22, and insert the following:

"(C) if not a United States citizen or national—

"(i) has been assigned a social security account number that was, at the time of assignment, or at any later time, consistent with the requirements of subclause (I) or (III) of section 205(c)(2)(B)(i); or

"(ii) at the time any quarters of coverage are earned—

"(I) is described in subparagraph (B) or (D) of section 101(a)(15) of the Immigration and Nationality Act,

"(II) is lawfully admitted temporarily to the United States for business (in the case of an individual described in such subparagraph (B)) or the performance as a crewman (in the case of an individual described in such subparagraph (D)), and

"(III) the business engaged in or service as a crewman performed is within the scope of the terms of such individual's admission to the United States.".

On page 139, line 24, strike "filed" and insert "based on social security account numbers issued".

Beginning on page 141, strike line 9 and all that follows through page 143, line 23, and insert the following:

SEC. 302. TEMPORARY EXTENSION OF ATTORNEY FEE PAYMENT SYSTEM TO TITLE XVI CLAIMS.

(a) IN GENERAL.—Section 1631(d)(2) of the Social Security Act (42 U.S.C. 1383(d)(2)) is amended—

(1) in subparagraph (A), in the matter preceding clause (i)—

(A) by striking "section 206(a)" and inserting "section 206";

(B) by striking "(other than paragraph (4) thereof)" and inserting "(other than subsections (a)(4) and (d) thereof)"; and

(C) by striking "paragraph (2) thereof" and inserting "such section";

(2) in subparagraph (A)(i)—

(A) by striking "in subparagraphs (A)(ii)(I) and (C)(i)," and inserting "in subparagraphs (A)(ii)(I) and (D)(i) of subsection (a)(2)"; and

(B) by striking "and" at the end;

(3) by striking subparagraph (A)(ii) and inserting the following:

"(ii) by substituting, in subsections (a)(2)(B) and (b)(1)(B)(i), the phrase 'paragraph (7)(A) or (8)(A) of section 1631(a) or the requirements of due process of law' for the phrase 'subsection (g) or (h) of section 223';

"(iii) by substituting, in subsection (a)(2)(C)(i), the phrase 'under title II' for the phrase 'under title XVI';

"(iv) by substituting, in subsection (b)(1)(A), the phrase 'pay the amount of such fee' for the phrase 'certify the amount of such fee for payment' and by striking, in subsection (b)(1)(A), the phrase 'or certified for payment'; and

"(v) by substituting, in subsection (b)(1)(B)(ii), the phrase 'deemed to be such amounts as determined before any applicable reduction under section 1631(g), and reduced by the amount of any reduction in benefits under this title or title II made pursuant to section 1127(a)' for the phrase 'determined before any applicable reduction under section 1127(a))'."; and

(4) by redesignating subparagraph (B) as subparagraph (D) and inserting after subparagraph (A) the following:

"(B) Subject to subparagraph (C), if the claimant is determined to be entitled to past-due benefits under this title and the person representing the claimant is an attorney, the Commissioner of Social Security shall pay out of such past-due benefits to such attorney an amount equal to the lesser of—

"(i) so much of the maximum fee as does not exceed 25 percent of such past-due benefits (as determined before any applicable reduction under section 1631(g) and reduced by the amount of any reduction in benefits under this title or title II pursuant to section 1127(a)), or

"(ii) the amount of past-due benefits available after any applicable reductions under sections 1631(g) and 1127(a).

"(C)(i) Whenever a fee for services is required to be paid to an attorney from a claimant's past-due benefits pursuant to subparagraph (B), the Commissioner shall impose on the attorney an assessment calculated in accordance with clause (ii).

"(ii)(I) The amount of an assessment under clause (i) shall be equal to the product obtained by multiplying the amount of the representative's fee that would be required to be paid by subparagraph (B) before the application of this subparagraph, by the percentage specified in subclause (II), except that the maximum amount of the assessment may not exceed $75. In the case of any calendar year beginning after the amendments made by section 302 of the Social Security Protection Act of 2003 take effect, the dollar amount specified in the preceding sentence (including a previously adjusted amount) shall be adjusted annually under the procedures used to adjust benefit amounts under section 215(i)(2)(A)(ii), except such adjustment shall be based on the higher of $75 or the previously adjusted amount that would have been in effect for December of the preceding year, but for the rounding of such amount pursuant to the following sentence. Any amount so adjusted that is not a multiple of $1 shall be rounded to the next lowest multiple of $1, but in no case less than $75.

"(II) The percentage specified in this subclause is such percentage rate as the Commissioner determines is necessary in order to achieve full recovery of the costs of determining and approving fees to attorneys from the past-due benefits of claimants, but not in excess of 6.3 percent.

"(iii) The Commissioner may collect the assessment imposed on an attorney under clause (i) by offset from the amount of the fee otherwise required by subparagraph (B) to be paid to the attorney from a claimant's past-due benefits.

"(iv) An attorney subject to an assessment under clause (i) may not, directly or indirectly, request or otherwise obtain reimbursement for such assessment from the claimant whose claim gave rise to the assessment.

"(v) Assessments on attorneys collected under this subparagraph shall be deposited as miscellaneous receipts in the general fund of the Treasury.

"(vi) The assessments authorized under this subparagraph shall be collected and available for obligation only to the extent and in the amount provided in advance in appropriations Acts. Amounts so appropriated are authorized to remain available until expended, for administrative expenses in carrying out this title and related laws.".

(b) CONFORMING AMENDMENTS.—Section 1631(a) of the Social Security Act (42 U.S.C. 1383(a)) is amended—

(1) in paragraph (2)(F)(i)(II), by inserting "and payment of attorney fees under subsection (d)(2)(B)" after "subsection (g)"; and

(2) in paragraph (10)(A)—

(A) in the matter preceding clause (i), by inserting "and payment of attorney fees under subsection (d)(2)(B)" after "subsection (g)"; and

(B) in the matter following clause (ii), by inserting "and payment of attorney fees under subsection (d)(2)(B)" after "State".

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply with respect to fees for representation of claimants which are first required to be paid under section 1631(d)(2) of the Social Security Act on or after the date of the submission by the Commissioner of Social Security to each House of Congress pursuant to section 303(d) of this Act of written notice of completion of full implementation of the requirements for operation of the demonstration project under section 303 of this Act.

(2) SUNSET.—Such amendments shall not apply with respect to fees for representation of claimants in the case of any claim for benefits with respect to which the agreement for representation is entered into after 5 years after the date described in paragraph (1).

SEC. 303. NATIONWIDE DEMONSTRATION PROJECT PROVIDING FOR EXTENSION OF FEE WITHHOLDING PROCEDURES TO NON-ATTORNEY REPRESENTATIVES.

(a) IN GENERAL.—The Commissioner of Social Security (hereafter in this section referred to as the "Commissioner") shall develop and carry out a nationwide demonstration project under this section with respect to agents and other persons, other than attorneys, who represent claimants under titles II and XVI of the Social Security Act before the Commissioner. The demonstration project shall be designed to determine the potential results of extending to such representatives the fee withholding procedures and assessment procedures that apply under sections 206 and section 1631(d)(2) of such Act to attorneys seeking direct payment out of past due benefits under such titles and shall include an analysis of the effect of such extension on claimants and program administration.

(b) STANDARDS FOR INCLUSION IN DEMONSTRATION PROJECT.—Fee-withholding procedures may be extended under the demonstration project carried out pursuant to subsection (a) to any non-attorney representative only if such representative meets at least the following prerequisites:

(1) The representative has been awarded a bachelor's degree from an accredited institution of higher education, or has been determined by the Commissioner to have equivalent qualifications derived from training and work experience.

(2) The representative has passed an examination, written and administered by the Commissioner, which tests knowledge of the relevant provisions of the Social Security Act and the most recent developments in agency and court decisions affecting titles II and XVI of such Act.

(3) The representative has secured professional liability insurance, or equivalent insurance, which the Commissioner has determined to be adequate to protect claimants in the event of malpractice by the representative.

(4) The representative has undergone a criminal background check to ensure the representative's fitness to practice before the Commissioner.

(5) The representative demonstrates ongoing completion of qualified courses of continuing education, including education regarding ethics and professional conduct, which are designed to enhance professional knowledge in matters related to entitlement to, or eligibility for, benefits based on disability under titles II and XVI of such Act. Such continuing education, and the instructors providing such education, shall meet such standards as the Commissioner may prescribe.

(c) ASSESSMENT OF FEES.—

(1) IN GENERAL.—The Commissioner may assess representatives reasonable fees to cover the cost to the Social Security Administration of administering the prerequisites described in subsection (b).

(2) DISPOSITION OF FEES.—Fees collected under paragraph (1) shall be credited to the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, or deposited as miscellaneous receipts in the general fund of the Treasury, based on such allocations as the Commissioner of Social Security determines appropriate.

(3) AUTHORIZATION OF APPROPRIATIONS.—The fees authorized under this subparagraph shall be collected and available for obligation only to the extent and in the amount provided in advance in appropriations Acts. Amounts so appropriated are authorized to remain available until expended for administering the prerequisites described in subsection (b).

(d) NOTICE TO CONGRESS AND APPLICABILITY OF FEE WITHHOLDING PROCEDURES.—Not later than 1 year after the date of enactment of this Act, the Commissioner shall complete such actions as are necessary to fully implement the requirements for full operation of the demonstration project and shall submit to each House of Congress a written notice of the completion of such actions. The applicability under this section to non-attorney representatives of the fee withholding procedures and assessment procedures under sections 206 and 1631(d)(2) of the Social Security Act shall be effective with respect to fees for representation of claimants in the case of claims for benefits with respect to which the agreement for representation is entered into by such non-attorney representatives during the period beginning with the date of the submission of such notice by the Commissioner to Congress and ending with the termination date of the demonstration project.

(e) REPORTS BY THE COMMISSIONER; TERMINATION.—

(1) INTERIM REPORTS.—On or before the date which is 1 year after the date of enactment of this Act, and annually thereafter, the Commissioner shall transmit to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate an annual interim report on the progress of the demonstration project carried out under this section, together with any related data and materials that the Commissioner may consider appropriate.

(2) TERMINATION DATE AND FINAL REPORT.—The termination date of the demonstration project under this section is the date which is 5 years after the date of the submission of the notice by the Commissioner to each House of Congress pursuant to subsection (d). The authority under the preceding provisions of this section shall not apply in the case of claims for benefits with respect to which the agreement for representation is entered into after the termination date. Not later than 90 days after the termination date, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate a final report with respect to the demonstration project.

SEC. 304. GAO STUDY REGARDING THE FEE PAYMENT PROCESS FOR CLAIMANT REPRESENTATIVES.

(a) STUDY.—

(1) IN GENERAL.—The Comptroller General of the United States shall study and evaluate the appointment and payment of claimant representatives appearing before the Commissioner of Social Security in connection with benefit claims under titles II and XVI of the Social Security Act (42 U.S.C. 401 et seq., 1381 et seq.) in each of the following groups:

(A) Attorney claimant representatives who elect fee withholding under section 206 or 1631(d)(2) of such Act.

(B) Attorney claimant representatives who do not elect such fee withholding.

(C) Non-attorney claimant representatives who are eligible for, and elect, such fee withholding.

(D) Non-attorney claimant representatives who are eligible for, but do not elect, such fee withholding.

(E) Non-attorney claimant representatives who are not eligible for such fee withholding.

(2) MATTERS TO BE STUDIED.—In conducting the study under this subsection, the Comptroller General shall, for each of group of claimant representatives described in paragraph (1)—

(A) conduct a survey of the relevant characteristics of such claimant representatives including—

(i) qualifications and experience;

(ii) the type of employment of such claimant representatives, such as with an advocacy group, State or local government, or insurance or other company;

(iii) geographical distribution between urban and rural areas;

(iv) the nature of claimants' cases, such as whether the cases are for disability insurance benefits only, supplemental security income benefits only, or concurrent benefits;

(v) the relationship of such claimant representatives to claimants, such as whether the claimant is a friend, family member, or client of the claimant representative; and

(vi) the amount of compensation (if any) paid to the claimant representatives and the method of payment of such compensation;

(B) assess the quality and effectiveness of the services provided by such claimant representatives, including a comparison of claimant satisfaction or complaints and benefit outcomes, adjusted for differences in claimant representatives' caseload, claimants' diagnostic group, level of decision, and other relevant factors;

(C) assess the interactions between fee withholding under sections 206 and 1631(d)(2) of such Act (including under the amendments made by section 302 of this Act and under the demonstration project conducted under section 303 of this Act), the windfall offset under section 1127 of such Act, and interim assistance reimbursements under section 1631(g) of such Act;

(D) assess the potential results of making permanent the fee withholding procedures under sections 206 and 1631(d)(2) of such Act under the amendments made by section 302 of this Act and under the demonstration project conducted under section 303 of this Act with respect to program administration and claimant outcomes, and assess whether the rules and procedures employed by the Commissioner of Social Security to evaluate the qualifications and performance of claimant representatives should be revised prior to making such procedures permanent; and

(E) make such recommendations for administrative and legislative changes as the Comptroller General of the United States considers necessary or appropriate.

(3) CONSULTATION REQUIRED.—The Comptroller General of the United States shall consult with beneficiaries under title II of such Act, beneficiaries under title XVI of such Act, claimant representatives of beneficiaries under such titles, and other interested parties, in conducting the study and evaluation required under paragraph (1).

(b) REPORT.—Not later than 3 years after the date of the submission by the Commissioner of Social Security to each House of Congress pursuant to section 303(d) of this Act of written notice of completion of full implementation of the requirements for operation of the demonstration project under section 303 of this Act, the Comptroller General of the United States shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on the results of the study and evaluation conducted pursuant to subsection (a).

On page 144, strike lines 7 through 13, and insert the following:

SEC. 401. APPLICATION OF DEMONSTRATION AUTHORITY SUNSET DATE TO NEW PROJECTS.

Section 234 of the Social Security Act (42 U.S.C. 434) is amended—

(1) in the first sentence of subsection (c), by striking "conducted under subsection (a)" and inserting "initiated under subsection (a) on or before December 17, 2005"; and

(2) in subsection (d)(2), by striking the first sentence and inserting the following: "The authority to initiate projects under the preceding provisions of this section shall terminate on December 18, 2005.".

On page 149, after line 21, add the following:

SEC. 407. REAUTHORIZATION OF APPROPRIATIONS FOR CERTAIN WORK INCENTIVES PROGRAMS.

(a) BENEFITS PLANNING, ASSISTANCE, AND OUTREACH.—Section 1149(d) of the Social Security Act (42 U.S.C. 1320b–20(d)) is amended by striking "2004" and inserting "2009".

(b) PROTECTION AND ADVOCACY.—Section 1150(h) of the Social Security Act (42 U.S.C. 1320b–21(h)) is amended by striking "2004" and inserting "2009".

Beginning on page 157, strike line 16 and all that follows through page 158, line 2, and insert the following:

SEC. 416. COVERAGE UNDER DIVIDED RETIREMENT SYSTEM FOR PUBLIC EMPLOYEES IN KENTUCKY AND LOUISIANA.

(a) IN GENERAL.—Section 218(d)(6)(C) of the Social Security Act (42 U.S.C. 418(d)(6)(C)) is amended by inserting "Kentucky, Louisiana," after "Illinois,".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) takes effect on January 1, 2003.

Beginning on page 159, strike line 1 and all that follows through page 166, line 8, and insert the following:

SEC. 418. 60-MONTH PERIOD OF EMPLOYMENT REQUIREMENT FOR APPLICATION OF GOVERNMENT PENSION OFFSET EXEMPTION.

(a) IN GENERAL.—Section 202(k) of the Social Security Act (42 U.S.C. 402(k)) is amended by adding at the end the following:

"(5)(A) The amount of a monthly insurance benefit of any individual for each month under subsection (b), (c), (e), (f), or (g) (as determined after application of the provisions of subsection (q) and the preceding provisions of this subsection) shall be reduced (but not below zero) by an amount equal to two-thirds of the amount of any monthly periodic benefit payable to such individual for such month which is based upon such individual's earnings while in the service of the Federal Government or any State (or political subdivision thereof, as defined in section 218(b)(2)) if, during any portion of the last 60 months of such service ending with the last day such individual was employed by such entity—

"(i) such service did not constitute 'employment' as defined in section 210, or

"(ii) such service was being performed while in the service of the Federal Government, and constituted 'employment' as so defined solely by reason of—

"(I) clause (ii) or (iii) of subparagraph (G) of section 210(a)(5), where the lump-sum payment described in such clause (ii) or the cessation of coverage described in such clause (iii) (whichever is applicable) was received or occurred on or after January 1, 1988, or

"(II) an election to become subject to the Federal Employees' Retirement System provided in chapter 84 of title 5, United States Code, or the Foreign Service Pension System provided in subchapter II of chapter 8 of title I of the Foreign Service Act of 1980 made pursuant to law after December 31, 1987,

unless subparagraph (B) applies.

The amount of the reduction in any benefit under this subparagraph, if not a multiple of $0.10, shall be rounded to the next higher multiple of $0.10.

"(B)(i) Subparagraph (A)(i) shall not apply with respect to monthly periodic benefits based wholly on service as a member of a uniformed service (as defined in section 210(m)).

"(ii) Subparagraph (A)(ii) shall not apply with respect to monthly periodic benefits based in whole or in part on service which constituted 'employment' as defined in section 210 if such service was performed for at least 60 months in the aggregate during the period beginning January 1, 1988, and ending with the close of the first calendar month as of the end of which such individual is eligible for benefits under this subsection and has made a valid application for such benefits.

"(C) For purposes of this paragraph, any periodic benefit which otherwise meets the requirements of subparagraph (A), but which is paid on other than a monthly basis, shall be allocated on a basis equivalent to a monthly benefit (as determined by the Commissioner of Social Security) and such equivalent monthly benefit shall constitute a monthly periodic benefit for purposes of subparagraph (A). For purposes of this subparagraph, the term 'periodic benefit' includes a benefit payable in a lump sum if it is a commutation of, or a substitute for, periodic payments.".

(b) CONFORMING AMENDMENTS.—

(1) WIFE'S INSURANCE BENEFITS.—Section 202(b) of the Social Security Act (42 U.S.C. 402(b)) is amended—

(A) in paragraph (2), by striking "subsection (q) and paragraph (4) of this subsection" and inserting "subsections (k)(5) and (q)"; and

(B) by striking paragraph (4) and redesignating paragraph (5) as paragraph (4).

(2) HUSBAND'S INSURANCE BENEFITS.—Section 202(c) of the Social Security Act (42 U.S.C. 402(c)) is amended—

(A) by striking paragraph (2) and redesignating paragraphs (3) through (5) as paragraphs (2) through (4), respectively; and

(B) in paragraph (2) as so redesignated, by striking "subsection (q) and paragraph (2) of this subsection" and inserting "subsections (k)(5) and (q)".

(3) WIDOW'S INSURANCE BENEFITS.—Section 202(e) of the Social Security Act (42 U.S.C. 402(e)) is amended—

(A) in paragraph (2)(A), by striking "subsection (q), paragraph (7) of this subsection," and inserting "subsection (k)(5), subsection (q),"; and

(B) by striking paragraph (7) and redesignating paragraphs (8) and (9) as paragraphs (7) and (8), respectively.

(4) WIDOWER'S INSURANCE BENEFITS.—

(A) IN GENERAL.—Section 202(f) of the Social Security Act (42 U.S.C. 402(f)) is amended—

(i) by striking paragraph (2) and redesignating paragraphs (3) through (9) as paragraphs (2) through (8), respectively; and

(ii) in paragraph (2) as so redesignated, by striking "subsection (q), paragraph (2) of this subsection," and inserting "subsection (k)(5), subsection (q),".

(B) CONFORMING AMENDMENTS.—

(i) Section 202(f)(1)(B) of the Social Security Act (42 U.S.C. 402(f)(1)(B)) is amended by striking "paragraph (5)" and inserting "paragraph (4)".

(ii) Section 202(f)(1)(F) of the Social Security Act (42 U.S.C. 402(f)(1)(F)) is amended by striking "paragraph (6)" and "paragraph (5)" (in clauses (i) and (ii)) and inserting "paragraph (5)" and "paragraph (4)", respectively.

(iii) Section 202(f)(5)(A)(ii) of the Social Security Act (as redesignated by subparagraph (A)(i)) is amended by striking "paragraph (5)" and inserting "paragraph (4)".

(iv) Section 202(k)(2)(B) of the Social Security Act (42 U.S.C. 402(k)(2)(B)) is amended by striking "or (f)(4)" each place it appears and inserting "or (f)(3)".

(v) Section 202(k)(3)(A) of the Social Security Act (42 U.S.C. 402(k)(3)(A)) is amended by striking "or (f)(3)" and inserting "or (f)(2)".

(vi) Section 202(k)(3)(B) of the Social Security Act (42 U.S.C. 402(k)(3)(B)) is amended by striking "or (f)(4)" and inserting "or (f)(3)".

(vii) Section 226(e)(1)(A)(i) of the Social Security Act (42 U.S.C. 426(e)(1)(A)(i)) is amended by striking "and 202(f)(5)" and inserting "and 202(f)(4)".

(5) MOTHER'S AND FATHER'S INSURANCE BENEFITS.—Section 202(g) of the Social Security Act (42 U.S.C. 402(g)) is amended—

(A) in paragraph (2), by striking "Except as provided in paragraph (4) of this subsection, such" and inserting "Such"; and

(B) by striking paragraph (4).

(c) EFFECTIVE DATE AND TRANSITIONAL RULE.—

(1) IN GENERAL.—The amendments made by this section shall apply with respect to applications for benefits under title II of the Social Security Act filed on or after the first day of the first month that begins after the date of enactment of this Act, except that such amendments shall not apply in connection with monthly periodic benefits of any

individual based on earnings while in service described in section 202(k)(5)(A) of the Social Security Act (in the matter preceding clause (i) thereof) if the last day of such service occurs before July 1, 2004.

(2) TRANSITIONAL RULE.—In the case of any individual whose last day of service described in subparagraph (A) of section 202(k)(5) of the Social Security Act (as added by subsection (a) of this section) occurs within 5 years after the date of enactment of this Act—

(A) the 60-month period described in such subparagraph (A) shall be reduced (but not to less than 1 month) by the number of months of such service (in the aggregate and without regard to whether such months of service were continuous) which—

(i) were performed by the individual under the same retirement system on or before the date of enactment of this Act, and

(ii) constituted "employment" as defined in section 210 of the Social Security Act; and

(B) months of service necessary to fulfill the 60-month period as reduced by subparagraph (A) of this paragraph must be performed after the date of enactment of this Act.

On page 166, strike line 9 and insert the following:

SEC. 419. DISCLOSURE TO WORKERS OF EFFECT OF WINDFALL ELIMINATION PROVISION AND GOVERNMENT PENSION OFFSET PROVISION.

(a) INCLUSION OF NONCOVERED EMPLOYEES AS ELIGIBLE INDIVIDUALS ENTITLED TO SOCIAL SECURITY ACCOUNT STATEMENTS.—Section 1143(a)(3) of the Social Security Act (42 U.S.C. 1320b–13(a)(3)) is amended—

(1) by striking "who" after "an individual" and inserting "who" before "has" in each of subparagraphs (A) and (B);

(2) by inserting "(i) who" after "(C)"; and

(3) by inserting before the period the following: ", or (ii) with respect to whom the Commissioner has information that the pattern of wages or self-employment income indicate a likelihood of noncovered employment".

(b) EXPLANATION IN SOCIAL SECURITY ACCOUNT STATEMENTS OF POSSIBLE EFFECTS OF PERIODIC BENEFITS UNDER STATE AND LOCAL RETIREMENT SYSTEMS ON SOCIAL SECURITY BENEFITS.—Section 1143(a)(2) of the Social Security Act (42 U.S.C. 1320b–13(a)(2)) is amended—

(1) in subparagraph (C), by striking "and" at the end;

(2) in subparagraph (D), by striking the period and inserting "; and"; and

(3) by adding at the end the following:

"(E) in the case of an eligible individual described in paragraph (3)(C)(ii), an explanation, in language calculated to be understood by the average eligible individual, of the operation of the provisions under sections 202(k)(5) and 215(a)(7) and an explanation of the maximum potential effects of such provisions on the eligible individual's monthly retirement, survivor, and auxiliary benefits.".

(c) TRUTH IN RETIREMENT DISCLOSURE TO GOVERNMENTAL EMPLOYEES OF EFFECT OF NONCOVERED EMPLOYMENT ON BENEFITS UNDER TITLE II.—Section 1143 of the Social Security Act (42 U.S..C. 1320b–13) is amended further by adding at the end the following:

"Disclosure to Governmental Employees of Effect of Noncovered Employment

"(d)(1) In the case of any individual commencing employment on or after January 1, 2005, in any agency or instrumentality of any State (or political subdivision thereof, as defined in section 218(b)(2)) in a position in which service performed by the individual does not constitute 'employment' as defined in section 210, the head of the agency or instrumentality shall ensure that, prior to the date of the commencement of the individual's employment in the position, the individual is provided a written notice setting forth an explanation, in language calculated to be understood by the average individual, of the maximum effect on computations of primary insurance amounts (under section 215(a)(7)) and the effect on benefit amounts (under section 202(k)(5)) of monthly periodic payments or benefits payable based on earnings derived in such service. Such notice shall be in a form which shall be prescribed by the Commissioner of Social Security.

"(2) The written notice provided to an individual pursuant to paragraph (1) shall include a form which, upon completion and signature by the individual, would constitute certification by the individual of receipt of the notice. The agency or instrumentality providing the notice to the individual shall require that the form be completed and signed by the individual and submitted to the agency or instrumentality and to the pension, annuity, retirement, or similar fund or system established by the governmental entity involved responsible for paying the monthly periodic payments or benefits, before commencement of service with the agency or instrumentality.".

(d) EFFECTIVE DATES.—The amendments made by subsections (a) and (b) of this section shall apply with respect to social security account statements issued on or after January 1, 2007.

SEC. 420. POST-1956 MILITARY WAGE CREDITS.

On page 167, between lines 14 and 15, insert the following:

SEC. 420A. ELIMINATION OF DISINCENTIVE TO RETURN-TO-WORK FOR CHILDHOOD DISABILITY BENEFICIARIES.

(a) IN GENERAL.—Section 202(d)(6)(B) of the Social Security Act (42 U.S.C. 402(d)(6)(B)) is amended—

(1) by inserting "(i)" after "began"; and

(2) by adding after "such disability," the following: "or (ii) after the close of the 84th month following the month in which his most recent entitlement to child's insurance benefits terminated because he ceased to be under such disability due to performance of substantial gainful activity,".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall be effective with respect to benefits payable for months beginning with the 7th month that begins after the date of enactment of this Act.

Beginning on page 173, strike line 3 and all that follows through page 174, line 10, and insert the following:

(e) TRANSFERS.—Section 15A(d)(2) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n–1(d)(2)) is amended—

(1) by inserting "or the Railroad Retirement Account" after "National Railroad Retirement Investment Trust" the second place it appears;

(2) by inserting "or the Railroad Retirement Board" after "National Railroad Retirement Investment Trust" the third place it appears;

(3) by inserting "(either directly or through a commingled account consisting only of such obligations)" after "United States" the first place it appears; and

(4) in the third sentence, by inserting before the period at the end the following: "or to purchase such additional obligations".

Beginning on page 177, strike line 20 and all that follows through page 178, line 18.

On page 178, line 19, strike "**433**" and insert "**432**".

Beginning on page 179, strike line 5 and all that follows through page 181, line 3.

On page 181, line 4, strike "**435**" and insert "**433**".

On page 182, line 11, strike "**436**" and insert "**434**".

On page 183, line 3, strike "**437**" and insert "**435**".

On page 184, line 6, strike "**438**" and insert "**436**".

Beginning on page 184, strike line 21 and all that follows through page 186, line 22.

Conform the table of contents accordingly.

SA 2228. Mr. FRIST (for Mr. ALEXANDER) proposed an amendment to the bill H.R. 2264, An act to authorize appropriations for fiscal year 2004 to carry out the Congo Basin Forest Partnership program, and for other purposes; as follows:

Beginning on page 5, strike line 24 and all that follows through page 6, line 11, and insert the following:

(a) IN GENERAL.—There are authorized to be appropriated to the President to carry out the Congo Basin Forest Partnership (CBFP) program $18,600,000 for fiscal year 2004.

(b) CARPE.—Of the amounts appropriated pursuant to the authorization of appropriations in subsection (a), $16,000,000 is authorized to be made available to the Central Africa Regional Program for the Environment (CARPE) of the United States Agency for International Development.

(c) AVAILABILITY.—Amounts appropriated pursuant to the authorization of appropriations under subsection (a) are authorized to remain available until expended.

SA 2229. Mr. FRIST (for Mr. ALEXANDER) proposed an amendment to the bill H.R. 2264, An act to authorize appropriations for fiscal year 2004 to carry out the Congo Basin Forest Partnership program, and for other purposes; as follows:

Amend the title so as to read: "To authorize appropriations for fiscal year 2004 to carry out the Congo Basin Forest Partnership program, and for other purposes.".

SA 2230. Mr. FRIST (for Mr. LEVIN) proposed an amendment to the bill S. 1267, to amend the District of Columbia Home Rule Act to provide the District of Columbia with autonomy over its budgets, and for other purposes; as follows:

At the appropriate place, insert the following: (p. 10, after l. 2)

SEC. ___. METERED CABS IN THE DISTRICT OF COLUMBIA.

(a) IN GENERAL.—Except as provided in subsection (b) and not later than 1 year after the date of enactment of this Act, the District of Columbia shall require all cabs licensed in the District of Columbia to charge fares by a metered system.

(b) DISTRICT OF COLUMBIA OPT OUT.—The District of Columbia may cancel the requirements of subsection (a) by adopting an ordinance that specifically states that the District of Columbia opts out of the requirement to implement a metered system under subsection (a).

SA 2231. Mr. FRIST (for Mr. HATCH) proposed an amendment to the bill S. 1177, to prevent tobacco smuggling, to ensure the collection of all tobacco taxes, and for other purposes; as follows:

On page 17, between lines 23 and 24, insert the following:

(2) in paragraph (5)—

(A) by inserting ", local, or Tribal" after "the State";

(B) by striking "administer the cigarette tax law" and inserting "collect the tobacco tax or administer the tax law"; and

(C) by inserting ", locality, or Tribe, respectively" after "a State".

On page 17, line 24, strike "(2)" and insert "(3)".

On page 18, line 17, strike "(3)" and insert "(4)".

On page 19, strike line 20 and insert the following:

of the United States.

"(13) The term 'Indian Country' has the meaning given that term in section 1151 of title 18, United States Code, except that within the State of Alaska that term applies only to the Metlakatla Indian Community, Annette Island Reserve.

"(14) The term 'Indian Tribe', 'Tribe', or 'Tribal' refers to an Indian tribe as defined in the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e)) or as listed pursuant to section 104 of the Federally Recognized Indian Tribe List Act of 1994 (Public Law 103–454; 25 U.S.C. 479a–1).

"(15) The term 'tobacco tax administrator', in the case of a State, local, or Tribal government, means the official of the government duly authorized to collect the tobacco tax or administer the tax law of the government.".

On page 20, line 4, strike "and".

On page 20, between lines 4 and 5, insert the following:

(ii) by inserting ", locality, or Indian Country of an Indian Tribe" after "a State"; and

On page 20, line 5, strike "(ii)" and insert "(iii)".

On page 20, strike lines 8 through 14 and insert the following:

(B) in paragraph (1)—

(i) by striking "administrator of the State" and inserting "administrators of the State and place"; and

(ii) by striking "; and" and inserting the following: ", as well as telephone numbers for each place of business, a principal electronic mail address, any website addresses, and the name, address, and telephone number of an agent in the State authorized to accept service on behalf of such person;";

On page 20, strike lines 15 through 19, and insert the following:

(C) in paragraph (2), by striking "and the quantity thereof." and inserting "the quantity thereof, and the name, address, and phone number of the person delivering the shipment to the recipient on behalf of the delivery seller, with all invoice or memoranda information relating to specific customers to be organized by city or town and by zip code; and"; and

(D) by adding at the end the following new paragraph:

"(3) with respect to each memorandum or invoice filed with a State under paragraph (2), also file copies of such memorandum or invoice with the tobacco tax administrators and chief law enforcement officers of the local governments and Indian Tribes operating within the borders of the State that apply their own local or Tribal taxes on cigarettes or smokeless tobacco."; and

On page 21, line 4, strike "Each" and insert "With respect to delivery sales into a specific State and place, each".

On page 21, line 9, insert ", local, Tribal," after "all State".

On page 21, beginning on line 10, strike "that occur entirely within the State" and insert "as if such delivery sales occurred entirely within the specific State and place".

On page 21, strike line 14.

On page 21, line 15, strike "(C)" and insert "(B)".

On page 21, line 17, strike "(D)" and insert "(C)".

On page 22, line 3, strike "AND SALES".

On page 22, line 14, strike "by State" and insert "by the State, and within such State, by the city or town and by zip code,".

On page 22, beginning on line 20, strike "attorneys general" and all that follows through "United States" and insert "to local governments and Indian Tribes that apply their own local or Tribal taxes on cigarettes or smokeless tobacco, to the attorneys general of the States, to the chief law enforcement officers of such local governments and Indian Tribes, and to the Attorney General of the United States".

On page 22, strike line 24 and all that follows through page 23, line 12, and insert the following:

"(d)(1) Except as provided in paragraph (2), no cigarettes or smokeless tobacco may be delivered pursuant to a delivery sale in interstate commerce unless in advance of the delivery—

"(A) any cigarette or smokeless tobacco excise tax that is imposed by the State in which the cigarettes or smokeless tobacco are to be delivered has been paid to the State;

"(B) any cigarette or smokeless tobacco excise tax that is imposed by the local government of the place in which the cigarette or smokeless tobacco are to be delivered has been paid to the local government; and

"(C) any required stamps or other indicia that such excise tax has been paid are properly affixed or applied to the cigarettes or smokeless tobacco.

"(2) Paragraph (1) does not apply to a delivery sale of smokeless tobacco if the law of the State or local government of the place where the smokeless tobacco is to be delivered requires or otherwise provides that delivery sellers collect the excise tax from the consumer and remit the excise tax to the State or local government, and the delivery seller complies with the requirement.

On page 23, line 13, insert after "Each State" the following: ", and each local government or Indian Tribal government that levies a tax subject to subsection (a)(3),".

On page 23, line 15, strike "such State. If a State" and insert after "such State, locality, or Indian Tribe. If a State, local government, or Indian Tribe".

On page 23, line 18, insert after "such State" the following: "or locality or in the Indian Country of such Indian Tribe".

On page 23, line 20, insert after "Each State" the following: ", and each local government or Indian Tribal government that levies a tax subject to subsection (a)(3),".

On page 23, line 22, insert ", locality, or Indian Tribe" after "such State".

On page 23, line 23, insert after "A State" the following: ", locality, or Indian Tribal government".

On page 24, line 4, insert after "a State" the following: ", local government, or Indian Tribal government".

On page 24, line 8, insert after "State" the following: "or locality or in the Indian Country of such Indian Tribe".

On page 24, strike line 21 and all that follows through page 25, line 2, and insert the following:

(2) in subsection (a), as so designated—

(A) by inserting "(except for a State, local, or Tribal government)" after "this Act"; and

(B) by striking "shall be guilty of a misdemeanor and shall be fined not more than $1,000, or imprisoned not more than 6 months" and inserting "shall be guilty of a felony, fined under subchapter C of chapter 227 of title 18, United States Code, imprisoned not more than three years, or both"; and

On page 26, strike line 3 and all that follows through page 27, line 11, and insert the following:

"(b) The Attorney General of the United States shall administer and enforce the provisions of this Act.

"(c)(1)(A) A State, through its attorney general (or a designee thereof), or a local government or Indian Tribe that levies a tax subject to section 2A(a)(3), through its chief law enforcement officer (or a designee thereof), may bring an action in the United States district courts to prevent and restrain violations of this Act by any person (or by any person controlling such person) or to obtain any other appropriate relief from any person (or from any person controlling such person) for violations of this Act, including civil penalties, money damages, and injunctive or other equitable relief.

"(B) Nothing in this Act shall be deemed to abrogate or constitute a waiver of any sovereign immunity of a State or local government or Indian Tribe against any unconsented lawsuit under this Act, or otherwise to restrict, expand, or modify any sovereign immunity of a State or local government or Indian Tribe.

"(2) A State, through its attorney general, or a local government or Indian Tribe that levies a tax subject to section 2A(a)(3), through its chief law enforcement officer (or a designee thereof), may provide evidence of a violation of this Act by any person not subject to State, local, or Tribal government enforcement actions for violations of this Act to the Attorney General of the United States or a United State Attorney, who shall take appropriate actions to enforce the provisions of this Act.

"(3)(A) Notwithstanding any other provision of law and subject to subparagraph (B), an amount equal to 50 percent of any criminal and civil penalties collected by the United States Government in enforcing the provisions of this Act shall be available to the Department of Justice for purposes of enforcing the provisions of this Act and other laws relating to contraband tobacco products.

"(B) Of the amount available to the Department under subparagraph (A), not less than 50 percent shall be made available only to the agencies and offices within the Department that were responsible for the enforcement actions in which the penalties concerned were imposed.

"(4) The remedies available under this subsection are in addition to any other remedies available under Federal, State, local, Tribal, or other law.

"(5) Nothing in this Act shall be construed to expand, restrict, or otherwise modify any right of an authorized State official to proceed in State court, or take other enforcement actions, on the basis of an alleged violation of State or other law.

"(6) Nothing in this Act shall be construed to expand, restrict, or otherwise modify any right of an authorized Indian Tribal government official to proceed in Tribal court, or take other enforcement actions, on the basis of an alleged violation of Tribal law.

"(7) Nothing in this Act shall be construed to expand, restrict, or otherwise modify any right of an authorized local government official to proceed in State court, or take other enforcement actions, on the basis of an alleged violation of local or other law.

"(d) Any person who holds a permit under section 5712 of the Internal Revenue Code of 1986 may bring an action in the United States district courts to prevent and restrain violations of this Act by any person (or by any person controlling such person) other than a State, local, or Tribal government.

"(e)(1) Any person who commences a civil action under subsection (d) shall inform the Attorney General of the United States of the action.

"(2) It is the sense of Congress that any attorney general of a State, or chief law enforcement officer of a locality or Tribe, who commences a civil action under this section should inform the Attorney General of the United States of the action.

"(f)(1) The Attorney General of the United States shall make available to the public, by posting such information on the Internet and by other means, information about all enforcement actions undertaken by the Attorney General or United States Attorneys, or reported to the Attorney General, under this section, including information on the resolution of such actions and, in particular, information on how the Attorney General and the United States Attorney have responded to referrals of evidence of violations pursuant to subsection (b)(2).

"(2) The Attorney General shall submit to Congress each year a report containing the information described in paragraph (1).".

On page 27, line 20, strike "The transmission" and insert "(1)" Except as provided in paragraph (2), the transmission".

On page 28, strike line 2 and insert the following:

shall not be deposited in or carried through the mails.

"(2) Paragraph (1) shall apply only to States that are contiguous with at least one other State of the United States.".

On page 29, line 4, strike "and".

On page 29, line 25, insert before the semicolon the following: "or, for smokeless tobacco found in Indian Country, is licensed or otherwise authorized by the Tribal government of such Indian Country to account for and pay smokeless tobacco taxes imposed by the Tribal government".

On page 30, line 6, insert "or a Tribe" after "a State".

On page 30, beginning on line 8, strike "or a State (including any political subdivision of a State)" and insert "a State (including any political subdivision of a State), or a Tribe (including any political subdivision of a Tribe)".

On page 30, line 11, strike "duties." and insert "duties;".

On page 30, after line 24, add the following:

(c) Additional Definitional Matters.—Section 2341 of such title is further amended—

(1) in paragraph (2), as amended by subsection (a)(1) of this section—

(A) in the matter preceding subparagraph (A), by striking "State cigarette taxes in the State where such cigarettes are found, if the State" and inserting "State, local, or Tribal cigarette taxes in the State, locality, or Indian Country where such cigarettes are found, if the State, local or Tribal government";

(B) in subparagraph (C)(i), by inserting before the semicolon the following: ", or, for cigarettes found in Indian County, is licensed or otherwise authorized by the Tribal government of such Indian Country to account for and pay cigarette taxes imposed by the Tribal government"; and

(C) in subparagraph (D)—

(i) by inserting "or a Tribe" after "a State" the first place it appears; and

(ii) by striking "or a State (or any political subdivision of a State)" and inserting ", a State (or any political subdivision of a State), or a Tribe (including any political subdivision of a Tribe)";

(2) in paragraph (3), by inserting before the semicolon the following: ", or, for a carrier making a delivery entirely within Indian Country, under equivalent operating authority from the Indian Tribal government of such Indian Country"; and

(3) by adding at the end the following new paragraphs:

"(8) the term 'Indian Country' has the meaning given that term in section 1151 of title 18, United States Code, except that within the State of Alaska that term applies only to the Metlakatla Indian Community, Annette Island Reserve; and

"(9) the term 'Indian Tribe', 'Tribe', or 'Tribal' refers to an Indian tribe as defined in the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e)) or as listed pursuant to section 104 of the Federally Recognized Indian Tribe List Act of 1994 (Public Law 103–454; 25 U.S.C. 479a–1).".

On page 31, line 1, strike "(c)" and insert "(d)".

On page 32, line 20, insert before the period the following: ", and to the chief law enforcement officer and tax administrator of the Tribe for shipments, deliveries or distributions that originated or concluded on the Indian Country of the Indian Tribe".

On page 33, line 19, strike "(d)" and insert "(e)".

On page 34, between lines 3 and 4, insert the following:

(f) Effect on State, Local, and Tribal Law.—Section 2345 of that title is amended—

(1) in subsection (a), by striking "a State to enact and enforce" and inserting "a State, local government, or Tribe to enact and enforce its own"; and

(2) in subsection (b), by striking "of States, through interstate compact or otherwise, to provide for the administration of State" and inserting "of State, local, or Tribal governments, through interstate compact or otherwise, to provide for the administration of State, local, or Tribal".

On page 34, line 4, strike "(e)" and insert "(g)".

On page 34, line 10, insert after "attorney general," the following: "a local government or Indian Tribe, through its chief law enforcement officer (or a designee thereof),".

On page 34, line 15, insert before the period the following: ", except that any person who holds a permit under section 5712 of the Internal Revenue Code of 1986 may not bring such an action against a State, local, or Tribal government".

On page 34, line 16, insert after "attorney general," the following: ", or a local government or Indian Tribe, through its chief law enforcement officer (or a designee thereof),".

On page 34, line 21, add after the period the following: "Nothing in this chapter shall be deemed to abrogate or constitute a waiver of any sovereign immunity of a State or local government or Indian Tribe against any unconsented lawsuit under this chapter, or otherwise to restrict, expand, or modify any sovereign immunity of a State or local government or Indian Tribe.".

On page 34, line 23, insert "local, Tribal," after "State,".

On page 35, strike lines 1 through 4 and insert the following:

"(4) Nothing in this chapter shall be construed to expand, restrict, or otherwise modify any right of an authorized State official to proceed in State court, or take other enforcement actions, on the basis of an alleged violation of State or other law.

"(5) Nothing in this chapter shall be construed to expand, restrict, or otherwise modify any right of an authorized Indian Tribal government official to proceed in Tribal court, or take other enforcement actions, on the basis of an alleged violation of Tribal law.

"(6) Nothing in this chapter shall be construed to expand, restrict, or otherwise modify any right of an authorized local government official to proceed in State court, or take other enforcement actions, on the basis of an alleged violation of local or other law.".

On page 35, line 5, strike "(f)" and insert "(h)".

On page 35, between lines 8 and 9, insert the following:

(2) The section heading for section 2345 of such title is amended to read as follows:

"§ 2345. Effect on State, Tribal, and local law".

On page 35, strike lines 9 through the matter preceding line 12 and insert the following:

(3) The table of sections at the beginning of chapter 114 of that title is amended—

(A) by striking the item relating to section 2343 and inserting the following new item:

"2343. Recordkeeping, reporting, and inspection.";

and

(B) by striking the item relating to section 2345 and insert the following new item:

"2345. Effect on State, Tribal, and local law.".

On page 35, line 12, strike "(3)" and insert "(4)".

On page 35, strike line 20 and all that follows through page 37, line 19, and insert the following:

SEC. 5. COMPLIANCE WITH MODEL STATUTE OR QUALIFYING STATUTE.

(a) In General.—A Tobacco Product Manufacturer or importer may not sell in, deliver to, or place for delivery sale, or cause to be sold in, delivered to, or placed for delivery sale in, a State that is a party to the Master Settlement Agreement any cigarette manufactured by a Tobacco Product Manufacturer that is not in full compliance with the terms of the Model Statute or Qualifying Statute enacted by such State requiring funds to be placed into a qualified escrow account under specified conditions, or any regulations promulgated pursuant to such terms.

(b) Jurisdiction to Prevent and Restrain Violations.—(1) The United States district courts shall have jurisdiction to prevent and restrain violations of subsection (a) in accordance with this subsection.

(2) A State, through its attorney general, may bring an action in the United States district courts to prevent and restrain violations of subsection (a) by any person (or by any person controlling such person).

(3) In any action under paragraph (2), a State, through its attorney general, shall be entitled to reasonable attorney fees from a person found to have willfully and knowingly violated subsection (a).

(4) The remedy available under paragraph (2) is in addition to any other remedies available under Federal, State, or other law.

(5) Nothing in this subsection shall be construed to prohibit an authorized State official from proceeding in State court or taking

other enforcement actions on the basis of an alleged violation of State or other law.

(6) The Attorney General may administer and enforce subsection (a).

(c) DEFINITIONS.—In this section:

On page 38, between lines 6 and 7, insert the following:

(3) IMPORTER.—The term "importer" means each of the following:

(A) Any person in the United States to whom non-tax-paid tobacco products manufactured in a foreign country, Puerto Rico, the Virgin Islands, or a possession of the United States are shipped or consigned.

(B) Any person who removes cigars or cigarettes for sale or consumption in the United States from a customs bonded manufacturing warehouse.

(C) Any person who smuggles or otherwise unlawfully brings tobacco products into the United States.

On page 38, line 7, strike "(3)" and insert "(4)".

On page 38, line 11, strike "(4)" and insert "(5)".

On page 39, line 1, strike "(5)" and insert "(6)".

On page 41, strike line 18 and insert the following:

SEC. 8. COMPLIANCE WITH TARIFF ACT OF 1930.

(a) INAPPLICABILITY OF EXEMPTIONS FROM REQUIREMENTS FOR ENTRY OF CERTAIN CIGARETTES.—Subsection (b)(1) of section 802 of the Tariff Act of 1930 (19 U.S.C. 1681a) is amended by adding at the end the following new sentence: "The preceding sentence shall not apply to any cigarettes sold in connection with a delivery sale (as that term is defined in section 1 of the Act of October 19, 1949 (15 U.S.C. 375; commonly referred to as the 'Jenkins Act'))."

(b) STATE AND TRIBAL ACCESS TO CUSTOMS CERTIFICATIONS.—Section 802 of that Act is further amended by adding at the end the following new subsection:

"(d) STATE AND TRIBAL ACCESS TO CUSTOMS CERTIFICATIONS.—A State, through its attorney general, and an Indian tribe (as that term is defined in the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e)) through its chief law enforcement officer, shall be entitled to obtain copies of any certification required pursuant to subsection (c) directly—

"(1) upon request to the agency of the United States responsible for collecting such certification; or

"(2) upon request to the importer, manufacturer, or authorized official of such importer or manufacturer.".

(c) ENFORCEMENT PROVISIONS.—Section 803 of such Act (19 U.S.C. 1681b) is amended—

(1) in subsection (b)—

(A) in the first sentence—

(i) by inserting "any of" before "the United States" the first and second places it appears; and

(ii) by inserting before the period the following: ", to any State in which such tobacco product, cigarette papers, or tube was imported, or to the Indian Tribe of any Indian Country (as that term is defined in section 1151 of title 18, United States Code) in which such tobacco product, cigarette papers, or tube was imported"; and

(B) in the second sentence, by inserting ", or to any State or Indian Tribe," after "the United States"; and

(2) by adding at the end the following new subsection:

"(c) ACTIONS BY STATES AND OTHERS.—

"(1) IN GENERAL.—Any person who holds a permit under section 5712 of the Internal Revenue Code of 1986 may bring an action in the United States district courts to prevent and restrain violations of this title by any person (or by any person controlling such person), other than by a State, local, or Tribal government.

"(2) RELIEF FOR STATE, LOCAL, AND TRIBAL GOVERNMENTS.—A State, through its attorney general, or a local government or Tribe Tribe, through its chief law enforcement officer (or a designee thereof), may in a civil action under this title to prevent and restrain violations of this title by any person (or by any person controlling such person) or to obtain any other appropriate relief for violations of this title by any person (or from any person controlling such person), including civil penalties, money damages, and injunctive or other equitable relief.

"(3) CONSTRUCTION GENERALLY.—

"(A) IN GENERAL.—Nothing in this subsection shall be deemed to abrogate or constitute a waiver of any sovereign immunity of a State or local government or Indian Tribe against any unconsented lawsuit under this title or to otherwise restrict, expand, of modify any sovereign immunity of a State local government or Indian Tribe.

"(B) CONSTRUCTION WITH OTHER RELIEF.—The remedies available under this subsection are in addition to any other remedies available under Federal, State, local, Tribal, or other law.

"(4) CONSTRUCTION WITH FORFEITURE PROVISIONS.—Nothing in this subsection shall be construed to require a State or Indian Tribe to first bring an action pursuant to paragraph (1) when pursuing relief under subsection (b).

"(d) CONSTRUCTION WITH OTHER AUTHORITIES.—

"(1) STATE AUTHORITIES.—Nothing in this title shall be construed to expand, restrict, or otherwise modify the right of an authorized State official from proceeding in State court, or taking other enforcement actions, on the basis of alleged violation of State or other law.

"(2) TRIBAL AUTHORITIES.—Nothing in this title shall be construed to expand, restrict, or otherwise modify the right of an authorized Indian Tribal government official from proceeding in Tribal court, or taking other enforcement actions, on the basis of alleged violation of Tribal law.

(d) INCLUSION OF SMOKELESS TOBACCO.—(1) Sections 802 and 803(a) of such Act are further amended by inserting "or smokeless tobacco products" after "cigarettes" each place it appears.

(2) Section 802 of such Act is further amended—

(A) in subsection (a)—

(i) in paragraph (1), by inserting "or section 4 of the Comprehensive Smokeless Tobacco Health Education Act of 1986 (15 U.S.C. 4403), respectively" after "section 7 of the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1335a)";

(ii) in paragraph (2), by inserting "or section 3 of the Comprehensive Smokeless Tobacco Health Education Act of 1986 (15 U.S.C. 4402), respectively," after "section 4 of the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1333)"; and

(iii) in paragraph (3), by inserting "or section 3(c) of the Comprehensive Smokeless Tobacco Health Education Act of 1986 (15 U.S.C. 4402(c)), respectively," after "section 4(c) of the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1333(c))";

(B) in subsection (b)—

(i) in the paragraph caption of paragraph (1), by inserting "OR SMOKELESS TOBACCO" after "CIGARETTES"; and

(ii) in the paragraph caption of paragraphs (2) and (3), by inserting "OR SMOKELESS TOBACCO" after "CIGARETTES"; and

(C) in subsection (c)—

(i) in the subsection caption, by inserting "OR SMOKELESS TOBACCO" after "CIGARETTE";

(ii) in paragraph (1), by inserting "or section 4 of the Comprehensive Smokeless Tobacco Health Education Act of 1986 (15 U.S.C. 4403), respectively" after "section 7 of the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1335a)";

(iii) in paragraph (2)(A), "or section 3 of the Comprehensive Smokeless Tobacco Health Education Act of 1986 (15 U.S.C. 4402), respectively," after "section 4 of the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1333)"; and

(iv) in paragraph (2)(B), by inserting "or section 3(c) of the Comprehensive Smokeless Tobacco Health Education Act of 1986 (15 U.S.C. 4402(c)), respectively" after "section 4(c) of the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1333(c))".

(3) Section 803(c) of such Act, as amended by subsection (b)(1) of this section, is further amended by inserting ", or any smokeless tobacco product," after "or tube" the first place it appears.

(4)(A) The heading of title VIII of such Act is amended by inserting "**AND SMOKELESS TOBACCO**" after "**CIGARETTES**".

(B) The heading of section 802 of such Act is amended by inserting "**AND SMOKELESS TOBACCO**" after "**CIGARETTES**".

SEC. 9. EXCLUSIONS REGARDING INDIAN TRIBES AND TRIBAL MATTERS.

(a) IN GENERAL.—Nothing in this Act or the amendments made by this Act is intended nor shall be construed to affect, amend, or modify—

(1) any agreements, compacts, or other intergovernmental arrangements between any State or local government and any government of an Indian tribe (as that term is defined in the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e)) relating to the collection of taxes on cigarettes or smokeless tobacco sold in Indian Country (as that term is defined section 1151 of title 18, United States Code);

(2) any State laws that authorize or otherwise pertain to any such intergovernmental arrangements or create special rules or procedures for the collection of State, local, or tribal taxes on cigarettes or smokeless tobacco sold in Indian Country;

(3) any limitations under existing Federal law, including Federal common law and treaties, on State, local, and tribal tax and regulatory authority with respect to the sale, use, or distribution of cigarettes and smokeless tobacco by or to Indian Tribes or tribal members or in Indian Country;

(4) any existing Federal law, including Federal common law and treaties, regarding State jurisdiction, or lack thereof, over any Tribe, tribal members or tribal reservations; and

(5) any existing State or local government authority to bring enforcement actions against persons located in Indian Country.

(b) COORDINATION OF LAW ENFORCEMENT.—Nothing in this Act or the amendments made by this Act shall be construed to inhibit or otherwise affect any coordinated law enforcement effort by 1 or more States or other jurisdictions, including Indian Tribes, through interstate compact or otherwise, that—

(1) provides for the administration of tobacco product laws or laws pertaining to interstate sales or other sales of tobacco products;

(2) provides for the seizure of tobacco products or other property related to a violation of such laws; or

(3) establishes cooperative programs for the administration of such laws.

(c) TREATMENT OF STATE AND LOCAL GOVERNMENTS.—Notwithstanding any other provision of this Act, the provisions of this Act are not intended and shall not be construed to authorize, deputize, or commission States or local governments as instrumentalities of the United States.

(d) ENFORCEMENT WITHIN INDIAN COUNTRY.—Nothing in this Act or the amendments made by this Act is intended to prohibit, limit, or restrict enforcement by the Attorney General of the United States of the provisions herein within Indian Country.

(e) AMBIGUITY.—Any ambiguity between the language of this section or its application, and any other provision of this Act shall be resolved in favor of this section.

SEC. 10. EFFECTIVE DATE.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. WARNER. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on December 9, 2003, at 9:30 a.m., to conduct a hearing on the nominations of Ms. April H. Foley, of New York, to be first Vice President of the Export-Import Bank of the United States; and the Honorable Joseph Max Cleland, of Georgia, to be a member of the board of directors of the Export-Import Bank of the United States.

The PRESIDING OFFICER. Without objection it is so ordered.

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT, THE FEDERAL WORKFORCE AND THE DISTRICT OF COLUMBIA

Mr. WARNER. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs Subcommittee on Oversight of Government Management, the Federal Workforce and the District of Columbia, be authorized to meet on Tuesday, December 9, 2003, at 10 a.m. for a hearing entitled, "Fair or Foul: The Challenge of Negotiating, Monitoring, and Enforcing U.S. Trade Laws."

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS CONSENT AGREEMENT—H.R. 3108

Mr. FRIST. Mr. President, I ask unanimous consent that at a time to be determined by the majority leader, in consultation with the minority leader, the Senate proceed to consideration of H.R. 3108, the House-passed pensions bill, and that it be considered under the following limitations: That the only amendments in order be relating to the following topics: pension discount rate, deficit reduction contribution relief, multi-employer plan relief. I further ask that the following amendments be the only first-degree amendments in order and that any second-degree amendments be relevant to the first-degree amendment to which they are offered: No. 1, Frist-Daschle managers' amendment; three amendments by the majority leader or his designee; and three amendments by the minority leader or his designee.

The PRESIDING OFFICER. The minority leader.

Mr. DASCHLE. Mr. President, reserving the right to object—and I certainly will not—I just wish to indicate to the majority leader how pleased I am that at long last we have been able to get to this point. This has been a very difficult negotiation involving many Members. I think it is very important that we ultimately accomplish the passage of this legislation. This obviously does not bring us to a point where we will finalize the bill, but I think it sets us up in a way that will allow the completion of our work shortly after we return. That is the message we need to send on a bipartisan basis, and I appreciate the majority leader's leadership in getting us to this point. I will work with him as we coordinate the amendment time and debate, but I hope we can do this soon after we return. I expect we will complete our work at some point shortly after that. I thank him, and I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FRIST. Mr. President, in the weeks leading up to the Thanksgiving holiday, and in the time since then, we have been trying to reach an agreement with respect to pension funding rules. As many of my colleagues are aware, the temporary pension discount rate relief we enacted in 2001 expires at the end of this year. There is virtually unanimous agreement that we need to replace the outdated 30 year treasury bill rate with a long-term corporate bond rate. However, absent some action by the House and the Senate, the statutory rate that pension plans must use to calculate their assets and liabilities will snap-back to the old 30-year rate. This will result in companies with pension plans having to assume that they will be making large contributions to their plans in the year to come.

Equally important, in my view, has been an effort to provide relief from the deficit reduction contribution, DRC, requirements that certain plans are now facing. Under the current pension funding rules, companies that offer defined benefit pension plans are required to make additional contributions to those plans when they are less than 90 percent funded. A pension plan's funding level is determined by comparing the plan's current assets to its promised benefits and then calculating whether the two will match up by the time the benefits promised are due.

The recent drop in the stock market, low interest rates, and generous pension benefits agreed to in better times have caused many defined benefit pension plans to fall well beneath this 90 percent threshold. As a result, many companies are being required to make substantial additional contributions at the time they can least afford them. The Finance Committee-reported bill, which I support, included 3 years of DRC relief.

Despite our best efforts, it is clear that we will not be able to reach an agreement before the end of the year. We have, however, entered into a unanimous consent agreement that gives us a plan for addressing this issue when we return early next year. It is my belief that this issue can be wrapped up with one or two days of debate and that a conference agreement should follow shortly thereafter.

Replacing the current 30-year Treasury rate with a long-term corporate bond rate is a critically important issue, not only to the companies themselves but their employees as well. Equally important, however, is the broader pension bill upon which Senator GRASSLEY and Senator BAUCUS have worked so hard. Resolution of this more immediate issue is but a precursor to consideration of the larger pension reform bill. And even this is but a prelude to an effort to take a broader look at our nation's pension funding rules with an eye toward making more systematic reforms. I look forward to a spirited debate next year as we take the first step in this broader undertaking.

UNANIMOUS CONSENT AGREEMENT—EXECUTIVE CALENDAR

Mr. FRIST. Mr. President, as in executive session, I ask unanimous consent that during the upcoming adjournment of the Senate, all nominations remain status quo, with the following exceptions which I send to the desk: Colonel Quelly, PN 273–108; Colonel Rubino, PN 299–108; Brigadier General Meyer, PN 750–108; Colonel Baldwin, PN 1035–108; Claude Allen, PN 92 and PN 534; Jeane Kirkpatrick, PN 788; Louise Oliver, PN 943; Peter Eide, PN 617 and PN 104; Neil McPhie, PN 103; Calendar Nos. 219, 233, 234, 235, 236, 480, and 484.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate immediately proceed to executive session to consider the following nominations on today's Executive Calendar: Calendar Nos. 132, 199, 200, 316, 410, 417, 419, 421, 434, 435, 451, 452, 453, 454, 456, 458, 459, 460, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 475, 476, 477, 479, 483, 485, 486, 487, 489, 491, 492, 493, 494, 510, 526, 527, 529, 532, and 474.

NOMINATIONS DISCHARGED

I further ask unanimous consent that the following nominations be discharged from the Foreign Relations Committee and the Senate proceed to the nominations en bloc: David Mulford, PN 1110; James Oberwetter, PN 1113; further, that the following nominations be discharged from the Banking Committee and the Senate proceed to their consideration: April Foley, PN 1155; Joseph Max Cleland, PN 1154.

I further ask unanimous consent that the nominations be confirmed en bloc, the motions to reconsider be laid upon the table, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

THE JUDICIARY

Bruce E. Kasold, of Virginia, to be a Judge of the United States Court of Appeals for Veterans Claims for the term prescribed by law.

AFRICAN DEVELOPMENT FOUNDATION

Ephraim Batambuze, of Illinois, to be a Member of the Board of Directors of the African Development Foundation for a term expiring February 9, 2008.

John W. Leslie, Jr., of Connecticut, to be a Member of the Board of Directors of the African Development Foundation for a term expiring September 22, 2007.

DEPARTMENT OF LABOR

Howard Radzely, of Maryland, to be Solicitor for the Department of Labor.

THE JUDICIARY

George W. Miller, of Virginia, to be a Judge of the United States Court of Federal Claims for the term of fifteen years.

DEPARTMENT OF THE INTERIOR

David Wayne Anderson, of Minnesota, to be an Assistant Secretary of the Interior.

DEPARTMENT OF TRANSPORTATION

Karan K. Bhatia, of Maryland, to be an Assistant Secretary of Transportation.

METROPOLITAN WASHINGTON AIRPORTS AUTHORITY

Charles Darwin Snelling, of Pennsylvania, to be a Member of the Board of Directors of the Metropolitan Washington Airports Authority for the remainder of the term expiring May 30, 2006.

UNITED STATES SENTENCING COMMISSION

William K. Sessions III, of Vermont, to be a Member of the United States Sentencing Commission for a term expiring October 31, 2009.

DEPARTMENT OF JUSTICE

David L. Huber, of Kentucky, to be United States Attorney for the Western District of Kentucky for the term of four years.

ELECTION ASSISTANCE COMMISSION

Paul S. DeGregorio, of Missouri, to be a Member of the Election Assistance Commission for a term of two years.

Gracia M. Hillman, of the District of Columbia, to be a Member of the Election Assistance Commission for a term of two years.

Raymundo Martinez III, of Texas, to be a Member of the Election Assistance Commission for a term of four years.

Deforest B. Soaries, Jr., of New Jersey, to be a Member of the Election Assistance Commission for a term of four years.

THE JUDICIARY

D. Michael Fisher, of Pennsylvania, to be United States Circuit Judge for the Third Circuit.

DEPARTMENT OF STATE

Edward B. O'Donnell, Jr., of Tennessee, a Career Member of the Senior Foreign Service, Class of Counselor, for the rank of Ambassador during his tenure of service as Special Envoy for Holocaust Issues.

Jon R. Purnell, of Massachusetts, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Uzbekistan.

Margaret DeBardeleben Tutwiler, of Alabama, to be Under Secretary of State for Public Diplomacy.

Louise V. Oliver, of the District of Columbia, for the rank of Ambassador during her tenure of service as the United States Permanent Representative to the United Nations Educational, Scientific, and Cultural Organization.

William J. Hudson, of Virginia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Tunisia.

Margaret Scobey, of Tennessee, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Syrian Arab Republic.

Thomas Thomas Riley, of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Morocco.

Jackie Wolcott Sanders, for the rank of Ambassador during her tenure of service as United States Representative to the Conference on Disarmament and the Special Representative of the President of the United States for Non-Proliferation of Nuclear Weapons.

Mary Kramer, of Iowa, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Barbados and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to St. Kitts and Nevis, Saint Lucia, Antigua and Barbuda, the Commonwealth of Dominica, Grenada, and Saint Vincent and the Grenadines.

Timothy John Dunn, of Illinois, a Career Member of the Senior Foreign Service, Class of Counselor, for the rank of Ambassador during his tenure of service as Deputy Permanent Representative to the Organization of American States.

James Curtis Struble, of California, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Peru.

INTER-AMERICAN DEVELOPMENT BANK

Hector E. Morales, of Texas, to be United States Alternate Executive Director of the Inter-American Development Bank.

DEPARTMENT OF STATE

Marguerita Dianne Ragsdale, of Virginia, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Djibouti.

Stuart W. Holliday, of Texas, to be Alternate Representative of the United States of America for Special Political Affairs in the United Nations, with the rank of Ambassador.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Jennifer Young, of Ohio, to be an Assistant Secretary of Health and Human Services.

Michael O'Grady, of Maryland, to be an Assistant Secretary of Health and Human Services.

CHEMICAL SAFETY AND HAZARD INVESTIGATION BOARD

Rixio Enrique Medina, of Oklahoma, to be a Member of the Chemical Safety and Hazard Investigation Board for a term of five years.

DEPARTMENT OF JUSTICE

James B. Comey, of New York, to be Deputy Attorney General.

Federico Lawrence Rocha, of California, to be United States Marshal for the Northern District of California for the term of four years.

DEPARTMENT OF TRANSPORTATION

Jeffrey A. Rosen, of Virginia, to be General Counsel of the Department of Transportation.

CORPORATION FOR PUBLIC BROADCASTING

Elizabeth Courtney, of Louisiana, to be a Member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring January 31, 2010.

Elizabeth Courtney, of Louisiana, to be a Member of the Board of Directors of the Corporation for Public Broadcasting for the remainder of the term expiring January 31, 2004.

Cheryl Feldman Halpern, of New Jersey, to be a Member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring January 31, 2008.

DEPARTMENT OF THE TREASURY

Arnold I. Havens, of Virginia, to be General Counsel for the Department of the Treasury.

OFFICE OF SPECIAL COUNSEL

Scott J. Bloch, of Kansas, to be Special Counsel, Office of Special Counsel, for the term of five years.

FEDERAL DEPOSIT INSURANCE CORPORATION

Thomas J. Curry, of Massachusetts, to be a Member of the Board of Directors of the Federal Deposit Insurance Corporation for a term of six years.

FEDERAL HOUSING FINANCE BOARD

Alicia R. Castaneda, of the District of Columbia, to be a Director of the Federal Housing Finance Board for a term expiring February 27, 2004.

Alicia R. Castaneda, of the District of Columbia, to be a Director of the Federal Housing Finance Board for a term expiring February 27, 2011.

THE JUDICIARY

Lawrence B. Hagel, of Virginia, to be a Judge of the United States Court of Appeals for Veterans Claims for the term prescribed by law.

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

David Eisner, of Maryland, to be Chief Executive Officer of the Corporation for National and Community Service.

Carol Kinsley, of Massachusetts, to be a Member of the Board of Directors of the Corporation for National and Community Service for a term expiring October 6, 2006.

Read Van de Water, of North Carolina, to be a Member of the National Medication Board for a term expiring July 1, 2006.

NATIONAL MEDIATION BOARD

Read Van de Water, of North Carolina, to be a Member of the National Medication Board for a term expiring July 1, 2006.

DEPARTMENT OF LABOR

Steven J. Law, of the District of Columbia, to be Deputy Secretary of Labor, vice Donald Cameron Findlay, resigned.

DEPARTMENT OF STATE

David C. Mulford, of Illinois, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to India.

James C. Oberwetter, of Texas, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Saudi Arabia.

EXPORT-IMPORT BANK

Joseph Max Cleland, of Georgia, to be a Member of the Board of Directors of the Export-Import Bank of the United States for a term expiring January 20, 2007.

April H. Foley, of New York, to be First Vice President of the Export-Import Bank of the United States for the remainder of the term expiring January 20, 2005.

Mr. HATCH. Mr. President, I stand today in strong support of D. Michael Fisher, who has been nominated to serve for the U.S. Court of Appeals for the Third Circuit. Let me speak briefly about his background and the reasons I endorse his confirmation.

Attorney General Fisher has extensive legislative experience, having served for 22 years in the Pennsylvania General Assembly. He has also practiced in civil litigation for close to 20 years. Parenthetically, I would note my understanding that Attorney General Fisher's first law office was across the hall from my law office in Pittsburgh—the 9th floor of the Frick Building—in 1970. Since 1997, Attorney General Fisher has served as Pennsylvania Attorney General and he has been a great leader. He coauthored Pennsylvania's Megan's Law; he supported the passage of a State DNA postconviction statute; and he helped negotiate the landmark national tobacco settlement.

Attorney General Fisher's nomination is widely supported. His endorsers include Democratic Pennsylvania Governor Edward Rendell, the bipartisan 19-member Pennsylvania delegation to the U.S. House of Representatives, Pennsylvania State legislators, the Pennsylvania District Attorneys Association, and the Pennsylvania Trial Lawyers Association. He is also fully endorsed by serving attorneys general from across the country. The former attorney general of Tennessee, Charles W. Burson, who also served as legal counsel for former Vice President Gore, has written in support of Attorney General Fisher's nomination: "While [Attorney General Fisher] and I may differ on particular issues, I am certain that as a Federal Appellate Judge, he will deliberately, and with an even hand, apply the law to the facts and render sound judgments."

I cannot recall seeing such a range of support for a judicial nominee as Attorney General Fisher enjoys. It is truly impressive and speaks well of him.

I will support Attorney General Fisher's confirmation, and I urge my colleagues to do the same.

Mr. LEAHY. Mr. President, I am troubled today that the Senate is proceeding to a vote on the nomination of D. Michael Fisher to a lifetime appointment to the U.S. Court of Appeals for the Third Circuit, when there is an open verdict against him in a Federal civil rights case. While Mr. Fisher has considerable bipartisan support, it is unfortunate that the committee vote, and now the Senate vote, on his nomination could not have at least waited for the district court judge in the pending civil rights case to rule on Mr. Fisher's motion challenging the jury verdict against him.

Over the course of this year in the Judiciary Committee, we have seen a number of firsts. At the first nominations hearing of the year, for the first time ever, Republicans unilaterally scheduled three controversial circuit court nominees at one hearing contrary to a long-established agreement and practices of the committee. Then we saw Republicans declare that the longstanding committee rules protecting the rights of the minority would be broken when Rule IV was violated. A rule that was adopted 25 years ago—in order to balance the need to protect the minority members of the committee with the desire of the majority to proceed—was unilaterally reinterpreted to override the rights of the minority for the first time in our history. For the first time ever, this year, Republicans insisted on proceeding on nominations that the committee had previously voted upon and rejected after full and fair hearings and debate. Of course that followed the first ever resubmission by a President of the names of defeated nominees for appointment to those same judgeships.

Several other practices were reversed from when a Democratic President was making nominations in light of the Republican affiliation of the current President. This committee has proceeded on nominations that did not have the approval of both home-State Senators. Moreover, this committee altered its prior practice and overrode the objections of home-State Senators to vote on the nominations of Carolyn Kuhl in spite of the opposition of both home-State Senators. Then, in connection with a nomination to the circuit court from Michigan, this committee for the first time proceeded with a hearing in spite of the opposition of both home-State Senators.

The hearing on the nomination of Michael Fisher to the U.S. Court of Appeals for the Third Circuit was also unprecedented. Never before to my knowledge has a President nominated to a lifetime position on a Federal circuit court or this committee held a hearing on a judicial nominee with an outstanding jury verdict naming him as personally liable for civil rights violations. In February 2003, a Federal jury in the U.S. District Court for the Middle District of Pennsylvania found that Mr. Fisher and other high level officials of the Pennsylvania Office of the Attorney General violated the civil rights of two plaintiffs, former narcotics agents with the Bureau of Narcotics Investigation, BNI, in Philadelphia. Never before in the history of Federal judicial nominees of which I am aware, has a nominee ever come before this committee with an outstanding judgment against him for so serious a claim.

The jury verdict is so recent that the trial transcript was only delivered to the parties within the last several weeks, and so complex that even Mr. Fisher and his lawyers asked for extensions of time in order to complete their post-trial motions. Just 6 weeks ago, Mr. Fisher and the other defendants filed their brief in support of their motion for judgment as a matter of law or a new trial. Soon, the Federal district court trial judge will review the verdict against Mr. Fisher and make a decision on Mr. Fisher's motion. If the jury verdict is sustained by the district court judge, an appeal would lie to the very court to which Mr. Fisher has been nominated. Mr. Fisher has indicated that he intends to pursue all appellate options if the verdict is not reversed. These, too, appear to be unique circumstances.

Accordingly, this is a most unusual vote today. As the administration and Republican majority have abandoned traditional practices and standards, we are being confronted with more and more difficulties. The few judicial nominations on which the Senate has withheld a final vote this year have each presented extraordinary circumstances or nominees with extreme positions. During the years in which President Clinton was in the White House, Republicans attempted a number of filibusters and, when they were in the majority, successfully prevented votes on more than 60 judicial nominees, including a number of nominees to the Federal courts in Pennsylvania.

At Mr. Fisher's hearing, I indicated that I had not yet reached a determination about his nomination but was troubled by the jury verdict. I have now reviewed the trial transcript and materials from the civil rights case. Mr. Fisher has been found liable by a jury for violating the constitutional rights of his employees. Mr. Fisher testified at trial that he had knowledge of and approved of the actions found by the jury to be retaliatory. The jury found that he acted maliciously or wantonly and awarded the plaintiffs punitive damages. We should all be concerned about his ability to protect the constitutional rights of plaintiffs who may enter his courtroom. The trial court judgment is a significant piece of information in order for us to evaluate Mr. Fisher's qualifications to a lifetime appointment on the federal bench. In all due respect to my friends on the other side of the aisle, I do not think that the courts or the American people gain by rushing the nomination through.

In addition to the pending civil rights judgment against him, I am concerned about other aspects of Mr. Fisher's record. He authored Pennsylvania's death penalty legislation as a State representative and has opposed placing a moratorium on the death penalty in Pennsylvania. He reiterated at his hearing and in response to my written questions that he does not believe that there is racial discrimination in the application of the death penalty in Pennsylvania or that innocent people are being sentenced in capital cases, despite repeated evidence to the contrary. I would like to take this opportunity to urge Mr. Fisher to take seriously the imposition of the death penalty and to do what he can to ensure that the death penalty is applied fairly.

Mr. Fisher has also indicated his opposition to gay rights and has advocated against benefits for same-sex partners. Mr. Fisher, however, has assured the committee that he would follow Supreme Court precedent recognizing that gays and lesbians have a constitutional right to be free from government intrusion into their private lives. I am hopeful that Mr. Fisher will be a person of his word: that he will follow the law and not seek out opportunities to overturn precedent or decide cases in accord with his private beliefs rather than his obligations as a judge. I also sincerely hope that Mr. Fisher will treat all those who appear before him with respect, and will not abuse the power and trust of his position.

The Senate has already confirmed two of President Bush's nominees to the Third Circuit, including one controversial circuit court nominee from Pennsylvania who had broken his promise to the committee about his membership in a discriminatory club. Yet, with Democratic support, the Senate has already confirmed 13 Federal district court nominees from Pennsylvania and 19 district court nominees in the Third Circuit.

A look at the Federal judiciary in Pennsylvania indicates that President Bush's nominees have been treated fairly and far better than President Clinton's. This treatment is in sharp contrast to the way vacancies in Pennsylvania were kept vacant during Republican control of the Senate when President Clinton was in the White House.

Despite the best efforts and diligence of the senior Senator from Pennsylvania, Senator SPECTER, to secure the confirmation of all of the judicial nominees from every part of his home state, there were 10 nominees by President Clinton to Pennsylvania vacancies who never got a vote: Patrick Toole, John Bingler, Robert Freedberg, Lynette Norton, Legrome Davis, David Fineman, David Cercone, Harry Litman, Stephen Lieberman, and Robert Cindrich to the Third Circuit. Despite how well-qualified these nominees were, they were never considered by the Senate, many waited more than a year for action.

Just last month, the Senate voted to confirm another nominee from Pennsylvania whose record raised serious concerns the nomination of Thomas Hardiman to the U.S. District Court for the Western District of Pennsylvania. That nominee came to us with no judicial experience, a relatively small amount of litigation experience and very low peer-review ratings by both the American Bar Association and the local Allegheny County Bar Association. Far too many of this President's judicial nominees seem to have similarly troubling records. In fact, 26 of this President's judicial nominees have earned partial or majority "Not Qualified" ratings from the ABA. Certainly, the citizens of Pennsylvania deserve a well-qualified judiciary to hear their important legal claims in federal court.

Unfortunately, Mr. Fisher's record—particularly the outstanding Federal civil rights verdict against him—raises concerns, just as the record of far too many of President Bush's judicial nominees. Yet, I have great respect for the senior Senator from Pennsylvania and appreciate his efforts to help shepherd the White House's nomination through the Senate. I have also heard from a number of other supporters of Mr. Fisher whose opinions I value that they believe him qualified to serve as a judge of the Third Circuit. He does have significant experience as an attorney, formerly serving as an Assistant District Attorney, as an attorney in private practice for over 27 years, and in the Pennsylvania General Assembly for 22 years. We are, again, treating this President's judicial nominees far more fairly than Republicans treated President Clinton's judicial nominees.

NOMINATION OF JAMES B. COMEY

Mr. HATCH. Mr. President, I am pleased that the Senate today confirmed James B. Comey as the Deputy Attorney General. James Comey brings a wealth of experience and perspective as a line prosecutor, as a manager in the U.S. Attorney's Office for the Eastern District of Virginia, and most recently as the U.S. attorney for the Southern District of New York. His record demonstrates that he is a leader, one who can inspire others to accomplish great things, and one who can oversee and manage an organization such as the Justice Department.

With the recent departure of Larry Thompson, who was a fine Deputy Attorney General, I am sure everyone shares my view that Mr. Comey has very big shoes to fill. However, I am confident that he is the right person for the job. His impressive background and past government service make me confident that he will be a great asset to the Department of Justice, the Judiciary Committee, and the American people.

The importance of the Deputy Attorney General within the Justice Department cannot be overstated. Over the years, the Deputy Attorney General's Office has played a greater role in overseeing the Department's operations, implementing new policy initiatives, and ensuring the effective enforcement of our criminal and civil laws.

A review of Mr. Comey's record establishes one simple fact—he is well qualified to serve as the Deputy Attorney General. Since January 2002, Mr. Comey has served as the U.S. attorney in the Southern District of New York, an office that many consider to be the premier U.S. Attorney's Office in the country. In the Southern District of New York, Mr. Comey has earned the respect of judges, defense counsel, and prosecutors for his professionalism, fairness and judgment. While serving as the U.S. attorney, Mr. Comey was responsible for leading his office in some of the more significant terrorism and white collar prosecutions.

Prior to assuming the position as the U.S. attorney, Mr. Comey served from 1996 to 2001, as managing assistant U.S. attorney, in charge of the Richmond Division of the U.S. Attorney's Office for the Eastern District of Virginia. From 1993 to 1996, Mr. Comey was an associate and later a partner at the law firm of McGuire Woods in Richmond, VA. Early in his career, from 1987 to 1993, Mr. Comey served as an assistant U.S. attorney in the Southern District of New York.

As a Federal prosecutor, Mr. Comey investigated and prosecuted a wide variety of cases, including firearms, narcotics, major frauds, violent crime, public corruption, terrorism, and organized crime. In the Eastern District of Virginia, he handled the Khobar Towers terrorist bombing case, arising out of the June 1996 attack of a U.S. military facility in Saudi Arabia in which 19 airmen were killed.

Mr. Comey was educated at William & Mary, B.S. with honors 1982, chemistry and religion majors, and the University of Chicago Law School, J.D. 1985. After law school, he clerked for then-U.S. District Judge John Walker in Manhattan.

Let me take one moment to highlight perhaps Mr. Comey's most important accomplishment. While serving his country in a variety of prosecutorial positions, he has demonstrated that he is a dedicated family man. He and his lovely wife, Patrice, are raising five wonderful children, ranging in age from 15 to as young as 3 years old.

Mr. Comey is a dedicated public servant, and a talented and well-respected prosecutor. He is uniquely qualified to lead as the Deputy Attorney General of the Justice Department.

Mr. DASCHLE. Mr. President, I am very pleased that we have been able to make what I consider real progress on the Executive Calendar. There is still work to be done, but I think this represents a very important compromise in the effort to try to find the bipartisan balance in these nominations that is key to success, regardless of the session or regardless of the Congress itself.

There are still many Democrats whose nominations are languishing either in the White House or in committee. It is troubling that we have had the difficulty, in many cases, that has precluded greater progress on those and other nominations over the course of the last several months. I hope, as we begin the second session of the Congress, we can expedite many of these nominees. I certainly will redouble our efforts to work with the White House and to accommodate whatever concerns they may have with regard to some nominations, and certainly with regard to their own list of nominees who ought to be considered in an expeditious way. So we will continue to work.

I hope the White House in particular recognizes the importance of reciprocity and the fact that the nominations must be a two-way street. Democratic and Republican nominations deserve expeditious consideration, and it would be a real opportunity to set that tone and to send that message as we consider the Executive Calendar again early next year.

I yield the floor.

Mr. FRIST. Mr. President, I wish to comment very briefly on the nominations. We have made real progress as we were able to clear the degree of nominations that we did. There are several district judges I would like to have cleared, but the understanding is that when we come back we will be able to address those very early on. That is the understanding we reached this afternoon. These judges are very important for us to address. We will be addressing those as soon as we come back.

ACCOMPLISHMENTS IN THE FIRST SESSION OF THE 108TH CONGRESS

Mr. FRIST. Mr. President, I want to talk a little bit about the 108th Congress because we are about to draw to a close once we complete some of the final paperwork. I think it is a good time for me to review just a bit of what we have been able to accomplish and what has been really a truly exceptional legislative session. People have worked very hard; they have stayed very focused, and I believe anyone looking back will have to say that over the last 11 months we really have been able to serve the American people well and, in many ways, capped by the historic enactment of the Medicare prescription drug bill just yesterday.

For the first time in the 40-year history of the Medicare Program, with which I am very familiar because of my profession before coming to the Senate, Medicare will offer prescription drug coverage, which is the most powerful tool in American medicine today. That will be offered to America's 40 million seniors and individuals with disabilities through the Medicare Program. It is a monumental achievement that I can stand before this body today and say we have accomplished with the signing of that Medicare bill yesterday.

America's seniors will also have, for the first time, the option under Medicare of choosing a health care plan, or the type of coverage that can best suit their individual needs. Everybody's individual needs are very different. We have moved Medicare in the direction that allows this sort of flexibility, the individual attention, the responsiveness to individual needs. The seniors and the individuals on disability will now have that choice. These are reforms. This is a modernization, a strengthening and improving of Medicare, but they are indeed reforms.

That is why I say this is a monumental piece of legislation. It is the most significant reform since the beginning of that program in 1965. Although there was a lot of what I guess you could call partisanship expressed in the development of the bill, it was healthy debate on both sides; and ultimately the bill was generated by the hard work and dedication of both sides of the aisle.

I thank my fellow Senators, my colleagues, for their leadership and praise them for stepping forward and addressing an issue that so directly impacts the 40 million seniors and the almost 80 million baby boomers who will be coming through over the next 30 years.

It is that responsiveness, with action and with solutions, that indeed makes me proud as a Senator, and especially as majority leader of the Senate. It is an honor to be able to go back to the American people and say we delivered. It is not perfect. Everybody knows it is not perfect. But we delivered on what affects your lives in terms of your needs and in a way that is reflective of the tremendous talent in this body.

Back in January, we set an ambitious agenda. We said we needed to get the economy back on track; we needed to lend the critical support of this body to the war on terror; we needed to promote public health here as well as abroad. Most colleagues have heard me say that our mission under the current leadership is to move America forward and in a way that serves the cause of freedom and the cause of liberty. You can write it on a little card and carry it in your pocket. It is simple and easy to understand. That is what we collectively in this body set out to do—to expand freedom, to expand opportunity, to strengthen Americans' security.

Eleven months later, in looking back, we have done just that. We have made great strides on those goals, but it is sort of a halfway point. We set goals and we are moving toward them aggressively. We did so by respecting the longstanding Senate values of civility and trust—again, with healthy debate but civility and trust.

By building strong and reliable and dependable relationships, each of us is going to be able to go home and visit with our constituents and with the families, the people who elected us, and be proud of the accomplishments we have achieved over the last 11 months.

The year started out with us having to pass 12 of the 13 spending bills left undone by the previous Congress. We passed 11 of those bills in just the first 3 weeks. We also passed a budget to establish a blueprint of creating jobs, of investing in homeland security, of investing in education, of providing a Medicare prescription drug benefit and coverage, offering health insurance as well for America's children.

With that unfinished business of the last Congress complete, we turned our attention to the President's jobs and growth agenda. Indeed, working with the President and under the President's leadership and his vision, we passed $350 billion in tax relief this year which is the third largest tax relief package. The third largest tax cut in the history of this country this Congress passed. Everybody—all of my colleagues, people listening now, people who will read the CONGRESSIONAL RECORD in the next several days—everybody who is paying taxes pays less taxes today than they did 11 months ago.

It was across the board. Yes, it was capital gains; it was affecting the marginal rates as well across the board. Mr. President, 136 million hard-working taxpaying Americans had their taxes cut. It did focus on families as well. We increased the child tax credit from $600 per child to $1,000 per child. We accomplished that this year.

A lot of people don't realize those rebate checks were sent out immediately and, as a result, this summer 25 million families received checks from the U.S. Treasury of up to $400 per child, going from $600 to $1,000, and an additional check of $400. In total, we returned 13.7

billion tax dollars to families all across the country. That was just the start.

Under that Jobs and Growth Act of 2003, a family of 4 making $40,000 will see their taxes reduced by $1,130 this year. Of the overall $350 billion in tax cuts in fiscal relief, the bulk of it was moved forward, and nearly $200 billion, fully 60 percent, is provided this year and next.

There have been critics of the tax cut. Some say $1,300 is not a lot of money you are returning; $1,300 is just not a lot; that is not going to make a big difference in somebody's life; and it wouldn't make a big difference if the bureaucrats took it away again. Tell that to the families working hard every day to raise children in this day and time, those families who are working hard to pay those household expenses. They are working hard just to have a little bit of money to take their family on vacation.

I can almost guarantee that the U.S. Treasury didn't get a flurry of checks in the mail from families who said: No, I don't need that check you just sent me; no, America's families can use it. And they did use it.

Small business owners, as well, got a major boost from the tax package. Mr. President, 23 million small business owners who pay taxes at the individual rates saw their taxes lowered. We quadrupled the expense deduction for small business investment. It had a huge impact. We receive e-mails and letters every week about the impact this single issue, this expense deduction has for small business investment.

I think we all know small business owners are the engine of growth; they are the heart of the American marketplace. Workers and consumers depend on that small business sector to generate jobs, products, and services. Small business innovators create as much as 60 percent to as high as 80 percent of new jobs nationwide, and they generate more than 50 percent of the gross domestic product of this country. By cutting taxes and by encouraging investment, we are helping unleash a tremendous economic power in this country: the economic power of individuals working together in their small businesses.

Taken together, this year's tax cut and the tax cuts of 2001 are providing an astonishing $1.7 trillion in tax relief over the next decade. We are beginning to see the results. We have already seen those results. We are right now in the midst of a strong economic recovery. Again, compared to 11 years ago, the jobs and growth package, the unleashing of the potential of small business and midsize and large business, of unleashing that individual hard work and spirit, we have an economic recovery.

Consumers today have more money in their pockets. Consumers' sentiment rose in November to the highest level since May 2002, and businesses, as well, are optimistic about the direction of the country, and with good cause.

Economic growth—again, I am comparing it to 11 months ago—economic growth in the third quarter soared—and that is the best word, "soared"—at an incredible rate of 8.2 percent. That is the largest third quarter increase since 1984, in just about 20 years.

There is more money in one's pockets; disposable income is up 7.2 percent for the third quarter, and consumer spending is up a whopping 6.6 percent, the biggest third quarter growth since 1988. This November, sales of previously owned homes hit their third highest level on record. The National Association of Realtors reports that previously owned home sales rose 3.6 percent to a record annual rate of nearly 7 million units in September. Meanwhile, housing starts are nearing a 17-year high. I should repeat that. Housing starts are nearing a 17-year high.

The association credits the phenomenal growth in home sales to "the powerful fundamentals that are driving housing markets: household growth, low interest rates, and an improving economy."

This is great news for America's families and, incidentally, for America's businesses. When a family buys a home, their purchase not only benefits a community, it sets off a whole chain of purchases that help fuel the economy. They have to buy that living room furniture. They have to buy those kitchen appliances. They have to buy new beds and new curtains. They buy that washer and dryer. All of this is reflected in these new housing starts. Many related industries benefit from one family's momentous and gratifying decision to do what all of us envision as the American dream, and that is to buy a home.

Not only is individual consumption up, but the business sector is showing impressive signs of recovery. Nonresidential recovery is up 10 percent, business investment went up 11.1 percent in the third quarter, and productivity soared by 8.1 percent, its highest level in 20 years.

Businesses are rebuilding their inventories, and they are retooling their factories. And all of this economic activity ultimately leads to jobs. Indeed, the labor market appears to be stabilizing, and the economy is finally providing Americans with those much needed jobs.

Over the past 3 months, 286,000 new jobs came on line. In October alone, 126,000 jobs were added. Meanwhile, since the initial tax cut, initial claims for unemployment insurance have gone down more than 10 percent, and if we look just at the week ending November 1, unemployment claims hit a 34-month low.

Finally, there is good news for individual State treasuries. Their budget gap of nearly $20 billion at the beginning of the last fiscal year has now declined to a budget gap of less than $3 billion—$20 billion down to $3 billion for the beginning of this fiscal year. States are just beginning to see revenue surprises in their estimates.

Whether it is consumers or whether it is businesses, all are optimistic about America's economic direction. Inflation is low, interest rates are low, and American taxpayers have more of their hard-earned money to spend and to save as they choose. And they have more and more opportunities to secure the jobs they need.

This body will continue to champion fiscal policies that strengthen the economy and create jobs. We will also continue to pursue fair and free trade policies that increase consumer buying power, that stoke that economic furnace. I can list all sorts of examples, such as the free trade agreements we passed this year with Chile and Singapore. These and other policies, indeed, are maximizing freedom, are expanding the opportunity for every American—indeed, are moving America forward in a way that serves the cause of liberty.

That leads me to national security. Our mission to expand freedom and opportunity applies not just to our economy but to national security as well. We know that freedom cannot find its fullest expression under a threat of terror. Likewise, terror cannot spread where freedom reigns. This is why this year America took the extraordinary action of toppling Saddam Hussein and his terrorist-sponsoring regime.

In 3 short weeks, men and women of the United States military, with the support of 49 nations, swept into Baghdad, ending three decades of ruthless rule and terror. In the months since, our soldiers have worked tirelessly. Our thoughts and prayers are with them as we enter this new holiday season. They have worked and continue to work under dangerous conditions.

They are working with that focus of helping the Iraqi people build a democracy. Our soldiers have rebuilt schools. They have rebuilt hospitals. They have rebuilt electrical grids, pipelines, and roads. They are training the Iraqi police forces to patrol the streets and to hunt down terrorists. Every day our troops are helping the people of Iraq and Afghanistan move forward, becoming free and open societies. To support their efforts, this body acted. We passed the President's $87 billion war supplemental this year. We did so because we recognized that investing in the future of Iraq and Afghanistan is an investment in our security.

September 11 taught us a really cruel lesson. We learned that we cannot wait in this country while storms gather. As the President said, the Middle East region will either become a place of progress and peace or it will remain a source of violence and terror. I repeat that quotation: The Middle East region will either become a place of progress and peace or it will remain a source of violence and terror.

This year, we in the Senate took bold action to support the war on terror because we are determined that progress and peace take root. The Middle East is not the only region where we are working to bring stability. In this session, in this body, we passed the Burmese Freedom Act and the Clean Diamond Act to promote peace and freedom. We also took the historic action of dedicating $15 billion to drive back, to fight, and to eventually eradicate the HIV/AIDS virus. That little virus that I have talked a lot about on this floor did not exist, as far as we knew, until the early 1980s, which is not that long ago. Since that period in time, that little virus has killed a million people, killed 5 million people, killed 10 million people, killed 15 million people, killed 23 million people over the last 20 years.

As a physician, as one who participates in medical mission trips to Africa—indeed, around the world, but predominantly to Africa—on a regular basis, I am especially gratified by this body demonstrating its compassion on this issue. Millions of lives have been cut short by this scourge, and we responded. It is a new problem around the world and it is a problem that we, following the leadership of the President of the United States, are addressing with the full might and power and boldness of this body.

Countries have lost whole midsections and swaths of their population. In my trip to parts of Africa, we took a Senate delegation into August and September of this year and we saw this whole midsection of a population where, yes, there are young people running around but they have lost their parents and there are older people who are typically grandparents but the whole midsection of a population has literally been wiped out. I have said it many times, and I will continue to say it because we need to make Americans aware, that to my mind HIV/AIDS is the greatest moral, humanitarian, and public health challenge of the last 100 years.

The good news is that this body has responded. By passing the global HIV/AIDS bill, we are helping to prevent 7 million new infections, provide antiretroviral drugs for 2 million HIV-infected people, care for 10 million HIV-infected people and AIDS orphans, and bring hope to millions of people around the world. Our leadership serves as an example for every government in the world today.

It is not just in Africa. Actually, the fastest growing rates are not in Africa. We see it in elements of the Caribbean and we see it in Russia. Just a few minutes ago, I had the opportunity to meet with the Premier of China, and we were talking about HIV/AIDS. It is really unprecedented. I cannot help but think that the President of the United States, with the leadership in this body and the House of Representatives, has contributed to that global understanding, that global leadership, which will allow us eventually to reverse the tide of destruction of this virus.

Our work in passing this critical legislation does demonstrate that the United States of America places a high value on life. We have responded. We have a lot more to do in this regard, but we have responded with that boldness. History will judge how we responded, and in this Congress we have responded in that bold fashion. We have taken the necessary actions.

We have also addressed other sorts of life-related issues in this Congress. We have made the right choice to end that morally reprehensible practice of partial-birth abortion. This body and the House and various administrations have talked about outlawing this objectionable—I would say abominable—procedure, but we delivered. This body delivered and no longer, as I stand here, is that practice of partial-birth abortion legal. Eleven months ago, it was legal; it was performed and unnecessary lives were taken. Today, it is against the law. We did it, I should say, with an overwhelming majority in this body. We voted to end this immoral and medically unnecessary procedure and say yes to life.

This Senate can be proud of many strides taken in the 108th Congress to protect those most vulnerable among us. Again, I add that partial-birth abortion really demonstrates that. In addition, there was other legislation, such as Amber Alert. In January, we passed legislation to establish the National Amber Alert. Law enforcement now—and they did not have it at the beginning of this year—has another tool to work with the public. Governments and law enforcement can now work together to be able to find missing children.

Another example: In June of this year, we passed legislation to protect the victims of child abuse. We also voted to extend welfare reform to help lift families out of poverty. There was Medicare reform, jobs and growth tax cuts, the Iraqi war supplemental, the global HIV/AIDS bill.

In January, we set our sights high, and I would argue that we exceeded expectation. We are moving America forward, and we will continue to do so in the coming months because there is a lot more to do.

I go through this sort of partial discussion of what we have accomplished in terms of jobs and growth, health care, the value of life issues, and global HIV/AIDS in part to reflect. It is important for our colleagues because we have been working pretty hard, we have been going pretty much nonstop, especially over the last couple of months, and I do want to encourage our colleagues to look back and say that, yes, we are making progress, but there is much to be done.

I do want to really just project out a little bit about where I think we will be going in the next Congress as we come back in January.

We will build on the success of this year's appropriations process and we will tackle all 13 appropriations bills so that Government can perform its basic function to serve the people. Beyond appropriations, we still must pass a comprehensive energy plan. We have been debating national energy and national energy policy for 3 years. During the last Congress, we spent a total of 7 weeks debating energy on the Senate floor. In this Congress we spent more time debating energy than any other bill. More time than any other bill we debated energy on this floor. Yet despite all this time devoted to debate, there still remains a small contingent, a minority in this body I should add, that continues to obstruct progress. While this small group insists on yet more debate, national gas prices keep rising to even higher levels.

U.S. chemical companies are closing plants. They are laying off workers. They are looking to expand production abroad because of high energy prices. The United States is expected to import approximately $9 billion more in chemicals than it exports this year. American consumers are getting hit with higher electric bills and small businesses are struggling to contain costs, all because of rising energy prices.

So we have to pass an energy plan, and we will pass an energy plan when we return. Not only will the energy plan lower prices, it will save jobs and it will create thousands more. It is estimated the energy package will create half a million jobs. The Alaskan pipeline alone will create at least 400,000. The hundreds of millions of dollars that will be invested in research and development of new technologies will not only benefit the environment but will create new jobs in engineering, math, chemistry, physics, and science. We simply cannot allow the obstruction of a few in the Senate to continue to harm the interests of millions of Americans.

I do use that word "obstruction," and indeed I use it purposely because we saw it used to an alarming degree in this Congress, no more so than, as we demonstrated on this floor to the American people, now several weeks ago, in the consideration of the President's judicial nominees. Here obstruction has become a tool to undermine the democratic process itself. It, too, is a new problem.

For the last 200 years we have never seen the filibuster used to stop and to obstruct and to deny Senators an up-

or-down vote on Presidential nominees. A minority of Senators in this body today, this year, unlike in previous Congresses, is denying all 100 of us their constitutional duty—it is spelled out in the Constitution—to give advice and consent.

We took that opportunity, now, several weeks ago, to make it plain to the American people. Yes, we worked around the clock. We had the 40-hour debate. We held it in October on three of the President's judicial nominees, and after 40 hours of debate to fully consider the eminently qualified candidates for the bench, the minority refused to allow us that very simple request—not approval of them all but simply an up-or-down vote.

Yes, this is obstruction. It really can't be described as anything but obstruction, and I would argue plain partisan obstruction. It is something we will continue to fight and we will not give up until we can break that partisan obstruction which is new to this wonderful institution, and it is something we must take back to what has been both the tradition and the culture of the last 200 years.

When we return in January we will continue to press for the fair consideration of the President's judicial nominees. Again, the fair consideration—advice and consent, a simple vote. People can vote against or they can vote for, but just allow us to vote. As we pointed out several weeks ago, the democratic process itself, as enshrined in the United States Constitution, is at stake.

We will also continue, as we look forward, to press for policies that expand and strengthen our economy. This session we did pass, as I outlined, smart, progrowth fiscal policy, and we are already beginning to see those results. But there is still a lot more to do. We have to address, and we will address in the next year, the frivolous lawsuits that we all know are clogging our State courts. They are unnecessarily wasting our taxpayer dollars, and that gets reflected in inhibiting, almost straitjacketing businesses, especially small businesses. It straightjackets that entrepreneurial spirit that we know bubbles underneath here in the United States of America. It is that entrepreneurial spirit; it is that innovation and creativity that creates jobs. Yet we have a tort system, mainly reflected in these frivolous lawsuits, which keeps it contained, keeps it trapped.

In my own area of medicine, for the first time in a long period of time this past summer we addressed the medical liability issues with a freestanding bill. It is going to come back and it is going to keep coming back until we solve this unnecessary problem which affects access to care, to quality care, as we see trauma centers closing, as we see obstetricians no longer delivering babies. Again, it is a problem that can be reversed, and in this body we have a responsibility to reverse it. And we will. America is a country that values its citizens and we will return fairness to the litigation process.

We will also work to return fairness to the tax system. We will press for reforms to simplify ,the Tax Code. We will work to extend the tax credits passed in the Jobs and Growth Act. The work opportunity tax credit, for example, offers tax incentives to hire unemployed workers and welfare recipients. Not only is this smart, progrowth fiscal policy, it also is compassionate social action.

Fairness and compassion also demand that we permanently repeal the Federal death tax, the estate tax. Americans who work hard their whole lives, who save and who invest, who start those small businesses which become that engine of economic growth, those individuals who contribute to America's economic vibrancy, simply should not be punished for their success. That is what the death tax does. No son, no daughter should have to sell that family home to pay the death tax collector. It makes no sense, it is unfair, and it discourages productive economic activity. We will address it and ultimately we will win.

Compassion also demands that we turn our attention to fine-tuning the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. Since it was enacted 7 years ago, welfare reform has helped to lift millions and millions of families out of poverty. There are over 3.5 million fewer people living in poverty now than in 1995, a year before welfare reform was passed. Welfare caseloads have declined to one-half. When we return next year, we will look for ways to build on this success so that more families can have a fair chance at the American dream.

We will also address that important issue, and an issue, again, I talk a lot about, and that is the problem of the uninsured. The increasing number—again, you will see this body is beginning to address those areas, those problems where the problem is getting worse over time, and the uninsured is just that area. It is an increasing number of uninsured, people without health insurance. Clearly, this problem represents one of the most daunting policy challenges facing our Nation.

As a physician, I saw firsthand how the lack of insurance, the lack of coverage, puts forth the significant barriers to quality health care, including such things as basic as preventive services. The lack of affordable health coverage is also one of the key factors contributing to health care disparities among minorities among other medically underserved populations. I asked my colleague the Senator from New Hampshire, Mr. JUDD GREGG, to lead the Senate Republican task force on this pressing issue, the uninsured. He will report back with a series of recommendations for modification, for strengthening, for reform next year.

Next year we will also continue our efforts to improve America's public educational system. We are committed to improving Head Start to make sure that Head Start children enter school with the same tools and the same skills as their economically advantaged peers. We are also committed to expanding access to college education for every American student who seeks it, and for special education students we will work to pass comprehensive legislation that protects their educational rights as well.

Education, as we all know, is the heart and soul of America's success. Our abundance, civic life, and democracy demand and depend directly on a thriving and educated citizenry.

Education, the uninsured, tax policy, welfare reform, litigation reform, judicial nominees, energy, and appropriations are just some of the challenging issues we will be addressing next year. I am confident that next year, just as this year, we will be able to meet ambitious goals.

In closing, each day that I have the opportunity to walk into this great institution, I am humbled. Indeed, I am inspired. I am humbled mostly by the great men and women who have come before and inspired by their example. In his 1862 address to Congress, President Lincoln told the assembled legislators that "America is the world's last best hope." Those words have never ever been truer than they are today. I am confident that we will face the challenges ahead with honor and with courage for the simple reason that we are Americans.

I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. FRIST. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTELLECTUAL PROPERTY RIGHTS

Mr. FRIST. Mr. President, I had the opportunity to take my wife Karyn to the Kennedy Center Honors, which is an annual tradition here. It is really a remarkable evening—a 2-day event—where America celebrates cultural icons. Most of them have been recognized before. But in that special gathering and in that beautiful building, the Kennedy Center, it takes on a really special meaning I think for us in this body, in the U.S. Congress, for those of us here in Washington, but indeed for people around the world as they see it replayed just after, I think, December 26.

While I was there, I couldn't help but to reflect as I watched one of country music's greats, Loretta Lynn, receive her honor. An issue that affects the State of Tennessee but indeed which affects people throughout the United States of America deals with intellectual property rights.

The State of Tennessee is known the world over for its vibrant musical heritage. It is the home of the Grand Ole Opry and the Country Music Hall of Fame. Indeed, Tennessee has produced some of the greatest popular pioneers of all time. Indeed, Tennessee has produced Elvis Presley, Johnny Cash, Loretta Lynn, Dolly Parton, and the list goes on. Those who grew up in Nashville had that opportunity to go by on a regular basis and experience the music at the wonderful Ryman Auditorium, where the Grand Ole Opry was housed for so many years.

In the next few weeks, we will have the pleasure of hearing renditions of many of these artists with their Christmas carols played over the airwaves all across this country and even all across this globe, in shopping malls just about everywhere the holidays are celebrated.

The music community that creates these opportunities and this joy is being threatened. In these closing minutes, I bring that to the attention of my colleagues. It is being threatened by those who love it so much, who appreciate it so much; that is, the millions of people who are downloading billions of illegal music files.

I have had the privilege of meeting diverse groups of leaders from the music community on several occasions, but the focus has been to discuss the effects of piracy on the music industry. It is huge. It is far reaching. It is the artist, it is the record companies, it is the performing rights organizations, it is the publishers. The bottom line is clear: Piracy is greatly impacting the music community. The situation is, indeed, growing worse. Online music piracy is out of control.

Currently, every month, 2.6 billion music files are downloaded illegally using peer-to-peer networks. It is not unusual for albums to show up on the Internet before they make it to the record stores. The music industry is losing $4 billion a year to piracy, and that dollar figure is growing every day. Most alarming, there is an entire generation of young Americans who believe that downloading online music is acceptable, it is the norm, it is legal, like being your own personal DJ without ever having to buy a CD.

Piracy affects more than just the music industry. It affects that larger element of intellectual property. It includes the movie industry, it includes the software industry. Indeed, the numbers are staggering. According to a report released by the International Intellectual Property Alliance, U.S. copyright industries—and that includes music, movies, books, and software—contributed $535 billion to the U.S. economy in 2001. They collectively employ over 4.7 million workers. They generate almost $900 billion in foreign sales, making intellectual property one of our largest exports.

Other countries often do not respect our copyright laws. They allow mass copying of music and other works. For example, it is estimated that an astounding 92 percent of business software used in China is pirated. In my travels to Asia several months ago, I directly stressed the importance of protecting our copyright laws to the leaders of China and Taiwan and Korea, the countries I visited. Copyright pirating is costing our economy billions. As leaders, we must educate the public that illegally downloading music or copyrighted material is stealing, straight and simple. Most people would never steal a CD from Wal-Mart, but they do not think twice before burning a CD from illegally downloaded music. People forget that an artist's song is just like a baker's loaf of bread; it is their creation; it is their livelihood.

While the future of the music industry lies with the merging technology, the industry simply cannot survive if Internet piracy steals its value any more than a shop owner can survive having their inventory stolen from under him or her every week or a restaurant owner can afford in some way to serve meals for free.

Eventually, unabated piracy will dry up income. It drives away the creative spirit. It drives away artists. It destroys the enterprise of making recorded music. Fewer artists, less music. It is that simple. Less music on our airwaves, on the Internet, in the public square, any place you can think of where recorded music is played and enjoyed, including on your own Walkman when you jog or run. Piracy ends up hurting us all, music lovers and music creators alike.

I ask my colleagues to watch this issue closely. We can help educate the public about both the illegality of piracy and its effect on our economy and our creative culture. It is our responsibility to do so. And we can encourage consumers to download music from legitimate online fee services. There are several sites that are up and running, and I encourage the industry to continue to work hard to improve their online products to meet consumer demand. There is no better time to reflect on the impact of American recorded music than during these holidays. When we hear Bing Crosby's "White Christmas" or Duke Ellington's "Jingle Bells" or Burl Ives's "Rudolph the Red Nosed Reindeer," we are hearing not just another American Christmas classic but a part of America's creative legacy, the recorded music industry, one of our greatest exports to the world.

UNANIMOUS CONSENT AGREEMENT—EXECUTIVE CALENDAR

Mr. FRIST. As in executive session, I ask unanimous consent that the nomination of Rhonda Keenum of Mississippi to be Assistant Secretary of Commerce and Director General of the United States and Foreign Commercial Service, received on Tuesday, December 9, 2003, be jointly referred to the Committee on Commerce, Science, and Transportation and the Committee on Banking, Housing, and Urban Affairs.

The PRESIDING OFFICER. Without objection, it is so ordered.

REMOVAL OF INJUNCTION OF SECRECY—TREATY DOCUMENTS NOS. 108-13 and 108-14

Mr. FRIST. As in executive session, I ask unanimous consent that the injunction of secrecy be removed from the following treaties transmitted to the Senate on December 9, 2003, at 3:18 p.m., by the President of the United States: Additional Protocol to Investment Treaty with Romania (Treaty Document No. 108-13), and Taxation Convention with Japan (Treaty Document No. 108-14).

I further ask that the treaties be considered as having been read the first time, that they be referred with accompanying papers to the Committee on Foreign Relations in order to be printed, and that the President's messages be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The messages of the President are as follows:

ADDITIONAL PROTOCOL TO INVESTMENT TREATY WITH ROMANIA—TREATY DOC. 108-13

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Additional Protocol between the Government of the United States of America and the Government of Romania Concerning the Reciprocal Encouragement and Protection of Investment of May 28, 1992, signed at Brussels on September 22, 2003. I transmit also, for the information of the Senate, the report of the Department of State with respect to this Additional Protocol.

My Administration expects to forward to the Senate shortly analogous Additional Protocols for Bulgaria, the Czech Republic, Estonia, Latvia, Lithuania, Poland, and the Slovak Republic. Each of these Additional Protocols is the result of an understanding the United States reached with the European Commission and six countries that will join the European Union (EU) on May 1, 2004 (the Czech Republic, Estonia, Latvia, Lithuania, Poland, and the Slovak Republic), as well as with

Bulgaria and Romania, which are expected to join the EU in 2007.

The understanding is designed to preserve U.S. bilateral investment treaties (BITs) with each of these countries after their accession to the EU by establishing a framework acceptable to the European Commission for avoiding or remedying present and possible future incompatibilities between their BIT obligations and their future obligations of EU membership. It expresses the U.S. intent to amend the U.S. BITs, including the BIT with Romania, in order to eliminate incompatibilities between certain BIT obligations and EU law. It also establishes a framework for addressing any future incompatibilities that may arise as European Union authority in the area of investment expands in the future, and endorses the principle of protecting existing U.S. investments from any future EU measures that may restrict foreign investment in the EU.

The United States has long championed the benefits of an open investment climate, both at home and abroad. It is the policy of the United States to welcome market-driven foreign investment and to permit capital to flow freely to seek its highest return. This Additional Protocol preserves the U.S. BIT with Romania, with which the United States has an expanding relationship, and the protections it affords U.S. investors even after Romania joins the EU. Without it, the European Commission would likely require Romania to terminate its U.S. BIT upon accession because of existing and possible future incompatibilities between our current BIT and EU law.

I recommend that the Senate consider this Additional Protocol as soon as possible, and give its advice and consent to ratification at an early date.

GEORGE W. BUSH.

THE WHITE HOUSE, *December 9, 2003.*

TAXATION CONVENTION WITH JAPAN—TREATY DOC. 108–14

To the Senate of the United States:

I transmit herewith, for Senate advice and consent to ratification, the Convention between the Government of the United States of America and the Government of Japan for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income, signed at Washington on November 6, 2003, together with a Protocol and an exchange of notes (the "Convention"). I also transmit, for the information of the Senate, the report of the Department of State concerning the Convention.

This Convention would replace the Convention between the United States of America and Japan for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income, signed at Tokyo on March 8, 1971.

This Convention, which is similar to tax treaties between the United States and other developed nations, provides rules specifying the circumstances under which income that arises in one of the countries and is derived by residents of the other country may be taxed by the country in which income arises, providing for maximum source-country withholding tax rates that may be applied to various types of income and providing for protection from double taxation of income. The proposed Convention also provides rules designed to ensure that the benefits of the Convention are not available to persons that are engaged in treaty shopping. Also included in the proposed Convention are rules necessary for administering the Convention.

I recommend that the Senate give early and favorable consideration to this Convention, and that the Senate give its advice and consent to the ratification of the Convention.

GEORGE W. BUSH.

THE WHITE HOUSE, *December 9, 2003.*

APPOINTMENTS

The PRESIDING OFFICER. The Chair, on behalf of the Majority Leader, in consultation with the Democratic Leader and pursuant to Public Law 108–79, appoint the following individual: Guastavus Adolphus Puryear, IV, of Tennessee, to the National Prison Rape Reduction Commission for a term of 2 years.

The Chair, on behalf of the Democratic Leader, after consultation with the Majority Leader and pursuant to Public Law 108–79, appoints the following individuals to the National Prison Rape Reduction Commission: James Evan Aiken, of North Carolina, and Cindy Struckman-Johnson of South Dakota.

The Chair, on behalf of the Democratic Leader, pursuant to Public Law 108–132, appoints the following individuals to the Commission on Review of Overseas Military Facility Structure of the United States: Al Cornella, of South Dakota, and James A Thomson, of California.

AUTHORIZING COMMITTEES TO REPORT LEGISLATIVE AND EXECUTIVE MATTERS

Mr. FRIST. Mr. President, I ask unanimous consent that notwithstanding the Senate's adjournment, committees be authorized to report legislative and executive matters on Friday, January 9, 2004, from 10 a.m. to 12 noon.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZING APPOINTMENTS BY THE PRESIDENT OF THE SENATE, THE PRESIDENT OF THE SENATE PRO TEMPORE, AND THE MAJORITY AND MINORITY LEADERS

Mr. FRIST. Mr. President, I ask unanimous consent that notwithstanding the recess or adjournment of the Senate, the President of the Senate, the President of the Senate pro tempore, and the majority and minority leaders be authorized to make appointments to commissions, committees, boards, conferences, or interparliamentary conferences authorized by law, by concurrent action of the two Houses, or by order of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZING THE MAJORITY LEADER TO SIGN DULY ENROLLED BILLS OR JOINT RESOLUTIONS

Mr. FRIST. Mr. President, I ask unanimous consent that during the adjournment of the Senate, the majority leader be authorized to sign duly enrolled bills or joint resolutions.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENDING THE SPECIAL POSTAGE STAMP FOR BREAST CANCER RESEARCH

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. 2000, introduced earlier today by Senators FEINSTEIN and HUTCHISON.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 2000) to extend the special postage stamp for breast cancer research for 2 years.

There being no objection, the Senate proceeded to consider the bill.

Mr. FRIST. Mr. President, I ask unanimous consent that the bill be read three times and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 2000) was read the third time and passed, as follows:

S. 2000

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. 2-YEAR EXTENSION OF POSTAGE STAMP FOR BREAST CANCER RESEARCH.

Section 414(h) of title 39, United States Code, is amended by striking "2003" and inserting "2005".

SOCIAL SECURITY PROTECTION ACT OF 2003

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 349, H.R. 743.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 743) to amend the Social Security Act and the Internal Revenue Code of 1986 to provide additional safeguards for Social Security and Supplemental Security Income beneficiaries with representative payees, to enhance program protections, and for other purposes.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Finance, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following;

[Strike the part shown in black brackets and insert the part shown in italic.]

H.R. 743

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

[SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

[(a) SHORT TITLE.—This Act may be cited as the "Social Security Protection Act of 2003".

[(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title and table of contents.

TITLE I—PROTECTION OF BENEFICIARIES

Subtitle A—Representative Payees

Sec. 101. Authority to reissue benefits misused by organizational representative payees.
Sec. 102. Oversight of representative payees.
Sec. 103. Disqualification from service as representative payee of persons convicted of offenses resulting in imprisonment for more than 1 year or fleeing prosecution, custody, or confinement.
Sec. 104. Fee forfeiture in case of benefit misuse by representative payees.
Sec. 105. Liability of representative payees for misused benefits.
Sec. 106. Authority to redirect delivery of benefit payments when a representative payee fails to provide required accounting.

Subtitle B—Enforcement

Sec. 111. Civil monetary penalty authority with respect to wrongful conversions by representative payees.

TITLE II—PROGRAM PROTECTIONS

Sec. 201. Civil monetary penalty authority with respect to knowing withholding of material facts.
Sec. 202. Issuance by Commissioner of Social Security of receipts to acknowledge submission of reports of changes in work or earnings status of disabled beneficiaries.
Sec. 203. Denial of title II benefits to persons fleeing prosecution, custody, or confinement, and to persons violating probation or parole.
Sec. 204. Requirements relating to offers to provide for a fee a product or service available without charge from the Social Security Administration.
Sec. 205. Refusal to recognize certain individuals as claimant representatives.
Sec. 206. Penalty for corrupt or forcible interference with administration of Social Security Act.
Sec. 207. Use of symbols, emblems, or names in reference to social security or medicare.
Sec. 208. Disqualification from payment during trial work period upon conviction of fraudulent concealment of work activity.
Sec. 209. Authority for judicial orders of restitution.

TITLE III—ATTORNEY FEE PAYMENT SYSTEM IMPROVEMENTS

Sec. 301. Cap on attorney assessments.
Sec. 302. Extension of attorney fee payment system to title XVI claims.

TITLE IV—MISCELLANEOUS AND TECHNICAL AMENDMENTS

Subtitle A—Amendments Relating to the Ticket to Work and Work Incentives Improvement Act of 1999

Sec. 401. Application of demonstration authority sunset date to new projects.
Sec. 402. Expansion of waiver authority available in connection with demonstration projects providing for reductions in disability insurance benefits based on earnings.
Sec. 403. Funding of demonstration projects provided for reductions in disability insurance benefits based on earnings.
Sec. 404. Availability of Federal and State work incentive services to additional individuals.
Sec. 405. Technical amendment clarifying treatment for certain purposes of individual work plans under the Ticket to Work and Self-Sufficiency Program.

Subtitle B—Miscellaneous Amendments

Sec. 411. Elimination of transcript requirement in remand cases fully favorable to the claimant.
Sec. 412. Nonpayment of benefits upon removal from the United States.
Sec. 413. Reinstatement of certain reporting requirements.
Sec. 414. Clarification of definitions regarding certain survivor benefits.
Sec. 415. Clarification respecting the FICA and SECA tax exemptions for an individual whose earnings are subject to the laws of a totalization agreement partner.
Sec. 416. Coverage under divided retirement system for public employees in Kentucky.
Sec. 417. Compensation for the Social Security Advisory Board.
Sec. 418. 60-month period of employment requirement for application of government pension offset exemption.

Subtitle C—Technical Amendments

Sec. 421. Technical correction relating to responsible agency head.
Sec. 422. Technical correction relating to retirement benefits of ministers.
Sec. 423. Technical corrections relating to domestic employment.
Sec. 424. Technical corrections of outdated references.
Sec. 425. Technical correction respecting self-employment income in community property States.

[TITLE I—PROTECTION OF BENEFICIARIES

[Subtitle A—Representative Payees

[SEC. 101. AUTHORITY TO REISSUE BENEFITS MISUSED BY ORGANIZATIONAL REPRESENTATIVE PAYEES.

[(a) TITLE II AMENDMENTS.—

[(1) REISSUANCE OF BENEFITS.—Section 205(j)(5) of the Social Security Act (42 U.S.C. 405(j)(5)) is amended by inserting after the first sentence the following new sentences: "In any case in which a representative payee that—

["(A) is not an individual (regardless of whether it is a 'qualified organization' within the meaning of paragraph (4)(B)); or

["(B) is an individual who, for any month during a period when misuse occurs, serves 15 or more individuals who are beneficiaries under this title, title VIII, title XVI, or any combination of such titles;

misuses all or part of an individual's benefit paid to such representative payee, the Commissioner of Social Security shall certify for payment to the beneficiary or the beneficiary's alternative representative payee an amount equal to the amount of such benefit so misused. The provisions of this paragraph are subject to the limitations of paragraph (7)(B).".

[(2) MISUSE OF BENEFITS DEFINED.—Section 205(j) of such Act (42 U.S.C. 405(j)) is amended by adding at the end the following new paragraph:

["(8) For purposes of this subsection, misuse of benefits by a representative payee occurs in any case in which the representative payee receives payment under this title for the use and benefit of another person and converts such payment, or any part thereof, to a use other than for the use and benefit of such other person. The Commissioner of Social Security may prescribe by regulation the meaning of the term 'use and benefit' for purposes of this paragraph.".

[(b) TITLE VIII AMENDMENTS.—

[(1) REISSUANCE OF BENEFITS.—Section 807(i) of the Social Security Act (42 U.S.C. 1007(i)) (as amended by section 209(b)(1) of this Act) is amended further by inserting after the first sentence the following new sentences: "In any case in which a representative payee that—

["(A) is not an individual; or

["(B) is an individual who, for any month during a period when misuse occurs, serves 15 or more individuals who are beneficiaries under this title, title II, title XVI, or any combination of such titles;

misuses all or part of an individual's benefit paid to such representative payee, the Commissioner of Social Security shall pay to the beneficiary or the beneficiary's alternative representative payee an amount equal to the amount of such benefit so misused. The provisions of this paragraph are subject to the limitations of subsection (l)(2).".

[(2) MISUSE OF BENEFITS DEFINED.—Section 807 of such Act (42 U.S.C. 1007) is amended by adding at the end the following new subsection:

["(j) MISUSE OF BENEFITS.—For purposes of this title, misuse of benefits by a representative payee occurs in any case in which the representative payee receives payment under this title for the use and benefit of another person under this title and converts such payment, or any part thereof, to a use other than for the use and benefit of such person.

The Commissioner of Social Security may prescribe by regulation the meaning of the term 'use and benefit' for purposes of this subsection.".

[(3) TECHNICAL AMENDMENT.—Section 807(a) of such Act (42 U.S.C. 1007(a)) is amended, in the first sentence, by striking "for his or her benefit" and inserting "for his or her use and benefit".

[(c) TITLE XVI AMENDMENTS.—

[(1) REISSUANCE OF BENEFITS.—Section 1631(a)(2)(E) of such Act (42 U.S.C. 1383(a)(2)(E)) is amended by inserting after the first sentence the following new sentences: "In any case in which a representative payee that—

[''(i) is not an individual (regardless of whether it is a 'qualified organization' within the meaning of subparagraph (D)(ii)); or

[''(ii) is an individual who, for any month during a period when misuse occurs, serves 15 or more individuals who are beneficiaries under this title, title II, title VIII, or any combination of such titles;

misuses all or part of an individual's benefit paid to the representative payee, the Commissioner of Social Security shall pay to the beneficiary or the beneficiary's alternative representative payee an amount equal to the amount of the benefit so misused. The provisions of this subparagraph are subject to the limitations of subparagraph (H)(ii).".

[(2) EXCLUSION OF REISSUED BENEFITS FROM RESOURCES.—Section 1613(a) of such Act (42 U.S.C. 1382b(a)) is amended—

[(A) in paragraph (12), by striking "and" at the end;

[(B) in paragraph (13), by striking the period and inserting "; and"; and

[(C) by inserting after paragraph (13) the following new paragraph:

[''(14) for the 9-month period beginning after the month in which received, any amount received by such individual (or spouse) or any other person whose income is deemed to be included in such individual's (or spouse's) income for purposes of this title as restitution for benefits under this title, title II, or title VIII that a representative payee of such individual (or spouse) or such other person under section 205(j), 807, or 1631(a)(2) has misused.".

[(3) MISUSE OF BENEFITS DEFINED.—Section 1631(a)(2)(A) of such Act (42 U.S.C. 1383(a)(2)(A)) is amended by adding at the end the following new clause:

[''(iv) For purposes of this paragraph, misuse of benefits by a representative payee occurs in any case in which the representative payee receives payment under this title for the use and benefit of another person and converts such payment, or any part thereof, to a use other than for the use and benefit of such other person. The Commissioner of Social Security may prescribe by regulation the meaning of the term 'use and benefit' for purposes of this clause.".

[(d) EFFECTIVE DATE.—The amendments made by this section shall apply to any case of benefit misuse by a representative payee with respect to which the Commissioner makes the determination of misuse on or after January 1, 1995.

[SEC. 102. OVERSIGHT OF REPRESENTATIVE PAYEES.

[(a) CERTIFICATION OF BONDING AND LICENSING REQUIREMENTS FOR NONGOVERNMENTAL ORGANIZATIONAL REPRESENTATIVE PAYEES.—

[(1) TITLE II AMENDMENTS.—Section 205(j) of the Social Security Act (42 U.S.C. 405(j)) is amended—

[(A) in paragraph (2)(C)(v), by striking "a community-based nonprofit social service agency licensed or bonded by the State" in subclause (I) and inserting "a certified community-based nonprofit social service agency (as defined in paragraph (9))";

[(B) in paragraph (3)(F), by striking "community-based nonprofit social service agencies" and inserting "certified community-based nonprofit social service agencies (as defined in paragraph (9))";

[(C) in paragraph (4)(B), by striking "any community-based nonprofit social service agency which is bonded or licensed in each State in which it serves as a representative payee" and inserting "any certified community-based nonprofit social service agency (as defined in paragraph (9))"; and

[(D) by adding after paragraph (8) (as added by section 101(a)(2) of this Act) the following new paragraph:

[''(9) For purposes of this subsection, the term 'certified community-based nonprofit social service agency' means a community-based nonprofit social service agency which is in compliance with requirements, under regulations which shall be prescribed by the Commissioner, for annual certification to the Commissioner that it is bonded in accordance with requirements specified by the Commissioner and that it is licensed in each State in which it serves as a representative payee (if licensing is available in such State) in accordance with requirements specified by the Commissioner. Any such annual certification shall include a copy of any independent audit on such agency which may have been performed since the previous certification.".

[(2) TITLE XVI AMENDMENTS.—Section 1631(a)(2) of such Act (42 U.S.C. 1383(a)(2)) is amended—

[(A) in subparagraph (B)(vii), by striking "a community-based nonprofit social service agency licensed or bonded by the State" in subclause (I) and inserting "a certified community-based nonprofit social service agency (as defined in subparagraph (I))";

[(B) in subparagraph (D)(ii)—

[(i) by striking "or any community-based" and all that follows through "in accordance" in subclause (II) and inserting "or any certified community-based nonprofit social service agency (as defined in subparagraph (I)), if the agency, in accordance";

[(ii) by redesignating items (aa) and (bb) as subclauses (I) and (II), respectively (and adjusting the margination accordingly); and

[(iii) by striking "subclause (II)(bb)" and inserting "subclause (II)"; and

[(C) by adding at the end the following new subparagraph:

[''(I) For purposes of this paragraph, the term 'certified community-based nonprofit social service agency' means a community-based nonprofit social service agency which is in compliance with requirements, under regulations which shall be prescribed by the Commissioner, for annual certification to the Commissioner that it is bonded in accordance with requirements specified by the Commissioner and that it is licensed in each State in which it serves as a representative payee (if licensing is available in the State) in accordance with requirements specified by the Commissioner. Any such annual certification shall include a copy of any independent audit on the agency which may have been performed since the previous certification.".

[(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on the first day of the thirteenth month beginning after the date of the enactment of this Act.

[(b) PERIODIC ONSITE REVIEW.—

[(1) TITLE II AMENDMENT.—Section 205(j)(6) of such Act (42 U.S.C. 405(j)(6)) is amended to read as follows:

[''(6)(A) In addition to such other reviews of representative payees as the Commissioner of Social Security may otherwise conduct, the Commissioner shall provide for the periodic onsite review of any person or agency located in the United States that receives the benefits payable under this title (alone or in combination with benefits payable under title VIII or title XVI) to another individual pursuant to the appointment of such person or agency as a representative payee under this subsection, section 807, or section 1631(a)(2) in any case in which—

[''(i) the representative payee is a person who serves in that capacity with respect to 15 or more such individuals;

[''(ii) the representative payee is a certified community-based nonprofit social service agency (as defined in paragraph (9) of this subsection or section 1631(a)(2)(I)); or

[''(iii) the representative payee is an agency (other than an agency described in clause (ii)) that serves in that capacity with respect to 50 or more such individuals.

[''(B) Within 120 days after the end of each fiscal year, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on the results of periodic onsite reviews conducted during the fiscal year pursuant to subparagraph (A) and of any other reviews of representative payees conducted during such fiscal year in connection with benefits under this title. Each such report shall describe in detail all problems identified in such reviews and any corrective action taken or planned to be taken to correct such problems, and shall include—

[''(i) the number of such reviews;

[''(ii) the results of such reviews;

[''(iii) the number of cases in which the representative payee was changed and why;

[''(iv) the number of cases involving the exercise of expedited, targeted oversight of the representative payee by the Commissioner conducted upon receipt of an allegation of misuse of funds, failure to pay a vendor, or a similar irregularity;

[''(v) the number of cases discovered in which there was a misuse of funds;

[''(vi) how any such cases of misuse of funds were dealt with by the Commissioner;

[''(vii) the final disposition of such cases of misuse of funds, including any criminal penalties imposed; and

[''(viii) such other information as the Commissioner deems appropriate.".

[(2) TITLE VIII AMENDMENT.—Section 807 of such Act (as amended by section 101(b)(2) of this Act) is amended further by adding at the end the following new subsection:

[''(k) PERIODIC ONSITE REVIEW.—(1) In addition to such other reviews of representative payees as the Commissioner of Social Security may otherwise conduct, the Commissioner may provide for the periodic onsite-review of any person or agency that receives the benefits payable under this title (alone or in combination with benefits payable under title II or title XVI) to another individual pursuant to the appointment of such person or agency as a representative payee under this section, section 205(j), or section 1631(a)(2) in any case in which—

[''(A) the representative payee is a person who serves in that capacity with respect to 15 or more such individuals; or

[''(B) the representative payee is an agency that serves in that capacity with respect to 50 or more such individuals.

[“(2) Within 120 days after the end of each fiscal year, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on the results of periodic onsite reviews conducted during the fiscal year pursuant to paragraph (1) and of any other reviews of representative payees conducted during such fiscal year in connection with benefits under this title. Each such report shall describe in detail all problems identified in such reviews and any corrective action taken or planned to be taken to correct such problems, and shall include—

[“(A) the number of such reviews;

[“(B) the results of such reviews;

[“(C) the number of cases in which the representative payee was changed and why;

[“(D) the number of cases involving the exercise of expedited, targeted oversight of the representative payee by the Commissioner conducted upon receipt of an allegation of misuse of funds, failure to pay a vendor, or a similar irregularity;

[“(E) the number of cases discovered in which there was a misuse of funds;

[“(F) how any such cases of misuse of funds were dealt with by the Commissioner;

[“(G) the final disposition of such cases of misuse of funds, including any criminal penalties imposed; and

[“(H) such other information as the Commissioner deems appropriate.”.

[(3) TITLE XVI AMENDMENT.—Section 1631(a)(2)(G) of such Act (42 U.S.C. 1383(a)(2)(G)) is amended to read as follows:

[“(G)(i) In addition to such other reviews of representative payees as the Commissioner of Social Security may otherwise conduct, the Commissioner shall provide for the periodic onsite review of any person or agency that receives the benefits payable under this title (alone or in combination with benefits payable under title II or title VIII) to another individual pursuant to the appointment of the person or agency as a representative payee under this paragraph, section 205(j), or section 807 in any case in which—

[“(I) the representative payee is a person who serves in that capacity with respect to 15 or more such individuals;

[“(II) the representative payee is a certified community-based nonprofit social service agency (as defined in subparagraph (I) of this paragraph or section 205(j)(9)); or

[“(III) the representative payee is an agency (other than an agency described in subclause (II)) that serves in that capacity with respect to 50 or more such individuals.

[“(ii) Within 120 days after the end of each fiscal year, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on the results of periodic onsite reviews conducted during the fiscal year pursuant to clause (i) and of any other reviews of representative payees conducted during such fiscal year in connection with benefits under this title. Each such report shall describe in detail all problems identified in the reviews and any corrective action taken or planned to be taken to correct the problems, and shall include—

[“(I) the number of the reviews;

[“(II) the results of such reviews;

[“(III) the number of cases in which the representative payee was changed and why;

[“(IV) the number of cases involving the exercise of expedited, targeted oversight of the representative payee by the Commissioner conducted upon receipt of an allegation of misuse of funds, failure to pay a vendor, or a similar irregularity;

[“(V) the number of cases discovered in which there was a misuse of funds;

[“(VI) how any such cases of misuse of funds were dealt with by the Commissioner;

[“(VII) the final disposition of such cases of misuse of funds, including any criminal penalties imposed; and

[“(VIII) such other information as the Commissioner deems appropriate.”.

[SEC. 103. DISQUALIFICATION FROM SERVICE AS REPRESENTATIVE PAYEE OF PERSONS CONVICTED OF OFFENSES RESULTING IN IMPRISONMENT FOR MORE THAN 1 YEAR OR FLEEING PROSECUTION, CUSTODY, OR CONFINEMENT.

[(a) TITLE II AMENDMENTS.—Section 205(j)(2) of the Social Security Act (42 U.S.C. 405(j)(2)) is amended—

[(1) in subparagraph (B)(i)—

[(A) by striking “and” at the end of subclause (III);

[(B) by redesignating subclause (IV) as subclause (VI); and

[(C) by inserting after subclause (III) the following new subclauses:

[“(IV) obtain information concerning whether such person has been convicted of any other offense under Federal or State law which resulted in imprisonment for more than 1 year,

[“(V) obtain information concerning whether such person is a person described in section 202(x)(1)(A)(iv), and”;

[(2) in subparagraph (B), by adding at the end the following new clause:

[“(iii) Notwithstanding the provisions of section 552a of title 5, United States Code, or any other provision of Federal or State law (other than section 6103 of the Internal Revenue Code of 1986 and section 1106(c) of this Act), the Commissioner shall furnish any Federal, State, or local law enforcement officer, upon the written request of the officer, with the current address, social security account number, and photograph (if applicable) of any person investigated under this paragraph, if the officer furnishes the Commissioner with the name of such person and such other identifying information as may reasonably be required by the Commissioner to establish the unique identity of such person, and notifies the Commissioner that—

[“(I) such person is described in section 202(x)(1)(A)(iv),

[“(II) such person has information that is necessary for the officer to conduct the officer's official duties, and

[“(III) the location or apprehension of such person is within the officer's official duties.”;

[(3) in subparagraph (C)(i)(II), by striking “subparagraph (B)(i)(IV),” and inserting “subparagraph (B)(i)(VI)” and striking “section 1631(a)(2)(B)(ii)(IV)” and inserting “section 1631(a)(2)(B)(ii)(VI)”; and

[(4) in subparagraph (C)(i)—

[(A) by striking “or” at the end of subclause (II);

[(B) by striking the period at the end of subclause (III) and inserting a comma; and

[(C) by adding at the end the following new subclauses:

[“(IV) such person has previously been convicted as described in subparagraph (B)(i)(IV), unless the Commissioner determines that such certification would be appropriate notwithstanding such conviction, or

[“(V) such person is person described in section 202(x)(1)(A)(iv).”.

[(b) TITLE VIII AMENDMENTS.—Section 807 of such Act (42 U.S.C. 1007) is amended—

[(1) in subsection (b)(2)—

[(A) by striking “and” at the end of subparagraph (C);

[(B) by redesignating subparagraph (D) as subparagraph (F); and

[(C) by inserting after subparagraph (C) the following new subparagraphs:

[“(D) obtain information concerning whether such person has been convicted of any other offense under Federal or State law which resulted in imprisonment for more than 1 year;

[“(E) obtain information concerning whether such person is a person described in section 804(a)(2); and”;

[(2) in subsection (b), by adding at the end the following new paragraph:

[“(3) Notwithstanding the provisions of section 552a of title 5, United States Code, or any other provision of Federal or State law (other than section 6103 of the Internal Revenue Code of 1986 and section 1106(c) of this Act), the Commissioner shall furnish any Federal, State, or local law enforcement officer, upon the written request of the officer, with the current address, social security account number, and photograph (if applicable) of any person investigated under this subsection, if the officer furnishes the Commissioner with the name of such person and such other identifying information as may reasonably be required by the Commissioner to establish the unique identity of such person, and notifies the Commissioner that—

[“(A) such person is described in section 804(a)(2),

[“(B) such person has information that is necessary for the officer to conduct the officer's official duties, and

[“(C) the location or apprehension of such person is within the officer's official duties.”; and

[(3) in subsection (d)(1)—

[(A) by striking “or” at the end of subparagraph (B);

[(B) by striking the period at the end of subparagraph (C) and inserting a semicolon; and

[(C) by adding at the end the following new subparagraphs:

[“(D) such person has previously been convicted as described in subsection (b)(2)(D), unless the Commissioner determines that such payment would be appropriate notwithstanding such conviction; or

[“(E) such person is a person described in section 804(a)(2).”.

[(c) TITLE XVI AMENDMENTS.—Section 1631(a)(2)(B) of such Act (42 U.S.C. 1383(a)(2)(B)) is amended—

[(1) in clause (ii)—

[(A) by striking “and” at the end of subclause (III);

[(B) by redesignating subclause (IV) as subclause (VI); and

[(C) by inserting after subclause (III) the following new subclauses:

[“(IV) obtain information concerning whether the person has been convicted of any other offense under Federal or State law which resulted in imprisonment for more than 1 year;

[“(V) obtain information concerning whether such person is a person described in section 1611(e)(4)(A); and”;

[(2) in clause (iii)(II)—

[(A) by striking “clause (ii)(IV)” and inserting “clause (ii)(VI)”; and

[(B) by striking “section 205(j)(2)(B)(i)(IV)” and inserting “section 205(j)(2)(B)(i)(VI)”;

[(3) in clause (iii)—

[(A) by striking “or” at the end of subclause (II);

[(B) by striking the period at the end of subclause (III) and inserting a semicolon; and

[(C) by adding at the end the following new subclauses:

[“(IV) the person has previously been convicted as described in clause (ii)(IV) of this subparagraph, unless the Commissioner determines that the payment would be appropriate notwithstanding the conviction; or

[“(V) such person is a person described in section 1611(e)(4)(A).”; and

[(4) by adding at the end the following new clause:

[“(xiv) Notwithstanding the provisions of section 552a of title 5, United States Code, or any other provision of Federal or State law (other than section 6103 of the Internal Revenue Code of 1986 and section 1106(c) of this Act), the Commissioner shall furnish any Federal, State, or local law enforcement officer, upon the written request of the officer, with the current address, social security account number, and photograph (if applicable) of any person investigated under this subparagraph, if the officer furnishes the Commissioner with the name of such person and such other identifying information as may reasonably be required by the Commissioner to establish the unique identity of such person, and notifies the Commissioner that—

[“(I) such person is described in section 1611(e)(4)(A),

[“(II) such person has information that is necessary for the officer to conduct the officer's official duties, and

[“(III) the location or apprehension of such person is within the officer's official duties.”.

[(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on the first day of the thirteenth month beginning after the date of the enactment of this Act.

[(e) REPORT TO THE CONGRESS.—The Commissioner of Social Security, in consultation with the Inspector General of the Social Security Administration, shall prepare a report evaluating whether the existing procedures and reviews for the qualification (including disqualification) of representative payees are sufficient to enable the Commissioner to protect benefits from being misused by representative payees. The Commissioner shall submit the report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate no later than 270 days after the date of the enactment of this Act. The Commissioner shall include in such report any recommendations that the Commissioner considers appropriate.

[SEC. 104. FEE FORFEITURE IN CASE OF BENEFIT MISUSE BY REPRESENTATIVE PAYEES.

[(a) TITLE II AMENDMENTS.—Section 205(j)(4)(A)(i) of the Social Security Act (42 U.S.C. 405(j)(4)(A)(i)) is amended—

[(1) in the first sentence, by striking “A” and inserting “Except as provided in the next sentence, a”; and

[(2) in the second sentence, by striking “The Secretary” and inserting the following: “A qualified organization may not collect a fee from an individual for any month with respect to which the Commissioner of Social Security or a court of competent jurisdiction has determined that the organization misused all or part of the individual's benefit, and any amount so collected by the qualified organization for such month shall be treated as a misused part of the individual's benefit for purposes of paragraphs (5) and (6). The Commissioner”.

[(b) TITLE XVI AMENDMENTS.—Section 1631(a)(2)(D)(i) of such Act (42 U.S.C. 1383(a)(2)(D)(i)) is amended—

[(1) in the first sentence, by striking “A” and inserting “Except as provided in the next sentence, a”; and

[(2) in the second sentence, by striking “The Commissioner” and inserting the following: “A qualified organization may not collect a fee from an individual for any month with respect to which the Commissioner of Social Security or a court of competent jurisdiction has determined that the organization misused all or part of the individual's benefit, and any amount so collected by the qualified organization for such month shall be treated as a misused part of the individual's benefit for purposes of subparagraphs (E) and (F). The Commissioner”.

[(c) EFFECTIVE DATE.—The amendments made by this section shall apply to any month involving benefit misuse by a representative payee in any case with respect to which the Commissioner of Social Security or a court of competent jurisdiction makes the determination of misuse after 180 days after the date of the enactment of this Act.

[SEC. 105. LIABILITY OF REPRESENTATIVE PAYEES FOR MISUSED BENEFITS.

[(a) TITLE II AMENDMENTS.—Section 205(j) of the Social Security Act (42 U.S.C. 405(j)) (as amended by sections 101 and 102) is amended further—

[(1) by redesignating paragraphs (7), (8), and (9) as paragraphs (8), (9), and (10), respectively;

[(2) in paragraphs (2)(C)(v), (3)(F), and (4)(B), by striking “paragraph (9)” and inserting “paragraph (10)”;

[(3) in paragraph (6)(A)(ii), by striking “paragraph (9)” and inserting “paragraph (10)”; and

[(4) by inserting after paragraph (6) the following new paragraph:

[“(7)(A) If the Commissioner of Social Security or a court of competent jurisdiction determines that a representative payee that is not a Federal, State, or local government agency has misused all or part of an individual's benefit that was paid to such representative payee under this subsection, the representative payee shall be liable for the amount misused, and such amount (to the extent not repaid by the representative payee) shall be treated as an overpayment of benefits under this title to the representative payee for all purposes of this Act and related laws pertaining to the recovery of such overpayments. Subject to subparagraph (B), upon recovering all or any part of such amount, the Commissioner shall certify an amount equal to the recovered amount for payment to such individual or such individual's alternative representative payee.

[“(B) The total of the amount certified for payment to such individual or such individual's alternative representative payee under subparagraph (A) and the amount certified for payment under paragraph (5) may not exceed the total benefit amount misused by the representative payee with respect to such individual.”.

[(b) TITLE VIII AMENDMENT.—Section 807 of such Act (as amended by section 102(b)(2)) is amended further by adding at the end the following new subsection:

[“(l) LIABILITY FOR MISUSED AMOUNTS.—

[“(1) IN GENERAL.—If the Commissioner of Social Security or a court of competent jurisdiction determines that a representative payee that is not a Federal, State, or local government agency has misused all or part of a qualified individual's benefit that was paid to such representative payee under this section, the representative payee shall be liable for the amount misused, and such amount (to the extent not repaid by the representative payee) shall be treated as an overpayment of benefits under this title to the representative payee for all purposes of this Act and related laws pertaining to the recovery of such overpayments. Subject to paragraph (2), upon recovering all or any part of such amount, the Commissioner shall make payment of an amount equal to the recovered amount to such qualified individual or such qualified individual's alternative representative payee.

[“(2) LIMITATION.—The total of the amount paid to such individual or such individual's alternative representative payee under paragraph (1) and the amount paid under subsection (i) may not exceed the total benefit amount misused by the representative payee with respect to such individual.”.

[(c) TITLE XVI AMENDMENTS.—Section 1631(a)(2) of such Act (42 U.S.C. 1383(a)(2)) (as amended by section 102(b)(3)) is amended further—

[(1) in subparagraph (G)(i)(II), by striking “section 205(j)(9)” and inserting “section 205(j)(10)”; and

[(2) by striking subparagraph (H) and inserting the following:

[“(H)(i) If the Commissioner of Social Security or a court of competent jurisdiction determines that a representative payee that is not a Federal, State, or local government agency has misused all or part of an individual's benefit that was paid to the representative payee under this paragraph, the representative payee shall be liable for the amount misused, and the amount (to the extent not repaid by the representative payee) shall be treated as an overpayment of benefits under this title to the representative payee for all purposes of this Act and related laws pertaining to the recovery of the overpayments. Subject to clause (ii), upon recovering all or any part of the amount, the Commissioner shall make payment of an amount equal to the recovered amount to such individual or such individual's alternative representative payee.

[“(ii) The total of the amount paid to such individual or such individual's alternative representative payee under clause (i) and the amount paid under subparagraph (E) may not exceed the total benefit amount misused by the representative payee with respect to such individual.”.

[(d) EFFECTIVE DATE.—The amendments made by this section shall apply to benefit misuse by a representative payee in any case with respect to which the Commissioner of Social Security or a court of competent jurisdiction makes the determination of misuse after 180 days after the date of the enactment of this Act.

[SEC. 106. AUTHORITY TO REDIRECT DELIVERY OF BENEFIT PAYMENTS WHEN A REPRESENTATIVE PAYEE FAILS TO PROVIDE REQUIRED ACCOUNTING.

[(a) TITLE II AMENDMENTS.—Section 205(j)(3) of the Social Security Act (42 U.S.C. 405(j)(3)) (as amended by sections 102(a)(1)(B) and 105(a)(2)) is amended—

[(1) by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G), respectively; and

[(2) by inserting after subparagraph (D) the following new subparagraph:

[“(E) In any case in which the person described in subparagraph (A) or (D) receiving payments on behalf of another fails to submit a report required by the Commissioner of Social Security under subparagraph (A) or (D), the Commissioner may, after furnishing notice to such person and the individual entitled to such payment, require that such person appear in person at a field office of the Social Security Administration serving the area in which the individual resides in order to receive such payments.".

[(b) TITLE VIII AMENDMENTS.—Section 807(h) of such Act (42 U.S.C. 1007(h)) is amended—

[(1) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively; and

[(2) by inserting after paragraph (2) the following new paragraph:

["(3) AUTHORITY TO REDIRECT DELIVERY OF BENEFIT PAYMENTS WHEN A REPRESENTATIVE PAYEE FAILS TO PROVIDE REQUIRED ACCOUNTING.—In any case in which the person described in paragraph (1) or (2) receiving benefit payments on behalf of a qualified individual fails to submit a report required by the Commissioner of Social Security under paragraph (1) or (2), the Commissioner may, after furnishing notice to such person and the qualified individual, require that such person appear in person at a United States Government facility designated by the Social Security Administration as serving the area in which the qualified individual resides in order to receive such benefit payments.".

[(c) TITLE XVI AMENDMENT.—Section 1631(a)(2)(C) of such Act (42 U.S.C. 1383(a)(2)(C)) is amended by adding at the end the following new clause:

["(v) In any case in which the person described in clause (i) or (iv) receiving payments on behalf of another fails to submit a report required by the Commissioner of Social Security under clause (i) or (iv), the Commissioner may, after furnishing notice to the person and the individual entitled to the payment, require that such person appear in person at a field office of the Social Security Administration serving the area in which the individual resides in order to receive such payments.".

[(d) EFFECTIVE DATE.—The amendment made by this section shall take effect 180 days after the date of the enactment of this Act.

[Subtitle B—Enforcement

[SEC. 111. CIVIL MONETARY PENALTY AUTHORITY WITH RESPECT TO WRONGFUL CONVERSIONS BY REPRESENTATIVE PAYEES.

[(a) IN GENERAL.—Section 1129(a) of the Social Security Act (42 U.S.C. 1320a–8) is amended by adding at the end the following new paragraph:

["(3) Any person (including an organization, agency, or other entity) who, having received, while acting in the capacity of a representative payee pursuant to section 205(j), 807, or 1631(a)(2), a payment under title II, VIII, or XVI for the use and benefit of another individual, converts such payment, or any part thereof, to a use that such person knows or should know is other than for the use and benefit of such other individual shall be subject to, in addition to any other penalties that may be prescribed by law, a civil money penalty of not more than $5,000 for each such conversion. Such person shall also be subject to an assessment, in lieu of damages sustained by the United States resulting from the conversion, of not more than twice the amount of any payments so converted.".

[(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to violations committed after the date of the enactment of this Act.

[TITLE II—PROGRAM PROTECTIONS

[SEC. 201. CIVIL MONETARY PENALTY AUTHORITY WITH RESPECT TO KNOWING WITHHOLDING OF MATERIAL FACTS.

[(a) TREATMENT OF WITHHOLDING OF MATERIAL FACTS.—

[(1) CIVIL PENALTIES.—Section 1129(a)(1) of the Social Security Act (42 U.S.C. 1320a–8(a)(1)) is amended—

[(A) by striking "who" in the first sentence and inserting "who—";

[(B) by striking "makes" in the first sentence and all that follows through "shall be subject to," and inserting the following:

["(A) makes, or causes to be made, a statement or representation of a material fact, for use in determining any initial or continuing right to or the amount of monthly insurance benefits under title II or benefits or payments under title VIII or XVI, that the person knows or should know is false or misleading,

["(B) makes such a statement or representation for such use with knowing disregard for the truth, or

["(C) omits from a statement or representation for such use, or otherwise withholds disclosure of, a fact which the person knows or should know is material to the determination of any initial or continuing right to or the amount of monthly insurance benefits under title II or benefits or payments under title VIII or XVI, if the person knows, or should know, that the statement or representation with such omission is false or misleading or that the withholding of such disclosure is misleading,

shall be subject to,";

[(C) by inserting "or each receipt of such benefits or payments while withholding disclosure of such fact" after "each such statement or representation" in the first sentence;

[(D) by inserting "or because of such withholding of disclosure of a material fact" after "because of such statement or representation" in the second sentence; and

[(E) by inserting "or such a withholding of disclosure" after "such a statement or representation" in the second sentence.

[(2) ADMINISTRATIVE PROCEDURE FOR IMPOSING PENALTIES.—Section 1129A(a) of such Act (42 U.S.C. 1320a–8a(a)) is amended—

[(A) by striking "who" the first place it appears and inserting "who—"; and

[(B) by striking "makes" and all that follows through "shall be subject to," and inserting the following:

["(1) makes, or causes to be made, a statement or representation of a material fact, for use in determining any initial or continuing right to or the amount of monthly insurance benefits under title II or benefits or payments under title XVI that the person knows or should know is false or misleading,

["(2) makes such a statement or representation for such use with knowing disregard for the truth, or

["(3) omits from a statement or representation for such use, or otherwise withholds disclosure of, a fact which the person knows or should know is material to the determination of any initial or continuing right to or the amount of monthly insurance benefits under title II or benefits or payments under title XVI, if the person knows, or should know, that the statement or representation with such omission is false or misleading or that the withholding of such disclosure is misleading,

shall be subject to,".

[(b) CLARIFICATION OF TREATMENT OF RECOVERED AMOUNTS.—Section 1129(e)(2)(B) of such Act (42 U.S.C. 1320a–8(e)(2)(B)) is amended by striking "In the case of amounts recovered arising out of a determination relating to title VIII or XVI," and inserting "In the case of any other amounts recovered under this section,".

[(c) CONFORMING AMENDMENTS.—

[(1) Section 1129(b)(3)(A) of such Act (42 U.S.C. 1320a–8(b)(3)(A)) is amended by striking "charging fraud or false statements".

[(2) Section 1129(c)(1) of such Act (42 U.S.C. 1320a–8(c)(1)) is amended by striking "and representations" and inserting ", representations, or actions".

[(3) Section 1129(e)(1)(A) of such Act (42 U.S.C. 1320a–8(e)(1)(A)) is amended by striking "statement or representation referred to in subsection (a) was made" and inserting "violation occurred".

[(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to violations committed after the date on which the Commissioner implements the centralized computer file described in section 202.

[SEC. 202. ISSUANCE BY COMMISSIONER OF SOCIAL SECURITY OF RECEIPTS TO ACKNOWLEDGE SUBMISSION OF REPORTS OF CHANGES IN WORK OR EARNINGS STATUS OF DISABLED BENEFICIARIES.

[Effective as soon as possible, but not later than 1 year after the date of the enactment of this Act, until such time as the Commissioner of Social Security implements a centralized computer file recording the date of the submission of information by a disabled beneficiary (or representative) regarding a change in the beneficiary's work or earnings status, the Commissioner shall issue a receipt to the disabled beneficiary (or representative) each time he or she submits documentation, or otherwise reports to the Commissioner, on a change in such status.

[SEC. 203. DENIAL OF TITLE II BENEFITS TO PERSONS FLEEING PROSECUTION, CUSTODY, OR CONFINEMENT, AND TO PERSONS VIOLATING PROBATION OR PAROLE.

[(a) IN GENERAL.—Section 202(x) of the Social Security Act (42 U.S.C. 402(x)) is amended—

[(1) in the heading, by striking "Prisoners" and all that follows and inserting the following: "Prisoners, Certain Other Inmates of Publicly Funded Institutions, Fugitives, Probationers, and Parolees";

[(2) in paragraph (1)(A)(ii)(IV), by striking "or" at the end;

[(3) in paragraph (1)(A)(iii), by striking the period at the end and inserting a comma;

[(4) by inserting after paragraph (1)(A)(iii) the following:

["(iv) is fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the person flees, for a crime, or an attempt to commit a crime, which is a felony under the laws of the place from which the person flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State, or

["(v) is violating a condition of probation or parole imposed under Federal or State law.

In the case of an individual from whom such monthly benefits have been withheld pursuant to clause (iv) or (v), the Commissioner may, for good cause shown, pay such withheld benefits to the individual."; and

[(5) in paragraph (3), by adding at the end the following new subparagraph:

["(C) Notwithstanding the provisions of section 552a of title 5, United States Code, or any other provision of Federal or State law (other than section 6103 of the Internal Revenue Code of 1986 and section 1106(c) of this Act), the Commissioner shall furnish any Federal, State, or local law enforcement officer, upon the written request of the officer, with the current address, Social Security number, and photograph (if applicable) of any beneficiary under this title, if the officer furnishes the Commissioner with the name of the beneficiary, and other identifying information as reasonably required by the

Commissioner to establish the unique identity of the beneficiary, and notifies the Commissioner that—

[“(i) the beneficiary—

[“(I) is described in clause (iv) or (v) of paragraph (1)(A); and

[“(II) has information that is necessary for the officer to conduct the officer's official duties; and

[“(ii) the location or apprehension of the beneficiary is within the officer's official duties.”.

[(b) REGULATIONS.—Not later than the first day of the first month that begins on or after the date that is 9 months after the date of the enactment of this Act, the Commissioner of Social Security shall promulgate regulations governing payment by the Commissioner, for good cause shown, of withheld benefits, pursuant to the last sentence of section 202(x)(1)(A) of the Social Security Act (as amended by subsection (a)).

[(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the first day of the first month that begins on or after the date that is 9 months after the date of the enactment of this Act.

[SEC. 204. REQUIREMENTS RELATING TO OFFERS TO PROVIDE FOR A FEE A PRODUCT OR SERVICE AVAILABLE WITHOUT CHARGE FROM THE SOCIAL SECURITY ADMINISTRATION.

[(a) IN GENERAL.—Section 1140 of the Social Security Act (42 U.S.C. 1320b–10) is amended—

[(1) in subsection (a), by adding at the end the following new paragraph:

[“(4)(A) No person shall offer, for a fee, to assist an individual to obtain a product or service that the person knows or should know is provided free of charge by the Social Security Administration unless, at the time the offer is made, the person provides to the individual to whom the offer is tendered a notice that—

[“(i) explains that the product or service is available free of charge from the Social Security Administration, and

[“(ii) complies with standards prescribed by the Commissioner of Social Security respecting the content of such notice and its placement, visibility, and legibility.

[“(B) Subparagraph (A) shall not apply to any offer—

[“(i) to serve as a claimant representative in connection with a claim arising under title II, title VIII, or title XVI; or

[“(ii) to prepare, or assist in the preparation of, an individual's plan for achieving self-support under title XVI.”; and

[(2) in the heading, by striking “PROHIBITION OF MISUSE OF SYMBOLS, EMBLEMS, OR NAMES IN REFERENCE” and inserting “PROHIBITIONS RELATING TO REFERENCES”.

[(b) EFFECTIVE DATE.—The amendments made by this section shall apply to offers of assistance made after the sixth month ending after the Commissioner of Social Security promulgates final regulations prescribing the standards applicable to the notice required to be provided in connection with such offer. The Commissioner shall promulgate such final regulations within 1 year after the date of the enactment of this Act.

[SEC. 205. REFUSAL TO RECOGNIZE CERTAIN INDIVIDUALS AS CLAIMANT REPRESENTATIVES.

[Section 206(a)(1) of the Social Security Act (42 U.S.C. 406(a)(1)) is amended by inserting after the second sentence the following: “Notwithstanding the preceding sentences, the Commissioner, after due notice and opportunity for hearing, (A) may refuse to recognize as a representative, and may disqualify a representative already recognized, any attorney who has been disbarred or suspended from any court or bar to which he or she was previously admitted to practice or who has been disqualified from participating in or appearing before any Federal program or agency, and (B) may refuse to recognize, and may disqualify, as a non-attorney representative any attorney who has been disbarred or suspended from any court or bar to which he or she was previously admitted to practice. A representative who has been disqualified or suspended pursuant to this section from appearing before the Social Security Administration as a result of collecting or receiving a fee in excess of the amount authorized shall be barred from appearing before the Social Security Administration as a representative until full restitution is made to the claimant and, thereafter, may be considered for reinstatement only under such rules as the Commissioner may prescribe.”.

[SEC. 206. PENALTY FOR CORRUPT OR FORCIBLE INTERFERENCE WITH ADMINISTRATION OF SOCIAL SECURITY ACT.

[Part A of title XI of the Social Security Act (42 U.S.C. 1301 et seq.) is amended by inserting after section 1129A the following new section:

[“ATTEMPTS TO INTERFERE WITH ADMINISTRATION OF SOCIAL SECURITY ACT

[“SEC. 1129B. Whoever corruptly or by force or threats of force (including any threatening letter or communication) attempts to intimidate or impede any officer, employee, or contractor of the Social Security Administration (including any State employee of a disability determination service or any other individual designated by the Commissioner of Social Security) acting in an official capacity to carry out a duty under this Act, or in any other way corruptly or by force or threats of force (including any threatening letter or communication) obstructs or impedes, or attempts to obstruct or impede, the due administration of this Act, shall be fined not more than $5,000, imprisoned not more than 3 years, or both, except that if the offense is committed only by threats of force, the person shall be fined not more than $3,000, imprisoned not more than 1 year, or both. In this subsection, the term ‘threats of force’ means threats of harm to the officer or employee of the United States or to a contractor of the Social Security Administration, or to a member of the family of such an officer or employee or contractor.”.

[SEC. 207. USE OF SYMBOLS, EMBLEMS, OR NAMES IN REFERENCE TO SOCIAL SECURITY OR MEDICARE.

[(a) IN GENERAL.—Section 1140(a)(1) of the Social Security Act (42 U.S.C. 1320b–10(a)(1)) is amended—

[(1) in subparagraph (A), by inserting “ ‘Centers for Medicare & Medicaid Services’,” after “ ‘Health Care Financing Administration’,”, by striking “or ‘Medicaid’, ” and inserting “ ‘Medicaid’, ‘Death Benefits Update’, ‘Federal Benefit Information’, ‘Funeral Expenses’, or ‘Final Supplemental Plan’,” and by inserting “ ‘CMS’,” after “ ‘HCFA’,”;

[(2) in subparagraph (B), by inserting “Centers for Medicare & Medicaid Services,” after “Health Care Financing Administration,” each place it appears; and

[(3) in the matter following subparagraph (B), by striking “the Health Care Financing Administration,” each place it appears and inserting “the Centers for Medicare & Medicaid Services,”.

[(b) EFFECTIVE DATE.—The amendments made by this section shall apply to items sent after 180 days after the date of the enactment of this Act.

[SEC. 208. DISQUALIFICATION FROM PAYMENT DURING TRIAL WORK PERIOD UPON CONVICTION OF FRAUDULENT CONCEALMENT OF WORK ACTIVITY.

[(a) IN GENERAL.—Section 222(c) of the Social Security Act (42 U.S.C. 422(c)) is amended by adding at the end the following new paragraph:

[“(5) Upon conviction by a Federal court that an individual has fraudulently concealed work activity during a period of trial work from the Commissioner of Social Security by—

[“(A) providing false information to the Commissioner of Social Security as to whether the individual had earnings in or for a particular period, or as to the amount thereof;

[“(B) receiving disability insurance benefits under this title while engaging in work activity under another identity, including under another social security account number or a number purporting to be a social security account number; or

[“(C) taking other actions to conceal work activity with an intent fraudulently to secure payment in a greater amount than is due or when no payment is authorized,

no benefit shall be payable to such individual under this title with respect to a period of disability for any month before such conviction during which the individual rendered services during the period of trial work with respect to which the fraudulently concealed work activity occurred, and amounts otherwise due under this title as restitution, penalties, assessments, fines, or other repayments shall in all cases be in addition to any amounts for which such individual is liable as overpayments by reason of such concealment.”.

[(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to work activity performed after the date of the enactment of this Act.

[SEC. 209. AUTHORITY FOR JUDICIAL ORDERS OF RESTITUTION.

[(a) AMENDMENTS TO TITLE II.—Section 208 of the Social Security Act (42 U.S.C. 408) is amended—

[(1) by redesignating subsections (b), (c), and (d) as subsections (c), (d), and (e), respectively; and

[(2) by inserting after subsection (a) the following new subsection:

[“(b)(1) Any Federal court, when sentencing a defendant convicted of an offense under subsection (a), may order, in addition to or in lieu of any other penalty authorized by law, that the defendant make restitution to the Social Security Administration.

[“(2) Sections 3612, 3663, and 3664 of title 18, United States Code, shall apply with respect to the issuance and enforcement of orders of restitution under this subsection. In so applying such sections, the Social Security Administration shall be considered the victim.

[“(3) If the court does not order restitution, or orders only partial restitution, under this subsection, the court shall state on the record the reasons therefor.”.

[(b) AMENDMENTS TO TITLE VIII.—Section 807(i) of such Act (42 U.S.C. 1007(i)) is amended—

[(1) by striking “(i) RESTITUTION.—In any case where” and inserting the following:

[“(i) RESTITUTION.—

[“(1) IN GENERAL.—In any case where”; and

[(2) by adding at the end the following new paragraph:

[“(2) COURT ORDER FOR RESTITUTION.—

[“(A) IN GENERAL.—Any Federal court, when sentencing a defendant convicted of an offense under subsection (a), may order, in addition to or in lieu of any other penalty authorized by law, that the defendant make restitution to the Social Security Administration.

["(B) RELATED PROVISIONS.—Sections 3612, 3663, and 3664 of title 18, United States Code, shall apply with respect to the issuance and enforcement of orders of restitution under this paragraph. In so applying such sections, the Social Security Administration shall be considered the victim.

["(C) STATED REASONS FOR NOT ORDERING RESTITUTION.—If the court does not order restitution, or orders only partial restitution, under this paragraph, the court shall state on the record the reasons therefor.".

[(c) AMENDMENTS TO TITLE XVI.—Section 1632 of such Act (42 U.S.C. 1383a) is amended—

[(1) by redesignating subsection (b) as subsection (c); and

[(2) by inserting after subsection (a) the following new subsection:

["(b)(1) Any Federal court, when sentencing a defendant convicted of an offense under subsection (a), may order, in addition to or in lieu of any other penalty authorized by law, that the defendant make restitution to the Social Security Administration.

["(2) Sections 3612, 3663, and 3664 of title 18, United States Code, shall apply with respect to the issuance and enforcement of orders of restitution under this subsection. In so applying such sections, the Social Security Administration shall be considered the victim.

["(3) If the court does not order restitution, or orders only partial restitution, under this subsection, the court shall state on the record the reasons therefor.".

[(d) SPECIAL ACCOUNT FOR RECEIPT OF RESTITUTION PAYMENTS.—Section 704(b) of such Act (42 U.S.C. 904(b)) is amended by adding at the end the following new paragraph:

["(3)(A) Except as provided in subparagraph (B), amounts received by the Social Security Administration pursuant to an order of restitution under section 208(b), 807(i), or 1632(b) shall be credited to a special fund established in the Treasury of the United States for amounts so received or recovered. The amounts so credited, to the extent and in the amounts provided in advance in appropriations Acts, shall be available to defray expenses incurred in carrying out titles II, VIII, and XVI.

["(B) Subparagraph (A) shall not apply with respect to amounts received in connection with misuse by a representative payee (within the meaning of sections 205(j), 807, and 1631(a)(2)) of funds paid as benefits under title II, VIII, or XVI. Such amounts received in connection with misuse of funds paid as benefits under title II shall be transferred to the Managing Trustee of the Federal Old-Age and Survivors Insurance Trust Fund or the Federal Disability Insurance Trust Fund, as determined appropriate by the Commissioner of Social Security, and such amounts shall be deposited by the Managing Trustee into such Trust Fund. All other such amounts shall be deposited by the Commissioner into the general fund of the Treasury as miscellaneous receipts.".

[(e) EFFECTIVE DATE.—The amendments made by subsections (a), (b), and (c) shall apply with respect to violations occurring on or after the date of the enactment of this Act.

[TITLE III—ATTORNEY FEE PAYMENT SYSTEM IMPROVEMENTS

[SEC. 301. CAP ON ATTORNEY ASSESSMENTS.

[(a) IN GENERAL.—Section 206(d)(2)(A) of the Social Security Act (42 U.S.C. 406(d)(2)(A)) is amended—

[(1) by inserting ", except that the maximum amount of the assessment may not exceed the greater of $75 or the adjusted amount as provided pursuant to the following two sentences" after "subparagraph (B)"; and

[(2) by adding at the end the following new sentence: "In the case of any calendar year beginning after the amendments made by section 301 of the Social Security Protection Act of 2003 take effect, the dollar amount specified in the preceding sentence (including a previously adjusted amount) shall be adjusted annually under the procedures used to adjust benefit amounts under section 215(i)(2)(A)(ii), except such adjustment shall be based on the higher of $75 or the previously adjusted amount that would have been in effect for December of the preceding year, but for the rounding of such amount pursuant to the following sentence. Any amount so adjusted that is not a multiple of $1 shall be rounded to the next lowest multiple of $1, but in no case less than $75.".

[(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to fees for representation of claimants which are first required to be certified or paid under section 206 of the Social Security Act on or after the first day of the first month that begins after 180 days after the date of the enactment of this Act.

[SEC. 302. EXTENSION OF ATTORNEY FEE PAYMENT SYSTEM TO TITLE XVI CLAIMS.

[(a) IN GENERAL.—Section 1631(d)(2) of the Social Security Act (42 U.S.C. 1383(d)(2)) is amended—

[(1) in subparagraph (A), in the matter preceding clause (i)—

[(A) by striking "section 206(a)" and inserting "section 206";

[(B) by striking "(other than paragraph (4) thereof)" and inserting "(other than subsections (a)(4) and (d) thereof)"; and

[(C) by striking "paragraph (2) thereof" and inserting "such section";

[(2) in subparagraph (A)(i), by striking "in subparagraphs (A)(ii)(I) and (C)(i)," and inserting "in subparagraphs (A)(ii)(I) and (D)(i) of subsection (a)(2)", and by striking "and" at the end;

[(3) by striking subparagraph (A)(ii) and inserting the following:

["(ii) by substituting, in subsections (a)(2)(B) and (b)(1)(B)(i), the phrase 'section 1631(a)(7)(A) or the requirements of due process of law' for the phrase 'subsection (g) or (h) of section 223';

["(iii) by substituting, in subsection (a)(2)(C)(i), the phrase 'under title II' for the phrase 'under title XVI';

["(iv) by substituting, in subsection (b)(1)(A), the phrase 'pay the amount of such fee' for the phrase 'certify the amount of such fee for payment' and by striking, in subsection (b)(1)(A), the phrase 'or certified for payment'; and

["(v) by substituting, in subsection (b)(1)(B)(ii), the phrase 'deemed to be such amounts as determined before any applicable reduction under section 1631(g), and reduced by the amount of any reduction in benefits under this title or title II made pursuant to section 1127(a)' for the phrase 'determined before any applicable reduction under section 1127(a))'."; and

[(4) by striking subparagraph (B) and inserting the following new subparagraphs:

["(B) Subject to subparagraph (C), if the claimant is determined to be entitled to past-due benefits under this title and the person representing the claimant is an attorney, the Commissioner of Social Security shall pay out of such past-due benefits to such attorney an amount equal to the lesser of—

["(i) so much of the maximum fee as does not exceed 25 percent of such past-due benefits (as determined before any applicable reduction under section 1631(g) and reduced by the amount of any reduction in benefits under this title or title II pursuant to section 1127(a)), or

["(ii) the amount of past-due benefits available after any applicable reductions under sections 1631(g) and 1127(a).

["(C)(i) Whenever a fee for services is required to be paid to an attorney from a claimant's past-due benefits pursuant to subparagraph (B), the Commissioner shall impose on the attorney an assessment calculated in accordance with clause (ii).

["(ii)(I) The amount of an assessment under clause (i) shall be equal to the product obtained by multiplying the amount of the representative's fee that would be required to be paid by subparagraph (B) before the application of this subparagraph, by the percentage specified in subclause (II), except that the maximum amount of the assessment may not exceed $75. In the case of any calendar year beginning after the amendments made by section 302 of the Social Security Protection Act of 2003 take effect, the dollar amount specified in the preceding sentence (including a previously adjusted amount) shall be adjusted annually under the procedures used to adjust benefit amounts under section 215(i)(2)(A)(ii), except such adjustment shall be based on the higher of $75 or the previously adjusted amount that would have been in effect for December of the preceding year, but for the rounding of such amount pursuant to the following sentence. Any amount so adjusted that is not a multiple of $1 shall be rounded to the next lowest multiple of $1, but in no case less than $75.

["(II) The percentage specified in this subclause is such percentage rate as the Commissioner determines is necessary in order to achieve full recovery of the costs of determining and approving fees to attorneys from the past-due benefits of claimants, but not in excess of 6.3 percent.

["(iii) The Commissioner may collect the assessment imposed on an attorney under clause (i) by offset from the amount of the fee otherwise required by subparagraph (B) to be paid to the attorney from a claimant's past-due benefits.

["(iv) An attorney subject to an assessment under clause (i) may not, directly or indirectly, request or otherwise obtain reimbursement for such assessment from the claimant whose claim gave rise to the assessment.

["(v) Assessments on attorneys collected under this subparagraph shall be deposited in the Treasury in a separate fund created for this purpose.

["(vi) The assessments authorized under this subparagraph shall be collected and available for obligation only to the extent and in the amount provided in advance in appropriations Acts. Amounts so appropriated are authorized to remain available until expended, for administrative expenses in carrying out this title and related laws.".

[(b) EFFECTIVE DATE.—

[(1) IN GENERAL.—The amendments made by this section shall apply with respect to fees for representation of claimants which are first required to be certified or paid under section 1631(d)(2) of the Social Security Act on or after the first day of the first month that begins after 270 days after the date of the enactment of this Act.

[(2) SUNSET.—Such amendments shall not apply with respect to fees for representation of claimants in the case of any claim for benefits with respect to which the agreement for representation is entered into after 5 years after the date on which the Commissioner of Social Security first implements the amendments made by this section.

[(c) Study Regarding Fee-Withholding for Non-Attorney Representatives.—

[(1) Study.—As soon as practicable after the date of the enactment of this Act, the Comptroller General of the United States shall undertake a study regarding fee-withholding for non-attorney representatives representing claimants before the Social Security Administration.

[(2) Matters to be studied.—In conducting the study under this subsection, the Comptroller General shall—

[(A) compare the non-attorney representatives who seek fee approval for representing claimants before the Social Security Administration to attorney representatives who seek such fee approval, with regard to—

[(i) their training, qualifications, and competency,

[(ii) the type and quality of services provided, and

[(iii) the extent to which claimants are protected through oversight of such representatives by the Social Security Administration or other organizations, and

[(B) consider the potential results of extending to non-attorney representatives the fee withholding procedures that apply under titles II and XVI of the Social Security Act for the payment of attorney fees, including the effect on claimants and program administration.

[(3) Report.—Not later than 1 year after the date of the enactment of this Act, the Comptroller General shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report detailing the results of the Comptroller General's study conducted pursuant to this subsection.

[TITLE IV—MISCELLANEOUS AND TECHNICAL AMENDMENTS

[Subtitle A—Amendments Relating to the Ticket to Work and Work Incentives Improvement Act of 1999

[SEC. 401. APPLICATION OF DEMONSTRATION AUTHORITY SUNSET DATE TO NEW PROJECTS.

[Section 234 of the Social Security Act (42 U.S.C. 434) is amended—

[(1) in the first sentence of subsection (c), by striking "conducted under subsection (a)" and inserting "initiated under subsection (a) on or before December 17, 2004"; and

[(2) in subsection (d)(2), by amending the first sentence to read as follows: "The authority to initiate projects under the preceding provisions of this section shall terminate on December 18, 2004.".

[SEC. 402. EXPANSION OF WAIVER AUTHORITY AVAILABLE IN CONNECTION WITH DEMONSTRATION PROJECTS PROVIDING FOR REDUCTIONS IN DISABILITY INSURANCE BENEFITS BASED ON EARNINGS.

[Section 302(c) of the Ticket to Work and Work Incentives Improvement Act of 1999 (42 U.S.C. 434 note) is amended by striking "(42 U.S.C. 401 et seq.)," and inserting "(42 U.S.C. 401 et seq.) and the requirements of section 1148 of such Act (42 U.S.C. 1320b–19) as they relate to the program established under title II of such Act,".

[SEC. 403. FUNDING OF DEMONSTRATION PROJECTS PROVIDED FOR REDUCTIONS IN DISABILITY INSURANCE BENEFITS BASED ON EARNINGS.

[Section 302(f) of the Ticket to Work and Work Incentives Improvement Act of 1999 (42 U.S.C. 434 note) is amended to read as follows:

["(f) Expenditures.—Administrative expenses for demonstration projects under this section shall be paid from funds available for the administration of title II or XVIII of the Social Security Act, as appropriate. Benefits payable to or on behalf of individuals by reason of participation in projects under this section shall be made from the Federal Disability Insurance Trust Fund and the Federal Old-Age and Survivors Insurance Trust Fund, as determined appropriate by the Commissioner of Social Security, and from the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund, as determined appropriate by the Secretary of Health and Human Services, from funds available for benefits under such title II or XVIII.".

[SEC. 404. AVAILABILITY OF FEDERAL AND STATE WORK INCENTIVE SERVICES TO ADDITIONAL INDIVIDUALS.

[(a) Federal Work Incentives Outreach Program.—

[(1) In general.—Section 1149(c)(2) of the Social Security Act (42 U.S.C. 1320b–20(c)(2)) is amended to read as follows:

["(2) Disabled beneficiary.—The term 'disabled beneficiary' means an individual—

["(A) who is a disabled beneficiary as defined in section 1148(k)(2) of this Act;

["(B) who is receiving a cash payment described in section 1616(a) of this Act or a supplementary payment described in section 212(a)(3) of Public Law 93–66 (without regard to whether such payment is paid by the Commissioner pursuant to an agreement under section 1616(a) of this Act or under section 212(b) of Public Law 93–66);

["(C) who, pursuant to section 1619(b) of this Act, is considered to be receiving benefits under title XVI of this Act; or

["(D) who is entitled to benefits under part A of title XVIII of this Act by reason of the penultimate sentence of section 226(b) of this Act.".

[(2) Effective date.—The amendment made by this subsection shall apply with respect to grants, cooperative agreements, or contracts entered into on or after the date of the enactment of this Act.

[(b) State Grants for Work Incentives Assistance.—

[(1) Definition of disabled beneficiary.—Section 1150(g)(2) of such Act (42 U.S.C. 1320b–21(g)(2)) is amended to read as follows:

["(2) Disabled beneficiary.—The term 'disabled beneficiary' means an individual—

["(A) who is a disabled beneficiary as defined in section 1148(k)(2) of this Act;

["(B) who is receiving a cash payment described in section 1616(a) of this Act or a supplementary payment described in section 212(a)(3) of Public Law 93–66 (without regard to whether such payment is paid by the Commissioner pursuant to an agreement under section 1616(a) of this Act or under section 212(b) of Public Law 93–66);

["(C) who, pursuant to section 1619(b) of this Act, is considered to be receiving benefits under title XVI of this Act; or

["(D) who is entitled to benefits under part A of title XVIII of this Act by reason of the penultimate sentence of section 226(b) of this Act.".

[(2) Advocacy or other services needed to maintain gainful employment.—Section 1150(b)(2) of such Act (42 U.S.C. 1320b–21(b)(2)) is amended by striking "secure or regain" and inserting "secure, maintain, or regain".

[(3) Effective date.—The amendments made by this subsection shall apply with respect to payments provided after the date of the enactment of this Act.

[SEC. 405. TECHNICAL AMENDMENT CLARIFYING TREATMENT FOR CERTAIN PURPOSES OF INDIVIDUAL WORK PLANS UNDER THE TICKET TO WORK AND SELF-SUFFICIENCY PROGRAM.

[(a) In General.—Section 1148(g)(1) of the Social Security Act (42 U.S.C. 1320b–19) is amended by adding at the end, after and below subparagraph (E), the following new sentence:

"An individual work plan established pursuant to this subsection shall be treated, for purposes of section 51(d)(6)(B)(i) of the Internal Revenue Code of 1986, as an individualized written plan for employment under a State plan for vocational rehabilitation services approved under the Rehabilitation Act of 1973.".

[(b) Effective Date.—The amendment made by subsection (a) shall take effect as if included in section 505 of the Ticket to Work and Work Incentives Improvement Act of 1999 (Public Law 106–170; 113 Stat. 1921).

[Subtitle B—Miscellaneous Amendments

[SEC. 411. ELIMINATION OF TRANSCRIPT REQUIREMENT IN REMAND CASES FULLY FAVORABLE TO THE CLAIMANT.

[(a) In General.—Section 205(g) of the Social Security Act (42 U.S.C. 405(g)) is amended in the sixth sentence by striking "and a transcript" and inserting "and, in any case in which the Commissioner has not made a decision fully favorable to the individual, a transcript".

[(b) Effective Date.—The amendment made by this section shall apply with respect to final determinations issued (upon remand) on or after the date of the enactment of this Act.

[SEC. 412. NONPAYMENT OF BENEFITS UPON REMOVAL FROM THE UNITED STATES.

[(a) In General.—Paragraphs (1) and (2) of section 202(n) of the Social Security Act (42 U.S.C. 402(n)(1), (2)) are each amended by striking "or (1)(E)".

[(b) Effective Date.—The amendment made by this section to section 202(n)(1) of the Social Security Act shall apply to individuals with respect to whom the Commissioner of Social Security receives a removal notice from the Attorney General after the date of the enactment of this Act. The amendment made by this section to section 202(n)(2) of the Social Security Act shall apply with respect to removals occurring after the date of the enactment of this Act.

[SEC. 413. REINSTATEMENT OF CERTAIN REPORTING REQUIREMENTS.

[Section 3003(a)(1) of the Federal Reports Elimination and Sunset Act of 1995 (31 U.S.C. 1113 note) shall not apply to any report required to be submitted under any of the following provisions of law:

[(1)(A) Section 201(c)(2) of the Social Security Act (42 U.S.C. 401(c)(2)).

[(B) Section 1817(b)(2) of the Social Security Act (42 U.S.C. 1395i(b)(2)).

[(C) Section 1841(b)(2) of the Social Security Act (42 U.S.C. 1395t(b)(2)).

[(2)(A) Section 221(c)(3)(C) of the Social Security Act (42 U.S.C. 421(c)(3)(C)).

[(B) Section 221(i)(3) of the Social Security Act (42 U.S.C. 421(i)(3)).

[SEC. 414. CLARIFICATION OF DEFINITIONS REGARDING CERTAIN SURVIVOR BENEFITS.

[(a) Widows.—Section 216(c) of the Social Security Act (42 U.S.C. 416(c)) is amended—

[(1) by redesignating subclauses (A) through (C) of clause (6) as subclauses (i) through (iii), respectively;

[(2) by redesignating clauses (1) through (6) as clauses (A) through (F), respectively;

[(3) in clause (E) (as redesignated), by inserting "except as provided in paragraph (2)," before "she was married";

[(4) by inserting "(1)" after "(c)"; and

[(5) by adding at the end the following new paragraph:

["(2) The requirements of paragraph (1)(E) in connection with the surviving wife of an individual shall be treated as satisfied if—

["(A) the individual had been married prior to the individual's marriage to the surviving wife,

["(B) the prior wife was institutionalized during the individual's marriage to the prior wife due to mental incompetence or similar incapacity,

["(C) during the period of the prior wife's institutionalization, the individual would have divorced the prior wife and married the surviving wife, but the individual did not do so because such divorce would have been unlawful, by reason of the prior wife's institutionalization, under the laws of the State in which the individual was domiciled at the time (as determined based on evidence satisfactory to the Commissioner of Social Security),

["(D) the prior wife continued to remain institutionalized up to the time of her death, and

["(E) the individual married the surviving wife within 60 days after the prior wife's death.".

[(b) Widowers.—Section 216(g) of such Act (42 U.S.C. 416(g)) is amended—

[(1) by redesignating subclauses (A) through (C) of clause (6) as subclauses (i) through (iii), respectively;

[(2) by redesignating clauses (1) through (6) as clauses (A) through (F), respectively;

[(3) in clause (E) (as redesignated), by inserting "except as provided in paragraph (2)," before "he was married";

[(4) by inserting "(1)" after "(g)"; and

[(5) by adding at the end the following new paragraph:

["(2) The requirements of paragraph (1)(E) in connection with the surviving husband of an individual shall be treated as satisfied if—

["(A) the individual had been married prior to the individual's marriage to the surviving husband,

["(B) the prior husband was institutionalized during the individual's marriage to the prior husband due to mental incompetence or similar incapacity,

["(C) during the period of the prior husband's institutionalization, the individual would have divorced the prior husband and married the surviving husband, but the individual did not do so because such divorce would have been unlawful, by reason of the prior husband's institutionalization, under the laws of the State in which the individual was domiciled at the time (as determined based on evidence satisfactory to the Commissioner of Social Security),

["(D) the prior husband continued to remain institutionalized up to the time of his death, and

["(E) the individual married the surviving husband within 60 days after the prior husband's death.".

[(c) Conforming Amendment.—Section 216(k) of such Act (42 U.S.C. 416(k)) is amended by striking "clause (5) of subsection (c) or clause (5) of subsection (g)" and inserting "clause (E) of subsection (c)(1) or clause (E) of subsection (g)(1)".

[(d) Effective Date.—The amendments made by this section shall be effective with respect to applications for benefits under title II of the Social Security Act filed during months ending after the date of the enactment of this Act.

[SEC. 415. CLARIFICATION RESPECTING THE FICA AND SECA TAX EXEMPTIONS FOR AN INDIVIDUAL WHOSE EARNINGS ARE SUBJECT TO THE LAWS OF A TOTALIZATION AGREEMENT PARTNER.

[Sections 1401(c), 3101(c), and 3111(c) of the Internal Revenue Code of 1986 are each amended by striking "to taxes or contributions for similar purposes under" and inserting "exclusively to the laws applicable to".

[SEC. 416. COVERAGE UNDER DIVIDED RETIREMENT SYSTEM FOR PUBLIC EMPLOYEES IN KENTUCKY.

[(a) In General.—Section 218(d)(6)(C) of the Social Security Act (42 U.S.C. 418(d)(6)(C)) is amended by inserting "Kentucky," after "Illinois,".

[(b) Effective Date.—The amendment made by subsection (a) takes effect on January 1, 2003.

[SEC. 417. COMPENSATION FOR THE SOCIAL SECURITY ADVISORY BOARD.

[(a) In General.—Subsection (f) of section 703 of the Social Security Act (42 U.S.C. 903(f)) is amended to read as follows:

"Compensation, Expenses, and Per Diem

["(f) A member of the Board shall, for each day (including traveltime) during which the member is attending meetings or conferences of the Board or otherwise engaged in the business of the Board, be compensated at the daily rate of basic pay for level IV of the Executive Schedule. While serving on business of the Board away from their homes or regular places of business, members may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government employed intermittently.".

[(b) Effective Date.—The amendment made by this section shall be effective as of January 1, 2003.

[SEC. 418. 60-MONTH PERIOD OF EMPLOYMENT REQUIREMENT FOR APPLICATION OF GOVERNMENT PENSION OFFSET EXEMPTION.

[(a) Wife's Insurance Benefits.—Section 202(b)(4)(A) of the Social Security Act (42 U.S.C. 402(b)(4)(A)) is amended by striking "if, on" and inserting "if, during any portion of the last 60 months of such service ending with".

[(b) Husband's Insurance Benefits.—Section 202(c)(2)(A) of such Act (42 U.S.C. 402(c)(2)(A)) is amended by striking "if, on" and inserting "if, during any portion of the last 60 months of such service ending with".

[(c) Widow's Insurance Benefits.—Section 202(e)(7)(A) of such Act (42 U.S.C. 402(e)(7)(A)) is amended by striking "if, on" and inserting "if, during any portion of the last 60 months of such service ending with".

[(d) Widower's Insurance Benefits.—Section 202(f)(2)(A) of such Act (42 U.S.C. 402(f)(2)(A)) is amended by striking "if, on" and inserting "if, during any portion of the last 60 months of such service ending with".

[(e) Mother's and Father's Insurance Benefits.—Section 202(g)(4)(A) of the such Act (42 U.S.C. 402(g)(4)(A)) is amended by striking "if, on" and inserting ""if, during any portion of the last 60 months of such service ending with".

[(f) Effective Date.—The amendments made by this section shall apply with respect to applications for benefits under title II of the Social Security Act filed on or after the first day of the first month that begins after the date of the enactment of this Act, except that such amendments shall not apply in connection with monthly periodic benefits of any individual based on earnings while in service described in section 202(b)(4)(A), 202(c)(2)(A), 202(e)(7)(A), or 202(f)(2)(A) of the Social Security Act (in the matter preceding clause (i) thereof)—

[(1) if the last day of such service occurs before the end of the 90-day period following the date of the enactment of this Act, or

[(2) in any case in which the last day of such service occurs after the end of such 90-day period, such individual performed such service during such 90-day period which constituted "employment" as defined in section 210 of such Act, and all such service subsequently performed by such individual has constituted such "employment".

[Subtitle C—Technical Amendments

[SEC. 421. TECHNICAL CORRECTION RELATING TO RESPONSIBLE AGENCY HEAD.

[Section 1143 of the Social Security Act (42 U.S.C. 1320b–13) is amended—

[(1) by striking "Secretary" the first place it appears and inserting "Commissioner of Social Security"; and

[(2) by striking "Secretary" each subsequent place it appears and inserting "Commissioner".

[SEC. 422. TECHNICAL CORRECTION RELATING TO RETIREMENT BENEFITS OF MINISTERS.

[(a) In General.—Section 211(a)(7) of the Social Security Act (42 U.S.C. 411(a)(7)) is amended by inserting ", but shall not include in any such net earnings from self-employment the rental value of any parsonage or any parsonage allowance (whether or not excluded under section 107 of the Internal Revenue Code of 1986) provided after the individual retires, or any other retirement benefit received by such individual from a church plan (as defined in section 414(e) of such Code) after the individual retires" before the semicolon.

[(b) Effective Date.—The amendment made by this section shall apply to years beginning before, on, or after December 31, 1994.

SEC. 423. TECHNICAL CORRECTIONS RELATING TO DOMESTIC EMPLOYMENT.

[(a) Amendment to Internal Revenue Code.—Section 3121(a)(7)(B) of the Internal Revenue Code of 1986 is amended by striking "described in subsection (g)(5)" and inserting "on a farm operated for profit".

[(b) Amendment to Social Security Act.—Section 209(a)(6)(B) of the Social Security Act (42 U.S.C. 409(a)(6)(B)) is amended by striking "described in section 210(f)(5)" and inserting "on a farm operated for profit".

[(c) Conforming Amendment.—Section 3121(g)(5) of such Code and section 210(f)(5) of such Act (42 U.S.C. 410(f)(5)) are amended by striking "or is domestic service in a private home of the employer".

[SEC. 424. TECHNICAL CORRECTIONS OF OUTDATED REFERENCES.

[(a) Correction of Terminology and Citations Respecting Removal From the United States.—Section 202(n) of the Social Security Act (42 U.S.C. 402(n)) (as amended by section 412) is amended further—

[(1) by striking "deportation" each place it appears and inserting "removal";

[(2) by striking "deported" each place it appears and inserting "removed";

[(3) in paragraph (1) (in the matter preceding subparagraph (A)), by striking "under section 241(a) (other than under paragraph (1)(C) thereof)" and inserting "under section 237(a) (other than paragraph (1)(C) thereof) or 212(a)(6)(A)";

[(4) in paragraph (2), by striking "under any of the paragraphs of section 241(a) of the Immigration and Nationality Act (other than under paragraph (1)(C) thereof)" and inserting "under any of the paragraphs of section 237(a) of the Immigration and Nationality Act (other than paragraph (1)(C) thereof) or under section 212(a)(6)(A) of such Act";

[(5) in paragraph (3)—

[(A) by striking "paragraph (19) of section 241(a)" and inserting "subparagraph (D) of section 237(a)(4)"; and

[(B) by striking "paragraph (19)" and inserting "subparagraph (D)"; and

[(6) in the heading, by striking "Deportation" and inserting "Removal".

[(b) CORRECTION OF CITATION RESPECTING THE TAX DEDUCTION RELATING TO HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS.—Section 211(a)(15) of such Act (42 U.S.C. 411(a)(15)) is amended by striking "section 162(m)" and inserting "section 162(l)".

[(c) ELIMINATION OF REFERENCE TO OBSOLETE 20-DAY AGRICULTURAL WORK TEST.—Section 3102(a) of the Internal Revenue Code of 1986 is amended by striking "and the employee has not performed agricultural labor for the employer on 20 days or more in the calendar year for cash remuneration computed on a time basis".

[SEC. 425. TECHNICAL CORRECTION RESPECTING SELF-EMPLOYMENT INCOME IN COMMUNITY PROPERTY STATES.

[(a) SOCIAL SECURITY ACT AMENDMENT.—Section 211(a)(5)(A) of the Social Security Act (42 U.S.C. 411(a)(5)(A)) is amended by striking "all of the gross income" and all that follows and inserting "the gross income and deductions attributable to such trade or business shall be treated as the gross income and deductions of the spouse carrying on such trade or business or, if such trade or business is jointly operated, treated as the gross income and deductions of each spouse on the basis of their respective distributive share of the gross income and deductions;".

[(b) INTERNAL REVENUE CODE OF 1986 AMENDMENT.—Section 1402(a)(5)(A) of the Internal Revenue Code of 1986 is amended by striking "all of the gross income" and all that follows and inserting "the gross income and deductions attributable to such trade or business shall be treated as the gross income and deductions of the spouse carrying on such trade or business or, if such trade or business is jointly operated, treated as the gross income and deductions of each spouse on the basis of their respective distributive share of the gross income and deductions; and".]

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Social Security Protection Act of 2003".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title and table of contents.

TITLE I—PROTECTION OF BENEFICIARIES

Subtitle A—Representative Payees

Sec. 101. Authority to reissue benefits misused by organizational representative payees.
Sec. 102. Oversight of representative payees.
Sec. 103. Disqualification from service as representative payee of persons convicted of offenses resulting in imprisonment for more than 1 year or fleeing prosecution, custody, or confinement.
Sec. 104. Fee forfeiture in case of benefit misuse by representative payees.
Sec. 105. Liability of representative payees for misused benefits.
Sec. 106. Authority to redirect delivery of benefit payments when a representative payee fails to provide required accounting.
Sec. 107. Survey of use of payments by representative payees.

Subtitle B—Enforcement

Sec. 111. Civil monetary penalty authority with respect to wrongful conversions by representative payees.

TITLE II—PROGRAM PROTECTIONS

Sec. 201. Civil monetary penalty authority with respect to withholding of material facts.
Sec. 202. Issuance by Commissioner of Social Security of receipts to acknowledge submission of reports of changes in work or earnings status of disabled beneficiaries.
Sec. 203. Denial of title II benefits to persons fleeing prosecution, custody, or confinement, and to persons violating probation or parole.
Sec. 204. Requirements relating to offers to provide for a fee a product or service available without charge from the Social Security Administration.
Sec. 205. Refusal to recognize certain individuals as claimant representatives.
Sec. 206. Criminal penalty for corrupt or forcible interference with administration of Social Security Act.
Sec. 207. Use of symbols, emblems, or names in reference to social security or medicare.
Sec. 208. Disqualification from payment during trial work period upon conviction of fraudulent concealment of work activity.
Sec. 209. Authority for judicial orders of restitution.
Sec. 210. Information for administration of provisions related to noncovered employment.
Sec. 211. Cross-program recovery of overpayments.
Sec. 212. Prohibition on payment of title II benefits to persons not authorized to work in the United States.

TITLE III—ATTORNEY REPRESENTATIVE FEE PAYMENT SYSTEM IMPROVEMENTS

Sec. 301. Cap on attorney assessments.
Sec. 302. GAO study of fee payment process for claimant representatives.

TITLE IV—MISCELLANEOUS AND TECHNICAL AMENDMENTS

Subtitle A—Amendments Relating to the Ticket to Work and Work Incentives Improvement Act of 1999

Sec. 401. Elimination of demonstration authority sunset date.
Sec. 402. Expansion of waiver authority available in connection with demonstration projects providing for reductions in disability insurance benefits based on earnings.
Sec. 403. Funding of demonstration projects providing for reductions in disability insurance benefits based on earnings.
Sec. 404. Availability of Federal and State work incentive services to additional individuals.
Sec. 405. Technical amendment clarifying treatment for certain purposes of individual work plans under the Ticket to Work and Self-Sufficiency Program.
Sec. 406. GAO study regarding the Ticket to Work and Self-Sufficiency Program.

Subtitle B—Miscellaneous Amendments

Sec. 411. Elimination of transcript requirement in remand cases fully favorable to the claimant.
Sec. 412. Nonpayment of benefits upon removal from the United States.
Sec. 413. Reinstatement of certain reporting requirements.
Sec. 414. Clarification of definitions regarding certain survivor benefits.
Sec. 415. Clarification respecting the FICA and SECA tax exemptions for an individual whose earnings are subject to the laws of a totalization agreement partner.
Sec. 416. Coverage under divided retirement system for public employees.
Sec. 417. Compensation for the Social Security Advisory Board.
Sec. 418. 60-month period of employment requirement for government pension offset exemption.
Sec. 419. Post-1956 Military Wage Credits.

Subtitle C—Technical Amendments

Sec. 421. Technical correction relating to responsible agency head.
Sec. 422. Technical correction relating to retirement benefits of ministers.
Sec. 423. Technical corrections relating to domestic employment.
Sec. 424. Technical corrections of outdated references.
Sec. 425. Technical correction respecting self-employment income in community property States.
Sec. 426. Technical amendments to the Railroad Retirement and Survivors Improvement Act of 2001.

Subtitle D—Amendments Related to Title XVI

Sec. 430. Exclusion from income for certain infrequent or irregular income and certain interest or dividend income.
Sec. 431. Uniform 9-month resource exclusion periods.
Sec. 432. Modification of dedicated account requirements.
Sec. 433. Elimination of certain restrictions on the application of the student earned income exclusion.
Sec. 434. Exclusion of Americorps and other volunteer benefits for purposes of determining supplemental security income eligibility and benefit amounts and social security disability insurance entitlement.
Sec. 435. Exception to retrospective monthly accounting for nonrecurring income.
Sec. 436. Removal of restriction on payment of benefits to children who are born or who become blind or disabled after their military parents are stationed overseas.
Sec. 437. Treatment of education-related income and resources.
Sec. 438. Monthly treatment of uniformed service compensation.
Sec. 439. Update of resource limits.
Sec. 440. Review of State agency blindness and disability determinations.

TITLE I—PROTECTION OF BENEFICIARIES

Subtitle A—Representative Payees

SEC. 101. AUTHORITY TO REISSUE BENEFITS MISUSED BY ORGANIZATIONAL REPRESENTATIVE PAYEES.

(a) TITLE II AMENDMENTS.—

(1) REISSUANCE OF BENEFITS.—Section 205(j)(5) of the Social Security Act (42 U.S.C. 405(j)(5)) is amended by inserting after the first sentence the following: "In any case in which a representative payee that—

"(A) is not an individual (regardless of whether it is a 'qualified organization' within the meaning of paragraph (4)(B)); or

"(B) is an individual who, for any month during a period when misuse occurs, serves 15 or more individuals who are beneficiaries under this title, title VIII, title XVI, or any combination of such titles;

misuses all or part of an individual's benefit paid to such representative payee, the Commissioner of Social Security shall certify for payment to the beneficiary or the beneficiary's alternative representative payee an amount equal to the amount of such benefit so misused. The provisions of this paragraph are subject to the limitations of paragraph (7)(B).".

(2) MISUSE OF BENEFITS DEFINED.—Section 205(j) of such Act (42 U.S.C. 405(j)) is amended by adding at the end the following:

"(8) For purposes of this subsection, misuse of benefits by a representative payee occurs in any case in which the representative payee receives payment under this title for the use and benefit of another person and converts such payment, or any part thereof, to a use other than for the use and benefit of such other person. The Commissioner of Social Security may prescribe by regulation the meaning of the term 'use and benefit' for purposes of this paragraph.".

(b) TITLE VIII AMENDMENTS.—

(1) REISSUANCE OF BENEFITS.—Section 807(i)(1) of the Social Security Act (42 U.S.C. 1007(i)) (as amended by section 209(b)(1) of this Act) is amended further by inserting after the first sentence the following: "In any case in which a representative payee that—

"(A) is not an individual; or

"(B) is an individual who, for any month during a period when misuse occurs, serves 15 or more individuals who are beneficiaries under this title, title II, title XVI, or any combination of such titles;

misuses all or part of an individual's benefit paid to such representative payee, the Commissioner of Social Security shall pay to the beneficiary or the beneficiary's alternative representative payee an amount equal to the amount of such benefit so misused. The provisions of this paragraph are subject to the limitations of subsection (l)(2).".

(2) MISUSE OF BENEFITS DEFINED.—Section 807 of such Act (42 U.S.C. 1007) is amended by adding at the end the following:

"(j) MISUSE OF BENEFITS.—For purposes of this title, misuse of benefits by a representative payee occurs in any case in which the representative payee receives payment under this title for the use and benefit of another person under this title and converts such payment, or any part thereof, to a use other than for the use and benefit of such person. The Commissioner of Social Security may prescribe by regulation the meaning of the term 'use and benefit' for purposes of this subsection.".

(3) TECHNICAL AMENDMENT.—Section 807(a) of such Act (42 U.S.C. 1007(a)) is amended, in the first sentence, by striking "for his or her benefit" and inserting "for his or her use and benefit".

(c) TITLE XVI AMENDMENTS.—

(1) REISSUANCE OF BENEFITS.—Section 1631(a)(2)(E) of such Act (42 U.S.C. 1383(a)(2)(E)) is amended by inserting after the first sentence the following: "In any case in which a representative payee that—

"(i) is not an individual (regardless of whether it is a 'qualified organization' within the meaning of subparagraph (D)(ii)); or

"(ii) is an individual who, for any month during a period when misuse occurs, serves 15 or more individuals who are beneficiaries under this title, title II, title VIII, or any combination of such titles;

misuses all or part of an individual's benefit paid to such representative payee, the Commissioner of Social Security shall pay to the beneficiary or the beneficiary's alternative representative payee an amount equal to the amount of such benefit so misused. The provisions of this subparagraph are subject to the limitations of subparagraph (H)(ii).".

(2) EXCLUSION OF REISSUED BENEFITS FROM RESOURCES.—Section 1613(a) of such Act (42 U.S.C. 1382b(a)) is amended—

(A) in paragraph (12), by striking "and" at the end;

(B) in paragraph (13), by striking the period and inserting "; and"; and

(C) by inserting after paragraph (13) the following:

"(14) for the 9-month period beginning after the month in which received, any amount received by such individual (or spouse) or any other person whose income is deemed to be included in such individual's (or spouse's) income for purposes of this title as restitution for benefits under this title, title II, or title VIII that a representative payee of such individual (or spouse) or such other person under section 205(j), 807, or 1631(a)(2) has misused.".

(3) MISUSE OF BENEFITS DEFINED.—Section 1631(a)(2)(A) of such Act (42 U.S.C. 1383(a)(2)(A)) is amended by adding at the end the following:

"(iv) For purposes of this paragraph, misuse of benefits by a representative payee occurs in any case in which the representative payee receives payment under this title for the use and benefit of another person and converts such payment, or any part thereof, to a use other than for the use and benefit of such other person. The Commissioner of Social Security may prescribe by regulation the meaning of the term 'use and benefit' for purposes of this clause.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to any case of benefit misuse by a representative payee with respect to which the Commissioner of Social Security makes the determination of misuse on or after January 1, 1995.

SEC. 102. OVERSIGHT OF REPRESENTATIVE PAYEES.

(a) CERTIFICATION OF BONDING AND LICENSING REQUIREMENTS FOR NONGOVERNMENTAL ORGANIZATIONAL REPRESENTATIVE PAYEES.—

(1) TITLE II AMENDMENTS.—Section 205(j) of the Social Security Act (42 U.S.C. 405(j)) is amended—

(A) in paragraph (2)(C)(v), by striking "a community-based nonprofit social service agency licensed or bonded by the State" in subclause (I) and inserting "a certified community-based nonprofit social service agency (as defined in paragraph (9))";

(B) in paragraph (3)(F), by striking "community-based nonprofit social service agencies" and inserting "certified community-based nonprofit social service agencies (as defined in paragraph (9))";

(C) in paragraph (4)(B), by striking "any community-based nonprofit social service agency which is bonded or licensed in each State in which it serves as a representative payee" and inserting "any certified community-based nonprofit social service agency (as defined in paragraph (9))"; and

(D) by adding after paragraph (8) (as added by section 101(a)(2) of this Act) the following:

"(9) For purposes of this subsection, the term 'certified community-based nonprofit social service agency' means a community-based nonprofit social service agency which is in compliance with requirements, under regulations which shall be prescribed by the Commissioner, for annual certification to the Commissioner that it is bonded in accordance with requirements specified by the Commissioner and that it is licensed in each State in which it serves as a representative payee (if licensing is available in the State) in accordance with requirements specified by the Commissioner. Any such annual certification shall include a copy of any independent audit on the agency which may have been performed since the previous certification.".

(2) TITLE XVI AMENDMENTS.—Section 1631(a)(2) of such Act (42 U.S.C. 1383(a)(2)) is amended—

(A) in subparagraph (B)(vii), by striking "a community-based nonprofit social service agency licensed or bonded by the State" in subclause (I) and inserting "a certified community-based nonprofit social service agency (as defined in subparagraph (I))";

(B) in subparagraph (D)(ii)—

(i) by striking "or any community-based" and all that follows through "in accordance" in subclause (II) and inserting "or any certified community-based nonprofit social service agency (as defined in subparagraph (I)), if the agency, in accordance";

(ii) by redesignating items (aa) and (bb) as subclauses (I) and (II), respectively (and adjusting the margins accordingly); and

(iii) by striking "subclause (II)(bb)" and inserting "subclause (II)"; and

(C) by adding at the end the following:

"(I) For purposes of this paragraph, the term 'certified community-based nonprofit social service agency' means a community-based nonprofit social service agency which is in compliance with requirements, under regulations which shall be prescribed by the Commissioner, for annual certification to the Commissioner that it is bonded in accordance with requirements specified by the Commissioner and that it is licensed in each State in which it serves as a representative payee (if licensing is available in the State) in accordance with requirements specified by the Commissioner. Any such annual certification shall include a copy of any independent audit on the agency which may have been performed since the previous certification.".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on the first day of the thirteenth month beginning after the date of the enactment of this Act.

(b) PERIODIC ONSITE REVIEW.—

(1) TITLE II AMENDMENT.—Section 205(j)(6) of such Act (42 U.S.C. 405(j)(6)) is amended to read as follows:

"(6)(A) In addition to such other reviews of representative payees as the Commissioner of Social Security may otherwise conduct, the Commissioner shall provide for the periodic onsite review of any person or agency located in the United States that receives the benefits payable under this title (alone or in combination with benefits payable under title VIII or title XVI) to another individual pursuant to the appointment of such person or agency as a representative payee under this subsection, section 807, or section 1631(a)(2) in any case in which—

"(i) the representative payee is a person who serves in that capacity with respect to 15 or more such individuals;

"(ii) the representative payee is a certified community-based nonprofit social service agency (as defined in paragraph (9) of this subsection or section 1631(a)(2)(I)); or

"(iii) the representative payee is an agency (other than an agency described in clause (ii)) that serves in that capacity with respect to 50 or more such individuals.

"(B) Within 120 days after the end of each fiscal year, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on the results of periodic onsite reviews conducted during the fiscal year pursuant to subparagraph (A) and of any other reviews of representative payees conducted during such fiscal year in connection with benefits under this title. Each such report shall describe in detail all problems identified in such reviews and any corrective action taken or planned to

be taken to correct such problems, and shall include—

“(i) the number of such reviews;

“(ii) the results of such reviews;

“(iii) the number of cases in which the representative payee was changed and why;

“(iv) the number of cases involving the exercise of expedited, targeted oversight of the representative payee by the Commissioner conducted upon receipt of an allegation of misuse of funds, failure to pay a vendor, or a similar irregularity;

“(v) the number of cases discovered in which there was a misuse of funds;

“(vi) how any such cases of misuse of funds were dealt with by the Commissioner;

“(vii) the final disposition of such cases of misuse of funds, including any criminal penalties imposed; and

“(viii) such other information as the Commissioner deems appropriate.”.

(2) TITLE VIII AMENDMENT.—Section 807 of such Act (as amended by section 101(b)(2) of this Act) is amended further by adding at the end the following:

“(k) PERIODIC ONSITE REVIEW.—

“(1) IN GENERAL.—In addition to such other reviews of representative payees as the Commissioner of Social Security may otherwise conduct, the Commissioner may provide for the periodic onsite review of any person or agency that receives the benefits payable under this title (alone or in combination with benefits payable under title II or title XVI) to another individual pursuant to the appointment of such person or agency as a representative payee under this section, section 205(j), or section 1631(a)(2) in any case in which—

“(A) the representative payee is a person who serves in that capacity with respect to 15 or more such individuals; or

“(B) the representative payee is an agency that serves in that capacity with respect to 50 or more such individuals.

“(2) REPORT.—Within 120 days after the end of each fiscal year, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on the results of periodic onsite reviews conducted during the fiscal year pursuant to paragraph (1) and of any other reviews of representative payees conducted during such fiscal year in connection with benefits under this title. Each such report shall describe in detail all problems identified in such reviews and any corrective action taken or planned to be taken to correct such problems, and shall include—

“(A) the number of such reviews;

“(B) the results of such reviews;

“(C) the number of cases in which the representative payee was changed and why;

“(D) the number of cases involving the exercise of expedited, targeted oversight of the representative payee by the Commissioner conducted upon receipt of an allegation of misuse of funds, failure to pay a vendor, or a similar irregularity;

“(E) the number of cases discovered in which there was a misuse of funds;

“(F) how any such cases of misuse of funds were dealt with by the Commissioner;

“(G) the final disposition of such cases of misuse of funds, including any criminal penalties imposed; and

“(H) such other information as the Commissioner deems appropriate.”.

(3) TITLE XVI AMENDMENT.—Section 1631(a)(2)(G) of such Act (42 U.S.C. 1383(a)(2)(G)) is amended to read as follows:

“(G)(i) In addition to such other reviews of representative payees as the Commissioner of Social Security may otherwise conduct, the Commissioner shall provide for the periodic onsite review of any person or agency that receives the benefits payable under this title (alone or in combination with benefits payable under title II or title VIII) to another individual pursuant to the appointment of the person or agency as a representative payee under this paragraph, section 205(j), or section 807 in any case in which—

“(I) the representative payee is a person who serves in that capacity with respect to 15 or more such individuals;

“(II) the representative payee is a certified community-based nonprofit social service agency (as defined in subparagraph (I) of this paragraph or section 205(j)(9)); or

“(III) the representative payee is an agency (other than an agency described in subclause (II)) that serves in that capacity with respect to 50 or more such individuals.

“(ii) Within 120 days after the end of each fiscal year, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on the results of periodic onsite reviews conducted during the fiscal year pursuant to clause (i) and of any other reviews of representative payees conducted during such fiscal year in connection with benefits under this title. Each such report shall describe in detail all problems identified in the reviews and any corrective action taken or planned to be taken to correct the problems, and shall include—

“(I) the number of the reviews;

“(II) the results of such reviews;

“(III) the number of cases in which the representative payee was changed and why;

“(IV) the number of cases involving the exercise of expedited, targeted oversight of the representative payee by the Commissioner conducted upon receipt of an allegation of misuse of funds, failure to pay a vendor, or a similar irregularity;

“(V) the number of cases discovered in which there was a misuse of funds;

“(VI) how any such cases of misuse of funds were dealt with by the Commissioner;

“(VII) the final disposition of such cases of misuse of funds, including any criminal penalties imposed; and

“(VIII) such other information as the Commissioner deems appropriate.”.

SEC. 103. DISQUALIFICATION FROM SERVICE AS REPRESENTATIVE PAYEE OF PERSONS CONVICTED OF OFFENSES RESULTING IN IMPRISONMENT FOR MORE THAN 1 YEAR OR FLEEING PROSECUTION, CUSTODY, OR CONFINEMENT.

(a) TITLE II AMENDMENTS.—Section 205(j)(2) of the Social Security Act (42 U.S.C. 405(j)(2)) is amended—

(1) in subparagraph (B)(i)—

(A) by striking “and” at the end of subclause (III);

(B) by redesignating subclause (IV) as subclause (VI); and

(C) by inserting after subclause (III) the following:

“(IV) obtain information concerning whether such person has been convicted of any other offense under Federal or State law which resulted in imprisonment for more than 1 year,

“(V) obtain information concerning whether such person is a person described in section 202(x)(1)(A)(iv), and”;

(2) in subparagraph (B), by adding at the end the following:

“(iii) Notwithstanding the provisions of section 552a of title 5, United States Code, or any other provision of Federal or State law (other than section 6103 of the Internal Revenue Code of 1986 and section 1106(c) of this Act), the Commissioner shall furnish any Federal, State, or local law enforcement officer, upon the written request of the officer, with the current address, social security account number, and photograph (if applicable) of any person investigated under this paragraph, if the officer furnishes the Commissioner with the name of such person and such other identifying information as may reasonably be required by the Commissioner to establish the unique identity of such person, and notifies the Commissioner that—

“(I) such person is described in section 202(x)(1)(A)(iv),

“(II) such person has information that is necessary for the officer to conduct the officer's official duties, and

“(III) the location or apprehension of such person is within the officer's official duties.”;

(3) in subparagraph (C)(i)(II)—

(A) by striking “subparagraph (B)(i)(IV),,” and inserting “subparagraph (B)(i)(VI)”; and

(B) by striking “section 1631(a)(2)(B)(ii)(IV)” and inserting “section 1631(a)(2)(B)(ii)(VI)”; and

(4) in subparagraph (C)(i)—

(A) by striking “or” at the end of subclause (II);

(B) by striking the period at the end of subclause (III) and inserting a comma; and

(C) by adding at the end the following:

“(IV) such person has previously been convicted as described in subparagraph (B)(i)(IV), unless the Commissioner determines that such certification would be appropriate notwithstanding such conviction, or

“(V) such person is person described in section 202(x)(1)(A)(iv).”.

(b) TITLE VIII AMENDMENTS.—Section 807 of such Act (42 U.S.C. 1007) is amended—

(1) in subsection (b)(2)—

(A) by striking “and” at the end of subparagraph (C);

(B) by redesignating subparagraph (D) as subparagraph (F); and

(C) by inserting after subparagraph (C) the following:

“(D) obtain information concerning whether such person has been convicted of any other offense under Federal or State law which resulted in imprisonment for more than 1 year;

“(E) obtain information concerning whether such person is a person described in section 804(a)(2); and”;

(2) in subsection (b), by adding at the end the following:

“(3) Notwithstanding the provisions of section 552a of title 5, United States Code, or any other provision of Federal or State law (other than section 6103 of the Internal Revenue Code of 1986 and section 1106(c) of this Act), the Commissioner shall furnish any Federal, State, or local law enforcement officer, upon the written request of the officer, with the current address, social security account number, and photograph (if applicable) of any person investigated under this subsection, if the officer furnishes the Commissioner with the name of such person and such other identifying information as may reasonably be required by the Commissioner to establish the unique identity of such person, and notifies the Commissioner that—

“(A) such person is described in section 804(a)(2),

“(B) such person has information that is necessary for the officer to conduct the officer's official duties, and

“(C) the location or apprehension of such person is within the officer's official duties.”; and

(3) in subsection (d)(1)—

(A) by striking “or” at the end of subparagraph (B);

(B) by striking the period at the end of subparagraph (C) and inserting a semicolon; and

(C) by adding at the end the following:

“(D) such person has previously been convicted as described in subsection (b)(2)(D), unless the Commissioner determines that such payment would be appropriate notwithstanding such conviction; or

"(E) such person is a person described in section 804(a)(2).".

(c) TITLE XVI AMENDMENTS.—Section 1631(a)(2)(B) of such Act (42 U.S.C. 1383(a)(2)(B)) is amended—

(1) in clause (ii)—

(A) by striking "and" at the end of subclause (III);

(B) by redesignating subclause (IV) as subclause (VI); and

(C) by inserting after subclause (III) the following:

"(IV) obtain information concerning whether the person has been convicted of any other offense under Federal or State law which resulted in imprisonment for more than 1 year;

"(V) obtain information concerning whether such person is a person described in section 1611(e)(4)(A); and";

(2) in clause (iii)(II)—

(A) by striking "clause (ii)(IV)" and inserting "clause (ii)(VI)"; and

(B) by striking "section 205(j)(2)(B)(i)(IV)" and inserting "section 205(j)(2)(B)(i)(VI)";

(3) in clause (iii)—

(A) by striking "or" at the end of subclause (II);

(B) by striking the period at the end of subclause (III) and inserting a semicolon; and

(C) by adding at the end the following:

"(IV) the person has previously been convicted as described in clause (ii)(IV) of this subparagraph, unless the Commissioner determines that the payment would be appropriate notwithstanding the conviction; or

"(V) such person is a person described in section 1611(e)(4)(A)."; and

(4) by adding at the end the following:

"(xiv) Notwithstanding the provisions of section 552a of title 5, United States Code, or any other provision of Federal or State law (other than section 6103 of the Internal Revenue Code of 1986 and section 1106(c) of this Act), the Commissioner shall furnish any Federal, State, or local law enforcement officer, upon the written request of the officer, with the current address, social security account number, and photograph (if applicable) of any person investigated under this subparagraph, if the officer furnishes the Commissioner with the name of such person and such other identifying information as may reasonably be required by the Commissioner to establish the unique identity of such person, and notifies the Commissioner that—

"(I) such person is described in section 1611(e)(4)(A),

"(II) such person has information that is necessary for the officer to conduct the officer's official duties, and

"(III) the location or apprehension of such person is within the officer's official duties.".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on the first day of the thirteenth month beginning after the date of the enactment of this Act.

(e) REPORT TO CONGRESS.—The Commissioner of Social Security, in consultation with the Inspector General of the Social Security Administration, shall prepare a report evaluating whether the existing procedures and reviews for the qualification (including disqualification) of representative payees are sufficient to enable the Commissioner to protect benefits from being misused by representative payees. The Commissioner shall submit the report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate no later than 270 days after the date of the enactment of this Act. The Commissioner shall include in such report any recommendations that the Commissioner considers appropriate.

SEC. 104. FEE FORFEITURE IN CASE OF BENEFIT MISUSE BY REPRESENTATIVE PAYEES.

(a) TITLE II AMENDMENTS.—Section 205(j)(4)(A)(i) of the Social Security Act (42 U.S.C. 405(j)(4)(A)(i)) is amended—

(1) in the first sentence, by striking "A" and inserting "Except as provided in the next sentence, a"; and

(2) in the second sentence, by striking "The Secretary" and inserting the following: "A qualified organization may not collect a fee from an individual for any month with respect to which the Commissioner of Social Security or a court of competent jurisdiction has determined that the organization misused all or part of the individual's benefit, and any amount so collected by the qualified organization for such month shall be treated as a misused part of the individual's benefit for purposes of paragraphs (5) and (6). The Commissioner".

(b) TITLE XVI AMENDMENTS.—Section 1631(a)(2)(D)(i) of such Act (42 U.S.C. 1383(a)(2)(D)(i)) is amended—

(1) in the first sentence, by striking "A" and inserting "Except as provided in the next sentence, a"; and

(2) in the second sentence, by striking "The Commissioner" and inserting the following: "A qualified organization may not collect a fee from an individual for any month with respect to which the Commissioner of Social Security or a court of competent jurisdiction has determined that the organization misused all or part of the individual's benefit, and any amount so collected by the qualified organization for such month shall be treated as a misused part of the individual's benefit for purposes of subparagraphs (E) and (F). The Commissioner".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to any month involving benefit misuse by a representative payee in any case with respect to which the Commissioner of Social Security or a court of competent jurisdiction makes the determination of misuse after 180 days after the date of the enactment of this Act.

SEC. 105. LIABILITY OF REPRESENTATIVE PAYEES FOR MISUSED BENEFITS.

(a) TITLE II AMENDMENTS.—Section 205(j) of the Social Security Act (42 U.S.C. 405(j)) (as amended by sections 101 and 102) is amended further—

(1) by redesignating paragraphs (7), (8), and (9) as paragraphs (8), (9), and (10), respectively;

(2) in paragraphs (2)(C)(v), (3)(F), and (4)(B), by striking "paragraph (9)" and inserting "paragraph (10)";

(3) in paragraph (6)(A)(ii), by striking "paragraph (9)" and inserting "paragraph (10)"; and

(4) by inserting after paragraph (6) the following:

"(7)(A) If the Commissioner of Social Security or a court of competent jurisdiction determines that a representative payee that is not a Federal, State, or local government agency has misused all or part of an individual's benefit that was paid to such representative payee under this subsection, the representative payee shall be liable for the amount misused, and such amount (to the extent not repaid by the representative payee) shall be treated as an overpayment of benefits under this title to the representative payee for all purposes of this Act and related laws pertaining to the recovery of such overpayments. Subject to subparagraph (B), upon recovering all or any part of such amount, the Commissioner shall certify an amount equal to the recovered amount for payment to such individual or such individual's alternative representative payee.

"(B) The total of the amount certified for payment to such individual or such individual's alternative representative payee under subparagraph (A) and the amount certified for payment under paragraph (5) may not exceed the total benefit amount misused by the representative payee with respect to such individual.".

(b) TITLE VIII AMENDMENT.—Section 807 of such Act (as amended by section 102(b)(2)) is amended further by adding at the end the following:

"(l) LIABILITY FOR MISUSED AMOUNTS.—

"(1) IN GENERAL.—If the Commissioner of Social Security or a court of competent jurisdiction determines that a representative payee that is not a Federal, State, or local government agency has misused all or part of a qualified individual's benefit that was paid to such representative payee under this section, the representative payee shall be liable for the amount misused, and such amount (to the extent not repaid by the representative payee) shall be treated as an overpayment of benefits under this title to the representative payee for all purposes of this Act and related laws pertaining to the recovery of such overpayments. Subject to paragraph (2), upon recovering all or any part of such amount, the Commissioner shall make payment of an amount equal to the recovered amount to such qualified individual or such qualified individual's alternative representative payee.

"(2) LIMITATION.—The total of the amount paid to such individual or such individual's alternative representative payee under paragraph (1) and the amount paid under subsection (i) may not exceed the total benefit amount misused by the representative payee with respect to such individual.".

(c) TITLE XVI AMENDMENTS.—Section 1631(a)(2) of such Act (42 U.S.C. 1383(a)(2)) (as amended by section 102(b)(3)) is amended further—

(1) in subparagraph (G)(i)(II), by striking "section 205(j)(9)" and inserting "section 205(j)(10)"; and

(2) by striking subparagraph (H) and inserting the following:

"(H)(i) If the Commissioner of Social Security or a court of competent jurisdiction determines that a representative payee that is not a Federal, State, or local government agency has misused all or part of an individual's benefit that was paid to the representative payee under this paragraph, the representative payee shall be liable for the amount misused, and the amount (to the extent not repaid by the representative payee) shall be treated as an overpayment of benefits under this title to the representative payee for all purposes of this Act and related laws pertaining to the recovery of the overpayments. Subject to clause (ii), upon recovering all or any part of the amount, the Commissioner shall make payment of an amount equal to the recovered amount to such individual or such individual's alternative representative payee.

"(ii) The total of the amount paid to such individual or such individual's alternative representative payee under clause (i) and the amount paid under subparagraph (E) may not exceed the total benefit amount misused by the representative payee with respect to such individual.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to benefit misuse by a representative payee in any case with respect to which the Commissioner of Social Security or a court of competent jurisdiction makes the determination of misuse after 180 days after the date of the enactment of this Act.

SEC. 106. AUTHORITY TO REDIRECT DELIVERY OF BENEFIT PAYMENTS WHEN A REPRESENTATIVE PAYEE FAILS TO PROVIDE REQUIRED ACCOUNTING.

(a) TITLE II AMENDMENTS.—Section 205(j)(3) of the Social Security Act (42 U.S.C. 405(j)(3)) (as amended by sections 102(a)(1)(B) and 105(a)(2)) is amended—

(1) by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G), respectively; and

(2) by inserting after subparagraph (D) the following:

"(E) In any case in which the person described in subparagraph (A) or (D) receiving

payments on behalf of another fails to submit a report required by the Commissioner of Social Security under subparagraph (A) or (D), the Commissioner may, after furnishing notice to such person and the individual entitled to such payment, require that such person appear in person at a field office of the Social Security Administration serving the area in which the individual resides in order to receive such payments.".

(b) TITLE VIII AMENDMENTS.—Section 807(h) of such Act (42 U.S.C. 1007(h)) is amended—

(1) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively; and

(2) by inserting after paragraph (2) the following:

"(3) AUTHORITY TO REDIRECT DELIVERY OF BENEFIT PAYMENTS WHEN A REPRESENTATIVE PAYEE FAILS TO PROVIDE REQUIRED ACCOUNTING.—In any case in which the person described in paragraph (1) or (2) receiving benefit payments on behalf of a qualified individual fails to submit a report required by the Commissioner of Social Security under paragraph (1) or (2), the Commissioner may, after furnishing notice to such person and the qualified individual, require that such person appear in person at a United States Government facility designated by the Social Security Administration as serving the area in which the qualified individual resides in order to receive such benefit payments.".

(c) TITLE XVI AMENDMENT.—Section 1631(a)(2)(C) of such Act (42 U.S.C. 1383(a)(2)(C)) is amended by adding at the end the following:

"(v) In any case in which the person described in clause (i) or (iv) receiving payments on behalf of another fails to submit a report required by the Commissioner of Social Security under clause (i) or (iv), the Commissioner may, after furnishing notice to the person and the individual entitled to the payment, require that such person appear in person at a field office of the Social Security Administration serving the area in which the individual resides in order to receive such payments.".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect 180 days after the date of the enactment of this Act.

SEC. 107. SURVEY OF USE OF PAYMENTS BY REPRESENTATIVE PAYEES.

(a) IN GENERAL.—Section 1110 of the Social Security Act (42 U.S.C. 1310) is amended by adding at the end the following:

"(c) Notwithstanding subsection (a)(1), of the amount appropriated to carry out that subsection for fiscal year 2004, $17,800,000 of such amount shall be transferred and made available to the Inspector General of the Social Security Administration for purposes of conducting a statistically significant survey to determine how payments made to individuals, organizations, and State or local government agencies that are representative payees for benefits paid under title II or XVI are being managed and used on behalf of the beneficiaries for whom such benefits are paid. Not later than February 1, 2005, the Inspector General of the Social Security Administration shall submit a report on the survey conducted in accordance with this subsection to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate.".

Subtitle B—Enforcement

SEC. 111. CIVIL MONETARY PENALTY AUTHORITY WITH RESPECT TO WRONGFUL CONVERSIONS BY REPRESENTATIVE PAYEES.

(a) IN GENERAL.—Section 1129(a) of the Social Security Act (42 U.S.C. 1320a–8) is amended by adding at the end the following:

"(3) Any person (including an organization, agency, or other entity) who, having received, while acting in the capacity of a representative payee pursuant to section 205(j), 807, or 1631(a)(2), a payment under title II, VIII, or XVI for the use and benefit of another individual, converts such payment, or any part thereof, to a use that such person knows or should know is other than for the use and benefit of such other individual shall be subject to, in addition to any other penalties that may be prescribed by law, a civil money penalty of not more than $5,000 for each such conversion. Such person shall also be subject to an assessment, in lieu of damages sustained by the United States resulting from the conversion, of not more than twice the amount of any payments so converted.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to violations committed after the date of the enactment of this Act.

TITLE II—PROGRAM PROTECTIONS

SEC. 201. CIVIL MONETARY PENALTY AUTHORITY WITH RESPECT TO WITHHOLDING OF MATERIAL FACTS.

(a) TREATMENT OF WITHHOLDING OF MATERIAL FACTS.—

(1) CIVIL PENALTIES.—Section 1129(a)(1) of the Social Security Act (42 U.S.C. 1320a–8(a)(1)) is amended—

(A) by striking "who" in the first sentence and inserting "who—";

(B) by striking "makes" in the first sentence and all that follows through "shall be subject to," and inserting the following:

"(A) makes, or causes to be made, a statement or representation of a material fact, for use in determining any initial or continuing right to or the amount of monthly insurance benefits under title II or benefits or payments under title VIII or XVI, that the person knows or should know is false or misleading,

"(B) makes such a statement or representation for such use with knowing disregard for the truth, or

"(C) omits from a statement or representation for such use, or otherwise withholds disclosure of, a fact which the person knows or should know is material to the determination of any initial or continuing right to or the amount of monthly insurance benefits under title II or benefits or payments under title VIII or XVI, if the person knows, or should know, that the statement or representation with such omission is false or misleading or that the withholding of such disclosure is misleading,

shall be subject to,";

(C) by inserting "or each receipt of such benefits or payments while withholding disclosure of such fact" after "each such statement or representation" in the first sentence;

(D) by inserting "or because of such withholding of disclosure of a material fact" after "because of such statement or representation" in the second sentence; and

(E) by inserting "or such a withholding of disclosure" after "such a statement or representation" in the second sentence.

(2) ADMINISTRATIVE PROCEDURE FOR IMPOSING PENALTIES.—Section 1129A(a) of such Act (42 U.S.C. 1320a–8a(a)) is amended—

(A) by striking "who" the first place it appears and inserting "who—"; and

(B) by striking "makes" and all that follows through "shall be subject to," and inserting the following:

"(1) makes, or causes to be made, a statement or representation of a material fact, for use in determining any initial or continuing right to or the amount of monthly insurance benefits under title II or benefits or payments under title XVI that the person knows or should know is false or misleading,

"(2) makes such a statement or representation for such use with knowing disregard for the truth, or

"(3) omits from a statement or representation for such use, or otherwise withholds disclosure of, a fact which the person knows or should know is material to the determination of any initial or continuing right to or the amount of monthly insurance benefits under title II or benefits or payments under title XVI, if the person knows, or should know, that the statement or representation with such omission is false or misleading or that the withholding of such disclosure is misleading,

shall be subject to,".

(b) CLARIFICATION OF TREATMENT OF RECOVERED AMOUNTS.—Section 1129(e)(2)(B) of such Act (42 U.S.C. 1320a–8(e)(2)(B)) is amended by striking "In the case of amounts recovered arising out of a determination relating to title VIII or XVI," and inserting "In the case of any other amounts recovered under this section,".

(c) CONFORMING AMENDMENTS.—

(1) Section 1129(b)(3)(A) of such Act (42 U.S.C. 1320a–8(b)(3)(A)) is amended by striking "charging fraud or false statements".

(2) Section 1129(c)(1) of such Act (42 U.S.C. 1320a–8(c)(1)) is amended by striking "and representations" and inserting ", representations, or actions".

(3) Section 1129(e)(1)(A) of such Act (42 U.S.C. 1320a–8(e)(1)(A)) is amended by striking "statement or representation referred to in subsection (a) was made" and inserting "violation occurred".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to violations committed after the date on which the Commissioner of Social Security implements the centralized computer file described in section 202.

SEC. 202. ISSUANCE BY COMMISSIONER OF SOCIAL SECURITY OF RECEIPTS TO ACKNOWLEDGE SUBMISSION OF REPORTS OF CHANGES IN WORK OR EARNINGS STATUS OF DISABLED BENEFICIARIES.

Effective as soon as possible, but not later than 1 year after the date of the enactment of this Act, until such time as the Commissioner of Social Security implements a centralized computer file recording the date of the submission of information by a disabled beneficiary (or representative) regarding a change in the beneficiary's work or earnings status, the Commissioner shall issue a receipt to the disabled beneficiary (or representative) each time he or she submits documentation, or otherwise reports to the Commissioner, on a change in such status.

SEC. 203. DENIAL OF TITLE II BENEFITS TO PERSONS FLEEING PROSECUTION, CUSTODY, OR CONFINEMENT, AND TO PERSONS VIOLATING PROBATION OR PAROLE.

(a) IN GENERAL.—Section 202(x) of the Social Security Act (42 U.S.C. 402(x)) is amended—

(1) in the heading, by striking "Prisoners" and all that follows and inserting the following: "Prisoners, Certain Other Inmates of Publicly Funded Institutions, Fugitives, Probationers, and Parolees";

(2) in paragraph (1)(A)(ii)(IV), by striking "or" at the end;

(3) in paragraph (1)(A)(iii), by striking the period at the end and inserting a comma;

(4) by inserting after paragraph (1)(A)(iii) the following:

"(iv) is fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the person flees, for a crime, or an attempt to commit a crime, which is a felony under the laws of the place from which the person flees, or, in jurisdictions that do not define crimes as felonies, is punishable by death or imprisonment for a term exceeding 1 year regardless of the actual sentence imposed, and a Federal, State, or local law enforcement agency has notified the Commissioner *that such agency intends to pursue the individual by seeking arrest, extradition, or prosecution, or*

"(v) is violating a condition of probation or parole imposed under Federal or State law, and a Federal, State, or local law enforcement agency has notified the Commissioner that such agency intends to seek revocation of the individual's probation or parole.

In the case of an individual from whom such monthly benefits have been withheld pursuant to clause (iv) or (v), the Commissioner of Social Security may, for good cause shown, pay such withheld benefits to the individual."; and

(5) in paragraph (3), by adding at the end the following:

"(C) Notwithstanding the provisions of section 552a of title 5, United States Code, or any other provision of Federal or State law (other than section 6103 of the Internal Revenue Code of 1986 and section 1106(c) of this Act), the Commissioner shall furnish any Federal, State, or local law enforcement officer, upon the written request of the officer, with the current address, Social Security number, and photograph (if applicable) of any beneficiary under this title, if the officer furnishes the Commissioner with the name of the beneficiary, and other identifying information as reasonably required by the Commissioner to establish the unique identity of the beneficiary, and notifies the Commissioner that—

"(i) the beneficiary is described in clause (iv) or (v) of paragraph (1)(A);

"(ii) the Commissioner has information with respect to the beneficiary that is necessary for the officer to conduct the officer's official duties; and

"(iii) the location or apprehension of the beneficiary is within the officer's official duties.".

(b) CONFORMING AMENDMENTS TO TITLE XVI.—Section 1611(e) of the Social Security Act (42 U.S.C. 1382(e)) is amended—

(1) in paragraph (4)—

(A) in subparagraph (A), by striking "or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State" and inserting "or, in jurisdictions that do not define crimes as felonies, is punishable by death or imprisonment for a term exceeding 1 year regardless of the actual sentence imposed, and a Federal, State, or local law enforcement agency has notified the Commissioner of Social Security that the agency intends to pursue the person by seeking arrest, extradition, or prosecution";

(B) in subparagraph (B), by inserting "and a Federal, State, or local law enforcement agency has notified the Commissioner of Social Security that the agency intends to seek revocation of the person's probation or parole" after "law"; and

(C) by adding at the end the following sentence after and below subparagraph (B):

"In the case of an individual whose eligibility for a month or months has been suspended pursuant to subparagraph (A) or (B), the Commissioner of Social Security may, for good cause shown, restore such individual's eligibility for all such months."; and

(2) in paragraph (5), by striking subparagraphs (A) and (B) and inserting the following:

"(A) the recipient is described in subparagraph (A) or (B) of paragraph (4);

"(B) the Commissioner has information with respect to the recipient that is necessary for the officer to conduct the officer's official duties; and

"(C) the location or apprehension of the recipient is within the officer's official duties.".

(c) CONFORMING AMENDMENT.—Section 804(a)(2) of the Social Security Act (42 U.S.C. 1004(a)(2)) is amended by striking "or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State" and inserting "or, in jurisdictions that do not define crimes as felonies, is punishable by death or imprisonment for a term exceeding 1 year regardless of the actual sentence imposed".

(d) REGULATIONS.—Not later than the first day of the first month that begins on or after the date that is 9 months after the date of the enactment of this Act, the Commissioner of Social Security shall promulgate regulations governing payment by the Commissioner, for good cause shown, of withheld benefits pursuant to the last sentences of sections 202(x)(1)(A) and 1611(e)(4) of the Social Security Act (as amended by subsections (a) and (b), respectively).

(e) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the first day of the first month that begins on or after the date that is 9 months after the date of the enactment of this Act.

SEC. 204. REQUIREMENTS RELATING TO OFFERS TO PROVIDE FOR A FEE A PRODUCT OR SERVICE AVAILABLE WITHOUT CHARGE FROM THE SOCIAL SECURITY ADMINISTRATION.

(a) IN GENERAL.—Section 1140 of the Social Security Act (42 U.S.C. 1320b–10) is amended—

(1) in subsection (a), by adding at the end the following:

"(4)(A) No person shall offer, for a fee, to assist an individual to obtain a product or service that the person knows or should know is provided free of charge by the Social Security Administration unless, at the time the offer is made, the person provides to the individual to whom the offer is tendered a notice that—

"(i) explains that the product or service is available free of charge from the Social Security Administration, and

"(ii) complies with standards prescribed by the Commissioner of Social Security respecting the content of such notice and its placement, visibility, and legibility.

"(B) Subparagraph (A) shall not apply to any offer—

"(i) to serve as a claimant representative in connection with a claim arising under title II, title VIII, or title XVI; or

"(ii) to prepare, or assist in the preparation of, an individual's plan for achieving self-support under title XVI."; and

(2) in the heading, by striking "PROHIBITION OF MISUSE OF SYMBOLS, EMBLEMS, OR NAMES IN REFERENCE" and inserting "PROHIBITIONS RELATING TO REFERENCES".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to offers of assistance made after the sixth month ending after the Commissioner of Social Security promulgates final regulations prescribing the standards applicable to the notice required to be provided in connection with such offer. The Commissioner shall promulgate such final regulations within 1 year after the date of the enactment of this Act.

SEC. 205. REFUSAL TO RECOGNIZE CERTAIN INDIVIDUALS AS CLAIMANT REPRESENTATIVES.

Section 206(a)(1) of the Social Security Act (42 U.S.C. 406(a)(1)) is amended by inserting after the second sentence the following: "Notwithstanding the preceding sentences, the Commissioner, after due notice and opportunity for hearing, (A) may refuse to recognize as a representative, and may disqualify a representative already recognized, any attorney who has been disbarred or suspended from any court or bar to which he or she was previously admitted to practice or who has been disqualified from participating in or appearing before any Federal program or agency, and (B) may refuse to recognize, and may disqualify, as a non-attorney representative any attorney who has been disbarred or suspended from any court or bar to which he or she was previously admitted to practice. A representative who has been disqualified or suspended pursuant to this section from appearing before the Social Security Administration as a result of collecting or receiving a fee in excess of the amount authorized shall be barred from appearing before the Social Security Administration as a representative until full restitution is made to the claimant and, thereafter, may be considered for reinstatement only under such rules as the Commissioner may prescribe.".

SEC. 206. CRIMINAL PENALTY FOR CORRUPT OR FORCIBLE INTERFERENCE WITH ADMINISTRATION OF SOCIAL SECURITY ACT.

Part A of title XI of the Social Security Act (42 U.S.C. 1301 et seq.) is amended by inserting after section 1129A the following:

"ATTEMPTS TO INTERFERE WITH ADMINISTRATION OF SOCIAL SECURITY ACT

"SEC. 1129B. Whoever corruptly or by force or threats of force (including any threatening letter or communication) attempts to intimidate or impede any officer, employee, or contractor of the Social Security Administration (including any State employee of a disability determination service or any other individual designated by the Commissioner of Social Security) acting in an official capacity to carry out a duty under this Act, or in any other way corruptly or by force or threats of force (including any threatening letter or communication) obstructs or impedes, or attempts to obstruct or impede, the due administration of this Act, shall be guilty of a felony and upon conviction thereof shall be fined not more than $5,000, imprisoned not more than 3 years, or both, except that if the offense is committed only by threats of force, the person shall be guilty of a felony and upon conviction thereof shall be fined not more than $3,000, imprisoned not more than 1 year, or both. In this subsection, the term 'threats of force' means threats of harm to the officer or employee of the United States or to a contractor of the Social Security Administration, or to a member of the family of such an officer or employee or contractor.".

SEC. 207. USE OF SYMBOLS, EMBLEMS, OR NAMES IN REFERENCE TO SOCIAL SECURITY OR MEDICARE.

(a) IN GENERAL.—Section 1140(a)(1) of the Social Security Act (42 U.S.C. 1320b–10(a)(1)) is amended—

(1) in subparagraph (A), by inserting "'Centers for Medicare & Medicaid Services'," after "'Health Care Financing Administration',", by striking "or 'Medicaid'," and inserting "'Medicaid', 'Death Benefits Update', 'Federal Benefit Information', 'Funeral Expenses', or 'Final Supplemental Plan'," and by inserting "'CMS'," after "'HCFA',";

(2) in subparagraph (B), by inserting "Centers for Medicare & Medicaid Services," after "Health Care Financing Administration," each place it appears; and

(3) in the matter following subparagraph (B), by striking "the Health Care Financing Administration," each place it appears and inserting "the Centers for Medicare & Medicaid Services,".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to items sent after 180 days after the date of the enactment of this Act.

SEC. 208. DISQUALIFICATION FROM PAYMENT DURING TRIAL WORK PERIOD UPON CONVICTION OF FRAUDULENT CONCEALMENT OF WORK ACTIVITY.

(a) IN GENERAL.—Section 222(c) of the Social Security Act (42 U.S.C. 422(c)) is amended by adding at the end the following:

"(5) Upon conviction by a Federal court that an individual has fraudulently concealed work activity during a period of trial work from the Commissioner of Social Security by—

"(A) providing false information to the Commissioner of Social Security as to whether the

individual had earnings in or for a particular period, or as to the amount thereof;

"(B) receiving disability insurance benefits under this title while engaging in work activity under another identity, including under another social security account number or a number purporting to be a social security account number; or

"(C) taking other actions to conceal work activity with an intent fraudulently to secure payment in a greater amount than is due or when no payment is authorized,

no benefit shall be payable to such individual under this title with respect to a period of disability for any month before such conviction during which the individual rendered services during the period of trial work with respect to which the fraudulently concealed work activity occurred, and amounts otherwise due under this title as restitution, penalties, assessments, fines, or other repayments shall in all cases be in addition to any amounts for which such individual is liable as overpayments by reason of such concealment.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to work activity performed after the date of the enactment of this Act.

SEC. 209. AUTHORITY FOR JUDICIAL ORDERS OF RESTITUTION.

(a) AMENDMENTS TO TITLE II.—Section 208 of the Social Security Act (42 U.S.C. 408) is amended—

(1) by redesignating subsections (b), (c), and (d) as subsections (c), (d), and (e), respectively; and

(2) by inserting after subsection (a) the following:

"(b) Any Federal court, when sentencing a defendant convicted of an offense under subsection (a) that results in the Commissioner of Social Security making a benefit payment (or an increase in such a payment) that should not have been made, shall consider the Commissioner of Social Security a victim of the crime.".

(b) AMENDMENTS TO TITLE VIII.—Section 807(i) of such Act (42 U.S.C. 1007(i)) is amended—

(1) by striking "(i) RESTITUTION.—In any case where" and inserting the following:

"(i) RESTITUTION.—

"(1) IN GENERAL.—In any case where"; and

(2) by adding at the end the following:

"(2) SSA TREATED AS A VICTIM.—Any Federal court, when sentencing a defendant convicted of an offense that results in the Commissioner of Social Security making a benefit payment (or an increase in such a payment) that should not have been made, shall consider the Commissioner of Social Security a victim of the crime.".

(c) AMENDMENTS TO TITLE XVI.—Section 1632 of such Act (42 U.S.C. 1383a) is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following:

"(b) Any Federal court, when sentencing a defendant convicted of an offense under subsection (a) that results in the Commissioner of Social Security making a benefit payment (or an increase in such a payment) that should not have been made, shall consider the Commissioner of Social Security a victim of the crime.".

(d) SPECIAL ACCOUNT FOR RECEIPT OF RESTITUTION PAYMENTS.—Section 704(b) of such Act (42 U.S.C. 904(b)) is amended by adding at the end the following:

"(3)(A) Except as provided in subparagraph (B), amounts received by the Social Security Administration pursuant to an order of restitution under section 208(b), 807(i), or 1632(b) shall be credited to a special fund established in the Treasury of the United States for amounts so received or recovered. The amounts so credited, to the extent and in the amounts provided in advance in appropriations Acts, shall be available to defray expenses incurred in carrying out titles II, VIII, and XVI.

"(B) Subparagraph (A) shall not apply with respect to amounts received in connection with misuse by a representative payee (within the meaning of sections 205(j), 807, and 1631(a)(2)) of funds paid as benefits under title II, VIII, or XVI. Such amounts received in connection with misuse of funds paid as benefits under title II shall be transferred to the Managing Trustee of the Federal Old-Age and Survivors Insurance Trust Fund or the Federal Disability Insurance Trust Fund, as determined appropriate by the Commissioner of Social Security, and such amounts shall be deposited by the Managing Trustee into such Trust Fund. All other such amounts shall be deposited by the Commissioner into the general fund of the Treasury as miscellaneous receipts.".

(e) EFFECTIVE DATE.—The amendments made by subsections (a), (b), and (c) shall apply with respect to violations occurring on or after the date of the enactment of this Act.

SEC. 210. INFORMATION FOR ADMINISTRATION OF PROVISIONS RELATED TO NONCOVERED EMPLOYMENT.

(a) COLLECTION.—Paragraph (2) of section 6047(d) of the Internal Revenue Code of 1986 (relating to reports by employers, plan administrators, etc.) is amended by adding at the end the following new sentence: "In the case of any employer deferred compensation plan (as defined in section 3405(e)(5)) of a State, a political subdivision thereof, or any agency or instrumentality of either, the Secretary shall in such forms or regulations require the identification of any designated distribution (as so defined) if paid to any participant or beneficiary of such plan based in whole or in part upon an individual's earnings for service in the employ of any such governmental entity which did not constitute employment (as defined in section 3121(b)).".

(b) DISCLOSURE.—Section 6103(l)(1) of the Internal Revenue Code of 1986 (relating to disclosure of certain returns and return information to Social Security Administration and Railroad Retirement Board) is amended—

(1) in subparagraph (B), by striking "and"; and

(2) in subparagraph (C), by striking the period and inserting "; and"; and

(3) by adding at the end the following:

"(D) any designated distribution described in the second sentence of section 6047(d)(2) to the Social Security Administration for purposes of its administration of the Social Security Act.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions made after December 31, 2003.

SEC. 211. AUTHORITY FOR CROSS-PROGRAM RECOVERY OF BENEFIT OVERPAYMENTS.

(a) IN GENERAL.—Section 1147 of the Social Security Act (42 U.S.C. 1320b–17) is amended to read as follows:

"CROSS-PROGRAM RECOVERY OF OVERPAYMENTS FROM BENEFITS

"(a) IN GENERAL.—Subject to subsection (b), whenever the Commissioner of Social Security determines that more than the correct amount of any payment has been made to a person under a program described in subsection (e), the Commissioner of Social Security may recover the amount incorrectly paid by decreasing any amount which is payable to such person under any other program specified in that subsection.

"(b) LIMITATION APPLICABLE TO CURRENT BENEFITS.—

"(1) IN GENERAL.—In carrying out subsection (a), the Commissioner of Social Security may not decrease the monthly amount payable to an individual under a program described in subsection (e) that is paid when regularly due—

"(A) in the case of benefits under title II or VIII, by more than 10 percent of the amount of the benefit payable to the person for that month under such title; and

"(B) in the case of benefits under title XVI, by an amount greater than the lesser of—

"(i) the amount of the benefit payable to the person for that month; or

"(ii) an amount equal to 10 percent of the person's income for that month (including such monthly benefit but excluding payments under title II when recovery is also made from title II payments and excluding income excluded pursuant to section 1612(b)).

"(2) EXCEPTION.—Paragraph (1) shall not apply if—

"(A) the person or the spouse of the person was involved in willful misrepresentation or concealment of material information in connection with the amount incorrectly paid; or

"(B) the person so requests.

"(c) NO EFFECT ON ELIGIBILITY OR BENEFIT AMOUNT UNDER TITLE VIII OR XVI.—In any case in which the Commissioner of Social Security takes action in accordance with subsection (a) to recover an amount incorrectly paid to any person, neither that person, nor (with respect to the program described in subsection (e)(3)) any individual whose eligibility for benefits under such program or whose amount of such benefits, is determined by considering any part of that person's income, shall, as a result of such action—

"(1) become eligible for benefits under the program described in paragraph (2) or (3) of subsection (e); or

"(2) if such person or individual is otherwise so eligible, become eligible for increased benefits under such program.

"(d) INAPPLICABILITY OF PROHIBITION AGAINST ASSESSMENT AND LEGAL PROCESS.—Section 207 shall not apply to actions taken under the provisions of this section to decrease amounts payable under titles II and XVI.

"(e) PROGRAMS DESCRIBED.—The programs described in this subsection are the following:

"(1) The old-age, survivors, and disability insurance benefits program under title II.

"(2) The special benefits for certain World War II veterans program under title VIII.

"(3) The supplemental security income benefits program under title XVI (including, for purposes of this section, State supplementary payments paid by the Commissioner pursuant to an agreement under section 1616(a) of this Act or section 212(b) of Public Law 93–66).".

(b) CONFORMING AMENDMENTS.—

(1) Section 204(g) of the Social Security Act (42 U.S.C. 404(g)) is amended to read as follows:

"(g) For provisions relating to the cross-program recovery of overpayments made under programs administered by the Commissioner of Social Security, see section 1147.".

(2) Section 808 of the Social Security Act (42 U.S.C. 1008) is amended—

(A) in subsection (a)(1)—

(i) by striking subparagraph (B);

(ii) in the matter preceding subparagraph (A), by striking "any payment" and all that follows through "under this title" and inserting "any payment under this title"; and

(iii) by striking "; or" and inserting a period;

(B) by striking subsection (b) and redesignating subsections (c), (d), and (e) as subsections (b), (c), and (d), respectively; and

(C) by adding at the end the following:

"(e) CROSS-PROGRAM RECOVERY OF OVERPAYMENTS.—For provisions relating to the cross-program recovery of overpayments made under programs administered by the Commissioner of Social Security, see section 1147.".

(3) Section 1147A of the Social Security Act (42 U.S.C. 1320b–18) is repealed.

(4) Section 1631(b) of the Social Security Act (42 U.S.C. 1383(b)) is amended—

(A) in paragraph (1)(B)—

(i) by striking "excluding any other" and inserting "excluding payments under title II when recovery is made from title II payments pursuant to section 1147 and excluding"; and

(ii) by striking "50 percent of"; and

(B) by striking paragraph (6) and inserting the following:

"(6) For provisions relating to the cross-program recovery of overpayments made under programs administered by the Commissioner of Social Security, see section 1147.".

(c) EFFECTIVE DATE.—The amendments and repeal made by this section shall take effect on the date of enactment of this Act, and shall be effective with respect to overpayments under titles II, VIII, and XVI of the Social Security Act that are outstanding on or after such date.

SEC. 212. PROHIBITION ON PAYMENT OF TITLE II BENEFITS TO PERSONS NOT AUTHORIZED TO WORK IN THE UNITED STATES.

(a) FULLY INSURED AND CURRENTLY INSURED INDIVIDUALS.—Section 214 (42 U.S.C. 414) is amended—

(1) in subsection (a), by inserting before the period at the end the following: ", and who satisfies the criterion specified in subsection (c)";

(2) in subsection (b), by inserting before the period at the end the following: ", and who satisfies the criterion specified in subsection (c)"; and

(3) by adding at the end the following:

"(c) For purposes of subsections (a) and (b), the criterion specified in this subsection is that the individual, if not a United States citizen or national, has been assigned a social security account number that was, at the time of assignment, or at any later time, consistent with the requirements of subclause (I) or (III) of section 205(c)(2)(B)(i).".

(b) DISABILITY BENEFITS.—Section 223(a)(1) of the Social Security Act (42 U.S.C. 423(a)(1)) is amended—

(1) by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E), respectively; and

(2) by inserting after subparagraph (B), the following:

"(C) if not a United States citizen or national, has been assigned a social security account number that was, at the time of assignment, or at any later time, consistent with the requirements of subclause (I) or (III) of section 205(c)(2)(B)(i),".

(c) EFFECTIVE DATE.—The amendments made by this section apply to benefit applications filed on or after January 1, 2004.

TITLE III—ATTORNEY REPRESENTATIVE FEE PAYMENT SYSTEM IMPROVEMENTS

SEC. 301. CAP ON ATTORNEY ASSESSMENTS.

(a) IN GENERAL.—Section 206(d)(2)(A) of the Social Security Act (42 U.S.C. 406(d)(2)(A)) is amended—

(1) by inserting ", except that the maximum amount of the assessment may not exceed the greater of $75 or the adjusted amount as provided pursuant to the following two sentences" after "subparagraph (B)"; and

(2) by adding at the end the following: "In the case of any calendar year beginning after the amendments made by section 301 of the Social Security Protection Act of 2003 take effect, the dollar amount specified in the preceding sentence (including a previously adjusted amount) shall be adjusted annually under the procedures used to adjust benefit amounts under section 215(i)(2)(A)(ii), except such adjustment shall be based on the higher of $75 or the previously adjusted amount that would have been in effect for December of the preceding year, but for the rounding of such amount pursuant to the following sentence. Any amount so adjusted that is not a multiple of $1 shall be rounded to the next lowest multiple of $1, but in no case less than $75.".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to fees for representation of claimants which are first required to be certified or paid under section 206 of the Social Security Act on or after the first day of the first month that begins after 180 days after the date of the enactment of this Act.

SEC. 302. GAO STUDY REGARDING FEE PAYMENT PROCESS FOR CLAIMANT REPRESENTATIVES.

(a) STUDY.—

(1) IN GENERAL.—The Comptroller General of the United States shall study and evaluate the appointment and payment of claimant representatives under titles II and XVI of the Social Security Act (42 U.S.C. 401 et seq., 1381 et seq.).

(2) CONSULTATION REQUIRED.—The Comptroller General shall consult with beneficiaries under title II of such Act, beneficiaries under title XVI of such Act, claimant representatives of beneficiaries under such titles, and other interested parties, in conducting the study and evaluation required under paragraph (1).

(b) REPORT.—Not later than 2 years after the date of enactment of this Act, the Comptroller General shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report that includes the following:

(1) A survey of the relevant characteristics of claimant representatives that provides statistically significant results for characteristics which include (but are not limited to)—

(A) qualifications and experience;

(B) the type of employment of such representatives, such as with an advocacy group, State or local government, or insurance or other company;

(C) geographical distribution between urban and rural areas;

(D) the nature of claimants' cases, such as whether the cases are for disability insurance benefits only, supplemental security income benefits only, or concurrent benefits;

(E) the relationship of such representatives to claimants, such as whether the representative is a friend, family member, or client of the claimant; and

(F) the amount of compensation (if any) paid to the representatives and the method of payment of such compensation.

(2) An assessment of the quality and effectiveness of the services provided by claimant representatives, including a comparison of claimant satisfaction or complaints and benefit outcomes, adjusted for differences in representatives' caseload, claimants' diagnostic group, level of decision, and other relevant factors.

(3) An assessment of the costs and benefits of the appointment and payment of representatives with respect to claimant satisfaction or complaints, benefit outcomes, and program administration.

(4) An assessment of the potential results, including the effect on claimants and program administration, of extending to title XVI of the Social Security Act the fee withholding procedures which apply under title II of that Act and of allowing non-attorney representatives to be subject to any fee withholding procedures applicable under title II and XVI of such Act, and whether the rules and procedures employed by the Commissioner of Social Security to evaluate the qualifications and performance of claimant representatives should be revised prior to any extensions of fee withholding.

TITLE IV—MISCELLANEOUS AND TECHNICAL AMENDMENTS

Subtitle A—Amendments Relating to the Ticket to Work and Work Incentives Improvement Act of 1999

SEC. 401. ELIMINATION OF DEMONSTRATION AUTHORITY SUNSET DATE.

Section 234(d)(2) of the Social Security Act (42 U.S.C. 434(d)(2)) is amended—

(1) in the paragraph heading, by striking "TERMINATION AND FINAL" and inserting "FINAL"; and

(2) by striking the first sentence.

SEC. 402. EXPANSION OF WAIVER AUTHORITY AVAILABLE IN CONNECTION WITH DEMONSTRATION PROJECTS PROVIDING FOR REDUCTIONS IN DISABILITY INSURANCE BENEFITS BASED ON EARNINGS.

Section 302(c) of the Ticket to Work and Work Incentives Improvement Act of 1999 (42 U.S.C. 434 note) is amended by striking "(42 U.S.C. 401 et seq.)," and inserting "(42 U.S.C. 401 et seq.) and the requirements of section 1148 of such Act (42 U.S.C. 1320b–19) as they relate to the program established under title II of such Act,".

SEC. 403. FUNDING OF DEMONSTRATION PROJECTS PROVIDING FOR REDUCTIONS IN DISABILITY INSURANCE BENEFITS BASED ON EARNINGS.

Section 302(f) of the Ticket to Work and Work Incentives Improvement Act of 1999 (42 U.S.C. 434 note) is amended to read as follows:

"(f) EXPENDITURES.—Administrative expenses for demonstration projects under this section shall be paid from funds available for the administration of title II or XVIII of the Social Security Act, as appropriate. Benefits payable to or on behalf of individuals by reason of participation in projects under this section shall be made from the Federal Disability Insurance Trust Fund and the Federal Old-Age and Survivors Insurance Trust Fund, as determined appropriate by the Commissioner of Social Security, and from the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund, as determined appropriate by the Secretary of Health and Human Services, from funds available for benefits under such title II or XVIII.".

SEC. 404. AVAILABILITY OF FEDERAL AND STATE WORK INCENTIVE SERVICES TO ADDITIONAL INDIVIDUALS.

(a) FEDERAL WORK INCENTIVES OUTREACH PROGRAM.—

(1) IN GENERAL.—Section 1149(c)(2) of the Social Security Act (42 U.S.C. 1320b–20(c)(2)) is amended to read as follows:

"(2) DISABLED BENEFICIARY.—The term 'disabled beneficiary' means an individual—

"(A) who is a disabled beneficiary as defined in section 1148(k)(2) of this Act;

"(B) who is receiving a cash payment described in section 1616(a) of this Act or a supplementary payment described in section 212(a)(3) of Public Law 93–66 (without regard to whether such payment is paid by the Commissioner pursuant to an agreement under section 1616(a) of this Act or under section 212(b) of Public Law 93–66);

"(C) who, pursuant to section 1619(b) of this Act, is considered to be receiving benefits under title XVI of this Act; or

"(D) who is entitled to benefits under part A of title XVIII of this Act by reason of the penultimate sentence of section 226(b) of this Act.".

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply with respect to grants, cooperative agreements, or contracts entered into on or after the date of the enactment of this Act.

(b) STATE GRANTS FOR WORK INCENTIVES ASSISTANCE.—

(1) DEFINITION OF DISABLED BENEFICIARY.—Section 1150(g)(2) of such Act (42 U.S.C. 1320b–21(g)(2)) is amended to read as follows:

"(2) DISABLED BENEFICIARY.—The term 'disabled beneficiary' means an individual—

"(A) who is a disabled beneficiary as defined in section 1148(k)(2) of this Act;

"(B) who is receiving a cash payment described in section 1616(a) of this Act or a supplementary payment described in section 212(a)(3) of Public Law 93–66 (without regard to whether such payment is paid by the Commissioner pursuant to an agreement under section 1616(a) of this Act or under section 212(b) of Public Law 93–66);

"(C) who, pursuant to section 1619(b) of this Act, is considered to be receiving benefits under title XVI of this Act; or

"(D) who is entitled to benefits under part A of title XVIII of this Act by reason of the penultimate sentence of section 226(b) of this Act.".

(2) ADVOCACY OR OTHER SERVICES NEEDED TO MAINTAIN GAINFUL EMPLOYMENT.—Section 1150(b)(2) of such Act (42 U.S.C. 1320b–21(b)(2)) is amended by striking "secure or regain" and inserting "secure, maintain, or regain".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply with respect to payments provided after the date of the enactment of this Act.

SEC. 405. TECHNICAL AMENDMENT CLARIFYING TREATMENT FOR CERTAIN PURPOSES OF INDIVIDUAL WORK PLANS UNDER THE TICKET TO WORK AND SELF-SUFFICIENCY PROGRAM.

(a) IN GENERAL.—Section 1148(g)(1) of the Social Security Act (42 U.S.C. 1320b–19(g)(1)) is amended by adding at the end, after and below subparagraph (E), the following:

"An individual work plan established pursuant to this subsection shall be treated, for purposes of section 51(d)(6)(B)(i) of the Internal Revenue Code of 1986, as an individualized written plan for employment under a State plan for vocational rehabilitation services approved under the Rehabilitation Act of 1973.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in section 505 of the Ticket to Work and Work Incentives Improvement Act of 1999 (Public Law 106–170; 113 Stat. 1921).

SEC. 406. GAO STUDY REGARDING THE TICKET TO WORK AND SELF-SUFFICIENCY PROGRAM.

(a) GAO REPORT.—Not later than 12 months after the date of enactment of this Act, the Comptroller General of the United States shall submit a report to Congress regarding the Ticket to Work and Self-Sufficiency Program established under section 1148 of the Social Security Act (42 U.S.C. 1320b–19) that—

(1) examines the annual and interim reports issued by States, the Ticket to Work and Work Incentives Advisory Panel established under section 101(f) of the Ticket to Work and Work Incentives Improvement Act of 1999 (42 U.S.C. 1320b–19 note), and the Commissioner of Social Security regarding such program;

(2) assesses the effectiveness of the activities carried out under such program; and

(3) recommends such legislative or administrative changes as the Comptroller General determines are appropriate to improve the effectiveness of such program.

Subtitle B—Miscellaneous Amendments

SEC. 411. ELIMINATION OF TRANSCRIPT REQUIREMENT IN REMAND CASES FULLY FAVORABLE TO THE CLAIMANT.

(a) IN GENERAL.—Section 205(g) of the Social Security Act (42 U.S.C. 405(g)) is amended in the sixth sentence by striking "and a transcript" and inserting "and, in any case in which the Commissioner has not made a decision fully favorable to the individual, a transcript".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to final determinations issued (upon remand) on or after the date of the enactment of this Act.

SEC. 412. NONPAYMENT OF BENEFITS UPON REMOVAL FROM THE UNITED STATES.

(a) IN GENERAL.—Section 202(n) of the Social Security Act (42 U.S.C. 402(n)) is amended—

(1) in paragraph (1), by striking "section 241(a) (other than under paragraph (1)(C) or (1)(E) thereof) of the Immigration and Nationality Act" and inserting "section 237(a) of the Immigration and Nationality Act (other than under paragraph (1)(C) of such section) or under section 212(a)(6)(A) of such Act";

(2) in paragraph (2), by striking "section 241(a) of the Immigration and Nationality Act (other than under paragraph (1)(C) or (1)(E) thereof)" and inserting "section 237(a) of the Immigration and Nationality Act (other than under paragraph (1)(C) of such section) or under section 212(a)(6)(A) of such Act";

(3) in paragraph (3), by striking "paragraph (19) of section 241(a) of the Immigration and Nationality Act (relating to persecution of others on account of race, religion, national origin, or political opinion, under the direction of or in association with the Nazi government of Germany or its allies) shall be considered to have been deported under such paragraph (19)" and inserting "paragraph (4)(D) of section 241(a) of the Immigration and Nationality Act (relating to participating in Nazi persecutions or genocide) shall be considered to have been deported under such paragraph (4)(D)"; and

(4) in paragraph (3) (as amended by paragraph (3) of this subsection), by striking "241(a)" and inserting "237(a)".

(b) TECHNICAL CORRECTIONS.—

(1) TERMINOLOGY REGARDING REMOVAL FROM THE UNITED STATES.—Section 202(n) of the Social Security Act (42 U.S.C. 402(n)) (as amended by subsection (a)) is amended further—

(A) by striking "deportation" each place it appears and inserting "removal";

(B) by striking "deported" each place it appears and inserting "removed"; and

(C) in the heading, by striking "Deportation" and inserting "Removal".

(2) REFERENCES TO THE SECRETARY OF HOMELAND SECURITY.—Section 202(n) of the Social Security Act (42 U.S.C. 402(n)) (as amended by subsection (a) and paragraph (1)) is amended further by inserting "or the Secretary of Homeland Security" after "the Attorney General" each place it appears.

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendment made by—

(A) subsection (a)(1) shall apply to individuals with respect to whom the Commissioner of Social Security receives a removal notice after the date of the enactment of this Act;

(B) subsection (a)(2) shall apply with respect to notifications of removals received by the Commissioner of Social Security after the date of enactment of this Act; and

(C) subsection (a)(3) shall be effective as if enacted on March 1, 1991.

(2) SUBSEQUENT CORRECTION OF CROSS-REFERENCE AND TERMINOLOGY.—The amendments made by subsections (a)(4) and (b)(1) shall be effective as if enacted on April 1, 1997.

(3) REFERENCES TO THE SECRETARY OF HOMELAND SECURITY.—The amendment made by subsection (b)(2) shall be effective as if enacted on March 1, 2003.

SEC. 413. REINSTATEMENT OF CERTAIN REPORTING REQUIREMENTS.

Section 3003(a)(1) of the Federal Reports Elimination and Sunset Act of 1995 (31 U.S.C. 1113 note) shall not apply to any report required to be submitted under any of the following provisions of law:

(1)(A) Section 201(c)(2) of the Social Security Act (42 U.S.C. 401(c)(2)).

(B) Section 1817(b)(2) of the Social Security Act (42 U.S.C. 1395i(b)(2)).

(C) Section 1841(b)(2) of the Social Security Act (42 U.S.C. 1395t(b)(2)).

(2)(A) Section 221(c)(3)(C) of the Social Security Act (42 U.S.C. 421(c)(3)(C)).

(B) Section 221(i)(3) of the Social Security Act (42 U.S.C. 421(i)(3)).

SEC. 414. CLARIFICATION OF DEFINITIONS REGARDING CERTAIN SURVIVOR BENEFITS.

(a) WIDOWS.—Section 216(c) of the Social Security Act (42 U.S.C. 416(c)) is amended—

(1) by redesignating subclauses (A) through (C) of clause (6) as subclauses (i) through (iii), respectively;

(2) by redesignating clauses (1) through (6) as clauses (A) through (F), respectively;

(3) in clause (E) (as redesignated), by inserting "except as provided in paragraph (2)," before "she was married";

(4) by inserting "(1)" after "(c)"; and

(5) by adding at the end the following:

"(2) The requirements of paragraph (1)(E) in connection with the surviving wife of an individual shall be treated as satisfied if—

"(A) the individual had been married prior to the individual's marriage to the surviving wife,

"(B) the prior wife was institutionalized during the individual's marriage to the prior wife due to mental incompetence or similar incapacity,

"(C) during the period of the prior wife's institutionalization, the individual would have divorced the prior wife and married the surviving wife, but the individual did not do so because such divorce would have been unlawful, by reason of the prior wife's institutionalization, under the laws of the State in which the individual was domiciled at the time (as determined based on evidence satisfactory to the Commissioner of Social Security),

"(D) the prior wife continued to remain institutionalized up to the time of her death, and

"(E) the individual married the surviving wife within 60 days after the prior wife's death.".

(b) WIDOWERS.—Section 216(g) of such Act (42 U.S.C. 416(g)) is amended—

(1) by redesignating subclauses (A) through (C) of clause (6) as subclauses (i) through (iii), respectively;

(2) by redesignating clauses (1) through (6) as clauses (A) through (F), respectively;

(3) in clause (E) (as redesignated), by inserting "except as provided in paragraph (2)," before "he was married";

(4) by inserting "(1)" after "(g)"; and

(5) by adding at the end the following:

"(2) The requirements of paragraph (1)(E) in connection with the surviving husband of an individual shall be treated as satisfied if—

"(A) the individual had been married prior to the individual's marriage to the surviving husband,

"(B) the prior husband was institutionalized during the individual's marriage to the prior husband due to mental incompetence or similar incapacity,

"(C) during the period of the prior husband's institutionalization, the individual would have divorced the prior husband and married the surviving husband, but the individual did not do so because such divorce would have been unlawful, by reason of the prior husband's institutionalization, under the laws of the State in which the individual was domiciled at the time (as determined based on evidence satisfactory to the Commissioner of Social Security),

"(D) the prior husband continued to remain institutionalized up to the time of his death, and

"(E) the individual married the surviving husband within 60 days after the prior husband's death.".

(c) CONFORMING AMENDMENT.—Section 216(k) of such Act (42 U.S.C. 416(k)) is amended by striking "clause (5) of subsection (c) or clause (5) of subsection (g)" and inserting "clause (E) of subsection (c)(1) or clause (E) of subsection (g)(1)".

(d) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to applications for benefits under title II of the Social Security Act filed during months ending after the date of the enactment of this Act.

SEC. 415. CLARIFICATION RESPECTING THE FICA AND SECA TAX EXEMPTIONS FOR AN INDIVIDUAL WHOSE EARNINGS ARE SUBJECT TO THE LAWS OF A TOTALIZATION AGREEMENT PARTNER.

Sections 1401(c), 3101(c), and 3111(c) of the Internal Revenue Code of 1986 are each amended by striking "to taxes or contributions for similar purposes under" and inserting "exclusively to the laws applicable to".

SEC. 416. COVERAGE UNDER DIVIDED RETIREMENT SYSTEM FOR PUBLIC EMPLOYEES.

(a) IN GENERAL.—Section 218(d)(6)(C) of the Social Security Act (42 U.S.C. 418(d)(6)(C)) is amended by striking "the State of Alaska, California, Connecticut, Florida, Georgia, Illinois, Massachusetts, Minnesota, Nevada, New Jersey, New Mexico, New York, North Dakota, Pennsylvania, Rhode Island, Tennessee, Texas, Vermont, Washington, Wisconsin, or Hawaii" and inserting "a State".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) takes effect on January 1, 2003.

SEC. 417. COMPENSATION FOR THE SOCIAL SECURITY ADVISORY BOARD.

(a) IN GENERAL.—Subsection (f) of section 703 of the Social Security Act (42 U.S.C. 903(f)) is amended to read as follows:

"Compensation, Expenses, and Per Diem

"(f) A member of the Board shall, for each day (including traveltime) during which the member is attending meetings or conferences of the Board or otherwise engaged in the business of the Board, be compensated at the daily rate of basic pay for level IV of the Executive Schedule. While serving on business of the Board away from their homes or regular places of business, members may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government employed intermittently.".

(b) EFFECTIVE DATE.—The amendment made by this section shall be effective as of January 1, 2003.

SEC. 418. 60-MONTH PERIOD OF EMPLOYMENT REQUIREMENT FOR GOVERNMENT PENSION OFFSET EXEMPTION.

(a) WIFE'S INSURANCE BENEFITS.—Section 202(b)(4) of the Social Security Act (42 U.S.C. 402(b)(4)) is amended—

(1) in subparagraph (A), by striking "if, on the last day she was employed by such entity" and inserting "if, during any portion of such service"; and

(2) in subparagraph (B)—

(A) in clause (ii), by striking "Subparagraph (A)(ii)" and inserting "Clauses (i) and (ii) of subparagraph (A)"; and

(B) by adding at the end the following:

"(iii) Subparagraph (A)(i) shall not apply with respect to monthly periodic benefits based in whole or in part on service which constituted 'employment' as defined in section 210 pursuant to an agreement executed with the Commissioner of Social Security under section 218, provided that the wife (or divorced wife) was employed in such service—

"(I) on the date of enactment of this clause and such service was continuous throughout the 60-month period ending on the last day the wife (or divorced wife) was employed in the service of the State (or political subdivision thereof, as defined in section 218(b)(2)), or

"(II) in the case of such an agreement that was executed by the Commissioner of Social Security after the date of enactment of this clause, on the date such an agreement was executed by the Commissioner of Social Security and such service was continuous throughout the 60-month period ending on the last day the wife (or divorced wife) was employed in the service of the State (or political subdivision thereof, as so defined).".

(b) HUSBAND'S INSURANCE BENEFITS.—Section 202(c)(2) of such Act (42 U.S.C. 402(c)(2)) is amended—

(1) in subparagraph (A), by striking "if, on the last day he was employed by such entity" and inserting "if, during any portion of such service"; and

(2) in subparagraph (B)—

(A) in clause (ii), by striking "Subparagraph (A)(ii)" and inserting "Clauses (i) and (ii) of subparagraph (A)"; and

(B) by adding at the end the following:

"(iii) Subparagraph (A)(i) shall not apply with respect to monthly periodic benefits based in whole or in part on service which constituted 'employment' as defined in section 210 pursuant to an agreement executed with the Commissioner of Social Security under section 218, provided that the husband (or divorced husband) was employed in such service—

"(I) on the date of enactment of this clause and such service was continuous throughout the 60-month period ending on the last day the husband (or divorced husband) was employed in the service of the State (or political subdivision thereof, as defined in section 218(b)(2)), or

"(II) in the case of such an agreement that was executed by the Commissioner of Social Security after the date of enactment of this clause, on the date such an agreement was executed by the Commissioner of Social Security and such service was continuous throughout the 60-month period ending on the last day the husband (or divorced husband) was employed in the service of the State (or political subdivision thereof, as so defined).".

(c) WIDOW'S INSURANCE BENEFITS.—Section 202(e)(7) of such Act (42 U.S.C. 402(e)(7)) is amended—

(1) in subparagraph (A), by striking "if, on the last day she was employed by such entity" and inserting "if, during any portion of such service"; and

(2) in subparagraph (B)—

(A) in clause (ii), by striking "Subparagraph (A)(ii)" and inserting "Clauses (i) and (ii) of subparagraph (A)"; and

(B) by adding at the end the following:

"(iii) Subparagraph (A)(i) shall not apply with respect to monthly periodic benefits based in whole or in part on service which constituted 'employment' as defined in section 210 pursuant to an agreement executed with the Commissioner of Social Security under section 218, provided that the widow (or surviving divorced wife) was employed in such service—

"(I) on the date of enactment of this clause and such service was continuous throughout the 60-month period ending on the last day the widow (or surviving divorced wife) was employed in the service of the State (or political subdivision thereof, as defined in section 218(b)(2)), or

"(II) in the case of such an agreement that was executed by the Commissioner of Social Security after the date of enactment of this clause, on the date such an agreement was executed by the Commissioner of Social Security and such service was continuous throughout the 60-month period ending on the last day the widow (or surviving divorced wife) was employed in the service of the State (or political subdivision thereof, as so defined).".

(d) WIDOWER'S INSURANCE BENEFITS.—Section 202(f)(2) of such Act (42 U.S.C. 402(f)(2)) is amended—

(1) in subparagraph (A), by striking "if, on the last day he was employed by such entity" and inserting "if, during any portion of such service"; and

(2) in subparagraph (B)—

(A) in clause (ii), by striking "Subparagraph (A)(ii)" and inserting "Clauses (i) and (ii) of subparagraph (A)"; and

(B) by adding at the end the following:

"(iii) Subparagraph (A)(i) shall not apply with respect to monthly periodic benefits based in whole or in part on service which constituted 'employment' as defined in section 210 pursuant to an agreement executed with the Commissioner of Social Security under section 218, provided that the widower (or surviving divorced husband) was employed in such service—

"(I) on the date of enactment of this clause and such service was continuous throughout the 60-month period ending on the last day the widower (or surviving divorced husband) was employed in the service of the State (or political subdivision thereof, as defined in section 218(b)(2)), or

"(II) in the case of such an agreement that was executed by the Commissioner of Social Security after the date of enactment of this clause, on the date such an agreement was executed by the Commissioner of Social Security and such service was continuous throughout the 60-month period ending on the last day the widower (or surviving divorced husband) was employed in the service of the State (or political subdivision thereof, as so defined).".

(e) MOTHER'S AND FATHER'S INSURANCE BENEFITS.—Section 202(g)(4) of the such Act (42 U.S.C. 402(g)(4)) is amended—

(1) in subparagraph (A), by striking "if, on the last day the individual was employed by such entity" and inserting "if, during any portion of such service"; and

(2) in subparagraph (B)—

(A) in clause (ii), by striking "Subparagraph (A)(ii)" and inserting "Clauses (i) and (ii) of subparagraph (A)"; and

(B) by adding at the end the following:

"(iii) Subparagraph (A)(i) shall not apply with respect to monthly periodic benefits based in whole or in part on service which constituted 'employment' as defined in section 210 pursuant to an agreement executed with the Commissioner of Social Security under section 218, provided that the individual was employed in such service—

"(I) on the date of enactment of this clause and such service was continuous throughout the 60-month period ending on the last day the individual was employed in the service of the State (or political subdivision thereof, as defined in section 218(b)(2)), or

"(II) in the case of such an agreement that was executed by the Commissioner of Social Security after the date of enactment of this clause, on the date such an agreement was executed by the Commissioner of Social Security and such service was continuous throughout the 60-month period ending on the last day the individual was employed in the service of the State (or political subdivision thereof, as so defined).".

(f) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to applications for benefits under title II of the Social Security Act filed on or after the first day of the first month that begins after the date of the enactment of this Act, except that such amendments shall not apply with respect to applications for benefits under title II of the Social Security Act based on earnings while in the service of any State (or political subdivision thereof, as defined in section 218(b)(2) of the Social Security Act)—

(1) if the last day of such service occurs before December 31, 2003, or

(2) in any case in which the last day of such service occurs before June 30, 2004, subject to a contract for such service entered into prior to September 30, 2003.

SEC. 419. POST-1956 MILITARY WAGE CREDITS.

(a) Payment to the Social Security Trust Funds in Satisfaction of Outstanding Obligations.—Section 201 of the Social Security Act (42 U.S.C. 401) is amended by adding at the end the following:

"(n) Not later than July 1, 2004, the Secretary of the Treasury shall transfer, from amounts in the general fund of the Treasury that are not otherwise appropriated—

"(1) $624,971,854 to the Federal Old-Age and Survivors Insurance Trust Fund;

"(2) $105,379,671 to the Federal Disability Insurance Trust Fund; and

"(3) $173,306,134 to the Federal Hospital Insurance Trust Fund.

Amounts transferred in accordance with this subsection shall be in satisfaction of certain outstanding obligations for deemed wage credits for 2000 and 2001.".

(b) Conforming Amendments.—

(1) Repeal of authority for annual appropriations and related adjustments to compensate the social security trust fund for military wage credits.—Section 229 of the Social Security Act (42 U.S.C. 429) is amended—

(A) by striking "(a)"; and

(B) by striking subsection (b).

(2) Amendment to reflect the termination of wage credits effective after calendar year 2001 by section 8134 of public law 107–117.—Section 229(a)(2) of the Social Security Act (42 U.S.C. 429(a)(2)), as amended by paragraph (1), is amended by inserting "and before 2002" after "1977".

Subtitle C—Technical Amendments

SEC. 421. TECHNICAL CORRECTION RELATING TO RESPONSIBLE AGENCY HEAD.

Section 1143 of the Social Security Act (42 U.S.C. 1320b–13) is amended—

(1) by striking "Secretary" the first place it appears and inserting "Commissioner of Social Security"; and

(2) by striking "Secretary" each subsequent place it appears and inserting "Commissioner".

SEC. 422. TECHNICAL CORRECTION RELATING TO RETIREMENT BENEFITS OF MINISTERS.

(a) In General.—Section 211(a)(7) of the Social Security Act (42 U.S.C. 411(a)(7)) is amended by inserting ", but shall not include in any such net earnings from self-employment the rental value of any parsonage or any parsonage allowance (whether or not excluded under section 107 of the Internal Revenue Code of 1986) provided after the individual retires, or any other retirement benefit received by such individual from a church plan (as defined in section 414(e) of such Code) after the individual retires" before the semicolon.

(b) Effective Date.—The amendment made by this section shall apply to years beginning before, on, or after December 31, 1994.

SEC. 423. TECHNICAL CORRECTIONS RELATING TO DOMESTIC EMPLOYMENT.

(a) Amendment to Internal Revenue Code.—Section 3121(a)(7)(B) of the Internal Revenue Code of 1986 is amended by striking "described in subsection (g)(5)" and inserting "on a farm operated for profit".

(b) Amendment to Social Security Act.—Section 209(a)(6)(B) of the Social Security Act (42 U.S.C. 409(a)(6)(B)) is amended by striking "described in section 210(f)(5)" and inserting "on a farm operated for profit".

(c) Conforming Amendment.—Section 3121(g)(5) of such Code and section 210(f)(5) of such Act (42 U.S.C. 410(f)(5)) are amended by striking "or is domestic service in a private home of the employer".

SEC. 424. TECHNICAL CORRECTIONS OF OUTDATED REFERENCES.

(a) Correction of Citation Respecting the Tax Deduction Relating to Health Insurance Costs of Self-Employed Individuals.—Section 211(a)(15) of the Social Security Act (42 U.S.C. 411(a)(15)) is amended by striking "section 162(m)" and inserting "section 162(l)".

(b) Elimination of Reference to Obsolete 20-Day Agricultural Work Test.—Section 3102(a) of the Internal Revenue Code of 1986 is amended by striking "and the employee has not performed agricultural labor for the employer on 20 days or more in the calendar year for cash remuneration computed on a time basis".

SEC. 425. TECHNICAL CORRECTION RESPECTING SELF-EMPLOYMENT INCOME IN COMMUNITY PROPERTY STATES.

(a) Social Security Act Amendment.—Section 211(a)(5)(A) of the Social Security Act (42 U.S.C. 411(a)(5)(A)) is amended by striking "all of the gross income" and all that follows and inserting "the gross income and deductions attributable to such trade or business shall be treated as the gross income and deductions of the spouse carrying on such trade or business or, if such trade or business is jointly operated, treated as the gross income and deductions of each spouse on the basis of their respective distributive share of the gross income and deductions;".

(b) Internal Revenue Code of 1986 Amendment.—Section 1402(a)(5)(A) of the Internal Revenue Code of 1986 is amended by striking "all of the gross income" and all that follows and inserting "the gross income and deductions attributable to such trade or business shall be treated as the gross income and deductions of the spouse carrying on such trade or business or, if such trade or business is jointly operated, treated as the gross income and deductions of each spouse on the basis of their respective distributive share of the gross income and deductions; and".

SEC. 426. TECHNICAL AMENDMENTS TO THE RAILROAD RETIREMENT AND SURVIVORS' IMPROVEMENT ACT OF 2001.

(a) Quorum Rules.—Section 15(j)(7) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n(j)(7)) is amended by striking "entire Board of Trustees" and inserting "Trustees then holding office".

(b) Powers of the Board of Trustees.—Section 15(j)(4) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n(j)(4)) is amended to read as follows:

"(4) Powers of the board of trustees.—The Board of Trustees shall—

"(A) retain independent advisers to assist it in the formulation and adoption of its investment guidelines;

"(B) invest assets of the Trust in a manner consistent with such investment guidelines, either directly or through the retention of independent investment managers;

"(C) adopt bylaws and other rules to govern its operations;

"(D) employ professional staff, and contract with outside advisers, including the Railroad Retirement Board, to provide legal, accounting, investment advisory or management services (compensation for which may be on a fixed contract fee basis or on such other terms as are customary for such services), or other services necessary for the proper administration of the Trust;

"(E) sue and be sued and participate in legal proceedings, have and use a seal, conduct business, carry on operations, and exercise its powers within or without the District of Columbia, form, own, or participate in entities of any kind, enter into contracts and agreements necessary to carry out its business purposes, lend money for such purposes, and deal with property as security for the payment of funds so loaned, and possess and exercise any other powers appropriate to carry out the purposes of the Trust;

"(F) pay administrative expenses of the Trust from the assets of the Trust; and

"(G) transfer money to the disbursing agent or as otherwise provided in section 7(b)(4), to pay benefits payable under this Act from the assets of the Trust.".

(c) State and Local Taxes.—Section 15(j)(6) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n(j)(6)) is amended to read as follows:

"(6) State and local taxes.—The Trust shall be exempt from any income, sales, use, property, or other similar tax or fee imposed or levied by a State, political subdivision, or local taxing authority. The district courts of the United States shall have original jurisdiction over a civil action brought by the Trust to enforce this subsection and may grant equitable or declaratory relief requested by the Trust.".

(d) Funding.—Section 15(j)(8) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n(j)(8)) is repealed.

(e) Transfers.—

(1) Section 15(k) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n(k)) is amended by adding at the end the following: "At the direction of the Railroad Retirement Board, the National Railroad Retirement Investment Trust shall transfer funds to the Railroad Retirement Account.".

(2) Section 15A(d)(2) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n–1(d)(2)) is amended—

(A) by inserting "or the Railroad Retirement Account" after "National Railroad Retirement Investment Trust" the second place it appears;

(B) by inserting "or the Railroad Retirement Board" after "National Railroad Retirement Investment Trust" the third place it appears;

(C) by inserting "(either directly or through a commingled account consisting only of such obligations)" after "United States" the first place it appears; and

(D) in the third sentence, by inserting before the period at the end the following: "or to purchase such additional obligations".

(3) Paragraph (4)(B)(ii) of section 7(b) of the Railroad Retirement Act of 1974 (45 U.S.C. 231f(b)(4)(B)(ii)) is amended by inserting "quarterly or at such other times as the Railroad Retirement Board and the Board of Trustees of the National Railroad Retirement Investment Trust may mutually agree" after "amounts" the second place it appears.

(f) Clerical Amendments.—Section 15(j)(5) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n(j)(5)) is amended—

(1) in subparagraph (B), by striking "trustee's" each place it appears and inserting "Trustee's";

(2) in subparagraph (C), by striking "trustee" and "trustees" each place it appears and inserting "Trustee" and "Trustees", respectively; and

(3) in the matter preceding clause (i) of subparagraph (D), by striking "trustee" and inserting "Trustee".

Subtitle D—Amendments Related to Title XVI

SEC. 430. EXCLUSION FROM INCOME FOR CERTAIN INFREQUENT OR IRREGULAR INCOME AND CERTAIN INTEREST OR DIVIDEND INCOME.

(a) Infrequent or Irregular Income.—Section 1612(b)(3) of the Social Security Act (42 U.S.C. 1382a(b)(3)) is amended to read as follows—

"(3) in any calendar quarter, the first—

"(A) $60 of unearned income, and

"(B) $30 of earned income,

of such individual (and such spouse, if any) which, as determined in accordance with criteria prescribed by the Commissioner of Social

Security, is received too infrequently or irregularly to be included;".

(b) Interest or Dividend Income.—Section 1612(b) of the Social Security Act (42 U.S.C. 1382a(b)) is amended—

(1) in paragraph (21), by striking "and" at the end;

(2) in paragraph (22), by striking the period and inserting "; and"; and

(3) by adding at the end the following:

"(23) interest or dividend income from resources—

"(A) not excluded under section 1613(a), or

"(B) excluded pursuant to Federal law other than section 1613(a).".

(c) Effective Date.—The amendments made by this section shall be effective with respect to benefits payable for months in calendar quarters that begin more than 90 days after the date of the enactment of this Act.

SEC. 431. UNIFORM 9-MONTH RESOURCE EXCLUSION PERIODS.

(a) Underpayments of Benefits.—Section 1613(a)(7) of the Social Security Act (42 U.S.C. 1382b(a)(7)) is amended—

(1) by striking "6" and inserting "9"; and

(2) by striking "(or to the first 9 months following such month with respect to any amount so received during the period beginning October 1, 1987, and ending September 30, 1989)".

(b) Advanceable Tax Credits.—Section 1613(a)(11) of the Social Security Act (42 U.S.C. 1382b(a)(11)) is amended to read as follows:

"(11) for the 9-month period beginning after the month in which received—

"(A) notwithstanding section 203 of the Economic Growth and Tax Relief Reconciliation Act of 2001, any refund of Federal income taxes made to such individual (or such spouse) under section 24 of the Internal Revenue Code of 1986 (relating to child tax credit) by reason of subsection (d) thereof; and

"(B) any refund of Federal income taxes made to such individual (or such spouse) by reason of section 32 of the Internal Revenue Code of 1986 (relating to earned income tax credit), and any payment made to such individual (or such spouse) by an employer under section 3507 of such Code (relating to advance payment of earned income credit);".

(c) Effective Date.—The amendments made by this section shall take effect on the date of enactment of this Act, and shall apply to amounts described in paragraph (7) of section 1613(a) of the Social Security Act and refunds of Federal income taxes described in paragraph (11) of such section, that are received by an eligible individual or eligible spouse on or after such date.

SEC. 432. MODIFICATION OF DEDICATED ACCOUNT REQUIREMENTS.

(a) In General.—Section 1631(a)(2)(F) of the Social Security Act (42 U.S.C. 1383(a)(2)(F)) is amended—

(1) in clause (ii)(II)—

(A) in item (ff), by striking "or" at the end;

(B) by redesignating item (gg) as item (hh);

(C) by inserting after item (ff) the following:

"(gg) reimbursement of expenditures incurred by the representative payee that are for the good of such individual; or"; and

(D) in the matter following item (hh) (as redesignated by subparagraph (B)), by striking "(gg), is related to the impairment (or combination of impairments)" and inserting "(hh), is expended for the good"; and

(2) in clause (iv), by inserting ", including with respect to allowable expenses paid from the account in accordance with clause (ii)(II)" before the period.

(b) Effective Date.—The amendments made by this section take effect on January 1, 2004, and apply with respect to allowable expenses incurred or accounts established on or after that date.

SEC. 433. ELIMINATION OF CERTAIN RESTRICTIONS ON THE APPLICATION OF THE STUDENT EARNED INCOME EXCLUSION.

(a) In General.—Section 1612(b)(1) of the Social Security Act (42 U.S.C. 1382a(b)(1)) is amended by striking "a child who" and inserting "under the age of 22 and".

(b) Effective Date.—The amendment made by this section shall be effective with respect to benefits payable for months that begin on or after 1 year after the date of enactment of this Act.

SEC. 434. EXCLUSION OF AMERICORPS AND OTHER VOLUNTEER BENEFITS FOR PURPOSES OF DETERMINING SUPPLEMENTAL SECURITY INCOME ELIGIBILITY AND BENEFIT AMOUNTS AND SOCIAL SECURITY DISABILITY INSURANCE ENTITLEMENT.

(a) In General.—

(1) SSI.—

(A) Income.—Section 1612(b) of the Social Security Act (42 U.S.C. 1382a(b)) (as amended by section 430(a)(2)) is amended—

(i) in paragraph (22), by striking "and" at the end;

(ii) in paragraph (23), by striking the period and inserting "; and"; and

(iii) by adding at the end the following:

"(24) any cash or in-kind benefit conferred upon (or paid on behalf of) an individual serving as a volunteer or participant in a program administered by the Corporation for National and Community Service for service in such program.".

(B) Substantial gainful activity.—Section 1614(a)(3) of the Social Security Act (42 U.S.C. 1382c(a)(3)) is amended by adding at the end the following:

"(K) In determining under subparagraph (A) when services performed or earnings derived from services demonstrate an individual's ability to engage in substantial gainful activity, the Commissioner of Social Security shall disregard services performed as a volunteer or participant in any program administered by the Corporation for National and Community Service, and any earnings derived from such service.".

(2) SSDI.—Section 223(d)(4) of such Act (42 U.S.C. 423(d)(4)) is amended by adding at the end the following:

"(C) In determining under subparagraph (A) when services performed or earnings derived from services demonstrate an individual's ability to engage in substantial gainful activity, the Commissioner of Social Security shall disregard services performed as a volunteer or participant in any program administered by the Corporation for National and Community Service, and any earnings derived from such service.".

(b) Effective Date.—The amendments made by this section shall apply to benefits payable for months beginning on or after 60 days after the date of enactment of this Act.

SEC. 435. EXCEPTION TO RETROSPECTIVE MONTHLY ACCOUNTING FOR NONRECURRING INCOME.

(a) In General.—Section 1611(c) of the Social Security Act (42 U.S.C. 1382(c)) is amended by adding at the end the following:

"(9)(A) Notwithstanding paragraphs (1) and (2), any nonrecurring income which is paid to an individual in the first month of any period of eligibility shall be taken into account in determining the amount of the benefit under this title of such individual (and his eligible spouse, if any) only for that month, and shall not be taken into account in determining the amount of the benefit for any other month.

"(B) For purposes of subparagraph (A), payments to an individual in varying amounts from the same or similar source for the same or similar purpose shall not be considered to be nonrecurring income.".

(b) Deletion of Obsolete Material.—Section 1611(c)(2)(B) of the Social Security Act (42 U.S.C. 1382(c)(2)(B)) is amended to read as follows:

"(B) in the case of the first month following a period of ineligibility in which eligibility is restored after the first day of such month, bear the same ratio to the amount of the benefit which would have been payable to such individual if eligibility had been restored on the first day of such month as the number of days in such month including and following the date of restoration of eligibility bears to the total number of days in such month.".

(c) Effective Date.—The amendments made by this section shall be effective with respect to benefits payable for months that begin on or after 1 year after the date of enactment of this Act.

SEC. 436. REMOVAL OF RESTRICTION ON PAYMENT OF BENEFITS TO CHILDREN WHO ARE BORN OR WHO BECOME BLIND OR DISABLED AFTER THEIR MILITARY PARENTS ARE STATIONED OVERSEAS.

(a) In General.—Section 1614(a)(1)(B)(ii) of the Social Security Act (42 U.S.C. 1382c(a)(1)(B)(ii)) is amended—

(1) by inserting "and" after "citizen of the United States,"; and

(2) by striking ", and who," and all that follows and inserting a period.

(b) Effective Date.—The amendments made by this section shall be effective with respect to benefits payable for months beginning after the date of enactment of this Act, but only on the basis of an application filed after such date.

SEC. 437. TREATMENT OF EDUCATION-RELATED INCOME AND RESOURCES.

(a) Exclusion From Income of Gifts Provided for Tuition and Other Education-Related Fees.—Section 1612(b)(7) of the Social Security Act (42 U.S.C. 1382a(b)(7)) is amended by striking "or fellowship received for use in paying" and inserting "fellowship, or gift (or portion of a gift) used to pay".

(b) Exclusion From Resources for 9 Months of Grants, Scholarships, Fellowships, or Gifts Provided for Tuition and Other Education-Related Fees.—Section 1613(a) of the Social Security Act (42 U.S.C. 1382b(a)) (as amended by section 101(c)(2)) is amended—

(1) in paragraph (13), by striking "and" at the end;

(2) in paragraph (14), by striking the period and inserting "; and"; and

(3) by inserting after paragraph (14) the following:

"(15) for the 9-month period beginning after the month in which received, any grant, scholarship, fellowship, or gift (or portion of a gift) used to pay the cost of tuition and fees at any educational (including technical or vocational education) institution.".

(c) Effective Date.—The amendments made by this section shall apply to benefits payable for months that begin more than 90 days after the date of enactment of this Act.

SEC. 438. MONTHLY TREATMENT OF UNIFORMED SERVICE COMPENSATION.

(a) Treatment of Pay as Received When Earned.—Section 1611(c) of the Social Security Act (42 U.S.C. 1382(c)), as amended by section 435(a), is amended by adding at the end the following:

"(10) For purposes of this subsection, remuneration for service performed as a member of a uniformed service may be treated as received in the month in which it was earned, if the Commissioner of Social Security determines that such treatment would promote the economical and efficient administration of the program authorized by this title.".

(b) Effective Date.—The amendments made by this section shall apply to benefits payable *for months that begin more than 90 days after the date of enactment of this Act.*

SEC. 439. UPDATE OF RESOURCE LIMITS.

(a) INCREASE.—Section 1611(a)(3) of the Social Security Act (42 U.S.C. 1382(a)(3)) is amended—

(1) in subparagraph (A), by adding at the end the following: "On January 1, 2004, such dollar amount shall be increased to an amount equal to 150 percent of the dollar amount applicable to an individual described in paragraph (1)(B)(ii)."; and

(2) in subparagraph (B)—

(A) by striking "and" the last place it appears; and

(B) by inserting ", and to $3,000 on January 1, 2004" before the period.

(b) COST-OF-LIVING ADJUSTMENT.—Section 1617(a)(1) of the Social Security Act (42 U.S.C. 1382f(a)(1)) is amended by inserting "(a)(3)(B)," before "(b)(1)".

(c) EFFECTIVE DATES.—

(1) INCREASE.—The amendments made by subsection (a) shall take effect on January 1, 2004.

(2) COST-OF-LIVING ADJUSTMENT.—The amendment made by subsection (b) shall take effect on January 1, 2005.

SEC. 440. REVIEW OF STATE AGENCY BLINDNESS AND DISABILITY DETERMINATIONS.

Section 1633 of the Social Security Act (42 U.S.C. 1383b) is amended by adding at the end the following:

"(e)(1) The Commissioner of Social Security shall review determinations, made by State agencies pursuant to subsection (a) in connection with applications for benefits under this title on the basis of blindness or disability, that individuals who have attained 18 years of age are blind or disabled. Any review by the Commissioner of Social Security of a State agency determination under this paragraph shall be made before any action is taken to implement the determination.

"(2)(A) In carrying out paragraph (1), the Commissioner of Social Security shall review—

"(i) with respect to fiscal year 2004, at least 25 percent of all determinations referred to in paragraph (1) that are made in such year after the later of—

"(I) March 31; and

"(II) the date of enactment of this subsection; and

"(ii) with respect to fiscal years after fiscal year 2004, at least 50 percent of all such determinations that are made in each such fiscal year.

"(B) In conducting reviews pursuant to subparagraph (A), the Commissioner of Social Security shall, to the extent feasible, select for review those determinations which the Commissioner of Social Security identifies as being the most likely to be incorrect.".

Mr. GRASSLEY. Mr. President, I urge my colleagues to support H.R. 743, the Social Security Protection Act of 2003.

The Social Security Protection Act of 2003 provides the Social Security Administration with important new tools to fight waste, fraud, and abuse. This bill would eliminate benefits to fugitive felons. It would prohibit benefits to illegal workers. It would eliminate the "last day" loophole in the Government Pension Offset. It would provide additional oversight of representative payees. Finally, the bill would improve benefits for person with disabilities.

This bill passed the House of Representatives in April. The Senate Committee on Finance approved the bill in September with a number of important changes.

In order to expedite passage of this legislation, Senator BAUCUS and I have worked closely with the chairman and the ranking member of the Social Security Subcommittee of the House Ways and Means Committee over the past several weeks. The result of this work is reflected in the managers' amendment that has now been incorporated into this bill.

I have drafted an explanation of the amendment that has been agreed to by the chairman and the ranking member of the House Social Security Subcommittee, as well as by the chairman and ranking member of the Senate Finance Committee. I ask unanimous consent that the explanation be printed in the RECORD.

I strongly urge my colleagues to support this commonsense, bipartisan legislation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXPLANATION OF THE MANAGER'S AMENDMENT TO H.R. 743, THE "SOCIAL SECURITY PROTECTION ACT OF 2003" AS REPORTED BY THE SENATE COMMITTEE ON FINANCE, REPORT 108-176

Section 107. Survey of use of payments by representative payees

The Manager's amendment would limit the scope and cost of the survey and change the organization designated to have the responsibility for conducting the survey.

As a result of the Manager's amendment, the Commissioner of Social Security, in consultation with the Inspector General of the Social Security Administration (SSA), the General Accounting Office, the Committee on Ways and Means of the House of Representatives, and the Committee on Finance of the Senate, shall conduct a one-time audit of a representative sample of representative payees who are not subject to triennial onsite review or other random review under SSA policy or law, as amended by this bill. That is, the sample shall include individual representative payees serving one or several beneficiaries; individual "high-volume" payees serving more than several but fewer than 15 beneficiaries; individual "high-volume" payees serving more than several but fewer than 15 beneficiaries; and non-fee-for-service organizational payees who are serving fewer than 50 beneficiaries. The cost of this audit will not be greater than $8.5 million. The results of the audit should be presented in a report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate.

The audit shall assess the extent to which representative payees are not performing their duties as payees in accordance with SSA standards for payee conduct. Such SSA standards include, but are not limited to, whether the funds are being used for the benefit of the beneficiary. To the extent possible, the report shall identify which types of payees have the highest risk of misuse of benefits, and suggest ways to reduce those risks and better protect beneficiaries.

In conducting the audit, the Commissioner shall take special care to avoid excessive intrusiveness into family affairs, including making appropriate adjustments to its audit methodology. if some or all of the audit is contracted out, such contractor shall be chosen with due regard for its experience in conducting reviews of individuals and families, as well as businesses and other organizations.

In the course of conducting the audit and preparing the report, the Commissioner, or a designated contractor, may make observations about the adequacy of payees' actions and recommendations for change or further review. However, determinations as to whether funds have been misused and/or whether a payee should be changed must be made only by the Commissioner. Further, those conducting the survey should not provide advice, guidance or other feedback to payees that are reviewed under this audit regarding their performance as payees.

This provision authorizes and appropriates up to $8.5 million under subsection 1110(a) of the Social Security Act to carry out this audit. However, these funds are appropriated in addition to any funds appropriated for this subsection under any other law. There is no intention of reducing the funds that would otherwise be available under this subsection to carry out any other projects.

It is expected that the Commissioner will carry out a survey that is statistically valid at reasonable levels of confidence and precision. However, if the Commissioner determines that such a survey can be prepared for less than the amount appropriated, then the full $8.5 million should not be used. The Commissioner has the authority to limit the amount expended under this provision to that lesser amount. The Committees expect the Commissioner to carefully assess the design of the audit to ensure that it is being performed as economically as possible, while still meeting the objective of obtaining information that is of sufficient statistical validity to assist in increasing the knowledge and understanding of the representative payee program and facilitating its possible improvement.

Effective Date

The report will be due to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate 18 months after the date of enactment of this Act.

Section 203. Denial of Title II benefits to persons fleeing prosecution, custody, or confinement, and to persons violating probation or parole

The Manager's amendment would substitute the following "good cause" exception for the original provision included in the Committee-reported bill.

Press accounts, hearing testimony and other information provided to the Committees have identified cases in which benefit continuation may be justified due to extenuating circumstances. In light of this, the provision gives the Commissioner authority to pay Title II or Title XVI benefits that were withheld, or would otherwise be withheld, if there is good cause in the following circumstances:

First, the Commissioner shall apply the good cause exception if a court of competent jurisdiction finds the person is not guilty, charges are dismissed, a warrant for arrest is vacated, or there are similar exonerating circumstances found by the court.

Second, the Commissioner shall apply the good cause exception if the individual establishes to the satisfaction of the Commissioner that he or she was the victim of identity fraud and the warrant was erroneously issued on such basis.

Third, the Commissioner may apply the good cause exception if the criminal offense was non-violent and not drug-related, and in the case of probation or parole violators, both the violation and the underlying offense were non-violent and not drug-related. However, in such cases, the Commissioner may only establish good cause based on mitigating factors such as the nature and severity of the crime, the length of time that has passed since the warrant was issued, whether other crimes have been committed in the interim, and the beneficiary's mental capacity to resolve the issue.

This document (which is to accompany the Manager's amendment) also seeks to clarify two issues with respect to current law. First, section 1611(e)(5)(A)(ii) of the Social Security Act (42 USC 1382(e)(5)(A)(ii)) requires a law enforcement officer to notify the Commissioner that an SSI recipient has information necessary for the officer to conduct his official duties.

The Manager's amendment deletes this information requirement in (A)(ii) to clarify that a law enforcement officer only needs to notify the Commissioner of the recipient's fugitive status (or parole / probation status), and the officer's duty to locate or apprehend the recipient. This change is not intended to have any effect on the existing interpretation or application of section 1611 and is consistent with current practices and procedures.

Second, several recent decisions by Administrative Law Judges have noted that neither the current statute nor the current regulations define the phrase "fleeing to avoid prosecution." This report provides the following clarification. If it is reasonable to conclude that the individual knew or should have known that criminal charges were pending, or has been made aware of such charges by the SSA, then the individual should be considered "fleeing," whether or not law enforcement seeks arrest or extradition.

Section 206. Penalty for corrupt or forcible interference with administration of the Social Security Act

The Manager's amendment makes a technical correction to address a drafting error.

Section 209. Authority for judicial orders of restitution

The Manager's amendment makes technical corrections and eliminates the special restitution account created within the Treasury Department. Funds collected through restitution would instead be credited to the Social Security trust funds or the general fund of the U.S. Treasury, as appropriate.

Section 210. Information for administration of provisions related to non-covered employment

The Manager's amendment would strike this section.

Section 212. Prohibition of payment of Title II benefits to persons not authorized to work in the United States

The Manager's amendment would make a technical correction related to certain noncitizens and change the effective date.

B–1 visa holders are generally aliens visiting the United States temporarily for business on behalf of a foreign employer. According to State Department regulations, the B-1 visa holder conducts business as a continuation of his foreign employment. D visa holders are generally alien flight attendants who enter into an employment contract in the United States with a U.S. airline and who only fly into and out of the United States.

Although these categories of visa holders are not technically authorized to work in the United States, such persons are legally present in the United States while they are working. Thus, they should not be subject to the benefit prohibition.

The Manager's amendment would also change the effective date to limit the application of this provision to persons with Social Security numbers issued after January 1, 2004. This change would provide the Social Security Administration the opportunity to develop the recordkeeping system necessary to enforce the provision.

Section 302. Temporary extension of attorney fee payment system to Title XVI claims

The Manager's amendment re-designates Section 302 as Section 304 and adopts the House-passed provision to extend the current Title II attorney fee withholding process to Title XVI for a period of five years.

The amendment would also cap the 6.3 percent assessment on approved attorney representation fees at $75 (indexed for inflation), as provided for Title II claims under Section 301 of the bill.

With respect to the cap of $75 for Title II and Title XVI claims, it should be noted that the cap applies on a per case basis. (Concurrent cases shall be treated as a single case for this purpose.) In a case multiple representatives, the SAA should apply the assessment proportionately to each representative issued a check and in no case should the cumulative assessment exceed $75.

Finally, the amendment would amend the existing dedicated account and installment payment provisions in Title XVI. Under current law, dedicated accounts are required when an individual receives past-due benefits equal to 6 times the Federal Benefit Rate (FBR); installment payments are required when past due benefits are to be 12 times the FBR. The amendment clarifies that these triggering amounts would be based on the amount of past-due benefits that remain after attorney fees that the Social Security Administration paid directly to the attorney out of past-due benefits are deducted.

Effective Date

Applies with respect to fees for representation that are first required to be certified or paid on or after the date the Commissioner submits to Congress a notice that she has completed the actions necessary to fully implement the demonstration project under Section 303.

Section 303. Nationwide demonstration project providing for extension of fee withholding procedures to non-attorney representatives

The Manager's amendments adds the following new section.

Present Law

An individual applying for Title II or Title XVI benefits may seek the assistance of another person. The person assisting the applicant may not charge or receive a fee unless the Social Security Administration (SSA) approves it. If the person assisting the individual is an attorney and the individual is awarded past-due benefits under Title II, the SSA may deduct the attorney's fee from the individual's benefits and pay the attorney directly—minus a fee to cover the SSA's administrative costs.

Explanation of Provision

This provision would authorize a nationwide demonstration project to allow non-attorneys the option of fee withholding under both Title II and Title XVI for a period of five years. The SSA would charge a 6.3 percent assessment on approved fees, subject to a $75 cap (indexed for inflation), as applies to attorneys under section 206 and section 1631(d)(2) of the Act.

Non-attorney representatives seeking direct payment of fees under the demonstration project would need to meet at least the following prerequisites: hold a bachelor's degree or equivalent experience, pass an examination written and administered by the Commissioner, secure professional liability insurance or the equivalent, undergo a criminal background check, and complete continuing education courses. The provision would require the Commissioner to implement and carry out the demonstration project no later than one year after the date of enactment. The demonstration project would terminate 5 years after being fully implemented.

The Commissioner may charge a reasonable fee to individuals seeking approval for direct payments. Such fees should be comparable to the fees charged to other professionals subject to similar regulation.

The Commissioner should consult with relevant experts in the area of disability policy and professional ethics (including, but not limited to, experienced non-attorney and attorney disability claimant representatives, disability advocates, and organizations that develop and administer examinations for the regulation of professionals) in developing the exam and in determining whether other prerequisites should be required.

The Commissioner would be required to submit interim reports on the progress of the demonstration and a final report after the conclusion of the demonstration.

Reason for Change

The demonstration project authorized by this section would allow the SSA to pay all qualified representatives directly out of past-due benefits for Title II and Title XVI claims and would enable Congress (in conjunction with the GAO study required under Section 304) to assess whether such an extension of fee withholding would increase access to qualified professional representation.

Effective Date

Applies with respect to fees for representation that are first required to be certified or paid after the date the Commissioner submits to Congress a notice that she has completed the actions necessary to fully implement this demonstration project. The interim reports would be due annually, and the final report would be due 90 days after the termination of the demonstration.

Section 304. GAO study of fee payment process for claimant representatives

The Manager's amendment re-designates Section 302 as Section 304 and modifies the GAO study.

The Committee-reported bill called for a study based upon the potential results of extending fee withholding to Title XVI and to non-attorneys. As modified by the Manager's amendment, the study will now be based on the actual results of such an extension as provided in Section 302 and Section 303 of the bill.

The GAO report would provide a comprehensive overview of the appointment and payment of claimant representatives. It would include a survey of all categories of representatives—both attorneys and non-attorneys, as well as those who do and do not elect fee withholding. It would compare claimant outcomes by type of representatives. It would also compare the costs and benefits of fee withholding from the perspective of the Social Security Administration, claimants, and representatives.

GAO would evaluate the interactions between fee withholding, the windfall offset, and interim assistance reimbursement. This evaluation would consider the effects of such interactions on claimant outcomes, access to representatives, and reimbursements to the Federal and State governments.

Finally, GAO would make recommendations for any legislative or administrative changes deemed appropriate. The report would be due no later than 3 years after the implementation date of Section 303.

Section 401. Application of demonstration authority sunset date to new projects

The Manager's amendment would extend the demonstration authority through December 18, 2005, rather than making it permanent, and allow projects initiated by December 17, 2005 to be completed thereafter.

Section 407. Reauthorization of appropriations for certain work incentives programs

The Manager's amendment adds the following new section.

Present Law

The Ticket to Work Act directs SSA to establish a community-based program to provide benefit planning and assistance to disabled beneficiaries. To establish this program, SSA is required to award cooperative agreements (or grants or contracts) to State or private entities. Services include disseminating accurate information on work incentive programs (the Ticket to Work, section 1619 programs, etc.) and related issues to all disabled beneficiaries. In fulfillment of this requirement, SSA has established the Benefits Planning, Assistance, and Outreach (BPAO) program. The Act also authorizes SSA to award grants to State protection and advocacy (P&A) systems so that they can provide protection and advocacy services to disabled beneficiaries. Services include information and advice about obtaining vocational rehabilitation and employment services and advocacy or other services that a disabled beneficiary may need to secure, maintain, or regain employment. SSA has established the Protection and Advocacy to Beneficiaries of Social Security (PABSS) Program pursuant to this authorization.

The Ticket to Work Act authorizes certain funding amounts to be appropriated for these BPAO and PABSS programs for the fiscal years 2000 through 2004.

Explanation of Provision

This provision extends the authorization to appropriate funding for these programs for another five fiscal years.

Reason for Change

SSA cannot continue to fund the BPAO and PABSS programs beyond fiscal year 2004 without an extension of authorization. These programs provide essential vocational rehabilitation and employment services for disabled beneficiaries to secure, maintain, and regain employment and reduce their dependency on cash benefit programs.

Effective Date

Upon enactment.

Section 416. Coverage under divided retirement system for public employees in Kentucky and Louisiana

The Manager's amendment would incorporate the House-passed provision in place of the Committee's provision, and add the State of Louisiana, as requested by its State Treasurer.

Section 418. 60-month period of employment requirement for application of government pension offset exemption

The Manager's amendment would adopt the House-passed provision with a revised effective date and transition rule. This provision is effective with respect to individuals whose last day of State or local government service occurs on or after July 1, 2004. The Manager's amendment would adopt the House-passed provision with a revised effective date and transition rule. This provision is effective with respect to individuals whose last day of State or local government service occurs on or after July 1, 2004. The transition rule allows State or local employees, who retire from government employment within five years of enactment, to count previous work within the same retirement system towards the 60-month requirement. Such previous work must meet both of the following criteria: (a) the work was covered under both Social Security and the government pension system, and (b) the work was performed prior to the date of enactment.

The Manager's amendment also consolidated existing provisions of the Social Security Act in order to co-locate the government pension offset provision with the provision on which it is modeled, the dual entitlement rule for covered workers.

Section 419. Disclosure to workers of effect of windfall elimination provision and government pension offset provision

The Manager's amendment re-designates Section 419 as Section 420 and adds the following new section.

Present Law

There are approximately 7.5 million workers who do not pay taxes into the Social Security system. The majority of these workers are State and local government employees. Many of these government workers may eventually qualify for Social Security as the result of other employment, or as the spouse or survivor of a worker covered by Social Security. The Government Pension Offset (GPO) and the Windfall Elimination Provision (WEP) were enacted—in 1977 and 1983, respectively—to provide more equitable treatment of covered and non-covered workers.

Explanation of Provision

This provision requires the Social Security Administration to send a modified Social Security Statement to non-covered employees that describes the potential maximum benefit reductions that may result from the receipt of a Federal, State, or local government pension based on employment that is not subject to Social Security payroll taxes.

It also requires government employers to notify newly hired non-covered employees of the potential maximum effect of non-covered work on their Social Security benefits. The employer shall obtain signed documentation of such notification from the employee and transmit a copy to the pension paying entity.

Reason for Change

Organizations representing State and local employees report their members are often unaware of the GPO and WEP provisions until they apply for retirement benefits. The Committee believes the Social Security Administration should utilize the annual earnings statement mailed to every employee age 25 and over to more explicitly inform State and local employees about the GPO and WEP. It is important that these employees also be informed about their options to become exempt from these provisions by electing coverage under the Social Security program.

Efective Date

Government employers must provide notification of the potential effect of non-covered work beginning with employees hired on or after January 1, 2005. The Social Security Administration must provide the modified Social Security Statements beginning January 1, 2007.

Section 420A. Elimination of disincentives to return to work for childhood disability beneficiaries

The Manager's amendment adds the following new section.

Current Law

A Childhood Disability Beneficiary (CDB)—sometimes also referred to as a Disabled Adult Child (DAC)—whose benefits terminate because disability ceased can become re-entitled on the parent's record only if he or she is disabled within the 7-year period following the month benefits terminate and is not entitled to higher benefits on his or her own record.

Explanation of Provision

The provisions would allow re-entitlement to childhood disability benefits after the 7-year period if the beneficiary's previous entitlement had terminated because disability ceased due to the performance of Substantial Gainful Activity (SGA) and the beneficiary is not entitled to higher benefits on his or her own record. This provision would not apply to beneficiaries whose previous entitlement terminated based on medical improvement.

Reason for Change

Prohibiting re-entitlement to childhood disability benefits after the expiration of the 7-year period is a significant disincentive to return-to-work for a CDB. Many CDBs find that the benefits for which they qualify on their own work record are less—often significantly less—than the benefits they received as a CDB based on a parent's work history. The permanent loss of benefits on the parent's record remains a major disincentive for a CDB to attempt to return to work, one not addressed by the Ticket to Work and Work Incentives Improvement Act of 1999. Although this provision is expected to affect very few individuals, the change will make a significant difference for those individuals in their efforts to work to the fullest extent possible.

Effective Date

The provision is effective on the first day of the seventh month that begins after the date of enactment of this Act.

Section 426. Technical amendments to the Railroad Retirement and Survivors' Improvement Act of 2001

The Manager's amendment strikes subsections (e)(1) and (e)(3).

Section 432. Modification of the dedicated account requirements

The Manager's amendment strikes this section.

Section 434. Exclusion of Americorps and other volunteer benefits for purposes of determining supplemental security income eligibility and benefit amounts and social Security disability insurance entitlement

The Manager's amendment strikes this section.

Section 439. Update of resource limit

The Manager's amendment strikes this section.

Section 440. Review of state agency blindness and disability determinations

The Manager's amendment strikes this section.

Mr. BAUCUS. Mr. President, I rise today to urge my colleagues to support

H.R. 743, the Social Security Protection Act of 2003 as modified. H.R. 743 is bipartisan legislation developed by Ways and Means Social Security Subcommittee Chairman SHAW and Ranking Member MATSUI. H.R. 743 passed the House by a vote of 396 to 28, and was reported by the Committee on Finance with unanimous support. In keeping with the bipartisan tradition of the Senate Finance Committee and with the bipartisan origins of this legislation, Senator GRASSLEY and I have worked together to further refine this legislation for Senate consideration.

H.R. 743 makes a number of important changes to the Social Security and Supplemental Security Income, SSI, programs. These changes will accomplish a number of important goals: they will enhance the financial security of some of the most vulnerable beneficiaries of these programs, increase protections to seniors from deceptive practices by individuals in the private sector, reduce disincentives to employment for disabled individuals, improve program integrity and thereby save money for the Social Security and Medicare trust funds and for taxpayers, and make the Social Security program more equitable.

One of the most important results of this legislation will be to enhance the financial security of the almost 7 million Social Security and SSI beneficiaries who are not capable of managing their own financial affairs due to advanced age or disability. The Social Security Administration, SSA, currently appoints individuals or organizations to act as "representative payees" for such beneficiaries. Most of these representative payees perform their roles conscientiously. However, some do not—indeed there have even been instances of terrible abuse in this program.

It is imperative that Congress take action to guard vulnerable seniors and disabled individuals from such abuse. This legislation increases requirements for SSA to provide restitution to beneficiaries when representative payees defraud the beneficiaries of their benefits. The legislation also tightens the qualifications for representative payees, increases oversight of the program, and imposes stricter penalties on those who violate their responsibilities. Finally, the legislation provides—for the first time ever—that there will be a one-time audit of a representative sample of representative payees to assess the extent to which representative payees are not using the beneficiary's funds for the benefit of the beneficiary.

The legislation expands the protection to seniors and disabled individuals by increasing the list of references to Social Security, Medicare and Medicaid which cannot be used by private-sector individuals, companies and organizations to give a false impression of Federal endorsement. The legislation also protects seniors from those who deceptively attempt to charge them for services that the seniors could receive for free from SSA.

The legislation eliminates a disincentive to return to work for childhood disability beneficiaries. The provision would make it easier to regain childhood disability benefits for disabled adult children who had returned to work at one time. Additionally, H.R. 743 also includes technical amendments to improve the effectiveness of the Ticket to Work and Work Incentives Improvement Act, legislation passed in 1999 to help beneficiaries with disabilities become employed and move toward self-sufficiency.

H.R. 743 improves program integrity by expanding the current prohibition against paying benefits to fugitive felons. As part of the 1996 welfare reform law, Congress banned the payment of SSI benefits to these individuals. However, under current law, fugitive felons can still receive Social Security benefits under title II. This legislation prohibits the payment of title II Social Security benefits to fugitive felons.

The bill also makes the Social Security program more equitable by including a provision to make an exemption to the Government Pension Offset more uniform. The Government Pension Offset, GPO, was enacted in order to equalize the treatment of workers in jobs not covered by Social Security and workers in jobs covered by Social Security, with respect to spousal and survivors benefits. The GPO reduces the Social Security spousal or survivors benefit by an amount equal to two-thirds of the Government pension. However, as a GAO report highlighted, State and local government workers are exempt from the GPO if their job on their last day of employment was covered by Social Security. In contrast, Federal workers who switched from the Civil Service Retirement System, CSRS, a system that is not covered by Social Security, to the Federal Employee Retirement System, FERS, a system that is covered by Social Security, must work for 5 years under FERS in order to be exempt from the GPO. H.R. 743 makes the exemption to the Government Pension Offset similar for State and local government workers as for Federal Government workers.

I believe that each of the provisions of H.R. 743 deserve the support of the Senate. Moreover, in an attempt to expedite Congressional passage of this legislation, the changes that Senator GRASSLEY and I want to make to the bill as reported by the Finance Committee have already been worked out with both the chairman and the ranking member of the Social Security Subcommittee of the House Ways and Means Committee. Moreover, we have "report language" that has been agreed to by the chairman and the ranking member of the Social Security Subcommittee—as well as by the chairman and ranking member of the Senate Finance Committee which will be included in the CONGRESSIONAL RECORD directly following the legislative language. This statement provides details about each of the provisions of the legislation, as well as the rationale behind each provision.

This legislation contains the types of improvements we can all agree on, as demonstrated by the overwhelming bipartisan vote in the House, and the bipartisan, bicameral agreement of the chairmen and ranking members of the committees of jurisdiction. I wholeheartedly urge my colleagues in the Senate to approve these sensible and important changes.

Mr. FRIST. Mr. President, I ask unanimous consent that the Grassley amendment at the desk be agreed to, the committee substitute, as amended, be agreed to; the bill, as amended, be read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 2227) was agreed to.

(The amendment is printed in today's RECORD under "Text of Amendments.")

The committee amendment in the nature of a substitute, as amended, was agreed to.

The bill (H.R. 743), as amended, was read the third time and passed, as follows:

H.R. 743

Resolved, That the bill from the House of Representatives (H.R. 743) entitled "An Act to amend the Social Security Act and the Internal Revenue Code of 1986 to provide additional safeguards for Social Security and Supplemental Security Income beneficiaries with representative payees, to enhance program protections, and for other purposes.", do pass with the following amendment:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Social Security Protection Act of 2003".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title and table of contents.

TITLE I—PROTECTION OF BENEFICIARIES

Subtitle A—Representative Payees

Sec. 101. Authority to reissue benefits misused by organizational representative payees.
Sec. 102. Oversight of representative payees.
Sec. 103. Disqualification from service as representative payee of persons convicted of offenses resulting in imprisonment for more than 1 year or fleeing prosecution, custody, or confinement.
Sec. 104. Fee forfeiture in case of benefit misuse by representative payees.
Sec. 105. Liability of representative payees for misused benefits.
Sec. 106. Authority to redirect delivery of benefit payments when a representative payee fails to provide required accounting.

Sec. 107. Survey of use of payments by representative payees.

Subtitle B—Enforcement

Sec. 111. Civil monetary penalty authority with respect to wrongful conversions by representative payees.

TITLE II—PROGRAM PROTECTIONS

Sec. 201. Civil monetary penalty authority with respect to withholding of material facts.

Sec. 202. Issuance by Commissioner of Social Security of receipts to acknowledge submission of reports of changes in work or earnings status of disabled beneficiaries.

Sec. 203. Denial of title II benefits to persons fleeing prosecution, custody, or confinement, and to persons violating probation or parole.

Sec. 204. Requirements relating to offers to provide for a fee, a product or service available without charge from the Social Security Administration.

Sec. 205. Refusal to recognize certain individuals as claimant representatives.

Sec. 206. Criminal penalty for corrupt or forcible interference with administration of Social Security Act.

Sec. 207. Use of symbols, emblems, or names in reference to social security or medicare.

Sec. 208. Disqualification from payment during trial work period upon conviction of fraudulent concealment of work activity.

Sec. 209. Authority for judicial orders of restitution.

Sec. 210. Authority for cross-program recovery of benefit overpayments.

Sec. 211. Prohibition on payment of title II benefits to persons not authorized to work in the United States.

TITLE III—ATTORNEY REPRESENTATIVE FEE PAYMENT SYSTEM IMPROVEMENTS

Sec. 301. Cap on attorney assessments.

Sec. 302. Temporary extension of attorney fee payment system to title XVI claims.

Sec. 303. Nationwide demonstration project providing for extension of fee withholding procedures to non-attorney representatives.

Sec. 304. GAO study regarding the fee payment process for claimant representatives.

TITLE IV—MISCELLANEOUS AND TECHNICAL AMENDMENTS

Subtitle A—Amendments Relating to the Ticket to Work and Work Incentives Improvement Act of 1999

Sec. 401. Application of demonstration authority sunset date to new projects.

Sec. 402. Expansion of waiver authority available in connection with demonstration projects providing for reductions in disability insurance benefits based on earnings.

Sec. 403. Funding of demonstration projects providing for reductions in disability insurance benefits based on earnings.

Sec. 404. Availability of Federal and State work incentive services to additional individuals.

Sec. 405. Technical amendment clarifying treatment for certain purposes of individual work plans under the Ticket to Work and Self-Sufficiency Program.

Sec. 406. GAO study regarding the Ticket to Work and Self-Sufficiency Program.

Sec. 407. Reauthorization of appropriations for certain work incentives programs.

Subtitle B—Miscellaneous Amendments

Sec. 411. Elimination of transcript requirement in remand cases fully favorable to the claimant.

Sec. 412. Nonpayment of benefits upon removal from the United States.

Sec. 413. Reinstatement of certain reporting requirements.

Sec. 414. Clarification of definitions regarding certain survivor benefits.

Sec. 415. Clarification respecting the FICA and SECA tax exemptions for an individual whose earnings are subject to the laws of a totalization agreement partner.

Sec. 416. Coverage under divided retirement system for public employees in Kentucky and Louisiana.

Sec. 417. Compensation for the Social Security Advisory Board.

Sec. 418. 60-month period of employment requirement for application of government pension offset exemption.

Sec. 419. Disclosure to workers of effect of windfall elimination provision and government pension offset provision.

Sec. 420. Post-1956 Military Wage Credits.

Sec. 420A. Elimination of disincentive to return-to-work for childhood disability beneficiaries.

Subtitle C—Technical Amendments

Sec. 421. Technical correction relating to responsible agency head.

Sec. 422. Technical correction relating to retirement benefits of ministers.

Sec. 423. Technical corrections relating to domestic employment.

Sec. 424. Technical corrections of outdated references.

Sec. 425. Technical correction respecting self-employment income in community property States.

Sec. 426. Technical amendments to the Railroad Retirement and Survivors' Improvement Act of 2001.

Subtitle D—Amendments Related to Title XVI

Sec. 430. Exclusion from income for certain infrequent or irregular income and certain interest or dividend income.

Sec. 431. Uniform 9-month resource exclusion periods.

Sec. 432. Elimination of certain restrictions on the application of the student earned income exclusion.

Sec. 433. Exception to retrospective monthly accounting for nonrecurring income.

Sec. 434. Removal of restriction on payment of benefits to children who are born or who become blind or disabled after their military parents are stationed overseas.

Sec. 435. Treatment of education-related income and resources.

Sec. 436. Monthly treatment of uniformed service compensation.

TITLE I—PROTECTION OF BENEFICIARIES

Subtitle A—Representative Payees

SEC. 101. AUTHORITY TO REISSUE BENEFITS MISUSED BY ORGANIZATIONAL REPRESENTATIVE PAYEES.

(a) TITLE II AMENDMENTS.—

(1) REISSUANCE OF BENEFITS.—Section 205(j)(5) of the Social Security Act (42 U.S.C. 405(j)(5)) is amended by inserting after the first sentence the following: "In any case in which a representative payee that—

"(A) is not an individual (regardless of whether it is a 'qualified organization' within the meaning of paragraph (4)(B)); or

"(B) is an individual who, for any month during a period when misuse occurs, serves 15 or more individuals who are beneficiaries under this title, title VIII, title XVI, or any combination of such titles;

misuses all or part of an individual's benefit paid to such representative payee, the Commissioner of Social Security shall certify for payment to the beneficiary or the beneficiary's alternative representative payee an amount equal to the amount of such benefit so misused. The provisions of this paragraph are subject to the limitations of paragraph (7)(B).".

(2) MISUSE OF BENEFITS DEFINED.—Section 205(j) of such Act (42 U.S.C. 405(j)) is amended by adding at the end the following:

"(8) For purposes of this subsection, misuse of benefits by a representative payee occurs in any case in which the representative payee receives payment under this title for the use and benefit of another person and converts such payment, or any part thereof, to a use other than for the use and benefit of such other person. The Commissioner of Social Security may prescribe by regulation the meaning of the term 'use and benefit' for purposes of this paragraph.".

(b) TITLE VIII AMENDMENTS.—

(1) REISSUANCE OF BENEFITS.—Section 807(i) of the Social Security Act (42 U.S.C. 1007(i)) is amended further by inserting after the first sentence the following: "In any case in which a representative payee that—

"(A) is not an individual; or

"(B) is an individual who, for any month during a period when misuse occurs, serves 15 or more individuals who are beneficiaries under this title, title II, title XVI, or any combination of such titles;

misuses all or part of an individual's benefit paid to such representative payee, the Commissioner of Social Security shall pay to the beneficiary or the beneficiary's alternative representative payee an amount equal to the amount of such benefit so misused. The provisions of this paragraph are subject to the limitations of subsection (l)(2).".

(2) MISUSE OF BENEFITS DEFINED.—Section 807 of such Act (42 U.S.C. 1007) is amended by adding at the end the following:

"(j) MISUSE OF BENEFITS.—For purposes of this title, misuse of benefits by a representative payee occurs in any case in which the representative payee receives payment under this title for the use and benefit of another person under this title and converts such payment, or any part thereof, to a use other than for the use and benefit of such person. The Commissioner of Social Security may prescribe by regulation the meaning of the term 'use and benefit' for purposes of this subsection.".

(3) TECHNICAL AMENDMENT.—Section 807(a) of such Act (42 U.S.C. 1007(a)) is amended, in the first sentence, by striking "for his or her benefit" and inserting "for his or her use and benefit".

(c) TITLE XVI AMENDMENTS.—

(1) REISSUANCE OF BENEFITS.—Section 1631(a)(2)(E) of such Act (42 U.S.C. 1383(a)(2)(E)) is amended by inserting after the first sentence the following: "In any case in which a representative payee that—

"(i) is not an individual (regardless of whether it is a 'qualified organization' within the meaning of subparagraph (D)(ii)); or

"(ii) is an individual who, for any month during a period when misuse occurs, serves 15 or more individuals who are beneficiaries under this title, title II, title VIII, or any combination of such titles;

misuses all or part of an individual's benefit paid to such representative payee, the Commissioner of Social Security shall pay to the beneficiary or the beneficiary's alternative representative payee an amount equal to the amount of such benefit so misused. The provisions of this subparagraph are subject to the limitations of subparagraph (H)(ii).".

(2) EXCLUSION OF REISSUED BENEFITS FROM RESOURCES.—Section 1613(a) of such Act (42 U.S.C. 1382b(a)) is amended—

(A) in paragraph (12), by striking "and" at the end;

(B) in paragraph (13), by striking the period and inserting "; and"; and

(C) by inserting after paragraph (13) the following:

"(14) for the 9-month period beginning after the month in which received, any amount received by such individual (or spouse) or any other person whose income is deemed to be included in such individual's (or spouse's) income for purposes of this title as restitution for benefits under this title, title II, or title VIII that a representative payee of such individual (or spouse) or such other person under section 205(j), 807, or 1631(a)(2) has misused.".

(3) MISUSE OF BENEFITS DEFINED.—Section 1631(a)(2)(A) of such Act (42 U.S.C. 1383(a)(2)(A)) is amended by adding at the end the following:

"(iv) For purposes of this paragraph, misuse of benefits by a representative payee occurs in any case in which the representative payee receives payment under this title for the use and benefit of another person and converts such payment, or any part thereof, to a use other than for the use and benefit of such other person. The Commissioner of Social Security may prescribe by regulation the meaning of the term 'use and benefit' for purposes of this clause.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to any case of benefit misuse by a representative payee with respect to which the Commissioner of Social Security makes the determination of misuse on or after January 1, 1995.

SEC. 102. OVERSIGHT OF REPRESENTATIVE PAYEES.

(a) CERTIFICATION OF BONDING AND LICENSING REQUIREMENTS FOR NONGOVERNMENTAL ORGANIZATIONAL REPRESENTATIVE PAYEES.—

(1) TITLE II AMENDMENTS.—Section 205(j) of the Social Security Act (42 U.S.C. 405(j)) is amended—

(A) in paragraph (2)(C)(v), by striking "a community-based nonprofit social service agency licensed or bonded by the State" in subclause (I) and inserting "a certified community-based nonprofit social service agency (as defined in paragraph (9))";

(B) in paragraph (3)(F), by striking "community-based nonprofit social service agencies" and inserting "certified community-based nonprofit social service agencies (as defined in paragraph (9))";

(C) in paragraph (4)(B), by striking "any community-based nonprofit social service agency which is bonded or licensed in each State in which it serves as a representative payee" and inserting "any certified community-based nonprofit social service agency (as defined in paragraph (9))"; and

(D) by adding after paragraph (8) (as added by section 101(a)(2) of this Act) the following:

"(9) For purposes of this subsection, the term 'certified community-based nonprofit social service agency' means a community-based nonprofit social service agency which is in compliance with requirements, under regulations which shall be prescribed by the Commissioner, for annual certification to the Commissioner that it is bonded in accordance with requirements specified by the Commissioner and that it is licensed in each State in which it serves as a representative payee (if licensing is available in the State) in accordance with requirements specified by the Commissioner. Any such annual certification shall include a copy of any independent audit on the agency which may have been performed since the previous certification.".

(2) TITLE XVI AMENDMENTS.—Section 1631(a)(2) of such Act (42 U.S.C. 1383(a)(2)) is amended—

(A) in subparagraph (B)(vii), by striking "a community-based nonprofit social service agency licensed or bonded by the State" in subclause (I) and inserting "a certified community-based nonprofit social service agency (as defined in subparagraph (I))";

(B) in subparagraph (D)(ii)—

(i) by striking "or any community-based" and all that follows through "in accordance" in subclause (II) and inserting "or any certified community-based nonprofit social service agency (as defined in subparagraph (I)), if the agency, in accordance";

(ii) by redesignating items (aa) and (bb) as subclauses (I) and (II), respectively (and adjusting the margins accordingly); and

(iii) by striking "subclause (II)(bb)" and inserting "subclause (II)"; and

(C) by adding at the end the following:

"(I) For purposes of this paragraph, the term 'certified community-based nonprofit social service agency' means a community-based nonprofit social service agency which is in compliance with requirements, under regulations which shall be prescribed by the Commissioner, for annual certification to the Commissioner that it is bonded in accordance with requirements specified by the Commissioner and that it is licensed in each State in which it serves as a representative payee (if licensing is available in the State) in accordance with requirements specified by the Commissioner. Any such annual certification shall include a copy of any independent audit on the agency which may have been performed since the previous certification.".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on the first day of the thirteenth month beginning after the date of the enactment of this Act.

(b) PERIODIC ONSITE REVIEW.—

(1) TITLE II AMENDMENT.—Section 205(j)(6) of such Act (42 U.S.C. 405(j)(6)) is amended to read as follows:

"(6)(A) In addition to such other reviews of representative payees as the Commissioner of Social Security may otherwise conduct, the Commissioner shall provide for the periodic onsite review of any person or agency located in the United States that receives the benefits payable under this title (alone or in combination with benefits payable under title VIII or title XVI) to another individual pursuant to the appointment of such person or agency as a representative payee under this subsection, section 807, or section 1631(a)(2) in any case in which—

"(i) the representative payee is a person who serves in that capacity with respect to 15 or more such individuals;

"(ii) the representative payee is a certified community-based nonprofit social service agency (as defined in paragraph (9) of this subsection or section 1631(a)(2)(I)); or

"(iii) the representative payee is an agency (other than an agency described in clause (ii)) that serves in that capacity with respect to 50 or more such individuals.

"(B) Within 120 days after the end of each fiscal year, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on the results of periodic onsite reviews conducted during the fiscal year pursuant to subparagraph (A) and of any other reviews of representative payees conducted during such fiscal year in connection with benefits under this title. Each such report shall describe in detail all problems identified in such reviews and any corrective action taken or planned to be taken to correct such problems, and shall include—

"(i) the number of such reviews;

"(ii) the results of such reviews;

"(iii) the number of cases in which the representative payee was changed and why;

"(iv) the number of cases involving the exercise of expedited, targeted oversight of the representative payee by the Commissioner conducted upon receipt of an allegation of misuse of funds, failure to pay a vendor, or a similar irregularity;

"(v) the number of cases discovered in which there was a misuse of funds;

"(vi) how any such cases of misuse of funds were dealt with by the Commissioner;

"(vii) the final disposition of such cases of misuse of funds, including any criminal penalties imposed; and

"(viii) such other information as the Commissioner deems appropriate.".

(2) TITLE VIII AMENDMENT.—Section 807 of such Act (as amended by section 101(b)(2) of this Act) is amended further by adding at the end the following:

"(k) PERIODIC ONSITE REVIEW.—

"(1) IN GENERAL.—In addition to such other reviews of representative payees as the Commissioner of Social Security may otherwise conduct, the Commissioner may provide for the periodic onsite review of any person or agency that receives the benefits payable under this title (alone or in combination with benefits payable under title II or title XVI) to another individual pursuant to the appointment of such person or agency as a representative payee under this section, section 205(j), or section 1631(a)(2) in any case in which—

"(A) the representative payee is a person who serves in that capacity with respect to 15 or more such individuals; or

"(B) the representative payee is an agency that serves in that capacity with respect to 50 or more such individuals.

"(2) REPORT.—Within 120 days after the end of each fiscal year, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on the results of periodic onsite reviews conducted during the fiscal year pursuant to paragraph (1) and of any other reviews of representative payees conducted during such fiscal year in connection with benefits under this title. Each such report shall describe in detail all problems identified in such reviews and any corrective action taken or planned to be taken to correct such problems, and shall include—

"(A) the number of such reviews;

"(B) the results of such reviews;

"(C) the number of cases in which the representative payee was changed and why;

"(D) the number of cases involving the exercise of expedited, targeted oversight of the representative payee by the Commissioner conducted upon receipt of an allegation of misuse of funds, failure to pay a vendor, or a similar irregularity;

"(E) the number of cases discovered in which there was a misuse of funds;

"(F) how any such cases of misuse of funds were dealt with by the Commissioner;

"(G) the final disposition of such cases of misuse of funds, including any criminal penalties imposed; and

"(H) such other information as the Commissioner deems appropriate.".

(3) TITLE XVI AMENDMENT.—Section 1631(a)(2)(G) of such Act (42 U.S.C. 1383(a)(2)(G)) is amended to read as follows:

"(G)(i) In addition to such other reviews of representative payees as the Commissioner of Social Security may otherwise conduct, the Commissioner shall provide for the periodic onsite review of any person or agency that receives *the benefits payable under this title (alone or in combination with benefits payable under title II or title VIII) to another individual pursuant to the appointment of the person or agency as a representative payee under this paragraph, section 205(j), or section 807 in any case in which—*

"(I) the representative payee is a person who serves in that capacity with respect to 15 or more such individuals;

"(II) the representative payee is a certified community-based nonprofit social service agency (as defined in subparagraph (I) of this paragraph or section 205(j)(9)); or

"(III) the representative payee is an agency (other than an agency described in subclause (II)) that serves in that capacity with respect to 50 or more such individuals.

"(ii) Within 120 days after the end of each fiscal year, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on the results of periodic onsite reviews conducted during the fiscal year pursuant to clause (i) and of any other reviews of representative payees conducted during such fiscal year in connection with benefits under this title. Each such report shall describe in detail all problems identified in the reviews and any corrective action taken or planned to be taken to correct the problems, and shall include—

"(I) the number of the reviews;

"(II) the results of such reviews;

"(III) the number of cases in which the representative payee was changed and why;

"(IV) the number of cases involving the exercise of expedited, targeted oversight of the representative payee by the Commissioner conducted upon receipt of an allegation of misuse of funds, failure to pay a vendor, or a similar irregularity;

"(V) the number of cases discovered in which there was a misuse of funds;

"(VI) how any such cases of misuse of funds were dealt with by the Commissioner;

"(VII) the final disposition of such cases of misuse of funds, including any criminal penalties imposed; and

"(VIII) such other information as the Commissioner deems appropriate.".

SEC. 103. DISQUALIFICATION FROM SERVICE AS REPRESENTATIVE PAYEE OF PERSONS CONVICTED OF OFFENSES RESULTING IN IMPRISONMENT FOR MORE THAN 1 YEAR OR FLEEING PROSECUTION, CUSTODY, OR CONFINEMENT.

(a) TITLE II AMENDMENTS.—Section 205(j)(2) of the Social Security Act (42 U.S.C. 405(j)(2)) is amended—

(1) in subparagraph (B)(i)—

(A) by striking "and" at the end of subclause (III);

(B) by redesignating subclause (IV) as subclause (VI); and

(C) by inserting after subclause (III) the following:

"(IV) obtain information concerning whether such person has been convicted of any other offense under Federal or State law which resulted in imprisonment for more than 1 year,

"(V) obtain information concerning whether such person is a person described in section 202(x)(1)(A)(iv), and";

(2) in subparagraph (B), by adding at the end the following:

"(iii) Notwithstanding the provisions of section 552a of title 5, United States Code, or any other provision of Federal or State law (other than section 6103 of the Internal Revenue Code of 1986 and section 1106(c) of this Act), the Commissioner shall furnish any Federal, State, or local law enforcement officer, upon the written request of the officer, with the current address, social security account number, and photograph (if applicable) of any person investigated under this paragraph, if the officer furnishes the Commissioner with the name of such person and such other identifying information as may reasonably be required by the Commissioner to establish the unique identity of such person, and notifies the Commissioner that—

"(I) such person is described in section 202(x)(1)(A)(iv),

"(II) such person has information that is necessary for the officer to conduct the officer's official duties, and

"(III) the location or apprehension of such person is within the officer's official duties.";

(3) in subparagraph (C)(i)(II)—

(A) by striking "subparagraph (B)(i)(IV),," and inserting "subparagraph (B)(i)(VI)"; and

(B) by striking "section 1631(a)(2)(B)(ii)(IV)" and inserting "section 1631(a)(2)(B)(ii)(VI)"; and

(4) in subparagraph (C)(i)—

(A) by striking "or" at the end of subclause (II);

(B) by striking the period at the end of subclause (III) and inserting a comma; and

(C) by adding at the end the following:

"(IV) such person has previously been convicted as described in subparagraph (B)(i)(IV), unless the Commissioner determines that such certification would be appropriate notwithstanding such conviction, or

"(V) such person is person described in section 202(x)(1)(A)(iv).".

(b) TITLE VIII AMENDMENTS.—Section 807 of such Act (42 U.S.C. 1007) is amended—

(1) in subsection (b)(2)—

(A) by striking "and" at the end of subparagraph (C);

(B) by redesignating subparagraph (D) as subparagraph (F); and

(C) by inserting after subparagraph (C) the following:

"(D) obtain information concerning whether such person has been convicted of any other offense under Federal or State law which resulted in imprisonment for more than 1 year;

"(E) obtain information concerning whether such person is a person described in section 804(a)(2); and";

(2) in subsection (b), by adding at the end the following:

"(3) Notwithstanding the provisions of section 552a of title 5, United States Code, or any other provision of Federal or State law (other than section 6103 of the Internal Revenue Code of 1986 and section 1106(c) of this Act), the Commissioner shall furnish any Federal, State, or local law enforcement officer, upon the written request of the officer, with the current address, social security account number, and photograph (if applicable) of any person investigated under this subsection, if the officer furnishes the Commissioner with the name of such person and such other identifying information as may reasonably be required by the Commissioner to establish the unique identity of such person, and notifies the Commissioner that—

"(A) such person is described in section 804(a)(2),

"(B) such person has information that is necessary for the officer to conduct the officer's official duties, and

"(C) the location or apprehension of such person is within the officer's official duties."; and

(3) in subsection (d)(1)—

(A) by striking "or" at the end of subparagraph (B);

(B) by striking the period at the end of subparagraph (C) and inserting a semicolon; and

(C) by adding at the end the following:

"(D) such person has previously been convicted as described in subsection (b)(2)(D), unless the Commissioner determines that such payment would be appropriate notwithstanding such conviction; or

"(E) such person is a person described in section 804(a)(2).".

(c) TITLE XVI AMENDMENTS.—Section 1631(a)(2)(B) of such Act (42 U.S.C. 1383(a)(2)(B)) is amended—

(1) in clause (ii)—

(A) by striking "and" at the end of subclause (III);

(B) by redesignating subclause (IV) as subclause (VI); and

(C) by inserting after subclause (III) the following:

"(IV) obtain information concerning whether the person has been convicted of any other offense under Federal or State law which resulted in imprisonment for more than 1 year;

"(V) obtain information concerning whether such person is a person described in section 1611(e)(4)(A); and";

(2) in clause (iii)(II)—

(A) by striking "clause (ii)(IV)" and inserting "clause (ii)(VI)"; and

(B) by striking "section 205(j)(2)(B)(i)(IV)" and inserting "section 205(j)(2)(B)(i)(VI)";

(3) in clause (iii)—

(A) by striking "or" at the end of subclause (II);

(B) by striking the period at the end of subclause (III) and inserting a semicolon; and

(C) by adding at the end the following:

"(IV) the person has previously been convicted as described in clause (ii)(IV) of this subparagraph, unless the Commissioner determines that the payment would be appropriate notwithstanding the conviction; or

"(V) such person is a person described in section 1611(e)(4)(A)."; and

(4) by adding at the end the following:

"(xiv) Notwithstanding the provisions of section 552a of title 5, United States Code, or any other provision of Federal or State law (other than section 6103 of the Internal Revenue Code of 1986 and section 1106(c) of this Act), the Commissioner shall furnish any Federal, State, or local law enforcement officer, upon the written request of the officer, with the current address, social security account number, and photograph (if applicable) of any person investigated under this subparagraph, if the officer furnishes the Commissioner with the name of such person and such other identifying information as may reasonably be required by the Commissioner to establish the unique identity of such person, and notifies the Commissioner that—

"(I) such person is described in section 1611(e)(4)(A),

"(II) such person has information that is necessary for the officer to conduct the officer's official duties, and

"(III) the location or apprehension of such person is within the officer's official duties.".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on the first day of the thirteenth month beginning after the date of the enactment of this Act.

(e) REPORT TO CONGRESS.—The Commissioner of Social Security, in consultation with the Inspector General of the Social Security Administration, shall prepare a report evaluating whether the existing procedures and reviews for the qualification (including disqualification) of representative payees are sufficient to enable the Commissioner to protect benefits from being misused by representative payees. The Commissioner shall submit the report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate no later than 270 days after the date of the enactment of this Act. The Commissioner shall include in such report any recommendations that the Commissioner considers appropriate.

SEC. 104. FEE FORFEITURE IN CASE OF BENEFIT MISUSE BY REPRESENTATIVE PAYEES.

(a) TITLE II AMENDMENTS.—Section 205(j)(4)(A)(i) of the Social Security Act (42 U.S.C. 405(j)(4)(A)(i)) is amended—

(1) in the first sentence, by striking "A" and inserting "Except as provided in the next sentence, a"; and

(2) in the second sentence, by striking "The Secretary" and inserting the following: "A qualified organization may not collect a fee from an individual for any month with respect to which the Commissioner of Social Security or a court of competent jurisdiction has determined that the organization misused all or part of the individual's benefit, and any amount so collected by the qualified organization for such month shall be treated as a misused part of the individual's benefit for purposes of paragraphs (5) and (6). The Commissioner".

(b) TITLE XVI AMENDMENTS.—Section 1631(a)(2)(D)(i) of such Act (42 U.S.C. 1383(a)(2)(D)(i)) is amended—

(1) in the first sentence, by striking "A" and inserting "Except as provided in the next sentence, a"; and

(2) in the second sentence, by striking "The Commissioner" and inserting the following: "A qualified organization may not collect a fee from an individual for any month with respect to which the Commissioner of Social Security or a court of competent jurisdiction has determined that the organization misused all or part of the individual's benefit, and any amount so collected by the qualified organization for such month shall be treated as a misused part of the individual's benefit for purposes of subparagraphs (E) and (F). The Commissioner".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to any month involving benefit misuse by a representative payee in any case with respect to which the Commissioner of Social Security or a court of competent jurisdiction makes the determination of misuse after 180 days after the date of the enactment of this Act.

SEC. 105. LIABILITY OF REPRESENTATIVE PAYEES FOR MISUSED BENEFITS.

(a) TITLE II AMENDMENTS.—Section 205(j) of the Social Security Act (42 U.S.C. 405(j)) (as amended by sections 101 and 102) is amended further—

(1) by redesignating paragraphs (7), (8), and (9) as paragraphs (8), (9), and (10), respectively;

(2) in paragraphs (2)(C)(v), (3)(F), and (4)(B), by striking "paragraph (9)" and inserting "paragraph (10)";

(3) in paragraph (6)(A)(ii), by striking "paragraph (9)" and inserting "paragraph (10)"; and

(4) by inserting after paragraph (6) the following:

"(7)(A) If the Commissioner of Social Security or a court of competent jurisdiction determines that a representative payee that is not a Federal, State, or local government agency has misused all or part of an individual's benefit that was paid to such representative payee under this subsection, the representative payee shall be liable for the amount misused, and such amount (to the extent not repaid by the representative payee) shall be treated as an overpayment of benefits under this title to the representative payee for all purposes of this Act and related laws pertaining to the recovery of such overpayments. Subject to subparagraph (B), upon recovering all or any part of such amount, the Commissioner shall certify an amount equal to the recovered amount for payment to such individual or such individual's alternative representative payee.

"(B) The total of the amount certified for payment to such individual or such individual's alternative representative payee under subparagraph (A) and the amount certified for payment under paragraph (5) may not exceed the total benefit amount misused by the representative payee with respect to such individual.".

(b) TITLE VIII AMENDMENT.—Section 807 of such Act (as amended by section 102(b)(2)) is amended further by adding at the end the following:

"(l) LIABILITY FOR MISUSED AMOUNTS.—

"(1) IN GENERAL.—If the Commissioner of Social Security or a court of competent jurisdiction determines that a representative payee that is not a Federal, State, or local government agency has misused all or part of a qualified individual's benefit that was paid to such representative payee under this section, the representative payee shall be liable for the amount misused, and such amount (to the extent not repaid by the representative payee) shall be treated as an overpayment of benefits under this title to the representative payee for all purposes of this Act and related laws pertaining to the recovery of such overpayments. Subject to paragraph (2), upon recovering all or any part of such amount, the Commissioner shall make payment of an amount equal to the recovered amount to such qualified individual or such qualified individual's alternative representative payee.

"(2) LIMITATION.—The total of the amount paid to such individual or such individual's alternative representative payee under paragraph (1) and the amount paid under subsection (i) may not exceed the total benefit amount misused by the representative payee with respect to such individual.".

(c) TITLE XVI AMENDMENTS.—Section 1631(a)(2) of such Act (42 U.S.C. 1383(a)(2)) (as amended by section 102(b)(3)) is amended further—

(1) in subparagraph (G)(i)(II), by striking "section 205(j)(9)" and inserting "section 205(j)(10)"; and

(2) by striking subparagraph (H) and inserting the following:

"(H)(i) If the Commissioner of Social Security or a court of competent jurisdiction determines that a representative payee that is not a Federal, State, or local government agency has misused all or part of an individual's benefit that was paid to the representative payee under this paragraph, the representative payee shall be liable for the amount misused, and the amount (to the extent not repaid by the representative payee) shall be treated as an overpayment of benefits under this title to the representative payee for all purposes of this Act and related laws pertaining to the recovery of the overpayments. Subject to clause (ii), upon recovering all or any part of the amount, the Commissioner shall make payment of an amount equal to the recovered amount to such individual or such individual's alternative representative payee.

"(ii) The total of the amount paid to such individual or such individual's alternative representative payee under clause (i) and the amount paid under subparagraph (E) may not exceed the total benefit amount misused by the representative payee with respect to such individual.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to benefit misuse by a representative payee in any case with respect to which the Commissioner of Social Security or a court of competent jurisdiction makes the determination of misuse after 180 days after the date of the enactment of this Act.

SEC. 106. AUTHORITY TO REDIRECT DELIVERY OF BENEFIT PAYMENTS WHEN A REPRESENTATIVE PAYEE FAILS TO PROVIDE REQUIRED ACCOUNTING.

(a) TITLE II AMENDMENTS.—Section 205(j)(3) of the Social Security Act (42 U.S.C. 405(j)(3)) (as amended by sections 102(a)(1)(B) and 105(a)(2)) is amended—

(1) by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G), respectively; and

(2) by inserting after subparagraph (D) the following:

"(E) In any case in which the person described in subparagraph (A) or (D) receiving payments on behalf of another fails to submit a report required by the Commissioner of Social Security under subparagraph (A) or (D), the Commissioner may, after furnishing notice to such person and the individual entitled to such payment, require that such person appear in person at a field office of the Social Security Administration serving the area in which the individual resides in order to receive such payments.".

(b) TITLE VIII AMENDMENTS.—Section 807(h) of such Act (42 U.S.C. 1007(h)) is amended—

(1) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively; and

(2) by inserting after paragraph (2) the following:

"(3) AUTHORITY TO REDIRECT DELIVERY OF BENEFIT PAYMENTS WHEN A REPRESENTATIVE PAYEE FAILS TO PROVIDE REQUIRED ACCOUNTING.—In any case in which the person described in paragraph (1) or (2) receiving benefit payments on behalf of a qualified individual fails to submit a report required by the Commissioner of Social Security under paragraph (1) or (2), the Commissioner may, after furnishing notice to such person and the qualified individual, require that such person appear in person at a United States Government facility designated by the Social Security Administration as serving the area in which the qualified individual resides in order to receive such benefit payments.".

(c) TITLE XVI AMENDMENT.—Section 1631(a)(2)(C) of such Act (42 U.S.C. 1383(a)(2)(C)) is amended by adding at the end the following:

"(v) In any case in which the person described in clause (i) or (iv) receiving payments on behalf of another fails to submit a report required by the Commissioner of Social Security under clause (i) or (iv), the Commissioner may, after furnishing notice to the person and the individual entitled to the payment, require that such person appear in person at a field office of the Social Security Administration serving the area in which the individual resides in order to receive such payments.".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect 180 days after the date of the enactment of this Act.

SEC. 107. SURVEY OF USE OF PAYMENTS BY REPRESENTATIVE PAYEES.

(a) IN GENERAL.—Section 1110 of the Social Security Act (42 U.S.C. 1310) is amended by adding at the end the following:

"(c)(1) In addition to the amount otherwise appropriated in any other law to carry out subsection (a) for fiscal year 2004, up to $8,500,000 is authorized and appropriated and shall be used by the Commissioner of Social Security under this subsection for purposes of conducting a statistically valid survey to determine how payments made to individuals, organizations, and State or local government agencies that are representative payees for benefits paid under title II or XVI are being managed and used on behalf of the beneficiaries for whom such benefits are paid.

"(2) Not later than 18 months after the date of enactment of this subsection, the Commissioner of Social Security shall submit a report on the survey conducted in accordance with paragraph (1) to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate.".

Subtitle B—Enforcement

SEC. 111. CIVIL MONETARY PENALTY AUTHORITY WITH RESPECT TO WRONGFUL CONVERSIONS BY REPRESENTATIVE PAYEES.

(a) IN GENERAL.—Section 1129(a) of the Social Security Act (42 U.S.C. 1320a–8) is amended by adding at the end the following:

"(3) Any person (including an organization, agency, or other entity) who, having received,

while acting in the capacity of a representative payee pursuant to section 205(j), 807, or 1631(a)(2), a payment under title II, VIII, or XVI for the use and benefit of another individual, converts such payment, or any part thereof, to a use that such person knows or should know is other than for the use and benefit of such other individual shall be subject to, in addition to any other penalties that may be prescribed by law, a civil money penalty of not more than $5,000 for each such conversion. Such person shall also be subject to an assessment, in lieu of damages sustained by the United States resulting from the conversion, of not more than twice the amount of any payments so converted.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to violations committed after the date of the enactment of this Act.

TITLE II—PROGRAM PROTECTIONS

SEC. 201. CIVIL MONETARY PENALTY AUTHORITY WITH RESPECT TO WITHHOLDING OF MATERIAL FACTS.

(a) TREATMENT OF WITHHOLDING OF MATERIAL FACTS.—

(1) CIVIL PENALTIES.—Section 1129(a)(1) of the Social Security Act (42 U.S.C. 1320a–8(a)(1)) is amended—

(A) by striking "who" in the first sentence and inserting "who—";

(B) by striking "makes" in the first sentence and all that follows through "shall be subject to," and inserting the following:

"(A) makes, or causes to be made, a statement or representation of a material fact, for use in determining any initial or continuing right to or the amount of monthly insurance benefits under title II or benefits or payments under title VIII or XVI, that the person knows or should know is false or misleading,

"(B) makes such a statement or representation for such use with knowing disregard for the truth, or

"(C) omits from a statement or representation for such use, or otherwise withholds disclosure of, a fact which the person knows or should know is material to the determination of any initial or continuing right to or the amount of monthly insurance benefits under title II or benefits or payments under title VIII or XVI, if the person knows, or should know, that the statement or representation with such omission is false or misleading or that the withholding of such disclosure is misleading,

shall be subject to,";

(C) by inserting "or each receipt of such benefits or payments while withholding disclosure of such fact" after "each such statement or representation" in the first sentence;

(D) by inserting "or because of such withholding of disclosure of a material fact" after "because of such statement or representation" in the second sentence; and

(E) by inserting "or such a withholding of disclosure" after "such a statement or representation" in the second sentence.

(2) ADMINISTRATIVE PROCEDURE FOR IMPOSING PENALTIES.—Section 1129A(a) of such Act (42 U.S.C. 1320a–8a(a)) is amended—

(A) by striking "who" the first place it appears and inserting "who—"; and

(B) by striking "makes" and all that follows through "shall be subject to," and inserting the following:

"(1) makes, or causes to be made, a statement or representation of a material fact, for use in determining any initial or continuing right to or the amount of monthly insurance benefits under title II or benefits or payments under title XVI that the person knows or should know is false or misleading,

"(2) makes such a statement or representation for such use with knowing disregard for the truth, or

"(3) omits from a statement or representation for such use, or otherwise withholds disclosure of, a fact which the person knows or should know is material to the determination of any initial or continuing right to or the amount of monthly insurance benefits under title II or benefits or payments under title XVI, if the person knows, or should know, that the statement or representation with such omission is false or misleading or that the withholding of such disclosure is misleading,

shall be subject to,".

(b) CLARIFICATION OF TREATMENT OF RECOVERED AMOUNTS.—Section 1129(e)(2)(B) of such Act (42 U.S.C. 1320a–8(e)(2)(B)) is amended by striking "In the case of amounts recovered arising out of a determination relating to title VIII or XVI," and inserting "In the case of any other amounts recovered under this section,".

(c) CONFORMING AMENDMENTS.—

(1) Section 1129(b)(3)(A) of such Act (42 U.S.C. 1320a–8(b)(3)(A)) is amended by striking "charging fraud or false statements".

(2) Section 1129(c)(1) of such Act (42 U.S.C. 1320a–8(c)(1)) is amended by striking "and representations" and inserting ", representations, or actions".

(3) Section 1129(e)(1)(A) of such Act (42 U.S.C. 1320a–8(e)(1)(A)) is amended by striking "statement or representation referred to in subsection (a) was made" and inserting "violation occurred".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to violations committed after the date on which the Commissioner of Social Security implements the centralized computer file described in section 202.

SEC. 202. ISSUANCE BY COMMISSIONER OF SOCIAL SECURITY OF RECEIPTS TO ACKNOWLEDGE SUBMISSION OF REPORTS OF CHANGES IN WORK OR EARNINGS STATUS OF DISABLED BENEFICIARIES.

Effective as soon as possible, but not later than 1 year after the date of the enactment of this Act, until such time as the Commissioner of Social Security implements a centralized computer file recording the date of the submission of information by a disabled beneficiary (or representative) regarding a change in the beneficiary's work or earnings status, the Commissioner shall issue a receipt to the disabled beneficiary (or representative) each time he or she submits documentation, or otherwise reports to the Commissioner, on a change in such status.

SEC. 203. DENIAL OF TITLE II BENEFITS TO PERSONS FLEEING PROSECUTION, CUSTODY, OR CONFINEMENT, AND TO PERSONS VIOLATING PROBATION OR PAROLE.

(a) IN GENERAL.—Section 202(x) of the Social Security Act (42 U.S.C. 402(x)) is amended—

(1) in the heading, by striking "Prisoners" and all that follows and inserting the following: "Prisoners, Certain Other Inmates of Publicly Funded Institutions, Fugitives, Probationers, and Parolees";

(2) in paragraph (1)(A)(ii)(IV), by striking "or" at the end;

(3) in paragraph (1)(A)(iii), by striking the period at the end and inserting a comma;

(4) by inserting after paragraph (1)(A)(iii) the following:

"(iv) is fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the person flees, for a crime, or an attempt to commit a crime, which is a felony under the laws of the place from which the person flees, or, in jurisdictions that do not define crimes as felonies, is punishable by death or imprisonment for a term exceeding 1 year regardless of the actual sentence imposed, or

"(v) is violating a condition of probation or parole imposed under Federal or State law.";

(5) by adding at the end of paragraph (1)(B) the following:

"(iii) Notwithstanding subparagraph (A), the Commissioner shall, for good cause shown, pay the individual benefits that have been withheld or would otherwise be withheld pursuant to clause (iv) or (v) of subparagraph (A) if the Commissioner determines that—

"(I) a court of competent jurisdiction has found the individual not guilty of the criminal offense, dismissed the charges relating to the criminal offense, vacated the warrant for arrest of the individual for the criminal offense, or issued any similar exonerating order (or taken similar exonerating action), or

"(II) the individual was erroneously implicated in connection with the criminal offense by reason of identity fraud.

"(iv) Notwithstanding subparagraph (A), the Commissioner may, for good cause shown based on mitigating circumstances, pay the individual benefits that have been withheld or would otherwise be withheld pursuant to clause (iv) or (v) of subparagraph (A) if the Commissioner determines that—

"(I) the offense described in clause (iv) or underlying the imposition of the probation or parole described in clause (v) was nonviolent and not drug-related, and

"(II) in the case of an individual from whom benefits have been withheld or otherwise would be withheld pursuant to subparagraph (A)(v), the action that resulted in the violation of a condition of probation or parole was nonviolent and not drug-related."; and

(6) in paragraph (3), by adding at the end the following:

"(C) Notwithstanding the provisions of section 552a of title 5, United States Code, or any other provision of Federal or State law (other than section 6103 of the Internal Revenue Code of 1986 and section 1106(c) of this Act), the Commissioner shall furnish any Federal, State, or local law enforcement officer, upon the written request of the officer, with the current address, Social Security number, and photograph (if applicable) of any beneficiary under this title, if the officer furnishes the Commissioner with the name of the beneficiary, and other identifying information as reasonably required by the Commissioner to establish the unique identity of the beneficiary, and notifies the Commissioner that—

"(i) the beneficiary is described in clause (iv) or (v) of paragraph (1)(A); and

"(ii) the location or apprehension of the beneficiary is within the officer's official duties.".

(b) CONFORMING AMENDMENTS TO TITLE XVI.—Section 1611(e) of the Social Security Act (42 U.S.C. 1382(e)) is amended—

(1) in paragraph (4)—

(A) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(B) by inserting "(A)" after "(4)";

(C) in clause (i) of subparagraph (A) (as redesignated by subparagraph (A)), by striking "or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State" and inserting "or, in jurisdictions that do not define crimes as felonies, is punishable by death or imprisonment for a term exceeding 1 year regardless of the actual sentence imposed"; and

(D) by adding at the end the following:

"(B) Notwithstanding subparagraph (A), the Commissioner shall, for good cause shown, treat the person referred to in subparagraph (A) as an eligible individual or eligible spouse if the Commissioner determines that—

"(i) a court of competent jurisdiction has found the person not guilty of the criminal offense, dismissed the charges relating to the criminal offense, vacated the warrant for arrest of the person for the criminal offense, or issued

any similar exonerating order (or taken similar exonerating action), or

"(ii) the person was erroneously implicated in connection with the criminal offense by reason of identity fraud.

"(C) Notwithstanding subparagraph (A), the Commissioner may, for good cause shown based on mitigating circumstances, treat the person referred to in subparagraph (A) as an eligible individual or eligible spouse if the Commissioner determines that—

"(i) the offense described in subparagraph (A)(i) or underlying the imposition of the probation or parole described in subparagraph (A)(ii) was nonviolent and not drug-related, and

"(ii) in the case of a person who is not considered an eligible individual or eligible spouse pursuant to subparagraph (A)(ii), the action that resulted in the violation of a condition of probation or parole was nonviolent and not drug-related."; and

(2) in paragraph (5), by striking subparagraphs (A) and (B) and inserting the following:

"(A) the recipient is described in clause (i) or (ii) of paragraph (4)(A); and

"(B) the location or apprehension of the recipient is within the officer's official duties.".

(c) CONFORMING AMENDMENT.—Section 804(a)(2) of the Social Security Act (42 U.S.C. 1004(a)(2)) is amended by striking "or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State" and inserting "or, in jurisdictions that do not define crimes as felonies, is punishable by death or imprisonment for a term exceeding 1 year regardless of the actual sentence imposed".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on the first day of the first month that begins on or after the date that is 9 months after the date of enactment of this Act.

SEC. 204. REQUIREMENTS RELATING TO OFFERS TO PROVIDE FOR A FEE, A PRODUCT OR SERVICE AVAILABLE WITHOUT CHARGE FROM THE SOCIAL SECURITY ADMINISTRATION.

(a) IN GENERAL.—Section 1140 of the Social Security Act (42 U.S.C. 1320b–10) is amended—

(1) in subsection (a), by adding at the end the following:

"(4)(A) No person shall offer, for a fee, to assist an individual to obtain a product or service that the person knows or should know is provided free of charge by the Social Security Administration unless, at the time the offer is made, the person provides to the individual to whom the offer is tendered a notice that—

"(i) explains that the product or service is available free of charge from the Social Security Administration, and

"(ii) complies with standards prescribed by the Commissioner of Social Security respecting the content of such notice and its placement, visibility, and legibility.

"(B) Subparagraph (A) shall not apply to any offer—

"(i) to serve as a claimant representative in connection with a claim arising under title II, title VIII, or title XVI; or

"(ii) to prepare, or assist in the preparation of, an individual's plan for achieving self-support under title XVI."; and

(2) in the heading, by striking "PROHIBITION OF MISUSE OF SYMBOLS, EMBLEMS, OR NAMES IN REFERENCE" and inserting "PROHIBITIONS RELATING TO REFERENCES".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to offers of assistance made after the sixth month ending after the Commissioner of Social Security promulgates final regulations prescribing the standards applicable to the notice required to be provided in connection with such offer. The Commissioner shall promulgate such final regulations within 1 year after the date of the enactment of this Act.

SEC. 205. REFUSAL TO RECOGNIZE CERTAIN INDIVIDUALS AS CLAIMANT REPRESENTATIVES.

Section 206(a)(1) of the Social Security Act (42 U.S.C. 406(a)(1)) is amended by inserting after the second sentence the following: "Notwithstanding the preceding sentences, the Commissioner, after due notice and opportunity for hearing, (A) may refuse to recognize as a representative, and may disqualify a representative already recognized, any attorney who has been disbarred or suspended from any court or bar to which he or she was previously admitted to practice or who has been disqualified from participating in or appearing before any Federal program or agency, and (B) may refuse to recognize, and may disqualify, as a non-attorney representative any attorney who has been disbarred or suspended from any court or bar to which he or she was previously admitted to practice. A representative who has been disqualified or suspended pursuant to this section from appearing before the Social Security Administration as a result of collecting or receiving a fee in excess of the amount authorized shall be barred from appearing before the Social Security Administration as a representative until full restitution is made to the claimant and, thereafter, may be considered for reinstatement only under such rules as the Commissioner may prescribe.".

SEC. 206. CRIMINAL PENALTY FOR CORRUPT OR FORCIBLE INTERFERENCE WITH ADMINISTRATION OF SOCIAL SECURITY ACT.

Part A of title XI of the Social Security Act (42 U.S.C. 1301 et seq.) is amended by inserting after section 1129A the following:

"ATTEMPTS TO INTERFERE WITH ADMINISTRATION OF SOCIAL SECURITY ACT

"SEC. 1129B. Whoever corruptly or by force or threats of force (including any threatening letter or communication) attempts to intimidate or impede any officer, employee, or contractor of the Social Security Administration (including any State employee of a disability determination service or any other individual designated by the Commissioner of Social Security) acting in an official capacity to carry out a duty under this Act, or in any other way corruptly or by force or threats of force (including any threatening letter or communication) obstructs or impedes, or attempts to obstruct or impede, the due administration of this Act, shall be fined not more than $5,000, imprisoned not more than 3 years, or both, except that if the offense is committed only by threats of force, the person shall be fined not more than $3,000, imprisoned not more than 1 year, or both. In this subsection, the term 'threats of force' means threats of harm to the officer or employee of the United States or to a contractor of the Social Security Administration, or to a member of the family of such an officer or employee or contractor.".

SEC. 207. USE OF SYMBOLS, EMBLEMS, OR NAMES IN REFERENCE TO SOCIAL SECURITY OR MEDICARE.

(a) IN GENERAL.—Section 1140(a)(1) of the Social Security Act (42 U.S.C. 1320b–10(a)(1)) is amended—

(1) in subparagraph (A), by inserting "'Centers for Medicare & Medicaid Services'," after "'Health Care Financing Administration',", by striking "or 'Medicaid'," and inserting "'Medicaid', 'Death Benefits Update', 'Federal Benefit Information', 'Funeral Expenses', or 'Final Supplemental Plan'," and by inserting "'CMS'," after "'HCFA',";

(2) in subparagraph (B), by inserting "Centers for Medicare & Medicaid Services," after "Health Care Financing Administration," each place it appears; and

(3) in the matter following subparagraph (B), by striking "the Health Care Financing Administration," each place it appears and inserting "the Centers for Medicare & Medicaid Services,".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to items sent after 180 days after the date of the enactment of this Act.

SEC. 208. DISQUALIFICATION FROM PAYMENT DURING TRIAL WORK PERIOD UPON CONVICTION OF FRAUDULENT CONCEALMENT OF WORK ACTIVITY.

(a) IN GENERAL.—Section 222(c) of the Social Security Act (42 U.S.C. 422(c)) is amended by adding at the end the following:

"(5) Upon conviction by a Federal court that an individual has fraudulently concealed work activity during a period of trial work from the Commissioner of Social Security by—

"(A) providing false information to the Commissioner of Social Security as to whether the individual had earnings in or for a particular period, or as to the amount thereof;

"(B) receiving disability insurance benefits under this title while engaging in work activity under another identity, including under another social security account number or a number purporting to be a social security account number; or

"(C) taking other actions to conceal work activity with an intent fraudulently to secure payment in a greater amount than is due or when no payment is authorized,

no benefit shall be payable to such individual under this title with respect to a period of disability for any month before such conviction during which the individual rendered services during the period of trial work with respect to which the fraudulently concealed work activity occurred, and amounts otherwise due under this title as restitution, penalties, assessments, fines, or other repayments shall in all cases be in addition to any amounts for which such individual is liable as overpayments by reason of such concealment.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to work activity performed after the date of the enactment of this Act.

SEC. 209. AUTHORITY FOR JUDICIAL ORDERS OF RESTITUTION.

(a) AMENDMENTS TO TITLE II.—Section 208 of the Social Security Act (42 U.S.C. 408) is amended—

(1) by redesignating subsections (b), (c), and (d) as subsections (c), (d), and (e), respectively;

(2) by inserting after subsection (a) the following:

"(b)(1) Any Federal court, when sentencing a defendant convicted of an offense under subsection (a), may order, in addition to or in lieu of any other penalty authorized by law, that the defendant make restitution to the victims of such offense specified in paragraph (4).

"(2) Sections 3612, 3663, and 3664 of title 18, United States Code, shall apply with respect to the issuance and enforcement of orders of restitution to victims of such offense under this subsection.

"(3) If the court does not order restitution, or orders only partial restitution, under this subsection, the court shall state on the record the reasons therefor.

"(4) For purposes of paragraphs (1) and (2), the victims of an offense under subsection (a) are the following:

"(A) Any individual who suffers a financial loss as a result of the defendant's violation of subsection (a).

"(B) The Commissioner of Social Security, to the extent that the defendant's violation of subsection (a) results in—

"(i) the Commissioner of Social Security making a benefit payment that should not have been made; or

"(ii) an individual suffering a financial loss due to the defendant's violation of subsection (a) in his or her capacity as the individual's representative payee appointed pursuant to section 205(j).

"(5)(A) Except as provided in subparagraph (B), funds paid to the Commissioner of Social Security as restitution pursuant to a court order shall be deposited in the Federal Old-Age and Survivors Insurance Trust Fund, or the Federal Disability Insurance Trust Fund, as appropriate.

"(B) In the case of funds paid to the Commissioner of Social Security pursuant to paragraph (4)(B)(ii), the Commissioner of Social Security shall certify for payment to the individual described in such paragraph an amount equal to the lesser of the amount of the funds so paid or the individual's outstanding financial loss, except that such amount may be reduced by the amount of any overpayments of benefits owed under this title, title VIII, or title XVI by the individual."; and

(3) by amending subsection (c) (as redesignated by paragraph (1)), by striking the second sentence.

(b) AMENDMENTS TO TITLE VIII.—Section 811 of the Social Security Act (42 U.S.C. 1011) is amended—

(1) by striking subsection (b) and inserting the following:

"(b) COURT ORDER FOR RESTITUTION.—

"(1) IN GENERAL.—Any Federal court, when sentencing a defendant convicted of an offense under subsection (a), may order, in addition to or in lieu of any other penalty authorized by law, that the defendant make restitution to the Commissioner of Social Security, in any case in which such offense results in—

"(A) the Commissioner of Social Security making a benefit payment that should not have been made, or

"(B) an individual suffering a financial loss due to the defendant's violation of subsection (a) in his or her capacity as the individual's representative payee appointed pursuant to section 807(i).

"(2) RELATED PROVISIONS.—Sections 3612, 3663, and 3664 of title 18, United States Code, shall apply with respect to the issuance and enforcement of orders of restitution under this subsection. In so applying such sections, the Commissioner of Social Security shall be considered the victim.

"(3) STATED REASONS FOR NOT ORDERING RESTITUTION.—If the court does not order restitution, or orders only partial restitution, under this subsection, the court shall state on the record the reasons therefor.

"(4) RECEIPT OF RESTITUTION PAYMENTS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), funds paid to the Commissioner of Social Security as restitution pursuant to a court order shall be deposited as miscellaneous receipts in the general fund of the Treasury.

"(B) PAYMENT TO THE INDIVIDUAL.—In the case of funds paid to the Commissioner of Social Security pursuant to paragraph (1)(B), the Commissioner of Social Security shall certify for payment to the individual described in such paragraph an amount equal to the lesser of the amount of the funds so paid or the individual's outstanding financial loss as described in such paragraph, except that such amount may be reduced by any overpayment of benefits owed under this title, title II, or title XVI by the individual.".

(c) AMENDMENTS TO TITLE XVI.—Section 1632 of the Social Security Act (42 U.S.C. 1383a) is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following:

"(b)(1) Any Federal court, when sentencing a defendant convicted of an offense under subsection (a), may order, in addition to or in lieu of any other penalty authorized by law, that the defendant make restitution to the Commissioner of Social Security, in any case in which such offense results in—

"(A) the Commissioner of Social Security making a benefit payment that should not have been made, or

"(B) an individual suffering a financial loss due to the defendant's violation of subsection (a) in his or her capacity as the individual's representative payee appointed pursuant to section 1631(a)(2).

"(2) Sections 3612, 3663, and 3664 of title 18, United States Code, shall apply with respect to the issuance and enforcement of orders of restitution under this subsection. In so applying such sections, the Commissioner of Social Security shall be considered the victim.

"(3) If the court does not order restitution, or orders only partial restitution, under this subsection, the court shall state on the record the reasons therefor.

"(4)(A) Except as provided in subparagraph (B), funds paid to the Commissioner of Social Security as restitution pursuant to a court order shall be deposited as miscellaneous receipts in the general fund of the Treasury.

"(B) In the case of funds paid to the Commissioner of Social Security pursuant to paragraph (1)(B), the Commissioner of Social Security shall certify for payment to the individual described in such paragraph an amount equal to the lesser of the amount of the funds so paid or the individual's outstanding financial loss as described in such paragraph, except that such amount may be reduced by any overpayment of benefits owed under this title, title II, or title VIII by the individual."; and

(3) by amending subsection (c) (as redesignated by paragraph (1)) by striking "(1) If a person" and all that follows through "(2)".

(d) EFFECTIVE DATE.—The amendments made by subsections (a), (b), and (c) shall apply with respect to violations occurring on or after the date of enactment of this Act.

SEC. 210. AUTHORITY FOR CROSS-PROGRAM RECOVERY OF BENEFIT OVERPAYMENTS.

(a) IN GENERAL.—Section 1147 of the Social Security Act (42 U.S.C. 1320b–17) is amended to read as follows:

"CROSS-PROGRAM RECOVERY OF OVERPAYMENTS FROM BENEFITS

"(a) IN GENERAL.—Subject to subsection (b), whenever the Commissioner of Social Security determines that more than the correct amount of any payment has been made to a person under a program described in subsection (e), the Commissioner of Social Security may recover the amount incorrectly paid by decreasing any amount which is payable to such person under any other program specified in that subsection.

"(b) LIMITATION APPLICABLE TO CURRENT BENEFITS.—

"(1) IN GENERAL.—In carrying out subsection (a), the Commissioner of Social Security may not decrease the monthly amount payable to an individual under a program described in subsection (e) that is paid when regularly due—

"(A) in the case of benefits under title II or VIII, by more than 10 percent of the amount of the benefit payable to the person for that month under such title; and

"(B) in the case of benefits under title XVI, by an amount greater than the lesser of—

"(i) the amount of the benefit payable to the person for that month; or

"(ii) an amount equal to 10 percent of the person's income for that month (including such monthly benefit but excluding payments under title II when recovery is also made from title II payments and excluding income excluded pursuant to section 1612(b)).

"(2) EXCEPTION.—Paragraph (1) shall not apply if—

"(A) the person or the spouse of the person was involved in willful misrepresentation or concealment of material information in connection with the amount incorrectly paid; or

"(B) the person so requests.

"(c) NO EFFECT ON ELIGIBILITY OR BENEFIT AMOUNT UNDER TITLE VIII OR XVI.—In any case in which the Commissioner of Social Security takes action in accordance with subsection (a) to recover an amount incorrectly paid to any person, neither that person, nor (with respect to the program described in subsection (e)(3)) any individual whose eligibility for benefits under such program or whose amount of such benefits, is determined by considering any part of that person's income, shall, as a result of such action—

"(1) become eligible for benefits under the program described in paragraph (2) or (3) of subsection (e); or

"(2) if such person or individual is otherwise so eligible, become eligible for increased benefits under such program.

"(d) INAPPLICABILITY OF PROHIBITION AGAINST ASSESSMENT AND LEGAL PROCESS.—Section 207 shall not apply to actions taken under the provisions of this section to decrease amounts payable under titles II and XVI.

"(e) PROGRAMS DESCRIBED.—The programs described in this subsection are the following:

"(1) The old-age, survivors, and disability insurance benefits program under title II.

"(2) The special benefits for certain World War II veterans program under title VIII.

"(3) The supplemental security income benefits program under title XVI (including, for purposes of this section, State supplementary payments paid by the Commissioner pursuant to an agreement under section 1616(a) of this Act or section 212(b) of Public Law 93–66).".

(b) CONFORMING AMENDMENTS.—

(1) Section 204(g) of the Social Security Act (42 U.S.C. 404(g)) is amended to read as follows:

"(g) For provisions relating to the cross-program recovery of overpayments made under programs administered by the Commissioner of Social Security, see section 1147.".

(2) Section 808 of the Social Security Act (42 U.S.C. 1008) is amended—

(A) in subsection (a)(1)—

(i) by striking subparagraph (B);

(ii) in the matter preceding subparagraph (A), by striking "any payment" and all that follows through "under this title" and inserting "any payment under this title"; and

(iii) by striking "; or" and inserting a period;

(B) by striking subsection (b) and redesignating subsections (c), (d), and (e) as subsections (b), (c), and (d), respectively; and

(C) by adding at the end the following:

"(e) CROSS-PROGRAM RECOVERY OF OVERPAYMENTS.—For provisions relating to the cross-program recovery of overpayments made under programs administered by the Commissioner of Social Security, see section 1147.".

(3) Section 1147A of the Social Security Act (42 U.S.C. 1320b–18) is repealed.

(4) Section 1631(b) of the Social Security Act (42 U.S.C. 1383(b)) is amended—

(A) in paragraph (1)(B)—

(i) by striking "excluding any other" and inserting "excluding payments under title II when recovery is made from title II payments pursuant to section 1147 and excluding"; and

(ii) by striking "50 percent of"; and

(B) by striking paragraph (6) and inserting the following:

"(6) For provisions relating to the cross-program recovery of overpayments made under programs administered by the Commissioner of Social Security, see section 1147.".

(c) EFFECTIVE DATE.—The amendments and repeal made by this section shall take effect on the date of enactment of this Act, and shall be effective with respect to overpayments under titles II, VIII, and XVI of the Social Security Act that are outstanding on or after such date.

SEC. 211. PROHIBITION ON PAYMENT OF TITLE II BENEFITS TO PERSONS NOT AUTHORIZED TO WORK IN THE UNITED STATES.

(a) FULLY INSURED AND CURRENTLY INSURED INDIVIDUALS.—Section 214 (42 U.S.C. 414) is amended—

(1) in subsection (a), by inserting before the period at the end the following: ", and who satisfies the criterion specified in subsection (c)";

(2) in subsection (b), by inserting before the period at the end the following: ", and who satisfies the criterion specified in subsection (c)"; and

(3) by adding at the end the following:

"(c) For purposes of subsections (a) and (b), the criterion specified in this subsection is that the individual, if not a United States citizen or national—

"(1) has been assigned a social security account number that was, at the time of assignment, or at any later time, consistent with the requirements of subclause (I) or (III) of section 205(c)(2)(B)(i); or

"(2) at the time any such quarters of coverage are earned—

"(A) is described in subparagraph (B) or (D) of section 101(a)(15) of the Immigration and Nationality Act,

"(B) is lawfully admitted temporarily to the United States for business (in the case of an individual described in such subparagraph (B)) or the performance as a crewman (in the case of an individual described in such subparagraph (D)), and

"(C) the business engaged in or service as a crewman performed is within the scope of the terms of such individual's admission to the United States.".

(b) DISABILITY BENEFITS.—Section 223(a)(1) of the Social Security Act (42 U.S.C. 423(a)(1)) is amended—

(1) by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E), respectively; and

(2) by inserting after subparagraph (B), the following:

"(C) if not a United States citizen or national—

"(i) has been assigned a social security account number that was, at the time of assignment, or at any later time, consistent with the requirements of subclause (I) or (III) of section 205(c)(2)(B)(i); or

"(ii) at the time any quarters of coverage are earned—

"(I) is described in subparagraph (B) or (D) of section 101(a)(15) of the Immigration and Nationality Act,

"(II) is lawfully admitted temporarily to the United States for business (in the case of an individual described in such subparagraph (B)) or the performance as a crewman (in the case of an individual described in such subparagraph (D)), and

"(III) the business engaged in or service as a crewman performed is within the scope of the terms of such individual's admission to the United States.".

(c) EFFECTIVE DATE.—The amendments made by this section apply to benefit applications based on social security account numbers issued on or after January 1, 2004.

TITLE III—ATTORNEY REPRESENTATIVE FEE PAYMENT SYSTEM IMPROVEMENTS

SEC. 301. CAP ON ATTORNEY ASSESSMENTS.

(a) IN GENERAL.—Section 206(d)(2)(A) of the Social Security Act (42 U.S.C. 406(d)(2)(A)) is amended—

(1) by inserting ", except that the maximum amount of the assessment may not exceed the greater of $75 or the adjusted amount as provided pursuant to the following two sentences" after "subparagraph (B)"; and

(2) by adding at the end the following: "In the case of any calendar year beginning after the amendments made by section 301 of the Social Security Protection Act of 2003 take effect, the dollar amount specified in the preceding sentence (including a previously adjusted amount) shall be adjusted annually under the procedures used to adjust benefit amounts under section 215(i)(2)(A)(ii), except such adjustment shall be based on the higher of $75 or the previously adjusted amount that would have been in effect for December of the preceding year, but for the rounding of such amount pursuant to the following sentence. Any amount so adjusted that is not a multiple of $1 shall be rounded to the next lowest multiple of $1, but in no case less than $75.".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to fees for representation of claimants which are first required to be certified or paid under section 206 of the Social Security Act on or after the first day of the first month that begins after 180 days after the date of the enactment of this Act.

SEC. 302. TEMPORARY EXTENSION OF ATTORNEY FEE PAYMENT SYSTEM TO TITLE XVI CLAIMS.

(a) IN GENERAL.—Section 1631(d)(2) of the Social Security Act (42 U.S.C. 1383(d)(2)) is amended—

(1) in subparagraph (A), in the matter preceding clause (i)—

(A) by striking "section 206(a)" and inserting "section 206";

(B) by striking "(other than paragraph (4) thereof)" and inserting "(other than subsections (a)(4) and (d) thereof)"; and

(C) by striking "paragraph (2) thereof" and inserting "such section";

(2) in subparagraph (A)(i)—

(A) by striking "in subparagraphs (A)(ii)(I) and (C)(i)," and inserting "in subparagraphs (A)(ii)(I) and (D)(i) of subsection (a)(2)"; and

(B) by striking "and" at the end;

(3) by striking subparagraph (A)(ii) and inserting the following:

"(ii) by substituting, in subsections (a)(2)(B) and (b)(1)(B)(i), the phrase 'paragraph (7)(A) or (8)(A) of section 1631(a) or the requirements of due process of law' for the phrase 'subsection (g) or (h) of section 223';

"(iii) by substituting, in subsection (a)(2)(C)(i), the phrase 'under title II' for the phrase 'under title XVI';

"(iv) by substituting, in subsection (b)(1)(A), the phrase 'pay the amount of such fee' for the phrase 'certify the amount of such fee for payment' and by striking, in subsection (b)(1)(A), the phrase 'or certified for payment'; and

"(v) by substituting, in subsection (b)(1)(B)(ii), the phrase 'deemed to be such amounts as determined before any applicable reduction under section 1631(g), and reduced by the amount of any reduction in benefits under this title or title II made pursuant to section 1127(a)' for the phrase 'determined before any applicable reduction under section 1127(a))'."; and

(4) by redesignating subparagraph (B) as subparagraph (D) and inserting after subparagraph (A) the following:

"(B) Subject to subparagraph (C), if the claimant is determined to be entitled to past-due benefits under this title and the person representing the claimant is an attorney, the Commissioner of Social Security shall pay out of such past-due benefits to such attorney an amount equal to the lesser of—

"(i) so much of the maximum fee as does not exceed 25 percent of such past-due benefits (as determined before any applicable reduction under section 1631(g) and reduced by the amount of any reduction in benefits under this title or title II pursuant to section 1127(a)), or

"(ii) the amount of past-due benefits available after any applicable reductions under sections 1631(g) and 1127(a).

"(C)(i) Whenever a fee for services is required to be paid to an attorney from a claimant's past-due benefits pursuant to subparagraph (B), the Commissioner shall impose on the attorney an assessment calculated in accordance with clause (ii).

"(ii)(I) The amount of an assessment under clause (i) shall be equal to the product obtained by multiplying the amount of the representative's fee that would be required to be paid by subparagraph (B) before the application of this subparagraph, by the percentage specified in subclause (II), except that the maximum amount of the assessment may not exceed $75. In the case of any calendar year beginning after the amendments made by section 302 of the Social Security Protection Act of 2003 take effect, the dollar amount specified in the preceding sentence (including a previously adjusted amount) shall be adjusted annually under the procedures used to adjust benefit amounts under section 215(i)(2)(A)(ii), except such adjustment shall be based on the higher of $75 or the previously adjusted amount that would have been in effect for December of the preceding year, but for the rounding of such amount pursuant to the following sentence. Any amount so adjusted that is not a multiple of $1 shall be rounded to the next lowest multiple of $1, but in no case less than $75.

"(II) The percentage specified in this subclause is such percentage rate as the Commissioner determines is necessary in order to achieve full recovery of the costs of determining and approving fees to attorneys from the past-due benefits of claimants, but not in excess of 6.3 percent.

"(iii) The Commissioner may collect the assessment imposed on an attorney under clause (i) by offset from the amount of the fee otherwise required by subparagraph (B) to be paid to the attorney from a claimant's past-due benefits.

"(iv) An attorney subject to an assessment under clause (i) may not, directly or indirectly, request or otherwise obtain reimbursement for such assessment from the claimant whose claim gave rise to the assessment.

"(v) Assessments on attorneys collected under this subparagraph shall be deposited as miscellaneous receipts in the general fund of the Treasury.

"(vi) The assessments authorized under this subparagraph shall be collected and available for obligation only to the extent and in the amount provided in advance in appropriations Acts. Amounts so appropriated are authorized to remain available until expended, for administrative expenses in carrying out this title and related laws.".

(b) CONFORMING AMENDMENTS.—Section 1631(a) of the Social Security Act (42 U.S.C. 1383(a)) is amended—

(1) in paragraph (2)(F)(i)(II), by inserting "and payment of attorney fees under subsection (d)(2)(B)" after "subsection (g)"; and

(2) in paragraph (10)(A)—

(A) in the matter preceding clause (i), by inserting "and payment of attorney fees under subsection (d)(2)(B)" after "subsection (g)"; and

(B) in the matter following clause (ii), by inserting "and payment of attorney fees under subsection (d)(2)(B)" after "State".

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply with respect to fees for representation of claimants which are first required to be paid under section 1631(d)(2) of the Social Security Act on or after the date of the

submission by the Commissioner of Social Security to each House of Congress pursuant to section 303(d) of this Act of written notice of completion of full implementation of the requirements for operation of the demonstration project under section 303 of this Act.

(2) Sunset.—Such amendments shall not apply with respect to fees for representation of claimants in the case of any claim for benefits with respect to which the agreement for representation is entered into after 5 years after the date described in paragraph (1).

SEC. 303. NATIONWIDE DEMONSTRATION PROJECT PROVIDING FOR EXTENSION OF FEE WITHHOLDING PROCEDURES TO NON-ATTORNEY REPRESENTATIVES.

(a) In General.—The Commissioner of Social Security (hereafter in this section referred to as the "Commissioner") shall develop and carry out a nationwide demonstration project under this section with respect to agents and other persons, other than attorneys, who represent claimants under titles II and XVI of the Social Security Act before the Commissioner. The demonstration project shall be designed to determine the potential results of extending to such representatives the fee withholding procedures and assessment procedures that apply under sections 206 and section 1631(d)(2) of such Act to attorneys seeking direct payment out of past due benefits under such titles and shall include an analysis of the effect of such extension on claimants and program administration.

(b) Standards for Inclusion in Demonstration Project.—Fee-withholding procedures may be extended under the demonstration project carried out pursuant to subsection (a) to any non-attorney representative only if such representative meets at least the following prerequisites:

(1) The representative has been awarded a bachelor's degree from an accredited institution of higher education, or has been determined by the Commissioner to have equivalent qualifications derived from training and work experience.

(2) The representative has passed an examination, written and administered by the Commissioner, which tests knowledge of the relevant provisions of the Social Security Act and the most recent developments in agency and court decisions affecting titles II and XVI of such Act.

(3) The representative has secured professional liability insurance, or equivalent insurance, which the Commissioner has determined to be adequate to protect claimants in the event of malpractice by the representative.

(4) The representative has undergone a criminal background check to ensure the representative's fitness to practice before the Commissioner.

(5) The representative demonstrates ongoing completion of qualified courses of continuing education, including education regarding ethics and professional conduct, which are designed to enhance professional knowledge in matters related to entitlement to, or eligibility for, benefits based on disability under titles II and XVI of such Act. Such continuing education, and the instructors providing such education, shall meet such standards as the Commissioner may prescribe.

(c) Assessment of Fees.—

(1) In general.—The Commissioner may assess representatives reasonable fees to cover the cost to the Social Security Administration of administering the prerequisites described in subsection (b).

(2) Disposition of fees.—Fees collected under paragraph (1) shall be credited to the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, or deposited as miscellaneous receipts in the general fund of the Treasury, based on such allocations as the Commissioner of Social Security determines appropriate.

(3) Authorization of appropriations.—The fees authorized under this subparagraph shall be collected and available for obligation only to the extent and in the amount provided in advance in appropriations Acts. Amounts so appropriated are authorized to remain available until expended for administering the prerequisites described in subsection (b).

(d) Notice to Congress and Applicability of Fee Withholding Procedures.—Not later than 1 year after the date of enactment of this Act, the Commissioner shall complete such actions as are necessary to fully implement the requirements for full operation of the demonstration project and shall submit to each House of Congress a written notice of the completion of such actions. The applicability under this section to non-attorney representatives of the fee withholding procedures and assessment procedures under sections 206 and 1631(d)(2) of the Social Security Act shall be effective with respect to fees for representation of claimants in the case of claims for benefits with respect to which the agreement for representation is entered into by such non-attorney representatives during the period beginning with the date of the submission of such notice by the Commissioner to Congress and ending with the termination date of the demonstration project.

(e) Reports by the Commissioner; Termination.—

(1) Interim reports.—On or before the date which is 1 year after the date of enactment of this Act, and annually thereafter, the Commissioner shall transmit to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate an annual interim report on the progress of the demonstration project carried out under this section, together with any related data and materials that the Commissioner may consider appropriate.

(2) Termination date and final report.—The termination date of the demonstration project under this section is the date which is 5 years after the date of the submission of the notice by the Commissioner to each House of Congress pursuant to subsection (d). The authority under the preceding provisions of this section shall not apply in the case of claims for benefits with respect to which the agreement for representation is entered into after the termination date. Not later than 90 days after the termination date, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate a final report with respect to the demonstration project.

SEC. 304. GAO STUDY REGARDING THE FEE PAYMENT PROCESS FOR CLAIMANT REPRESENTATIVES.

(a) Study.—

(1) In general.—The Comptroller General of the United States shall study and evaluate the appointment and payment of claimant representatives appearing before the Commissioner of Social Security in connection with benefit claims under titles II and XVI of the Social Security Act (42 U.S.C. 401 et seq., 1381 et seq.) in each of the following groups:

(A) Attorney claimant representatives who elect fee withholding under section 206 or 1631(d)(2) of such Act.

(B) Attorney claimant representatives who do not elect such fee withholding.

(C) Non-attorney claimant representatives who are eligible for, and elect, such fee withholding.

(D) Non-attorney claimant representatives who are eligible for, but do not elect, such fee withholding.

(E) Non-attorney claimant representatives who are not eligible for such fee withholding.

(2) Matters to be studied.—In conducting the study under this subsection, the Comptroller General shall, for each of group of claimant representatives described in paragraph (1)—

(A) conduct a survey of the relevant characteristics of such claimant representatives including—

(i) qualifications and experience;

(ii) the type of employment of such claimant representatives, such as with an advocacy group, State or local government, or insurance or other company;

(iii) geographical distribution between urban and rural areas;

(iv) the nature of claimants' cases, such as whether the cases are for disability insurance benefits only, supplemental security income benefits only, or concurrent benefits;

(v) the relationship of such claimant representatives to claimants, such as whether the claimant is a friend, family member, or client of the claimant representative; and

(vi) the amount of compensation (if any) paid to the claimant representatives and the method of payment of such compensation;

(B) assess the quality and effectiveness of the services provided by such claimant representatives, including a comparison of claimant satisfaction or complaints and benefit outcomes, adjusted for differences in claimant representatives' caseload, claimants' diagnostic group, level of decision, and other relevant factors;

(C) assess the interactions between fee withholding under sections 206 and 1631(d)(2) of such Act (including under the amendments made by section 302 of this Act and under the demonstration project conducted under section 303 of this Act), the windfall offset under section 1127 of such Act, and interim assistance reimbursements under section 1631(g) of such Act;

(D) assess the potential results of making permanent the fee withholding procedures under sections 206 and 1631(d)(2) of such Act under the amendments made by section 302 of this Act and under the demonstration project conducted under section 303 of this Act with respect to program administration and claimant outcomes, and assess whether the rules and procedures employed by the Commissioner of Social Security to evaluate the qualifications and performance of claimant representatives should be revised prior to making such procedures permanent; and

(E) make such recommendations for administrative and legislative changes as the Comptroller General of the United States considers necessary or appropriate.

(3) Consultation required.—The Comptroller General of the United States shall consult with beneficiaries under title II of such Act, beneficiaries under title XVI of such Act, claimant representatives of beneficiaries under such titles, and other interested parties, in conducting the study and evaluation required under paragraph (1).

(b) Report.—Not later than 3 years after the date of the submission by the Commissioner of Social Security to each House of Congress pursuant to section 303(d) of this Act of written notice of completion of full implementation of the requirements for operation of the demonstration project under section 303 of this Act, the Comptroller General of the United States shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on the results of the study and evaluation conducted pursuant to subsection (a).

TITLE IV—MISCELLANEOUS AND TECHNICAL AMENDMENTS

Subtitle A—Amendments Relating to the Ticket to Work and Work Incentives Improvement Act of 1999

SEC. 401. APPLICATION OF DEMONSTRATION AUTHORITY SUNSET DATE TO NEW PROJECTS.

Section 234 of the Social Security Act (42 U.S.C. 434) is amended—

(1) in the first sentence of subsection (c), by striking "conducted under subsection (a)" and inserting "initiated under subsection (a) on or before December 17, 2005"; and

(2) in subsection (d)(2), by striking the first sentence and inserting the following: "The authority to initiate projects under the preceding provisions of this section shall terminate on December 18, 2005.".

SEC. 402. EXPANSION OF WAIVER AUTHORITY AVAILABLE IN CONNECTION WITH DEMONSTRATION PROJECTS PROVIDING FOR REDUCTIONS IN DISABILITY INSURANCE BENEFITS BASED ON EARNINGS.

Section 302(c) of the Ticket to Work and Work Incentives Improvement Act of 1999 (42 U.S.C. 434 note) is amended by striking "(42 U.S.C. 401 et seq.)," and inserting "(42 U.S.C. 401 et seq.) and the requirements of section 1148 of such Act (42 U.S.C. 1320b–19) as they relate to the program established under title II of such Act,".

SEC. 403. FUNDING OF DEMONSTRATION PROJECTS PROVIDING FOR REDUCTIONS IN DISABILITY INSURANCE BENEFITS BASED ON EARNINGS.

Section 302(f) of the Ticket to Work and Work Incentives Improvement Act of 1999 (42 U.S.C. 434 note) is amended to read as follows:

"(f) EXPENDITURES.—Administrative expenses for demonstration projects under this section shall be paid from funds available for the administration of title II or XVIII of the Social Security Act, as appropriate. Benefits payable to or on behalf of individuals by reason of participation in projects under this section shall be made from the Federal Disability Insurance Trust Fund and the Federal Old-Age and Survivors Insurance Trust Fund, as determined appropriate by the Commissioner of Social Security, and from the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund, as determined appropriate by the Secretary of Health and Human Services, from funds available for benefits under such title II or XVIII.".

SEC. 404. AVAILABILITY OF FEDERAL AND STATE WORK INCENTIVE SERVICES TO ADDITIONAL INDIVIDUALS.

(a) FEDERAL WORK INCENTIVES OUTREACH PROGRAM.—

(1) IN GENERAL.—Section 1149(c)(2) of the Social Security Act (42 U.S.C. 1320b–20(c)(2)) is amended to read as follows:

"(2) DISABLED BENEFICIARY.—The term 'disabled beneficiary' means an individual—

"(A) who is a disabled beneficiary as defined in section 1148(k)(2) of this Act;

"(B) who is receiving a cash payment described in section 1616(a) of this Act or a supplementary payment described in section 212(a)(3) of Public Law 93–66 (without regard to whether such payment is paid by the Commissioner pursuant to an agreement under section 1616(a) of this Act or under section 212(b) of Public Law 93–66);

"(C) who, pursuant to section 1619(b) of this Act, is considered to be receiving benefits under title XVI of this Act; or

"(D) who is entitled to benefits under part A of title XVIII of this Act by reason of the penultimate sentence of section 226(b) of this Act.".

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply with respect to grants, cooperative agreements, or contracts entered into on or after the date of the enactment of this Act.

(b) STATE GRANTS FOR WORK INCENTIVES ASSISTANCE.—

(1) DEFINITION OF DISABLED BENEFICIARY.—Section 1150(g)(2) of such Act (42 U.S.C. 1320b–21(g)(2)) is amended to read as follows:

"(2) DISABLED BENEFICIARY.—The term 'disabled beneficiary' means an individual—

"(A) who is a disabled beneficiary as defined in section 1148(k)(2) of this Act;

"(B) who is receiving a cash payment described in section 1616(a) of this Act or a supplementary payment described in section 212(a)(3) of Public Law 93–66 (without regard to whether such payment is paid by the Commissioner pursuant to an agreement under section 1616(a) of this Act or under section 212(b) of Public Law 93–66);

"(C) who, pursuant to section 1619(b) of this Act, is considered to be receiving benefits under title XVI of this Act; or

"(D) who is entitled to benefits under part A of title XVIII of this Act by reason of the penultimate sentence of section 226(b) of this Act.".

(2) ADVOCACY OR OTHER SERVICES NEEDED TO MAINTAIN GAINFUL EMPLOYMENT.—Section 1150(b)(2) of such Act (42 U.S.C. 1320b–21(b)(2)) is amended by striking "secure or regain" and inserting "secure, maintain, or regain".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply with respect to payments provided after the date of the enactment of this Act.

SEC. 405. TECHNICAL AMENDMENT CLARIFYING TREATMENT FOR CERTAIN PURPOSES OF INDIVIDUAL WORK PLANS UNDER THE TICKET TO WORK AND SELF-SUFFICIENCY PROGRAM.

(a) IN GENERAL.—Section 1148(g)(1) of the Social Security Act (42 U.S.C. 1320b–19(g)(1)) is amended by adding at the end, after and below subparagraph (E), the following:

"An individual work plan established pursuant to this subsection shall be treated, for purposes of section 51(d)(6)(B)(i) of the Internal Revenue Code of 1986, as an individualized written plan for employment under a State plan for vocational rehabilitation services approved under the Rehabilitation Act of 1973.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in section 505 of the Ticket to Work and Work Incentives Improvement Act of 1999 (Public Law 106–170; 113 Stat. 1921).

SEC. 406. GAO STUDY REGARDING THE TICKET TO WORK AND SELF-SUFFICIENCY PROGRAM.

(a) GAO REPORT.—Not later than 12 months after the date of enactment of this Act, the Comptroller General of the United States shall submit a report to Congress regarding the Ticket to Work and Self-Sufficiency Program established under section 1148 of the Social Security Act (42 U.S.C. 1320b–19) that—

(1) examines the annual and interim reports issued by States, the Ticket to Work and Work Incentives Advisory Panel established under section 101(f) of the Ticket to Work and Work Incentives Improvement Act of 1999 (42 U.S.C. 1320b–19 note), and the Commissioner of Social Security regarding such program;

(2) assesses the effectiveness of the activities carried out under such program; and

(3) recommends such legislative or administrative changes as the Comptroller General determines are appropriate to improve the effectiveness of such program.

SEC. 407. REAUTHORIZATION OF APPROPRIATIONS FOR CERTAIN WORK INCENTIVES PROGRAMS.

(a) BENEFITS PLANNING, ASSISTANCE, AND OUTREACH.—Section 1149(d) of the Social Security Act (42 U.S.C. 1320b–20(d)) is amended by striking "2004" and inserting "2009".

(b) PROTECTION AND ADVOCACY.—Section 1150(h) of the Social Security Act (42 U.S.C. 1320b–21(h)) is amended by striking "2004" and inserting "2009".

Subtitle B—Miscellaneous Amendments

SEC. 411. ELIMINATION OF TRANSCRIPT REQUIREMENT IN REMAND CASES FULLY FAVORABLE TO THE CLAIMANT.

(a) IN GENERAL.—Section 205(g) of the Social Security Act (42 U.S.C. 405(g)) is amended in the sixth sentence by striking "and a transcript" and inserting "and, in any case in which the Commissioner has not made a decision fully favorable to the individual, a transcript".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to final determinations issued (upon remand) on or after the date of the enactment of this Act.

SEC. 412. NONPAYMENT OF BENEFITS UPON REMOVAL FROM THE UNITED STATES.

(a) IN GENERAL.—Section 202(n) of the Social Security Act (42 U.S.C. 402(n)) is amended—

(1) in paragraph (1), by striking "section 241(a) (other than under paragraph (1)(C) or (1)(E) thereof) of the Immigration and Nationality Act" and inserting "section 237(a) of the Immigration and Nationality Act (other than under paragraph (1)(C) of such section) or under section 212(a)(6)(A) of such Act";

(2) in paragraph (2), by striking "section 241(a) of the Immigration and Nationality Act (other than under paragraph (1)(C) or (1)(E) thereof)" and inserting "section 237(a) of the Immigration and Nationality Act (other than under paragraph (1)(C) of such section) or under section 212(a)(6)(A) of such Act";

(3) in paragraph (3), by striking "paragraph (19) of section 241(a) of the Immigration and Nationality Act (relating to persecution of others on account of race, religion, national origin, or political opinion, under the direction of or in association with the Nazi government of Germany or its allies) shall be considered to have been deported under such paragraph (19)" and inserting "paragraph (4)(D) of section 241(a) of the Immigration and Nationality Act (relating to participating in Nazi persecutions or genocide) shall be considered to have been deported under such paragraph (4)(D)"; and

(4) in paragraph (3) (as amended by paragraph (3) of this subsection), by striking "241(a)" and inserting "237(a)".

(b) TECHNICAL CORRECTIONS.—

(1) TERMINOLOGY REGARDING REMOVAL FROM THE UNITED STATES.—Section 202(n) of the Social Security Act (42 U.S.C. 402(n)) (as amended by subsection (a)) is amended further—

(A) by striking "deportation" each place it appears and inserting "removal";

(B) by striking "deported" each place it appears and inserting "removed"; and

(C) in the heading, by striking "Deportation" and inserting "Removal".

(2) REFERENCES TO THE SECRETARY OF HOMELAND SECURITY.—Section 202(n) of the Social Security Act (42 U.S.C. 402(n)) (as amended by subsection (a) and paragraph (1)) is amended further by inserting "or the Secretary of Homeland Security" after "the Attorney General" each place it appears.

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendment made by—

(A) subsection (a)(1) shall apply to individuals with respect to whom the Commissioner of Social Security receives a removal notice after the date of the enactment of this Act;

(B) subsection (a)(2) shall apply with respect to notifications of removals received by the Commissioner of Social Security after the date of enactment of this Act; and

(C) subsection (a)(3) shall be effective as if enacted on March 1, 1991.

(2) SUBSEQUENT CORRECTION OF CROSS-REFERENCE AND TERMINOLOGY.—The amendments made by subsections (a)(4) and (b)(1) shall be effective as if enacted on April 1, 1997.

(3) REFERENCES TO THE SECRETARY OF HOMELAND SECURITY.—The amendment made by subsection (b)(2) shall be effective as if enacted on March 1, 2003.

SEC. 413. REINSTATEMENT OF CERTAIN REPORTING REQUIREMENTS.

Section 3003(a)(1) of the Federal Reports Elimination and Sunset Act of 1995 (31 U.S.C. 1113 note) shall not apply to any report required to be submitted under any of the following provisions of law:

(1)(A) Section 201(c)(2) of the Social Security Act (42 U.S.C. 401(c)(2)).

(B) Section 1817(b)(2) of the Social Security Act (42 U.S.C. 1395i(b)(2)).

(C) Section 1841(b)(2) of the Social Security Act (42 U.S.C. 1395t(b)(2)).

(2)(A) Section 221(c)(3)(C) of the Social Security Act (42 U.S.C. 421(c)(3)(C)).

(B) Section 221(i)(3) of the Social Security Act (42 U.S.C. 421(i)(3)).

SEC. 414. CLARIFICATION OF DEFINITIONS REGARDING CERTAIN SURVIVOR BENEFITS.

(a) WIDOWS.—Section 216(c) of the Social Security Act (42 U.S.C. 416(c)) is amended—

(1) by redesignating subclauses (A) through (C) of clause (6) as subclauses (i) through (iii), respectively;

(2) by redesignating clauses (1) through (6) as clauses (A) through (F), respectively;

(3) in clause (E) (as redesignated), by inserting "except as provided in paragraph (2)," before "she was married";

(4) by inserting "(1)" after "(c)"; and

(5) by adding at the end the following:

"(2) The requirements of paragraph (1)(E) in connection with the surviving wife of an individual shall be treated as satisfied if—

"(A) the individual had been married prior to the individual's marriage to the surviving wife,

"(B) the prior wife was institutionalized during the individual's marriage to the prior wife due to mental incompetence or similar incapacity,

"(C) during the period of the prior wife's institutionalization, the individual would have divorced the prior wife and married the surviving wife, but the individual did not do so because such divorce would have been unlawful, by reason of the prior wife's institutionalization, under the laws of the State in which the individual was domiciled at the time (as determined based on evidence satisfactory to the Commissioner of Social Security),

"(D) the prior wife continued to remain institutionalized up to the time of her death, and

"(E) the individual married the surviving wife within 60 days after the prior wife's death.".

(b) WIDOWERS.—Section 216(g) of such Act (42 U.S.C. 416(g)) is amended—

(1) by redesignating subclauses (A) through (C) of clause (6) as subclauses (i) through (iii), respectively;

(2) by redesignating clauses (1) through (6) as clauses (A) through (F), respectively;

(3) in clause (E) (as redesignated), by inserting "except as provided in paragraph (2)," before "he was married";

(4) by inserting "(1)" after "(g)"; and

(5) by adding at the end the following:

"(2) The requirements of paragraph (1)(E) in connection with the surviving husband of an individual shall be treated as satisfied if—

"(A) the individual had been married prior to the individual's marriage to the surviving husband,

"(B) the prior husband was institutionalized during the individual's marriage to the prior husband due to mental incompetence or similar incapacity,

"(C) during the period of the prior husband's institutionalization, the individual would have divorced the prior husband and married the surviving husband, but the individual did not do so because such divorce would have been unlawful, by reason of the prior husband's institutionalization, under the laws of the State in which the individual was domiciled at the time (as determined based on evidence satisfactory to the Commissioner of Social Security),

"(D) the prior husband continued to remain institutionalized up to the time of his death, and

"(E) the individual married the surviving husband within 60 days after the prior husband's death.".

(c) CONFORMING AMENDMENT.—Section 216(k) of such Act (42 U.S.C. 416(k)) is amended by striking "clause (5) of subsection (c) or clause (5) of subsection (g)" and inserting "clause (E) of subsection (c)(1) or clause (E) of subsection (g)(1)".

(d) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to applications for benefits under title II of the Social Security Act filed during months ending after the date of the enactment of this Act.

SEC. 415. CLARIFICATION RESPECTING THE FICA AND SECA TAX EXEMPTIONS FOR AN INDIVIDUAL WHOSE EARNINGS ARE SUBJECT TO THE LAWS OF A TOTALIZATION AGREEMENT PARTNER.

Sections 1401(c), 3101(c), and 3111(c) of the Internal Revenue Code of 1986 are each amended by striking "to taxes or contributions for similar purposes under" and inserting "exclusively to the laws applicable to".

SEC. 416. COVERAGE UNDER DIVIDED RETIREMENT SYSTEM FOR PUBLIC EMPLOYEES IN KENTUCKY AND LOUISIANA.

(a) IN GENERAL.—Section 218(d)(6)(C) of the Social Security Act (42 U.S.C. 418(d)(6)(C)) is amended by inserting "Kentucky, Louisiana," after "Illinois,".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) takes effect on January 1, 2003.

SEC. 417. COMPENSATION FOR THE SOCIAL SECURITY ADVISORY BOARD.

(a) IN GENERAL.—Subsection (f) of section 703 of the Social Security Act (42 U.S.C. 903(f)) is amended to read as follows:

"Compensation, Expenses, and Per Diem

"(f) A member of the Board shall, for each day (including traveltime) during which the member is attending meetings or conferences of the Board or otherwise engaged in the business of the Board, be compensated at the daily rate of basic pay for level IV of the Executive Schedule. While serving on business of the Board away from their homes or regular places of business, members may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government employed intermittently.".

(b) EFFECTIVE DATE.—The amendment made by this section shall be effective as of January 1, 2003.

SEC. 418. 60-MONTH PERIOD OF EMPLOYMENT REQUIREMENT FOR APPLICATION OF GOVERNMENT PENSION OFFSET EXEMPTION.

(a) IN GENERAL.—Section 202(k) of the Social Security Act (42 U.S.C. 402(k)) is amended by adding at the end the following:

"(5)(A) The amount of a monthly insurance benefit of any individual for each month under subsection (b), (c), (e), (f), or (g) (as determined after application of the provisions of subsection (q) and the preceding provisions of this subsection) shall be reduced (but not below zero) by an amount equal to two-thirds of the amount of any monthly periodic benefit payable to such individual for such month which is based upon such individual's earnings while in the service of the Federal Government or any State (or political subdivision thereof, as defined in section 218(b)(2)) if, during any portion of the last 60 months of such service ending with the last day such individual was employed by such entity—

"(i) such service did not constitute 'employment' as defined in section 210, or

"(ii) such service was being performed while in the service of the Federal Government, and constituted 'employment' as so defined solely by reason of—

"(I) clause (ii) or (iii) of subparagraph (G) of section 210(a)(5), where the lump-sum payment described in such clause (ii) or the cessation of coverage described in such clause (iii) (whichever is applicable) was received or occurred on or after January 1, 1988, or

"(II) an election to become subject to the Federal Employees' Retirement System provided in chapter 84 of title 5, United States Code, or the Foreign Service Pension System provided in subchapter II of chapter 8 of title I of the Foreign Service Act of 1980 made pursuant to law after December 31, 1987,

unless subparagraph (B) applies.

The amount of the reduction in any benefit under this subparagraph, if not a multiple of $0.10, shall be rounded to the next higher multiple of $0.10.

"(B)(i) Subparagraph (A)(i) shall not apply with respect to monthly periodic benefits based wholly on service as a member of a uniformed service (as defined in section 210(m)).

"(ii) Subparagraph (A)(ii) shall not apply with respect to monthly periodic benefits based in whole or in part on service which constituted 'employment' as defined in section 210 if such service was performed for at least 60 months in the aggregate during the period beginning January 1, 1988, and ending with the close of the first calendar month as of the end of which such individual is eligible for benefits under this subsection and has made a valid application for such benefits.

"(C) For purposes of this paragraph, any periodic benefit which otherwise meets the requirements of subparagraph (A), but which is paid on other than a monthly basis, shall be allocated on a basis equivalent to a monthly benefit (as determined by the Commissioner of Social Security) and such equivalent monthly benefit shall constitute a monthly periodic benefit for purposes of subparagraph (A). For purposes of this subparagraph, the term 'periodic benefit' includes a benefit payable in a lump sum if it is a commutation of, or a substitute for, periodic payments.".

(b) CONFORMING AMENDMENTS.—

(1) WIFE'S INSURANCE BENEFITS.—Section 202(b) of the Social Security Act (42 U.S.C. 402(b)) is amended—

(A) in paragraph (2), by striking "subsection (q) and paragraph (4) of this subsection" and inserting "subsections (k)(5) and (q)"; and

(B) by striking paragraph (4) and redesignating paragraph (5) as paragraph (4).

(2) HUSBAND'S INSURANCE BENEFITS.—Section 202(c) of the Social Security Act (42 U.S.C. 402(c)) is amended—

(A) by striking paragraph (2) and redesignating paragraphs (3) through (5) as paragraphs (2) through (4), respectively; and

(B) in paragraph (2) as so redesignated, by striking "subsection (q) and paragraph (2) of this subsection" and inserting "subsections (k)(5) and (q)".

(3) WIDOW'S INSURANCE BENEFITS.—Section 202(e) of the Social Security Act (42 U.S.C. 402(e)) is amended—

(A) in paragraph (2)(A), by striking "subsection (q), paragraph (7) of this subsection," and inserting "subsection (k)(5), subsection (q),"; and

(B) by striking paragraph (7) and redesignating paragraphs (8) and (9) as paragraphs (7) and (8), respectively.

(4) WIDOWER'S INSURANCE BENEFITS.—

(A) IN GENERAL.—Section 202(f) of the Social Security Act (42 U.S.C. 402(f)) is amended—

(i) by striking paragraph (2) and redesignating paragraphs (3) through (9) as paragraphs (2) through (8), respectively; and

(ii) in paragraph (2) as so redesignated, by striking "subsection (q), paragraph (2) of this subsection," and inserting "subsection (k)(5), subsection (q),".

(B) CONFORMING AMENDMENTS.—

(i) Section 202(f)(1)(B) of the Social Security Act (42 U.S.C. 402(f)(1)(B)) is amended by striking "paragraph (5)" and inserting "paragraph (4)".

(ii) Section 202(f)(1)(F) of the Social Security Act (42 U.S.C. 402(f)(1)(F)) is amended by striking "paragraph (6)" and "paragraph (5)" (in clauses (i) and (ii)) and inserting "paragraph (5)" and "paragraph (4)", respectively.

(iii) Section 202(f)(5)(A)(ii) of the Social Security Act (as redesignated by subparagraph (A)(i)) is amended by striking "paragraph (5)" and inserting "paragraph (4)".

(iv) Section 202(k)(2)(B) of the Social Security Act (42 U.S.C. 402(k)(2)(B)) is amended by striking "or (f)(4)" each place it appears and inserting "or (f)(3)".

(v) Section 202(k)(3)(A) of the Social Security Act (42 U.S.C. 402(k)(3)(A)) is amended by striking "or (f)(3)" and inserting "or (f)(2)".

(vi) Section 202(k)(3)(B) of the Social Security Act (42 U.S.C. 402(k)(3)(B)) is amended by striking "or (f)(4)" and inserting "or (f)(3)".

(vii) Section 226(e)(1)(A)(i) of the Social Security Act (42 U.S.C. 426(e)(1)(A)(i)) is amended by striking "and 202(f)(5)" and inserting "and 202(f)(4)".

(5) MOTHER'S AND FATHER'S INSURANCE BENEFITS.—Section 202(g) of the Social Security Act (42 U.S.C. 402(g)) is amended—

(A) in paragraph (2), by striking "Except as provided in paragraph (4) of this subsection, such" and inserting "Such"; and

(B) by striking paragraph (4).

(c) EFFECTIVE DATE AND TRANSITIONAL RULE.—

(1) IN GENERAL.—The amendments made by this section shall apply with respect to applications for benefits under title II of the Social Security Act filed on or after the first day of the first month that begins after the date of enactment of this Act, except that such amendments shall not apply in connection with monthly periodic benefits of any individual based on earnings while in service described in section 202(k)(5)(A) of the Social Security Act (in the matter preceding clause (i) thereof) if the last day of such service occurs before July 1, 2004.

(2) TRANSITIONAL RULE.—In the case of any individual whose last day of service described in subparagraph (A) of section 202(k)(5) of the Social Security Act (as added by subsection (a) of this section) occurs within 5 years after the date of enactment of this Act—

(A) the 60-month period described in such subparagraph (A) shall be reduced (but not to less than 1 month) by the number of months of such service (in the aggregate and without regard to whether such months of service were continuous) which—

(i) were performed by the individual under the same retirement system on or before the date of enactment of this Act, and

(ii) constituted "employment" as defined in section 210 of the Social Security Act; and

(B) months of service necessary to fulfill the 60-month period as reduced by subparagraph (A) of this paragraph must be performed after the date of enactment of this Act.

SEC. 419. DISCLOSURE TO WORKERS OF EFFECT OF WINDFALL ELIMINATION PROVISION AND GOVERNMENT PENSION OFFSET PROVISION.

(a) INCLUSION OF NONCOVERED EMPLOYEES AS ELIGIBLE INDIVIDUALS ENTITLED TO SOCIAL SECURITY ACCOUNT STATEMENTS.—Section 1143(a)(3) of the Social Security Act (42 U.S.C. 1320b–13(a)(3)) is amended—

(1) by striking "who" after "an individual" and inserting "who" before "has" in each of subparagraphs (A) and (B);

(2) by inserting "(i) who" after "(C)"; and

(3) by inserting before the period the following: ", or (ii) with respect to whom the Commissioner has information that the pattern of wages or self-employment income indicate a likelihood of noncovered employment".

(b) EXPLANATION IN SOCIAL SECURITY ACCOUNT STATEMENTS OF POSSIBLE EFFECTS OF PERIODIC BENEFITS UNDER STATE AND LOCAL RETIREMENT SYSTEMS ON SOCIAL SECURITY BENEFITS.—Section 1143(a)(2) of the Social Security Act (42 U.S.C. 1320b–13(a)(2)) is amended—

(1) in subparagraph (C), by striking "and" at the end;

(2) in subparagraph (D), by striking the period and inserting "; and"; and

(3) by adding at the end the following:

"(E) in the case of an eligible individual described in paragraph (3)(C)(ii), an explanation, in language calculated to be understood by the average eligible individual, of the operation of the provisions under sections 202(k)(5) and 215(a)(7) and an explanation of the maximum potential effects of such provisions on the eligible individual's monthly retirement, survivor, and auxiliary benefits.".

(c) TRUTH IN RETIREMENT DISCLOSURE TO GOVERNMENTAL EMPLOYEES OF EFFECT OF NONCOVERED EMPLOYMENT ON BENEFITS UNDER TITLE II.—Section 1143 of the Social Security Act (42 U.S..C. 1320b–13) is amended further by adding at the end the following:

"Disclosure to Governmental Employees of Effect of Noncovered Employment

"(d)(1) In the case of any individual commencing employment on or after January 1, 2005, in any agency or instrumentality of any State (or political subdivision thereof, as defined in section 218(b)(2)) in a position in which service performed by the individual does not constitute 'employment' as defined in section 210, the head of the agency or instrumentality shall ensure that, prior to the date of the commencement of the individual's employment in the position, the individual is provided a written notice setting forth an explanation, in language calculated to be understood by the average individual, of the maximum effect on computations of primary insurance amounts (under section 215(a)(7)) and the effect on benefit amounts (under section 202(k)(5)) of monthly periodic payments or benefits payable based on earnings derived in such service. Such notice shall be in a form which shall be prescribed by the Commissioner of Social Security.

"(2) The written notice provided to an individual pursuant to paragraph (1) shall include a form which, upon completion and signature by the individual, would constitute certification by the individual of receipt of the notice. The agency or instrumentality providing the notice to the individual shall require that the form be completed and signed by the individual and submitted to the agency or instrumentality and to the pension, annuity, retirement, or similar fund or system established by the governmental entity involved responsible for paying the monthly periodic payments or benefits, before commencement of service with the agency or instrumentality.".

(d) EFFECTIVE DATES.—The amendments made by subsections (a) and (b) of this section shall apply with respect to social security account statements issued on or after January 1, 2007.

SEC. 420. POST-1956 MILITARY WAGE CREDITS.

(a) PAYMENT TO THE SOCIAL SECURITY TRUST FUNDS IN SATISFACTION OF OUTSTANDING OBLIGATIONS.—Section 201 of the Social Security Act (42 U.S.C. 401) is amended by adding at the end the following:

"(n) Not later than July 1, 2004, the Secretary of the Treasury shall transfer, from amounts in the general fund of the Treasury that are not otherwise appropriated—

"(1) $624,971,854 to the Federal Old-Age and Survivors Insurance Trust Fund;

"(2) $105,379,671 to the Federal Disability Insurance Trust Fund; and

"(3) $173,306,134 to the Federal Hospital Insurance Trust Fund.

Amounts transferred in accordance with this subsection shall be in satisfaction of certain outstanding obligations for deemed wage credits for 2000 and 2001.".

(b) CONFORMING AMENDMENTS.—

(1) REPEAL OF AUTHORITY FOR ANNUAL APPROPRIATIONS AND RELATED ADJUSTMENTS TO COMPENSATE THE SOCIAL SECURITY TRUST FUND FOR MILITARY WAGE CREDITS.—Section 229 of the Social Security Act (42 U.S.C. 429) is amended—

(A) by striking "(a)"; and

(B) by striking subsection (b).

(2) AMENDMENT TO REFLECT THE TERMINATION OF WAGE CREDITS EFFECTIVE AFTER CALENDAR YEAR 2001 BY SECTION 8134 OF PUBLIC LAW 107–117.—Section 229(a)(2) of the Social Security Act (42 U.S.C. 429(a)(2)), as amended by paragraph (1), is amended by inserting "and before 2002" after "1977".

SEC. 420A. ELIMINATION OF DISINCENTIVE TO RETURN-TO-WORK FOR CHILDHOOD DISABILITY BENEFICIARIES.

(a) IN GENERAL.—Section 202(d)(6)(B) of the Social Security Act (42 U.S.C. 402(d)(6)(B)) is amended—

(1) by inserting "(i)" after "began"; and

(2) by adding after "such disability," the following: "or (ii) after the close of the 84th month following the month in which his most recent entitlement to child's insurance benefits terminated because he ceased to be under such disability due to performance of substantial gainful activity,".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall be effective with respect to benefits payable for months beginning with the 7th month that begins after the date of enactment of this Act.

Subtitle C—Technical Amendments

SEC. 421. TECHNICAL CORRECTION RELATING TO RESPONSIBLE AGENCY HEAD.

Section 1143 of the Social Security Act (42 U.S.C. 1320b–13) is amended—

(1) by striking "Secretary" the first place it appears and inserting "Commissioner of Social Security"; and

(2) by striking "Secretary" each subsequent place it appears and inserting "Commissioner".

SEC. 422. TECHNICAL CORRECTION RELATING TO RETIREMENT BENEFITS OF MINISTERS.

(a) IN GENERAL.—Section 211(a)(7) of the Social Security Act (42 U.S.C. 411(a)(7)) is amended by inserting ", but shall not include in any such net earnings from self-employment the rental value of any parsonage or any parsonage allowance (whether or not excluded under section 107 of the Internal Revenue Code of 1986) provided after the individual retires, or any other retirement benefit received by such individual from a church plan (as defined in section 414(e) of such Code) after the individual retires" before the semicolon.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to years beginning before, on, or after December 31, 1994.

SEC. 423. TECHNICAL CORRECTIONS RELATING TO DOMESTIC EMPLOYMENT.

(a) Amendment to Internal Revenue Code.—Section 3121(a)(7)(B) of the Internal Revenue Code of 1986 is amended by striking "described in subsection (g)(5)" and inserting "on a farm operated for profit".

(b) Amendment to Social Security Act.—Section 209(a)(6)(B) of the Social Security Act (42 U.S.C. 409(a)(6)(B)) is amended by striking "described in section 210(f)(5)" and inserting "on a farm operated for profit".

(c) Conforming Amendment.—Section 3121(g)(5) of such Code and section 210(f)(5) of such Act (42 U.S.C. 410(f)(5)) are amended by striking "or is domestic service in a private home of the employer".

SEC. 424. TECHNICAL CORRECTIONS OF OUTDATED REFERENCES.

(a) Correction of Citation Respecting the Tax Deduction Relating to Health Insurance Costs of Self-Employed Individuals.—Section 211(a)(15) of the Social Security Act (42 U.S.C. 411(a)(15)) is amended by striking "section 162(m)" and inserting "section 162(l)".

(b) Elimination of Reference to Obsolete 20-Day Agricultural Work Test.—Section 3102(a) of the Internal Revenue Code of 1986 is amended by striking "and the employee has not performed agricultural labor for the employer on 20 days or more in the calendar year for cash remuneration computed on a time basis".

SEC. 425. TECHNICAL CORRECTION RESPECTING SELF-EMPLOYMENT INCOME IN COMMUNITY PROPERTY STATES.

(a) Social Security Act Amendment.—Section 211(a)(5)(A) of the Social Security Act (42 U.S.C. 411(a)(5)(A)) is amended by striking "all of the gross income" and all that follows and inserting "the gross income and deductions attributable to such trade or business shall be treated as the gross income and deductions of the spouse carrying on such trade or business or, if such trade or business is jointly operated, treated as the gross income and deductions of each spouse on the basis of their respective distributive share of the gross income and deductions;".

(b) Internal Revenue Code of 1986 Amendment.—Section 1402(a)(5)(A) of the Internal Revenue Code of 1986 is amended by striking "all of the gross income" and all that follows and inserting "the gross income and deductions attributable to such trade or business shall be treated as the gross income and deductions of the spouse carrying on such trade or business or, if such trade or business is jointly operated, treated as the gross income and deductions of each spouse on the basis of their respective distributive share of the gross income and deductions; and".

SEC. 426. TECHNICAL AMENDMENTS TO THE RAILROAD RETIREMENT AND SURVIVORS' IMPROVEMENT ACT OF 2001.

(a) Quorum Rules.—Section 15(j)(7) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n(j)(7)) is amended by striking "entire Board of Trustees" and inserting "Trustees then holding office".

(b) Powers of the Board of Trustees.—Section 15(j)(4) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n(j)(4)) is amended to read as follows:

"(4) Powers of the board of trustees.—The Board of Trustees shall—

"(A) retain independent advisers to assist it in the formulation and adoption of its investment guidelines;

"(B) invest assets of the Trust in a manner consistent with such investment guidelines, either directly or through the retention of independent investment managers;

"(C) adopt bylaws and other rules to govern its operations;

"(D) employ professional staff, and contract with outside advisers, including the Railroad Retirement Board, to provide legal, accounting, investment advisory or management services (compensation for which may be on a fixed contract fee basis or on such other terms as are customary for such services), or other services necessary for the proper administration of the Trust;

"(E) sue and be sued and participate in legal proceedings, have and use a seal, conduct business, carry on operations, and exercise its powers within or without the District of Columbia, form, own, or participate in entities of any kind, enter into contracts and agreements necessary to carry out its business purposes, lend money for such purposes, and deal with property as security for the payment of funds so loaned, and possess and exercise any other powers appropriate to carry out the purposes of the Trust;

"(F) pay administrative expenses of the Trust from the assets of the Trust; and

"(G) transfer money to the disbursing agent or as otherwise provided in section 7(b)(4), to pay benefits payable under this Act from the assets of the Trust.".

(c) State and Local Taxes.—Section 15(j)(6) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n(j)(6)) is amended to read as follows:

"(6) State and local taxes.—The Trust shall be exempt from any income, sales, use, property, or other similar tax or fee imposed or levied by a State, political subdivision, or local taxing authority. The district courts of the United States shall have original jurisdiction over a civil action brought by the Trust to enforce this subsection and may grant equitable or declaratory relief requested by the Trust.".

(d) Funding.—Section 15(j)(8) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n(j)(8)) is repealed.

(e) Transfers.—Section 15A(d)(2) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n–1(d)(2)) is amended—

(1) by inserting "or the Railroad Retirement Account" after "National Railroad Retirement Investment Trust" the second place it appears;

(2) by inserting "or the Railroad Retirement Board" after "National Railroad Retirement Investment Trust" the third place it appears;

(3) by inserting "(either directly or through a commingled account consisting only of such obligations)" after "United States" the first place it appears; and

(4) in the third sentence, by inserting before the period at the end the following: "or to purchase such additional obligations".

(f) Clerical Amendments.—Section 15(j)(5) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n(j)(5)) is amended—

(1) in subparagraph (B), by striking "trustee's" each place it appears and inserting "Trustee's";

(2) in subparagraph (C), by striking "trustee" and "trustees" each place it appears and inserting "Trustee" and "Trustees", respectively; and

(3) in the matter preceding clause (i) of subparagraph (D), by striking "trustee" and inserting "Trustee".

Subtitle D—Amendments Related to Title XVI

SEC. 430. EXCLUSION FROM INCOME FOR CERTAIN INFREQUENT OR IRREGULAR INCOME AND CERTAIN INTEREST OR DIVIDEND INCOME.

(a) Infrequent or Irregular Income.—Section 1612(b)(3) of the Social Security Act (42 U.S.C. 1382a(b)(3)) is amended to read as follows—

"(3) in any calendar quarter, the first—

"(A) $60 of unearned income, and

"(B) $30 of earned income,

of such individual (and such spouse, if any) which, as determined in accordance with criteria prescribed by the Commissioner of Social Security, is received too infrequently or irregularly to be included;".

(b) Interest or Dividend Income.—Section 1612(b) of the Social Security Act (42 U.S.C. 1382a(b)) is amended—

(1) in paragraph (21), by striking "and" at the end;

(2) in paragraph (22), by striking the period and inserting "; and"; and

(3) by adding at the end the following:

"(23) interest or dividend income from resources—

"(A) not excluded under section 1613(a), or

"(B) excluded pursuant to Federal law other than section 1613(a).".

(c) Effective Date.—The amendments made by this section shall be effective with respect to benefits payable for months in calendar quarters that begin more than 90 days after the date of the enactment of this Act.

SEC. 431. UNIFORM 9-MONTH RESOURCE EXCLUSION PERIODS.

(a) Underpayments of Benefits.—Section 1613(a)(7) of the Social Security Act (42 U.S.C. 1382b(a)(7)) is amended—

(1) by striking "6" and inserting "9"; and

(2) by striking "(or to the first 9 months following such month with respect to any amount so received during the period beginning October 1, 1987, and ending September 30, 1989)".

(b) Advanceable Tax Credits.—Section 1613(a)(11) of the Social Security Act (42 U.S.C. 1382b(a)(11)) is amended to read as follows:

"(11) for the 9-month period beginning after the month in which received—

"(A) notwithstanding section 203 of the Economic Growth and Tax Relief Reconciliation Act of 2001, any refund of Federal income taxes made to such individual (or such spouse) under section 24 of the Internal Revenue Code of 1986 (relating to child tax credit) by reason of subsection (d) thereof; and

"(B) any refund of Federal income taxes made to such individual (or such spouse) by reason of section 32 of the Internal Revenue Code of 1986 (relating to earned income tax credit), and any payment made to such individual (or such spouse) by an employer under section 3507 of such Code (relating to advance payment of earned income credit);".

(c) Effective Date.—The amendments made by this section shall take effect on the date of enactment of this Act, and shall apply to amounts described in paragraph (7) of section 1613(a) of the Social Security Act and refunds of Federal income taxes described in paragraph (11) of such section, that are received by an eligible individual or eligible spouse on or after such date.

SEC. 432. ELIMINATION OF CERTAIN RESTRICTIONS ON THE APPLICATION OF THE STUDENT EARNED INCOME EXCLUSION.

(a) In General.—Section 1612(b)(1) of the Social Security Act (42 U.S.C. 1382a(b)(1)) is amended by striking "a child who" and inserting "under the age of 22 and".

(b) Effective Date.—The amendment made by this section shall be effective with respect to benefits payable for months that begin on or after 1 year after the date of enactment of this Act.

SEC. 433. EXCEPTION TO RETROSPECTIVE MONTHLY ACCOUNTING FOR NONRECURRING INCOME.

(a) In General.—Section 1611(c) of the Social Security Act (42 U.S.C. 1382(c)) is amended by adding at the end the following:

"(9)(A) Notwithstanding paragraphs (1) and (2), any nonrecurring income which is paid to an individual in the first month of any period of eligibility shall be taken into account in determining the amount of the benefit under this title of such individual (and his eligible spouse, if

any) only for that month, and shall not be taken into account in determining the amount of the benefit for any other month.

"(B) For purposes of subparagraph (A), payments to an individual in varying amounts from the same or similar source for the same or similar purpose shall not be considered to be nonrecurring income.".

(b) DELETION OF OBSOLETE MATERIAL.—Section 1611(c)(2)(B) of the Social Security Act (42 U.S.C. 1382(c)(2)(B)) is amended to read as follows:

"(B) in the case of the first month following a period of ineligibility in which eligibility is restored after the first day of such month, bear the same ratio to the amount of the benefit which would have been payable to such individual if eligibility had been restored on the first day of such month as the number of days in such month including and following the date of restoration of eligibility bears to the total number of days in such month.".

(c) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to benefits payable for months that begin on or after 1 year after the date of enactment of this Act.

SEC. 434. REMOVAL OF RESTRICTION ON PAYMENT OF BENEFITS TO CHILDREN WHO ARE BORN OR WHO BECOME BLIND OR DISABLED AFTER THEIR MILITARY PARENTS ARE STATIONED OVERSEAS.

(a) IN GENERAL.—Section 1614(a)(1)(B)(ii) of the Social Security Act (42 U.S.C. 1382c(a)(1)(B)(ii)) is amended—

(1) by inserting "and" after "citizen of the United States,"; and

(2) by striking ", and who," and all that follows and inserting a period.

(b) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to benefits payable for months beginning after the date of enactment of this Act, but only on the basis of an application filed after such date.

SEC. 435. TREATMENT OF EDUCATION-RELATED INCOME AND RESOURCES.

(a) EXCLUSION FROM INCOME OF GIFTS PROVIDED FOR TUITION AND OTHER EDUCATION-RELATED FEES.—Section 1612(b)(7) of the Social Security Act (42 U.S.C. 1382a(b)(7)) is amended by striking "or fellowship received for use in paying" and inserting "fellowship, or gift (or portion of a gift) used to pay".

(b) EXCLUSION FROM RESOURCES FOR 9 MONTHS OF GRANTS, SCHOLARSHIPS, FELLOWSHIPS, OR GIFTS PROVIDED FOR TUITION AND OTHER EDUCATION-RELATED FEES.—Section 1613(a) of the Social Security Act (42 U.S.C. 1382b(a)) (as amended by section 101(c)(2)) is amended—

(1) in paragraph (13), by striking "and" at the end;

(2) in paragraph (14), by striking the period and inserting "; and"; and

(3) by inserting after paragraph (14) the following:

"(15) for the 9-month period beginning after the month in which received, any grant, scholarship, fellowship, or gift (or portion of a gift) used to pay the cost of tuition and fees at any educational (including technical or vocational education) institution.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to benefits payable for months that begin more than 90 days after the date of enactment of this Act.

SEC. 436. MONTHLY TREATMENT OF UNIFORMED SERVICE COMPENSATION.

(a) TREATMENT OF PAY AS RECEIVED WHEN EARNED.—Section 1611(c) of the Social Security Act (42 U.S.C. 1382(c)), as amended by section 435(a), is amended by adding at the end the following:

"(10) For purposes of this subsection, remuneration for service performed as a member of a uniformed service may be treated as received in the month in which it was earned, if the Commissioner of Social Security determines that such treatment would promote the economical and efficient administration of the program authorized by this title.".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to benefits payable for months that begin more than 90 days after the date of enactment of this Act.

WELCOMING PUBLIC APOLOGIES BY PRESIDENTS OF SERBIA AND MONTENEGRO, AND REPUBLIC OF CROATIA

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 378, S. Res. 237.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 237) welcoming the public apologies issued by the President of Serbia and Montenegro and the President of the Republic of Croatia and urging other leaders in the region to perform similar concrete acts of reconciliation.

There being no objection, the Senate proceeded to consider the resolution.

Mr. FRIST. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble agreed to, the motions to reconsider be laid upon the table en bloc, and any statements relating to the resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 237) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 237

Whereas the President of Serbia and Montenegro and the President of the Republic of Croatia each issued on September 10, 2003, a public statement of apology for the crimes committed by citizens of each country against citizens of the other country; and

Whereas the countries of Southeast Europe are struggling to move beyond the problems of the past and toward a brighter future that includes membership in both the European Union and NATO: Now, therefore, be it

Resolved, That the Senate—

(1) welcomes the public apologies issued on September 10, 2003, by the President of Serbia and Montenegro and the President of the Republic of Croatia;

(2) commends the initiative and personal courage demonstrated by their actions;

(3) recognizes the value of such apologies in the important process of reconciliation in Southeast Europe;

(4) notes public support within the region for these efforts;

(5) calls upon the governments in the region to continue their efforts to encourage and advance reconciliation; and

(6) reiterates the importance of resolving post-conflict issues, including—

(A) by ensuring that refugees and internally displaced persons have the right to return home; and

(B) by bringing persons indicted for war crimes to justice, including through cooperation with the International Criminal Tribunal on the Former Yugoslavia.

CONGO BASIN FOREST PARTNERSHIP ACT OF 2003

Mr. FRIST. Mr. President, I ask unanimous consent that the Foreign Relations Committee be discharged from further consideration of H.R. 2264, and the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 2264) to authorize appropriations for fiscal years 2004 and 2005 to carry out the Congo Basin Forest Partnership (CBFP) program, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. FRIST. Mr. President, I ask unanimous consent that the Alexander amendment at the desk be agreed to, the bill, as amended, be read a third time and passed, the title amendment be agreed to, the motions to reconsider be laid upon the table en bloc, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments (Nos. 2228 and 2229) were agreed to as follows:

AMENDMENT NO. 2228

(Purpose: To strike the authorization of appropriations for fiscal year 2005)

Beginning on page 5, strike line 24 and all that follows through page 6, line 11, and insert the following:

(a) IN GENERAL.—There are authorized to be appropriated to the President to carry out the Congo Basin Forest Partnership (CBFP) program $18,600,000 for fiscal year 2004.

(b) CARPE.—Of the amounts appropriated pursuant to the authorization of appropriations in subsection (a), $16,000,000 is authorized to be made available to the Central Africa Regional Program for the Environment (CARPE) of the United States Agency for International Development.

(c) AVAILABILITY.—Amounts appropriated pursuant to the authorization of appropriations under subsection (a) are authorized to remain available until expended.

AMENDMENT NO. 2229

(Purpose: To amend the title)

Amend the title so as to read: "To authorize appropriations for fiscal year 2004 to carry out the Congo Basin Forest Partnership program, and for other purposes.".

The bill (H.R. 2264), as amended, was read the third time and passed.

DISTRICT OF COLUMBIA BUDGET AUTONOMY ACT OF 2003

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 418, S. 1267.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 1267) to amend the District of Columbia Home Rule Act to provide the District of Columbia with autonomy over its budgets, and for other purposes.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Governmental Affairs with an amendment, as follows:

S. 1267

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “District of Columbia Budget Autonomy Act of 2003”.

SEC. 2. ENACTMENT OF DISTRICT OF COLUMBIA LOCAL BUDGET.

(a) IN GENERAL.—Section 446 of the District of Columbia Home Rule Act (sec. 1–204.46, D.C. Official Code) is amended to read as follows:

“ENACTMENT OF LOCAL BUDGET

“SEC. 446. (a) ADOPTION OF BUDGETS AND SUPPLEMENTS.—The Council, within 50 calendar days after receipt of the budget proposal from the Mayor, and after public hearing, shall by Act adopt the annual budget for the District of Columbia government. Any supplements thereto shall also be adopted by Act by the Council after public hearing.

“(b) TRANSMISSION TO PRESIDENT DURING CONTROL YEARS.—In the case of a budget for a fiscal year which is a control year, the budget so adopted shall be submitted by the Mayor to the President for transmission by him to the Congress, except that the Mayor shall not transmit any such budget, or amendments or supplements thereto, to the President until the completion of the budget procedures contained in this Act and the District of Columbia Financial Responsibility and Management Assistance Act of 1995.

“(c) PROHIBITING OBLIGATIONS AND EXPENDITURES NOT AUTHORIZED UNDER BUDGET.—Except as provided in section 445A(b), section 467(d), section 471(c), section 472(d), section 475(e), section 483(d), and subsections (f), (g), (h)(3), and (i)(3) of section 490, no amount may be obligated or expended by any officer or employee of the District of Columbia government unless—

“(1) such amount has been approved by an Act of the Council (and then only in accordance with such authorization) and a copy of such Act has been transmitted by the Chairman to the Congress; or

“(2) in the case of an amount obligated or expended during a control year, such amount has been approved by an Act of Congress (and then only in accordance with such authorization).

“(d) RESTRICTIONS ON REPROGRAMMING OF AMOUNTS.—After the adoption of the annual budget for a fiscal year (beginning with the annual budget for fiscal year 1995), no reprogramming of amounts in the budget may occur unless the Mayor submits to the Council a request for such reprogramming and the Council approves the request, but only if any additional expenditures provided under such request for an activity are offset by reductions in expenditures for another activity.

“(e) DEFINITION.—In this part, the term ‘control year’ has the meaning given such term in section 305(4) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995.”.

(b) LENGTH OF CONGRESSIONAL REVIEW PERIOD FOR BUDGET ACTS.—Section 602(c) of such Act (sec. 1–206.02(c), D.C. Official Code) is amended—

(1) in the second sentence of paragraph (1), by striking “paragraph (2)” and inserting “paragraphs (2) and (4)”; and

(2) by adding at the end the following new paragraph:

“(4) In the case of any Act transmitted under the first sentence of paragraph (1) to which section 446 applies and for which the fiscal year involved is not a control year, such Act shall take effect upon the expiration of the 30-calendar-day period beginning on the day such Act is transmitted, or upon the date prescribed by such Act, whichever is later, unless during such 30-day period, there has been enacted into law a joint resolution disapproving such Act. If such 30-day period expires on any day on which neither House is in session because of an adjournment sine die, a recess of more than three days, or an adjournment of more than three days, the period applicable under the previous sentence shall be extended for 5 additional days (excluding Saturdays, Sundays, and holidays, and any day on which neither House is in session because of an adjournment sine die, a recess of more than three days, or an adjournment of more than three days). In any case in which any such joint resolution disapproving such an Act has, within the applicable period, passed both Houses of Congress and has been transmitted to the President, such resolution, upon becoming law, subsequent to the expiration of such period, shall be deemed to have repealed such Act, as of the date such resolution becomes law. The provisions of section 604 shall apply with respect to any joint resolution disapproving any Act pursuant to this paragraph.”.

(c) CONFORMING AMENDMENTS.—(1) Sections 467(d), 471(c), 472(d)(2), 475(e)(2), and 483(d), and subsections (f), (g)(3), (h)(3), and (i)(3) of section 490 of such Act are each amended by striking “The fourth sentence of section 446” and inserting “Section 446(c)”.

(2) The third sentence of section 412(a) of such Act (sec. 1–204.12(a), D.C. Official Code) is amended by inserting “for a fiscal year which is a control year described in such section” after “section 446 applies”.

(3) Section 202(c)(2) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995 (sec. 47–392.02(c)(2), D.C. Official Code) is amended by striking “the first sentence of section 446” and inserting “section 446(a)”.

(4) Section 202(d)(3)(A) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995 (sec. 47–392.02(d)(3)(A), D.C. Official Code) is amended by striking “the first sentence of section 446” and inserting “section 446(a)”.

(5) Section 11206 of the National Capital Revitalization and Self-Government Improvement Act of 1997 (sec. 24–106, D.C. Official Code) is amended by striking “the fourth sentence of section 446” and inserting “section 446(c)”.

(d) CLERICAL AMENDMENT.—The item relating to section 446 in the table of contents of such Act is amended to read as follows:

“Sec. 446. Enactment of local budget.”.

SEC. 3. ACTION BY COUNCIL OF DISTRICT OF COLUMBIA ON LINE-ITEM VETOES BY MAYOR OF PROVISIONS OF BUDGET ACTS.

(a) IN GENERAL.—Section 404(f) of the District of Columbia Home Rule Act (sec. 1–204.4(f), D.C. Official Code) is amended by striking “transmitted by the Chairman to the President of the United States” both places it appears and inserting the following: “incorporated in such Act (or, in the case of an item or provision contained in a budget act for a control year, transmitted by the Chairman to the President)”.

(b) CONFORMING AMENDMENT.—Section 404(f) of such Act (sec. 1–204.04(f), D.C. Official Code) is amended—

(1) by striking “(f)” and inserting “(f)(1)”;

(2) in the fifth sentence, by striking “(as defined in section 305(4) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995), this subsection” and inserting “this paragraph”; and

(3) by adding at the end the following new paragraph:

“(2) In this subsection, the term ‘control year’ has the meaning given such term in section 305(4) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995.”.

SEC. 4. PERMITTING EMPLOYEES TO BE HIRED IF POSITION AUTHORIZED BY ACT OF THE COUNCIL.

Section 447 of the District of Columbia Home Rule Act (sec. 1–204.47, D.C. Official Code) is amended—

(1) by striking “Act of Congress” each place it appears and inserting “act of the Council (or Act of Congress, in the case of a year which is a control year)”; and

(2) by striking “Acts of Congress” and inserting “acts of the Council (or Acts of Congress, in the case of a year which is a control year)”.

SEC. 5. OTHER CONFORMING AMENDMENTS RELATING TO CHANGES IN FEDERAL ROLE IN BUDGET PROCESS.

(a) FEDERAL AUTHORITY OVER BUDGET-MAKING PROCESS.—Section 603(a) of the District of Columbia Home Rule Act (sec. 1–206.03, D.C. Official Code) is amended by inserting before the period at the end the following: “for a fiscal year which is a control year”.

(b) RESTRICTIONS APPLICABLE DURING CONTROL YEARS.—Section 603(d) of such Act (sec. 1–206.03(d), D.C. Official Code) is amended to read as follows:

“(d) In the case of a fiscal year which is a control year, the Council may not approve, and the Mayor may not forward to the President, any budget which is not consistent with the financial plan and budget established for the fiscal year under subtitle A of title II of the District of Columbia Financial Responsibility and Management Assistance Act of 1995.”.

(c) DEFINITION.—Section 603(f) of such Act (sec. 1–206.03(f), D.C. Official Code) is amended to read as follows:

“(f) In this section, the term ‘control year’ has the meaning given such term in section 305(4) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995.”.

SEC. 6. CONTINUATION OF GENERAL PROVISIONS IN APPROPRIATIONS ACTS AND TREATMENT OF AMENDMENTS.

(a) CONTINUATION.—Any general provision contained in a general appropriation bill which includes the appropriation of Federal payments to the District of Columbia for a fiscal year (or, in the case of such a bill which is included as a division, title, or other portion of another general appropriation bill, any general provision contained in such division, title, or other portion) in effect on the date of enactment of this Act shall remain in effect until the date of the enactment of a general appropriation bill which includes the appropriation of Federal payments to the District of Columbia for the following fiscal year.

(b) AMENDMENTS IN THE SENATE.—In the case of the consideration in the Senate of a general appropriations bill that includes the appropriations of Federal payments to the District of Columbia, an amendment proposing a limitation on the use of any District of Columbia funds by the District of Columbia shall not constitute general legislation under paragraphs 2 and 4 of Rule XVI of the Standing Rules of the Senate.

SEC. 7. EFFECTIVE DATE.

The amendments made by this Act shall apply to budgets of the District of Columbia for fiscal years beginning on or after October 1, 2004.

TITLE II—DISTRICT OF COLUMBIA INDEPENDENCE OF THE CHIEF FINANCIAL OFFICER ACT OF 2003

SEC. 201. SHORT TITLE.

This title may be cited as the "District of Columbia Independence of the Chief Financial Officer Act of 2003".

SEC. 202. AMENDMENTS TO THE HOME RULE ACT.

(a) IN GENERAL.—Part B of title IV section 424 of the District of Columbia Home Rule Act is amended to read as follows:

"OFFICE OF THE CHIEF FINANCIAL OFFICER OF THE DISTRICT OF COLUMBIA

"SEC. 424. (a) IN GENERAL.—

"(1) ESTABLISHMENT.—There is hereby established within the executive branch of the government of the District of Columbia an Office of the Chief Financial Officer of the District of Columbia ('Office'), which shall be headed by the Chief Financial Officer of the District of Columbia ('Chief Financial Officer').

"(2) ORGANIZATIONAL ANALYSIS.—

"(A) OFFICE OF BUDGET AND PLANNING.—The name of the Office of Budget and Management, established by Commissioner's Order 69–96, issued March 7, 1969, is changed to the Office of Budget and Planning.

"(B) OFFICE OF TAX AND REVENUE.—The name of the Department of Finance and Revenue, established by Commissioner's Order 69–96, issued March 7, 1969, is changed to the Office of Tax and Revenue.

"(C) OFFICE OF FINANCE AND TREASURY.—The name of the Office of Treasurer, established by Mayor's Order 89–244, dated October 23, 1989, is changed to the Office of Finance and Treasury.

"(D) OFFICE OF FINANCIAL OPERATIONS AND SYSTEMS.—The Office of the Controller, established by Mayor's Order 89–243, dated October 23, 1989, and the Office of Financial Information Services, established by Mayor's Order 89–244, dated October 23, 1989, are consolidated into the Office of Financial Operations and Systems.

"(3) TRANSFERS.—Effective with the appointment of the first Chief Financial Officer under subsection (b), the functions and personnel of the following offices are established as subordinate offices within the Office of the Chief Financial Officer:

"(A) The Office of Budget and Planning, headed by the Deputy Chief Financial Officer for the Office of Budget and Planning.

"(B) The Office of Tax and Revenue, headed by the Deputy Chief Financial Officer for the Office of Tax and Revenue.

"(C) The Office of Research and Analysis, headed by the Deputy Chief Financial Officer for the Office of Research and Analysis.

"(D) The Office of Financial Operations and Systems, headed by the Deputy Chief Financial Officer for the Office of Financial Operations and Systems.

"(E) The Office of Finance and Treasury, headed by the District of Columbia Treasurer.

"(F) The Lottery and Charitable Games Control Board, established by the Law to Legalize Lotteries, Daily Numbers Games, and Bingo and Raffles for Charitable Purposes in the District of Columbia, effective March 10, 1981 (D.C. Law 3–172; D.C. Official Code § 3–1301 et seq.).

"(4) SUPERVISOR.—The heads of the offices listed in paragraph (3) of this section shall serve at the pleasure of the Chief Financial Officer.

"(5) APPOINTMENT AND REMOVAL OF OFFICE EMPLOYEES.—The Chief Financial Officer shall appoint the heads of the subordinate offices designated in paragraph (3), after consultation with the Mayor and the Council. The Chief Financial Officer may remove the heads of the offices designated in paragraph (3), after consultation with the Mayor and the Council.

"(6) ANNUAL BUDGET SUBMISSION.—The Chief Financial Officer of the District of Columbia shall prepare and annually submit to the Mayor of the District of Columbia, for inclusion in the annual budget of the District of Columbia government for a fiscal year, annual estimates of the expenditures and appropriations necessary for the year for the operation of the Office of the Chief Financial Officer and all other District of Columbia accounting, budget, and financial management personnel (including personnel of executive branch independent agencies) that report to the Office of the Chief Financial Officer pursuant to this Act.

"(b) APPOINTMENT OF THE CHIEF FINANCIAL OFFICER.—

"(1) IN GENERAL.—The Chief Financial Officer shall be appointed by the Mayor with the advice and consent, by resolution, of the Council.

"(2) TERM.—

"(A) IN GENERAL.—All appointments made after June 30, 2007, shall be for a term of 5 years, except for appointments made for the remainder of unexpired terms. The appointments shall have an anniversary date of July 1.

"(B) TEMPORARY.—The term of office of the Chief Financial Officer first appointed pursuant to subsection (a) shall begin upon the date of enactment of the District of Columbia Independence of the Chief Financial Officer Act of 2003. The initial term shall end on June 30, 2007.

"(C) CONTINUANCE.—Any Chief Financial Officer may continue to serve beyond his term until a successor takes office.

"(D) VACANCIES.—Any vacancy in the Office of Chief Financial Officer shall be filled in the same manner as the original appointment under paragraph (1).

"(E) PAY.—The Chief Financial Officer shall be paid at an annual rate equal to the rate of basic pay payable for level I of the Executive Schedule.

"(c) REMOVAL OF THE CHIEF FINANCIAL OFFICER.—The Chief Financial Officer may only be removed for cause by the Mayor.

"(d) DUTIES OF THE CHIEF FINANCIAL OFFICER.—The Chief Financial Officer shall have the following duties and shall take such steps as are necessary to perform these duties:

"(1) Preparing the financial plan and the budget for the use of the Mayor for purposes of subpart B of subchapter VII of chapter 3 of title 47 of the D.C. Code and preparing the 5-year financial plan based upon the adopted budget for submission with the District of Columbia budget by the Mayor to Congress.

"(2) Preparing the budgets of the District of Columbia for the year for the use of the Mayor for purposes of sections 441–444, 446, 448–452, 455 of the District of Columbia Home Rule Act, approved (87 Stat. 798–803; D.C. Official Code §§ 1–204.41 through 1–204.44, 1–204.46, 1–204.48 through 1–204.52, 1–204.55), section 445a of the District of Columbia Home Rule Act, approved August 6, 1996 (110 Stat. 1698; D.C. Official Code § 1–204.45a), section 453 of the District of Columbia Home Rule Act, approved April 17, 1991 (105 Stat. 539; D.C. Official Code § 1–204.53), sections 456(a) through 456(d) of the District of Columbia Home Rule Act, approved October 19, 1994 (108 Stat. 3488; D.C. Official Code §§ 1–204.56a through 1–204.56d), and section 456(e) of the District of Columbia Home Rule Act, approved April 17, 1995 (109 Stat. 140; D.C. Official Code § 1–204.56e).

"(3) Implementing appropriate procedures and instituting such programs, systems, and personnel policies within the Officer's authority, to ensure that budget, accounting, and personnel control systems and structures are synchronized for budgeting and control purposes on a continuing basis and to ensure that appropriations are not exceeded.

"(4) Preparing and submitting to the Mayor and the Council and making public—

"(A) annual estimates of all revenues of the District of Columbia (without regard to the source of such revenues), including proposed revenues, which shall be binding on the Mayor and the Council for purposes of preparing and submitting the budget of the District government for the year under sections 441 through 444, 446, 448 through 452, and 455 of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 798–803; D.C. Official Code §§ 1–204.41 through 1–204.44, 1–204.46, 1–204.48 through 1–204.52, 1–204.55), section 445a of the District of Columbia Home Rule Act, approved August 6, 1996 (110 Stat. 1698; D.C. Official Code § 1–204.45a), section 453 of the District of Columbia Home Rule Act, approved April 17, 1991 (105 Stat. 539; D.C. Official Code § 1–204.53), sections 456(a) through 456(d) of the District of Columbia Home Rule Act, approved October 19, 1994 (108 Stat. 3488; D.C. Official Code §§ 1–204.56a through 1–204.56d), and section 456(e) of the District of Columbia Home Rule Act, approved April 17, 1995 (109 Stat. 140; D.C. Official Code § 1–204.56e), except that the Mayor and the Council may prepare the budget based on estimates of revenues which are lower than those prepared by the Chief Financial Officer; and

"(B) quarterly re-estimates of the revenues of the District of Columbia during the year.

"(5) Supervising and assuming responsibility for financial transactions to ensure adequate control of revenues and resources.

"(6) Maintaining systems of accounting and internal control designed to provide—

"(A) full disclosure of the financial impact of the activities of the District government;

"(B) adequate financial information needed by the District government for management purposes;

"(C) accounting for all funds, property, and other assets of the District of Columbia; and

"(D) reliable accounting results to serve as the basis for preparing and supporting agency budget requests and controlling the execution of the budget.

"(7) Submitting to the Council a financial statement of the District government, containing such details and at such times as the Council may specify.

"(8) Supervising and assuming responsibility for the assessment of all property subject to assessment and special assessments within the corporate limits of the District of Columbia for taxation, preparing tax maps, and providing such notice of taxes and special assessments (as may be required by law).

"(9) Supervising and assuming responsibility for the levying and collection of all taxes, special assessments, licensing fees, and other revenues of the District of Columbia (as may be required by law), and receiving all amounts paid to the District of Columbia from any source (including the District of Columbia Financial Responsibility and Management Assistance Authority).

"(10) Maintaining custody of all public funds belonging to or under the control of the District government (or any department or agency of the District government), and depositing all amounts paid in such depositories and under such terms and conditions as may be designated by the Council.

"(11) Maintaining custody of all investment and invested funds of the District government or in possession of the District government in a fiduciary capacity, and maintaining the safekeeping of all bonds and notes of the District government and the receipt and delivery of District government bonds and notes for transfer, registration, or exchange.

"(12) Apportioning the total of all appropriations and funds made available during the year for obligation so as to prevent obligation or expenditure in a manner which would result in a deficiency or a need for supplemental appropriations during the year, and (with respect to appropriations and funds available for an indefinite period and all authorizations to create obligations by contract in advance of appropriations) apportioning the total of such appropriations, funds, or authorizations in the most effective and economical manner.

"(13) Certifying all contracts and leases (whether directly or through delegation) prior to execution as to the availability of funds to meet the obligations expected to be incurred by the District government under such contracts and leases during the year.

"(14) Prescribing the forms of receipts, vouchers, bills, and claims to be used by all agencies, offices, and instrumentalities of the District government.

"(15) Certifying and approving prior to payment of all bills, invoices, payrolls, and other evidences of claims, demands, or charges against the District government, and determining the regularity, legality, and correctness of such bills, invoices, payrolls, claims, demands, or charges.

"(16) In coordination with the Inspector General of the District of Columbia, performing internal audits of accounts and operations and records of the District government, including the examination of any accounts or records of financial transactions, giving due consideration to the effectiveness of accounting systems, internal control, and related administrative practices of the departments and agencies of the District government.

"(17) Exercising responsibility for the administration and supervision of the District of Columbia Treasurer (except that the Chief Financial Officer may delegate any portion of such responsibility as the Chief Financial Officer considers appropriate and consistent with efficiency).

"(18) Supervising and administering all borrowing programs secured by the full faith and credit of the District government for the issuance of long-term and short-term indebtedness.

"(19) Administering the cash management program of the District government, including the investment of surplus funds in governmental and non-governmental interest-bearing securities and accounts.

"(20) Administering the centralized District government payroll and retirement systems.

"(21) Governing the accounting policies and systems applicable to the District government.

"(22) Preparing appropriate annual, quarterly, and monthly financial reports of the accounting and financial operations of the District government.

"(23) Not later than 120 days after the end of each fiscal year, preparing the complete financial statement and report on the activities of the District government for such fiscal year, for the use of the Mayor under section 448(a)(4) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 801; D.C. Official Code § 1–204.48(a)(4)).

"(24) Preparing fiscal impact statements on regulations, multiyear contracts, contracts over $1,000,000 and on legislation, as required by section 4a of the General Legislative Procedures Act of 1975.

"(25) Preparing under the direction of the Mayor, who has the specific responsibility for formulating budget policy using Chief Financial Officer technical and human resources, the budget for submission by the Mayor to the Council and to the public and upon final adoption to Congress and to public.

"(26) Certifying all collective bargaining agreements and nonunion pay proposals prior to submission to the Council for approval as to the availability of funds to meet the obligations expected to be incurred by the District government under such collective bargaining agreements and nonunion pay proposals during the year.

"(e) Appointment of Certain Executive Branch Agency Chief Financial Officers.—The chief financial officers of all District of Columbia executive branch subordinate and independent agencies not included in subsection a(3) and associate chief financial officers shall be appointed by the Chief Financial Officer, in consultation with the agency head, where applicable. The appointment shall be made from a list of qualified candidates developed by the Chief Financial Officer.

"(f) Functions of Treasurer.—At all times, the Treasurer shall have the following duties:

"(1) Assisting the Chief Financial Officer in reporting revenues received by the District government, including submitting annual and quarterly reports concerning the cash position of the District government not later than 60 days after the last day of the quarter (or year) involved which shall include—

"(A) comparative reports of revenue and other receipts by source, including tax, nontax, and Federal revenues, grants and reimbursements, capital program loans, and advances. Each source shall be broken down into specific components;

"(B) statements of the cash flow of the District government for the preceding quarter or year, including receipts, disbursements, net changes in cash inclusive of the beginning balance, cash and investment, and the ending balance, inclusive of cash and investment. Such statements shall reflect the actual, planned, better or worse dollar amounts and the percentage change with respect to the current quarter, year-to-date, and fiscal year;

"(C) quarterly cash flow forecast for the quarter or year involved, reflecting receipts, disbursements, net change in cash inclusive of the beginning balance, cash and investment, and the ending balance, inclusive of cash and investment with respect to the actual dollar amounts for the quarter or year, and projected dollar amounts for each of the 3 succeeding quarters;

"(D) monthly reports reflecting a detailed summary analysis of all District of Columbia government investments, including—

"(i) the total of long-term and short-term investments;

"(ii) a detailed summary analysis of investments by type and amount, including purchases, sales (maturities), and interest;

"(iii) an analysis of investment portfolio mix by type and amount, including liquidity, quality/risk of each security, and similar information;

"(iv) an analysis of investment strategy, including near-term strategic plans and projects of investment activity, as well as forecasts of future investment strategies based on anticipated market conditions, and similar information; and

"(v) an analysis of cash utilization, including—

"(I) comparisons of budgeted percentages of total cash to be invested with actual percentages of cash invested and the dollar amounts;

"(II) comparisons of the next return on invested cash expressed in percentages (yield) with comparable market indicators and established District of Columbia government yield objectives; and

"(III) comparisons of estimated dollar return against actual dollar yield; and

"(E) monthly reports reflecting a detailed summary analysis of long-term and short-term borrowings inclusive of debt as authorized by § 1–206.03, in the current fiscal year and the amount of debt for each succeeding fiscal year not to exceed 5 years; all such reports shall reflect—

"(i) the amount of debt outstanding by type of instrument;

"(ii) the amount of authorized and unissued debt, including availability of short-term lines of credit, United States Treasury borrowings, and similar information;

"(iii) a maturity schedule of the debt;

"(iv) the rate of interest payable upon the debt; and

"(v) the amount of debt service requirements and related debt service reserves.

"(2) Such other functions assigned to the Chief Financial Officer under subsection (d) as the Chief Financial Officer may delegate.

"(g) Transition Provisions.—

"(1) CFO.—Any Chief Financial Officer appointed by the Mayor prior to the date of enactment of the District of Columbia Independence of the Chief Financial Officer Act of 2003 may continue to serve in that capacity without reappointment until a new appointment under subsection (a) becomes effective.

"(2) Executive branch CFO.—Any executive branch agency chief financial officer appointed prior to the date of enactment of the District of Columbia Independence of the Chief Financial Officer Act of 2003 may continue to serve in that capacity without reappointment.".

SEC. 203. CLARIFICATION OF DUTIES OF CHIEF FINANCIAL OFFICER AND MAYOR.

(a) Relation to Financial Duties of Mayor.—Section 448(a) of such Act (section 1–204.48(a), D.C. Official Code) is amended by striking "section 603," and inserting "section 603 and except to the extent provided under section 424(d),".

(b) Relation to Mayor's Duties Regarding Accounting Supervision and Control.—Section 449 of such Act (section 1–204.49, D.C. Official Code) is amended by striking "The Mayor" and inserting "Except to the extent provided under section 424(d), the Mayor".

SEC. 204. RULE REGARDING PERSONNEL AUTHORITY.

(a) In General.—The Home Rule Act is amended by adding by adding after section 424g the following:

"AUTHORITY OVER PERSONNEL OF OFFICE AND OTHER FINANCIAL PERSONNEL

"Sec. 424h. (a) In General.—Notwithstanding any provision of law or regulation, employees of the Office of the Chief Financial Officer, including personnel described in subsection (b), shall be appointed by, shall serve at the pleasure of, and shall act under the direction and control of the Chief Financial Officer of the District of Columbia, and shall be considered at-will employees, except that the Chief Financial Officer shall comply with any collective bargaining agreement entered into by the Office of the Chief Financial Officer.

"(b) Personnel.—The personnel described in this subsection are as follows:

"(1) The Office of the General Counsel within the Office of the Chief Financial Officer of the District of Columbia, such office shall include the General Counsel to the Chief Financial Officer and individuals hired or retained as attorneys by the Chief Financial Officer or any office under the personnel authority of the Office of the Chief Financial Officer, all such attorneys shall act under the direction and control of the General Counsel to the Chief Financial Officer.

"(2) Personnel of the Office not described in paragraph (1).

"(3) The heads and all personnel of the offices described in subsection (c) and the Chief Financial Officers of all District of Columbia executive branch subordinate and independent agencies,

Associate chief financial officers, together with all other District of Columbia accounting, budget, and financial management personnel (including personnel of executive branch independent agencies).

"(c) OFFICES DESCRIBED.—The offices referred to in this subsection are as follows:

"(1) The Office of Finance and Treasury (or any successor office).

"(2) The Office of Financial Operations and Systems (or any successor office).

"(3) The Office of the Budget and Planning (or any successor office).

"(4) The Office of Tax and Revenue (or any successor office).

"(5) The District of Columbia Lottery and Charitable Games Control Board.

"(d) INDEPENDENT AUTHORITY OVER LEGAL PERSONNEL.—Sections 851 through 862 of the District of Columbia Government Comprehensive Merit Personnel Act of 1978, effective March 3, 1979 (D.C. Law 2–260; D.C. Official Code §1-608.51–1–608.62) shall not apply to attorneys employed by the Office of the Chief Financial Officer."

(b) CONFORMING AMENDMENT.—Section 862 of the District of Columbia Government Comprehensive Merit Personnel Act of 1978 (D.C. Law 2–260; D.C. Official Code §1–608.62) is amended by striking paragraph (2).

SEC. 205. PROCUREMENT AUTHORITY.

(a) MAINTENANCE OF A PROCUREMENT OFFICE INDEPENDENT OF THE MAYOR'S PROCUREMENT OFFICE.—Section 104(c) of the District of Columbia Procurement Practices Act of 1986, effective February 21, 1986 (D.C. Law 6–85; D.C. Official Code §2–301.04), is amended by striking beginning with "During a control year, as defined by §47–393(4)," through "Chief Financial Officer shall be bound by the provisions contained in this Act.".

(b) HOME RULE ACT.—The Home Rule Act is amended by adding after section 424h the following:

"PROCUREMENT AUTHORITY OF THE CHIEF FINANCIAL OFFICER

"SEC. 424i. The Office of the Chief Financial Officer's procurement practices shall be governed by the provisions of chapter 3 of title 2 of the D.C. Official Code, except that the Office of the Chief Financial Officer shall maintain a procurement office or division that shall operate independent of, and shall not be governed by, the Office of Contracting and Procurement, established by section 2–301.05, or its successor office.".

(c) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect 6 months after the date of enactment of this Act.

SEC. 206. FISCAL IMPACT STATEMENTS.

The General Legislative Procedures Act of 1975, effective September 23, 1975 (D.C. Law 1–17; D.C. Official §§Code 1–301.45 through 1–301.47), is amended by adding after section 4 the following:

"FISCAL IMPACT STATEMENTS

"SEC. 4a. (a) BILLS AND RESOLUTIONS.—

"(1) IN GENERAL.—Notwithstanding any other law, except as provided in subsection (c), all permanent bills and resolutions shall be accompanied by a fiscal impact statement before final adoption by the Council.

"(2) CONTENTS.—The fiscal impact statement shall include the estimate of the costs which will be incurred by the District as a result of the enactment of the measure in the current and each of the first four fiscal years for which the act or resolution is in effect, together with a statement of the basis for such estimate.

"(b) APPROPRIATIONS.—Permanent and emergency acts which are accompanied by fiscal impact statements which reflect unbudgeted costs, shall be subject to appropriations prior to becoming effective.

"(c) APPLICABILITY.—Subsection (a) shall not apply to emergency declaration, ceremonial, confirmation, and sense of the Council resolutions.".

Mr. FRIST. Mr. President, I ask unanimous consent that the committee amendment be agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendment was agreed to.

Mr. FRIST. Mr. President, I understand that Senator LEVIN has an amendment at the desk. I ask that the amendment be considered and agreed to, the motion to reconsider be laid upon the table; that the bill, as amended, be read three times, passed, the motion to reconsider be laid upon the table without any intervening action or debate, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 2230) was agreed to as follows:

AMENDMENT NO. 2230

(Purpose: To provide for metered cabs in the District of Columbia)

At the appropriate place, insert the following: (p. 10, after l. 2)

SEC. . METERED CABS IN THE DISTRICT OF COLUMBIA.

(a) IN GENERAL.—Except as provided in subsection (b) and not later than 1 year after the date of enactment of this Act, the District of Columbia shall require all cabs licensed in the District of Columbia to charge fares by a metered system.

(b) DISTRICT OF COLUMBIA OPT OUT.—The District of Columbia may cancel the requirements of subsection (a) by adopting an ordinance that specifically states that the District of Columbia opts out of the requirement to implement a metered system under subsection (a).

The bill (S. 1267), as amended, was read the third time and passed.

THE TRAFFICKING VICTIMS PROTECTION ACT OF 2000

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 2620, which is at the desk.

The PRESIDING OFFICER. The clerk will state the bill by title.

The legislative clerk read as follows:

A bill (H.R. 2620) to authorize appropriations for fiscal years 2004 and 2005 for the Trafficking Victims Protection Act of 2000, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. FRIST. Mr. President, I ask unanimous consent that the bill be read the third time and passed, the motion to reconsider be laid upon the table, and that any statements related to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 2620) was read the third time and passed.

POISON CONTROL CENTER ENHANCEMENT AND AWARENESS ACT AMENDMENTS OF 2003

Mr. FRIST. Mr. President, I ask the Chair lay before the Senate a message from the House of Representatives on the bill (S. 686) to provide assistance for poison prevention and to stabilize the funding of regional poison control centers.

The Presiding Officer laid before the Senate the following message from the House of Representatives:

S. 686

Resolved, That the bill from the Senate (S. 686) entitled "An Act to provide assistance for poison prevention and to stabilize the funding of regional poison control centers", do pass with the following amendment:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Poison Control Center Enhancement and Awareness Act Amendments of 2003".

SEC. 2. FINDINGS.

The Congress finds the following:

(1) Poison control centers are our Nation's primary defense against injury and deaths from poisoning. Twenty-four hours a day, the general public as well as health care practitioners contact their local poison centers for help in diagnosing and treating victims of poisoning and other toxic exposures.

(2) Poisoning is the third most common form of unintentional death in the United States. In any given year, there will be between 2,000,000 and 4,000,000 poison exposures. More than 50 percent of these exposures will involve children under the age of 6 who are exposed to toxic substances in their home. Poisoning accounts for 285,000 hospitalizations, 1,200,000 days of acute hospital care, and 13,000 fatalities annually.

(3) Stabilizing the funding structure and increasing accessibility to poison control centers will promote the utilization of poison control centers, and reduce the inappropriate use of emergency medical services and other more costly health care services.

(4) The tragic events of September 11, 2001, and the anthrax cases of October 2001, have dramatically changed our Nation. During this time period, poison centers in many areas of the country were answering thousands of additional calls from concerned residents. Many poison centers were relied upon as a source for accurate medical information about the disease and the complications resulting from prophylactic antibiotic therapy.

(5) The 2001 Presidential Task Force on Citizen Preparedness in the War on Terrorism recommended that the Poison Control Centers be used as a source of public information and public education regarding potential biological, chemical, and nuclear domestic terrorism.

(6) The increased demand placed upon poison centers to provide emergency information in the event of a terrorist event involving a biological, chemical, or nuclear toxin will dramatically increase call volume.

SEC. 3. AMENDMENT TO PUBLIC HEALTH SERVICE ACT.

Title XII of the Public Health Service Act (42 U.S.C. 300d et seq.) is amended by adding at the end the following:

"PART G—POISON CONTROL

"SEC. 1271. MAINTENANCE OF A NATIONAL TOLL-FREE NUMBER.

"(a) IN GENERAL.—The Secretary shall provide coordination and assistance to regional poison control centers for the establishment of a

nationwide toll-free phone number to be used to access such centers.

“(b) Rule of Construction.—Nothing in this section shall be construed as prohibiting the establishment or continued operation of any privately funded nationwide toll-free phone number used to provide advice and other assistance for poisonings or accidental exposures.

“(c) Authorization of Appropriations.—There is authorized to be appropriated to carry out this section $2,000,000 for each of the fiscal years 2000 through 2009. Funds appropriated under this subsection shall not be used to fund any toll-free phone number described in subsection (b).

“SEC. 1272. NATIONWIDE MEDIA CAMPAIGN TO PROMOTE POISON CONTROL CENTER UTILIZATION.

“(a) In General.—The Secretary shall establish a national media campaign to educate the public and health care providers about poison prevention and the availability of poison control resources in local communities and to conduct advertising campaigns concerning the nationwide toll-free number established under section 1271.

“(b) Contract With Entity.—The Secretary may carry out subsection (a) by entering into contracts with 1 or more nationally recognized media firms for the development and distribution of monthly television, radio, and newspaper public service announcements.

“(c) Evaluation.—The Secretary shall—

“(1) establish baseline measures and benchmarks to quantitatively evaluate the impact of the nationwide media campaign established under this section; and

“(2) prepare and submit to the appropriate congressional committees an evaluation of the nationwide media campaign on an annual basis.

“(d) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section $600,000 for each of fiscal years 2000 through 2005 and such sums as may be necessary for each of fiscal years 2006 through 2009.

“SEC. 1273. MAINTENANCE OF THE POISON CONTROL CENTER GRANT PROGRAM.

“(a) Regional Poison Control Centers.—The Secretary shall award grants to certified regional poison control centers for the purposes of achieving the financial stability of such centers, and for preventing and providing treatment recommendations for poisonings.

“(b) Other Improvements.—The Secretary shall also use amounts received under this section to—

“(1) develop standardized poison prevention and poison control promotion programs;

“(2) develop standard patient management guidelines for commonly encountered toxic exposures;

“(3) improve and expand the poison control data collection systems, including, at the Secretary's discretion, by assisting the poison control centers to improve data collection activities;

“(4) improve national toxic exposure surveillance by enhancing activities at the Centers for Disease Control and Prevention and the Agency for Toxic Substances and Disease Registry;

“(5) expand the toxicologic expertise within poison control centers; and

“(6) improve the capacity of poison control centers to answer high volumes of calls during times of national crisis.

“(c) Certification.—Except as provided in subsection (d), the Secretary may make a grant to a center under subsection (a) only if—

“(1) the center has been certified by a professional organization in the field of poison control, and the Secretary has approved the organization as having in effect standards for certification that reasonably provide for the protection of the public health with respect to poisoning; or

“(2) the center has been certified by a State government, and the Secretary has approved the State government as having in effect standards for certification that reasonably provide for the protection of the public health with respect to poisoning.

“(d) Waiver of Certification Requirements.—

“(1) In general.—The Secretary may grant a waiver of the certification requirement of subsection (c) with respect to a noncertified poison control center or a newly established center that applies for a grant under this section if such center can reasonably demonstrate that the center will obtain such a certification within a reasonable period of time as determined appropriate by the Secretary.

“(2) Renewal.—The Secretary may renew a waiver under paragraph (1).

“(3) Limitation.—In no instance may the sum of the number of years for a waiver under paragraph (1) and a renewal under paragraph (2) exceed 5 years. The preceding sentence shall take effect as if enacted on February 25, 2000.

“(e) Supplement Not Supplant.—Amounts made available to a poison control center under this section shall be used to supplement and not supplant other Federal, State, or local funds provided for such center.

“(f) Maintenance of Effort.—A poison control center, in utilizing the proceeds of a grant under this section, shall maintain the expenditures of the center for activities of the center at a level that is not less than the level of such expenditures maintained by the center for the fiscal year preceding the fiscal year for which the grant is received.

“(g) Matching Requirement.—The Secretary may impose a matching requirement with respect to amounts provided under a grant under this section if the Secretary determines appropriate.

“(h) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section $25,000,000 for each of the fiscal years 2000 through 2004 and $27,500,000 for each of fiscal years 2005 through 2009.

“SEC. 1274. RULE OF CONSTRUCTION.

“Nothing in this part may be construed to ease any restriction in Federal law applicable to the amount or percentage of funds appropriated to carry out this part that may be used to prepare or submit a report.”.

SEC. 4. CONFORMING AMENDMENT.

The Poison Control Center Enhancement and Awareness Act (42 U.S.C. 14801 et seq.) is hereby repealed.

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate concur in the House amendment, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

ARREST OF MIKHAIL B. KHODORKOVSKY BY THE RUSSIAN FEDERATION

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 380, S. Res. 258.

The PRESIDING OFFICER. The clerk will state the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 258) expressing the sense of the Senate on the arrest of Mikhail B. Khodorkovsky by the Russian Federation.

There being no objection, the Senate proceeded to consider the resolution.

Mr. FRIST. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table en bloc, and that any statements relating to the bill be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 258) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. Res. 258

Whereas the Russian Federation is now a member of the family of democratic countries;

Whereas the United States supports the development of democracy, free markets, and civil society in the Russian Federation and in other states of the former Soviet Union;

Whereas the rule of law, the impartial application of the law, and equal justice for all in courts of law are pillars of all democratic societies;

Whereas investment, both foreign and domestic, in the economy of Russia is necessary for the growth of the economy and raising the standard of living of the citizens of the Russian Federation;

Whereas property rights are a bulwark of civil society against encroachment by the state, and a fundamental building block of democracy; and

Whereas reports of the arrest of Mikhail B. Khodorkovsky and the freezing of shares of the oil conglomerate YUKOS have raised questions about the possible selective application of the law in the Russian Federation and may have compromised investor confidence in business conditions there: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the law enforcement and judicial authorities of the Russian Federation should ensure that Mikhail B. Khodorkovsky is accorded the full measure of his rights under the Russian Constitution to defend himself against any and all charges that may be brought against him, in a fair and transparent process, so that individual justice may be done, but also so that the efforts the Russian Federation has been making to reform its system of justice may be seen to be moving forward; and

(2) such authorities of the Russian Federation should make every effort to dispel growing international concerns that—

(A) the cases against Mikhail B. Khodorkovsky and other business leaders are politically motivated; and

(B) the potential remains for misuse of the justice system in the Russian Federation.

CONGRATULATING THE SAN JOSE EARTHQUAKES

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 280, submitted earlier today by Senators Boxer and Feinstein.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 280) congratulating the San Jose Earthquakes for winning the 2003 Major League Soccer Cup.

There being no objection, the Senate proceeded to consider the resolution.

Mrs. BOXER. Mr. President, on November 23, the San Jose Earthquakes became only the second team in Major League Soccer, MLS, history to win the MLS Cup more than once, beating the Chicago Fire 4-2 in a well-fought match.

In the championship game against Chicago, San Jose delighted a capacity crowd in Carson, CA by scoring four goals and saving one penalty kick. The game matched the excitement of the Western Conference final game, in which Landon Donovan—the two-time recipient of the U.S. National Team Player of the Year award—secured the Earthquakes' place in the Championship by netting a dramatic golden goal in the 117th minute.

Californians should take great pride in this impressive accomplishment by the San Jose Earthquakes. The Earthquakes' success on the field was earned through the hard work of their outstanding athletes and coaches, and the encouragement of their fans. I congratulate them on their win and their second MLS Cup.

Mr. FRIST. Mr. President, I ask unanimous consent that the resolution and preamble be agreed to, en bloc; that the motion to reconsider be laid upon the table; and that any statements relating to the resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 280) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 280

Whereas on November 23, 2003, the San Jose Earthquakes defeated the Chicago Fire to win the 2003 Major League Soccer Cup;

Whereas the San Jose Earthquakes achieved a 14–7–9 regular season record to finish first in the Major League Soccer Western Conference;

Whereas the San Jose Earthquakes finished an extraordinary season by overcoming injuries, adversity, and multiple-goal deficits to reach the Major League Soccer Cup championship match;

Whereas in the championship match, the San Jose Earthquakes and the Chicago Fire scored 6 goals combined, breaking the Major League Soccer Cup championship match scoring record;

Whereas head coach Frank Yallop led the San Jose Earthquakes to victory;

Whereas the San Jose Earthquakes is a team of world-class players, including Jeff Agoos, Arturo Alvarez, Brian Ching, Jon Conway, Ramiro Corrales, Troy Dayak, Dwayne De Rosario, Landon Donovan, Todd Dunivant, Ronnie Ekelund, Rodrigo Faria, Manny Lagos, Roger Levesque, Brain Mullan, Richard Mulrooney, Pat Onstad, Eddie Robinson, Chris Roner, Ian Russell, Josh Saunders, Craig Waibel, and Jamil Walker, all of whom contributed extraordinary performances throughout the regular season, playoffs and Major League Soccer Cup;

Whereas San Jose Earthquakes midfielder Ronnie Ekelund scored in the fifth minute of play, tying Eduardo Hurtado for the fastest goal scored in a Major League Soccer Cup championship match;

Whereas with the victory, San Jose Earthquakes captain Jeff Agoos won his second Major League Soccer Cup for the San Jose Earthquakes and his fifth Major League Soccer Cup overall;

Whereas San Jose Earthquakes forward Landon Donovan, who has been named United States National Team Player of the Year twice, scored 2 goals on 2 shots in the championship match, earning the Honda Major League Soccer Cup Most Valuable Player Award;

Whereas by winning the 2003 Major League Soccer Cup, the San Jose Earthquakes join DC United to become the second team in Major League Soccer history to win the Major League Soccer Cup more than once;

Whereas the San Jose Earthquakes have brought great pride to the City of San Jose and to the State of California;

Whereas Major League Soccer has become extremely popular in only 8 seasons; and

Whereas the success of Major League Soccer has contributed to the growing popularity of soccer in the United States in recent years: Now, therefore, be it

Resolved, That the Senate—

(1) congratulates the San Jose Earthquakes for winning the 2003 Major League Soccer Cup;

(2) recognizes the achievement of the players, coaches, staff, and supporters of the San Jose Earthquakes in bringing the 2003 Major League Soccer Cup to San Jose;

(3) commends the San Jose community for its enthusiastic support of the San Jose Earthquakes; and

(4) expresses the hope that Major League Soccer will continue to inspire fans and young players in the United States and around the world by producing teams of the high caliber of the San Jose Earthquakes.

PREVENT ALL CIGARETTE TRAFFICKING ACT

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 241, S. 1177.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 1177) to ensure the collection of all cigarette taxes, and for other purposes.

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on the Judiciary with an amendment and an amendment to the title, as follows:

[Strike the part in black brackets and insert the part printed in italic.]

S. 1177

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

[SECTION 1. SHORT TITLE.

[This Act may be cited as the "Prevent All Cigarette Trafficking Act" or "PACT Act".

[SEC. 2. COLLECTION OF STATE CIGARETTE TAXES.

[(a) DEFINITIONS.—Section 1 of the Act of October 19, 1949 (15 U.S.C. 375; commonly referred to as the "Jenkins Act"), is amended—

[(1) in paragraph (1), by inserting "and other legal entities" after "individuals";

[(2) by striking paragraph (3);

[(3) by redesignating paragraphs (4) through (7) as paragraphs (3) through (6), respectively; and

[(4) by adding at the end the following new paragraphs:

["(7) The term 'delivery sale' means any sale of cigarettes to a consumer if—

["(A) the consumer submits the order for such sale by means of a telephone or other method of voice transmission, the mails, or the Internet or other online service; or

["(B) the cigarettes are delivered by use of a common carrier.

["(8) The term 'common carrier' means any person (other than a local messenger service or the United States Postal Service (as defined in section 102 of title 39, United States Code)) that holds itself out to the general public as a provider for hire of the transportation by water, land, or air of merchandise, whether or not the person actually operates the vessel, vehicle, or aircraft by which the transportation is provided, between a port or place and a port or place in the United States.".

[(b) REPORTS TO STATE TOBACCO TAX ADMINISTRATORS.—Section 2 of that Act (15 U.S.C. 376) is amended—

[(1) in subsection (a)—

[(A) by striking "or transfers" and inserting ", transfers, or ships"; and

[(B) by striking "to other than a distributor licensed by or located in such State,"; and

[(2) in subsection (b)—

[(A) by striking "(1)"; and

[(B) by striking ", and (2)" and all that follows and inserting a period.

[(c) REQUIREMENTS FOR DELIVERY SALES.—That Act is further amended by inserting after section 2 the following new section:

["SEC. 2A. (a) Each person making a delivery sale into a State shall comply with—

["(1) the shipping requirements set forth in subsection (b);

["(2) the recordkeeping requirements set forth in subsection (c); and

["(3) all laws of the State generally applicable to sales of cigarettes that occur entirely within the State, including laws imposing—

["(A) excise taxes;

["(B) sales taxes;

["(C) licensing and tax-stamping requirements; and

["(D) other payment obligations.

["(b)(1) Each person who takes a delivery sale order shall include on the bill of lading included with the shipping package containing cigarettes sold pursuant to such order a clear and conspicuous statement providing as follows: 'CIGARETTES: FEDERAL LAW REQUIRES THE PAYMENT OF ALL APPLICABLE EXCISE AND SALES TAXES, AND COMPLIANCE WITH APPLICABLE LICENSING AND TAX-STAMPING OBLIGATIONS'.

["(2) Any shipping package described in paragraph (1) that is not labeled in accordance with that paragraph shall be treated as non-deliverable matter by common carriers.

["(c)(1) Each person making delivery sales into a State shall keep a record of all delivery sales so made, organized by State into which such delivery sales are so made.

["(2) Records of delivery sales shall be kept under paragraph (1) in the year in which made and for the next four years.

["(3) Records kept under paragraph (1) shall be made available to tobacco tax administrators of the States in order to ensure the compliance of persons making delivery sales with the requirements of this Act.

["(d) Each State shall have the authority to require any person making a delivery sale of cigarettes into such State—

["(1) to collect or pay the taxes referred to in subsection (a)(3); and

["(2) to provide evidence that the manufacturer of the cigarettes sold in such State is in compliance with all Federal, State, or local laws generally applicable to the sale or distribution of cigarettes.".

[(d) PENALTIES.—Section 3 of that Act (15 U.S.C. 377) is amended—

[(1) by inserting "(a)" before "Whoever";

[(2) in subsection (a), as so designated, by striking "shall be guilty of a misdemeanor and shall be fined not more than $1,000, or imprisoned not more than 6 months" and inserting "shall be fined not more than $100,000, imprisoned not more than 2 years"; and

[(3) by adding at the end the following new subsection:

["(b)(1) Whoever violates any provision of this Act shall be subject to a civil penalty in an amount not to exceed 2 percent of the gross sales of cigarettes of such person during the one-year period ending on the date of the violation.

["(2) A civil penalty under paragraph (1) for a violation of this Act is in addition to any criminal penalty under subsection (a) for the violation.".

[(e) INJUNCTIONS.—Section 4 of that Act (15 U.S.C. 378) is amended—

[(1) by inserting "(a)" before "The United States district courts"; and

[(2) by adding at the end the following new subsections:

["(b)(1) A State, through its attorney general, or any person who holds a permit under section 5712 of the Internal Revenue Code of 1986, may bring an action in the United States district courts to prevent and restrain violations of this Act by any person (or by any person controlling such person).

["(2) Nothing in this section shall be construed to prohibit an authorized State official from proceeding in State court on the basis of an alleged violation of State law.

["(c) The Attorney General, acting through the Director of the Bureau of Alcohol, Tobacco, Firearms, and Explosives, shall administer and enforce the provisions of this Act.".

[SEC. 3. TREATMENT OF CIGARETTES AS NONMAILABLE MATTER.

[Section 1716 of title 18, United States Code, is amended—

[(1) by redesignating subsection (j) as subsection (k); and

[(2) by inserting after subsection (i) the following new subsection (j):

["(j) The transmission in the mails of cigarettes (as that term is defined in section 2341(1) of this title) for purposes of sale is prohibited, and cigarettes for such purposes are nonmailable and shall not be deposited in or carried through the mails.".

[SEC. 4. PENAL PROVISIONS REGARDING TRAFFICKING IN CONTRABAND CIGARETTES.

[(a) THRESHOLD QUANTITY FOR TREATMENT AS CONTRABAND.—(1) Section 2341(2) of title 18, United States Code, is amended by striking "60,000 cigarettes" and inserting "10,000 cigarettes".

[(2) Section 2342(b) of that title is amended by striking "60,000" and inserting "10,000".

[(3) Section 2343 of that title is amended—

[(A) in subsection (a), by striking "60,000" and inserting "10,000"; and

[(B) in subsection (b), by striking "60,000" and inserting "10,000".

[(b) RECORDKEEPING, REPORTING, AND INSPECTION.—Section 2343 of that title, as amended by subsection (a)(3) of this section, is further amended—

(1) in subsection (a)—

[(A) in the matter preceding paragraph (1), by striking "only—" and inserting "such information as the Attorney General considers appropriate for purposes of enforcement of this chapter, including—"; and

[(B) in the flush matter following paragraph (3), by striking the second sentence;

[(2) by redesignating subsection (b) as subsection (c);

[(3) by inserting after subsection (a) the following new subsection (b):

["(b) Any person who engages in a delivery sale, and who ships, sells, distributes, or receives any quantity in excess of 10,000 cigarettes within a single month, shall submit to the Attorney General, pursuant to rules or regulations prescribed by the Attorney General, a report that sets forth the following:

["(1) The person's beginning and ending inventory of cigarettes (in total) for such month.

["(2) The total quantity of cigarettes that the person received within such month from each other person (itemized by name and address).

["(3) The total quantity of cigarettes that the person distributed within such month to each person (itemized by name and address) other than a retail purchaser."; and

[(4) by adding at the end the following new subsections:

["(d) Any report required to be submitted under this chapter to the Attorney General shall also be submitted to the Secretary of the Treasury.

["(e) In this section:

["(1) The term 'delivery sale' means any sale of cigarettes to a consumer if—

["(A) the consumer submits the order for such sale by means of a telephone or other method of voice transmission, the mails, or the Internet or other online service; or

["(B) the cigarettes are delivered by use of a common carrier.

["(2) The term 'common carrier' means any person (other than a local messenger service or the United States Postal Service (as defined in section 102 of title 39, United States Code)) that holds itself out to the general public as a provider for hire of the transportation by water, land, or air of merchandise, whether or not the person actually operates the vessel, vehicle, or aircraft by which the transportation is provided, between a port or place and a port or place in the United States.".

[(c) DISPOSAL OR USE OF FORFEITED CIGARETTES.—Section 2344(c) of that title is amended by striking "seizure and forfeiture," and all that follows and inserting "seizure and forfeiture, and any cigarettes so seized and forfeited shall be either—

["(1) destroyed and not resold; or

["(2) used for undercover investigative operations for the detection and prosecution of crimes, and then destroyed and not resold.".

[(d) ENFORCEMENT.—Section 2346 of that title is amended—

[(1) by inserting "(a)" before "The Attorney General"; and

[(2) by adding at the end the following new subsection:

["(b) A State, through its attorney general, or any person who holds a permit under section 5712 of the Internal Revenue Code of 1986, may bring an action in the United States district courts to prevent and restrain violations of this chapter by any person (or by any person controlling such person).".

[(e) CONFORMING AND CLERICAL AMENDMENTS.—(1) The section heading for section 2343 of that title is amended to read as follows:

["§ 2343. Recordkeeping, reporting, and inspection".

[(2) The table of sections at the beginning of chapter 114 of that title is amended by striking the item relating to section 2343 and inserting the following new item:

["2343. Recordkeeping, reporting, and inspection.".

[SEC. 5. COMPLIANCE WITH MODEL STATUTE OR QUALIFYING STATUTE.

[(a) IN GENERAL.—An interstate tobacco seller may not sell in, deliver to, or place for delivery to a State that is a party to the Master Settlement Agreement any cigarette manufactured by a Tobacco Product Manufacturer that is not in full compliance with the terms of the Model Statute or Qualifying Statute enacted by such State requiring funds to be placed into a qualified escrow account under specified conditions, or any regulations promulgated pursuant to such statute.

[(b) PENALTIES.—(1) Whoever shall knowingly and willfully violate subsection (a) shall be fined not more than $100,000, imprisoned not more than 2 years, or both.

[(2) Whoever shall violate subsection (a) shall be subject to a civil penalty in an amount not to exceed 2 percent of the gross sales of cigarettes of such person during the one-year period ending on the date of the violation.

[(3) A civil penalty under paragraph (2) for a violation of subsection (a) is in addition to any criminal penalty under paragraph (1) for the violation.

[(c) JURISDICTION TO PREVENT AND RESTRAIN VIOLATIONS.—(1) The United States district courts shall have jurisdiction to prevent and restrain violations of subsection (a).

[(2) A State, through its attorney general, or any person who holds a permit under section 5712 of the Internal Revenue Code of 1986, may bring an action in the United States district courts to prevent and restrain violations of subsection (a) by any person (or by any person controlling such person).

[(3) Nothing in this subsection shall be construed to prohibit an authorized State official from proceeding in State court on the basis of an alleged violation of State law.

[(4) The Attorney General, acting through the Director of the Bureau of Alcohol, Tobacco, Firearms, and Explosives, shall administer and enforce subsection (a).

[(d) DEFINITIONS.—In this section:

[(1) MASTER SETTLEMENT AGREEMENT.—The term "Master Settlement Agreement" means the agreement executed November 23, 1998, by the Attorneys General of 46 States, the District of Columbia, the Commonwealth of Puerto Rico, and four Territories of the United States, on the one hand, and certain tobacco manufacturers on the other hand.

[(2) TOBACCO PRODUCT MANUFACTURER.—The term "Tobacco Product Manufacturer" has the meaning given that term in section II(uu) of the Master Settlement Agreement.

[(3) MODEL STATUTE; QUALIFYING STATUTE.—The terms "Model Statute" and "Qualifying Statute" means a statute as defined in section IX(d)(2)(e) of the Master Settlement Agreement.

[SEC. 6. UNDERCOVER CRIMINAL INVESTIGATIONS OF THE BUREAU OF ALCOHOL, TOBACCO, FIREARMS, AND EXPLOSIVES.

[(a) In General.—(1) Commencing as of the date of the enactment of this Act and without fiscal year limitation, the authorities in section 102(b) of the Department of Justice and Related Agencies Appropriations Act, 1993 (title I of Public Law 102–395; 106 Stat. 1838) shall be available to the Bureau of Alcohol, Tobacco, Firearms, and Explosives for undercover investigative operations of the Bureau which are necessary for the detection and prosecution of crimes against the United States.

[(2) For purposes of the exercise of the authorities referred to in paragraph (1) by the Bureau, a reference in such section 102(b) to the Federal Bureau of Investigation shall be deemed to be a reference to the Bureau of Alcohol, Tobacco, Firearms, and Explosives, and a reference to the Director of the Federal Bureau of Investigation shall be deemed to be a reference to the Director of the Bureau of Alcohol, Tobacco, Firearms, and Explosives.

[(b) Limitations in Appropriations Acts.—The exercise of the authorities referred to in subsection (a)(1) by the Bureau of Alcohol, Tobacco, Firearms, and Explosives shall be subject to the provisions of appropriations Acts.

[SEC. 7. INSPECTION BY BUREAU OF ALCOHOL, TOBACCO, FIREARMS, AND EXPLOSIVES OF RECORDS OF CERTAIN CIGARETTE SELLERS.

[(a) In General.—Any officer of the Bureau of Alcohol, Tobacco, Firearms and Explosives may, during normal business hours, enter the premises of any person described in subsection (b) for the purposes of inspecting—

[(1) any records or information required to be maintained by such person under the provisions of law referred to in subsection (c); or

[(2) any cigarettes kept or stored by such person at such premises.

[(b) Covered Persons.—A person described in this subsection is any person who engages in a delivery sale, and who ships, sells, distributes, or receives any quantity in excess of 10,000 cigarettes within a single month.

[(c) Covered Provisions of Law.—The provisions of law referred to in this subsection are as follows:

[(1) The Act of October 19, 1949 (15 U.S.C. 375; commonly referred to as the "Jenkins Act").

[(2) Chapter 114 of title 18, United States Code.

[(3) This Act.

[(d) Delivery Sale Defined.—In this section, the term "delivery sale" has the meaning given that term in 2343(e)(1) of title 18, United States Code, as amended by section 4(b)(3) of this Act.

[SEC. 8. EFFECTIVE DATE.

[(a) In General.—Except as provided in subsection (b), this Act shall take effect 90 days after the date of the enactment of this Act.

[(b) ATFE Authority.—

[(1) In general.—Sections 6 and 7 shall take effect on the date of the enactment of this Act.

[(2) Definition.—For purposes of section 7, the definition of delivery sale in section 2343(e)(1) of title 18, United States Code, as amended by section 4(b)(3) of this Act, shall take effect on the date of the enactment of this Act.]

SECTION 1. SHORT TITLE.

This Act may be cited as the "Prevent All Cigarette Trafficking Act" or "PACT Act".

SEC. 2. COLLECTION OF STATE CIGARETTE AND SMOKELESS TOBACCO TAXES.

(a) Definitions.—Section 1 of the Act of October 19, 1949 (15 U.S.C. 375; commonly referred to as the "Jenkins Act"), is amended—

(1) by striking paragraphs (1), (2), and (3) and inserting the following new paragraphs:

"(1) The term 'attorney general', with respect to a State, means the attorney general or other chief law enforcement officer of the State, or the designee of that officer.

"(2) The term 'cigarette' means—

"(A) any roll of tobacco wrapped in paper or in any substance not containing tobacco which is to be heated or burned;

"(B) any roll of tobacco wrapped in any substance containing tobacco that, because of its appearance, the type of tobacco used in the filler, or its packaging or labeling, is likely to be offered to, or purchased by, consumers as a cigarette described in subparagraph (A);

"(C) any roll of tobacco wrapped in any substance that because of its appearance, the type of tobacco used in the filler, or its packaging or labeling, is likely to be offered to, or purchased by, consumers as a cigarette; or

"(D) loose rolling tobacco that, because of its appearance, type, packaging, or labeling, is likely to be offered to, or purchased by, consumers as tobacco for making cigarettes.

"(3) The term 'smokeless tobacco' means any finely cut, ground, powdered, or leaf tobacco that is intended to be placed in the oral or nasal cavity or otherwise consumed without being combusted.";

(2) by striking paragraph (6) and inserting the following new paragraph (6):

"(6) The term 'delivery sale' means any sale of cigarettes or smokeless tobacco in interstate commerce to a consumer if—

"(A) the consumer submits the order for such sale by means of a telephone or other method of voice transmission, the mails, or the Internet or other online service, or the seller is otherwise not in the physical presence of the buyer when the request for purchase or order is made; or

"(B) the cigarettes or smokeless tobacco are delivered by use of a common carrier, private delivery service, or the mails, or the seller is not in the physical presence of the buyer when the buyer obtains personal possession of the delivered cigarettes or smokeless tobacco."; and

(3) by adding at the end the following new paragraphs:

"(8) The term 'delivery seller' means a person who makes a delivery sale.

"(9) The term 'common carrier' means any person (other than a local messenger service or the United States Postal Service (as defined in section 102 of title 39, United States Code)) that holds itself out to the general public as a provider for hire of the transportation by water, land, or air of merchandise, whether or not the person actually operates the vessel, vehicle, or aircraft by which the transportation is provided, between a port or place and a port or place in the United States.

"(10) The term 'interstate commerce' means commerce between a State and any place outside the State, commerce between a State and any Indian lands in the State, or commerce between points in the same State but though any place outside the State or through any Indian lands.

"(11) The term 'person' means an individual, corporation, company, association, firm, partnership, society, State government, local government, Indian tribal government, governmental organization of such government, or joint stock company.

"(12) The term 'State' means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or possession of the United States.".

(b) Reports to State Tobacco Tax Administrators.—Section 2 of that Act (15 U.S.C. 376) is amended—

(1) by striking "cigarettes" each place it appears and inserting "cigarettes or smokeless tobacco";

(2) in subsection (a)—

(A) in the matter preceding paragraph (1)—

(i) by striking "or transfers" and inserting ", transfers, or ships"; and

(ii) by striking "to other than a distributor licensed by or located in such State,";

(B) in paragraph (1), by inserting before the semicolon the following: ", as well as telephone numbers for each place of business, a principal electronic mail address, any website addresses, and the name, address, and telephone number of an agent in the State authorized to accept service on behalf of such person"; and

(C) in paragraph (2), by striking "and the quantity thereof" and inserting "the quantity thereof, and the name, address, and phone number of the person delivering the shipment to the recipient on behalf of the delivery seller"; and

(3) in subsection (b)—

(A) by striking "(1)"; and

(B) by striking ", and (2)" and all that follows and inserting a period.

(c) Requirements for Delivery Sales.—That Act is further amended by inserting after section 2 the following new section:

"Sec. 2A. (a) Each delivery seller shall comply with—

"(1) the shipping requirements set forth in subsection (b);

"(2) the recordkeeping requirements set forth in subsection (c);

"(3) all State and other laws generally applicable to sales of cigarettes or smokeless tobacco that occur entirely within the State, including laws imposing—

"(A) excise taxes;

"(B) sales taxes;

"(C) licensing and tax-stamping requirements; and

"(D) other payment obligations or legal requirements relating to the sale, distribution, or delivery of cigarettes or smokeless tobacco; and

"(4) the tax collection requirements set forth in subsection (d).

"(b)(1) Each delivery seller shall include on the bill of lading included with the shipping package containing cigarettes or smokeless tobacco sold pursuant to such order a clear and conspicuous statement providing as follows: 'CIGARETTES/SMOKELESS TOBACCO: FEDERAL LAW REQUIRES THE PAYMENT OF ALL APPLICABLE EXCISE AND SALES TAXES, AND COMPLIANCE WITH APPLICABLE LICENSING AND TAX-STAMPING OBLIGATIONS'.

"(2) Any shipping package described in paragraph (1) that is not labeled in accordance with that paragraph shall be treated as non-deliverable matter by a common carrier or the United States Postal Service if the common carrier or the United States Postal Service, as the case may be, knows or should know the contents of the package.

"(c)(1) Each delivery seller shall keep a record of all delivery sales so made, including all of the information described in section 2(a)(2), organized by State into which such delivery sales are so made.

"(2) Records of delivery sales shall be kept under paragraph (1) in the year in which made and for the next four years.

"(3) Records kept under paragraph (1) shall be made available to tobacco tax administrators of the States, attorneys general of the States, and the Attorney General of the United States in order to ensure the compliance of persons

making delivery sales with the requirements of this Act.

"(d) Unless the law of the State and place in which cigarettes or smokeless tobacco are delivered pursuant to a delivery sale in interstate commerce requires otherwise for the payment to the government of an excise tax imposed on the delivery sale, or provides, for delivery sales of smokeless tobacco, for the delivery seller to collect the excise tax from the consumer and remit the excise tax to the government, the cigarettes or smokeless tobacco may not be delivered to the buyer unless in advance of the delivery—

"(1) the excise tax has been paid to the government; and

"(2) any required stamps or other indicia that the excise tax has been paid are properly affixed or applied to the cigarettes or smokeless tobacco.

"(e)(1) Each State may compile a list of delivery sellers who are in compliance with this Act with respect to such State. If a State posts a list pursuant to this subsection that specifically refers to this subsection, no common carrier or other person may knowingly deliver cigarettes or smokeless tobacco to consumers in such State unless the delivery seller is on the list at the time of delivery.

"(2)(A) Each State may compile a list of delivery sellers who are not in compliance with this Act with respect to such State.

"(B) A State may provide such a list to a common carrier, the United States Postal Service, or other person. Such a list shall be confidential, and a common carrier, the United States Postal Service, or other person that receives such a list shall maintain the confidentiality of such list.

"(C) If a State provides such a list pursuant to this subsection that specifically refers to this subsection, no common carrier, the United States Postal Service, or other person may knowingly deliver any item to a consumer in such State for a delivery seller on such list unless the common carrier, the United States Postal Service, or person in good faith determines that the item does not include cigarettes or smokeless tobacco.

"(f) For purposes of this Act, a delivery sale shall be deemed to have occurred in the State and place where the buyer obtains personal possession of the cigarettes or smokeless tobacco, and a delivery pursuant to a delivery sale is deemed to have been initiated or ordered by the delivery seller.".

(d) Penalties.—Section 3 of that Act (15 U.S.C. 377) is amended—

(1) by inserting "(a)" before "Whoever";

(2) in subsection (a), as so designated, by striking "shall be guilty of a misdemeanor and shall be fined not more than $1,000, or imprisoned not more than 6 months" and inserting "shall be guilty of a felony, fined under subchapter C of chapter 227 of title 18, imprisoned not more than three years, or both"; and

(3) by adding at the end the following new subsection:

"(b)(1) Whoever violates any provision of this Act shall be subject to a civil penalty in an amount not to exceed the greater of—

"(A) $5,000 in the case of the first violation, or $10,000 for any other violation; or

"(B) for any violation, 2 percent of the gross sales of cigarettes or smokeless tobacco of such person during the one-year period ending on the date of the violation.

"(2) A civil penalty under paragraph (1) for a violation of this Act is in addition to any criminal penalty under subsection (a) for the violation.".

(e) Enforcement.—Section 4 of that Act (15 U.S.C. 378) is amended—

(1) by inserting "(a)" before "The United States district courts";

(2) in subsection (a), as so designated, by inserting before the period the following: ", and to provide other appropriate injunctive or equitable relief, including money damages, for such violations"; and

(3) by adding at the end the following new subsections:

"(b)(1) A State, through its attorney general, or any person who holds a permit under section 5712 of the Internal Revenue Code of 1986, may bring an action in the United States district courts to prevent and restrain violations of this Act by any person (or by any person controlling such person).

"(2) A State, through its attorney general, may in a civil action under this Act obtain any other appropriate relief for violations of this Act by any person (or from any person controlling such person), including civil penalties, money damages, and injunctive or other equitable relief.

"(3) The remedies available under paragraphs (1) and (2) are in addition to any other remedies available under Federal, State, or other law.

"(4) Nothing in this Act shall be construed to prohibit an authorized State official from proceeding in State court, or taking other enforcement actions, on the basis of an alleged violation of State or other law.

"(c) The Attorney General shall administer and enforce the provisions of this Act.

"(d)(1) Any person who holds a permit under section 5712 of the Internal Revenue Code of 1986 who commences a civil action under paragraph (1) shall inform the Attorney General of the United States of the action.

"(2) It is the sense of Congress that any attorney general of a State who commences a civil action under paragraph (1) or (2) should inform the Attorney General of the United States of the action.

"(e) The Attorney General of the United States shall make available to the public information about all actions under subsection (a), and the resolution of such actions, including by posting such information on the Internet and by other means.".

SEC. 3. TREATMENT OF CIGARETTES AND SMOKELESS TOBACCO AS NONMAILABLE MATTER.

Section 1716 of title 18, United States Code, is amended—

(1) by redesignating subsections (j) and (k) as subsections (k) and (l), respectively; and

(2) by inserting after subsection (i) the following new subsection (j):

"(j) The transmission in the mails of any tobacco product, including cigarettes (as that term is defined in section 1(2) of the Act of October 19, 1949 (15 U.S.C. 375; commonly referred to as the 'Jenkins Act')) and smokeless tobacco (as that term is defined in section 1(3) of that Act), is prohibited, and tobacco products are nonmailable and shall not be deposited in or carried through the mails.".

SEC. 4. PENAL PROVISIONS REGARDING TRAFFICKING IN CONTRABAND CIGARETTES OR SMOKELESS TOBACCO.

(a) Threshold Quantity for Treatment as Contraband Cigarettes.—(1) Section 2341(2) of title 18, United States Code, is amended by striking "60,000 cigarettes" and inserting "10,000 cigarettes".

(2) Section 2342(b) of that title is amended by striking "60,000" and inserting "10,000".

(3) Section 2343 of that title is amended—

(A) in subsection (a), by striking "60,000" and inserting "10,000"; and

(B) in subsection (b), by striking "60,000" and inserting "10,000".

(b) Contraband Smokeless Tobacco.—(1) Section 2341 of that title is amended—

(A) in paragraph (4), by striking "and" at the end;

(B) in paragraph (5), by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following new paragraphs:

"(6) the term 'smokeless tobacco' means any finely cut, ground, powdered, or leaf tobacco that is intended to be placed in the oral or nasal cavity or otherwise consumed without being combusted; and

"(7) the term 'contraband smokeless tobacco' means a quantity in excess of 500 single-unit consumer-sized cans or packages of smokeless tobacco, or their equivalent, that are in the possession of any person other than—

"(A) a person holding a permit issued pursuant to chapter 52 of the Internal Revenue Code of 1986 as manufacturer of tobacco products or as an export warehouse proprietor, a person operating a customs bonded warehouse pursuant to section 311 or 555 of the Tariff Act of 1930 (19 U.S.C. 1311, 1555), or an agent of such person;

"(B) a common carrier transporting such smokeless tobacco under a proper bill of lading or freight bill which states the quantity, source, and designation of such smokeless tobacco;

"(C) a person who—

"(i) is licensed or otherwise authorized by the State where such smokeless tobacco is found to engage in the business of selling or distributing tobacco products; and

"(ii) has complied with the accounting, tax, and payment requirements relating to such license or authorization with respect to such smokeless tobacco; or

"(D) an officer, employee, or agent of the United States or a State, or any department, agency, or instrumentality of the United States or a State (including any political subdivision of a State), having possession of such smokeless tobacco in connection with the performance of official duties.".

(2) Section 2342(a) of that title is amended by inserting "or contraband smokeless tobacco" after "contraband cigarettes".

(3) Section 2343(a) of that title is amended by inserting ", or any quantity of smokeless tobacco in excess of 500 single-unit consumer-sized cans or packages," before "in a single transaction".

(4) Section 2344(c) of that title is amended by inserting "or contraband smokeless tobacco" after "contraband cigarettes".

(5) Section 2345 of that title is amended by inserting "or smokeless tobacco" after "cigarettes" each place it appears.

(c) Recordkeeping, Reporting, and Inspection.—Section 2343 of that title, as amended by this section, is further amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1), by striking "only—" and inserting "such information as the Attorney General considers appropriate for purposes of enforcement of this chapter, including—"; and

(B) in the flush matter following paragraph (3), by striking the second sentence;

(2) by redesignating subsection (b) as subsection (c);

(3) by inserting after subsection (a) the following new subsection (b):

"(b) Any person who engages in a delivery sale, and who ships, sells, or distributes any quantity in excess of 10,000 cigarettes, or any quantity in excess of 500 single-unit consumer-sized cans or packages of smokeless tobacco, or their equivalent, within a single month, shall submit to the Attorney General, pursuant to rules or regulations prescribed by the Attorney General, a report that sets forth the following:

"(1) The person's beginning and ending inventory of cigarettes and cans or packages of smokeless tobacco (in total) for such month.

"(2) The total quantity of cigarettes and cans or packages of smokeless tobacco that the

person received within such month from each other person (itemized by name and address).

“(3) The total quantity of cigarettes and cans or packages of smokeless tobacco that the person distributed within such month to each person (itemized by name and address) other than a retail purchaser.”; and

(4) by adding at the end the following new subsections:

“(d) Any report required to be submitted under this chapter to the Attorney General shall also be submitted to the Secretary of the Treasury and to the attorneys general and the tax administrators of the States from where the shipments, deliveries, or distributions both originated and concluded.

“(e) In this section, the term ‘delivery sale’ means any sale of cigarettes or smokeless tobacco in interstate commerce to a consumer if—

“(A) the consumer submits the order for such sale by means of a telephone or other method of voice transmission, the mails, or the Internet or other online service, or by any other means where the consumer is not in the same physical location as the seller when the purchase or offer of sale is made; or

“(B) the cigarettes or smokeless tobacco are delivered by use of the mails, common carrier, private delivery service, or any other means where the consumer is not in the same physical location as the seller when the consumer obtains physical possession of the cigarettes or smokeless tobacco.

“(f) In this section, the term ‘interstate commerce’ means commerce between a State and any place outside the State, commerce between a State and any Indian lands in the State, or commerce between points in the same State but through any place outside the State or though any Indian lands.”.

(d) DISPOSAL OR USE OF FORFEITED CIGARETTES AND SMOKELESS TOBACCO.—Section 2344(c) of that title, as amended by this section, is further amended by striking “seizure and forfeiture,” and all that follows and inserting “seizure and forfeiture, and any cigarettes or smokeless tobacco so seized and forfeited shall be either—

“(1) destroyed and not resold; or

“(2) used for undercover investigative operations for the detection and prosecution of crimes, and then destroyed and not resold.”.

(e) ENFORCEMENT.—Section 2346 of that title is amended—

(1) by inserting “(a)” before “The Attorney General”; and

(2) by adding at the end the following new subsection:

“(b)(1) A State, through its attorney general, or any person who holds a permit under section 5712 of the Internal Revenue Code of 1986, may bring an action in the United States district courts to prevent and restrain violations of this chapter by any person (or by any person controlling such person).

“(2) A State, through its attorney general, may in a civil action under paragraph (1) also obtain any other appropriate relief for violations of this chapter from any person (or by any person controlling such person), including civil penalties, money damages, and injunctive or other equitable relief.

“(3) The remedies under paragraphs (1) and (2) are an addition to any other remedies under Federal, State, or other law.

“(4) Nothing in this subsection shall be construed to prohibit an authorized State official from proceeding in State court, or taking other enforcement actions, on the basis of an alleged violation of State or other law.”.

(f) CONFORMING AND CLERICAL AMENDMENTS.—(1) The section heading for section 2343 of that title is amended to read as follows:

“§2343. Recordkeeping, reporting, and inspection”.

(2) The table of sections at the beginning of chapter 114 of that title is amended by striking the item relating to section 2343 and inserting the following new item:

“2343. Recordkeeping, reporting, and inspection.”.

(3)(A) The heading for chapter 114 of that title is amended to read as follows:

“CHAPTER 114—TRAFFICKING IN CONTRABAND CIGARETTES AND SMOKELESS TOBACCO”.

(B) The table of chapters at the beginning of part I of that title is amended by striking the item relating to section 114 and inserting the following new item:

“114. Trafficking in contraband cigarettes and smokeless tobacco .... 2341”.

SEC. 5. COMPLIANCE WITH MODEL STATUTE OR QUALIFYING STATUTE.

(a) IN GENERAL.—An interstate tobacco seller may not sell in, deliver to, or place for delivery sale in a State that is a party to the Master Settlement Agreement any cigarette manufactured by a Tobacco Product Manufacturer that is not in full compliance with the terms of the Model Statute or Qualifying Statute enacted by such State requiring funds to be placed into a qualified escrow account under specified conditions, or any regulations promulgated pursuant to such terms.

(b) PENALTIES.—(1) Whoever shall knowingly and willfully violate subsection (a) shall be fined not more than $100,000, imprisoned not more than 2 years, or both.

(2) Whoever shall violate subsection (a) shall be subject to a civil penalty in an amount not to exceed 2 percent of the gross sales of cigarettes of such person during the one-year period ending on the date of the violation.

(3) A civil penalty under paragraph (2) for a violation of subsection (a) is in addition to any criminal penalty under paragraph (1) for the violation and in addition to any other damages or relief available under law.

(c) JURISDICTION TO PREVENT AND RESTRAIN VIOLATIONS.—(1) The United States district courts shall have jurisdiction to prevent and restrain violations of subsection (a).

(2) A State, through its attorney general, or any person who holds a permit under section 5712 of the Internal Revenue Code of 1986, may bring an action in the United States district courts to prevent and restrain violations of subsection (a) by any person (or by any person controlling such person).

(3) A State, through its attorney general, may in a civil action against any person violating subsection (a) obtain any appropriate relief for violations of this section from any person (or by any person controlling such person), including civil penalties, money damages, and injunctive or other equitable relief.

(4) The remedies available under paragraphs (2) and (3) are in addition to any other remedies available under Federal, State, or other law.

(5) Nothing in this subsection shall be construed to prohibit an authorized State official from proceeding in State court or taking other enforcement actions on the basis of an alleged violation of State or other law.

(6) The Attorney General shall administer and enforce subsection (a).

(d) DEFINITIONS.—In this section:

(1) MASTER SETTLEMENT AGREEMENT.— The term “Master Settlement Agreement” means the agreement executed November 23, 1998, by the Attorneys General of 46 States, the District of Columbia, the Commonwealth of Puerto Rico, and four Territories of the United States, on the one hand, and certain tobacco manufacturers on the other hand.

(2) TOBACCO PRODUCT MANUFACTURER.—The term “Tobacco Product Manufacturer” has the meaning given that term in section II(uu) of the Master Settlement Agreement.

(3) MODEL STATUTE; QUALIFYING STATUTE.—The terms “Model Statute” and “Qualifying Statute” means a statute as defined in section IX(d)(2)(e) of the Master Settlement Agreement.

(4) DELIVERY SALE.—The term “delivery sale” means any sale of cigarettes or smokeless tobacco in interstate commerce to a consumer if—

(A) the consumer submits the order for such sale by means of a telephone or other method of voice transmission, the mails, or the Internet or other online service, or the seller is otherwise not in the physical presence of the buyer when the request for purchase or order is made; or

(B) the cigarettes or smokeless tobacco are delivered by use of a common carrier, private delivery service, or the mails, or the seller is not in the physical presence of the buyer when the buyer obtains personal possession of the delivered cigarettes or smokeless tobacco.

(5) INTERSTATE COMMERCE.—The term “interstate commerce” means commerce between a State and any place outside the State, commerce between a State and any Indian lands in the State, or commerce between points in the same State but through any place outside the State or through any Indian lands.

SEC. 6. UNDERCOVER CRIMINAL INVESTIGATIONS OF THE BUREAU OF ALCOHOL, TOBACCO, FIREARMS, AND EXPLOSIVES.

(a) IN GENERAL.—(1) Commencing as of the date of the enactment of this Act and without fiscal year limitation, the authorities in section 102(b) of the Department of Justice and Related Agencies Appropriations Act, 1993 (title I of Public Law 102–395; 106 Stat. 1838) shall be available to the Bureau of Alcohol, Tobacco, Firearms, and Explosives for undercover investigative operations of the Bureau which are necessary for the detection and prosecution of crimes against the United States.

(2) For purposes of the exercise of the authorities referred to in paragraph (1) by the Bureau, a reference in such section 102(b) to the Federal Bureau of Investigation shall be deemed to be a reference to the Bureau of Alcohol, Tobacco, Firearms, and Explosives, and a reference to the Director of the Federal Bureau of Investigation shall be deemed to be a reference to the Director of the Bureau of Alcohol, Tobacco, Firearms, and Explosives.

(b) LIMITATIONS IN APPROPRIATIONS ACTS.—The exercise of the authorities referred to in subsection (a)(1) by the Bureau of Alcohol, Tobacco, Firearms, and Explosives shall be subject to the provisions of appropriations Acts.

SEC. 7. INSPECTION BY BUREAU OF ALCOHOL, TOBACCO, FIREARMS, AND EXPLOSIVES OF RECORDS OF CERTAIN CIGARETTE AND SMOKELESS TOBACCO SELLERS.

(a) IN GENERAL.—Any officer of the Bureau of Alcohol, Tobacco, Firearms, and Explosives may, during normal business hours, enter the premises of any person described in subsection (b) for the purposes of inspecting—

(1) any records or information required to be maintained by such person under the provisions of law referred to in subsection (d); or

(2) any cigarettes or smokeless tobacco kept or stored by such person at such premises.

(b) COVERED PERSONS.—A person described in this subsection is any person who engages in a delivery sale, and who ships, sells, distributes, or receives any quantity in excess of 10,000 cigarettes, or any quantity in excess of 500 single-unit consumer-sized cans or packages of smokeless tobacco, within a single month.

(c) RELIEF.—(1) The district courts of the United States shall have the authority in a civil action under this subsection to compel inspections authorized by subsection (a).

(2) Whoever violates subsection (a) or an order issued pursuant to paragraph (1) shall be subject to a civil penalty in an amount not to exceed $10,000 for each violation.

(d) COVERED PROVISIONS OF LAW.—The provisions of law referred to in this subsection are as follows:

(1) The Act of October 19, 1949 (15 U.S.C. 375; commonly referred to as the "Jenkins Act").

(2) Chapter 114 of title 18, United States Code.

(3) This Act.

(e) DELIVERY SALE DEFINED.—In this section, the term "delivery sale" has the meaning given that term in 2343(e)(1) of title 18, United States Code, as amended by section 4(b)(3) of this Act.

SEC. 8. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), this Act shall take effect 90 days after the date of the enactment of this Act.

(b) BATFE AUTHORITY.—

(1) IN GENERAL.—Sections 6 and 7 shall take effect on the date of the enactment of this Act.

(2) DEFINITION.—For purposes of section 7, the definition of delivery sale in section 2343(e)(1) of title 18, United States Code, as amended by section 4(b)(3) of this Act, shall take effect on the date of the enactment of this Act.

Amend the title so as to read: "A bill to prevent tobacco smuggling, to ensure the collection of all tobacco taxes, and for other purposes.".

Mr. LEAHY. Mr. President, I am pleased that today the Senate is taking up and passing the Prevent All Cigarette Trafficking, PACT, Act, S. 1177. I commend Chairman HATCH and Senator KOHL for introducing this legislation and thank them for working with me, among others, to craft the compromise language that we will consider today to crack down on the growing problem of cigarette smuggling, both interstate and international, as well as to address the connection between cigarette smuggling activities and terrorist funding. I am proud to join Senator HATCH, Senator KOHL and others as a cosponsor of the underlying bill.

I also thank the National Association of Attorneys General and the Campaign for Tobacco-Free Kids, for working with us and contributing to the substitute language. I want to say a special thanks to Vermont Attorney General Bill Sorrell, who also serves as the current Chair of the NAAG Tobacco Committee, for his valuable input on the problems with cigarette smuggling that States are facing and his support for this compromise measure. I also want to thank the Vermont Grocers Association, the Vermont Retail Association, the Vermont Association of Chiefs of Police, and the National Conference of State Legislatures for their support for this measure.

The movement of cigarettes from low-tax areas to high-tax areas in order to avoid the payment of taxes when the cigarettes are resold has become a public health problem in recent years. As State after State chooses to raise its tobacco excise taxes as a means of reducing tobacco use and as a source of revenue, many smokers have sought cheaper means by which to purchase cigarettes. Smokers can often purchase cigarettes and tobacco from remote sellers, Internet or mail order at substantial discounts due to avoidance of State taxes. These sellers, however, are evading their tax obligations because they neither collect nor pay the proper State and local excise taxes for cigarette and other tobacco product sales.

We have the ability to dramatically reduce smuggling without imposing undue burdens on manufacturers or law abiding citizens. By reducing smuggling, we will also increase government revenues by minimizing tax avoidance. My friend General Sorrell has told me that this has become a rapidly growing problem in Vermont as more and more tobacco product manufacturers fail to collect and pay cigarette taxes. Criminals are getting away with smuggling and not paying tobacco taxes because of weak punishments, products that are often poorly labeled, the lack of tax stamps and the inability of the current distribution system to track sales from State to State. These lapses point to a need for uniform rules governing group sales to individuals.

The PACT Act will give States the authority to collect millions of dollars in lost State tax revenue resulting from online and other remote sales of cigarette and smokeless tobacco. It also ensures that every tobacco retailer, whether a brick-and-mortar or remote retailer of tobacco products, play by the same rules by equalizing the tax burdens.

Moreover, the PACT Act gives States the authority necessary to enforce the Jenkins Act, a law passed in 1949, which requires cigarette vendors to report interstate sales of cigarettes. This legislation enhances States' abilities to collect all excise taxes and verify the deposit of all required escrow payments for cigarette and smokeless tobacco sales in interstate commerce, including internet sales. In addition, it provides Federal and State law enforcement with additional resources to enforce State tobacco excise tax laws.

Finally, at the request of the National Association of attorneys general and many State attorneys general, we have added a new section to provide the States with authority to enforce the Imported Cigarette Compliance Act to crack down on international tobacco smuggling. This additional authority should further reduce tax evasion and eliminate a lucrative funding source for terrorist organizations.

We must not turn a blind eye to the problem of illegal tobacco smuggling. Those who smuggle cigarettes are criminals. I look forward to the Senate approving the bipartisan PACT Act today to close the loopholes that allow cigarette smuggling to continue. I urge the leaders of the House to follow our lead and pass this legislation.

Mr. KOHL. Mr. President, the proceeds of cigarette smuggling from low tax States has developed into a popular means of generating revenue for organized crime and even terrorist organizations. A recent investigation by the Bureau of Alcohol, Tobacco, Firearms, and Explosives, BATFE, disrupted a smuggling scheme between North Carolina and Michigan, where the revenue generated was being funneled to Hezbollah, a terrorist organization. It is evident that the consequences of permitting this behavior to continue unchecked cannot be underestimated.

To make matters worse, this problem is on the rise. According to the BATFE, 10 cigarette smuggling cases were initiated in 1998. That has grown to approximately 160 in 2002.

Moreover, the sale of tobacco products over the Internet facilitates the avoidance of State cigarette taxes, denying States the ability to collect tax dollars they are owed—money the States need now more than ever.

The PACT Act take a commonsense approach to addressing these problems. It increases penalties, provides more tools for enforcement, and closes loopholes in current law. These moderate, but important, changes will further enable Federal, State, local, and tribal officials to crack down on tobacco smugglers and ensure that Internet tobacco sellers pay applicable taxes.

Despite being passed unanimously by the Judiciary Committee, some raised concerns over the legislation, particularly with respect to its effect on Indian Tribal sovereignty. After intensive negotiations with numerous interested parties, including the Campaign for Tobacco Free Kids, the National Association of Attorneys General, the Department of Justice and various tribal groups, we have been able to craft language that will achieve the goals we set out to attain—to put an end to both cigarette trafficking and tobacco tax avoidance—while leaving the important principles of Indian Tribal sovereignty unaffected.

Tobacco companies and antitobacco groups, State law enforcement and Federal law enforcement, and Republicans and Democrats all agree that this is an issue begging to be addressed. Today, we begin to provide the relevant law enforcement authorities with the tools they need to put an end to these dangerous practices.

Mr. FRIST. Mr. President, I ask unanimous consent that the Hatch amendment, which is at the desk, be agreed to; that the committee substitute amendment, as amended, be agreed to; that the bill, as amended, be read the third time and passed; that the title amendment be agreed to; that the motions to reconsider be laid upon the table, en bloc; and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 2231) was agreed to.

(The amendment is printed in today's RECORD under “Text of Amendments.”)

The committee amendment in the nature of a substitute, as amended, was agreed to.

The title amendment was agreed to.

The bill (S. 1177), as amended, was read the third time and passed, as follows:

S. 1177

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Prevent All Cigarette Trafficking Act” or “PACT Act”.

SEC. 2. COLLECTION OF STATE CIGARETTE AND SMOKELESS TOBACCO TAXES.

(a) DEFINITIONS.—Section 1 of the Act of October 19, 1949 (15 U.S.C. 375; commonly referred to as the “Jenkins Act”), is amended—

(1) by striking paragraphs (1), (2), and (3) and inserting the following new paragraphs:

“(1) The term ‘attorney general’, with respect to a State, means the attorney general or other chief law enforcement officer of the State, or the designee of that officer.

“(2) The term ‘cigarette’ means—

“(A) any roll of tobacco wrapped in paper or in any substance not containing tobacco which is to be heated or burned;

“(B) any roll of tobacco wrapped in any substance containing tobacco that, because of its appearance, the type of tobacco used in the filler, or its packaging or labeling, is likely to be offered to, or purchased by, consumers as a cigarette described in subparagraph (A);

“(C) any roll of tobacco wrapped in any substance that because of its appearance, the type of tobacco used in the filler, or its packaging or labeling, is likely to be offered to, or purchased by, consumers as a cigarette; or

“(D) loose rolling tobacco that, because of its appearance, type, packaging, or labeling, is likely to be offered to, or purchased by, consumers as tobacco for making cigarettes.

“(3) The term ‘smokeless tobacco’ means any finely cut, ground, powdered, or leaf tobacco that is intended to be placed in the oral or nasal cavity or otherwise consumed without being combusted.”;

(2) in paragraph (5)—

(A) by inserting “, local, or Tribal” after “the State”;

(B) by striking “administer the cigarette tax law” and inserting “collect the tobacco tax or administer the tax law”; and

(C) by inserting “, locality, or Tribe, respectively” after “a State”.

(3) by striking paragraph (6) and inserting the following new paragraph (6):

“(6) The term ‘delivery sale’ means any sale of cigarettes or smokeless tobacco in interstate commerce to a consumer if—

“(A) the consumer submits the order for such sale by means of a telephone or other method of voice transmission, the mails, or the Internet or other online service, or the seller is otherwise not in the physical presence of the buyer when the request for purchase or order is made; or

“(B) the cigarettes or smokeless tobacco are delivered by use of a common carrier, private delivery service, or the mails, or the seller is not in the physical presence of the buyer when the buyer obtains personal possession of the delivered cigarettes or smokeless tobacco.”; and

(4) by adding at the end the following new paragraphs:

“(8) The term ‘delivery seller’ means a person who makes a delivery sale.

“(9) The term ‘common carrier’ means any person (other than a local messenger service or the United States Postal Service (as defined in section 102 of title 39, United States Code)) that holds itself out to the general public as a provider for hire of the transportation by water, land, or air of merchandise, whether or not the person actually operates the vessel, vehicle, or aircraft by which the transportation is provided, between a port or place and a port or place in the United States.

“(10) The term ‘interstate commerce’ means commerce between a State and any place outside the State, commerce between a State and any Indian lands in the State, or commerce between points in the same State but though any place outside the State or through any Indian lands.

“(11) The term ‘person’ means an individual, corporation, company, association, firm, partnership, society, State government, local government, Indian tribal government, governmental organization of such government, or joint stock company.

“(12) The term ‘State’ means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or possession of the United States.

“(13) The term ‘Indian Country’ has the meaning given that term in section 1151 of title 18, United States Code, except that within the State of Alaska that term applies only to the Metlakatla Indian Community, Annette Island Reserve.

“(14) The term ‘Indian Tribe’, ‘Tribe’, or ‘Tribal’ refers to an Indian tribe as defined in the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e)) or as listed pursuant to section 104 of the Federally Recognized Indian Tribe List Act of 1994 (Public Law 103–454; 25 U.S.C. 479a–1).

“(15) The term ‘tobacco tax administrator’, in the case of a State, local, or Tribal government, means the official of the government duly authorized to collect the tobacco tax or administer the tax law of the government.”.

(b) REPORTS TO STATE TOBACCO TAX ADMINISTRATORS.—Section 2 of that Act (15 U.S.C. 376) is amended—

(1) by striking “cigarettes” each place it appears and inserting “cigarettes or smokeless tobacco”;

(2) in subsection (a)—

(A) in the matter preceding paragraph (1)—

(i) bv striking “or transfers” and inserting “, transfers, or ships”;

(ii) by inserting “, locality, or Indian Country of an Indian Tribe” after “a State”; and

(iii) by striking “to other than a distributor licensed by or located in such State,”;

(B) in paragraph (1)—

(i) by striking “administrator of the State” and inserting “administrators of the State and place”; and

(ii) by striking “; and” and inserting the following: “, as well as telephone numbers for each place of business, a principal electronic mail address, any website addresses, and the name, address, and telephone number of an agent in the State authorized to accept service on behalf of such person;”;

(C) in paragraph (2), by striking “and the quantity thereof.” and inserting “the quantity thereof, and the name, address, and phone number of the person delivering the shipment to the recipient on behalf of the delivery seller, with all invoice or memoranda information relating to specific customers to be organized by city or town and by zip code; and”; and

(D) by adding at the end the following new paragraph:

“(3) with respect to each memorandum or invoice filed with a State under paragraph (2), also file copies of such memorandum or invoice with the tobacco tax administrators and chief law enforcement officers of the local governments and Indian Tribes operating within the borders of the State that apply their own local or Tribal taxes on cigarettes or smokeless tobacco.”; and

(3) in subsection (b)—

(A) by striking “(1)”; and

(B) by striking “, and (2)” and all that follows and inserting a period.

(c) REQUIREMENTS FOR DELIVERY SALES.—That Act is further amended by inserting after section 2 the following new section:

“SEC. 2A. (a) With respect to delivery sales into a specific State and place, each delivery seller shall comply with—

“(1) the shipping requirements set forth in subsection (b);

“(2) the recordkeeping requirements set forth in subsection (c);

“(3) all State, local, Tribal, and other laws generally applicable to sales of cigarettes or smokeless tobacco as if such delivery sales occurred entirely within the specific State and place, including laws imposing—

“(A) excise taxes;

“(B) licensing and tax-stamping requirements; and

“(C) other payment obligations or legal requirements relating to the sale, distribution, or delivery of cigarettes or smokeless tobacco; and

“(4) the tax collection requirements set forth in subsection (d).

“(b)(1) Each delivery seller shall include on the bill of lading included with the shipping package containing cigarettes or smokeless tobacco sold pursuant to such order a clear and conspicuous statement providing as follows: ‘CIGARETTES/SMOKELESS TOBACCO: FEDERAL LAW REQUIRES THE PAYMENT OF ALL APPLICABLE EXCISE TAXES, AND COMPLIANCE WITH APPLICABLE LICENSING AND TAX-STAMPING OBLIGATIONS’.

“(2) Any shipping package described in paragraph (1) that is not labeled in accordance with that paragraph shall be treated as non-deliverable matter by a common carrier or the United States Postal Service if the common carrier or the United States Postal Service, as the case may be, knows or should know the contents of the package.

“(c)(1) Each delivery seller shall keep a record of all delivery sales so made, including all of the information described in section 2(a)(2), organized by the State, and within such State, by the city or town and by zip code, into which such delivery sales are so made.

“(2) Records of delivery sales shall be kept under paragraph (1) in the year in which made and for the next four years.

“(3) Records kept under paragraph (1) shall be made available to tobacco tax administrators of the States, to local governments and Indian Tribes that apply their own local or Tribal taxes on cigarettes or smokeless tobacco, to the attorneys general of the States, to the chief law enforcement officers of such local governments and Indian Tribes, and to the Attorney General of the United States in order to ensure the compliance of persons making delivery sales with the requirements of this Act.

"(d)(1) Except as provided in paragraph (2), no cigarettes or smokeless tobacco may be delivered pursuant to a delivery sale in interstate commerce unless in advance of the delivery—

"(A) any cigarette or smokeless tobacco excise tax that is imposed by the State in which the cigarettes or smokeless tobacco are to be delivered has been paid to the State;

"(B) any cigarette or smokeless tobacco excise tax that is imposed by the local government of the place in which the cigarette or smokeless tobacco are to be delivered has been paid to the local government; and

"(C) any required stamps or other indicia that such excise tax has been paid are properly affixed or applied to the cigarettes or smokeless tobacco.

"(2) Paragraph (1) does not apply to a delivery sale of smokeless tobacco if the law of the State or local government of the place where the smokeless tobacco is to be delivered requires or otherwise provides that delivery sellers collect the excise tax from the consumer and remit the excise tax to the State or local government, and the delivery seller complies with the requirement.

"(e)(1) Each State, and each local government or Indian Tribal government that levies a tax subject to subsection (a)(3), may compile a list of delivery sellers who are in compliance with this Act with respect to such State, locality, or Indian Tribe. If a State, local government, or Indian Tribe posts a list pursuant to this subsection that specifically refers to this subsection, no common carrier or other person may knowingly deliver cigarettes or smokeless tobacco to consumers in such State or locality or in the Indian Country of such Indian Tribe unless the delivery seller is on the list at the time of delivery.

"(2)(A) Each State, and each local government or Indian Tribal government that levies a tax subject to subsection (a)(3), may compile a list of delivery sellers who are not in compliance with this Act with respect to such State, locality, or Indian Tribe.

"(B) A State, locality, or Indian Tribal government may provide such a list to a common carrier, the United States Postal Service, or other person. Such a list shall be confidential, and a common carrier, the United States Postal Service, or other person that receives such a list shall maintain the confidentiality of such list.

"(C) If a State, local government, or Indian Tribal government provides such a list pursuant to this subsection that specifically refers to this subsection, no common carrier, the United States Postal Service, or other person may knowingly deliver any item to a consumer in such State or locality or in the Indian Country of such Indian Tribe for a delivery seller on such list unless the common carrier, the United States Postal Service, or person in good faith determines that the item does not include cigarettes or smokeless tobacco.

"(f) For purposes of this Act, a delivery sale shall be deemed to have occurred in the State and place where the buyer obtains personal possession of the cigarettes or smokeless tobacco, and a delivery pursuant to a delivery sale is deemed to have been initiated or ordered by the delivery seller.".

(d) PENALTIES.—Section 3 of that Act (15 U.S.C. 377) is amended—

(1) by inserting "(a)" before "Whoever";

(2) in subsection (a), as so designated—

(A) by inserting "(except for a State, local, or Tribal government)" after "this Act"; and

(B) by striking "shall be guilty of a misdemeanor and shall be fined not more than $1,000, or imprisoned not more than 6 months" and inserting "shall be guilty of a felony, fined under subchapter C of chapter 227 of title 18, United States Code, imprisoned not more than three years, or both"; and

(3) by adding at the end the following new subsection:

"(b)(1) Whoever violates any provision of this Act shall be subject to a civil penalty in an amount not to exceed the greater of—

"(A) $5,000 in the case of the first violation, or $10,000 for any other violation; or

"(B) for any violation, 2 percent of the gross sales of cigarettes or smokeless tobacco of such person during the one-year period ending on the date of the violation.

"(2) A civil penalty under paragraph (1) for a violation of this Act is in addition to any criminal penalty under subsection (a) for the violation.".

(e) ENFORCEMENT.—Section 4 of that Act (15 U.S.C. 378) is amended—

(1) by inserting "(a)" before "The United States district courts";

(2) in subsection (a), as so designated, by inserting before the period the following: ", and to provide other appropriate injunctive or equitable relief, including money damages, for such violations"; and

(3) by adding at the end the following new subsections:

"(b) The Attorney General of the United States shall administer and enforce the provisions of this Act.

"(c)(1)(A) A State, through its attorney general (or a designee thereof), or a local government or Indian Tribe that levies a tax subject to section 2A(a)(3), through its chief law enforcement officer (or a designee thereof), may bring an action in the United States district courts to prevent and restrain violations of this Act by any person (or by any person controlling such person) or to obtain any other appropriate relief from any person (or from any person controlling such person) for violations of this Act, including civil penalties, money damages, and injunctive or other equitable relief.

"(B) Nothing in this Act shall be deemed to abrogate or constitute a waiver of any sovereign immunity of a State or local government or Indian Tribe against any unconsented lawsuit under this Act, or otherwise to restrict, expand, or modify any sovereign immunity of a State or local government or Indian Tribe.

"(2) A State, through its attorney general, or a local government or Indian Tribe that levies a tax subject to section 2A(a)(3), through its chief law enforcement officer (or a designee thereof), may provide evidence of a violation of this Act by any person not subject to State, local, or Tribal government enforcement actions for violations of this Act to the Attorney General of the United States or a United State Attorney, who shall take appropriate actions to enforce the provisions of this Act.

"(3)(A) Notwithstanding any other provision of law and subject to subparagraph (B), an amount equal to 50 percent of any criminal and civil penalties collected by the United States Government in enforcing the provisions of this Act shall be available to the Department of Justice for purposes of enforcing the provisions of this Act and other laws relating to contraband tobacco products.

"(B) Of the amount available to the Department under subparagraph (A), not less than 50 percent shall be made available only to the agencies and offices within the Department that were responsible for the enforcement actions in which the penalties concerned were imposed.

"(4) The remedies available under this subsection are in addition to any other remedies available under Federal, State, local, Tribal, or other law.

"(5) Nothing in this Act shall be construed to expand, restrict, or otherwise modify any right of an authorized State official to proceed in State court, or take other enforcement actions, on the basis of an alleged violation of State or other law.

"(6) Nothing in this Act shall be construed to expand, restrict, or otherwise modify any right of an authorized Indian Tribal government official to proceed in Tribal court, or take other enforcement actions, on the basis of an alleged violation of Tribal law.

"(7) Nothing in this Act shall be construed to expand, restrict, or otherwise modify any right of an authorized local government official to proceed in State court, or take other enforcement actions, on the basis of an alleged violation of local or other law.

"(d) Any person who holds a permit under section 5712 of the Internal Revenue Code of 1986 may bring an action in the United States district courts to prevent and restrain violations of this Act by any person (or by any person controlling such person) other than a State, local, or Tribal government.

"(e)(1) Any person who commences a civil action under subsection (d) shall inform the Attorney General of the United States of the action.

"(2) It is the sense of Congress that any attorney general of a State, or chief law enforcement officer of a locality or Tribe, who commences a civil action under this section should inform the Attorney General of the United States of the action.

"(f)(1) The Attorney General of the United States shall make available to the public, by posting such information on the Internet and by other means, information about all enforcement actions undertaken by the Attorney General or United States Attorneys, or reported to the Attorney General, under this section, including information on the resolution of such actions and, in particular, information on how the Attorney General and the United States Attorney have responded to referrals of evidence of violations pursuant to subsection (b)(2).

"(2) The Attorney General shall submit to Congress each year a report containing the information described in paragraph (1).".

SEC. 3. TREATMENT OF CIGARETTES AND SMOKELESS TOBACCO AS NONMAILABLE MATTER.

Section 1716 of title 18, United States Code, is amended—

(1) by redesignating subsections (j) and (k) as subsections (k) and (l), respectively; and

(2) by inserting after subsection (i) the following new subsection (j):

"(j)(1) Except as provided in paragraph (2), the transmission in the mails of any tobacco product, including cigarettes (as that term is defined in section 1(2) of the Act of October 19, 1949 (15 U.S.C. 375; commonly referred to as the 'Jenkins Act')) and smokeless tobacco (as that term is defined in section 1(3) of that Act), is prohibited, and tobacco products are nonmailable and shall not be deposited in or carried through the mails.

"(2) Paragraph (1) shall apply only to States that are contiguous with at least one other State of the United States.".

SEC. 4. PENAL PROVISIONS REGARDING TRAFFICKING IN CONTRABAND CIGARETTES OR SMOKELESS TOBACCO.

(a) THRESHOLD QUANTITY FOR TREATMENT AS CONTRABAND CIGARETTES.—(1) Section

2341(2) of title 18, United States Code, is amended by striking "60,000 cigarettes" and inserting "10,000 cigarettes".

(2) Section 2342(b) of that title is amended by striking "60,000" and inserting "10,000".

(3) Section 2343 of that title is amended—

(A) in subsection (a), by striking "60,000" and inserting "10,000"; and

(B) in subsection (b), by striking "60,000" and inserting "10,000".

(b) CONTRABAND SMOKELESS TOBACCO.—(1) Section 2341 of that title is amended—

(A) in paragraph (4), by striking "and" at the end;

(B) in paragraph (5), by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following new paragraphs:

"(6) the term 'smokeless tobacco' means any finely cut, ground, powdered, or leaf tobacco that is intended to be placed in the oral or nasal cavity or otherwise consumed without being combusted;

"(7) the term 'contraband smokeless tobacco' means a quantity in excess of 500 single-unit consumer-sized cans or packages of smokeless tobacco, or their equivalent, that are in the possession of any person other than—

"(A) a person holding a permit issued pursuant to chapter 52 of the Internal Revenue Code of 1986 as manufacturer of tobacco products or as an export warehouse proprietor, a person operating a customs bonded warehouse pursuant to section 311 or 555 of the Tariff Act of 1930 (19 U.S.C. 1311, 1555), or an agent of such person;

"(B) a common carrier transporting such smokeless tobacco under a proper bill of lading or freight bill which states the quantity, source, and designation of such smokeless tobacco;

"(C) a person who—

"(i) is licensed or otherwise authorized by the State where such smokeless tobacco is found to engage in the business of selling or distributing tobacco products or, for smokeless tobacco found in Indian Country, is licensed or otherwise authorized by the Tribal government of such Indian Country to account for and pay smokeless tobacco taxes imposed by the Tribal government; and

"(ii) has complied with the accounting, tax, and payment requirements relating to such license or authorization with respect to such smokeless tobacco; or

"(D) an officer, employee, or agent of the United States or a State or a Tribe, or any department, agency, or instrumentality of the United States, a State (including any political subdivision of a State), or a Tribe (including any political subdivision of a Tribe), having possession of such smokeless tobacco in connection with the performance of official duties;".

(2) Section 2342(a) of that title is amended by inserting "or contraband smokeless tobacco" after "contraband cigarettes".

(3) Section 2343(a) of that title is amended by inserting ", or any quantity of smokeless tobacco in excess of 500 single-unit consumer-sized cans or packages," before "in a single transaction".

(4) Section 2344(c) of that title is amended by inserting "or contraband smokeless tobacco" after "contraband cigarettes".

(5) Section 2345 of that title is amended by inserting "or smokeless tobacco" after "cigarettes" each place it appears.

(c) ADDITIONAL DEFINITIONAL MATTERS.—Section 2341 of such title is further amended—

(1) in paragraph (2), as amended by subsection (a)(1) of this section—

(A) in the matter preceding subparagraph (A), by striking "State cigarette taxes in the State where such cigarettes are found, if the State" and inserting "State, local, or Tribal cigarette taxes in the State, locality, or Indian Country where such cigarettes are found, if the State, local or Tribal government";

(B) in subparagraph (C)(i), by inserting before the semicolon the following: ", or, for cigarettes found in Indian County, is licensed or otherwise authorized by the Tribal government of such Indian Country to account for and pay cigarette taxes imposed by the Tribal government"; and

(C) in subparagraph (D)—

(i) by inserting "or a Tribe" after "a State" the first place it appears; and

(ii) by striking "or a State (or any political subdivision of a State)" and inserting ", a State (or any political subdivision of a State), or a Tribe (including any political subdivision of a Tribe)";

(2) in paragraph (3), by inserting before the semicolon the following: ", or, for a carrier making a delivery entirely within Indian Country, under equivalent operating authority from the Indian Tribal government of such Indian Country"; and

(3) by adding at the end the following new paragraphs:

"(8) the term 'Indian Country' has the meaning given that term in section 1151 of title 18, United States Code, except that within the State of Alaska that term applies only to the Metlakatla Indian Community, Annette Island Reserve; and

"(9) the term 'Indian Tribe', 'Tribe', or 'Tribal' refers to an Indian tribe as defined in the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e)) or as listed pursuant to section 104 of the Federally Recognized Indian Tribe List Act of 1994 (Public Law 103–454; 25 U.S.C. 479a–1).".

(d) RECORDKEEPING, REPORTING, AND INSPECTION.—Section 2343 of that title, as amended by this section, is further amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1), by striking "only—" and inserting "such information as the Attorney General considers appropriate for purposes of enforcement of this chapter, including—"; and

(B) in the flush matter following paragraph (3), by striking the second sentence;

(2) by redesignating subsection (b) as subsection (c);

(3) by inserting after subsection (a) the following new subsection (b):

"(b) Any person who engages in a delivery sale, and who ships, sells, or distributes any quantity in excess of 10,000 cigarettes, or any quantity in excess of 500 single-unit consumer-sized cans or packages of smokeless tobacco, or their equivalent, within a single month, shall submit to the Attorney General, pursuant to rules or regulations prescribed by the Attorney General, a report that sets forth the following:

"(1) The person's beginning and ending inventory of cigarettes and cans or packages of smokeless tobacco (in total) for such month.

"(2) The total quantity of cigarettes and cans or packages of smokeless tobacco that the person received within such month from each other person (itemized by name and address).

"(3) The total quantity of cigarettes and cans or packages of smokeless tobacco that the person distributed within such month to each person (itemized by name and address) other than a retail purchaser."; and

(4) by adding at the end the following new subsections:

"(d) Any report required to be submitted under this chapter to the Attorney General shall also be submitted to the Secretary of the Treasury and to the attorneys general and the tax administrators of the States from where the shipments, deliveries, or distributions both originated and concluded, and to the chief law enforcement officer and tax administrator of the Tribe for shipments, deliveries or distributions that originated or concluded on the Indian Country of the Indian Tribe.

"(e) In this section, the term 'delivery sale' means any sale of cigarettes or smokeless tobacco in interstate commerce to a consumer if—

"(A) the consumer submits the order for such sale by means of a telephone or other method of voice transmission, the mails, or the Internet or other online service, or by any other means where the consumer is not in the same physical location as the seller when the purchase or offer of sale is made; or

"(B) the cigarettes or smokeless tobacco are delivered by use of the mails, common carrier, private delivery service, or any other means where the consumer is not in the same physical location as the seller when the consumer obtains physical possession of the cigarettes or smokeless tobacco.

"(f) In this section, the term 'interstate commerce' means commerce between a State and any place outside the State, commerce between a State and any Indian lands in the State, or commerce between points in the same State but through any place outside the State or though any Indian lands.".

(e) DISPOSAL OR USE OF FORFEITED CIGARETTES AND SMOKELESS TOBACCO.—Section 2344(c) of that title, as amended by this section, is further amended by striking "seizure and forfeiture," and all that follows and inserting "seizure and forfeiture, and any cigarettes or smokeless tobacco so seized and forfeited shall be either—

"(1) destroyed and not resold; or

"(2) used for undercover investigative operations for the detection and prosecution of crimes, and then destroyed and not resold.".

(f) EFFECT ON STATE, LOCAL, AND TRIBAL LAW.—Section 2345 of that title is amended—

(1) in subsection (a), by striking "a State to enact and enforce" and inserting "a State, local government, or Tribe to enact and enforce its own"; and

(2) in subsection (b), by striking "of States, through interstate compact or otherwise, to provide for the administration of State" and inserting "of State, local, or Tribal governments, through interstate compact or otherwise, to provide for the administration of State, local, or Tribal".

(g) ENFORCEMENT.—Section 2346 of that title is amended—

(1) by inserting "(a)" before "The Attorney General"; and

(2) by adding at the end the following new subsection:

"(b)(1) A State, through its attorney general, a local government or Indian Tribe, through its chief law enforcement officer (or a designee thereof), or any person who holds a permit under section 5712 of the Internal Revenue Code of 1986, may bring an action in the United States district courts to prevent and restrain violations of this chapter by any person (or by any person controlling such person), except that any person who holds a permit under section 5712 of the Internal Revenue Code of 1986 may not bring such an action against a State, local, or Tribal government.

"(2) A State, through its attorney general, or a local government or Indian Tribe, through its chief law enforcement officer (or a designee thereof), may in a civil action under paragraph (1) also obtain any other appropriate relief for violations of this chapter from any person (or by any person controlling such person), including civil penalties, money damages, and injunctive or other equitable relief. Nothing in this chapter shall be deemed to abrogate or constitute a waiver of any sovereign immunity of a State or local government or Indian Tribe against any unconsented lawsuit under this chapter, or otherwise to restrict, expand, or modify any sovereign immunity of a State or local government or Indian Tribe.

"(3) The remedies under paragraphs (1) and (2) are an addition to any other remedies under Federal, State, local, Tribal, or other law.

"(4) Nothing in this chapter shall be construed to expand, restrict, or otherwise modify any right of an authorized State official to proceed in State court, or take other enforcement actions, on the basis of an alleged violation of State or other law.

"(5) Nothing in this chapter shall be construed to expand, restrict, or otherwise modify any right of an authorized Indian Tribal government official to proceed in Tribal court, or take other enforcement actions, on the basis of an alleged violation of Tribal law.

"(6) Nothing in this chapter shall be construed to expand, restrict, or otherwise modify any right of an authorized local government official to proceed in State court, or take other enforcement actions, on the basis of an alleged violation of local or other law.".

(h) CONFORMING AND CLERICAL AMENDMENTS.—(1) The section heading for section 2343 of that title is amended to read as follows:

"§ 2343. Recordkeeping, reporting, and inspection".

(2) The section heading for section 2345 of such title is amended to read as follows:

"§ 2345. Effect on State, Tribal, and local law".

(3) The table of sections at the beginning of chapter 114 of that title is amended—

(A) by striking the item relating to section 2343 and inserting the following new item:

"2343. Recordkeeping, reporting, and inspection.";

and

(B) by striking the item relating to section 2345 and insert the following new item:

"2345. Effect on State, Tribal, and local law.".

(4)(A) The heading for chapter 114 of that title is amended to read as follows:

"CHAPTER 114—TRAFFICKING IN CONTRABAND CIGARETTES AND SMOKELESS TOBACCO".

(B) The table of chapters at the beginning of part I of that title is amended by striking the item relating to section 114 and inserting the following new item:

"114. Trafficking in contraband cigarettes and smokeless tobacco .... 2341".

SEC. 5. COMPLIANCE WITH MODEL STATUTE OR QUALIFYING STATUTE.

(a) IN GENERAL.—A Tobacco Product Manufacturer or importer may not sell in, deliver to, or place for delivery sale, or cause to be sold in, delivered to, or placed for delivery sale in, a State that is a party to the Master Settlement Agreement any cigarette manufactured by a Tobacco Product Manufacturer that is not in full compliance with the terms of the Model Statute or Qualifying Statute enacted by such State requiring funds to be placed into a qualified escrow account under specified conditions, or any regulations promulgated pursuant to such terms.

(b) JURISDICTION TO PREVENT AND RESTRAIN VIOLATIONS.—(1) The United States district courts shall have jurisdiction to prevent and restrain violations of subsection (a) in accordance with this subsection.

(2) A State, through its attorney general, may bring an action in the United States district courts to prevent and restrain violations of subsection (a) by any person (or by any person controlling such person).

(3) In any action under paragraph (2), a State, through its attorney general, shall be entitled to reasonable attorney fees from a person found to have willfully and knowingly violated subsection (a).

(4) The remedy available under paragraph (2) is in addition to any other remedies available under Federal, State, or other law.

(5) Nothing in this subsection shall be construed to prohibit an authorized State official from proceeding in State court or taking other enforcement actions on the basis of an alleged violation of State or other law.

(6) The Attorney General may administer and enforce subsection (a).

(c) DEFINITIONS.—In this section:

(1) MASTER SETTLEMENT AGREEMENT.— The term "Master Settlement Agreement" means the agreement executed November 23, 1998, by the Attorneys General of 46 States, the District of Columbia, the Commonwealth of Puerto Rico, and four Territories of the United States, on the one hand, and certain tobacco manufacturers on the other hand.

(2) TOBACCO PRODUCT MANUFACTURER.—The term "Tobacco Product Manufacturer" has the meaning given that term in section II(uu) of the Master Settlement Agreement.

(3) IMPORTER.—The term "importer" means each of the following:

(A) Any person in the United States to whom non-tax-paid tobacco products manufactured in a foreign country, Puerto Rico, the Virgin Islands, or a possession of the United States are shipped or consigned.

(B) Any person who removes cigars or cigarettes for sale or consumption in the United States from a customs bonded manufacturing warehouse.

(C) Any person who smuggles or otherwise unlawfully brings tobacco products into the United States.

(4) MODEL STATUTE; QUALIFYING STATUTE.— The terms "Model Statute" and "Qualifying Statute" means a statute as defined in section IX(d)(2)(e) of the Master Settlement Agreement.

(5) DELIVERY SALE.—The term "delivery sale" means any sale of cigarettes or smokeless tobacco in interstate commerce to a consumer if—

(A) the consumer submits the order for such sale by means of a telephone or other method of voice transmission, the mails, or the Internet or other online service, or the seller is otherwise not in the physical presence of the buyer when the request for purchase or order is made; or

(B) the cigarettes or smokeless tobacco are delivered by use of a common carrier, private delivery service, or the mails, or the seller is not in the physical presence of the buyer when the buyer obtains personal possession of the delivered cigarettes or smokeless tobacco.

(6) INTERSTATE COMMERCE.—The term "interstate commerce" means commerce between a State and any place outside the State, commerce between a State and any Indian lands in the State, or commerce between points in the same State but through any place outside the State or through any Indian lands.

SEC. 6. UNDERCOVER CRIMINAL INVESTIGATIONS OF THE BUREAU OF ALCOHOL, TOBACCO, FIREARMS, AND EXPLOSIVES.

(a) IN GENERAL.—(1) Commencing as of the date of the enactment of this Act and without fiscal year limitation, the authorities in section 102(b) of the Department of Justice and Related Agencies Appropriations Act, 1993 (title I of Public Law 102–395; 106 Stat. 1838) shall be available to the Bureau of Alcohol, Tobacco, Firearms, and Explosives for undercover investigative operations of the Bureau which are necessary for the detection and prosecution of crimes against the United States.

(2) For purposes of the exercise of the authorities referred to in paragraph (1) by the Bureau, a reference in such section 102(b) to the Federal Bureau of Investigation shall be deemed to be a reference to the Bureau of Alcohol, Tobacco, Firearms, and Explosives, and a reference to the Director of the Federal Bureau of Investigation shall be deemed to be a reference to the Director of the Bureau of Alcohol, Tobacco, Firearms, and Explosives.

(b) LIMITATIONS IN APPROPRIATIONS ACTS.— The exercise of the authorities referred to in subsection (a)(1) by the Bureau of Alcohol, Tobacco, Firearms, and Explosives shall be subject to the provisions of appropriations Acts.

SEC. 7. INSPECTION BY BUREAU OF ALCOHOL, TOBACCO, FIREARMS, AND EXPLOSIVES OF RECORDS OF CERTAIN CIGARETTE AND SMOKELESS TOBACCO SELLERS.

(a) IN GENERAL.—Any officer of the Bureau of Alcohol, Tobacco, Firearms, and Explosives may, during normal business hours, enter the premises of any person described in subsection (b) for the purposes of inspecting—

(1) any records or information required to be maintained by such person under the provisions of law referred to in subsection (d); or

(2) any cigarettes or smokeless tobacco kept or stored by such person at such premises.

(b) COVERED PERSONS.—A person described in this subsection is any person who engages in a delivery sale, and who ships, sells, distributes, or receives any quantity in excess of 10,000 cigarettes, or any quantity in excess of 500 single-unit consumer-sized cans or packages of smokeless tobacco, within a single month.

(c) RELIEF.—(1) The district courts of the United States shall have the authority in a civil action under this subsection to compel inspections authorized by subsection (a).

(2) Whoever violates subsection (a) or an order issued pursuant to paragraph (1) shall be subject to a civil penalty in an amount not to exceed $10,000 for each violation.

(d) COVERED PROVISIONS OF LAW.—The provisions of law referred to in this subsection are as follows:

(1) The Act of October 19, 1949 (15 U.S.C. 375; commonly referred to as the "Jenkins Act").

(2) Chapter 114 of title 18, United States Code.

(3) This Act.

(e) DELIVERY SALE DEFINED.—In this section, the term "delivery sale" has the meaning given that term in 2343(e)(1) of title 18, United States Code, as amended by section 4(b)(3) of this Act.

SEC. 8. COMPLIANCE WITH TARIFF ACT OF 1930.

(a) INAPPLICABILITY OF EXEMPTIONS FROM REQUIREMENTS FOR ENTRY OF CERTAIN CIGARETTES.—Subsection (b)(1) of section 802 of the Tariff Act of 1930 (19 U.S.C. 1681a) is amended by adding at the end the following new sentence: "The preceding sentence shall not apply to any cigarettes sold in connection with a delivery sale (as that term is defined in section 1 of the Act of October 19, 1949 (15 U.S.C. 375; commonly referred to as the 'Jenkins Act'))."

(b) State and Tribal Access to Customs Certifications.—Section 802 of that Act is further amended by adding at the end the following new subsection:

"(d) State and Tribal Access to Customs Certifications.—A State, through its attorney general, and an Indian tribe (as that term is defined in the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e)) through its chief law enforcement officer, shall be entitled to obtain copies of any certification required pursuant to subsection (c) directly—

"(1) upon request to the agency of the United States responsible for collecting such certification; or

"(2) upon request to the importer, manufacturer, or authorized official of such importer or manufacturer.".

(c) Enforcement Provisions.—Section 803 of such Act (19 U.S.C. 1681b) is amended—

(1) in subsection (b)—

(A) in the first sentence—

(i) by inserting "any of" before "the United States" the first and second places it appears; and

(ii) by inserting before the period the following: ", to any State in which such tobacco product, cigarette papers, or tube was imported, or to the Indian Tribe of any Indian Country (as that term is defined in section 1151 of title 18, United States Code) in which such tobacco product, cigarette papers, or tube was imported"; and

(B) in the second sentence, by inserting ", or to any State or Indian Tribe," after "the United States"; and

(2) by adding at the end the following new subsection:

"(c) Actions by States and Others.—

"(1) In general.—Any person who holds a permit under section 5712 of the Internal Revenue Code of 1986 may bring an action in the United States district courts to prevent and restrain violations of this title by any person (or by any person controlling such person), other than by a State, local, or Tribal government.

"(2) Relief for state, local, and tribal governments.—A State, through its attorney general, or a local government or Tribe through its chief law enforcement officer (or a designee thereof), may in a civil action under this title to prevent and restrain violations of this title by any person (or by any person controlling such person) or to obtain any other appropriate relief for violations of this title by any person (or from any person controlling such person), including civil penalties, money damages, and injunctive or other equitable relief.

"(3) Construction generally.—

"(A) In general.—Nothing in this subsection shall be deemed to abrogate or constitute a waiver of any sovereign immunity of a State or local government or Indian Tribe against any unconsented lawsuit under this title or to otherwise restrict, expand, of modify any sovereign immunity of a State local government or Indian Tribe.

"(B) Construction with other relief.—The remedies available under this subsection are in addition to any other remedies available under Federal, State, local, Tribal, or other law.

"(4) Construction with forfeiture provisions.—Nothing in this subsection shall be construed to require a State or Indian Tribe to first bring an action pursuant to paragraph (1) when pursuing relief under subsection (b).

"(d) Construction With Other Authorities.—

"(1) State authorities.—Nothing in this title shall be construed to expand, restrict, or otherwise modify the right of an authorized State official from proceeding in State court, or taking other enforcement actions, on the basis of alleged violation of State or other law.

"(2) Tribal authorities.—Nothing in this title shall be construed to expand, restrict, or otherwise modify the right of an authorized Indian Tribal government official from proceeding in Tribal court, or taking other enforcement actions, on the basis of alleged violation of Tribal law.

(d) Inclusion of Smokeless Tobacco.—(1) Sections 802 and 803(a) of such Act are further amended by inserting "or smokeless tobacco products" after "cigarettes" each place it appears.

(2) Section 802 of such Act is further amended—

(A) in subsection (a)—

(i) in paragraph (1), by inserting "or section 4 of the Comprehensive Smokeless Tobacco Health Education Act of 1986 (15 U.S.C. 4403), respectively" after "section 7 of the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1335a)";

(ii) in paragraph (2), by inserting "or section 3 of the Comprehensive Smokeless Tobacco Health Education Act of 1986 (15 U.S.C. 4402), respectively," after "section 4 of the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1333)"; and

(iii) in paragraph (3), by inserting "or section 3(c) of the Comprehensive Smokeless Tobacco Health Education Act of 1986 (15 U.S.C. 4402(c)), respectively," after "section 4(c) of the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1333(c))";

(B) in subsection (b)—

(i) in the paragraph caption of paragraph (1), by inserting "or smokeless tobacco" after "cigarettes"; and

(ii) in the paragraph caption of paragraphs (2) and (3), by inserting "or smokeless tobacco" after "Cigarettes"; and

(C) in subsection (c)—

(i) in the subsection caption, by inserting "or Smokeless Tobacco" after "Cigarette";

(ii) in paragraph (1), by inserting "or section 4 of the Comprehensive Smokeless Tobacco Health Education Act of 1986 (15 U.S.C. 4403), respectively" after "section 7 of the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1335a)";

(iii) in paragraph (2)(A), "or section 3 of the Comprehensive Smokeless Tobacco Health Education Act of 1986 (15 U.S.C. 4402), respectively," after "section 4 of the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1333)"; and

(iv) in paragraph (2)(B), by inserting "or section 3(c) of the Comprehensive Smokeless Tobacco Health Education Act of 1986 (15 U.S.C. 4402(c)), respectively" after "section 4(c) of the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1333(c))".

(3) Section 803(c) of such Act, as amended by subsection (b)(1) of this section, is further amended by inserting ", or any smokeless tobacco product," after "or tube" the first place it appears.

(4)(A) The heading of title VIII of such Act is amended by inserting "**AND SMOKELESS TOBACCO**" after "**CIGARETTES**".

(B) The heading of section 802 of such Act is amended by inserting "**AND SMOKELESS TOBACCO**" after "**CIGARETTES**".

SEC. 9. EXCLUSIONS REGARDING INDIAN TRIBES AND TRIBAL MATTERS.

(a) In General.—Nothing in this Act or the amendments made by this Act is intended nor shall be construed to affect, amend, or modify—

(1) any agreements, compacts, or other intergovernmental arrangements between any State or local government and any government of an Indian tribe (as that term is defined in the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e)) relating to the collection of taxes on cigarettes or smokeless tobacco sold in Indian Country (as that term is defined section 1151 of title 18, United States Code);

(2) any State laws that authorize or otherwise pertain to any such intergovernmental arrangements or create special rules or procedures for the collection of State, local, or tribal taxes on cigarettes or smokeless tobacco sold in Indian Country;

(3) any limitations under existing Federal law, including Federal common law and treaties, on State, local, and tribal tax and regulatory authority with respect to the sale, use, or distribution of cigarettes and smokeless tobacco by or to Indian Tribes or tribal members or in Indian Country;

(4) any existing Federal law, including Federal common law and treaties, regarding State jurisdiction, or lack thereof, over any Tribe, tribal members or tribal reservations; and

(5) any existing State or local government authority to bring enforcement actions against persons located in Indian Country.

(b) Coordination of Law Enforcement.—Nothing in this Act or the amendments made by this Act shall be construed to inhibit or otherwise affect any coordinated law enforcement effort by 1 or more States or other jurisdictions, including Indian Tribes, through interstate compact or otherwise, that—

(1) provides for the administration of tobacco product laws or laws pertaining to interstate sales or other sales of tobacco products;

(2) provides for the seizure of tobacco products or other property related to a violation of such laws; or

(3) establishes cooperative programs for the administration of such laws.

(c) Treatment of State and Local Governments.—Notwithstanding any other provision of this Act, the provisions of this Act are not intended and shall not be construed to authorize, deputize, or commission States or local governments as instrumentalities of the United States.

(d) Enforcement Within Indian Country.—Nothing in this Act or the amendments made by this Act is intended to prohibit, limit, or restrict enforcement by the Attorney General of the United States of the provisions herein within Indian Country.

(e) Ambiguity.—Any ambiguity between the language of this section or its application, and any other provision of this Act shall be resolved in favor of this section.

SEC. 10. EFFECTIVE DATE.

(a) In General.—Except as provided in subsection (b), this Act shall take effect 90 days after the date of the enactment of this Act.

(b) BATFE Authority.—

(1) In general.—Sections 6 and 7 shall take effect on the date of the enactment of this Act.

(2) Definition.—For purposes of section 7, the definition of delivery sale in section

2343(e)(1) of title 18, United States Code, as amended by section 4(b)(3) of this Act, shall take effect on the date of the enactment of this Act.

Passed the Senate December 9, 2003.

MAKING FURTHER CONTINUING APPROPRIATIONS FOR FISCAL YEAR 2004

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.J. Res. 82, making technical corrections to the continuing resolution. I further ask unanimous consent that the joint resolution be read the third time and passed and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The joint resolution (H.J. Res. 82) was read the third time and passed.

FUNDING TO ASSIST IN MEETING OFFICIAL EXPENSES

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 282, submitted earlier today by Senator STEVENS.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 282) providing the funding to assist in meeting the official expenses of a preliminary meeting relative to the formation of a United States Senate-China interparliamentary group.

There being no objection, the Senate proceeded to consider the resolution.

Mr. FRIST. Mr. President, I ask unanimous consent that the resolution be agreed to; that the motion to reconsider be laid upon the table; and that any statements relating to this resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 282) was agreed to, as follows:

S. RES. 282

Resolved, That—

(1) there is authorized within the contingent fund of the Senate under the appropriation account "MISCELLANEOUS ITEMS" $75,000 for fiscal year 2004 to assist in meeting the official expenses of a preliminary meeting relative to the formation of a United States Senate-China interparliamentary group including travel, per diem, conference room expenses, hospitality expenses, and food and food-related expenses;

(2) such expenses shall be paid on vouchers to be approved by the President pro tempore of the Senate; and

(3) the Secretary of the Senate is authorized to advance such sums as necessary to carry out this resolution.

PROTECTING CHILDREN FROM INDECENT PROGRAMMING

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration S. Res. 283, a sense-of-the-Senate resolution submitted earlier today by Senator SESSIONS.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 283) affirming the need to protect children in the United States from indecent programming.

There being no objection, the Senate proceeded to consider the resolution.

Mr. FRIST. Mr. President, I ask unanimous consent that the resolution be agreed to; that the preamble be agreed to; that the motions to reconsider be laid upon the table; and that any statements relating to the resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 283) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 283

Whereas millions of people in the United States are increasingly concerned with the patently offensive television and radio programming being sent into their homes;

Whereas millions of families in the United States are particularly concerned with the adverse impact of this programming on children;

Whereas indecent and offensive programming is contributing to a dramatic coarsening of civil society of the United States;

Whereas the Federal Communications Commission is charged with enforcing standards of decency in broadcast media;

Whereas the Federal Communications Commission established a standard defining what constitutes indecency in the declaratory order In the Matter of a Citizen's Complaint Against Pacifica Foundation Station WBAI(FM), 56 F.C.C.2d 94 (1975) (referred to in this Resolution as the "Pacifica order");

Whereas the Federal Communications Commission has not used all of its available authority to impose penalties on broadcasters that air indecent material even when egregious and repeated violations have been found in the cases of WKRK–FM, Detroit, MI, File No. EB–02–IH–0109 (Apr. 3, 2003) and WNEW–FM, New York, New York, EB–02–IH–0685 (Sept. 30, 2003).

Whereas the standard established in the Pacifica order focuses on protecting children from exposure to indecent language;

Whereas the standard established in the Pacifica order was upheld as constitutional by the United States Supreme Court in Federal Communications Commission v. Pacifica Foundation, 438 U.S. 726 (1978);

Whereas the Enforcement Bureau of the Federal Communications Commission has refused to sanction the airing of indecent language during the broadcast of the Golden Globe Awards, at a time when millions of children were in the potential audience; and

Whereas as of December 2003, an application for review is pending before the Federal Communications Commission, requesting that the full Commission review that decision of the Enforcement Bureau: Now, therefore, be it

(1) the Federal Communications Commission should return to vigorously and expeditiously enforcing its own United States Supreme Court-approved standard for indecency in broadcast media, as established in the declaratory order In the Matter of a Citizen's Complaint Against Pacifica Foundation Station WBAI(FM), 56 F.C.C.2d 94 (1975);

(2) the Federal Communications Commission should reassert its responsibility as defender of the public interest by undertaking new and serious efforts to sanction broadcast licensees that refuse to adhere to the standard established in that order;

(3) the Federal Communications Commission should make every reasonable and lawful effort to protect children from the degrading influences of indecent programming;

(4) The Federal Communications Commission should use all of its available authority to protect the public from indecent broadcasts including: (1) the discretion to impose fines up to a statutory maximum for each separate "utterance" or "material" found to be indecent; and (2) the initiation of license revocation proceedings for repeated violations of its indecency rules;

(5) The Federal Communications Commission should resolve all indecency complaints expeditiously; and should consider reviewing such companies at the full Commission level; and

(6) The Federal Communications Commission should aggressively investigate and enforce all indecency allegations.

THE CHANGING NATURE OF THE HOUSE SPEAKERSHIP: THE CANNON CENTENARY CONFERENCE

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H. Con. Res. 345 which is at the desk.

The PRESIDING OFFICER. The clerk will report the concurrent resolution by title.

The legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 345) authorizing the printing as a House document of the transcripts of the proceedings of "The Changing Nature of the House Speakership: The Cannon Centenary Conference," sponsored by the Congressional Research Service on November 12, 2003.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. FRIST. I ask unanimous consent that the concurrent resolution be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the concurrent resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (H. Con. Res. 345) was agreed to.

DEATH OF SENATOR PAUL SIMON

Mr. FRIST. I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 281, a sense-of-the-Senate resolution submitted earlier today by Senators FITZGERALD, DURBIN, myself, and Senator DASCHLE.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 281) relative to the death of the Honorable Paul Simon, a former Senator from the State of Illinois.

There being no objection, the Senate proceeded to consider the resolution.

Mr. FRIST. I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motions to reconsider be laid upon the table, and that any statements relating to this matter be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 281) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 281

Whereas the Honorable Paul Simon at the age of 19 became the nation's youngest editor-publisher when he accepted a Lion's Club challenge to save the Troy Tribune in Troy, Illinois, and built a chain of 13 newspapers in southern and central Illinois;

Whereas the Honorable Paul Simon used his newspaper to expose criminal activities, and in 1951, at age 22, was called as a key witness to testify before the U.S. Senate's Crime Investigating Committee;

Whereas the Honorable Paul Simon served in the Illinois legislature for 14 years, winning the Independent Voters of Illinois' "Best Legislator Award" every session;

Whereas the Honorable Paul Simon was elected lieutenant governor in 1968 and was the first in Illinois' history to be elected to that post with a governor of another party;

Whereas the Honorable Paul Simon served Illinois in the United States House of Representatives and the United States Senate with devotion and distinction;

Whereas the Honorable Paul Simon is the only individual to have served in both the Illinois House of Representatives and the Illinois Senate, and the U.S. House of Representatives and U.S. Senate.

Whereas the Honorable Paul Simon was the founder and director of the Public Policy Institute at Southern Illinois University in Carbondale, Illinois, and taught there for more than six years in the service of the youth of our Nation;

Whereas the Honorable Paul Simon wrote over 20 books and held over 50 honorary degrees;

Whereas the Honorable Paul Simon was an unapologetic champion of the less fortunate and a constant example of caring and honesty in public service;

Whereas his efforts on behalf of Illinoisans and all Americans earned him the esteem and high regard of his colleagues; and

Whereas his tragic death has deprived his State and Nation of an outstanding lawmaker and public servant: Now, therefore, be it

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of the Honorable Paul Simon, a former Senator from the State of Illinois.

Resolved, That the Secretary of the Senate communicate these resolutions to the House of Representatives and transmit an enrolled copy thereof to the family of the deceased.

Resolved, That when the Senate adjourns today, it stand adjourned as a further mark of respect to the memory of the deceased former Senator.

ORDERS FOR TUESDAY, JANUARY 20, 2004

Mr. FRIST. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn sine die under the provisions of H. Con. Res. 339. I further ask consent that when the Senate returns on Tuesday, January 20, as provided under H.J. Res. 80, it reconvene at 12 noon. I further ask that following the prayer and pledge, the morning hour be deemed expired, the Journal of proceedings be approved to date, the time for the two leaders be reserved for their use later in the day and the Senate then resume consideration of the conference report to accompany H.R. 2673, the omnibus appropriations language; provided that the time until 12:30 p.m. be equally divided between the chairman and ranking member of the Appropriations Committee or their designees for debate only. I further ask consent that the Senate recess from 12:30 p.m. to 2:15 p.m. for the weekly party luncheons. I further ask consent that the time from 2:15 p.m. to 2:50 p.m. be equally divided in the aforementioned manner with the time from 2:50 p.m. to 3 p.m. equally divided between the two leaders or their designees for debate only; provided that at 3 p.m. the Senate proceed to a cloture vote on the conference report as provided under the previous order.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. FRIST. Mr. President, the Senate will convene the second session of the 108th Congress on Tuesday, January 20, 2004. When the Senate reconvenes, we will begin and resume debate on the omnibus appropriations conference report. Earlier today, I filed a cloture motion on that conference report. That vote will occur at 3 p.m. on Tuesday, January 20. That vote will be the first vote of the second session. It is my hope and expectation that cloture will be invoked and we will be able to complete action on the appropriations process early that day.

I want to wish everyone a happy and a safe holiday season. I again want to thank all of those people who support us in this Chamber in our day-to-day activities for all of their assistance throughout the year. From the pages to the clerks, the doorkeepers, the police men and women and everyone who is part of the Senate family, I do say thank you for your efforts in keeping this institution functioning.

Lastly, let me thank the Democratic leader for his assistance throughout the year. Although we have not always agreed on policy—as a matter of fact, we have disagreed frequently on policy—I believe we have been able to communicate forthrightly with one another. As they say, we agree to disagree. I appreciate the candor of all of those conversations. To all of the Members, I thank them for their cooperation throughout the year. I wish all of our colleagues and their families a very happy holiday.

ADJOURNMENT SINE DIE

Mr. FRIST. If there is no further business to come before the Senate, I ask that the Senate stand in adjournment under the provisions of H. Con. Res. 339, and in accordance with S. Res. 281 as a further mark of respect for our deceased former colleague, Senator Paul Simon.

There being no objection, at 7:33 p.m., the Senate adjourned sine die.

NOMINATIONS

Executive nominations received by the Senate December 9, 2003:

DEPARTMENT OF THE TREASURY

SAMUEL W. BODMAN, OF MASSACHUSETTS, TO BE DEPUTY SECRETARY OF THE TREASURY, VICE KENNETH W. DAM, RESIGNED.

ROBERT JEPSON, OF GEORGIA, TO BE A MEMBER OF THE INTERNAL REVENUE SERVICE OVERSIGHT BOARD FOR A TERM EXPIRING SEPTEMBER 14, 2008, VICE KAREN HASTIE WILLIAMS, TERM EXPIRED.

PAUL JONES, OF COLORADO, TO BE A MEMBER OF THE INTERNAL REVENUE SERVICE OVERSIGHT BOARD FOR A TERM EXPIRING SEPTEMBER 14, 2008, VICE CHARLES L. KOLBE, TERM EXPIRED.

CHARLES L. KOLBE, OF IOWA, TO BE A MEMBER OF THE INTERNAL REVENUE SERVICE OVERSIGHT BOARD FOR THE REMAINDER OF THE TERM EXPIRING SEPTEMBER 14, 2004, VICE STEVE H. NICKLES, RESIGNED.

DONALD KORB, OF OHIO, TO BE CHIEF COUNSEL FOR THE INTERNAL REVENUE SERVICE AND AN ASSISTANT GENERAL COUNSEL IN THE DEPARTMENT OF THE TREASURY, VICE B. JOHN WILLIAMS, JR.

BRIAN CARLTON ROSEBORO, OF NEW JERSEY, TO BE AN UNDER SECRETARY OF THE TREASURY, VICE PETER R. FISHER, RESIGNED.

DEPARTMENT OF LABOR

LISA KRUSKA, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF LABOR, VICE KATHLEEN M. HARRINGTON.

DEPARTMENT OF JUSTICE

LAFAYETTE COLLINS, OF TEXAS, TO BE UNITED STATES MARSHAL FOR THE WESTERN DISTRICT OF TEXAS FOR THE TERM OF FOUR YEARS, VICE JACK O. DEAN.

THE JUDICIARY

PETER W. HALL, OF VERMONT, TO BE UNITED STATES CIRCUIT JUDGE FOR THE SECOND CIRCUIT, VICE FRED I. PARKER, DECEASED.

JAMES L. ROBART, OF WASHINGTON, TO BE UNITED STATES DISTRICT JUDGE FOR THE WESTERN DISTRICT OF WASHINGTON, VICE THOMAS S. ZILLY, RETIRING.

DEPARTMENT OF JUSTICE

RONALD J. TENPAS, OF ILLINOIS, TO BE UNITED STATES ATTORNEY FOR THE SOUTHERN DISTRICT OF ILLINOIS FOR A TERM OF FOUR YEARS, VICE MIRIAM F. MIQUELON, RESIGNED.

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. THOMAS L. BAPTISTE, 1125

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. DONALD J. WETEKAM, 0322

DEPARTMENT OF COMMERCE

RHONDA KEENUM, OF MISSISSIPPI, TO BE ASSISTANT SECRETARY OF COMMERCE AND DIRECTOR GENERAL OF THE UNITED STATES AND FOREIGN COMMERCIAL SERVICES, VICE MARIA CINO, RESIGNED.

CONFIRMATIONS

Executive Nominations Confirmed by the Senate December 9, 2003:

THE JUDICIARY

BRUCE E. KASOLD, OF VIRGINIA, TO BE A JUDGE OF THE UNITED STATES COURT OF APPEALS FOR VETERANS CLAIMS FOR THE TERM PRESCRIBED BY LAW.

AFRICAN DEVELOPMENT FOUNDATION

EPHRAIM BATAMBUZE, OF ILLINOIS, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE AFRICAN DEVELOPMENT FOUNDATION FOR A TERM EXPIRING FEBRUARY 9, 2008.

JOHN W. LESLIE, JR., OF CONNECTICUT, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE AFRICAN DEVELOPMENT FOUNDATION FOR A TERM EXPIRING SEPTEMBER 22, 2007.

DEPARTMENT OF LABOR

HOWARD RADZELY, OF MARYLAND, TO BE SOLICITOR FOR THE DEPARTMENT OF LABOR.

DEPARTMENT OF THE INTERIOR

DAVID WAYNE ANDERSON, OF MINNESOTA, TO BE AN ASSISTANT SECRETARY OF THE INTERIOR.

DEPARTMENT OF TRANSPORTATION

KARAN K. BHATIA, OF MARYLAND, TO BE AN ASSISTANT SECRETARY OF TRANSPORTATION.

METROPOLITAN WASHINGTON AIRPORTS AUTHORITY

CHARLES DARWIN SNELLING, OF PENNSYLVANIA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE METROPOLITAN WASHINGTON AIRPORTS AUTHORITY FOR THE REMAINDER OF THE TERM EXPIRING MAY 30, 2006.

DEPARTMENT OF STATE

EDWARD B. O'DONNELL, JR., OF TENNESSEE, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, FOR THE RANK OF AMBASSADOR DURING HIS TENURE OF SERVICE AS SPECIAL ENVOY FOR HOLOCAUST ISSUES.

JON R. PURNELL, OF MASSACHUSETTS, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF UZBEKISTAN.

MARGARET DEBARDELEBEN TUTWILER, OF ALABAMA, TO BE UNDER SECRETARY OF STATE FOR PUBLIC DIPLOMACY.

LOUISE V. OLIVER, OF THE DISTRICT OF COLUMBIA, FOR THE RANK OF AMBASSADOR DURING HER TENURE OF SERVICE AS THE UNITED STATES PERMANENT REPRESENTATIVE TO THE UNITED NATIONS EDUCATIONAL, SCIENTIFIC, AND CULTURAL ORGANIZATION.

WILLIAM J. HUDSON, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF TUNISIA.

MARGARET SCOBEY, OF TENNESSEE, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE SYRIAN ARAB REPUBLIC.

THOMAS THOMAS RILEY, OF CALIFORNIA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE KINGDOM OF MOROCCO.

JACKIE WOLCOTT SANDERS, FOR THE RANK OF AMBASSADOR DURING HER TENURE OF SERVICE AS UNITED STATES REPRESENTATIVE TO THE CONFERENCE ON DISARMAMENT AND THE SPECIAL REPRESENTATIVE OF THE PRESIDENT OF THE UNITED STATES FOR NON-PROLIFERATION OF NUCLEAR WEAPONS.

MARY KRAMER, OF IOWA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO BARBADOS AND TO SERVE CONCURRENTLY AND WITHOUT ADDITIONAL COMPENSATION AS AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO ST KITTS AND NEVIS, SAINT LUCIA, ANTIGUA AND BARBUDA, THE COMMONWEALTH OF DOMINICA, GRENADA, AND SAINT VINCENT AND THE GRENADINES.

TIMOTHY JOHN DUNN, OF ILLINOIS, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, FOR THE RANK OF AMBASSADOR DURING HIS TENURE OF SERVICE AS DEPUTY PERMANENT REPRESENTATIVE TO THE ORGANIZATION OF AMERICAN STATES.

JAMES CURTIS STRUBLE, OF CALIFORNIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF PERU.

INTER-AMERICAN DEVELOPMENT BANK

HECTOR E. MORALES, OF TEXAS, TO BE UNITED STATES ALTERNATE EXECUTIVE DIRECTOR OF THE INTER-AMERICAN DEVELOPMENT BANK.

DEPARTMENT OF STATE

MARGUERITA DIANNE RAGSDALE, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF DJIBOUTI.

STUART W. HOLLIDAY, OF TEXAS, TO BE ALTERNATE REPRESENTATIVE OF THE UNITED STATES OF AMERICA FOR SPECIAL POLITICAL AFFAIRS IN THE UNITED NATIONS, WITH THE RANK OF AMBASSADOR.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

JENNIFER YOUNG, OF OHIO, TO BE AN ASSISTANT SECRETARY OF HEALTH AND HUMAN SERVICES.

MICHAEL O'GRADY, OF MARYLAND, TO BE AN ASSISTANT SECRETARY OF HEALTH AND HUMAN SERVICES.

CHEMICAL SAFETY AND HAZARD INVESTIGATION BOARD

RIXIO ENRIQUE MEDINA, OF OKLAHOMA, TO BE A MEMBER OF THE CHEMICAL SAFETY AND HAZARD INVESTIGATION BOARD FOR A TERM OF FIVE YEARS.

DEPARTMENT OF TRANSPORTATION

JEFFREY A. ROSEN, OF VIRGINIA, TO BE GENERAL COUNSEL OF THE DEPARTMENT OF TRANSPORTATION.

CORPORATION FOR PUBLIC BROADCASTING

ELIZABETH COURTNEY, OF LOUISIANA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE CORPORATION FOR PUBLIC BROADCASTING FOR A TERM EXPIRING JANUARY 31, 2010.

ELIZABETH COURTNEY, OF LOUISIANA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE CORPORATION FOR PUBLIC BROADCASTING FOR THE REMAINDER OF THE TERM EXPIRING JANUARY 31, 2004.

DEPARTMENT OF COMMERCE

CHERYL FELDMAN HALPERN, OF NEW JERSEY, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE CORPORATION FOR PUBLIC BROADCASTING FOR A TERM EXPIRING JANUARY 31, 2008.

DEPARTMENT OF THE TREASURY

ARNOLD I. HAVENS, OF VIRGINIA, TO BE GENERAL COUNSEL FOR THE DEPARTMENT OF THE TREASURY.

OFFICE OF SPECIAL COUNSEL

SCOTT J. BLOCH, OF KANSAS, TO BE SPECIAL COUNSEL, OFFICE OF SPECIAL COUNSEL, FOR THE TERM OF FIVE YEARS.

FEDERAL DEPOSIT INSURANCE CORPORATION

THOMAS J. CURRY, OF MASSACHUSETTS, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE FEDERAL DEPOSIT INSURANCE CORPORATION FOR A TERM OF SIX YEARS.

FEDERAL HOUSING FINANCE BOARD

ALICIA R. CASTANEDA, OF THE DISTRICT OF COLUMBIA, TO BE A DIRECTOR OF THE FEDERAL HOUSING FINANCE BOARD FOR A TERM EXPIRING FEBRUARY 27, 2004.

ALICIA R. CASTANEDA, OF THE DISTRICT OF COLUMBIA, TO BE A DIRECTOR OF THE FEDERAL HOUSING FINANCE BOARD FOR A TERM EXPIRING FEBRUARY 27, 2011.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

DEPARTMENT OF STATE

DAVID C. MULFORD, OF ILLINOIS, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO INDIA.

JAMES C. OBERWETTER, OF TEXAS, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE KINGDOM OF SAUDI ARABIA.

EXPORT-IMPORT BANK OF THE UNITED STATES

JOSEPH MAX CLELAND, OF GEORGIA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE EXPORT-IMPORT BANK OF THE UNITED STATES FOR A TERM EXPIRING JANUARY 20, 2007.

APRIL H. FOLEY, OF NEW YORK, TO BE FIRST VICE PRESIDENT OF THE EXPORT-IMPORT BANK OF THE UNITED STATES FOR THE REMAINDER OF THE TERM EXPIRING JANUARY 20, 2005.

THE JUDICIARY

GEORGE W. MILLER, OF VIRGINIA, TO BE A JUDGE OF THE UNITED STATES COURT OF FEDERAL CLAIMS FOR THE TERM OF FIFTEEN YEARS.

UNITED STATES SENTENCING COMMISSION

WILLIAM K. SESSIONS III, OF VERMONT, TO BE A MEMBER OF THE UNITED STATES SENTENCING COMMISSION FOR A TERM EXPIRING OCTOBER 31, 2009.

DEPARTMENT OF JUSTICE

DAVID L. HUBER, OF KENTUCKY, TO BE UNITED STATES ATTORNEY FOR THE WESTERN DISTRICT OF KENTUCKY FOR THE TERM OF FOUR YEARS.

ELECTION ASSISTANCE COMMISSION

PAUL S. DEGREGORIO, OF MISSOURI, TO BE A MEMBER OF THE ELECTION ASSISTANCE COMMISSION FOR A TERM OF TWO YEARS.

GRACIA M. HILLMAN, OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE ELECTION ASSISTANCE COMMISSION FOR A TERM OF TWO YEARS.

RAYMUNDO MARTINEZ III, OF TEXAS, TO BE A MEMBER OF THE ELECTION ASSISTANCE COMMISSION FOR A TERM OF FOUR YEARS.

DEFOREST B. SOARIES, JR., OF NEW JERSEY, TO BE A MEMBER OF THE ELECTION ASSISTANCE COMMISSION FOR A TERM OF FOUR YEARS.

THE JUDICIARY

D. MICHAEL FISHER, OF PENNSYLVANIA, TO BE UNITED STATES CIRCUIT JUDGE FOR THE THIRD CIRCUIT.

DEPARTMENT OF JUSTICE

JAMES B. COMEY, OF NEW YORK, TO BE DEPUTY ATTORNEY GENERAL.

FEDERICO LAWRENCE ROCHA, OF CALIFORNIA, TO BE UNITED STATES MARSHAL FOR THE NORTHERN DISTRICT OF CALIFORNIA FOR THE TERM OF FOUR YEARS.

THE JUDICIARY

LAWRENCE B. HAGEL, OF VIRGINIA, TO BE A JUDGE OF THE UNITED STATES COURT OF APPEALS FOR VETERANS CLAIMS FOR THE TERM PRESCRIBED BY LAW.

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

DAVID EISNER, OF MARYLAND, TO BE CHIEF EXECUTIVE OFFICER OF THE CORPORATION FOR NATIONAL AND COMMUNITY SERVICE.

CAROL KINSLEY, OF MASSACHUSETTS, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE CORPORATION FOR NATIONAL AND COMMUNITY SERVICE FOR A TERM EXPIRING OCTOBER 6, 2006.

NATIONAL MEDIATION BOARD

READ VAN DE WATER, OF NORTH CAROLINA, TO BE A MEMBER OF THE NATIONAL MEDIATION BOARD FOR A TERM EXPIRING JULY 1, 2006.

DEPARTMENT OF LABOR

STEVEN J. LAW, OF THE DISTRICT OF COLUMBIA, TO BE DEPUTY SECRETARY OF LABOR.

WITHDRAWAL

Executive message transmitted by the President to the Senate on December 9, 2003, withdrawing from further Senate consideration the following nomination:

SUSAN C. SCHWAB, OF MARYLAND, TO BE DEPUTY SECRETARY OF THE TREASURY, WHICH WAS SENT TO THE SENATE ON JULY 17, 2003.

SENATE—*Monday, December 15, 2003*

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on December 11, 2003, she had presented to the President of the United States the following enrolled bills:

S. 686. An act to provide assistance for poison prevention and to stabilize the funding of regional poison control centers.

S. 811. An act to support certain housing proposals in the fiscal year 2003 budget for the Federal Government, including the downpayment assistance initiative under the HOME Investment Partnership Act, and for other purposes.

S. 877. An act to regulate interstate commerce by imposing limitations and penalties on the transmission of unsolicited commercial electronic mail via the Internet.

S. 1680. An act to reauthorize the Defense Production Act of 1950, and for other purposes.

S. 1683. An act to provide for a report on the parity of pay and benefits among Federal law enforcement officers and to establish an exchange program between Federal law enforcement employees and State and local law enforcement employees.

S. 1929. An act to amend the Employee Retirement Income Security Act of 1974 and the Public Health Service Act to extend the mental health benefits parity provisions for an additional year.

S. 1947. An act to prohibit the offer of credit by a financial institution to a financial institution examiner, and for other purposes.

CLASS ACTION REFORM

Mr. DODD. Mr. President, in October of this year, the majority leader sought to proceed to the Class Action Fairness Act, S. 1751.

I joined 40 of my colleagues in opposing the motion to proceed. I said at the time that while I supported some reform of class action procedures, I could not support S. 1751 in its current form. I also expressed concern about whether there would be any meaningful opportunity for interested Senators to negotiate changes to the bill in a bipartisan fashion.

Subsequent to the vote in October, I joined with three of my colleagues in sending a letter to the majority leader on November 14, 2003. In that letter, we reiterated our interest in class action reform and we outlined several areas where we believed revisions to S. 1751 were in order.

In November, Senators Landrieu, Schumer, and I entered into discussions with Senators Frist, Hatch, Grassley, Kohl, and Carper. Those discussions have resulted in a compromise agreed to by our eight offices that I believe significantly improves upon S. 1751. I ask that the text of that compromise to printed in the Record immediately following my statement. I also ask that a summary of the compromise produced by my office be printed following my statement.

Lastly, Mr. President, I want to point out that in my view this is a delicate compromise, which addresses the shortcomings of current class action practice while at the same time protecting the right of citizens to join with fellow citizens to seek the redress of grievances in the courts of our Nation. As I and my colleagues said in our letter of November 14, it is "critical" that this agreement "be honored as the bill moves forward—both in and beyond the Senate."

The material follows.

S. 1751

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; REFERENCE; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the "Class Action Fairness Act of 2003".

(b) Reference.—Whenever in this Act reference is made to an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 28, United States Code.

(c) Table of Contents.—The table of contents for this Act is as follows:

Sec. 1. Short title; reference; table of contents.
Sec. 2. Findings and purposes.
Sec. 3. Consumer class action bill of rights and improved procedures for interstate class actions.
Sec. 4. Federal district court jurisdiction for interstate class actions.
Sec. 5. Removal of interstate class actions to Federal district court.
Sec. 6. Report on class action settlements.
Sec. 7. Enactment of Judicial Conference recommendations.
Sec. 8. Rulemaking authority of Supreme Court and Judicial Conference.
Sec. 9. Effective date.

SEC. 2. FINDINGS AND PURPOSES.

(a) Findings.—Congress finds the following:

(1) Class action lawsuits are an important and valuable part of the legal system when they permit the fair and efficient resolution of legitimate claims of numerous parties by allowing the claims to be aggregated into a single action against a defendant that has allegedly caused harm.

(2) Over the past decade, there have been abuses of the class action device that have—

(A) harmed class members with legitimate claims and defendants that have acted responsibly;

(B) adversely affected interstate commerce; and

(C) undermined public respect for our judicial system.

(3) Class members often receive little or no benefit from class actions, and are sometimes harmed, such as where—

(A) counsel are awarded large fees, while leaving class members with coupons or other awards of little or no value;

(B) unjustified awards are made to certain plaintiffs at the expense of other class members; and

(C) confusing notices are published that prevent class members from being able to fully understand and effectively exercise their rights.

(4) Abuses in class actions undermine the national judicial system, the free flow of interstate commerce, and the concept of diversity jurisdiction as intended by the framers of the United States Constitution, in that State and local courts are—

(A) keeping cases of national importance out of Federal court;

(B) sometimes acting in ways that demonstrate bias against out-of-State defendants; and

(C) making judgments that impose their view of the law on other States and bind the rights of the residents of those States.

(b) Purposes.—The purposes of this Act are to—

(1) assure fair and prompt recoveries for class members with legitimate claims;

(2) restore the intent of the framers of the United States Constitution by providing for Federal court consideration of interstate cases of national importance under diversity jurisdiction; and

(3) benefit society by encouraging innovation and lowering consumer prices.

SEC. 3. CONSUMER CLASS ACTION BILL OF RIGHTS AND IMPROVED PROCEDURES FOR INTERSTATE CLASS ACTIONS.

(a) In General.—Part V is amended by inserting after chapter 113 the following:

"CHAPTER 114—CLASS ACTIONS

"Sec.
"1711. Definitions.
"1712. Coupon settlements.
"1713. Protection against loss by class members.
"1714. Protection against discrimination based on geographic location.
"1715. Notifications to appropriate Federal and State officials.

"§ 1711. Definitions

"In this chapter:

"(1) Class.—The term 'class' means all of the class members in a class action.

"(2) Class action.—The term 'class action' means any civil action filed in a district court of the United States under rule 23 of the Federal Rules of Civil Procedure or any civil action that is removed to a district court of the United States that was originally filed under a State statute or rule of judicial procedure authorizing an action to be brought by 1 or more representatives as a class action.

"(3) Class counsel.—The term 'class counsel' means the persons who serve as the attorneys for the class members in a proposed or certified class action.

"(4) Class members.—The term 'class members' means the persons (named or unnamed) who fall within the definition of the proposed or certified class in a class action.

"(5) Plaintiff class action.—The term 'plaintiff class action' means a class action in which class members are plaintiffs.

"(6) Proposed settlement.—The term 'proposed settlement' means an agreement regarding a class action that is subject to court approval and that, if approved, would be binding on some or all class members.

"§ 1712. Coupon Settlements.

"(a) Contingent Fees in Coupon Settlements.—If a proposed settlement in a class action provides for a recovery of coupons to a class member, the portion of any attorney's fee award to class counsel that is attributable to the award of the coupons shall be based on the value to class members of the coupons that are redeemed.

"(b) Other Attorney's Fee Awards in Coupon Settlements.—

"(1) In general.—If a proposed settlement in a class action provides for a recovery of coupons to class members, and a portion of the recovery of the coupons is not used to determine the attorney's fee to be paid to class counsel, any attorney's fee award shall be based upon the amount of time class counsel reasonably expended working on the action.

"(2) Court approval.—Any attorney's fee under this subsection shall be subject to approval by the court and shall include an appropriate attorney's fee, if any, for obtaining equitable relief, including an injunction, if applicable. Nothing in this subsection shall be construed to prohibit application of a lodestar with a multiplier method of determining attorney's fees.

"(c) Attorney's Fee Awards Calculated on a Mixed Basis in Coupon Settlements.—If a proposed settlement in a class action provides for an award of coupons to class members and also provides for equitable relief, including injunctive relief—

"(1) that portion of the attorney's fee to be paid to class counsel that is based upon a portion of the recovery of the coupons shall be calculated in accordance with subsection (a); and

"(2) that portion of the attorney's fee to be paid to class counsel that is not based upon a portion of the recovery of the coupons shall be calculated in accordance with subsection (b).

"(d) Settlement Valuation Expertise.—In a class action involving the awarding of coupons, the court may, in its discretion upon the motion of a party, receive expert testimony from a witness qualified to provide information on the actual value to the class members of the coupons that are redeemed.

"(e) Judicial Scrutiny of Coupon Settlements.—In a proposed settlement under which class members would be awarded coupons, the court may approve the proposed settlement only after a hearing to determine whether, and making a written finding that, the settlement is fair, reasonable, and adequate for class members. The court, in its discretion, may also require that a proposed settlement agreement provide for the distribution of a portion of the value of unclaimed coupons to 1 or more charitable or governmental organizations, as agreed to by the parties. The distribution and redemption of any proceeds under this subsection shall not be used to calculate attorneys' fees under this section.

"§ 1713. Protection against loss by class members

"The court may approve a proposed settlement under which any class member is obligated to pay sums to class counsel that would result in a net loss to the class member only if the court makes a written finding that nonmonetary benefits to the class member substantially outweigh the monetary loss.

"§ 1714. Protection against discrimination based on geographic location

"The court may not approve a proposed settlement that provides for the payment of greater sums to some class members than to others solely on the basis that the class members to whom the greater sums are to be paid are located in closer geographic proximity to the court.

"§ 1715. Notifications to appropriate Federal and State officials

"(a) Definitions.—

"(1) Appropriate federal official.—In this section, the term 'appropriate Federal official' means—

"(A) the Attorney General of the United States; or

"(B) in any case in which the defendant is a Federal depository institution, a State depository institution, a depository institution holding company, a foreign bank, or a nondepository institution subsidiary of the foregoing (as such terms are defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813)), the person who has the primary Federal regulatory or supervisory responsibility with respect to the defendant, if some or all of the matters alleged in the class action are subject to regulation or supervision by that person.

"(2) Appropriate state official.—In this section, the term 'appropriate State official' means the person in the State who has the primary regulatory or supervisory responsibility with respect to the defendant, or who licenses or otherwise authorizes the defendant to conduct business in the State, if some or all of the matters alleged in the class action are subject to regulation by that person. If there is no primary regulator, supervisor, or licensing authority, or the matters alleged in the class action are not subject to regulation or supervision by that person, then the appropriate State official shall be the State attorney general.

"(b) In General.—Not later than 10 days after a proposed settlement of a class action is filed in court, each defendant that is participating in the proposed settlement shall serve upon the appropriate State official of each State in which a class member resides and the appropriate Federal official, a notice of the proposed settlement consisting of—

"(1) a copy of the complaint and any materials filed with the complaint and any amended complaints (except such materials shall not be required to be served if such materials are made electronically available through the Internet and such service includes notice of how to electronically access such material);

"(2) notice of any scheduled judicial hearing in the class action;

"(3) any proposed or final notification to class members of—

"(A)(i) the members' rights to request exclusion from the class action; or

"(ii) if no right to request exclusion exists, a statement that no such right exists; and

"(B) a proposed settlement of a class action;

"(4) any proposed or final class action settlement;

"(5) any settlement or other agreement contemporaneously made between class counsel and counsel for the defendants;

"(6) any final judgment or notice of dismissal;

"(7)(A) if feasible, the names of class members who reside in each State and the estimated proportionate share of the claims of such members to the entire settlement to that State's appropriate State official; or

"(B) if the provision of information under subparagraph (A) is not feasible, a reasonable estimate of the number of class members residing in each State and the estimated proportionate share of the claims of such members to the entire settlement; and

"(8) any written judicial opinion relating to the materials described under subparagraphs (3) through (6).

"(c) Depository Institutions Notification.—

"(1) Federal and other depository institutions.—In any case in which the defendant is a Federal depository institution, a depository institution holding company, a foreign bank, or a non-depository institution subsidiary of the foregoing, the notice requirements of this section are satisfied by serving the notice required under subsection (b) upon the person who has the primary Federal regulatory or supervisory responsibility with respect to the defendant, if some or all of the matters alleged in the class action are subject to regulation or supervision by that person.

"(2) State depository institutions.—In any case in which the defendant is a State depository institution (as that term is defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813)), the notice requirements of this section are satisfied by serving the notice required under subsection (b) upon the State bank supervisor (as that term is defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813)) of the State in which the defendant is incorporated or chartered, if some or all of the matters alleged in the class action are subject to regulation or supervision by that person, and upon the appropriate Federal official.

"(d) Final Approval.—An order giving final approval of a proposed settlement may not be issued earlier than 90 days after the later of the dates on which the appropriate Federal official and the appropriate State official are served with the notice required under subsection (b).

"(e) Noncompliance if Notice Not Provided.—

"(1) In general.—A class member may refuse to comply with and may choose not to be bound by a settlement agreement or consent decree in a class action if the class member demonstrates that the notice required under subsection (b) has not been provided.

"(2) Limitation.—A class member may not refuse to comply with or to be bound by a settlement agreement or consent decree under paragraph (1) if the notice required under subsection (b) was directed to the appropriate Federal official and to either the State attorney general or the person that has primary regulatory, supervisory, or licensing authority over the defendant.

"(3) Application of rights.—The rights created by this subsection shall apply only to class members or any person acting on a class member's behalf, and shall not be construed to limit any other rights affecting a class member's participation in the settlement.

"(f) Rule of Construction.—Nothing in this section shall be construed to expand the authority of, or impose any obligations, duties, or responsibilities upon, Federal or State officials.".

(b) Technical and Conforming Amendment.—The table of chapters for part V is amended by inserting after the item relating to chapter 113 the following:

"114. Class Actions .... 1711".

SEC. 4. FEDERAL DISTRICT COURT JURISDICTION FOR INTERSTATE CLASS ACTIONS.

(a) Application of Federal Diversity Jurisdiction.—Section 1332 is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following:

"(d)(1) In this subsection—

"(A) the term 'class' means all of the class members in a class action;

"(B) the term 'class action' means any civil action filed under rule 23 of the Federal Rules of Civil Procedure or similar State statute or rule of judicial procedure authorizing an action to be brought by 1 or more representative persons as a class action;

"(C) the term 'class certification order' means an order issued by a court approving the treatment of some or all aspects of a civil action as a class action; and

"(D) the term 'class members' means the persons (named or unnamed) who fall within the definition of the proposed or certified class in a class action.

"(2) The district courts shall have original jurisdiction of any civil action in which the matter in controversy exceeds the sum or value of $5,000,000, exclusive of interest and costs, and is a class action in which—

"(A) any member of a class of plaintiffs is a citizen of a State different from any defendant;

"(B) any member of a class of plaintiffs is a foreign state or a citizen or subject of a foreign state and any defendant is a citizen of a State; or

"(C) any member of a class of plaintiffs is a citizen of a State and any defendant is a foreign state or a citizen or subject of a foreign state.

"(3) A district court may, in the interests of justice and looking at the totality of the circumstances, decline to exercise jurisdiction under paragraph (2) over a class action in which greater than one-third but less than two-thirds of the members of all proposed plaintiff classes in the aggregate and the primary defendants are citizens of the State in which the action was originally filed based on consideration of—

"(A) whether the claims asserted involve matters of national or interstate interest;

"(B) whether the claims asserted will be governed by laws of the State in which the action was originally filed or by the laws of other States;

"(C) whether the class action has been pleaded in a manner that seeks to avoid Federal jurisdiction;

"(D) whether the action was brought in a forum with a distinct nexus with the class members, the alleged harm, or the defendants;

"(E) whether the number of citizens of the State in which the action was originally filed in all proposed plaintiff classes in the aggregate is substantially larger than the number of citizens from any other State, and the citizenship of the other members of the proposed class is dispersed among a substantial number of States; and

"(F) whether, during the 3-year period preceding the filing of that class action, 1 or more other class actions asserting the same or similar claims on behalf of the same or other persons have been filed.

"(4) A district court shall decline to exercise jurisdiction under paragraph (2)—

"(A)(i) over a class action in which—

"(I) greater than two-thirds of the members of all proposed plaintiff classes in the aggregate are citizens of the State in which the action was originally filed;

"(II) at least 1 defendant is a defendant—

"(aa) from whom significant relief is sought by members of the plaintiff class;

"(bb) whose alleged conduct forms a significant basis for the claims asserted by the proposed plaintiff class; and

"(cc) who is a citizen of the State in which the action was originally filed; and

"(III) principal injuries resulting from the alleged conduct or any related conduct of each defendant were incurred in the State in which the action was originally filed; and

"(ii) during the 3-year period preceding the filing of that class action, no other class action has been filed asserting the same or similar factual allegations against any of the defendants on behalf of the same or other persons; or

"(B) two-thirds or more of the members of all proposed plaintiff classes in the aggregate, and the primary defendants, are citizens of the State in which the action was originally filed.

"(5) Paragraphs (2) through (4) shall not apply to any class action in which—

"(A) the primary defendants are States, State officials, or other governmental entities against whom the district court may be foreclosed from ordering relief; or

"(B) the number of members of all proposed plaintiff classes in the aggregate is less than 100.

"(6) In any class action, the claims of the individual class members shall be aggregated to determine whether the matter in controversy exceeds the sum or value of $5,000,000, exclusive of interest and costs.

"(7) Citizenship of the members of the proposed plaintiff classes shall be determined for purposes of paragraphs (2) through (6) as of the date of filing of the complaint or amended complaint, or, if the case stated by the initial pleading is not subject to Federal jurisdiction, as of the date of service by plaintiffs of an amended pleading, motion, or other paper, indicating the existence of Federal jurisdiction.

"(8) This subsection shall apply to any class action before or after the entry of a class certification order by the court with respect to that action.

"(9) Paragraph (2) shall not apply to any class action that solely involves a claim—

"(A) concerning a covered security as defined under 16(f)(3) of the Securities Act of 1933 and section 28(f)(5)(E) of the Securities Exchange Act of 1934;

"(B) that relates to the internal affairs or governance of a corporation or other form of business enterprise and that arises under or by virtue of the laws of the State in which such corporation or business enterprise is incorporated or organized; or

"(C) that relates to the rights, duties (including fiduciary duties), and obligations relating to or created by or pursuant to any security (as defined under section 2(a)(1) of the Securities Act of 1933 and the regulations issued thereunder).

"(10) For purposes of this subsection and section 1453, an unincorporated association shall be deemed to be a citizen of the State where it has its principal place of business and the State under whose laws it is organized.

"(11)(A) For purposes of this subsection and section 1453, a mass action shall be deemed to be a class action removable under paragraphs (2) through (10) if it otherwise meets the provisions of those paragraphs.

"(B)(i) As used in subparagraph (A), the term 'mass action' means any civil action (except a civil action within the scope of section 1711(2)) in which monetary relief claims of 100 or more persons are proposed to be tried jointly on the ground that the plaintiffs' claims involve common questions of law or fact, except that jurisdiction shall exist only over those plaintiffs whose claims in a mass action satisfy the jurisdictional amount requirements under subsection (a).

"(ii) As used in subparagraph (A), the term 'mass action' shall not include any civil action in which—

"(I) all of the claims in the action arise from an event or occurrence in the State in which the action was filed, and that allegedly resulted in injuries in that State or in States contiguous to that State;

"(II) the claims are joined upon motion of a defendant;

"(III) all of the claims in the action are asserted on behalf of the general public (and not on behalf of individual claimants or members of a purported class) pursuant to a State statute specifically authorizing such action; or

"(IV) the claims have been consolidated or coordinated solely for pretrial proceedings.

"(C)(i) Any action(s) removed to Federal court pursuant to this subsection shall not thereafter be transferred to any other court pursuant to section 1407, or the rules promulgated thereunder, unless a majority of the plaintiffs in the action request transfer pursuant to section 1407.

"(ii) This subparagraph will not apply—

"(I) to cases certified pursuant to rule 23 of the Federal Rules of Civil Procedure; or

"(II) if plaintiffs propose that the action proceed as a class action pursuant to rule 23 of the Federal Rules of Civil Procedure.

"(D) The limitations periods on any claims asserted in a mass action that is removed to Federal court pursuant to this subsection shall be deemed tolled during the period that the action is pending in Federal court.".

(b) Conforming Amendments.—

(1) Section 1335(a)(1) is amended by inserting "(a) or (d)" after "1332".

(2) Section 1603(b)(3) is amended by striking "(d)" and inserting "(e)".

SEC. 5. REMOVAL OF INTERSTATE CLASS ACTIONS TO FEDERAL DISTRICT COURT.

(a) In General.—Chapter 89 is amended by adding after section 1452 the following:

"§ 1453. Removal of class actions

"(a) Definitions.—In this section, the terms 'class', 'class action', 'class certification order', and 'class member' shall have the meanings given such terms under section 1332(d)(1).

"(b) In General.—A class action may be removed to a district court of the United States in accordance with section 1446 (except that the 1-year limitation under section 1446(b) shall not apply), without regard to whether any defendant is a citizen of the State in which the action is brought, except that such action may be removed by any defendant without the consent of all defendants.

"(c) Review of Remand Orders.—

"(1) In general.—Section 1447 shall apply to any removal of a case under this section, except that notwithstanding section 1447(d), a court of appeals may accept an appeal from an order of a district court granting or denying a motion to remand a class action to the State court from which it was removed if application is made to the court of appeals not less than 7 days after entry of the order.

"(2) Time period for judgment.—If the court of appeals accepts an appeal under paragraph (1), the court shall complete all action on such appeal, including rendering judgment, not later than 60 days after the date on which such appeal was filed, unless an extension in granted under paragraph (3).

"(3) Extension of time period.—The court of appeals may grant an extension of the 60-day period described in paragraph (2) if—

"(A) all parties to the proceeding agree to such extension, for any period of time; or

"(B) such extension is for good cause shown and in the interests of justice, for a period not exceed 10 days.

"(4) DENIAL OF APPEAL.—If a final judgment on the appeal under paragraph (1) is not issued before the end of the period described in paragraph (2), including any extension under paragraph (3), the appeal shall be denied.

"(d) EXCEPTION.—This section shall not apply to any class action that solely involves—

"(1) a claim concerning a covered security as defined under section 16(f)(3) of the Securities Act of 1933 and section 28(f)(5)(E) of the Securities Exchange Act of 1934;

"(2) a claim that relates to the internal affairs or governance of a corporation or other form of business enterprise and arises under or by virtue of the laws of the State in which such corporation or business enterprise is incorporated or organized; or

"(3) a claim that relates to the rights, duties (including fiduciary duties), and obligations relating to or created by or pursuant to any security (as defined under section 2(a)(1) of the Securities Act of 1933 and the regulations issued thereunder).".

(b) TECHNICAL AND CONFORMING AMENDMENTS.—The table of sections for chapter 89 is amended by adding after the item relating to section 1452 the following:

"1453. Removal of class actions.".

SEC. 6. REPORT ON CLASS ACTION SETTLEMENTS.

(a) IN GENERAL.—Not later than 12 months after the date of enactment of this Act, the Judicial Conference of the United States, with the assistance of the Director of the Federal Judicial Center and the Director of the Administrative Office of the United States Courts, shall prepare and transmit to the Committees on the Judiciary of the Senate and the House of Representatives a report on class action settlements.

(b) CONTENT.—The report under subsection (a) shall contain—

(1) recommendations on the best practices that courts can use to ensure that proposed class action settlements are fair to the class members that the settlements are supposed to benefit;

(2) recommendations on the best practices that courts can use to ensure that—

(A) the fees and expenses awarded to counsel in connection with a class action settlement appropriately reflect the extent to which counsel succeeded in obtaining full redress for the injuries alleged and the time, expense, and risk that counsel devoted to the litigation; and

(B) the class members on whose behalf the settlement is proposed are the primary beneficiaries of the settlement; and

(3) the actions that the Judicial Conference of the United States has taken and intends to take toward having the Federal judiciary implement any or all of the recommendations contained in the report.

(c) AUTHORITY OF FEDERAL COURTS.—Nothing in this section shall be construed to alter the authority of the Federal courts to supervise attorneys' fees.

SEC. 7. ENACTMENT OF JUDICIAL CONFERENCE RECOMMENDATIONS.

Notwithstanding any other provision of law, the amendments to rule 23 of the Federal Rules of Civil Procedure, which are set forth in the order entered by the Supreme Court of the United States on March 27, 2003, shall take effect on the date of enactment of this Act or on December 1, 2003 (as specified in that order), whichever occurs first.

SEC. 8. RULEMAKING AUTHORITY OF SUPREME COURT AND JUDICIAL CONFERENCE.

Nothing in this Act shall restrict in any way the authority of the Judicial Conference and the Supreme Court to propose and prescribe general rules of practice and procedure under chapter 131 of title 28, United States Code.

SEC. 9. EFFECTIVE DATE.

The amendments made by this Act shall apply to any civil action commenced on or after the date of enactment of this Act.

SUMMARY OF CHANGES TO S. 1751 AS AGREED TO BY SENATORS FRIST, GRASSLEY, HATCH, KOHL, CARPER, DODD, LANDRIEU, AND SCHUMER

THE COMPROMISE IMPROVES COUPON SETTLEMENT PROCEDURES

S. 1751 would have continued to allow coupon settlements even though only a small percentage of coupons are actually redeemed by class members in many cases.

The compromise proposal requires that attorneys fees be based either on (a) the proportionate value of coupons actually redeemed by class members or (b) the hours actually billed in prosecuting the class action. The compromise proposal also adds a provision permitting federal courts to require that settlement agreements provide for charitable distribution of unclaimed coupon values.

THE COMPROMISE ELIMINATES THE SO-CALLED BOUNTY PROHIBITION IN S. 1751

S. 1751 would have prevented civil rights and consumer plaintiffs from being compensated for the particular hardships they endure as a result of initiating and pursuing litigation.

The compromise deletes the so-called "bounty provision" in S. 1751, thereby allowing plaintiffs to receive special relief for enduring special hardships as class members.

THIE COMPROMISE ELIMINATES THE POTENTIAL FOR NOTIFICATION BURDEN AND CONFUSION

S. 1751 would have created a complicated set of unnecessarily burdensome notice requirements for notice to potential class members. The compromise eliminates this unnecessary burden and preserves current federal law related to class notification.

THE COMPROMISE PROVIDES FOR GREATER JUDICIAL DISCRETION

S. 1751 included several factors to be considered by district courts in deciding whether to exercise jurisdiction over class action in which between one-third and two-thirds of the proposed class members and all primary defendants are citizens of the same state.

The compromise provides for broader discretion by authorizing federal courts to consider any "distinct" nexus between (a) the forum where the action was brought and (b) the class members, the alleged harm, or the defendants. The proposal also limits a court's authority to base federal jurisdiction on the existence of similar class actions filed in other states by disallowing consideration of other cases that are more than three years old.

THE COMPROMISE EXPANDS THE LOCAL CLASS ACTION EXCEPTION

S. 1751 established an exception to prevent removal of a class action to federal court when 2/3 of the plaintiffs are from the state where the action was brought and the "primary defendants" are also from that state (the Feinstein formula). The compromise retains the Feinstein formula and creates a second exception that allows case to remain in state court if: (1) more than 2/3 of class members are citizens of the forum state; (2) there is at least one in-state defendant from whom significant relief is caught and who contributed significantly to the alleged harm; (3) the principal injuries happened within the state where the action was filed; and (4) no other class action asserting the same or similar factual allegations against any of the defendants on behalf of the same or other persons has been filed during the preceding three years.

THE COMPROMISE CREATES A BRIGHT LINE FOR DETERMINING CLASS COMPOSITION

S. 1751 was silent on when class composition could be measured and arguable would have allowed class composition to be challenged at any time during the life of the case. The compromise clarifies that citizenship of proposed class members is to be determined on the date plaintiffs filed the original complaint, or if there is no federal jurisdiction over the first complaint, when plaintiffs serve an amended complaint or other paper indicating the existence of federal jurisdiction.

THE COMPROMISE ELIMINATES THE "MERRY-GO-ROUND" PROBLEM

S. 1751 would have required federal courts to dismiss class actions if the court determined that the case did not meet Rule 23 requirements. The compromise eliminates the dismissal requirement, giving federal courts discretion to handle Rule 23-ineligible cases appropriately. Potentially meritorious suits will thus not be automatically dismissed simply because they fail to comply with the class certification requirements of Rule 23.

THE COMPROMISE IMPROVEMENTS TREATMENT OF MASS ACTIONS

S. 1751 would have treated all mass actions involving over 100 claimants as if they were class actions. The compromise makes several changes to treat mass actions more like individual cases than like class actions when appropriate.

The compromise changes the jurisdictional amount requirement. Federal jurisdiction shall only exist over these persons whose claims satisfy the normal diversity jurisdictional amount requirement for individual actions under current law (presently $75,000).

The compromise expands the "single sudden accident" exception so that federal jurisdiction shall not exist over mass actions in which all claims arise from any "event or occurrence" that happened in the state where the action was filed and that allegedly resulted in injuries in that state or in a contiguous state. The proposal also added a provision clarifying that there is no federal jurisdiction under the mass action provision for claims that have been consolidated solely for pretrial purposes.

THE COMPROMISE ELIMINATES THE POTENTIAL FOR ABUSIVE PLAINTIFF CLASS REMOVALS

S. 1751 would have changed current law by allowing any plaintiff class member to remove a case to federal court even if all other class members wanted the case to remain in state court. The compromise retains current law—allowing individual plaintiffs to opt out of class actions, but not allowing them to force entire classes into federal court.

THE COMPROMISE ELIMINATES THE POTENTIAL FOR ABUSIVE APPEALS OF REMAND ORDERS

S. 1751 would have allowed defendants to seek unlimited appellate review of federal court orders remanding cases to state courts. If a defendant requested an appeal, the federal courts would have been required to hear the appeal and the appeals could have taken months or even years to complete.

The compromise makes two improvements: (1) grants the federal courts discretion to refuse to hear an appeal if the appeal is not in the interest of justice; (2) Establishes tight deadlines for completion of any appeals so that no case can be delayed more than 77 days, unless all parties agree to a longer period.

THE COMPROMISE PRESERVES THE RULEMAKING AUTHORITY OF SUPREME COURT AND JUDICIAL CONFERENCE

The compromise clarifies that nothing in the bill restricts the authority of the Judicial Conference and Supreme Court to implement new rules relating to class actions.

THE COMPROMISE IS NOT RETROACTIVE

Unlike the House Bill, the compromise will not retroactively change the rules governing jurisdiction over class actions.

FINANCIAL DISCLOSURES

Following is the federal campaign contribution report for David C. Mulford, of Illinois, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to India who was discharged from the Committee on Foreign Relations and confirmed by the Senate on December 9, 2003.

Nominee: David C. Mulford.

Post: U.S. Ambassador to India.

The following is a list of all members of my immediate family and their spouses. I have asked each of these person to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Self (David C. Mulford): $1,000, 5/1/99, George W. Bush, Presidential Campaign; $20,000, 6/27/00, RNC Presidential Trust; $4,000, 6/27/00, Illinois Republican Party; $152,000, 6/27/00, Victory 2000; $1,000, 7/26/00, Friends of Schummer; $5,00, 12/21/02, Bush/Cheney Presidential Transition Foundation; and $12,500, 10/08/02, Republican National Committee.

2. Spouse (Jeannie S. Mulford): $1,000, 5/1/99, George W. Bush, Presidential Campaign; $20,000, 6/27/00, RNC Presidential Trust; $4,000, 6/27/00; Illinois Republican Party; $5,000, 12/21/02, Bush/Cheney Presidential Transition Foundation; and $12,500, 10/08/02, Republican National Committee.

3. Children and Spouses: Ian Mulford (son) Kathy Mulford (spouse), no contributions; Edward Mulford (son) Melanie Mulford (spouse), no contributions.

4. Parents: Theodore Mollenhauer Countryman Mulford (mother). Deceased. No contributions; Robert Lewis Mulford (father). Deceased. no contributions.

5. Grandparents: All grandparents deceased, no contributions.

6. Brothers and Spouses: William Mulford (brother) Tony Mulford (spouse), no contributions; Edward Mulford (brother) Philippa Mulford (spouse), no contributions.

7. Sisters and Spouses: No sisters/no spouses, no contributions.

Following is the federal campaign contribution report for James C. Oberwetter, of Texas, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Saudi Arabia, who was discharged from the Committee on Foreign Relations and confirmed by the Senate on December 9, 2003.

Nominee: James C. Oberwetter.

Post: U.S. Ambassador to Saudi Arabia.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Self—James C. Oberwetter: $2000, 6/25/2003, Bush-Cheney 04 Inc.; $500, 8/21/2002, John Cornyn for Senate; $1000, 3/12/2002, John Cornyn for Senate; $500, 2/20/2002, Friends of Jeb Hensarling; $35, 8/18/2000, Lazio 2000; $100, 7/5/2000, Republican National Committee (NFC); $100, 2/5/2000, John Culberson for Congress; $1000, 5/17/1999, George Allen for Senate; $1000, 3/15/1999, George Bush Presidential Exploratory Committee; and $504 annually, 1999–2003, Hunt Oil Company Political Action Committee.

2. Spouse—Anita Johnson Oberwetter: $2000, 6/25/2003, Bush-Cheney 04 Inc.; $1000, 3/12/2002, John Cornyn for Senate; and $500, 8/21/2002, John Cornyn for Senate.

3. Children and Spouses: Ellen Oberwetter: $250, 2002, Ron Kirk for Senate; $25, 2003, Blair Hull for Senate; Rea Oberwetter, none; Brooke Oberwetter, none.

4. Parents: Albert Oscar Oberwetter & Hilda Curtis Oberwetter, both deceased, none; Ernest H. & Lena Dennison (spouse's parents), both deceased, none.

5. Grandparents: Deceased, none.

6. Brothers and Spouses: Albert R. & Marie Oberwetter, none; Randle & Ginny Dennison (spouse's brother), Dates unknown-Henry Waxman; for Congress, Bernie Sanders for Congress, each less than $100; Larry & LuAnne Dennison (spouse's brother), none.

7. Sisters and Spouses: None.

HOUSE OF REPRESENTATIVES—*Monday, December 15, 2003*

RESIGNATION FROM THE HOUSE OF REPRESENTATIVES AFTER SINE DIE

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
December 8, 2003.

Hon. J. DENNIS HASTERT,
Speaker, House of Representatives,
The Capitol, Washington, DC.

DEAR MR. SPEAKER: It has been a privilege to work with you. I am grateful for the support, guidance and opportunities you have provided during my years in the House—especially by allowing me to play a leadership role in so many important healthcare initiatives. As I begin a new path in Kentucky, I will appreciate even more the trials of leadership and the courage of conviction you have exemplified. Thank you for your friendship, and know that I have come to admire the gracious and professional manner in which you lead the House.

During the past 5 years, I have had the great honor to serve as the Representative for the people of the Sixth Congressional District of Kentucky. My service in the U.S. Congress has been a rewarding professional experience. I thank every one of my constituents who put their trust and faith in my leadership.

Having recently been selected by the people of Kentucky to serve as the next Governor of that great Commonwealth, I will resign my seat representing the Sixth Congressional District of Kentucky effective, upon taking the gubernatorial oath of office at midnight on Tuesday, December 9, 2003.

I look forward to working with the distinguished Members of the House in my new position, and have appreciated their friendship, support, and collegiality during my years in Congress.

Sincerely,

ERNIE FLETCHER,
Member of Congress.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
December 8, 2003.

Hon. PAUL PATTON,
Governor, Commonwealth of Kentucky,
Frankfort, KY.

DEAR GOVERNOR PATTON: For the past five years, it has been my honor and privilege to serve the people of Central Kentucky in the U.S. House of Representatives. This past November, I was offered another opportunity to serve the Commonwealth of Kentucky as the next Governor.

I hereby wish to tender my resignation as Kentucky's Sixth Congressional District Representative effective upon taking the gubernatorial oath of office on Tuesday, December 9, 2003.

Sincerely,

ERNIE FLETCHER,
Member of Congress.

COMMUNICATION FROM THE CLERK OF THE HOUSE AFTER SINE DIE ADJOURNMENT

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, DC, December 10, 2003.

Hon. J. DENNIS HASTERT,
The Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, the Clerk received the following message from the Secretary of the Senate on December 10, 2003 at 11:43 a.m.

That the Senate agreed to House amendment S. 686.

That the Senate passed S. Res. 281.

That the Senate passed without amendment H.R. 2620.

That the Senate passed without amendment H.J. Res. 82.

That the Senate passed without amendment H. Con. Res. 345.

With best wishes, I am

Sincerely,

JEFF TRANDAHL,
Clerk of the House.

COMMUNICATION FROM THE SPEAKER AFTER SINE DIE ADJOURNMENT

OFFICE OF THE SPEAKER,
HOUSE OF REPRESENTATIVES,
Washington, DC, December 11, 2003.

Hon. JEFF TRANDAHL,
Clerk of the House of Representatives,
U.S. Capitol, Washington, DC.

DEAR MR. CLERK: For purposes of House Joint Resolution 80 for the 108th Congress, I hereby designate Representative Tom DeLay of Texas to act jointly with the Majority Leader of the Senate or his designee, in the event of my death or inability, to notify the Members of the House and Senate, respectively, of any reassembly under section 2 of such joint resolution. In the event of the death or inability of my designee, the alternate Members of the House listed in the letter bearing this date that I have placed with you are designated, in turn, for the same purpose.

Sincerely,

J. DENNIS HASTERT,
Speaker of the House of Representatives.

CORRECTION TO THE CONGRESSIONAL RECORD OF MONDAY, DECEMBER 8, 2003, AT PAGE H12864

The following bill was printed incorrectly:

S. 1683

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Law Enforcement Pay and Benefits Parity Act of 2003".

SEC. 2. LAW ENFORCEMENT PAY AND BENEFITS PARITY REPORT.

(a) DEFINITION.—In this section, the term "law enforcement officer" means an individual—

(1)(A) who is a law enforcement officer defined under section 8331 or 8401 of title 5, United States Code; or

(B) the duties of whose position include the investigation, apprehension, or detention of individuals suspected or convicted of offenses against the criminal laws of the United States; and

(2) who is employed by the Federal Government.

(b) REPORT.—Not later than April 30, 2004, the Office of Personnel Management shall submit a report to the President of the Senate and the Speaker of the House of Representatives and the appropriate committees and subcommittees of Congress that includes—

(1) a comparison of classifications, pay, and benefits among law enforcement officers across the Federal Government; and

(2) recommendations for ensuring, to the maximum extent practicable, the elimination of disparities in classifications, pay and benefits for law enforcement officers throughout the Federal Government.

SEC. 3. EMPLOYEE EXCHANGE PROGRAM BETWEEN FEDERAL EMPLOYEES AND EMPLOYEES OF STATE AND LOCAL GOVERNMENTS.

(a) DEFINITIONS.—In this section—

(1) the term "employing agency" means the Federal, State, or local government agency with which the participating employee was employed before an assignment under the Program;

(2) the term "participating employee" means an employee who is participating in the Program; and

(3) the term "Program" means the employee exchange program established under subsection (b).

(b) ESTABLISHMENT.—The President shall establish an employee exchange program between Federal agencies that perform law enforcement functions and agencies of State and local governments that perform law enforcement functions.

(c) CONDUCT OF PROGRAM.—The Program shall be conducted in accordance with subchapter VI of chapter 33 of title 5, United States Code.

(d) QUALIFICATIONS.—An employee of an employing agency who performs law enforcement functions may be selected to participate in the Program if the employee—

(1) has been employed by that employing agency for a period of more than 3 years;

(2) has had appropriate training or experience to perform the work required by the assignment;

(3) has had an overall rating of satisfactory or higher on performance appraisals from the employing agency during the 3-year period before being assigned to another agency under this section; and

(4) agrees to return to the employing agency after completing the assignment for a period not less than the length of the assignment.

☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

(e) WRITTEN AGREEMENT.—An employee shall enter into a written agreement regarding the terms and conditions of the assignment before beginning the assignment with another agency.

HOUSE BILLS AND JOINT RESOLUTIONS APPROVED BY THE PRESIDENT

The President notified the Clerk of the House that on the following dates, he had approved and signed bills and joint resolutions of the following titles:

October 31, 2003:

H.J. Res. 75. A joint resolution making further continuing appropriations for the fiscal year 2004, and for other purposes.

November 6, 2003:

H.R. 3289. An act making supplemental appropriations for defense and for the reconstruction of Iraq and Afghanistan for the fiscal year ending September 30, 2004, and for other purposes.

November 7, 2003:

H.J. Res. 76. A joint resolution making further continuing appropriations for the fiscal year 2004, and for other purposes.

November 10, 2003:

H.R. 2691. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2004, and for other purposes.

November 11, 2003:

H.R. 1516. An act to provide for the establishment by the Secretary of Veterans Affairs of additional cemeteries in the National Cemetery Administration.

H.R. 1610. An act to redesignate the facilities of the United States Postal Service located at 120 East Richie Avenue in Marceline, Missouri, as the "Walt Disney Post Office Building".

H.R. 1882. An act to designate the facility of the United States Postal Service located at 440 South Orange Blossom Trail in Orlando, Florida, as the "Arthur 'Pappy' Kennedy Post Office".

H.R. 1883. An act to designate the facility of the United States Postal Service located at 1601-1 Main Street in Jacksonville, Florida, as the "Eddie Mae Steward Post Office".

H.R. 2075. An act to designate the facility of the United States Postal Service located at 1905 West Blue Heron Boulevard in West Palm Beach, Florida, as the "Judge Edward Rogers Post Office Building".

H.R. 2254. An act to designate the facility of the United States Postal Service located at 1101 Colorado Street in Boulder City, Nevada, as the "Bruce Woodbury Post Office Building".

H.R. 2309. An act to designate the facility of the United States Postal Service located at 2300 Redondo Avenue in Long Beach, California, as the "Stephen Horn Post Office Building".

H.R. 2328. An act to designate the facility of the United States Postal Service located at 2001 East Willard Street in Philadelphia, Pennsylvania, as the "Robert A. Borski Post Office Building".

H.R. 2396. An act to designate the facility of the United States Postal Service located at 1210 Highland Avenue in Duarte, California, as the "Francisco A. Martinez Flores Post Office".

H.R. 2452. An act to designate the facility of the United States Postal Service located at 339 Hickville Road in Bethpage, New York, as the "Brian C. Hickey Post Office Building".

H.R. 2533. An act to designate the facility of the United States Postal Service located at 10701 Abercorn Street in Savannah, Georgia, as the "J.C. Lewis, Jr. Post Office Building".

H.R. 2476. An act to designate the facility of the United States Postal Service located at 141 Weston Street in Hartford, Connecticut, as the "Barbara B. Kennelly Post Office Building".

H.R. 3011. An act to designate the facility of the United States Postal Service located at 135 East Olive Avenue in Burbank, California, as the "Bob Hope Post Office Building".

H.R. 3365. An act to amend title 10, United States Code, and the Internal Revenue Code of 1986 to increase the death gratuity payable with respect to deceased members of the Armed Forces and to exclude such gratuity from gross income, to provide additional tax relief for members of the Armed Forces and their families, and for other purposes.

November 12, 2003:

H.J. Res. 52. A joint resolution recognizing the Dr. Samuel D. Harris National Museum of Dentistry, an affiliate of the Smithsonian Institution in Baltimore, Maryland, as the official national museum of dentistry in the United States.

November 17, 2003:

H.R. 1442. An act to authorize the design and construction of a visitor center for the Vietnam Veterans Memorial.

H.R. 3288. An act to amend title XXI of the Social Security Act to make technical corrections with respect to the definition of qualifying State.

November 22, 2003:

H.R. 274. An act to authorize the Secretary of the Interior to acquire the property in Cecil County, Maryland, known as Garrett Island for inclusion in the Blackwater National Wildlife Refuge.

H.R. 2559. An act making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 2004, and for other purposes.

H.R. 3054. An act to amend the Policemen and Firemen's Retirement and Disability Act to permit military service previously performed by members and former members of the Metropolitan Police Department of the District of Columbia, the Fire Department of the District of Columbia, the United States Park Police, and the United States Secret Service to count as creditable service for purposes of calculating retirement annuities payable to such members upon payment of a contribution by such members, and for other purposes.

H.R. 3232. An act to reauthorize certain school lunch and child nutrition programs through March 31, 2004.

November 24, 2003:

H.R. 1588. An act to authorize appropriations for fiscal year 2004 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

H.J. Res 79. A joint resolution making further continuing appropriations for the fiscal year 2004 and for other purposes.

December 1, 2003:

H.R. 2754. An act making appropriations for energy and water development for the fiscal year ending September 30, 2004, and for other purposes.

December 2, 2003:

H.R. 3182. An act to reauthorize the adoption incentive payments program under part E of title IV of the Social Security Act, and for other purposes.

December 3, 2003:

H.R. 23. An act to amend the Housing and Community Development Act of 1974 to authorize communities to use community development block grant funds for construction of tornado-safe shelters in manufactured home parks.

H.R. 1683. An act to increase, effective as of December 1, 2003, the rates of disability compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for survivors of certain service-connected disabled veterans, and for other purposes.

H.R. 1904. An act to improve the capacity of the Secretary of Agriculture and the Secretary of the Interior to conduct hazardous fuels reduction projects on National Forest System lands and Bureau of Land Management Lands aimed at protecting communities, watersheds, and certain other at-risk lands from catastrophic wildfire, to enhance efforts to protect watersheds and address threats to forest and rangeland health, including catastrophic wildfire, across the landscape, and for other purposes.

H.R. 2744. An act to designate the facility of the United States Postal Service located at 514 17th Street in Moline, Illinois, as the "David Bybee Post Office Building".

H.R. 3175. An act to designate the facility of the United States Postal Service located at 2650 Cleveland Avenue, NW in Canton, Ohio, as the "Richard D. Watkins Post Office Building".

H.R. 3379. An act to designate the facility of the United States Postal Service located at 3210 East 10th Street in Bloomington, Indiana, as the "Francis X. McCloskey Post Office Building".

December 4, 2003:

H.R. 2622. An act to amend the Fair Credit Reporting Act, to prevent identity theft, improve resolution of consumer disputes, improve the accuracy of consumer records, make improvements in the use of, and consumer access to, credit information, and for other purposes.

December 6, 2003:

H.R. 421. An act to reauthorize the United States Institute for Environmental Conflict Resolution, and for other purposes.

H.R. 1367. An act to authorize the Secretary of Agriculture to conduct a loan repayment program regarding the provision of veterinary services in shortage situations, and for other purposes.

H.R. 1821. An act to award a congressional gold medal to Dr. Dorothy Height in recognition of her many contributions to the Nation.

H.R. 3038. An act to make certain technical and conforming amendments to correct the Health Care Safety Net Amendments of 2002.

H.R. 3140. An act to provide for availability of contact lens prescriptions to patients, and for other purposes.

H.R. 3166. An act to designate the facility of the United States Postal Service located at 57 Old Tappan Road in Tappan, New York, as the "John G. Dow Post Office Building".

H.R. 3185. An act to designate the facility of the United States Postal Service located at 38 Spring Street in Nashua, New Hampshire, as the "Hugh Gregg Post Office Building".

H.R. 3349. An act to authorize salary adjustments for Justices and judges of the United States for fiscal year 2004.

December 8, 2003:

H.R. 1. An act to amend title XVIII of the Social Security Act to provide for a voluntary program for prescription drug coverage under the Medicare Program, to modernize the Medicare Program, to amend the

Internal Revenue Code of 1986 to allow a deduction to individuals for amounts contributed to health savings security accounts and health savings accounts, to provide for the disposition of unused health benefits in cafeteria plans and flexible spending arrangements, and for other purposes.

December 9, 2003:

H.R. 3348. An act to reauthorize the ban on undetectable firearms.

SENATE BILLS AND A JOINT RESOLUTION APPROVED BY THE PRESIDENT

The President notified the Clerk of the House that on the following dates, he had approved and signed bills and joint resolutions of the Senate of the following titles:

November 5, 2003:

S. 3. An act to prohibit the procedure commonly known as partial-birth abortion.

November 11, 2003:

S. 470. An act to extend the authority for the construction of a memorial to Martin Luther King, Jr.

S. 926. An act to amend section 5379 of title 5, United States Code, to increase the annual and aggregate limits on student loan repayments by Federal agencies.

November 17, 2003:

S. 677. An act to revise the boundary of the Black Canyon of the Gunnison National Park and Gunnison Gorge National Conservation Area in the State of Colorado, and for other purposes.

S. 924. An act to authorize the exchange of lands between an Alaska Native Village Corporation and the Department of the Interior, and for other purposes.

November 18, 2003:

S. 313. An act to amend the Federal Food, Drug, and Cosmetic Act to establish a program of fees relating to animal drugs.

December 1, 2003:

S. 1066. An act to correct a technical error from Unit T–07 of the John H. Chafee Coastal Barrier Resources System.

S. 1590. An act to redesignate the facility of the United States Postal Service, located at 315 Empire Boulevard in Crown Heights, Brooklyn, New York, as the "James E. Davis Post Office Building".

S.J. Res. 18. A Joint Resolution commending the Inspectors General for their efforts to prevent and detect waste, fraud, abuse, and mismanagement, and to promote economy, efficiency, and effectiveness in the Federal Government during the past 25 years.

S.J. Res. 22. A Joint Resolution recognizing the Agricultural Research Service of the Department of Agriculture for 50 years of outstanding service to the Nation through agricultural research.

December 3, 2003:

S. 117. An act to authorize the Secretary of Agriculture to sell or exchange certain land in the State of Florida, and for other purposes.

S. 189. An act to authorize appropriations for nanoscience, nanoengineering, and nanotechnology research, and for other purposes.

S. 286. An act to revise and extend the Birth Defects Prevention Act of 1998.

S. 650. An act to amend the Federal Food, Drug, and Cosmetic Act to authorize the Food and Drug Administration to require certain research into drugs used in pediatric patients.

S. 1685. An act to extend and expand the basic pilot program for employment eligibility verification, and for other purposes.

S. 1720. An act to provide for Federal court proceedings in Plano, Texas.

S. 1824. An Act to amend the Foreign Assistance Act of 1961 to reauthorize the Overseas Private Investment Corporation, and for other purposes.

December 6, 2003:

S. 579. An act to reauthorize the National Transportation Safety Board, and for other purposes.

S. 1152. An act to reauthorize the United States Fire Administration, and for other purposes.

S. 1156. An act to amend title 38, United States Code, to improve and enhance provision of health care for veterans, to authorize major construction projects and other facilities matters for the Department of Veterans Affairs, to enhance and improve authorities relating to the administration of personnel of the Department of Veterans Affairs, and for other purposes.

S. 1768. An act to extend the national flood insurance program.

S. 1895. An act to temporarily extend the programs under the Small Business Act and the Small Business Investment Act of 1958 through March 15, 2004, and for other purposes.

ENROLLED BILLS SIGNED AFTER SINE DIE ADJOURNMENT

Mr. Trandahl, Clerk of the House, reported and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker on December 11, 2003:

H.R. 100. An act to restate, clarify, and revise the Soldiers' and Sailors' Civil Relief Act of 1940.

H.R. 622. An act to provide for the exchange of certain lands in the Coconino and Tonto National Forests in Arizona, and for other purposes.

H.R. 1006. An act to amend the Lacey Act Amendments of 1981 to further the conservation of certain wildlife species.

H.R. 1012. An act to establish the Carter G. Woodson Home National Historic Site in the District of Columbia, and for other purposes.

H.R. 2620. An act to authorize appropriations for fiscal years 2004 and 2005 for the Trafficking Victims Protection Act of 2000, and for other purposes.

H.J. Res. 82. Joint resolution making further continuing appropriations for the fiscal year 2004, and for other purposes.

SENATE ENROLLED BILLS SIGNED AFTER SINE DIE ADJOURNMENT

The Speaker announced his signature to enrolled bills of the Senate of the following titles on December 11, 2003:

S. 686. An act to provide assistance for poison prevention and to stabilize the funding of regional poison control centers.

S. 811. An act to support certain housing proposals in the fiscal year 2003 budget for the Federal Government, including the downpayment assistance initiative under the HOME Investment Partnership Act, and for other purposes.

S. 877. An act to regulate interstate commerce by imposing limitations and penalties on the transmission of unsolicited commercial electronic mail via the Internet.

S. 1680. An act to reauthorize the Defense Production Act of 1950, and for other purposes.

S. 1683. An act to provide for a report on the parity of pay and benefits among Federal law enforcement officers and to establish an exchange program between Federal law enforcement employees and State and local enforcement employees.

S. 1929. An act to amend the Employee Retirement Income Security Act of 1974 and the Public Health Service Act to extend the mental health benefits parity provisions.

S. 1947. An act to prohibit the offer of credit by a financial institution to a financial institution examiner, and for other purposes.

BILL PRESENTED TO THE PRESIDENT AFTER SINE DIE ADJOURNMENT

Jeff Trandahl, Clerk of the House reports that on December 7, 2003 he presented to the President of the United States, for his approval, the following bill.

H.R. 1. An act to amend title XVIII of the Social Security Act to provide for a voluntary prescription drug benefit under the medicare program and to strengthen and improve the medicare program, and for other purposes.

Jeff Trandahl, Clerk of the House reports that on December 12, 2003 he presented to the President of the United States, for his approval, the following bills.

H.J. Res. 82. Making further continuing appropriations for the fiscal year 2004, and for other purposes.

H.R. 100. To restate, clarify, and revise the Soldiers' and Sailors' Civil Relief Act of 1940.

H.R. 622. To provide for the exchange of certain lands in the Coconino and Tonto National Forests in Arizona, and for other purposes.

H.R. 1006. To amend the Lacey Act Amendments of 1981 to further the conservation of certain wildlife species.

H.R. 1012. To establish the Carter G. Woodson Home National Historic Site in the District of Columbia, and for other purposes.

H.R. 2620. To authorize appropriations for fiscal years 2004 and 2005 for the Trafficking Victims Protection Act of 2000, and for other purposes.

DISCHARGE OF COMMITTEE

Pursuant to clause 2 of rule XII the following action was taken by the Speaker:

[Omitted from the Record of December 8, 2003]

H.R. 2734. The Committee on Transportation and Infrastructure discharged. Referred to the Committee of the Whole House on the state of the Union and ordered to be printed.

REPORTED BILL SEQUENTIALLY REFERRED

Under clause 2 of rule XII, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

[Omitted from the Record of December 8, 2003]

Mr. BOEHLERT: Committee on Science. H.R. 2734. A bill to authorize appropriations for the civil aviation research and development projects and activities of the Federal Aviation Administration, and for other purposes, with an amendment; Rept. 108–405, Part I; referred to the Committee on Transportation and Infrastructure for a period ending not later than December 8, 2003, for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(q), rule X.

Mr. NEY: Committee on House Administration. H.R. 2844. A bill to require States to hold special elections to fill vacancies in the House of Representatives not later than 21 days after the vacancy is announced by the Speaker of the House of Representatives in extraordinary circumstances, and for other purposes, with an amendment; Rept. 108-404, Part I; referred to the Committee on the Judiciary for a period ending not later than January 31, 2004, for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(k), rule X.

EXTENSIONS OF REMARKS

COMMENDING MASTER SERGEANT GERARD G. BABAUTA

HON. MADELEINE Z. BORDALLO

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Monday, December 15, 2003

Ms. BORDALLO. Mr. Speaker, today I would like to recognize the military service of Master Sergeant Gerard G. Babauta, who will be retiring on April 1, 2004. MSgt. Babauta has honorably served in the U.S. Air Force since March 1984. In the past 3 years he has selflessly deployed to Saudi Arabia twice so others would not have to leave their families. This is indicative of his service and attitude. He has always given his utmost in service to others, dedication to country, and honor to the U.S. Air Force.

As a native son of Guam, MSgt. Babauta continues a proud history of military service to our country. He stands alongside other proud Chamorros who have answered the call of duty to defend our Nation and its ideals. We thank MSgt. Babauta for his two decades of service to his country and wish him well as he pursues other endeavors. We also recognize his wife Theresa, daughter Sara, and son Matthew, who have stood by MSgt. Babauta as he has dutifully served his Nation.

TRIBUTE TO MEDRAD, INC.

HON. MELISSA A. HART

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 15, 2003

Ms. HART. Mr. Speaker, I am honored to have the opportunity to congratulate Medrad, Inc. for receiving the Malcolm Baldrige National Quality Award. This award is managed by the National Institute of Standards and Technology in conjunction with the private sector and honors achievements in quality and business excellence in manufacturing. Medrad received the news of its achievement in November from U.S. Secretary of Commerce Donald Evans, and I had the pleasure of attending the company's announcement. The award is a tribute to Medrad's President and CEO, John P. Friel, and his excellent team of workers.

Medrad, Inc., a company specializing in medical imaging, is headquartered in Indianola, Pennsylvania, and employs more than 1,000 people in fifteen locations around the world. Medical imaging is an important tool used to explore the vast terrain of the human body and Medrad has proven itself worthy of this award. With its dedication to continually improving the quality of their work, Medrad has become a business leader in the fourth district.

I ask my colleagues in the House of Representatives to join me in congratulating Medrad, Inc. on their accomplishment of receiving the Malcolm Baldrige National Quality Award.

IN RECOGNITION OF HAMAZKAYIN ARMENIAN EDUCATIONAL AND CULTURAL SOCIETY'S 75TH ANNIVERSARY WORLDWIDE AND 35TH ANNIVERSARY OF ESTABLISHMENT IN CALIFORNIA

HON. ADAM B. SCHIFF

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 15, 2003

Mr. SCHIFF. Mr. Speaker, I rise today to honor the Hamazkayin Armenian Educational and Cultural Society as it celebrates its 75th anniversary worldwide and 35th anniversary of its establishment in California. Hamazkayin Armenian Educational and Cultural Society was founded by a group of community leaders on May 28, 1928, in Cairo, Egypt, with the objective of providing a sound education to the new generation and preserving the ethnic identity and cultural heritage of the Armenian people, forced to live outside their homeland after the 1915 genocide and the fall, in 1920, of the First Republic of Armenia.

Subsequently, Hamazkayin Chapters sprouted throughout the Middle East, Europe, the United States, Canada, South America and Armenia to instill, perpetuate and preserve the centuries old Armenian culture. Hamazkayin established several schools and centers of learning. In 1930, Jemaran, an elementary and high school was founded in Beirut, Lebanon and it continues to be an important educational center in the Middle East. Similar schools were established in 1976 in Marseille, France and in 1986 in Sydney, Australia. In addition, Hamazkayin has an advanced learning institute for Armenian language and literature, as well as a printing press and publishing house in Beirut, Lebanon.

The Western USA Executive Board of Hamazkayin supervises the operations of eight chapters and seven special committees operating in Southern California, Fresno and San Francisco. This non-profit organization, run solely by dedicated and tireless volunteers, sponsors a plethora of activities including lectures, seminars, after-school workshops, commemorative events, exhibitions, concerts, recitals, traditional dance ensembles, dramatic arts troupes and choirs. The Western USA Executive Board's seven special committees, namely Music, Art, Contemporary and Heritage Committees, Ani Dance Company, Saroyan Theater Company and Armenian Folk Instrument Orchestra, have one common goal: the conservation of the Armenian intellectual legacy and the promotion of cultural values. The activities of these Special Committees include preservation of classical, folk and popular music, performances of traditional and ethnic dances in authentic costumes, promotion of theatrical arts, presentation of social conventions and traditions throughout the centuries, as well as encouragement and support to talented young artists.

It is my distinct honor to recognize Hamazkayin's innumerable accomplishments over the years. I ask all members of the United States House of Representatives to join me in congratulating Hamazkayin's 35 years of contributions to the ethnic diversity of the United States by nurturing the Armenian traditions and national heritage and sharing these cultural values with other communities, especially in California.

CONFERENCE REPORT ON H.R. 2673, CONSOLIDATED APPROPRIATIONS ACT, 2004

SPEECH OF

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. WOLF. Mr. Speaker, I want to thank the members of my subcommittee staff who have put in very long hours to produce the C–J–S portion of the omnibus appropriations bill. All members of the staff have worked long, hard hours through what was a difficult conference.

I would like to particularly thank Mike Ringler, clerk of the subcommittee, who has led the subcommittee through the House and Senate conference. I would also like to thank Christine Kojac, John Martens, and Leslie Albright, for their tireless efforts.

I also would like to thank the detailees, Anne Marie Goldsmith and Alan Lang, who have added their own expertise to help make the C–J–S portion of this bill great.

In my personal office, I would like to thank Dan Scandling, Janet Shaffron, J.T. Griffin, Samantha Stockman, and Neil Seifring for their efforts and work with the subcommittee.

Finally, I would commend David Pomerantz and Rob Nabors of the minority staff for their input and help in this truly bipartisan bill.

CONGRATULATING DAVID CRISOSTOMO

HON. MADELEINE Z. BORDALLO

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Monday, December 15, 2003

Ms. BORDALLO. Mr. Speaker, I rise today to recognize and congratulate David Crisostomo, a distinguished young journalist from Guam for his selection for the "Gannett Newsroom Supervisor Recognition Award for 2003." As one of sixteen newsroom managers

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

recognized from a pool of sixty national finalists, the Gannett award is presented in recognition of exemplary leadership.

David began his career as a newsroom intern with the Pacific Daily News in 1992 and became a local news reporter in 1996. He served as a lifestyle reporter, assistant lifestyle editor and assistant local news editor; quickly working his way up the ranks to be appointed local news editor in December 2002.

David's selection for the Gannett award was based on the performance of his duties when Guam was hit by Supertyphoon Pongsona, one of the most devastating storms experienced. During the destructive storm, David stationed himself in the newsroom, working diligently to keep a traumatized community informed. Hourly he provided crucial and updated information on the newspaper's Web site.

When the storm subsided and David was informed of the loss of his parent's home, he took up residence in the newsroom for weeks to ensure coordinated local coverage. As a team player, David also galvanized nonprofit and community-based aid organizations, as well as the island's federal emergency management teams, in coordinating newspaper coverage in an effort to distribute vital information to a recovering community.

According to his nominator for the award, "David's editing leadership insured news coverage that focused on readers' needs during the storm and for weeks after, while the island still was rebuilding from the storm's devastation. David more than proved his leadership ability during this ordeal."

In addition, David is also actively involved in a leadership role with newspaper outreach efforts within the community. And recently, during the newspaper's planning process, he chaired an instrumental inter-department team. It is worth noting that David's award is in addition to other key corporate honors bestowed to Pacific Daily News staff and executives this year.

Gannett is an international company with headquarters in McLean, Virginia and maintains operations in forty-four states including the District of Columbia, Guam, Belgium, Germany, Hong Kong, Italy and the United Kingdom. In terms of circulation, Gannett is considered America's largest newspaper group with 100 daily newspapers and a combined daily circulation of 7.7 million. In addition of the Pacific Daily News, publications include USA Today, the nation's largest-selling daily newspaper, with a circulation of approximately 2.3 million and availability in 60 countries worldwide.

I want to commend David for his hard work and dedication to the people of Guam, and to express my sincere congratulations on his joining the ranks of 149 other Gannett managers that have been cited for outstanding work since the supervisor awards were introduced in 1994. As a native son of Guam, David serves as a model of success, hard work and perseverance for both young and old alike.

HAPPY NEW YEAR 4702 TO THE ORGANIZATION OF CHINESE AMERICANS

HON. MELISSA A. HART

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 15, 2003

Ms. HART. Mr. Speaker, I would like to wish the membership of the Organization of Chinese Americans a healthy and happy New Year for the year 4702, the year of the Monkey.

The New Year is a time for reflection and thanksgiving for the joys of life and loved ones and I am thankful for the richness that this organization brings to my region. Chinese Americans have made great contributions to Western Pennsylvania and to our Nation as a whole and I am very honored for this opportunity to wish them the best year yet in 4702.

I encourage my colleagues in the House of Representatives to join with me in wishing the members of the Organization of Chinese Americans a very happy and prosperous New Year.

IN RECOGNITION OF LARRY ZARIAN, RECIPIENT OF THE BOY SCOUTS OF AMERICA, VERDUGO HILLS COUNCIL 2003 GLENDALE DISTINGUISHED CITIZEN OF THE YEAR

HON. ADAM B. SCHIFF

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 15, 2003

Mr. SCHIFF. Mr. Speaker, I rise today to honor longtime Glendale community leader and activist Larry Zarian on the occasion of his receiving the Verdugo Hills Council, Boy Scouts of America 2003 Glendale Distinguished Citizen of the Year award. Larry has been actively involved with the Boy Scouts for many years, having served on the executive board of the Verdugo Hills Council, Boy Scouts of America for seventeen years.

Larry has been a vibrant part of the fabric of Glendale since he began residing there in 1953. Most notably, Larry served for sixteen years on the Glendale City Council and as mayor of Glendale for four terms. He is responsible for many accomplishments during his tenure on the Glendale City Council. He organized groups to raise funds for the Veteran's Memorial monument; worked to maintain Glendale hillsides; and was a supporter for code enforcement, enabling the city to identify landlords who maintained substandard conditions.

His activism and leadership was apparent when he was appointed to serve on a city commission at the age of 20. Subsequently, Larry was appointed by various local, state and national leaders to serve on other commissions. He served as chairman on the state Water & Power Commission & Planning Commission. Governor George Deukemejian and later Governor Pete Wilson appointed Larry to serve on the regional Water Quality Control Board. President Reagan appointed him to the National Highway Safety Commission.

As a member of the Glendale Junior Chamber of Commerce, Larry mentored young entrepreneurs about civic responsibility, community involvement and leadership. His dedication and service to the community placed him on numerous boards such as the Glendale Adventist Medical governing board where he helped raise funds for the MRI Center. As a board member of the Foundation for Glendale's Association for the Retarded, Larry was instrumental in securing the organization's first home in Glendale. Currently Larry is a member of the board of directors for Glendale Symphony. As an active and proud member of the Kiwanis, Larry annually helps with the Special Olympics and Jazz Day where he dons an apron to serve sandwiches.

Larry has been recognized for his selfless contribution to his community as recipient of Verdugo Hills Council Good Turn Award; Citizen of the Year from the Glendale Chamber of Commerce; and Philanthropist of the Year from Glendale Adventist Medical Center. For many years, Larry has aptly been voted as one of the top 103 most influential people in the City of Glendale.

It is my pleasure to recognize Larry Zarian. I ask that all members of the United States House of Representatives join me in congratulating Larry for all his years of selfless service and dedication to the Boys Scouts of America and to the Glendale community at large.

IRAQ: A WAR OF CHOICE (CONT.)

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 15, 2003

Mr. FRANK of Massachusetts. Mr. Speaker, on December 8, I inserted into these pages an extraordinarily important article by Richard Haass, formerly the Director of Policy Planning at the State Department in the Bush administration. This article by Mr. Haass, which appeared in the November 23 Washington Post, has received far too little attention. In it, this very high ranking State Department official under the presidency of George Bush acknowledged what many of us have been arguing in the face of the administration's efforts to prove the contrary; namely, that the war in Iraq was motivated not by a fear of weapons of mass destruction or of the need to combat terrorism, but rather as a conscious policy choice in service of the administration's view of the world. As Mr. Haass himself argued in the central point of his essay, Iraq was a war of choice and not of necessity. Obviously if it had been occasioned by the likelihood of Saddam Hussein using weapons of mass destruction or of his furthering the efforts of al Qaeda, it would have fallen into the war of necessity category.

While I was disappointed that more attention had not been paid to this, I was not surprised to see in the December 8 Washington Post a very thoughtful article by Lawrence J. Korb underlining exactly how significant Mr. Haass's article was. Lawrence J. Korb who served as an Assistant Secretary of Defense under President Reagan has been for years one of the most thoughtful critics of national security excesses, and a strong articulator of rational foreign policy.

As Mr. Korb explicitly notes, what Richard Haass says in explaining the war in Iraq is directly contrary to the rationale given by the President, the Secretary of Defense and other high administration officials. It is, as Mr. Korb notes, unfortunate that Mr. Haass "was unwilling to go public with his views as did General Eric Shineski, while he could have made a difference." But while I join Mr. Korb in that regret, I do want to express admiration for Mr. Haass for speaking out now. Obviously he is aware of how much what he writes contradicts the official rationale for this war given by the Bush administration, and in this case the adage better late than never is relevant.

Because Lawrence J. Korb so clearly emphasizes the importance of Richard Haass's original article and because this is a significant debate that is getting too little attention from the American public, I ask that Lawrence J. Korb's article be printed here.

A WAR OF CHOICE OR OF NECESSITY?

(By Lawrence J. Korb)

Eight months after the Bush administration got us involved in a bloody war in Iraq, we are now told by one of Secretary of State Colin L. Powell's closest advisers that Iraq was a war of choice after all. According to Richard Haass, director of policy planning at the State Department until June 2003 and still the Bush administration's special envoy to Northern Ireland, the administration "did not have to go to war against Iraq, certainly not when we did. There were other options" [op-ed, Nov. 23]. Really?

This is not what the administration told us before the war and continues to tell us to this day. On March 20, as he was sending troops into Iraq because the regime of Saddam Hussein allegedly possessed weapons of mass destruction and had ties to al Qaeda, Secretary of Defense Donald H. Rumsfeld told them, "We are at the point at which the risk of not acting is too great to wait longer. As you prepare, know that this war is necessary . . ." Some three weeks into the war, Powell, who had made the case for war to the United Nations, stated: "We do not seek war. We do not look for war. We don't want wars. But we will not be afraid to fight when these wars are necessary to protect the American people, to protect our interests, to protect friends."

Even after it had become abundantly clear that the arguments the Bush administration advanced for going to war were specious, both Vice President Cheney and Deputy Secretary of Defense Paul D. Wolfowitz explicitly rebutted Haass's position. In an Oct. 10 speech to the Heritage Foundation in which he lashed out at those who said we had a choice about invading Iraq, the vice president said: "Some claim we should not have acted because the threat from Saddam Hussein was not imminent. Since when have terrorists and tyrants announced their intentions, policy putting us on notice before they strike?" On Nov. 4 Wolfowitz stated: "But one of the things that Sept. 11 changed was that it made it a war of necessity, not a war of choice."

The president himself continues to proclaim how necessary the war was. On Nov. 22 he said at a press conference in London, "Our mission in Iraq is noble and it is necessary."

On Thanksgiving Day the president told the troops in Baghdad: "You are defeating the terrorists here in Iraq so we don't have to face them in our own country."

Even more surprising is Haass's contention that despite its public pronouncements, the Bush administration knows that, because this is a war of choice, Americans will not support it unless it is relatively short and cheap. This is why the administration has changed its policy and accelerated the timetable to hand over increasing political responsibility to Iraqis, even if it means reducing what it is trying to accomplish.

Haass weakens his own case by arguing that the first Persian Gulf War was a real war of necessity and Vietnam was only a war of choice. Even those who argued against the recent invasion of Iraq would not contend that it was less necessary than the first Persian Gulf War. As Secretary of State James Baker noted in 1990, that war was really about oil. And Powell, then chairman of the Joint Chiefs of Staff, as well as such defense hawks as Sen. Sam Nunn (D-Ga.), wanted to give sanctions more time to work before invading Iraq. (If it was so necessary, why did the administration of the elder Bush not invade until it got other nations to fund the war?)

It is equally absurd to argue that the first Gulf War was more necessary than Vietnam. In the mid-1960s many Americans, including most of us who were in the armed forces, believed that if South Vietnam fell to the Communists all of Southeast Asia would soon follow and the containment policy would be undermined. This is why the American people supported that conflict through the Tet offensive of 1968, even though more than 30,000 Americans had died by then.

Ironically, while Haass is wrong about Vietnam and the first Gulf War, he is right about Iraq. It is a war of choice—a bad choice as it turns out. Unfortunately, he was unwilling to go public with his views, as did Gen. Eric Shinseki, while he could have made a difference. This article should have been written nine months ago when Congress and the American people had a choice. Now our only real choice is to continue to stay and absorb the casualties and the cost.

HONORING THE GUAM COUNCIL OF WOMEN'S CLUBS ON THEIR TWENTIETH ANNIVERSARY

HON. MADELEINE Z. BORDALLO

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Monday, December 15, 2003

Ms. BORDALLO. Mr. Speaker, I rise today to congratulate the Guam Council of Women's Clubs on their 20th anniversary and to acknowledge the Council's present and past members. I commend the numerous contributions of the council to programs and organizations that benefit not only Guam's local population, but also the national and international community.

The Guam Council of Women's Clubs was founded in June 1983 as a response to the devastation in Guam from Supertyphoon Pamela. A group of prominent local women answered the call to service, establishing the council in an attempt to unify existing organizations towards the goal of recovery. The organization was to be a congress made up of representatives from every association devoted to promoting women's issues around common backgrounds, cultures, ethnicity and purpose. Through this collaboration, the founders sought to harness the energy and spirit of such organizations to contribute to the betterment of the local community, while providing an opportunity to pursue and express the political, social and economic needs of every woman, as individuals and as a powerful collective force.

The names of the individual organizations which collectively comprise the Council include: the American Association of University Women; the Catholic Daughters of America; the Chinese Ladies Association; the Christian Women's Club; the Filipino Ladies Association of Guam; the Guam Women's Club; the Guam Memorial Hospital Volunteers Association; the International Women's Club; the Women's Division of the Japan Club of Guam; the Korean Women's Association; the Palau Women's Club; and most recently, the two Soroptomist International organizations.

As a founding member of this organization, I want to express my deepest gratitude to the Guam Council of Women's Clubs and its members for their years of hard work and dedication to the people of Guam, as they celebrate their 20th anniversary of service.

PERSONAL EXPLANATION

HON. JIM GIBBONS

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 15, 2003

Mr. GIBBONS. Mr. Speaker, I would like to offer a personal explanation of the reason for my absence on November 17, 2003 during rollcall Votes #620, 621, 622, and 623. When these votes were called, I was detained in Nevada's Second Congressional District while tending to certain duties in the State of Nevada.

If present, I would have voted: "aye" on rollcall Vote #620, S.J. Res. 22; "aye" on rollcall Vote #621, S.J. Res. 18; "aye" on rollcall Vote #299, H. Con. Res. 299; and "aye" on rollcall Vote #623, A Motion on Hour of Meeting.

THE TRUTHS OF GENEVA

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 15, 2003

Mr. FRANK of Massachusetts. Mr. Speaker, no situation in the world is more deeply troubling to me and many others than the ongoing conflict involving Israel and the Palestinians. I speak as a strong supporter of Israel and of the moral importance of its continuing to exist as a free, independent, secure nation. Sadly, from the moment Israel's creation was announced—in accord with a U.N. resolution—in 1948, the unremitting hostility of its Arab neighbors plunged that small nation into war. The years since have been marked by a continuation of that hostility in many parts of the Arab world, with consequent violence and with large numbers of people's lives being lost, but also some progress in achieving peace. Most notably, the government of Menachem Begin signed an important peace treaty with Egypt in

1978 which, despite the skepticism of many Israelis and some of Israel's strongest supporters in America, has in fact worked enormously for the benefit of Israel by providing a peaceful situation for much of its borders. This 1978 agreement was one in which Israel gave up a large amount of territory which it had gained in a defensive war, territory which had both important strategic value and from which Israeli settlers were moved as part of the agreement. This has obvious relevance as a precedent for an agreement to end the current conflict.

In addition to this peace agreement with Egypt, Israel has over the years worked out arrangements with its neighbor to the east, the Kingdom of Jordan, which has similarly been beneficial compared to the strife that had previously existed in that area.

The central remaining question is of course whether or not an agreement can be reached between Israel and the Palestinians which will preserve Israel's security while allowing it to maintain its important political and moral role as a free, Jewish, democratic state. I know there are people who argue that it is inappropriate for Israel to be a Jewish state. Such arguments seem to me quite hollow, particularly when they come from those who have no quarrel with the existence of a number of officially Islamic states throughout the Middle East. I strongly oppose theocracy but I do not think there is anything wrong with a particular democratic society including an official religion as long as it does so in a way that protects the rights of those in the society who do not follow that religion. Israel comes far closer to that goal than any of its neighbors, and criticism of Israel on that score therefore seems particularly hypocritical and motivated more by opposition to the existence of the state than to any commitment to principle.

In fact, the importance of Israel remaining both Jewish and democratic is one key reason why a settlement of the conflict with the Palestinians is so important to me and many other strong supporters of Israel. As Prime Minister Sharon himself has noted, it is difficult to see how Israel can remain both democratic and Jewish if it continues to control all of the West Bank and Gaza Strip, with the large number of Palestinian inhabitants there. Combined with the Palestinians who live within Israel, the number of non-Jewish citizens—indeed of many citizens hostile to the existence of a Jewish state—means that conducting democratic politics and maintaining the state's Jewish character are at odds. For this and other reasons, an agreement between Israel and the Palestinians is greatly to be desired.

It is in this context that I join in welcoming the efforts of those on both the Israeli and Palestinian side who have recently demonstrated what an achievable Israeli-Palestinian peace can look like. Recently, in Geneva, a ceremony was held in which leading Israeli and Palestinian citizens signed onto their version of a comprehensive peace plan which provides both for a Palestinian state, and a State of Israel, with both having the viability necessary to exist as independent nations, and in a way that minimizes the likelihood of ongoing violence between them. This initiative, led by Yossi Beilin and Yasser Abed Rabbo, reflects a great deal of serious thought by people who have been deeply involved in trying to reach peace, and demonstrates that a true peace agreement is in fact achievable in ways that meet the needs of those in both Israel and the Palestinian areas who genuinely desire peace. In addition, a recent proposal outlined by Ami Ayalon and Sari Nusseibeh is less detailed but points in a similar direction.

Mr. Speaker, I understand and there is both in Israel and in some Palestinian circles a great deal of unhappiness that these four men and others joining with them have engaged in these activities. I think the criticisms are unwarranted and in fact counterproductive. Denigrating these efforts does not seem to me to be consistent with a professed desire to reach the peace settlement between Israel and the Palestinians that is so manifestly in the interests of all parties in the area.

On Friday, December 5, the distinguished newspaper The Forward, which has long been an important voice within America's Jewish Community, carried an editorial entitled The Truths of Geneva. Noting that "the Geneva initiative does not represent anything like the threat to Israel's safety that its opponents suggest," the editorial goes on to note that "by relying on respected, mainstream public figures from both sides to do the phrasing and mapmaking—including several of Israel's most trusted ex-generals and intelligence chiefs—they showed that a peace agreement could be reached that would satisfy the essential needs of both sides, if the leaders so chose." As the editorial went on to note, the Geneva initiative "shows that there is a way out of Israel's deadly mess . . . it shows, in rough terms, what such a formula might look like."

Mr. Speaker, I ask that this editorial from a source that has long been one of Israel's most thoughtful and ardent defenders be printed here, as part of the effort of many of us to express our appreciation to those who have undertaken this difficult effort to demonstrate how peace can be achieved and to pledge our continuing support for their efforts.

[From the Forward, Dec. 5, 2003]

THE TRUTHS OF GENEVA

For all its theatrics, its celebrity cast and high-concept special effects, the "launch" this week in Switzerland of the so-called Geneva Understandings did not usher in a new era in Israeli-Palestinian relations. The document's authors and architects did not have the power to do anything of the sort. Private citizens all, they could hug and sing and display a document they had written together, but they could not make peace between the two warring nations. Only governments can do that.

For that same reason, the Geneva initiative does not represent anything like the threat to Israeli's safety that its opponents suggest in their more overheated flights of rhetoric. The Geneva authors did not give anything away, because they had nothing to give away. All they did—all they could do—was to bring together groups of citizens from the two embattled communities and discuss ways the sides might settle their differences, if their leaders so chose. By relying on respected, mainstream public figures from both sides to do the phrasing and map making—including several of Israel's most trusted ex-generals and intelligence chiefs—they showed that a peace agreement could be reached that would satisfy the essential needs of both sides, if the leaders so chose. But they did not produce the peace agreement. Only governments can negotiate peace.

All the incendiary rubbish aside, there was nothing fraudulent going on at Geneva. The negotiators were not purporting to speak for the Israeli government any more than Tovah Feldshuh purports to be Golda Meir in her nightly appearances on Broadway. It's all play-acting, meant to draw an audience and, perhaps, make a point.

And yet, this play's message must carry a real sting, judging by the desperation of its opponents to find something, anything, wrong with it. Consider their arguments: First, the document should be ignored because it is meaningless and toothless. Second, it should be fought because it endangers Israel by somehow handing over valuable assets. Third, the Israeli authors let themselves be duped by Palestinian extremists who will never be satisfied even by the sweeping Geneva concessions. Fourth, the authors undercut the Sharon government's negotiating position by raising Palestinian expectations, thus reducing the likelihood that they will somehow accept the far more limited concessions Sharon is contemplating as part of his own plan for extricating Israel from its deadly mess.

That, in the end, is the Geneva initiative's real threat, and its only threat. It shows that there is a way out of Israel's deadly mess. It shows that there is a broad formula that could resolve the century-old dispute on terms both sides could live with. It shows, in rough terms, what such a formula might look like. By forcing itself into the spotlight and exciting public debate, it shows that there is a critical mass on both sides that could, with some effort, accept such a deal. And it shows who is against reaching such a deal and would rather keep fighting.

Those are the truths of Geneva, and they are real ones. But they need not leave Israel isolated. Israel's friends could and should embrace the initiative—not for its details but for its vision—and encourage Israel's prime minister to do the same. He could, if he wanted, praise the initiative as a contribution to public discussion, details aside. He could point to the violent opposition of Palestinian hard-liners, who denounce the document for its betrayal of their "right of return," as evidence of the uphill climb still ahead. And he could vow to begin that climb, so Israelis can know that their leaders genuinely want to end their long nightmare.

TRIBUTE TO MAYBELL JEANNE JACOBSON

HON. MADELEINE Z. BORDALLO

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Monday, December 15, 2003

Ms. BORDALLO. Mr. Speaker, today, I want to pay tribute to a remarkable woman I was privileged to call my friend, Maybell Jeanne Jacobson. Jeanne passed away on October 10, 2003 following a long and valiant struggle with cancer.

Jeanne is survived by her husband, MG Hilding Leonard Jacobson, Jr.; by her son, George Chester, and her children by marriage, Grant and Linda Jacobson. She is also survived by her mother, Maude Haston, her sister Elsie Haston, and two brothers, Bud and Ernest Haston, all of whom remain in Sacramento. She leaves behind many others who love her, among them Mr. Pan Kayochar Todd of Tampa, FL, who became part of her extended family.

Jeanne was born on a small farm in Missouri on July 16, 1928. She spoke often of this rolling Missouri farm, of apple trees in the spring, with blossoms so fragrant, and birds singing in the fields as sun warmed the early morning air. This farm was a small piece of heaven she always carried with her.

With the coming of the Dust Bowl and the Depression, her family sold the farm and traveled to California to work in the migrant farm camps. Living in tents with dirt floors, her parents eventually saved enough money to buy a dairy farm outside Sacramento. Through all of this, she still managed to finish high school and attend college.

From Jeanne's simple beginnings she went on to travel the world, including China, Asia, Russia and Europe. She had an audience with the Pope at the Vatican, explored many corners of our glorious world, bringing with her respect and tolerance for other people's beliefs and customs.

Together with her husband, Major General Jacobson, Jeanne served our country in Washington, DC, Vietnam, Thailand and a final and wonderful tour of duty in Guam. Eventually settling in Lompoc, CA, in a home overlooking the first tee of the Vandenberg Village golf course, she enjoyed watching as well as playing the game of golf—and she played it very well. It was on Guam where Major General Jacobson was serving as the commanding officer at Andersen Air Force Base that I first met Jeanne and became life-long friends.

Jeanne ended this life without fear and with her family and many loved ones at her side. She remains beloved in the hearts of so many, and it is our great honor to remember her today, especially in this special place that meant so very much to her.

ADDITIONS TO NOVEMBER 5, 2003 FLOOR SPEECH IN SUPPORT OF H. RES. 425

HON. JIM GIBBONS

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 15, 2003

Mr. GIBBONS. Mr. Speaker, I rise today in strong support of H. Res. 425, a Resolution to recognize and honor the brave men and women who responded to the horrendous wildfires that plagued Southern California last month.

While we all recognize that hundreds of first responders from the State of California bravely risked their lives to fight these wildfires, many Americans are less aware that hundreds of Nevada's first responders were also enlisted in this fight.

In fact, during the course of this deadly natural disaster, the State of Nevada deployed over 450 brave Americans to Southern California to join their neighbors in the effort to quell this deadly natural disaster.

These Nevadans included dozens of firefighters, paramedics, and highly-skilled mechanics. Northern Nevada-based crews from the United States Forest Service and the Bureau of Land Management along with engine crews from the Nevada Division of Forestry, Reno, Sparks, Storey County, Elko County and the North Lake Tahoe Fire Protection District were dispatched on October 27 to fight the Southern California fires.

Additionally, four Ely firefighters, a member of Lovelock, Nevada's private fire department and a rescue truck formed a strike team with Walker Lake Paiute Tribe firefighters and firemen to join the united efforts across Nevada's Western border.

Finally, two strike teams composed of firefighters from Las Vegas, Clark County, Henderson, Pahrump, the Nevada Test Site and the Naval Air Station at Fallon drove in to offer support to a base camp in Santee.

Mr. Speaker, I encourage all of my colleagues to join me in supporting this important resolution. The brave first responders from all over the Western States, and Nevada, have earned this honor and I am pleased to recognize their selfless efforts today.

CONTROLLING THE ASSAULT OF NON-SOLICITED PORNOGRAPHY AND MARKET ACT OF 2003

SPEECH OF

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. CONYERS. Mr. Speaker, I rise in support of this legislation. There is no denying the fact that the rise in unsolicited commercial e-mail, or spam, has become an intrusive aspect of the Internet, negatively impacting consumers and Internet service providers. Surveys have noted that the volume of spam rose from 8 percent of all e-mail in January 2001 to 45 percent of all e-mail in January 2003.

Increasingly, spam mail is designed to prey upon innocent consumers by enticing them with fraudulent or misleading offers. Even worse, many of these e-mails are created to trick Internet users of all ages into opening web pages that depict sexually-explicit materials. In fact, the Federal Trade Commission recently reported that, out of 1,000 pieces of spam it studied, 66 percent contained false or misleading information, and roughly 18 percent concerned adult offers.

At the same time, spam also is incredibly costly to our Nation's economy. The huge amount of spam that is transferred over the Internet has drastically altered the speed at which it takes to process e-mails and the amount of memory needed to maintain an e-mail account. These costs are often transferred to businesses and customers who are forced to pay for time spent reading and deleting junk mail. Indeed, the Ferris Research Group estimates that spam will cost the United States over $10 billion in 2003. It is clear that something must be done about this problem.

To this end, I am gratified that many of my colleagues are unified in their resolve to pass a law to prevent spam and have reached this compromise. In order to stop the harmful practices of spammers, we have before us Federal legislation that gives consumers the ability to opt-out of receiving any commercial e-mail they do not want to receive and makes it illegal to falsify the identity of the sender.

With respect to enforcement, we have before us legislation that would allow for effective prosecution of those who violate Federal spam legislation. On the Federal level, by giving the Department of Justice and the Federal Trade Commission the tools to fine and place in jail the most egregious spammers, we can begin to give consumers control over their in-boxes. It is important to note that these protections are not limited to commercial e-mails; consumers will have enhanced protections against pornographic e-mails as well.

Also, knowing that effective law enforcement requires multiple fronts, this legislation does not rely on Federal enforcers alone, though. It empowers State attorneys general to bring civil actions against spammers for injunctions and damages. Moreover, it gives Internet service providers, whose systems suffer from spam traffic every day, the ability to bring lawsuits against violators.

The bottom line is that Congress must pass tough laws in order to deal effectively with spammers who can now hide behind the anonymity of the Internet. Only through legislation such as this that establishes civil and criminal penalties for sending unsolicited and fraudulent e-mails can we protect our Nation's consumers.

I urge my colleagues to support this legislation.

A TRIBUTE TO DEANNA WALKER

HON. NICK LAMPSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 15, 2003

Mr. LAMPSON. Mr. Speaker, I rise in appreciation of my constituent, Deanna Carol Beadman Walker. Mrs. Walker retires from the Southeast Texas credit industry this month after 18 years at the Beaumont office of Computer Science Corporation with the gratitude and admiration of the Ninth District. Thousands of Southeast Texans have been able to start their lives as homeowners, maintain their credit, and enrich the lives of their families because of Mrs. Walker's work.

Mrs. Walker's efforts have contributed to a highly respected, well-run credit organization that is central to the economic vitality of a community, gives peace of mind to financial institutions and provides the tools consumers need to obtain creditworthiness.

She earned the respect of her colleagues, serving on the Board of Directors of the Gulf Coast Area Consumer Credit Counseling Service and the Beaumont Housing Authority. She served as President of Credit Women International—Orange Chapter and the Credit Management Association—Beaumont Chapter. She earned a place in the International Credit Association of Texas's Hall of Fame in 1996 and the distinction Credit Executive of the Year in 1998.

Mrs. Walker's professional success as a career woman complements her life success as wife to Weldon Walker and devoted mother to

Becky, Ben, Tom, and Lisa. She is an asset to our community who has set a high standard of service and dedication to the people of the Ninth District. I commend Mrs. Walker for her efforts and congratulate her on this achievement.

AMERICAN DREAM DOWNPAYMENT ACT

SPEECH OF

HON. MADELEINE Z. BORDALLO

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Ms. BORDALLO. Mr. Speaker, I rise today in support of S. 811, which will authorize funding for grants to low-income first-time homebuyers and certain uniform servicemen and women in order that they may enjoy the American dream of homeownership.

I recall purchasing my first home and the tremendous satisfaction and pride that it afforded me. I believe that every American that works hard and saves for the purpose of raising his or her children in their own home deserves the opportunity to reap the fruits of their labor. I am proud that this Congress is prepared to encourage and support American homeownership.

I want to thank Financial Services Committee Chairman MICHAEL OXLEY and Ranking Democratic Member BARNEY FRANK, as well as Housing and Community Opportunities Subcommittee Chairman BOB NEY and Ranking Democratic Member MAXINE WATERS for their leadership in including a proposal that is very important to Guam and the insular areas in S. 811. I would especially like to thank Congressman FRANK and his staff for their guidance and leadership throughout this process. This provision would move the annual Community Development Block Grant funding provided to Guam and the insular areas from a strictly discretionary financing stream into the section 106 grant formula under which cities and communities in the States receive their funding. This is where it belongs, as Guam and the insular areas should have parity with the States.

Passage of S. 811 will also eliminate a regulatory hurdle that prevents Guam, American Samoa, the Virgin Islands and the Commonwealth of the Northern Marianas from participating in the Section 108 Loan Guarantee Program. Inclusion in the Section 108 Loan Guarantee Program will allow the insular areas to apply for low-interest government-backed loans to build large projects such as bridges, schools and other projects designed to develop human, natural and capital resources to stimulate economic development.

Section 108 was a legislative priority of mine, prompting me to introduce H.R. 2422, the Insular Areas Community Development Act. Thanks to the kind support of Congresswoman HARRIS, as well as the helpful assistance of the Financial Services Committee leadership and staff, this longstanding issue for Guam and the insular areas will finally be resolved with the passage of S. 811.

I strongly urge my colleagues to vote in favor of S. 811.

CONFERENCE REPORT ON H.R. 2673, CONSOLIDATED APPROPRIATIONS ACT, 2004

SPEECH OF

HON. CIRO D. RODRIGUEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Mr. RODRIGUEZ. Mr. Speaker, I rise today to express my disappointment that the omnibus appropriations package before us, H.R. 2673, does not include provisions passed by both houses of Congress to protect workers' overtime pay, nor does it extend the Temporary Extended Unemployment Compensation (TEUC) program.

Mr. Speaker, here we are again, the holiday season is upon us and once more, it is time to buy presents for our loved ones. Whether we are celebrating Christmas, Chanukah, Kwanzaa or simply the holiday season, it is a time for sharing gifts, festive meals and caring for others. Unfortunately, the appropriations package before us will strip workers of their overtime rights and does not extend TEUC benefits, possibly resulting in Santa Claus not making stops at everyone's house next year.

Millions of families continue to struggle through the rough fringes of our economy. Currently the official U.S. unemployment rate is at 5.9 percent, representing more than 8.5 million unemployed workers, and the rate for Hispanics has moved up to 7.4 percent. As much as these can be seen as mere figures, we must realize that they are more than just numbers. They represent human beings: someone who needs work and whose family may need food and clothing. These are not luxuries; they are the essentials.

Too many Americans are going to wake up New Year's morning to find out that their unemployment insurance has run dry. In the past 2 years, we've seen some 3 million jobs disappear.

Mr. Speaker, we had an opportunity to extend the reauthorization of the TEUC program and we failed to do it.

I joined the efforts to extend those benefits so that working families still looking for jobs can enter the New Year with some peace of mind. The leadership in this House, however, saw it differently and blocked our efforts to extend help to out-of-work Americans. They reportedly said the economy's doing so much better that unemployed workers don't need any extra help. Sadly, this failure not only hurts families but also the economy. Worse yet, it comes just a few weeks after these same leaders approved a $12 billion handout to insurance companies.

That's not all. Even those who are fortunate to have jobs have come under attack by the leadership of this House. On March 31, 2003, the Bush administration proposed changes to the overtime pay rules that require additional pay for workers who put in more than 40 hours per week. These changes will impact up to 8 million employees who could find themselves working longer without any additional pay.

Once again, Mr. Speaker, we had an opportunity to include provisions in this massive appropriations package to ensure that the rights of over 8 million workers to receive overtime for their hard work were protected, and we failed.

The new rules will impact workers who make between $22,101 and $65,000 per year. These middle class workers, from journalists to medical technicians, often rely on the extra money they get from overtime and appreciate there being some limit on the time they are expected to work.

Congress voted to stop this change in labor policy, though the vote was particularly close. Despite this action from Congress, the Bush administration has continued to push for the changes. The President even issued a veto threat against this massive appropriations bill if it included any attempt to maintain the overtime protections for these workers and their families.

As we enter the holiday season, it's sad that there's so little compassion for Americans struggling to find jobs and make ends meet. Clearly, the battle for America's working families is not over.

THE PHILADELPHIA CONFERENCE ENTITLED "PARTNERSHIP FOR PROSPERITY AND SECURITY"

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 15, 2003

Mr. WELDON of Pennsylvania. Mr. Speaker, converting Cold War military technology to serve peaceful purposes was the subject of a conference which took place last month in my State of Pennsylvania. Taking place in Philadelphia, the conference was entitled "Partnership for Prosperity & Security" and was hosted by U.S. Secretary of Energy Spencer Abraham and his Russian counterpart, Minister Alexander Rumyantsev. As the op-ed below by Kempton Jenkins describes, it was a showcase of new technology products in fields ranging from energy, nanotechnology and healthcare to detection technologies for counter-terrorism. It was an important demonstration of the power of cooperation between our two countries and I recommend the article to my colleagues.

[From American/Russian Business Today, Dec. 2003]

"GUNS TO PLOWSHARES" AND NUCLEAR NONPROLIFERATION: THE U.S.-RUSSIAN PARTNERSHIP

(By Kempton Jenkins)

While developments in Iraq dominate headlines and newscasts, the threat to civilization itself of nuclear proliferation is both real and urgent. Diplomatic collaboration between Moscow and Washington in dealing with North Korea and Iran is central to containing this threat. In the long-run, cooperation between the United States and Russia in harnessing our huge Cold War stockpiles (and the brain power which produced them) is the only way to remove this threat to both of us and the rest of the world.

Last month in Philadelphia U.S. Secretary of Energy Spencer Abraham and his Russian counterpart, Minister Alexander Rumyantsev, chaired a conference entitled "Partnership for Prosperity & Security." It was dedicated to accelerating cooperation between Russia and the U.S. on proliferation policy and promoting the continued conversion of military-industrial capacity to serve peaceful purposes. Dramatic progress, largely unnoticed publicly, has already been accomplished. At the conference, Secretary Abraham and Minister Rumyantsev announced important new initiatives.

The Philadelphia conference drew attention to a number of health-related products that are byproducts of the bilateral effort to convert military technologies to civilian uses. The event was a showcase of new technologies from Russia, Ukraine, and Kazakhstan to potential U.S. industry partners and financiers. The conference's exhibition hall displayed 100 high-technology products ready for commercialization in fields ranging from energy (coal, oil, gas, nuclear and fuel cell) and radio pharmaceuticals to aerospace, nanotechnology and detection technologies for counter-terrorism.

The U.S. Department of Energy, in collaboration with U.S. Industry Coalition, has already helped form more than 100 commercial partnerships between U.S. companies and Russian, Ukrainian, and Kazakhstan institutes and private companies to bring new (and heretofore inaccessible technologies) to the global market. In 1991, a small New Mexico engineering company recognized the commercial potential in a Russian radar technology and embarked on a successful partnership to develop applications in energy and land mine detection. With a team of more than 100 weapons scientists and engineers in the Russian city of Nizhny Novgorod, Stolar Horizon has developed "Horizon Sensor" radar mapping, a technique allowing cleaner, more efficient access to coal, methane gas and oil. The same technology is being developed for humanitarian purposes by Stolar Horizon and SPEKTR Conversia in the closed nuclear city of Snezhinsk. The "EDIT" detector is able to locate both metal and plastic land mines—an urgently needed tool in the global effort to find and disable tens of thousands of land mines.

Persons confined to wheelchairs due to disease or accidents are susceptible to pressure ulcers—painful, sometimes-deadly infections caused by lack of circulation and motion. Health care costs associated with treatment are estimated at $8 billion in the U.S. alone. Numotech, a small California medical devices firm with an FDA-approved automated wheelchair seat cushion proven to prevent these sores, was facing significant engineering production problems when the company was introduced to the Russian SPEKTR Conversia in 1999. Today the resulting U.S.-Russian partnership is planning the launch next year of the "Generic Total Contact Seat," with components engineered and manufactured in Russia.

Needle-free injections are performed for mass inoculations and immunizations, but they also pose the risk of spreading disease. With decades of experience in needle-less technology, scientists at the medical research group of the Voronezh missile plant in Russia developed a disposable cap with an impermeable membrane. Their paper about this development caught the attention of Felton International, an animal injection company in Lenexa, Kansas, which is now in partnership with CADB MedEquipment to manufacture the "Pulse 2000" injector for animal use and human clinical trials in the U.S.

Just as the expanding U.S.-Russian partnership is replacing military-industrial confrontation with peaceful product development, there is reason for optimism that Russo-American collaboration can also prevail over the threat of nuclear conflagration in the future.

PERSONAL EXPLANATION

HON. JOE BACA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 15, 2003

Mr. BACA. Mr. Speaker, on rollcall No. 677, for personal reasons, due to my illness, I was unable to be in the Chamber when the time elapsed on the vote.

Had I been able to vote, I would have voted "no" on the motion that House Resolution 474 be laid on the table.

HONORING CONGRESSMAN JOE SKEEN

SPEECH OF

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 8, 2003

Ms. PELOSI. Mr. Speaker, it is with great sadness that I rise to pay tribute to former Congressman Skeen of New Mexico, who passed away this week after a long battle with Parkinson's disease. Joe was a good friend and a dedicated public servant, and we will miss him terribly.

Joe Skeen was a gentleman in the finest sense of the word. He treated everyone with respect and offered his friendship to all. The entire Congress would agree that Joe's character was of the highest quality. He had a wonderful sense of humor.

Joe was a man of his district. Born and raised in New Mexico, he understood and worked for rural America. A sheep and cattle rancher, he understood the needs of his district—including schools, utilities, health care, and the many other particular requirements of a rural area—and he always fought to meet those needs. His attention to his district is just part of why his constituents made him the longest-serving Member of the House of Representatives from New Mexico.

It was my good fortune to serve with Joe on the Appropriations Committee, where he served as the Chairman of the Subcommittee on Interior. It was on the Appropriations Committee that I learned how special he was. Throughout the often difficult process of writing and passing Appropriations bills, Joe was always known for his fairness and civility. He listened to his colleagues and tried to respond to their needs.

Since his retirement last year, we have missed Joe in the Congress. He always put his country ahead of party and desired accomplishments for the American people most of all. He cared about the House of Representatives as an institution and about bipartisanship as a noble part of our work here. He elevated the character of the House of Representatives, and we are so grateful for his service here.

Our thoughts and prayers are with his wife, Mary, and their two children, Elisa and Mikell. I hope it is a comfort to them that so many people share their loss and are praying for them at this sad time.

RECOGNIZING THE POTLATCH CORPORATION

HON. C.L. "BUTCH" OTTER

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, December 15, 2003

Mr. OTTER. Mr. Speaker, I rise today in recognition to the Potlatch Corporation. The Potlatch Corporation, one of the nation's oldest forest products companies, is currently celebrating its centennial year.

Founded in 1903 as Potlatch Lumber Co., the company built its first sawmill in 1906 at a location in North Idaho where Native American celebrations of gift giving and goodwill known as "potlatches" had been held. Today, the Potlatch Corporation is an integrated forest products company with 1.5 million acres of timberland in Idaho, Minnesota and Arkansas, and a hybrid poplar plantation in Oregon. The company's 14 manufacturing operations in Idaho, Minnesota, Arkansas, and Nevada produce lumber, plywood, oriented stand board, particleboard, bleached pulp, paperboard and private label consumer tissue products.

The Potlatch Corporation has earned a national reputation for progressive land management practices and innovative products that efficiently utilize wood resources. Potlatch continues its strong tradition of efficient wood fiber utilization, while supplying customers around the world with quality products and service.

Although recent years have brought many challenges to the domestic wood and paper industry, Potlatch remains competitive in the global market. From its roots in North Idaho, Potlatch has blossomed into an industry leader, and it continues to be a strong contributor to the economy of North Idaho. I wish to congratulate the Potlatch Corporation on a hundred years of success, and I look forward to its continued growth and vitality.

IRAQ RECONSTRUCTION COSTS

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 15, 2003

Mr. WAXMAN. Mr. Speaker, I am inserting into the CONGRESSIONAL RECORD a copy of a letter we sent to National Security Advisor Condoleezza Rice on October 29, 2003, regarding these issues. I am also inserting recent data form the U.S. Army Corps of Engineers on November 17, 2003, providing a breakdown of Halliburton's charge of $2.64 per gallon. This data shows that Halliburton is charging the U.S. taxpayer $1.17 per gallon for fuel and $1.21 per gallon for transport, as well as $0.02 per gallon for "other" charges, and $0.24 per gallon in "markups" that go directly to Halliburton.

HOUSE OF REPRESENTATIVES,
Washington, DC, October 29, 2003.

Hon. CONDOLEEZZA RICE,
Assistant to the President for National Security Affairs, The White House, Washington, DC.

DEAR MS. RICE: We have learned that the U.S. government is paying enormous sums for gasoline imported into Iraq from Kuwait. We are writing to learn why this is happening and what can be done to stop this waste of taxpayer dollars.

Here are the facts:

1. As of October 19, 2003, Halliburton has imported 61,304,091 gallons of gasoline from Kuwait into Iraq. Halliburton has been paid $162,503,305 for this gasoline, for an average price of $2.65 per gallon.

2. The $2.65 per gallon price is grossly excessive. Experts we consulted stated that the total price for buying and transporting gasoline into Iraq should be less than $1.00 per gallon. They estimated the price to buy gasoline in the region at 71 cents per gallon, and they estimated transportation costs at less than 25 cents per gallon, for a total per-gallon price of about 96 cents.

3. The Iraqi oil company, SOMO, is currently paying 97 cents per gallon to import gasoline from Kuwait to Iraq. Even Halliburton has charged only $1.22 per gallon to import gasoline from Turkey into Iraq.

4. The gasoline imported from Kuwait is sold inside Iraq for just 4 to 15 cents per gallon. Although Iraq has the second richest oil reserves in the world, the U.S. government is subsidizing over 95% of the cost of gasoline consumed by Iraqis.

We have heard different possible explanation for the exorbitant cost of the gasoline. One is that Halliburton is paying inflated prices in order to receive favorable consideration for other projects. Another is that the Bush Administration is responsible and, in effect, is using Halliburton as a vehicle for moving funds.

We do not know if either of these explanation is accurate. But we do know that U.S. taxpayers are not getting their money's worth. The U.S. government is paying nearly three times more for gasoline from Kuwait than it should, and then it is reselling this gasoline at a huge loss inside Iraq. Whether this is due to incompetence, malfeasance, or some other reason, the waste of taxpayer dollars must be stopped.

We cannot understand the refusal by the Administration to respond to our previous requests for information. We have written the White House twice to express our concerns about how taxpayer dollars are being spent in Iraq. But the White House has refused to address the matter. The signal that this sends is that the Administration either has no explanation or does not care about squandering taxpayer dollars.

Three weeks ago, you were given responsibilities for coordinating Iraqi reconstruction efforts. We are therefore writing to you to seek answers to the following basic questions:

What is the justification for paying $2.65 per gallon to import gasoline from Kuwait into Iraq?

What is the jurisdiction for selling this gasoline for only 4 to 15 cents per gallon inside Iraq?

Halliburton issued a subcontract to import gasoline from Kuwait into Iraq that was awarded without any competition. Who received the subcontract and why was the subcontract awarded without competition?

Who within the U.S. government and the Coalition Provisional Authority reviewed and approved the subcontract to purchase and transport the gasoline from Kuwait into Iraq?

Did any official within the U.S. government or the Coalition Provisional Authority direct Halliburton to use a specific subcontractor to purchase and transport gasoline from Kuwait into Iraq?

As you know, the Administration has requested $900 million for fuel imports in the latest emergency supplemental request. In light of this pending request, we ask that you respond to these questions immediately.

Sincerely,

HENRY A. WAXMAN,
Ranking Minority Member, Committee on Government Reform.
JOHN D. DINGELL,
Ranking Minority Member, Committee on Energy and Commerce.

THE COST OF GASOLINE

	Price per gal.
From Turkey:	
Fuel	$.89
Transport	.22
Other	.02
Markups	.11
	1.24
From Kuwait:	
Fuel	$1.17
Transport	1.21
Other	.02
Markups	.24
	2.64

Source: U.S. Army Corps of Engineers (November 17, 2003).

H.R. 3490—GPO "BUY OUT" BILL

HON. JOHN B. LARSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, December 15, 2003

Mr. LARSON of Connecticut. Mr. Speaker, I would like to bring to the House's attention H.R. 3490, a bill introduced by the distinguished chairman of the Joint Committee on Printing and the House Administration Committee, the gentleman from Ohio (Mr. NEY), and me to repeal a requirement that the Government Printing Office make certain payments to the Civil Service Retirement and Disability Fund in connection with voluntary separation incentive programs, or "buy-outs."

In a buy-out, an agency seeking to trim its workforce offers employees cash incentives to leave the rolls voluntarily, saving the agency and the taxpayers money. In 1998, Congress authorized buy-outs at GPO for 3 years, later extended through fiscal 2004. The new Public Printer, Bruce James, has used this authority for the first time this year. To defray the GPO program's cost, Congress provided $10 million in the fiscal 2004 Legislative Branch Appropriations Act.

Similar to buy-out provisions applicable throughout the executive branch at the time, the GPO-specific buy-out legislation requires the agency to pay 15 percent of the value of the salaries of those participating in the buy-out to the Office of Personnel Management, to be credited to the civil-service retirement fund. The 15 percent requirement necessarily raised the cost of buy-outs to agencies and discouraged their use. Last year, in the act establishing the Department of Homeland Security, Congress repealed the 15 percent requirement for the entire executive branch, leaving the Government Printing Office unaffected. A similar requirement on the General Accounting Office will expire next month.

Mr. Chairman, the Public Printer asked the Committee on House Administration for the provision that became H.R. 3490, and I believe the House should enact it. I know of no reason that, having repealed the 15 percent requirement for the executive branch, Congress should not repeal it for GPO as well. The Public Printer expects to save $21 million annually from buying-out 312 employees under the law as it now stands, a sizeable sum. By relieving GPO of the 15 percent requirement, the Public Printer could offer approximately 100 additional buy-outs, saving up to $7 million more, for a total of $28 million a year.

I want to thank the Public Printer, Bruce James, for bringing this matter to the committee's attention so promptly and thereby providing us the opportunity to realize these additional savings. It has been a pleasure to work with him and especially with his Director of Congressional Relations, Andy Sherman, to bring this proposal forward before the end of this session of the 108th Congress. While I am disappointed that we were unable to enact this bill before adjourning, I am hopeful we can do so shortly after the second session of the 108th Congress convenes.

THANKING NURSE MARGARET MARY McHUGH O'NEILL

HON. JOHN B. LARSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, December 15, 2003

Mr. LARSON of Connecticut. Mr. Speaker, as this session of Congress draws to a close, the entire congressional family in the House of Representatives must confront the impending retirement of one of our most beloved members, Nurse Margaret Mary McHugh O'Neill. While we are happy for Margaret as she draws to a close her career in Federal service, those of us who bid her farewell are doubtless more than a little worried about how we will make do without her.

Irish by heritage, a New Englander by birth, and a saint by temperament, Margaret has surely touched the lives of countless men and women all over the world as she has worked in her chosen profession, nursing. As the proud wife of an Army officer, Margaret accompanied her husband Michael, and later their beautiful daughter Kathleen, around the world, setting a shining example of the best that the nursing profession has to offer. During her peripatetic career, Margaret has left her mark on the Army, the Red Cross, and elsewhere. Most recently, for the last dozen years Margaret has looked after the health and welfare of Members and staff of the House as an Occupational Health Nurse, posted in the Attending Physician's Health Unit in the Longworth Building.

Upon my arrival in the House in 1999, I had no idea how fortunate I was to draw a room assignment in the Longworth Building. But I quickly realized how lucky I was, and remain to this day. Shortly after being sworn in, my Administrative Assistant took my wife Leslie and my sick daughter Laura down to Nurse O'Neill so that Laura could be treated. Later that first year, he also took me down to visit the nurse. I have to say that my wife and I, as well as our children, were charmed by Margaret's wit and soothing disposition. My family, the staff in both my personal and House Administration Committee offices, and I have sought Margaret's wise counsel, in far more than just medical matters, more than she can ever know, and I am sure we are not alone in this respect. Always there to minister to the physically sick and injured, as well as to salve an occasional bruised ego, or even merely to offer a cheery moment's respite from the many pressures of Capitol Hill, the effects to Margaret's toils on behalf of the rest of us over the years have been nothing less than miraculous. If you don't believe me, ask anybody who has ever visited her office. On most days, her office has more closely resembled a delicatessen, as the door opened and closed dozens of times an hour as her many patients sought her help and advice.

I dare say sometime ago Margaret really should have installed one of those "take-a-number" dispensers so her patients could know how far down the queue they were. Of course, I use the word "patients" in the technical sense; the more correct term would be "admirers," "confidants," or perhaps most simply, "friends." I am certain that in a long career of public service, Margaret has not grown rich in the material sense. But in the practical and spiritual sense, I am confident that Margaret is among the richest women on earth, blessed by the admiration, friendship, good wishes and prayers of the thousands of lucky persons whose good fortune it has been to have known and worked in her midst through the years.

While Margaret's congressional career may be drawing to a close much to our dismay, in truth, Margaret is merely expanding her horizons in search of others to serve professionally and spiritually. Margaret intends to continue her good works into her next career ministering to the needs of parishioners of St. Peter's on Capitol Hill, and studying theology. My staff and I find it comforting to know that Margaret will be nearby, where we can continue to seek her advice and counsel. Of course, being nearby, we hope and pray that she will visit us often, so we can continue and strengthen our friendship in the months and years ahead.

Mr. Speaker, all of us in the House family are privileged to know Nurse Margaret O'Neill. It has been a joy to work with Margaret, and all of us here in the House have been truly fortunate to benefit from her countless good works over these years. Please join me in thanking our dear friend Margaret for her tireless efforts in our behalf, and in wishing her, Michael and Kathleen the best as Margaret changes careers and duty stations yet again. May Margaret always look back fondly upon her days with the House, as we surely will.

TRIBUTE TO CHRISTIAN HENDRICKS

HON. JOHN B. LARSON

OF CONNECTICUT

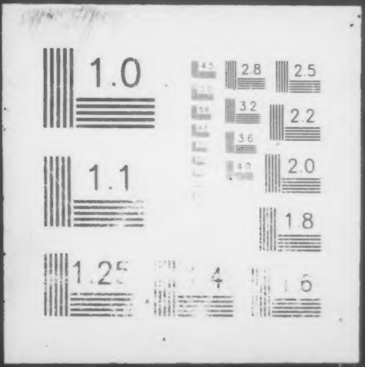
IN THE HOUSE OF REPRESENTATIVES

Monday, December 15, 2003

Mr. LARSON of Connecticut. Mr. Speaker, I rise today to recognize and congratulate Mr. Christian "Chris" Hendricks, Deputy Inspector General of the House of Representatives, for his outstanding service to the House for the past 6 years, and to the Federal Government for over 27 years. Chris will retire at the end of this year. During his distinguished career, Chris gained wide experience in the Defense Department and other civilian agencies, as well as the House, and amassed considerable skill as a certified public accountant, certified internal auditor, and certified information systems auditor, to name only a few of his impressive professional credentials.

Chris certainly made good use of his experience here in the House, and my staff and I have found his counsel invaluable as we strive to continuously improve the House's financial and administrative operations. I particularly appreciated his diligence in ensuring that the minority members of the House Administration Committee have been kept informed. Chris has provided important advice on a wide array of projects ranging from the security of our computer systems, to the deployment of emerging technology and the development of critical financial systems, improved services to Members, and the safety and security of House facilities. Not only did Chris share his knowledge and expertise here in the House, he shared it with others through his active involvement in auditing organizations and by teaching others seeking to achieve professional certifications of their own.

A consummate professional, Chris will be sorely missed by all of his colleagues, but he can take great satisfaction in the improvements made here in the House that resulted directly from his contributions. Once again, Mr. Speaker, I want to congratulate Chris on his career and thank him for his outstanding service to the House. Please join me in wishing Chris and his wife Nancy much happiness as they pursue new challenges in the years ahead.


1.0
1.1
1.25
1.4
1.6
1.8
2.0
2.2
2.5
2.8
3.2
3.6
4.0